



Summons to and
Agenda for a
Meeting on
**Thursday, 15th March,
2018**
at **10.00 am**



DEMOCRATIC SERVICES
SESSIONS HOUSE
MAIDSTONE

Wednesday, 7 March 2018

To: All Members of the County Council

Please attend the meeting of the County Council in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 15 March 2018 at **10.00 am** to deal with the following business. **The meeting is scheduled to end by 4.30 pm.**

Webcasting Notice

Please note: this meeting may be filmed for the live or subsequent broadcast via the Council's internet site or by any member of the public or press present.

By entering into this room you are consenting to being filmed. If you do not wish to have your image captured please let the Clerk know immediately.

Voting at County Council Meetings

Before a vote is taken the Chairman will announce that a vote is to be taken and the division bell shall be rung for 60 seconds unless the Chairman is satisfied that all Members are present in the Chamber.

20 seconds are allowed for electronic voting to take place and the Chairman will announce that the vote has closed and the result.

A G E N D A

1. Apologies for Absence
2. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda
3. Minutes of the meetings held on 7 December 2017 and 20 February 2018, if in order, to be approved as a correct record **(Pages 5 - 26)**
4. Chairman's Announcements
5. Questions

6. Report by Leader of the Council (Oral)
7. Pay Policy Statement **(Pages 27 - 32)**
8. Treasury Management - 6 Month Review - 2017-18 **(Pages 33 - 44)**
9. Joint Health Overview and Scrutiny Committees - terms of reference and membership **(Pages 45 - 50)**
10. Presentation of Kent Invicta Award to Mr Geoff Miles

A handwritten signature in black ink, appearing to read 'B. Watts', with a large, sweeping flourish extending to the right.

Benjamin Watts
General Counsel
03000 416814

KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 7 December 2017.

PRESENT:

Mr D L Brazier (Chairman)
Mr M J Angell (Vice-Chairman)

Mrs A D Allen, MBE, Mr M A C Balfour, Mr P V Barrington-King, Mrs C Bell, Mrs P M Beresford, Mrs R Binks, Mr R H Bird, Mr A Booth, Mr A H T Bowles, Mr D Butler, Miss S J Carey, Mr P B Carter, CBE, Mrs S Chandler, Mr N J D Chard, Mr I S Chittenden, Mrs P T Cole, Mr N J Collor, Mr A Cook, Mr G Cooke, Mr P C Cooper, Mrs M E Crabtree, Mr D S Daley, Mr M C Dance, Miss E Dawson, Mrs T Dean, MBE, Mr T Dhesi, Mr D Farrell, Mrs L Game, Mrs S Gent, Mr G K Gibbens, Ms S Hamilton, Mr P M Harman, Mr P M Hill, OBE, Mr A R Hills, Mrs S V Hohler, Mr S Holden, Mr P J Homewood, Mr A J Hook, Mr M J Horwood, Mr E E C Hotson, Mr J A Kite, MBE, Mr S J G Koowaree, Mr P W A Lake, Mr B H Lewis, Ida Linfield, Mr R L H Long, TD, Mr R C Love, Mr G Lymer, Mr R A Marsh, Ms D Marsh, Mr J P McInroy, Mr P J Messenger, Mr D Murphy, Mr M J Northey, Mr P J Oakford, Mr J M Ozog, Mr R A Pascoe, Mr M D Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A M Ridgers, Mr J D Simmonds, MBE, Mrs P A V Stockell, Dr L Sullivan, Mr B J Sweetland, Mr I Thomas, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr B Watts (General Counsel), Ms A Singh (Corporate Director, Adult Social Care and Health), Mrs A Beer (Corporate Director Engagement, Organisation Design & Development), Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr M Dunkley (Corporate Director for Children Young People and Education), Mr A Scott-Clark (Director of Public Health) and Mr A Wood (Corporate Director of Finance)

UNRESTRICTED ITEMS

38. Apologies for Absence

The General Counsel reported apologies from Mr Bartlett, Ms Constantine, Mr Gough, Mr Manion, Mr Monk, Mr Simkins and Mr Whiting.

39. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda

(1) Mr Thomas declared an interest, in relation to any discussion regarding a new hospital in Canterbury, as a member of Canterbury City Council's Planning Committee.

(2) Mr Horwood stated that he was in the process of updating his Disclosable Pecuniary Interest form and was now working for UK Power Networks.

(3) Mr Lewis declared an interest in Item 7 as his wife was employed by the County Council.

(4) Dr Sullivan declared an interest as her husband was employed by the County Council in the Early Help and Prevention Team.

(5) Mr Koowaree declared an interest in Item 9 as his grandchild was a Looked After Child.

(6) Mr Hook declared an interest, during the debate in Item 9, as his partner was a Probation Officer.

40. Minutes of the meeting held on 19 October 2017 and, if in order, to be approved as a correct record

RESOLVED that the minutes of the meeting held on 19 October 2017 be approved as a correct record.

41. Chairman's Announcements

(a) Member Development Charter Plus

(1) The Chairman informed Members that Kent County Council had been awarded the Member Development Charter Plus for the next 3 years; a formal presentation would take place at a future meeting of the County Council.

(b) Silver Employer Recognition Award

(2) The Chairman informed Members that Kent County Council had achieved the Silver Employer Recognition Award from the Ministry for Defence in relation to its support for the armed forces.

(3) Mr Long, KCC's Armed Forces Champion, read the citation and presented the certificate to the Chairman.

(c) Mr Matt Dunkley, CBE

(4) The Chairman introduced Matt Dunkley, CBE, Corporate Director, Children, Young People and Education, who joined KCC on 27 November 2017.

(5) Mr Dunkley was invited to introduce himself and briefly set out his role.

(6) Mr Carter paid tribute to Patrick Leeson, former Corporate Director - Education & Young People Services, for his service and contribution to the County Council and young people in Kent. Mr Carter welcomed Mr Leeson's appointment as the Chairman of the Education Trading Service model.

(d) Honorary Alderman

(7) The Chairman reminded Members that the additional meeting for the Honorary Aldermen would take place at 12.30pm or on the rising of the County Council whichever was the earlier.

42. Questions

In accordance with Procedure Rule 1.17(4), 4 questions were asked and replies given. A record of all questions put and answers given at the meeting is available [online](#) with the papers for this meeting. Question 2 was not put, as the Member who submitted the question was absent, but a written answer was provided.

43. Report by Leader of the Council (Oral)

- (1) The Leader updated the Council on events since the previous meeting.
- (2) Mr Carter stated that his report would focus on East Kent Hospital and subsidised bus services.
- (3) Mr Carter referred to the proposed options for reconfiguration of Accident and Emergency (A&E) services in East Kent and expressed the view that there should be a third option for a new hospital for Canterbury alongside the proposals for hospitals in Margate and Ashford. He disputed the claim that Canterbury did not fulfil the Keogh criteria for A&E or consultant A&E services as Canterbury's current population was 240,000 and by 2030 it would be 280,000. This third option was also supported by the Leader of Canterbury City Council.
- (4) Mr Carter highlighted the points publicised in the letter from Kent MPs concerning potential diminution in the budget and delivery of subsidised bus routes in Kent. He stated that KCC had not removed any subsidises for bus routes in the last 12 months, however, the bus operators had chosen to change scheduled services. He stated that KCC's budget had remained constant for 2017/18 at £7.5 million.
- (5) Mr Carter confirmed that he planned to meet Arriva and Stagecoach in advance of the public consultation. He would attempt to persuade them to keep a significant number of the unsubsidised routes. He would also be meeting other smaller bus operators to discuss the routes at risk to establish how they might be able to potentially reduce the impact if the bigger companies chose to remove some of their services. There would also be meetings with a number of taxi operators across the County on the development of the click and ride taxi share scheme to support rural communities alongside expanding community bus services and the Kent Carrier bus services. He confirmed that an indicative budget had been set for this purpose.
- (6) Mr Carter stated that these actions demonstrated a commitment to passengers on some very marginal routes, but he also referred to the commitment and duty to tax payers who may question if a subsidy of £18.50 per bus ride was the best way to use public money.
- (7) Mr Carter emphasised that in addition to the pressure from Government in reducing KCC's budget, there was the additional pressure of an above inflation price increase in the coming financial year of 3.5% proposed by both Arriva and Stagecoach. He expressed the hope that it would be possible to negotiate a lower settlement with the bus companies.

(8) Mr Carter stated that other Local Authorities had already, or were proposing to, significantly reduce or end bus subsidies for socially necessary routes. This was due to the financial pressures that many County areas were under to maintain vital statutory services.

(9) Mr Bird, the Leader of the Opposition, welcomed the Leader's comment in support of a vibrant and viable hospital in Canterbury and emphasised that this hospital had to be backed up by the delivery of trained medical staff.

(10) Mr Bird supported the more proactive way of dealing with the bus companies, recognising that bus services were socially necessary and vital for the community. He acknowledged the unjustified expense of these services to the Council and the difficult decisions to be made. He expressed regret that this had not been done sooner and referred to the unfortunate legislative framework covering County Councils as opposed to areas with elected mayors.

(11) Mr Farrell, the Leader of the Labour group, agreed with Mr Carter's response to East Kent Hospitals and stated that there was the need for a third option due to the growing population of that area.

(12) Mr Farrell referred to the consultation on subsidised bus services and the way that the public would perceive the validity of this if the budget was set before the public consultation closed. He acknowledged that Uber like technology could be operating public transport of the future, but it needed to be remembered that this would be serving some of the most financially and technologically deprived people in the County.

(13) Mr Farrell stated that County Council had undermined its own argument in relation to the pressures on local government finance by agreeing a 15% increase in Members allowances. He thanked to all KCC staff for their efforts over the last year.

(14) Mr Whybrow, Leader of the Independents Group, agreed with the Opposition Leader's comments on Mr Carter's update on East Kent Hospitals. Mr Whybrow referred to the increasing number of children and pensioners who were in poverty compared to four years ago.

(15) Mr Whybrow expressed concern at the apparent lack of understanding that some MPs had of local government funding and referred to the Autumn Budget statement not providing additional funding for children's services and adult social care.

(16) In relation to subsidised bus services, Mr Whybrow welcomed the Leaders personal involvement in protecting bus services. He suggested considering the funding pilots for rural bus services being carried out by Essex and Suffolk County Councils.

(17) In replying to the other Leader's comments, Mr Carter referred to the awaited Local Government settlement. He was hopeful that KCC might get some relief on the expansion of the transitional grant and possibly be the recipient of 100% business growth pilots. He expressed his gratitude to the other Leaders for their support for an option 3 to provide a medical school in Canterbury next to the hospital.

(18) In conclusion Mr Carter thanked all the staff for their efforts this year and drew attention to the good rating for the Ofsted inspection of children's services. He thanked the other Leaders and new opposition Members for the responsible way in which they had carried out their roles since the election and he looked forward to working with them in the New Year to make sure that the best outcomes and services were delivered for the people of Kent.

44. KCC engagement with the Kent & Medway NHS Sustainability and Transformation Plan

(1) Mr Carter moved and Mr Oakford seconded the following motion:

"That County Council:

- a) Note the successful engagement of the County Council with the STP to date;
- b) Note the latest developments regarding the STP, in particular the move towards a single Strategic Commissioner for health and two Accountable Care Partnerships;
- c) Agree the principles as the basis for KCC engagement in the STP discussions set out in Section 4;
- d) Note and agree the arrangements for Member oversight and decision-making for proposals which may emanate from STP engagement."

(2) Following the debate, the motion was agreed without a formal vote.

(3) RESOLVED that the County Council:

- a) Notes the successful engagement of the County Council with the STP to date;
- b) Notes the latest developments regarding the STP, in particular the move towards a single Strategic Commissioner for health and two Accountable Care Partnerships;
- c) Agrees the principles as the basis for KCC engagement in the STP discussions set out in Section 4;
- d) Notes and agrees the arrangements for Member oversight and decision-making for proposals which may emanate from STP engagement.

45. Kent Health and Wellbeing Board - Annual Report

1) Mr Oakford moved and Mr Carter seconded the following motion:

"That the County Council is asked to agree that the Kent Health and Wellbeing Board has fulfilled its responsibilities under its Terms of Reference."

- (2) Following the debate, the motion was agreed without a formal vote.
- (3) RESOLVED that the County Council agrees that the Kent Health and Wellbeing Board has fulfilled its responsibilities under its Terms of Reference

46. Kent and Medway Safeguarding Adults Board - Annual Report

- (1) Mr Gibbens moved and Ms Marsh seconded the following motion:

“County Council is asked to COMMENT on the progress and improvements made during 2016-17, as detailed in the Annual Report from the Kent and Medway Safeguarding Adults Board and ENDORSE the 2016-17 Annual Report.”

- (2) Ms Deborah Stuart-Angus, Independent Chair of the Kent Safeguarding Adults Board, addressed the meeting and answered a number of questions from Members.
- (3) Following the debate, the motion was agreed without a formal vote.
- (4) RESOLVED that the 2016/17 Annual Report from Kent and Medway Safeguarding Adults Board be endorsed and the comments made by Members be noted.

47. Motion for Time Limited Debate

- (1) Mr Bird moved and Ida Linfield seconded the following motion:

“This Council faces considerable and increasing challenges including growing demand, rising costs and reduction in government funding. To ensure that we continue to deliver the services that matter most to the people of Kent, public engagement is vital.

This Council supports the principle of public participation in County Council meetings.

This council therefore agrees to request that the General Counsel explore options and present a paper to the meeting in March 2018 to introduce a Public Question Time to ensure that we meet the Council’s priorities and to join with our District colleagues and other County Council peers in introducing the ability for the residents to have their say.”

- (2) Following the debate the Chairman put the motion set out in paragraph (1) above to the vote and the voting was as follows:

For (13)

Mr R Bird, Mr I Chittenden, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow.

Against (55)

7 DECEMBER 2017

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mrs C Bell, Mrs P Beresford, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Ms S Hamilton, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mr J Kite, Mr P Lake, Mr R Long, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Mr J Simmonds, Mr B Sweetland, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr I Thomas, Mr J Wright.

Abstain (2)

Mrs R Binks, Mr R Love

Motion lost

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KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 7 December 2017.

PRESENT:

Mr D L Brazier (Chairman)
Mr M J Angell (Vice-Chairman)

Mrs A D Allen, MBE, Mr M A C Balfour, Mr P V Barrington-King, Mrs C Bell, Mrs P M Beresford, Mrs R Binks, Mr R H Bird, Mr A Booth, Mr A H T Bowles, Mr D Butler, Miss S J Carey, Mr P B Carter, CBE, Mrs S Chandler, Mr N J D Chard, Mr I S Chittenden, Mrs P T Cole, Mr N J Collor, Mr A Cook, Mr G Cooke, Mr P C Cooper, Mrs M E Crabtree, Mr D S Daley, Mr M C Dance, Miss E Dawson, Mrs T Dean, MBE, Mr T Dhesi, Mr D Farrell, Mrs L Game, Mrs S Gent, Mr G K Gibbens, Ms S Hamilton, Mr P M Harman, Mr P M Hill, OBE, Mr A R Hills, Mrs S V Hohler, Mr S Holden, Mr P J Homewood, Mr A J Hook, Mr M J Horwood, Mr E E C Hotson, Mr J A Kite, MBE, Mr S J G Koowaree, Mr P W A Lake, Mr B H Lewis, Ida Linfield, Mr R L H Long, TD, Mr R C Love, Mr G Lymer, Mr R A Marsh, Ms D Marsh, Mr J P McInroy, Mr P J Messenger, Mr D Murphy, Mr M J Northey, Mr P J Oakford, Mr J M Ozog, Mr R A Pascoe, Mr M D Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A M Ridgers, Mr J D Simmonds, MBE, Mrs P A V Stockell, Dr L Sullivan, Mr B J Sweetland, Mr I Thomas, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr B Watts (General Counsel)

UNRESTRICTED ITEMS

48. Apologies for Absence

The General Counsel reported apologies from Mr Bartlett, Ms Constantine, Mr Gough, Mr Manion, Mr Monk, Mr Simkins and Mr Whiting.

49. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda

None.

50. Appointment of Honorary Alderman

(1) The Chairman offered a very warm welcome to the meeting to Mr Tom Gates, Mr Mike Harrison, Mr Leyland Ridings, MBE JP, Mr James Scholes, Mr Derek Smyth, Mr Martin Vye and their guests.

(2) The Chairman noted that Mr Alex King, MBE had been nominated but was unable to attend; a formal presentation would take place at a future meeting of the County Council.

(3) The Chairman stated that Mr Gates, Mr Harrison, Mr King, MBE, Mr Ridings, MBE JP, Mr James, Mr Smyth, Mr Vye had been regarded by Group Leaders as having given eminent service both to Kent County Council and the people of Kent.

(4) RESOLVED UNANIMOUSLY that Mr Gates, Mr Harrison, Mr King, MBE, Mr Ridings, MBE JP, Mr James, Mr Smyth, Mr Vye, distinguished former Members of Kent County Council, be awarded the status of Honorary Aldermen.

(5) The Chairman then presented Mr Gates, Mr Harrison, Mr Ridings, MBE JP, Mr James, Mr Smyth, Mr Vye, with their Honorary Aldermen badge and scroll.

(6) Mr Gates responded, on behalf of the newly appointed Honorary Aldermen, in suitable terms and expressed their thanks for the honour bestowed upon them by the County Council.

KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 20 February 2018.

PRESENT:

Mr D L Brazier (Chairman)
Mr M J Angell (Vice-Chairman)

Mrs A D Allen, MBE, Mr M A C Balfour, Mr P V Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P M Beresford, Mrs R Binks, Mr R H Bird, Mr T Bond, Mr A Booth, Mr A H T Bowles, Mr D Butler, Miss S J Carey, Mr P B Carter, CBE, Mrs S Chandler, Mr I S Chittenden, Mrs P T Cole, Mr N J Collor, Ms K Constantine, Mr A Cook, Mr G Cooke, Mr P C Cooper, Mrs M E Crabtree, Mr D S Daley, Mr M C Dance, Miss E Dawson, Mrs T Dean, MBE, Mr T Dhesi, Mr D Farrell, Mrs L Game, Mrs S Gent, Mr G K Gibbens, Mr R W Gough, Ms S Hamilton, Mr P M Harman, Mr P M Hill, OBE, Mr A R Hills, Mr P J Homewood, Mr A J Hook, Mr M J Horwood, Mr E E C Hotson, Mr J A Kite, MBE, Mr S J G Koowaree, Mr P W A Lake, Mr B H Lewis, Ida Linfield, Mr R L H Long, TD, Mr R C Love, Mr G Lymer, Mr S C Manion, Mr R A Marsh, Ms D Marsh, Mr J P McInroy, Mr P J Messenger, Mr D D Monk, Mr D Murphy, Mr M J Northey, Mr P J Oakford, Mr R A Pascoe, Mr M D Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr A M Ridgers, Mr C Simkins, Mrs P A V Stockell, Dr L Sullivan, Mr B J Sweetland, Mr I Thomas, Mr M Whiting, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr B Watts (General Counsel), Mrs B Cooper (Corporate Director of Growth, Environment and Transport), Mr M Dunkley (Corporate Director for Children Young People and Education), Mr D Shipton (Head of Finance (Policy, Planning and Strategy)), Ms A Singh (Corporate Director, Adult Social Care and Health) and Mr A Wood (Corporate Director of Finance)

UNRESTRICTED ITEMS

51. Apologies for Absence

The General Counsel reported apologies from Mr Chard, Mr Holden, Mrs Hohler, Mr Rayner and Mr Simmonds.

52. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda

- (1) Dr Sullivan declared an interest as her husband was employed by the County Council in the Early Help and Prevention Team.
- (2) Mr Lewis declared an interest as his wife worked for the County Council.

53. Chairman's Announcements

a) Mr Bertie Bassam

(1) The Chairman stated that it was with regret that he had to inform Members of the sad death of Mr Bassam on Friday 22 December. Mr Bassam served on Kent County Council between 1997 - 2009.

(2) Mr Bassam's funeral had taken place on Thursday 18 January 2018 and there would be an opportunity for Members to pay tribute to Mr Bassam at the March County Council meeting.

b) New Years Honours list

The Chairman referred Members to the list of New Year Honours Recipients from Kent and formally congratulated all those who had received an Honour.

c) Lizzy Yarnold

The Chairman referred to Lizzy Yarnold's recent success at the winter Olympics in achieving a second gold medal for women's skeleton. He reminded Members that Lizzy had been awarded the Kent Invicta Award by the County Council in 2014. He had written to congratulate her on her achievement on behalf of the County Council.

54. Capital Programme 2018-21, Revenue Budget 2018-19 and Revenue Medium Term Financial Plan 2018-20 (including Council Tax setting 2018-19)

(1) The Chairman reminded all Members that any Member of a Local Authority who was liable to pay Council Tax, and who had any unpaid Council Tax amount overdue for at least two months, even if there was an arrangement to pay off the arrears, must declare the fact that they are in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

(2) The Chairman stated that all Members would have received an email from Democratic Services, dated 14 February, setting out the process and order of the budget debate at today's meeting.

(3) Mr Brazier moved and Mr Angell seconded the following recommendation:

"Procedure Rule 1.12(2) be suspended in order that the meeting be extended to 5.00pm if necessary;

Procedure Rule 1.28 be suspended in order that the proposer of the original motion and the seconder be allowed to speak in total for a maximum of 17 minutes, the Leaders of the Liberal Democrat, Labour and Independent Groups speak for 8, 6 and 4 – minutes respectively, with the Proposer of the motion being given a 5 minute right of reply; and the Cabinet Members to speak for up to 12 minutes when introducing each directorate debate; and

Procedure Rule 1.35 be suspended in order for the proposer and seconder of the original motion to be permitted to speak on more than one occasion."

Agreed without a formal vote

(4) The Chairman then invited Mr Wood, Corporate Director Finance, to give a presentation on various issues relevant to the budget. As part of this presentation, Mr Wood as Section 151 officer confirmed that the budget estimates were robust and the level of reserves adequate, as required by the Local Government Act 2003.

(5) Mr Carter moved and Mrs Crabtree seconded the following motion:

The County Council is asked to agree the following:

- (a) Net revenue budget requirement of £958.488m for 2018-19
 - (b) Capital investment proposals of £794.707m over three years from 2018-19 to 2020-21 together with the necessary funding and subject to approval to spend arrangements
 - (c) The Treasury Management Strategy as per section 5 of the draft Budget Book released on 15th January
 - (d) Prudential Indicators as set out in revised Appendix B to the draft Budget Book (appendix 7 of this report)
 - (e) The Minimum Revenue Provision (MRP) Statement as set out in Appendix C to the draft Budget Book
 - (f) The directorate capital programmes as set out in the draft Budget Book released on 15th January as amended by the changes in this report (summarised in appendix 2 of this report)
 - (g) The directorate revenue budget proposals as set out in the draft Budget Book released on 15th January as amended by the latest updates included in this report (summarised in appendices 3, 4, 5 and 6 of this report)
 - (h) Delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations (summary delegations to managers as set out in appendix 4 to this report)
 - (i) To increase council tax band rates up to the maximum permitted without a referendum as set out in paragraph 2.7 table 2
 - (j) To levy the additional 2% social care precept (raising an additional £13,194,425 and taking the total social care precept to £36,598,016 out of precept set out in (k) below)
 - (k) The total council tax requirement of £665,735,336 to be raised through precepts on districts as set out in revisions to section 2 of the Budget Book (appendix 1 to this report)
- (ii) In addition:
- (l) To note that the Cabinet Member for Corporate and Democratic Services will determine the TCP reward thresholds for staff assessed as achieving, achieving above, and outstanding, and the single value of KR2, within the 2.8% overall funding available
 - (m) To delegate authority to the Corporate Director of Finance (in consultation with the Leader, Cabinet Member for Finance and the political Group Leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement
 - (n) The changes made in (m) above to be reflected in the final version of the Budget Book and MTFP due to be published in March

- (o) To note that final distribution of unallocated amounts will be made in compliance with the Council's Financial Regulations and Procedures, including where necessary key decisions
- (p) To note the financial outlook for 2019-20 with further anticipated funding reductions and additional spending demands offset by provisional council tax increases and additional savings (some of which are yet to be identified)

Children, Young People and Education

(6) The Cabinet Member for Children, Young People and Education introduced the budget for this Directorate prior to a general debate.

(7) Ms Constantine proposed and Mr Dhesi seconded the following amendment:

That £170,000 be used to support youth hubs to work collaboratively with their commissioned universal youth offer to provide talk therapies, as well as provide young people with activities to improve resilience, confidence and self-esteem.

Proposed Additional Spend: Youth Services £170k (+£170k amendment to Key Service line 51: Youth Services)

Funded By: Increase use of Reserves £70k (-£70k amendment to Key Service line 103: Financing Items & Unallocated – non-staffing) Reduce Minimum Revenue Provision £100k (-£100k amendment to Key Service line 103: Financing Items & Unallocated – non-staffing)

(8) Following the debate, the Chairman put to the vote the amendment set out in paragraph (7) above and the voting was as follows:

For (14)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (59)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Mr K Pugh, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (1)

Mr N Collor

Amendment lost

(9) Mr Whybrow proposed and Mr Harman seconded the following amendment:

As a result of the higher than anticipated provisional council tax base and other late funding changes, increase draw down on reserves [Financing items & unallocated - line 103, page 144, Section 11 of Key Service Statement] to fund an additional £1.1 million to increase the number of social workers in Specialist Children's Services, thereby doubling the proposed budget increase for this area to £2.2 million.

The average case load in Kent is recognised to be too high at present, standing at around 23.4 per social worker. The additional £1.1 million funding would provide for an estimated additional 22 social workers on KCC terms and conditions or 16 agency social workers and would reduce the case load to between 21.5 (KCC workers) and 22 (agency workers), thereby accelerating the authority's move towards Ofsted's recommended case load of 18.

Proposed Additional Spend: Specialist Children's Services Staffing £1.1m (+£1.1m amendment to Key Service line 58: Specialist Children's Services – Assessment & Safeguarding Service – staffing)

Funded By: Increase use of Reserves £1.1m (-£1.1m amendment to Key Service line 103: Financing Items & Unallocated – non-staffing)

(10) Following the debate, the Chairman put to the vote the amendment set out in paragraph (9) above and the voting was as follows:

For (14)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (60)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Mr K Pugh, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

Growth, Environment and Transport Directorate

(11) The Cabinet Members for Planning, Highways, Transport & Waste, Economic Development and Community & Regulatory Services introduced the budget for this Directorate prior to a general debate.

(12) Mr Chittenden proposed and Mrs Dean seconded the following amendment:

Increase the amount of spend funded by the Highway Maintenance Reserve to immediately focus on high priority repairs in 2018-19 to address the £630m Highways Maintenance backlog.

Proposed Additional Spend: Highways Maintenance Reserve (as referred to in paragraph 5.17 of the County Council report) by £2.6m to give a total of £5.0m (+£2.6m amendment to Key Service line 72: Highway Asset Management (Roads and Footways – non-staffing) as adjusted by paragraph 5.17 of the County Council report)

Funded By: Increase use of Reserves £2.6m (-£2.6m amendment to Key Service line 103: Financing Items & Unallocated – non-staffing)

(13) Following the debate, the Chairman put to the vote the amendment set out in paragraph (12) above and the voting was as follows:

For (14)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (60)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Mr K Pugh, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

(14) Dr Sullivan proposed and Mr Dhesi seconded the following amendment:

Acknowledge the rising cost of living and the importance of enabling young people to travel to their chosen place of education independently and affordably.

Proposed Reduced Income: Reduce Young Person's Travel Pass Income £508K (+£508K amendment to Key Service line 76: Young Person's Travel Pass (income))

Funded By: Increase use of Reserves £508k (-£508k amendment to Key Service line 103: Financing Items & Unallocated – non-staffing)

(15) Following the debate, the Chairman put to the vote the amendment set out in paragraph (14) above and the voting was as follows:

For (14)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (58)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Mr K Pugh, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (1)

Mr A Cook

Amendment lost

Adult Social Care and Health Directorate

(16) The Cabinet Members for Adult Social Care, Strategic Commissioning & Public Health and Health Reform introduced the budget for this Directorate prior to a general debate.

(17) Mr Hook proposed and Ida Linfield seconded the following amendment:

Establish a £250k budget for 2018-19 to support befriending services aimed at prevention of social isolation and improved support at the onset of dementia. Funding for subsequent years to be considered by forthcoming Select Committee on Social Isolation.

Proposed Additional Spend: Community Based Preventative Services £250k (+£250k amendment to Key Service line 27: Community based preventative services – OPPD – non-staffing)

Funded By: Increase use of Reserves £250k(-£250k amendment to Key Service line 103: Financing Items & Unallocated – non-staffing)

(18) Following the debate, the Chairman put to the vote the amendment set out in paragraph (17) above and the voting was as follows:

For (13)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (58)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (1)

Mrs R Binks

Amendment lost

Strategic and Corporate Services

(19) The Cabinet Members for Corporate & Democratic Services, Customers, Communications & Performance, Strategic Commissioning and the Deputy Cabinet Member for Finance, and the Cabinet Lead for Traded Services introduced the budget for this Directorate prior to a general debate.

Cross Cutting amendments

(20) Mr Bird proposed and Mr Whybrow seconded the following amendment:

Minimum wage to be increased from £8:10 to £8:50 per hour in line with the majority of other local authorities in England & Wales (353 councils use the NJC provisions) with KR2 and KR3 pay ranges adjusted appropriately.

Proposed Additional Spend: Increase Performance reward pot by £200k (all directorates) (page 34 Appendix 6 of County Council report) (+£200k amendment across all affected Key Service line staffing budgets)

Funded By: Increase use of Reserves £200k (-£200k amendment to Key Service line 103: Financing Items & Unallocated – non- staffing).

(21) Following the debate, the Chairman put to the vote the amendment set out in paragraph (20) above and the voting was as follows:

For (11)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Ida Linfield, Mr M Whybrow

Against (58)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

Amendment lost

(22) Mr Farrell proposed and Ms Constantine seconded the following amendment:

Continue to recognise that KCC staff are the most valuable asset within the organisation and that we should strive to meet inflation with our pay award at 3%.

Proposed Additional Spend: Increase performance reward pot by £500k (all directorates) (page 34 Appendix 6 of County Council report) (+£500k amendment across all affected Key Service line staffing budgets)

Funded By: Increase use of Reserves £500k (-£500k amendment to Key Service line 103: Financing Items & Unallocated – non- staffing)

(23) Following the debate, the Chairman put to the vote the amendment set out in paragraph (22) above and the voting was as follows:

For (11)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Ida Linfield, Mr M Whybrow

Against (59)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S, Prendergast, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

Amendment lost

(24) As all of the amendments had been determined, the Chairman put to the vote the Motion as set out in paragraph (5) above and voting was as follows:

For (59)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Booth, Mr A Bowles, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mrs P Cole, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Mr M Dance, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mr P Homewood, Mr M Horwood, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr S Manion, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Monk, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Miss C Rankin, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr M Whiting, Mr J Wright

Against (13)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr D Farrell, Mr P Harman, Mr A Hook, Mr G Koowaree, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Abstain (0)

Motion carried

(25) RESOLVED that

(i) the County Council approve the following:

- (a) Net revenue budget requirement of £958.488m for 2018-19
- (b) Capital investment proposals of £794.707m over three years from 2018-19 to 2020-21 together with the necessary funding and subject to approval to spend arrangements
- (c) The Treasury Management Strategy as per section 5 of the draft Budget Book released on 15th January

- (d) Prudential Indicators as set out in revised Appendix B to the draft Budget Book (appendix 7 of the report)
- (e) The Minimum Revenue Provision (MRP) Statement as set out in Appendix C to the draft Budget Book
- (f) The directorate capital programmes as set out in the draft Budget Book released on 15th January as amended by the changes in the report (summarised in appendix 2 of the report)
- (g) The directorate revenue budget proposals as set out in the draft Budget Book released on 15th January as amended by the latest updates included in the report (summarised in appendices 3, 4, 5 and 6 of the report)
- (h) Delegation of responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations (summary delegations to managers as set out in appendix 4 to the report)
- (i) To increase council tax band rates up to the maximum permitted without a referendum as set out in paragraph 2.7 table 2
- (j) To levy the additional 2% social care precept (raising an additional £13,194,425 and taking the total social care precept to £36,598,016 out of precept set out in (k) below)
- (k) The total council tax requirement of £665,735,336 to be raised through precepts on districts as set out in revisions to section 2 of the Budget Book (appendix 1 to the report)

In addition:

- (l) It be noted that the Cabinet Member for Corporate and Democratic Services will determine the TCP reward thresholds for staff assessed as achieving, achieving above, and outstanding, and the single value of KR2, within the 2.8% overall funding available
- (m) Authority be delegated to the Corporate Director of Finance (in consultation with the Leader, Cabinet Member for Finance and the political Group Leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement
- (n) The changes made in (m) above to be reflected in the final version of the Budget Book and MTFP due to be published in March
- (o) To note that final distribution of unallocated amounts will be made in compliance with the Council's Financial Regulations and Procedures, including where necessary key decisions
- (p) the financial outlook for 2019-20 with further anticipated funding reductions and additional spending demands offset by provisional council tax increases and additional savings (some of which are yet to be identified) be noted.

(In accordance with their declarations of interest Dr Sullivan and Mr Lewis withdrew from the meeting and took no part in the debate or voting on the two cross cutting amendments in paragraphs 20 and 22 above.)

DRAFT

By: Eric Hotson – Cabinet Member for Corporate & Democratic Services
 Amanda Beer – Corporate Director of Engagement, Organisation Design and Development

To: County Council **Date:** 15 March 2018

Subject: Pay Policy Statement

Classification: Unrestricted

Summary: This paper addresses the actions the Authority is required to make on pay as part of delivering its responsibilities under the Localism Act 2011.

1. BACKGROUND

- 1.1 An objective of the Localism Act is to increase transparency of local pay. This requires councils to publish the salaries of senior officials, enabling local people to better understand how public money is being spent in their area.
- 1.2 The Act requires a local authority pay policy to be openly approved by democratically elected councilors on an annual basis.

2. PAY POLICY STATEMENTS

- 2.1 The proposed Pay Policy Statement for 2018/19 is attached in Appendix 1. As in previous years, and as agreed by County Council on 29 March 2012, the statement is required to relate to:-
 - (a) the level and elements of remuneration for each chief officer
 - (b) remuneration of chief officers on recruitment
 - (c) increases and additions to remuneration for each chief officer
 - (d) the use of performance-related pay (PRP) for chief officers
 - (e) the use of bonuses for chief officers
 - (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority
 - (g) the publication of and access to information relating to remuneration of chief officers.

For the purpose of the Localism Act, a Chief Officer in KCC is defined as being at 'Director Level'. This includes the County Council's Corporate Directors and Directors.

- 2.2 The provisions do not apply to the staff of local authority schools.

3. PAY MULTIPLE

- 3.1 A pay multiple is calculated in order to measure the difference in pay between the norm and highest salary. The definition of pay multiple as defined in the 'Code of Recommended Practice for Local Authorities on Data Transparency' document is the ratio between the highest paid salary and the median average salary of the authority's workforce.
- 3.2 KCC's current Pay Multiple figure is 7.9 : 1. This excludes schools.

4. GUIDANCE

- 4.1 The policy is compliant with expectations and guidance in the Code of Recommended Practice along with supplementary updates which have been received.

5. RECOMMENDATION

- 5.1 County Council endorses the attached Pay Policy Statement.

Colin Miller
Strategy & Commissioning Manager
Ext. 416483

Kent County Council Pay Policy Statement 2018-19

The Authority seeks to be able to recruit and retain staff in a way which is externally competitive and internally fair. The Kent Scheme pay policy applies in a consistent way from the lowest to the highest grade.

- The pay policy is influenced by a number of factors which include local pay bargaining, market information, market forces, economic climate, measures of inflation and budgetary position.
- The policy referred to in this Statement is relevant to Council employees generally. The scope of this Statement does not include all Terms and Conditions as some are set on a national basis. These include Teachers covered by the school teachers pay and conditions in (England and Wales) document, Soulbury Committee, Adult Education, National Joint Council (NJC), Joint National Council (JNC) and the National Health Service (NHS).
- The Kent scheme pay range consists of grades KR2 – KR20; details of which are at the bottom of the page.
- The details of the reward package for all Corporate Directors and Directors are published and updated on the County Council's web site.
- KCC will publish the number of people and job title by salary band. This is from £50,000 to £54,999 and then by pay bands of £5,000 thereafter. This will include elements made on a repeatable or predictable basis such as market premium payments.
<https://www.kent.gov.uk/about-the-council/finance-and-budget/spending/senior-staff-salaries>
- The appropriate grade for a job is established through a job evaluation process which takes into account the required level of knowledge, skills and accountability required for the role.
- The lowest point of KCC's grading structure (bottom of grade KR2) is set such that the hourly rate is above the National Minimum Wage.
- Staff who are new to the organisation must be appointed at the minimum of the grade unless there are exceptional reasons to appoint higher. These must be based on a robust business case in relation to the level of knowledge, skills and experience offered by the candidate and consideration is given to the level of salaries of the existing staff to prevent pay inequality. For senior staff, any such business case must be approved by the relevant Corporate Director.
- Council signs off the pay structure. The subsequent appointment of individuals, including those receiving salaries in excess of £100k, is in accordance with the pay structure and the principles outlined in the pay policy.
- Staff who are promoted should be appointed to the minimum of the grade.

However, their pay increase should equate to at least 2.5%.

- All progression within a grade is subject to performance as assessed through Total Contribution Pay (TCP) process and a percentage awarded for each appraisal level. This applies to all levels in the Authority and there are no additional bonus schemes for senior managers.
- The award for each appraisal rating is set annually following the outcome of the appraisal process.
- People at the top of their grade have the opportunity to receive a pay award which is consistent with others who have the same appraisal rating. This amount will be paid separately and not built into base pay.
- The 'Lowest' paid employees are defined as those employees on the lowest pay point of KCC's lowest grade, KR2. They receive relevant benefits and are remunerated in the same proportionate way as others.
- The entry level will increase to £15,627 which equates to £8.10 per hour.
- In order to establish the pay difference and the relative change in pay levels over time, a pay multiplier can be calculated. This is the base pay level of the highest paid employee shown as a multiple of the median Kent Scheme salary. This multiplier will be published on the County Council's website annually.
<http://www.kent.gov.uk/about-the-council/information-and-data/data-about-the-council>
http://www.kent.gov.uk/data/assets/pdf_file/0006/13578/Pay-Multiplier.pdf
- KCC recognises that managers need to be able to reward performance in a flexible and appropriate way to the particular circumstances.
- Should it be shown that there is specific recruitment and retention difficulties, the Market Premium Policy may be used to address these issues.
- The Council would not expect the re-engagement of an individual who has left the organisation with a redundancy, retirement or severance package.
- Managers have delegated powers to make cash awards and ex-gratia payments when necessary and where not covered by any other provision as defined in the Blue Book Kent Scheme Terms & Conditions.
<http://www.kent.gov.uk/jobs/careers-with-us/working-for-us>
http://www.kent.gov.uk/data/assets/pdf_file/0019/12574/Kent-Scheme.pdf
- Policies about termination payments and employer discretions under the Local Government Pension Scheme will be reviewed and published for all staff. These will be produced with the intention of only making additional payments when in the best interests of the Authority and maintaining consistency through all pay grades.

**Kent Scheme
2018-19 Pay Range**

£ (Minimum)		£ (Maximum)
£196,522	KR 20	£201,587
£142,696	KR 19	£195,509
£120,006	KR 18	£142,695
£95,811	KR 17	£113,876
£74,677	KR16	£94,305
£65,684	KR 15	£74,676
£58,021	KR 14	£65,683
£51,779	KR13	£58,020
£44,209	KR 12	£51,778
£38,415	KR 11	£44,208
£32,496	KR 10	£38,414
£28,413	KR 9	£32,495
£24,791	KR 8	£28,412
£21,790	KR 7	£24,790
£19,864	KR 6	£21,789
£18,059	KR 5	£19,863
£17,189	KR 4	£18,058
£15,628	KR 3	£17,188
£15,627	KR 2	£15,627

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By: John Simmonds, Cabinet Member for Finance
Andy Wood, Corporate Director of Finance

To: County Council – 15 March 2018

Subject: **TREASURY MANAGEMENT 6 MONTH REVIEW 2017-18**

Classification: Unrestricted

Summary: To present the Treasury Management 6 Month Review

FOR INFORMATION

INTRODUCTION

1. This report covers Treasury Management activity for the 6 months to 30 September 2017 and developments in the period since up to the date of this report.
2. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end). This report therefore ensures this council is embracing Best Practice in accordance with CIPFA's recommendations.
3. The Council's Treasury Management Strategy for 2017-18 was approved by full Council on 9 February 2017.
4. The Council has both borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

EXTERNAL CONTEXT

5. The dominant issues for financial markets in the 6 months to the end of September were the election of a minority Conservative government in June as well as rising inflation. The Consumer Price Inflation (CPI) rose to 3% at the end of September and further to 3.1% by the end of November, as companies passed on the higher costs stemming from the lower level of sterling. With its inflation-control mandate in mind, the Bank of England's Monetary Policy Committee raised official interest rates from 0.25% to 0.5% in November 2017.
6. The FTSE 100 has risen reaching a record high in December of 7,688. Money markets rates remained low in the period to the end of September. 1-month, 3-month and 12-month LIBID rates averaged 0.25%, 0.30% and 0.65% respectively, rising after the increase in the bank rate.

REGULATORY UPDATES

Implementation of the Markets in Financial Instruments Derivative (MiFID II)

7. Under the 2017 UK regime, KCC was automatically categorised as a 'per se professional' client in respect of both MiFID and non-MiFID scope business. However following the introduction of MiFID II from 3 January 2018, this will change and KCC must be classified as a "retail client" but can be opted-up by financial services firms to "elective professional client" status providing it meets certain criteria. Regulated financial services firms include banks, brokers, advisers, fund managers and custodians.
8. The Council has elected to opt up as it meets the criteria; holding an investment balance of at least £10 million with the persons authorised to make investment decisions on behalf of the authority having at least one year's relevant professional experience. It is also able to assure these firms that these persons have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

CIPFA Consultation on Prudential and Treasury Management Codes

9. CIPFA published the two revised codes in late December 2017 for implementation in 2018/19. Changes to the Prudential Code include the requirement for a new Capital Strategy report and changes to prudential indicators. Changes to the Treasury Management Code include non-treasury investments such as commercial investments in property being included in the definition of "investments".

DCLG Consultation on Proposed Changes to Investment and Minimum Revenue Provision (MRP) Guidance

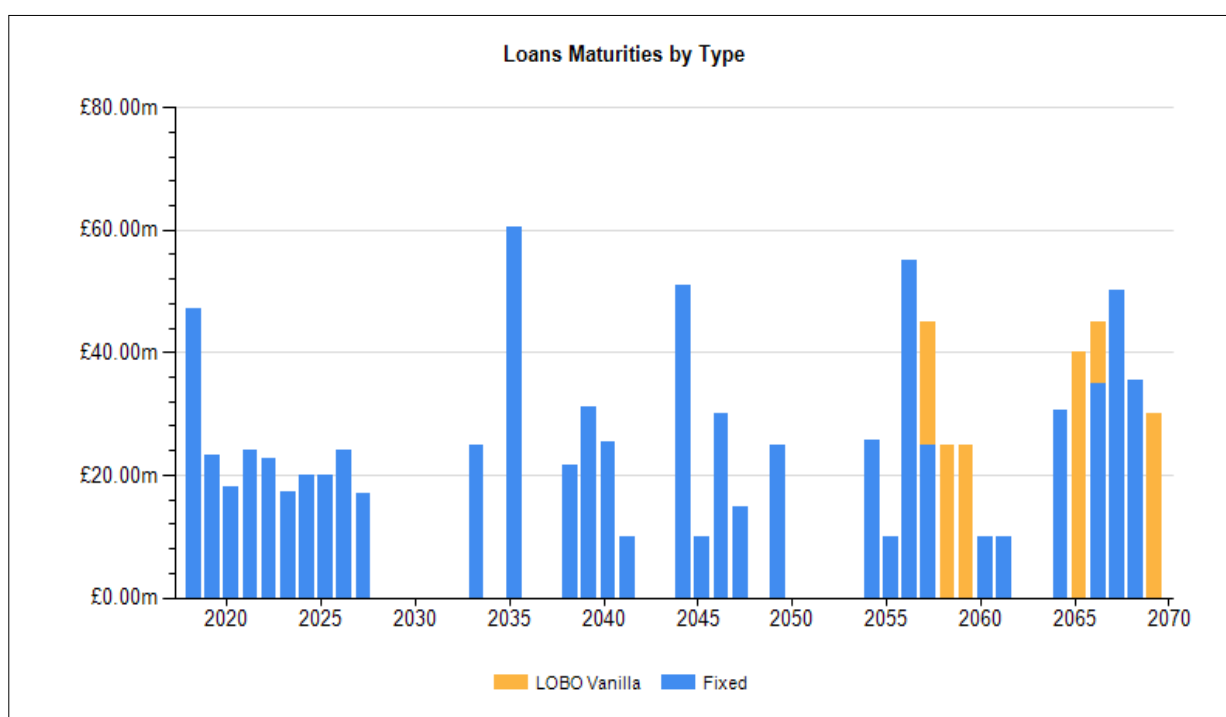
10. In November DCLG launched its consultation with responses due by 22 December 2017. The intention is that these changes come into force for the 2018/19 financial year.
11. Proposed changes to the investment guidance include widening the definition of investments to include all financial assets as well as non-financial assets held for the primary purpose of generating income including investment properties and loans. The guidance also covers the issues of security and liquidity of investments as well as more detailed risk assessment.
12. The new guidance on MRP includes an updated definition of MRP provision and guidance on asset lives but does not propose changes to the methods of calculation.

BORROWING STRATEGY

13. At 30 November 2017 the Council had total debt outstanding of £980.75m, an increase of £15.25m from the balance as at 31 March 2017. The following table shows the borrowing analysed by lender.

	31/3/2017 Balance £m	2017-18 Movement £m	30/11/2017 Balance £m	Weighted Average Rate %	Weighted Average Life (yrs)
Public Works Loan Board	504.3	-6.02	498.28	5.68%	16.59
Banks (LOBO)	160.0	-10.00	150.00	4.03%	44.54
Banks (Fixed Term)	301.2	11.28	312.48	4.17%	38.36
	965.5	-4.75	960.75	4.93%	28.04
Temp borrowing – local authority		20.00	20.00	0.31%	0.19
Total borrowing	965.5	15.25	980.75	4.83%	27.46

14. The maturity profile of KCC's outstanding debt is as follows:



15. Total external debt managed by KCC includes £35.91m pre-LGR debt managed by KCC on behalf of Medway Council and £0.57m for other bodies.
16. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
17. The benefits of internal borrowing are monitored regularly against the potential for incurring additional costs and the Council's Treasury Advisor, Arlingclose has assisted it with this 'cost of carry' and breakeven analysis. The Council's strategy has enabled it to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

18. KCC continues to hold LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. The total value of these loans fell to £150m at the end of August as the result of RBS' decision to waive its options on a £10m loan agreed in December 2009, converting it into a fixed rate loan and assigning it to Phoenix Life Assurance Ltd.
19. Since the start of the current financial year the Council has received a further £4.53m of the funding agreed for the County's street lighting and expects to receive a total of £10.8m in 2017-18. KCC also expects to repay £32m of maturity and EIP PWLB loans by 31 March 2018

INVESTMENT ACTIVITY

Counterparty Update

20. The impact on KCC's counterparties and investments of the uncertain economic environment is being carefully monitored by officers and the Council's treasury advisors. Arlingclose's credit advice remains cautious however duration limits for major UK banks and building societies were unchanged with Standard Chartered remaining suspended from the list.

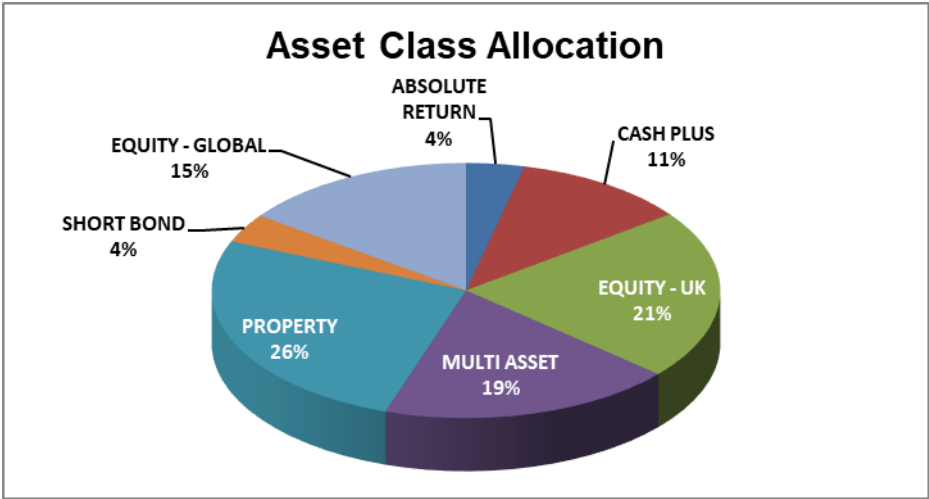
Investment activity 2017-18

21. The Council holds significant invested funds representing income received in advance of expenditure plus balances and reserves held. Cashflow forecast indicated that during 2017-18 investment balances would range between £254m and £378m.
22. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
23. Security of capital has remained the Council's main investment objective. Against a background of increasing uncertainty and given the increasing risk of bail-in and falling returns from short-term unsecured bank investments, the Council has continued to diversify into more secure and/or higher yielding asset classes as set out in its Treasury Management Strategy Statement for 2017-18. During August and September 2017 the Council moved £55m from bank deposits into pooled investment funds including the CCLA Property Fund.

24. As at the end of November the types of investment held were as follows:

Type of Investment	Total	
	£m	%
Notice Account	25.00	8.34
Money Market Fund	49.80	16.61
Fixed Deposit	10.00	3.34
Covered Bond	76.10	25.39
Icelandic Recoveries Outstanding	0.37	0.12
Internally managed cash	161.27	53.80
Pooled Investment Funds	116.26	38.80
Cashplus / Short Term Bond Funds	20.05	6.69
Externally managed cash	136.31	45.49
Equity	2.14	0.71
Total	299.72	100.00

25. A breakdown of the external investments by asset class is as follows



26. A detailed schedule of KCC’s investments as at 30 November 2017 is attached in Appendix 1. This schedule is circulated to members of the Treasury Management Advisory Group every Friday.

ICELANDIC DEPOSITS

28. In June 2017 the Icelandic authorities lifted exchange controls and KCC took the opportunity to sell 706.2m ISK held in escrow accounts in Iceland being funds received as a result of the repayment of deposits originally made with Glitnir and Landsbanki banks. KCC received EUR5.1m from the sale and in July sold the Euros realising £4.6m. These funds were used for the investment in the CCLA fund.

29. As at October 2008 KCC had deposits (principal and interest) totalling £51.99m outstanding with Icelandic Banks. The total amount recovered by KCC now totals

£52.6m, some £600k higher than the original claim. £372k remains outstanding from Heritable bank and settlement of this claim is subject to the resolution of a dispute concerning a property portfolio.

FORECAST OUTTURN

30. The average cash balances were £305.3m in the half year representing income received in advance of expenditure plus balances and reserves held. New internally managed investments over the 6-month period were made at an average rate of 0.65%.

COMPLIANCE WITH PRUDENTIAL INDICATORS

31. The Council can confirm that it has complied with its Prudential Indicators for 2017-18 set as part of the Council's Treasury Management Strategy Statement. Details can be found in Appendix 2.

TREASURY ADVISOR

32. The Council continues to use the treasury advisory services of Arlingclose who were reappointed for a 3 year period from 1 August 2016.

RECOMMENDATION

33. Members are asked to consider and comment on the report.

Alison Mings
Treasury and Investments Manager
Ext: 03000 416488
27 February 2018

Investments as at 30 November 2017

1. Internally Managed Investments

1.1 Term deposits, Call accounts and Money Market Funds

Instrument Type	Counterparty	Principal Amount	Interest Rate	End Date
Fixed Deposit	Lloyds Bank	£5,000,000	0.90%	08/02/2018
Fixed Deposit	Close Brothers	£5,000,000	0.50%	08/02/2018
180 Day Call Notice Account	Santander UK	£25,000,000	0.90%	n/a
Total UK Bank Deposits		£35,000,000		

Money Market Fund	Aberdeen Sterling Liquidity Fund	£2,803,188	0.42% (variable)	n/a
Money Market Fund	Deutsche Managed Sterling Fund	£11,902	0.23% (variable)	n/a
Money Market Fund	Federated (PR) Short-term GBP Prime Fund	£9,973,335	0.50% (variable)	n/a
Money Market Fund	HSBC Global Liquidity Fund	£597,431	0.22% (variable)	n/a
Money Market Fund	Insight Liquidity Funds PLC	£6,465,287	0.28% (variable)	n/a
Money Market Fund	LGIM Sterling Liquidity Fund	£9,990,557	0.33% (variable)	n/a
Money Market Fund	SSgA GBP Liquidity Fund	£9,981,846	0.31% (variable)	n/a
Money Market Fund	Standard Life Sterling Liquidity Fund	£9,972,827	0.51% (variable)	n/a
Total Money Market Funds		£49,796,373		
Equity and Loan Notes	Kent PFI (Holdings) Ltd	£2,135,741		n/a
Icelandic Recoveries outstanding	Heritable Bank Ltd	£366,905		n/a

1.2 Bond Portfolio

Bond Type	Issuer	Adjusted Principal	Coupon Rate	Maturity Date
Fixed Rate Covered Bond	Bank of Nova Scotia	£4,987,436	0.88%	14/09/2021
Floating Rate Covered Bond	Barclays	£5,000,380	0.69%	12/02/2018
Floating Rate Covered Bond	Barclays	£2,399,151	0.86%	12/02/2018
Fixed Rate Covered Bond	Coventry Building Society	£3,079,278	1.93%	19/04/2018
Fixed Rate Covered Bond	Coventry Building Society	£5,142,465	1.73%	19/04/2018
Fixed Rate Covered Bond	Coventry Building Society	£2,061,088	1.52%	19/04/2018
Floating Rate Covered Bond	Coventry Building Society	£3,005,179	0.56%	17/03/2020
Fixed Rate Covered Bond	Leeds Building Society	£5,771,641	0.63%	17/12/2018
Fixed Rate Covered Bond	Leeds Building Society	£2,085,960	2.03%	17/12/2018
Fixed Rate Covered Bond	Leeds Building Society	£1,558,096	1.19%	17/12/2018
Floating Rate Covered Bond	Leeds Building Society	£5,000,000	0.74%	01/10/2019
Floating Rate Covered Bond	Leeds Building Society	£2,500,311	0.75%	09/02/2018
Floating Rate Covered Bond	Leeds Building Society	£2,500,316	0.75%	09/02/2018

Appendix 1

Floating Rate Covered Bond	Lloyds	£3,900,291	0.55%	19/01/2018
Floating Rate Covered Bond	Lloyds - Bonds	£1,402,406	0.58%	18/07/2019
Fixed Rate Covered Bond	National Australia Bank	£3,002,504	1.10%	10/11/2021
Floating Rate Covered Bond	Nationwide Building Society	£2,149,096	0.71%	27/04/2018
Floating Rate Covered Bond	Nationwide Building Society	£3,428,506	0.60%	27/04/2018
Fixed Rate Covered Bond	Santander UK	£3,528,063	0.65%	14/04/2021
Floating Rate Covered Bond	Santander UK	£3,000,808	0.69%	29/05/2018
Floating Rate Covered Bond	Toronto-Dominion Bank	£5,453,658	0.95%	01/02/2019
Fixed Rate Covered Bond	Yorkshire Building Society	£3,094,680	1.55%	12/04/2018
Fixed Rate Covered Bond	Yorkshire Building Society	£2,054,403	1.98%	12/04/2018
Total Bonds		£76,105,717		

Total Internally managed investments	£163,404,736
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2. Externally Managed Investments

Investment Fund / Equity		Market Value at 30 November 2017	12 months return to 30 November 2017	
Fund Name	Asset Class		Income	Total
CCLA LAMIT Property Fund	Property	£35,357,498	4.22%	5.71%
Pyrford Global Total Return Fund	Absolute Return	£5,006,220	10.12%	2.34%
Fidelity Multi Asset Income Fund	Multi Asset	£25,476,754	3.89%	5.56%
Schroders Income Maximiser Fund	Equity – UK	£19,889,137	3.22%	0.45%
M&G Global Dividend Fund	Equity Global	£10,298,197	0.62%	3.57%
Threadneedle Global Equity Income Fund	Equity – Global	£10,175,827	0.81%	1.57%
Threadneedle UK Equity Income Fund	Equity – UK	£10,056,999	1.12%	-1.20%
Aberdeen Ultra Short Duration Sterling Fund	Cash Plus	£10,062,395	0.00%	0.54%
Payden & Rygel Sterling Reserve Fund	Short Bond	£4,994,389	0.32%	0.21%
Royal London Cash Plus Fund	Cash Plus	£4,996,110	0.30%	0.22%
Total External Investments		£136,313,527		

3. Total Investments

Total Investments	£299,718,262
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2017-18 October Monitoring of Prudential Indicators

1. Estimate of capital expenditure (excluding PFI)

Actuals 2016-17	£238.519m
Original estimate 2017-18	£261.303m
Revised estimate 2017-18	£247.603m

2. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)

	2016-17	2017-18	2017-18	2018-19	2019-20
	Actual	Original Estimate	Forecast as at 31.10.17	Forecast as at 31.10.17	Forecast as at 31.10.17
	£m	£m	£m	£m	£m
Capital Financing requirement	1,362.394	1,369.445	1,335.182	1,326.041	1,289.365
Annual increase/reduction in underlying need to borrow	14.135	-2.182	-27.212	-9.141	-36.676

In the light of current commitments and planned expenditure, forecast net borrowing by the Council will not exceed the Capital Financing Requirement.

3. Estimate of ratio of financing costs to net revenue stream

Actuals 2016-17	13.41%
Original estimate 2017-18	13.18%
Revised estimate 2017-18	13.07%

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management. The operational boundary for debt will not be exceeded in 2017-18

(a) Operational boundary for debt relating to KCC assets and activities

	Prudential Indicator	Position as at 31.10.17
	£m	£m
Borrowing	980	945
Other Long Term Liabilities	245	245
	<hr/> 1,225	<hr/> 1,190

(b) Operational boundary for total debt managed by KCC including that relating to Medway Council etc (pre Local Government Reorganisation)

	Prudential Indicator	Position as at 31.10.17
	£m	£m
Borrowing	1,018	981
Other Long Term Liabilities	245	245
	<hr/> 1,263	<hr/> 1,226

5. Authorised Limit for External debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2017-18 are:

	Authorised limit for debt relating to KCC assets and activities	Position as at 31.10.17	Authorised limit for total debt managed by KCC	Position as at 31.10.17
	£m	£m	£m	£m
Borrowing	1,020	945	1,058	981
Other long term liabilities	245	245	245	245
	<hr/> 1,265	<hr/> 1,190	<hr/> 1,303	<hr/> 1,226

6. Compliance with CIPFA Code of Practice for Treasury Management in the Public Services

The Council has adopted the Code of Practice on Treasury Management and has adopted a Treasury Management Policy Statement. Compliance has been tested and validated by our independent professional treasury advisers.

7. Upper limits of fixed interest rate and variable rate exposures

The Council has determined the following upper limits for 2017-18

Fixed interest rate exposure	100%
Variable rate exposure	50%

These limits have been complied with in 2017-18.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 31.10.17
	%	%	%
Upper 12 months	10	0	4.59
12 months and within 24 months	10	0	1.84
24 months and within 5 years	15	0	7.36
5 years and within 10 years	15	0	10.65
10 years and within 20 years	20	5	8.72
20 years and within 30 years	25	5	19.76
30 years and within 40 years	25	10	16.39
40 years and within 50 years	30	10	24.01
50 years and within 60 years	30	10	6.68

9. Upper limit for principal sums invested for periods longer than 364 days

Indicator	£260.0m
Actual	£198.7m

From: Sue Chandler – Chair of the Health Overview Scrutiny Committee
Ben Watts – General Counsel

To: **County Council – 15 March 2018**

Subject: Joint Health Overview and Scrutiny Committees - Terms of Reference and Membership

Classification: **Unrestricted**

Summary:

This report seeks approval to:

1. The establishment of a new Joint Health Overview and Scrutiny Committee of Kent County Council, Medway Council, East Sussex County Council and Bexley Council to meet the requirements of health scrutiny legislation in relation to consultation by the NHS with these local authorities on proposed changes to Hyper Acute and Acute Stroke Services in Kent and Medway.
2. An amendment to the membership of the existing Kent & Medway Joint Health and Overview Scrutiny Committee to establish parity of membership between Kent and Medway Councils.

1. Introduction

1.1 The establishment of committees, the determination of their size and terms of reference, the allocation of seats to political groups and the appointment of Members to serve on committees is a matter for decision by the Council.

1.2 The establishment of a Joint Committee involving more than one local authority has to be approved by each of the participating Councils.

2. Establishment of Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee – Kent, Medway, East Sussex and Bexley

2.1 In Summer 2015 Kent County Council's Health Overview and Scrutiny Committee and Medway Council's Health and Adult Social Care Overview and Scrutiny Committee determined that changes being proposed by the NHS to Hyper Acute and Acute Stroke Services in Kent and Medway amounted to a proposal for a substantial variation to the health service across both areas.

2.2 Whenever the NHS as the responsible person has under consideration any proposal for a substantial development of, or variation to the health service, a duty to consult with the relevant local authority is triggered under Regulation

23 of the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013.

- 2.3 Regulation 30 stipulates that where the NHS consults more than one local authority pursuant to Regulation 23 those local authorities must appoint a joint overview and scrutiny committee for the purpose of the consultation and only that joint overview and scrutiny committee may make comments, require the provision of information and the attendance at meetings by the NHS colleagues.
- 2.4 During 2016 and 2017 the Kent and Medway Joint Health Overview and Scrutiny Committee has been meeting to consider and comment on the review of Hyper Acute and Acute Stroke Services, the emerging case for change and possible options for a new model of care which would meet national standards.
- 2.5 On 12 December 2017 the Kent and Medway Joint HOSC was formally notified that the Joint Clinical Commissioning Group Committee overseeing the Stroke Review (initially comprising the eight Kent and Medway CCGs) had been expanded to include Bexley CCG and High Weald Lewes Havens CCG as activity modelling had highlighted the extent of external flows of stroke patients to Kent and Medway from Bexley and East Sussex. As a consequence of this further analysis the Health Overview and Scrutiny Committees in East Sussex and Bexley were advised of the review and both determined that the emerging proposals to reconfigure stroke services in Kent and Medway constituted a substantial variation to these services for their areas. This has generated a statutory requirement to set up a new Joint Health Overview and Scrutiny Committee involving Kent County Council, East Sussex County Council, Medway Council and Bexley Council for the purpose of consultation by the NHS with Overview and Scrutiny on the Stroke Review.
- 2.6 In order to meet the statutory requirements of the health scrutiny legislation, the establishment of the Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee of Kent County Council, Medway Council, East Sussex County Council and Bexley Council, with terms of reference as set out in Appendix 1 to this report, is proposed.
- 2.7 Under the Terms of Reference, each local authority will reserve to itself the right of referral to the Secretary of State rather than confer this power on the Joint HOSC. The power to refer is available to local authorities in relation to contested health service reconfigurations in specified circumstances following consultation with overview and scrutiny by the NHS under Regulations 23 or 30).
- 2.8 It has been agreed by the Chairs of the four local authority Health Overview and Scrutiny Committees to recommend that the new Joint Committee should comprise 12 Members (which is the size of the existing Joint Kent and Medway Health Overview and Scrutiny Committee) with a composition of four members each from Kent and Medway and two each from East Sussex and Bexley. This reflects the agreement to equality of representation between

Kent and Medway, as detailed below, and the relatively smaller population affected by the stroke review in Bexley and East Sussex.

- 2.9 The Local Government and Housing Act 1989 requires the Council to allocate seats on committees to political groups in accordance with the size of each group on the Council as a whole, unless alternative arrangements are notified to all Members and agreed without any Councillor voting against them. The allocation of the four Kent seats on the new Joint HOSC would therefore be three seats for the Conservative Group and one for the Liberal Democrat Group. This would not generate a need to make any other changes to the overall allocation of seats across other Council Committees.

3. Amendment to the membership of the existing Kent & Medway Joint Health and Overview Scrutiny Committee

- 3.1 In addition to the establishment of Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee, discussion has also taken place with Medway Council regarding the balance of representation on the existing Kent and Medway Joint Health Overview and Scrutiny Committee.

- 3.2 Following discussions, an informal agreement has been reached on the equality of representation between Kent and Medway on the existing Kent and Medway Joint Health Overview and Scrutiny Committee. It is recommended that there will be four Members from each Council appointed to the Committee which will come into effect from the beginning of the new Municipal Year. The allocation of the four Kent seats would be three seats for the Conservative Group and one for the Liberal Democrat Group. The power to make a referral to the Secretary of State would remain with each local authority.

4. Recommendation

The County Council is requested to approve:

- a) **the establishment of a new Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee and adoption of its Terms of Reference.**
- b) **the amendment to the membership of the existing Kent & Medway Joint Health Overview and Scrutiny Committee to establish parity of membership between Kent and Medway Councils with four Members from each Council, which for KCC, based on the current proportionality across all Committees, is 3 Conservative and 1 Liberal Democrat**

5. Background Documents:

Appendix 1 - Draft Terms of Reference: Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee

Contact details

Lizzy Adam: Scrutiny Research Officer

Ext 03000 412775

Email: lizzy.adam@kent.gov.uk

Appendix 1

Kent and Medway Stroke Review Joint Health Overview and Scrutiny Committee (JHOSC)

(a) Terms of Reference

- (1) To consider information and make comments on proposals for a substantial variation to stroke services in Kent & Medway which affect Kent, Medway, East Sussex and Bexley and which are under consideration by a relevant NHS body.
- (2) To exercise the right to make comments under regulations 23(4) and 30(5) of the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013 (the 2013 Regulations) on behalf of the relevant Overview and Scrutiny Committees of Kent County Council, Medway Council, East Sussex County Council and Bexley Council on proposals relating to stroke services in Kent and Medway under consideration by a relevant NHS body.
- (3) To consider whether the proposal for a substantial variation to stroke services in Kent & Medway affecting the areas covered by Kent, Medway, East Sussex and Bexley should be referred to the Secretary of State under regulation 23(9) of the 2013 Regulations and, if deemed appropriate, to recommend this course of action to the relevant Overview and Scrutiny Committees of Kent County Council, Medway Council, East Sussex County Council and Bexley Council who may each agree to make a referral in line with their respective Constitutions. (Note: the exercise of the power to make a referral to the Secretary of State has not been delegated to the JHOSC).

(b) Rules

- (1) Regulation 30 of the 2013 Regulations states that where a relevant NHS body or a relevant health service provider consults more than one local authority on any proposal which they have under consideration for a substantial development of, or variation to, the provision of a health service in the local authorities' areas, those local authorities must appoint a Joint Overview and Scrutiny Committee (JHOSC) for the purposes of the review and only that Committee may make comments.
- (2) There will be a Joint Health Overview and Scrutiny Committee, for the Kent & Medway Stroke Review, comprising of:
 - 4 Members of Kent County Council
 - 4 Members of Medway Council
 - 2 Members of East Sussex County Council
 - 2 Members of Bexley Council

- (3) The quorum of the Kent, Medway, East Sussex and Bexley Joint Health Overview and Scrutiny Committee is 4 Members with at least one Member from each constituent Authority present.
- (4) The JHOSC will appoint a Chair and Vice-Chair at its first meeting in each municipal year. (It is expected that the Chair and Vice-Chair will be appointed from among the Kent and Medway Members on an annually rotating basis). Where a review is unfinished at the end of a municipal year, the Committee may agree that the previous year's Chair (if still a member of the committee) may continue to preside over consideration of matters relating to that review.
- (5) The formal response of the JHOSC will be reached as far as is reasonably practicable by consensus and decided by a majority vote. If the JHOSC cannot agree a single response to a proposal under consideration then a minority response which is supported by the largest minority, but at least two Members, may be prepared and submitted for consideration by the NHS body or a relevant health service provider with the majority response. The names of those who dissent may, at a Member's request, be recorded on the main response.