

## 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 Council Chamber, Sessions House, County Hall, Maidstone on Friday, 15 September 2017

PRESENT: Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman), Mr P V Barrington-King, Mr R H Bird, Mr T Bond, Mr N J D Chard, Mrs P T Cole, Ms K Constantine, Mr G Cooke (Substitute for Mr J P McInroy), Mrs M E Crabtree, Mrs T Dean, MBE, Mr H Rayner, Mrs P A V Stockell (Substitute for Mr P W A Lake) and Mr I Thomas

ALSO PRESENT: Miss S J Carey, Mr E E C Hotson and Mr J D Simmonds, MBE and Mr R Long

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services) and Mrs A Hunter (Principal Democratic Services Officer)

#### **UNRESTRICTED ITEMS**

**16. Apologies and Substitutes**  
*(Item 2)*

Apologies for absence were received from Mr Lake, Mr McInroy and Mrs Rankin. Mrs Stockell and Mr Cooke attended as substitutes for Mr Lake and Mr McInroy respectively.

**17. Declarations of Interest by Members in items on the Agenda**  
*(Item 3)*

There were no declarations of interest.

**18. Minutes of the meeting held on 16 June 2017**  
*(Item 4)*

Resolved that the minutes of the meeting held on 16 June are correctly recorded and that they be signed by the Chairman.

**19. Minutes of the meeting of the Property Sub-Committee held on 21 March 2017**  
*(Item 5)*

Resolved that the minutes of the meeting held on 21 March 2017 be noted.

**20. Strategic and Corporate Service Directorate Dashboard**  
*(Item 6)*

*Richard Fitzgerald (Business Intelligence Manager) and Vincent Godfrey (Director of Strategic Commissioning) were in attendance for this item*

- (1) Mr Fitzgerald introduced the report which set out progress against targets set for Key Performance Indicators. He said the report included performance results to the end of July 2017 and performance was reported as green for 21 indicators, amber for 4 indicators and red for 1 indicator.
- (2) In response to questions, Mr Fitzgerald said the performance indicator definitions used in the report were based on agreed targets, any inconsistencies in reporting were investigated and the Performance team worked with directorates to ensure performance was reported in accordance with management guidance and the agreed definition.
- (3) In response to further questions, Mr Watts (General Counsel) said that GL01 (Council and Committee papers published at least five clear days before meetings) was amber as a result of a delay, following the county council elections, to the publication of specific reports for the Annual County Council meeting in May and the Selection and Member Services meeting in June. He said he had every confidence that the process in place was robust and did not anticipate any delays in future.
- (4) Mr Watts also said that KPI GL03 (Data Protection Subject Access requests completed within 40 calendar days) had been rated as "Red" for the year to date as a result of continuing challenges in accessing historic records and the prioritisation of front-line care.
- (5) In response to comments made about complex requests about historic data, Mr Watts said that a project group had been established to map data storage to determine if it was held in the most effective and accessible way and that a report would be presented to the Cabinet Committee in due course.
- (6) In response to a question about FN10 (percentage of outstanding debt over 6 months old) Mr Wood (Corporate Director of Finance) said that negotiations were taking place about phasing the payment of a debt owed by the Canterbury Diocese.
- (7) Resolved that the performance position for Strategic and Corporate Services be noted.

## **21. Financial Monitoring 2017 - 18**

*(Item 7)*

*Jackie Hansen (Strategic and Corporate Services Directorate Finance Business Partner), Andy Wood (Corporate Director of Finance) and Rebecca Spore (Director of Infrastructure) were in attendance for this item*

- (1) Mr Wood introduced the report and drew Members' attention to table 2 of the report which set out a forecast variance of £11m which had been reduced through management action. He said it was not unusual, at this time in the financial year, for the revenue position to show an overspend however he was less confident than in previous years that the pressures would be eliminated by the end of the year and there was a higher risk of carrying underlying problems forward into the next financial year.

- (2) Mr Simmonds (Cabinet Member for Finance) said the books must be balanced and, if necessary, reserves would have to be used to do so. He said he was not expecting any amelioration of austerity measures in the Autumn Budget.
- (3) Ms Hansen outlined the financial position for the Strategic and Corporate Services Directorate which was based on the detailed monitoring report that was presented to Cabinet monthly. She referred in particular to table 1 and to paragraphs 2.3 -2.6 of the report.
- (4) Members said it was important all Cabinet Committees were aware of the parlous state of the Council's finances and that budget monitoring should be a standing item on all agendas.
- (5) In response to Members' questions and comments Rebecca Spore (Director of Infrastructure) said that the overspend relating to New Ways of Working related to upgrading of facilities in East Kent including the implementation of the standard specification for case conference facilities. It was, however, anticipated that additional expenditure would be met from the Modernisation of Assets budget capital receipts, external funding and Salix funding.
- (6) Resolved that the revenue and capital forecast variances from the budget for 2017-18, that are in the remit of this Cabinet Committee, based on the July monitoring to Cabinet, be noted.

## **22. Contract Management**

*(Item 8)*

Vincent Godfrey (*Director of Strategic Commissioning*) was in attendance for this item

- (1) Mr Simmonds (Cabinet Member for Finance) introduced the report which set out details of a programme of contract management reviews conducted by a sub-group of the Budget and Programme Delivery Board and the high level findings arising from the programme. He said contract management was an integral part of the commissioning cycle which had historically received less attention than the other phases of the cycle.
- (2) Mr Godfrey summarised progress to date and referred, in particular, to the establishment of a sub-group of the Budget and Programme Delivery Board. The sub-group had been formed to promote good practice in relation to contract management. The sub-group had reviewed a number of contracts since September 2016 and a further programme of reviews would start at the end of September 2017. Mr Godfrey tabled a list of the contracts that had been reviewed.
- (3) Mr Godfrey said the sub-group had adopted the National Audit Office good contract management framework as the reference standard for its reviews and drew Members' attention to the framework which was attached as an appendix to the report. He said the programme of reviews did not aim to make financial savings but sought to ensure contracts delivered as expected and any risks were appropriately managed. Nevertheless, one contract was able to make a saving of £1.1m (8.5%) per annum following a review by the sub-group.

- (4) Members generally welcomed the report and supported the approach to managing contracts. Comments were made about the need for Cabinet Committees to have an oversight of contracts within their areas of responsibility; the importance of relationships in the management of contracts and the fact that not all political groups were represented on the sub-group.
- (5) Following a discussion, the Cabinet Committee concluded that reviews of any contracts within its remit should be undertaken by the whole committee rather than by a sub-group. It was proposed by Mr Cooke, seconded by Mr Barrington-King and agreed that consideration be given, at the next agenda setting meeting, to the inclusion of reviews of contracts relating to customer services, facilities management or other contracts on the agenda for the next meeting of the Policy and Resources Cabinet Committee on 5 December 2017.
- (6) Resolved that:
  - (a) The report be noted;
  - (b) A further progress report be submitted in December 2017;
  - (c) Consideration be given at the next agenda setting meeting, to the inclusion of reviews of contracts relating to customer services, facilities management or other contracts on the agenda for the next meeting of the Policy and Resources Cabinet Committee on 5 December 2017.

**23. Corporate Assurance Analysis Bi-annual Review**  
*(Item 9)*

*David Whittle (Director Strategy, Policy, Relationships and Corporate Assurance) and Mark Scrivener (Corporate Risk and Assurance Manager) were in attendance for this item*

- (1) Mr Whittle introduced the report which outlined the key findings of the Corporate Assurance team on major change projects and programmes from March to August 2017. He said the approach had shifted over the last year from a formulaic report to a position where the Corporate Assurance team worked very closely with project and programme managers to give a more holistic picture of the level of complexity and risk in the early stages of a project.
- (2) In response to a question about the Children and Young People's Service Integrated Programme, officers said that the authority needed to know that non-financial benefits of a project were worth the financial expenditure and such benefits needed to be quantified as far as practicable. In relation to this specific programme officers said it had been paused while an Ofsted inspection had taken place and some of Ofsted's recommendations for future actions were now being included in the scope of the project.
- (3) Overall, however, the aim of the Corporate Assurance analysis was to ensure total costs and total benefits of any project were identified and that any areas

of weakness or risk were addressed and reported. It was also acknowledged that KNet could be made more useful in terms of providing information about projects and programmes to Members.

- (4) Mr Whittle undertook to provide additional information about the proposed extension to the Turner Contemporary Gallery in Margate. He also said the guidance for officers which accompanied the “Better Business Cases” approach based on HM Treasury Green Book appraisal and evaluation, would specifically require the consideration of the benefits to the residents of Kent.
- (5) Resolved that:
  - (a) The Corporate Assurance analysis bi-annual report be noted; and
  - (b) The current timescale of receiving reports bi-annually on the Corporate Assurance Analysis be continued.

## **24. Policy Framework - Strategies and Policies for Close Down** *(Item 10)*

*David Whittle (Director Strategy, Policy, Relationships and Corporate Assurance) and Liz Sanderson (Strategic Business Advisor (Corporate), Strategy, Policy Relationships and Corporate Assurance) were in attendance for this item*

- (1) Mr Whittle introduced the report which set out details of policies and strategies that had been agreed for close down by Cabinet Members following the approval of a new approach to managing the Policy Framework. He said a new control framework for strategies and high-level policy linked to the forthcoming review of the Council’s Constitution would reduce risk to the authority and ensure that the most up to date documents were available on the Council’s website.
- (2) Mrs Sanderson drew Members’ attention to table 1 of the report which listed 29 strategies or policies that could be closed down immediately and explained the next steps in the process including: the refresh and close down of strategies and policies as a constant cycle; the timescale for updating KNet pages and the communication of the new approach to officers.
- (3) In response to questions and comments, Mrs Sanderson said the objectives of the Kent Approach to Literacy Strategy which had been agreed for close down were embedded into current working practices and would be reflected in the new vision for Kent Libraries and Archives. Mr Whittle said it was possible that the Home to School Transport Policy had been omitted from the report and that he would investigate further.
- (4) Resolved that:
  - (a) The strategies and policies that had been agreed for close down as set out in Tables 1 and 2 of the report be endorsed; and
  - (b) An update on the Strategy and Policy register be received in six months’ time.

**25. Customer Feedback Policy**  
*(Item 11)*

*Amanda Beer (Corporate Director for Engagement, Organisation Design and Development), Pascale Blackburn-Clarke (Engagement and Consultation Delivery Manager) and Ben Watts (General Counsel) were in attendance for this item*

- (1) Miss Carey (Cabinet Member for Customers, Communications and Performance) introduced the report which asked the Cabinet Committee to consider and endorse the revised Customer Feedback Policy. Miss Carey said she particularly liked the clear language used in the policy and that it was very important everyone was clear about the policy and its requirements. She also said that it could be difficult for people to leave a compliment or other feedback on the website and that such feedback was important to enable the authority to improve services.
- (2) Mrs Blackburn-Clarke drew Members' attention to the changes in the proposed policy since the last update and in particular to responding to complaints relating to the Fluency Duty (Part 7 of the Immigration Act 2016), and to complaints made by school governors.
- (3) In response to questions and comments, Mrs Blackburn-Clarke said: staff training was underway in advance of the launch of the policy; training and information about the policy could be provided for Members; and that members of the public could give feedback in any format they wished subject to a few exceptions which were set out in the policy.
- (4) Mrs Beer said that staff who regularly received feedback from the public would be well trained in recognising and responding appropriately. She also said one of the regular Member Briefings would include information about public engagement and the customer feedback policy and she hoped many Members would be able to attend.
- (5) In response to a question, Mr Watts said the paragraph in the policy that referred to complaints by governors had been included to deal with situations where there was no other process for making a complaint. It specifically excluded complaints about the management of a school as there were other processes for dealing with such complaints.
- (6) Resolved that the revised version of the Policy be endorsed and its implementation within KCC be supported.

**26. Senior Information Risk Owner - Update**  
*(Item 12)*

*Ben Watts (General Counsel and Senior Information Risk Owner) was in attendance for this item*

- (1) Mr Watts introduced the report which provided an update regarding the implementation of the forthcoming Data Protection legislation, explained the importance of changes and gave a general update on information governance

training. He said the authority had been preparing for the General Data Protection Regulation (GDPR) that would come into effect from May 2018. He said key officers had received training last year on the implementation and impact of the GDPR and initial training had been provided as part of the Member induction in May 2017. He also said further more detailed training was planned for all staff and urged Members to attend a full overview of the GDPR and its impact on members and for the County Council on 2 November 2018.

- (2) In response to a question he explained the role of the Caldecott Guardian and the Senior Information Risk Officer and the relationship between them.
- (3) It was suggested that when Members enrolled with the Information Commissioner's Office their enrolment notification should be accompanied by a note setting out their responsibilities in relation to information and the consequences of any non-compliance.
- (4) Resolved that the report be noted.

**27. Work Programme 2017/18**  
*(Item 13)*

Resolved that the work programme for 2017/18 be endorsed subject to the receipt of a further report on contract management at the meeting of the Cabinet Committee on 5 December 2017 and further updates on Corporate Assurance Analysis, the Strategy and Policy Register and the implementation of the General Data Protection Regulation at the meeting of the Cabinet Committee to be held in March 2018.

**28. Exclusion of the Press and Public**

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

**29. Company Governance**  
*(Item 14)*

*Ben Watts (General Counsel) and Andy Wood (Corporate Director of Finance) were in attendance for this item*

- (1) Mr Watts introduced the report which focussed on the potential benefits, risks and disadvantages of a group structure for KCC's wholly owned companies with particular regard to: social value; governance and management; taxation; pension contributions; inter-company activity and co-operation; and back office functions.
- (2) Members generally welcomed the report. Comments were made about the possible tension between commercial interests and the interests of the residents of Kent as well as the need to ensure elected Members were able to scrutinise the performance of companies.

- (3) Members indicated that they wanted to see more detail in relation to how the governance relationship between the council and the companies would work. Members provided Mr Watts and Mr Wood with feedback in relation to some of the detail that they wished to see, in particular regarding reserved matters. Mr Watts assured Members that much of the detail they sought could be provided for the December meeting and that he and other officers would reflect Member's comments in preparing those arrangements.
- (4) Resolved that:
- (a) The governance structure for the group of companies referred to in the paper be reviewed and a holding group structure be implemented as part of the review;
  - (b) Approval be given to enter into such contractual arrangements as are necessary to implement the review;
  - (c) A report be received at a future meeting of the Policy and Resources Cabinet Committee with a detailed explanation of governance arrangements.