

## KENT COUNTY COUNCIL

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### **POLICY AND RESOURCES CABINET COMMITTEE**

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 22 November 2012.

PRESENT: Mr E E C Hotson (Chairman), Mr J R Bullock, MBE (Vice-Chairman), Mr R W Bayford, Mr I S Chittenden (Substitute for Mrs T Dean), Mr G Cowan, Mr M J Jarvis, Mr S C Manion, Mr R J Parry, Mr K H Pugh and Mr L B Ridings, MBE

ALSO PRESENT: Mr P B Carter, Mr R W Gough, Mr J D Simmonds and Mrs C J Waters

IN ATTENDANCE: Ms A Agyepong (Equalities and Diversity Manager), Mrs A Beer (Corporate Director of Human Resources), Mr M Burrows (Director of Communications & Engagement), Mr S Charman (Head of Consultation and Engagement), Mr D Cockburn (Corporate Director of Business Strategy and Support), Mr L Croney (New Workspaces Programme Manager), Ms C Davis (Strategic Business Advisor), Mr J Farmer (Regeneration & Projects Manager), Ms D Fitch (Assistant Democratic Services Manager), Mr R Fitzgerald (Performance Manager), Mr R Hallett (Head of Business Intelligence), Ms J Hansen (Finance Business Partner BSS), Mrs C Head (Chief Accountant), Ms K Millar (Manager - Capital Programme Delivery), Ms J Van Ruyckevelt (Interim Head of Citizen Engagement for Health), Mr D Shipton (Acting Head of Financial Strategy), Ms R Spore (Director of Property & Infrastructure Support), Mrs A Taylor (Research Officer to Scrutiny Committee), Mr D Whittle (Head of Policy and Strategic Relationships), Mr P D Wickenden (Democratic Services Transition Manager), Mr G Wild (Director of Governance and Law) and Mr A Wood (Corporate Director of Finance and Procurement)

### **UNRESTRICTED ITEMS**

#### **49. Membership**

*(Item A3)*

The Committee noted the vacancy caused by the sad death of Mr M Snelling and stood in silence in his memory.

#### **50. Minutes of the meeting held on 27 September 2012**

*(Item A5)*

RESOLVED that the minutes of the meeting held on 27 September 2012 are correctly recorded and that they be signed by the Chairman as a correct record.

#### **51. To consider the future of East Kent Joint Arrangements Committee and agree a resolution to issues identified - Decision 12/01991**

*(Item B1)*

(1) Mr Wild introduced a report which provided information on the history, remit and recent developments within the East Kent Joint Arrangements Committee and the East Kent Joint Scrutiny Committee. The Joint Committee had agreed that its remit had been fulfilled and that it should be disbanded. In order to achieve this, each member authority needed to take a decision to dissolve the Joint Committee.

(2) RESOLVED that the Cabinet Committee endorse the proposed Cabinet Member decision to dissolve the East Kent Joint Arrangements Committee and recommend to Council the dissolution of the East Kent Joint Scrutiny Committee.

## **52. Business Strategy and Support Performance Dashboard**

*(Item C1)*

(1) Mr Gough and Mr Fitzgerald introduced the Business Strategy and Support performance dashboard which provided the Committee with progress against targets set in the current financial year's business plans for key performance and activity indicators.

(2) Mr Gough, Mr Fitzgerald and Mr Wood noted comments and answered questions from Members, which included the following:

- Mr Gough confirmed that there was a weekly analysis of Freedom of Information (FOI) requests, broken down into type etc, which showed little change from last year. Work was ongoing with Directorates to get as much information on the website as possible to pre-empt the need to prepare a specific response for common FOI requests.
- Regarding the percentage of invoices paid in 20 days, Mr Wood explained that there were a number of elements to this. One element was the roll out of an e-invoicing system. He confirmed that over 30% of all invoices received in the payments section were already past the 20 days. The importance of passing invoices through for payment as soon as they were received was being stressed to budget managers. However, more suppliers were paying KCC within 90 days, and therefore if these were large suppliers, KCC should not be obliged to pay them within 20 days. There were also some contracts which specified a 30 day payment period. Therefore we would not expect 100% of invoices to be paid within 20 days, but the actions being taken should improve performance.
- Mr Wood explained that, within next year's plan, it was likely that KCC would be looking to pay Kent Small and Medium Enterprises within 20 days and agree payment dates with other organisations to maximise KCC's cash flow. Mr Simmonds referred to a number of invoices which came in without adequate information for payment, such as a reference number and/or the Department placing the order. He stated that there was a responsibility on businesses to help if they wanted invoices to be paid promptly. Something else that would also assist with prompt payments would be to specify in contract that all invoices should be submitted electronically.

(3) Members were invited to put forward suggestions to the relevant Cabinet Member or the Leader for additional indicators to be added to the performance dashboard.

(4) RESOLVED that the comments made by Members on the Business Strategy and Support performance dashboard be noted.

### **53. Business Strategy and Support Mid-Year Business Plan Monitoring** *(Item C2)*

(1) Mr Gough introduced the mid-year Business Plan monitoring for the divisions within the Business Strategy and Support Directorate and provided the highlights of achievements to date.

(2) Mr Gough, Mr Simmonds, Mr Bole, Ms Spore, Mr Wild and Mr Wood noted comments and answered questions from Members which included the following:

- In relation to a question on the roll out of high speed Broadband in Kent, Mr Gough stated that it was intended to award the contract in early 2013 and to start work later that year.
- Regarding the number of highly complex fraud and other investigations carried out, Mr Simmonds explained that there had been a couple of complex cases that had taken a large amount of time to deal with. Mr Wood referred to the Counter-fraud team which had been created over a year ago. There had been an increase in the reported number of incidents which was likely to increase as the financial climate became more difficult. He stated that it was important to have a culture where colleagues felt safe to report these incidents. He explained that all cases did get reported to the Governance and Audit Committee. A Member suggested that staff awareness of fraud could be raised via an online training programme.
- Ms Spore responded to a question on progress with the Dover Christchurch Academy, she explained that this was the last of the old school academy programme and that there was a delay due to problems with the planning permission. As a result discussions were ongoing with the developer and the academy as to whether to proceed with the relocation to a new site or consider reverting to a redevelopment on its existing site.
- In response to a question on how legal costs could be reduced in a culture of legal challenges, Mr Wild referred to the 'Evolution programme' which Kent Legal Services were embarking on to strip out process costs and external spend etc. The principle area of focus this year had been children's services. Via process savings, it had been possible to reduce this service's legal bill by £1m this year.
- Regarding the slippage reported in the project for the replacement of the ICT system, Mr Bole explained that the pace of implementation depended on the ability of a service to release front line staff to test the system and contribute to its design.
- In response to a question regarding whether employees understood the organisation that they work in, Ms Beer explained that, as part of the Kent Manager programme, there was a requirement for Managers to understand the organisation including governance.

- (3) RESOLVED that the report and the comments made by Members be noted.

#### **54. Financial Monitoring**

*(Item C3)*

(1) Ms Hansen introduced an update on the first quarters full budget monitoring position which had been reported in the monitoring exception report to Cabinet on 15 October 2012.

(2) RESOLVED that the revenue and capital forecast variances from budget for 2012/13 for the Finance and Business Support, Business Strategy Performance and Health Reform, Democracy and Partnerships and Environment, Highways & Waste Portfolios, based on the first quarter's full monitoring to Cabinet and the subsequent exception report, be noted.

#### **55. Consultation on 2013/14 Revenue Budget**

*(Item D1)*

(1) Mr Simmonds and Mr Shipton introduced a report which provided the Committee with feedback on the recent consultation on the 2013/14 Budget and in particular, how it related to the portfolios within the Policy & Resources Cabinet Committees remit. The timing of this Committee had meant that it had not been possible to fully analyse all the responses in time for this meeting. A full analysis of responses would be presented to Cabinet in December 2012.

(2) Mr Simmonds and Mr Shipton noted comments and answered questions from Members, which included the following:

- Mr Simmonds explained that the reason why the County Council was not having to take such drastic measures to balance its budget as some other local authorities was that there had been a realisation 3 to 4 years ago that work needed to be started to address the changing financial situation.
- In response to a question from a Member on the role of the Informal Member Group (IMG) on the Budget following Cabinet consideration of the consultation responses, the Chairman stated that after consideration of the report to the Cabinet on the Budget and the response to it, he would decide whether it was necessary to call a meeting of the IMG on the Budget.
- Regarding the relatively low level of response to the consultation, Mr Simmonds and Ms Carey both emphasised they had made themselves available to attend local meetings in order to open the debate on the budget but few Members had taken up this opportunity. Mr Simmonds emphasised that this had been a genuine engagement and that the views put forward by the public would be taken into account.
- The Chairman suggested that after, the Budget had been agreed, consideration should be given to the consultation process and how engagement with the public could be increased next year.

(3) RESOLVED that the report be noted and the recommendations of the Informal Member Group on the Budget, as set out in paragraph 6.3 in the report be endorsed.

## **56. Capital Strategy**

*(Item D2)*

(1) Mr Simmonds and Ms Head introduced a report which set out the background and proposals that formed the draft Capital Strategy.

(2) Mr Simmonds and Ms Head noted comments and answered questions from Members which included the following:

- Members discussed the fiscal indicator, which stated that KCC's debt costs should not exceed 15% of the new revenue budget. Some concern was expressed about the impact that this limit could have on some regeneration schemes. It was accepted that this was a guideline figure.
- Concerns were expressed around the need to get support from national government for infrastructure works that were necessary in, for example, East Kent, in order to enable key regeneration projects to go ahead and avoid economic stagnation. The Leader confirmed that he would be continuing to lobby government on the potential shortfall for the provision of key infrastructure caused by the Community Infrastructure Levy (CIL).
- Mr Simmonds stated that 'spend to save' was a critical part of the strategy.
- In response to a question on the potential impact of the new homes bonus on the County Council's budget, the Leader stated that this could affect the County Council quite substantially. It would depend on the way in which each District used this money. For example, in Eastern Quarry, Gravesham and Dartford were using some of the second homes bonus to fund infrastructure work.
- Mr Wood explained that, in future, there was a need for the County Council to look at getting funding from non government channels in order to bridge funding gaps. He acknowledged that there was a risk that the County Council could end up with the final bill for funding infrastructure necessary for economic growth, and so it was important to find our funding streams to enable these infrastructure works to go ahead without impacting on the County Council's budget.

(3) RESOLVED that the comments made by Members on the Capital Strategy be noted

## **57. Business Planning 2013/14**

*(Item D3)*

(1) Mr Whittle introduced a report which set out details and provisional headline priorities for the 2013/14 Business Plans for each division within the Business

Strategy and Support directorate. Policy and Resources Cabinet Committee members were invited to consider and comment on the priorities, in order to influence the development of the draft business plans to be discussed in January 2013.

(2) Mr Whittle noted comments and answered questions from Members which included the following:

- Ms Beer confirmed that Human Resources dealt with teacher recruitment and provided help and support.
- A Member suggested that there should be a reference to lobbying to ensure that Kent has an influence at national and European level. .

(3) RESOLVED that the headline priorities for each division's business plan for 2013-14, as set out in the report, and the comments made by Members, be noted.

## **58. KCC Annual Equality Report (Statutory)**

*(Item D4)*

*(Mrs C Waters attended the meeting for this item on behalf of Mr P M Hill OBE)*

(1) Mr Burrows introduced the report, which provided the Committee with information about the service outcomes KCC had delivered in 2011/12, and provided the final progress report against the previous equality action plan. There was a statutory requirement to produce this report, which concentrated on KCC's statutory duties.

(2) Mr Burrows, Mr Charman and Ms Agyepong noted comments and answered questions from Members, which included the following:

- The Chairman expressed appreciation on behalf of the Committee for the way in which they had been kept fully informed of developments in this area.
- Mrs Walters commended the easy read layout of the report.
- Ms Agyepong emphasised that this report was something that the organisation could be proud of and that equalities was not about process it was about putting people at the heart of the County Council's work.
- In response to a question on whether there was a need to have an older persons staff group to feed into consultations such as this, Ms Beer said that this was something that could be considered.

(3) RESOLVED that the contents of the Equality Annual Report 2011/12 be endorsed.

## **59. Kent Joint Health and Wellbeing Strategy - Decision 12/01991**

*(Item D5)*

**(1) Mr Gough and Ms Van Ruyckevelt introduced a report which outlined the process for developing and undertaking stakeholder engagement on the first draft Joint Health and Wellbeing Strategy and included the engagement document for Members consideration and comments.**

(2) Mr Gough and Ms Van Ruyckevelt noted comments and answered questions from Members which included the following:

- A Member acknowledged that this was an aspirational document and it was important that there were clear outcomes and actions from the Strategy.
- Mr Gough confirmed the Commissioning Plan would be reviewed by the Health and Wellbeing Board and the social care element would be considered by the Social Care and Public Health Cabinet Committee.
- It was suggested that the section referring to the inequalities in life expectancy across Kent should be made stronger. Mr Gough undertook to consider the way in which these figures were presented in the Strategy.
- The Leader stated that it was important that the Health and Wellbeing Board got off to a good start. It was a unique opportunity to have democratic input into health leading to substantive change. He expressed the view that further work was needed to bring the document alive.
- It was acknowledged that once the Strategy was finalised, there would need to be a launch for it, and the activities that flowed from it would need to be scoped. It was essential that the Strategy was delivered on the ground and support given to the vulnerable and sick.
- The point was made that the strategy should not just concentrate on the disadvantaged few but should also have an impact on the lives of all of the people of Kent. An aspiration should be a quality health MOT available to all residents of Kent.
- Mr Whittle stated that, even post April 2013, this would be a growth area for policy and that Kent was on the leading edge of this agenda.

(3) RESOLVED that the approach being taken on the Kent Joint Health and Wellbeing Strategy, and the comments made by Members, be noted.

## **60. Establishment of a Property Sub-Committee**

*(Item D6)*

(1) Ms Spore and Mr Wickenden introduced a report on the possible establishment of a Sub-Committee to consider minor property decisions

(2) RESOLVED that the Leader be requested to consent to the establishment of a Property Sub-Committee, as set out above.

*(Post-meeting note - the Leader gave his consent to the establishment of the Property Sub-Committee)*

## **61. Establishing a Police and Crime Panel for Kent and Medway**

*(Item E1)*

(1) Mr Wild and Mrs Taylor introduced a report on the decision which had been taken by the Leader to approve the establishment of a Police and Crime Panel for Kent and Medway, including the terms of reference, panel arrangements and rules of procedure.

(2) RESOLVED that decision no 12/01980 to establish a Police and Crime Panel for Kent and Medway, which had been taken in accordance with the process in Appendix 4 Part 7 paragraph 7.18 of the Constitution, be noted

## **62. EXCLUSION OF THE PRESS AND PUBLIC**

*(Item )*

RESOLVED that under Section 100A of the Local Government Act 1972 the 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 of Part 1 of Schedule 12A of the Act.

## **63. New Work Spaces - Decision 12/01970**

*(Item F1)*

(1) Mr Gough and Ms Spore introduced a report on the New Work Spaces Programme, which set out the initial proposals to consolidate the office portfolio.

(2) RESOLVED that the Cabinet Committee endorse the proposed Cabinet Member decision to progress to detailed feasibility and finalise proposals for freehold office provision in West and Mid Kent.

## **64. LIVE Margate - Housing Intervention Programme - Decision 12/01979**

*(Item F2)*

(1) Mr Gough, Ms Spore and Ms Blenkinsop outlined the programme for the delivery of the Margate Housing Intervention programme at Cliftonville West and Margate Central.

RESOLVED that:-

(a) the Cabinet Committee endorse the proposed Cabinet Member decision to adopt, and note the intention to progress and draw down funds to deliver the Margate Housing Initiative Programme, and set up a Limited Liability Partnership company for the pilot projects to be transferred; and

(b) the current progress in relation to the delivery of the project, and the process for seeking a strategic partner, be noted.



**65. Kent Academies, Batch 2 Procurement - St Augustine Academy - Decision 12/01899**

*(Item F3)*

(1) Ms Millar introduced a report on proposed awarding of the design and build contract for St Augustine Academy, Maidstone.

(2) RESOLVED that the Cabinet Committee endorse the proposed Cabinet Member decision approve the affordability position, the submission of the Final Business Case and approval to award the contract and to enter into all the necessary contracts/ agreements for St Augustine Academy, Maidstone.

**66. Kent Academies, Batch 2 Procurement - Knole Academy - Decision 12/01898**

*(Item F4)*

(1) Ms Millar introduced a report on proposed awarding of the design and build contract for Knole Academy, Sevenoaks.

(2) RESOLVED that the Cabinet Committee endorse the proposed Cabinet Member decision to approve the affordability position, the submission of the Final Business Case and approval to award the contract, and to enter into all the necessary contracts/ agreements for Knole Academy.

**67. Kent Academies - Duke of York's Royal Military School, Dover - Decision No 12/01968**

*(Item F5)*

(1) Ms Millar introduced a report on the proposed awarding of the design and build contract for the Duke of York's Royal Military School, Dover.

(2) RESOLVED that the Cabinet Committee endorse the proposed Cabinet decision to approve the affordability position, the submission of the Final Business Case and approval to award the contract and to enter into all the necessary contracts/agreements for the Duke of York's Royal Military School, Dover.

(Mr L B Ridings declared an interest in this item as a Governor of the school and took no part in the consideration of this item or the decision).

**68. Fastrack Phase 1 Major Scheme - Compulsory Purchase Order (CPO) Claim by Darent Valley Hospital Trust, Dartford - Decision 12/01990**

*(Item G1)*

(1) The Committee received a report for noting on decision no 12/01990.

(2) RESOLVED that Decision no 12/01990 - Fastrack Phase 1 Major Scheme CPO Claim -taken in accordance with the process in Appendix 4 Part 7 paragraph 7.18 of the Constitution, be noted.