

KENT COUNTY COUNCIL

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 Friday, 12 December 2014

PRESENT: Mr A J King, MBE (Chairman), Miss S J Carey, Mr N J D Chard, Mr J A Davies, Mrs T Dean, MBE, Mr J Elenor, Mr C P D Hoare, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr L B Ridings, MBE, Mrs P A V Stockell, Mr D Smyth and Mr N S Thandi

ALSO PRESENT: Mr G Cooke, Mr J D Simmonds, MBE and Mr B J Sweetland

IN ATTENDANCE: Mr J Burr (Director Highways, Transportation & Waste and Principal Director of Transformation), Mr S Charman (Head of Consultation and Engagement), Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr R Fitzgerald (Performance Manager), Ms J Hansen (Finance Business Partner (Strategic & Corporate Services), Mr D Shipton (Head of Financial Strategy), Mr D Whittle (Head of Policy and Strategic Relationships), Mr A Wood (Corporate Director Finance and Procurement) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

95. Introduction/Webcast announcement
(Item A1)

96. Apologies and Substitutes
(Item A2)

Apologies for absence were received from Mr Manion and Mr Carter.

97. Declarations of Interest by Members in items on the Agenda
(Item A3)

There were no declarations of interest.

98. Minutes of the meeting held on 19 September 2014
(Item A4)

Resolved that the minutes of the meeting held on 19 September 2014 be approved as a correct record and signed by the Chairman subject to the following amendments:

Minute 87 (1) - deletion of the words "Mr Simmonds"

Minute 89 (3) - deletion of the words "the following"

Minute 92(1) - insertion of the word "Member" after the word "Cabinet"

99. Minutes of the meeting of the Property Sub-Committee held on 22 September 2014
(Item A5)

Resolved that the minutes of the Property Sub-Committee held on 22 September 2014 be noted.

100. Work Programme 2015
(Item A6)

- (1) The report set out details of the proposed work programme for 2015 and asked the Cabinet Committee to consider and agree the programme.
- (2) Resolved that the work programme for 2015 be agreed.

101. Decision Making Process
(Item A7)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which provided an overview of the governance arrangements for executive decision making and in particular the principle that decisions should be considered, wherever possible, by the relevant cabinet committee before being taken. Mr Cooke said this was an opportunity to review the decision making process and to provide assurance that most decisions were considered by the cabinet committees prior to being taken by the Cabinet or cabinet member.
- (2) It was considered that the system was broadly working as intended but concerns were raised about decisions not entirely within KCC's control such as decisions relating to the Local Enterprise Partnership. Concerns were also raised about a possible inconsistency in dealing with urgent decisions and the difficulties arranging to call-in a decision.
- (3) The potential need for an additional meeting of each cabinet committee in March was acknowledged however the nature and timing of additional meetings would be influenced by the work of the Commissioning Advisory Board.
- (4) Resolved that:
 - (a) The report be noted;
 - (b) The Forward Executive Decision list be considered at the agenda setting meetings to inform the committee's work programme.

102. Meeting Dates - 2015
(Item A8)

Resolved that the dates of meetings of the Policy and Resources Cabinet Committee in 2015 be noted.

103. Transformation update

(Item B1)

- (1) John Burr (Principal Director of Transformation) gave an update on the Facing the Challenge project.
- (2) In response to questions he said that to mitigate the risk of material change between the announcement of the preferred bidder and the start of the contract a pro forma contract would be included as part of the tender documentation.
- (3) Mr Burr said that the Property LATCO would be wholly owned by KCC and a partner was being sought for the Legal Services Joint Venture. He acknowledged the dominance of a small number of big companies in the market and said that meetings had taken place with other authorities to understand their experiences dealing with these companies and that a failsafe process would be written into contracts. For example, if a company ceased to trade, KCC would take over and staff would TUPE to KCC. He also said a key ambition was to involve small and medium sized enterprises and efforts had been made to encourage SME's to come together to tender but to date little interest had been generated. He also said that many smaller organisations had been taken over by larger ones and that on request information about local enterprises would be provided to bidders.
- (4) Mr Burr acknowledged the fact that KCC, as with many other public sector organisations, needed to improve its commissioning skills and develop a commercial approach to managing contracts. He also said that some staff would transfer to new organisations, some redundancies were likely and that it was possible that one contracting organisation could deliver more than one batch of services being tendered. He outlined the role of the Facing the Challenge team and the directorates in developing and providing services in new ways and explained the reasons for seeking a partner in a Joint Venture for Legal Services.
- (5) Resolved that the update be noted.

104. Closure of Property Enterprise Funds 1 & 2 and the Future

(Item B2)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which recommended the closure of two Property Enterprise Funds. He said the funds had been very successful in achieving their original objectives and a new fund was now required to support the aims of generating income from property and ensuring a future disposal pipeline.
- (2) In response to questions, Andy Wood (Corporate Director of Finance and Procurement) said that once the funds were closed, there would be pressure on the Corporate Landlord Budget to meet the holding costs of these assets and discussions were continuing to resolve this as well as the issue of funding assets for disposal. He also said that the existence of the funds had enabled

capital projects to be undertaken and avoided having to sell assets at a time when the market was low.

- (3) Resolved that the Cabinet Member's proposed decision, to be taken in conjunction with the Cabinet Member for Finance and Procurement, be endorsed.

105. Strategic and Corporate Services Directorate Dashboard

(Item C1)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report and said it indicated that performance was moving in the right direction despite difficult circumstances.
- (2) Richard Fitzgerald (Performance Manager) said the results for the Contact Centre had improved since the last report and the figures for October were above target. He also said a new exit survey for the website was being used to identify whether customers had been able to complete the task and how satisfied they were. He said further work was underway to understand why some service areas received positive feedback and others received negative feedback.
- (3) In response to questions he said that links were made between the use of the website and calls to the Contact Centre but there was room for improvement.
- (4) Mr Sweetland (Cabinet Member for Commercial and Traded Services) said there was a need to develop a customer services policy, with clearly defined standards, to meet the needs of a commissioning council and it was proposed to present a draft customer services policy to the next meeting of the Policy and Resources Cabinet Committee on 16 January 2015.
- (5) Resolved that the report be noted.

106. Financial Monitoring

(Item C2)

- (1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report which set out the second quarter's full budget monitoring report for 2014-15 as reported to Cabinet on 1 December 2014. He referred, in particular, to the improved position for the Strategic and Corporate Services Directorate in comparison with the Quarter 1 report. The Directorate was now forecasting an underspend of £486K as a result of targeted management action. He acknowledged the pressures that continued, particularly in Children's Services, and emphasised the importance of delivering a balanced budget at the end of the year.
- (2) Jackie Hansen (Strategic and Corporate Services Finance Business Partner) drew attention to Annex 6 of the report to Cabinet which set out the items within the remit of the Policy and Resources Cabinet Committee.
- (3) Officers were asked to ensure that links to documents referred to in reports could be accessed by members of the public.

- (4) Resolved that the revenue and capital forecast variances from budget for 2014-15 within the remit of this cabinet committee, together with the overall forecast overspending position for the authority, based on the second quarter's full monitoring to Cabinet, be noted.

107. Annual Equality and Diversity Report 2013/14

(Item C3)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which set out an evaluation of compliance with the Equality Act 2010, plans for improvement and the annual report for 2013-14. He said progress had been made but challenges remained particularly in relation to ensuring equality and diversity issues were routinely considered as part of the decision making process.
- (2) In response to questions, Mr Charman (Head of Consultation and Engagement) said officers were advised that equality impact assessments should be undertaken as early as possible and work was underway with Democratic Services to ensure all decisions for Member consideration included an equality impact assessment. He also said efforts had been made to streamline the annual equality and diversity report, and any additional information would be provided on request. The Equality and Diversity team worked with the Corporate Portfolio Office to understand the cumulative impact of individual decisions on residents and with Democratic Services to provide training for Members. He undertook to respond to Mr Thandi regarding the provision of marriage scripts for all faiths and provided further information about the meaning of "inclusive recruitment and retention".
- (3) Mr Cooke said the annual equality and diversity report would be proof-read before publication.
- (4) Resolved that:
 - (a) Equality objectives be reviewed and included as part of the new strategic statement and new commissioning plan in 2015;
 - (b) Future equality monitoring be included with the performance framework supporting the new statement and commissioning plan;
 - (c) Equality governance be strengthened and that a report be received on the updated governance arrangements from the Governance and Law and Corporate Equality teams.

108. Budget Consultation 2015/16

(Item D1)

- (1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report which set out initial findings from the budget consultation that ran from 9 October to 28 November. He referred, in particular, to the value of the workshops attended by residents, staff and the business, voluntary and community sectors and said a detailed report from the consultants would be provided as soon as possible.

- (2) Dave Shipton (Head of Financial Strategy) said the report included a quantitative analysis which suggested that residents favoured generating savings from efficiency savings and demand reduction as well as making savings as a result of transformational change. Residents had also indicated they would support a small council tax increase and thought the authority should look to maximise the council tax base. Mr Shipton said there were fewer responses this year than last year but responses were still substantially higher than in previous years.
- (3) Members considered that although the response was relatively low it was worth doing and that it could be difficult to enthruse parish councils to engage with the process. In response to questions, Dave Shipton said he would confirm how much it would cost to run a workshop in a Member's division and that presentations had been given to district councils in previous years but none had been requested this year.
- (4) Mr Simmonds said that he had met with Mr Simkins and his constituents and said both he and the Deputy Cabinet Member for Finance and Procurement were happy to attend meetings at the invitation of Members to explain the extent of the issues being faced by the Council and how money was spent.
- (5) Resolved that the responses to the consultation be noted and that the findings be reflected in the final draft Budget and Medium Term Financial Plan due to be published on 12 January 2015.

109. Commissioning Advisory Board Update

(Item D2)

- (1) On behalf of Mr Hotson, David Whittle (Head of Policy and Strategic Relationships) introduced the report which provided an update on the work of the Commissioning Advisory Board regarding the proposal to establish Property Services as a local authority trading company (LATCO).
- (2) Resolved that the update be noted including the recommendation in regard to the Property and Infrastructure Review for consideration at the next meeting of the Policy and Resources Cabinet Committee on 16 January 2015.

110. Business Planning 2015/16

(Item D3)

- (1) David Whittle (Head of Policy and Strategic Relationships) introduced the report which reviewed the 2014/15 business-planning round and set out the arrangements for 2015/16. He said the principal changes proposed were to:
 - Rename them directorate business plans instead of strategic priority statements;
 - Include information about the services provided and whether those services were provided in-house or by an external provider;
 - Include information about any major service re-design expected over a rolling three-year period;
 - Include any service level agreements with new KCC delivery vehicles;

- Include a statement of how social value had been considered in commissioning and service delivery.
- (2) Members said: there was a risk that allowing directorates the freedom to use their own templates might result in confusion if not monitored closely; directorate-level plans should be easily accessible; and any electronic links in reports or other documents must work.
- (3) Resolved that:
- (a) The business planning arrangements for 2015/16 set out in section 3 of the report be agreed
 - (b) The additional information proposed for inclusion in directorate business plans set out in paragraph 3.6 of the report be agreed.