

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 15 October 2007.

PRESENT: Mr P B Carter (Chairman), Mr N J D Chard, Mr M C Dance, Mr K A Ferrin, MBE, Mr G K Gibbens, Mr R W Gough, Mr A J King, MBE, Mr K G Lynes and Mr C T Wells

ALSO PRESENT: Mrs E M Tweed

IN ATTENDANCE: Mr P Gilroy (Chief Executive), Mr G Badman (Managing Director of Children, Families and Education), Ms A Honey (Managing Director Communities), Mr O Mills (Managing Director - Adult Social Services), Ms L McMullan (Director of Finance), Mr A Wilkinson (Managing Director - Environment and Regeneration) and Ms M Peachey (Kent Director Of Public Health)

UNRESTRICTED ITEMS

1. Minutes of the Meeting held on 17 September 2007
(Item. 1)

The Minutes of the meeting held on 17 September 2007 were agreed as a true record.

2. Revenue and Capital Budget Monitoring Exception Report including details of Management Action Plans
(Item. 3 - Report by Mr Nick Chard, Cabinet Member for Finance and Ms Lynda McMullan, Director of Finance)

(1) This exception report highlighted the main movements in the Budget since the report to Cabinet in September 2007. The report said there were significant revenue budget pressures that would need to be managed during the year if there is to be a balanced revenue position by year end. Directorates were working on management action plans in order to offset these pressures and further details were provided in Section 2 of the report. These actions would be closely monitored throughout the remainder of the year to determine progress towards a balanced outturn position for the authority (excluding Asylum).

(2) Mr Chard said that at present the main areas of concern were the budgets for Adult Social Care and Children's Social Care. Also the under spend on the Capital Budget was still increasing and a review was underway to see why the Council had not been able to take forward at this time as many capital projects as had been hoped.

(3) With regard to CSR07, Mr Chard said the early indications were that funding for local Government as a whole would be set at 1% above the current rate of inflation used by Government of 2.75%. However, the Retail Price Index was running at 4.1% so the Settlement would be below RPI. Further details of the

Settlement were awaited so it is not possible at this time to assess what impact it would have on the County Council's budget. Lynda McMullan said that Cabinet needed to be aware that some of the management actions identified in the report were one-off so some pressures would need to be built into base budgets. As to the Capital Programme, meetings were taking place to establish what are the causes of the slippage and what can be done to address this.

(4) Mr Lynes said that whilst the pressure on Adult Social Services budget was at this time increasing, work was being undertaken to ensure that through strong management action the budget would be brought back on target.

(5) Discussion concluded with Mr Carter saying that he was confident that the managements actions which were being taken would bring about a balanced budget.

(3) Cabinet:-

(a) noted the latest forecast, Revenue and Capital Budget monitoring position for 2007/08;

(b) noted that the Director of Finance and the Cabinet Member for Finance were satisfied with the financial arrangements for the Bridge Development, Dartford Project within the Operations, Resources and Skills (CFE) Portfolio and had given approval to spend and authority to negotiate and enter into such agreements that were necessary to give effect to the scheme to the Director, Resources (CFE) and Head of Corporate Property, as recommended in the 16 July 2007 report to Cabinet on this project.

3. Towards 2010 - First Annual Report

(Item. 4 - Report by Mr Paul Carter, Leader of the Council and Mr Peter Gilroy, Chief Executive)

(1) In September 2006, the County Council set itself 63 challenging and ambitious targets in the Towards 2010 plans for Kent. This report attached the current draft of the first 2010 Annual Report for comment and consideration by Cabinet prior to its submission to the County Council for approval.

(2) Mr Carter said the first annual report would be considered at forthcoming meetings of the Policy Overview Committees and when the matter was reported to the County Council, targets would be included showing where the Council wanted to be in 2010.

4. Asylum in Kent

(Item. 5 - Report by Mr Alex King, Cabinet Member for Policy and Performance, Mr Chris Wells, Cabinet Member for Children, Families and Educational Standards, Dr Tony Robinson, Lead Member for CFE and Mr Peter Gilroy, Chief Executive)

(1) This report briefed Cabinet Members on the current situation regarding Kent County Council's responsibility to unaccompanied asylum seeking children. Mr Gilroy spoke about the continuing pressures placed on the County Council's

services and said that both health and education provision continued to be a challenge. However, despite the pressures, the County Council was proud of what it had and was doing to support these young people. Mr Gilroy said there had been two significant changes in the asylum field during 2007. Firstly, was the creation of The Border and Immigration Agency, previously a Department of the Home Office which became an executive agency of the Home Office in April of this year. Secondly, the introduction of the New Asylum Model under which new departments and systems of organising BIA staff into regional units had been established, with the welcome aim of closer working with local authorities and regional consortia. What was of paramount importance for the County Council was to continue the ongoing discussions with the Government in order to establish the mechanisms by which the County Council would be reimbursed the costs it had incurred on asylum so far, together with its ongoing costs. Currently, the County Council was seeking from Government the reimbursement of costs incurred in 2007/08 of some £3.6m. Added to that was a claim for a £3.8m shortfall from previous years. Mr Chard said that the total shortfall of £7.4m was equivalent to 1.5% on council tax and KCC should not have to finance a service which it was carrying out on behalf of the Government.

(2) Mr Carter said that the County Council would be joining other local authorities, who like KCC, were also seeking from Government payment of unmet asylum costs. With these other authorities, KCC would be entering into a joint campaign seeking full resolution of this matter and the repayment of all costs. Assurances would also be sought from Government on the development of a formula for future payments to make sure that council tax payers were not burdened by these costs in the future.

(3) Cabinet noted and supported the contents of the report and agreed to intensify its support in pressing Government for full reimbursement of all costs incurred in supporting unaccompanied minors. Cabinet also noted that there would be a report on migration to a future meeting.

5. Annual Public Health Report for Kent

(Item. 6 - Report by Mr Graham Gibbens, Cabinet Member for Public Health and Meradin Peachey, Director of Public Health)

(Dr Declan O'Neil was present for this item)

(1) In introducing this report, Mr Gibbens said that Kent County Council had demonstrated its commitment to public health, through the appointment to Cabinet of a Lead for Public Health and then the adoption by the County Council of the Kent Strategy for Public Health. Mr Gibbens said the Public Health Report for Kent was about how we performance manage and how the issues related to public health in the county were taken forward in the future. Whilst the Executive summary of the report highlighted the key areas covered by the report, Mr Gibbens highlighted in particular those related to inequalities; obesity and sexual health. Dr O'Neil said that this was the first report of its kind in Kent since the 1970's and provided a baseline from which a range of activity and initiatives could now be developed. By having a Kent-wide Public Health Department, it was possible to draw together a wide range of information and be more innovative on public health issues. Through this work, it would now be possible to identify those areas of activity on which to

focus and to develop strategies for the future, although it had to be recognised that some of these issues could only be addressed in the longer term.

(2) During discussion, Mr Lynes said that he welcomed this report and the work being undertaken on defining those demographics which most affected the allocation and use of resources. Mr Ferrin spoke about the importance of raising awareness of the issues set out in the report, but said what was of most importance was to focus on actions and outcomes. In congratulating those involved in the preparation of the report, Mr Carter said it was important for the PSHE Advisory Group to commence its work as soon as possible. Mr Carter also placed on record the congratulations of Cabinet to Meradin Peachey and her team on the excellent outcomes from the Peer Review undertaken by IDEA.

(3) Cabinet noted and supported the contents of the report.

6. Cabinet Scrutiny and Policy Overview

(Item. 7 - Report by Mr Peter Gilroy, Chief Executive)

This report provided a summary of the outcomes and progress on matters arising from the meeting of the Cabinet Scrutiny Committee held on 26 September 2007. The report also set out the work programme for Select Committee Topic Reviews as agreed by the Policy Overview Co-ordinating Committee and provided an update on the current status of each Topic Review.

7. Clostridium Difficile Outbreaks at Maidstone & Tunbridge Wells- NHS Hospitals Trust - report by the Healthcare Commission

(Item. 8 - Report by Mr Paul Carter, Leader of the County Council)

(Mr Steve Phoenix, Chief Executive of the West Kent Primary Care Trust, Mr Glen Douglas, Interim Chief Executive Officer of the Maidstone and Tunbridge Wells Hospital Trust, Mr Greg Clark, MP, Dr Bruce Pollington, Mr Derek Smyth and Mr Geoff Rowe were present for this item)

(1) Mr Carter declared consideration of this item to be urgent so that Cabinet could consider the findings of the report published on 11 October 2007 by the Healthcare Commission into outbreaks of C.Difficile at hospitals managed by the Maidstone and Tunbridge Wells NHS Hospitals Trust. It was also important to consider and agree how the County Council could at this time play a lead role in providing support and assistance to its NHS colleagues.

(2) Mr Carter said whilst all were appalled by the findings of the Healthcare Commission, now was the time to see what needed to be done in order to take matters forward and restore public confidence. Meetings had already taken place with representatives of the Trust and the County Council had offered a package of help and support. This included making available, high quality managers from KCC to work with the Trust in a similar way the County Council had successfully supported Swindon Council. The County Council had also offered to work with the Trust to strengthen the non-executive membership of its Board; establish a local Health Watch and provide other resources including, if, necessary, a loan of up to £5m over a three year cycle. Mr Carter said this package reflected the leadership role of the County Council and its commitment to work with its health colleagues and other partners in order to restore public confidence.

(3) Mr Phoenix said he welcomed the County Council's support in looking to find a constructive way forward. Those in the Trust would over the coming months, have to work hard to restore people's confidence and this partnership approach was seen as being an important part of that process. The Healthcare Commission report was a watershed and had to be used as an opportunity to move forward. There had to be changes, and these had to include cultural changes. Mr Douglas said he believed in partnership working and there had to be a focus on customer service, lessons in which the Trust could learn from KCC. He would be undertaking a management review and had already called in an expert to give an initial assessment as to the hygienic state of the 3 hospitals. The expert had reported that whilst there were things which still needed to be done improvements had been made and he had confidence in the hospitals. Mr Douglas said also that in these circumstances, resources should never have been an issue and as part of the management review, there would be a focus on ensuring that there are the right people in top positions. In addition an action plan to address the issues raised in the Healthcare Commission report was being produced and this would be reviewed by the Commission itself.

(4) Mr Greg Clark, MP said that the confidence of the people served by this Trust had been knocked and whilst it was good news to hear that levels of infections had been improved, there had to be a zero tolerance approach towards this issue. Lessons still needed to be learnt and he said that the Trust needed to have a full time Chief Executive appointed as soon as possible. Mr Clark also said that there was an issue of accountability which needed to be addressed and he also spoke in support of a new hospital being built at Pembury as soon as possible. The PFI was in a critical period and everyone had to do all they could to ensure that the report by the Healthcare Commission did not affect that being taken forward. Mr Clark concluded by saying that he would be meeting the Secretary of State in the near future and would be raising these matters with him. Mr Phoenix said that the case for the new hospital at Pembury was a good one although the challenge was to demonstrate value for money and getting the balance of services right. Mr Phoenix also said that the interim Chief Executive was working for the Trust full time.

(5) Mr Gilroy spoke about the work the County Council was undertaking with the Trust and its interim Chief Executive in order to identify areas in which the County Council had knowledge and experience which would be of mutual benefit. He said it was important at this time for services to work together in order to give the public reassurance and confidence. Mr Ferrin said he was worried that some people would be so concerned that they may postpone or cancel their treatment. Therefore restoring confidence in the Trust was paramount. Mr Douglas said he accepted that at the moment some people may not have the confidence to be treated at the three hospitals, but as had already been said, everyone was doing all they could and considerable improvements had already been made to make sure they were safe. Mr Lynes said Members had a duty to the people who elected them and as such needed to see at first hand what was being done to address the issues raised by the Healthcare Commission. Mr Gibbens said local people needed to be more involved and better informed about the work of their local Trust and Mr King spoke about the importance of partnership working and the need to support the PFI for the new hospital at Pembury. Dr Pollington said there was a very wide range of issues which went to make up the Healthcare agenda, and the way to provide greater public services was to take this work forward in the spirit of co-operation and partnership.

(6) Mr Smyth said shared the concerns which had been expressed but he had reservations about establishing a Health Watch. He believed the way to raise public confidence was through the Links Network for Health and Social Care which would be coming into operation from April 2008 under proposals set out in the Local Government and Public Involvement in Health Bill. Mr Rowe said he felt it was important to move forward with what was available now. There needed to be a flexible approach in how the issues raised in the Healthcare report were dealt with and therefore people needed to be given an opportunity to be involved in those issues as soon as possible. He therefore saw no objection to the establishment of a Health Watch.

(7) In concluding the discussion, Mr Carter thanked the Health representatives and Mr Clark for attending the meeting. He said what was needed to help restore confidence was for the Healthcare Commission to give a commitment that it would visit the Trust again and undertake a further review to give endorsement to the actions the Trust was now taking. Mr Carter said assurance was also needed from the Secretary of State regarding the PFI hospital at Pembury. Mr Carter proposed and it was agreed, that for clarity some minor external changes be made to the recommendations set out in the report.

(8) Cabinet:-

- (i) agreed the Leader and Chief Executive be authorised to negotiate with NHS colleagues a package of measures through which the County Council can help provide public reassurance on long term improvements; and
- (ii) approved the setting up as soon as possible of a local 'Health Watch' which provides the public an independent route for registering concerns about their local health services.