

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 29 November 2010.

PRESENT: Mr P B Carter (Chairman), Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr A J King, MBE, Mrs S V Hohler, Mr R A Marsh and Mr J D Simmonds

ALSO PRESENT: Mr D L Brazier and Mr M A Wickham

IN ATTENDANCE: Mr D Cockburn (Executive Director, Strategy, Economic Development & ICT), Mr M Austerberry (Executive Director, Environment, Highways and Waste), Ms A Honey (Managing Director Communities), Mr O Mills (Managing Director - Adult Social Services), Ms R Turner (Managing Director Children, Families and Education), Mr A Wood (Acting Director of Finance), Ms M Peachey (Kent Director Of Public Health) and Mr G Mills (Democratic Services Manager (Executive))

UNRESTRICTED ITEMS

1. Minutes of the Meeting held on 11 October 2010 *(Item 3)*

The Minutes of the meeting held on 11 October 2010 were agreed and signed by the Chairman as a true record.

2. Revenue & Capital Budgets, Key Activity and Risk Monitoring *(Item 4 - Report by Cabinet Member for Finance; and the Acting Director of Finance)*

(1) Mr Simmonds outlined the key areas of this report and emphasised the importance for there to be a balanced budget by year end because of anticipated cuts in government funding and spending pressures which would need to be resisted. Mr Carter spoke about the effect of a recent court judgement which related to the responsibilities of local authorities for supporting unaccompanied minors. The judgement could have an additional effect on the budgets of local authorities such as Kent and he asked for a letter to be sent on this matter to the government highlighting KCC's concerns.

(2) Cabinet resolved to:

(a) note the latest monitoring position on the revenue and capital budgets,

(b) note that management action would be required within the CFE & KASS portfolios in order to deliver a balanced outturn position

(c) note and agree the changes to the capital programme,

(d) agree that £16.129m of re-phasing on the capital programme be moved from 2010-11 capital cash limits to future years

(e) agree that £0.915m capital under spend against Non TSG Land & Part 1 compensation can be used for East Kent Access Phase 2 to offset prudential/revenue funding

(f) agree that a general capital receipt released from the Upper Stone Street lay-by scheme, which was no longer considered viable, could be used to contribute towards the Maidstone High Street improvement project at a maximum cost to KCC of £0.4m

(g) note the latest financial health indicators and prudential indicators

(h) note the directorate staffing levels as at the end of September, compared to the end of 2009-10 and the previous quarter

(i) agree a virement of £0.161m from the under spend on the debt charges budget within the Finance portfolio to a new Restructure budget, also to be held within the Finance portfolio, to cover the costs of the Transformation Programme Manager and related project costs.

(j) agree a letter be sent to the government highlighting the Council's concerns of the effects the judgement in the Barking and Dagenham case could have on local authority budgets in relation to provision for unaccompanied minors.

3. Autumn Budget Statement

(Item 5 - Report by Leader of the Council, the Cabinet Member for Finance, the Group Managing Director and the Head of Financial Management)

(1) This report set out the context at both the national and local level within which the County Council's revenue budget and medium term plan would be developed. Mr Simmonds highlighted the critical issues the Council faced and said the forecast was KCC would have to address a budget shortfall of some £340m over the next 4 years, £98m from anticipated cuts in government funding and the rest from resisting spending pressures. The likelihood was the Council would only get a Local Government Finance settlement figure for 2011/2012 and 2012/13 and therefore it was proposed to publish a detailed financial medium term financial plan for the next two years but set within the context of a 4 year strategy compatible with the Spending Review announcement. Mr Carter said that the potential reductions in the level of grants must not be under estimated and any delayed announcement on those grants would place pressure on the Council being able to publish its draft budget book in January 2011.

(2) Cabinet resolved to:

- (a) note the outcome of the Spending Review 2010 including the transfer of and reduction in government grants to Local Government, and the associated risks of those transfers as detailed in the Cabinet report,
- (b) note that the forthcoming Local Government Finance settlement would give more detail of the provisional grant allocations to the County Council
- (c) note the unavoidable pressures which are anticipated would need to be funded for 2011/12 and 2012/13
- (d) note the budget strategy proposed in the report to close the gap between spending requests and likely tax revenue funding sources through a combination of income generation, efficiency savings and re-prioritisation of services
- (e) note the proposed re-presentation of the draft budget book in a more transparent and public facing format
- (f) note the impact of KCC restructuring on the approval of delegations to manage in-year expenditure
- (g) note the proposed Medium Term Financial Planning key milestone dates set out in Appendix 4 of the Cabinet report.

4. Bold Steps for Kent - The Medium Term Plan to 2014

(Item 6– Report by Leader of the Council and Group Managing Director) (Mr David Whittle, Policy Manager was present for this item)

(1) Mr Whittle briefed Cabinet on the main points set out the report which would be submitted to the Council at its meeting on 16 December 2010. During the course of discussion some members of Cabinet spoke about areas in the report relevant to their portfolio and suggested some points of drafting detail which Mr Whittle said he would reflect on prior to the report going on to the County Council meeting.

(2) Cabinet resolved that, subject to the views expressed during the course of discussion, the latest draft of *Bold Steps for Kent* be endorsed and the final version be recommended to the County Council for approval at its meeting on the 16 December 2010.

5. Inspection of Safeguarding and Looked After Children Services (To follow)

(Item 9 – report by the Cabinet Member for Children, Families and Education and the Managing Director for Children, Families and Education) (Helen Davies, Director of Specialist Children’s Services was present for this item)

(1) As this report was not available at the time of the despatch of the agenda the Chairman declared its consideration to be urgent on the grounds that it contained

important information and recommendations relevant to the Council's response to the inspection.

(2) Mr Carter said he had already apologised on behalf of the County Council for the poor level of service which had been identified in the Ofsted report. The aim now was for KCC working with its partners to put in place actions to put right those failings identified in the report and to return the service to good standards, providing quality support to children, young people and their families. Rosalind Turner and Helen Davies spoke of the measures being taken to address the findings of the OfSTED report and the absolute commitment of all staff to turn the situation round. Mrs Hohler said there was total commitment on the part of all concerned to see quick and positive improvement and she highlighted the actions which are already in place and those which were being put in place in order to address the concerns of OfSTED. It was also said the action plan crossed over into other KCC Directorates and its successful delivery would require collaborative action not just within KCC but with the Council's partners in bodies such as Health, Police and Probation.

(3) Discussion concluded with Cabinet agreeing a further report should be submitted to its meeting in January 2011 which brought together in more detail all the actions being taken by KCC and its partners in order to address the findings of the OfSTED report.

(Mr Alex King was in the Chair for the remainder of the meeting)

6. Mid-year update to the Strategic Risk Register

(Item 7– Report by Mr J Simmonds, Cabinet Member for Finance and the Acting Director of Finance) (Mr David Tonks, Head of Audit and Risk was present for this item)

(1) Mr Simmonds said the report set out areas of risk to the Council and these being graded low, medium or high. He said in a dynamic organisation such as KCC there would naturally be some areas of risk which the Council would need to monitor more than others and that these were reflected in the report. Mr Tonks said that the prime purpose of the register was to identify risks in relation to the council's objectives and to further identify the actions necessary to mitigate those risks.

(2) Cabinet resolved to note the report and the actions being taken to mitigate the identified risks.

7. Core Monitoring Report

(Item 8– Report by the Cabinet Member for Corporate Support Services and Performance Management and the Group Managing Director) (Sue Garton, Performance and Evaluation Manager was present for this item)

(1) Mrs Garton said the purpose of this report was to inform Cabinet of the key areas of performance up to the end of September 2010 and to brief members on progress against the business plans for 2010/11 as at mid year in terms of the key elements and projects.

(2) The report highlighted areas which showed the good work going on within KCC to raise standards of service and delivery and areas where action may be necessary. The report also provided a mid-year stock take on some key projects and actions within service business plans. During the course of discussion Mrs Hohler referred to the exceptional progress in the improvement of results at foundation stage, the progress in Key Stage 2 standards and the pleasing improvement in those attaining 5 GCSE's at grade A* to C. Mr Mills said that KASS had now received the Annual Performance Assessment for 2009/10 from the Care Quality Commission and that would be the subject of a report to Cabinet at its meeting in January 2011

(3) Cabinet resolved to note the report which would now be reported to the relevant Policy and Overview Committee during the course of January 2011.

8. Select Committee: Renewable Energy in Kent

(Item 10– Report by Cabinet Member for Environment, Highways and Waste; and Executive Director, Environment, Highways and Waste) (Mr Keith Ferrin, Chairman of the Select Committee was present for this item)

(1) In presenting the report of this Select Committee Mr Ferrin highlighted its key findings and recommendations and spoke in particular about the potential savings that KCC would make by reducing its energy costs. In 2009 KCC spent some £24m on buying energy and from the work of the Select Committee it was clear that that figure could be substantially reduced by the adoption of a mixture of improvements in energy efficiency and the exploitation of the subsidies available for the use of renewable energy. Mr Ferrin also spoke of the particular measures the Committee had looked at in order to increase renewable energy levels. As an example Kent had large areas of woodland and therefore was well placed to bring coppicing back into productive management as an efficient and sustainable source of wood fuel. Such an initiative had the added advantage of not only reducing the reliance on imported wood fuel but providing employment, increased biodiversity and improving access to the countryside. He therefore commended the Report and its recommendations.

(2) During the course of discussion Mrs Hohler spoke in support of the reports findings and in particular those initiatives designed to increase sustainability such as increasing areas of coppiced woodland. Mr Simmonds also supported the reports findings and said some of its recommendations had to be viewed from a spend to save aspect.

(3) Cabinet then thanked Mr Ferrin for presenting the report of the Select Committee which would now be discussed at the County Council meeting on 16 December 2010. Cabinet also recorded its thanks to those witnesses and others who had provided evidence to the Committee during the course of its work.

9. Select Committee: Extended Services

(Item 11– Report by Cabinet Member for Communities; and Cabinet Member for Children, Families and Education)(Mr R Burgess, Chairman of the Select Committee and Mr M Vye were present for this item)

(1) Mr Hill and Mrs Hohler both said they welcomed this report. Mrs Hohler referred to paragraph 5.2 of the covering report and said that for clarity she thought it

unlikely government funding for promoting extended services provision would come from a dedicated grant and therefore there was need to think creatively about how funding can be provided.

(2) In presenting the report of the Select Committee Mr Burgess highlighted the need to ensure the cost effective use of school buildings and to use best practice in the ways that they can be used as a resource to both school students and the wider community. He spoke in particular about the recommendations for consortia to be developed and the recommendations around appointing Coordinators with the specific task of delivering the local priorities local set by that consortia. Mr Burgess also spoke about the importance of the voluntary sector and the Committees wish to see The Kent Children's Trust place more emphasis on extended services when setting out its priorities in the new Children and Young Person's Plan. In conclusion Mr Burgess said that he believed the work undertaken by the Committee was key to developing local engagement and making Kent a better place. Mr Vye said the effective provision of extended services could only be achieved by adopting a collaborative approach and for policies for the provision of extended services to become an integrated part of a corporate policy which was promoted through the Young Person's Plan and actively supported by the relevant Cabinet Members, local Children Trust Boards and other partners.

(3) During the course of discussion Mr Hill spoke of the good work and collaboration which was already going on between KCC Directorates. He also supported extended services being delivered at the local level and said the Kent Children's Trust formed a good basis to undertake the coordination of that delivery using as far as possible the existing infrastructure.

(3) Cabinet then thanked Mr Burgess and Mr Vye for attending the meeting and noted the report of the Select Committee would now be discussed at the County Council meeting on 16 December 2010. Cabinet also recorded its thanks to those witnesses and others who had provided evidence to the Committee during the course of its work.

10. Follow up items and Decisions from Cabinet Scrutiny Committee - 15 and 20 October 2010 and Recommendations from the Policy Overview and Scrutiny Committees

(Item 12– Report by Deputy Leader; and Head of Democratic Services and Local Leadership)

(1) The report sets out the decisions from the Cabinet Scrutiny Committee, items which the Committee had raised previously for follow up and any specific recommendations from the Policy Overview and Scrutiny Committees.

(2) Cabinet resolved that the comments and actions detailed in the report be noted and that the responses be reported to the Cabinet Scrutiny Committee.