

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 12 October 2009.

PRESENT: Mr P B Carter (Chairman), Mr N J D Chard, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mrs S V Hohler, Mr A J King, MBE, Mr K G Lynes, Mr R A Marsh and Mr J D Simmonds

IN ATTENDANCE: Mr M Austerberry (Executive Director, Environment, Highways and Waste), Ms A Honey (Managing Director Communities), Ms L McMullan (Director of Finance), Mr O Mills (Managing Director - Adult Social Services) and Ms R Turner (Managing Director Children, Families and Education)

UNRESTRICTED ITEMS

12. Minutes of the Meeting held on 14 September 2009
(Item. 2)

The Minutes of the meeting held on 14 September 2009 were agreed and signed as a true record.

13. Revenue & Capital Budget Monitoring Exception Report
(Item 3 - Report by Mr John Simmonds, Cabinet Member for Finance and Lynda McMullan, Director of Finance)

(1) This exception report was based on the monitoring returns for August and highlighted the main movements since that report. Mr Simmonds said the report highlighted a number of pressures that would need to be managed during the course of the year but currently the overall position on the revenue budget was satisfactory. With regard to the capital budget, a number of projects had been re-phased and these were detailed in the report. The report also provided an update on the latest position with asylum and it was agreed that there should be a detailed report on this subject to the next meeting of Cabinet.

(2) Following further discussion, Cabinet noted the latest forecast revenue and capital budget monitoring position for 2010 and the changes to the Capital Programme with £7.423m of re-phasing on the Capital Programme being moved from 2009/10 capital cash limits to future years. Cabinet also noted that there would be a further report on asylum to its next meeting.

14. Autumn Budget Statement

(Item 4 - Report by Mr Paul Carter, Leader of the Council, Mr John Simmonds, Cabinet Member for Finance, Mr Peter Gilroy, Chief Executive and Ms Lynda McMullan, Director of Finance)

(1) The "Autumn Budget Statement" sets out the early planning assumptions for the next three years revenue budget for the County Council. Despite at this stage not having all the necessary information from Government to hand, it was nonetheless essential for the County Council to begin planning next year's budget and Medium Term Plan if there was to be a meaningful debate with Policy Overview Committees during the course of November with final budget proposals being published in January 2010.

(2) Cabinet noted the key issues highlighted in the report and that Kent County Council would continue to develop and strengthen its policy-led budgeting in order to optimise the allocation of constrained resources to meet local priorities. Cabinet also endorsed the proposed Medium Term Planning key milestone dates as set out in Appendix 1 to the report.

15. Treasury Investments

(Item 5 - Report by Mr John Simmonds, Cabinet Member for Finance and Ms Lynda McMullan, Director of Finance)

(1) This report focussed on the management of treasury investments as part of Kent County Council's overall Treasury Strategy. The report detailed proposals for asset allocation, selection of counterparties, counterparty limits and the duration of deposits. These proposals had already been discussed and endorsed by the Treasury Advisory Group at its meeting on 3 September 2009.

(2) Mr Simmonds said it had always been envisaged that the policy operated by the County Council would be reviewed as the financial markets stabilised. The position now was such that a cautious move away from the sole use of the Debt Management Office could be envisaged using a very limited range of counterparties as detailed in the report. Mr Simmonds also spoke about the governance arrangements which the Council now had in place and that any changes to the existing strategy would be taken to Cabinet for decision following consideration by the Treasury Advisory Group.

(3) During the course of discussion, Members of the Cabinet said they welcomed the report and the strong measures that were in place in order to protect the County Council's current and future treasury investments.

(4) Cabinet:

(a) agreed to the use of cash deposits, call accounts and fixed deposits, with selected financial institutions and the Debt Management Office as set out in the report together with the agreed criteria set out in paragraph 10(2) of the Cabinet report;

(b) agreed the use of Abbey National, HSBC, HBOS/Lloyds TSB, Royal Bank of Scotland and Barclays and that these five institutions should have a maximum limit of £40m with deposits being for a period of no longer than six months. Cabinet also noted the new control

environment and governance arrangements as detailed in the report and also the extension of the Arlingclose contract to cover the period in which the County Council would be seeking tenders for the contract of Treasury Advisory Services to the County Council.

16. Corporate Assessment Performance Improvement Plan

(Item 6 - Report by Paul Carter, Leader of the Council, Roger Gough, Cabinet Member for Corporate Support Services and Performance Management, and Robert Hardy, Director of Improvement and Engagement)

(1) Mr K G Lynes declared a personal and prejudicial interest in this item on the grounds that he had in the past undertaken peer review work on behalf of the Audit Commission. He therefore took no part in the discussion.

(2) This report identified a number of points of principle and practice and questioned whether the Audit Commission and its fellow inspectorates had the necessary skills to undertake meaningful assessments at either the organisational or area level. Kent County Council's formal response to the Corporate Assessment in October 2008 had included reservations about the process and the report expressed the hope that the process would now be halted. Rather than another lengthy exercise to find a role for the Inspectorates, the report proposed that Kent County Council should put forward a set of principles to shape what local Government does for itself to assess its effectiveness of all public services.

(3) Following discussion Cabinet resolved that unless the County Council received a positive response from the Audit Commission to the submission referred to in paragraph 3.14 of the Cabinet report, Cabinet would be asked to consider whether to continue to support the CAA process. If at some point it was decided that the County Council should not continue to give such support then Cabinet would need to seek the consent of the full Council to a policy of non co-operation with all aspects of the CAA.

17. Towards 2010 Annual Report

(Item 7 - Report by Mr Paul Carter, Leader of the County Council and Mr Peter Gilroy, Chief Executive)

(Mrs Sue Garton, County Performance and Evaluation Manager, was present for this item)

(1) This report submitted the current draft of the third "Towards 2010" Annual Report for comment and consideration prior to its submission to the County Council for approval at its meeting on 15 October 2009.

(2) RESOLVED that Cabinet note the progress made against the 63 *Towards 2010* targets and the arrangements for publishing the Annual Report which would be submitted to the County Council for approval at its meeting on 15 October 2009.

18. Draft Annual Performance Report 2008/09

(Item 8 - Report by Mr Roger Gough, Cabinet Member for Corporate Support Services and Performance Management; Mr Peter Gilroy, Chief Executive and Mr Robert Hardy, Director of Improvement and Engagement)

(1) This report provided Cabinet with an overview of the draft Annual Performance Report 2008/09 which had already been taken to each Policy Overview Committee during the course of the September round of meetings and had received a positive response from Members.

(2) RESOLVED that Cabinet agree the contents of the KCC Annual Performance Report.

19. Government Consultation on 'Shaping the Future of Care Together' - The Green Paper on Care and Support

(Item 9 - Report by Mr Graham Gibbens, Cabinet Member for Adult Social Services and Mr Oliver Mills, Managing Director for Kent Adult Social Services)

(1) The Government published a Green Paper in July 2009 outlining a number of radical proposals for the reform of the Care and Support system in England. The outcome of the debate around what these Care and Support systems would look like in the future and how they would be funded would potentially have profound implications for Kent County Council.

(2) Mr Gibbens said that the Green Paper sought to address a number of issues around future demographic pressures and their ramifications for Care and Support. It was critical that the solution that was eventually decided upon met the needs and the growing expectations of the people of Kent and it was therefore vital that the County Council delivered a robust response to the Consultation in order to ensure that the people of Kent had a Care and Support system that would enable them to lead healthy and fulfilling lives.

(3) Following discussion Cabinet endorsed the contents of the report and the key points raised in the Draft Response to the Consultation which would now be submitted for consideration at the meeting of the County Council on 15 October 2009.

20. Review of Specialist Unit and Designated Provision in Mainstream Schools - Lead School Implementation

(Item 10 - Report by Mrs Sarah Hohler, Cabinet Member for Children, Families and Education and Ms Rosalind Turner, Managing Director for Children, Families and Education)

(Ms Joanna Wainwright, Director, Commissioning (Specialist Services) was present for this item)

(1) This report provided an update on the progress with the implementation of Lead School provision in Phase 1 and set out the cost implications for Lead Schools in Phase 2 areas.

(2) Following discussion Cabinet noted the progress of the Lead Schools Implementation and also progress of the evaluation process. Cabinet also noted the cost implications as identified in paragraphs 8 and 9 of the Cabinet report and

noted the change to the timetable, when Phase 2 schools would receive first year budget subject to the Phase 1 evaluation.

21. Regeneration Framework

(Item 11 - Report by Mr Kevin Lynes, Cabinet Member for Regeneration and Mr David Cockburn, Executive Director, Economic Development, Strategy and ICT)

(Mr Ross Gill, Economic Strategy and Policy Manager, was present for this item)

(1) This report summarised the outcomes from the consultation on the first draft of "Unlocking Kent's Potential" KCC's Regeneration Framework and sought Cabinet's approval to the final draft. The report also detailed how the Regeneration Framework would be taken forward and set out the role of the Regeneration Board as the advisory body to the Cabinet Member for Regeneration.

(2) Mr Lynes said that regeneration was not just about economic growth but also about transformation in education and skills, housing and the transport systems and infrastructure that supported both the economy and residents. The County Council had a critical role to play in facilitating these issues but had to do that working closely with its partners both in the private, community and public sectors. The Framework would therefore act as a catalyst to developing a range of strategies and approaches for taking forward economic development and regeneration in Kent.

(3) Following discussion Cabinet noted the consultation process which had been undertaken in relation to the draft Regeneration Framework and approved the final draft Regeneration Framework, as presented to Cabinet. Cabinet also noted the establishment and Terms of Reference of a Regeneration Board which would act as an advisory body to the Cabinet Member for Regeneration with reports back to Cabinet being submitted on a regular basis.

22. Decisions from Cabinet Scrutiny Committee - 23 September 2009

(Item 12 - Report by Mr Alex King, Deputy Leader and Mr Peter Sass, Head of Democratic Services and Local Leadership)

(1) Cabinet agreed the responses to those matters detailed in the report and noted that these would be reported back to the Cabinet Scrutiny Committee.