

KENT COUNTY COUNCIL

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of a meeting of the Corporate Policy Overview and Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Friday, 12 November 2010.

PRESENT: Mr E E C Hotson (Chairman), Mrs T Dean (Vice-Chairman), Mr R W Bayford, Mr D L Brazier, Mr J R Bullock, MBE, Mr R B Burgess, Mr B R Cope, Mrs J P Law, Mr S Manion, Mr R J Parry, Mr J E Scholes and Mr M V Snelling

ALSO PRESENT: Mr A H T Bowles, Miss S J Carey, Mr P B Carter, Mr R W Gough and Mr J D Simmonds

IN ATTENDANCE: Mr M Ballard (Project Manager), Mrs A Beer (Director of Personnel & Development), Mr D Cockburn (Executive Director, Strategy, Economic Development & ICT), Ms D Exall (Head of Strategic Policy), Ms T Gailey (Public Health Policy Manager), Mr D Godfrey (Public Policy), Ms J Hansen (Senior Accountant), Mr J Hawkins (Project Manager, Transformation), Ms J Hill (Performance Manager), Ms K Hughes (Ebusiness Project Officer), Mrs T Oliver (Director of Strategic Development and Public Access), Mr D Tonks (Head of Audit & Risk), Mrs J Turner (Employee Services Manager) and Ms D Fitch (Assistant Democratic Services Manager (Policy Overview))

UNRESTRICTED ITEMS

76. Membership *(Item A1)*

It was noted that Mr S Manion had replaced the late Mr R Frayne as a Member of this Committee.

77. Youth Takeover Week

The Chairman welcomed Tamanna Miah and Troy Barton who were shadowing Mrs Dean and Mr Burgess respectively as part in the Youth Takeover week.

78. Minutes *(Item A4)*

RESOLVED that the minutes of the meeting held on 24 September 2010 are correctly recorded, subject to Miss S Carey being added to the list of those "Also Present", and that they be signed as a correct record.

79. Welfare Pathway

(Item B1)

Presentation by Mr S Sherry (Chief Executive) and Mr D Jessop (Royal British Legion Industries)

(1) The Chairman welcomed Mr Sherry and Mr Jessop to the meeting and invited them to give a brief presentation on the work of the Royal British Legion Industries (RBLI).

(2) Mr Sherry set out the background and context of the work of RBLI. Their core business was the welfare and rehabilitation of service personnel and their dependants. They had affordable homes for 600 residents on their site and their social enterprise employed 104 disabled service personnel at Aylesford. RBLI valued the support and good will of the County Council and he would welcome discussions on how we could work together on various programs. He also referred to the national offender's management program and the army recovery capacity project. The RBLI had been chosen as a temporary recovery centre while the center at Colchester was being completed.

(3) Mr Sherry identified 3 key factors for the future, these were firstly the changing welfare to work programs and secondly the impact of the budget cuts for example Network Rail was a major customer for signage but the reduction in their maintenance budget would have an impact, and thirdly the need to responding to the increasing need from young service people and key to this was looking at how to identify and satisfy their needs.

(4) Mr Sherry referred to the pilot work that the County Council were undertaking on the Welfare Pathway and stated that the RBLI could help with delivery.

(5) A Member referred to the signage produced by the RBLI and commended the quality of the produce, competitive price and quick delivery. In response to a question on how much capacity they had to expand this business, Mr Sherry confirmed that they were currently at 45% capacity. He also stated that they produced different shaped pallets for the construction industry and had an area where they produced things such as toy displays for shop windows. A Member suggested that the Highways department should explore the possibility of obtaining some of its signage from RBLI

(6) In response to a question on what he saw as the RBLI greatest challenges over the next 18 months, Mr Sherry stated that the first was financial, 60% of their revenue came from the Department of Works and Pensions, they had not been successful in obtaining work change contracts and they did not know what would happen with the pathways contract, they would loose 40% of their revenue next April if they did not get any new business. Their second challenge was identifying need, this was complicated with a lot of young ex-service personnel with severe injuries, many of whom came from dysfunctional backgrounds. It was often difficult to trace them when they left the service and they sometimes ended up in the prison population or homeless. It was important to contact these young ex-service men as quickly as possible in order to support them back into society and help them to gain their independence.

(7) A Member referred to the need to ensure that there was fairness in competition between RBLI and small and medium enterprises if the need to tender was removed. Mr Sherry stated that the RBLI only worked on a commercial basis, and competed on price and quality. Their employees would only have job satisfaction if they know that they were working on a commercial basis.

(8) Regarding the number of organisations supporting ex-service personnel, Mr. Sherry stated that he had recently attended the Annual General Meeting of British Ex- service organisations; they were looking at the way as a group of organisations they could make best use the resources that were available. A successful big lottery bid was going to be used to analyse the need and how best to meet it.

(9) The Leader thanked Mr. Sherry and Mr Jessop for their presentation and stated that he would be taking up their offer to visit Preston Hall. He referred to the agenda in Bold Steps for Kent to grow Small and Medium Enterprises and social enterprises in Kent and supporting them via the new procurement process, as long as value for money was achieved.

The Ministry of Defence Welfare Pathway Pilot in Kent

(10) Mr Gough and Mrs Oliver introduce a report which set out the background to the Defence Welfare Pathway in Kent. The pilot had been extended until 2011 and the aim was to integrate the Welfare Pathway into the Gateway. RBLI had been identified as a key organisation to work with.

(11) A Member mentioned the Supporting People grant that was coming to an end and the impact that the financial situation would have on the support from District Councils. A Member referred to the need to ensure that service personnel and their families were not disadvantaged by being deployed to different parts of the country at short notice and that this should be recognised as far as possible in school admissions policies.

(12) RESOLVED that the presentation be noted and the Committee records its support for proposed actions to take the Defence Welfare Pathway initiative forward in Kent.

80. Financial Monitoring Report : Corporate Services 2010/11

(Item B2)

(1) Mr Wood introduced the budget monitoring exception report, based on the monitoring returns for August 2010, as reported to Cabinet on 11th October 2010.

(2) RESOLVED that the forecast budget variances for the Chief Executive's Department for 2010/11 based on the August exception monitoring report to Cabinet be noted.

81. Medium Term Financial Plan - 2011-12 to 2013-14

(Item B3)

(1) Mr Wood introduced a report which identified the proposed strategy for determining next year's budget and the financial plans for the following years. This included an initial analysis of Spending Review 2010, the likely impact on the overall

funding for KCC, the indicative cash limits for the Chief Executive's Department, financing items budgets within the Corporate Services and the latest indications of likely pressures facing these portfolios.

(2) Mr Wood stated a lot of planning had been done prior to the Comprehensive Spending Review, but that the front loading of the budget had not been expected. Also a lot of specific grants for education would not be announced until December or January. The four unavoidable pressures were set out in the Appendix to the report. He stated that the challenge would be in years 1 and 2, particularly as the Chief Executives Department contained support services for the whole organisation and as the organisation downsized, this needed to be reflected in corporate support. Work was underway to look at how to address the challenges.

(3) In response to a question, Mr Wood drew attention to the reduction in 2011-12 in relation to modernisation of the Council. He confirmed that the County Council was no longer a floor authority.

(4) It was noted that there was not enough information currently available to identify priorities in order to meet the indicative cash limit.

(5) RESOLVED that the comments made by Members on the pressures outlined for the Chief Executive's Department and Financing Items Portfolios be noted.

82. Connecting with Communities - 2009/10 Annual Report on Engagement Activity to Policy Overview Committee.

(Item B4)

(1) Mr Gough and Mrs Hill introduced an update report on developments regarding consultation, engagement and involvement within the authority from 1 April 2009 – 31 March 2010.

(2) In response to a question Mrs Hill stated that most of the consultations etc were carried out by staff as part of their role and therefore it was difficult to work out the cost of each consultation. Regarding the use by partners and other Councils of information gathered by the County Council, often the information was not detailed enough for our partners, however it was possible to use MOSAIC to increase the sample at district level in order to gain more information.

(3) The importance of avoiding duplication in information gathering across the public sector was emphasised. Mr Bowles stated that it was essential to rationalise the gathering of information to avoid costly duplication. He stated that a report was being prepared which evaluated the localism pilots across Kent. Members referred to participatory budgeting sessions that had been held in their areas, how these had been resourced and that they had been excellent networking opportunities for local groups, which had even benefited groups who were not successful in their bid.

(4) The Leader spoke about the value of putting all services such as engagement and communication together to avoid duplication across directorates. It was important to look at how we could do things better and at a lower cost. In relation to a question on the effectiveness of Around Kent, he stated that there was a need to look at how the public section communicates with the public to avoid duplication.

(5) A Member referred to the viral marketing of the HOUSE project which had been successful with no formal advertising. He also referred to the confusion around the policy for the use of social media such as Facebook by officers as part of their role. Mrs Hill undertook to provide Members with details of the policy for using Facebook.

(6) A Member referred to the amount of unnecessary consultation carried out which diluted the Elected Members representative role, and took up a lot of Member and officer time.

(7) The Leader stated that in about nine months time it would be possible to set out proposals for how engagement activities could be carried out more efficiently. There was a need to avoid duplication around consultation and communication.

(8) Mrs Hill informed Members that there was a consultation directory on kent.gov and that it was possible to register and be sent email alerts.

(9) Mrs Hill undertook to supply information on how to access the Youth Opportunity Fund to Tamanna Miah and Troy Barton (Youth Takeover week representatives).

(5) Mr Barden (who was shadowing Mr Burgess as part of Youth Takeover Week) referred to the involvement that he had on the board of his local youth club and the opportunity it provided for young people to have an ownership of their youth facilities. He also explained the importance of the voice of young people, not just those who were members of the youth county council or youth parliament being heard.

(6) RESOLVED that the report and the comments made by Members be noted and a short report be submitted to a future meeting of the Committee on the cost of consultation and outcomes, with an emphasis on avoiding duplication in consultations across the public sector.

83. Risk Register for CED - 6 month update

(Item B5)

(1) Mr Simmonds and Mr Tonks introduced the risk register for the Chief Executive's Department (CED) which was maintained by the Corporate Risk and Insurance team on behalf of CED. The content had been updated by the identified risk owners within the department and was presented for information. Should the proposals set out for Council-wide restructure be taken forward, then this would be the last revision of this register. Revised governance arrangements for risk would be developed in parallel with the proposed re-organisation and this would include which risk registers were to be maintained. The detailed risks themselves would be transferred across to the new registers so that they continued to be managed. The residual risk ratings shown within the register had been assigned by risk owners based upon the stated current controls having been implemented and known to be working.

(2) Mr Wood confirmed that level of risk relating to the outcome of the Comprehensive Spending Review (CSR) (Risk 25) set out in the report had been

assessed prior to the announcement on the CSR, the level of risk would be amended now that the outcome was known.

(3) In relation to Risk 21 (Major Specific Projects) a question was asked about Manston not being included in the recently announced list of government infrastructure works. Also no account had been taken of the risk arising from the lack of funding for works on junction 10A of the M20. Mr Tonks explained risks were updated quarterly and the list circulated did not take into account current risks.

(4) Mr Tonks undertook to let Mrs Dean know whether risks around Building Schools for the future were set out in the Risk Register for the Children, Families and Education Directorate.

(5) RESOLVED that the changes to the CED risk register be endorsed and that the Committee agree that there are no additional actions required to reduce the overall risk profile of the department.

84. "Total Place" update

(Item B6)

(1) Mr Gough and Mrs Oliver introduced an update report on progress to date and future plans for the original Total Place work streams (Margate Task Force, Gateway and Asset). Mr Gough pointed out that there had been a change in terminology and that some aspects such as the abolition of Primary Care Trusts may have an impact on the work. He referred to place based budgeting and the work that had been carried out to take this forward, he confirmed that the three work streams would continue.

(2) Mrs Oliver stated that Job Centre Plus had more engagement with Gateways. In relations to Assets there was a lot of deep dive activity going on and they were engaged in discussions with central government to deliver some practical outcomes.

(3) A Member referred to the work of the St Pauls Community Trust which took referrals from the NHS and Gateways, the Charity complemented the work of other organisations and received no funding for putting someone with drug addition "back on track".

(4) Mrs Oliver confirmed that the leases for buildings occupied in the south west Kent area expired in 2012 and work was being undertaken to ensure that there was no gap or duplication in occupation when the alternative solution was identified. Discussions with Tunbridge Wells Borough Council also continue.

(5) A Member mentioned the risk of there being an increase in the number of Looked After Children displaced from London Boroughs due to the budget situation was raised, particularly in relation to the Margate Taskforce work

(6) Ms Exall undertook to circulate a copy of the letter from the Department of Communities and Local Government relating to the first phase of the initiative on the single 'Community Budget'.

(7) RESOLVED that the report and the comments made by Members be noted.

(Mr Burgess declared an interest as a Trustee of the St Pauls Community Trust which was involved in the work of the Task force, he remained in the meeting and took part in the discussion.)

85. Access and Assessment

(Item B7)

(1) Mr Gough and Mrs Oliver presented a report which updated Members on progress with the cross-cutting Access and Assessment programme, which aimed to improve the customer experience and deliver significant savings. The Access and Assessment programme built on and brought together a range of existing activity across Kent County Council and linked strongly with partner agencies.

(2) Mrs Oliver explained that the key aim of the programme was to improve the customer experience in a cost effective way, There was a target of achieving £14m savings and part of the way to achieve this would be to promote the use of online facilities she emphasised the commitment to ensuring appropriate face to face and telephone enquires remained robust. The focus would be on dealing with customers at first point of contact and there would also be further work with partner organisations to improve the customer experience.

(3) In response to a question on Registration Services being transferred from Gateway to library, Mrs Oliver stated that she hoped that the provision of Registration services within Gateways would continue as she believed that the service would be a great loss to the Gateways and the customers using them.

(4) In relation to a question on Gateway provision in Sevenoaks, Mrs Oliver and Mr Gough referred to ongoing discussions that were taking place with the District Council and work being carried out to assess the level of demand for Gateway Services in that area. The role of Mobile Gateway was also being explored.

(5) RESOLVED that the report and the comments made by Members be noted.

86. The Leader and Group Managing Directors update

(Item B8)

(1) The Leader stated that the majority of work had been focused on the Budget and he referred to the Rate Support Grant Announcement which was due on 2nd December 2010. He reminded the Committee that Bold Steps for Kent was out to consultation and positive feedback had been received. It was intended to make it more concise prior to its adoption by County Council on 16 December 2010.

(2) The Leader referred to the Local Economic Partnership and stated on going work to ensure the delivery of outcomes in a short period.

Transparency Agenda

(3) The Leader emphasised the importance of the Transparency agenda being implemented in an open and sensitive way. Mr Simmonds highlighted that the information provided should be meaningful, he referred to the publication of all invoices over £500, which involved officers checking through over 11,000 lines of

expenditure prior to publication to make sure that they did not contain any confidential information, there was an operational cost pressure in complying with this legislative requirement. He hoped that supplying this information would negate the need for some Freedom of Information enquires.

(4) Ms Exall referred to the statistics on web based views of the transparency data and informed Members that the availability of the information had been publicised. There had not been a great deal of interest in the invoices themselves and so far there had not been a lot of enquiries. She stated that by the end of the year they would be in a position to bring together a lot of publicly available information on the website.

(5) Mr Gough confirmed that representations were being made to government about guidance from central government being too prescriptive and running the risk of becoming a data collection exercise rather a way of making the County Council accountable to our citizens. It was suggested that there should be discretion for local authorities to set an appropriate level, relative their size, for the publication of invoices.

(6) Representations will be made about guidance from central government being too prescriptive and running the risk of becoming a data collection exercise rather a way of making us accountable to our citizens.

(7) RESOLVED that the report and the comments made by Members be noted.

87. "Change to keep succeeding" - the transformation of the Council's operating framework

(Item B9)

(1) Mr Hawkins introduced the "Change to Keep Succeeding" report by the Group Managing Director on the transformation of the County Council's operating framework. This report had been endorsed by Cabinet on 11 October 2010 and also included alternative structures which had been presented to the Cabinet Scrutiny Committee on 15 October 2010. The proposed structures were out to consultation until 3 December 2010. The County Council on 16 December 2010 would approve the top tier structure which would come into effect on 1 April 2011. He confirmed that all holders of impacted posts had had a one to one meeting with Ms Kerswell. In relation to the comments received on the proposals he stated that some staff believed that the proposals were not radical enough and that there should be fewer Directors.

(2) The Leader stated that the organisation needed to reduce its budget by £340m and therefore there was a need to reshape as soon as possible. It was anticipated that savings of £800,000 would be made at the high level and that savings would then flow below that level. It was necessary to make the organisation, leaner and more efficient in order to protect front line services to the elderly and vulnerable.

(3) The Leader confirmed that Kent County Council were ahead of the majority of authorities in relation to dealing with the budget reductions as the authority had been preparing for this for eighteen months. A significant number of local authorities had not been making any preparations.

(4) A number of Members expressed the view that the proposed restructuring was not radical enough and there was a suggestion that the proposals for the senior management structure should be revised.

(5) In relation to the HAY review of senior posts Ms Beer explained that HAY would be using market comparators in both the public and private sector, account would be take of the size of the role and there would be an objective measure of the level of responsibility and accountability. However, they would only be making a recommendation and it would be for Members to agree the pay scales and structure for these posts.

(6) In response to a question on the reasons for the suggestion within the proposed structure that there be a possible transition of Legal Services to an external arms length trading organisation, the Leader suggested that a paper be submitted to a future meeting of the Committee setting out the feasibility of this suggestion.

(7) It was noted that Mrs Dean had requested either a copy of the advice from Finance, Legal and Risk officers given prior to the re-structuring proposals being produced or confirmation that this information did not exist in written form.

(8) RESOLVED That the matters raised by Members at the meeting be noted as part of the consultation process and that a report be submitted to a future meeting on the possible transition of Legal Services to an external arms length trading organisation.

88. Kent Recommitment

(Item B10)

(1) Mr Bowles introduced a report on the draft Kent Recommitment which established new partnership arrangements within the county and place local democracy at their heart. He referred to a series of meetings being held with Kent Council Leaders starting on 22 November 2010. It was hoped that the governance arrangements for the Kent Recommitment would be finalised at a meeting of Kent Leaders on 2 December 2010. A provisional date of 20 December 2010 had been arranged for the first meeting of the Kent Forum. Mr Bowles confirmed that account would be taken of non-parished areas.

(2) RESOLVED that the report and the comments made by Members be noted.

89. Oracle HR and Payroll System Update

(Item B11)

(1) Mr Gough and Ms Beer presented a report which gave an overview of the major Oracle HR related developments including self service. It detailed financial and business benefits since the initial implementation, and future planned development. Mr Gough informed Members that major upgrade of Oracle System to version 12.1.1 referred to in the report had been achieved. Ms Beer referred to the importance of rolling out self service to managers to enable the business to be managed more efficiently.

(2) In response to a question Ms Beer explained that one key development was to ensure that there was a flow of information between the Human Resources, Payroll and Finance systems. This systems developments had been scoped and work was ongoing to make sure that the cost was commensurate with the benefits that the upgraded system would give. Ms Hughes stated one of the reasons for the migration to the upgraded version of Oracle at this time was because the previous version was no longer being supported by the supplier. Also the upgrade version gave the opportunity to streamline many processes by using a standardised system. Officers undertook to provide Mr Parry with information on the cost of upgrading the system.

(3) RESOLVED that the major developments and enhancements made since the initial set-up of the system in 2003 and the associated streamlining of core HR structure processes; the cost savings and efficiencies achieved and the planned future development and other areas highlighted for review be noted.

90. Update on the NHS White Paper Liberating the NHS

(Item B12)

(1) Mr Gough introduced an update report on KCC's responded to the consultation on "Liberating the NHS". He referred to the event being held on 25 November 2010 with General Practitioners.

(2) RESOLVED that the report be noted and a more detailed update be submitted to the next meeting of the Committee on 13 January 2011, subject to the white paper on public health being published by the end of the year.

91. Select Committees - update

(Item C1)

(1) The Committee received an update report on the current topic review programme and were invited to suggest topics for future Select Committee reviews.

(2) RESOLVED that the current Select Committee topic review programme be noted and the Democratic Services officer be advised of any other suggestions for Select Committee topic reviews.