

## KENT COUNTY COUNCIL

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### **POLICY AND RESOURCES CABINET COMMITTEE**

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Online on Friday, 11 September 2020

PRESENT: Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman), Mr M A C Balfour, Mr P V Barrington-King, Mr P Bartlett, Mr R H Bird, Mr T Bond, Mr N J D Chard, Mr G Cooke, Mrs M E Crabtree, Mrs T Dean, MBE, Mr D Farrell, Mr P W A Lake, Mr D Murphy and Mr H Rayner

ALSO PRESENT: Mr P J Oakford and Mrs S Prendergast

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Ms Z Cooke (Corporate Director of Finance), Sanderson (Head of Property Operations), Mr D Shipton (Head of Finance - Planning, Policy & Strategy), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel) and Miss E West (Democratic Services Officer)

#### **UNRESTRICTED ITEMS**

##### **231. Apologies and Substitutes**

*(Item 2)*

No apologies for absence had been received.

##### **232. Declarations of Interest by Members in items on the Agenda**

*(Item 3)*

No declarations of interest had been received.

##### **233. Minutes of the meeting held on 29 July 2020**

*(Item 4)*

It was RESOLVED that the minutes of the meeting held on 29 July 2020 are a correct record and that they be signed by the Chairman.

##### **234. 20/00094 - Proposed Granting of Lease of Accommodation at Westgate Primary School, Dartford, for occupation and use by Dartford Science and Technology College**

*(Item 5)*

*Ms R Spore (Director of Infrastructure) and Mr J Sanderson (Head of Property Operations) were in attendance for this item*

- (1) Ms Spore and Mr Sanderson introduced the report which set out information relating to the proposed decision to grant a 99-year lease to Dartford Science and Technology College Trust, to regularise their occupation of the County Council's retained accommodation at Westgate Primary School, Dartford, having regard to change in status of the College.

Mrs Spore responded to a number of comments and questions from Members, including the following: -

- a) In relation to section 6 of the report (Other corporate implications), Mrs Spore confirmed that corporate implications were incorporated into the Council's strategic aims and core plans. She added that Key Performance Indicators (KPIs) were reported to various Cabinet Committees on matters, as appropriate.
  - b) Mrs Spore referred to Basic Need provision and additional capacity, as set out in the Kent Commissioning Plan (KCP) which was scrutinised by colleagues within the Children, Young People and Education (CYPE) directorate and by the CYPE Cabinet Committee. In terms of physical space, building bulletin guidance issued by the Department for Education (DFE) set out the standards in relation to the appropriate-sized school that should be provided based on the number of pupils. For every Basic Need project, an assessment was made based on the DFE's guidelines and both existing and new accommodation was taken into consideration. Mrs Spore added that a DFE scorecard was produced annually which set out Kent's position in relation to its benchmarks regarding value for money and adhering to the DFE's specific guidelines. Mrs Spore confirmed that she could provide more information outside of the meeting in relation to the parameters of the school build at the time that it was taken forward.
  - c) Mrs Spore referred to cost apportionment and said that the way that the costs were apportioned was in accordance with the DFE's legislation.
  - d) Mrs Spore referred to the duration of the lease and said that the 99-year lease was the minimum lease which was considered acceptable by the DFE to create a similar property interest which the school or academy trust would be entitled to under the regulations that Kent County Council had to adhere to. The Council continued to raise concerns with the DFE in terms of the way that the education legislation created property interests which take away the Council's ability to respond to Basic Need issues.
  - e) Mrs Spore said that break clauses were not supported by the DFE. She added that there were provisions such that if the school were no longer used by the trust for educational purposes, the lease would be broken and the property would revert back to the Council, but it was only in very specific circumstances which aligned with the legislation.
- (2) RESOLVED that the proposed decision to be taken by the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to:
- a) authorise Kent County Council to enter into a new 99-year lease of accommodation at the Primary School; and
  - b) delegate authority to the Director of Infrastructure to take necessary actions, including, but not limited to, entering into relevant contracts or other legal agreements, as required to implement this,

be endorsed.

## **235. Financial Update 2021-22**

*(Item 6)*

*Mr D Shipton (Head of Finance - Planning, Policy & Strategy) and Ms Z Cooke (Corporate Director of Finance) were in attendance for this item*

- (1) Mr Shipton introduced the report and presented a series of slides which set out an update in relation to the financial impact of the COVID-19 pandemic and subsequent economic recession, including the additional funding provided by central Government, the Council's estimated costs for the emergency response, and the potential loss of income and delays to savings plans.

Officers responded to a number of comments and questions from Members, including the following: -

- a) Mr Shipton emphasised the importance of ensuring that additional spending was limited and stated that the vast majority of the current additional spending was due to additional demands on services from a rising and ageing population or increasing prices of the contracts that the Council procured. He added that the figures set out within the presentation slides were estimates and were likely to change, given the significant lack of certainty in financial planning.
- b) Mr Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services) confirmed that spending pressures were monitored regularly and conversations with each of the Council's directorates continued. The Council's Finance department had obtained a report which set out the Council's performance financially compared against peer councils and the national picture. He added that further information would be submitted to the Committee and other Council meetings in relation to the budgeting process and Member involvement would be a key part of shaping the budget for 2021-22.
- c) Ms Cooke stated that Kent Finance officers had been meeting every week due to the fast-paced and changing nature of the financial situation, to scrutinise and discuss both COVID and non-COVID related pressures and to ensure consistency in planning assumptions. In addition to the Kent Finance officers' meetings, Ms Cooke had regular dialogue informally and formally with county colleagues through the Society of County Treasurers to ensure that the approach taken was logical and comparable. She added that she felt confident that as a county, Kent were applying very similar assumptions and criteria in the assessments made in relation to financial pressures. Mr Shipton added that in relation to the current position for 20-21, returns were made to the Ministry of Housing, Communities and Local Government (MHCLG) on a monthly basis and Finance officers met with other South East county colleagues regularly before those returns were submitted each month. He confirmed that Finance officers would produce further reports and updates in relation to the budget for 20-21 upon obtaining national analysis. He thanked Kent's districts for continuing to

work closely with Kent County Council to provide regular monthly monitoring in relation to council tax collections.

- d) Mr Oakford said that due to the ever-evolving situation in relation to COVID-19, it would prove very difficult to provide additional information to Committees on the budget-making process outside of the normal process. He added that the priority for officers in the current climate was to focus on reducing pressures to avoid further additional spending.
- e) Mr Shipton briefly referred to the council tax status of mobile homes and confirmed that districts did not offer any discount on second homes anymore. He added that Finance officers worked closely with district councils to tackle fraud and error on council tax and confirmed that whether a property was liable for council tax or business rates, was a decision that would be made by the Valuation Office Agency and not the council.

(2) RESOLVED that the report and the presentation slides be noted.

### **236. COVID Building Operational Recovery Update**

*(Item 7)*

*Ms R Spore (Director of Infrastructure) was in attendance for this item*

- (1) Ms Spore presented a series of slides which provided an update to the Committee in relation to Operational Building Recovery.
- (2) In response to a question, Mr Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services) referred to Sessions House and the challenges faced in relation to social-distancing and adhering with government guidelines. He said that in times of such uncertainty, it would not be wise to prepare and re-open Council buildings to staff, thus spending additional money unnecessarily. Mr Watts reiterated Mr Oakford's comments and added that the social-distancing regulations that the government had issued added to the current financial and operational challenges for Kent as a local authority. He added that he could provide a further update to Members once government had issued the new regulations.

(3) RESOLVED that the report and the presentation slides be noted.

### **237. Decisions Summary Report - For Information**

*(Item 8)*

The information contained within the report was noted without discussion.

### **238. Work Programme 2020-21**

*(Item 9)*

RESOLVED that the work programme for 2020-2021 be noted.

### **239. Exclusion of the Press and Public**

*(Item )*

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business as it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

### **Exempt Items**

(open access to minutes)

### **240. Property Accommodation Strategy - SHQ Review Next Steps**

*(Item 10)*

*Ms R Spore (Director of Infrastructure) was in attendance for this item*

- (1) Ms Spore introduced the report which set out information relating to the review work undertaken to date and the workplan to consider the future use of the Strategic Headquarters Campus.
- (2) Mr Farrell said that there should be minimal spend on the KCC Estate in all aspects to keep it safe for staff until the government white paper has been released next month, he asked that this statement be recorded in the minutes. Mr Bird and most other Members supported Mr Farrell's statement.
- (3) Mrs Spore talked about the SHQ review and the strategic outline business case development.
- (4) Mrs Spore responded to a cost-related question and confirmed that she could provide further information to Members outside of the meeting in relation to associated costs and the amount which had been spent to date.
- (5) Mr Cooke moved and Mr Farrell seconded an amendment to the recommendation to include the words '***whilst expressing concern regarding the level of ongoing spending at a time of considerable uncertainty regarding local government reform and the potential for further lockdowns***'; they also moved and seconded an addition to the recommendation that officers and the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services be asked to reflect upon the concerns expressed and to limit current spending to the minimum level necessary to maintain health and safety.

This was agreed by the Cabinet Committee and it was RESOLVED that:

- a) the report be noted whilst ***expressing concern regarding the level of ongoing spending at a time of considerable uncertainty regarding local government reform and the potential for further lockdowns***;
- b) officers and the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services be asked to reflect upon the concerns expressed and to limit current spending to the minimum level necessary to maintain health and safety.