

KENT COUNTY COUNCIL

CABINET SCRUTINY COMMITTEE

MINUTES of a meeting of the Cabinet Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 23 January 2008.

PRESENT: Dr M R Eddy (Chairman), Mr D Smyth (Vice-Chairman), Mr A R Bassam, Mr A H T Bowles, Mr J R Bullock, MBE, Ms S J Carey, Mr A R Chell, Mr B R Cope, Mrs T Dean, Mr C Hart, Mr G A Horne MBE, Mr P W A Lake, Mr C J Law, Mrs M Newell, Mr J E Scholes, Mr J D Simmonds (Substitute for Mrs P A V Stockell) and Mr R Truelove

IN ATTENDANCE: Mr J Wale, Assistant to the Chief Executive and Mr S C Ballard, Head of Democratic Services.

UNRESTRICTED ITEMS

42. Minutes - 12 December 2007
(Item A3)

(1) The Chairman tabled the reply he had received from the Minister to the letter about the future of the National Fruit Collections at Brogdale which he had sent in accordance with Minute 37(10)(b).

(2) RESOLVED that:-

- (a) the Minutes of the meeting held on 12 December 2007 are correctly recorded and that they be signed by the Chairman;
- (b) on Minute 33(1), the Leader's agreement (reported by Mr Law) to meet the Committee's Chairman and Spokesmen to discuss concerns that, at its meetings, Cabinet did not appear to be giving any consideration to Committee's recommendations, be welcomed;
- (c) on Minute 37(d) and (e), the Informal Member Group on Member Information be asked to look particularly at the quality of information being provided to local Members about all KCC proposals or decisions affecting (indirectly, as well as directly) their Division.

43. Informal Member Group on Community Safety Unit Business Plan - 4 December 2007
(Item A4)

RESOLVED that:-

- (a) the proposal in Note 1 (24)(c) be agreed and the Cabinet Member for Community Services be recommended that KCC representation on the District CDRPs should be reviewed to ensure fuller participation from the CFE Directorate, participation from the Kent Adult Social Services Directorate and in general, representation of the right Directorates at the right level of seniority;

- (b) the remaining notes of the Informal Member Group on the Community Safety Unit Business Plan held on 4 December 2007 be noted.

44. Informal Member Group on Budgetary Issues - 10 January 2008
(Item A5)

RESOLVED that the notes of the Informal Member Group on Budgetary Issues held on 10 January 2008 be noted.

45. Cabinet Scrutiny Committee - Standing Report to January 2008
(Item A6)

RESOLVED that the report on the actions taken as a result of the Committee's decisions at previous meetings, the responses of Cabinet to those decisions, and the updated report on progress with Select Committee Topic Reviews, be noted.

46. Audit Commission Inspection of the Kent Supporting People Programme
(Item C1)

(1) Mr K G Lynes, Cabinet Member for Adult Social Services; Mr O Mills, Managing Director; Miss C Highwood, Director, Resources; and Ms C Martin, Head of Supporting People Unit, Kent Adult Social Services Directorate, attended the meeting for this item.

(2) Mr Lynes and Mr Mills explained that Supporting People was a central Government programme which was administered by the County Council through a partnership comprising the County Council, the Kent District Councils, Health and Probation. In accordance with the rules laid down by Government, governance was through the Supporting People Commissioning Body (SPCB) which, as the name implied, was responsible for **commissioning** services against a specification defined by Government. Mr Lynes was the current KCC Member representative on the SPCB. He had been elected Chairman of the SPCB but there was no rule that said that the SPCB had to be chaired by the KCC representative. Officer support was through the Core Strategy Development Group (CSDG).

(3) Members' questions covered the following issues:-

Response to Audit Commission Recommendations

(4) In answer to a question from Dr Eddy, Mr Mills emphasised that the Audit Commission's overall finding had been that the Kent Supporting People Programme was "good with promising prospects for improvement". The CSDG had met recently to consider the Audit Commission's recommendations and was preparing a response for Mr Lynes, as Chairman of the SPCB, to sign off by 29 January under powers delegated to him by the SPCB. The response would be reported to the SPCB and to the Adult Social Services Policy Overview Committee (ASSPOC) at their next meetings.

Partnership Approach

(5) In answer to a question from Mr Chell, Mr Lynes said that the SPCB was a good example of two-tier partnership working. The SPCB had robust debates but aimed to reach decisions by consensus.

Involvement of Members

(6) In answer to questions from Mrs Newell and Mr Law, Mr Lynes said that the relevant Audit Commission recommendation was “continuing to involve the wider body of elected members” in the development of the Supporting People Programme and he felt that the key word was “continuing”. The wider body of Members was already involved but he accepted that this needed to be stepped up. Within KCC, the headlines of SPCB business would continue to be reported to Cabinet and ASSPOC. SPCB meetings were held in public and the papers for them were widely distributed within KCC. He had also briefed Members on specific SPCB issues at District briefings and ASSPOC meetings.

(7) Mr Mills said that, by its nature, the Supporting People Programme was complex and unique and he accepted the need to ensure that KCC Members had a good understanding of it. On this point, Miss Highwood said that the CSDG at its recent meeting had recognised that one of the barriers to Members’ understanding of the Supporting People Programme was the jargon involved, and so it had decided that:-

- (a) future SPCB papers would include a glossary of terms; and
- (b) an Induction Pack would be produced for new Members of the SPCB and new staff involved with the Supporting People Programme.

(8) In response to a suggestion from Dr Eddy, Mr Lynes said that he would be happy to circulate the planned Induction Pack to all KCC Members and to arrange briefings for them. In return, he hoped that, when Members were out and about in their electoral divisions, they would be able to identify Supporting People issues and feed them back to the Supporting People unit.

(9) In response to a suggestion from Mr Horne, Mr Lynes said that he would consider whether Local Boards could be used as a vehicle for getting information to Members about the Supporting People Programme or for carrying out specific consultations.

Supporting People Funding

(10) In answer to a question from Mr Lake, Mr Mills said that there had been frustrations in the past when Government funding for Supporting People, and the conditions relating to that funding, had varied from year to year. However, the introduction of a three-year funding announcement had given much greater stability. Mr Lynes said that his concern for the future was that Supporting People funding was to be part of the area-based grant from April 2009. As such, it would no longer be ring-fenced and priorities would be determined not just by the SPCB.

Service-User Choice and Monitoring of Service-Providers

(11) In answer to questions from Mr Smyth, Mr Lynes said that providers of the Floating Support service had all gone through a rigorous selection process and their subsequent performance was fully monitored.

(12) Ms Martin explained that Floating Support service-users were given a choice of service-provider wherever possible. If a user was not happy with their service-provider or their support worker, then the Supporting People unit would try to provide another. Service provision was subject to rules laid down by the

Government. These required service-providers to submit quarterly workbooks. There was also an outcomes regime and a client record process run by the University of St Andrews. In addition, officers of the Supporting People unit visited schemes in order to monitor them.

(13) Mr Mills said that performance data was already reported to the SPCB but, in the light of the Audit Commission's recommendations, the CSDG was looking at ways in which monitoring could be strengthened.

Facilitation of Service-User Comments and Complaints

(14) In answer to a question from Mrs Dean, Ms Martin said that all service-providers were required to have a complaints procedure and service-users could complain either to their provider or direct to the Supporting People unit.

(15) Mr Lynes said that the need to enable service-users to complain or comment independently of their service-provider or support worker was recognised. User groups were being established. The Supporting People unit employed two ex-service-users who visited current service-users to discuss the standards of service they received. "Mystery shopping" was being considered. Focus groups were used to discuss specific topics (eg, alarms) with service-users and a service-user conference had recently been held at Kings Hill.

Consultation on Older Persons' Review

(16) In answer to a question from Mrs Dean, Mr Lynes said that he accepted that there had been problems with the consultation on the Older Persons' review, and he gave an assurance that lessons had been learned. However, he felt that it had been right to carry out the review because it was a condition of Supporting People funding that systematic reviews should be carried out on every part of the service from time to time to ensure that the funding was spent in the most effective and efficient way.

(17) Unfortunately, as soon as the Older Persons' review was announced, a number of providers of sheltered accommodation rushed to consult their residents, without informing or involving the Supporting People unit. As a result, many residents of sheltered accommodation – elderly and vulnerable people – were unnecessarily scared by being given a very unbalanced view of what the review was about, suggesting that 24/7 warden cover would be withdrawn. As soon as the Supporting People unit realised what was happening, they sent a leaflet to every resident of sheltered accommodation setting out the true purpose of the review and inviting their comments.

(18) The outcome of the consultation had been reported back to the SPCB meeting, attended by the Audit Commission inspectors and Mrs Dean, who also spoke on the Older Persons' Review. It was unfortunate that, whilst the decision to undertake the Older Persons' Review had been agreed unanimously by SPCB and CSDG members; once the review was underway, some of the partners seemed unwilling to accept their part in that decision. This had been noted at a recent meeting of the SPCB and it was hoped that the situation would not recur.

Conclusions

(19) RESOLVED that:-

- (a) Mr Lynes, Mr Mills, Miss Highwood and Ms Martin be thanked for attending the meeting to answer Members' questions.
- (b) the Managing Director, KASS, be asked to circulate to all Members of the Committee in due course the Action Plan to be prepared in response to the Audit Commission recommendations;
- (c) the Cabinet Member for Adult Social Services' offer to distribute the planned Supporting People Commissioning Body (SPCB) Member Induction Pack to all Members of KCC, and to arrange briefing meetings on the Supporting People Programme for KCC Members, be welcomed;
- (d) the Cabinet Member and Managing Director be requested to ensure that the planned SPCB Member Induction Pack included an explanation of the process by which service-users could give feedback or express concerns about the Supporting People services provided to them;
- (e) the proposals to do more to facilitate independent feedback from users of Supporting People services through 'mystery shopping', user groups, etc, be welcomed and the Managing Director be asked to inform Members of the Committee of the outcome.

47. The Case for Establishing a Credit Union for Kent *(Item C2)*

(1) Mr K A Ferrin MBE, Cabinet Member for Environment, Highways and Waste; Mr R W Gough, Cabinet Member for Regeneration and Supporting Independence; Mr A Wilkinson, Managing Director; Mrs E Haswell, Economic Development Officer, Environment and Regeneration Directorate; and Mrs C Toher, Kent First, Chief Executive's Directorate, attended the meeting for this item.

(2) Mr Ferrin explained the background to the Credit Union proposals. Cabinet had felt that there was a real problem of financial exclusion for deprived people in Kent and that Credit Unions should be looked at as a way of tackling that problem. Mrs Toher had been commissioned to research the subject. She had found that there were a variety of different Credit Union models and she had looked in detail at four existing Credit Unions – Bristol, Portsmouth, Canterbury and Thanet. Her findings suggested that one of the most successful Credit Unions was the one at Portsmouth. Unlike many others, it had professional managers, operated from town centre premises, and offered a variety of financial products, not just low-interest loans. As such it appealed to a wide market, not just the financially excluded. It had proved successful and was now in the process of expanding across Hampshire. Mrs Toher also found that the existing Credit Unions in Canterbury and Thanet, both of which were run by volunteers, would welcome the establishment of a Kent-wide, professionally managed, Credit Union. As a result of Mrs Toher's findings, it had been decided to pursue the idea of a Credit Union, hence the report to Cabinet which was now before the Committee.

Financial Commitment by KCC

(3) In answer to questions from Mr Law and Mr Horne, Mr Gough clarified that the Feasibility Study was expected to cost approximately £20k. If the Feasibility Study suggested that further work on establishing a Credit Union should not be pursued, then that would be all that the Council would spend. However, if the Feasibility Study suggested that further work should be undertaken – and Mr Ferrin gave an assurance that this would be subject to a new Cabinet decision – then the other £80k mentioned in the Cabinet report would be required for the staffing and other expenses needed to complete a full business plan.

Risks to KCC

(4) In answer to questions from Mr Simmonds, Mr Bullock, Mr Chell and Mr Lake, Mr Gough accepted that there would be risks to KCC – both financial and reputational – in establishing a Credit Union. However, KCC had so far committed only £20k in order to carry out a Feasibility Study, one of the purposes of which was to identify and analyse the risks, so that these could be used to inform the decision on whether to proceed any further.

(5) Mr Gough added that, if it was decided to proceed with the establishment of a Credit Union, it was likely to be on the basis of a free-standing body, with funding from sources other than KCC, and which would start operation in a relatively small area and then expand gradually to cover the whole of Kent. Proceeding in this way would greatly minimise the risks to KCC.

(6) Mr Ferrin pointed out that, while there were risks, there were also great potential benefits – for individuals, for KCC, and for Kent society as a whole – from tackling financial exclusion through measures such as the establishment of a Credit Union. Financial exclusion, and the stresses it caused, was a significant source of family breakdown and was also a factor in criminal behaviour.

Services to be Provided by a Credit Union

(7) In answer to a question from Mr Bullock, Mr Gough said that, as well as low-interest loans, a Credit Union would be expected to provide cash-processing services (eg cheque cashing), and could also encourage the financially excluded to take up the Child Trust Funds provided by the Government, and then assist them to build up those Funds.

“Common Bond Area”

(8) In answer to a question from Mr Simmonds, Mrs Toher explained that the “common bond” was the factor that members of any Credit Union had in common. Thus the “common bond area” could be a geographical area or it could be the workforce of a particular employer, etc.

Other Sources of Assistance to the Financially Excluded

(9) In answer to a question from Mr Simmonds, Mrs Toher said that the Credit Union alone would not solve the problems of the financially excluded. There would be a need for other complementary services, such as the provision of financial advice by organisations like the CAB.

Other Sources of Information on Credit Unions

(10) In response to suggestions from Mr Bullock and Mr Scholes, Mr Gough said that he would arrange for the outcomes of the research into the possibility of establishing Credit Unions previously undertaken by Kent District Councils, Kent voluntary organisations, and academic institutions, to be obtained.

(11) In answer to a question from Mr Smyth, Mr Gough said that the Association of British Credit Unions (ABCUL) had been contacted and had provided information which had been included in the report to Cabinet. He confirmed that they were one of the bodies which would be invited to bid for the task of carrying out the Feasibility Study. Mr Gough added that discussions had also taken place with the Financial Services Authority (FSA), which was supportive.

Possible Partnership with District Councils

(12) In answer to a question from Mrs Newell, Mr Gough said that he was willing to explore the possibility of working in partnership with Kent District Councils, and with Medway Council, which already had its own Credit Union. Mrs Haswell said that she would be discussing the Credit Union proposal with District Council colleagues through the Kent Economic Development Officers' Forum.

Member Involvement

(13) In response to points made by Mr Scholes and Mr Smyth, Mr Gough offered to establish an all-party Informal Member Group to contribute to the Council's work on Credit Unions.

Conclusions

(14) RESOLVED that:-

- (a) Mr Ferrin, Mr Gough, Mr Wilkinson, Mrs Haswell and Mrs Toher be thanked for attending the meeting to answer Members' questions;
- (b) in the light of the assurance by the Cabinet Members for Environment, Highways & Waste, and Regeneration & Supporting Independence, that the feasibility study was expected to cost approximately £20k, and that the incurring of any further expenditure on pursuing the Credit Union proposal would be subject to a further formal decision by Cabinet, the decision by Cabinet on 14 January be supported;
- (c) the Cabinet Member for Regeneration & Supporting Independence's agreement to establish an all-party Informal Member Group (IMG) of Members with knowledge of and/or interest in Credit Unions to oversee the feasibility study be welcomed, and the Cabinet Member be urged to:-
 - (i) include also on the IMG, Members representing areas of high deprivation; and
 - (ii) establish the IMG as quickly as possible;
- (d) Cabinet be advised that, while the Committee was concerned at the potential risks of proceeding with the Credit Union proposal, it hoped that these risks could be mitigated by the carrying out of the feasibility study and the establishment of an all-party IMG to monitor that study.

48. John Wale

- (1) The Committee noted that this would be the last of its meetings to be attended by Mr John Wale, Assistant to the Chief Executive, prior to his retirement on 31 January.
- (2) RESOLVED that the Committee place on record its thanks to Mr Wale for his advice and support to the Committee since its establishment in 2001, and its best wishes for his retirement.