



Summons to and
Agenda for a
Meeting on
Thursday 17 February
2011
At **9.30 am**



DEMOCRATIC SERVICES
SESSIONS HOUSE
MAIDSTONE

Tuesday, 8 February 2011

To: All Members of the County Council

Please attend the meeting of the County Council in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 17 February 2011 at **9.30 am** to deal with the following business. **The meeting is scheduled to end by 5.00 pm.**

Webcasting Notice

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

By entering the meeting room you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you do not wish to have your image captured then you should make the Clerk of the meeting aware.

A G E N D A

1. Introduction/webcasting
2. Apologies for Absence
3. Declarations of Interest
4. Minutes of the meetings held on 16 December 2010 and if in order, **(Pages 1 - 16)**
to be approved as a correct record.
5. Chairman's Announcements
6. Questions **(Pages 17 - 28)**
7. Revised Proportionality Calculations and Committee Membership **(Pages 29 - 34)**
8. Medium Term Financial Plan 2011-13 (Incorporating the Budget and Council Tax Setting for 2011/12) **(Pages 35 - 52)**

Peter Sass
Head of Democratic Services and Local Leadership
01622 694002

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KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 16 December 2010.

PRESENT:

Mr W A Hayton (Chairman)
Mrs P A V Stockell (Vice-Chairman)

Mrs A D Allen, Mr M J Angell, Mr A H T Bowles, Mr D L Brazier, Mr R Brookbank, Mr R B Burgess, Mr C J Capon, Miss S J Carey, Mr P B Carter, Mr N J D Chard, Mr A R Chell, Mr I S Chittenden, Mr L Christie, Mrs P T Cole, Mr G Cooke, Mr B R Cope, Mr H J Craske, Mr A D Crowther, Mr J M Cubitt, Mrs V J Dagger, Mr D S Daley, Mr M C Dance, Mrs T Dean, Mr J A Davies, Mr K A Ferrin, MBE, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Mrs E Green, Mr M J Harrison, Mr C Hibberd, Mr P M Hill, OBE, Mr D A Hirst, Mrs S V Hohler, Mr P J Homewood, Mr E E C Hotson, Mr M J Jarvis, Mr A J King, MBE, Mr R E King, Mr J D Kirby, Mr J A Kite, Mr S J G Koowaree, Mr P W A Lake, Mr R J Lees, Mr J F London, Mr R L H Long, TD, Mr K G Lynes, Mr S Manion, Mr R F Manning, Mr R A Marsh, Mr M J Northey, Mr J M Ozog, Mr R J Parry, Mr T Prater, Mr K H Pugh, Mr L B Ridings, Mr M B Robertson, Mrs J A Rook, Mr A Sandhu, MBE, Mr J E Scholes, Mr J D Simmonds, Mr C P Smith, Mr K Smith, Mr M V Snelling, Mr B J Sweetland, Mr R Tolputt, Mrs E M Tweed, Mr M J Vye, Mr J N Wedgbury, Mr C T Wells, Mr M J Whiting, Mrs J Whittle, Mr M A Wickham and Mr A T Willicombe

IN ATTENDANCE: Katherine Kerswell, Group Managing Director, Geoff Wild, Director of Law & Governance and Peter Sass, Head of Democratic Services & Local Leadership

UNRESTRICTED ITEMS

1. Introduction/Webcasting

The Chairman stated that the meeting was being webcast live to the Internet and that if any member of the public did not wish to be filmed, they should let one of the officers know immediately.

The Chairman also stated that, for anyone speaking on any of the agenda items, it was important to use the microphones so that the viewers on the webcast and others in the Chamber could hear the debate.

The Chairman asked anyone with a mobile device such as a blackberry to turn it off as it could affect the audio systems in the Chamber. Finally, he advised everyone present where the nearest fire exit was in the event of a fire alarm.

2. Apologies for Absence

The Group Managing Director reported apologies from the following Members:

Mr Bayford
Mr Bullock
Mr Collor
Mrs Law

3. Declarations of Interest

(1) Mrs Whittle declared a personal interest in item 9 (Bold Steps for Kent), as her husband, who worked in the Corporate Policy team, was one of the main authors of the report. Mrs Whittle also declared a personal interest in item 10 (Change to keep succeeding) as her husband was an employee of the Council, although not directly impacted by the proposals.

(2) Mr Sweetland declared a personal interest in a number of items on the agenda because of his position as a non-executive Director of NHS West Kent (Primary Care Trust).

4. Minutes of the meeting held on 14 October 2010 and, if in order, to be approved as a correct record.

(1) Resolved: that the minutes of the meeting held on Thursday, 14 October 2010, be approved as a correct record and signed by the Chairman.

5. Chairman's Announcements

(i) Death of Mr Frayne, Mr Richardson and Mr Horne and Mr Button

The Chairman stated that it was his very sad duty to formally advise the County Council of the passing of three serving and one former Members of Kent County Council.

Mr Roger Frayne – Dover Town Electoral Division

Mr Frayne died on 31 October following a long illness. He was elected to the County Council in June 2009 and served on CFE – Vulnerable Children & Partnerships POSC and the Corporate POSC.

Mr Godfrey Horne MBE – Tonbridge Electoral Division

Mr Horne was first elected to the County Council in 2005 and died very suddenly on 13 November 2010. A retired teacher, he was the Chairman of the Health Overview and Scrutiny Committee and also served on Cabinet Scrutiny Committee, Planning Applications Committee, CFE Vulnerable Children & Partnerships POSC, Scrutiny Board, School Organisation Advisory Board and the Standing Advisory Council for Religious Education.

Mr W L Richardson – Romney Marsh Electoral Division

Mr Richardson died on 7 November 2010 following a brave battle with cancer. He was elected to the County Council in June 2009 and served on the CFE Learning & Development POSC and the Environment, Highways & Waste POSC.

Mr Cyril Button

Mr Button was elected to the County Council in 1985 to represent the Medway Rural Electoral Division. He served on the Development, Planning and Transportation Committee and the Property, Supplies and Services Group. He left in 1998 when Medway became a Unitary Council.

After tributes from a number of Members, all present stood in silence in memory Mr Frayne, Mr Horne, Mr Richardson and Mr Button and the County Council passed a resolution in the following terms:

Resolved unanimously: that this Council desires to record the sense of loss it feels on the sad passing of Mr Frayne, Mr Horne, Mr Richardson and Mr Button and extends to their family and friends our heartfelt sympathy to them in their sad bereavements.

(ii) Length of speeches limited to 3 minutes

The Chairman stated that there was a large amount of formal business on today's agenda and asked for Members' agreement to limit Members' speeches to 3 minutes, with the exception of the speeches under item 7 (the Leader's oral report) and the Local Member and Cabinet Member speeches under item 15 (Petition debates).

Resolved: that the length of speeches at this meeting be limited as indicated above.

(iii) Engineering and Building Award for St Johns RC School

The Chairman stated that he was pleased to advise Members that the development of St John's Catholic Comprehensive School, Gravesend, had won the Public Sector Project of the Year category in the 2010 National Builder & Engineer Awards.

The award was given in recognition of the quality of the build and the overall design, its focus on reducing the school's environmental impact and its positive role in raising community aspirations.

On behalf of all Members, the Chairman offered his congratulations to all concerned.

(iv) Malaysia Medal for Mr Angell

The Chairman stated that he was delighted to advise the County Council that Mr Mike Angell had been awarded a medal from the Government of Malaysia. An excerpt from the citation reads as follows:

"In appreciation of the meritorious acts made by the security forces from Britain, the Federation of Malaysia wishes to award medals to all those who distinguished themselves in chivalry, gallantry and loyalty while performing their services during the confrontation period from 1962 to 1966".

The Chairman offered his sincere congratulations to Mr Angell, on behalf of all Members.

(v) Petitions

The Chairman stated that he had received two petitions that morning, neither of which had met the trigger for a County Council debate in accordance with the Petition Scheme, but he asked the relevant Cabinet Member to ensure that the concerns of the petitioners were properly addressed and responded to.

(a) 'Re-think' East Kent Floating Support Service

The first petition had been received from Pauline Featherstone, the service lead for the 'Re-think' East Kent Floating Support Service for people with mental health difficulties. The group had written on behalf of service users, carers and volunteers, who had been campaigning against the closure of the service in March 2011 because of the feared loss of essential funding.

The Chairman invited Mr Mike Hill, Cabinet Member for Community Services, to come to the dais to formally accept the petition and asked him to ensure that the concerns of the petitioners are addressed and responded to.

(b) Highways matter in Upper Street and Harmony Street, Rusthall, Tunbridge Wells

The second petition was received via Mr John Davies on behalf of residents in Upper Street and Harmony Street, Rusthall, Tunbridge Wells, objecting to the proposal to prohibit waiting on those two streets under Regulation 9 of the Road Traffic Regulation Act 1984.

The Chairman invited Mr Nick Chard, Cabinet Member for Environment, Highways and Waste, to come to the dais to formally accept the petition and asked him to ensure that the concerns of the petitioners are addressed and responded to.

6. Questions

(1) Under Procedure Rule 1.18 (4), 7 questions were asked and replies given.

7. Report by Leader of the Council (Oral)

(1) The Leader updated the County Council on various matters since the last meeting in October 2010. Specifically, he mentioned the huge challenge that KCC would be facing following the Local Government Finance Settlement and the impact that this would have on the budget setting process for 2011/12 and 2012/13. For 2011/12, the Leader stated that KCC would need to find efficiencies of approximately £100m (due to grant reductions and unavoidable pressures), which equated to almost 10% of the County Council's non-schools revenue budget. He also spoke about the shock, anger and disappointment he felt following the Ofsted report on safeguarding and Looked After Children and expressed his absolute determination to lead a strong and urgent recovery in this vital area. He explained the various measures that had been put in place to respond to the Ofsted recommendations, including the appointment of three senior interim managers, a positive meeting earlier that week with the Minister and the development of a draft improvement plan. He also mentioned a special Members' Seminar, which was being planned for the end of January 2011.

(2) At the conclusion of the Leader's oral report and the two Opposition Leaders' speeches, the Chairman stated that he intended to allow the Leader a maximum of five minutes to reply, in accordance with the recommendation of the Selection and Member Services Committee to alter this particular part of the Constitution (item 13 on the agenda for that day's meeting). Mr Christie challenged this ruling. Accordingly, Mr A J King moved and Mrs J Rook seconded that the Leader's reply be extended from two to five minutes and a formal vote was taken as follows:

For (63)

Mrs A Allen, Mr M Angell, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Mr R Burgess, Mr C Capon, Miss S Carey, Mr P Carter, Mr N Chard, Mr A Chell, Mrs P Cole, Mr G Cooke, Mr B Cope, Mr H Craske, Mr J Cubitt, Mrs V Dagger, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr C Hibberd, Mr M Hill, Mr D Hirst, Mrs S Hohler, Mr P Homewood, Mr E Hotson, Mr M Jarvis, Mr A King, Mr R King, Mr J Kirby, Mr J Kite, Mr P Lake, Mr J London, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr J Ozog, Mr R Parry, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Simmonds, Mr C Smith, Mr K Smith, Mr M Snelling, Mrs P Stockell, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mr J Wedgbury, Mr C Wells, Mr A Wickham, Mr M Whiting, Mrs J Whittle, Mr A Willicombe

Against (6)

Mr I Chittenden, Mr L Christie, Mrs E Green, Mr R Lees, Mr T Prater, Mr M Robertson

Abstain (4)

Mr D Daley, Mrs T Dean, Mr G Koowaree, Mr M Vye

Carried

(3) Accordingly, the Leader gave his formal reply for five minutes.

(In accordance with Council Procedure Rule 1.11, the Chairman proposed to vary the order of the agenda in order to take items 9 and 10 at this point. This was agreed)

8. Bold Steps for Kent: The Medium Term Plan to 2014/15

(1) Mr P Carter moved, Mr A King seconded that the County Council approve Bold Steps for Kent: the Medium Term Plan to 2014/15.

(2) After a detailed debate covering many aspects of the report, the Chairman put the recommendation to the vote, as follows:

For (70)

Mrs A Allen, Mr M Angell, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Mr R Burgess, Mr C Capon, Miss S Carey, Mr P Carter, Mr N Chard, Mr A Chell, Mr I Chittenden, Mrs P Cole, Mr G Cooke, Mr B Cope, Mr H Craske, Mr A Crowther, Mr J Cubitt, Mrs V Dagger, Mr D Daley, Mr M Dance, Mr J Davies, Mrs T Dean, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr C Hibberd, Mr M Hill, Mr D

Hirst, Mrs S Hohler, Mr P Homewood, Mr E Hotson, Mr M Jarvis, Mr A King, Mr R King, Mr J Kirby, Mr J Kite, Mr P Lake, Mr R Lees, Mr J London, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr J Ozog, Mr R Parry, Mr T Prater, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Scholes, Mr J Simmonds, Mr C Smith, Mr K Smith, Mr M Snelling, Mrs P Stockell, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mr M Vye, Mr J Wedgbury, Mr C Wells, Mr A Wickham, Mr M Whiting, Mrs J Whittle, Mr A Willicombe

Against (3)

Mr L Christie, Mr G Koowaree, Mr M Robertson

Abstain (0)

Carried

Resolved: that Bold Steps for Kent: the Medium Term Plan to 2014/15 be approved.

9. Change to keep succeeding

(1) The Chairman stated that he had agreed to consider this item as an urgent item because the formal consultation period only ended on 3 December 2010 and the implementation of the proposed management restructure outlined in this report and the new operating framework that would result was key to drive forward the implementation of the new Medium Term Plan, which the County Council had just approved.

(2) Mr P Carter moved, Mr R Gough seconded the recommendations on page 1 of the supplementary report on Change to Keep Succeeding.

(3) (2) After a detailed debate covering many aspects of the report, the Chairman put the recommendation to the vote, as follows:

For (63)

Mrs A Allen, Mr M Angell, Mr D Brazier, Mr R Brookbank, Mr R Burgess, Mr C Capon, Miss S Carey, Mr P Carter, Mr N Chard, Mr A Chell, Mrs P Cole, Mr G Cooke, Mr B Cope, Mr H Craske, Mr A Crowther, Mr J Cubitt, Mrs V Dagger, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr C Hibberd, Mr M Hill, Mr D Hirst, Mrs S Hohler, Mr P Homewood, Mr E Hotson, Mr M Jarvis, Mr A King, Mr R King, Mr J Kite, Mr P Lake, Mr R Lees, Mr J London, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr J Ozog, Mr R Parry, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Scholes, Mr J Simmonds, Mr K Smith, Mr M Snelling, Mrs P Stockell, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mr J Wedgbury, Mr C Wells, Mr A Wickham, Mr M Whiting, Mrs J Whittle, Mr A Willicombe

Against (8)

Mr I Chittenden, Mr L Christie, Mr D Daley, Mrs T Dean, Mr G Koowaree, Mr T Prater, Mr M Robertson, Mr M Vye

Carried

Resolved: that (1) the proposed operating framework, pay structure, grading structure and the performance management framework, as described in the report, be approved;

(2) the values, behaviours and competencies outlined in the proposals be endorsed and;

(3) the actions and timescale that will result from these decisions as outlined in the report be noted.

(At this stage in the proceedings, the Chairman adjourned the meeting, in order to convene the second meeting of the County Council in relation to Honorary Aldermen)

10. Petition Scheme Debates

(In accordance with Council Procedure Rule 1.11, the Chairman proposed to vary the order of the agenda in order to take 15 (Petition Scheme debates) at this point. This was agreed)

(1) The Chairman advised that the County Council had received four petitions that met the criteria for a debate at the County Council meeting, in accordance with the Petition Scheme adopted in July 2010. He explained that three of the petitions related to the proposed closure of The Limes, Blackburn Lodge and Bowles Lodge care homes for older persons and that there would be a combined debate on those three petitions. The fourth petition related to a highways matter in the Maidstone Borough area, which would be dealt with as a separate debate.

Proposed closure of The Limes, Blackburn Lodge and Bowles Lodge care homes for older people

(2) The following individuals addressed the County Council on the various petitions:

1. Ms Karen Baldwin from the Limes Focus Group and Mr David Lloyd from Unison – in relation to The Limes Petition
2. Ms Penny Cole – the local Member for The Limes petition
3. Ms Joan Tuck from Unison in relation to the Blackburn Lodge petition
4. Mr Ken Pugh – the local Member for the Blackburn Lodge petition
5. Mr David Lloyd from Unison – in relation to the Bowles Lodge petition
6. Mr Roger Manning – the local Member for the Bowles Lodge petition

(3) The Chairman then opened up the debate to the floor and a number of other Members spoke on the petitions.

(4) Mr Christie moved, Mr Koowaree seconded that the Cabinet Member for Adult Social Services gives full weight to the results of the consultation exercise when coming to his decision.

(5) The Chairman then invited the Cabinet Member for Adult Social Services to respond to the debate and describe how he intended to take the petitioners' concerns

forward. Mr Gibbens began by thanking all of the petitioners and speakers for attending the meeting and giving their views. He said that he was also grateful to Unison for co-ordinating the responses to the various consultations. He stressed that the various proposals were not about money and that, even if all 11 decisions proceeded as proposed, the savings that would accrue to Kent County Council would only amount to approximately £2m out of a total budget for Adult Social Services of approximately £450m. The reason for the consultation exercise was that KCC needed to respond to the needs of older people now and into the future. Mr Gibbens stated that people were living longer: in 20-30 years' time, the number of people aged 85 years or more would have doubled and the number of people suffering from dementia would also increase significantly, so the proposals were designed to protect and enhance services now and into the future. He also stressed that no changes would be made at any of the sites until alternative provision was in place. Mr Gibbens acknowledged how difficult and stressful the consultation process had been on residents, their families and friends, and on the staff concerned. With regard to the Limes, Mr Gibbens stated that respite care was very important and that the focus of working with the voluntary sector would continue. He also acknowledged that he would take into account the closure of A&E services at Queen Mary's Sidcup should the proposals for The Limes proceed. With regard to Blackburn Lodge, he stressed that this facility was not proposed for closure, but to transfer under a partnership arrangement and provide modernised services. With regard to Bowles Lodge, Mr Gibbens stressed again that no changes would be made until alternative provision was in place and that he also hoped over the longer term to ensure that there was much more day care provision in place so that residents didn't have to travel long distances for day care. He undertook to examine all of the consultation responses received and take notice of everything said today as he moved forward to take decisions. Finally, he stated that the Officers' reports would be published on KCC's website on 30 December; that the reports would be considered by Cabinet on 10 January; by the Adult Social Services Policy Overview and Scrutiny Committee on 12 January and he also expected his decisions to be considered at the meeting of the Cabinet Scrutiny Committee on 19 January.

(6) The Chairman then put Mr Christie's motion to the vote

Resolved: that the Cabinet Member for Adult Social Services gives full weight to the results of the consultation exercise when coming to his decision.

Mobile Advertising Boards ("A" Frames) in Maidstone

(7) The following individuals addressed the County Council on the above petition.

1. Mr N Butteriss – the lead petitioner for the "A" Frames Petition
2. Mr I Chittenden – the local Member

(8) Mr Chittenden moved, Mr Daley seconded that the Cabinet Member for Environment, Highways and Waste gives an undertaking to commence an immediate review of the policy, including full and effective external consultation with all relevant external bodies.

(9) The Chairman then opened up the debate to the floor and a number of other Members spoke on the petition.

(10) The Chairman then invited the Cabinet Member for Environment, Highways and Waste to respond to the debate and describe how he intended to take the petitioner's concerns forward. Mr Chard began by saying that the policy had been under consideration for some 18 months and that he had first-hand experience of how difficult the problem was for parents pushing a pushchair down the High Street in Sevenoaks. He accepted that there had been a proliferation of "A" Boards on pavements and that the pavements were often not wide enough to accommodate both "A" Boards and give proper access for pedestrians. He echoed the comments of Mr Butteriss and the elected Members who spoke about the effect on people with sight impairments and physical disabilities. Mr Chard stated that he had consulted the Department of Transport, the Federation of Small Businesses and the Kent Reference Panel on "A" Boards. He stated that the Federation recognised that they had become a problem in some town centres and that there was a need to restrict both their size and location. Mr Chard stated that he was trying to find the right balance for pedestrians but also for businesses who wanted to advertise their products and services. Finally, he undertook to address the concerns of the lead petitioner and re-visit the policy and that he would provide a written response to Mr Butteriss.

(11) The Chairman then put Mr Chittenden's motion to the vote:

Resolved: that the Cabinet Member for Environment, Highways and Waste gives an undertaking to commence an immediate review of the policy, including full and effective external consultation with all relevant external bodies.

11. Select Committee on Renewable Energy in Kent

(1) Mr Chard moved, Mr Ferrin seconded the recommendations on page 10 of the County Council agenda, with the exception of recommendation 22 on page 18 of the report (limiting the speed of all KCC vehicles except those attending emergencies, to a maximum speed of 56mph (90kph) in order to achieve greater fuel efficiency, in line with best commercial practice), because he wanted to look at the more efficient use of vehicles in its widest sense, rather than purely the speed that the vehicles drove.

(2) After a debate covering many aspects of the report, the Chairman invited the County Council to vote on the recommendations.

Resolved: that (1) the Select Committee report and recommendations 1-21 only be endorsed;

(2) the Select Committee be thanked for an excellent report on a challenging topic; and

(3) the witnesses and others who provided evidence and made valuable contributions to the work of the Select Committee be thanked also.

12. Select Committee on Extended Services

(1) Mrs Hohler moved, Mr Hill seconded the recommendations on page 40 of the County Council agenda.

(2) After a debate covering many aspects of the report, the Chairman invited the County Council to vote on the recommendations.

Resolved: that (1) the Select Committee report be endorsed by the County Council and in view of the current budgetary and restructuring proposals, its recommendations be noted for further consideration;

(2) the Select Committee be thanked for an excellent report on a complex and challenging issue; and

(3) the witnesses and others who provided evidence and made valuable contributions to the work of the Select Committee be thanked also.

13. Extension of Meeting

(1) In accordance with Council Procedure Rule 1.12 (2), the Chairman moved, the Vice Chairman seconded and it was:

Resolved: that the meeting be extended to 4.45 pm

14. Petition Scheme Review

(1) Mr A King moved, Mr Bowles seconded the recommendations on page 55 and 56 of the County Council agenda.

(2) With the approval of both the mover and seconder, recommendation 2 (b) was amended to make it clear that, in future, Locality Boards would be the most appropriate forum for dealing with petitions relating to single District/Borough Council areas.

Resolved: that the following recommendations from the Selection and Member Services Committee be approved:

- (a) no change be made to the threshold levels to trigger a debate at County Council but that this matter be kept under review by the Selection and Member Services Committee;
- (b) County Council should remain as the most appropriate forum for petition debates for the time being, but that in future, Locality Boards would be the most appropriate forum for dealing with petitions relating to single District/Borough Council areas and that the matter be kept under review by the Selection and Member Services Committee;
- (c) the definition to be used as to what constituted a "petition on the same subject" is: "a petition on the same decision/issue as one debated by the County Council within the previous six months"
- (d) petitions for a County Council debate should be submitted to the Head of Democratic Services and Local Leadership fourteen days before the meeting but that the Chairman of the County Council should have discretion to accept petitions about urgent matters following consultation with the Group Leaders;

- (e) the deadline for the receipt of the written statement should be brought forward to 5.00pm on the Monday of the week before the County Council meeting and there be a requirement for the Directorate to submit a brief position statement/briefing note to meet the same deadline, so that both pieces of information are available when the County Council agenda is despatched;
- (f) the maximum time for a petition debate at County Council should remain at 45 minutes, which is regarded as being inclusive of the Lead Petitioner, Local Member and the relevant Cabinet Member (in the event of the petition relating to an executive matter) all having a maximum of 5 minutes each, with all other speakers having a maximum of 3 minutes each.
- (g) no limit should be placed on the number of petition debates held at a single meeting of the County Council but that this matter be kept under review by the Selection and Member Services Committee;
- (h) the Chairman of the County Council should have discretion to hold a combined debate on more than one petition if the subject matters are similar;
- (i) petition debates should be placed on the agenda for the County Council immediately after the lunch break and that, if necessary, the Chairman of the County Council should re-order the remaining agenda items to accommodate this;
- (j) the deadline for the receipt of petitions that call an officer to give evidence to a POSC, and the supporting statement, should be the same as for a County Council debate; and
- (k) to include the requirement that the lead petitioner is given a copy of the recommendation(s) arising from a debate at the County Council or a Policy Overview and Scrutiny Committee

15. Proposed Changes to the Constitution

(1) Mr A King moved, Mrs Rook seconded the recommendations contained on page 79 of the County Council agenda.

(2) After discussion, it was:

Resolved: that the following amendments be made to the Constitution:

(a) Paragraph 1.20 (5) of the Rules applying to Council meetings (page 63 of the Constitution) be amended so that the length of the Leader's reply to the opposition Leaders' speeches on his oral report be extended to 5 minutes;

(b) Article 2 (2.3)(2)(m) (page 5 of the Constitution) be amended, so that there is clarity about the reallocation of constituency work in the absence of a Member, as follows:

"...represent and support individual constituents in their dealings with the Council. In the absence of a Member for reasons of ill-health or otherwise, the Member concerned (or, if they are unwilling or unable to do that, the relevant

Group Leader) should nominate another Member to act on behalf of the absent Member in relation to representing their constituents.”

(c) the proposed amendment to sub paragraph (g) of the Terms of Reference of the Personnel Committee (page 26 of the Constitution) and the proposed addition to the Personnel Management Rules (page 50 of the Constitution) in order to clarify the role of the Personnel Committee in hearing assimilation appeals from senior managers, as follows:

Sub paragraph (g) of the Personnel Committee Terms of Reference:

“through ad-hoc Sub Committees of Members (Panels), hearing and dealing with the final stage of unresolved grievances from Chief and Senior Officers and appeals by such officers against dismissal (including dismissal as a result of redundancy), assimilation ('slotting-in'), transfer or downgrading”.

Proposed addition to the Personnel Management Rules:

“Appeals against dismissal arising from redundancy, assimilation, transfer and downgrading

1. *Any appeal against a decision not to 'slot' a senior manager to a post graded M or above, a redundancy, transfer or downgrading must be lodged with the Director for Personnel and Development within ten working days of written confirmation to the officer of the decision and must include a written statement of the grounds on which the appeal is made.*

2. *Appeals will be heard by the Personnel Committee, or a sub committee of that Committee. As far as is practical such hearings will be arranged within ten working days of an appeal being lodged. If the Appeal is heard by a Panel of members then the quorum of such meeting shall include a Cabinet Member.*

16. Travel Scheme for Officers

(1) The Chairman advised that this report was not available for consideration at this meeting of the County Council and that the matter would be submitted to the next meeting in February.

17. Report on Urgent Key Decisions in the previous quarter

(1) Mr Carter moved, Mr A King seconded the recommendation on page 101 of the County Council agenda.

Resolved: that the reason for the urgent key decision being required in relation to the proposed new primary school on the Goat Lees Estate, Ashford, be noted.

18. Treasury Management Six Month Review 2010-2011

(1) Mr Simmonds moved, Miss Carey seconded the recommendation on page 108 of the County Council agenda be approved.

Resolved: that the Treasury Management Six Month Review 2010/11 be noted.

19. Minutes for Approval - Governance and Audit Committee

(1) Mr Long moved, Mr Wedgbury seconded that the Council notes the minutes of the Governance and Audit Committee meetings held on 15 September and 30 November 2010.

Resolved: that the minutes of the meetings of the Governance and Audit Committee held on 15 September and 30 November 2010, be noted.

20. Minutes for Information

(1) Pursuant to Procedure Rule 1.10 and 1.23(1), the Minutes of the Planning Applications Committee (27 July, 7 September, 12 October and 2 November 2010); the Regulation Committee (9 September 2010); and the Superannuation Fund Committee (20 August and 19 November 2010) were noted.

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KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 16 December 2010.

PRESENT:

Mr W A Hayton (Chairman)
Mrs P A V Stockell (Vice-Chairman)

Mrs A D Allen, Mr M J Angell, Mr A H T Bowles, Mr D L Brazier, Mr R Brookbank, Mr R B Burgess, Mr C J Capon, Miss S J Carey, Mr P B Carter, Mr N J D Chard, Mr A R Chell, Mr I S Chittenden, Mr L Christie, Mrs P T Cole, Mr G Cooke, Mr B R Cope, Mr H J Craske, Mr A D Crowther, Mr J M Cubitt, Mrs V J Dagger, Mr D S Daley, Mr M C Dance, Mrs T Dean, Mr J A Davies, Mr K A Ferrin, MBE, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Mrs E Green, Mr M J Harrison, Mr C Hibberd, Mr P M Hill, OBE, Mr D A Hirst, Mrs S V Hohler, Mr P J Homewood, Mr E E C Hotson, Mr M J Jarvis, Mr A J King, MBE, Mr R E King, Mr J D Kirby, Mr J A Kite, Mr S J G Koowaree, Mr P W A Lake, Mr R J Lees, Mr J F London, Mr R L H Long, TD, Mr K G Lynes, Mr S Manion, Mr R F Manning, Mr R A Marsh, Mr M J Northey, Mr J M Ozog, Mr R J Parry, Mr T Prater, Mr K H Pugh, Mr L B Ridings, Mr M B Robertson, Mrs J A Rook, Mr A Sandhu, MBE, Mr J E Scholes, Mr J D Simmonds, Mr C P Smith, Mr K Smith, Mr M V Snelling, Mr B J Sweetland, Mr R Tolputt, Mrs E M Tweed, Mr M J Vye, Mr J N Wedgbury, Mr C T Wells, Mr M J Whiting, Mrs J Whittle, Mr M A Wickham and Mr A T Willicombe

IN ATTENDANCE: Katherine Kerswell, Group Managing Director, Geoff Wild, Director of Law & Governance and Peter Sass, Head of Democratic Services & Local Leadership.

UNRESTRICTED ITEMS

1. Apologies

The Group Managing Director reported apologies from the following Members:

Mr R Bayford
Mr R Bullock
Mr N Collor
Mrs J Law

2. Declarations of Interest

There were no declarations of interest by any Member on the item contained in this agenda.

3. Appointment of Honorary Aldermen

(1) The Chairman announced that it was his great privilege and honour to preside over this special meeting of the County Council to confer the award of Honorary

Alderman to five of its most distinguished former Members, who had been judged to have provided eminent services, both to Kent County Council and the people of Kent.

(2) The Chairman welcomed the nominees and their guests to the meeting, although noted with sadness the absence of Dr Stuart Cox, who was unwell.

(3) The three Group Leaders all spoke briefly to introduce their nominations.

RESOLVED UNANIMOUSLY: that the following distinguished former Members of Kent County Council be awarded the status of Honorary Alderman:

Dr S J Cox JP

Mr J Frisby

Mr R H B Neame CBE, DL

Mr W Newman DL

Mr J A Spence OBE, DL

(4) The newly appointed Honorary Aldermen responded in suitable terms and offered their sincere gratitude for the honour bestowed upon them by the County Council.

COUNTY COUNCIL MEETINGThursday, 17 February 2011Question by Mike HarrisonTo Roger Gough, Cabinet Member for Support Services & Performance Management

Many, many 'Widgets' or Secure Socket Layer (SSL) fobs were handed out to both members and staff over the past 5/6 years? Can the Cabinet Member for Support Services & Performance Management please bring me an up to date with the present situation with regard to just where these gadgets might be?

Technology moves on at an ever increasing pace and as such much of the IT equipment becomes obsolete and I fear that these 'Widgets' are a case in point. Many of the members had them to enable us to log on at any point/PC by using this technology and be online to KCC. I do believe these gadgets are in fact on hire/lease from a company and that we KCC are still paying an annual fee for them!

So my question to you is: "How many of these are still on the books, how much do we (KCC) pay as an annual fee and finally is it not time to recall those which are no longer being used?"

If my information is correct I trust that by recalling many of them it will bring up a huge saving.

Response

There are currently 1221 fobs in use by staff and members. The devices are deployed to provide a secure means of connecting to council computer systems where access is required from outside the council's network, or where the user is in a position to make use of computer equipment not owned by the council. The fobs are owned by the council and not rented. The current annual revenue cost to the council is £21,120. This is a licence cost based on maximum concurrent use, not number of fobs deployed.

This type of security solution is a mandatory requirement of the governments' code of connection, applicable to all public agencies. The accountable budget managers, whose staff make use of this facility, review their requirements on an annual basis to determine if they are still required. Returned fobs are redistributed under the same process used for redeployment of surplus Blackberries and mobile computers.

The current solution is at end of life and there is a new contract to support the replacement service due to be deployed in July 2011. This will reduce annual costs to £16,155.

COUNTY COUNCIL MEETING

17 February 2011

Question by Martin Vye to Paul Carter, Leader of the Council

Will the Leader of the Council inform the council what progress has been made since the resolution made July 2010 (see foot note*) with regard to the Group Managing Director's urgent review of the interview, appointment, contract and severance payment procedures and at which 2011 County Council meeting he intends to report back to Members with the proposals to strengthen those procedures so as to minimise the risk of such large payments being made in the future?

*Foot note - Resolved at County Council Thursday 22 July 2010

(1) Given the information in the public domain regarding a significant payment to a senior officer, this Council notes that the Group Managing Director has been asked to carry out an urgent review of the interview, appointment, contract and severance payment procedures, and report back to Members with proposals to strengthen those procedures so as to minimise the risk of such large payments being made in the future.

(2) This Council also agrees to lobby the Coalition Government to amend the Employment Rights Act 1996; in effect to make employment fixed term contracts "fixed term".

Response

A number of steps have been taken as a result of the review by the Group Managing Director which have been reported back to Members at a number of different forums, including the County Council meeting on 16th December 2010.

New leadership behaviours have been defined and will underpin all selection, development and appraisal activity for senior officers at KCC. All internal applicants for vacant posts in the new operating framework have been assessed against these, prior to Member panel interviews. All those "slotted" against new posts were also measured against the competencies at a development centre. The feedback will be used to identify strengths and areas for improvement for each of the attendees and will form part of the target setting and appraisal feedback for 2011/12.

Our selection process for senior staff has been strengthened. Job descriptions include generic responsibilities as well as details of the specific professional responsibilities and these are covered at the Member interviews. Members involved in the current round of interviews attended a refresher day on interview techniques. All shortlisted applicants will attend the assessment centres mentioned above, and references will be rigorously pursued.

The Group Managing Director has made significant changes to the appraisal process for Corporate Management Team members including more rigorous and formal feedback from Members. Further changes for 2011/12 were agreed at the December County Council from the Change to Keep Succeeding report. The move to senior staff being part of the Total Contribution Pay process and the proposed introduction

of 360 degree feedback will further strengthen and clarify the way senior officers are held to account and suitably recognised for their annual performance.

Contractual changes for senior officers posts have been agreed by Personnel Committee. As well as the move to Total Contribution Pay, the notice period for the new KR16 to KR21 senior grades will be reduced from 6 months to 3 months and the importance of performance and assessment during the probation period is emphasised.

All these measures, together with the lobbying of the Coalition Government to amend some aspects of Employment Law, should help minimise the risk of large severance payments being necessary.

COUNTY COUNCIL MEETING

17 February 2011

Question by George Koowaree to

Kevin Lynes, Cabinet Member for Regeneration and Economic Development

Will the Cabinet Member for Regeneration and Economic Development inform the council how he intends to work with Ashford Borough Council to implement the Audit Commissions recommendations to improve Kent's one-star rating for the management of the growth of Ashford for the benefit of the whole community and in particular how he intends to:

- a) prioritise the proposals for the area, clearly identify impact of development projects and deal with the weak arrangements to manage performance and project risks,
- b) place value for money at the heart of his plans to ensure he knows whether development schemes provide value for money in accordance with the high levels of public investment,
- c) involve local people, community groups and businesses who are frustrated with the pace of improvement and the lack of social and community facilities in the development of Ashford?

Response

Your question presupposes that we agree with the findings of the Audit Commission report, which for the most part we do not.

By working closely alongside the new Leader and Chief Executive of Ashford BC to maintain the momentum of the growth agenda, we have delivered, and are still delivering, a range of significant projects, among them shared space, Victoria Way, and the M20 junction 9 Drivers roundabout. All have come in on time and to budget. These projects will provide the capacity for Ashford to meet its aspirations for 31,000 new homes and 28,000 new jobs.

To be successful in securing funding for these projects we have had to demonstrate value for money and a strong return on investment, neither of which have been recognised by the Audit Commission. Local people have been, and continue to inform planning policy by being involved with Ashford Borough Council in planning exercises, and effective partnership working has seen the delivery of the Singleton Environment Centre, the Stour Centre Extension with a new Ashford Gateway and Art at St Marys currently under construction.

All of which puts Ashford in the enviable position of being able to grow in a controlled and sustainable manner for years to come – something which again the Audit Commission failed to recognise.

COUNTY COUNCIL MEETING

17 February 2011

Question by Malcolm Robertson to

Bryan Sweetland, Cabinet Member for Environment, Highways and Waste

With badly maintained roads costing Kent's 50,000+ small and medium-sized enterprises (SMEs) an average of £13,600 each per year, will the Cabinet Member for Environment, Highways and Waste inform the council how he intends to ensure that no Kent postcode area will again feature in the AA 'Streetwatch' survey overall ranking of one of the worst three postcode areas (for potholes, patched repairs, kerb stones, inspection covers, road works, uneven footpaths, blocked drains, road signs and road markings); and advise if he will endeavour to ensure a Kent postcode area features in one of the best three postcode area in the next survey?

Sources:

- UK Business Survey, 2009 - number of small and medium-sized enterprises in Kent
- AIA The economic impact of local road condition survey report, published 26.10.10. – costs to SMEs
- Automobile Association Streetwatch survey 1, published 17 January 2011 - Dartford: overall ranking of one of the worst three postcode areas

Response

The report referenced by Mr Robertson was in fact was carried out by YouGov for the Asphalt Industry Alliance. The report revealed that 55 per cent of small and medium sized enterprises in **England and Wales** are losing on average £13,600 each per year. The report says nothing whatsoever about Kent.

The AA 'Streetwatch' survey also referenced to by Mr Robertson, sought the view of just 11 people across the whole of the DA postcode area - and as Mr Robertson will know the DA postcode area includes most of the London Borough of Bexley, part of the London Borough of Greenwich, as well as Dartford and Gravesham in North Kent.

So Mr Robertson bases his question on a survey covering England and Wales that makes no mention of Kent - and a survey that statistically takes the feedback of possibly 4 or 5 people with a DA postcode that may live in the Gravesend or Dartford area.

Mr Robertson will I hope acknowledge the intensive road maintenance programme carried out last year under the Find and Fix initiative, which improved the overall state of the county's roads to a level not enjoyed for several years. The severe winter weather of December 2010 inevitably led to some further damage to our roads and Kent Highways Services have been able to quickly and successfully mobilise an increased number of maintenance crews to repair the damage caused by the worst weather in nearly 50 years.

COUNTY COUNCIL MEETING

17 February 2011

Question by Leslie Christie to Paul Carter, Leader of the Council

Would the Leader of the Council please report the latest position re funding from Government for Asylum Seekers? Has the coalition Government honoured the agreement negotiated with the previous Government? If not, has the Leader considered levying a Special Precept to cover the shortfall?

Response

For many years we have had particular concerns about the costs of those asylum seekers who have reached the point of All Rights of Appeal Exhausted. I have always been clear that it is not acceptable that this issue should be a burden on Kent council tax payers.

On Tuesday evening, I met with Damian Green, Minister for Immigration with senior civil servants and a KCC officer. We have come to an agreement and a way forward which we are happy with however the details are still being worked upon. As soon as I am in a position to give more detail I will, of course, do so but on the basis of the discussion we had I can confirm that there is no need to consider a Special Precept.

COUNTY COUNCIL MEETING

17 February 2011

Question by Gordon Cowan to

Bryan Sweetland, Cabinet Member for Environment, Highways and Waste

Can the Cabinet Member for Environment, Highways and Waste tell this council how he justifies the removal of the safety barriers within the town of Dover, and how much this is going to cost? And could he inform this council how many other towns are he is looking at doing the same and would he agree that the local JTB boards should be fully aware of any scheme before it goes out to public consultation.

Response

The decision whether or not to remove Pedestrian Guard Rails in Dover will be discussed at the Dover Joint Transportation Board (JTB). The cost of any work will depend on the outcome of this meeting. If the decision is taken not to remove any Pedestrian Guard Rails, then the cost will be nil. Kent Highway Services are having discussions with various districts covering 12 towns. It is important that local decisions should be taken locally and the JTB's have a key role to play in that process.

COUNTY COUNCIL MEETING

17 February 2011

Question by Dan Daley to

John Simmonds, Cabinet Member for Finance & Procurement

Even though all KCC employees have access to a corporate healthcare scheme which costs them £1.50 per person per week; Kent County Council spent over quarter of a million pounds* on private health care insurance for only 317 employees in the year 2009/10. Will the Cabinet Member for Finance & Procurement inform the Council how much that figure has increased (or decreased) in the current financial year and if he will consider cancelling this benefit and offer it as part of the £20million staff savings, thereby reducing the number of job losses?

*

- 2009/10 private health insurance cost a total of £237,750
- 2009/10 317 employees - value of public health insurance benefit £190,000 (Difference from 2004/05 £67,000)

Response

Mr Daley is correct in saying that we have made available to all KCC employees the opportunity to have access to the Beneden healthcare scheme at very low cost. He is also correct in saying that some staff also have access to the Senior Officer Medial Insurance scheme which KCC administers on behalf of public sector partners in Kent including both Kent Fire and Rescue and Kent Police. Employees in the scheme are also able to pay for their partners to be covered. The level of membership has slightly decreased since 2009/10 and KCC currently has 251 funded members of the scheme. Current costs to KCC including administration, insurance and other associated expense is approximately £220k.

We have a formidable challenge to meet the target of £500k described in the budget book under "changes to HR policies. Obviously we will be looking at all the commitments we have and staff will be kept advised as the reviews progress. I understand Mr Daley's viewpoint and throughout this process we are keen to ensure that whatever we do is as equitable as possible in these difficult times.

COUNTY COUNCIL MEETING

17 February 2011

Question by Tim Prater to

Roger Gough, Cabinet Member for Business Support and Strategy

In the three year period April 2007 to March 2010 Kent County Council paid nearly £5million in payoffs and redundancies. Will the Cabinet Member for Business Support and Strategy inform this Council of:

1. the total gross cost of payoffs and redundancies from April 2010 to 31 January 2011; and
2. the calculated total gross costs to the Council of the loss of 6 of its most senior managers in the current restructure?

Payoffs and redundancy data cover 2007/08, 2008/09 and 2009/10:

- Redundancy payments £3,193.70
- Other End of Contract Payments £1,64781
- Grand total £4,841,181

Response

Since April 2010 195 members of non schools staff have received redundancy payments at a total cost of £2,505,197.63. Much of this reflects the implementation of restructuring proposals agreed in 2009 for Kent Adult Social Services and Children, Families and Education. A further 18 people have received other end of contract payments, including Peter Gilroy, at a total cost of £784,012.58

It is now known that 9 of our most senior managers will leave as a result of changes introduced by the County Council under Change to Keep Succeeding. The total cost of exit payments to these staff is £538,263.53.

COUNTY COUNCIL MEETING

17th February 2011

Question by Trudy Dean to Paul Carter, Leader of the Council

Can the Leader of the County Council say what he understands by the Big Society and say how today's budget will use this concept to protect the young, the old and the vulnerable from the effect of cuts?

Response

Today's budget protects vital front line services for the young, older people and the vulnerable in Kent. This is demonstrated through retaining the highly popular and visible Community Wardens scheme, the Freedom Pass and retaining eligibility criteria for social care at 'moderate' when most local authorities have moved to 'substantial' or 'critical'.

The Big Society represents an opportunity for root and branch reform of how the state works. Empowering the front line and moving away from large centralised bureaucracies with expensive monopoly providers, to become a smaller more enabling state. One that commissions services at the right level - including de-scaling provision to commission more locally - from a greater diversity of providers including greater commissioning from the social enterprise, voluntary and community sector.

In Bold Steps for Kent, our new Medium Term Plan, we have set out a range of measures to further support the Big Society in Kent. A new Society of Kent Schools to support schools as they taken on more responsibility from KCC, working to encourage new social enterprises to enter the health economy, moving to locality boards and local place based commissioning with District Councils of local community services and the creation of a Big Society Fund to provide funding for social enterprises and the voluntary and community sector in Kent.

COUNTY COUNCIL MEETING**17th February 2011****Question by Elizabeth Green to Paul Carter, Leader of the Council**

Could the Leader provide a list of all non salary related benefits paid to staff, the current cost of each of those benefits to the Council, and the planned cost of each in the 20011/12 budget?"

Response

In replying to Mrs Green, I would like to be clear on how I have interpreted her question. She has referred to "non salary benefits", so any payment which is linked to salary such as all overtime and other allowances, including travel, pensions, sick pay, salary protection, maternity pay and cash awards, have been excluded.

She has also specifically asked about benefits "paid" to staff. Many of the benefits employees have access to are paid for by employees themselves but at a reduced rate, such as 10% off adult education courses or discounts at certain Kent based retailers. Additionally there are tax efficient schemes such as child care vouchers or donating to charity where payments are made before tax is applied. Others, such as annual leave, are not paid to staff but available to them.

The answer to the specific question is that the elements which were paid for and the cost in the year 2009/10 were:

- Relocation - £39,386.30
- Park and Ride - £112,236
- Selling leave - £699,735 including on costs. (This cost was offset by the £178,587 generated from staff buying additional annual leave)
- Medical Insurance for senior officers - 257 KCC members at a cost to KCC of £750 each, giving a total of £193k (Current year membership figures have declined slightly)
- Help Fund - KCC's charity for employees in severe financial difficulty. £10,000 is donated to this charity annually, and employees can also make personal donations through payroll for the Trustees to allocate appropriately

The cost of these benefits vary according to staff take up and so do not appear as specific lines in the budget book. However, we are currently considering whether it is possible to continue with these benefits, particularly the medical insurance scheme and the ability to sell annual leave, given the severe financial constraints on the Authority and we will be consulting with staff to deliver the £500,000 saving identified in the Budget under "changes to HR policies" spread across all Directorates.

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By: Director of Law and Governance
 To: County Council – 17 February 2011
 Subject: Revised Proportionality Calculations and Committee Membership
 Classification: Unrestricted

Summary: Invites the County Council to agree the recommendations made by Selection and Member Services Committee on the revised total number of committee places; the allocation of those places between the political groups; and the allocation of places on certain other bodies in the light of the recent Dover Town By-Election.

FOR DECISION

Composition of the County Council

1. (1) As a result of the election of Mr G Cowan at the recent Dover Town by-election, the composition of the County Council is now as follows:

Political Group	Number of seats	Proportion of seats
Conservative	73	87% (86.90%)
Liberal Democrat	7	8% (8.33%)
Labour	3	4% (3.57%)
Other	1	1% (1.19%)
Total	84	100%

Committee Appointments

2. (1) In order to reconstitute the Council's committees in accordance with the committee structure set out in the Constitution, the County Council is invited to agree the recommendations made by Selection and Member Services Committee on the allocation of committee places between the political groups.

(2) The Local Government and Housing Act 1989 requires committee places to be allocated between the political groups in accordance with the following principles:

- (a) the group with the majority of seats on the Council is allowed to have a majority of seats on each committee;
- (b) subject to (a) above, the number of seats on the total of all committees allocated to any political group must be proportional to the number of seats which that group holds on the Council;
- (c) subject to (a) and (b) above, the number of seats on each committee allocated to any political group must be proportional to the number of seats which that group holds on the Council.

(3) The table set out below shows the proposed revised committee structure. The figure in brackets shows the proportionality figure to the nearest hundredth of a decimal point that each group would be entitled to if the proportionality principle were to be applied to each committee. Following the Dover Town By-Election, this has resulted in the Labour Group increasing its share of the overall number of committee seats from five to eight.

(4) As indicated above, the Labour Group is entitled to three additional seats overall. If the revised proportionality calculations were applied strictly, this would mean that the Labour Group's eight seats would be on those bodies with the largest proportionality figures; for example, the Planning Applications Committee. However, at the Selection and Member Services Committee, the Leader of the Labour Group requested that the usual rules on proportionality be varied so that his group could concentrate its resources largely on overview and scrutiny committee work, whilst electing not to take up seats on the two main regulatory committees. Specifically, the Labour Group has requested that in addition to its five existing committee places, it has additional seats on each of the following:

- CFE POSC – Resource and Infrastructure
- Communities POSC
- Personnel Committee.

The Selection and Member Services Committee has agreed to recommend to the County Council that this request is granted. Those committees where the Labour Group would gain a place are identified in bold type in the table below.

(5) The Liberal Democrat Group has currently one more seat than it is strictly entitled to, because the Flood Risk Management Committee was created after the proportionality statement was last approved by the County Council in June 2009. The calculations for this particular committee were done without reference being made to overall proportionality. Technically, this means that the Liberal Democrat seat should now be allocated to the Conservative Group. The Selection and Member Services Committee has, however, agreed to recommend to the County Council that the overall proportionality should be varied to enable the Liberal Democrat Group to keep its seat on this committee. The effect of this would be to leave the Conservative Group with one less seat overall than it is strictly entitled to.

(6) Entitlement to places on Select Committees and Panels is unaffected by the Dover Town By-Election result.

(7) The table was prepared before the outcome of the Romney Marsh By-Election was known. For the purposes of calculating proportionality, this seat remains in the gift of the political group that held the seat prior to the by-election. Depending on the outcome of the by-election, it might be necessary to submit a revised report for consideration at the next meeting of the County Council.

(8) The County Council is also asked to note that these latest proportionality calculations and committee places may well only apply until the end of March 2011 if changes to the number and possibly the size of the overview and scrutiny committee bodies are agreed. Once these proposed changes are finalised, the Selection and Member Services Committee will re-consider the proportionality calculations and

make further recommendations on allocations to the various committees by political groups to the next meeting of the County Council on 6 April 2011.

Committee	Con	Lib Dem	Lab	independent	Total	Non KCC
Cabinet Scrutiny Committee	11 (11.30)	1 (1.08)	1 (0.46)	1 (0.15)	13 + 1	*5
Adult Social Services Policy Overview Committee	11 (11.30)	1 (1.08)	1 (0.46)	0 (0.15)	13	
Children, Families and Education POSC Learning and Development	11 (10.42)	1 (1.00)	0 (0.43)	0 (0.14)	12	@ 11
Children, Families and Education POSC Resource and Infrastructure	10 (10.42)	1 (1.00)	1 (0.43)	0 (0.14)	12	@ 11
Children, Families and Education POSC Vulnerable Children and Partnership	11 (11.30)	1 (1.08)	1 (0.46)	0 (0.15)	13	@ 11
Communities POSC	10 (10.42)	1 (1.00)	1 (0.43)	0 (0.14)	12	
Corporate Policy Overview Committee	11 (10.42)	1 (1.00)	0 (0.43)	0 (0.14)	12	
Environment Highways and Waste POSC	11 (10.42)	1 (1.00)	0 (0.43)	0 (0.14)	12	
Regeneration and Economic Development POSC	11 (10.42)	1 (1.00)	0 (0.43)	0 (0.14)	12	
Health Overview and Scrutiny Committee	10 (10.42)	1 (1.00)	1 (0.43)	0 (0.14)	12	4 \$
Scrutiny Board	9 (8.69)	1 (0.83)	0 (0.36)	0 (0.12)	10	+
Governance and Audit Committee	12 (11.30)	1 (1.08)	0 (0.46)	0 (0.15)	13	
Electoral & Boundary Review Committee	7 (6.95)	1 (0.66)	0 (0.29)	0 (0.10)	8	
Personnel Committee	6 (6.95)	1 (0.66)	1 (0.29)	0 (0.10)	8	
Planning Applications Committee	16 (14.77)	1 (1.41)	0 (0.61)	1 (0.20)	17+1	
Regulation Committee	15 (13.90)	1 (1.33)	0 (0.57)	1 (0.20)	16 +1	
Selection and Member Services Committee	7 (7.82)	1 (0.75)	1 (0.31)	0 (0.11)	9	
Superannuation Fund Committee	7 (6.95)	1 (0.66)	0 (0.29)	0 (0.10)	8	3 (1/1/1) #
Children's Champions Board	7 (6.95)	1 (0.66)	0 (0.29)	0 (0.10)	8	
Flood Risk Management Committee	6 (6.08)	1 (0.58)	0 (0.25)	0 (0.08)	7	

TOTAL	199	20	8	3	230	
Proportionate Share of Total	200 (199.88)	19 (19.17)	8 (8.21)	3 (2.74)	227 (+3)	
Difference to Proportionate share	-1	+1	0	0		

- * 3 diocesan representatives and 2 parent governor representatives with voting powers on education issues only.
- @ 3 Diocesan representatives, 2 parent governor representatives and 6 Teacher representatives
- \$ 4 District Council representatives with voting powers.
- + To include Chairmen of preceding nine Committees (as agreed previously by the County Council).
- # 3 District Council representatives (1 Con, 1 Lab, 1 Lib Dem) with voting powers.

Sub-Committees	Con	LD	Lab	Ind/un-allocated	Non KCC	Total
Select Committees	7	1	0	0		8
Regulation Committee Panels (School-related Appeals (mainly Transport); Enforcement, Public Rights of Way, Marriage Premises, Village/Town Greens)	4	1	0	0		5
Advisory Boards	Con	LD	Lab	Ind/un-allocated	Non KCC	Total
Gypsy and Traveller Advisory Board	7	1	0	0		8
School Organisation Advisory Board	7	1	0	0		8

Other Authorities, Joint Committees and Partnership Bodies

3. (1) The proportionality principles in the 1989 Act also apply to the appointments which the County Council makes to various other authorities, joint committees and partnership bodies. The entitlement to places is unaffected except for the Kent and Medway Fire and Rescue Authority where the Labour Group is now entitled to 1 seat at the expense of the Conservative Group.

Recommendations

4. (1) The County Council is invited to:

(a) agree the revised proportionality calculations and confirm that the Labour Group is invited to fill an additional three committee places to which the overall proportionality rules entitle them;

(b) agree that the three committees where the Labour Group gains a seat at the expense of the Conservative Group are CFE POSC – Resource and Infrastructure; Communities POSC; and Personnel Committee;

(c) agree to vary the overall proportionality so that the Liberal Democrat Group keeps its seat on the Flood Risk Management Committee; and

(d) agree that the Labour Group receives an entitlement to take up a seat on the Kent and Medway Fire and Rescue Authority at the expense of the Conservative Group.

Peter Sass
Head of Democratic Services and Local Leadership
01622 694002

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By: Paul Carter, Leader of the Council

To: County Council - 17 February 2011

Subject: Medium Term Financial Plan 2011-13 (Incorporating the Budget and Council Tax Setting for 2011/12)

Classification: Unrestricted

Summary: This report has been prepared so that Kent County Council can formally set its budget and Council Tax levels for 2011/12 in accordance with relevant legislation.

The report briefly provides an update on the 2010/11 financial position and makes detailed proposals for the 2011/12 revenue and capital budgets, as set out in the draft Budget Book and proposed Medium Term Financial Plan (MTFP). This report incorporates Final Settlement Grant figures which were confirmed by Parliament on 9th February 2011, final tax base notifications, final collection fund surpluses and deficits, all as described in the updated Cabinet Report of 2nd February 2011. Consequential changes made to the MTFP and Budget have been identified within this report, as set out in paragraph 19 onwards ('Changes between draft budgets for Cabinet and County Council').

This report incorporates the proposals to deal with the unexpected reduction in the Early Intervention Grant and the loss of Area Based Grants which were referred to in the draft Budget Book and proposed MTFP. These reductions in grant were announced too late to be included in the draft proposals.

This report incorporates the changes to the Dedicated Schools Grant following consultation with the Kent Schools Forum (which could not take place between the provisional settlement being notified on 13th December and the launch of the draft Budget on 6th January).

This report seeks formal approval to proposals from Personnel Committee to change the eligibility for essential user status (together with consequential impact on lease car users).

At this stage the draft Budget Book and proposed MTFP have been drawn up according to the portfolio and directorate structures prior to restructuring. However, the information has been presented in appropriate building blocks to enable the transfer into new portfolios and the new structures following the approval of "Change to keep Succeeding" without materially changing the budget approved by the full Council. The approval seeks delegated authority to make the necessary transfers into the new portfolios and structures within the limits set out in paragraph 45 of this report.

Indicative financial information has been provided within the MTFP for 2012-13. It should be noted that this is for planning purposes only, in line with the requirements of the Local Government Act 2003.

Members are reminded to bring the **white comb-bound** "Budget Book 2011/12" and "Medium Term Plan 2011-13" to this meeting.

Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to matters relating to, or which might affect, the calculation of Council Tax.

Any Member of a Local Authority, who is liable to pay Council Tax, and who has any unpaid Council Tax amount overdue for at least two months, even if there is an arrangement to pay off the arrears, must declare the fact that he/she is in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

INTRODUCTION

1. The Local Government Finance Act 1992 requires the Council to formally consult on and ultimately set a budget and Council Tax for the next financial year, 2011/12. This report sets out the required calculations and recommendations. The proposed Budget 2011/12 and MTFP 2011-13 have been drawn up so that the Acting Director of Finance can satisfy Section 25 of the Local Government Act 2003 which requires the Director of Finance to give an opinion on the robustness of the budget estimates and the level of reserves held by the Council.
2. The Council's budget is set within the framework of its policy priorities and in particular the proposed 2011/12 budget and 2011-13 MTFP supports the vision set out in Bold Steps for Kent. The proposed budget and MTFP also takes into account a range of external factors including national local government funding, the economic situation and the legislative programme.
3. In a break from previous convention we have produced a two year MTFP covering 2011/12 and 2012/13. This echoes the Local Government Finance Settlement which has only been announced for two years pending a fundamental review of local government funding to be conducted over the next 6 months and planned to be implemented from 2013/14.
4. The MTFP sets out in detail the main issues that have been taken into account in setting the budget and Council Tax for 2011-12, summarised as follows:
 - Government revenue grants to reduce by £58m (over 10% excl. schools) on a like for like basis compared with the original grant announcements for 2010/11
 - Unavoidable additional revenue spending pressures of £28m to cover inflation, demand/demographic changes and externally imposed factors (this has increased from the previous draft budget due to revised pressures including children's services)
 - Revenue investments of £17m to support local policy priorities (this has increased from the previous draft budget due to increasing the

- contingency which may be needed for the implementation of the Children's Services Improvement Plan)
- Additional £5m in Council Tax receipts due to increase in the tax base and the surplus on the collection fund notified by Districts (this has increased by over £3m from the previous draft budget) and an additional £3m from reversing one-off pressures from 2010/11
 - We are proposing to freeze the rate of Council Tax at the same level as 2010/11 i.e. £1,047.78
5. The overall impact of the summary in paragraph 4 leaves £95m to be found from income generation or savings in 2011/12 (with an estimated further £65m to find in 2012/3). Members should note that KCC's discretionary net expenditure of approx £1bn (excluding schools) is funded by over £400m of un-ringfenced Government grants (which have reduced) and the rest is funded by Council Tax (which is frozen).
 6. The changes to the grant regime are complex making year on year comparison complicated. We have produced a graphic presentation in the revised draft Budget Book for County Council (white combed) and the transfers will be covered in a brief presentation to the Council at the start of the meeting.
 7. Capital grants and supported borrowing have reduced significantly following the Spending Review and provisional Local Government Finance Settlement particularly in relation to future waves of Building Schools for the Future and Integrated Transport. In difficult economic circumstances we have sought to sustain an ambitious capital investment programme and in particular support the borrowing necessary to honour previous pledges and promises on individual schemes.

BUDGET 2010/11

8. Budget monitoring for the current year has shown significant demand led pressures on Adult Social Services, Children Social Services and Freedom Pass, as well as inflationary pressures with contractual indexation continuing to exceed Government targets. The proposed budget for 2011/12 takes these pressures into account to ensure that our base budget reflects the latest possible projections of activity and cost.
9. Although monitoring has also shown a pressure on the asylum budget due to outstanding issues with previous years' grant claims and continuing support for those with "All Rights Exhausted" we are still in negotiation with the UK Border Agency to resolve this issue on a permanent basis. Therefore, we are not making any additional provision for KCC to support the Asylum budget, which assumes we will reduce the cost of support to £150 per week in line with the Home Office grant and KCC's only net budget requirement would be to fund the cost for the first 25 cases leaving care.
10. The second quarter's monitoring forecast a net £4.5m under spend on the revenue budget for 2010/11 after in-year management action to address some of the pressures outlined in paragraph 7. The proposed budget for 2011/12 assumes that all this under spend from 2010/11 will be available to support the

2011/12 budget. The latest monitoring report forecasts greater under spend, leaving some headroom on roll-over for other purposes at year-end.

11. We have introduced a moratorium on non essential expenditure for the remainder of the current financial year. We are projecting that this moratorium will produce a further £1m under spend which can be rolled forward to support the 2011/12 budget. We are on target to deliver this.
12. We expect to close the 2010/11 accounts with £26.7m of general reserves, which is in line with the Council's financial strategy. It is also in line with recommended best practice as provided by both CIPFA and the Audit Commission. In light of the increased risks to the County Council the budget proposals include an increase in general reserves of £5m (increasing reserves to 3% of gross expenditure excluding schools).
13. Schools started 2010/11 with revenue reserves of £51.8m and capital reserves of some £13.9m. This represented an £11.4m reduction in revenue reserves compared to 2009/10 and an increase in capital reserves of £4.5m. This is consistent with previous year's trend following the introduction of the balance control mechanism in January 2007.
14. It should be noted that the Dedicated Schools Grant (DSG) is a ring-fenced grant and any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, for use in schools or on schools related expenditure.

CONSULTATION

15. The draft budget was launched on 6th January. KCC was one of the first Councils to officially publish budget proposals. The launch received widespread local media coverage and information has been published on KCC's web-site. Members of the public and staff have been encouraged to examine the budget proposals and submit comments as part of the formal consultation process.
16. As well as consulting with the general public we arrange formal consultation with Trade Unions & Professional Associations, the business community, opposition Members, and the Kent Youth County Council. Policy Overview and Scrutiny Committees have considered the budget proposals during their meetings in January 2011. A meeting with staff representatives was held on 20th January, and a presentation to business leaders took place on 26th January. The budget proposals were reviewed at Cabinet Scrutiny Committee on 24th January and 9th February.
17. We have also commissioned the market research firm Ipsos MORI to undertake a study of public attitudes to expenditure priorities and Council Tax levels. This information has informed the recommendations made to County Council and a summary was attached to the report to Cabinet on 2nd February 2011.
18. The views from this consultation process were reported to Cabinet on 2nd February 2011 and appendices to the report included notes of all of the consultation meetings.

CHANGES BETWEEN DRAFT BUDGETS FOR CABINET AND COUNTY COUNCIL

19. Some changes to the Budget Book and Medium Term Financial Plan document have been made since the draft was first published on 6th January. These are explained in this section. Some changes were anticipated at the time the draft budget was launched due to the unexpected reductions in some grants announced in the provisional Local Government Finance Settlement on 13th December which left insufficient time to fully evaluate the impact. These unexpected reductions principally affected Children Families & Education and Communities. The proposals to deal with these previously unidentified savings were reported to Cabinet on 2nd February. Other changes result from the final notification of the 2011/12 Council Tax base and Collection Fund balances from 2010/11, the final Local Government Finance Settlement, and the final arrangements for the distribution of the Dedicated Schools Grant.

Early Intervention Grant

20. The draft budget identified that the new Early Intervention Grant was £11.5m less in 2011/12 than the original announcements for the 2010/11 grants which transferred into the new grant. Some of this reduction relates to the in-year reductions to Area Based Grant in 2010/11 (which we were expecting would be reflected in the 2011/12 settlement) but we were not expecting the further reductions (equivalent to 9.7% nationally) or the transitional arrangements to limit the impact. The draft budget left information on spending reductions amounting to £6.402m in 2011/12 and £3.092m in 2012/13 to be identified before the County Council meeting.
21. The draft MTFP for County Council (white combed) for Children Families and Education identifies the proposed spending reductions necessary to cover the loss of EIG (page 72). These were reported to Cabinet on 2nd February. At this stage we have still not been able to finalise the precise split of savings between 2011/12 and 2012/13. More details of the proposed savings will be reported to the Education Learning & Skills Policy Overview and Scrutiny Committee on 14th April.

Area Based Grant

22. The draft budget identified that £11.949m of Area Based Grant (ABG) announced at the start of 2010/11 had not transferred into Formula Grant or Early Intervention Grant. £9.182m related to CFE, £2.430m related to Communities, and £0.337m related to EHW. The reductions relating to CFE were not reflected as detailed savings proposals, awaiting further clarification of other grants (although it was assumed the ABG would be lost). The draft Budget Book and MTFP for County Council (white combed) now includes the proposed spending reductions in CFE as a result of the loss ABG. These were reported to Cabinet on 2nd February.
23. At the time this report was published we were still waiting for detail of the grants affecting Communities (principally Safer Stronger Communities). We have assumed that the reductions announced in 2010/11 will be reflected in 2011/12 and at this stage have assumed we will receive grant of £1.525m. Any changes

as a result of the final announcements will have to be treated as in year variations and reported as part of budget monitoring. We have reduced the overall saving expected from EHW as a result of the loss of ABG to ensure there is no impact on the highway maintenance budget. We have included £138k of ABG to fund Inshore Fisheries Conservation not included in the earlier draft budget.

Council Tax base & Collection Funds

24. We estimated that the Council Tax base would increase by 0.5% when we launched the draft budget 6th January. The final notification from District Councils (as reported to Cabinet on 2nd February) confirmed that the increase was better than we had anticipated and the tax base has increased by 0.74%. This generates an additional £1.252m.
25. Cabinet agreed that £1m of this should be allocated to CFE to reflect the latest forecast pressure on children's service placements (principally fostering), £100k to EHW to protect the highway maintenance budget from the reductions in Area Based Grant, £70k to Localism & Partnerships to provide District Councils with additional grant reflecting their share of the increase relating to the reduced discount on second homes, and the balance be allocated to Finance to cover changes in the financing of the capital programme (see paragraph 34). These changes have been reflected in the revised draft Budget Book and MTFP for County Council (white combed).
26. KCC's share of the surplus balance on the district Collection Funds as at 31 January 2011 is £1.991m. Cabinet agreed that this should be added to the Finance portfolio for the contingency being held for the Children's Social Care Improvement Plan if additional funding is necessary following approval of the implementation plan.

Dedicated Schools Grant

27. The draft budget was based on the estimated DSG included in the 2010-13 MTFP as the timing of the provisional settlement did not allow time to discuss the implications with the Kent Schools Forum prior to the launch on 6th January. The settlement for schools includes the transfer of 23 grants that were previously allocated as ring-fenced Standards Fund, Standards Grant and other grants. The overall position for schools is that the new DSG settlement including the transferred grants provides the same per pupil in cash terms as 2010/11 (other than previously announced reductions in Diploma Grant and the end of pilot programmes).
28. The draft Budget Book and MTFP for County Council (white combed) includes an estimated DSG of £877m after allowing for the transfer out of funding for academies, reductions in pupil numbers and the impact of grant transfers which were not delegated to schools. The final position in relation to Dedicated Schools Grant (DSG) will be subject to the remaining recommendations from the Kent Schools Forum and decisions referred to the Secretary of State. Final decisions on the allocation of DSG need to be delegated to the Cabinet Member for Education, Learning & Skills (ELS) including finalising schools' delegated

budgets by 4th March. The final amount of DSG will not be announced by the Government until June 2010.

Final Settlement

29. The final local government grant settlement is scheduled to be approved by parliament on 9th February. We are anticipating that the Formula Grant settlement will reduce by £152k from the provisional settlement. This has been reflected in the draft Budget Book and MTFP for County Council (white combed) as a reduction to the Finance portfolio.

Other Changes

30. The Budget Book and MTFP have been updated to reflect the most up to date information. That includes refining of gross and income estimates, distribution of government grants, further clarification of activity in the A to Z of services in the budget book, and updates on the commentary in the MTFP relating to announcements since the draft was published.
31. We have re-presented the A to Z of services for the County Council in an alternative format by portfolio to assist debate on the day. This alternative format has exactly the same proposed budget amounts. We have also included a line number reference on each page of the draft Budget Book for County Council (white combed) to make the impact of any amendments easier to identify. At this stage we have had to present information according to the portfolios as they existed prior to the changes announced on 28th January. The Budget Book in A to Z format has been designed so that it can be transferred to new portfolios without materially changing the budget approved by the full Council (subject to the delegation limits set out in paragraph 45)
32. Table 1 summaries the impact on the overall budget requirement of the changes since the draft budget was published.

TABLE 1 – CHANGES TO DRAFT REVENUE BUDGET 2011/12	Net £'000
Budget Requirement per draft on 6th January	905,825
Additional income from increased Council Tax base	1,252
Additional income from Collection Fund surplus	1,991
Area Based Grant not included in draft budget	138
Reduction in Formula Grant in final settlement	-152
Revised proposed Budget Requirement as per “Draft for County Council”	909,054

33. Table 2 summarises the changes in revenue budget portfolio totals.

TABLE 2 – CHANGES TO PORTFOLIO AMOUNTS	Original Draft Net £'000	County Council Net £'000
Children, Families & Education	169,536	170,536
Adult Social Services	336,204	336,204
Environment Highways and Waste	162,091	162,191
Communities	77,968	77,968
Regeneration & Economic Development	5,224	5,224
Public Health & Innovation	483	483
Localism & Partnerships	7,799	7,869
Corporate Support Services & Performance Management	28,183	28,183
Finance	118,337	120,396
Budget requirement 2011-12	905,825	909,054

CAPITAL INVESTMENT PROPOSALS 2011/12

34. There have been very few changes to the proposed capital programme as reported to Cabinet on 2nd February. The only changes made are:

- An additional £1.9m to fund the completion of the Rushenden Link road
- Update the academies programme to reflect the latest notifications from Government
- Changes to reflect the re-phasing of the 2010/11 programme into later years

The revised estimated resources are summarised in Table 3 below:

TABLE 3 – TOTAL ESTIMATED RESOURCES 2011/12	Original Draft Net £'000	County Council Net £'000
SOURCE OF FUNDING:		
Supported Borrowing	81	81
Prudential Borrowing	33,549	34,477
Prudential funded from Portfolio Revenue	10,020	10,072
Property Enterprise Fund 2 (PEF2)	6,811	7,000
Grants	200,512	214,054
External Funding - Developer Contributions	8,430	7,268
Other External Funding	4,971	5,079
Revenue and Renewals	11,435	11,357
General Capital Receipts	256	556
Earmarked Capital Receipts	8,564	8,538
Private Finance Initiative (PFI)	22,000	22,000
Total of Funding Available	306,629	320,482
Amount of over-programming	10,000	10,000
Total Planned Capital Resources	316,629	330,482

The increase of £14m since the original draft is principally due to the additional re-phasing of expenditure from 200/11 reported to Cabinet.

35. The total forecast capital expenditure financed from all of the above sources of funding is as follows:

TABLE 4 - CAPITAL EXPENDITURE 2011/12	Original Draft Net £'000	County Council Net £'000
PORTFOLIO:		
Children, Families & Education	163,392	174,745
Adult Social Services	34,584	35,366
Environment, Highways and Waste	84,185	85,874
Communities	12,855	12,946
Regeneration & Economic Development	9,889	9,889
Localism & Partnerships	500	500
Corporate Support Services & Performance Management	11,224	11,162
Total Planned Capital Expenditure	316,629	330,482

36. The above figures reflect the re-phasing as set out in the regular budget monitoring reports to Cabinet throughout 2010/11, including the report on 2nd February 2011.
37. The Prudential Regime requires that this capital programme be agreed with due regard to the new indicators which have been provided in full at Appendix D in the MTFP.

COUNCIL TAX 2011/12

38. It is proposed to freeze the level of Council Tax in relation to the County Council precept at the same rates as 2010/11. This will result in a precept of £573.688m on district councils based on the notified council tax base. The frozen amounts for each Council tax band are shown in table 5 below. In practice, people will pay lower amounts of tax if they are eligible for discounts (e.g. people living alone) or receive Council Tax Benefit which is available to people on low incomes. These tax levels exclude the charges from the separate Fire & Rescue Authority, Police Authority, District Councils and Parish Councils.

TABLE 5 – KCC COUNCIL TAX AT FROZEN LEVELS								
	Band							
	A £	B £	C £	D £	E £	F £	G £	H £
Annual Charge	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

STAFF PAY

39. This is our seventh year of local pay bargaining, and has continued to be undertaken in an honest and constructive manner. The difficult financial climate together with the challenges Kent County Council face now and in the medium term have been key factors in the discussion with our recognised Trade Unions.

40. The Government has now formally abolished the recently created "Schools Support Staff Negotiating Body" which was to take responsibility for the reward structure for such employees in schools. A consequence of this abolition will be that school support staff will continue to be employed under Kent Scheme terms and conditions of employment and therefore any associated local pay settlement.
41. The County Council has made no budgetary provision for a cost of living award. The Trades Unions local submission this year was a reflection of the national submission in that they seek a minimum of £250 for all, an additional days annual leave, retention of essential car user status and its associated payment, a reversal of the Kent Scheme pay structure changes and for KCC to provide paid time off for staff undergoing IVF treatment. Consequently pay bargaining did not conclude with a joint recommendation, though discussions will continue.
42. The proposed 0% does not meet the trade union expectation or predicted levels of inflation, but does take into account the Council's budgetary pressures and challenging economic conditions. This will be the second consecutive year that there will be no increase.
43. Personnel Committee agreed and recommends to County Council that there is no pay award for 2011/12, but that the proposed addition of leave for those staff undergoing IVF treatment is pursued.

STAFF TRAVEL

44. The draft budget proposes savings from changes to staff travel allowances as recommended by the Personnel Committee. The committee has looked into the current arrangements for reimbursement for essential and casual users and has concluded that the current arrangements are inequitable and cannot be sustained.
45. Currently essential users are classified as those who are required to travel more than 2,500 miles per annum in the course of their duties (or in the case of certain specified groups of employees more than 1,500). Essential users are entitled to a lump sum payment towards the cost of maintaining a car and are reimbursed according to a mileage rate agreed by the Council. This entitlement normally creates a taxable benefit and national insurance liability for the user. Essential users are also entitled to apply for a car loan, a KCC subsidised lease car, or a KCC county car (according to other specified circumstances).
46. Other staff who do not meet the criteria for essential user are paid as casual users. Casual users are paid 40p per mile up to 10,000 miles and 25p per mile thereafter. These rates are set by HMRC as the agreed rates for which there is no taxable benefit. Mileage paid above these rates would be taxable. In exceptional circumstances casual users can be granted a car loan.
47. Personnel Committee has agreed that the current criteria are not sustainable. As a consequence the Committee has recommended the only option is to remove essential user status and all employees would reclaim travel expenses as casual users. The recommendation requires full Council approval.

48. We are considering appropriate compensation arrangements for members of staff who would change travel status, and other ways which the authority can help staff have access to an affordable car without compromising personal taxation liability. It is our intention that employees graded KR10 or below are no worse off as a result of the changes to travel allowances. Once the alternative arrangements have been agreed due notice will be given to employees affected by the withdrawal of essential user status and existing contracts for car loans/lease cars/county cars would be honoured. Personnel committee will keep these considerations under review and approve the necessary changes to KCC's personnel procedures (blue book).

KCC RESTRUCTURE

49. The draft Budget Book and MTFP for County Council (white combed) has been produced according to portfolios prior to the changes announced on January 28th. We anticipate that the revised presentation of the budget book in an A to Z format will mean that the approved budget from County Council can be recast to reflect the new portfolio responsibilities without material changes. The consequential revised portfolio budgets would be presented as part of the first quarter's budget monitoring report including a full reconciliation to the amounts approved by the full Council.
50. Some minor revisions may be necessary where an existing budget line has to be split into more than one of the new portfolios. We propose that responsibility for agreeing the recast to new portfolios be delegated to the Cabinet Member for Finance in consultation with the Leader and Cabinet Members, and that he has delegated authority to approve minor variations up to £500k on individual budget lines as they appear in the A to Z of services in order to effect a smooth transition.
51. Following approval of the budget at County Council we have traditionally produced a final budget book in March. This book includes additional information on a subjective analysis (how money is to be spent), Council Tax and reappportionment of overheads outside controllable budgets. We propose that we continue to include these alternative analyses without varying any of the individual amounts approved by the full Council.
52. We also propose to include a new section setting out the amounts to be delegated to individual managers within directorates according to the new structures approved by the County Council on 16th December. This revised presentation by manager would replace the budget information previously included in Business Plans. Any delegations below the level set out in this new presentation would still have to be agreed by individual Cabinet Members through new business plans.

Update to the operating framework

53. As a result of the financial settlement in relation to the Education budget, some refinement of the structure of the Education, Learning and Skills Directorate is required. As a result, it is proposed that the post of Director of Specialist Schools Services is deleted from the operating framework. The residual responsibilities currently in that role will be delivered through a revised Director

of School Improvement and Standards and two Heads of Service. A revised Job Description for the Director post is attached as Appendix 1.

54. In presenting this budget to the County Council, Members are invited to confirm that Andy Wood, currently the Interim Director of Finance, also acts as the County Council's Interim Section 151 Officer over the period that the current post holder is absent. The allocation of this responsibility rests with the County Council which is invited to agree to this temporary change in designation to Andy Wood of this statutory post. The statutory roles of Director of Adult Social Services (DASS) and Director of Children's Services (DCS) are vested in the role of Corporate Director of Families and Social Care (FSC) in the new operating framework. This post is part of the significant savings achieved through the new senior management structure and the post is currently being advertised nationally. It is proposed that pending the appointment of a permanent Corporate Director, Malcolm Newsam is the Interim Corporate Director of FSC and holds the two statutory posts DASS and DCS allocated to this post. County Council is asked to agree this interim appointment.

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

55. As required by the Local Government Act 2003, the Director of Finance must formally give opinion as to the robustness of the budget estimates and the level of reserves held by the Council.
56. The estimates have been produced from a challenging process with Portfolio Holders and Directorates, resulting in agreement on the level of service delivery within the identified financial resources. In addition, the MTFP sets out the main budget risks, alongside the proposed management action for dealing with these.
57. The MTFP also clearly sets out the recommended strategy for ensuring adequate reserves and in particular recommendations to increase the amount held in reserves to manage risk and a drawdown from longer term reserves (to be reimbursed at a later date). In making these recommendations consideration has been given to a number of key factors including; the economic and fiscal uncertainty into the future, the potential disruption due to restructuring, our recent excellent record on budgetary control, the internal financial control framework, our strong approach to risk management and the expected level of General Reserves at 31 March 2011. The level of general reserves is in line with best practice as recommended by CIPFA and the Audit Commission.
58. To conclude, the Director of Finance is able to formally report that the budget estimates are robust and the level of reserves adequate.

RECOMMENDATIONS

59. The Council are asked to approve the contents of the attached 2011/12 Budget and Medium Term Financial Plan 2011-13 and to approve the following proposals:

- (a) that Andy Wood is confirmed as the Interim Section 151 Officer with immediate effect and Malcolm Newsam as Interim DASS and DCS with effect from 1st April 2011;
- (b) the Revenue and Capital Budget proposals for 2011/12;
- (c) the Revenue Budget requirement of £909,054,000;
- (d) the Capital Investment proposals of £330,482,000, together with the necessary use of borrowing, revenue, grants, capital receipts, renewals and other earmarked capital funds, external funding and PFI, subject to approval to spend arrangements;
- (e) the Prudential Indicators as set out in Appendix D of the attached Medium Term Financial Plan;
- (f) the Revenue and Capital Budget proposals as presented in the white combed version of the Budget Book and Medium Term Financial Plan for:
- Children, Families and Education;
 - Adult Social Services;
 - Environment, Highways and Waste;
 - Communities;
 - Regeneration and Economic Development;
 - Public Health & Innovation;
 - Localism & Partnerships;
 - Corporate Support Services & Performance Management; and
 - Finance;
- (g) that final recommendations in relation to the Schools Budgets and Dedicated School Grant (DSG) be delegated to the Cabinet Member for Education Learning & Skills (ELS);
- (h) that there is no pay award for staff in 2011/12, but that the proposed addition of leave for those staff undergoing IVF treatment is pursued;
- (i) the removal of essential user status and delegation to Personnel Committee to agree final compensation arrangements for existing users, alternative ways for the Authority to help staff have access to an affordable car and to agree the necessary changes to KCC's Personnel policies and procedures;
- (j) that the re-presentation of the budget to reflect the new portfolio responsibilities announced on 28th January be delegated to the Cabinet Member for Finance in consultation with the Leader and Cabinet Members and that he has delegated authority to vary individual budget lines by up to £500k to effect a smooth transfer;
- (k) a total requirement from Council Tax of £573,688,888 to be raised through precept to meet the 2011/12 budget requirement; and
- (l) a Council Tax as set out below, for the listed property bands:

Band								
Council Tax for Band	A	B	C	D	E	F	G	H
£	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

Background documents:

Autumn Budget Statement – Cabinet 29th November 2010

Medium Term Financial Plan 2011-14 considered by Policy Overview and Scrutiny Committees between 4th November 2010 and 19th November 2010

Provisional Local Government Finance Settlement 2011/12 and 2012/13 – 13th December 2010

Provisional Local Government Settlement 2010/11 – Cabinet 11th January 2010

KCC response to the Provisional Local Government Finance Settlement – 17th January 2011

Draft 2011/12 Budget and Medium Term Financial Plan 2011-13 launched 6th January 2011 and considered by Policy Overview and Scrutiny Committees between 11th January 2011 and 18th January 2010

Budget 2011/12 and Medium Term Plan 2011-13 – Update to Cabinet 2nd February 2011

Officer Contact:

Andy Wood, Acting Director of Finance, Ext. 4622
 Dave Shipton, Finance Strategy Manager, Ext. 4597

Kent County Council

Job Description: **Director of School Improvement & Standards**

Date: February 2011

Directorate:	Education, Learning & Skills
Division:	School Improvement & Standards
Location:	Variable
Grade:	KR17
Responsible to:	Corporate Director – Education, Learning & Skills

Job Outline

Champion and support the strategic cohesion in the delivery of children's services by maintaining and developing key links with district school improvement teams, children's social services and preventative services via the locality boards and the Kent Children's Trust

Develop and lead the commissioning of services (including joint commissioning) and development of a new policy framework to support the overarching activity of the schools community in Kent and to address the new national policy framework in this area as it emerges.

Lead and co-ordinate the admissions service to ensure children are placed in schools in line with the Authority's admission criteria and that appropriate school transport is commissioned to support these admissions.

Direct and lead the development of planning and the provision of educational services to ensure service delivery and standards are maintained and improved and are cost effective.

Develop and direct strategies to ensure that learning provision in schools and pre-school settings are quality assured and that standards are met and improvements are identified and reported.

Develop curriculum and skills provision beyond age 14 across the county, in partnership with local colleges, and in conjunction with integrated youth services, apprenticeships and Connexions, ensuring that this supports the Kent economy.

Lead and develop strategies for the provision of early years and child care services to ensure they meet need and that there is a coherent level of coverage available to people who require the services.

Lead and direct information and support to parents promoting a transparent information environment for all school activity.

Lead and direct the provision of a Financial Awards service.

Lead and direct support to Governors to ensure the development and continuous improvement of the local management of schools.

Champion intervention in school settings and institutions that fail to meet standards for the education of children and young people in Kent.

This post will act as the Caldicott guardian for these services.

Ensure that all services provided by this post are actively reviewed as to the 'right source' option for their future delivery - that will cover options of outsourcing, co-sourcing or insourcing to ensure the most effective and efficient delivery method has been chosen.

Structure

Standards and School Improvement
Early Years and Childcare
14-19 Entitlement
Careers guidance
Connexions
Governor Services
Planning & Provision
Admissions & Transport
Association of Schools
Information and support for Parents
Financial Awards

Corporate Responsibilities:

All senior staff will operate as one leadership and management community, connecting across services and drawing together strategy and delivery as appropriate.

All senior staff in Kent County Council will fully engage with staff to understand the detail of service delivery models and challenge the practice that exists in order to eliminate unnecessary processes and activities to minimise the resources necessary to deliver services to the people of Kent.

All senior staff are corporate parents to the Council's looked after children and must take an active part in ensuring the needs of these children in our care are met.

Customers & Partners

Engage with and build positive relationships with customers to ensure that their requirements are at the centre of the design and delivery of services in accordance with the Council's customer strategy.

Ensure that the needs of everyone in Kent are met by modelling behaviour that fosters equality of opportunity in service provision and employment.

Contribute to the development and delivery of the one Council brand, enhancing the overall reputation of Kent County Council.

Build and promote successful partnership working with private, voluntary and other public sector organisations and with service users to deliver more cost effective and valued services.

Commission effective and efficient services through a range of direct delivery, innovative partnerships and commercial arrangements which meet the three ambitions of the medium term plan "Bold Steps for Kent".

Leading Services

Ensure that the Council performs its duties and functions in fulfilment of its statutory obligations.

In pursuit of this responsibility, senior managers need to ensure that they, and their relevant staff, keep abreast of the Council's changing legal obligations and mandates. Responsible for ensuring relevant compliance with the financial regulations and standing orders of the Council.

Responsible for the managerial leadership of those services and functions that are set within the direction of this post as well as for Council services corporately. Promote managerial responsibility for cross-organisational team working, and across boundaries with other agencies and partners, to improve services and solve problems in a coherent and integrated manner.

Ensure that relevant and best professional advice, guidance and information is available in an intelligible and timely fashion to the Cabinet, Scrutiny, all elected Members, as well as to other stakeholders.

Sustain and improve the overall reputation of the Council and act in the best interests of Kent through effective representation locally, regionally and/or nationally.

Leading People

Demonstrate the Council's managerial leadership values and behavioural competencies – providing positive leadership, acting with openness, honesty and integrity, and instilling a clear sense of direction, priority and pace. Leading people in an inclusive way to deliver strategic and operational objectives.

Ensure that effective arrangements are in place to secure the overall well-being and the health & safety of all employees and people delivering services for the Council.

Performance, Finance and Risk

Develop and embed a performance culture that delivers results through rigorous open challenge, personal accountability, disciplined execution and continual improvement.

Ensure that all services/functions are delivered within and to budget.

Provide managerial leadership to the improvement of corporate and service performance by ensuring that resources are targeted on the Council's priorities and meeting customer needs.

Improve the overall management of resources (financial, human and other) in serving the public of Kent. Discover new ways to reduce the cost of services to taxpayers and their overall productivity and value for money to service users through a range of approaches, including: the strategic re-design of services and their costs; the use of business and operational process improvements; the smarter use of supply (through out-sourcing, co-sourcing and in-sourcing where appropriate); the better use of demand management; and improved asset management. Ensure managers within the directorate fully use the Council's systems, become self supporting through the use of technology and reduce duplication.

Ensure that effective risk management arrangements are in place to minimise the Council's exposure to risk and uncertainty. Responsible for resilient business continuity arrangements and robust response and recovery arrangements in the event of emergencies and critical incidents locally – in accordance with the requirements of the Council's Emergency and Business Continuity Plans.

Promote and ensure compliance with policies and procedures, all Statements of Required Practice for managers and the Council's Code of Conduct.

Take an active role in promoting and ensuring the Council's responsibilities for safeguarding are met for adults and children.