

KENT COUNTY COUNCIL

CABINET SCRUTINY COMMITTEE

MINUTES of a meeting of the Cabinet Scrutiny Committee held in the Medway Room, Sessions House, County Hall, Maidstone on Wednesday, 20 October 2010.

PRESENT: Mrs T Dean (Chairman), Mr R Brookbank, Mr L Christie, Mr E E C Hotson, Mr R F Manning, Mr R E King, Mrs J P Law, Mr R J Lees, Mr R L H Long, TD, Mrs J A Rook, Mr J E Scholes and Mr S Manion (Substitute for Mr M J Jarvis)

ALSO PRESENT: Mrs S V Hohler, Mr A J King, MBE, Mr R W Gough and Mr S Kearns

IN ATTENDANCE: Mrs J Wainwright (Director Commissioning (Specialist Services)), Mr M Ayre (Senior Policy Manager), Mrs S Garton (Head of County Performance and Evaluation Manager), Ms K Kerswell (Group Managing Director), Mr R Fitzgerald (Performance Monitoring Manager), Mr O Mills (Managing Director - Adult Social Services), Mr P Sass (Head of Democratic Services and Local Leadership) and Mr A Webb (Research Officer To The Cabinet Scrutiny Committee)

UNRESTRICTED ITEMS

73. Declarations of Interests by Members in Items on the Agenda for this Meeting *(Item A2)*

(1) Mr Manion declared an interest in item D1 – “Equity and excellence: liberating the NHS” since he worked for his wife who was a General Practitioner, and may be affected by the proposals to create GP consortia.

74. Minutes of the meeting held on 15 September 2010 *(Item A3)*

(1) Regarding Item C2, Core Monitoring, paragraph 6 it was clarified that it should read ‘feed-in’ tariff instead of ‘feeding’.

Matters arising:

(2) Regarding Item C1, the Transparency Programme, paragraph 2, the need for a meeting to devise a protocol for invited witnesses was reiterated, and it was asked that this take place in the following weeks.

RESOLVED: that subject to the amendment of Item C2 paragraph 6, the minutes of the meeting held on 15 September 2010 are correctly recorded and that they be signed by the Chairman.

75. Follow-up Items from Cabinet Scrutiny Committee

(Item A4)

(1) The Chairman noted that some information about gully emptying schedules had been circulated to Members and Mr Long commented that this information was incomplete. The Chairman stated that the desire was to know which gulleys would be emptied on a more regular basis to avoid flooding, and this information had still not been received. It was agreed that Mr Sass would draft a letter from the Chairman and Spokesmen to Mr Chard requesting that the information be provided.

(2) Regarding the Interim Guidance Note on Residential Parking, the Committee were informed that a meeting had taken place between the Head of Transport and Development and the Chairman and Spokesmen of the Cabinet Scrutiny Committee. At this meeting, there had been acceptance by the Head of Transport and Development that the consultation on the proposals could have been better executed, particularly in relation to the database used to contact consultees. It was noted that a report would be going to the Kent Planning Officers Group (KPOG) on this issue, and that the Committee would look forward to hearing the outcome of the discussions.

(3) Regarding comparative information on Ofsted's assessment of safeguarding in other councils being supplied at the next meeting of the Vulnerable Children and Partnerships Policy Overview and Scrutiny Committee (POSC), it was noted that this was not on the agenda for the meeting of that Committee on 21 October. A Member sought assurances that this information would be provided to the POSC and be circulated to Members of the Cabinet Scrutiny Committee.

RESOLVED: that the Cabinet Scrutiny Committee:

(4) Note the follow up items report and the responses to previous recommendations.

(5) Welcome the assurance given by Mr Sass that a letter would be sent to Mr Chard requesting the gully emptying schedules.

(6) Await the outcome of the discussions at KPOG regarding in the Interim Guidance Note on Residential Parking.

(7) Request that comparative information on Ofsted's assessment of safeguarding on other councils be supplied to the Vulnerable Children and Partnerships POSC and to Cabinet Scrutiny Committee Members.

76. Notes of the Informal Member Group on Budgetary Issues held on 8 October 2010 (to follow)

(Item A5)

(1) The Chairman decided that the notes from Budget IMG of 8 October would be considered at the next meeting, due to concerns that Members had not had sufficient time to read them.

RESOLVED: that the Cabinet Scrutiny Committee consider the notes of the Budget IMG on 8 October at its next meeting.

77. Kent Connexions and Work Related Learning Services Contract 2010-2013: Budget Saving Options
(Item C1)

Mrs S Hohler, Cabinet Member for Children, Families and Education, Ms J Wainwright, Director, Commissioning & Partnerships and Mr S Kearns, Chief Executive, Connexions Kent and Medway were present for this item.

(1) Mr Christie explained that his concern was that at a time when some of the most vulnerable young people were at risk, a reduction of £5 million to the Connexions budget over two years (which constituted 20% of the budget) would have a major impact on those who use Connexions services, particularly those Not in Education, Employment or Training (NEETs).

(2) Mr Kearns informed the Committee of Connexions' focus on vulnerable young people and NEETs, and how it carried out preventative work in conjunction with schools and colleges. Discussions had already demonstrated the impact on non-teaching staff in schools, and there was the possibility that Connexions would be asked to do more direct work with young people who did not attend school or college.

(3) Mrs Hohler made the point that other councils had to make similar savings, as had other local Connexions services. Connexions Kent and Medway were doing a valuable and effective job and rates of NEETs in Kent were lower than most other council areas. Later on in the discussion, Members' attention was drawn to page 26 of the agenda, which contained a table showing percentages of young people who were NEET in Kent, England and the South East. Kent's lower percentages demonstrated it was performing well against comparator authorities. Mr Kearns explained that Connexions were acutely aware of the funding situation and had been expecting to have to negotiate funding for future years, since other Connexions services around the country had experienced significant funding pressures

(4) Mr Christie pointed out that Kent, unlike some other councils, had allocated the full amount of available funding to Connexions and this perhaps explained its excellent relative performance with NEETs. He expressed a concern that reducing funding would have a negative impact on this performance. Mr Christie asked if, in the same way Government protects certain budgets, whether the work done by Connexions in helping young people into employment could be protected, and whether this was considered during discussions to identify savings. Mrs Hohler responded that the Council's priorities were for children to go through school and into gainful employment, and to reduce the attainment gap of disadvantaged children, and she believed Connexions would still be able to deliver services that would achieve this within a reduced budget.

(5) The Government had not taken the decision to reduce the Connexions budget, but rather had reduced the Area Based Grant (ABG) which was not ring-fenced. Mr Christie asked whether reducing funding to other less frontline services, Value for Money or Invest to Save schemes had been considered. He made the point that a NEET who has regular contact with Connexions would cost around £8,000 per year, yet a young offender could cost up to £60,000 per year and asked whether consideration had been given to the money that could be saved by maintaining existing funding.

(6) There was a discussion around the exact detail of the decision. Mrs Hohler clarified that the decision taken was to give permission to consult with Connexions about identifying how to make the £5 million savings from the budget which had already been agreed. She explained that the decision had been taken as urgent because there was a meeting of the Connexions Kent and Medway Board on 9 September, and there was a desire to be completely open about the possible savings. Mr Christie made the point that when Members were originally consulted about the decision it was exempt and urgent, yet the non-exempt version contained in the agenda pack in front of the Committee had been bowdlerised

(7) In response to a question about whether the consultation had been delayed by the call-in, Mr Kearns stated that formal consultation with stakeholders, young people and staff had not begun because negotiations about the outcomes framework were still in progress, but that consultation would begin in due course. The Chairman also clarified that the decision was taken under urgency procedures and as such she and the Vice-Chairmen were consulted and the proposal was not delayed.

(8) The Chairman asked when and where the outcomes of the consultation on savings would be provided, and also whether a new contract would be made available before the next financial year. Mr Kearns explained that the consultation would need to begin before the end of 2010 in order for any proposals to be implemented before the start of the next financial year. He went on to explain that there were other voluntary sector providers funded either by Connexions or directly, which provided advisory services, and these would be impacted. For this reason it would be necessary for them to be included in the consultation process. Ms Wainwright anticipated that reports on the outcome of discussions about the contract for 2012/13 and 2013/14 would be presented to Cabinet, subject to confirmation.

(9) Mrs Hohler explained that the Council had been very thorough in looking at ways of making reductions and had been discussing with Connexions ways of cutting costs, such as using advisors based in schools rather than in town centre offices. Negotiations were proceeding well, with both parties having a greater insight about the impact of potential cuts and some of the difficulties in making savings, such as vacating premises with a longer lease. In these cases, KCC and Connexions would have to look at other ways of making the savings, targeting proposals in a way that continued to work with the most vulnerable young people and those most likely to be NEET. Mr Kearns envisaged that there would be reductions to universal and preventative services.

(10) In response to a question from Mr Manning about how proposals for savings would be identified and how Connexions were involved in this process, Ms Wainwright explained that they would be identified as part of the negotiations and that the Chair of the Kent and Medway Connexions Board and the Chief Executive were working very closely with KCC. The process involved looking at elements of how the Connexions budget was spent and examining whether those initiatives should continue, be reduced or cease, based on a needs analysis of which areas have higher proportions of NEETs than others. This enabled a differentiated approach across the county. When the contract was set up, the outcomes to be delivered by Connexions were agreed, in some cases district by district. For the current year, a price and performance targets were set out by KCC for Connexions to meet presenting need. As a result of reductions to the budget, they would be looking at which areas of presenting need could not be met.

(11) Mr Christie asked whether, if 70% of Personal Assistant (PA) time was spent in schools as set out in the contract, Connexions would be able to continue doing this with reduced funding. Mr Kearns clarified that the contract that Connexions had with the Council was outcomes-based and 70% of time being spent in schools was an input target, rather than a requirement to spend 70% of time in all schools. He added that it had featured as part of the discussions that looked at delivering the outcomes while working in a different way, and he expected the percentage of NEETs to increase as a result of the level of reductions. Connexions were in the process of agreeing with Kent what the consequences of a reduced contract would be.

(12) In response to a query about whether there would be a new contract between KCC and Connexions before the start of the next financial year, Ms Wainwright explained that the current three year contract meant that there could be no cuts during the first year, but that the following two years could be negotiated. KCC had chosen to indicate the scale of cuts that would be anticipated during years two and three to provide Connexions with a greater opportunity for planning.

(13) Since Connexions was a social enterprise, part of the discussions had focussed on which elements could be delivered under this model, in line with the Government agenda of public provision within the charitable sector. Mrs Law stated that in Herne Bay the idea of creating a social enterprise scheme through which NEETs could challenge themselves was being explored, and asked if this was being considered as part of the options for cost savings within Connexions. Mr Kearns responded that Connexions would be looking at other avenues of delivery for those who are vulnerable, NEET and long term NEET.

(14) Responding to a request for comparative data for other providers of the type of services provided by Connexions, Ms Wainwright explained that the data was commercially sensitive and difficult to obtain. She did however state that KCC had some idea of this information as a result of the tendering process, but due to its sensitivity could not share it.

(15) Mr Christie asked whether there were further plans for cuts to the Connexions budget in addition to the £5 million already identified. Mrs Hohler responded that the Council was looking at making savings while affecting the Connexions service as little as possible, and there was no intention to increase the extent of the savings above the amount already identified, although this was dependent on further announcements from Government.

RESOLVED that the Cabinet Scrutiny Committee:

(16) Thank Mrs Hohler, Ms Wainwright and Mr Kearns for attending the meeting and answering Members' questions.

(17) Ask the Cabinet Member, Children, Families and Education to ensure that the proposed revisions to the Connexions Budget and services would be brought back to the Cabinet for consideration prior to implementation in April 2011, so the Committee can consider whether to call-in the proposals for examination.

(18) Ask the Cabinet Member, Children, Families and Education to ensure that any decision taken about further reductions to the Connexions budget beyond the £5m already identified will also be taken by the Cabinet.

(19) Ask that the Managing Director, Children, Families and Education provide comparative information on the performance of other organisations in helping NEETs into employment.

78. “Equity and excellence: liberating the NHS”

(Item D1)

Mr R Gough, Cabinet Member for Corporate Support Services And Performance Management, Ms K Kerswell, Group Managing Director, Mr O Mills, Managing Director, Kent Adult Social Services and Mr M Ayre Senior Policy Manager were present for this item.

(1) In response to a request from the Chairman for an overview of what local authority responsibilities would be expected to be, Mr Mills set out the details and implications of the proposals in the White Paper, ‘Equity and excellence: Liberating the NHS’. These included:

- The proposals were in line with the Government’s approach to localism, which is a different way of approaching how local services support local communities.
- There would be a much stronger role for Councils than currently within the NHS.
- The creation of GP Consortia, which would commission most health services, and the NHS commissioning board
- Local Health and Wellbeing Boards, which would mean that Councils would be overseeing the health improvement agenda.
- A closer alignment of Health and Social Care
- The role of Local Improvement Networks (LINKs) being undertaken by Healthwatch (inspired by an existing model in Kent) which would present opportunities for user voice to be brought together at the local level and for Healthwatch to be shaped beyond the way LINKs was operating.
- A change to the role of the Health Overview and Scrutiny Committee. It was not clear what the scrutiny arrangements would be, but Councils would be likely to have a role.

(2) Mr Christie raised the point that the outline of the response was discussed at the Adult Social Services Policy Overview and Scrutiny Committee and Members were told that it would be presented at County Council on 14 October. He went on to ask why this had not happened, given the importance of the subject, and Mr Manning asked if there would be another opportunity for Members to comment on the Government proposals. Mr Gough responded that County Council was after the submission and the agenda was extremely full, but given the importance of the topic there would be a Member seminar on 8 November which would provide an opportunity to debate the issues. There were still significant uncertainties, and the publication of the Bill would present additional opportunities for the Council to feed back on the proposals. Mr Ayre added that there would be a Government response to the feedback received during the formal consultation process, and that when the Bill

was presented the Council would be briefing whichever organisation had the ear of those debating the issues (for example the Local Government Association, the Society of Local Authority Chief Executives or the Association of Directors of Adult Social Services). This would be particularly important at the committee stage, when most changes that may be required to legislation were carried out.

(3) Assurances were sought that a subject of paramount importance to the people of Kent was being dealt with appropriately, rather than as part of another agenda, with input from the best people from across the Council. Mr Gough reassured the Committee that this was already being done, and that he was drawing together the work at Cabinet level, with involvement from the Cabinet Members for Public Health, Children, Families and Education and Adult Social Services, and a bespoke event had been put together as the start of that process. His role was also to ensure the subject had an agenda of its own, since it was the biggest change to the NHS since it had been created. Ms Kerswell added that at officer level the subject also cut across multiple directorates, and that Mr Mills was leading on behalf of CMT to bring together colleagues across the piece. It was not being tucked into a box under another label, but instead was a significant agenda, as evidenced by the work of the Joint Transition Board, which would be comprised of people across the directorates and PCTs. In the same way that the NHS would have internal transition arrangements, conversations would need to take place about how this would be managed within the Council.

(4) Referring to previous Council responses to Government consultations, the Chairman accepted that the consultations were being released rapidly and might not fit with the timetable of committees, but expressed a view that there should always be an opportunity for Members to access and have input into responses before they were submitted. Mr Gough acknowledged this and made clear that he was conscious of the collective expertise of Members, many of who had worked within PCTs or served on HOSC, and stated that he would be trying to make use of the expertise of Members in working on the NHS proposals.

(5) The Chairman asked how the public would be able to keep up with the changes to the NHS if Members were having difficulty doing so. In particular, if the proposals were too complicated and jargonistic to understand this would be at odds with Government aspirations for there to be a louder patient voice. She asked if there would be a role for KCC to engage with the people of Kent as interpreter, to ensure there was a reasoned public debate, rather than it being driven by headlines. Mr Gough responded that this was an interesting point that he would take on board. Mr Ayre added that the need for a communications strategy had been acknowledged in the draft transition plan, and that everything henceforth would need to have an outward facing aspect to ensure the public remained engaged.

(6) Mr Mills stated that there was always a tension between putting momentum behind far-reaching changes without overtaking where the legislation lies; there was not yet a statutory basis for GP consortia or other elements of the proposals. He agreed that there was a need for the right kind of communication to ensure that the public would have the opportunity to be engaged and shape and influence the NHS, but it would be important not to second guess the legislation.

(7) In response to a question why, since the consultation response repeatedly spoke of lack of clarity, it did not suggest that the Government's proposals be presented in a

Green Paper, Mr Gough responded that Green Papers are options papers, whereas the NHS White Paper sets out a clear policy direction. Although there were areas in the White Paper that were not clear, it was common for certain aspects of White Papers and Bills to lack detail. Mr Ayre added, on the subject of lack of clarity, that measuring outcomes in Health was a very technical area, and in his opinion the supplementary paper on Outcomes showed signs of being rushed and that although there had been a sea change in the performance management regime, the NHS were uncertain what it would be replaced with.

(8) In relation to a question in the consultation about the role of statute, Kent responded that it would be happy with a degree of statutory obligation, but would want flexibility about how they operated within it. However, it also stated that legislation should cover the role of scrutiny and referral. The Chairman asked what the thinking was behind a request for legislation around scrutiny but less legislation about the pattern that the organisation should take. Mr Ayre stated that the response asked that the Bill set out some minimum standards in terms of powers of referral about meeting in public, but that the process for the Health and Wellbeing Board and scrutiny function be left to local determination, and that the Bill set out minimum standards around this.

(9) There were a number of questions about the role of scrutiny, external audit, and how those with new responsibilities would be held to account, particularly as Councils would have new scrutiny and commissioning responsibilities and this might cause a conflict of interest. In response to a question from the Chairman about whether there was an emerging view about how scrutiny would be managed, Mr Gough agreed it was an emerging topic and drew the Committee's attention to the Council response to question 14 of the consultation. Whilst it was clear that Health and Wellbeing Boards would take on specific roles, HOSC, or its local equivalent, would need to fulfil a robust, independent scrutiny role and there would also need to be measures to carry out public engagement, which might be fulfilled by Healthwatch. The response had highlighted that there was an issue about independent scrutiny outside the Health and Wellbeing Board, since it would be implicated in many of the key decisions. Mr Ayre added that there was no consensus about the future role of scrutiny, but he thought it inevitable that scrutiny would have to be done internally and commissioned externally.

(10) Mr Christie asked why, since the number of PCTs had caused a variation in service across the country and the move from five to two PCTs locally had been welcomed because of improvements in consistency and working relationships, the response appeared to welcome the number of organisations Kent would have to deal with in future. He also made the point that the central administration of the NHS was due to the need to standardise services, and that many people were concerned about the potential for a 'postcode lottery' within the NHS. It was his view that this was a direct result of localism, and that the creation of multiple consortia with various flexibilities and freedoms would exacerbate this. Mr Ayre responded that there was likely to be an evolving number of consortia and that there would be provisions for consortia to federate, in order to act as lead commissioners on behalf of each other. Mr Gough added that GP commissioning fitted the overall Government philosophy of localism and that significant elements of the support structure might be on a wider scale than individual consortia, but agreed that there was a tension because one person's localism was another person's postcode lottery.

(11) Members expressed a range of views about public perception of the NHS, perceived inefficiencies and the adequacy of access arrangements, but there was consensus that the services were universally valued. Concern was expressed about the potential for disparity between the services provided by different consortia, and there was a feeling that disparity already existed between East and West Kent PCTs. Mr Mills responded that concerns about disparity echoed those expressed by LINKs, and those of patients more generally. The Chairman suggested that there would be benefits to working with the consortia to ensure a degree of coterminosity with Council boundaries, and that other Councils were looking into this, and went on to ask whether Kent were doing the same. Mr Gough responded that he agreed in principle and would be keen to ensure that this happened as much as possible, particularly given the agenda of localism and area based commissioning and the role of District Councils in the public health agenda, although it might not be wholly within the Council's gift.

(12) Mr Christie asked that if the intention was to extend Direct Payments from social care to health, whether this would mean that the needs of an individual would be evaluated, money allocated to those needs and then the individual would be expected to purchase the required services from the market. Mr Mills responded that there was a Personal Health Budgets (PHB) pilot taking place with East Kent and Coastal PCT, where 18 people were using the Kent Card to purchase services. He commented that PHBs could not be used to purchase acute care, but they were a step towards personalisation and an excellent way of pulling together health and social care. The Government were behind extending personalisation into health in a gradual manner, and would be evaluating the 15 PHB pilots across the country. The Kent Card put KCC in a strong position to extend this further.

(13) Mr Christie questioned where in the Kent response the potential weaknesses of GP commissioning were addressed and made reference to the response of LINKs. Their response suggested there was strong opposition to the GP commissioning of health care services, with concerns that patient care would suffer from GPs taking on work outside of their expertise. Mr Ayre responded that there were already 14 Practice Based Commissioning (PBC) groups operating in Kent. Not every GP would need to be involved in commissioning; instead it was important to establish whether there was a sufficient critical mass of GPs with the commitment to achieve it, and until discussions had taken place with GPs in Kent it would be difficult to know whether the capacity or ability was there. He added that if the Government were intending to put GP commissioning at the heart of the NHS, they were likely to ensure it was sufficiently resourced and able to happen. It would also be important to ascertain the legal status of GPs and their liabilities once the Bill had been introduced. The Chairman asked if there was any feedback from patients with experience of the PBC pilots, to which Mr Ayre responded that there was no formal feedback but he would make inquiries.

(14) Referring to the Council responses to questions 1 and 20 in the Regulating Health Care Providers paper, Mr Christie raised concerns about the removal of a cap of what private patients could be charged and the abolition of central targets to treat patients within a certain time. He asked why the response did not comment about the possible consequence that without targets for treatment, Trusts might allow private patients to be treated ahead of those without the means to pay and that this may prevent the aspiration of care free at the point of use. Mr Ayre responded that the current cap is arbitrary, and if it was removed there would need to be checks and

balances, which would be best fulfilled by local scrutiny functions. In relation to the waiting times, he responded that whether or not there were national targets, it would be likely that local contracts would address such things as waiting times and lengths of stay, although this had not been covered in the Kent response. Mr Gough stated that, although it was not clear how the commissioning relationship between GP consortia and Councils would work, since both parties would be locally accountable they would have reason to be responsive.

(15) The response to a question in the consultation about whether proposals should include provisions to prevent anti-competitive behaviour suggested that Kent did not support this. Mr Christie expressed a concern that in the Cabinet debate, the free market approach within the NHS was mentioned on a number of occasions. Mr Gough explained that the response did in fact cover the subject of others who might play a role in policing anti-competitive behaviour (e.g. the Office of Fair Trading), but the specific point made by Kent was about the potential for mission creep of Monitor and that the policing of anti-competitive behaviour could be addressed without the need for Monitor to expand and take on that role. He said that diversity of provision would be a positive, but that was a different issue from universal care, free at the point of use. Mr Ayre added that the question of anti-competitive behaviour had never arisen in relation to the NHS but that regulation of competition could be more efficiently handled within the Care Quality Commission.

(16) Responding to a question about the role of Councils in managing cost pressures on Health budgets, Mr Ayre stated that the consultation documents made it clear that it would be the ultimate responsibility of GP consortia to manage any pressures on NHS funds and that there was no clear expectation for Councils to do this. However, there might be opportunities for Councils and consortia to identify efficiencies, such as redesigning care pathways. However, the situation would become clearer when the Bill was presented to Parliament. Ms Kerswell stated that the demographic predictions for Kent, of a growing population of older people, and the associated increase in care costs would need to be managed. Referring to a meeting between herself, the Leader and the Chief Executive of the NHS, Sir David Nicholson, Ms Kerswell stated that there was acknowledgment that both the Council and NHS would need to look at how increased demands and costs could be jointly managed. She suggested that there might be a role for Members in overseeing how those pressures would be handled, due the Council's future commissioning responsibilities.

(17) Concern was also expressed about the risks associated with the transition, access to services and understanding patient needs in the future and it was asked whether a risk register was being formulated, or whether this would happen when the Government had responded to the feedback. Mr Mills stated that Kent had been working very closely with the three Kent PCTs and Kent and Medway Partnership Trust (KMPT) to develop a transition plan which would ensure all responsibilities would be passed over to the consortia, the NHS commissioning body and the Council before 2013. There was a myriad of risks both countywide and more locally, including the transfer of existing arrangements such as Section 75 agreements, and these would be contained in the transition plan, which would include a risk register.

(18) Mr Mills also commented that in the past the Government had put in place a framework for delivery of services, but the proposals set forth outcomes that would be delivered. The role of Healthwatch would be pivotal to ensure this happened, and other authorities were looking to Kent to see how this would be implemented, since

Kent were in a strong position, having already made a good start through their local Healthwatch. The Council would be looking at reducing its expenditure as much as possible and although the NHS budget was protected, there was increasing demand and the rising costs of drugs and technology presented further pressures.

(19) A question was posed about the possibility of staff being transferred from the NHS to the Council under Transfer of Undertakings (Protection of Employment) Regulations. Mr Ayre stated that this had been considered by the Council, and although no formal legal advice had been sought, he and Mr Mills would be discussing the matter when they met with the Chief Executives of the Primary Care Trusts that evening. Mr Gough added that PCTs would be expected to reduce their management costs by 50%, and that the number of staff who were involved in commissioning were surprisingly small. Instead, there had been an increase in the number of NHS staff as a result of fulfilling reporting requirements and targets set by Government, and these requirements would soon be removed.

(20) Responding to a comment that the NHS was often seen as a top heavy, process-driven bureaucracy, Mr Gough made the point that the White Paper proposals would rectify this, by inverting the existing direction of travel from the centre, through Strategic Health Authorities (SHAs) to PCTs. Mr Manning expressed concerns that Kent's response had not been sufficiently robust, particularly in relation to the general comments which had been made by the Council. Mr Gough responded that the executive summary set out the Council's wider thinking and that it supported the policy direction of the White Paper but that the response also made clear where the Council disagreed, such as the role of Monitor. He also reassured the Committee that terminology such as 'unclear' would be perceived by civil servants as quite forceful.

(21) The Chairman asked if the proposals would produce a more understandable process and set of managerial responsibilities within the NHS than existed currently, and a Member also asked about how NHS management would be slimmed down. Mr Gough responded that he hoped that the proposals would result in a simpler and more embedded Health organisation, but it would remain to be seen if it would be more comprehensible. Mr Ayre commented that the task had been set to extract £15-20 billion in efficiencies over the following four years. The White Paper referred to a fixed management fee from which GP consortia would purchase all their support and ancillary services.

RESOLVED that the Cabinet Scrutiny Committee:

(22) Thank Mr Gough, Ms Kerswell, Mr Mills and Mr Ayre for attending the meeting and answering Members' questions.

(23) Ask the Group Managing Director to ensure that the protocol for responding to consultation documents is either amended or (if considered satisfactory) adhered to, so that responses to Government consultations are made available before submission to enable Members to have the opportunity to have input into the final response.

(24) Ask that the Cabinet Member for Corporate Services and Performance Management ensure the concerns of the Cabinet Scrutiny Committee are

incorporated into the discussions scheduled to take place on 10 November and responded to in full in due course, as follows:

- a) The lack of clarity of proposals made responding to the consultation very difficult.
- b) That there is no funding identified for any staff subject to Transfer of Undertakings (Protection of Employment)
- c) It is not clear how scrutiny may work, particularly as there may be a conflict of interest between the scrutiny and commissioning functions.
- d) Behaviour of the Council in relation to some of its potential functions under the proposals might be construed as anti-competitive.
- e) That the feedback from the 14 Personal Health Budgets pilots be taken into account during the move to the personalisation model in health.
- f) That there needs to be an assessment and mitigation of risks of the proposals.
- g) That there needs to be a clear transition plan.
- h) That there should be a clear approach to ensure the patient voice is better heard.
- i) That there needs to be an attempt to facilitate coterminosity between GP consortia and Local Authorities where possible.

79. Towards 2010 Closedown Report *(Item D2)*

Mr A King, Deputy Leader and Cabinet Member for Policy Localism and Partnerships, Ms K Kerswell, Group Managing Director, Mrs S Garton, County Performance And Evaluation Manager and Mr R Fitzgerald, Performance Monitoring Officer, were present for this item.

(1) The Chairman explained that the item had been called in because the discussion at County Council regarded the Towards 2010 targets, but she wanted the opportunity to discuss what the next steps would be. Specifically, if the Council was preparing a new set of targets, where would they be reported and would Members have an opportunity for input. She also had concerns with qualitative targets, because she felt that the Council could not be a reasonable judge of its own performance.

(2) Mr King acknowledged that there had been many debates over the years about qualitative and quantitative targets for the medium term, but that it was sometimes necessary to have aspirational targets for Members and officers that were not entirely measurable. This was because the ethos of the organisation included a desire to achieve new things and explore new opportunities.

(3) On the preceding Monday, Bold Steps for Kent was released, and it comprised a different form of targets, setting out the direction that the Council wanted to take. This included three priorities:

- Protecting people who cannot help themselves
- Strengthening the Kent economy
- Encouraging people to take responsibility for their own lives.

Mr King explained that this was in recognition of the move to a different society in which people would need to take responsibility for themselves and those around them.

(4) Bold Steps for Kent was published the preceding Monday to separate it from the end of Towards 2010. Having been released for consultation, Mr King hoped it would be debated properly and as many views as possible would be sought before it was debated at County Council, which would hopefully happen in December.

(5) In response to a question about whether the Core Monitoring Report would be a successor to the Towards 2010 targets, Mr King explained that the context was different because the Core Monitoring process was about ensuring that the organisation continued to perform in its core business. He added that the Council would have to avoid self congratulation and that future years would be difficult and also that the Councils would have to continue to strive to improve.

(6) Ms Kerswell added that as part of the Change to Keep Succeeding proposals, the Business Strategy Division would bring together performance management functions from across the whole authority. She explained that this was a response to the changes happening in Whitehall and a different approach in performance management reporting to Government. Learning from Towards 2010 and the Core Monitoring report, the Council's commitments for the future and the Department for Communities and Local Government (DCLG) initiative to make data from Councils more comparable would all come together to shape what the Council would report.

(7) Mrs Garton explained that having been through the Towards 2010 and Next Four Years processes, there were things that could be done differently in future reporting. She had picked up two particular issues from the debate at County Council, namely: The need to move to having four different outcome statuses instead of three, as had been used in Towards 2010 and the Next Four Years; and a better focus on outcomes and not outputs in the reports.

(8) Mr Christie explained that he did not share the Deputy Leader's view of self-sufficiency. In relation to Bold Steps for Kent, he expressed a concern about how practical it would be for the POSCs and Cabinet Scrutiny Committee to call the Executive to account on the three objectives that it set out. He explained that with the previous targets it was possible to monitor progress against them, but it would be much easier for the administration to have three broad principles which are difficult to measure.

(9) Mr King explained that in the consultation period Members would need to be asked what they would like to see in the new set of targets. The three noble goals were an essential part of the thinking of the organisation and during the following three months, thought would need to be given to how they could be taken forward and what mechanisms would support them. Mr King stated that a different approach was now needed and he hoped that the debates at the POSCs, Cabinet Scrutiny Committee and Scrutiny Board would explore how this would be taken forward before the discussion at County Council.

(10) On the subject of Target 24: 'Find new and innovative ways of communicating with the public, including trialling webcast TV', a number of questions were raised by the Committee. Regarding Open Kent, the Chairman stated that she was confused as to what it was and whether it was operating, since the report suggested it was being piloted. There was also a question about where the intentions for Digital Kent set out on page 150 would be reported. The Deputy Leader confirmed that, subject to

the permission of the Chairman, a full report would be taken to the Corporate POSC on the proposals relating to Open Kent and Digital Kent.

(11) Responding to a query about the Kent and Medway Citizens' Panel, whether Medway Council had withdrawn funding, and whether the Panel was still in operation, Mrs Garton clarified that it was the Kent Messenger who had withdrawn from the initiative, but that support was still available from MORI as and when it was needed. The Chairman raised a query about community engagement initiatives that had been piloted by KCC, as referred to on page 159 of the report. She stated that the Parish Partnership Panel in Tonbridge and Malling had been in existence for a number of years, but had not changed over the last four years and there was no public engagement. Similarly, the Tonbridge forum followed the same format as it always had done. In both cases, the Chairman did not see what was being claimed as community engagement.

RESOLVED that the Cabinet Scrutiny Committee:

(12) Thank Mr King, Ms Kerswell, Mrs Garton and Mr Fitzgerald for attending the meeting and answering Members' questions.

(13) Ask that the Deputy Leader and Cabinet Member for Localism and Partnerships provide a report to the Committee detailing the current status of Open Kent.

(14) Welcome the assurance from the Deputy Leader and Cabinet Member for Localism and Partnerships that he will ensure a full report is made to the Corporate Policy Overview and Scrutiny Committee on the proposals relating to Open Kent and Digital Kent.

(15) Ask that the Deputy Leader and Cabinet Member for Localism and Partnerships ensures that members are fully involved in the formulation of the targets that will comprise Bold Steps for Kent.