



AGENDA

CABINET SCRUTINY COMMITTEE

Wednesday, 27th June, 2007, at 10.00 am Ask for: Peter Sass
Darent Room, Sessions House, County Hall, Telephone 01622 694002
Maidstone

Refreshments will be available from 9.45 am. County Councillors who are not Members of the Committee but who wish to ask questions at the meeting are asked to notify the Chairman of their questions in advance.

UNRESTRICTED ITEMS

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

A. COMMITTEE BUSINESS

- A1 Substitutes
- A2 Minutes - 23 May 2007 (Pages 1 - 4)
- A3 Informal Member Group on Budgetary Issues - 14 June 2007 (Pages 5 - 8)
- A4 Cabinet Scrutiny Committee - Standing Report to June 2007 (Pages 9 - 14)

B. CABINET/CABINET MEMBER DECISIONS AT VARIANCE TO APPROVED BUDGET OR POLICY FRAMEWORK

No items.

C. CABINET DECISIONS

No Cabinet decisions have been proposed for call in but any Member of the Committee is entitled to propose discussion and/or postponement of any decision taken by the Cabinet at its last meeting.

(Members who wish to exercise their right under this item are asked to notify the Head of Democratic Services of the decision concerned in advance.)

D. CABINET MEMBER DECISIONS

- D1 Decision in Forward Plan - Children's Centres - Round Two - Next Six Sites (particularly Mongeham, Deal) (Decision 07/00990) (Pages 15 - 18)

Mr J D Simmonds, Cabinet Member for Education and School Improvement; Dr I Craig, Director of Operations; Mrs A Gamby, Head of Early Years/Childcare, Children, Families and Education Directorate, will attend the meeting at 10.05 am to answer Members' questions on this item.

E. OFFICER AND COUNCIL COMMITTEE DECISIONS

No Officer or Council Committee decisions have been proposed for call in but the Committee may resolve to consider any decision taken since its last meeting by an Officer or Council Committee exercising functions delegated to it by the Council.

(Members who wish to propose that the Committee should consider any Officer or Council Committee decision are asked to inform the Head of Democratic Services of the decision concerned in advance.)

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)

Peter Sass
Head of Democratic Services and Local Leadership
(01622) 694002

Tuesday, 19 June 2007

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

CABINET SCRUTINY COMMITTEE

MINUTES of a meeting of the Cabinet Scrutiny Committee held at Sessions House, County Hall, Maidstone on Wednesday, 23 May 2007.

PRESENT: Dr M R Eddy (Chairman), Mr D Smyth (Vice-Chairman), Mr A R Bassam, Mr C J Capon, Mr C Hart, Mr E E C Hotson, Mr P W A Lake, Mr C J Law, Mr T A Maddison (substitute for Mr R Truelove), Mrs M Newell, Mr M J Northey (substitute for Mr J B O Fullarton), Mr G Rowe (substitute for Mrs T Dean) and Mrs P A V Stockell.

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

UNRESTRICTED ITEMS

1. Membership

Members noted that Mr R Truelove had been appointed to serve on the Committee in place of Mr R J E Parker.

2. Minutes (Item A2)

(1) Mr Capon queried why Minute 73 (Kent TV) did not include his question asking the Chief Executive whether he had thought of seeking the views of KCC staff on his performance. The Head of Democratic Services explained that the Minutes were not a verbatim report and aimed only to summarise the main issues raised by Members on each item.

(2) RESOLVED that the Minutes of the meeting held on 25 April 2007 are correctly recorded and that they be signed by the Chairman.

3. Cabinet Scrutiny Committee – Standing Report to May 2007 (Item A3 – Report by Assistant to the Chief Executive)

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

4. Directorate Business Plans 2007/08 (Item A4)

RESOLVED that three separate Informal Member Groups (1/1/1 – Members to be nominated by the Group Spokesmen) be established to review the following Unit Business Plans for 2007/08 during the autumn and then report back to the Committee:-

1. Kent Highway Services (E&R)
2. Libraries and Archives (Comms)
3. Community Safety (Comms)

5. DfES Consultation on Schools, Early Years and 14-16 Funding
(Item C1)

- (1) Mr N J D Chard, Cabinet Member for Finance; Dr T R Robinson, Cabinet Member for Children and Families; Ms L McMullan, Director of Finance and Mr K Abbott, Director, Finance and Corporate Services, Children, Families and Education Directorate attended the meeting to brief the Committee on this matter.
- (2) Following presentations by Ms McMullan and Mr Abbott, Members discussed the issues raised with the Cabinet Members and officers. Mr Chard said that he would welcome suggestions from the Committee for points to be included in the County Council's response to the DfES.
- (3) RESOLVED that:-
 - a) Mr Chard, Dr Robinson, Ms McMullan and Mr Abbott be thanked for attending the meeting and briefing Members, with particular congratulations to Ms McMullan and Mr Abbott on the clarity of their presentations;
 - b) The Cabinet Members for Finance and Education & School Improvement be requested to include in KCC's response to the consultation paper, the points agreed by the Committee as set out in Appendix 1 to these Minutes; and
 - c) The Cabinet Member for Finance's agreement that KCC's response to the Consultation Paper should be circulated to all Members of the Committee be welcomed.

DfES Consultation on Schools, Early Years and 14-16 Funding

Points recommended by the Committee for inclusion in the KCC response to be sent to the DfES in respect of their consultation on Schools, Early Years and 14-16 Funding:-

1. General

1.1 The School Funding system must not be altered in isolation. The DfES should work with the Treasury and the DCLG to ensure that local authority funding is considered in the round.

2. Distribution of Dedicated Schools Grants (DSG)

2.1 Future DSG distribution should be on the basis of "Spend Plus" rather than a return to the old formula-based system.

2.2 The clawback of DSG after its distribution each year must be ended, so the move to an October count for school pupils is supported, as this would allow the final DSG figure to be known earlier. An October count for Early Years pupils should also be introduced as soon as possible.

2.3 More effective targeting of deprivation through the use of more accurate commercially-produced indicators, such as MOSAIC, is supported.

3. Schools Funding

3.1 To impose a 5% levy on school reserves would create a perverse incentive for schools to spend their reserves on non-essential items. In any case, the new balance control mechanism has not yet been given a proper chance to bed in. If there is to be a levy on school reserves then there must be a clear definition of how the resulting savings should be recycled back into schools funding.

3.2 The proposal for 3-year budgets for schools is supported.

4. Specialist Vocational Diplomas at 14-16

4.1 A specific grant for funding Specialised Vocational Diplomas at 14-16 is supported, but there are concerns that all or most of the additional funding thus provided could be clawed back by a requirement on schools to make 3% per annum efficiency savings.

5. Funding the Free Entitlement for Under 5's

5.1 Concerns should be expressed about the additional costs likely to arise from bringing the funding systems for the maintained and the PVI Early Years sectors into line.

5.2 In calculating DSG for Early Years pupils, the DfES should assume that all eligible children will take up a place. This would reflect Government policy on Early Years provision.

NOTES of a meeting of the Cabinet Scrutiny Committee's Informal Member Group on Budgetary Issues held on Thursday, 14 June 2007.

PRESENT: Mr D Smyth (Chairman), Mr C J Capon and Mrs T Dean.

OFFICERS: Mr A Wood, Head of Audit & Risk, Mrs C Head, Chief Accountant; Mr R Fitzgerald, Performance Monitoring Officer (for Item 2), and Mr S C Ballard, Head of Democratic Services.

1. Notes of Previous Meeting
(Item 1)

Noted.

2. Provisional BVPI 2006/07 Outturn Figures
(Item 2)

(1) Mr Fitzgerald explained that the figures had already been considered by the Policy Overview Co-ordinating Committee and the Governance and Audit Committee. A number of questions had been raised at the POCC and written responses were in course of preparation.

(2) One of POCC's main queries had been around the results on BV2(b) (Race Equality Scheme). To get a 100% score on this indicator it was necessary to comply fully with a checklist of 19 items. It had originally been anticipated that the KCC would be able to do this (hence the 100% target) but, in the event, it had not been possible to fully meet three of the items on the checklist, as follows:-

- (a) response of BME residents to Kent Residents Survey.
The response had been worse than expected and, as the survey was tri-annual, a new result could not be obtained for three years;
- (b) handling of complaints from BME complainants.
Problems with the complaints monitoring system meant that complaints from BME complainants could not be properly assessed;
- (c) statements about improving race equality in strategic plans.
There had been no specific mention of race equality targets in Towards 2010.

Mr Fitzgerald emphasised that, nevertheless, KCC's performance on this indicator was still in the upper quartile.

(3) Mr Fitzgerald said that because of the late deadline for Social Services data, there had been some gaps in the BVPI tables when they were reported to POCC. However, the tables were now complete, although all data were subject to audit.

3. Revenue and Capital Budget Outturn 2006/07 and Related Matters
(Item 3)

(1) Mr Wood gave a brief introduction to the report. He pointed out that:-

- (a) there had been a relatively significant movement in the Communities outturn since the last report but this was largely the result of the accounting treatment of preparatory works for capital projects when these did not, in the event, proceed;
- (b) of the Finance reduction, £1m was due to Financing items, and £0.5m arose from unspent Member Community Grants;
- (c) a Special Circumstance Bid had been made to Government to cover the shortfall on the Asylum budget;
- (d) there had been an increase in school reserves.

(2) Members' questions covered the following items.

Asylum (pages 2 and 5)

(3) Mrs Dean asked if, in future, the table could be expanded to show which years the outstanding costs related to. **(Action: CH)**

Waste Tonnage (page 25)

(4) The IMG noted that the Waste Tonnage had increased by 10% in March. Concerns were expressed that Allington was letting contracts to other authorities and that this could reduce the opportunities for Kent waste to be sent there. It was noted that there was a question to Council on 21 June on this subject and further consideration was deferred until the answer to that question was known.

Property Disposal (page 32)

(5) Mr Wood explained that the receipts related to properties acquired for the Leybourne/West Malling by-pass scheme under blight provisions, but which had now been sold. The proceeds would go back to the joint KCC/Rouse account.

Turner Centre (page 5)

(6) In answer to a question from Mr Smyth, Mr Ballard said that he understood that the "final settlement cost" related to the KCC's contract with Edmund Nuttall, the main contractor.

Looked After Children and Children in Foster Care (pages 15/16)

(7) In answer to a question from Mr Smyth, Mr Wood said that the additional funding provided through the 2007-10 MTFP process would at the time have been sufficient to achieve a balance in the Fostering and Adoption Budget. If this had subsequently changed since the budget was set, this would be reflected in the current year's monitoring reports.

Assisted Mainstream Transport to School (page 12)

(8) Mrs Dean asked why the 2006/07 numbers (particularly in the Autumn term) were so much lower than in 2005/06. Had numbers dropped generally or just in certain areas?
(Action: CH)

Allocation of Second Homes Monies to District Councils

(9) Mr Capon asked if District Councils were still required to ring-fence second home monies distributed to them by KCC. **(Action: CH)**

4. Draft Statements of Accounts 2006/07 *(Item 4)*

(1) Mrs Head explained that, to comply with new accounting rules, the format for this year's Statement of Accounts had changed significantly. The Statement was now much more similar to the accounts produced by private companies. In general, the new-style Statement made it easier to see KCC's overall financial position, but last year's Statement had had to be rewritten in the new format in order to allow meaningful comparisons to be made.

(2) Mr Wood informed Members that the Statement would be reported to the Governance and Audit Committee on 29 June 2007 for approval.

(3) The Group congratulated Finance staff on successfully producing the Statement of Accounts to such a tight timescale. Members' questions covered the following issues:-

Loss on the Disposal of Fixed Assets (page 14)

(10) In answer to a question from Mr Smyth, Mrs Head explained that this item was new and was quite different from depreciation of assets which were shown separately on page 15.

(11) New accounting rules required that when an asset was disposed of, it had to be revalued to the amount received for it as the best indication of market value. Last year the Magistrates Courts' estate had been transferred to the Courts Service at nil consideration, and some buildings at six schools included in PFI schemes had been demolished. Because all these assets had been disposed of for nil consideration, they had either to be revalued at nil, or shown as a loss on disposal. The Auditors had agreed with our suggestion that they should be shown as a loss on disposal.

Landfill Allowance Trading Scheme (LATS) (page 30) and LATS Reserve (page 42)

(12) The Group asked for a briefing note on LATS and how the scheme was expected to work **(Action: CH)**

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REPORT TO: CABINET SCRUTINY COMMITTEE 27 JUNE 2007
BY: ASSISTANT TO THE CHIEF EXECUTIVE

CABINET SCRUTINY AND POLICY OVERVIEW
Standing Report to June 2007

Summary

1. The report summarises in Table 1 outcomes of the most recent Cabinet Scrutiny Committee (CSC) meeting held on 23 May 2007. Cabinet Members and Chief Officers were provided with a copy of the action sheet and asked to respond as appropriate. The report includes any subsequent responses and actions by Cabinet Members and Senior Officers up to and including the meeting of Cabinet held on 18 June 2007.
2. Additionally, in Table 2 the report provides an updated report on the current programme for Select Committee Topic Review. This programme was originally agreed at Policy Overview Co-ordinating Committee on 15 February 2007 and reviewed at the subsequent meeting of that Committee held on 7 June 2007.

Recommendations

3. Members are asked to note:
 - (i) progress on actions and outcomes from the meeting of Cabinet Scrutiny Committee held on 23 May 2007 as set out in Table 1;
 - (ii) the current position on Select Committee Topic Reviews.
-

Contact Officer: **John Wale 01622 694006**

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 23 May 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
A2 Minutes of Cabinet Scrutiny Committee 25 April 2007.	The minutes were agreed. Mr Capon asked for his question on staff views regarding Kent TV to be minuted.
A3 Cabinet Scrutiny Committee: Standing Report to May 2007	The report was noted. Mr Wale and Mr Wickenden have agreed a way forward to provide Mr Parker/other spokespersons with information on Select Committee meeting dates and appointments.
C1 DfES Consultation on Schools, Early Years and 14-16 Funding	<p>Mr N Chard (Cabinet Member for Finance), Dr T R Robinson (Cabinet Member for Children and Family Services, on behalf of Mr J Simmonds) , Ms L McMullan (Managing Director, Finance), and Mr K Abbott (Finance Director, CFE) attended the meeting. Ms McMullan and Mr Abbott gave a comprehensive presentation on the recent DfES Consultation Paper and explained the complex issues which the Education Service would face over the coming 3-year period.</p> <p>Following questions and discussion the following actions were agreed:</p> <p>(a) Copies of presentations (amended to include percentage figures in order to show impact on budgets) to be circulated to all Members. Action: Lynda McMullan/Keith Abbott)</p> <p>(b) The Briefing Paper on Mosaic to be circulated to all Members. Action: Keith Abbott</p> <p>(c) The Briefing Paper on Academies to be circulated to all Members. Action: Keith Abbott</p> <p>(d) Mr Bassam to be advised on the latest position on the new building promised for Axton Chase School. Action: Bruce MacQuarrie</p>

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 23 May 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
	<p>Members also concluded that:</p> <ul style="list-style-type: none"> (i) Officers and Members be thanked for attending the meeting and providing the briefing, and that Lynda McMullan and Keith Abbott be congratulated on the clarity of their presentations. (ii) The Cabinet Members for Finance and Education and School Improvement be requested to include the points set out in the note (from CSC) in KCC's response to the Consultation Paper. Action: Keith Abbott (iii) The Cabinet Member for Finance's agreement that KCC's response to the Consultation Paper should be circulated to all Members of the Committee be welcomed. Action: Keith Abbott

Cabinet Scrutiny Committee: 27 June 2007
Table 2

Select Committee Topic Reviews:
Programme originally agreed following Policy Overview Co-ordinating Committee
15 February 2007, reviewed at POCC 7 June 2007

Policy Overview Committee/ Topic Review/Chair	Current Topic Review status and other topics agreed for the period June 2007 to July 2008
<p>Children Families and Education :</p> <p>PSHE-Children's Health: Chair Ms CJ CRIBBON</p> <p>Developing the Creative Curriculum</p> <p>Primary School Attainment</p> <p>Young People's Spiritual, Moral, Social and Cultural Development#</p> <p>Vulnerable Children</p>	<p>Inaugural meeting of the Select Committee was held on 5 October. Hearings and visits were held during November. The Select Committee report was accepted by Cabinet on 16 April 2007, and will be debated at full County Council on 24 July 2007. (Research Officer: Gaetano Romagnuolo)</p> <p>POCC agreed that this should remain in the work programme for 2008.*</p> <p>POCC agreed that this issue was being dealt with through a cross-party mechanism. It was therefore removed at the request of CFE POC.</p> <p># POCC suggested this topic could also be combined with aspects of Consultation and Participation with Children and Young People (Student Voice), and with Provision of Activities for Young People. In the work programme for 2008.</p> <p>POCC recommended this Topic Review should commence in Autumn 2007.</p>
<p>Corporate:</p> <p>Accessing Democracy</p>	<p>POCC recommended that this review should commence in Autumn 2007* Preliminary discussions have been held to assess how this work will complement the work of the "Going Local" Informal Member Group.</p>

<p>Communities:</p> <p>Alcohol Misuse Chairman: MR J FULLARTON</p> <p>Student Voice –Consultation and Participation with Young People#</p> <p>Provision of Activities for Young People#</p>	<p>Inaugural meeting held on 16 May 2007; Terms of Reference Agreed, Hearings will be held mid June to the end of July. The Select Committee will report to Cabinet on 3 December 2007.</p> <p>See CFE above; dates to be agreed.</p> <p>See CFE above; dates to be agreed.</p>
<p>Adult Services:</p> <p>Carers in Kent: Chairman: MR L CHRISTIE</p> <p>Transitional Arrangements for Young People: Chairman: MR A BOWLES</p>	<p>Inaugural meeting of the Select Committee was held on 5 June 2007. Hearing sessions are due to be held in July/August 2007, with a report to Cabinet in December 2007.</p> <p>Select Committee hearings commenced in October 2006 and were completed in December 2006. The Select Committee report was accepted by Cabinet on 14 May 2007. Cabinet agreed that Mr K Lynes and Dr T Robinson establish an Informal Member Group (to include a representative of the Select Committee) to consider how the recommendations may be taken forward. (Research Officer: Susan Frampton).</p>
<p>Environment and Regeneration</p> <p>Impact of Supermarkets, Out of Town Shopping Malls and Retail Parks on Businesses in Kent</p> <p>Flood Risk</p>	<p>After debate, POCC considered that this topic should be removed from the current work programme.</p> <p>POCC agreed that this topic review should proceed as soon as possible with the objective of completing it by September 2007.</p>

jhw/sc 7 June 2007

** Subject to formal agreement by Chairman and Spokespersons of POCC of Minutes of Meeting held 7 June 2007.*

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CABINET SCRUTINY COMMITTEE – 27 JUNE 2007

Report Title:	Children’s Centres – Round Two – Next Six Sites (particularly Mongeham, Deal) (Decision 07/00990)
Documents Attached:	Entry relating to this proposed Decision in Forward Plan of Key Decisions for period 1 June to 28 September 2007.
Purpose of Consideration:	To explore the process for deciding the locations for Children’s Centres, with particular reference to the selection of Mongeham and the consideration given to the possible alternative location of this Children’s Centre elsewhere in Deal, such as on the site of South Deal Primary School.
Possible Decisions:	Because this item has not yet come forward for a formal decision, the Committee can take one of the following decisions:- (a) make no comments; or (b) express comments to be taken into account by the Cabinet Member when he takes the decision.
Previous Consideration:	None directly but Children’s Centres were discussed at the meetings held on 12 September 2006 (Minute 26(1)(b)) and 21 March 2007 (Minute 64).
Background Documents:	None.

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CHILDREN, FAMILIES AND EDUCATION				DECISION NO. 07/00990
COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	
<p>(1) Topic (one sentence description of the decision being sought)</p> <p>(2) Who will take Decision</p> <p>(3) Give Date or Period within which Decision is to be taken</p> <p>(4) Directorate Contact <input checked="" type="checkbox"/></p> <p>(1) CHILDREN'S CENTRES – ROUND 2 – NEXT SIX SITES</p> <p>Decision to forward with further six locations to DfES/GOSE:</p> <ol style="list-style-type: none"> 1. Priory, Ramsgate 2. St Pauls, Tunbridge Wells 3. Parkside, Herne Bay 4. Mongeham, Deal 5. Swalecliffe, Canterbury 6. Queenborough/Rushenden, Sheppey <p>(2) John Simmonds– Cabinet Member for Education and School Improvement</p> <p>(3) June 2007</p> <p>(4) Alex Gamby Head of Early Years/Childcare 01622 626615</p>	<p>(5) Principal Groups/ Organisations to be Consulted before Decision is made</p> <p>(6) Method of Consultation</p> <p>(5) & (6) Consultations have already taken place with Members and partners across Kent to identify locations.</p>	<p>(7) Name of person(s) to whom representations can be made <input checked="" type="checkbox"/></p> <p>(8) When should they be made by (closing date)</p> <p>(7) Alex Gamby Head of Early Years/Childcare 01622 626615</p> <p>(8) N/A</p>	<p>(9) List documents submitted to Cabinet/ Cabinet Member(s) in respect of the Decision. Is this information unrestricted or exempt</p> <p>(10) Edition of Forward Plan in which first entered</p> <p>(9) None</p> <p>(10) June 2007</p>	

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