

## KENT COUNTY COUNCIL

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### SCRUTINY COMMITTEE

MINUTES of a meeting of the Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 7 December 2022.

PRESENT: Mr A Booth (Chairman), Mr P V Barrington-King (Vice-Chairman), Mr N Baker, Mrs R Binks, Mr T Bond, Mr N J Collor, Mr G Cooke, Mr A J Hook, Mrs S Hudson, Mr D Jeffrey, Rich Lehmann, Mr H Rayner and Dr L Sullivan

ALSO PRESENT: Mr P J Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services), Mrs C Bell (Cabinet Member for Adult Social Care and Public Health), Mrs S Chandler (Cabinet Member for Integrated Children's Services) and Mrs T Dean, MBE

IN ATTENDANCE: Mr B Watts (General Counsel), Mrs S Hammond (Corporate Director Children, Young People and Education), Mr R Smith (Corporate Director of Adult Social Care and Health), Mr S Collins (Director of Integrated Children's Services (West Kent and Early Help and Preventative Services Lead)), Mrs C Head (Head of Finance Operations), Mr J Cook (Democratic Services Manager), Mrs A Taylor (Scrutiny Research Officer) and Mr M Dentten (Democratic Services Officer)

#### UNRESTRICTED ITEMS

**64. Declarations of Interests by Members in items on the Agenda for this Meeting**  
*(Item A4)*

No declarations were made.

**65. Minutes of the meeting held on 11 October 2022**  
*(Item A5)*

RESOLVED that the minutes of the meeting held on 11 October 2022 were an accurate record and that they be signed by the Chairman.

**66. Revenue and Capital Budget Monitoring Report - September 2022-23**  
*(Item C1)*

*Mr P Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services) was in attendance for this item and Mrs C Head (Head of Finance Operations) was in attendance virtually for this item.*

1. Mr Oakford introduced the Revenue and Capital Budget Monitoring Report to September 2022, which had been presented to Cabinet on 1 December and was the second for the 2022/23 financial year. The Committee were informed that the report projected a £60.9m in-year overspend, which represented a £10.3m increase from the previously reported projection. He warned that it was a serious cause for concern and required significant management action

to minimise spend as far as possible, to ensure that the authority was as close to a balanced budget as possible by the end of the financial year. The main reasons for the projected overspend were detailed with inflationary, demand pressures and non-delivery of some agreed savings cited. Adult Social Care and Children, Young People and Education were highlighted as the directorates with the majority of the projected overspend, at £27.7m and £33.9m respectively. He explained that whilst the £25m risk reserve was designed to address overspend, that additional overspend would need to be met from the authority's general reserves. Members were informed that £35m of the £51m savings target were anticipated to be realised by the end of the financial year. Regarding the capital budget, he confirmed that a £74.6m underspend, with £103.7m rephased and an in-year overspend of £29.1m, had been forecast. Concerning the projected deficit on the High Needs budget, he advised that it was expected to increase by £46m in 2022/23 to £147m, up from £101m at the end of 2021/22. He concluded by alerting Members that the report reflected the most challenging projection that the Council had seen in recent years and that difficult decisions would need to be taken to reduce the projected overspend and impact on the medium-term financial plan.

2. A Member asked whether the mainstream home to school transport budget included both pupils with KCC funded bus passes, as well as those provided with hired vehicle transport, if a breakdown of the total mainstream home to school transport spend across both categories could be confirmed. Mrs Head agreed to provide Members with the requested information following the meeting.
3. Following a request from a Member for more information on the reasons for the projected capital budget underspend, Mrs Head explained that rephasing projects to future years as well as slippage were the main reasons for the underspend. Mr Oakford confirmed that the reasons for rephasing and overspends were tracked.
4. In response to a question from a Member on what overspend was expected by the end of the financial year, Mr Oakford stated that the target was to reduce the overspend to below £25m, in order that it could be covered by the risk reserve.
5. A Member asked whether section 12 of the report was the only governance document for in-year spend and changes. Mr Watts agreed to follow up the question with the Corporate Director for Finance and provide Members with an answer following the meeting.
6. Mr Oakford informed Members, following a question from a Member on whether the projected savings for SEN assessments were realistic, that the resourcing of assessments were the subject of ongoing discussions with the Cabinet Member and Corporate Director as part of the budget setting process.
7. Concerning the provision of home to school transport, the Chairman stated that he hoped officers were proactive in reducing costs, where possible, without reducing service quality. He emphasised the need to analyse the reasons for costs increases, to understand whether inflation or unreasonable increases had been the drivers for increased service costs. Mr Oakford

explained that the home to school transport market had experienced higher demand and a lower supply of drivers and providers, which had caused cost increases, he reassured the Committee that officers were investigating the matter closely. He added that the retender of home to school transport had reduced service costs, but increased demand had created the projected overspend.

8. Mrs Bell confirmed, following a question from a Member, that the difference in costs between framework and non-framework beds differed from contract to contract. She confirmed that alternative models of care were being investigated to further increase service capacity and reduce costs. Mr Oakford reassured Members that Cabinet drilled down into the reasons for cost increases, with care home beds a prime example. He added that keeping providers afloat, in order to maintain local supply, was an important factor and that homes needed at least 80 beds to be financially viable, with over 80% in Kent below that level.
9. In response to a question from a Member, Mr Oakford explained that, aside from highway and school capital projects, most other projects had been pushed back to reduce the impact of inflation.
10. A Member asked whether council tax collection rates could be improved to increase the authority's revenue. Mr Oakford confirmed that KCC financially incentivised district councils to improve their collection rates.
11. A Member commented that a strict commercial approach to contracts was required and that the use of local providers should be maximised.
12. Mr Oakford confirmed, in response to a question from a Member on reducing service levels to improve the Council's financial position, that service costs and outcomes were being examined as part of the budget setting process. He added that financial and statutory service resilience were priorities.
13. A Member asked for confirmation of the High Needs deficit, how the deficit would be repaid and what it would stand at the end of the 5-year period. Mr Oakford explained that KCC were in ongoing negotiations with the Department for Education as part of their Safety Valve Programme and that further detail could not be provided in open session at that moment. Mrs Head confirmed that £147m was the projected cumulative deficit for the end of the 2022/23 financial year.
14. Mr Rayner moved and Dr Sullivan seconded a motion "that the meeting be taken into closed session."
15. Members discussed the motion and how best to consider confidential information relating to the High Needs deficit, including the merits of delaying consideration of the issue to January, in order that further information and the appropriate officers can attend the Committee.
16. Dr Sullivan withdrew her second. The motion was lost.

17. The Chairman moved a motion “to defer consideration of the Revenue and Capital Budget Monitoring Report to a future meeting of the Scrutiny Committee.”

18. Members voted on the motion. The motion passed by majority vote.

RESOLVED to defer consideration of the Revenue and Capital Budget Monitoring Report to a future meeting of the Scrutiny Committee.

## **67. Making a Difference Everyday Strategy - 6 month update**

*(Item C2)*

*Mrs C Bell (Cabinet Member for Adult Social Care and Public Health) and Mr R Smith (Corporate Director of Adult Social Care and Health) were in attendance for this item.*

1. Mrs Bell introduced the item which served as an update on the progress made over the previous six months to deliver against ‘Making a Difference Everyday: Our Strategy for Adult Social Care in Kent 2022-2027,’ following a call-in of the decision to adopt the Strategy in May 2022. She explained that delivery had progressed largely as planned, with delays in some areas. A longer than expected reorganisation of teams as part of the transition to the Locality Operating Model as well as delays to the implementation of the government's adult social care reforms were cited as the main impediments for the programme.
2. Mr Smith gave a presentation. The contents of the presentation included a summary of the strategy development process as well as the progress made implementing the Locality Operating Model; a new place-based way of working; Digital Front Door; Digital Self Serve; Self-directed Support; and Technology Enabled Care. He reminded Members that the strategy was in its second of its five-year transformation programme and that user feedback had been included as part of the ongoing programme evaluation along with cost benefit analysis.
3. Mr Smith emphasised, following a question from a Member, that Making a Difference Everyday was designed as an efficiency and practice improvement model which focused on a transition from a traditional care to community and digital model, rather than an explicit savings vehicle.
4. Additional information on the diagnostic process undertaken, including the cost to the Council, was requested by a Member.
5. In relation to the developments cited in the presentation as to be completed by December 2022, a Member asked whether they were expected to be completed on time. Mr Smith confirmed that there had been a minor delay to the starting of the Quality Assurance Board, which he would be chairing the first meeting of in January 2023, with the delay due to the finalisation of membership. He added that the Self Assessment Tool had also experienced minor delays due to a longer than expected platform development process.

6. A Member asked how implementation of Making a Difference Everyday had strengthened workforce resilience. Mrs Bell acknowledged that the provider market both in Kent and nationally faced significant staff shortages which impacted morale. Mr Smith added that over 90% of Kent's adult social care provision was commissioned and that a recruitment campaign and investigations into attracting new recruits to the health and social industry were underway. It was noted that new digital roles would attract other professionals to social care and further diversify the workforce. He emphasised the importance of health and social care integration for strengthening workforce resilience across both sectors.
7. Mr Smith reassured the Committee that the Locality Operating Model was designed to improve integration with the wider health system and partnerships.
8. Members commented that further improvements to information sharing between the NHS and social care were required to maximise the service efficiency.
9. Mrs Bell agreed to provide a further update to the Committee at the appropriate time. Dr Sullivan asked that the questions with outstanding answers be addressed in the future update.

RESOLVED to note the update on the Making a Difference Everyday (MADE) Strategy.

#### **68. Family Hubs Transformation Decision** (Item C3)

*Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mrs S Hammond (Corporate Director of Children, Young People and Education) and Mr S Collins (Director of Integrated Children's Services (Early Help and Preventative Services Lead)) were in attendance for this item.*

1. Mrs Chandler provided an overview of decision 22/94 (Family Hubs Transformation) which she had taken as an urgent decision on 14 October. She outlined the circumstances which had required an urgent decision, with KCC needing to sign a memorandum of understanding with the Department for Education (DfE) within a timeframe which didn't allow sufficient time for an ordinary key decision. She noted that the Scrutiny Chairman and Group Spokespeople had been engaged at the time of decision to explain the reasons for urgency.
2. Following a question from a Member in relation to part (c) of the key decision (to confirm that any implementation or full delivery of a Family Hub Model in Kent will be subject to the development of detailed proposals, appropriate consultation, engagement and governance through normal Executive Decision-making arrangements), Mrs Chandler confirmed a further update on Family Hubs would be provided at the Children's, Young People and Education Cabinet Committee's 17 January meeting.
3. In response to questions from Members, Mr Collins confirmed that the Family Hubs operating model would include partnership with health visitors and

midwives, with a particular focus on outreach and a diverse offer incorporating face-to-face, virtual and digital methods. He clarified that the programme was targeted at young people, 0-19 and up to 25 with specific needs. Regarding the timeline leading up to the urgent decision, he explained that confirmation, from the DfE, that KCC had been accepted for funding was received on 6 October, along with a request to sign a memorandum of understanding; followed by consideration of the offer by senior officers at Strategic Reset Board on 13 October; Mrs Chandler as the Cabinet Member was then informed to ensure political oversight and that the appropriate governance arrangements could be put in place; and an extension to 14 October was agreed with DfE which permitted sufficient time for the urgent decision to be taken. He confirmed in relation to Priority 4 (New Models of Care and Support) of Framing Kent's Future that Family Hubs represented a new model of care and that health visitors and midwives had been consulted on future changes and delivery. He gave reassurance that children and family's views would be used to develop the delivery plan.

4. Mr Watts informed the Committee that future key decisions would be required to agree the implementation arrangements for the Family Hub model and advised that it would be subject to call-in.

RESOLVED to note the information provided in response to Members' questions on the Family Hubs Transformation decision.

#### **69. Scrutiny Committee's role in relation to KCC's SEND provision** (Item C4)

*Mrs T Dean, MBE (Member for Malling Central) and Mr J Cook (Democratic Services Manager) were in attendance for this item.*

1. The Chairman introduced the item. He reminded Members of the ongoing issues related to the County Council's provision of Special Educational Needs and Disability (SEND) services, which had been highlighted by Ofsted and the Care Quality Commission's (CQC) conclusions, published in November 2022, that Kent hadn't made sufficient progress in addressing any of the significant weaknesses raised in their March 2019 inspection report. He stated that it was now appropriate for Scrutiny Committee to establish a dedicated sub-committee to provide targeted overview and scrutiny of SEND provision in the county.
2. Mrs Dean shared her reasons for suggesting a sub-committee to the Chairman, which included: a need to closely track progress made against the nine significant weaknesses identified; consolidate scrutiny of SEND provision; improve information sharing with Members; and improve the challenge given by Members.
3. Mr Cooke proposed and Mr Jeffrey seconded a motion "that the Scrutiny Committee establish a Sub-Committee to consider KCC's SEND provision."
4. Mr Cook advised Members on the process for establishing a Sub-Committee of the Scrutiny Committee, which included that it was within Scrutiny Committee's power to establish a Sub-Committee; the proposed Sub-

Committee would be politically proportionate; it would be a formal committee of the Council, requiring properly constituted physical meetings; would handle issues within the subject area of SEND provision on behalf of Scrutiny Committee; and that, in consultation with the Scrutiny Chairman and Group Spokespeople, the terms of reference would be drafted by Democratic Services for approval by the Committee at a future meeting.

5. Mr Watts reassured Members that future executive key decisions related to SEND would continue to follow the agreed procedures, as set out in the Council's constitution, including consideration of proposed decisions by the Children's, Young People and Education Cabinet Committee as well as analysis of management plans by Governance and Audit Committee.
6. Mr Cook confirmed, following a question from a Member, that external co-opted representation on the Sub-Committee, including Parent Governor Representatives, would be explored as part of the establishment process.
7. Members voted on the motion. The motion passed by majority vote.

RESOLVED that the Scrutiny Committee establish a Sub-Committee to consider KCC's SEND provision.

## **70. Work Programme**

*(Item D1)*

RESOLVED to note the report.