

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 Tuesday, 24 May 2016

PRESENT: Mr A J King, MBE (Chairman), Mr R H Bird (Substitute for Mrs T Dean, MBE), Miss S J Carey, Mr J A Davies, Mr M Heale, 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, Mr D Smyth, Mrs P A V Stockell, Mr N S Thandi and Mr J N Wedgbury (Substitute for Mr N J D Chard)

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

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

208. Apologies and Substitutes

(Item A2)

Apologies for absence were received from Mr Chard and Mrs Dean. Mr Wedgbury and Mr Bird attended as substitutes for Mr Chard and Mrs Dean respectively.

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

(Item A3)

There were no declarations of interest.

210. Minutes of the meeting held on 14 March 2016

(Item A4)

Resolved that the minutes of the meeting held on 14 March 2016 be approved as a correct record and that they be signed by the Chairman subject to the deletion of the word "word" in minute 199 and its replacement with the word "work".

211. Minutes of the meeting of the Property Sub-Committee held on 12 April 2016

(Item A5)

Resolved that the minutes of the Property Sub-Committee held on the 12 April 2016 be noted.

212. Procurement and Award of mobile devices and voice/data connectivity contract

(Item B1)

Rebecca Spore (Director of Infrastructure) and Michael Lloyd (Head of Technology Commissioning and Strategy) were in attendance for this item

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which asked the Cabinet Committee to consider and endorse or make recommendations on his proposed decision to delegate to the Director of Infrastructure, in consultation with him, the award of a contract for mobile devices and voice/data connectivity. The report also explained the context for the renewal of the contract by market tender.
- (2) In response to questions, Mr Lloyd said the contract would be let in accordance with the normal process and that it had already been considered by the Strategic Commissioning Board. He also said it was anticipated that cost would be driven down over the duration of the contract.
- (3) Resolved that the proposed decision by the Cabinet Member for Corporate and Democratic Services to delegate to the Director of Infrastructure, in consultation with the Cabinet Member for Corporate and Democratic Services, the award of the mobile devices and voice/data connectivity contract, including the finalisation of the necessary contractual negotiations and to enter into any necessary legal agreements, be endorsed.

213. Procurement for the supply of LAN Hardware, Support and Maintenance
(Item B2)

Rebecca Spore (Director of Infrastructure) and Michael Lloyd (Head of Technology Commissioning and Strategy) were in attendance for this item

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which asked the Cabinet Committee to consider and endorse or make recommendations on a proposed decision to delegate to the Director of Infrastructure, in consultation with the Cabinet Member for Corporate and Democratic Services, the award of the LAN Hardware, Support and Maintenance contract.
- (2) In response to questions, Mr Lloyd said most major hardware companies did not supply directly to customers and that was the reason for partnering with a re-seller for the support and maintenance needed as well as competitive pricing on the hardware as outlined in paragraph 4.1 of the report.
- (3) Resolved that the proposed decision to be taken by the Cabinet Member for Corporate and Democratic Services to delegate to the Director of Infrastructure in consultation with the Cabinet Member for Corporate and Democratic Services, the award of the LAN Hardware, Support and Maintenance contract, including the necessary contractual negotiations and enter into any subsequent necessary legal agreements, be endorsed.

214. Strategic and Corporate Service Performance Dashboard
(Item C2)

Richard Fitzgerald (Performance Manager) was in attendance for this item

- (1) Mr Fitzgerald introduced the report which included the Strategic and Corporate Services Dashboard that set out progress made against targets set for key

performance indicators. He said the Direction of Travel indicated by the latest results was positive for sixteen KPIs, stable for six and there were ten indicators showing lower results.

- (2) In response to questions, he said that the KPIs were reviewed annually as part of the business planning process and that the target for customer satisfaction with the website (CS11) had been set as a baseline and to drive improvement. The fact that the satisfaction with KCC's website was higher than satisfaction with other government websites was acknowledged but views were expressed that the target for satisfaction should be re-considered for the current year.
- (3) Mr Cooke (Cabinet Member for Corporate and Democratic Services Officers) said that percentage of annual net capital receipts (PI03) included the anticipated sale of Springfield which had not been completed in the last financial year and that it would be included in the performance figures for the current year.
- (4) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) said that discussions were underway with Commercial Services to ensure that the standards for the payment of invoices were the same as those applied by KCC. It was also suggested that a report on these discussions be considered at a future meeting of the Cabinet Committee.
- (5) Resolved that the report be noted.

215. Financial Monitoring (Verbal Update)

(Item C3)

Andy Wood (Director of Finance and Procurement) and Jackie Hansen (Strategic and Corporate Services Directorate Finance Business Partner) were in attendance for this item

- (1) Mr Wood said he had suggested, at the last Cabinet meeting, that the underspend across the Council for 2015/16 was likely to be between £2m-£3m and that, subject to audit, this was now likely to be £3.5m. He also said that, subject to a decision by Cabinet, £1.1m of the underspend would be allocated to deal with potholes in 2016/17.
- (2) Mrs Hansen said that the Corporate and Strategic Services Directorate had an underspend of £1.9m. This underspend had been generated primarily from: underspends in the Infrastructure Division; savings as a result of new ways of working within the Property Group that had been brought forward to 2015/16; savings in the Finance Division as a result of holding vacancies and generating additional income from schools; as well as smaller savings generated by other divisions. She also said that the Engagement, Organisation Design and Development Division had taken action to manage the very significant pressures it had experienced, ending the year with an overspend of £100,000.
- (3) In response to a question, Mr Wood confirmed that the £3.5m was the net position after funding all roll forwards.

- (4) Resolved that:
- (a) The report be noted;
 - (b) The Deputy Leader and Cabinet Member for Finance and Procurement, the Finance team and the Strategic and Corporate Services Directorate be congratulated on the out turn.

216. Information Governance and Mandatory Training

(Item C4)

Amanda Beer (Corporate Director Engagement, Organisation Design and Development) was in attendance for this item

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report, which provided an update on information governance and the training provided to staff, as requested by the Members. He said the recent audit conducted by the Information Commissioner's office had recognised a number of areas of good practice as well as making recommendations for improvement.
- (2) Mrs Beer drew particular attention to the training completion statistics set out in Appendix 2 of the report as well as the engagement and communication plan set out in Appendix 3.
- (3) In response to questions and comments, Mrs Beer said that: all staff were required to complete information governance training every two years; levels of training completion were increasing; directorates that dealt with sensitive data, such as Health and Social Care, had the highest completion rates; given the turnover of staff, it was impossible to achieve 100% completion; and information on completion rates was provided to managers on a monthly basis with an expectation that managers would follow this up with members of staff.
- (4) Members also drew attention to the fact that the mandatory training modules appeared not to be compatible with Google Chrome and said that the training could be better sign posted from the Members' pages on the intranet.
- (5) Resolved that, subject to the comments of the Cabinet Committee that data on the take up of mandatory training be included in the Performance Dashboard, the report be noted and the approach to information governance and data protection training outlined in the report be endorsed.

217. Business Services Centre Update

(Item C5)

Rebecca Spore (Director of Infrastructure) was in attendance for this item

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which provided an update on the performance of the Business Services Centre.
- (2) In response to questions, Mrs Spore said £5.5m of the Business Services Centre budget of £28m came from external sources and that there was a

growth plan as well as an active business development team to maximise opportunities to generate income within and beyond existing markets.

- (3) Resolved that:
 - (a) The success of the Business Services Centre to date be noted;
 - (b) A performance update be provided to the Cabinet Committee on a bi-annual basis.

218. Work Programme 2016/17

(Item C6)

Resolved that the work programme for 2016 be noted.

219. ICT Strategy

(Item D1)

Michael Lloyd (Head of Technology Commissioning and Strategy) was in attendance for this item

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which summarised the key principles that would form part of the proposed ICT Strategy.
- (2) Mr Lloyd gave a presentation which is available on line as an appendix to these minutes.
- (3) In response to questions, Mr Lloyd said using Cloud technology enabled significant economies of scale and that dedicated links to ensure supply would be established through providers such as the Kent Public Services Network. He also said that Open Source software would be used where appropriate but it was not a significant part of the Technology Strategy because of the costs of training associated with it.
- (4) Mr Cooke said: the ICT strategy would include measures of the impact of council services on customer outcomes rather than traditional key performance indicators; a three-year strategy was appropriate as technology develops quickly; and that a variety of platforms was unlikely to be the most cost effective and efficient way of conducting business.
- (5) Resolved that the report be noted.

220. Annual Report on the Implementation of the Armed Forces Covenant in Kent

(Item D2)

Debra Exall (Strategic Relationships Adviser) was in attendance for this item

- (1) Mr Ridings (KCC Armed Forces Champion) introduced the report which provided an update on the Armed Forces Covenant activity since the last report to the Cabinet Committee in April 2015. He referred, in particular, to a research project to understand the needs of and experiences of Kent's serving and former armed forces personnel that had been launched at the third Annual

Kent and Medway Civilian Military Conference in March 2016, changes to the MoD's Community Covenant Grant Scheme and work underway with partner organisations. He also paid tribute to the work done by Debra Exall and Tim Woolmer.

- (2) Ms Exall said that research had been undertaken to provide evidence on which to base future activity. The research painted a positive picture overall, but with some clear areas for action. Ex-services personnel reported particular needs in relation to securing housing and appropriate health care, and in maintaining good mental wellbeing. Priorities for this year were supporting the armed forces community to find the right support at the time they needed it, based on the research findings, and also to prepare for the switchover of the Gurkha regiments between Brunei and Shorncliffe in early 2017.
- (3) In response to questions, Ms Exall confirmed that the needs of reservists were taken into account by the Covenant Board and reservists were an integral part of its work. As the army was increasing the proportion of reservists among its staff their needs were currently at the forefront. She also said that KCC was looking to improve its own performance as an employer of reservists.
- (4) In response to a question about the isolation experienced by Gurkha wives in Maidstone, Mr Cooke said work was underway with the Property Group to identify premises which might be suitable for them to meet each other.
- (5) The report was generally welcomed by the Cabinet Committee.
- (6) Resolved that the progress made on the Covenant activities to date be noted and that the priorities for future activity set out in the report be endorsed.

221. Council Tax Support

(Item D3)

Dave Shipton (Head of Financial Strategy) was in attendance for this item

- (1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report which provided an update on work being done in conjunction with district and borough councils to review local Council Tax Reduction (CTR) schemes prior to consultation exercises by the districts during the summer and local decisions on revised schemes to take effect in 2017/18.
- (2) Mr Simmonds said that when responsibility for council tax support was transferred from the Department for Work and Pensions (DWP) to local authorities it came with a 10% saving requirement. In Kent a base scheme was developed in conjunction with the districts to fulfil this requirement. In addition districts could propose alternative local arrangements for working age recipients of council tax support and for discounts on second homes/empty properties. A three-year agreement ran from 2013-14 to 2015-16, which had been extended for 2016-17 pending the fuller review now being undertaken by districts.

- (3) Mr Simmonds said this approach had been a credit to districts and precepting authorities, collection rates had been good and he hoped this would continue following the review and introduction of new schemes.
- (4) Mr Shipton said that, although the districts and boroughs received 10%-12% of the council tax, they were responsible for collecting it on behalf of all precepting authorities. The county council and other precepting authorities welcomed the work of the districts in achieving the high collection rates in Kent. He referred to the timeliness of this report to the Cabinet Committee in advance of the districts' and boroughs' consultation on the review of local schemes. He noted that, nationally, a declining number of authorities had adopted the default scheme (which preserved all the previous DWP working age benefits despite the 10% reduction in funding). He outlined the complex nature of the funding for council tax support with some funding coming from the Revenue Support Grant (RSG) and some from the local share of business rates. The element within RSG had not been protected from cuts since 2013-14 or from the future cuts planned up to 2019-20. He said the number of CTR claimants had been reducing for a range of demographic and economic factors but this reduction was significantly less than reductions in RSG. He said the fiscally neutral approach under the original transfer in 2013-14 might not be sustainable as the RSG reductions were not being matched by reducing claimant numbers.
- (5) Mr Shipton said that under current schemes unitary authorities (including London Borough and metropolitan authorities) tended to ask working age people to pay a greater proportion of their Council Tax than two-tier areas. He also said that agreeing schemes was the responsibility of district councils following a comprehensive consultation including statutory consultation with precepting authorities and there was no standard timetable for this. He concluded by indicating that one of the objectives of the reviews was to incentivise districts to increase the tax base and collection rates.
- (6) In response to questions and comments, Mr Shipton said that South Gloucestershire Council had moved away from the traditional welfare approach; the cost of any hardship fund would have to be met from the Collection Fund; and that the report had been informed by research conducted by the National Policy Institute.
- (7) Resolved that the report be noted.

222. Exclusion of the Press and Public

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.

223. Total Facilities Management - Biannual review

(Item C1)

Mrs Spore (Director of Infrastructure) and David Fettes (Head of Property Operations) were in attendance for this item

- (1) The Cabinet Committee agreed to defer consideration of this item to the exempt part of the meeting to facilitate discussion of information contained in the exempt appendix.
- (2) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which included detailed information about performance deductions and key performance indicators of the contractors. This information had previously been reviewed by the Property Sub-Committee in accordance with the Council's commissioning cycle principles.
- (3) In response to questions, Mrs Spore said that performance penalties had been applied where appropriate and outlined the actions planned to improve performance.
- (4) Mrs Spore undertook to circulate information about the cap level and deductions applied as a percentage of the overall fee to all Members of the Cabinet Committee.
- (5) Mr Cooke suggested that the Cabinet Committee consider an exempt report on performance following the next detailed review by the Property Sub-Committee.
- (6) Resolved that the current performance of the TFM contractors and the assurance from the Property Sub-Committee be noted.

224. ICT Security - Update

(Item E1)

Michael Lloyd (Head of Technology Commissioning and Strategy) and Kathy Stevens (ICT Compliance and Risk Manager) were in attendance for this item

- (1) Mr Lloyd introduced the report which provided an update on the current ICT security status and the threat levels faced by the authority.
- (2) Questions were raised about the nature of security threats and the relationship between ICT security and emergency and incident planning.
- (3) Resolved that the report be noted and that a report be considered annually by the Policy and Resources Cabinet Committee.

225. Facing the Challenge - Legal Services - Progress Report

(Item E2)

Geoff Wild (Director of Governance and Law), Ben Watts (Group Leader – Litigation and Social Welfare) and Gilli Galloway (Procurement Programme Manager – Legal Services) were in attendance for this item

- (1) Mr Wild introduced the report which provided Members with an update on progress following the Cabinet decision on 21 March 2016 to proceed with the formation of an Alternative Business Structure to deliver legal services to KCC and the wider market. He also said that, since the last Commissioning

Advisory Board meeting on 20 May 2016, the business plan had been completed and an application submitted to the Solicitors Regulation Authority.

- (2) In response to questions, Mr Wild said that the proposed organisation of the Alternative Business Structure was designed for success and provided for Member and officer representation at all levels.
- (3) Resolved that:
 - (a) The report be noted;
 - (b) A further update report be received at the next meeting of the Cabinet Committee on 22 July 2016.