

KENT COUNTY COUNCIL

INFORMAL MEMBER GROUP ON BUDGETARY ISSUES

NOTES of a meeting of the Informal Member Group on Budgetary Issues held in the Wantsum Room, Sessions House, County Hall, Maidstone on Monday, 12 July 2010.

PRESENT: Mrs T Dean (Chairman) and Mr R F Manning

ALSO PRESENT: Miss S J Carey and Mr J D Simmonds

IN ATTENDANCE: Mrs A Beer (Director of Personnel & Development), Ms L McMullan (Director of Finance), Mr A Wood (Head of Financial Management), Mr P Sass (Head of Democratic Services and Local Leadership) and Mrs A Taylor (Research Officer to Cabinet Scrutiny Committee)

UNRESTRICTED ITEMS

1. Notes of Previous Meeting on 10 June 2010

(Item 1)

1. RESOLVED that the notes of the Informal Member Group on Budgetary Issues held on 10 June 2010 were agreed as a correct record.

2. Further discussion on the feasibility of implementing the ORACLE system to include establishment figures

(Item 5)

Mrs A Beer, Director of Personnel and Development was present for this item.

The Chairman explained that at the previous meeting the group had had a discussion about the Oracle system, which had the capability to hold figures on establishment staffing post numbers for KCC. Mrs Beer explained that Personnel regularly reported on numbers of staff to the Personnel Committee.

Officers had met to discuss the use of Oracle to monitor establishment post figures. There would be further discussion between Information Services Group, HR and Finance on the resources required for the setup of the system to ensure the output met the requirements of Kent County Council.

Ms McMullan explained that the Oracle system had the capability of monitoring establishment post figures but it was necessary to look at the long term efficiencies from using the system. Discussions would also involve one off costs, vacancy management and efficiency savings from work force planning and how using Oracle could also assist in these areas. Mr Simmonds added that staffing information was a key tool in making the Oracle system work most effectively and it was important to ensure that the outputs from the system were beneficial to the Council.

RESOLVED that the Budget Informal Member Group request that a further update be provided at their next meeting on 10 September.

3. Revenue & Capital Budget Monitoring Exception Report (Cabinet report attached)

(Item 2)

1. Ms McMullan explained to the group that her officers and others, particularly those in the Children, Families and Education Directorate were working hard to monitor the most up to date financial information emerging from the Government.
2. Finance were focused on making the monitoring reports as clear as possible, but the picture was changing so quickly the reports were often out of date by the time they were written. For example there were significant emerging issues surrounding Building Schools for the Future and updates would be provided in future monitoring reports.
3. The Chairman commented on a report which had stated that Local Authorities had got together to suggest that all schools should become academies. It was understood that this was supported by the administration, however there was still a lot to be determined about the new academies.
4. It was thought that between 15 and 17 schools had registered their interest to move to academy status in September, this could mean a loss of £0.7million to the County Council in overhead grants. It might be possible for the Council to cover this loss as the support services to the schools should also be retracting, however there were concerns that the challenging schools would remain with the Local Authority once the outstanding schools had moved to academies. Members indicated their concerns that this would be a re-run of the Grant Maintained Schools system.
5. Mr Manning asked how it was possible to budget for the future when there was so much uncertainty. Mr Simmonds stated that the Council could only respond to the Government, it was necessary to look at: what the Local Authority had to do, what money the Local Authority had and what were the priorities.
6. The Chairman referred to para 3.2.10 LSC Transfer which stated that this was 'a unique situation for Kent learners'. This statement would be clarified after the meeting.
7. Para 2.2 it was noted that the Council hadn't allocated the full expected Performance Reward Grant (PRG) into cash limits and therefore the loss had not impacted on the budget.
8. Table 4: 2010 – 11 Revenue pressures Members understood that some directorates were holding vacancies to manage pressures.
9. Para 3.2.2 It was noted that it was the absence of a restriction which had allowed Looked After Children from other Councils, mainly London Boroughs to be placed in Kent. There was nothing in writing to prevent this continuing but there was a recognition that authorities should try to develop more local provision and if they had to place out of area they should try to avoid East Kent which had a high number of vulnerable children and young people.

10. Para 3.2.5. Not all the vacant posts in the Assessment and Related Service had been filled, the Children, Families and Education Directorate was very aware of the situation regarding managing vacancies and there were some posts, such as those in preventative services for example, that had to be filled.
11. Para 3.2.6 Members asked for a briefing note on the current position comparing the cost of home to school transport before and after the roll out of the Freedom Pass.
12. Para 3.3.4 Within Learning Disability Other Services – ‘following the release of £0.830million of Contingency’. This contingency was held centrally, then following the final budget figures it was allocated appropriately.
13. Para 3.4.1 Members asked for more information on the RPI index which had been higher than budgeted and had therefore put pressure on some of the waste contracts.
14. In Year Capital Grant Reductions – part of the response to the grant reductions was a reduction of £40k in the major maintenance budget. Members asked for a briefing note on the current situation for 2010 – 11.
15. Members asked for clarification of what a Multi-Agency Specialist Hub was. POST MEETING NOTE: A previous report explaining the multi-agency specialist hub model was circulated to members of the Budget IMG via email on 19.07.10
16. Para 5.4 Would there be a future Cabinet Member decision on Edenbridge Community Centre? Officers would check and report back to Members.
17. Mr Manning asked about the Find and Fix project, previously Members had been assured that the overhead costs would not be more than 10% of the cost of the project, was it possible to have an update on the current overhead costs? Ms McMullan would discuss this issue with Mr Burr and report back to the Group.
18. Members asked if future reports could have an appendix which set out which of the latest Government announcements were reflected in the report.

RESOLVED that subject to the above information being supplied Members note the Revenue and Capital Budget Monitoring Exception Report.

4. Report on the Disclosure of Payment Transactions (to follow) (Item 3)

1. The report on the disclosure of payment transactions was due to be discussed at the next meeting of the Chief Officer Group. The Council had two options for publishing the required information and the Chief Officer Group would be discussing these options. There were a number of points to be considered, the Government was recommending a limit of £500, was this an appropriate level? The Council would need to be clear about what should be, and should not be published. It was intended that a disclosure scheme would be in place by January 2011.

RESOLVED that Members note that the Chief Officer Group would be considering the options for publishing payment transaction information and ask for an update at their next meeting.

5. 2010-11 Reporting Timetable and Proposals for Activity Monitoring
(Item 4)

1. Members noted that there may be a requirement for a report on school reserves sometime later this year – this would be discussed further.
2. Members considered moving the June Budget Informal Member Group date for consideration of the Final Outturn report and the Final Accounts. POST MEETING NOTE: The Cabinet was due to meet on 13 June 2011.
3. On the activity indicators Members would like two additions:
 1. a measurement of the condition of roads, this would be discussed with Mr Burr.
 2. a snapshot of full time equivalent staff numbers by directorate at the end of each quarter

RESOLVED that subject to a further discussion about the date for the June 2011 meeting the Budget Informal Member Group note the 2010 – 11 Reporting Timetable and Proposals for Activity Monitoring.