

KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held online on Wednesday, 19 January 2022

PRESENT: Mr R J Thomas (Chair), Mr R A Marsh (Vice-Chairman), Mr P V Barrington-King, Mr P Bartlett, Mr T Bond, Mr T Cannon, Mr N J D Chard, Mr G Cooke, Mr P C Cooper, Ms M Dawkins (Substitute for Mr A Brady), Mr M Dendor, Mr R C Love, OBE, Mr J P McInroy, Mr P Stepto and Dr L Sullivan

ALSO PRESENT: Mr R W Gough, Mr P J Oakford, Mr H Rayner and Mr B J Sweetland

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mrs A Beer (Corporate Director of People and Communications), Ms Z Cooke (Corporate Director of Finance), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance), Mr A Fawley (Principal Investment and Disposals), Ms K Frearson (Head of Property Strategy, Infrastructure), Mr S Hocken (Property Disposals Consultant), Miss K Phillips (Strategic Business Adviser - GET), Mr M Sage (Revenue and Tax Strategy Manager), Mr J Sanderson (Head of Property Operations), Mr D Shipton (Head of Finance Policy, Planning and Strategy), Miss T A Grayell (Democratic Services Officer) and Mr G Romagnuolo (Research Officer - Overview and Scrutiny)

UNRESTRICTED ITEMS

44. Apologies and Substitutes

(Item 2)

Apologies for absence were received from Mr A Brady and Mr A Hook.

Ms M Dawkins was substituting for Mr Brady and she joined the meeting later.

45. Declarations of Interest by Members in items on the Agenda

(Item 3)

There were no declarations of interest.

46. Minutes of the meeting held on 9 November 2021

(Item 4)

It was RESOLVED that the minutes of the meeting held on 9 November 2021 are correctly recorded and they be signed by the Chair when this can be done safely.

47. Draft Ten Year Capital Programme, Revenue Budget 2022-23 and Medium-Term Financial Plan 2022-25

(Item 5)

1. The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Mr P J Oakford, introduced the report and set out the uncertainty against which the County Council was required to set a balanced revenue budget for the forthcoming year, using the approved net budget for 2021-22 and updating it to show known and forecast changes. He set out the enhanced presentation of the capital programme to show a 10-year horizon covering 2022-32 and changes to the way feasibility costs were accounted for, to ensure a more realistic capital programme with significantly less slippage. He explained that the Council was facing exceptional spending demands for the forthcoming year from a combination of the longer-term impacts of the Covid-19 pandemic as well as the economic impact from rising inflation. Savings plans set out the amounts planned to be achieved over the forthcoming year and 3-year Medium-Term Financial Plan as a combination of full-year effect of current-year savings, roll-out of existing policy and new policy savings. The proposed increase in Council Tax was in line with the Government's referendum principles and the amounts included in Core Spending Power assumptions in the local government finance settlement. All the provisional grant allocations in the provisional settlement had also been included. Whilst the overall funding from a combination of grants and local taxation was increasing, it was not sufficient to fully fund all the spending growth pressures, either for 2022-23 or prudent assumptions for later years, so the Council would have to continue to find savings in order to balance revenue spending each year for the foreseeable future.

2. Ms Cooke was asked how close the Council was to needing to issue a Section 114 notice. Ms Cooke advised the committee that a Section 114 notice was required to be issued by any authority which did not have enough funds to meet its commitments. This requirement had gained increased significance in recent months and was prominent in discussions for several local authorities around the country, which were taking steps to avoid being in that position. Mr Oakford added that the Council had been making hard decisions, for example, about the use of its reserves, to address the challenge and avoid being in a position to have to issue a Section 114 notice. Ms Cooke advised that if the required £38m of savings could not be made, reserves would need to be used, leading to the need for harsher cuts in future years. She added that she was confident that the Council would be clear of needing to issue a Section 114 notice for the next three years.

3. Mr Shipton advised that a key indicator or early warning of such a situation was the ratio of the Council's reserves to its debt. In response to a question about the league table measured using this ratio, he advised that the Council was currently ranked 17th out of 24 councils (where the council rated 24th had the poorest ratio). It was feasible to identify where the Council might have been ranked if different decisions had been made and Mr Shipton undertook to look into providing this additional information for Members.

4. Asked by how much Government funding to the Council had been reduced in the last 10 years, Mr Shipton advised that Government funding had been reduced by £222m and the Council had had to close a funding gap of £750m over the last 10 years. In this period, it had raised extra Council Tax revenue of £280m but needed to cover the remaining gap. He advised that this challenge was shared by many local authorities. Mr Oakford added that local authorities with political leaderships from all parties all wanted more Government funding but needed to be realistic as the impact of the pandemic had reduced the level of funding available. Ms Cooke advised that the Council did not currently need to cover its accumulated deficit but that, if the

current Government arrangement were not extended beyond its planned end date of March 2023, the council would then have to cover this.

5. The Chair thanked Ms Cooke, Mr Shipton and the Finance team for their work in preparing and presenting the budget report and the separate briefing sessions for Members.
6. It was RESOLVED that the draft capital and revenue budgets, including responses to consultation, be noted, with thanks, and the draft be presented to Cabinet on 27 January 2022 and full County Council on 10 February 2022.

48. Covid-19 Financial Monitoring

(Item 6)

1. Mr Shipton introduced the regular monitoring report and highlighted that, due to the timing of reporting and receipt of grant, at the end of 2021 the County Council had had an underspend of its Covid-19 grant.
2. Asked about what household support grant was available from the Council via the Public Health team, and how this was spent, Ms Cooke undertook to provide a detailed written response and circulate this to the committee.
3. It was RESOLVED that the information set out in the report be noted, with thanks.

49. Strategic and Corporate Services Performance Dashboard

(Item 7)

1. Ms Kennard introduced the report and responded to comments and questions from the committee. The Cabinet Member for Communications, Engagement, People and Partnerships, Mr B Sweetland, added that figures now available for December's performance showed that some indicators listed in the report as red or amber had since moved to green. He placed on record his thanks to the staff involved for their work in supporting good performance.
2. Ms Kennard and Mr Sage responded to comments and questions from the committee, including the following:-
 - a) the Chair emphasised that the targets set were as important as the performance achieved;
 - b) asked if data about call centre staff absence (target CS04) was able to distinguish between those who were absent due to sickness and those who were isolating in accordance with Government guidelines, and if the two reasons could be recorded in future reports, Mrs Beer advised that some staff working from home could continue to work despite having Covid-19, if their symptoms were not too severe, while others working in the community would be unable to continue working. These categories were monitored by the County Council and it was expected that Agilisys, who ran the call centre, would also monitor them;

- c) in response to a question about dealing with complaints and the learning opportunities offered by them, Ms Beer emphasised the importance of dealing with complaints promptly, ensuring that staff were trained and confident to deal with them effectively and that business processes were reviewed, where necessary, to improve practice and build in learning arising from complaints;
 - d) asked about the seemingly high levels of debt to the Council (target FN06), Mr Sage advised that some large invoices, for example, for Section 106 contributions in relation to an ongoing development, were issued and paid in six-monthly stages. The preparation of the dashboard data had recorded a large invoice between it being issued and being paid and hence showed it as a sizeable debt;
 - e) in response to a concern about developers' ability to pay invoices in difficult financial times, Ms Cooke reassured the committee that she had no concerns about the level of debt to the Council. She undertook to provide a written reply to the committee about specific current developments; and
 - f) asked about levels of customer satisfaction with Property services, Mrs Spore advised that customer satisfaction surveys in the past year had given good feedback. Reactive tasks, logged via the helpdesk, could include any issue with building maintenance and a good range of general materials was kept in stock to ensure that requested repairs could be carried out as promptly as possible.
3. It was RESOLVED that the performance position for Strategic and Corporate Services be noted, with thanks.

50. Annual Equality and Diversity Report 2020-21 (Item 8)

1. The Leader of the County Council, Mr R W Gough, introduced the report and highlighted that the pandemic had had a greater impact on some sectors of society than others.
2. Mr Whittle advised that the committee was being asked to approve the report and highlighted that much work had been put in to making equality impact assessments easier to prepare in future. He thanked the officer team – Karla Phillips, Debbie Turner and Paul Robinson – for the innovative work they had done in developing an EqIA app which would guide users to key issues they needed to cover when undertaking equality analysis.
3. Mr Whittle and Mr Watts responded to comments and questions from the committee, including the following:-
 - a) asked about accountability and how the Council would ensure that its view of equality and diversity issues was fully promoted and taken seriously, Mr Whittle advised that the Council's duty to promote equality and diversity was a core part of management responsibility at all levels. It also had a duty to put in place, measure and report on corporate equality objectives and consider equality impacts sufficiently in making key and significant

decisions, otherwise it could potentially face legal challenge, including from the Equality and Human Rights Commission who acted as a *de facto* regulator. Mr Watts added that Members had an opportunity to influence policy and decision making in this area. The Members' Code of Conduct was being updated and would be considered by the Standards Committee late in the spring of 2022. He advised that the Member Development Steering Group would be happy to answer detailed questions sent to it;

- b) a view was expressed that perceptions of equality were largely influenced by a person's culture or frame of mind, and people would place different degrees of importance on different parts of it;
 - c) asked if the new app could be protected by intellectual property rights, Mr Whittle explained that the app had been built on a standard Microsoft platform but would explore the matter further and advise the committee if intellectual property rights could be applied;
 - d) asked about the impact of equality and diversity issues in the Council's arms-length companies, and how they would be covered, either by the Council's or their own policies, Mr Watts advised that such issues would be addressed by the Governance and Audit Committee; and
 - e) Ms Phillips advised that each Directorate had an Equalities Working Group and was embedding equality and diversity issues in its policy development, for example, in the Making a Difference Every Day initiative in the Adult Social Care and Health Directorate. Mrs Beer added that the issue would not just be the subject of an annual report but would become an integral part of the Council's culture.
3. It was RESOLVED that the Annual Equality and Diversity Report for 2020-21, attached as Appendix A to the report, be approved, with one abstention.

51. Information Governance Update (Item 9)

1. Mr Watts introduced the report and presented a series of slides (emailed to Members in advance of the meeting) which set out additional information requested by the committee following his previous presentation on 22 September 2021 and the most up-to-date statistical dashboard in relation to the current performance. The dashboard supplemented the appendix to the report which detailed a range of information over a fifteen-year period and gave a fuller picture of compliance in the medium- and longer-term. He asked Members to confirm what information they wanted to have in future reports.

- a) the information set out in the presentation was welcomed;
- b) asked if Freedom of Information (FOI) requests to some Directorates had a seasonal pattern, and if temporary staff could be taken on at appropriate times to address seasonal peaks, Mr Watts advised that several graduates had been taken on across Directorates to undertake research and respond to FOI requests. He reminded Members that, because the public could find basic information about the County Council's work from its website, the FOI

requests submitted were now more complex and hence took more staff time and resource to respond to;

- c) it was suggested that a 'Frequently Asked Questions' page on the Council's website could be established to set out the answers to issues frequently raised as the subject of FOI requests;
- d) asked if Councils were able to make a charge for information provided in response to FOI requests, as some organisations would charge for information which the Council had provided to them at no cost, Mr Watts advised that the Council was permitted to charge for a request which it considered to be vexatious or unreasonable, however, administering a charge might involve more administration than it took to process the request itself, and generally it was difficult to charge for something which was a statutory duty of the Council;
- e) asked if the increased complexity of FOI requests might warrant additional staff to respond to them, Mr Watts advised that the Governance, Law and Democracy Directorate had no additional staff and undertook to advise Members outside the meeting about the comparative position in other Directorates; and
- f) asked if a summary of requests could be reported to the relevant Cabinet Committee, so Members would have the opportunity to question the Cabinet portfolio holder about them, Mr Watts suggested that the information could be included in the dashboard and undertook to liaise with Ms Kennard to explore how this could be achieved. It was asked if this could include the number of cases in which the Council was unable to respond, either in full or in part, or was permitted not to provide information which qualified as being exempt from publication under the Local Government Act 1972.

2. It was RESOLVED that the information set out in the report and presentation and given in response to comments and questions be noted, with thanks.

52. Work Programme 2022

(Item 10)

1. The committee considered the work programme and made the following comments:
 - digital inclusion could be included in the Cyber Security item listed for the March meeting. Ms Cooke undertook to look into this.
 - Members should have an early opportunity to scrutinize decisions being made about County Council properties being declared 'surplus to requirements' as part of proposed property disposals. Mr Oakford advised that, as part of the Council's Strategic Reset Programme, which included the future use of buildings, an all-Member briefing about the process would be arranged.
2. Taking account of the above, it was RESOLVED that the committee's planned work programme for 2022 be agreed.

53. Motion to exclude the press and public for exempt business

Members had expressed a wish to debate the information set out in the exempt appendices to agenda items 11 to 13. Accordingly, the discussion of these items took place entirely in closed session.

The committee RESOLVED that, under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 5 of part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(open access to minutes)

54. Total Facilities Management Bi-Annual Review

(Item 11)

1. Mr Sanderson introduced the report and advised that the performance of the current contracts was stable. Mr Sanderson, Mrs Spore and Mr Oakford responded to comments and questions of detail from the committee, including the relationship between preventative and reactive maintenance and hard and soft maintenance and how each was managed within contracts, concern about the length of time available for Members to discuss these details before the contract was to be re-let, the extent to which staff were engaged for feedback on performance of the current contracts, a comparison of arrangements under Total Facilities Management with what existed before that, incentives for contractors to address and improve their infrastructure and the maintenance issues currently facing the County Council in relation to its strategic headquarters buildings.
2. The committee was advised that details of the new tenders and contracts would be reported to its March meeting.
3. It was RESOLVED that the current performance of the Total Facilities Management contractors be noted, with thanks.

55. 21/00122 - Disposal of Wayfarers Care Home, Sandwich, CT13 0AW

(Item 12)

1. Mr Oakford advised the committee that the site was surplus to the County Council's requirements and had received many expressions of interest. Mr Fawley responded to comments and questions of detail from the committee, including about possible future use of the site, comparative options for disposal and the rationale supporting the open market method chosen, to achieve best value, and the Council's policy about using income from such disposals as part of its capital programme.
2. Mr Fawley advised that bids would be assessed not just on the basis of the sum bid but on the deliverability of the proposal, including a comparison of bids which were unconditional or conditional upon planning permission for change of use.
3. It was RESOLVED that the decision proposed to be taken by the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to agree to complete the disposal of the building and land at Wayfarers Care Home, St Barts Road, Sandwich, CT13 0AW, and delegate authority to:

- a) the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the contractual terms of the disposal; and
- b) the Director of Infrastructure, to authorise the execution of necessary contractual and land agreements required to implement the above,
be endorsed.

56. 21/00121 - Disposal of 50 Gibson Drive, Kings Hill, ME19 4AF
(Item 13)

1. Mr Oakford advised the committee that the site was surplus to the County Council's requirements and had received many expressions of interest. Mr Fawley responded to comments and questions of detail from the committee, including concerns about the Council being able to realise best value for the site and avoid a buyer later re-selling the site at a profit. He assured the committee of officers' confidence in the chosen agent and that a contract of sale would include clauses to avoid this.
2. Mr Fawley advised that bids would be assessed not just on the basis of the sum bid but on the deliverability of the proposal, including a comparison of bids which were unconditional or conditional upon planning permission for change of use.
3. It was RESOLVED that the decision proposed to be taken by the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to agree to complete the disposal of the building and land at 50 Gibson Drive, Kings Hill, Maidstone, ME19 4AF, and delegate authority to:
 - a) the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the contractual terms of the disposal; and
 - b) the Director of Infrastructure, to authorise the execution of necessary contractual and land agreements required to implement the above,
be endorsed.