

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 27 March 2017.

PRESENT: Mr P B Carter, CBE (Chairman), Mr M A C Balfour, Miss S J Carey, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr P J Oakford and Mr J D Simmonds, MBE

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr P Leeson (Corporate Director Children, Young People and Education), Mr A Scott-Clark (Director of Public Health), Mr A Wood (Corporate Director of Finance) and Ms P Southern (Director, Learning Disability and Mental Health)

UNRESTRICTED ITEMS

15. Apologies

Mr Gary Cooke submitted his apologies for the meeting. Andrew Ireland (Corporate Director, Social Care, Health and Wellbeing) submitted his apologies and was represented by Penny Southern (Director, Disabled Children and Adult LD/MH).

16. Declarations of interest

No declarations of interest were received.

17. Minutes of the Meeting held on 23 January 2017 (Item 3)

The minutes of the meeting held on 23 January 2017 were agreed and signed by the Chairman accordingly.

18. Revenue and capital budget monitoring - January 2017

(Item 4 – report of Mr John Simmonds, Deputy Leader & Cabinet Member for Finance & Procurement and Andy Wood, Corporate Director of Finance & Procurement)

Cabinet received a report which provided the budget monitoring position up to 31 January 2016-17 for both revenue and capital budgets, including an update on key activity data for our highest risk budgets.

Mr J Simmonds, MBE, Deputy Leader and Cabinet Member for Finance and Procurement, introduced the report. In particular he referred to the following information:

- Congratulating members and officers for controlling budgets during a difficult set of circumstances
- Proposals to deal with potential rolled over budgets so as to limit the impact of future overspends

- Welcoming the additional allocation from the Government of £26m for social care, although the terms and conditions remained unknown
- Three areas of financial difficulty in the current year would continue into 2017-18: SEN transport, for which £2,000,000 had been allocated; Children's Services for which £5.4m had been allocated; asylum seeking children which the Government continued to work with local authorities to identify a satisfactory solution.
- Any residual overspend would have to be funded from reserves which had already been used to a significant extent, and he therefore hoped that the final expenditure would be brought into line with the budget.
- On capital monitoring, there was a variation of £54m in the budget, £53m of which related to delays and rephrasing of projects.

The Leader, Mr P Carter CBE, advised the Cabinet that the Council was minded to accept the Government's offer in respect of asylum seeking children for the current year on the proviso that Government would finance the full cost in future years. This was important as the number of young people reaching 18, for which grant support was significantly inadequate.

Mr Andy Wood, Corporate Director for Finance and Procurement, spoke to the item. In particular he referred to the following:

- Based on up to date data he was confident that there would be an underspend in the current year's revenue budget, for which he thanked the whole organisation.
- The additional funding for social care would be paid through the Better Care Fund which would entail close negotiations with health service partners including the seven Clinical Commissioning Groups. A report would be submitted in May 2017 on how the money would be allocated.

Cabinet and Corporate Directors discussed the report and the following comments were made:

- The letter dealing with additional allocations for the Better Care Fund was jointly signed by the Departments of Health and Communities and Local Government, but the apportionment of spend to ensure local government received appropriate amounts to strengthen care markets would require close negotiations with health partners.
- It was hoped that the track record of achieving underspends in annual budgets for 17 consecutive years would be confirmed thanks to the hard work of members and officers.

It was RESOLVED

CABINET Revenue and Budget Monitoring – January 2017	
1.	That the forecast revenue budget monitoring position for 2016-17, and the capital budget monitoring position for 2016-17 to 2018-19, and that the forecast pressure on the revenue budget needed to be eliminated as the Authority progressed through the final stages of the financial year, be noted.

2.	That the changes to the capital programme as detailed in section 6.4 of the report be agreed.
REASON	
1.	In order that Cabinet could properly conduct its monitoring activities.
2.	In order that the Capital budget accurately reflected the real time position and met fully the needs of the council.
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

19. Performance monitoring - quarter 3

(Item 5 – report of Mr Paul Carter, CBE, Leader and Cabinet Member for Business Strategy, Audit and Transformation and David Cockburn – Corporate Director, Strategic and Corporate Services)

Cabinet received the Quarterly Performance Report to the end of the third quarter for 2016-17 which informed Cabinet about the key areas of performance for the authority.

Mr Fitzgerald, Business Intelligence Manager, Performance was in attendance to introduce the report for members and in particular he referred to the following:

- The executive summary showed that the majority of performance indicators were green indicating that targets were being achieved or exceeded and positive net direction of travel. The summary also outlined departmental performance.

The Leader, Mr P Carter, CBE, especially drew attention to the performance of schools which had achieved 90% standard of good or outstanding which reflected extremely well on the headteachers, school governors, parents and pupils who had enabled this achievement.

In response to questions Cabinet Members and officers added the following:

- The number of young people not in education, employment or training (NEETS) continued to reduce with the reduction from 6% to 3% being very significant. This was in part due to the doubling in contributions to further education colleges in the past 2-3 years from £4m to £8m.
- Whilst the number of Kent children being placed in care was reducing, there was a significant increase in the numbers being placed in Kent by other local authorities.

It was RESOLVED that the performance monitoring report for the third quarter be noted.

20. Local Transport Plan 4: Delivering Growth without Gridlock

(Item 6 – report of Mr Matthew Balfour, Cabinet Member for Environment and Transport and Barbara Cooper, Corporate Director of Growth, Environment and Transport)

Cabinet received a report on the statutory duty to have a Local Transport Plan (LTP). The current LTP3 (2011-16) needed replacing. A new draft LTP, *Local Transport Plan 4: Delivering Growth without Gridlock (2016-31)*, had been produced incorporating a refresh of 2010's *Growth without Gridlock: A transport delivery plan for Kent*. The draft LTP4 had been considered by Cabinet Committee on 8 July 2016, and then a full 12 week public consultation had been undertaken. The Consultation Report and a summary of the results were presented to Environment and Transport Cabinet Committee on 12 January 2017. Since then, the consultation comments had been reviewed and revisions made to LTP4. The revised LTP4 was presented to Environment and Transport Cabinet Committee on 13 March 2017.

Mr Matthew Balfour, Cabinet Member for Environment and Transport and Joe Ratcliffe, Transport Strategy Manager, introduced the report. In particular they referred to the following:

- The changes arising from consultation which were summarised in Appendix B to the report
- Reminding Cabinet members of the three levels of transport priorities: strategic, county-wide and local.
- Details of district wide schemes would be worked up in close cooperation with district councils to support the growth identified in their local plans

In response to questions from Cabinet members Mr Balfour and officers gave the following responses:

- Whilst the responsibility for Local Transport Plans rested with upper tier authorities, district councils needed to identify mitigation measures in relation to growth, including the impact on transport, as identified in their local plans. There was a duty of cooperation between the two tiers of government and subject to approval by the planning inspectorate.
- The decision of the Lower Thames Crossing was still awaited.

It was RESOLVED

CABINET	
Local Transport Plan 4: Delivering Growth without Gridlock	
1.	That the Local Transport Plan 4 be recommended to County Council for adoption.
2.	In addition, Cabinet endorsed for approval by the County Council that the Corporate Director of Growth, Environment and Transport be authorised to make any further minor modifications which might be needed such as formatting changes and typographical errors in order to publish the Local Transport Plan 4: Delivering Growth without Gridlock.
REASON	
1.	In order to meet the statutory duty to publish and maintain a Local Transport Plan
ALTERNATIVE OPTIONS	None.

CONSIDERED	
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

21. MOTION TO EXCLUDE THE PRESS AND PUBLIC FOR EXEMPT BUSINESS

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 involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

22. Education Traded Services Company

23. Education Traded Services Company – *Public minute for Items 7 & 9*

(Items 7 & 9 Report of Mr Roger Gough, Cabinet Member for Education and Health Reform, Mr Mike Hill, Cabinet Member for Community Services, Mr Peter Oakford, Cabinet Member for Specialist Children’s Services and Patrick Leeson, Corporate Director for Education and Young People’s Services)

Mr Roger Gough, Cabinet Member for Education and Health Reform introduced the item for members, he explained that there were two key drivers to the proposed establishment of an Education Traded Services Company. Firstly, the increase in academisation, the establishment of Free Schools and the way in which those schools were commissioned had caused concern that the education environment would become fragmented and secondly that, as budgets were reduced services would not be sustainable. These two drivers lead to the principle aims of the proposed decision; maintaining and strengthening partnerships with schools and ensuring that services were sustainable.

It was, he continued, important that these services continued to be provided as they were valued highly by schools and had been key to improved performance and the resulting ‘Good’ and ‘Outstanding’ ratings by Ofsted.

Patrick Leeson, Corporate Director for Education and Young People’s Services spoke to the item; he added that schools supported the proposals and recognised the advantages that procurement of services in this way would bring for them and reported that the Kent Association of Head Teachers had indicated that it would be happy to be represented on a Company and/or Stakeholder Board in the new company structures.

Cabinet discussed the information contained within the exempt papers and the Corporate Director for Education Young People’s Services and the Cabinet Member for Education and Health Reform answered questions for members.

Members were advised that there would be no change to any policy or entitlement as a result of the implementation of proposed decision to establish a traded companythe new company.

It was RESOLVED that:

CABINET 27 March 2017**Education Traded Services Company**

1.	The creation of a company, in line with the business case, and the entering into such contractual arrangements as is necessary to facilitate that creation be agreed
2.	The legal structure of the proposed company and the delegation of authority to the Monitoring Officer to agree the final details in consultation with the Cabinet Member for Education and Health Reform, the Cabinet Member for Commercial and Traded Services, the Corporate Director for Education and Young People's Services and the Corporate Director of Finance and Procurement be agreed
3.	That the implementation of a shadow governance structure from April 2017 be agreed.
REASON	
1.	In order that proposed company may be created in a timely fashion and the aims of the proposal as set out in the report may be achieved.
ALTERNATIVE OPTIONS CONSIDERED	None
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.