

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 14 October 2013.

PRESENT: Mr J D Simmonds (Chairman), Mr D L Brazier, Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr B J Sweetland and Mrs J Whittle

ALSO PRESENT: Miss Susan Carey, Deputy Cabinet Member for Finance and Procurement

IN ATTENDANCE: Mr M Austerberry (Corporate Director, Enterprise and Environment), Mrs A Beer (Corporate Director of Human Resources), Mr D Cockburn (Corporate Director of Business Strategy and Support), Ms A Honey (Corporate Director, Customer and Communities), Mr A Ireland (Corporate Director, Families and Social Care), Mr P Leeson (Corporate Director Education, Learning and Skills Directorate), Ms M Peachey (Kent Director Of Public Health), Mr A Wood (Corporate Director of Finance and Procurement), Mr G Wild (Director of Governance and Law) and Mrs L Whitaker (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

Apologies

Apologies were received from Mr Carter, Leader & Cabinet Member for Business Strategy, Audit and Transformation.

Mr Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement took the Chair in his absence.

25. Minutes of the Meeting held on 16 September 2013

(Item 3)

The minutes of the meeting held on 16 September 2013 were agreed and signed by the Chairman as a true record.

26. Other items which the Chairman decides are relevant or urgent

(Item 4)

None.

27. Facing the Challenge: top tier realignment

(Item 5 – Report of Mr Paul Carter, Leader & Cabinet Member for Business and Transformation and David Cockburn, Head of Paid Service)

Cabinet received a report setting out a proposed realignment of senior posts at Kent County Council, prior to the start of a formal consultation with senior staff affected and other key stakeholders and partner organisations.

The Deputy Leader introduced the item on behalf of the lead member, Mr Carter who could not attend. In particular he referred to the following:

- (i) That the transformation agenda was now underway. Full council had met and endorsed the plan.
- (ii) That the transformation agenda had five key principles
 - Integration of services around the client groups
 - A single council approach to projects and programme review
 - Actively engaging the market for solutions where appropriate
 - Creating viable businesses from trading services
 - Embedding commissioning authority arrangements.
- (iii) That the programme was not about “cuts” or “outsourcing” that in fact it was about managing demand and looking at the best ways of running services. He reported that where outsourcing had already been utilised it had worked well for example in Highways.
- (iv) That the realignment of demand would involve senior managers working along three main themes:
 - Market engagement and service review
 - Integration and service redesign
 - Concept of managing change better
- (i) The success of the transformation would, to a large extent, rely on the success of senior managers in implementing these themes. Therefore a major aim of the first stage of transformation was to create a certainty amongst senior managers as to who was responsible for what services and Directorates.
- (vi) Overarching all of the work to come was the fact that the council needed to save another £239m in the 2015/16 through to 2017/18. When combined with the savings already successfully made this would not be an easy task.
- (vii) More information would be brought forward at the December meeting of Full Council when the final decision was scheduled to be made. However the suggested changes would reduce senior management posts by 5 fte or 20%.
- (viii) Four new directorates were proposed to cover three different kinds of services provided. These are:
 - People based services
 - Place based services
 - Corporate services.

He drilled down further into these new Directorates to talk in more detail about service provision within the council:

- (i) People based services would include, Social Care and Public Health functions. These statutory functions would, of course, continue to be provided for both adults and children. Directorate level transformation programmes were already underway in both areas adult and children’s social care work and Cabinet had received much information on both programmes at previous meetings. This work would continue.
- (ii) People based services would also include education. Education services would be a combination of traditional education services and targeted services for children and young people. It would include early intervention and prevention for families and children aimed at reducing demand in the long term. Important work in this area had already been conducted through the successful ‘Troubled families’ Programme. In addition work would continue in the areas of skills and

- employability for 14-25 year olds and the creation and promotion of apprenticeships
- (iii) Place based – Functions such as library services, highways and waste and the promotion of Kent as a destination for business and tourism and the strategic role of the council in relation to planning and transport.
 - (iv) Corporate based services would include professional advice and guidance and support for front line services. In addition it would incorporate media and public relations.
 - (v) Commissioning would remain within the directorates while procurement would continue to be a centralised function and it was important to understand the difference between the two functions.

David Cockburn, Corporate Director of Business Strategy and Support spoke to the item. He reported the following information for the consideration of members present:

- (i) That this was the first stage of the transformation process and primarily focussed on the top level staffing arrangements.
- (ii) That consultation would begin tomorrow with the 26 people affected. All staff would be invited to make comments on the proposals and these comments and any changes to the proposals resulting from these comments would be reported to the December Council for consideration.
- (iii) That detailed work within the services was already underway and would continue to inform and underpin the process as it progressed. It would also allow considered responses to provided to any suggestions received during the consultation.
- (iv) Once the final realignment had been decided, the council's normal procedures would be followed to create the new directorates including slotting of staff where appropriate and vacant posts being held for interview. All twenty-six senior managers affected would be contacted should Cabinet choose to endorse the proposals for consultation and would be asked to provide comments by 15th November 2013.
- (v) That an Equalities Impact Assessment had been conducted. He invited Amanda Beer to comment further on the findings of the assessment.

Amanda Beer, Corporate Director Human resources, spoke to the item regarding the Equality Impact Assessment. She reported:

- (i) That the Equality Impact Assessment had been completed and all ten protected groups had been included in the assessment.
- (ii) It was believed that there was potential for the realignment to impact on four of those groups; age, gender, disability and those with carers' responsibilities. In all cases the potential impact was classed as low.
- (iii) Details would be included in the consultation pack.

The Cabinet Member for Economic Development, Mark Dance spoke to the item. He raised two issues:

- (i) That in order to be truly transformational the programme must allow space for officers and members to bring to the fore difficult political ideas for discussion
- (ii) That although government funding was likely to continue to reduce, funding was available from the EU and it was important that full advantage of this was

taken. He encouraged members and officers to look to securing grant funding as a way of dealing with income reduction in other areas.

The Cabinet Member for Corporate and Democratic Services, Mr Gary Cooke also commented. He welcomed the report and agreed that having determined that the council's functions would be restructured around the themes of 'people', 'place' and 'corporate' it was right that a staffing structure was put in place that was fit for purpose. Financial savings made as a result were welcomed but were not the principle motivation. The restructure, he argued, was the right thing to do because it would deliver better services for residents.

The Cabinet Member for Communities, Mr Mike Hill spoke to the item. He raised two concerns relating to the timetable for change:

- (i) That regardless of the pressures of change, the day job must continue and standards must not fall. Services must continue to be delivered well
- (ii) That additional resources may be required by directorates in order for the transformation to be undertaken

The Cabinet Member for Commercial and Traded Services commented on the paper. He made the following points:

- (i) That he welcomed the involvement of the opposition parties on the newly formed Transformation Board.
- (ii) That the standard of services, albeit delivered differently, must remain high
- (iii) That traded services would be reviewed as part of the transformation process and the outcomes were not yet known. However, he acknowledged that outsourcing might be an option for service delivery and hoped members would be open minded about whether that was the right option for some services.

The Cabinet Member for Corporate and Democratic Services responded to comments made, he reminded members that the first phase of the transformation would focus principally on corporate services, where the end user would not be affected but that they must remain at the forefront of the work undertaken.

Mr Simmonds agreed that services must be protected during the transformation.

It was resolved

Cabinet Facing the challenge: top tier realignment 14 October 2013	
1.	That the proposals outlined in the paper for a formal consultation on a realignment of senior posts in the Authority to deliver the transformation plan set out in Facing the Challenge: Delivering better outcomes agreed by the County Council on 19 September 2013 be endorsed. Following the outcome of the consultation, a paper will be taken to the County Council in December 2013 for decision on a top tier structure.

REASON	
1.	In order that the consultation can begin in preparation for a decision paper to council.
ALTERNATIVE OPTIONS CONSIDERED	Not for consideration here. The county council meeting can consider other options should it so wish when taking the final decision
CONFLICTS OF INTEREST	None
DISPENSATIONS GRANTED	None

28. Revenue and Capital Budget Monitoring 2013/14 - July

(Item 6 – Report of the Deputy Leader and Cabinet Member for Finance and Procurement and Andy Wood, Corporate Director for Finance and Procurement)

Cabinet received a report providing for members the budget position for July 2013-14 for both the revenue and the capital budget. The report also included an update on key activity.

The Deputy Cabinet Member, Miss Susan Carey was in attendance to introduce the item for members. She explained that she was deputising for the Deputy Leader on this occasion as he deputised for Mr Carter in the Chair and reported the following in relation to the revenue budget:

- (i) That an underspend of £3.67million was currently predicted for the end of the 2013-14 financial year but was expected to increase to £4.475million following planned management activity and roll forwards.
- (ii) That significant financial pressures continued in Specialist Children’s Services, of which the cost of supporting unaccompanied asylum seeking children who had exhausted all rights of appeal remained a significant one.
- (iii) Changes to the Home to school transport policy had shown a reduction in costs and it was hoped that this would continue however predicting need for this kind of services was difficult.
- (iv) That some of the NHS funding recently received in relation to social care support would be used to support the budget when it would be under additional winter pressures.
- (v) Measures taken to stop commercial waste being processed by household waste recycling centres had been successful and had saved £2million
- (vi) A number of grants and projects had been rephased to 2014-15. These included any underspend on the social fund, the health reform budget and the funding for the Kent Youth Employment programme.
- (vii) Pressures had been identified on the delegated school budgets and these would need to be addressed.
- (viii) That £5million of additional funding had been received from central government since the budget was set. It had helped to meet some one of costs that had been incurred and would be held centrally for the short term future in order to meet any shortfall in savings target. Should no shortfall arise the monies will be transferred to the reserves to protect against future uncertainties.

- (ix) That a further £4million of the Iceland investments had been recovered, taking the total to £42million. It was expected that 100% of the monies would eventually be recovered and that some interest might also be repaid.
- (x) That officers had worked hard to deliver savings and that the monitoring report showed that good work to be continuing.

Miss Carey turned to the Capital Budget and reported:

- (i) That a £21m underspend was predicted but only £4.4million related to real saving as opposed to rephasing of projects.
- (ii) That a large portion of the Capital budget related to the provision of school places for children in the County and excellent work continued to deliver extra classrooms before September 2013 and work continued toward 2014.

Mrs Carey reiterated the conclusions within the report; that the monitoring news was good but members and officers should remain cautious in order that savings be delivered.

It was resolved that:

Cabinet Revenue and Capital Budget Monitoring 2013/14 – July 14 October 2013	
1.	That the latest monitoring position on both the revenue and capital budgets be noted
2.	That the changes to the Capital Programme as detailed in the actions column in table 2 of the annex reports be noted or agreed as appropriate
REASON	
1.	In order that Cabinet can properly conduct its monitoring activities
2.	In order that the programmes can continue despite continuing pressures
ALTERNATIVE OPTIONS CONSIDERED	To not agree the changes to the budget would not provide security and would risk project completion in some cases.
CONFLICTS OF INTEREST	None
DISPENSATIONS GRANTED	None

29. 13/00068 - Commissioning Plan for Education

(Report of the Cabinet Member for Education and Health Reform, Mr Roger Gough and Patrick Leeson, Corporate Director for Education, Learning and Skills)

Cabinet received a report containing the 2013-18 commissioning plan and seeking agreement to its adoption. The Cabinet Member for Education and Health Reform, Mr Roger Gough introduced the report for members and made the following comments:

- (i) That the plan was updated annually and had been updated since Cabinet adopted an earlier plan a year ago. During that year the Council had delivered a large increase in places available for the September 2013 intake and the way in which this had been done amounted to a 'step change' in terms of the amount of investment required in order to deliver adequate school places.
- (ii) That pressures continued to increase. Births were predicted at 18000 for 2013, 3500 more than ten years ago.
- (iii) That changes to local populations were also analysed, alongside predicted birth rates, but were harder to predict, particularly where they were a result of housing developments or changes in the composition of the population of an area.
- (iv) However he reported that the forecasting record to date had been good and this gave him confidence for delivery in the future.
- (v) That targets for permanent places for primary school children were set at 40 new entry forms in the next two years, a further 22 new entry forms the year after and continuing pressure in the years that follow
- (vi) Demand continued to decline for places required at Secondary schools and were expected to trough around 2016 and then increase to the end of the decade when pressures would occur
- (vii) He reported that the council had successfully secured 'Targeted Basic Need' funding from Central Government to meet these targets. KCC entered bids for funding to expand 26 schools in the County and successfully obtained it for 19 of them. The total received was 31.5million.

He concluded that pressures remained and delivery would be difficult but not impossible and the council was well placed to continue to meet its statutory duties in relation to school place provision.

Patrick Leeson, Corporate Director for Education, Learning and Skills spoke to the item, he reported that:

- (i) The Commissioning Plan was one of KCC's most important strategic documents and included proposals for large scale change
- (ii) 10,000 additional new places were predicted to be needed in the next three years, equating to 83 additional forms of entry over the next 3-4 years. This was the equivalent of 30 new Primary Schools and 3 new Secondary Schools.
- (iii) The plan allowed for partnership working with schools, developers, District Councils and other stakeholders to ensure that not only would it increase places it would also would create greater choice and better enable the council to meet parental preference.

The Cabinet Member for Specialist Children's Services, Mrs Jenny Whittle spoke to the item and made the following comments:

- (i) That there was a shortfall of nursery places within Kent and it was difficult for providers to find suitable and available accommodation within which to expand. She suggested that officers in Education Learning and Skills work closely with officers in Families and Social Care to establish how capital funding might be deployed effectively to utilise any accommodation which became available as a result of the closure of a Children's Centre to provide nursery places.

- (ii) That it was essential as 90% of nursery places in Kent were provided by the private or voluntary sector to involve those people fully in decisions about Early Education Entitlement in order that they are supported in delivering the stretched offer.

The Cabinet Member for Economic Development, Mr Mark Dance asked members to consider the difficulties that he believed were inherent in the new CIL system for raising levies and expressed concern that there would not be sufficient funding to build new schools in the east of the County.

Mr Gough shared the concerns expressed by the Cabinet Member for Economic Development about the CIL system. However, over the next two years there were detailed plans for how the funding would be secured that were less reliant on CIL. However over a longer term it may require a government response such as had occurred in relation to Basic Need.

Mr Leeson responded to the comments made in the following ways:

- (i) That in relation to early years care, it had been the responsibility of the Council for some time to support the market for delivery of places. The council worked closely with providers and it would remain a strategic concern.
- (ii) Kent had the highest target in the country for provision of additional places for young children from less well off families, 7000 in total and the council was on track to deliver 3000 of those by next summer.
- (iii) KCC passed on the providers the maximum support allowed by legislation.

Cabinet Commissioning Plan for Education 14 October 2013	
1.	That the Commissioning Plan for Education Provision 2013-2018 be approved.
REASON	
1.	In order that the council can meet its statutory duties relating to the provision of school places.
ALTERNATIVE OPTIONS CONSIDERED	Many alternative approaches were considered in the design of the plan. The contents of the plan represent the best options identified.
CONFLICTS OF INTEREST	None
DISPENSATIONS GRANTED	None

30. Ending of transitional restrictions on Bulgarian and Romanian nationals
(Item 8 - Report of David Whittle, Head of Policy and Strategic Relationships and Richard Hallett, Head of Business Intelligence)

Cabinet received a report setting out for consideration the potential impact for Kent of the ending of transitional arrangements for Bulgarian and Romanian nationals on 1st January 2014, as request at a meeting of Cabinet in April 2013.

Mr Simmonds briefly introduced the report, he reminded members that the report did not seek to address or comment upon any issues of European or national policy but sought to identify what the impact on Kent's public services might be when the arrangements came to an end.

Mr Whittle and Mr Hallett were in attendance to talk to the item. Mr Whittle made the following remarks:

- (i) That predicting migration patterns was a difficult task. The government had decided not to release its own predictions.
- (ii) That the report for consideration was a strong and balanced report and had involved collaboration with a wide range of partners. He welcomed comments made recently by a member of National Institute of Economic and Social Research supporting the work undertaken.
- (iii) The report attempted to identify the potential levels of migration and the potential impact this predicted migration might have on public services.
- (iv) The transitional arrangements allowed Bulgarian and Romanian nationals to live in Britain already, in addition, in certain circumstances those people already living in Britain could also work and this was the reason that the report identified a significant increase in Bulgarian and Romanian nationals living in Britain since 2007.
- (v) That meant that the impact could not be compared to previous lifting of A8 restrictions where restrictions on travelling, working and living ended at the same time.
- (vi) The report focuses only on the additional number of people that might choose to live in Britain, and Kent, after the transitional arrangements are lifted, not on migration from those countries as a whole.
- (vii) Those people were likely to be economic migrants and were generally, young, healthy and with a limited number of dependants, therefore not heavily reliant on public services. Therefore it had been found that the financial costs, estimated at £3.1m were outweighed by the financial benefits at £70m. He reminded members that while benefits were likely to be felt nationally, costs may fall locally.
- (viii) The report develops a scenario model based on A8 migration and applies a high low variation. As mentioned the A8 comparison was not perfect, as various circumstances were different but there were no other more similar examples on which to draw.
- (ix) The estimate contained within the report was toward the high end of those offered by other commentators
- (x) Finally, he reminded members that the work commissioned had been made more difficult by the lack of information available in this area and warned that until this was improved predictions at local level would remain challenging.

The Cabinet Member for Commercial and Traded Services, Mr Bryan Sweetland addressed the meeting. He argued that the £3.1m potential cost and £70m benefit figures included in the report were not comparable because of the national / local split, Mr Whittle had described. He would be interested to know what the UK cost versus the UK benefit would be.

Mr Whittle could not comment on the national costs and benefits of the ending of transitional arrangements as the report had not been commissioned to address this, but agreed that more research could be done should cabinet wish.

Mr Sweetland continued, he referred to housing need in Gravesham and the requirement for additional houses to be built. He was interested to know if migration was creating an impact on the availability of housing. He wondered whether the work Mr Whittle conducted would support that case. However Mr Whittle confirmed that this had not been the purpose of the work undertaken.

Cabinet	
Ending of transitional restrictions on Bulgarian and Romanian nationals	
14 October 2013	
1.	That the direction of travel within the report be approved
REASON	
1.	In order that the council can be as prepared as possible for any potential impact which occurs as a result of the ending of transitional arrangements for Bulgaria and Romania.
ALTERNATIVE OPTIONS CONSIDERED	The report contains a number of alternatives based on the various scenarios
CONFLICTS OF INTEREST	None
DISPENSATIONS GRANTED	None

31. Kent Minerals and Waste Development Framework (MWDF) Core Strategy at Pre-Submission (Draft Plan) Stage - 12/01879
(Item 9 - Report of Cabinet Member for Transport and Environment, Mr David Brazier and Mike Austerberry, Corporate Director for Enterprise & Environment)

Cabinet received a report seeking endorsement of the Kent Minerals and Waste Local Plan 2013–30 for agreement by County Council and submission to the Secretary of State for Communities and Local Government.

The Cabinet Member for Transport and Environment introduced the report for members and reported that:

- (i) That the adoption of a framework was a statutory requirement and related to the councils approach to finding minerals and disposing of waste.
- (ii) That the document had been the subject of various consultations and cross party involvement throughout its life and that a further consultation on the pre-submission draft would be undertaken in the near future.
- (iii) The framework did not include site information but those plans would follow its adoption.

Mr Crick, Director of Planning and Environment and Mr Prosser, Minerals and Waste Planning Policy Manager were in attendance to speak to the item. They drew the attention of members to the following:

- (i) That the document was the product of several years work and various consultations on direction.

- (ii) It would be examined in public by the secretary of state following the agreement of County Council to submit it and a further final consultation
- (iii) That the approximate date for adoption was scheduled for April 2015.
- (iv) The Framework would provide a firm base for determining planning applications in the future and protection for those sites where no further development was desirable.

Cabinet Kent Minerals and Development Framework (MWDF) 14 October 2013	
That the Pre-Submission Draft Kent Minerals and Waste Local Plan (MWLP) be endorsed, prior to its submission to the County Council for approval to submit the Plan to the Secretary of State, subject to:	
1.	A six week period of public consultation on the plan;
2.	No material objections being received during the public consultation
3.	The Director of Planning & Environment being given delegated powers to approve any non material changes to the MWLP in consultation with the Cabinet Member for Transport & Environment following on from the public consultation and to agree any amendments to the MWLP during the Examination in Public for submission to the appointed planning inspector, if these amendments are likely to resolve objections.
REASON	
1, 2 & 3.	In order that correct governance and consultation procedures are complete before the plan is submitted to the Secretary of State
ALTERNATIVE OPTIONS CONSIDERED	N/a
CONFLICTS OF INTEREST	None
DISPENSATIONS GRANTED	None