

KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 25 September 2013

PRESENT: Mr A J King, MBE (Chairman), Miss S J Carey (Vice-Chairman), Mr M A C Balfour (Substitute), Mr N J D Chard, Mrs T Dean, Mr J Elenor, Mr C P D Hoare, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr S C Manion, Mr L B Ridings, MBE, Mrs P A V Stockell, Mr D Smyth and Mr N S Thandi

ALSO PRESENT: Mr P B Carter, Mr G Cooke, Mr J D Simmonds and Mr B J Sweetland

IN ATTENDANCE: Mr P Bole (Director of ICT), Mr D Cockburn (Corporate Director of Business Strategy and Support), Mr R Fitzgerald (Performance Manager), Ms J Hansen (Finance Business Partner BSS), Mr D Shipton (Head of Financial Strategy), Ms R Spore (Director of Property & Infrastructure Support), Mr D Whittle (Head of Policy and Strategic Relationships), Mr G Wild (Director of Governance and Law), Mr A Wood (Corporate Director of Finance and Procurement) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

12. Substitutes

(Item A2)

Apologies were received from Mr J Davies. Mr M Balfour attended as substitute for Mr J Davies.

13. Declarations of Interest by Members in items on the Agenda

(Item A3)

Mr Long made a declaration as a director and shareholder in a private practice of solicitors in respect of Agenda Item C1 – Legal Services' Evolution, Efficiency Enterprise Project Annual Report 2012/2013.

Mr Balfour made a declaration as a member of the local planning committee and the local member in respect of Agenda items E2 and F1 – Kings Hill.

14. Minutes of the meeting held on 20 June 2013

(Item A4)

RESOLVED that the minutes of the meeting held on 20 June 2013 are correctly recorded and that they be signed by the chairman subject to the following amendments:

Minute 5 (2)(a) replace the word "savings" with the words "capital receipts"

Minute 6 (2) the addition of the words "per employee" after the words "£8,000 net"

15. Minutes of the Property Sub-Committee held on 11 July 2013

(Item A5)

RESOLVED that the minutes of the Property Sub-Committee held on 11 July 2013 be noted.

16. Legal Services' Evolution Efficiency Enterprise Project Annual Report 2012/2013

(Item C1)

- (1) Mr Sweetland (Cabinet member for Commercial and Traded Services and Mr Wild (Director of Governance and Law) introduced the report which provided an overview of the first year of the Legal Services' Evolution, Efficiency and Enterprise Project. They said the project was a response to the growing need for legal advice at a time of significant budget restraint and had delivered cost savings and efficiencies to the council of £1.35m in addition to the surplus generated by Legal Services of £2.45m in 2012/13.
- (2) Mr Sweetland and Mr Wild noted comments and answered questions from members about:
 - the prospect of district and borough councils buying into the service;
 - whether the market would become increasingly competitive if other local authorities offered a similar service;
 - whether the focus on making a profit risked losing sight of service to the public;
 - suppressing demand for legal services by training staff internally;
 - whether the charges to external organisations were sufficiently high;
 - attendance of non-legal staff at training events; and
 - actions taken to ensure advice given was taken and implemented.
- (3) RESOLVED:
 - (a) That the report be noted;
 - (b) That the Legal Services team be congratulated on their success and innovation.

17. Business Strategy & Support Performance Dashboard

(Item C2)

- (1) Mr Carter (Leader of the Council) introduced the report by saying that most of the performance indicators were going in the right direction and that as the Council went forward it needed to ensure performance indicators remained relevant and useful.
- (2) In response to questions, Mr Fitzgerald (Performance Manager) said targets and indicators were continually reviewed and an explanation had been included in the report for performance indicators presented with red alerts
- (3) RESOLVED that the Performance Dashboard be noted.

18. Business Strategy and Support Directorate Financial Monitoring 2013/14

(Item C3)

- (1) Ms Hansen (Business Strategy and Support Directorate Finance Business Partner) introduced the report on the forecast outturn for the Business Strategy and Support Directorate. She drew members' attention to three areas (Finance and Procurement, Property and Infrastructure and HR) where some underspends were predicted and said that some underspends were offsetting other overspends.
- (2) Ms Hansen also said that all capital schemes were going ahead as planned although the delivery dates had changed for some of them.
- (3) In response to a question she confirmed that none of the delays in projects delivering in year would impact on the transformation agenda.
- (4) RESOLVED that the revenue and capital forecast variances from budget for 2013/14 for the Business Strategy and Support Directorate based on the first quarter's full monitoring to Cabinet be noted.

19. Business Planning 2014/15

(Item D1)

- (1) Mr Whittle (Head of Policy and Strategic Relationships) introduced the report which set out changes to the 2014/15 business planning process in response to Facing the Challenge: Whole Council Transformation and a review of the 2013/14 business planning round, with the aim of creating a more efficient and proportionate process.
- (2) There was general support for the proposals especially given the extent of the change required across the whole council and the need to maximise transparency. Concerns were raised about members' access to information in relation to issues at divisional level and were assured that business planning would be undertaken at the divisional and business unit level and would be available to members.
- (3) RESOLVED that it be noted that member-approved divisional business plans would be replaced with strategic priorities statements (The Year Ahead) for each directorate, as set out in Section 5 of the report.

20. Proposed changes to officer delegations, the impact on executive decisions and where and how Key Decisions happen now

(Item D2)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) and Mr Wild (Director of Governance and Law) introduced the report which set out the current position regarding the taking of executive decisions, detailed proposed changes to the Executive Scheme of Delegation to Officers and described the potential consequences on executive decision making should those changes be implemented.

- (2) Mrs Dean wished to record that she did not support the proposal to amend the “significant effect” criterion to apply to any decision likely to have a significant effect on communities living or working in an area comprising two or more electoral divisions.
- (3) RESOLVED that the proposed changes to the Executive Scheme of Delegations to Officers be noted.

21. Medium Term Financial Outlook

(Item D3)

- (1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report. He said local government had experienced the largest reductions of any part of the public sector and local authorities would be required to make greater savings in the future than the 10% implied by the Spending Round announcement. He further said that: local government had responded well to the challenge of budget reductions to date; the coming years would continue to be challenging; and Kent County Council had already launched a response strategy.
- (2) Mr Simmonds said the report set out the indicative government settlement for 2014/15 and 2015/16 as well as estimates for the following three years assuming the current trend was repeated. He concluded that further public spending reductions of a similar magnitude to those made to date would be necessary if the Chancellor’s deficit reduction strategy was to be achieved.
- (3) Mr Shipton (Head of Financial Strategy) said last year the County Council had been able to consult on its proposed budget in September but, because of the uncertainty about funding and government consultations that had not yet closed, the County Council’s budget consultation would not start until November. Mr Shipton also outlined in more detail how the 10% reduction announced for 2015/16 had become 13.1% in the provisional settlement and the proposed pooling of New Homes Bonus money into a Single Local Growth Fund allocated to local enterprise partnerships.
- (4) Members asked questions about the impact of benefits changes on council tax collection rates, the re-allocation of the New Homes Bonus monies to local enterprise partnerships, the potential loss to the Council from PFI contracts and whether the government’s proposals indicated a return to ring-fencing.
- (5) RESOLVED that the potential implications of future funding settlements on the Council’s Budget/Medium Term Financial Plan and the likely timetable for setting the 2014/15 budget be noted.

22. Transformation Agenda - Verbal update

(Item D4)

- (1) Mr Carter (Leader of the Council) gave an update on the Transformation Agenda. He said, following the savings to be delivered as set out in the

Medium Term Financial Plan in 2012/13 and 2013/14, the County Council would need to deliver bigger and more significant savings from 2015/16 onwards. He was pleased that a paper setting out Phase 1 of the Transformation Plan had been agreed at the Council meeting on 19 September 2013 and the leaders of the opposition groups had agreed to join the Transformation Board. He said that, following the agreement of the macro-structure of the organisation at the Cabinet meeting on 14 October 2013, work would begin on moving business units into the new structure, stripping out management costs, as well as taking external advice and challenge to assist with making decisions about the provision of services in the future.

- (2) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) said the emphasis was on reducing demand particularly by intervening with support at early stages and planning to avoid having to make cuts to frontline services.
- (3) RESOLVED that the update be noted.

23. New Ways of Working - Thin Client

(Item D5)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) and Mr Bole (Director of ICT) introduced the report which outlined the technology required to support the future operations of the County Council and the progress on implementing a change in technical solution to meet this demand, improve security and reduce total cost.
- (2) Concerns were raised about the government's wish to increase data security and the possibility that this might mean that personal ICT equipment could not be used to access the Council's network.
- (3) RESOLVED that progress in planning and implementing a revised architecture to support New Ways of Working be noted.

24. The granting of a long leasehold interest to Orbit Housing of the site known as the former Residential Care Home, Sampson Court, Mongeham Road, Deal to facilitate the redevelopment of the site for Extra Care Housing with nominations rights - Decision 13/00055

(Item E1)

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which set out details of an urgent decision taken between meetings of the Policy and Resources Cabinet Committee as it could not be reasonably deferred to this meeting of the Committee.
- (2) RESOLVED that Decision No 13/00055 – Sampson Court taken in accordance with the process set out in Appendix 4, Part 7 paragraph 7.18 of the Council's constitution be noted.

25. Kings Hill - the granting of a loan at commercial rates for the purposes of facilitating Phase Three of the redevelopment and in particular allowing the Council to achieve the strategic objectives of delivering a new school and fulfilling a key element of the accommodation strategy.

(Item E2)

RESOLVED that Decision No 13/00020/2 – Loan to Rouse Kent (Residential) Limited relating to the relocation costs associated with 30 Kings Hill Avenue, West Malling taken in accordance with the process set out in Appendix 4, Part 7 paragraph 7.18 of the Council's constitution be noted.

26. Motion to Exclude the Press and Public

(Item)

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

27. Kings Hill - the granting of a loan at commercial rates for the purposes of facilitating Phase Three of the redevelopment and in particular allowing the Council to achieve the strategic objectives of delivering a new school and fulfilling a key element of the accommodation strategy

(Item F1)

- (1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) outlined in detail the reasons why an urgent decision had been taken. Mr Simmonds and Ms Spore (Director of Property and Infrastructure Support) answered members' questions.
- (2) RESOLVED that Decision No 13/00020/2 – Loan to Rouse Kent (Residential) Limited relating to the relocation costs associated with 30 Kings Hill Avenue, West Malling taken in accordance with the process set out in Appendix 4, Part 7 paragraph 7.18 of the Council's constitution be noted.

28. Thin Client Project - Decision to approve the purchase of software licences and associated maintenance to deliver the Thin Client project as part of New Ways of Working sourced by public tender and to approve the purchase of computer hardware under existing contracts to support the thin client project

(Item F2)

- (1) Mr Cooke, Cabinet Member for Corporate and Democratic Services, introduced the report which set out details of an urgent decision taken between meetings of the Policy and Resources Cabinet Committee as it could not be reasonably deferred to this meeting of the Committee.

- (2) RESOLVED that Decision No 13/00064 – Thin Client taken in accordance with the process set out in Appendix 4, Part 7 paragraph 7.18 of the Council's constitution be noted.