



## AGENDA

### CABINET SCRUTINY COMMITTEE

**Wednesday, 22nd October, 2008, at 10.00 am**      Ask for:      **Peter Sass**  
**Darent Room - Sessions House, County**      Telephone      **(01622) 694002**  
**Hall, Maidstone**

*Refreshments will be available from 9.45 am.*

*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 - 24 September 2008 (Pages 1 - 8)
- A4 Action Taken on Committee's Recommendations (Pages 9 - 12)
- A5 Informal Member Group on Managing Motorways and Trunk Roads - 8 October 2008 (Pages 13 - 14)
- A6 Informal Member Group on Budgetary Issues - 9 October 2008 (Pages 15 - 18)

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

No items.

#### **C. OFFICER AND COUNCIL COMMITTEE DECISIONS**

- C1 An Academy for Sevenoaks: Determination of Site (Pages 19 - 20)  
Mr M C Dance, Cabinet Member for Operations, Resources and Skills (CFE), and Ms C Lay, Area Children's Services Officer (Sevenoaks), will attend the meeting from 10.15 am to 11.00 am to answer Members' questions on this item.

## C2 Other Officer and Council Committee Decisions

The Committee may resolve to consider any other 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.)*

## **D. CABINET MEMBER DECISIONS**

### D1 Gravesham Neighbourhood Forum Pilots (Pages 21 - 34)

Mr A J King, Deputy Leader, and Mr W Farmer, Community Liaison Manager (Gravesham), will attend the meeting from 11.00 am to 11.45 am to answer Members' questions on this item.

## **E. CABINET DECISIONS**

### E1 Launch of Healthwatch (Pages 35 - 42)

Mr A Marsh, Cabinet Member for Public Health, and Mr M Lemon, Head of Policy, Department of Public Health, will attend the meeting from 11.45 am to 12.45 pm to answer Members' questions on this item.

### E2 Other Cabinet Decisions

Any Member of the Committee is entitled to propose discussion and/or postponement of any other 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.)*

## **F. OTHER CABINET DECISIONS**

### F1 Comprehensive Area Assessment (CAA) Consultation (Pages 43 - 44)

The Chairman and Spokespersons of the Committee have requested sight of the CAA consultation response before it is sent.

No Member or Officer attendance is required for this item.

### F2 South East Plan: Consultation on Secretary of State's Proposed Changes (Pages 45 - 46)

It is requested that any further representations included in the response are seen by the Chairman and Spokespersons of the Committee before they are sent.

No Member or Officer attendance is required for this item.

### F3 KCC's Treasury Management Policies (Pages 47 - 54)

Mr N J D Chard, Cabinet Member for Finance, Ms L McMullan, Director of Finance, and Mr N Vickers, Head of Financial Services, will attend the meeting from 2.00 pm to 3.00 pm 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, 14 October 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

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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, 24 September 2008.

PRESENT: Dr M R Eddy (Chairman), Mr D Smyth (Vice-Chairman), Mr A R Bassam, Ms S J Carey, Mr A R Chell, Mr B R Cope, Mr G Cowan, Mrs T Dean, Mr R W Gough, Mr C Hart, Mrs S V Hohler, Mr R E King, Mr M J Northey, Mr J E Scholes, Mr J D Simmonds, Mrs P A V Stockell (Substitute for Mr E E C Hotson) and Mr R Truelove.

ALSO PRESENT: Mr A J King and Mr N J D Chard.

APOLOGIES: Mr G A Horne, MBE.

IN ATTENDANCE: Peter Gilroy (Chief Executive), Ms L McMullan (Director of Finance), Mr B Smith (Group Manager - Financial Planning And Budget), Mrs A Taylor (Research Officer to Cabinet Scrutiny Committee) and Mr P Sass (Head of Democratic Services and Local Leadership).

#### UNRESTRICTED ITEMS

**84. Mr John Law**

The Chairman stated that the sad and untimely death of Mr John Law, former Conservative Group spokesman on this Committee, was a great shock for everyone and added that he would be very much missed. Members sat in silence as a mark of respect.

**85. Declarations of Interests by Members in Items on the Agenda for this Meeting**  
(Item. A2)

Mr Hart declared a personal interest in item D1 on the agenda (Outcome of formal consultation on the modernisation of East Kent Mental Health Day Services) as he was a candidate for election to the Board of the Kent and Medway NHS & Social Care Partnership Trust.

Dr Eddy declared a personal interest in item D1 on the agenda (Outcome of formal consultation on the modernisation of East Kent Mental Health Day Services) as he was a voting Member of the NHS Foundation Trust.

**86. Minutes - 23 July 2008**  
(Item. A3)

Mr Chell stated that he was present at the meeting held on 23 July and asked for his name to be included in the list of Members present.

Mr Truelove asked for clarification of the final sentence of item 81 (2), relating to the management of motorways and trunk roads in Kent, Surrey and Sussex, as the

impression being given by the current wording was possibly not what the Cabinet Member for Environment, Highways and Waste had intended. Mr Sass stated that the word “no” should appear between the words “be” and “adverse” in the penultimate line of that paragraph, so that the final sentence should read: “He assured the Committee that, in the event of the bid being successful, there would be **no** adverse impact on any of KCC’s existing highways services.”

Mr Cowan stated that his comments on the Working Neighbourhood fund for Thanet had not been reflected in the minutes. Mr Sass undertook to check his notes and add suitable comments to the minutes, in consultation with Mr Cowan.

Mr Hart asked whether the draft Strategy for the Working Neighbourhood Fund for Thanet, which had been reported to TDC’s Cabinet in August, could be reported to this Committee for information and comment. He also stated that a sum of £100,000 had been “top-sliced” from the WNF funding. Mr Sass undertook to follow these two issues up and inform Members accordingly.

RESOLVED: That, subject to the name of Mr Chell being added to the list of Members present, the agreed amendment to item 81 (2) referred to above and Mr Cowan’s comments on the Working Neighbourhood Fund for Thanet being added, the minutes of the meeting held on 23 July 2008 be approved and the Chairman be authorised to sign them as a correct record.

**87. Action Taken on Committee's Recommendations**  
(Item. A4)

Mrs Dean expressed her disappointment that the Cabinet had merely noted this Committee’s decisions, adding that it would be helpful if the Cabinet could give an indication as to whether they either supported/endorsed the Committee’s comments or otherwise, giving appropriate reasons. The Chairman echoed Mrs Dean’s comments.

RESOLVED: That the action taken by the Cabinet on the Committee’s recommendations be noted and the Cabinet be requested to provide more meaningful feedback in future.

**88. Informal Member Group on Budgetary Issues**  
(Item. A5)

(a) **31 July 2008**  
(Item. A5a)

RESOLVED: That the minutes of the Informal Member Group on Budgetary Issues held on 31 July 2008 be noted.

(b) **11 September 2008**  
(Item. A5b)

Mrs Dean referred to item 4 (Local Area Agreement – Reward Grant) and suggested that the word “virtual” in the second line of paragraph 3 should read “virtuous”.

Mr Smyth referred to item 5 (Impact of Housing Market on Development Contributions) and stated that, on balance, he was content for such reports to continue to be submitted to the IMG on Budgetary Issues, but he reserved the right to ask this Committee to reconsider the position if the volume and frequency of such reports started to impact adversely on the IMG's proper consideration of financial and performance monitoring and other similar reports. He also stated that the relevant local Member(s) should be invited to attend the IMG, whenever a report relating to developer contributions was considered.

RESOLVED: That, subject to the amendment to item 4 referred to above, the notes of the Informal Member Group on Budgetary Issues held on 11 September 2008, be noted.

## **89. Autumn Budget Statement** *(Item. C1)*

The Chairman welcomed Mr A King, Deputy Leader of the Council, Mr N J D Chard, Cabinet Member for Finance, Mr P Gilroy, Chief Executive, Ms L McMullan, Director of Finance and Mr Ben Smith, Group Finance Manager, to the meeting.

Mr Chard introduced the report, stating that the current 3-year settlement was welcome in terms of financial planning, but it was agreed before the impact of the current global economic situation had been realised. Accordingly, the Council was facing challenging decisions to maintain all services at their current levels against increased demands. Specifically, he mentioned the impact of the housing market and developer contributions on the growth agenda; Dedicated Schools Grant; and the as yet unresolved issue of asylum costs. Mr Chard also drew the Committee's attention to the interaction of services with the NHS, financial planning risks, key assumptions and the adequacy of the Council's reserves.

In response to a question from Mr Chell, Ms McMullan confirmed that, with the exception of asylum, there were no other significant sums outstanding to be paid to KCC that she didn't expect to be settled in the current financial year.

In response to a question from Mr Northey, Mr Chard stated that KCC had moved very quickly to address the impact of the global economic situation on the Council's services and the PEF2 would assist in maintaining essential capital investment, which put KCC in a fortunate position in that regard. He added that the additional costs facing the authority, because of the fluctuating oil price for example, would be equalised over the medium term. Ms McMullan stated that action had already been taken to address some of the inflationary pressures following the Cabinet meeting on 4 August, but that further action would be necessary as part of the forthcoming budget and medium term planning round. She added that the Council's policies on treasury management were being examined to ensure that any potential risks were minimised and the Superannuation Fund Committee was currently examining the impact of the current economic conditions on the pension fund.

With regard to Asylum, Ms McMullan stated that the Government's commitment to fund KCC's asylum costs in writing was still awaited. She added that if KCC did not receive its full settlement for previous years, the Council's exposure would be up to £4m in the current year. Mr Gilroy stated that he had written to the Home Office following recent meetings and added that he was certain that the Minister wanted the matter resolved to the satisfaction of all parties.

Mr Gilroy commented that price inflation had to be responded to quickly as there was a serious impact on the Council's procurement activity. Suppliers were also feeling the pinch and KCC needed to address those issues constructively and responsibly. He also stated that the wider community of government in Kent would be coming together at a summit meeting in November to discuss ongoing and future strategies to work together to ameliorate the situation as best as possible, both in respect of short term and strategic issues.

In response to a question from Mr Smyth, Ms McMullan stated that the current formula for the Dedicated Schools Grant left little room for changes to reflect local needs and circumstances. Mr Smyth accepted that the situation needed watching very carefully. Mr Chard stated that the four-block formula was less transparent compared to the previous FSS system and harder to explain to stakeholders. KCC had used an FOI enquiry to try to fully understand the Government's decisions on KCC's settlements, but it remained difficult to see exactly how certain needs were matched with grant. Ms McMullan stated that she would provide a worked example to demonstrate the difficulties.

In response to a question from Mr Truelove on appendix 2 (key pressures), Mr Chard stated that the Policy Overview Committees would get an opportunity in the November cycle of meetings to consider budget proposals for the forthcoming year, in relation to external pressures and how KCC should respond. Mr Gilroy stated that the local government family has to be more radical about overhead and transaction costs and this would be a key feature of the budget proposals.

Mr Gough stated that he was increasingly concerned about the financial burden on local authorities because of the impact of new legislation and the extent to which this was properly funded. Ms McMullan agreed that, whilst the Government's original statement about new burdens was welcomed, the reality is often different, e.g. asylum costs.

Miss Carey stated that District and Borough Councils in Kent were waiting for written confirmation from KCC that the additional funding associated with the Kent Concessionary Travel Scheme would be provided to them, specifically in relation to the cost of the extension of the scheme to cover the period from 9.00am to 9.30am, as agreed by the Cabinet earlier this year. Ms McMullan stated that the Leader had reiterated the Council's commitment to provide these additional costs at a meeting earlier in the week of the Leaders and Chief Executives of the Kent authorities. She added, however, that the precise costs of the extension were still being calculated.

Mr Simmonds asked whether the huge uncertainty on schools funding and whether DSG was retained in its current form or not, would mean that KCC's funding priorities would need to be reassessed. Mr King stated that decisions on priorities would be made collectively by the Cabinet, but that it remained the responsibility of each portfolio holder to work closely together with their relevant officers to challenge budget options in relation to those priorities. He added that the Policy Overview Committees would have a key role to play in those budget discussions. Mr Gilroy stated that KCC also made use of a peer review of budget proposals by officers, before information was presented to Members.

Mrs Dean asked how the authority could deliver its key objectives in the light of such a large number of senior officers leaving the authority within a short space of



time and the consequent changes that were having to be made to the Council's senior management structure. She asked specifically what the arrangements were in the Highways Service and to whom should elected Members contact in relation to enquiries and complaints from constituents about highways matters. She sought further clarification of what KCC was seeking to do in relation to freedom to trade. She made reference to the volume of HGVs in the County and why KCC was seeking to support a further lower Thames crossing and if the proposed crossing included rail facilities. She welcomed the peer review process for budget proposals and asked that the results of these should be shared with Policy Overview Committees. She asked whether KCC would be seeking to become involved in the oil market, given the volatility of the oil price recently. She also asked for further clarification of what was meant by the phrase "little, if any, room to manoeuvre" in paragraph 50 of the report.

Mr Gilroy stated that Mr Badman's departure had been known about for some time and that the interim arrangements to be put in place in CFE were robust and offered stability to the authority. He added that there would be a national advert for a successor to the Managing Director and it was hoped that an appointment would be made before the end of the calendar year. Mr Wilkinson had decided to leave his post for personal reasons and confirmed that appointments would be made to this and other senior posts in the Environment and Regeneration Directorate within the next 21 days.

With regard to the purchase of fuel, Mr Chard stated that the Council was merely seeking greater surety on price, if fuel could be purchased in units of 100,000 litres or more.

Ms McMullan stated that the clarification needed on freedom to trade related to access to information and the ability of Commercial Services to retain information that would not be available to KCC in relation to private companies. With regard to paragraph 50, Ms McMullan drew Mrs Dean's attention to the explanation given in paragraphs 3 to 14 of the report that dealt with the economy and public expenditure.

Mr Chard stated that discussions with Essex County Council regarding a further Thames crossing were at an initial stage, but that he believed there would be great benefit in incorporating rail facilities.

In response to a question from Mr Chell, Mr Gilroy confirmed that the cost of Kent TV was approximately £1 per household and that KCC had also saved approximately £1m on publications since Kent TV was introduced.

In response to a further question from Mrs Dean, Mr Gilroy stated that Members should write to him if they had any concerns about the highways service.

The Chairman asked for clarification about the role of Healthwatch (paragraph 62), specifically, how it was meant to be stronger than LINKS, which was a statutory body. Mr Gilroy stated that Healthwatch would be more effective for local residents because it would have an advisory role in relation to health, social care and children's services. In addition, Healthwatch would provide a monitoring service and would be able to present objective monitoring information to the Health Overview and Scrutiny Committee, the relevant PCT or relevant KCC Directorate, if, for instance, response times or other service standards were not being met.

The Chairman referred to paragraph 56 of the report and asked which jointly funded projects had been affected adversely in Kent as a result of NHS trusts being in deficit. Ms McMullan stated that the reference in paragraph 56 was to a national report produced for the LGA by Price Waterhouse Coopers and that she was not aware of any project in Kent where one of the NHS Trusts had withdrawn funding.

RESOLVED: That:

1. In light of the current global economic situation and the totality of resources available for KCC services between now and 2011, we share the concerns of the Cabinet about the need to monitor closely the effects on the performance of the authority;
2. We express our concern about the recent and impending departures of a number of senior managers in terms of the ability of the authority to continue to deliver high quality, value for money services to the residents of Kent in the immediate and medium term;
3. With regard to the Highways Service in particular, we ask that all Members be advised as a matter of urgency what the managerial arrangements are for the service and, in particular, to whom should enquiries and complaints from elected Members about the highways service be directed;
4. We welcome the assurances received during the meeting that, in light of the serious financial turmoil, both nationally and internationally, that the budget and policies of the Council would be subject to radical review and we particularly welcome the commitment to involve the Policy Overview Committees in that process; and
5. We ask the IMG on Budgetary Issues to continue to pay close attention to the quarterly exception reports, with particular regard to the achievement of key objectives and the major risks to service delivery and to refer any concerns to this Committee for further examination and scrutiny.

**90. Revenue and Capital Budgets, Key Activity and Risk Monitoring**  
*(Item. C2)*

The Chairman welcomed Mr A King, Deputy Leader of the Council, Mr N J D Chard, Cabinet Member for Finance, Mr P Gilroy, Chief Executive, Ms L McMullan, Director of Finance and Mr Ben Smith, Group Finance Manager, to the meeting.

Mr Chard introduced the report, commenting that the Council had been able to vire £5.111million from the 2007/08 underspend for the current economic situation and he reiterated his thanks to all Officers for that achievement. He referred to table 1a on page 47 of the agenda, stating that the net projected variance against the combined portfolio revenue budgets was a pressure of £0.543m after management action (excluding asylum). Mr Chard referred to the various key activity graphs included in the annexes to the report, which showed better correlation than previously. Finally, he referred to the proposed realignment of budgets within the Kent Adult Social Services portfolio, as detailed in sections 1.1.1 and 1.1.2 of annex 2.

Referring to paragraph 1.1.4.2 (c) on page 81 of the agenda, Mr Smyth remarked that, whilst he supported the work being done to reduce reliance on residential care, some domiciliary care packages for clients with dementia were as expensive as residential care. Mr Gilroy stated that a number of clients, particularly those with dementia, would have no option but to go into residential care.

Referring to paragraph 3.4.3.1 on page 52 of the agenda, Mr Northey stated that it appeared odd that the existing cost of sending waste to landfill was currently a cheaper means of disposal than the waste to energy plant at Allington. He sought assurances that, on environmental grounds, KCC was doing all it could to ensure that the Allington plant was operating effectively as quickly as possible and asked for further information about the differences in cost of each method of disposal and over what period of time the proposed increases in landfill tax would affect the current situation. Mr Chard stated that the relevant officers would provide a written answer to Committee Members.

Referring to paragraph 2.1 on page 68 (number of children receiving assisted SEN and mainstream transport to school), Mrs Dean asked why the budget had not been adjusted for the higher numbers of children receiving transport to school, some of which were awarded on appeal that perhaps would have been granted in any event had the budget been sufficient. Ms McMullan stated that a written note would be provided for Committee Members, which would comment upon a budget savings proposal that didn't come to fruition.

Referring to paragraph 1.1.4.6 (b) on page 83 of the agenda, Dr Eddy asked whether the authority was, in effect, contributing to the inability of the NHS to deliver assessment and related services in the North West of the County as a result of the "vacancy management necessary to offset the pressure within residential care." He suggested that management action was undermining a policy decision in this vital area. Ms McMullan undertook to ensure that the Managing Director of KASS provide a written note for Committee Members.

RESOLVED: That the resolution contained in the previous minute on the Autumn Budget Statement is deemed to cover this item.

**91. Review of Specialist Unit and Designated Provision in Mainstream Schools - Update Lead School Implementation**  
*(Item. C3)*

The Committee was advised that the Chairman and Spokespersons had agreed that there was no need for the attendance of any Cabinet Member or Officer for the consideration of this item.

The Chairman stated that he wanted to be assured that there were clear monitoring arrangements in place.

RESOLVED: That we ask that the Children, Families and Education Policy Overview Committee consider this matter to ensure that the progress of the Unit review in lead schools is closely monitored to ensure successful outcomes for all children and young people.

**92. Outcome of Formal Consultation on the Modernisation of East Kent Informal Mental Health Day Services**  
*(Item. D1)*

The Committee was advised that the Chairman and Spokespersons had agreed that there was no need for the attendance of any Cabinet Member or Officer for the consideration of this item.

The Chairman stated that he wanted to be assured that the modernisation and development of these important services were properly monitored by Members.

RESOLVED: That we ask that the Adult Social Services Policy Overview Committee consider this matter to ensure that the future provision of these vital services is maintained to the highest possible standard and that the impact on the dependency on statutory social services is closely monitored.

By: Head of Democratic Services and Local Leadership

To: Cabinet Scrutiny Committee – 22 October 2008

Subject: Response from Cabinet to the decisions from Cabinet Scrutiny Committee on 24 September 2008

Classification: Unrestricted

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Summary: This report sets out the response from the Cabinet meeting on 13 October to decisions from the last Cabinet Scrutiny Committee meeting on 24 September 2008.

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### Introduction

1. It was reported at the meeting of this Committee on 23 April 2008 that the Leader had agreed that the decisions from Cabinet Scrutiny Committee would be reported to the following meeting of the Cabinet for a response.
2. The decisions from the meeting of the Cabinet Scrutiny Committee on 24 September 2008 were reported to the Cabinet meeting on 13 October 2008 and the response from Cabinet is set out in the table attached as an Appendix to this report.

### Recommendation

That responses from Cabinet to the decision made at the meeting of Cabinet Scrutiny Committee on 24 September be noted.

Contact: Peter Sass  
[peter.sass@kent.gov.uk](mailto:peter.sass@kent.gov.uk)

01622 694002

Background Information: *Nil*

## Appendix 1

Title	Purpose of Consideration	Decisions	Response from Cabinet
<b>Autumn Budget Statement</b>	To question the Leader of the Council, the Cabinet Member for Finance, the Chief Executive and the Director of Finance about the key conclusions arising from this report, with particular regard to the financial planning risks	<ol style="list-style-type: none"> <li>1. In light of the current global economic situation and the totality of resources available for KCC services between now and 2011, we share the concerns of the Cabinet about the need to continue to closely monitor the effects on the performance of the authority</li> <li>2. We express our concern about the recent and impending departures of a number of senior managers in terms of the ability of the authority to continue to deliver high quality, value for money services to the residents of Kent in the immediate and medium term.</li> <li>3. With regard to the Highways Service in particular, we ask that all Members be advised as a matter of urgency what the managerial arrangements for the service are and, in particular, to whom enquiries should enquiries and complaints from elected Members about the highways</li> </ol>	<p>Decision 2: The Cabinet commented on this decision and an update will be given at the meeting.</p> <p>The Cabinet noted the other decisions relating to the Autumn Budget Statement.</p>

Title	Purpose of Consideration	Decisions	Response from Cabinet
		<p>service be directed.</p> <p>4. We welcome the assurances received during the meeting that, in light of the serious financial turmoil, both nationally and internationally, that the budget and policies of the Council would be subject to radical review and we particularly welcome the commitment to involve Policy Overview Committees in that process.</p> <p>5. We ask the IMG on Budgetary Issues to continue to pay close attention to the quarterly exception reports, with particular regard to the achievement of key objectives and the major risks to service delivery and to refer any concerns to this Committee for further examination and scrutiny</p>	
<b>Revenue and Capital Budgets, Key Activity and Risk Monitoring</b>	To question the Leader, the Cabinet Member for Finance, the Chief Executive and the Director of Finance about the key conclusions arising from this report, with particular regard	<u>(The Committee agreed a single set of resolutions with regard to this and the previous item. See above)</u>	The Cabinet noted the Committee's decision.

Title	Purpose of Consideration	Decisions	Response from Cabinet
	to the key activities and risk monitoring		
<b>Review of Specialist Unit and Designated provision in mainstream schools – update – lead school implementation</b>	To consider the monitoring arrangements for the review.	We ask the Children, Families and Education Policy Overview Committee to consider this matter to ensure that the progress on the Unit Review in lead schools is closely monitored to ensure successful outcomes for all children and young people	The Cabinet noted the Committee's decision.
<b>Outcome of formal consultation and the modernisation of East Kent informal mental health day services</b>	To discuss the consultation process and consider monitoring arrangements.	We ask the Adult Social Services Policy Overview Committee to consider this matter to ensure that the future provision of these vital services is maintained to the highest possible standard and that the impact on the dependency on statutory social services is closely monitored.	The Cabinet noted the Committee's decision.



**Informal Member Group on Managing Motorways and Trunk Roads  
Wednesday, 08 October 2008 at 4pm.**

**Present:** Mr D Daley, Dr M R Eddy, and Mr J Simmonds.

**Also Present:** Mr K Ferrin, Cabinet Member for Environment, Highways and Waste.

**OFFICERS:** Mr G Mee, Director of Kent Highways Services and Mrs A Taylor, Research Officer to the Cabinet Scrutiny Committee.

**Discussion on the proposals contained within the business plan to enable a report to be submitted back to the Cabinet Scrutiny Committee on 22 October 2008**

(The following is an unrestricted text of the discussion on an exempt report)

- 1 Dr Eddy introduced the item and explained that the bid to undertake the maintenance and operation of motorways in Kent had now been submitted. The results of the tender should be revealed before Christmas.
- 2 An IMG had been formed to look at the issues within the business plan, and Members of the IMG had concerns relating to the risk assessment of the project, what assessment had been undertaken and where this was articulated within the report.
- 3 Mr Mee confirmed that the papers in front of Members no longer reflected the contractual arrangements. Previously Kent County Council was recommended to take a 19% share of RJK – now KCC would be a subcontractor of Ringway Jacobs and have no financial stake in the company other than for the co-location of depots.
- 4 Mr Ferrin confirmed that from Kent County Council's perspective the small financial risk that was present in the original contract had now been eliminated – if successful KCC would be a subcontractor for Ringway Jacobs and the financial risk involved was negligible.
- 5 The main risk was a reputational one – currently issues with motorways and trunk roads in Kent (which are not within the remit of Kent County Council) are often blamed on the County Council and this is difficult to overcome.
- 6 KCC are hoping for a profit as a result of the lease of the depot network which can be charged, and a profit on any work undertaken. Dr Eddy questioned the problems with the West Kent depot network and Mr Ferrin explained that he was referring to the existing network. Dr Eddy asked whether the new depot arrangements would impact upon current operations and Mr Mee confirmed that it would not.
- 7 There are advantages in the synergy between existing facilities, for example synergies in the salting routes could result in more gritting being done in the same length of time and use of diesel. There are also discounts to be found when buying in quantity.
- 8 Mr Daley raised concerns over the track record of Ringway Jacobs – they have not yet won a MAC contract and do not have a good history of getting through the bidding

process. Concerns were also raised about the capability of Ringway Jacobs in undertaking non motorway work – would they be better at maintaining the motorways?

- 9 The £100k highlighted in the original report is no longer at risk due to changes in the contract.
- 10 Members asked whether KCC would be allowed to be a subcontractor to the new consortium if we were not successful in the bidding process. Mr Mee confirmed that there was no obligation for the new consortium to subcontract to KCC and that it would only work if they saw the same synergies and the mutual benefits.
- 11 Questions were raised over the influence KCC currently has over the Highways Agency and whether this would improve if our bid was successful and whether it would lead to a more coherent way of working. Mr Ferrin confirmed that yes it would lead to a more coherent approach and would potentially give KCC more influence.
- 12 Mr Mee confirmed to Dr Eddy that the time spent so far on putting the bid together was in the region of £10,000 – £20,000 in officer time.
- 13 Dr Eddy asked about the future monitoring arrangements if the bid succeeds. Mr Ferrin confirmed that he had an ongoing desire to monitor how the project progresses. Regular reports will be going to the Alliance Board which are public documents and could be reported to Scrutiny at that time.
- 14 Mr Ferrin clarified that the condition on A & B roads in Kent was above average with compared using the BVPIs across the country, and Mr Mee pointed Members to an article in the Local Government Chronicle which stated that Council's spend more money compensating people for damage caused by poor roads than is spent on repair work. Members felt that it was imperative that the impact on existing services and service quality was carefully monitored.

## **Recommendations**

The Cabinet Scrutiny Committee is asked to:

- a) Note that Members thanked Mr Ferrin and Mr Mee for their helpful comments throughout the meeting and were pleased to note the change in the contract which had led to a diminution in financial and reputational risk should the bid be successful.
- b) Request further advice from Officers and the Cabinet Member when the results of the bidding process were known.
- c) Note that concerns were reiterated over the monitoring arrangements of the project and measuring performance; consideration should be given to these issues at the earliest possible opportunity in the event of the bid reaching further stages.
- d) Request sight of the changes to the original contract.
- e) Request a report back to the Cabinet Scrutiny Committee including information on possible BVPIs a year after the contract has commenced.

Notes of a meeting of the Cabinet Scrutiny Committee Informal Member Group on Budgetary Issues held on Thursday, 9 October 2008.

**Present:** Mr D Smyth (Chairman) and Mr J Simmonds.

**Officers:** Ms L McMullan, Director of Finance, Mr A Wood, Head of Financial Management, Mr P Sass, Head of Democratic Services and Local Leadership and Mrs A Taylor, Research Officer to the Cabinet Scrutiny Committee.

**Apologies:** Mr N J D Chard and Mrs T Dean

***The Chairman stated that, in view of the need for Group Leaders to be briefed about the situation with regard to KCC investments in Icelandic banks, item 3 (School Reserves) would be deferred to the next meeting of the IMG on 26 November.***

**1. Notes of Previous Meeting held on 11 September 2008.**  
*(Item 1)*

The notes of the meeting held on 11 September 2008 were approved.

**2. Revenue and Capital Budgets Monitoring Exception Report**  
*(Item 2)*

(1) Members agreed to note the report and that revised information on capital budgets would be circulated in due course.

**3. School Reserves**  
*(Item 3)*

(1) This report was deferred to the IMG's next meeting on 26 November.

**4. Proposed comments to the Department for Communities and Local Government on "Inclusion of efficiency information with Council Tax Demand Notices: Consultation"**  
*(Item 4)*

(1) Mr Simmonds stated that he was supportive of the Officers' proposed response to the Consultation paper, adding that the inclusion of efficiency information in Council Tax Demands could be confusing and he questioned whether the information would be read.

(2) Mr Smyth stated that there was merit in including some sort of information in Council Tax demands about the Council's achievement of efficiencies, but he was concerned that an over-performance on efficiencies in one year would leave the authority looking worse comparatively in subsequent years.

(3) Ms McMullan stated that the inclusion of such information would duplicate the work that local authorities were already required to do in relation to the completion of Annual Efficiency Statements and the Use of Resources Assessment. She added that the proposals did not represent an appropriate method of communicating with residents.

(4) Mr Smyth stated that he was content to endorse the Officers' proposed response, although reiterated that it was important to find a simple, meaningful way of defining efficiency and communicating this to residents.

(5) The proposed consultation response was supported.

## **5. Taking Forward the KCC Budget and Medium Term Planning Process** *(Item 5)*

(1) Ms McMullan presented a paper that sought to implement the Leader's stated commitment to strengthen the role of the Policy Overview Committees throughout the budget and medium term plan process. The report contained a proposed template report for directorates to use for the November cycle of POC meetings. The intention was to ensure consistency of reporting in terms of both style and the level of detail whilst allowing directorates sufficient flexibility to encompass their own themes and local issues. In introducing the report, Ms McMullan stated that it was important to achieve consistent and meaningful debates across all of the POC's.

(2) Mr Smyth suggested that, due to the size of the POC's and the demands on their time caused by other agenda items, that the Committees might be better advised to set up Informal Member Groups to discuss budget issues, policy priorities and the medium term plan.

(3) Mr Sass advised that there would be a fairly short period within which the IMG's could take place given the demands of the budget process and it was noted that Mr Wood would confirm what the relevant timescale would be. Mr Wood added that Ms Fitch was in the process of arranging a meeting of the Policy Overview Coordinating Committee to take place before the November cycle of POC meetings. The purpose of the POCC meeting would be to discuss the consideration of the budget and medium term plan by the POC's.

(3) Members agreed the following:-

(a) that the proposed template report on the budget and medium term plan process for the November cycle of the Policy Overview Committees be endorsed; and;

(b) that the Cabinet Scrutiny Committee should agree to encourage the Policy Overview Committees to consider setting up cross-party Informal Member Groups to consider the budget proposals, policy priorities and the medium term plan, subject to those meetings taking place within an appropriate timescale given the overall budget process.

## **6. Response to Consultation on Local Authority Business Growth Incentives (LABGI)** *(Item 6)*

(1) Ms McMullan stated that the deadline for responses to this consultation was 20 November and that, accordingly, she would ensure that Members of the IMG were asked to submit their views to her directly, once the consultation paper had been circulated.

## **7. Commercial Operations recharging**

(1) Ms McMullan referred to the proposed audit of KCC's commercial operations, adding that the proposed terms of reference were in need of being amended. She asked for any comments from Members of the IMG by Wednesday 15 October.

## **8. Date of the November meeting**

(1) Mr Sass advised that, following consultation with the Members of the IMG, the date for the November meeting had been rearranged to 26 November at 3.30pm in the Medway Room, to enable Members to attend the memorial service for Lord Bruce-Lockhart on 27 November.

**At the conclusion of the meeting, those present were joined by the Leader of the Council, the Chief Executive, the Leader of the Labour Group, Mr D Daley (representing Mrs Dean) and Mr N Vickers, whereupon a briefing was given to Members on the extent of the Council's financial exposure in Icelandic banks and the action being proposed by KCC.**

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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title: **An Academy for Sevenoaks: Determination of Site**

Documents Attached: None attached

Purpose of Consideration: To question the Cabinet Member responsible for Operations, Resources and Skills and the Area Children's Services Officer – Sevenoaks and Tunbridge Wells over the process surrounding academies and their establishment.

Possible Decisions: The Committee may either:-

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

Previous Consideration: None.

Background Documents: None.

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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title: **Development of Neighbourhood Forums for Gravesham**

Documents Attached: Report to Cabinet Member, October 2008.

Purpose of Consideration: To question the Leader of the Council and the Community Liaison Manager about the operation of the Neighbourhood Forums.

Possible Decisions: The Committee may either:-

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

Previous Consideration: None.

Background Documents: None.

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## **Kent County Council**

**Report to:** Mr Paul Carter, Leader and Cabinet member for Localism  
**Date:** October 2008  
**Reporting officer:** Will Farmer, Community Liaison Manager (Gravesham)  
**Subject:** Development of Neighbourhood Forums for Gravesham

### **Purpose and summary of report:**

To seek approval to develop Joint Neighbourhood Forums for Gravesham for a one year pilot period

## **1. INTRODUCTION**

- 1.1 Since late 2006, KCC and Dover District Council have been piloting a new way of localising the various agendas that come from and concern the communities in that area. As part of the Localism agenda both authorities decided to work together with Parish and Town Councils to improve contacts with, and response to, the public who use their services, the outcome of these aspirations has led to the formation of a number of joint neighbourhood forums (5) in the Dover area.
- 1.2 The proposal for Gravesham is to mirror the arrangements piloted in Dover which will be modified for Gravesham resulting in the creation of three Neighbourhood Forums which will be trialled across the borough: east, west and rural. The current proposals should allow each council to make progress within a neighbourhood structure which will be inclusive and responsive to respective council executives, and take responsibility for passing local needs and priorities to service providers and decision-makers in each council
- 1.3 In discussions with Gravesham Borough Council, it was felt that the governance arrangements in place in Dover would be mirrored in Gravesham, with some minor modification, in particular clarifications made to the process of selection of Chair and Vice Chairmen.
- 1.4 Also the Draft Vision Statement (appendix 1) sets out how both councils wish to improve the style and outcomes of the Gravesham Local Board, to develop and strengthen the LSP.

## **2. THE PROGRAMME**

- 2.1 A time table is proposed (appendix 4) which will set up three Neighbourhood Forums. These will connect the tiers of local government and give local people greater power to influence their services through inputs to local groups of elected councillors in Neighbourhood Forums as well as bring forward proposals for funding of local projects.

- 2.2 One of the key aims is to create neighbourhood forums which provide Member input to deliver key strategic and local elements of Gravesham's local chapter of the Dartford and Gravesham Sustainable Community Strategy and KCC's Towards 2010 strategy.
- 2.3 The Gravesham Neighbourhood Forums will be semi-autonomous with the membership comprising of Gravesham County Councillors and District Ward Members as well as representatives from Parish Councils and local organisations, at this level there will also be consultation input to decision-making within KCC and GBC. Each Neighbourhood Forum will still be advisory to the respective councils with the ability to make recommendations on grant funding for local projects
- 2.4 The Governance arrangements and procedural rules for the Dover Neighbourhood forum model appears to provide an appropriate balance between "due process" and flexibility; and are being adapted for the Gravesham Neighbourhood Forum (See appendix 2 and 3).
- 2.5 Quarterly meetings of the current Gravesham Local Board will be suspended for the period of the pilot and will be replaced by the Neighbourhood Forums.
- 2.6 Introduction of new arrangements need to be timed to meet the requirements of all sectors of membership. The first Neighbourhood Forums will meet during November 2008.
- 2.7 The Dartford and Gravesham LSP Board will review the progress of the Forums and agree arrangements and timescales with the partners represented on the LSP on how to take forward the various items raised as a result of the engagement through the Forum.

### **3. FINANCIAL AND STAFFING IMPLICATIONS**

- 3.1 Experience with the Dover Neighbourhood Forum model has shown that it is essential that the correct level of resourcing from both authorities is in place, to ensure smooth running of the partnership arrangement. It is proposed that there will be a single, full time Community Liaison Manager devoted to Gravesham (employed by Kent) from September 2008. The CLM for Gravesham will work with dedicated GBC Democratic Services staff to set up and run the Neighbourhood Forums for the pilot period (1 year). These resources are met within current budgets.
- 3.2 It is proposed that from financial year 2009-10, that Gravesham Borough Council will consider match funding Kent County Council capital grant schemes funding, adding to the grant money currently available.
- 3.3 It is proposed that a similar arrangement that has been set up in Dover will be established to manage the joint grant funding arrangements. The grant money would be divided between the forums based on population, with recommendations on spend being made by the three Neighbourhood Forums. In line with each of the Council's Constitution, a report would have to be prepared to KCC Cabinet member and Gravesham Borough Council cabinet for final authorisation of the spend.

#### **4. Recommendations:**

That authority be given to;

1. Suspend the current Kent Gravesham Local Board arrangements from October 2008 for a one year period to pilot joint Neighbourhood Forums, similar to the Dover model in Gravesham
2. Create three joint neighbourhood forums in Gravesham borough - Gravesham East, Northfleet/Gravesham West and Gravesham Rural.
3. That the pilot scheme be reviewed in September 2009

#### **5. ACCOMPANYING DOCUMENTS**

Appendices

1. Vision Statement / roles and responsibilities;
2. Governance/financial arrangements
3. Procedure rules
4. Project time scale

## Gravesham Neighbourhood Forums

### Vision statement

#### 1. AIMS

**To help create a partnership for the Borough where everyone feels they belong, knows how and where to make their voice heard, make a difference and create cohesive, active and sustainable communities.**

**To enable locally elected representatives, as leaders of their communities, to engage with and respond to local communities needs.**

**To create opportunities for residents to gain a greater voice and influence over local services, to improve the quality of their lives, their neighbourhoods and the Borough.**

- 1.1 To link directly with other existing community engagement groups to improve communication and to reduce duplication and the chances of consultation fatigue;
- 1.2 To link with the Local Strategic Partnership, Crime and Disorder Reduction Partnership and Kent Thameside initiatives;
- 1.3 To innovate and find new ways to enhance the engagement and involvement of the seldom heard groups;
- 1.4 To provide a channel of communication between residents, elected representatives and officers from the three tiers of local government and other organisations delivering services to the local communities; to inform and to be informed;
- 1.5 To promote and develop elected members as representatives and leaders of the local community;
- 1.6 To provide an opportunity for local people and communities to influence the decisions and all local services and issues which affect them and their neighbourhoods;
- 1.7 To empower residents and community groups to act to improve the quality of life, their neighbourhoods, the Borough and the County;
- 1.8 To make recommendations for the allocation of the Small Community Capital Grant Scheme to community projects that will benefit local residents and the wider local community;
- 1.9 To develop and promote joint initiatives between Kent County, Borough, Parish Councils and the Community and Voluntary Sector in Gravesham.

#### 2. VALUES AND QUALITY EXPECTATIONS OF THE NEIGHBOURHOOD FORUMS (NF)

- 2.1 The NF's will provide an opportunity for genuine dialogue and open discussion, enabling and encourage an informal, participatory and innovative approach to community engagement;
- 2.2 Feedback on outcomes and actions resulting from NF meetings should be promoted and communicated to all participants;
- 2.3 The format of each meeting will encourage bottom-up decision making and involvement of all members of the community in the running of public meetings;

- 2.4 The meetings will be non-political and represent all the residents in Gravesham Borough;
- 2.5 The NF's will deliver tangible outcomes and benefits for residents and for the community;
- 2.6 Wherever possible, practical and lawful, each Council represented will not withhold from discussion among members of the NF, matters of service delivery or local concern that are of genuine public interest;
- 2.7 As elected representatives of the community, members of County, Borough and Parish will have the primary role of leading the NF and taking delegated decisions/recommendations to their appropriate Cabinets on behalf of the community;
- 2.8 To run efficient and accountable decision making processes for the grants that take into account the aspirations of the community in the decisions.

### **3. ROLES AND RESPONSIBILITIES**

#### **Kent County and Gravesham Borough Councils**

- Members and Officers will work together in a partnership that recognises parity of esteem between all councils/tiers of local government, to seek the very best for the communities and residents of Gravesham within the vision, aims and terms of reference of the NF's;
- To commit resources as necessary to run successful NF's, either officer time, financial or in-kind support;
- To encourage Parish and voluntary/community sector participation wherever possible;
- To agree targets for the NF's for example on public attendance and actions arising from the meetings.

### **4. PARISH COUNCILS**

- To work with County and Borough for the benefit of the local community;
- To agree representatives who will have voting authority, on behalf of each Parish Council at the NF;
- To commit financial or in-kind support or other resources for the successful running of the NF, wherever possible.

### **3. VOLUNTARY AND COMMUNITY SECTOR**

- To agree to work together through the NF's, with local residents and all tiers of local government, for the benefit of the local community.

### **4. ALL ELECTED MEMBERS – COUNTY, DISTRICT, PARISH**

- Through the NF's, to ensure they seek out and listen to the needs, voices and aspirations of local people and communities that they serve;
- To do all they can within the terms of reference of the NF's to meet those needs and aspirations;
- To support citizens to engage with and take advantage of the opportunities for community betterment the NF's offer;
- To empower local communities to improve the places in which they live;
- To not bring party politics or rivalry between elected members or tiers of local government into the public meeting;

- To ensure the success of the NF's, including delivering outcomes for local communities and improvements in services.

## **5. NOMINATED REPRESENTATIVES FROM COUNTY/DISTRICT/PARISH ON EACH FORUM**

- To encourage civic participation and involvement at the NF's;
- To be the Champion for the respective Council or NF area;
- To work together in partnership to overcome any issues that may arise;
- To ensure NF are run in line with the Vision Statement; meeting aims and objectives;
- To identify actions where this is not happening;
- To attend all public meetings;
- One representative from each of the three tiers to attend any pre and post meetings, as appropriate;
- To be responsible for agenda recommendations and circulation of all NF papers within own organisation;
- To publicise the NF's, meetings and grant funding availability within their respective NF area;
- To ensure two-way communication between the NF's and their respective organisation;
- To consider funding applications and making recommendations in a timely manner;
- To provide communities with funding application forms;
- To ensure relevant links are made to their own organisations' Corporate Plans.

## **6. CHAIRMAN/VICE CHAIRMAN**

- To be inclusive, promote dialogue and the Vision Statement aims and objectives of the NF's;
- Agree agendas, venues, presenters and format of meetings in consultation with supporting officers and other nominated representatives;
- To ensure the accountability of presenters whilst remaining neutral and suitably supportive;
- To ensure all views are heard at the meetings;
- To ensure a strategic overview at County and Borough level and to act as a conduit with other statutory bodies.

## **7. OFFICERS – COUNTY AND BOROUGH**

- To support citizens to engage with the NF's and take advantage of the opportunities to improve their communities that are provided through the NF's;
- To provide advice to elected members on the running of the NF's;
- To liaise with the Chairman/Vice Chairman to ensure proper and smooth running of the meetings;
- Between the Borough and County officers, to support meetings.



## Gravesham Neighbourhood Forums

### Governance arrangements

#### 1. General

- The Gravesham Neighbourhood Forums [NF's] shall be constituted under principles contained within the Local Government Act 2000 [i.e. similar principles to those of the Joint Transportation Boards and will be a non-statutory body];
- The NF's reflect the wishes of the respective Cabinets of Gravesham Borough Council (GBC) and Kent County Council (KCC) to co-operate and work together on local public service issues within their remits;
- The proposal is to create three NF's for Gravesham as a trial for a period of one year and is voluntary on the part of each Council;
- The NF's are accountable in an advisory capacity to KCC's Cabinet for KCC responsibilities and to GBC's Cabinet for GBC responsibilities;
- Each council shall bear its own costs incurred in the operation of the NF's.

#### 2. Membership

- There will be equal voting membership of KCC Gravesham Division Members, and GBC Members and Gravesham Parish Councils (where applicable) on each Neighbourhood Forum (NF).
- Choice of voting representatives (of either borough or county) will be made by each council respectively and reflect the political balance in individual forums.
- Votes will be split as follows;
  - Northfleet/Gravesend West NF -2 District vote/2 County votes
  - Gravesham East NF - 2 District vote/2 County votes
  - Gravesham Rural NF–1 District, 1 County and 1 Parish;
- Co-options are at the discretion of the NF and can be general or for specific meetings; all co-options are non-voting, e.g. representatives of KYCC, Youth Forums, etc.
- The Chairman and Vice Chairman shall be from differing councils, be appointed by respective group leaders and shall rotate as set out below.

With respect to Northfleet/Gravesend West and Gravesham East Forums the Chairman and Vice Chairman arrangements are as follows in table 1:

**Table 1**

Year	Chairman	Vice Chairman
1	GBC representative	KCC representative
2	KCC representative	GBC representative
3	Repeat cycle from year 1 etc.	

With respect to Gravesham Rural NF where the Parishes are involved, the arrangements are as follows in table 2:

**Table 2**

Year	Chairman	Vice Chairman
1	KCC representative	Parish representative
2	Parish representative	GBC representative
3	GBC representative	KCC representative
4	Repeat cycle from year 1	

### 3. Meetings

- Full meetings of the NF's shall be in public. The NF's will generally meet four times during each year at times and venues agreed by the NF members
- There will be no substitutes for representatives under these arrangements
- For voting situations, the quorum shall be as follows.
  - For both Northfleet/Gravesend West and Gravesham East NF's shall be a minimum of one County Council representative and one GBC representative.
  - For the Gravesham Rural NF shall be two representatives from any of the Local authorities involved.
- Procedural Rules for NF's shall apply as set out below in **Appendix 3**
- Copies of all agendas and discussion papers will be sent to NF members at least seven working days before the meeting.
- There will be an opportunity for the public to ask questions at all full meetings of the NF's
- There may also be private meetings for the purposes of agenda planning and briefing of NF members.
- The Access to Information principles shall apply to the NF's as if they were a KCC or GBC committee.
- All Councils will be responsible for publicising the NF meetings and will advertise as widely as possible.

### 4. Terms of Reference

The NF's will consider matters relating to:

- 1) Provision and performance for services provided on a statutory basis by all councils;
- 2) Services provided by other public bodies, including the Police, Fire and Rescue and Health Authorities where these impact upon local communities;
- 3) Input to, and outputs from, the Local Strategic Partnership;
- 4) The NF's will also be a forum for consultation between the councils and with the public on policies, plans and strategies;
- 5) The NF's may also review performance of services and service providers and, as a consequence, make recommendations in an advisory capacity to the Executive Bodies of the respective councils.

**Separate Terms of Reference will be produced for Funding Recommendations for financial year 2009-10**

## Appendix 3

# Gravesham Neighbourhood Forums Procedure Rules

### Public involvement

1. The NF's will enable the public to raise oral or written questions on any matters falling within the remit of the NF's. A summary of the questions asked and answers (if appropriate) given will be included in the NF minutes.
2. Meetings will be promoted as widely as possible to encourage involvement of the community in each NF area.

### Members' Interests

3. All Members are expected to consider whether they have a personal and/or prejudicial interest in any matter under discussion on the agenda and declare it accordingly at the start of the meeting.

### Attendance List

4. Members of the Public will be asked to leave their contact details for future contact regarding meetings.
5. Members attending NF meetings must sign the attendance list or ensure officers record their presence.

### Meeting planning

6. The Chairman and Officers will liaise to prepare the agenda for the next meeting and a work programme for future meetings. The NF's may also hold pre-meetings to consider business related to the NF's (e.g. planning agendas, venues, actions) where the public/press are not invited.

### Neighbourhood Forum meetings

7. The meetings of the NF's will take place at venues in the local areas, in public, in general four times a year, on dates and at times agreed by each NF.
8. The Community Liaison Manager will invite all voting and non-voting Members to a NF meeting by sending an agenda and accompanying papers to each member's nominated address and normally be sent out at least seven clear working days before the meeting.

### Agenda

9. The agenda for each meeting of a NF will normally include:
  - minutes of the previous meeting for approval and signing;
  - reports seeking a decision from the NF [if appropriate];
  - any item which a member of the NF wishes to be included on the agenda, provided it is relevant to the terms of reference and notice has been given to the Community Liaison Manager at least nine working days before the meeting.
  - any item which a Member of any constituent Council, its Cabinet or Cabinet Member wishes to be included on the agenda, provided the prior approval of the Chairman has been given, it is relevant to the terms of reference and notice has been given to the Community Liaison Manager at least nine working days before the meeting.
10. The Chairman may decide that there are special circumstances that justify an item of business, not included on the agenda, being considered as a matter of urgency. The reasons for urgency must be stated at the meeting and the Clerk shall record them in the minutes.

- 11 NF's will normally consider items in the order that they appear on the agenda. The Chairman may vary the order if it is thought appropriate and will explain their reasons to the NF.

### **Voting**

12. If any Member requests, the Chairman will call a vote on any recommendation or a motion or amendment. The vote will be by a show of hands by voting Members of the NF present.
13. If the votes for and against are equal, the Chairman does not have a casting vote and, therefore the recommendation, motion or amendment falls.

### **Rights to Attend and Speak**

- 14 Members of the public will be encouraged to participate in all facets of the public part of the Forum meetings and will be encouraged to suggest topics for discussion at future meetings.
13. If a member of the public interrupts a meeting or otherwise behaves irregularly, improperly or offensively, the Chairman may request that they leave the room or order that they are removed. In the event of a general disturbance, the Chairman may suspend the meeting or direct that the public be excluded from it. No-one so removed or excluded will be permitted to return to the meeting.
14. Any Member of any constituent Council are encouraged to attend any meeting of the NF's, including those parts of the meeting from which the public and press are excluded. They do not have a right to vote or move a motion or amendment, but may speak on matters with the consent of the Chairman [such consent to be sought before the meeting and should not normally be withheld).

### **Attendance of officers at meetings**

15. Cabinet Members and Council officers will be expected to attend any NF meeting when asked to do so by the Chairman. Such requests must be reasonable in terms of notice, demand and expectation.
16. A supporting officer from KCC and GBC will always be present at all NF meetings. They will help plan, manage and co-ordinate the business for the NF; provide procedural and constitutional advice; and will take notes of and actions arising from the meetings.

### **Actions**

17. It is expected that NF Chairman will take the lead in pursuing actions resulting from meetings and reporting back to the NF's.

### **Issues of interest to more than one NF**

18. Any follow up work on issues involving more than one NF will be the responsibility of all Chairmen and Officers involved.

### **Discussion of Individual Officers**

19. No discussion shall take place in a meeting about the terms or conditions of employment or the performance, or conduct of any officer of any Council

### **E-Government**

20. Copies of agendas, agenda items, notes and actions are published on the KCC and GBC websites.



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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title:	<b>Kent Health Watch</b>
Documents Attached:	Report to Cabinet 17 March 2008
Purpose of Consideration:	To question the Cabinet Member responsible for Public Health and the Head of Policy over the launch of the Health Watch project, with particular reference to the timetable of the project, its function and its relationship with other organisations.
Possible Decisions:	The Committee may either:-  (a) make no comments; or  (b) express comments but not require reconsideration of the matter; or  (c) require implementation of the decision to be postponed pending reconsideration of the matter by the Cabinet in the light of the Committee's comments; or  (d) require implementation of the decision to be postponed pending reconsideration of the matter by full Council.
Previous Consideration:	None.
Background Documents:	None.

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By: Graham Gibbens – Cabinet Member for Public Health  
To: Cabinet 17th March 2008  
Subject: Kent Health Watch  
Classification: Unrestricted

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Summary: This report updates Cabinet Briefing on progress towards implementation of Kent Health Watch following discussions between the Chief Executives of KCC and the two Kent Primary Care Trusts.

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## **For Decision**

### **1. Introduction**

Kent Health Watch (KHW) was proposed by KCC in response to public concerns about the NHS in Kent. KHW builds upon KCC policy from 2005 and is designed to provide 'signposting' and information about the existing and planned mechanisms whereby the public can make representations and complaints or compliments about the NHS and, by the end of 2008, adult and children's social care. (The inclusion of social care services will be considered within the context of the introduction of both LINKs in 2008 and the new proposals for joint health and adult social care services complaints procedures from April 2009).

There are various ways in which the public can make their views about the NHS and social care known. As with all public services it is sometimes difficult for people to understand the most effective method for their purposes. KHW will provide information and assistance in ensuring the public and patients are aware of what avenues are available and which might be the most appropriate. KHW will monitor the number and type of complaints that it receives and report this to the relevant NHS bodies and the KCC Health Overview and Scrutiny Committee. In this way it will help identify particular issues that arise and highlight repeated problems, although it is recognised that KHW information will need to be supplemented by other information.

#### **1.1 Principles**

KHW is based upon 4 guiding principles:

- That KHW will act in a manner to promote public confidence in the NHS in Kent and in social care commissioning and provision
- That KHW provides information to assist health and social care services in responding to the issues raised by the public
- That KHW complements existing and planned methods for the public to make representations about the NHS in Kent and KCC social services

- That KHW will function in a way that promotes better partnership working and demonstrates KCC's community leadership, and commitment to improve health and social care services in Kent

## **1.2 Scope and Purpose**

The current agreed position is that the scope and purpose of KHW will be to:

- Cover all NHS and, from 2009, social care services delivered within the administrative area of Kent County Council, to both the residents of Kent and anyone who comes into the County to receive NHS and social care services. This includes services commissioned within Kent although delivered outside the County area, as long as the person receiving the service is a Kent resident
- Handle telephone calls and emails from the public
- Inform customers on how to progress complaints and representations through the various systems that currently exist for the NHS and social care within Kent including the further avenues and appeals processes available to complainants dissatisfied with initial responses to complaints.
- Log the details of the question, compliment or complaint. Each case will be logged onto the Contact Centre's CRM (Customer Relationship Management) database with a unique reference number enabling individual clients and contacts to be followed up if necessary
- Provide quarterly statistical and other data to the NHS, social services and KCC Health Overview & Scrutiny Committee and make such data available to the public. Where particular issues become apparent these will be reported on an exceptional basis as and when appropriate, acknowledging that KHW information may need to be supplemented by other data.

Enquiries, compliments or complaints concerning the NHS and by 2009 social care that are received by KHW will be directed to the relevant existing customer services and/or complaints procedure.

The service will be available 24/7 through the Contact Centre and will be implemented by the first half of 2008 in health and the end of 2008 for social care, subject to approval at Cabinet and sign off by PCT Boards.

## **1.3 Governance of the Service**

KHW currently has a Steering Group to oversee implementation. The membership is under review but consists of Graham Gibbens, Mike Hill and Keith Ferrin with Clive Bainbridge and Mark Lemon. 2 PCT Board members will also join the Steering Group. The inclusion of representatives from other directorates of KCC such as KASS and CFE, and other organisations within the NHS will be a priority for consideration. Terms of Reference will be agreed between the nominated members. Decisions will need to be agreed by all parties to be implemented.

KHW will be delivered by the Contact Centre as part of the Communities Directorate within the division managed by Clive Bainbridge, Director of

Community Safety & Regulatory Services at KCC. Derek Smith, the Head of the Contact Centre will have operational responsibility.

During 2008 the Local Involvement Network (LINK) will be established on a national basis, replacing the current Patient and Public Involvement Forums across the country. LINK will have a statutory requirement to establish a system to monitor complaints about NHS and social care services. KHW will be established independently from LINKs but there are obvious connections between the two and it is envisaged that the information the KHW gathers will be of assistance to the LINK as it carries out its own responsibilities. Any more formal relationship between KHW and LINKs will be dependent upon agreement between all parties including the host organisation for LINKs which is independent of both KCC and the NHS.

Operation of KHW may also be affected by the new proposals for streamlining the complaints procedures of the NHS and social care services by 2009, especially if Kent becomes an early adopter to trial this system this year. It will not be helpful for KHW staff to require retraining in new procedures very shortly after becoming operational and, if necessary, the launch of KHW may be slightly delayed to avoid this.

The inclusion of social care – children and adults, local authority, people who fund their own care, and other agency placements – will be considered as described above and after KHW and the LINK are established and operating effectively.

#### **1.4 Budget**

£300,000 has been allocated as the budget for KHW (subject to the usual budget approval processes). The budget will fund the staffing required to implement KHW. This amount may be varied according to demand experienced when KHW becomes operational. Potential changes to costs for PCTs will also be kept under review.

#### **1.5 Risks**

There are some risks associated with KHW:

- That KHW complicates and confuses existing processes rather than complements them. If KHW is not agreed and set up in such a way as the PCTs and other NHS organisations can engage, the information available and given to callers may not be accurate if changes to procedures occur, including the planned integration of NHS and social care complaints processes by 2009. This will also apply to ICAS, the Healthcare Commission and the Health Ombudsman who all have key roles in the NHS complaints procedure

In order to prevent this protocols will be established with colleagues in the NHS to ensure that the right interfaces with their procedures are in place from the start. KHW will be set up in collaboration with colleagues in the PCTs to ensure compatibility with existing arrangements. The issue of when a complaint is deemed to have been made, and therefore when the statutory timescales for responses are activated, will need particular clarification.

- That KHW becomes implicated in financial compensation issues between patients and the NHS arising from complaints about treatment

It will be very clear that KHW responsibilities extend to signposting people to and giving information about the right avenue for their complaints. There is no intervention or advocacy involved on behalf of the individual customer. Public expectations of KHW will be managed through the publicity and marketing for the services, which will be agreed by the Steering Group.

- That the demand for KHW will fluctuate and unnecessary costs ensue. This may include unforeseen increases in demand in response to particular health issues that arise, including during 'out of hours'

KHW will be established using very flexible staff resources that can be disengaged or reassigned easily to meet short-term changes in demand. This will ensure that any cost implications are minimised. The effects of fluctuations for PCTs will also be need to be monitored.

The consequence of these risks and concerns are such that KHW will be considered a pilot and be jointly evaluated by KCC and PCTs after one year of operation.

## **1.6 Publicity and Marketing**

An extensive publicity and marketing programme that will incorporate a media launch, publicity through various media, advertising and marketing of Kent HealthWatch, hopefully with the co-operation of NHS colleagues, is currently being prepared and costed by Corporate Communications.

An indicative marketing and PR strategy for KHW is attached. The final strategy will contain elements of those listed but will be subject to further discussion and available resources.

## **1.7 Policy Process**

KHW will be presented at KCC Chief Officer Group, and to Cabinet Members at Cabinet Briefing and Cabinet within KCC. It will also be taken to the Corporate and Communities Policy Overview Committees and the Health Overview & Scrutiny Committee.

Kent PCT Boards will consider proposals in March.

## **1.8 Timescales**

KHW will be operational by 30 June 2008

Proposals discussed at Chief Officer Group - 9 January 2008

Meeting between KCC and PCT Chief Executives - 16 January 2008

Principles, scope and purpose and timescales will be formally discussed and agreed with the Kent PCTs - by end March 2008

Proposals discussed and agreed by Cabinet – March 2008

Proposal to Communities Directorate, KASS and/or Corporate Policy Overview Committees subject to Committee schedules

Consideration by PCT Boards and other internal committees such as Clinical and Corporate Governance Committees and Complaints Review Groups subject to PCT schedules.

### **1.9 Implementation**

Scoping work to estimate likely demand and volume of calls – immediate and on-going based on a flexible response to probably fluctuations in the number of calls received and the potential impact on call centre and PCT resources

Design and adoption of interface protocols between KHW and PCTs – immediate and ongoing

Training of staff in call centre – April/May 2008

Publicity and marketing – May 2008

## **2. Recommendation**

Cabinet is asked to:

(i) AGREE the implementation of Kent Health Watch as proposed in this report.

### **Background Papers**

Kent Health Watch – Report to Cabinet 11 July 2005

### **Contact**

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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title: **Comprehensive Area Assessment Consultation**

Documents Attached: None attached (papers are available on request)

Purpose of Consideration: To update the Committee on the request that the Chairman and Spokespeople of the Cabinet Scrutiny Committee have sight of the consultation response before it is sent off.

Possible Decisions: The Committee may either:-

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

Previous Consideration: None.

Background Documents: None.

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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title: **South East Plan: Consultation on Secretary of State's Proposed Changes.**

Documents Attached: None attached (papers are available on request)

Purpose of Consideration: To update the Committee on the request that the Chairman and Spokespeople of the Cabinet Scrutiny Committee are made aware of any further representations included in the consultation response.

Possible Decisions: The Committee may either:-

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

Previous Consideration: None.

Background Documents: None.

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**CABINET SCRUTINY COMMITTEE – 22 October 2008**

Report Title:	<b>KCC's Treasury Management Policies</b>
Documents Attached:	Urgent update report to Cabinet 13 October 2008.
Purpose of Consideration:	<p>To question the Cabinet Member for Finance, the Director of Finance and the Head of Financial Services on KCC's Treasury Management Policies.</p> <p>A representative from Butlers – the Council's Treasury Management Adviser has also been invited to the meeting.</p>
Possible Decisions:	<p>The Committee may either:-</p> <ul style="list-style-type: none"><li>(a) make no comments; or</li><li>(b) express comments but not require reconsideration of the matter; or</li><li>(c) require implementation of the decision to be postponed pending reconsideration of the matter by the Cabinet in the light of the Committee's comments; or</li><li>(d) require implementation of the decision to be postponed pending reconsideration of the matter by full Council.</li></ul>
Previous Consideration:	None.
Background Documents:	None.

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To: Cabinet – 13 October 2008

By: Nick Chard, Cabinet Member for Finance  
Lynda McMullan, Director of Finance

Subject: TREASURY MANAGEMENT

Classification: Unrestricted

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Summary: To update Members on developments related to the Icelandic banks.

FOR INFORMATION

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## **INTRODUCTION**

1. This is an emergency report to update Members on the latest position relating to the investment of KCC cash in the Icelandic Banks.

## **FINANCIAL CONTROLS**

2. All organisations have to manage their cashflow as part of their overall financial management arrangements. The cash arises in a small part from the reserves of the Authority but more significantly from working capital. For example, we will receive precept income and government grant on specific dates known well in advance, this money will then be placed on deposit and receive interest and will then be withdrawn to meet major monthly items such as the payment of staff salaries. Given the size of KCC's revenue and capital balances these sums can be very large, in 2007-08 the average daily balance was £325m. Projections of the interest which will be received are built into KCC's base budget in the Financing Items budget. It must be emphasised that this money is not being "withheld" from services and nor is the interest received a "surplus" it actually supports the base budget and keeps down the level of the Council Tax.
3. Overall what local authorities can do with this cash is governed by the CLG Investment Regulations. Post the collapse of BCCI in 1991 local authorities were advised to spread their investments widely. This was reinforced by the 2004 Regulations which apply now and allowed local authorities to invest for longer periods. This is then set out in more detail by the CIPFA Code of Practice on Treasury Management. The whole emphasis of this is that local authorities should protect their principal sum. These have historically been very low risk, prudent investments.

4. The key processes internally are that:
- (1) The Treasury Strategy is agreed annually as part of the budget process by the February budget County Council meeting.
  - (2) We report annually to Governance & Audit Committee on our processes and performance; most recently on 17 September.
  - (3) The implementation of the strategy is overseen through quarterly meetings of the Treasury Policy Group consisting of the Cabinet Member for Finance, the Director of Finance and the Head of Financial Services.
5. Given the importance of this issue, local authorities contract with one of a small number of treasury advisers. KCC is advised by Butlers who are owned by ICAP and this was last tendered in 2004. A key role of Butlers is to advise on which financial institutions we should use. Officers reviewed the counter party list and the existing deposits with Butlers on 29 September. Our Treasury Management Practices state:
- *Ratings from the three different credit rating agencies (Moody's, Standard & Poors and Fitch IBCA) used in conjunction with matrices, provided by our financial advisors, provide an evaluation of credit worthiness.*
  - *Our financial advisors have suggested a perspective of an institution's credit worthiness be gained from:*
    - *Long term and short term ratings (the capacity to service and punctually pay senior debt obligations).*
    - *The financial strength/individual rating (the intrinsic soundness of an institution evaluated on a standalone basis)*
    - *Legal rating (the assessment of lender of last resort).*

In addition:

- *Institutions should be added to/removed from the approved list according to the following criteria*
- *Credit rating*  
*If any institution on the list no longer meets criteria it must be removed immediately. If an institution not on the list now fulfils the criteria it may be added.*
- *Sovereign rating*  
*If the Fitch sovereign rating falls below AA- the institutions for that country must be removed from the list.*

In the cold light of day these words now hold no comfort at all but it was an approach which served KCC and other local authorities well until the events of the last few days.

6. In a joint statement from Government and the LGA on 9 October it was stated:

*Government and the LGA agreed that there is no evidence of recklessness by local authorities. They also agreed the financial framework for local authorities, which requires them to strike an appropriate balance between security of investments and returns, appears to have been adhered to.*

7. All of our treasury management practices have been adhered to during this period. This area was subject to an internal audit review in 2007 where it received the highest rating, "Substantial". In addition, external audit reviewed this area as part of its normal annual review.

## **ICELANDIC DEPOSITS**

8. As at 7 October KCC had £482m deposited including £16m of Fire Authority funds and £145m of Pension Fund cash. Of the £482m some £50m were with the three institutions affected; 3 investments totalling £15m with Glitnir, 4 investments with Landsbanki totalling £17m and 6 totalling £18m with Heritable Bank. These 13 deposits were made over a period of nearly a year and all were made when the ratings were sound. They were all fixed term deposits and so none of them could have been recalled, even with penalty, without the agreement of the institution.
9. Clearly our concern is for our funds deposited, including the Fire Authority, but it is clear that well over 100 local authorities and other public bodies had deposits currently estimated at some £1bn with these institutions.
10. There is inevitably much being wise after the event but the reality is that given the sums of money involved, local authorities have to have highly controlled processes for making their investments which have to be driven by hard facts which were provided by the rating agencies. Without these controls there would have been scope across councils for maverick behaviour and the consequential possibility of fraud and losses.
11. According to an HM Treasury Statement on 9 October, Landsbanki is in receivership in Iceland and Government have frozen their UK assets. Heritable is a subsidiary of Landsbanki and is in administration in the UK. Glitnir is in receivership in Iceland.
12. A team from HM treasury went gone to Iceland last week. The critical issue now is to establish what assets there are in these institutions which

can be liquidated in a managed way over a period. It should be highlighted that a major reason why they retained their high rating was that they have had no write downs and no exposure to the toxic US housing related debt.

### **IMPACT ON KCC**

13. This is a serious financial issue for KCC but it is manageable. The reason that we have money on long term deposit is that we have longer term commitments. There is no immediate liquidity issue. So there is a clear statement that we can meet staff salaries, payments to suppliers and pension payments.
14. In this report there is no point in speculating on the path to recovering assets but that clearly is the main issue now.
15. The other major issue for us is where we currently have investments placed and we are now reviewing this daily with all new money being placed in the Government Debt Management Office. This has a low interest rate with the consequential impact on KCC's budget.

### **ACTION BY KCC**

16. The actions below have been put in place as a matter of urgency.
17. Currently, with our consultant advisors, we are reviewing all our investments worldwide to continue to minimise risk.
18. KCC has written to the Chancellor of the Exchequer proposing that, moving forward, Government should guarantee local authority deposits with UK banks. This would help repatriate billions of pounds which UK local authorities have invested abroad.
19. A further letter is to be written to the Government seeking their support to treat voluntary sector deposits in the same way as local government.
20. We will ensure we continue to bear down on our procurement and transactional costs
21. We will be in discussion with other public and third sector organisations within Kent to establish any other apparent risks that could compromise local services outside of KCC.
22. The Leader has set up and is chairing an **Economic Management Group** comprising Senior Cabinet Members, the Chief Executive, and Director of Finance to receive and evaluate the decision-making and risks associated with KCC's total investment both within the UK and world wide to ensure that everything possible is being done in the light of international circumstances to reduce financial risks to the Authority



## **RECOMMENDATION**

23. Members are asked to **NOTE** this report.

Nick Chard  
Cabinet Member for Finance

Lynda McMullan  
Director of Finance

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