

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 21 September 2015.

PRESENT: Mr P B Carter, CBE (Chairman), Mr D L Brazier, Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr P J Oakford, Mr J D Simmonds, MBE, Mr B J Sweetland, Mrs S V Hohler and Mr M J Northey

UNRESTRICTED ITEMS

125. Apologies and Substitutions

Apologies were received from Mr Mike Hill, Cabinet Member for Communities, substituted by Mrs Sarah Hohler, Deputy Cabinet Member and Mr Roger Gough, Cabinet Member for Education and Health Reform, substituted by Mr Michael Northey, Deputy Cabinet Member.

126. Minutes of the Meeting held on 6 July 2015

(Item 3)

The minutes of the meeting held on 6 July were agreed as a correct record and signed by the Chairman accordingly.

127. Revenue and Capital Budget Monitoring - 2015-16 - Quarter 1

(Item 4)

Cabinet received a report providing the budget monitoring position for Quarter 1 of 2015-16 for both the revenue and capital budgets and including an update on key activity data.

Mr Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement introduced the report. He reported that the net projected variance against the combined directorate revenue budgets was an overspend of £14.555m, before management action, but that management action was expected to reduce this to £11.950m. The Corporate Management Team had begun work identify additional actions that would enable this figure to be reduced further.

He reminded members that although it was anticipated that there would be an improvement in the position arising from measures that had only recently commenced and which were now starting to take effect but were not reflected in the Quarter 1 position submitted by budget managers, the issue was significant and the effort required to balance the budget again for the 2015/16 financial year should not be under-estimated.

Mr Simmonds highlighted the headline pressures that continued within the budget as set out in the report and the item was opened for discussion.

Portfolio pressures were raised by Mr Balfour, Cabinet Member for Environment and Transport and Mr Oakford, Cabinet Member for Specialist Children's Services and the Leader assured both members that representations to government continued to

establish more support for both portfolios, amongst other matters. In particular he referred to the recent reduction in grant from government for the statutory duty to support unaccompanied asylum seeking children and hoped that the strong message that had been put forward about the pressures faced by county council's in this and other areas, by means of a letter to the relevant minister, was reflected in the spending review expected on November 25th 2015.

It was RESOLVED that

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1.	The initial quarterly forecast revenue and capital budget monitoring position for 2015-16 be noted.
2	The realignment of revenue budgets as detailed in sections 1.2 to 1.3 and table 1a of each of the annex reports, be agreed.
3.	The changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 3, be agreed.
REASON	
1.	In order that Cabinet can effectively carry out monitoring requirements.
2 & 3	In order that the budget accurately reflects the real time position and is fit for purpose enabling necessary actions to be taken.
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

128. Performance Report - Quarter 1

(Item 5)

Cabinet received a report containing information about the key areas of performance for the Council for quarter 1.

Richard Fitzgerald, Performance Manager, Strategic Business Development and Intelligence was in attendance and introduced the item for members. In particular he referred to the following:

1. That the report had been updated to reflect new performance indicators for 2015 – 16 including website satisfaction, job creation from Council loan schemes and within Social Care information was now provided on delayed discharges of care.
2. Overall performance was good with the majority of indicators recorded as 'Green' and therefore on or ahead of target with a net positive direction of travel.

3. Significant movement reported were as follows:

- Highways and Transportation: Improved performance was reported as to the timely completion of routine repairs and levels of demand had reduced
- Education and Young People's Services: Increased numbers of schools rated 'good' and 'outstanding' by ofsted were reported but a pressure was evident in the conversion of SEN statements to the new 'Education, Health and Care plans' currently reported as behind target.
- Specialist Children's Services slight dip in performance related to the quality of case files but this was believed to be a temporary phenomenon and performance was still much improved on the same time last year.
- Children in Care: Less new episodes of local children coming in to care were reported and numbers continued to reduce although pressures remained regarding support for unaccompanied asylum seeking children as discussed in the previous item.
- Adult Social Care: Continued improvement was reported on numbers of people supported with telecare and enablement and continued reductions of new admissions to permanent residential and nursing care for older people. However a pressure remained related to transfers of care from hospital.

Andrew Ireland commented at the request of the Leader, on the dip in performance concerning case files. He reported that the case file figures were monitored and reported monthly and were already showing an improvement. He reminded members too that the overall trend on this criteria was positive.

It was RESOLVED that the report be noted.

129. Motion to Exclude the Press and Public

It was RESOLVED that under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it would involve the likely disclosure of exempt information as defined in paragraph 3 or Part 1 of Schedule 12A of the Act.

130. Back Office Procurement Project

(Item 6)

PUBLIC MINUTE OF EXEMPT ITEM

Cabinet received an 'exempt' report providing a detailed evaluation of the results of the back office procurement process for the transactional services within Finance, HR and ICT (Lot 1) and the Customer Services (Contact Point and Digital Communications) (Lot 3) and seeking decisions on the next steps for each.

The Chairman, Mr Paul Carter, Leader of KCC, asked that information be provided about each lot in turn, followed by questions and discussion of that lot and finally a decision on the next steps.

LOT 1 – Transactional Services

Richard Hallett, Senior Responsible Officer, Back Office Procurement Project, spoke to the item and introduced the matter for Members, including a summary of the debate and recommendation to not proceed to a contract award for Lot 1 made at the Policy and Resources Cabinet Committee on 18 September 2015, to which the Cabinet was to have regard when taking its decision.

Andy Wood, Corporate Director for Finance and Procurement and Section 151 Officer described for Members correspondence received from the remaining bidder for Lot 1 and the responses given by officers. Members took account of the correspondence and were satisfied that the responses given by officers to the points raised were full, fair and detailed and were assured that the process had been handled by officers in an objective, professional and impartial manner, having full confidence in the information they had received in the report and appendices.

Amanda Beer, Corporate Director of Human Resources, reported that the Officers Commissioning Board had completed a technical evaluation of the Lot 1 process and described for Members the results of that evaluation, which were to not proceed to a contract award for Lot 1 unless the Value for Money report was exceptionally favourable.

Following this submission, Andy Wood addressed the meeting again, describing the conclusions reached in the Value for Money report written in his capacity as Section 151 Officer. He also described for Members the methodology used to create the report and the areas to which he had had particular regard when forming his conclusions.

Finally Rebecca Spore, Director of Infrastructure, addressed the meeting to explain some of the detailed considerations relating to the contract offer contained within the report.

The matter was opened for comments and questions and a discussion followed.

The Chairman, Mr Carter, summarised the information received and comments made and expressed his thanks to the team assembled, from within KCC and outside, for the hard work, rigorous professional standards and excellent, cross-party, elected Member engagement applied to the process.

Mr Carter put forward a recommendation, seconded by Mr Simmonds as follows:

That Cabinet, having regard to the papers received, including the submission from the bidder, the 'Technical Evaluation' and 'Value for Money' reports and the recommendations reported from the Policy and Resources Cabinet Committee and the Officers Commissioning Board, agree to not proceed with a contract award for Lot 1.

Members unanimously agreed the recommendation.

LOT 3 - Customer Services

Richard Hallett, spoke to the item and introduced the matter for Members, including a summary of the debate and recommendation to accept the bid made at the Policy and Resources Cabinet Committee on 18 September 2015, to which the Cabinet was to have regard when taking its decision.

Amanda Beer reported that the Officers Commissioning Board had completed a technical evaluation of the Lot 3 process and described for Members the results of that evaluation, which was to proceed to contract award, subject to a satisfactory Value for Money report.

Following this submission, Andy Wood addressed the meeting, describing the conclusions reached in the Value for Money report written in his capacity as Section 151 Officer. He also described for Members the methodology used to create the report and the areas to which he had had particular regard when forming his conclusions.

The matter was opened for comments and questions and a discussion followed.

Mr Carter summarised the information received and comments made and again expressed his thanks to the team assembled for the work undertaken. He also reminded Members that work would continue to find innovative solutions for the efficient and effective delivery of the Edukent Service which had initially been part of the Back Office Procurement Project but had been withdrawn for reasons set out in the exempt report.

Mr Carter put forward a recommendation, seconded by Mr Simmonds as follows:

That Cabinet, having regard to the papers received, including the submission from the bidders, the 'Technical Evaluation' and 'Value for Money' reports and the recommendations reported from the Policy and Resources Cabinet Committee and the Officers Commissioning Board, agree to proceed with a contract award for Lot 3.

It was RESOLVED that:

CABINET DECISION Back Office Procurement Project 21 September 2015	
1.	Having had regard to the papers received, including the submission from the bidder, the 'Technical Evaluation' and 'Value for Money' reports, and the recommendations reported from the Policy and Resources Cabinet Committee and the Officers Commissioning Board it be agreed to not proceed to a contract award for Lot 1.
2.	Having had regard to the papers received, including the submission from the bidders, the 'Technical Evaluation' and 'Value for Money' reports, and the recommendations reported from the Policy and Resources Cabinet Committee and the Officers Commissioning Board, it be agreed to proceed to a contract award for Lot 3.

<p>Governance note: The Executive Scheme of Delegation for Officers, set out in Appendix 2 Part 4 of the Constitution (and any sub-delegations made thereunder) provides the governance pathway for officers to take necessary actions to ensure the implementation of the decisions taken. The scheme requires that officers keep informed the relevant Cabinet Member of actions taken under delegated powers.</p>	
REASONS	
1.	Reasons for the decision are as set out in the Technical Evaluation, Value for Money Report, recommendations of the Policy and Resources Cabinet Committee, the Officers Commissioning Board and submissions made by officers at the meeting, all of which are exempt from publication under paragraph 3, of schedule 12a of the Local Government Act 1972.
2.	Reasons for the decision are as set out in the Technical Evaluation, Value for Money Report, recommendations of the Policy and Resources Cabinet Committee, the Officers Commissioning Board and submissions made by officers at the meeting, all of which are exempt from publication under paragraph 3, of schedule 12a of the Local Government Act 1972.
Alternative options considered	Alternative options were considered fully at the outset of and throughout the process. Cabinet considered and rejected one alternative option for each Lot during the meeting.
Conflicts of interest	None.
Dispensations granted	None.

Chairman.....

Date.....