

SCRUTINY COMMITTEE

Wednesday, 17th April, 2013

9.30 am

**Darent Room, Sessions House, County Hall,
Maidstone**





AGENDA

SCRUTINY COMMITTEE

Wednesday, 17th April, 2013, at 9.30 am
Darent Room, Sessions House, County
Hall, Maidstone

Ask for: **Anna Taylor**
Telephone: **01622 694764**

Membership

Conservative (7):	Mr R F Manning (Chairman), Mr D A Hirst (Vice-Chairman), Mr B R Cope, Mrs S V Hohler, Mr P J Homewood, Mr J E Scholes and Mr C T Wells
Liberal Democrat (1):	Mrs T Dean
Labour (1)	Mr G Cowan
Independent (1)	Mr R J Lees
Church Representatives (3):	Mr D Brunning and Mr A Tear
Parent Governor (2):	Mr P Myers and Mr B Critchley

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

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

County Councillors who are not Members of the Committee but who wish to ask questions at the meeting are asked to notify the Chairman of their questions in advance.

Webcasting Notice

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

By entering the meeting room you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you do not wish to have your image captured then you should make the Clerk of the meeting aware.

UNRESTRICTED ITEMS

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

A - Committee Business

- A1 Introduction/Webcast Announcement
- A2 Substitutes
- A3 Declarations of Interests by Members in items on the Agenda for this Meeting
- A4 Minutes of the meeting held on 26 March 2013 (Pages 1 - 4)

B - Any items called-in

- B1 Decision Ref: 13/0001 Appointment of Efficiency Partner for Delivery of Transformation Programme (Pages 5 - 14)

Mr P Carter, Leader of the Council, and Mr A Ireland, Corporate Director Families and Social Care will attend the meeting to answer Members' questions on this item.

EXEMPT INFORMATION

Motion to Exclude the Press and Public

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

- B2 Decision Ref: 13/00010 Appointment of Efficiency Partner for Delivery of Transformation Programme (Pages 15 - 16)

Exempt Appendix to Item B1

Peter Sass
Head of Democratic Services
(01622) 694002

Tuesday, 9 April 2013

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

KENT COUNTY COUNCIL

SCRUTINY COMMITTEE

MINUTES of a meeting of the Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 26 March 2013.

PRESENT: Mr R F Manning (Chairman), Mr D A Hirst (Vice-Chairman), Mr B R Cope, Mr G Cowan, Mrs S V Hohler, Mr P J Homewood, Mr R J Lees, Mr J E Scholes and Mr D Brunning (Substitute for Dr A Bamford)

CHURCH REPRESENTATIVE: Mr D Brunning (Substitute for Dr A Bamford)

IN ATTENDANCE: Mr S Beaumont (County Manager, Community Safety), Ms A Gilmour (Kent & Medway Domestic Violence Co-ordinator), Mr S Skilton (Area Manager - CS.) and Mrs A Taylor (Research Officer to Scrutiny Committee)

UNRESTRICTED ITEMS

18. Minutes of the meeting held on 12 December 2012

(Item A4)

RESOLVED that with the replacement of Ms for Mrs in paragraph (4) the minutes of the meeting held on Wednesday, 12 December 2012 be approved as a correct record and that they be signed by the Chairman.

19. Minutes of the meeting held on 21 January 2013

(Item A5)

RESOLVED that the minutes of the meeting held on Monday, 21 January 2013 be approved as a correct record and that they be signed by the Chairman.

20. Follow-up Items from Scrutiny Committee

(Item A6)

RESOLVED that the Scrutiny Committee noted the responses to the issues raised previously.

21. Domestic Abuse Select Committee 3 Month Review

(Item B1)

- (1) The Chairman welcomed Mr Stuart Beaumont, Head of Community Safety and Emergency Planning, Mrs Alison Gilmour, Kent and Medway Domestic Violence Co-ordinator and Mr Stuart Skilton, Area Manager Community Safety (Kent Fire and Rescue) to the meeting.
- (2) Mr Beaumont explained the complexity behind Domestic Abuse; there was an average of 65 incidents reported to Kent Police every day but only 5000 prosecutions a year. In addition the Council had carried out 12 domestic homicide reviews in the past 18 months.

- (3) The focus was on prevention, education, supporting victims, enforcement and judicial system and there were a large number of organisations involved.
- (4) In Kent there had been a gaining awareness of issues surrounding Domestic Abuse, a Select Committee had been established as a result of concerns that victims of domestic abuse often fell through the 'safety net' or discontinued pursuing their cases in Court due in part to a lack of clarity on referral points.
- (5) The Select Committee had made 14 recommendations which were contained within the Action Plan and Members were being asked to agree that the Kent and Medway Domestic Abuse Strategy Group should be the accountable body to oversee the implementation of recommendations within the Domestic Abuse Select Committee report. In addition to this Members were also asked to agree that a small multi-agency Task and Finish Group should be established to put into place appropriate management and service delivery action in order to work towards achieving the Select Committee recommendations.
- (6) Mr Skilton explained that he was the Chairman of the Domestic Abuse Strategy Group, the group had links with all relevant agencies and worked towards behavioural and lifestyle changes to allow a reduction in domestic abuse.
- (7) In response to a question about a link between domestic abuse and socioeconomic groups Mrs Gilmour reported that incidents of domestic abuse had risen slightly, however there was awareness that these were reported incidents and that it often took a long time for someone to report domestic abuse but the associated services were getting busier. It was believed that in times of additional stress there were more opportunities for abuse to take place and that alcohol and drugs also affected the levels of domestic abuse reported. Domestic Abuse affected the whole of society but there tended to be higher reporting rates in highly populated areas.
- (8) One Member raised the work that was being done within schools; domestic abuse had a hugely detrimental effect on children even when they were not the direct victim of the abuse.
- (9) The Alcohol Select Committee found that 90% of domestic abuse incidents that were attended by the police related to substance abuse. It was also vitally important to maintain links with young carers in difficult family circumstances. The officers confirmed that there were alcohol specialists such as KDAT (Kent Drug and Alcohol Team) and alcohol drug misuse services involved in the work of the Domestic Abuse Strategy Group.
- (10) In relation to the increase in reported incidents of domestic abuse Mr Beaumont explained that it may be because people were feeling more confident to come forward or that there had been a raised awareness of domestic abuse through one stop shops etc. Domestic abuse crossed all boundaries and sadly there were spikes around the world cup, for example, and there was undoubtedly a link with alcohol. There were concerns around the impact upon young people's education and attainment particularly for children in care.
- (11) The Chairman asked what the definition of domestic abuse was, in response Mrs Gilmour explained that it was psychological, emotional, physical or sexual

abuse when the victim had concerns about the intention. Domestic abuse centered around patterns of controlling behaviour, intentions and putting someone else in fear. Alcohol caused a loss of control however domestic abuse continued without alcohol.

- (12) The Committee congratulated the Select Committee on the report, members were aware that reported incidents of domestic abuse were only the tip of the iceberg and that early intervention was key. It was expected that the statuses of the action plan would be amber as the issues were ongoing.
- (13) In response to a question about the Connexions service Mrs Gilmour confirmed that they were part of the strategy group and delivered domestic abuse training and advice. The wider partnership co-ordinated through the Kent and Medway Domestic Abuse Strategy Group aimed to reach out to every statutory group and as many voluntary groups as possible.
- (14) Mr Skilton explained that the fire service carried out preventative work and had a specialist team dealing with vulnerable people. Fire could be used as a threat and as the Fire and Rescue service dealt with the consequences it was beneficial for them to be involved in the preventative aspect as well. The key points were early intervention, education, behaviour and lifestyle changes.
- (15) A member asked when the Kent and Medway Domestic Abuse Strategy Group heard of domestic abuse incidents, the police attended around 23,000 incidents of domestic abuse per year, they risk assess on site and if there is a high risk the police deal with the incident and involve partner agencies, if the case is a medium risk it is referred to a local agency. There had been an improvement in the service provided, the Independent Domestic Violence Advocates provided a service across the whole of Kent and Medway and equitable services made monitoring easier and services more accessible.
- (16) The Committee heard that one stop shops were for advice and guidance, 4-5 years ago there wouldn't have been such a multi-agency approach. There was a network of domestic abuse refugees across Kent and Medway and people were not necessarily directed to their most local provision as they may need to move area to be safe. One stop shops offered immediate access.
- (17) In response to a question about whether there were any risks to the success of the action plan Mr Beaumont explained that domestic abuse was embedded in plans and statutory documents and there had been a great improvement in the past 5 years. The partnerships were very robust and they had been very successful in establishing pooled budgets for commissioning services such as the independent domestic violence advocates. Threats would come in the form of financial pressures, as money got tight contributions might lessen. The threat could be reduced by keeping up the dialogue and investing to save. The support from members was encouraging and it was part of the strategy to maintain awareness and involve members. The group was accountable for trying to achieve the recommendations of the Select Committee and was responsible for overseeing the work of the small group undertaking actions.
- (18) The Task and Finish Group which the Scrutiny Committee was asked to approve would be a multi-agency group including the police, probation, health,

KCC and as it progressed any groups would be filled. It would meet every two months as a multiagency group.

RESOLVED that the Scrutiny Committee:

- (19) Agree that the Kent and Medway Domestic Abuse Strategy Group should be the accountable body to oversee the implementation of recommendations within the Domestic Abuse Select Committee Report
- (20) Agree that a small multi-agency Task and Finish Group should be established to put into place appropriate management and service delivery action in order to work towards achieving the Select Committee recommendations.

22. Exempt Minute - 12 December 2012

(Item C1)

RESOLVED that the exempt minute of the meeting held on Wednesday, 12 December 2012 be approved as a correct record and that it be signed by the Chairman

By: Peter Sass: Head of Democratic Services
To: Scrutiny Committee – 17 April 2013
Subject: Appointment of Efficiency Partner for Delivery of Transformation
Programme Decision Number 13/00010

Summary: Notification of a call-in of decision number 13/00010 was received from Mr L Christie on 5 April 2013. This report sets out Mr Christie's reasons behind the call-in and sets out the options for the Scrutiny Committee.

1. Background

1.1 On 2nd April the Leader took a decision to appoint Newton Europe as the transformation and efficiency partner who will manage the delivery of the Adult Social Care Transformation Programme. Mr L Christie requested that this item be called into the Scrutiny Committee with reasons as set out below.

2. Reasons justifying the call-in – from Mr L Christie

2.1 Lack of Consultation with Non-Executive Members

The decision has not been subject to a sufficient or proper consultation with members.

The decision was not brought before the Cabinet Committee until the preferred bidder had been identified and the contract was ready to award. No updates to the Cabinet Committee over the previous year, by officers or Members, suggested that work was underway to appoint an Efficiency Partner.

The decision has been taken by the Leader and not the Cabinet Member. At least the Cabinet Member was present at the meeting to hear the Cabinet Committee's views. The Leader was not present and could not see it on Webcast because much of the issue was not webcast. Surely this is not how Cabinet Committees are supposed to work.

2.2 Insufficient clarity and consideration

This issue involves fees to consultants on a complicated alleged "payment by results" system which was not adequately explained; in particular it was not clear what would happen if the Consultant's savings, once identified were politically unacceptable? Would this count towards their "payment by results"?

The Leader was not informed within the report on which he based his decision that the consultants mentioned at para. 1(5) who were involved in deciding

whether a Transformation and Efficiency Partner was necessary/workable were the very same consultancy to whom it is proposed the contract be awarded – i.e. Newton Europe. I believe this relationship requires in depth scrutiny. In addition the Cabinet Committee was not given this information

There was some confusion between the information contained within the open paper and that contained within the exempt paper, particularly around financial savings expected. No clarity was provided as to the actual level of savings being sought / considered by the efficiency partner.

It was partly because of this lack of clarity and therefore inability on the part of the Cabinet Committee or Cabinet Member / Leader to give the decision full and fair consideration that a motion to defer the decision was only defeated by the Chairman's casting vote.

3. Witnesses

- 3.1 Mr P Carter, Leader of the Council, and Mr A Ireland, Corporate Director Families and Social Care will attend the meeting to answer Members' questions on this item.

4. Options for the Scrutiny Committee

- 4.1 The Scrutiny Committee may:

(a) make no comments

(b) express comments but not require reconsideration of the decision

(c) require implementation of the decision to be postponed pending reconsideration of the matter in the light of the Committee's comments by whoever took the decision or

(d) require implementation of the decision to be postponed pending consideration of the matter by the full Council.

Contact: Anna Taylor Tel: 01622 694764

KENT COUNTY COUNCIL - RECORD OF DECISION

DECISION TAKEN BY

Paul Carter
Leader of Kent County Council

DECISION NO.

13/00010

Unrestricted

Subject:

Appointment of Newton Europe as the transformation and efficiency partner who will manage the delivery of the Adult Social Care Integration Programme

Decision:

I, Leader of Kent County Council agree to :

1. Award the contract of transformation and efficiency partner for the adult social care transformation programme to the bidder identified in the exempt report, Newton Europe.
2. Delegate Authority to the Corporate Director Families and Social Care in consultation with the Cabinet Member for Adult Social Care and Public Health to enter into the necessary contracts following the satisfactory negotiation of detailed terms and conditions

Any Interest Declared when the Decision was Taken

No

Reason(s) for decision:

The adult social care transformation programme's success is crucial to improving the outcomes for vulnerable people in Kent and the delivery of significant council savings.

In order to successfully reduce spend in adult social care, whilst simultaneously improving outcomes for vulnerable people in Kent, we will need to work with stakeholders to redesign Kent's adult social care system and maximise the efficiency within it.

- Transforming social care will be a complex and time consuming task – taking at least 4 years. This change programme will be resource intensive and require KCC to transform the business, whilst simultaneously ensuring we continue to meet our statutory duties.
- The complexity of improving outcomes for vulnerable people in Kent, building a sustainable social care market which is fit for the future, whilst simultaneously working within reduced budgets is a huge challenge. KCC intends to reduce the risks associated with managing a programme of this size and complexity by: a) using a consultancy with enough capacity to support our programme; b) using a consultancy with a high level of expertise and with experience in implementing similar programmes elsewhere.
- Without a transformation and efficiency partner KCC's ability to transform adult social care will be severely hindered.

Cabinet Committee recommendations and other consultation:

The Social Care and Public Health Cabinet Committee considered the proposed decision at its meeting on 21 March 2013 and the following is the draft open minute of the discussion:

1. The Committee had an extensive debate of the issue and made a number of comments on it. Officers responded to questions of detail.
2. The Cabinet Member, Mr Gibbens, acknowledged and responded to comments made by Members in debate.
3. The recommendation in the report, that Members endorse the decision proposed to be taken by the Cabinet Member, was then put to the vote.

Carried, 6 votes to 2 with 2 abstentions

4. It was RESOLVED that:-

- a) the information set out in the report and given in response to Members' comments and questions be noted; and
- b) the decision proposed to be taken by the Cabinet Member for Adult Social Care and Public Health, to identify the preferred bidder, to agree the award of the contract to that bidder as FSC adult transformation and efficiency partner, and to delegate authority to the Corporate Director of Families and Social Care, in consultation with the Cabinet Member for Adult Social Care and Public Health, to enter into the necessary contracts, following the satisfactory negotiation of detailed terms and conditions, be endorsed, taking account of the views expressed and comments made in debate, set out above.

The Committee also had discussions from which the press and public were excluded and a minute exempt from publication has been produced. The Leader has had regard for the comments made within it when taking the decision.

Any alternatives considered:

The report considers managing and implementing the transformation programme with resources available in-house but concludes that there is not the capacity currently available. Recruiting employees to fulfil such roles would be a lengthy process thereby risking the programme and associated benefits for clients and savings for the council.

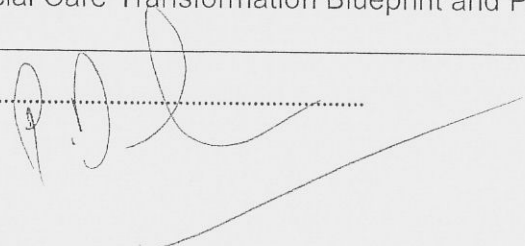
Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None

Background Documents:

Adult Social Care Transformation Blueprint and Preparation Plan, May 2012

signed



date

2/4/13
re

By: Andrew Ireland, Corporate Director Families and Social Care

To: Mr P Carter, Leader of Kent County Council

Subject: **APPOINTMENT OF A TRANSFORMATION AND EFFICIENCY PARTNER - ADULT SOCIAL CARE TRANSFORMATION PROGRAMME** (Decision number 13/00010)

Classification: Unrestricted

Summary: This report provides information relating to the key decision to appoint a transformation and efficiency partner to manage the adult social care transformation programme.

Recommendations The Leader is recommended to:

Appoint Newton Europe as the transformation and efficiency partner who will manage the delivery of the Adult Social Care Integration Programme.

1. Introduction

(1) KCC's financial deficit over the next two years (2014-16) is estimated at around £200m and it is clear that public spending will remain under pressure for a number of years. As Adult Social Care is a third of KCC's non-school budget, Families and Social Care is preparing to make significant savings over the coming years. The basis of the Adult Social Care Transformation Programme is that savings of the magnitude that will be needed can only be achieved through transformation (re-designing how social care is delivered). This approach was set out in the Adult Social Care Transformation Programme Blueprint and Preparation Plan which was endorsed by County Council on 17th May 2012.

(2) As transformational changes take time to implement, benefits will take time to grow. The ability to start implementing transformational changes as soon as possible is therefore vital to KCC's ability to manage budgets over the next few years.

(3) In October 2012 an independent efficiency review was undertaken. Based on the considerable amount of detailed analysis, this evidenced that significant opportunities exist for adult social care to transform as well as to help support achieving savings of the order of £18m in the first year.

(4) KCC does not have readily available capacity of appropriate capability to manage a programme as large and as complex as FSC's Transformation Programme.

(5) The expertise of the consultancy used during the review, and the way they worked with KCC staff, was a positive and successful experience. This gave KCC confidence that it was possible to work in partnership with a consultancy. It also gave KCC

clarity regarding the added value a transformation and efficiency partner could bring to the implementation stage of the programme and ways of sharing risk.

(6) To identify a suitable efficiency partner a three stage tender process was initiated. The tender process is now complete, a clear leader is identified and we are now in a position to award the contract. Additional information on the outcome is contained in the exempt Appendix A.

2. Reasons for appointing a Transformation and Efficiency Partner

(1) Transforming social care will be a complex and time consuming task – taking at least 4 years. This change programme will be resource intensive and require KCC to transform the business, whilst simultaneously ensuring we continue to meet our statutory duties.

(2) The complexity of improving outcomes for vulnerable people in Kent, building a sustainable social care market which is fit for the future, whilst simultaneously working within reduced budgets is a huge challenge. KCC intends to reduce the risks associated with managing a programme of this size and complexity by: a) using a consultancy with enough capacity to support our programme; b) using a consultancy with a high level of expertise and with experience in implementing similar programmes elsewhere.

(3) Without a transformation and efficiency partner KCC's ability to transform adult social care will be severely hindered.

3. Tender Process

(1) The tender took place through the Health Trust Europe (HTE) framework via a mini-competition open to 19 organisations that specialise in organisational change. The contract on offer is for 2 years, with an option for KCC to extend by 12 months a maximum of 2 times. A three stage process was designed to ensure that bidders have the relevant skills and experience and that the strongest and best value bid would win the contract.

(2) **Stage One: Track Record.** We received 3 submissions providing evidence of appropriate skills and experience to deliver our programme. All bidders were invited to submit a stage two proposal and, upon signing a Non-disclosure Agreement, were provided with data from the diagnostic.

(3) **Stage Two: Costed Proposal.** All three bidders submitted their proposals detailing proposed changes, resources, estimated benefits, fees and options of how they could share risk with us. Proposals were evaluated based on 4 key criteria (with sub criteria). These were evaluated by a different member of the evaluation team to ensure consistency and fairness in the evaluation process. All three bidders were invited to Stage Three to discuss their proposal in further detail. All bidders were asked to clarify specific issues prior to interview.

(4) **Stage Three: Interview.** Each bidder was interviewed by a panel. Bidders were asked a number of specific questions which tested the robustness of their proposal and checked 'fit' with our organisation and the programme needs. The panel discussed bidders in detail after each interview and scored based on consensus opinion.

(5) **Outcome of the tender process:** At the end of the process Stage Two & Three scores were totalled. One bidder was the clear leader. The lowest scoring bidder was un-awardable due to the poor robustness of their proposal and their poor fit with our organisation. The other two bidders were potentially awardable but further clarification was required to be absolutely certain about what was being offered. Following post-interview clarification, it was agreed that the highest scoring bidder's proposal was awardable, subject to approval of the key decision.

4. Policy Context

(1) The Adult Social Care Transformation Programme is crucial to improving outcomes for vulnerable people in Kent at the same time as delivering the £18.8m of transformation savings identified in the 2013/14 budget.

(2) The decision is in accordance with the Policy Framework – specifically the delivery of Bold Steps for Kent.

5. Consultation and Communication

(1) There is no requirement to consult or communicate on the identification and appointment of a transformation and efficiency partner.

6. Financial Implications

(1) The Transformation Programme will deliver significant savings for the Council over the next few years. As outlined in the KCC Budget, the adult social care transformation programme is required to deliver £18.8m in 2013/2014.

(2) The attainment of a large proportion of both FSC and KCC future savings will be dependent on the success of the adult social care transformation.

(3) Investment in external capacity, expertise and innovation is essential in a time of severe financial pressure to maintain or improve services for Adult Social Care. Not taking action now is likely to increase pressures in the immediate and long-term.

7. Legal Implications

(1) Advice has been provided by Corporate Procurement and Legal Services throughout the process to identify and appoint a transformation and efficiency partner.

8. Equality Impact Assessments

(1) There is no requirement to carry out an equality impact assessment for the appointment of a transformation and efficiency partner.

9. Sustainability Implications

(1) There are no negative sustainability implications to identifying and appointing a transformation and efficiency partner.

10. Alternatives and Options

(1) If a transformation and efficiency partner is not appointed – KCC will need to fully resource the programme alone. As KCC does not have enough staff with the composite skills and experience, a significant proportion of this resource will need to be recruited externally. As resources are likely to be recruited individually, it will take time to build a team and for them to get up to speed and work in consistent and co-ordinated way. This will mean a delay to implementation starting and therefore a delay to the realisation of the benefits. Each month of delay ‘costs’ approximately £1.5m of savings not achieved in 13/14.

11. Risk and Business Continuity Management

(1) If transformation is not successfully delivered, adult social care will be unable to operate effectively within the forecast budget – particularly with the expected increase to the over 65 population and rising levels of dementia. Financial and operational pressures have the potential to affect the safeguarding and support of thousands of vulnerable people. These pressures are also highly likely to impact the large provider market in Kent.

(2) There is a financial and reputational risk to the Council if this decision is delayed.

12. Conclusion

(1) Using a transformation and efficiency partner to manage the implementation of the adult social care transformation programme will increase our likelihood of successfully delivering improved outcomes to vulnerable people in Kent and of achieving the savings.

(2) Appointing the highest scoring bidder as the adult social care transformation and efficiency partner will enable FSC to start the implementation phase of the transformation programme imminently.

13. Recommendation

That the Leader:

1. Agree the award of the contract to Newton Europe the transformation and efficiency partner who will manage the delivery of the Adult Social Care Integration programme
2. Delegate Authority to the Corporate Director Families and Social Care in consultation with the Cabinet Member for Adult Social Care and Public Health to enter into the necessary contracts following the satisfactory negotiation of detailed terms and conditions

14. Background Documents

Adult Social Care Transformation Blueprint and Preparation Plan, May 2012

Appendix A – Additional Tender Information (Exempt by virtue of paragraph 3 of part 1 of Schedule 12a of the Local Government Act 1972 – When an award is finalised some of the information will become public via the Kent contracts database)

Contact details

Juliet Doswell
Project Manager
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item B2

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