

## KENT COUNTY COUNCIL

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### CABINET SCRUTINY COMMITTEE

MINUTES of a meeting of the Cabinet Scrutiny Committee held at Sessions House, County Hall, Maidstone on Wednesday, 26 September 2007.

PRESENT: Dr M R Eddy (Chairman), Mr D Smyth (Vice-Chairman), Mr A R Bassam, Mr A H T Bowles, Mr J R Bullock MBE, Miss S J Carey, Mr A R Chell, Mr L Christie (substitute for Mr C Hart), Mr B R Cope, Mrs T Dean, Mr G A Horne MBE, Mr E C C Hotson, Mr P W A Lake, Mr C J Law, Mrs M Newell, Mr J E Scholes, Mrs P A V Stockell and Mr R Truelove.

IN ATTENDANCE: Mr J Wale, Assistant to the Chief Executive and Mr S C Ballard, Head of Democratic Services.

#### UNRESTRICTED ITEMS

**16. Minutes**  
*(Item A3)*

RESOLVED that the Minutes of the meeting held on 25 July 2007 are correctly recorded and that they be signed by the Chairman.

**17. Informal Member Group on Budgetary Issues – 11 September 2007**  
*(Item A4)*

RESOLVED that the notes of the meeting of the Informal Member Group on Budgetary Issues held on 11 September 2007 be noted.

**18. Cabinet Scrutiny Committee – Standing Report to September 2007**  
*(Item A5 – Report by Assistant to the Chief Executive)*

RESOLVED that the report on the actions taken as a result of the Committee's decisions at previous meetings, and the updated report on progress with Select Committee Topic Reviews, be noted.

**19. Proposed Dates of Meetings**  
*(Item A6)*

The Committee noted:-

- (a) that Wednesday 5 December 2007 at 10.00 am had been reserved for a possible additional meeting of the Committee should it be needed following the special Cabinet meeting recently arranged for 26 November;
- (b) the proposed dates of the Committee's meetings for 2008.

**20. Future of Post Office Network and Services in Kent**  
*(Item C1)*

(1) Representatives of Post Office Ltd (Mr Gary Herbert, Network Development Manager; Ms Martine Munby, Senior External Relations Manager; and Mr Craig Tuthill, Regional Development Manager) and of Postwatch (Mr Andy Burrows, National Policy

Group; Ms Marie Casey, South East Network Adviser; and Mr Ray Holdstock, South East Vice-Chair); Mr R W Gough, Cabinet Member for Regeneration and Supporting Independence; Mr S Gibbons, Head of Rural Regeneration; and Mrs E Haswell, Economic Development Officer, Environment and Regeneration Directorate, attended the meeting for this item.

(2) In answer to questions and comments from Members of the Committee, the representatives of Post Office Ltd (POL) provided the following information:-

- POL would be sending a consultation pack containing full details of the closures proposed for Kent to all interested parties, including the County Council, the Federation of Small Businesses and Chambers of Commerce, to arrive on 2 October. The County Council's pack would be addressed to the Chief Executive. The contents of the consultation pack would also be published on POL's website on 2 October.
- POL would not be consulting on the principle of closing Post Office branches (because that had already been decided) but, given that a certain number of branches would have to close, and there was very little flexibility about this number, POL were keen to obtain the County Council's views on achieving the best network for Kent, post-closures.
- To this end, in addition to the material already provided by the County Council, POL would welcome information about the location of small and medium sized enterprises (SMEs); home-based businesses; proposals for major infrastructure and proposals for major development.
- As part of the consultation pack POL would provide 'customer transaction data' for each branch, but would not be able to provide financial information because this was related to the business of the individual sub-postmaster and was therefore confidential to him or her.
- Representatives of POL were willing to attend a further meeting after 2 October to brief County Councillors on POL's detailed proposals for Kent.
- Although the consultation period was only six weeks, sub-postmasters and others who wished to make proposals for the continued operation of branches or outreach options would be allowed a longer period to finalise their proposals.
- In considering proposals for closure, POL would use the published criteria, weighting each according to a complex scoring system. Members could be briefed on this if a further meeting was arranged between representatives of POL and KCC.
- POL would also take account of the accessibility requirements set by Government, and of specific issues relating to individual branches and the communities they served (such as availability of ATMs, etc).
- The same criteria would apply to both urban and rural branches, and in cases where there were two branches serving the same community.

- The information about each branch and the community it served would be validated by visits from POL staff.
- The 'financial impact' criterion did not mean that all loss-making branches would have to close. POL would continue to receive a Government subsidy of £150m pa to keep open loss-making branches whose closure would breach the accessibility requirements.
- POL confirmed that two of the outreach models were unlikely to be proposed for Kent. Home service would only be used in tiny, very remote communities. Mobile Post Offices would only be used where there were a number of isolated communities in a very rural area. If there were remote communities in Kent which already had a Post Office branch then these were unlikely to meet the criteria for closure.
- The £1.7bn investment by Government in the network change programme was intended essentially to compensate sub-postmasters whose branches closed.
- POL used to have a national target for Crown Post Offices that 95% of customers should be served within 5 minutes. This was still used as a rule of thumb when considering the capacity of any branch.
- POL would continue to seek to develop new businesses for Post Office branches. The move into financial services in recent years was a good example of this and the bureau de change business had been particularly successful.
- POL had not been instrumental in the recent closure of the Post Office at Saltwood. Changes in the network such as this occurred all the time for all sorts of reasons unconnected with the network change programme.

(3) The representatives of Postwatch provided the following information:-

- Postwatch would themselves examine POL's proposals for network change in Kent (and elsewhere), review the evidence submitted in response to the consultation, and then submit their own comments.
- In Postwatch's experience, petitions would not have any effect. Factual evidence was required in response to POL's consultation and KCC was in a good position not only to provide this itself, but also to prompt others within local communities to respond to the consultation with factual evidence.
- Postwatch constantly encouraged POL to innovate on new business opportunities for the branch network and to compete for contracts for the provision of services through the branch network.
- Postwatch encouraged people to support their local Post Office branch by using the services it provided, and encouraged central and local Government to include POL in their procurement exercises wherever appropriate.

- Postwatch had formally expressed disappointment that POL had lost the contract from the BBC for issuing TV licences.

(4) RESOLVED that:-

- (a) the representatives of Post Office Ltd and Postwatch, and Mr Gough, Mr Gibbons and Mrs Haswell, be thanked for attending the meeting to brief the Committee and to answer Members' questions;
- (b) the Cabinet Member for Regeneration and Supporting Independence be requested to share the Post Office consultation information with all Members of the Council as soon as possible after its arrival on 2 October;
- (c) the Cabinet Member for Regeneration and Supporting Independence be requested to make arrangements to pass the Post Office consultation information onto all Parish and Town Councils in Kent as soon as possible after its arrival on 2 October;
- (d) in addition to the material already provided by the County Council, the Cabinet Member for Regeneration and Supporting Independence be recommended to supply to Post Office Ltd information held by KCC about the location of SMEs; home-based businesses; major infrastructure proposals and major development proposals, as requested by the representatives of Post Office Ltd at the meeting;
- (e) the Cabinet Member for Regeneration and Supporting Independence be recommended to accept Post Office Ltd's offer and arrange a meeting as soon as possible after 2 October for their representatives to brief all Members of the Council on their detailed proposals relating to Kent, including the scoring system used to inform the decisions about each individual branch;
- (f) the Cabinet Member for Regeneration and Supporting Independence and the Environment and Regeneration Policy Overview Committee be recommended to set up a mechanism involving Members from all parties for examining the Post Office's proposals and contributing to KCC's response to them;
- (g) in drafting KCC's response, the Cabinet Member for Regeneration and Supporting Independence and relevant officers be recommended to:-
  - (i) take account of the views of the Postwatch representatives at the meeting that petitions were unlikely to carry any weight, and that it was factual evidence that was required; and
  - (ii) ensure that urban and rural areas were treated equally.

**21. Fairer Charging Policy for Home Care and other Non-Residential Services (Domiciliary Charging Policy) (Decision 07/00967)**  
(Item D1)

(1) Mr K G Lynes, Cabinet Member for Adult Social Services; Mr O Mills, Managing Director, and Mr M Thomas-Sam, Head of Policy and Service Development, Kent Adult

Social Services, attended the meeting to answer Members' questions on this matter, which covered the following issues:-

### Design of Consultation Exercise

(2) In answer to questions from Mr Christie and Mrs Dean, Mr Mills explained that Kent Adult Social Services (KASS) usually involved disabled people fully in plans for consultations, but that it had been inappropriate to do so on this occasion because the proposals had to remain confidential until they had been reported to the Adult Social Services Policy Overview Committee.

(3) He accepted that the issues covered by the consultation were very complex and he and his staff had made every effort to present the information in a readily-understood way without over simplifying it. He believed that the response to the consultation (at 30%) demonstrated that they had struck the right balance.

### Public Meetings

(4) In answer to questions from Mr Christie and Dr Eddy, Mr Mills said that the public meetings were only one of a number of ways offered to service-users to enable them to respond to the consultation. Venues had been chosen for the public meetings which were reasonably central, had adequate parking, and offered accessibility for disabled people. Feedback from those attending the meetings would be taken into account when considering venues for future public meetings.

### Responses to Consultation Exercise

(5) In answer to a question from Mr Christie, Mr Mills accepted that those likely to be affected by the increase in charges had a greater incentive to respond than others, and that human nature meant that they were likely to oppose the increase. Taking this into account, the Consultation Analysis Report attempted to summarise the responses to the consultation fairly.

### Analysis of Key Topics from Consultation

(6) In answer to a question from Mr Christie, Mr Lynes said that he did not accept that KASS "wasted money". Indeed, he believed that it was consistently seeking better value for money and this was illustrated by the many initiatives being taken by KASS to make access to services easier and to improve efficiency.

### Proposed Increase from 65% to 85% of Available Income Taken into Account to Work Out a Person's Charge

(7) In answer to questions from Mrs Newell, Mr Mills said that the new level was in line with Government policy. Nevertheless, the decision to adopt this level of increase had only been taken after very careful thought, recognising the impact it would have on service-users, particularly those on fixed incomes.

(8) Mr Lynes said that, at 65%, Kent had been at a lower level than all neighbouring authorities. Even at 85%, Kent was still lower than most of its neighbours.

(9) Mr Mills confirmed that consideration had been given to phasing in the increase over time but it would be difficult to do this in a way that would be equitable to all

service-users, and it would create complexity which would result in the transaction costs exceeding the benefits to service-users.

### Funding for Adult Social Care

(10) In answer to questions from Mrs Newell, Mr Lake and Mrs Dean, Mr Lynes said that he had fought hard, and he believed successfully, in Cabinet for increases in the budget for Adult Social Services.

(11) Mr Lynes also said that the County Council continued to press Government to inject extra funding into adult social care. He was keen to take this, and Mrs Newell's suggestion that Government should transfer unclaimed Pension Credits into funding for adult social care, forward on a cross-party basis with support from service-users and organisations representing service-users.

### Eligibility Criteria

(12) In answer to questions from Mr Christie and Mr Law, Mr Lynes said that one option to save money would have been to restrict the eligibility criteria by ceasing to provide care for 'moderate' needs, as a number of authorities had done. He was anxious not to do this because of the deleterious effect on clients. In addition, experience elsewhere had shown that the savings from restricting the eligibility criteria had been less than originally anticipated. This was because the condition of those clients excluded from care by restriction of the criteria tended to worsen quickly and so, after only a short period, they re-presented with 'substantial' or even 'critical' needs, which involved a much higher cost to the authority.

### Views of Disability Groups

(13) At the invitation of the Chairman, Mrs Wendy Sage and Mrs Vicci Chittenden, who both represented disability groups in Kent, spoke about the impact which the new domiciliary care charges would have on disabled people.

### Conclusions

(14) RESOLVED that:-

- (a) Mr Lynes, Mr Mills and Mr Thomas-Sam be thanked for attending the meeting to answer Members' questions, and Mrs Sage and Mrs Chittenden be thanked for attending to give evidence on behalf of the organisations they represented;
- (b) postponement of implementation of the decision not be required, but the Cabinet Member for Adult Social Services be requested to consider again whether the increase from 65% to 85% (of available income taken into account to work out a person's charge) should be phased in over time or some sort of transitional relief offered to those most seriously affected;
- (c) the Managing Director, Kent Adult Social Services, be advised of the Committee's view that it was unfortunate that disabled persons' groups were not involved in the planning of this consultation exercise, as would normally be the case.

(d) the Managing Director, Kent Adult Social Services, be recommended to report to the Adult Social Services Policy Overview Committee on:-

(i) domiciliary care charges:-

- comparative statistics for all UK authorities on charging policies and eligibility criteria;
- justification for capital and income disregards, and whether action should be taken to seek modification of these;
- possibility of lobbying Government for increase in Social Services element of RSG and/or for allocation to Social Services authorities of unclaimed Pension Credits;

(ii) impact of direct payments policy.

**22. Autumn Budget Statement**  
*(Item D1)*

In view of the length of time the meeting had already taken, the Committee agreed to refer this item for consideration by the Budgetary Issues Informal Member Group at its meeting later on the same day.