

KENT COUNTY COUNCIL

CABINET SCRUTINY COMMITTEE

MINUTES of a meeting of the Cabinet Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 23 June 2010.

PRESENT: Mrs T Dean (Chairman), Mr R Brookbank, Mr A R Chell, Mr L Christie, Mr E E C Hotson, Mr R F Manning, Mr M J Jarvis, Mr J D Kirby (Substitute for Mr R E King), Mrs J Law, Mr R J Lees, Mrs J A Rook and Mr J E Scholes

ALSO PRESENT: Miss S J Carey, Mr G K Gibbens, Mrs S V Hohler and Mr J D Simmonds

IN ATTENDANCE: Ms L McMullan (Director of Finance), Mr O Mills (Managing Director - Adult Social Services), Mr K Abbott (Director Resources and Planning Group), Miss C Highwood (Director - Resources) and Mr A Wood (Head of Financial Management)

UNRESTRICTED ITEMS

48. Minutes of the meeting held on 9 April 2010 (Item A3)

RESOLVED: that the minutes of the meeting held on 9 April 2010 are correctly recorded and that they be signed by the Chairman.

49. Follow-up Items from Cabinet Scrutiny Committee (Item A4)

The Chairman explained that the issues surrounding Kent Design Guide would now progress onto the Environment, Highways and Waste Policy Overview and Scrutiny Committee. A report had been circulated to Mr Dean and Mr Manning but they requested that it be amended to provide a complete record of the meeting before it was submitted to the Environment, Highways and Waste Policy Overview and Scrutiny Committee.

Regarding Kent Digital Service the Chairman explained that she and the spokespeople had met with the Cabinet Member for Corporate Support Services and Performance Management and discussions were ongoing.

On the issue of Local Member Information the Member Information Member Officer Group were taking this information forward and the Scrutiny Board were monitoring progress.

RESOLVED: that the Cabinet Scrutiny Committee note the follow up items report.

50. Notes of the Informal Member Group on Budgetary Issues held on 14 April
(Item A5)

Regarding the discussion had on the evaluation of the budget process; Members commented on the training programme which had been set up to discuss the budget process. This had been an excellent session and Members had got a lot out of it. All Policy Overview and Scrutiny Committees had agreed to set up Informal Member Groups to scrutinise their area of the Budget.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 14 April 2010.

51. Notes of the Informal Member Group on Budgetary Issues held on 14 May
(Item A6)

The Informal Member Group on Budgetary Issues had asked the Council to approach the Government to request that they be able to work together on a review of the Local Government finance. This request had been sent but no response had yet been received. Ms McMullan would update Members when there was more information.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 14 May 2010.

52. Notes of the Informal Member Group on Budgetary Issues held on 10 June
(to follow)
(Item A7)

A post meeting note within the notes explained that the issue of establishment figures and how they were reported would be revisited by the Budget Informal Member Group.

RESOLVED: that the Cabinet Scrutiny Committee approve the notes of the Informal Member Group on Budgetary Issues held on 10 June 2010.

53. Revenue & Capital Budget Outturn 2009-10, Roll Forward and Key Activity Indicators
(Item C1)

Mrs Hohler, Mr Simmonds, Ms Carey, Ms McMullan, Mr Abbott and Mr Wood were present for this item.

(1) Ms McMullan explained that she would be taking on the role for the South East lead for Finance, which would involve being a representative for the South East Strategic Authorities. Mr Manning asked for clarification on how this role might unfold. Ms McMullan explained that the Council was offering its services and was waiting to see how other Authorities wanted to engage with the Council, useful debates could be had about what would actually make a difference. Mr Christie asked whether this was the most appropriate time to be taking on additional roles, Mr Simmonds explained that it was important to share experiences and find the best way forward in the difficult economic circumstances, combining efforts would ensure benefits for Kent County Council. The Chairman stated that presumably

the Council were looking for cuts which would have the least effect on the residents of Kent so sharing best practice would be beneficial, Mr Simmonds explained that the Council was analysing the ways in which the services were delivered and looking at best practice in other authorities. There were opportunities to work with other authorities and organisations and the Council was constantly looking at ways of delivering services in a more effective and efficient way.

- (2) In response to a question from Mr Christie, Ms McMullan confirmed that the same offer was made to the previous Government. Meetings were held with Michael Lyons and there was input jointly across Kent into the comprehensive spending review.
- (3) In response to a comment from the Chairman about conflicting evidence in the media and the effect of academies on the Local Authority. Mrs Hohler explained that the Council faced a challenge and opportunity to think about how services were delivered without affecting standards. The in-year cuts were particularly challenging. A restructure was ongoing in the Children, Families and Education (CFE) Directorate to meet existing budget pressures and throughout this the staff had been resilient and patient. CFE had a core budget of £213million which included special needs services, training and services provided to schools for example, there was not a lot of flexibility within the CFE budget because most of the budget was ring-fenced as Direct Service Grant.
- (4) There had been an invitation from the Government to all schools to register their interest to become 'new academies' online. If a school had been judged as outstanding by Ofsted it could fast track to becoming an academy. A number of schools expressed interest and one issue of concern was transport and how it would be provided, if new academies changed the school hours or term times this could have huge implications on KCC budgets as the transport provider. It was a complicated picture that was constantly changing.
- (5) The Council had written to all schools to offer to discuss their issues, problems and concerns. The discussions had to date had been useful and productive and Governors had asked lots of questions.
- (6) The Chairman asked about the differences to the school budget, what information had been shared with the Headteachers at this stage. Mr Abbott circulated to Members a presentation which had been given to Headteachers on the budgetary issues. The picture was moving on a daily basis, but currently if a school elected to move to academy status it took its existing formula budget and this remained linked to the Kent formula. A share was then taken of the centrally retained budget. An academy took its share in line with the current Department for Education (DfE) methodology for 16 of the 32 budgets that made up the 8.7% share of the budget (pro-rata per pupil head). There would also be an additional top-up from the DfE in recognition of essential services schools should be involved in. As well as a grant for VAT and an insurance top-up as schools would no longer be able to get insurance from the local authority. There was also an assurance that as a school moved to academy status it would look to partner and support neighbouring schools, there was no additional funding for this at present. If every 'outstanding' school in Kent moved to academy status £1.9million would be lost. The principle by which a budget was allocated to an academy was on a

per pupil basis, this was problematic in terms of methodology and pressures and would be discussed further.

- (7) The Chairman asked whether the attainment of academy status involved consultation with parents or the community surrounding the school. Mrs Hohler explained that consulting the community and parents was not formally in the process, however the schools and governors were encouraged to consult with the parents and communities. The Government had offered £25,000 to each school moving to academy status to help with the legal fees and transfer costs, but there were queries over whether this was enough.
- (8) Mr Christie explained that in his experience parents were concerned about being unaware about the future of their school and whether it would become an academy at the end of the year. It was essential that Members were kept informed to allow them to share information with concerned parents. Did the Council know which schools in Kent had applied for academy status? Was the Council suggesting to the Government that the move to academies was too quick, that the process should slow down and that there should be greater consultation with the public?
- (9) Mrs Hohler explained that when she met Mr Gove before the election she had explained that the name academy was confusing and that the Ofsted criteria was a crude measure. There had been some excellent Member briefings and the Cabinet Member for Education had written to Members to brief them on the current situation. The timing was difficult at the end of the term, it was critical that parents were kept informed and many Governors were putting the academy idea on the backburner until further information was available and there was the opportunity for consultation.
- (10) In Kent over 70 schools had been judged as 'outstanding' and could therefore be fast tracked, at this point two schools had begun to proceed to academy status and these were Fulston Manor School in Swale and Castle Community College in Deal. Collaboration between schools in Kent had been excellent, the Cabinet Member was pleased that schools were being encouraged to work together and to support each other.
- (11) Mr Manning asked what happened if the scheme failed and what liability did the Council have. Mr Abbott explained that the Council's liability, as far as it was understood, would be nothing as the school would be an independent academy. It was currently assumed that transport issues would remain with the County Council, however financially the school would stand alone. School reserves, loans, standards and leadership issues were still to be resolved with the DfE.
- (12) Mr Chell asked about the latest budgets for schools, was it possible to firm up the second and third year budgets. Projected budgets were based on a zero increase and until the results of the comprehensive spending review in September were published no further information was available.
- (13) Mr Jarvis expressed his concerns about the speed things were progressing, there was the potential for money to be wasted. Mrs Hohler explained that it was difficult to predict whether the Government's policy on schools would save money

in the long term. Regarding free schools there were concerns that transport issues in a county like Kent would be extremely difficult to maintain.

- (14) Mrs Rook asked why only the outstanding schools had been invited to become academies. Were the outstanding schools who were expressing an interest in becoming an academy expecting Building Schools for the Future (BSF) money, and why couldn't an academy claim back VAT.
- (15) Mrs Hohler explained that it was not clear why only outstanding schools had been invited to become academies. In relation to BSF, a school had had reassurance from the DfE that expressing an interest in becoming an academy, whilst in a BSF wave, wouldn't have an effect on the BSF funding, which was surprising although issues were still to be resolved. In relation to VAT Mr Abbott explained that the legal basis of academies set them up as companies and therefore they had to pay VAT.
- (16) Mr Christie asked, accepting that it was not on the agenda, for clarification over free schools and their implementation timeline. Was the Cabinet Member for Children, Families and Education prepared to use the political weight of the Council to ask the Government to slow down the process? Mrs Hohler confirmed that the implementation time for free schools was September 2011, and it was important to use Members to listen locally and make the Council aware of any groups in the County who might be thinking about setting up a free school to allow the Council to have a dialogue with such groups. A joint letter to Mr Gove expressed concerns that the Council did not want unintended consequences from the process, a series of questions were also asked but no reply had been received and there were still a lot of unanswered questions. The Chairman explained that she had received a request via the LGA for comments, suggestions and views from local councillors about the proposals and a briefing had been requested from Mrs Turner on the issues surrounding the proposals.
- (17) Mr Hotson stated that to date only 2 of the county's 70 outstanding schools had expressed an interest in becoming an academy, it was necessary to wait and see how the process unfolded and it would be helpful if an appropriate Committee would monitor and have an update on the progress, particularly in relation to the relevant budgets. Mrs Hohler explained that to date Members had been briefed by letter, with email links, this issue was also on the agenda for the relevant Children, Families and Education Policy Overview and Scrutiny Committee for 20 July.
- (18) Mrs Law expressed her concern about the schools that might be left behind, how was it possible to raise the standards in schools that had not achieved outstanding in their Ofsted inspection. Mr Abbott explained that there was nothing more substantial at this stage but one of the clear messages from the Government was that they were looking to make better use of the pupil premium. For schools that remained with the local authority it was important to ensure that the current restructure worked through the issues.

54. Response to Government Savings Announcement; The impact on Revenue and Capital Budgets 2010-11
(Item B1)

Mr Simmonds, Ms Carey, Ms McMullan and Mr Wood were present for this item.

- (1) Mr Simmonds explained that it would be fair to say that the Council had been surprised when asked to make savings in this year's budget; however what was revealed in the Government announcement of grant cuts was predictable.
- (2) It was logical to look at the grants that were affected by the cuts and it was necessary to think through the implications of the grants and which were most beneficial to the residents of Kent. Following the Leader's decision of where the cuts would be made to meet the savings target for this year it was then necessary to analyse the services, what the effects of the cuts might be and it was hoped that Members would generally accept the direction of travel that had been made to meet this year's savings targets.
- (3) Mr Chittenden explained that he was a Member of the Police Authority with responsibility for road safety. He had concerns around the effects of any cuts to the safety partnership and what support could be offered to minimise any effects, and he asked the Cabinet Member whether any further information was available on where the remaining £168,000 cuts would be made. Mr Wood explained that in terms of the road safety grant £1.8million of the £2.3 million grant received went to the Kent and Medway Safety Partnership which employed 41 full time equivalent (FTE) staff at a cost of around £1.2million. It was understood that the Environment, Highways and Waste Directorate were in discussions about how these cuts were dealt with operationally, the best use of the resources available and the best way of maintaining road safety.
- (4) The speed limit review would not be going ahead at this stage so consequently the capital costs of the review were not required. Mr Chittenden urged the Council to do everything in its power to mitigate the effects of the cuts to the safety partnership.
- (5) The Chairman asked whether there was a longer list of options available originally; would it be possible to provide this list to Members?
- (6) Mr Simmonds explained that the Council would be discussing possible options with the District authorities to determine the effects and possible implications of not continuing with particular projects and initiatives and how best to manage current situation. Many contracts and projects were match funded and it would be in the residents' best interests to continue with such projects. It was vital to deal with the £15.5million in the short term to enable detailed examination of future cuts.
- (7) The Chairman asked for clarification over the integrated transport schemes which were due to be going ahead this year. Mr Simmonds explained that that should be addressed to Mr Chard as it was being looked at currently and all projects were under review. All County Members were due to receive a full list of the schemes which would then be passed to the Joint Transportation Boards.

- (8) Mr Christie asked whether it was right to assume that the Members grant would continue, would this be an area that would be looked at? Mr Christie referred to the Area Based Grant (ABG), the report stated that this would be treated as a funding source of the overall budget requirement in a similar way to formula grant and council tax income. Was it the case that the ABG for Children, Families and Education had to be spent on CFE, Mr Christie understood that the purpose of ABG was to get away from specific grants and allow more flexibility. Ms McMullan explained that the ABG allowed a degree of freedom at a national level, however within KCC's medium term plan; paragraphs 2.21 and 2.22, ABGs were dealt with as specific grants. There was a need to re-think priorities to get through the in-year cuts and the commitment that ABG was discussed further in future years.
- (9) A report circulated at the Cabinet meeting was drawn to Members attention; this had not been circulated with the Cabinet Scrutiny papers. POST MEETING NOTE: This report was circulated via email to Cabinet Scrutiny Committee Members on 12 July 2010.
- (10) Mr Christie asked for further clarification on the use of reserves, was it inevitable that front line services would be affected? Ms McMullan explained that the reserves were set up some years ago, and were intended to smooth the impact of any future cuts, however the reserves had been required 9 months sooner than expected. Mr Simmonds explained that the effect on individuals would be limited; reserves had been put aside for this eventuality, using them now would allow time to look at the Council's core services and how they were going to be delivered.
- (11) The Chairman asked for clarification of when Members might be informed of the detail behind the other savings proposals. Mr Simmonds confirmed that Members would be made aware as soon as possible, hopefully in time for the Policy Overview and Scrutiny Committee meetings. Ms McMullan confirmed that the detail would be available in time for the next Cabinet meeting.
- (12) Mrs Dean asked whether the longer list of options available to meet the grant reductions was available to Members and Ms McMullan confirmed that it could be made available to all Members.
- (13) Mr Christie asked for clarification on the underspend against the Early Years entitlement extension. Was this based on the extension from 12.5hour to 15 hours and should people not be encouraged to use it rather than cutting it because it was not being used. In February the Council was suggesting an extra precept of £3million to cover the cost of asylum, however now £15.5million of cuts were being dealt with with minimal effect. Mr Wood explained that on the Early Years entitlement, in 2008/09 there was an underspend of £1.4million, in 2009/10 £1.1million, in the Medium Term Plan £5.8million was set aside for the increase from 12.5hours to 15hours and the extension to 2 year olds. A lot had been done to promote take up but the underspend suggested that this would continue in future years. Regarding the asylum reserve, there was a reserve available which contained £1.7million at the end of 2009/10 plus a budgeted allowance for a grant shortfall of £1.3million in 2010/11. There was £800,000 remaining in the reserve which should be sufficient if costs recovered in 2010/11.

(14) The Chairman asked that Members be involved as much as possible in future discussions.

RESOLVED:

That the Cabinet Scrutiny Committee:

1. Thank Mr Simmonds, Ms Carey, Ms McMullan and Mr Wood for attending the meeting and answering Members' questions
2. Thank Mrs Hohler and Mr Abbott for attending the meeting and answering Members' questions
3. Welcome the assurance of the Cabinet Member for Finance that further details of the proposals to address revenue grant reductions would be released as soon as possible and in time for the next round of Policy Overview and Scrutiny Committee meetings
4. Thank the Director of Finance for agreeing to provide the long list of options available to the County Council to address the revenue grant reductions.

55. Response to Government Savings Announcement

(Item C2)

Discussed as part of the above item.

56. The Future of Older Persons' Provision in Kent County Council

(Item C3)

Mr G Gibbens, Mr O Mills and Ms C Highwood were present for this item.

- (1) Mr Manning clarified that he did not share the concerns of the Chairman and Spokesperson regarding the decision to go out to consultation on the Future of Older Persons' Provision in Kent County Council.
- (2) The Chairman explained that following a discussion with the Director of Strategic Business Support she had requested the following information:
 - a. A breakdown of the differential costs between the County Council's in house provision and private provision
 - b. Details about the number of clients affected and the number of staff affected
 - c. Alternative options explored
- (3) It was agreed that as much of the discussion as possible would be held in open session.
- (4) In relation to the alternative options explored Mr Mills explained that there had been a lot of change with the in-house provision. In 1992 9 homes were transferred to the Kent Community Trust and a further 9 were sold in 1998/99, link service centres had also been developed along with extra care sheltered housing and the establishment of Westview. The Council had continually been looking at

the options and the needs whilst focussing on the welfare of the existing residents and staff. The current provision had been reviewed and the proposals in relation to the 11 homes were put forward for consultation.

- (5) In relation to the numbers of staff and clients affected. Ms Highwood circulated information setting out the number of beds both in the affected home and within a radius of five miles of each home and alternative provision.
- (6) Mr Christie expressed his concern about the lack of Member attendance at the consultation exercises. In relation to a question from Mr Christie, Mr Mills confirmed that alongside the consultation no new permanent residents were being accepted into the homes. Mr Christie had concerns about the consultation exercise and whether decisions had already been made. If the majority of people were against closure would the Council accept that decision? Was this a financially driven exercise or was it in the interest of the clients. It had been said that the homes were not fit for purpose, but wasn't it the responsibility of the Council to update and modernise the care homes, why was this not done? Would the current residents of care homes which may close have priority for the new care homes? Mr Christie expressed his concern about respite beds and the availability of excellent beds particularly in areas which bordered other counties and therefore had competition.
- (7) Mr Gibbens wished to assure the Committee that the consultation would be as wide as possible, a further consultation had been agreed for Dartford. The Council would do everything possible to enable residents or Members to attend consultation discussions. A full briefing would be given at the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June to which all Members had been invited and were able to ask questions. The reasons behind this consultation exercise included dignity, respecting people's rights and ensuring that the right services are being provided looking into the future. Lots of work had been undertaken on care homes and the sheltered housing review provided evidence of the excellent work that had been completed. The focus was to enable people to live with dignity in their own homes for as long as possible.
- (8) Mr Mills confirmed that this was unquestionably a consultation exercise. At the end of the consultation there would be a report back from the Managing Director of Adult Social Services to enable further decisions to be made. This was a necessary exercise in light of budget difficulties, the growing numbers of older people and the capital costs of modernising standards in care homes were beyond the capacity of the County Council. In relation to the Care Quality Commission (CQC) it was a tribute to the staff in the homes that all were either 'good' or 'excellent'. However the CQC also had a responsibility for monitoring the physical standard of homes and these were poor. A great deal of modernisation had been undertaken but this came at a significant cost to the County Council. In response to the question about existing residents having priority to move into the extra sheltered care, yes they would be priority if that was their choice. In relation to respite care the Council was confident that it could purchase respite care in the light of changing needs. The availability of beds was constantly changing, Officers were confident that people could be offered a choice of good homes in a suitable area.

- (9) The Chairman had concerns around the timing of the exercise, was the Council sure that this was a good time to sell property. There were also concerns around withdrawing from the care homes market and whether that would diminish the Council's power to influence the market. The Government was looking at how elderly care was paid for nationally, would the outcome of that commissioned work affect the future of care homes. The Chairman asked for more details of the cost of TUPE. Officers had highlighted the difficulties in accessing capital, was this position due to get easier or more difficult with the new Government.
- (10) Mr Manning raised his concern that the purpose of the meeting was to discuss whether the Council should be going out to consultation on this issue, not the principle behind it. The Chairman explained that questions had been raised regarding the timing of the exercise, and it seemed to be a proper debate to be held.
- (11) Ms Highwood explained that in relation to the timing of selling property, the decision could not be taken in parts so considerations had also included the costs of further capital works, the availability of alternative provision etc. The relationship with the market was much more in partnership, for example the Council was providing subsidised training for those in the market, discussions were held to help businesses be managed efficiently, and the working relationship was a good one. The understanding from the Department of Health was that the terms of reference for the commission on how older persons' care would be paid for in future were expected before the summer recess although this information was not available yet; this was unlikely to affect KCC's proposals. Regarding access to capital, Adult Social Care had had little access to capital from the Department of Health, it was unlikely that this would change, PFI funding had been available and £75million PFI credits had been secured for the current round of extra care housing.
- (12) Mr Hotson asked when officers made a decision not to accept new clients into the homes that were proposed to be closed. Ms Highwood explained that the decision was taken as a matter of prudence and was normal practice, if at the end of the consultation the proposal was overturned it was easy to allow residents back into the care homes, however it would be unfair to allow new residents into a home that may close.
- (13) Mr Scholes expressed his concern about the information that might be available throughout the consultation. Mr Scholes agreed to discuss the particular issues he was aware of with the Officers outside of the meeting.
- (14) Mr Koowaree queried that decisions taken over the refurbishment of the buildings, regarding the consultation, would it be tailored to each individual community group. Ms Highwood explained that in relation to the quality of buildings, some areas were neglected and required money to be spent. However the other concern was that once significant improvements were made the CQC required re-registration and the current building would fail registration due to room size and no en-suite which would require further expenditure. The consultation had expanded further and it was intended that it was as open and accessible to all interested parties.

- (15) Mr Gibbens stated that he understood what a difficult process this was for residents, families and the staff concerned. The Cabinet Member did not underestimate this concern. It was a difficult decision; some people would be ideologically opposed and this was understood. The process focussed on looking to the future, it was important to consult at this stage to provide the right standard of care for older people in Kent.
- (16) The Chairman asked whether the decision not to accept any new residents into the homes should have been a key decision that should have been subject to further discussion, Mr Gibbens would consider that point for the future. Mr Christie asked whether, if there was a majority against the proposals from the consultation exercise then the process would not proceed. Mr Gibbens explained that the consultation would be as wide as possible and following the consultation the results would be investigated and put into a report from the Managing Director of Adult Social Services.
- (17) Mrs Rook asked for more information, it was felt that the public needed to know what the Care Quality Commission Guidelines were, how robust Officers had been in trying to find private sector partners specifically for those homes which were proposed to close. Who would provide the day care element of some of the homes that were both daycare and residential? How the strategy would fit in with the national strategy? What the differential would be, not only in cost, between Adult Social Services and the private sector and also what the service delivery would be. There were concerns about how Members had been consulted, there had not been enough notice for briefings and a consultation pack for Members would be useful. All Members should receive a copy of the Adult Social Services Policy Overview and Scrutiny Committee presentation and other information provided. In addition this meeting would be webcast.
- (18) Mr Mills explained that the Cabinet Member was committed to arranging meetings to suit both residents and Members and this was a complicated situation, the points raised would be included in the presentation at the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June.
- (19) Ms Highwood explained that individual decisions would be taken on each home, there may be one report but it would contain a series of individual decisions each informed by its own consultation.
- (20) Mr Christie expressed his concern that these proposals were not obvious from the medium term plan, and was this a knee jerk reaction to Government funding cuts. Concerns had been raised around the wages for in house staff, and the impact on affected staff wages. Ms Highwood explained where the relevant information could be found in the medium term plan. In response to whether there was reassurance from the budget announcement of 22 June, there had not been any reassurance received. In response to a question from the Chairman Ms Highwood confirmed that there had been no discussion at the budget Adult Social Services Policy Overview and Scrutiny Committee meeting relating to the closure of care homes.

RESOLVED:

That the Cabinet Scrutiny Committee:

1. Thank Mr Gibbens, Mr Mills and Ms Highwood for attending the meeting and answering Members' questions
2. Request that Members are more closely involved in the process as it unfolds
3. Ask that as much notice as possible be given of future consultations
4. Express severe concern about the completeness of the information provided to Cabinet and Cabinet Scrutiny Committee around this decision and ask that the additional information requested by the Committee be made available for the meeting of the Adult Social Services Policy Overview and Scrutiny Committee on Friday 25 June.

The following are unrestricted minutes of matters which were discussed at the meeting as being exempt under Section 100A of the Local Government Act 1972, on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 4 of Part 1 of Schedule 12A of the Act.

57. The Future of Older Persons' Provision in Kent County Council (Item)

Mr O Mills and Ms C Highwood were present for this item.

- (1) Ms Highwood explained the methodology behind determining the cost of residential care. The unit cost per bed was higher for smaller homes which still required a manager and a full complement of staff particularly if they had lower occupancy rates.
- (2) Ms Highwood explained that staff pay rates were higher than in the independent sector, in addition Kent Adult Social Services staff were eligible to be members of the local government pension scheme. A discussion was had around the use of TUPE and the effect of transferring existing staff into partner agencies.
- (3) The Chairman asked what the typical pay rates would be for Kent County Council employed staff. Ms Highwood agreed to get clarification on this point and respond to Members outside of the meeting.

POST MEETING NOTE: KASS care workers had an hourly rate of £8.28 minimum, rising to £8.70 maximum. Kent Top Temps was recruiting care workers between £6.75 and £7.42 per hour within private residential homes. A colleague from the Trade Association stated that the hourly rate for care workers usually fell close to the national minimum wage (£5.80), albeit this might vary across the county with Sevenoaks attracting higher rates of pay than Chatham or Gravesend, for example. The National Minimum Data Set (NMDS) local authority area profile for Kent stated that the median hourly rate for a care worker was £6.50. These rates demonstrated a significant differential. On top of that, KASS staff were eligible to be members of the local government pension scheme, for which the employer's contribution was currently 23.1% of pay.

- (4) Mr Christie raised questions about the affected staff and the options available to them. Ms Highwood explained that there were a number of alternatives, staff could be transferred through TUPE, the revenue savings were not assuming savings against existing staff. Partnership arrangements could offer TUPE transfers, it was hoped that a balanced set of proposals could be produced. However, where homes were closed staff would be made redundant, although every effort would be made to mitigate the effects of this by redeployment, where possible.
- (5) In response to a question about the Care Quality Commission (CQC) and their power to close homes Mr Mills explained that the CQC applied the same regulations to in-house care, voluntary organisations or the private sector all with different histories. This was a necessary consultation rather than it being optional.
- (6) There was a further discussion around the use of PFI funding and the sale cost of the buildings and Ms Highwood confirmed that PFI credits had been secured in partnership with district authorities. Discussions were being had with the legal team regarding the potential restrictions on sale for some of the buildings.