



AGENDA

CABINET SCRUTINY COMMITTEE

Wednesday, 23rd April, 2008, at 10.00 am
Darent Room - Sessions House, County
Hall, Maidstone

Ask for: **Peter Sass**

Telephone **(01622) 694002**

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

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

1. Substitutes
2. Declarations of Interests by Members in Items on the Agenda for this Meeting
3. Minutes - 26 March 2008 (Pages 1 - 11)
4. Action Taken on Committee's Recommendations (Pages 12 - 15)
5. Informal Member Group on Budgetary Issues - 10 April 2008 (Pages 16 - 19)
6. Annual Unit Business Plans

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

No items.

C. CABINET DECISIONS

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

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

D. CABINET MEMBER DECISIONS

No items.

E. OFFICER AND COUNCIL COMMITTEE DECISIONS

1. Proposed Disposal of Land Fronting the A20 at Allington (Pages 20 - 21)
Mr N J D Chard, Cabinet Member for Finance, and Mr M Austerberry, Director of Property, will attend the meeting from 10.30 am to 11.30 am to answer Members' questions on this item.
2. Outsourcing of Delivery Services Beyond the Boundaries of Kent (Pages 22 - 24)
Mr N J C Chard, Cabinet Member for Finance, and Mr K Harlock, Director of Commercial Services, will attend the meeting from 11.30 am to 12.30 pm to answer Members' questions on this item.
3. Other Officer and Council Committee Decisions
No other Officer or Council Committee decisions have been proposed for call in but the Committee may resolve to consider any decision taken since its last meeting by an Officer or Council Committee exercising functions delegated to it by the Council.

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

EXEMPT ITEMS

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

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

Tuesday, 15 April 2008

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

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KENT COUNTY COUNCIL

CABINET SCRUTINY COMMITTEE

MINUTES of the meeting of the Cabinet Scrutiny Committee held at Sessions House, County Hall, Maidstone on Wednesday, 26 March 2008.

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

ALSO PRESENT: Mr M J Fittock (for item on Queen Elizabeth Resource Centre)

IN ATTENDANCE: Ms D Fitch, Assistant Democratic Services Manager (Policy Overview).

UNRESTRICTED ITEMS

50. Mr Stuart Ballard

(1) The Chairman mentioned that Mr Stuart Ballard, Head of Democratic Services, would be retiring on 31 March 2008.

(2) RESOLVED that the Committee place on record its thanks to Mr Ballard for his advice and support to the Committee and its best wishes for his retirement.

51. Minutes – 23 January and 1 February 2008 *(Item A3)*

RESOLVED that the Minutes of the meetings held on 23 January and 1 February 2008 are correctly recorded and that they be signed by the Chairman.

52. Action taken on Committee's Recommendations *(Item A4)*

(1) In relation to Minute 33 (1), Mr Law informed the Committee that following his meeting with the Leader, in future all recommendations from this Committee would be responded to by Cabinet at their next meeting.

(2) Mr Smyth drew Members' attention to the Kent Credit Union meeting that was being held on Monday 7 April 2008 at 1.00pm at Oakwood House.

(3) RESOLVED that the actions taken on the Committee's recommendations be noted.

53. Informal Member Group on Budgetary Issues – 10 March 2008
(Item A5)

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

54. Kent Health Watch
(Item C1)

(1) Mr G K Gibbens, Cabinet Member for Public Health, and Mr M Lemon, Policy Manager, Kent Department of Public Health, attended the meeting for this item.

(2) Mr Gibbens welcomed the opportunity to answer questions from Members. He pointed out that reports on Kent Health Watch and/or LINKs would be considered by the Corporate Policy Overview Committee and Health Overview and Scrutiny Committee shortly. He stated that it was important to recognise that the roles of LINKs and Kent Health Watch were different. LINKs was not a complaints mechanism, it was an opportunity and a means for Groups to form a link and to make representations in relation to healthcare provision in a particular local authority area. Kent Health Watch was a means by which individuals could be signposted to make complaints in relation to Health and Social Care.

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

LINKs and Kent Health Watch

(4) Mr Gibbens in response to a question from Mr Smyth, reiterated that LINKs was not fundamentally a complaints mechanism and that Kent Health Watch had been established to help people progress through the complex method of making their complaints and was a signposting mechanism.

(5) In response to a question from Mr Law, Mr Gibbens stated that he would ensure that Kent Health Watch and LINKs appeared on the agendas for both Corporate Policy Overview Committee and Health Overview and Scrutiny Committee. He also expressed a willingness to come back to Cabinet Scrutiny after Health Watch had been established.

Social Care and Kent Health Watch

(6) In answer to a question from Mr Smyth, Mr Gibbens stated that the reason why social care would not come online with Kent Health Watch until 2009, was that they wanted to make sure that the staff in the Contact Centre dealing with these issues fully understood the Health Service. There was already a knowledge of social care within the Contact Centre. It was important to ensure that these Call Centre contacts were versed in Health Service matters. Mr Lemon, in addition, pointed out that April 2009 was the latest date that Social Care would be added to Health Watch. He also mentioned that Kent was likely to be an early adopter for the new streamlined complaints procedure for health and social care proposed under the Making Experiences Count (MEC) initiative.

Health Service Complaints system

(7) In answer to a question from Mr Hart, Mr Gibbens stated that the evidence across the country was that the Health Service Complaints procedure was complex and not working effectively. He stated that our health service colleagues were welcoming the introduction of Health Watch as a means to encourage complaints. He stated that what was being proposed here would be a massive benefit to the people of Kent and would enable them to make complaints and express concerns. He accepted that the evidence was that people had not been able to easily work their way through the complaints process within the Health Service.

(8) In response to a question from Mr Truelove, Mr Gibbens stated that one of the reasons for the establishment of Health Watch was that there was evidence over the past 12 months, that issues raised by the public in relation to healthcare had not really been answered. Kent Health Watch was there to signpost people so that their concerns could be dealt with.

(9) In answer to a question from Mr Truelove, Mr Gibbens confirmed that he had spoken to Ms Sutton, who had welcomed an increase in the number of complaints to encourage issues to be brought out in the open. Kent Health Watch was a means to do this and Ms Sutton was willing to work in partnership with Kent.

(10) In response to a question from Mr Chell, Mr Lemon replied that, if a complainant had not been satisfied with the response to his complaint, there were appeals procedures that the Health Watch Contact Centre staff could direct them to. It was the role of Health Watch to direct people to existing procedures and also could signpost advocacy services.

(11) In response to a question from Dr Eddy, Mr Gibbens stated that, if necessary, KCC could bring concerns to the attention of Chief Executives of PCTs to ensure that there was a satisfactory outcome.

(12) In answer to a question, Mr Lemon confirmed that there was no suggestion of involving clinical practitioners as there already a robust process for clinical complaints. Kent Health Watch would signpost that process.

LINKs

(13) In response to a question from Mr Hart, Mr Gibbens emphasised that LINKs was a self-governing body, separate from the County Council. It would be up to the LINK organisation to decide how it would operate. The County Council could influence this but could not stipulate it.

(14) Mr Gibbens undertook to supply the Committee with the timetable for implementing LINKs.

Information from Kent Health Watch

(15) In response to a question from Mr Chell, Mr Gibbens stated that Contact Centre colleagues would be specifically trained to handle Health Watch calls and the data from these would be analysed. The information accumulated would be of interest to both the Health Overview Scrutiny Committee and the new LINKs. He confirmed that this was a sign-

posting process. If a complainant was not satisfied with the response they had received from the health service, they would then be given advice as to how to take this to the next level.

Level of calls

(16) In answer to a question from Mr Simmonds, Mr Lemon explained that a best guess had been made about the level of calls for Kent Health Watch. This was based on the 35,000 contacts that Patient Advice and Liaison Services (PALs) expected to have across the South East Coastal Strategic Health Authority Area and the 4,000 different complaints to the Trusts in Kent. An unknown factor was how many complaints were received by GPs, pharmacists, opticians, etc. Based on this, he estimated that there was a potential of 12,000 calls a year. It was estimated that each call for Health Watch would take approximately 9 minutes and therefore, they would need 7.5 full time equivalents trained up to deal with this service. The contact centre staffing costs were estimated at £200,000 per annum. However, there would need to be flexibility as, when a particularly contentious issue arose, more resources may be required. On top of these costs, expenditure was necessary for the media and publicity costs.

Re-evaluation of Kent Health Watch

(17) In response to a question from Mr Horne, Mr Gibbens stated that it was intended to re-evaluate Kent Health Watch after 12 months with health care colleagues. He emphasised that Health Watch was something that would evolve and develop. It was important to have a model that could be developed and taken forward.

Gateways and Kent Health Watch

(18) In response to a question from Mr Koowaree, Mr Gibbens stated that the possibility of incorporating Kent Health Watch in the Gateways could be looked at as the process developed. However, at the moment it was intended to introduce Kent Health Watch via the established Contact Centre.

(19) RESOLVED that:-

(a) Mr Gibbens and Mr Lemon be thanked for attending the meeting to answer Members' questions;

(b) Mr Gibbens be asked to submit a monitoring report to the December 2008 meeting of this Committee on Kent Health Watch;

(c) Further consideration be given to the appropriateness of using the Contact Centre to receive confidential personal information from Health Watch callers;

(d) The importance of there being a KCC exit strategy for Kent Health Watch was emphasised; and

(e) Consideration should be given to linking Kent Health Watch with other systems such as Gateways.

55. A21 and East Kent Access Phase 2 – Cost Increases (Item C2)

(1) Mr K A Ferrin, Cabinet Member for Environment, Highways and Waste and Mr G Harrison-Mee, Director – Kent Highway Services, attended the meeting for this item.

(2) It was noted that representatives of the Highways Agency had been invited to attend the meeting for this item but had declined to do so.

(3) Mr Ferrin stated that an issue in relation to this was that KCC did not have an officer or Member representative on the Regional Transport Board. He stated that this project was at the top of KCC's agenda and that he was disappointed that representatives from the Highways Agency had not come along to answer questions as it was a Highways Agency Scheme.

(4) Mr Ferrin explained that the Department of Transport had commissioned the Nicholls Report to recommend changes in procedures and this had the potential of delaying highway schemes in Kent due to the need to re-estimate some of the Highway Agency schemes which had reached a key stage of their delivery. This included the A21 and East Kent Access Schemes. The re-assessment of these schemes had led to considerable cost increases, and it was difficult to see how this could be met from the fixed budget allocated. He stated that the delay of these schemes could have an impact on the building of the Pembury Hospital. This scheme was badly needed and every effort needed to be made to press for it and to urge the Government to make adequate funding available. Mr Ferrin confirmed that the cost difference meant that it would not be possible for KCC to contribute the additional amount required for this scheme, responsibility for which, as a Highways Agency scheme, lay with the Government.

Cost of Scheme

(5) In response to a question from Mr Bullock, Mr Harrison-Mee said that it was not possible to compel the Highways Agency to provide a break down of the increased costs but he could ask them for this. It would be possible for officers to do a comparison of costs, but this would also have a cost element to it. Mr Ferrin questioned the value of KCC doing its own breakdown of costs as it was a Highway Agency scheme.

(6) In response to questions from Members, Mr Harrison-Mee confirmed that the only thing that had changed in relation to the scheme was the funding and that, therefore, it was important to press the Highways Agency for a start date.

Funding

(7) In response to a question from Dr Eddy, Mr Ferrin said that the key issue was whether the Government would be willing to put forward the extra money. He was concerned that, if they did and they insisted that the budget stayed as it was, the Regional Transport Board would be compelled to take one of the schemes out.

(8) In response to a suggestion from a Member that a percentage could be raised on every Section 106 agreement in Kent to fund this scheme, Mr Ferrin was of the view that this would not be in accordance with the rules for Section 106 monies. Looking at how we could raise some funds to contribute to these schemes would not be productive as this was not our project.

Route

(9) In answer to questions from Mr Law and Mr Horne, Mr Ferrin cautioned against making any representations for an offline route as this could sideline the issue. It was important to press for implementation of the plans as put forward. He believed the objective should be to preserve the scheme and get an assurance that it would be underway as soon as possible.

(10) RESOLVED: that

(a) Mr Ferrin and Mr Harrison-Mee be thanked for attending the meeting to answer Members questions;

(b) Dr Eddy write to the Minister on behalf of Committee (the letter to be agreed cross-party) requesting that the existing timetables for these schemes be retained;

(c) Mr Ferrin be requested to approach the highways agency for a break down of the costs of the scheme;

(d) Cabinet Members be requested to promote unified support from all Members of Parliament, County Councils, District Councils, Parish Councils along the route of the A21 and the letter in (b) be copied to them.

56. Modernisation of Queen Elizabeth's Resource Centre, Dartford

(Item E1)

(1) Mr K G Lynes, Cabinet Member for Kent Adult Social Services, Mr O Mills, Managing Director, Kent Adult Social Services Directorate, Mrs M Howard, Director of Commissioning and Provision, West Kent (KASS), Mr C Holden, Project Manager (KASS), Ms B Henry, Modernisation Manager (KASS), and Mrs S Mallion and Mr P Wright, Service Users of Queen Elizabeth Resource Centre attended the meeting for this item.

(2) The Chairman welcome Mrs Mallion and Mr Wright, service users of the Queen Elizabeth Resource Centre, to the meeting, and invited them to address the Committee and to answer questions from Members.

(3) Mrs Mallion explained that the Queen Elizabeth Resource Centre had activity-based day services which included a gym, a computer room and woodwork room and that through the Centre, trips were arranged and support given on a "buddy" basis to users. The Centre was open five days a week and people tended to access it for a maximum of three days per week. The services were based around the individual and their needs. Mrs Mallion stated that a lot of people who used the service had acquired their disability and therefore had changing needs. She stated that there was a great fear of isolation amongst users.

(4) Mr Wright stated that one of the big strengths of the Centre was that it gave people the opportunity to help each other and to gain information and support. They would also access outside services and used a "buddy" system. This was a valuable service, which was led by the Members of the Centre. He gave the example of a new member who wanted to try sub-aqua. The Centre members looked into whether this could be provided including its cost-effectiveness and managed to arrange for seven members to try sub aqua in a pool environment. He emphasised the important role that the Centre played in providing a place for people to meet and provide support and facilities. If people were based at home, it would be difficult to come together. One of the important strengths of the Centre was its ability to help people build up their confidence levels. The members of the Centre wanted people to look at what they could do, not what they could not do.

(5) Mr Wright stated that he and other users had been encouraged to go out into the community and see what was actually available. He had tried to go to a computer café and initially he could not gain access, and, of the users that could gain access, some could not get near the table. There was also no assistance available to help them with co-ordination. Users had also been to local gyms and sports centres but had found these also difficult to access by people in a wheelchair. He mentioned a refurbishment of a bowling alley which used to be used by service users. When it had been refurbished there was no access for wheelchair users without assistance. One of the issues that had arisen was the need for service users to have assistance to participate in activities. At the Centre they used a “buddy” or volunteer system which they would not have at an outside venue. He also gave the example of three possible centres that had been suggested, and the issues with two of them. He stated that they had tried to be constructive and see what was available and accessible.

(6) Mr Wright expressed concern at the pace of change. He believed that it was happening too quickly before adequate, accessible facilities had been identified. He stated that users believed in inclusion, but currently, there was a danger that people would become recluses in their own homes and that it would be for the care managers to try to provide something for them.

(8) Mr Wright stated that, following the publicity relating to the modernisation of the Centre, more people had applied to join it, as they had become aware of it. However, KCC had put an embargo on accepting new members. He stated that Darent Valley Hospital had wanted to refer stroke patients but they were not able to do this at the moment as they could not accept new members. He stated that they would readily accept this modernisation if there was something better available for them.

(6) Mrs Mallion stated that service users at the Centre had made a choice and by taking away that service, that choice had been taken away. She believed that the Centre should continue until there was an equal and better service in place. She emphasised that Active Lives was a five-year strategy.

(5) Mr Lynes stated this was an issue which each side felt passionately about. He appreciated the opportunity at this meeting to hear both sides in a controlled environment and not the emotive one of the media. He circulated a copy of Active Lives to Members. This was KCC’s vision for 2007-2012. This set out what people who used the services wanted them to look like, and was in line with Government and Social Services departments across the country. He emphasised the importance of the modernisation process across the county, giving service users increased freedoms and choices. He did not expect this to be a cheaper option, but with Direct Payments there was an increased flexibility. He recognised there was an increased cost to giving people choice.

(9) Mr Mills stated that it was important to be clear about the direction of travel and to understand the fears of service users. However, this was not just about Kent Adult Social Services. It was a whole system change involving Adult Education and leisure centres, to make sure that services were accessible. He also made the point that 80% of people that were supported by Kent Adult Social Services (KASS) in West Kent did not use the Centre. He offered to provide Members with update reports over the next few months so that KASS could be held to account and Members could be confident about what was happening.

(10) Mrs Howard acknowledged that service users valued the opportunity to meet together and help each other and that Mrs Mallion and Mr Wright were very capable and able to help others. She stated that the aim was to establish a social network centre which would give people the opportunity to come together, which could be staffed by QEF staff. She anticipated that some service users would take the opportunity to take a Direct Payment. She stated that some facilities could and should be re-provided as part of adult education. In relation to gyms, there should be the opportunity to have more gyms in the community and to expand services so that they were available to all service users. She referred to the Fastrack buses which made accessibility easier.

(11) Mr Lynes explained that Cabinet Members found it hard to justify maintaining the status quo and pointed to the fact that it was necessary to have 100% of the potential service users in the area on the radar. Currently only 11% could choose to use the Centre. There was a need to engage service users and he would like to think that it was possible to work through various options. He stated that he would not like to see the loss of the Centre before alternatives were in place. It was necessary to make every reasonable effort to identify alternatives. He stated that KASS were seeking to engage and define the shape of social care in years to come and would like to think they could proceed at a pace.

(12) Mr Mills stated that KASS was committed to consultation and believed that they had consulted as fully as they could. KASS had a good reputation for delivering good services. He referred to the Government's direction of travel for 2025 and stated that this needed to be achieved by then. He stated that Kent was well regarded and had a clear vision in relation to Active Lives. They had an obligation to the other 89% of potential service users who did not use the Centre and to make sure that they were making the best use of resources. Day Centres were a traditional way of providing support, but he wanted to move to a world where more people could access services in the community, and, in reality, it was not viable to maintain the services for a small number of users.

Consultation

(13) In response to a question from Mr Koowaree, Mrs Mallion stated that they had been consulted in February 2008. In May/June last year, it became apparent that there were proposed changes but it was not clear that this would result in closure of the Centre. Users were told that it was about modernising services and therefore thought that it was about enhancing what was already there. When it became apparent that this was leading to closure, it became an issue. She emphasised that Members understood and supported the Government's long-term agenda to have facilities accessible within the community. However, at the present time, services were not fully accessible, and it was not possible for people to access services in the same way in the community as they did at the Centre. She did not believe that Members of the Centre had been given a clear and transparent view of the future. She did not feel that there had been true consultation with users and carers in relation to what provision there would be in place. She stated that she did not feel there had been direct service user consultation.

(14) In response to a question, Mrs Mallion stated that she had not had a copy of the impact assessment, which she believed should be part of the process.

(15) In response to a question from Mrs Mallion, Mr Mills stated that he was confident that consultation had been carried out correctly. As this was not a KCC service, it had not gone through the formal KCC consultation process. He emphasised that KCC were changing the service but not cutting it.

(16) Regarding the issue of consultation, Mrs Howard stated that there had been a process in 2003 which had involved service users, and, in the meantime, the Disability Awareness Act had come into force. She stated that the decision in relation to commissioning services was made in late 2006. The Review Board was established in February, met regularly and involved Mrs Mallion and other service users. There had also been briefings not just to the Centre users but to other service users as well. KASS wanted to be able to re-provide local based services and had genuinely listened to service users. There was also a need for everyone to have an up-to-date assessment so there was a sense of what was required, and this was all part of the process which informed the way forward.

(17) In response to a question from Mr Horne, Mrs Mallion stated that they were seeking legal advice as they did not believe there had been a true consultation. She reaffirmed that they wanted a fully-inclusive society, but they believed that the modernisation and closure of the Centre was happening too quickly, without true, and she was clear that changes had to be for the better.

Direct Payments and Networking

(18) In answer to a question from Mr Law, Mr Lynes stated that Direct Payments gave the opportunity for people to network and to form groups of common interest to enable them to have activities such as, for example, sub-aqua. In terms of practical networking, it could be possible to have two tables at the back of Costa Coffee and to network in a coffee bar. This needed to be worked out together with service users. He stated that service users had said that the building was irrelevant and that it was about the provision of services.

(19) In response to a question from Mr Hart, Mrs Howard stated that they were aiming to have three networking sites in community facilities which would give service users the opportunity to meet and to go on from there. Young disabled people that had spoken to had said that what they really wanted was a job and did not necessarily want to be in the company of disabled peers. There were more young people coming through the system and they were working to make services more accessible.

Transport

(20) In response to a question on the transport issues, Mr Wright stated that the Centre ran two ambulances, but there was a problem with buses in that they only one wheelchair space on Fastrack buses, and, if this was being used by a buggy, then the wheelchair user had to wait for the next service. Mrs Howard accepted that transport was an issue, but that Fastrack buses ran every 10 minutes, and a percentage of service users owned their own car.

Support

(21) In response to a question, Mr Lynes stated the he could evidence that the 11% who used the Centre did not have a more complex level of needs and some were not the responsibility of KCC. For example, there were service users who came from the Medway Towns and used the Centre. He stated that Mr Mills had agreed that everybody at the Queen Elizabeth Resource Centre would receive support to go forward. He also referred to the freedom that Direct Payments gave.

(22) Mr Mills stated that he had responsibility to make best use of resources, and that he would do his best to make sure that services provided in the community were acceptable.

(23) RESOLVED that:-

(a) Mr Lynes, Mr Mills, Mrs Howard, Mrs Holden, Ms Henry, Mrs Mallion and Mr Wright be thanked for attending the meeting to answer Members' questions;

(b) the Managing Director be requested to give further consideration to the need for a base for operations in the area to ensure that no service users were overlooked; and

(c) the Cabinet Member and the Managing Director be advised that the Cabinet Scrutiny Committee would like to be assured that future consultation on changes to service provision should follow a standard format whether KCC is the provider or the commissioner of the service.

57 Exclusion of the Press and Public

RESOLVED that under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 or Part 1 of Schedule 12A of the Act.

58. Award of Construction Contract for 24 New Build Children's Centres

(Decision 08/01144) (This is an unrestricted minute of a matter which was exempt)

(Mr Simmonds declared a prejudicial interest in accordance with paragraph 11(2) of the Code of Member Conduct adopted on 21 June 2007 he remained in the meeting but took no part in the debate or decision.)

(1) Mr M C Dance, Cabinet Member for Operations, Resources and Skills (CFE), Dr I Craig, Director, Operations (CFE), Mr G Ward, Director, Resources (CFE) and Mr P Binnie, Head of Operations attended the meeting for this item.

(2) The Cabinet Member and Officers answered questions from Cabinet Scrutiny Committee Members in relation to this item.

(3) Mr Dance agreed to supply a copy of the summary of costs for the New Build KCC Children's Centres sites.

(4) RESOLVED that:

(a) Mr Dance, Mr Craig, Mr Ward and Mr Binnie be thanked for attending the meeting to answer Members questions.; and

(b) In light of the information provided at the meeting in response to questions, the Committee agreed that they did not need to make any formal comments to Cabinet.

By: Head of Democratic Services
 To: Cabinet Scrutiny Committee – 26 March 2008
 Subject: Action Taken on Committee's Recommendations
 Classification: Unrestricted

Summary: To note the action taken as a result of the Committee's decisions and recommendations at its meetings on 23 January and 1 February 2008.

1. The Committee is asked to note the action taken as a result of its decisions and recommendations at its meetings on 23 January and 1 February 2008, as shown in italics below.

DECISIONS AND RECOMMENDATIONS AT 23 JANUARY MEETING

42. Minutes – 12 December

(2) RESOLVED that:-

- (b) On Minute 33(1), the Leader's agreement (reported by Mr Law) to meet the Committee's Chairman and Spokesmen to discuss concerns that, at its meetings, Cabinet did not appear to be giving any consideration to Committee's recommendations, be welcomed.

The meeting has taken place and the Chairman and Spokesmen will report orally on the outcome.

- (c) On Minute 37(d) and (e), the Informal Member Group on Member Information be asked to look particularly at the quality of information being provided to local Members about KCC proposals or decisions affecting (indirectly, as well as directly) their Division.

This matter is to be considered by the IMG on Member Information at its next meeting (being arranged for late March).

46. Audit Commission Inspection of Kent Supporting People Programme

(19) RESOLVED that:-

- (b) The Managing Director, KASS, be asked to circulate to all Members of the Committee in due course the Action Plan to be prepared in response to the Audit Commission recommendations.

The formal response to the Audit Commission was circulated to all Members of the Committee on 8 February. The more detailed action plan was revised by the Core Strategy Development Group at its meeting in February and is due to be agreed by the Commissioning Body at its next meeting on 20 March, after which time it will be circulated to all Members of the Committee.

- (c) The Cabinet Member for Adult Social Services' offer to distribute the planned Supporting People Commissioning Body (SPCB) Member Induction Pack to all

Members of KCC, and to arrange briefing meetings on the Supporting People Programme for KCC Members, be welcomed.

The Induction Pack is currently being drafted and is due to be delivered by April 2008.

- (d) The Cabinet Member and Managing Director be requested to ensure that the planned SPCB Member Induction Pack included an explanation of the process by which service-users could give feedback or express concerns about the Supporting People services provided to them.

The Induction Pack will include information regarding the methods and processes by which service users can give feedback or express concerns.

- (e) The proposals to do more to facilitate independent feedback from users of Supporting People services through 'mystery shopping', user groups, etc, be welcomed and the Managing Director be asked to inform Members of the Committee of the outcome.

A number of means of facilitating independent feedback from service users are currently being explored. The feasibility of a mutual mystery shopping regime with other Supporting People partnerships in other Administering Authorities and departments with Kent Adult Social Services is being examined. Existing service user groups, such as residents' groups, are being used to gain service user feedback. The Programme has indirectly employed two ex-services users as monitoring and review officers to talk directly to users about their experiences of funded services.

47. The Case for Establishing a Credit Union for Kent

(14) RESOLVED that:-

- (b) In the light of the assurance by the Cabinet Members for Environment, Highways & Waste, and Regeneration & Supporting Independence, that the feasibility study was expected to cost approximately £20k, and that the incurring of any further expenditure on pursuing the Credit Union proposal would be subject to a further formal decision by Cabinet, the decision by Cabinet on 14 January be supported.
- (c) The Cabinet Member for Regeneration & Supporting Independence's agreement to establish an all-party Informal Member Group (IMG) of Members with knowledge of and/or interest in Credit Unions to oversee the feasibility study be welcomed, and the Cabinet Member be urged to:-
- (i) include also on the IMG, Members representing areas of high deprivation; and
- (ii) establish the IMG as quickly as possible.

The IMG for Credit Unions was duly established and held its first meeting on 14 February. Its membership comprises Mr Simmonds (Chairman), Miss Carey, Mr Cowan, Mr Gough, Mr Marsh, Mr Scholes, Mr Smyth and Mr Vye. Since the 14 February meeting a consultant has been commissioned to undertake the feasibility study. The IMG will meet again when the first phase of the consultant's report on the feasibility study is ready. In the meantime, arrangements are being made for visits by IMG Members to credit unions across the country.

- (d) Cabinet be advised that, while the Committee was concerned at the potential risks of proceeding with the Credit Union proposal, it hoped that these risks could be mitigated by the carrying out of the feasibility study and the establishment of an all-party IMG to monitor that study.

DECISIONS AND RECOMMENDATIONS AT 1 FEBRUARY MEETING

49 Draft Medium Term Plan 2008-11 (incorporating the Budget and Council Tax Setting for 2008/09)

(32) RESOLVED that:-

- (a) Mr Chard, Mr Wood and Mr Smith be thanked for attending the meeting to answer Members' questions; and they and the staff concerned be thanked for the work put into the preparation of the Budget, and congratulated on producing it in such a clear and easy-to-read form.
- (b) the Council be congratulated on achieving Level 4 in the Audit Commission's recently-published Use of Resources Assessment.
- (c) the Council be congratulated on its entrepreneurial initiative and innovative ways of increasing income, which had allowed Council Tax and charges to clients to be kept to a minimum.
- (d) the apparent increases in "strategic management" costs in many Directorates be noted and the Cabinet Member for Finance be requested to provide a detailed breakdown of those costs.

The detailed breakdown was circulated to all Members of the Committee in e-mails dated 13 and 14 February.

- (e) The Informal Member Group on Budgetary Issues be asked to consider a common definition of "strategic management" for adoption by all directorates to ensure consistency in future years' budgets.

The IMG on Budgetary Issues considered this matter at its meeting on 10 March. Following discussion, the IMG requested a report to its next meeting (on 10 April) setting out:-

- (i) *alternative scenarios for a common definition of Strategic Management (eg, including and excluding support staff);*
- (ii) *the numbers of staff and associated payroll costs for each Directorate within each scenario.*

S C Ballard
Head of Democratic Services
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Background Documents: None
08/o&s/csc/032608/action on CSC reccs.doc

NOTES of a meeting of the Cabinet Scrutiny Committee's Informal Member Group on Budgetary Issues held on Thursday 10th April 2008.

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

ALSO PRESENT: Mr N J D Chard, Cabinet Member for Finance, Mr C Findlay and Mr M Snelling.

OFFICERS: Ms L McMullan, Director of Finance; Mr A Wood, Head of Financial Management; Mr P Mulholland, Group Leader, Property and Commercial, Legal Services; Mr K Harlock, Commercial Services Director; Mr N Vickers, Head of Financial Services; Mr P Sass, Head of Democratic Services and Local Leadership; and Ms J Sage, Staff Officer to the Liberal Democrat Group

1. Notes of Previous Meeting
(Item 1)

the notes of the 10 March 2008 meeting were noted.

(With the consent of the Members present, the Chairman, Mr D Smyth, decided to vary the agenda to enable the group to consider item 4 (Arms Length Companies), at this stage).

4. Arms-length Companies Established by Commercial Services
(Item 4)

- (1) Ms McMullan introduced the report briefly, stating that this was currently a draft document, for formal consideration by the Governance and Audit Committee in June. Mr Smyth thanked the officers for preparing such a detailed and helpful report and stated that he would ask Members for their comments and questions on each main section of the report in order.
- (2) On the introduction (page 1), Mr Smyth stated that it was helpful to mention the proportion of goods and services provided by Commercial Services as a percentage of the total KCC spend, but asked for the report to provide a further breakdown of the 3% figure to account for the difference between brokered and delivered services, such the provision of energy and lease cars.
- (3) Mrs Dean began by asking for it to be recorded in the minutes that she wrote to Ms McMullan the day before the County Council meeting the previous week, confirming that she was happy to withdraw part (a) of her Motion on Commercial Services, following certain assurances given to her. Ms McMullan confirmed that that was the case.
- (4) On the introduction (page 1), Mrs Dean stated that part of the external concern about the Council's commercial activities was that cross-subsidisation could either be in cash or in kind and asked for the report to be amended to include a fuller definition of "cross-subsidisation". Mrs Dean also asked for the report to be expanded in relation to the role that would be undertaken by the external auditors.

Ms McMullan stated that she was happy to provide the further information being sought.

- (5) On the introduction (page 2), it was agreed that the report should distinguish between KCC internal business and non-KCC business (first bullet point at the top of the page), as long as the information provided was not commercially sensitive. On the second bullet point on page 2, it was agreed that the words “in non-competitive markets” should be deleted.
- (6) On the legal context (pages 2-5), it was generally felt that this section could be more positive about the Council’s powers in relation to procurement. Mr Harlock stated that Commercial Services had won some 6% of the Council’s transport business in competition, whereas the Council could decide to award itself 25% of its local bus and the whole of home to school transport business without competition, as long as it could prove that this was good value for money. With regard to the bullet points under the sub-heading “Power to Trade”, it was agreed that it should be made clearer what was being quoted as Government guidance and what was Council policy.
- (7) With regard to the National and Regional context (page 5), Ms McMullan tabled a spend analysis from Andrew Lerner at the South East Centre of Excellence (SECE), for Members’ information.
- (8) Mrs Dean asked that the phrase used twice in this section relating to the re-shaping of markets should be explained further. She added that she was concerned this comment could be mis-construed. Mr Vickers stated that, whilst this could be seen as a provocative statement, the only intention was to ensure better value for money for KCC’s customers. Ms McMullan added that the mantra from the Government was that Councils needed to be market shapers through procurement. It was agreed that the Government’s policy aims in this regard should be explained further in the report, together with reference to the way in which the Council packaged certain contracts in order to shape and reshape markets.
- (9) On Section 4 – KCC policy (page 8), a correction was required in relation to the approval process for business cases, i.e. Cabinet Member rather than Council.
- (10) On Section 8 – Reporting (page 15), in response to a question from Mr Smyth, Ms McMullan stated that the cost of filing more detailed accounts was not significant.
- (11) On section 9 – Governance (page 16), Mrs Dean asked whether it was appropriate to use the term “arms length”, given the new Prudential Code. Mr Mulholland agreed to check and advise accordingly. Mrs Dean also stated that the report should make it clear that, rather than Company Directors being described as “unpaid”, instead it should say that there is no remuneration for being a Director of one of the companies. She added that the company boards should include representation from the Council’s legal service. On this point, Mr Mulholland advised that, whilst a presence from the legal section to ensure probity was appropriate, it was not advisable for these individuals to be appointed as additional Directors. Ms McMullan added that she would be happy for the Governance and Audit Committee to have a wider role in the Council’s commercial activity, which could perhaps include the submission of business cases to a sub group of the Committee. Mr Chard stated that he was more than happy for the activities of

Commercial Services to be as open as possible, particularly cross-party, although care would need to be taken with commercially sensitive information.

- (12) Mrs Dean also asked for the report to provide further information about what assistance Mr Harlock could provide to private companies within Kent, e.g. talking to bus companies about the best way to procure fuel.
- (13) The IMG requested that the report should come to its next meeting on 7th May for further consideration, prior to the finalisation of the report for the Governance and Audit Committee in June; that the Chairman of the Governance and Audit Committee should be informed of this; and the Commercial Services Director should be invited to attend the meeting. **(Action: LM)**

2. Revenue and Capital Budget Monitoring Exception Report (item 3 for Cabinet on 14th April 2008)
(Item 2)

In view of the time that had elapsed during consideration of item 4, Members agreed to note this report without discussion.

3. Options for Budget Book Classification of Strategic Management
(Item 3)

In view of the time that had elapsed during the consideration of item 4, Members agreed to defer this item to the next meeting on 7th May 2008.

08/so/BudlssIMG/031008/Notes

CABINET SCRUTINY COMMITTEE – 23 APRIL 2008

Issue:	Proposed Disposal of Land Fronting the A20 at Allington
Background Information:	This is a surplus non-operational site which has been identified for disposal via the Property Enterprise Fund. The site has not yet been marketed, but the intention is to do so once the planning prospect for the site is established. Any subsequent recommendation to dispose will be processed under the provisions of the Property Management Protocol, the Director of Property is very mindful of the current church and community use on the site. (See plan attached).
Purpose of Consideration:	To explore in further detail the background to this proposal by the County Council for outcome, that further consideration is given to the views expressed by the Committee as part of the proposal to dispose of this surplus non-operational site.
Previous consideration:	None
Background documents:	None

CABINET SCRUTINY COMMITTEE – 23 APRIL 2008

Issue:	Outsourcing of Delivery Services Beyond the Boundaries of Kent
Document attached:	Briefing Note from the Commercial Services Director – Attached.
Purpose of Consideration:	To examine the process of the Outsourcing of Delivery Services beyond the Boundaries of Kent
Possible Outcomes:	The Committee may either make:- (a) no comments or (b) make suggestions to the Cabinet Member and the Commercial Services Director.
Previous Consideration:	None
Background documents:	None

Briefing note for Scrutiny Committee 23 April 2008

Outsourcing of delivery services beyond the boundaries of Kent

Background

Traditionally Kent County Supplies, a business unit within Commercial Services, provided stock from its warehouse at Kings Hill, West Malling to schools and other public bodies within the geographical boundaries of Kent.

Over the years that distribution network widened to include the immediate neighbouring county of East Sussex, and the London Boroughs of Bexley and Bromley. The business has, however, grown over the last two or three years, commensurate with the requirement for an increased dividend to KCC, to include supply to a much increased geographical area. This now extends to West Sussex, Surrey, Bath, Gloucestershire, London in general and south Essex.

Rationale for decision

Against this recent backdrop it is now uneconomic, inefficient and environmentally irresponsible to ship out stock from West Malling to this wider area using KCC's own vehicles and drivers.

In addition, at peak times of the year the increased business has exceeded in-house capacity and agency drivers have had to be employed to cover the excess. As a result KCS's service levels fall dramatically due to lack of commitment, with no real contractual redress, inefficiencies occur due to the high levels of induction, training and instruction which are required, increased damage occurs to vehicles and there may be an impact on repeat business. It is also an expensive option.

Due to the increased business the warehouse 'picking' and 'loading-bay' activities have generally reached capacity.

In August 2007, in accordance with the business plan objectives to increase efficiency and increase the dividend to KCC from KCS the business looked at ways to:

- Reduce cost of shipping to territories beyond Kent whilst retaining traditional drivers within Kent.
- Identify any environmental impact from outsourcing.
- Increase 'picking, packing' and 'loading bay' capacity.

A series of meetings commenced under KCC procedures with Trade Unions and all affected staff and alternative proposals were considered. As a result, the in-house service has been retained not only for Kent but also the London Boroughs of Bexley and Bromley. Legal advice was taken which confirmed that the Transfer of Undertaking (Protection of Employment) Regulations were likely to apply. In addition, the attention of affected staff was drawn to any suitable vacancies during the tender process.

Conclusion

Tenders were received and the evaluation confirmed the most economic, efficient and environmentally friendly mode of delivering goods from West Malling to geographical areas beyond Kent, Bromley and Bexley, which also enables a double shift option creating additional picking and loading bay capacity, was via a third party carrier.

Kevin Harlock
Commercial Services Director
15.4.08