



## AGENDA

### CABINET SCRUTINY COMMITTEE

**Wednesday, 21st July, 2010, at 10.00 am**  
**Council Chamber, Sessions House,**  
**County Hall, Maidstone**

Ask for: **Peter Sass**  
Telephone: **01622 694002**

#### **Membership**

Liberal Democrat (1): Mrs T Dean (Chairman)

Conservative (11): Mr R W Bayford, Mr R Brookbank, Mr A R Chell,  
Mr G A Horne MBE, Mr E E C Hotson, Mr M J Jarvis, Mr R E King,  
Mrs J Law, Mr R F Manning, Mrs J A Rook and Mr J E Scholes

Labour (1) Mr L Christie

Independent (1) Mr R Lees

Parent Governor (2): Mr B Critchley and Mr P Myers

*Refreshments will be available 15 minutes before the start of the meeting*

*Timing of items as shown below is approximate and subject to change.*

*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.*

**Please note that this meeting will be webcast**

#### **UNRESTRICTED ITEMS**

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

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

A1 Substitutes

A2 Declarations of Interests by Members in Items on the Agenda for this Meeting

A3 Minutes of the meeting held on 23 June 2010 (Pages 1 - 14)

A4 Follow-up Items from Cabinet Scrutiny Committee (Pages 15 - 18)

A5 Notes of the Informal Member Group on Budgetary Issues held on 12 July (to follow)

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

**C. CABINET DECISIONS**

C1 Revenue and Capital Budget Monitoring Exception Report (Pages 19 - 36)

The Chairman and Spokespeople have agreed to call-in the relevant part of this report, which deals with the Integrated Transport Schemes.

Mr Nick Chard, Cabinet Member for Environment, Highways and Waste, Mr John Burr, Director of Kent Highway Services and Mr David Hall, Head of Transport & Development have been invited to attend the meeting between 10.15am and 10.45am to answer Members' questions on this item.

Mr John Simmonds, Cabinet Member for Finance and Ms Lynda McMullan, Director of Finance have also been invited to attend the meeting in relation to this item.

C2 Operation Find and Fix - Weather Damage Repairs to Roads (Pages 37 - 42)

Mr Nick Chard, Cabinet Member for Environment, Highways and Waste and Mr John Burr, Director of Kent Highway Services have been invited to attend the meeting between 10.45am and 11.15am to answer Members' questions on this item.

**D. CABINET MEMBER DECISIONS**

D1 Community Wardens - Increasing the Number of Communities Receiving Warden Services (Pages 43 - 52)

Mr Mike Hill, Cabinet Member for Communities, Mr Clive Bainbridge, Director of Community Safety & Regulatory Services and Mr Stuart Beaumont, Head of Service, Community Safety will attend the meeting at 11.15am to answer Members' questions on this item.

**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, 13 July 2010**

*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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### 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 June 2010.

PRESENT: Mrs T Dean (Chairman), Mr R Brookbank, Mr A R Chell, Mr L Christie, Mr E E C Hotson, Mr R F Manning, Mr M J Jarvis, Mr J D Kirby (Substitute for Mr R E King), Mrs J Law, Mr R J Lees, Mrs J A Rook and Mr J E Scholes

ALSO PRESENT: Miss S J Carey, Mr G K Gibbens, Mrs S V Hohler and Mr J D Simmonds

IN ATTENDANCE: Ms L McMullan (Director of Finance), Mr O Mills (Managing Director - Adult Social Services), Mr K Abbott (Director Resources and Planning Group), Miss C Highwood (Director - Resources) and Mr A Wood (Head of Financial Management)

### UNRESTRICTED ITEMS

#### **48. Minutes of the meeting held on 9 April 2010** (Item A3)

RESOLVED: that the minutes of the meeting held on 9 April 2010 are correctly recorded and that they be signed by the Chairman.

#### **49. Follow-up Items from Cabinet Scrutiny Committee** (Item A4)

The Chairman explained that the issues surrounding Kent Design Guide would now progress onto the Environment, Highways and Waste Policy Overview and Scrutiny Committee. A report had been circulated to Mr Dean and Mr Manning but they requested that it be amended to provide a complete record of the meeting before it was submitted to the Environment, Highways and Waste Policy Overview and Scrutiny Committee.

Regarding Kent Digital Service the Chairman explained that she and the spokespeople had met with the Cabinet Member for Corporate Support Services and Performance Management and discussions were ongoing.

On the issue of Local Member Information the Member Information Member Officer Group were taking this information forward and the Scrutiny Board were monitoring progress.

RESOLVED: that the Cabinet Scrutiny Committee note the follow up items report.

**50. Notes of the Informal Member Group on Budgetary Issues held on 14 April**  
*(Item A5)*

Regarding the discussion had on the evaluation of the budget process; Members commented on the training programme which had been set up to discuss the budget process. This had been an excellent session and Members had got a lot out of it. All Policy Overview and Scrutiny Committees had agreed to set up Informal Member Groups to scrutinise their area of the Budget.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 14 April 2010.

**51. Notes of the Informal Member Group on Budgetary Issues held on 14 May**  
*(Item A6)*

The Informal Member Group on Budgetary Issues had asked the Council to approach the Government to request that they be able to work together on a review of the Local Government finance. This request had been sent but no response had yet been received. Ms McMullan would update Members when there was more information.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 14 May 2010.

**52. Notes of the Informal Member Group on Budgetary Issues held on 10 June**  
**(to follow)**  
*(Item A7)*

A post meeting note within the notes explained that the issue of establishment figures and how they were reported would be revisited by the Budget Informal Member Group.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 10 June 2010.

**53. Revenue & Capital Budget Outturn 2009-10, Roll Forward and Key Activity Indicators**  
*(Item C1)*

*Mrs Hohler, Mr Simmonds, Ms Carey, Ms McMullan, Mr Abbott and Mr Wood were present for this item.*

(1) Ms McMullan explained that she would be taking on the role for the South East lead for Finance, which would involve being a representative for the South East Strategic Authorities. Mr Manning asked for clarification on how this role might unfold. Ms McMullan explained that the Council was offering its services and was waiting to see how other Authorities wanted to engage with the Council, useful debates could be had about what would actually make a difference. Mr Christie asked whether this was the most appropriate time to be taking on additional roles, Mr Simmonds explained that it was important to share experiences and find the best way forward in the difficult economic circumstances, combining efforts would ensure benefits for Kent County Council. The Chairman stated that presumably

the Council were looking for cuts which would have the least effect on the residents of Kent so sharing best practice would be beneficial, Mr Simmonds explained that the Council was analysing the ways in which the services were delivered and looking at best practice in other authorities. There were opportunities to work with other authorities and organisations and the Council was constantly looking at ways of delivering services in a more effective and efficient way.

- (2) In response to a question from Mr Christie, Ms McMullan confirmed that the same offer was made to the previous Government. Meetings were held with Michael Lyons and there was input jointly across Kent into the comprehensive spending review.
- (3) In response to a comment from the Chairman about conflicting evidence in the media and the effect of academies on the Local Authority. Mrs Hohler explained that the Council faced a challenge and opportunity to think about how services were delivered without affecting standards. The in-year cuts were particularly challenging. A restructure was ongoing in the Children, Families and Education (CFE) Directorate to meet existing budget pressures and throughout this the staff had been resilient and patient. CFE had a core budget of £213million which included special needs services, training and services provided to schools for example, there was not a lot of flexibility within the CFE budget because most of the budget was ring-fenced as Direct Service Grant.
- (4) There had been an invitation from the Government to all schools to register their interest to become 'new academies' online. If a school had been judged as outstanding by Ofsted it could fast track to becoming an academy. A number of schools expressed interest and one issue of concern was transport and how it would be provided, if new academies changed the school hours or term times this could have huge implications on KCC budgets as the transport provider. It was a complicated picture that was constantly changing.
- (5) The Council had written to all schools to offer to discuss their issues, problems and concerns. The discussions had to date had been useful and productive and Governors had asked lots of questions.
- (6) The Chairman asked about the differences to the school budget, what information had been shared with the Headteachers at this stage. Mr Abbott circulated to Members a presentation which had been given to Headteachers on the budgetary issues. The picture was moving on a daily basis, but currently if a school elected to move to academy status it took its existing formula budget and this remained linked to the Kent formula. A share was then taken of the centrally retained budget. An academy took its share in line with the current Department for Education (DfE) methodology for 16 of the 32 budgets that made up the 8.7% share of the budget (pro-rata per pupil head). There would also be an additional top-up from the DfE in recognition of essential services schools should be involved in. As well as a grant for VAT and an insurance top-up as schools would no longer be able to get insurance from the local authority. There was also an assurance that as a school moved to academy status it would look to partner and support neighbouring schools, there was no additional funding for this at present. If every 'outstanding' school in Kent moved to academy status £1.9million would be lost. The principle by which a budget was allocated to an academy was on a

per pupil basis, this was problematic in terms of methodology and pressures and would be discussed further.

- (7) The Chairman asked whether the attainment of academy status involved consultation with parents or the community surrounding the school. Mrs Hohler explained that consulting the community and parents was not formally in the process, however the schools and governors were encouraged to consult with the parents and communities. The Government had offered £25,000 to each school moving to academy status to help with the legal fees and transfer costs, but there were queries over whether this was enough.
- (8) Mr Christie explained that in his experience parents were concerned about being unaware about the future of their school and whether it would become an academy at the end of the year. It was essential that Members were kept informed to allow them to share information with concerned parents. Did the Council know which schools in Kent had applied for academy status? Was the Council suggesting to the Government that the move to academies was too quick, that the process should slow down and that there should be greater consultation with the public?
- (9) Mrs Hohler explained that when she met Mr Gove before the election she had explained that the name academy was confusing and that the Ofsted criteria was a crude measure. There had been some excellent Member briefings and the Cabinet Member for Education had written to Members to brief them on the current situation. The timing was difficult at the end of the term, it was critical that parents were kept informed and many Governors were putting the academy idea on the backburner until further information was available and there was the opportunity for consultation.
- (10) In Kent over 70 schools had been judged as 'outstanding' and could therefore be fast tracked, at this point two schools had begun to proceed to academy status and these were Fulston Manor School in Swale and Castle Community College in Deal. Collaboration between schools in Kent had been excellent, the Cabinet Member was pleased that schools were being encouraged to work together and to support each other.
- (11) Mr Manning asked what happened if the scheme failed and what liability did the Council have. Mr Abbott explained that the Council's liability, as far as it was understood, would be nothing as the school would be an independent academy. It was currently assumed that transport issues would remain with the County Council, however financially the school would stand alone. School reserves, loans, standards and leadership issues were still to be resolved with the DfE.
- (12) Mr Chell asked about the latest budgets for schools, was it possible to firm up the second and third year budgets. Projected budgets were based on a zero increase and until the results of the comprehensive spending review in September were published no further information was available.
- (13) Mr Jarvis expressed his concerns about the speed things were progressing, there was the potential for money to be wasted. Mrs Hohler explained that it was difficult to predict whether the Government's policy on schools would save money

in the long term. Regarding free schools there were concerns that transport issues in a county like Kent would be extremely difficult to maintain.

- (14) Mrs Rook asked why only the outstanding schools had been invited to become academies. Were the outstanding schools who were expressing an interest in becoming an academy expecting Building Schools for the Future (BSF) money, and why couldn't an academy claim back VAT.
- (15) Mrs Hohler explained that it was not clear why only outstanding schools had been invited to become academies. In relation to BSF, a school had had reassurance from the DfE that expressing an interest in becoming an academy, whilst in a BSF wave, wouldn't have an effect on the BSF funding, which was surprising although issues were still to be resolved. In relation to VAT Mr Abbott explained that the legal basis of academies set them up as companies and therefore they had to pay VAT.
- (16) Mr Christie asked, accepting that it was not on the agenda, for clarification over free schools and their implementation timeline. Was the Cabinet Member for Children, Families and Education prepared to use the political weight of the Council to ask the Government to slow down the process? Mrs Hohler confirmed that the implementation time for free schools was September 2011, and it was important to use Members to listen locally and make the Council aware of any groups in the County who might be thinking about setting up a free school to allow the Council to have a dialogue with such groups. A joint letter to Mr Gove expressed concerns that the Council did not want unintended consequences from the process, a series of questions were also asked but no reply had been received and there were still a lot of unanswered questions. The Chairman explained that she had received a request via the LGA for comments, suggestions and views from local councillors about the proposals and a briefing had been requested from Mrs Turner on the issues surrounding the proposals.
- (17) Mr Hotson stated that to date only 2 of the county's 70 outstanding schools had expressed an interest in becoming an academy, it was necessary to wait and see how the process unfolded and it would be helpful if an appropriate Committee would monitor and have an update on the progress, particularly in relation to the relevant budgets. Mrs Hohler explained that to date Members had been briefed by letter, with email links, this issue was also on the agenda for the relevant Children, Families and Education Policy Overview and Scrutiny Committee for 20 July.
- (18) Mrs Law expressed her concern about the schools that might be left behind, how was it possible to raise the standards in schools that had not achieved outstanding in their Ofsted inspection. Mr Abbott explained that there was nothing more substantial at this stage but one of the clear messages from the Government was that they were looking to make better use of the pupil premium. For schools that remained with the local authority it was important to ensure that the current restructure worked through the issues.

**54. Response to Government Savings Announcement; The impact on Revenue and Capital Budgets 2010-11**  
*(Item B1)*

*Mr Simmonds, Ms Carey, Ms McMullan and Mr Wood were present for this item.*

- (1) Mr Simmonds explained that it would be fair to say that the Council had been surprised when asked to make savings in this year's budget; however what was revealed in the Government announcement of grant cuts was predictable.
- (2) It was logical to look at the grants that were affected by the cuts and it was necessary to think through the implications of the grants and which were most beneficial to the residents of Kent. Following the Leader's decision of where the cuts would be made to meet the savings target for this year it was then necessary to analyse the services, what the effects of the cuts might be and it was hoped that Members would generally accept the direction of travel that had been made to meet this year's savings targets.
- (3) Mr Chittenden explained that he was a Member of the Police Authority with responsibility for road safety. He had concerns around the effects of any cuts to the safety partnership and what support could be offered to minimise any effects, and he asked the Cabinet Member whether any further information was available on where the remaining £168,000 cuts would be made. Mr Wood explained that in terms of the road safety grant £1.8million of the £2.3 million grant received went to the Kent and Medway Safety Partnership which employed 41 full time equivalent (FTE) staff at a cost of around £1.2million. It was understood that the Environment, Highways and Waste Directorate were in discussions about how these cuts were dealt with operationally, the best use of the resources available and the best way of maintaining road safety.
- (4) The speed limit review would not be going ahead at this stage so consequently the capital costs of the review were not required. Mr Chittenden urged the Council to do everything in its power to mitigate the effects of the cuts to the safety partnership.
- (5) The Chairman asked whether there was a longer list of options available originally; would it be possible to provide this list to Members?
- (6) Mr Simmonds explained that the Council would be discussing possible options with the District authorities to determine the effects and possible implications of not continuing with particular projects and initiatives and how best to manage current situation. Many contracts and projects were match funded and it would be in the residents' best interests to continue with such projects. It was vital to deal with the £15.5million in the short term to enable detailed examination of future cuts.
- (7) The Chairman asked for clarification over the integrated transport schemes which were due to be going ahead this year. Mr Simmonds explained that that should be addressed to Mr Chard as it was being looked at currently and all projects were under review. All County Members were due to receive a full list of the schemes which would then be passed to the Joint Transportation Boards.



- (8) Mr Christie asked whether it was right to assume that the Members grant would continue, would this be an area that would be looked at? Mr Christie referred to the Area Based Grant (ABG), the report stated that this would be treated as a funding source of the overall budget requirement in a similar way to formula grant and council tax income. Was it the case that the ABG for Children, Families and Education had to be spent on CFE, Mr Christie understood that the purpose of ABG was to get away from specific grants and allow more flexibility. Ms McMullan explained that the ABG allowed a degree of freedom at a national level, however within KCC's medium term plan; paragraphs 2.21 and 2.22, ABGs were dealt with as specific grants. There was a need to re-think priorities to get through the in-year cuts and the commitment that ABG was discussed further in future years.
- (9) A report circulated at the Cabinet meeting was drawn to Members attention; this had not been circulated with the Cabinet Scrutiny papers. POST MEETING NOTE: This report was circulated via email to Cabinet Scrutiny Committee Members on 12 July 2010.
- (10) Mr Christie asked for further clarification on the use of reserves, was it inevitable that front line services would be affected? Ms McMullan explained that the reserves were set up some years ago, and were intended to smooth the impact of any future cuts, however the reserves had been required 9 months sooner than expected. Mr Simmonds explained that the effect on individuals would be limited; reserves had been put aside for this eventuality, using them now would allow time to look at the Council's core services and how they were going to be delivered.
- (11) The Chairman asked for clarification of when Members might be informed of the detail behind the other savings proposals. Mr Simmonds confirmed that Members would be made aware as soon as possible, hopefully in time for the Policy Overview and Scrutiny Committee meetings. Ms McMullan confirmed that the detail would be available in time for the next Cabinet meeting.
- (12) Mrs Dean asked whether the longer list of options available to meet the grant reductions was available to Members and Ms McMullan confirmed that it could be made available to all Members.
- (13) Mr Christie asked for clarification on the underspend against the Early Years entitlement extension. Was this based on the extension from 12.5hour to 15 hours and should people not be encouraged to use it rather than cutting it because it was not being used. In February the Council was suggesting an extra precept of £3million to cover the cost of asylum, however now £15.5million of cuts were being dealt with with minimal effect. Mr Wood explained that on the Early Years entitlement, in 2008/09 there was an underspend of £1.4million, in 2009/10 £1.1million, in the Medium Term Plan £5.8million was set aside for the increase from 12.5hours to 15hours and the extension to 2 year olds. A lot had been done to promote take up but the underspend suggested that this would continue in future years. Regarding the asylum reserve, there was a reserve available which contained £1.7million at the end of 2009/10 plus a budgeted allowance for a grant shortfall of £1.3million in 2010/11. There was £800,000 remaining in the reserve which should be sufficient if costs recovered in 2010/11.

(14) The Chairman asked that Members be involved as much as possible in future discussions.

RESOLVED:

That the Cabinet Scrutiny Committee:

1. Thank Mr Simmonds, Ms Carey, Ms McMullan and Mr Wood for attending the meeting and answering Members' questions
2. Thank Mrs Hohler and Mr Abbott for attending the meeting and answering Members' questions
3. Welcome the assurance of the Cabinet Member for Finance that further details of the proposals to address revenue grant reductions would be released as soon as possible and in time for the next round of Policy Overview and Scrutiny Committee meetings
4. Thank the Director of Finance for agreeing to provide the long list of options available to the County Council to address the revenue grant reductions.

## **55. Response to Government Savings Announcement**

*(Item C2)*

Discussed as part of the above item.

## **56. The Future of Older Persons' Provision in Kent County Council**

*(Item C3)*

*Mr G Gibbens, Mr O Mills and Ms C Highwood were present for this item.*

- (1) Mr Manning clarified that he did not share the concerns of the Chairman and Spokesperson regarding the decision to go out to consultation on the Future of Older Persons' Provision in Kent County Council.
- (2) The Chairman explained that following a discussion with the Director of Strategic Business Support she had requested the following information:
  - a. A breakdown of the differential costs between the County Council's in house provision and private provision
  - b. Details about the number of clients affected and the number of staff affected
  - c. Alternative options explored
- (3) It was agreed that as much of the discussion as possible would be held in open session.
- (4) In relation to the alternative options explored Mr Mills explained that there had been a lot of change with the in-house provision. In 1992 9 homes were transferred to the Kent Community Trust and a further 9 were sold in 1998/99, link service centres had also been developed along with extra care sheltered housing and the establishment of Westview. The Council had continually been looking at

the options and the needs whilst focussing on the welfare of the existing residents and staff. The current provision had been reviewed and the proposals in relation to the 11 homes were put forward for consultation.

- (5) In relation to the numbers of staff and clients affected. Ms Highwood circulated information setting out the number of beds both in the affected home and within a radius of five miles of each home and alternative provision.
- (6) Mr Christie expressed his concern about the lack of Member attendance at the consultation exercises. In relation to a question from Mr Christie, Mr Mills confirmed that alongside the consultation no new permanent residents were being accepted into the homes. Mr Christie had concerns about the consultation exercise and whether decisions had already been made. If the majority of people were against closure would the Council accept that decision? Was this a financially driven exercise or was it in the interest of the clients. It had been said that the homes were not fit for purpose, but wasn't it the responsibility of the Council to update and modernise the care homes, why was this not done? Would the current residents of care homes which may close have priority for the new care homes? Mr Christie expressed his concern about respite beds and the availability of excellent beds particularly in areas which bordered other counties and therefore had competition.
- (7) Mr Gibbens wished to assure the Committee that the consultation would be as wide as possible, a further consultation had been agreed for Dartford. The Council would do everything possible to enable residents or Members to attend consultation discussions. A full briefing would be given at the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June to which all Members had been invited and were able to ask questions. The reasons behind this consultation exercise included dignity, respecting people's rights and ensuring that the right services are being provided looking into the future. Lots of work had been undertaken on care homes and the sheltered housing review provided evidence of the excellent work that had been completed. The focus was to enable people to live with dignity in their own homes for as long as possible.
- (8) Mr Mills confirmed that this was unquestionably a consultation exercise. At the end of the consultation there would be a report back from the Managing Director of Adult Social Services to enable further decisions to be made. This was a necessary exercise in light of budget difficulties, the growing numbers of older people and the capital costs of modernising standards in care homes were beyond the capacity of the County Council. In relation to the Care Quality Commission (CQC) it was a tribute to the staff in the homes that all were either 'good' or 'excellent'. However the CQC also had a responsibility for monitoring the physical standard of homes and these were poor. A great deal of modernisation had been undertaken but this came at a significant cost to the County Council. In response to the question about existing residents having priority to move into the extra sheltered care, yes they would be priority if that was their choice. In relation to respite care the Council was confident that it could purchase respite care in the light of changing needs. The availability of beds was constantly changing, Officers were confident that people could be offered a choice of good homes in a suitable area.

- (9) The Chairman had concerns around the timing of the exercise, was the Council sure that this was a good time to sell property. There were also concerns around withdrawing from the care homes market and whether that would diminish the Council's power to influence the market. The Government was looking at how elderly care was paid for nationally, would the outcome of that commissioned work affect the future of care homes. The Chairman asked for more details of the cost of TUPE. Officers had highlighted the difficulties in accessing capital, was this position due to get easier or more difficult with the new Government.
- (10) Mr Manning raised his concern that the purpose of the meeting was to discuss whether the Council should be going out to consultation on this issue, not the principle behind it. The Chairman explained that questions had been raised regarding the timing of the exercise, and it seemed to be a proper debate to be held.
- (11) Ms Highwood explained that in relation to the timing of selling property, the decision could not be taken in parts so considerations had also included the costs of further capital works, the availability of alternative provision etc. The relationship with the market was much more in partnership, for example the Council was providing subsidised training for those in the market, discussions were held to help businesses be managed efficiently, and the working relationship was a good one. The understanding from the Department of Health was that the terms of reference for the commission on how older persons' care would be paid for in future were expected before the summer recess although this information was not available yet; this was unlikely to affect KCC's proposals. Regarding access to capital, Adult Social Care had had little access to capital from the Department of Health, it was unlikely that this would change, PFI funding had been available and £75million PFI credits had been secured for the current round of extra care housing.
- (12) Mr Hotson asked when officers made a decision not to accept new clients into the homes that were proposed to be closed. Ms Highwood explained that the decision was taken as a matter of prudence and was normal practice, if at the end of the consultation the proposal was overturned it was easy to allow residents back into the care homes, however it would be unfair to allow new residents into a home that may close.
- (13) Mr Scholes expressed his concern about the information that might be available throughout the consultation. Mr Scholes agreed to discuss the particular issues he was aware of with the Officers outside of the meeting.
- (14) Mr Koowaree queried that decisions taken over the refurbishment of the buildings, regarding the consultation, would it be tailored to each individual community group. Ms Highwood explained that in relation to the quality of buildings, some areas were neglected and required money to be spent. However the other concern was that once significant improvements were made the CQC required re-registration and the current building would fail registration due to room size and no en-suite which would require further expenditure. The consultation had expanded further and it was intended that it was as open and accessible to all interested parties.

- (15) Mr Gibbens stated that he understood what a difficult process this was for residents, families and the staff concerned. The Cabinet Member did not underestimate this concern. It was a difficult decision; some people would be ideologically opposed and this was understood. The process focussed on looking to the future, it was important to consult at this stage to provide the right standard of care for older people in Kent.
- (16) The Chairman asked whether the decision not to accept any new residents into the homes should have been a key decision that should have been subject to further discussion, Mr Gibbens would consider that point for the future. Mr Christie asked whether, if there was a majority against the proposals from the consultation exercise then the process would not proceed. Mr Gibbens explained that the consultation would be as wide as possible and following the consultation the results would be investigated and put into a report from the Managing Director of Adult Social Services.
- (17) Mrs Rook asked for more information, it was felt that the public needed to know what the Care Quality Commission Guidelines were, how robust Officers had been in trying to find private sector partners specifically for those homes which were proposed to close. Who would provide the day care element of some of the homes that were both daycare and residential? How the strategy would fit in with the national strategy? What the differential would be, not only in cost, between Adult Social Services and the private sector and also what the service delivery would be. There were concerns about how Members had been consulted, there had not been enough notice for briefings and a consultation pack for Members would be useful. All Members should receive a copy of the Adult Social Services Policy Overview and Scrutiny Committee presentation and other information provided. In addition this meeting would be webcast.
- (18) Mr Mills explained that the Cabinet Member was committed to arranging meetings to suit both residents and Members and this was a complicated situation, the points raised would be included in the presentation at the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June.
- (19) Ms Highwood explained that individual decisions would be taken on each home, there may be one report but it would contain a series of individual decisions each informed by its own consultation.
- (20) Mr Christie expressed his concern that these proposals were not obvious from the medium term plan, and was this a knee jerk reaction to Government funding cuts. Concerns had been raised around the wages for in house staff, and the impact on affected staff wages. Ms Highwood explained where the relevant information could be found in the medium term plan. In response to whether there was reassurance from the budget announcement of 22 June, there had not been any reassurance received. In response to a question from the Chairman Ms Highwood confirmed that there had been no discussion at the budget Adult Social Services Policy Overview and Scrutiny Committee meeting relating to the closure of care homes.

RESOLVED:

That the Cabinet Scrutiny Committee:

1. Thank Mr Gibbens, Mr Mills and Ms Highwood for attending the meeting and answering Members' questions
2. Request that Members are more closely involved in the process as it unfolds
3. Ask that as much notice as possible be given of future consultations
4. Express severe concern about the completeness of the information provided to Cabinet and Cabinet Scrutiny Committee around this decision and ask that the additional information requested by the Committee be made available for the meeting of the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June.

**The following are unrestricted minutes of matters which were discussed at the meeting as being exempt under Section 100A of the Local Government Act 1972, on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 4 of Part 1 of Schedule 12A of the Act.**

#### **57. The Future of Older Persons' Provision in Kent County Council (Item )**

*Mr O Mills and Ms C Highwood were present for this item.*

- (1) Ms Highwood explained the methodology behind determining the cost of residential care. The unit cost per bed was higher for smaller homes which still required a manager and a full complement of staff particularly if they had lower occupancy rates.
- (2) Ms Highwood explained that staff pay rates were higher than in the independent sector, in addition Kent Adult Social Services staff were eligible to be members of the local government pension scheme. A discussion was had around the use of TUPE and the effect of transferring existing staff into partner agencies.
- (3) The Chairman asked what the typical pay rates would be for Kent County Council employed staff. Ms Highwood agreed to get clarification on this point and respond to Members outside of the meeting.

POST MEETING NOTE: KASS care workers had an hourly rate of £8.28 minimum, rising to £8.70 maximum. Kent Top Temps was recruiting care workers between £6.75 and £7.42 per hour within private residential homes. A colleague from the Trade Association stated that the hourly rate for care workers usually fell close to the national minimum wage (£5.80), albeit this might vary across the county with Sevenoaks attracting higher rates of pay than Chatham or Gravesend, for example. The National Minimum Data Set (NMDS) local authority area profile for Kent stated that the median hourly rate for a care worker was £6.50. These rates demonstrated a significant differential. On top of that, KASS staff were eligible to be members of the local government pension scheme, for which the employer's contribution was currently 23.1% of pay.

- (4) Mr Christie raised questions about the affected staff and the options available to them. Ms Highwood explained that there were a number of alternatives, staff could be transferred through TUPE, the revenue savings were not assuming savings against existing staff. Partnership arrangements could offer TUPE transfers, it was hoped that a balanced set of proposals could be produced. However, where homes were closed staff would be made redundant, although every effort would be made to mitigate the effects of this by redeployment, where possible.
- (5) In response to a question about the Care Quality Commission (CQC) and their power to close homes Mr Mills explained that the CQC applied the same regulations to in-house care, voluntary organisations or the private sector all with different histories. This was a necessary consultation rather than it being optional.
- (6) There was a further discussion around the use of PFI funding and the sale cost of the buildings and Ms Highwood confirmed that PFI credits had been secured in partnership with district authorities. Discussions were being had with the legal team regarding the potential restrictions on sale for some of the buildings.

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By: Peter Sass - Head of Democratic Services and Local Leadership

To: Cabinet Scrutiny Committee – 21 July 2010

Subject: Follow up items and Decisions from Cabinet Scrutiny Committee –  
23 June 2010

Classification: Unrestricted

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Summary: This report sets out the decisions from the Cabinet Scrutiny Committee and items which the Committee has raised previously for follow up

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### **Introduction**

1. This is a rolling schedule of information requested previously by the Cabinet Scrutiny Committee.
2. If the information supplied is satisfactory it will be removed following the meeting, but if the Committee should find the information to be unsatisfactory it will remain on the schedule with a request for further information.
3. The decisions from the meeting of the Cabinet Scrutiny Committee on 23 June 2010 are set out in the table below along with the response of the relevant Cabinet Member.

### **Recommendation**

3. That the Cabinet Scrutiny Committee notes the responses to the issues raised previously.

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01622 694002

Background Information: *Nil*



	<b>Issue</b>	<b>Response</b>
<b>10.12.08</b>	Highways Business Plan IMG 02.12.08 - A list of gully schedules be supplied to all Members after the elections	In July Members will be supplied with specimen gully emptying schedules following the completion of route optimisation work for gulleys countywide. When all this is complete, gully emptying schedules will be available.  This information has been requested.
<b>09.12.09</b>	Kent Design Guide	A residential parking workshop was held on 14 April 2010. Mr Chard, Cabinet Member for Environment and Waste has agreed to review current Government parking guidelines, the outcomes of the workshop on residential parking guidelines in the Kent Design Guide, and Kent Developers Group proposals so that they are not unnecessarily disadvantaged. A report will be presented to Environment Highways and Waste Policy and Overview Committee on this issue at its meeting on 29 July 2010.
<b>10.02.10</b>	Mr Horne asked that when it became known, Members be informed of the level of funding package which the Government was offering to Kent County Council in relation to the transfer of the Learning and Skills Council Service.	When this information is known Members will be informed.
<b>09.04.10</b>	Kent Digital Service - Thank Mr Gough and Mrs Oliver for attending the meeting and answering Members' questions; - Ask that a note be provided once the staff consultation period has finished, explaining the process in terms of what was undertaken, why it was undertaken in that way and the cost of the process; - Ask that a copy of the legal advice regarding the need to use TUPE be provided.	The Cabinet Member for Corporate Support Services and Performance Management has agreed that this information will be supplied to all Members of the Cabinet Scrutiny Committee.  Further discussions are taking place between the Chairman, Spokespeople of the Committee and the Cabinet Member.
<b>23.06.10</b>	Response to Government Savings Announcement; The impact on Revenue and Capital Budgets 2010 - 11 1. Welcome the assurance of the Cabinet Member for Finance that further details of the proposals to address revenue grant reductions would be released as soon as possible and in time for the next round of Policy Overview and Scrutiny Committee	The Cabinet Member for Finance confirmed that this information would be supplied to Members.

	<p>meetings</p> <p>2. Thank the Director of Finance for agreeing to provide the long list of options available to the County Council to address the revenue grant reductions.</p>	<p>Information relating to the reductions in revenue and capital grants was circulated to Members of the Cabinet Scrutiny Committee on 12 July 2010.</p>
<p><b>23.06.10</b></p>	<p>The Future of Older Persons' Provision in Kent County Council</p> <p>2. Request that Members are more closely involved in the process as it unfolds</p> <p>3. Ask that as much notice as possible be given of future consultations</p> <p>4. Express severe concern about the completeness of the information provided to Cabinet and Cabinet Scrutiny Committee around this decision and ask that the additional information requested by the Committee be made available for the meeting of the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June.</p>	<p>2. All KCC members were invited to attend ASSPOSC on 25 June, to get a full briefing on the proposals. All local members have been invited to meetings during the two weeks beginning 21 June to understand in greater depth the proposals as they affect the home(s) in their district. A further Member briefing is scheduled for the afternoon of 26 July. The consultation lasts until 1 November, and the communication plan (tabled at Cabinet Scrutiny) proposes "a Member briefing on progress and initial findings from Consultation Meetings" for mid July. If any Member wishes further to discuss the proposals the Cabinet Member and the Directorate will be happy to respond.</p> <p>3. This is agreed. In consultations around services such as those concerned the timing of consultation meetings also has to take account of the need to inform service users and their families. It is therefore a balance between limiting the length of time between the proposal becoming public and the meeting to discuss the proposal in full taking place in order to limit the time during which anxieties can build; and providing sufficient advance notice of that meeting to meet Members' needs.</p> <p>4. A full presentation was made at ASSPOSC on 25 June. Further questions will be responded to as and when they arise</p>

**By: Peter Sass: Head of Democratic Services and Local Leadership**

**To: Cabinet Scrutiny Committee – 21 July 2010**

**Subject: Revenue and Capital Budget Monitoring Exception Report (Cabinet Decision)**

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### **Background**

The only element of this report that has been called in is the proposed 2010 - 11 Local Transport Plan Integrated Transport Schemes not funded this year.

Members would like to hear the background on which this decision was based and to receive the list of those schemes that will proceed together with a detailed list of the schemes covered within the £355,850 savings 'variations to and re-scoping of a range of existing IT schemes'

The Cabinet report is attached for Members' information.

### **Guests**

Mr Nick Chard, Cabinet Member for Environment, Highways and Waste, Mr John Burr, Director of Kent Highway Services and Mr David Hall, Head of Transport and Development have been invited to attend the meeting between 10.15am and 10.45am to answer Members' questions on this item.

Mr John Simmonds, Cabinet Member for Finance and Ms Lynda McMullan, Director of Finance have also been invited to attend the meeting in relation to this item.

### **Options for the Cabinet Scrutiny Committee**

The Cabinet Scrutiny Committee may:

- (a) make no comments
- (b) express comments but not require reconsideration of the decision
- (c) require implementation of the decision to be postponed pending reconsideration of the matter in the light of the Committee's comments by whoever took the decision or
- (d) require implementation of the decision to be postponed pending consideration of the matter by the full Council.

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To: CABINET – 12 July 2010

By: John Simmonds, Cabinet Member – Finance

Lynda McMullan, Director of Finance

## REVENUE & CAPITAL BUDGET MONITORING EXCEPTION REPORT

### 1. Introduction

- 1.1 This is the first exception report for 2010-11. It reflects our response to the recent in year revenue Government grant reductions in section 2 and section 3 identifies a number of significant pressures that will need to be managed during the year if we are to have a balanced revenue position by year end.
- 1.2 Our response to the in year capital grant reductions is detailed in section 4 and details of issues faced within the capital programme are provided in section 5.

### 2. IN YEAR REVENUE GRANT REDUCTIONS

- 2.1 The Government recently announced the following 2010-11 revenue grant reductions for Kent:

**Table 1: Government Revenue Grant reductions**

	£000s
<b>REVENUE BASE</b>	
• Area Based Grant for CFE	6,873
• Area Based Grant for Supporting People	736
• Area Based Grant for Road Safety	608
• DoT Kickstart 2009 Specific Grant	441
• Area Based Grant for Stronger Safer Communities	132
	<b>8,790</b>
<b>REVENUE ONE-OFFS</b>	
• Performance Reward Grant (PRG)	1,326
• LABGI	750
	<b>2,076</b>
<b>TOTAL 2010-11 REVENUE GRANT REDUCTIONS</b>	<b>10,866</b>

- 2.2 As we have been prudent in our assumptions regarding our success in achieving PRG, we hadn't allocated the full expected PRG into cash limits and therefore the loss of £1,326k does not impact on our budget, it does though remove our anticipated flexibility to allocate this funding in due course. That therefore leaves a £9,540k in-year revenue grant reduction for us to address. Our response to this in-year is detailed in the table below; and was approved by the Leader in a Key Decision signed on 18 June and considered by Cabinet Scrutiny Committee on 23 June:

**Table 2: KCC proposals to address revenue grant reductions**

Proposal	£000s	Comments/Action	Impact on cash limit
<b>CFE portfolio:</b>			
1. Drawdown Asylum Reserve	-800	This is considered possible following successful negotiations with Government during 2009-10 over future funding levels. This will leave £890k in the reserve	A reduction in the Asylum gross cash limit on page 19 of the budget book from £16,670k to £15,870k

<b>Proposal</b>	<b>£000s</b>	<b>Comments/Action</b>	<b>Impact on cash limit</b>
2. Drawdown the Contact Point Reserve	-500	The DfE have very recently announced that this project is being disbanded, therefore the reserve is no longer required, although there will be some residual costs and therefore a balance of £84k will remain in the reserve.	A reduction in the grant & contingency gross cash limit on page 23 of the budget book from £18,153k to £17,653k
3. Reduce the bad debt provision	-500	The bad debt provision was increased at the end of 2009-10 by £500k due to one outstanding debt of £1m. The debtor is withholding the funds until the transfer of land is resolved. Following discussions with Legal and Property Services it is now clear that this will be resolved and the debt will be paid during 2010-11; therefore the bad debt provision can be reduced.	A reduction in the grant & contingency gross cash limit on page 23 of the budget book from £17,653k (see item 2 above) to £17,153k
4. Re-badge ABG expenditure against DSG	-2,000	Although the Government has reduced CFE's element of the Area Based Grant (ABG), a saving against the Connexions Service, which is fully funded from this grant, cannot be made in 2010-11 as the contract was signed last year. We are therefore looking to re-badge some of this expenditure against the Dedicated Schools Grant (DSG) in order to meet the ABG reduction. This will result in a reduction in the Directorate's element of the DSG reserve balance of £2m. This will not impact upon schools.	A reduction in the grant & contingency gross cash limit on page 23 of the budget book from £17,153k (see items 2 & 3 above) to £15,153k
5. Underspend against the Early Years entitlement extension funded by Standards Fund	-1,500	Based on previous experience, it is considered likely that we will underspend against this grant by £1.5m during 2010-11. This is because the take-up of places in early years provision by families has always fallen short of the full entitlement made available through the grant funding.	A reduction in the grant & contingency gross cash limit on page 23 of the budget book from £15,153k (see items 2, 3 & 4 above) to £13,653k
6. Review of expenditure against Specific Grants	-800	We have analysed the grants and focussed the savings on those areas that will have the least impact upon staffing (because in-year savings would be difficult to achieve) and that minimise the impact on schools and front-line services. The result is planned savings in the following areas: <ul style="list-style-type: none"> <li>• £555k from Extended Services – Start Up grants where money has not been committed</li> <li>• £139k on Targeted Support for Primary schools in respect of early years foundation stage curriculum where funding has not been committed</li> <li>• The balance of £106k is coming from savings across six other grants, namely Choice Advisers, Care Matters, Play, Designated Teachers, Music and Health Needs.</li> </ul>	A reduction in the grant & contingency gross cash limit on page 23 of the budget book from £13,653k (see items 2, 3, 4 & 5 above) to £12,853k
	<b>-6,100</b>		



Proposal	£000s	Comments/Action	Impact on cash limit
<b>EHW portfolio:</b>			
7. Road Safety ABG	-608	(i) Reduce contribution to the Kent & Medway Safety Camera Partnership by £440k (ii) £168k of other road safety reductions, including not going ahead with the speed limit review.	A reduction in the KHS gross cash limit on page 49 of the budget book from £61,136k to £60,528k
	<b>-608</b>		
<b>Communities portfolio:</b>			
8. Drawdown Supporting People Reserve	-736	The intended purpose of the Supporting People reserve is to manage the impact of anticipated reductions in the main Supporting People grant over the next few years. In the short term the elimination of the Supporting People Admin grant will be mitigated by a drawdown from the reserve. Whilst we endeavour to make efficiencies over the medium term, it is inevitable that front line service will be affected in the future in order to manage the anticipated reductions in the main grant now that the reserve balance will be depleted. This approach will be confirmed with the Commissioning Body at their next meeting, which is due later this month.	A reduction in the Supporting People gross cash limit on page 57 of the budget book from £32,830k to £32,094k
9. Stronger, Safer Communities ABG	-132	This reduction in funding will be communicated to the CDRPs (District Councils), with the view that they will be required to amend their in-year expenditure accordingly.	A reduction in the ABG Safer, Stronger Communities & other centrally held allocations gross cash limit on page 99 of the budget book from £1,510k to £1,378k. (Although shown within the Finance portfolio in the Budget Book, £1,385k of this budget is to be transferred to the Community Safety budget within the Communities portfolio)
	<b>-868</b>		
<b>Finance portfolio:</b>			
10. Drawdown from Economic Downturn Reserve	-1,964	Following the Government grant reductions, it is now appropriate to draw down some of this reserve.	A reduction in the Contribution to/(from) Reserves gross cash limit on page 99 of the budget book from -£3,461k to -£5,425k
	<b>-1,964</b>		
<b>TOTAL</b>	<b>-9,540</b>		

- 2.3 It should be noted that although a number of our proposals in dealing with these grant reductions are to drawdown reserves, this is only a short term solution in order to give us time to address these reductions with longer term solutions. These draw-downs from reserves have also been possible due to either a recent change in circumstances, such as projects being disbanded eg Contact Point, or because resources were specifically set aside for circumstances such as these eg Economic Downturn reserve.
- 2.4 As two of the Government grant reductions shown in table 1 totalling £1,191k, are specific grants (LABGI and Kickstart), these reductions will have a net nil impact on our cash limit as, for LABGI, both our expenditure and income cash limits will be reduced, and, for Kickstart, neither the expenditure nor the income were included in our original budget figures. The remaining £8,349k grant reduction all relates to Area Based Grant (ABG) and will result in a reduction to portfolio cash limits, as ABG is treated as a funding source of our budget requirement in a similar way to formula grant and council tax income. Our overall budget requirement will reduce as a result of these reductions. The impact of these proposals on our portfolio revenue cash limits is shown in table 3 below:

**Table 3: Portfolio revenue cash limit adjustments required as a result of the grant reductions and our proposed treatment**

Portfolio	£000s	Comments
CFE	-6,100	
KASS	0	
EHW	-167	The portfolio is having its Kickstart grant income cut but the related expenditure will remain and therefore an increase to the net cash limit of the portfolio is required of £441k. This is in addition to the reduction in Road Safety ABG of -£608k.
Communities	-736	
Localism & Partnerships	0	
Corporate Support & Performance Management	0	
Finance	-2,096	As the CFE ABG reduction is £6,873k but the portfolio savings proposals total £6,100k, the balance of £773k together with the impact of the LABGI grant cut of £750k and the Kickstart grant cut of £441k will be met by drawing down the Economic Downturn reserve. In addition the £132k reduction in the Stronger Safer Communities ABG will affect the Finance portfolio cash limit as explained in item 10 in the above table.
Public Health & Innovation	0	
Regeneration & Economic Development	+750	The portfolio is having its LABGI grant income cut but the related expenditure will remain and therefore an increase to the net cash limit of the portfolio is required.
	<b>-8,349</b>	

- 2.5 It is also likely that there will be a further impact on our funding levels as a result of the new Government's aim to reduce public spending, as external partners seek to pass on their Government grant reductions. Two confirmed examples are provided in section 3.5.2 below, where the Sports Development Unit have recently been informed of reductions to their funding from the Department of Health and Youth Sports Trust.

### 3. 2010-11 REVENUE MONITORING POSITION BY PORTFOLIO

A summary of the forecast revenue pressures, excluding schools, is shown in table 4 below:

**Table 4: 2010-11 Revenue pressures:**

Portfolio	£m	Pressure/Saving
Children, Families & Education	+0.435	Ongoing impact of pressures experienced in 09-10 on Fostering, 16+ Service & Legal Services together with pressures on residential care, adoption services and delays in the restructure savings. These pressures are largely offset by a continuation of the savings in 09-10 on social worker vacancies and Home to School Transport.
Kent Adult Social Services	+3.032	Continuation of the trends in 09-10 relating to demographic pressures and more complex needs, particularly within Residential Care for Learning Disability, Physical Disability and Mental Health clients, partially offset by the release of unallocated contingency budgets and savings from vacancy management.
Environment, Highways & Waste	+0.290	Pressure on Waste contract prices offset by reduction in Waste tonnage. Increased costs due to greater take up of Freedom Pass partially offset by staff vacancy savings.
Communities	+0.842	Reduction in funding within the Community Learning Service since the budget was set Reduction in Sports Development Unit External funding as partners seek to pass on their reductions in Government grants
Localism & Partnerships	+0.254	Restructure of staff officer/Member support areas & shortfalls in pay and supplies budgets within Democratic Services
Corporate Support Services & Performance Management	-0.450	Increased income within Legal Services
Finance	0	£1.016m relating to 2010-11 write down of discount saving from 2008-09 debt restructuring but as planned this will be transferred to the Economic Downturn reserve.
Public Health & Innovation	0	
Regeneration & Economic Development	0	
<b>Total</b>	<b>+4.403</b>	

- 3.1 The £4.403m pressure shown in table 4 above is before the implementation of management action. Directorates are currently working to identify options to reduce these pressures with the intention of delivering a balanced budget position by 31 March 2010. Details of management action plans will be reported in the first full monitoring report to Cabinet in September.

### **3.2 Children, Families & Education portfolio:**

A net pressure of £0.435m is forecast due to:

- 3.2.1 **+£0.125m Residential Care** - a gross pressure of £0.625m is forecast, partly offset by additional income of £0.500m. Despite the underspend experienced in the previous year, and subsequent saving offered up, the service has recently experienced an increase in the number of children placed in independent sector residential placements resulting in an estimated gross pressure of £0.900m. This budget is particularly volatile due to the high cost of placing a single child in residential care. This pressure is partially offset by contributions from health and other education services of £0.500m. There is currently a high level of activity in independent sector residential care for disabled children, which could lead to further pressures on this service. The figures are currently under investigation and a further update will be given in future monitoring reports. The pressure on independent sector placements is expected to be partially offset by an underspend on secure accommodation of around £0.275m.
- 3.2.2 **+£1.350m Fostering** – this service overspent by £1.7m in 2009-10 partly due to the very high levels of Independent Fostering Allowances (IFAs) and in-house fostering placements. The pressure on these services is expected to continue in 2010-11 due to the full year effect of children placed in 2009-10 and additional placements expected in 2010-11. Although significant funding was made available as part of the MTP, this has been insufficient to cover the demands for these services resulting in a forecast pressure of £1.2m for IFAs and £0.3m for in-house fostering placements. These pressures are offset to some degree by a forecast underspend in the County Fostering Team of £0.150m partly due staffing vacancies (£0.050m) and delays in the commissioning of the county wide therapeutic service which is expected to commence during the Summer (£0.1m). The Head of Service is looking at the forecast to see what options there are to reduce this pressure without impacting upon service delivery. Work is also continuing with the London Boroughs in respect of the issue of Looked After Children being placed in Kent by them. The Managing Director has met with a delegation of London Authorities in late May and discussed their placement policies and the pressure this puts on the schools and other local services in East Kent. There was general recognition that authorities should try and develop more local provision and if they had to place out of area they should try to avoid East Kent which already has a high number of vulnerable children and young people. A number of actions have been agreed and there is confidence that the London authorities recognise the issue and will work with Kent to ensure that there is more local provision for their looked after children.
- 3.2.3 **+£0.100m Adoption** – Adoption payments are linked to earnings and to the needs of the child. This year there is an estimated pressure of £0.2m following the payments review, which may be linked to the impact of the recession on adopters' incomes. This is partially offset by a £0.1m underspend on Special Guardianships Orders.
- 3.2.4 **+£1.000m 16+ Service** – in 2009-10 the 16+ service ended the financial year with a pressure of £0.835m. A provision was made in the MTP to fund this pressure however due to significant demands on this service resulting from a peak in the number of children turning 16, the service is continuing to forecast a significant pressure of around £1m. This has resulted from a high number of children transferring to this service in high cost placements (residential care and independent fostering allowances). This forecast assumes that a number of children will transfer to lower cost supported lodgings, however the authority has a legal obligation to maintain the existing placement if the child requests. Further updates will be given in future monitoring reports. The Head of Service is looking at the forecast to see what options there are to reduce this pressure without impacting upon service delivery.
- 3.2.5 **-£2.400m Assessment & Related** - a high level of staff vacancies resulted in an underspend of £3.658m in 2009-10. Recently there has been a number of successful recruitment drives, both nationally and internationally, and whilst we continue to advertise social work posts on a rolling basis, it is expected that the underspend on staffing for the current year will be in the region of £2.4m. However, £1m of this underspend will be required to fund the one-off costs incurred by delays to the directorate restructure (see 3.2.8 below).
- 3.2.6 **-£1.000m Home to School Transport (-£0.500m SEN & -£0.500m Mainstream)** – successful contract renegotiations in the previous financial year will be enjoyed this current year and we are currently projecting a £1m underspend, £0.5m for SEN and £0.5m for Mainstream. Given the

significant underspend realised last year, we think there may be further savings to be accessed and we are seeking a more detailed forecast from the Passenger Transport Unit. As in previous years, an accurate forecast will not be available until the September pupil numbers are known, and this will be included in the second quarter's monitoring, to be reported to Cabinet in November.

3.2.7 **+£0.260m Business Planning & Management Unit** – this reflects a continuation of the pressure on the Legal services budget following the introduction of the public law outline, a change in the way care proceedings are conducted.

3.2.8 **+£1.000m Restructure** – the CFE SMT have agreed that the costs of delays in the restructure will be funded from the one-off use of £1m of staffing underspend from the Specialist Children's Services budget (see 3.2.5 Assessment & Related above). A more detailed forecast of this potential pressure will be conducted later in the year when budgets have been re-issued to reflect the new structure.

3.2.9 **Asylum** - The Asylum Service is undergoing a major review to bring the unit costs down to £150 per week, and is forecasting to come in on budget this year. However, the work that the UK Borders Agency are doing to speed up the ARE (All Rights of appeal Exhausted) process could have an adverse impact on the budget because the removal process has not been accelerated in tandem, as was promised. The UKBA will fund the costs of an individual for up to three months after the ARE process, but the LA remains responsible for costs up under the Leaving Care Act until the point of removal. As the gap between the date of ARE and the date of removal widens, then our ability to achieve a balanced position on Asylum becomes more difficult. It should be noted that since 1 April 2010 there have been 20 young people declared ARE but there have been only 4 removed from the UK. Whilst overall numbers have remained relatively stable, the last weekend in June saw the arrival of 17 new UASC at Dover. The Government are working with other European partners to set up a centre in Kabul to support returning asylum seekers which may improve the timescale for removal, but the completion date of the centre is not yet known. An update will be provided in the first quarter's monitoring report to Cabinet in September.

#### **Risks not currently included in the forecast:**

3.2.10 **LSC Transfer** - Prior to the transfer of post 16 funding responsibility on 1 April 2010, the LSC had met the costs of term time residential placements at Independent Specialist Providers (ISP) for post 18 learners. This was a unique situation for Kent learners. Whilst the current position was accepted by the LSC and they funded those placements, that was not the initial stance of the new Young People's Learner Agency (YPLA). Following intense discussion with them, the ISP placement funding has now been confirmed, but only for the current financial year. There is still a considerable amount of work to do with the YPLA in order to secure the future position and ensure there is no financial impact on KCC.

#### 3.2.11 **Schools:**

There is a great deal of uncertainty around the impact of the government's proposals for academies, and how many of our schools may be fast-tracked to academy status this year. This could have a small impact on our budget this year, as schools take with them a proportion of centrally held funds, which would not necessarily generate a corresponding saving within the directorate. More information will become available as we move through the year and updates will be provided in future monitoring reports.

### 3.3 **Kent Adult Social Services portfolio:**

3.3.1 The initial forecast indicates a pressure of £3.032m. It should be noted that detailed forecasts are currently being worked on, in order that the report to be Cabinet in September is more firmly based. Over the forthcoming weeks, the KASS SMT will be working to ensure that appropriate Guidelines for Good Financial Practice are in place to reduce the pressure in order to achieve a balanced position by the end of the financial year. KASS are also in the process of reviewing all cash limits and affordable levels of activity in the light of the 2009-10 outturn and any changing trends in activity that have become apparent since the budget was set. Requests for virement or for realignment of gross and income cash limits will be submitted as part of the first full monitoring report to Cabinet in September.

This forecast pressure assumes that all savings identified within the Medium Term Plan will be achieved. Work is on-going with Areas to identify methods of accurately tracking progress against each saving on a monthly basis.

The main reasons for the £3.032m pressure are detailed below:

- 3.3.2 **-£0.571m Older People Other Services** – this follows the release of £0.519m of uncommitted contingency, which is used to reduce the overall portfolio pressure. There are also small variances, both over and under, against the remaining services, including payments to voluntary organisations, day-care, and meals.
- 3.3.3 **+£4.102m Learning Disability Residential** – this includes estimates of costs for clients known to be coming into residential placements during the year ahead. Alongside demographic growth within this client group, there is increasing pressure relating to new and existing clients whose needs are becoming more complex. This is particularly true for those clients coming through transition from childhood. The forecast assumes that a number of clients will be transferred into Supported Accommodation placements during the year and the success of this will have to be closely monitored. The number of clients has increased from 632 in March to 666 in April although 25 of these are S256 placements wholly funded by health. It should be noted that the cash limit was previously reduced to fund expected growth in other services including direct payments and supported accommodation. The Directorate is reviewing these assumptions for the first full monitoring report where requests for virement or realignment of gross and income cash limits may be submitted.
- 3.3.4 **-£0.900m Learning Disability Other Services** – following the release of £0.830m of Contingency held by the Managing Director to offset the overall pressure within the portfolio, together with other small variances from cash limit.
- 3.3.5 **+£0.717m Physical Disability Residential** – this pressure results from similar pressures seen within Learning Disability Residential. The number of clients has increased from 222 in March to 225 in April and this level remains significantly higher than the affordable level. It should be noted that as with Learning Disability Residential, the cash limit was previously reduced to fund expected growth in other services including direct payments and supported accommodation. Again the Directorate is reviewing these assumptions for the first full monitoring report where requests for virement or realignment of gross and income cash limits may be submitted.
- 3.3.6 **+£0.451m All Adults Assessment & Related** – it is expected that this pressure will be reduced through vacancy management.
- 3.3.7 **+£0.883m Mental Health Residential** – the number of clients expected to remain within a residential placement is above the level afforded in the budget. The affordable level was reduced as a result of the decision in 2008-09 and 2009-10 to transfer cash limit from this line to fund expected growth in other services including direct payments and supported accommodation, and to reflect the changed priorities in the Directorate and the desire for clients to remain within a community based setting.
- 3.3.8 **-£0.200m Mental Health Direct Payments** - as referred to above the affordable level was increased in both 2008-09 and 2009-10 to reflect the changed priorities in the Directorate to keep clients, wherever possible, within a community based setting such as supported accommodation or via direct payments, rather than residential care, however this change has not happened as quickly as anticipated.
- 3.3.9 **-£0.310m Mental Health Assessment & Related** – this in part results from vacancy management but also from difficulties in recruiting qualified social work staff. Savings also accrue from difficulties experienced in recruiting to senior positions for joint health/social care posts.
- 3.3.10 **-£0.181m Mental Health Other Services** – this results from small variances against a number of budget lines including payments to voluntary organisations, daycare, facilities and community services.
- 3.3.11 **-£0.577m Strategic Business Support** – this is spread across a number of teams both at Headquarters and in the two Areas and reflects vacancy management, as well as cases where posts have been funded through a grant. There are also cases where there has been backfilling of posts and this has either been done at a lower cost or the post has not been covered, both of which have added to the underspend. There have also been savings against non-pay costs.

3.3.12 In addition to these variances, there are a number of other smaller variances, each below £0.1m, across all other services which make up a further £0.382m underspend.

### **3.4 Environment, Highways & Waste portfolio:**

A net pressure of £0.290m is forecast due to:

#### **3.4.1 Waste:**

3.4.1.1 **+£1.1m Price pressure:** The RPI index for April was much higher than budgeted, which has put significant price pressure on some of the Waste contracts. The Allington waste to energy price per tonne is £2.38 more than the budgeted figure, which increases costs by £0.773m (assuming minimum tonnage through Allington of 325,000 tonnes). Inflation on other disposal and household Waste Recycling Centre contracts is expected to increase the total price pressure on waste to £1.1m.

3.4.1.2 **-£1.1m Tonnage:** This price pressure is expected to be offset by overall tonnage being less than the budgeted 760,000 tonnes. It is very early in the year to predict outturn tonnage with any level of certainty but there is an expectation that tonnage will be at least 16,000 tonnes below budget which would give a saving of £1.1m at an average disposal cost per tonne of £68. Therefore at this stage it is expected that the waste budget will break even.

3.4.2 **+£0.390m Freedom Pass:** Initial estimates on the cost of the Freedom Pass show a pressure of £0.390m due to the popularity of the pass and the number of journeys now being undertaken. This may increase during the year depending on the take-up of passes in the new academic year and more will be known around October.

3.4.3 **-£0.100m Resources:** Vacancies are being held in Resources to offset these pressures.

3.4.4 The directorate is looking at ways to address this unresolved net pressure of £0.290m but there are no firm plans at present. The lack of room for manoeuvre in waste disposal and the constant pressures on highways maintenance mean that finding alternative savings is very difficult. However, the directorate will do everything it can to produce a balanced budget by year end and is confident of doing so.

### **3.5 Communities portfolio:**

A net pressure of £0.842m is forecast which is due to:

3.5.1 **+£0.750m Community Learning Service (Adult Education & KEY Training)** – since the Budget Book was published, the service has been notified that funding has reduced by £0.750m. The service is currently devising management action to mitigate against this funding pressure.

3.5.2 **+£0.092m Sports Development:** we have recently received notification from external funding partners that we will not be receiving specific sources of funding this year as a direct result of the new Government's aim to reduce public spending for the following projects:

- -£60k from Department of Health towards physical activity work, which will reduce our ability to meet the LAA National Indicator 8 target).
- -£20k from Youth Sport Trust to run specific training for teachers

In addition, we have recently received notification from Sport England that the Recruit into Coaching project has been cut, for which we were expecting £12.5k.

It is currently expected that expenditure will be reduced accordingly to offset the impact on the outturn position.

3.5.3 **Coroners:** the service is not currently reporting an adverse variance, but the budget allocated to long inquests, which is demand led, remains exposed to an increase in the number of referrals of suspicious deaths. Already this financial year, an inquest has been conducted that is expected to cost in the region of £0.045m so a recurrence of such inquests would be a pressure on the service.

### **3.6 Localism & Partnerships portfolio:**

A net pressure of £0.254m is forecast, which is due to:

- **+£0.254m Democratic Services** – Of this, £0.175m is due to the restructure of the Staff Officer/Member Support areas. The remaining £0.079m is due to shortfalls in pay and supply budgets within Democratic Services.

### 3.7 Corporate Support Services & Performance Management portfolio:

A net saving of £0.450m is forecast, which is due to:

- **-£0.450m Legal Services** – this is a projection based on the 2009-10 outturn position.

### 3.8 Finance portfolio:

Within this portfolio there is a saving of £1.016m which relates to the write down in 2010-11 of the £4.024m discount saving on the debt restructuring undertaken at the end of 2008-09. (£2.362m was written down in 2008-09 and 2009-10, therefore leaving a further £0.646m to be written down over the period 2011-12 to 2012-13). As planned, this saving will be transferred to the Economic Downturn Reserve; hence a balanced position is currently forecast for this portfolio.

## 4. IN YEAR CAPITAL GRANT REDUCTIONS

4.1 The Government recently announced the following 2010-11 capital grant reductions for Kent:

**Table 5: Government Capital Grant Reductions**

	£000s
• Integrated Transport Block	4,105
• Road Safety capital grant	508
• PRN Network funding	40
<b>TOTAL 2010-11 CAPITAL GRANT REDUCTIONS</b>	<b>4,653</b>

4.2 All of these grant reductions are from the Department of Transport. This reduction is all absorbed within the EH&W portfolio capital programme as follows; and as set out in the Key Decision signed by the Leader on 18 June:

**Table 6: KCC proposals to address capital grant reductions**

Proposal	£000s	Comments/Action	Impact on cash limit
1. Reduce Integrated Transport schemes	-4,105	Schemes to the value of £4,105k will no longer happen (see section 4.4 and Appendix 1)	A reduction in the 10-11 Integrated Transport schemes capital cash limit on page 55 of the budget book from £11,065k to £6,960k
2. Safety Camera Partnership	-508	New speed signs expected as a result of the Speed Limit Review will no longer be installed, as the review is not going ahead, (see revenue reduction item 7 in table 2), and no more speed cameras will be installed.	A reduction in the 10-11 Safety Camera Partnership capital cash limit on page 55 of the budget book from £632k to £124k
3. Highway Major Maintenance	-40	The major maintenance budget will be reduced	A reduction in the 10-11 Highway Major Maintenance/Other Capital Maintenance/Bridge Assessment & Strengthening capital cash limit on page 55 of the budget book from £40,505k to £40,465k
	<b>-4,653</b>		



4.3 The impact of this is a reduction in the EHW portfolio capital cash limit for 2010-11, per page 56 of the Budget Book, from £153,024k to £148,371k.

4.4 Following the reduction of £4.105m Government Grant on the Integrated Transport Block (IT) this year, the County Council has to reduce the IT programme in line with this reduction.

In order to ensure best value for money, it is recommended that we award priority to those schemes which are already being constructed, those which contribute to road safety, those which tackle congestion and those which attract matched funding.

Schemes which are proposed as not being funded this year will receive further consideration if a Member wishes to contribute from their Member Highway Fund, and/or will receive further consideration next year once the national funding position is clearer. These schemes are listed in Appendix 1.

## 5. **2010-11 CAPITAL MONITORING POSITION BY DIRECTORATE**

5.1 There have been a number of cash limit adjustments since the published 2010-11 budget book, some of which have already been reported, full details below:-

**Table 7: Capital Cash Limit changes:**

	£000s 2010-11	£000s 2011-12
1 As published in 2010-11 Budget Book exc PFI	460,330	434,818
2 Roll forwards agreed at Cabinet on 14th June		
Children, Families & Education (CFE)	689	
Children, Families & Education (CFE) - schools budget	14,107	
Kent Adult Social Services	560	-95
Environment, Highways & Waste	489	32
Communities	226	113
Regeneration & Economic Development	67	
Corporate Support Services & Performance Management	452	
Localism & Partnerships	3	
3 Highways major Maintenance - member highway fund reserve - EH&W portfolio	-2,100	
4 Modernisation of LD services - additional PEF2 and capital receipt - KASS portfolio	1,423	68
5 Multi Agency Specialist Hubs - alignment of grant - CFE portfolio	-501	501
6 A2 Linear project - additional external funding - EH&W portfolio	574	
7 Major schemes - preliminary design fees - additional grant funding - EH&W portfolio	389	
8 Ashford Futures - Drivers roundabout junction - additional grant funding - EH&W portfolio	405	
9 Dartford social and healthcare - reduction in external funding - KASS portfolio		-640
10 Learning Disability Dev Fund - additional external funding - KASS portfolio	70	
11 Mod of OP services - Broadmeadow - additional external funding - KASS portfolio	180	
12 Ashford Gateway Plus - additional grant funding - CMY portfolio	40	
13 Academies - grant funding banked - CFE portfolio	1,002	
14 Dartford Grammar School - additional developer contributions funding - CFE portfolio	155	

	£000s 2010-11	£000s 2011-12
15 Specialist Schools 2009-10 allocation - additional grant funding - CFE portfolio	125	
16 Previously reported cash limit changes:		
Gateway - CSS&PM portfolio	-7	
Multi Agency Specialist Hubs - CFE portfolio	10	
Sustaining Kent - KPSN - CSS&PM portfolio	-7,314	-7,314
Harnessing Technology - CFE portfolio	-2,050	-4,721
Transformation in Adult Social Care - KASS portfolio	730	
Re-phasing as agreed at Cabinet on 29th March	24,655	-2,504
Re-phasing as agreed at Cabinet on 19th April	8,358	-849
Re-phasing as agreed at Cabinet on 17th May	5,794	69
	<b>508,861</b>	<b>419,478</b>
17 PFI	45,101	88,000
	<b>553,962</b>	<b>507,478</b>

5.2 The current forecast capital position by portfolio, is shown in table below.

**Table 8: 2010-11 Capital Variances:**

	Variance
	This month
Portfolio	
	£m
Children, Families & Education (CFE)	-2.547
Kent Adult Social Services	0.000
Environment, Highways & Waste	-0.019
Communities	-1.680
Regeneration & Economic Development	0.000
Corporate Support Services & PM	0.000
Localism & Partnerships	0.000
Total (excl Schools)	-4.246
Schools	0
Total	-4.246

This month there is re-phasing of -£4.2m and a real variance of -£0.04m. The main movements this month are detailed below:

### 5.3 Children, Families & Education portfolio

The forecast for the portfolio has moved by -£2.547m. Projects subject to re-phasing and overall variances affecting 2010-11 are:

- Kingsmead (-£2.0m): the original intention for this element of the capital programme was for a site purchase for a new amalgamated School. The project is not now proceeding and we are examining other options.
- Multi Agency Specialist Hubs (-£0.705m): the re-phasing relates to all three centres (Swale -£0.453m, Maidstone -£0.153m & Thanet -£0.100m). There have been a number of delays in agreeing sites for the location of the MASH centres & agreeing final build specifications.
- Primary Improvement Programme (+0.120m): in seeking approval to spend cash limits were re-profiled to represent the latest phasing of a number of projects. The re-phasing predominantly relates to two projects (St Matthews +£178K and Newlands -£41K).

Overall this leaves a residual balance of +£0.038m on a number of more minor projects.

## 5.4 Communities portfolio

The forecast for the portfolio has moved by -£1.680m this is due to re-phasing detailed below:

Edenbridge Community Centre (-£1.68m): Since initially being included in the programme this project has been significantly re-scoped and will now cost £3.2m. The timeline for the project has now been fixed and agreed with the developer and partners, so the phasing needs to be revised.

## 5.5 Capital Project Re-phasing

Normally, cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m is reported and the full extent of the re-phasing will be shown. The table below summarises the proposed re-phasing this month of £4.2m.

**Table 9 – re-phasing of projects >£0.100m**

<b>Portfolio</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>Future Years</b>	<b>Total</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
<b>CFE</b>					
Amended total cash limits	222,297	233,962	248,101	154,816	859,176
Re-phasing	-2,569	2,787	-218	0	0
<b>Revised cash limits</b>	<b>219,728</b>	<b>236,749</b>	<b>247,883</b>	<b>154,816</b>	<b>859,176</b>
<b>KASS</b>					
Amended total cash limits	14,455	7,285	2,640	1,162	25,542
Re-phasing	0	0	0	0	0
<b>Revised cash limits</b>	<b>14,455</b>	<b>7,285</b>	<b>2,640</b>	<b>1,162</b>	<b>25,542</b>
<b>E,H&amp;W</b>					
Amended total cash limits	167,010	119,582	83,605	224,661	594,858
Re-phasing	0	0	0	0	0
<b>Revised cash limits</b>	<b>167,010</b>	<b>119,582</b>	<b>83,605</b>	<b>224,661</b>	<b>594,858</b>
<b>Communities</b>					
Amended total cash limits	28,725	10,311	3,060	350	42,446
Re-phasing	-1,680	1,680	0	0	0
<b>Revised cash limits</b>	<b>27,045</b>	<b>11,991</b>	<b>3,060</b>	<b>350</b>	<b>42,446</b>
<b>Regen &amp; ED</b>					
Amended total cash limits	11,996	4,230	3,242	2,980	22,448
Re-phasing	0	0	0	0	0
<b>Revised cash limits</b>	<b>11,996</b>	<b>4,230</b>	<b>3,242</b>	<b>2,980</b>	<b>22,448</b>
<b>Corporate Support &amp; PM</b>					
Amended total cash limits	16,078	9,317	9,549	2,663	37,607
Re-phasing	0	0	0	0	0
<b>Revised cash limits</b>	<b>16,078</b>	<b>9,317</b>	<b>9,549</b>	<b>2,663</b>	<b>37,607</b>
<b>Localism &amp; Partnerships</b>					
Amended total cash limits	503	500	500	0	1,503
Re-phasing	0	0	0	0	0
<b>Revised cash limits</b>	<b>503</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>1,503</b>
<b>TOTAL RE-PHASING &gt;£100k</b>	<b>-4,249</b>	<b>4,467</b>	<b>-218</b>	<b>0</b>	<b>0</b>
<b>Other re-phased Projects below £100k</b>	<b>+44</b>	<b>-44</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RE-PHASING</b>	<b>-4,205</b>	<b>+4,423</b>	<b>-218</b>	<b>0</b>	<b>0</b>

## 6. **RECOMMENDATIONS**

Cabinet is asked to:

- 6.1 **Note** the initial forecast revenue and capital budget monitoring position for 2010-11.
- 6.2 **Note** our response to the in year revenue grant reductions and the consequent changes to revenue cash limits as detailed in section 2.
- 6.3.1 **Note** our response to the in year capital grant reductions and the consequent changes to capital cash limits as detailed in section 4, and
- 6.3.2 **Agree** the Integrated Transport schemes to be deferred, for reconsideration next year once the national funding position is clearer, as proposed in Appendix 1.
- 6.4 **Agree** that £4.249m of re-phasing on the capital programme is moved from 2010-11 capital cash limits to 2011-12 and future years.

## Proposed 2010-11 LTP Integrated Transport Schemes NOT funded this year

Description	Scheme Objective	Saving
<b>QUALITY BUS PARTNERSHIPS</b>		
Bus Stop infrastructure impts in Dover District ( <b>Town &amp; Pier, Dover</b> )	Tackling congestion	-50,000
Bus Stop Improvements - Route 12/711/712 (Folkestone to Dover) ( <b>Shepway, Folkestone Harvey Central</b> )	Tackling congestion	-50,000
Thanet Quality Bus Partnership ( <b>Thanet, Margate Central</b> )	Tackling congestion	-50,000
Bus Stop Infrastructure Improvements ( <b>Ashford Town, Victoria</b> )	Tackling congestion	-100,000
Canterbury QBP ( <b>Canterbury, Harbledown</b> )	Tackling congestion	-130,000
Thanet Quality Bus Partnership ( <b>Thanet, Margate Central</b> ) Phase 2	Tackling congestion	-50,000
Tunbridge Wells QBP [Tunbridge Wells]	Tackling congestion	-50,000
Bus Priority Measures, West Malling to Leybourne (Design Only) ( <b>Tonbridge &amp; Malling</b> )	Tackling congestion	-50,000
Canterbury Bus Strategy (Tourtel Road) ( <b>Westgate, Canterbury</b> )	Tackling congestion	-95,000
Bus stop infrastructure improvements ( <b>Maidstone</b> )	Tackling congestion	-113,000
Pembury bus route Improvements ( <b>Tunbridge Wells</b> )	Tackling congestion	-331,000
QBP Scheme ( <b>Sheway South, Maidstone</b> )	Tackling congestion	-75,000
		<b>-1,144,000</b>
<b>CYCLE SCHEMES</b>		
Christchurch School to Park Farm cycleway ( <b>Stanhope, Ashford</b> )	Tackling congestion	-60,000
A264 Langton Road Cycleway ( <b>Tunbridge Wells, Rusthall</b> )	Tackling congestion	-70,000
Phoenix Place cycle Route ( <b>Dartford</b> )	Tackling congestion	-10,000
Cycle Infrastructure Improvements ( <b>Gravesham, Pelham</b> )	Tackling congestion	-5,000
St John's Road cycle route (Campus Link) ( <b>Tunbridge Wells</b> )	Tackling congestion	-115,000
Capital maintenance of cycle network ( <b>T &amp; M, Aylesford</b> )	Tackling congestion	-173,000
Beechwood Avenue ( <b>Dover</b> )	Tackling congestion	-45,000
Hall Rd/Coldharbour Rd cycle link (Cygnet Leisure Centre) ( <b>Gravesham</b> )	Improving Accessibility	-20,000
London Road Cycle Route (Phase 2 - Birchwood) ( <b>Sevenoaks</b> )	Improving air quality	-40,000
Cycle Network Improvements (Sittingbourne) ( <b>Swale</b> )	Tackling congestion	-60,000
Dane Valley Cycle Routes (Phase 5) ( <b>Thanet, Westgate-on-Sea</b> )	Tackling congestion	-170,000
St John's Road Bus and Cycle Lanes ( <b>Tunbridge Wells, Southborough and High Brooms</b> )	Tackling congestion	-85,000
Homewood Avenue ( <b>Swale</b> )	Tackling congestion	-99,400
Henley Fields Cycle Track ( <b>Ashford, Stanhope</b> )	Tackling congestion	-76,000
Old Thanet Way Cycle Route ( <b>Canterbury, Westgate</b> )	Tackling congestion	-158,750
Connect 2 ( <b>Canterbury</b> )	Tackling congestion	-30,000
Princes Road cycle Route (Crayford Boundary - Shepherds Lane) ( <b>Dartford</b> )	Tackling congestion	-121,000
		<b>-1,338,150</b>
<b>NETWORK BENEFIT SCHEMES</b>		
Darent Valley Accessibility Improvements ( <b>Sevenoaks, Swanley White Oak</b> )		-25,000
Winterfield La, East Malling - Speed Limit Reduction ( <b>T &amp; M</b> )	N/A	-5,000
Pembury Road Completion Dunorlan Park <b>Tunbridge Wells</b>	N/A	-55,000
Borden Traffic Management ( <b>Swale</b> )	Safety measures	-60,000
Pysons Road, Broadstairs ( <b>Thanet, ST Peters</b> )	Tackling congestion	-100,000
Littlebourne High Street (Preventing Property Damage) ( <b>Canterbury</b> )	Remedial works	-50,000
A229 Gills Green, Hawkhurst ( <b>Tunbridge Wells</b> )	Casualty reduction	-30,000
Northfleet - Ebbsfleet station ( <b>Gravesham, Woodlands</b> )	Improving Accessibility	-40,000
Coldharbour Road, Northfleet ( <b>Gravesham</b> )	Improving Accessibility	-46,000

<b>Description</b>	<b>Scheme Objective</b>	<b>Saving</b>
Medway Valley Line Station accesses ( <b>Maidstone</b> )	Improving Accessibility	-70,000
Lynsted Footway ( <b>Swale</b> )	Improving accessibility	-85,000
Garlinge Primary School - Safe Routes to School ( <b>Thanet</b> )	Casualty reduction	-111,000
B2079 Lady Oak Lane-Bedgebury Road ( <b>Tunbridge Wells</b> )	Casualty reduction	-35,000
		<b>-712,000</b>
<b>KENT WIDE SCHEMES</b>		
Cycle Parking at Stations Countywide	Tackling congestion	-75,000
Off-highway works to support Exemplar STP's	Tackling congestion	-80,000
		<b>-155,000</b>
Reduction in staff costs required to deliver IT programme		<b>-400,000</b>
Variations to and re-scoping of a range of existing IT schemes		<b>-355,850</b>
<b>TOTAL</b>		<b>-4,105,000</b>

**By: Peter Sass: Head of Democratic Services and Local Leadership**  
**To: Cabinet Scrutiny Committee – 21 July 2010**  
**Subject: Operation Find and Fix – Weather Damage Repairs to Roads (Cabinet Decision)**

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### **Background**

Members would like:

- more information on the £1.5million which KHS has been able to find through efficiencies achieved in the market testing of machine surfacing works;
- to question the lessons learned from the progress to date on the find and fix programme;
- to understand how performance can be monitored and how to determine that the Council is getting good value for money.

The Cabinet report is attached for Members' information.

### **Guests**

Mr Nick Chard, Cabinet Member for Environment, Highways and Waste and Mr John Burr, Director of Kent Highway Services have been invited to attend the meeting between 10.45am and 11.15am to answer Members' questions on this item.

### **Options for the Cabinet Scrutiny Committee**

The Cabinet Scrutiny Committee may:

- (a) make no comments
- (b) express comments but not require reconsideration of the decision
- (c) require implementation of the decision to be postponed pending reconsideration of the matter in the light of the Committee's comments by whoever took the decision or
- (d) require implementation of the decision to be postponed pending consideration of the matter by the full Council.

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By: Nick Chard- Cabinet Member for Environment, Highways and Waste  
Mike Austerberry- Executive Director Environment, Highways and Waste  
John Burr, Director- Kent Highway Services

To: Cabinet – 12<sup>th</sup> July 2010

Subject: OPERATION FIND AND FIX- WEATHER DAMAGE REPAIRS TO ROADS

Classification: Unrestricted

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Summary: Operation Find and Fix- Update to Cabinet on the progress with delivering repairs to roads, both with externally tendered contractors and the County's Maintenance Contractor.

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### **Executive Summary – External find and fix (Non classified roads)**

Completed (up to 22<sup>nd</sup> June) = 57,000m<sup>2</sup>  
Cost (up to 22<sup>nd</sup> June) = £2.3m  
Estimated total required = 170,000m<sup>2</sup>  
Estimated completion date = early autumn 2010  
Total estimated budget required = £6.5m  
Total estimated costs of arranging, managing and supervising = £320k (5%)

### **Background**

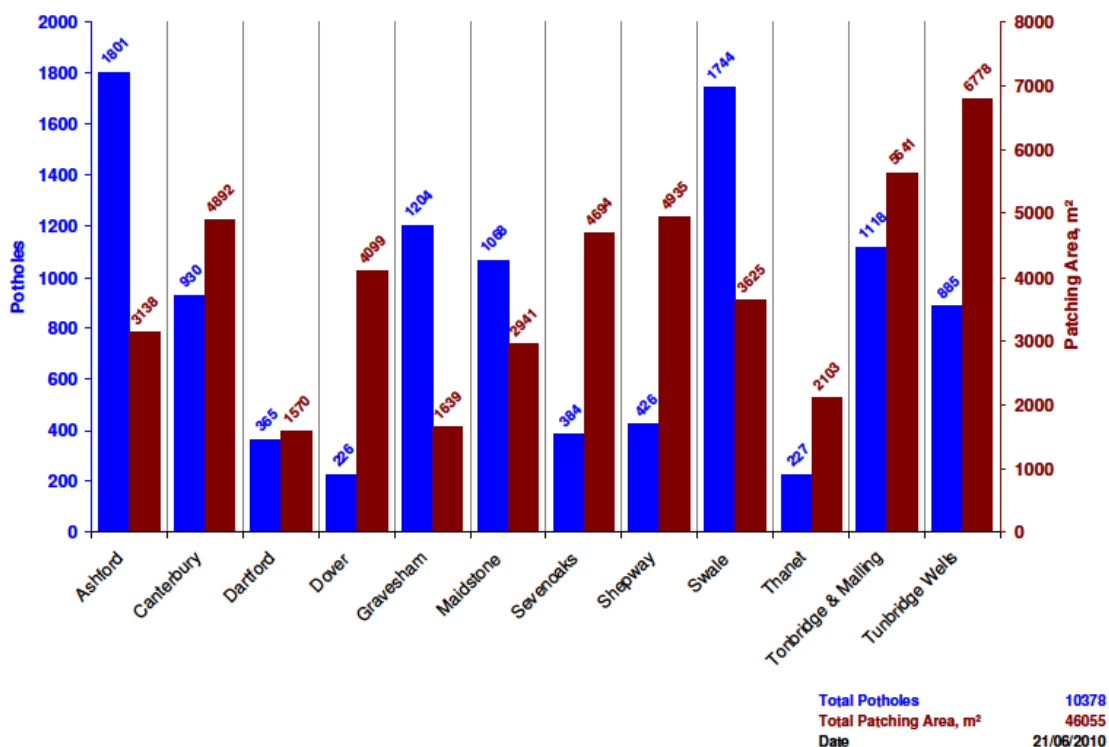
As part of the response to the unprecedented damage to the roads in Kent following the severe winter, KHS has been working to make all the roads in the county safe (in particular with repairs to potholes) and improve the condition of the carriageway surface. Previous cabinet papers have given updates on the delivery of repairs by the seven companies who were awarded contracts on 12<sup>th</sup> April to repair all the potholes, and carry out larger patching maintenance work, in the non-principal road network throughout each district with a first time permanent repair. This report (as requested at the 17<sup>th</sup> May 2010 Cabinet) gives an update on these contracts and also details how other roads are being repaired in relation to the weather damage.

## External Find and Fix Progress (Non classified roads)

The contractors work on a “find and fix” basis using up to 5 separate gangs (and more in extreme cases) in each district, according to the size of the district. The contractors are able to work up to 7 days a week between 7am and 7pm. Kent Highway Services officers deploy the contractors, giving instructions to ensure the highest priority areas in each district are targeted first, and moving progressively to roads with a lesser volume of repair need. The programme of works is available to all members and members of the public via the KCC website.

The focus is on the county’s non-principal roads, particularly the rural and estate roads which make up 71% of the total of the network. Other work is continuing in parallel, as appropriate and in particular critical safety defects, through the term maintenance contractor, Ringway.

After 10 weeks of the programme (up to 22<sup>nd</sup> June) some 57,000m<sup>2</sup> of repairs (equivalent to almost 46 Olympic size swimming pools) have been completed.



Due to the approach of repairing **all** defects in a road, rather than simply those that are considered most critical to the safe passage of road users, the amount of patching in each road is almost 6 times greater that we would anticipate undertaking against normal “intervention” criteria. This inevitably means that each road takes longer to repair, however from the positive feedback received, this is clearly an approach that people favour.

At the current rate of repair, it is envisaged that the programme will be completed in early autumn.

### **Building on investment**

KHS is planning to increase its programme for surface dressing rural roads over the coming 2 – 3 years, to be financed through re-prioritisation of existing capital maintenance spend. This will ensure that the significant investment made through the find and fix programme is protected over the coming years.

### **A and B Roads**

The A and B roads across the county have continued to be repaired based on safety defects found by inspectors and reported by the public. However, to ensure that we are certain that all potholes are repaired, Ringway embarked in mid-June on a countywide programme to fix all defects on the A and B road network. Additional gangs are taking the same approach to the non-classified roads; that is, to repair all pothole defects in a road from start to finish. The roads have been programmed, and one to two days prior to the works starting an assessment of the road is made. This allows the correct method and machinery to be deployed to ensure efficiency and reduced disruption to the public (bearing in mind that these roads are more heavily trafficked). This process has been planned, with the programme of works available to all Members and members of the public via the KCC website. The works will take approximately 3 months (to early autumn) to complete.

### **Next Steps**

The Cabinet report in May recommended that the budget for the external find and fix, non classified roads should be increased to £3.4m.

The find and fix approach is clearly showing favour with many people, however with the rate of repair significantly higher than normal (due to the high level of winter damage, and increased intervention levels as explained), the cost is greater.

We have continued to repair many of the county's worst roads and although there is still more to do, progress is good. On a find and fix approach it is inherently difficult to estimate the additional sums needed to complete the task. It is expected that the spend per road will start reducing as the project moves away from the worst roads to those with fewer defects. In the smaller sized districts there is already evidence of this. An overall assessment of the remaining work load suggests that we would require £6.5m to complete the programme (£3.1m additional to the already approved £3.4m).

KHS has been able to find approximately £1.5m towards this through efficiencies it has achieved in the market testing of machine surfacing works, and it is

proposed that Cabinet consider making an additional £1.5m available to complete the find and fix task across the county's network.

Beyond the completion of this task, any new safety critical potholes, or further deterioration of the road network not evident when the find and fix teams visited, will still be funded from within the KHS core budget and repaired using the permanent repair crews.

### **Recommendations**

1. Cabinet note the progress on the external find and fix programme (non-classified roads).
2. Cabinet agree to allocate an additional £1.5m to this programme at this stage.
3. Cabinet note and support the approach to A and B road repairs.

Lead Officer: John Burr ext- 4192

**By: Peter Sass: Head of Democratic Services and Local Leadership**

**To: Cabinet Scrutiny Committee – 21 July 2010**

**Subject: Community Wardens - Increasing the Number of Communities Receiving Warden Services (Cabinet Member Decision)**

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### **Background**

Members understand that this Cabinet Member decision gives authority for the future roll out of the changes to the process for warden deployment across Kent. Members would like further clarification on the process and the warden's service improvement action plan.

The report which accompanied the Cabinet Members' decision is attached for Members' information. Please note that paragraph 2.1 (page 47) of the report to the Cabinet Member is slightly out of date, the establishment is now as follows:

2.1 The CWS has an establishment of 92 Wardens, 9 Uniformed Supervisors, 3 Area Managers, 4.5 administration officers and Head of Wardens Operations (a total of 109.5fte).

### **Guests**

Mr Mike Hill, Cabinet Member for Communities, Mr Clive Bainbridge, Director of Community Safety & Regulatory Services and Mr Stuart Beaumont, Head of Service, Community Safety will attend the meeting at 11.15am to answer Members' questions on this item.

### **Options for the Cabinet Scrutiny Committee**

The Cabinet Scrutiny Committee may:

- (a) make no comments
- (b) express comments but not require reconsideration of the decision
- (c) require implementation of the decision to be postponed pending reconsideration of the matter in the light of the Committee's comments by the Cabinet Member or
- (d) require implementation of the decision to be postponed pending consideration of the matter by the full Council.

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# KENT COUNTY COUNCIL - RECORD OF DECISION

<b>DECISION TAKEN BY</b>
Michael Hill – Cabinet Member for Communities

<b>DECISION NO.</b>
10/01518

*If decision is likely to disclose exempt information please specify the relevant paragraph(s) of Part 1 of Schedule 12A of the Local Government Act 1972*

**Subject:** Community Wardens - increasing the number of communities receiving warden services.

**Decision:**  
 This decision is to change the existing protocol for the deployment of wardens and to set up a warden response service based in / working with each of the 12 Community Safety Units across the County, as detailed in report to the Cabinet Member dated 24 June 2010.

The cabinet member for Community Services approves:

- changes to the process for warden deployment as described in paragraphs 6.1 to 6.6 of the above report
- the service improvement plan at Appendix 1 of the above report

**Any Interest Declared when the Decision was Taken**  
 None

**Reason(s) for decision, including alternatives considered and any additional information**  
 The warden service currently has a presence in 128 communities across Kent and serves a population of around 440,000. The intention is to increase the 'footprint' of the wardens service so that more communities and a greater percentage of the population of the County receive the benefit of this service.

**Background Documents:**  
 Director of Community Safety & Regulatory Services' report to Cabinet Member for Communities dated 24 June 2010

.....  
 Signed

Date 7.7.2010

**FOR Democratised Services USE ONLY**

Decision Referred to Cabinet Scrutiny			
YES		NO	

Cabinet Scrutiny Decision to Refer Back for Reconsideration			
YES		NO	

Reconsideration Record Sheet Issued			
YES		NO	

Reconsideration of Decision Published	

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**To:** Michael Hill, Cabinet Member Community Services.

**By:** Clive Bainbridge, Director Community Safety & Regulatory Services

**Date:** 24 June 2010

**Subject:** KCC Community Wardens – increasing the number of communities receiving warden services

**Summary:** This paper reviews the Kent Community Wardens deployment allocation process and proposes modernisation of that process incorporating reduced costs and increased public coverage.

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## **1. BACKGROUND**

- 1.1 In response to the findings of an extensive public survey and consultation exercise undertaken jointly with Kent Police Authority in 2001, the KCC Community Warden Service (CWS) was instigated in 2002 to provide a highly visible neighbourhood level, intelligence led, uniformed, semi official patrolling function.
- 1.2 The CWS has now been operating for 4 years at full capacity in terms of staff establishment and operational engagement with the Kent Police Neighbourhood Policing Programme presence and currently has a presence in 128 communities across Kent, serving a population of 440,000.

## **2. CURRENT STATUS**

- 2.1 The CWS has an establishment of 92 Wardens, 9 Uniformed Supervisors, 3 Area Managers, 5.5 administration officers, an Assistant Manager and Head of Wardens Operations (a total of 111.5fte).
- 2.2 The total cost of the warden service for the 2010/11 financial year is £2.9m. This includes, salaries and on costs, transport, IT, premises, uniforms and consumables.
- 2.3 The KCC Wardens are an integral part of delivering the Safer & Stronger Communities element of the set of National PSA's and Indicators, the Vision for Kent, the annual KCC plan, the Towards 2010 Action Plan, the County Community Safety Agreement and the Kent Agreement 2.

## **3. LOOKING AT HOW WE WORK AND WHAT WE DELIVER**

- 3.1 As part of standard managerial and operational procedures, a regular detailed look is taken of the service to ensure that consistent standards are being maintained and assess whether operational effectiveness and efficiency can be improved.
- 3.2 Therefore, a series of comprehensive integrated surveys and consultations were undertaken during the last quarter of 2009 in order to comprehensively examine the operation efficiency of the community warden's service and identify actions for service improvement.

## **4. RESULTS OF CONSULTATION**

- 4.1 All elements of the consultation exercise, assessment and the operational survey had an excellent response with no one particular issue coming to the forefront.
- 4.2 In general almost all the wardens were aware of the aims and objectives of the warden service, the community safety unit and Communities Directorate. The overall leadership of the service was well received and understood, although a small number

of staff felt that there was too much information about policies, procedures, rule changes etc which was difficult to absorb and blurred the overall aims.

- 4.3 Over 80% of wardens felt that they were adequately trained, were valued as people and that there were many opportunities for future personal development. More than three quarters of the community wardens did not want enforcement powers. The majority of partner agencies interviewed felt the wardens were extremely effective.
- 4.4 More than half of warden staff felt that communications in the service and with partners was adequate but could be improved. Again more than half the wardens felt that they were sometimes left out of the information loop and were often the last to know about partnership issues within the area. However, it was acknowledged that this may be due to individuals rather than organisations. Interestingly it was reported that the high turnover of PCs/PCSOs in the local areas required working relationships and an understanding of roles to be re-established on a regular basis.
- 4.5 Almost all partners surveyed were aware of wardens in their area and almost three quarters knew how many and where they were located, or knew how to find out. Some 80% of partners have regular contact with the wardens and almost half of the external partners were against enforcement powers, with the majority of the remainder saying yes but only to limited powers.
- 4.6 The majority of wardens regularly attend Partnership meetings, including police, districts, parishes, neighbourhood watch, victim support, residents groups and school & youth groups etc. The main role of the wardens at these partnership meetings is exchange of information followed by providing support, advice and problem solving.
- 4.7 Some gaps and a need for clarity, was identified with the wardens role on CDRPs, particularly in engaging with community safety units across the county and with the PaCT process.
- 4.8 It was also apparent that a wider deployment of the service along with firmer identification of the warden's role, responsibilities and the vital supplementary support it provides to other public services was required.

## **5. CONCLUSIONS**

- 5.1 The consultation results suggest that the wardens operations are seen by both staff and partners as an efficient and effective frontline service. The back office systems and business processes have been bedded in and apart from some adjustments where administrative processes need to be streamlined, there is nothing major to address.
- 5.2 The results suggest that more clarity should be established around roles and relationships for wardens and supervisory staff, and with their engagement with a range of partnership structures such as local community safety units, CDRPs and PaCTs.
- 5.3 A strong clear message from the combined exercise is the need formally to define and publicise the real time working role of the wardens and their impact upon local communities, along with the supplementary nature of their work to a wide range of other local authority and public services, such as Adult Social Services, Probation and Education.
- 5.4 There is also a need to expand the wardens operational deployment locations and for the service to be recognised as a formal and integral asset available to the neighbourhood policing / management family.

## 6. WARDENS SERVICE IMPROVEMENT ACTION PLAN

### Wardens Deployment Protocols - Increasing Wardens Footprint

#### Existing protocol

- 6.1 The current warden's deployment process, as approved by the Cabinet Member for Community Services on 5 October 2007, requires the KCC community safety unit to review warden deployments of over 3 years against the original deployment specifications and criteria and to verify whether each warden placement still fulfils the eligibility criteria.
- 6.2 The result of this analysis is then shared with the Chairman of the relevant CDRP and the Area Police Commander, who provide their views on the appropriateness of these deployments against other pressures experienced in that CDRP area. Following this, the local Member for the area in question and the Cabinet Member for Community Services are advised before any formal action is taken.

#### New arrangements

- 6.3 It is proposed to undertake a comprehensive review of priority locations at CDRP / District level by Wardens Area Supervisors and Police District Chief Inspectors, utilising the existing criteria but accepting that in order to deploy a warden to a new high priority area there will be a need to reduce the current operational time spent in an existing area.
- 6.4 Current warden deployment locations will therefore, where appropriate, be expanded to cover more communities and higher population numbers. They will continue, however, to maintain a presence in their original deployment location, to avoid or at least mitigate negative public reaction.
- 6.5 The original deployment process as mentioned in 6.1 and 6.2 is largely unchanged apart from the review covering all current deployments and the review being carried out by KCC's Community Safety unit working with the local District Chief Inspector. The results of all the warden deployment reviews will be communicated to the Area commander, CDRP Chair, local KCC Member and KCC's Cabinet Member for Community Services as before.

#### County Wide Warden Response

- 6.6 The current Response Team of 10 wardens (which fills gaps caused by sickness, leave and vacancies) and the Area Supervisor system will be restructured to provide each district based Community Safety Unit (CSU) with an area supervisor, a community response warden and one vehicle. Using local live information and intelligence, the response warden will be tasked and coordinated by their area supervisor to respond to immediate issues of anti social behaviour, environmental crime etc, as proportionate and appropriate, in those areas currently sparsely covered by uniformed officers. This will also increase community warden coverage of the CDRP area.

#### Blackberries

- 6.7 As part of enhancing the warden's engagement with Neighbourhood Policing teams, all KCC community wardens will be issued with Police Blackberries in June 2010. Wardens will then contribute to the Neighbourhood Policing problem solving database via Blackberry engagement, whenever they engage with local people. This will provide more information to Police and partners about the problems they see in their community and this information will be derived from local people who represent

the real face of their community. It will also free up wardens hours (by no longer having to access internet / emails at libraries etc), increasing their visible presence in communities.

- 6.8 Wardens will also be able to input street level intelligence directly and live rather than filling in intelligence forms to take to police stations / local community safety units.

#### Enhance and Ensure Clarity of Community Wardens Role

- 6.9 Formalising agreements with partners - a series of negotiation meetings will be set up with a wide range of public services to consider formalising via service level agreements / MoU's the roles, responsibilities and input community wardens provide. We will update Partnership arrangements and refresh the Memorandum of Understanding between Kent County Council / Kent Police Authority and Kent Police.
- 6.10 Enhance role - we will look at negotiating additional new roles such as the supervision of young offenders in the community for YOS, supervising teams for Probation and providing family liaison type of support in primary schools.
- 6.11 Bus Mobility – we will sign off Service Level Agreements with Arriva / Stagecoach and Passenger Transport to provide free travel for uniformed community wardens. This would reduce travel costs and enable community wardens to cover larger deployment areas and move around more freely to interact with a larger population.

#### Administrative Procedures

- 6.12 Introduce new streamlined administrative procedures in line with staff suggestions thus simplifying paperwork. This would provide wardens with more time to deliver high visibility reassurance and enhance public confidence.

#### Cost Savings

- 6.13 The re-engineering of the service will also reduce the vehicle fleet from 18 to 12 with a potential saving of approximately £24k per year and travel / fuel expenses.

#### Wardens Service Improvement Pilot

- 6.14 A 3 month pilot will be carried out in Ashford CSU commencing June 2010, where local agreements provide for the area supervisor and response warden to be an integrated member of the CSU team.
- 6.15 An action plan is attached as Appendix 1 to implement the management actions shown above.

## **7 RECOMMENDATIONS**

- 7.1 Cabinet Member is asked to
- Approve the changes to the process for warden deployment as described in paragraphs 6.1 to 6.6 above
  - Approve the service improvement plan at Appendix 1

Background Documents: None

Stuart Beaumont, Head of Community Safety, 01622 694878  
Marilyn Howell, Head of Operations, 01622 749690

## Warden Service Improvement Action Plan 2010/2011

	Action	Allocated	Deadline
1	Robustly review all 128 deployments in consultation with District Chief Inspectors and Community Safety Officers	Head of Unit Head of Operations	October 2010
2	Area Supervisors to be based at / work closely with each CSU as appropriate	Area Supervisors	December 2010
3	Pilot peripatetic response warden in Ashford CSU	Area Supervisors	June - Sept 2010
4	Fully Integrate Community Wardens with Neighbourhood Policing (including day to day management) Expand wardens deployment locations.	Area Managers	December 2010
5	Establish Community Warden Operations formal engagement with Crime and Disorder Reduction Partnerships and Community Safety Units	Area Managers Area Supervisors	August 2010 August 2010
6	Establish and formalise roles and arrange service level agreements with the following units/departments;  Emergency Planning  CFE  Highways  Clean Kent  Probation  KASS  Trading Standards  Youth Service  Youth Offending Team  Libraries  Kent Fire and Rescue	  Head of Operations  Area Manager East Kent  Area Manager W Kent  Head of Operations  Head of Operations  Area Manager WK  Area Manager Mid Kent  Area Manager Mid Kent  Area Manager East Kent  Head of Operations  Head of Operations	  August 2010  September 2010  August 2010  October 2010  June 2010  August 2010  July 2010  November 2010  December 2010  February 2011  March 2011
7	Establish Service Level Agreements with Arriva/Stagecoach and Passenger Transport	Head of Operations	October 2010
8	Update Partnership arrangements and refresh the Memorandum of Understanding between Kent County Council/Kent Police Authority/Kent Police	Head of Operations	June 2010
9	Introduce new streamlined administrative procedures	Field Admin Officers	June 2010

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