

## 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 Tuesday, 8 January 2013.

PRESENT: Mr E E C Hotson (Chairman), Mr J R Bullock, MBE (Vice-Chairman), Mr A H T Bowles, Mr G Cowan, Mrs T Dean, Mr M J Jarvis, Mr S C Manion, Mr R J Parry, Mr K H Pugh, Mr L B Ridings, MBE, Mr R Tolputt (Substitute for Ms S J Carey), Mrs P A V Stockell and Mr J N Wedgbury

ALSO PRESENT: Mr R W Gough, Mr A J King, MBE and Mr J D Simmonds

IN ATTENDANCE: Mrs A Beer (Corporate Director of Human Resources), Mr P Bole (Head Of I C T Commissioning), Mr D Cockburn (Corporate Director of Business Strategy and Support), 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), Mr P Sass (Head of Democratic Services), Mr M Scrivener (Corporate Risk Manager), Mr D Shipton (Acting Head of Financial Strategy), Ms R Spore (Director of Property & Infrastructure Support), Mr G Wild (Director of Governance and Law) and Mr A Wood (Corporate Director of Finance and Procurement)

### **UNRESTRICTED ITEMS**

#### **69. Minutes of the meeting held on 22 November 2012**

*(Item A4)*

RESOLVED that the minutes of the meeting held on 22 November 2012 are correctly recorded subject to the inclusion of Mr Cockburn in the list of officers in attendance and that they be signed by the Chairman as a correct record.

#### **70. Annual Business Plans - Decision 12/01971**

*(Item B1)*

1) Mr Gough and Mr Whittle introduced a report which set out the background to the business planning process for 2013/14. The new process placed the emphasis on reducing the burden of business planning with a lighter touch process. It was important to increase the consistency and synergy between business planning and both the performance management dashboards and directorate and divisional risk registers which underpinned the business plan actions, and were reported to the Committee on a regular basis. The draft plans were still at an early stage of development, with further refinement over the coming months before approval in March 2013.

(2) Members were invited to consider the risk register and the following individual draft business plans.

### *Risk Register*

(3) Mr Gough and Mr Scrivener noted comments and answered questions from Members which included the following:

- In response to a question on how frequently business units/divisions considered their risks, Mr Scrivener stated that officers from his team seek progress updates quarterly as a minimum, and that he regularly attends Directorate Management Team and Corporate Management Team meetings to discuss. The frequency of monitoring would depend on the nature of the risk.
- Mr Gough explained that risks could manifest themselves in a number of ways and that once a risk was identified, mitigating actions would be set up and reviewed on a regular basis. Mr Scrivener confirmed that all divisions had their own risk register which identified the actions necessary to mitigate the risk
- Regarding the contingency plans for risks to the organisation, Mr Scrivener explained that within divisional business plans critical functions were identified and resources required outlined. Organisational resilience was an important issue that features on the Corporate Risk Register and he assured Members that there were contingency plans for key areas such as ICT.

### *Human Resources (HR)*

(4) Ms Beer noted comments and answered questions from Members which included the following:

- In response to a question on why there was no start date for the HR work for the Troubled Families programme, Ms Beer stated that HR's role with reference to this programme was to make sure that County Council staff and staff in partner organisations had the right skills to deliver the programme. The start date was to be advised once the workforce development and terms & conditions issues became clearer. HR would have a reactive role regarding what was needed to deliver the programme.
- Regarding HR's role with the East Kent Partnership (EKP), Ms Beer explained that HR provided a payroll service to the three District Councils within the EKP. There was a Service Level Agreement in place which set out clear deliverables under the delegation. In relation to Kent Teach, Ms Beer stated the work of HR with Kent Teach was a success and it was a realistic hope to generate income from this for schools outside Kent. HR were keen to offer services to other Local Authorities across the country in order to provide an alternative to the private sector in areas such as criminal records checks. She confirmed that all income generating opportunities were included in this was included in HR's trading plan.
- Ms Beer acknowledged that there was a real opportunity to provide HR services to schools that now had more freedom of choice in relation to service providers; HR could for example provide a quality recruitment service.
- In response to a question on training for apprentices, Ms Beer stated that part of the Organisational Development Plan for the County Council was to attract a younger workforce, and that the training and recruitment of apprentices was a part of this.

## *Governance & Law*

(5) Mr Wild noted comments and answered questions from Members which included the following:

- In response to a question, Mr Wild explained that Legal Services were now using Iken case management software, and had a bespoke system tailored to their requirements. The initial response to the system had been positive and it was intended to roll it out over the next 12 – 18 months. The main aim of the system was to reduce the legal services cost to the County Council as well as using it for external work.
- In relation to the extent that the County Council used external legal services, Mr Wild stated that he was aware that certain work was undertaken externally and he acknowledged that some of this was best handled in that way. However, in these cases it was important to ensure the best advice at the best price was procured. He stated that there were other areas of legal work which the legal department knew were being delivered externally and which legal services were looking at to see how effectively these were being undertaken and whether they could be undertaken in house.
- Mr Wild confirmed that there was an extensive Unit Risk Register and more detail could be included in the Corporate Risk Register provided to the Committee if Members wished.
- Mr Wild explained that the level of risk to be included in the Risk Register was a matter of judgement. The top level risks were included in the Risk Register and other risks flowed from these areas.
- A Member stated that as this was the first year of the implementation of the Cabinet Committee system this should be monitored to see how effectively it was involving Members and whether Members felt that it was working.
- In relation to the work of the new Police and Crime Commissioner, a Member highlighted the importance of the Police and Crime Panel to the Community Safety landscape.
- Mr Gough noted the point raised on the wording of 18A at the top of page 56 regarding an increase in information being made available on the website not necessarily reducing the number of FOI requests. He stated that an increase in appropriate information on the website should make it possible to turn around some requests quicker by referring to this published information. He confirmed that good progress was being made with putting more information on the website. Regarding the operation of the website he confirmed that this sat within the Customer and Communities portfolio.

## *Business Strategy*

(6) Mr Cockburn and Mr Hallet noted comments and answered questions from Members which included the following:

- It was suggested that there should be a similar reference in the plan to KCC work in influencing national policy as there is to KCC's work in Europe. Mr Whittle noted the point and stated that, although this was not set out in one place, there was reference to it in various places such as the development of the Corporate Spending Review. Mr Gough acknowledged that this could be set out with more details of specific areas to be influenced. Mr King outlined KCC's work in Europe.

- In response to a question, Mr King confirmed that KCC worked closely with the Kent Members of the European Parliament and recognised that they were key influencing figures.

### *Finance & Procurement*

(7) Mr Wood noted comments and answered questions from Members which included the following:

- In response to a question on which were the difficult areas for his Division in the next year, Mr Wood stated that there were challenges in all areas but particular areas were procurement in this difficult time, counter fraud with a small team dealing with an increasing workload and the changes to the Pension regulations.
- Regarding consultation and Member involvement, Mr Wood explained that big issues such as pensions were considered by the Superannuation Committee and the Budget Consultation was considered by Cabinet Committees and Cabinet. He stated that the Budget Informal Members Group of the Cabinet Scrutiny Committee which had been disbanded used to consider consultation relating to finance prior to them being signed off by the Cabinet Member, which had been very helpful.
- In relation to the target to be added for the payment of invoices, Mr Wood referred to the discussion on this at the last meeting of the Committee, and stated that the target would be added before the Business Plans were submitted to Cabinet so that it could be as realistic as possible.

### *ICT*

(8) Mr Bole noted comments and answered questions from Members which included the following:

- In response to a question on the roll out of Windows 8, Mr Bole explained it was not the Council's policy to adopt new systems soon after their release and in the case of Windows 8 there was still not a professional version available. This was due late January/early February 2013.
- Regarding the ICT solution for Members following the May elections Mr Bole explained work was going on with Members to assess possible options for Members ICT.

### *Property*

(9) Ms Spore noted comments and answered questions from Members which included the following:

- A Member highlighted the positive impact on planned maintenance following the centralisation of the County Council property estate. Ms Spore emphasised that a clear planned maintenance programme across the Council's estate was essential, this enabled the prioritisation of urgent works and it was possible for the corporate landlord to take a holistic view across the estate.

## *General comments*

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

- It was suggested that in future there should be an index to each of the business plans in large reports to Committees.
- At Agenda setting meetings for this Cabinet Committee consideration should be given to including one or two of the business plans on the agenda for each meeting.

(11) RESOLVED that the comments made by Members on the draft plans, ahead of the Key Decision by Cabinet to approve business plans in March 2013 be noted.

## **71. Performance Benchmarking**

*(Item C1)*

(1) Mr Gough and Mr Cockburn introduced a report which outlined the approach to be taken for the next year, in relation to benchmarking services provided by Business Strategy and Support.

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

- In relation to the confidentiality of information supplied by other local authorities, Mr Fitzgerald stated that it was likely that results of the benchmarking might be anonymised in the first instance.
- Mr Fitzgerald confirmed that due to different local authority structures, it was difficult to always compare like for like, but the advantage of working with a small group of local authorities was that they could devote more time to understand the organisational differences and hopefully make more valid comparisons as a result.
- A Member questioned why we were only looking for local government comparators. Mr Gough stated that in other areas of work, for example terms and conditions of employment, officers did look outside of the public sector for comparators.

(3) RESOLVED that the approach being taken for the benchmarking of Central Support services provided by Business Strategy and Support and the comments made by Members be noted.

## **72. Business Strategy and Support Directorate and Commercial Services (Environment, Highways & Waste Portfolio) Financial Monitoring 2012/13**

*(Item C2)*

(1) Ms Hansen introduced an update on the second quarter's full budget monitoring report for 2012/13 which had been reported to Cabinet on 3 December 2012.

(2) It was confirmed that since April 2012 officers' payslips were available online and paper copies were not issued. The move to Members inputting expenses online and having online payslips was mentioned.

(3) 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 second quarter's full monitoring to Cabinet and the subsequent exception report, be noted.

### **73. Budget Consultation 2013/14** *(Item D1)*

(1) Mr Simmonds introduced a report which explained that due to the late announcement of the Local Government Finance arrangements for 2013/14 the final draft budget was not available in time for inclusion in this report. Mr Simmonds stated that the net effect of the funding arrangements for 2013/14 was a shortfall of £16m above the sum that the County Council went out to consultation on, the County Council's proposals in response to this would be published on 16 January 2013.

(2) Mr Shipton provided a verbal update on the settlement which had produced a £16m greater reduction in funding than for the County Council that consulted upon in September/October. However, the Council Tax base was higher than anticipated therefore overall the reduction to the County Council was £15m more than had been anticipated in the draft proposals. He pointed out that this was still a provisional figure, as there were still one or two more grants to be announced including the funding for Public Health and no date had been set for this announcement. Prior to the settlement being announced the County Council had required £60m in savings to balance its budget, it now required £85m of savings which was a 7 – 8% reduction. The draft budget would be published on 16 January 2013 to include the latest financial position available. Mr Simmonds stated the draft proposals in the consultation had been subject to Equality Assessment and he was mindful that any adjustments to be made to take account of the £16m reduction should not impact on the Equality Assessment already carried out.

(3) Members discussed the budget consultation process and the balance to be struck between a quick and simple consultation on the budget which might attract more responses but be of limited value and the two MORI run workshops of people representative of the population of Kent which provided detailed qualitative data from people who, as a result of this process were better informed. It was accepted that it had been right to go out to consultation in September, earlier than in previous years. Mr Shipton confirmed that the 2 MORI run workshops had cost £14,000; the majority of this cost was the expenses paid by MORI to those that attended. MORI provided an assurance that the groups were representative of the overall population of Kent. In previous years the County Council had tried to run similar sessions themselves, they did not offer a fee and had not attracted a broad cross section of the Community.

(4) A Member referred to the Local Government Information Units (LGIU) published description of the spending power for Kent as being – 1.9% of net spend, Mr Shipton explained that this was based on governments estimate of notional spending power not real spending power e.g. adjustment for spending on academies, the simple pro-rata reduction did not reflect the County Council's actual spend. The County Council's position was closer to - 4% of net spend.

(5) RESOLVED that: (a) the late announcement of the provisional local government finance settlement and the impact on budget timetable be noted;

(b) the comments made by Members on the issues raised in the consultation and Cabinet's response be noted;

(c) a meeting of the IMG on the Budget be arranged to consider the final budget proposals affecting the Finance and Business Support, Business Strategy, Performance and Health Reform, Democracy and Partnerships and Environment, Highways and Waste (Commercial Services) portfolio(s) in advance of County Council meeting on 14<sup>th</sup> February 2013. All Members of the Committee will be notified of the date of this meeting.

(Post meeting note – Meeting of the Budget IMG held on 23 January 2013)

#### **74. Enterprise Resource Planning Programme**

*(Item D2)*

1) Mr Gough and Mr Hallett introduced a report which provided an update on the first phase of the Enterprise Resource Planning (ERP) programme and highlighted the scope of phase two. ERP was a KCC wide programme that was changing the way KCC did business and as such it affected all KCC staff and Members. The majority of the development was in Oracle, with the aim of maximising the return on the significant investment that KCC had made in Oracle products over the past decade. The simplification of the standard business processes and tools had already supported savings in Finance and HR and would enable further savings and efficiencies to be delivered.

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

- In response to a question on what had been done to limit the number of incorrect payslips, Mr Gough stated that the proportion of incorrect payments had been compared with other Local Authorities and comparable organisations. The County Council was not a poor performer, and that there would always be a small number of errors. Officers were looking at a clear and quick way of recovering any overpayments of salary.
- It was agreed that members of the Committee would be supplied with information about the recommendations from the LEAN-type review of the HR service including any recommendations that had not been implemented with the reasons.

(3) RESOLVED that the progress to date on the phase 2 work streams for the Enterprise Resource Planning Programme and the comments made by Members be noted.

#### **75. Kent County Council response to the "improving Local Government transparency" consultation**

*(Item D3)*

(1) Mr Gough and Mr Cockburn and Mr Hallett introduced a report which informed the Committee of Kent County Council's response to the Department for

Communities and Local Government consultation on improving Local Government transparency. The response highlighted the County Council 's general approach to transparency within Local Government.

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

- Members discussed the issues around the County Council deciding which information it wished to publish compared to being legally required to publish specific information. There was the question of how the County Council knew what information the public would find valuable. It was important that this was demand led locally drawing on sources such as Freedom of Information requests.
- Regarding the KCC website and the amount of information published on it, Mr Hallett explained that there was an Open Data Working Group which were considering how information could be published in a more efficient format
- A view was expressed that it was not satisfactory to suggest that the County Council did not provide information on property transactions as this information was available to the public via the Land Registry. It was pointed out that the public would not know to search on a specific property unless they knew that it had been sold and also there was a cost to obtain information from the Land Registry. Ms Spore confirmed that it would be possible to provide high level information once a property had been sold.

(3) RESOLVED that the County Council's response to the Department of Communities and Local Government and comment made by Members on the general approach to future transparency in Kent County Council be noted.

## **76. Kent and Medway Broadband Delivery UK (BDUK) Project - Update** *(Item D4)*

(1) The Chairman welcomed Mr Malot (Syndicat Mixte Niverlan - France (Interreg Lead Partner)), Ms Leppinen and Ms Koskela (Suupohja Economic Development Agency – Finland) to the meeting.

(2) Mr Gough and Ms Harrison introduced a report on the BDUK project where the County Council was working in partnership with the Government's Broadband Agency, Broadband Delivery UK (BDUK), to deliver a major project to transform Kent and Medway's rural broadband infrastructure. The aim of the project was to bring broadband to every property in Kent and Medway which would ensure that most will be able to access superfast broadband. Without this project many rural businesses and communities would continue to have either no or very slow broadband services as there were no market-led plans to upgrade infrastructure in many rural parts of the County. The County Council was investing over £10 million to enable this upgrade, which had been matched by £9.87 million from the Government. It was expected that the network operator that won the right to build the network would contribute the remaining funding required for the project. The report set out the progress to date, the procurement approach and timetable including the timescales for implementation.

(3) Members welcomed this report and acknowledged the importance of this project for the residents and businesses in Kent.

(4) RESOLVED that the report be noted



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

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.

## **78. Kent and Medway Broadband Delivery UK (BDUK) Project - Decision 12/02003** *(Item E1)*

*(Mr Malot (Syndicat Mixte Niverlan - France (Interreg Lead Partner))  
Ms Leppinen and Ms Koskela (Suupohja Economic Development Agency – Finland)  
were invited to remain in the meeting during the consideration of this item)*

(1) Mr Gough and Ms Harrison introduced a report on the decisions relating to the BDUK project.

(2) RESOLVED that the Committee endorse the proposed decision to be taken by Cabinet to grant delegated authority to the Head of Paid Service and the Cabinet Member for Business Strategy, Performance and Health Reform to:

- a) enter into a contract to deliver the Kent and Medway BDUK project;
- b) enter into a grant agreement with BDUK to draw down the £9.87 million of Government funding.

*(Mr Malot, Ms Leppinen and Ms Koskela withdrew from the meeting following consideration of this item)*

## **79. Proposed Sale of the freehold site known as Former Hereson School, Ramsgate Road, Broadstairs, Kent CT10 1PJ - Decision 12/01882** *(Item F1)*

(1) Ms Spore introduced a report for noting on decision 12/01882 which had been taken without pre-consideration at a meeting of this Cabinet Committee.

(2) RESOLVED that decision no 123/01882 (Proposed sale of site known as Former Hereson School, Ramsgate Road, Broadstairs, Kent) taken in accordance with the process in Appendix 4 Part 7 paragraph 7.18 be noted.