

KENT COUNTY COUNCIL

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of a meeting of the Corporate Policy Overview and Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 11 January 2012.

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

ALSO PRESENT: Ms S J Carey, Mr R W Gough, Mr R J Lees and Mr J D Simmonds

IN ATTENDANCE: Ms A Agyepong (Equalities and Diversity Manager), Mr P Bole (Head Of I C T Commissioning), Mr N Brown (Asset Development and Commissioning Manager), Mr D Cockburn (Corporate Director of Business and Support), Ms C Davis (Strategic Business Advisor), Ms D Fitch (Assistant Democratic Services Manager (Policy Overview)), Mr R Fitzgerald (Performance Manager), Ms J Hansen (Acting Finance Business Partner BSS), Mr M Lemon (Head of Policy), Ms R Spore (Director of Propety & Infrastructure Support), Mr D Shipton (Acting Head of Financial Strategy), Mr H Swan (Head of Procurement) and Mr A Wood (Corporate Director of Finance and Procurement)

UNRESTRICTED ITEMS

149. Minutes of the meeting on 3 November 2011

(Item A4)

(1) The Chairman gave a verbal update on the meeting of the IMG on Business Strategy Restructuring which had been held on 18 November 2011 (Minute number 145 refers). Members had expressed their concerns about the detail of the restructuring. Overall satisfactory responses and assurances had been given. This was an ongoing process and it was agreed that Members would be kept informed of progress with the restructuring. He reported that Mrs Dean had made it clear that she believed that the restructuring of the Business Strategy unit should not go ahead until all the questions raised by Members had been answered. It was recognised by the other Members of the IMG that the restructuring was necessary to achieve budget targets.

(2) Mrs Dean stated that she was more comfortable with the restructuring since the IMG. Her main concern related to the importance of ensuring that the restructuring led to Members being kept better informed. She mentioned that the Member Information Group had not met recently and said that she would be less concerned about the restructuring proposals if the group had met and were able to be kept informed about the restructuring.

(3) RESOLVED that the minutes of the meeting held on 3 November 2011 are correctly recorded and that they be signed by the Chairman as a correct record.

150. Financial Monitoring 2011/12

(Item B1)

(1) Ms Hansen introduced the second quarter's budget monitoring report for 2011/12 as reported to Cabinet on 5th December 2011 and the latest exception report on 9th January 2012.

(2) Mr Simmonds and Mr Shipton answered questions and noted comments from Members which included the following:-

- Mr Wood explained that as most of the savings in the Finance Team were dependant on the Enterprise Resource Planning system going live it had been necessary to borrow funds from the IT Asset Maintenance Reserve, it was intended to repay this in 2012/13.
- It was confirmed that the impact of the increase in oil prices was minimal for this Directorate.
- In relation to the unallocated savings, Mr Wood explained that the decision on these had been held back to see where the scope was for in-year action in each unit and an amicable allocation made.
- Regarding the Oracle system, Mr Wood stated since April 2011 work had been carried out to finalise what was needed and they were getting nearer to being able to implement something that would deliver savings on time. In order to do this it might be necessary to compromise in order to achieve the most cost effective solution.
- In relation to Property Enterprise Fund (PEF) 1 and 2 Mr Wood confirmed that the situation with the property market was being monitored. At the moment the authority could afford to retain property, see what happened with the market, and look to making the right decision in the medium term. The Chairman stated it would be important that Members had a role in this decision.

(3) Mr Simmonds stated that it was a credit to Directors that they had brought in an underspent budget. Although there were still two or three difficult years ahead he was pleased with what had been achieved in 2011/12.

(4) RESOLVED that the projected outturn for the Business Strategy and Support Directorate, the Financing Items for 2011/12 based on the second quarter's monitoring report to Cabinet and the changes in the exception report of 9th January 2012 as detailed in paragraph 2.3.1 (a –e) be noted.

151. KCC Quarterly Performance Report, Quarter 2, 2011/12 including mid year Business Plan monitoring

(Item B2)

(1) Mr Gough and Mr Fitzgerald presented a quarterly report which informed Members about key areas of performance for the authority. The mid year Business Plan monitoring provided highlights of achievements to date for the divisions within the Business Strategy and Support Directorate.

(2) Mr Gough and Mr Fitzgerald answered questions and noted comments from Members which included the following:-

- Regarding the response target for the Contact Centre, Mr Gough explained that the Contact Centre had had a number of services passed to them which had resulted in a large increase in call numbers leading to a reduction in agreed response times. Significant steps had been taken to address this.
- Mr Fitzgerald explained that although the number of calls to the Contact Centre relating to children's social services was only up by 3%, there had been an increase in referral rates via other routes.
- A Member commended the Contact Centre. When he had used them on a number of occasions recently he had found them very helpful and effective.
- In relation to the Contact Centre Mr Gough undertook to pass on to Mr Hill the previous suggestion from this Committee that there should be a low cost number for the public who wished to use a mobile phone to contact the Contact Centre.
- It was mentioned that Members did not see Officers responses to all consultations on behalf of the County Council. It was appreciated that often the timescale for a response was limited but it might be helpful to officers for Members to have an input where possible.
- Regarding the risk register, it was suggested that the training that was being provided for Cabinet Members should be rolled out to all Members. In addition it was important that as well as supplying Members with available information relating to risk that Members had an awareness of what the information indicated and were properly briefed.
- Reference was made to the large increase in calls relating to Speed Awareness courses, it was asked whether this indicated that more people were getting caught speeding, Mr Gough explained that some of these figures included more than one call from an individual.
- Regarding adoption Mr Narey (Ministerial Advisor for Adoption) had stated that the two indicators that Members should be monitoring were the number of children awaiting adoption and the number of parents approved to adopt, these figures did not appear in the report. Mr Gough agreed that it would be helpful to include these figures in future.
- Members emphasised the importance of the figures collected being relevant and the data acted upon in order to make a difference to the residents of Kent and aid effective decision making.

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

152. Budget 2012/13 and Medium Term Financial Plan 2012/15

(Item B3)

(1) Mr Simmonds, Mr Wood and Mr Shipton introduced a report which informed the Committee of the budget proposals for the Business Strategy & Support Directorate and Financing Items budgets within the Corporate Services portfolios, with reference to the draft KCC budget and Medium Term Financial Plan (MTFP) launched on 20th December 2011.

(2) Members were invited to comment on the key issues on the proposed budget changes for the services provided by the Business Strategy & Support Directorate.

(3) Mr Simmonds, Mr Wood and Mr Shipton answered questions and noted comments from Members which included the following:-

- The Cabinet Member and Officers confirmed that they had found the recommendations from the IMG on the Budget very helpful.
- Mr Shipton explained that the budget for “Total Management, Support Services and Overheads” which included costs previously within individual Directorates budgets had been centralised. He gave the example of the cost of managing County Council buildings, which used to be shown in the relevant service budgets, but had now been transferred to the Property and Infrastructure budget.
- A question was asked about how the Governments one off grant payment in respect of a zero Council Tax was shown in the MTFP, Mr Wood referred Members to Page 61 of the MTFP which showed the Council tax freeze grant of £14m for 2012/13 and zero for 2013/14. This demonstrated that its loss would be a pressure in 2013/14 as government funding to KCC would reduce
- It was suggested that some Local Authorities might choose to set a Council Tax level above zero to relieve the pressure on their budget in future years. Also a better way of looking at the Council Tax Freeze grant was that it was a grant to the people not the Council.
- Mr Wood explained that in last years budget £10m of savings from procurement efficiencies across four years had been identified. In order to deliver these the authority needed to invest in additional specialist capacity within the Procurement Team at a cost of £1m, this had been funded by increasing the efficiency saving by the same amount.
- Regarding the impact that recovering money from Icelandic Banks would have on reserves, Mr Wood stated that the money held in reserves for this would be released once the money was returned. The Budget had always assumed a high rate of return so therefore there would only be a potential small surplus to add to reserves.

(4) Mr Simmonds paid tribute to all the work that officers had put into preparing the budget.

(5) The Chairman suggested that the process of a small group of Members looking in detail at the budget for a specific Directorate had been very useful, both for Officers and the Members involved. He expressed the view that this process should continue in some form under the new governance arrangements.

(6) RESOLVED that the comments by Members and the revenue and capital budget proposals for the Corporate Services portfolios be noted.

153. Procurement Practice

(Item B4)

(1) Mr Simmonds and Mr Swan introduced a report which provided information for the Committee on the improvements that had commenced in Procurement and how these would be taken forward in the next year.

(2) Mr Simmonds and Mr Swan answered questions and noted comments from Members which included the following:-

- Mr Swan confirmed that in his view the target of ensuring that 60% of procurement affected local businesses was achievable. He stated that what

needed to improve was pointing contractors in the direction of Kent suppliers. Also it was important to ensure that Kent businesses knew about the Kent Portal, and that where appropriate specific Kent business were contacted and made aware that there would be a tender that they might be interested in. Another aspect for Kent Businesses was consideration of whether tenders could be broken down into smaller lots to make them more attractive to them.

- In relation to timescale for the changes to procurement, Mr Swan stated that the saving targets started in 2012/13 and he was working on a 5 year plan of continued improvement.
- Regarding collaboration with other local authorities and public sector organisations, Mr Swan explained that the County Council was already doing a lot but consideration should be given to whether it could be more effective. It was important to ensure that any collaboration provided the right solution for the County Council.
- Mr Swan expressed the view that I-Procurement would make things easier for Kent small businesses.
- Mr Swan undertook to supply Members with an updated version of the structure chart on page 129 of the papers.
- In relation to a question on European Union (EU) legislative requirements for procurement, Mr Swan stated that there were advantages to these as well as disadvantages and that it was the responsibility of the procurement team to ensure that tenders complied with EU requirements. This should avoid these requirements causing any problems for service Directorates.
- In response to a question on whether there was a tendency to over specify in tenders which would have an impact on savings, Mr Swan explained that part of role of the procurement teams role was to challenge and ensure that consideration was given to doing things differently if appropriate.
- It was agreed that the outcome of the meeting on 11 January 2012 between Mr Simmonds, Mr Woods and Mr Swan to agree the savings that Mr Swan needed to achieve would be circulated to Members of the Committee.
- Mr Swan stated that in relation to engaging with Small and Medium Enterprises (SME's) in Kent his team was being as proactive as possible within their available resources, this included working though Chambers of Trade and similar organisations.
- In relation to where possible savings could be achieved in Social Care, Mr Swan replied that savings could be achieved by for example using a team of social care specialists to procure services for the needs of the child rather than this being done by individual social workers. The team would be better placed to monitor the timescale for placement. By having better contracts in place it would be possible to drive savings out of the market place.
- Mr Swan confirmed that a review of all elements of Commercial Services was currently being undertaken.
- Mr Swan stated that, although economies of scale were important, a lot could be delivered better by small businesses. Small businesses often had lower overheads, it was a case of knowing the market place.
- It was suggested that Members should receive an update report in about a years time.

(3) RESOLVED that the improvements underway in Procurement be noted, the change that will be necessary to deliver better control of procurement be supported and the targets for the next year be endorsed.

154. Asset collaboration

(Item B5)

(1) Mr Gough and Ms Spore presented a report which set out the current work being undertaken on asset collaboration amongst public agencies within Kent to drive service transformation and efficiencies from property assets.

(2) Mr Gough, Ms Spore and Mr Brown answered questions and noted comments from Members which included the following:-

- The importance of contacting local Members as soon as there were plans for asset collaboration in their area was emphasised.
- It was suggested that a full set of maps showing public assets in each District be placed in the Information Point for Members reference.
- Ms Spore offered to meet with Members to go through the list of assets for their area.
- Another suggestion was that Locality Board arrangements could be used as a means of sharing information about plans within a certain area and seeking input.

(3) RESOLVED that the report and comments made by Members on the asset collaboration work be noted.

155. ICT Strategy

(Item B6)

(1) Mr Gough and Mr Bole presented the draft ICT Strategy and asked for comments and the Committees endorsement prior to it being submitted for formal Cabinet Member approval. This strategy was interdependent upon the Customer Services Strategy. These strategies had been produced to improve customer service and through considered application of technology would release financial benefits across all council services.

(2) Mr Gough and Mr Bole answered questions and noted comments from Members which included the following:-

- In response to various comments about the importance of improving broadband provision across the County, Mr Gough referred to the Broadband Delivery UK (BDUK) programme, and work currently being undertaken to secure the necessary funding.
- Mr Bole explained that work was being carried out to profile standard equipment requirements for different staff depending upon the way that they needed to work.
- It was suggested that the responses to Freedom of Information requests should be posted to the website, to reduce duplicate requests. Mr Gough stated that this was in hand.

(3) RESOLVED that the ICT strategy overview be endorsed and the comments from Members of the Committee be noted.

156. Information Security

(Item B7)

(1) Mr Gough and Mr Bole introduced a report which set out the work being carried out to achieve a strategic approach to further developing the County Councils information assurance maturity to ensure an accurate awareness of significant, systemic enterprise wide information risks.

(2) Mr Gough and Mr Bole answered questions and noted comments from Members which included the following:-

- Concern was expressed about the issues caused by papers going to the wrong person which might have been avoided if a IT method had been used.
- In response to a question on what equipment was supplied to Social Workers, Mr Bole explained that Care Managers and Social Workers were being prioritised for IT equipment especially those involved with the Children's Services Improvement programme. These staff would have mobile devices such as laptops or tablets.
- Mr Bole confirmed that when IT equipment was rolled out to Social Workers they were also given advice and guidance on information security.
- Regarding encryption of equipment, checks were being undertaken to ensure that appropriate equipment was encrypted, this was being carried out with Directorates.
- Mr Bole stated that the County Council kept good records in relation to data loss so that lessons could be learnt from any occurrences.
- In relation to ensuring that the County Council got best value from its mobile phone contracts, Mr Bole explained that ICT were in discussions with procurement. Currently there were two contracts, one for mobile phone and one data device, due to changes in technology only one was required.

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

157. NHS and Public Health Reform

(Item B8)

(1) Mr Gough, Ms Davis and Mr Lemon introduced a report which updated the Committee on the progress with the transition of public health to the local authority and the reforms to the NHS. Radical changes to commissioning of services and public accountability of services were becoming a reality. By April 2012 most of the new system should exist in shadow form ready to assume full responsibilities when the PCTs were abolished in April 2013. The report summarises the current position of the key elements of the reforms.

(2) In response to a question about Member involvement, Mr Gough stated that the key element to this was the Locality Boards as a lot of public health delivery would be at the local level.

(3) RESOLVED that the report be noted.

(Mr Manion declared a personal, non prejudicial interest as his wife is a GP)

158. Annual Equalities compliance report

(Item B9)

(1) Ms Agyepong introduce a report which provided the Committee with an update on equalities and diversity in structure within KCC and the Equalities and Diversity Annual report for 2010/11

(2) Ms Agyepong answered questions and noted comments from Members which included the following:-

- Ms Agyepong explained that this was not a tick box exercise, it was about addressing issues and identifying trends. She gave the example of “worklessness”, it was important to look at the trends behind this for example poor educational performance by white British boys leading to poor educational outcomes, this is what we should be seeking to address. Therefore performance monitoring data was crucial.
- Ms Agyepong confirmed that the Lead Officer for Equalities was Ms Peachey (Director of Public Health).
- Ms Agyepong stated that there were three officers in the diversity team, but equality and diversity was the responsibility of all officers and should be considered when new work areas or policies were planned.
- Ms Agyepong confirmed that the quality of data available varied across the authority, data from schools was of a good quality. Work was being undertaken with officers to improve data quality when necessary.

(3) RESOLVED that the draft Annual Equalities & Diversity Report and the comments made by Members be noted.

159. Select Committees - update

(Item C1)

(1) The Committee received an update on the current topic review programme and were invited to put forward suggestions for future Select Committee topic reviews.

(2) RESOLVED that the Select Committee topic review update be noted and that Members advise the Democratic Services Officer of any items that they would like to suggest for inclusion in the Select Committee topic review programme