

## **SCRUTINY COMMITTEE**

MINUTES of a meeting of the Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 1 November 2023.

PRESENT: Mr. A Booth (Chairman), Mr. T Bond, Mr. D L Brazier, Mr. N J Collor, Mr. M Hood, Mr. A J Hook, Mrs. S Hudson, Mr. O Richardson, Mr. T L Shonk (Substitute) and Dr L Sullivan

ALSO PRESENT: Mr N Baker (Cabinet Member for Highways and Transport), Mrs C Bell (Cabinet Member for Community and Regulatory Services), Mr A Brady (Member for Canterbury City North), Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mr R Gough (Leader of the Council), Mr T Hills (Deputy Cabinet Member for Environment and Chairman of the Flood Risk Management Committee), Mr D Jeffrey (Cabinet Member for Communications and Democratic Services), Mr B Lewis (Member for Margate), Mr R Love OBE (Cabinet Member for Education and Skills), Mr D Murphy (Cabinet Member for Economic Development), Mr P Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services), Mr H Rayner (Deputy Cabinet Member for Finance, Corporate and Traded Services), Mrs S Prendergast, Mr D Watkins (Cabinet Member for Adult Social Care and Public Health)

IN ATTENDANCE: Mrs A Beer (Interim Chief Executive), Mr L Burchill (Major Capital Programme Manager), Mrs Z Cooke (Corporate Director for Finance), Mrs S Hammond (Corporate Director of Children, Young People and Education), Mr S Jones (Corporate Director for Growth, Environment and Transport), Mr J Ratcliffe (Transport Strategy Manager), Miss A Roscoe (Principal Transport Planner), Mr R Smith (Corporate Director for Adult Social Care and Health), Ms A Taylor (Scrutiny Research Officer), Ms L Tricker (Democratic Services Officer), Mr B Watts (Monitoring Officer), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance)

### **UNRESTRICTED ITEMS**

#### **19. Declarations of Interest**

*(Item A3)*

There were no declarations of interest.

#### **20. Minutes of the meeting held on 13 September 2023**

*(Item A4)*

1. The minutes were approved by the Scrutiny Committee.

RESOLVED that the minutes of the meeting held on 13 September 2023 were an accurate record and that they be signed by the Chairman.

#### **21. Securing Kent's Future - Budget Recovery Strategy**

*(Item C1)*

*All Cabinet Members and Corporate Directors were in attendance for this item.*

1. The Chairman explained that the Scrutiny Committee wishes to see more regular items on the budget at its meetings, as every Councillor was aware of the pressure and demand being placed on local authority finances. Many authorities had already issued S114 notices, but he remained confident that the Council could work together for the benefit of residents in a transparent manner through continual engagement between the Scrutiny Committee and the Executive. The Scrutiny Committee needed reassurance and evidence to ensure the budget was on-track for delivery, and the choices available to the Council were clear. This included good agenda-setting and Work Programming by the Scrutiny Committee, early engagement from the Executive and clear expectations set by all parties. The Council were in a challenging situation and a close working relationship was needed to ensure good outcomes. The Chairman thanked the Executive for attending the meeting and answering questions.
2. The Leader of the Council set the overall scene of the budget and outlined the scale of the challenge, including the important role of scrutiny and good governance during this time. There continued to be in-year financial pressures, which had become apparent at the end of June 2023, whereby the savings plan introduced at the beginning of 2023 was being outpaced by spend in areas such as Adult Social Care, placements within Children's Services, and home to school transport including SEND transport. This spend was largely due to increasing costs rather than an increase in volume and demand, and the Cabinet had met in August and October 2023 to discuss these budget pressures and set the direction of travel. The Leader outlined the four strategic objectives of the Saving Kent's Future report which were bringing the 2023/24 budget back into balance; delivering savings from identified opportunity areas to set a sustainable 2024/25 budget and MTFP; policy choices and scope of Council's ambitions; and further transforming the operating model of the Council. There was also focus on the strategic business plan and decisions being made to integrate strategy and finance through a long-term plan, which would be an iterative process. The Leader also wanted to work closely with the Scrutiny Committee, and this would be done through frequent Cabinet meetings to discuss the budget and linking these to the Scrutiny Committee meeting timetable.
3. Mr Oakford outlined that there remained a £26m gap in the 2023/24 financial year which needed to be closed by March 2024 to ensure a balanced budget. He thanked Mr Rayner, and officers within directorates, for their hard work on trying to close the budget gap, which would be partly achieved through increasing asset sales, and how these monies would be invested in further assets to increase revenue; reviewing all non-essential and non-committed spend; considering recruitment to vacant posts and the numbers of agency staff; and by considering reserves. There was also £46m of savings identified for the 2024/25 financial year but remained a £35m gap which could increase. Directors were looking at all areas within their directorates to make savings and CMT met every week to consider potential savings and proposals to

balance the budget. Areas with potential savings included commissioning and hospital discharges within Adult Social Care; placements within Children's Social Care; home to school transport including SEND transport; reviewing third party contracts; and a review into staffing numbers and agency staff. The appropriate governance for all these proposed savings would be undertaken, including the necessary consultations and liaison with the Scrutiny Committee.

4. Mr Watkins explained that half of the Council's budget, approximately £800m per year, was spent on Adult Social Care, which was why it remained a key focus for savings. Adult Social Care was a demand-led directorate which provided many statutory duties for people who needed care, but the costs associated with providing such care, for example wage costs, unit costs, and the increasing complexity of care needs, meant that spend was increasing. The Council was duty bound to provide care, but the team were focusing on how services were delivered. This included:
  - a. Redesigning services to make £27m savings in 2023/24 and £14m savings in 2024/25, although spend would still be increasing.
  - b. Restructuring the frontline care assessment team, which meant that people could remain in their own homes for longer with more community support, rather than living in a care home.
  - c. Increasing collaboration with the NHS, including working together on hospital discharges, which would mean £6m savings in 2023/24 and £11m in 2024/25.
  - d. Recommissioning contracts, for example the home care contracts, which would lead to £11m savings in 2023/24.
  - e. Redoubling preventative initiatives to improve outcomes and reduce spend in the longer term.
  
5. Mrs Chandler explained the significant challenges within Children's Social Care placements, as this was also a demand-led service. The number of children in care had increased in 2022/23, which had increased spend, but this number was now stabilising and decreasing slowly. The early help and family court teams were working hard to ensure children remained with their families, wherever safe and possible to do so, and Kent remained in the lowest quartile in the UK for the numbers of children in care compared to population size. The number of Unaccompanied Asylum-Seeking Children (UASC) in Kent added to the pressure on the Children's Social Care directorate. Several savings initiatives were being proposed for Children's Social Care, which included:
  - a. Reviewing ongoing placements and working more closely with the NHS.
  - b. Reviewing the care placement team, including reviewing seniority within the team.
  - c. Increasing the number of foster carers being recruited.
  - d. Aligning the 18-25 SEND transport scheme with the commissioning process.
  - e. Introducing longer-term savings solutions.

6. Mr Love, OBE explained that a large proportion of overspend within his directorate was due to home to school and SEND transport spending, which was a large proportion of the budget. Several costs within the service had increased due to inflation, fuel costs, and driver costs; as well as increases in demand due to more special school places and EHCPs being awarded, meaning more families were entitled to home to school transport. Home to school transport was a statutory service, so there was limited scope for savings, but the team were working to reduce costs by: refocusing home to school transport for the children with the most complex needs; promoting inclusion in education; and ensuring EHCPs were granted strictly in line with legislation and guidelines.
7. Mr Baker explained that the highways directorate spend had been affected by inflation of 30-35% within the building sector and increased demand on services. The team were raising more income by accessing grant applications and external funding sources, such as the Active Travel Scheme, but these funding streams did not impact upon core funding and was often ringfenced for certain areas. Projects which did not have committed funding were being delayed and activities were being coordinated to ensure best value for the taxpayer whilst meeting highways obligations. He thanked frontline staff for their hard work during the stormy period.
8. Members raised several concerns and questions:
  - a. A Member questioned what work had already been undertaken to reduce the home to school transport budget. Mr Oakford explained that high-level exploratory work had been completed, but the detail would not be available until late 2023 or early 2024.
  - b. A Member welcomed the idea of a closer working relationship between the Executive and Scrutiny Committee, and asked what this would look like in practice, for example increased information sharing. The Leader of the Council explained that both the Executive and Scrutiny Committee would need to monitor proposed savings. The Executive would produce budget monitoring reports for each Cabinet meeting, which would then provide the basis for the Scrutiny Committee's oversight and budget monitoring. The Leader added that a session would be planned for the Scrutiny Committee to meet the analytics team to better understand data within the budget and closely monitor savings.
  - c. A Member asked how the proposed savings would be monitored and the impact on residents measured, for example using Key Performance Indicators (KPIs). The Leader stated that KPIs would be available to the Scrutiny Committee and relevant Cabinet Committees, and Equality Impact Assessments (EQIAs) would be undertaken to understand the impact on residents.
  - d. A Member felt that the Scrutiny Committee would need to see all options considered for savings, as some decisions

may have unintended consequences and could increase spend in other areas. The Leader explained that scrutiny would be included in decisions in a timely and efficient way, which would not delay decision-making. The Executive would continue to consider a range of options to ensure best-value, economy, and efficiency, and would include scrutiny and Cabinet Committees through due process.

- e. A Member raised a concern regarding optimism bias and the lack of checks in balances in place at KCC, and how savings in Adult Social Care and within the home to school transport budget would be made. The Leader reassured Members that savings proposal and the budget would be brought to Cabinet meetings every six weeks alongside the quarterly budget monitoring report. The Council had managed to balance the budget for twenty-one years, but pressures and demand had increased across local authorities recently, which had been compounded by inflationary pressures and the collapse of key markets.
- f. Members raised concerns regarding the spend within Adult Social Care and the recommissioning of services within this area. Mr Watkins explained that large contracts within the residential care market ended in 2024, and the team were trying to shape the market rather than undertake traditional procurement, by being more strategic in their approach. This included using a framework to commission services, rather than commission on an ad-hoc basis, and use consultants for niche and specialist contracts. Mr Oakford added that the Council were considering all options, including bringing contracts in-house.
- g. Members questioned the home to school transport budget, and if personal travel budgets were being utilised effectively. Mr Love, OBE confirmed that parents were offered the option of personal travel budgets. KCC were reviewing the home to school transport contracts to ensure best value for money, whilst ensuring children with specific and complex needs could get to school safely and on-time. Ms Taylor explained that a report from the Executive on the home to school transport short-focussed inquiry would be presented to the Scrutiny Committee at their next meeting.
- h. Members questioned the situation of the Council's cashflow, and Mrs Cooke explained that the treasury management team followed the Treasury Management Strategy to ensure bills were paid. Spend to date and forecasts were monitored regularly and shared with the Executive as part of the budget monitoring reports.
- i. Mr Watts, General Counsel questioned what the Scrutiny Committee wanted to see in terms of budget monitoring moving forward. The agenda-setting process would remain important and invitees to meetings needed to be relevant, to

ensure questions could be answered. The Scrutiny Committee also needed to undertake forensic questioning to get clarity and ensure an honest exchange of ideas.

- j. Ms Taylor confirmed that Cabinet would receive regular budget updates to their meetings, which would then follow to the Scrutiny Committee.

RESOLVED that the Committee agreed to the development of a specific programme of work relating to the oversight of Securing Kent's Future.

*The meeting was adjourned at 12.56pm.*

*The meeting reconvened at 1.47pm.*

## **22. Thanet Parkway Railway Station Project** *(Item C2)*

*Mr N Baker (Cabinet Member for Highways and Transport), Mr L Burchill (Major Capital Programme Manager), Mr S Jones (Corporate Director of Growth, Environment and Transport), Mr J Ratcliffe (Transport Strategy Manager), and Miss A Roscoe (Principal Transport Planner) were in attendance for this item.*

1. Mr Baker introduced the report and explained that the decision to undertake the Parkway project had occurred before he had become Cabinet Member but was seen as an infrastructure first project. Concerns had been raised regarding the finances for the project, but it had been completed within the budget envelope and had secured external funding.
2. Mr Jones added the project had evolved as it had progressed, and experienced risks and challenges in delivery and funding. These challenges had been outlined in the 'lessons learnt' section of the report.
3. Members raised the following points:
  - a. A Member felt that the Parkway station would help to address the poverty imbalance between East and West Kent and would promote economic growth. The report had considered the parkway stations in Warwick and Southend, which had been successful, well-utilised, and had good facilities.
  - b. A Member felt that Thanet Parkway station had negatively impacted local villages, through increased light pollution, and had not improved the local economy in Ramsgate.
  - c. Members questioned the cost of the project, and if any of these costs would remain ongoing. Mr Jones confirmed the project had been completed within budget envelope, and not increased the financial burden on the authority. Any ongoing costs had been mandated through the planning process, but some costs were being disputed.
  - d. A discussion was held regarding the number of passengers using the station. Mr Jones confirmed that

although numbers were currently low, train operators remained confident that these would improve, and passenger targets would be met.

- e. Members discussed the risks and challenges of the projects, and what lessons had been learned. Members felt that they needed more oversight of the project when it met important milestones. Mr Jones explained that the team had provided regular updates to the Cabinet Committee and Portfolio Holder, but one of the lessons learned had been that the project had progressed quite far with external partners before being presented to Members. Mr Baker added that a balance needed to be struck between proper scrutiny and the project moving forward at a timely pace.
- f. A Member felt that the project was unnecessary as it did not significantly reduce travel time between Thanet and Stratford or St Pancras. He felt that the station was not being utilised by enough passengers and was not wanted by local residents.

RESOLVED that the Committee noted the contents of the report.

### **23. Vehicle Crossings (dropped kerbs)**

*(Item C3)*

*Mr N Baker (Cabinet Member for Highways and Transport) and Mr S Jones (Corporate Director of Growth, Environment and Transport) were in attendance for this item.*

1. Mr Hook outlined the reasons for the report as many residents requested dropped kerbs from the Council, and these requests were rejected due to Council guidelines. Council guidelines stated that a driveway needed to be at least 5m in length, but he was proposing to reduce this figure, as many cars were shorter than this, for example a Fiat 500 was 2.5m in length and a Ford Focus, the UKs most popular car, was 4m in length. He felt it would be good to remove cars from parking on the roads and would increase the number of households able to charge electric vehicles.
2. Mr Baker explained that national guidelines were a 5m driveway for a dropped kerb, and 3m if cars could park horizontally or at an angle to their house, and if the Council reduced this figure, KCC could be liable if an accident were to happen. He explained that he would raise Mr Hook's query with the team. Mr Jones added that the team also had to consider the possibilities of cars obstructing footways by overhanging their drives.

RESOLVED that the Committee considered and noted the report on vehicle crossings.

## **24. Kent Flood Risk Management Committee Annual Report**

*(Item D1)*

*Mr T Hills (Chairman of the Flood Risk Management Committee) was in attendance for this item.*

1. Mr Hills introduced the report and thanked officers for their hard work in its production. He outlined the topics that had been covered since October 2022 and explained the future activities that the Committee were planning to undertake, for example the Met Office would be attending a meeting to provide an update following Storm Ciaran, and Southern Water would be attending a meeting in 2024 to discuss flooding.
2. The Chairman felt Southern Water needed to be held to account by the Committee over their continued policy of sewage dumping, particularly off the North Kent shoreline. Mr Rayner added that sewage was also dumped by Southern Water in the River Eden, close to wear people swam in the lake at Hever Castle. Mr Hills explained that Southern Water had been fined £90m for sewage dumping, and had introduced pilot schemes in Margate and Deal, but felt that these schemes needed to be implemented faster and on a wider scale.

RESOLVED that the Committee noted the Kent Flood Risk Management Committee Annual report.

## **25. Work Programme**

*(Item D2)*

No Members had anything to add to the Work Programme.

RESOLVED that the Committee considered and noted the Work Programme.