

KENT COUNTY COUNCIL

SCRUTINY COMMITTEE

MINUTES of a meeting of the Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 6 December 2023.

PRESENT: Mr. A Booth (Chairman), Mr. P Barrington-King, Mrs. R Binks, Mr. T Bond, Mr. D Brazier, Mr. A Hook, Mrs. S Hudson, Mr. O Richardson, Mr. T Shonk (*substitute*), Dr L Sullivan, Mr. S Webb (*substitute*)

ALSO PRESENT: Mr N Baker (Cabinet Member for Highways and Transport), Mr A Brady (Member for Canterbury City North), Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mr P Cole (Chair of the SEND Sub-Committee), Mr R Gough (Leader of the Council), Mr R Love OBE (Cabinet Member for Education and Skills), Mr P Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services), Mr H Rayner (Deputy Cabinet Member for Finance, Corporate and Traded Services), Mr D Watkins (Cabinet Member for Adult Social Care and Public Health)

IN ATTENDANCE: Mrs Z Cooke (Corporate Director for Finance), Mrs S Hammond (Corporate Director of Children, Young People and Education), Mr S Jones (Corporate Director for Growth, Environment and Transport), Mrs C McInnes (Director of Education and Skills), Mr D Shipton (Head of Finance, Policy, Planning and Strategy), Mr R Smith (Corporate Director for Adult Social Care and Health), Mrs A Taylor (Scrutiny Research Officer), Mr K Tilson (Finance Business Partner – Growth, Environment and Transport), Ms L Tricker (Democratic Services Officer)

UNRESTRICTED ITEMS

26. Declarations of Interests by Members in items on the Agenda for this meeting (Item 3)

There were no declarations of interest.

27. Minutes of the meeting held on 1 November 2023 (Item 4)

1. The minutes were approved by the Scrutiny Committee.

RESOLVED that the minutes of the meeting held on 1 November 2023 were an accurate record and that they be signed by the Chairman.

28. Initial Draft Budget 2024-25 and Medium Term Financial Plan 2024-27 (Item 5)

Mr Neil Baker (Cabinet Member for Highways and Transport), Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mrs Z Cooke (Corporate Director for Finance), Mr R Gough (Leader of the Council), Mrs S Hammond (Corporate Director of Children, Young People and Education), Mr S Jones

(Corporate Director for Growth, Environment and Transport), Mr R Love, OBE (Cabinet Member for Education and Skills), Mr P Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services), Mr H Rayner (Deputy Cabinet Member for Finance, Corporate and Traded Services), Mr D Shipton (Head of Finance, Policy, Planning and Strategy), Mr R Smith (Corporate Director for Adult Social Care and Health), and Mr D Watkins (Cabinet Member for Adult Social Care and Public Health) were in attendance for this item.

1. The Chairman explained that this report had been through all Cabinet Committees which had reviewed their own portfolio areas. The role of the Scrutiny Committee was to scrutinise the overall budget and direction of travel, with the report coming back to the Committee in January 2024. The Chairman urged all Members to engage with the budget setting process by challenging, asking questions, and making recommendations or representations. The Council needed to be synchronised and work together during this extraordinary time.
2. The Leader stated that at the previous Scrutiny Committee meeting, Members had requested regular budget updates following the Cabinet process, and this was the first such report. The initial draft budget had been published at the end of November, but the process was iterative and remained ongoing.
3. Mr Oakford explained at the initial draft budget was predicted to be £1415.5m in 2024/25, which included £201.5m (15.3%) of core spending growth including £45.5m for the previous years overspend; £42.6m for price inflation; £80.9m in other cost growth not related to inflation; £14.2m in pay; and £14.6m in other strategic priorities including £5m for highways. The vast majority of spending growth came from Adult Social Care which equated for £96.3m; Children's Social Care which equated to £31.4m and home to school transport which equated to £32.9m, as well as £16.4m to increase reserves that had been depleted during 2022/23; and £15.1m on the safety valve agreement with the Department for Education. The Council is assuming approximately £99.8m of funding, assuming the council tax increased by the maximum of 5% and depended on the government funding settlement yet to be announced. This left an £118m shortfall in the 2024/25 budget before any savings or increased income had been accounted.
4. Mr Oakford explained that the £118m shortfall had to be found from savings, increasing income, and decreasing costs. Numerous savings had already been proposed including a £30.9m reduction in future cost growth (largely in adult social care and home to school transport), £28.3m savings every directorate, and £10.1m increased income. This left a gap of £48.8m still to resolve. Since the publication of the initial draft budget paper further savings, income, and assumed funding increases have been identified of £12.3m, which if agreed would reduce the budget gap to £36.5m. He explained that the budget could be balanced this year if savings proposed for future years were deemed to be robust by external auditors, as the Council could then use reserves. Officers would also be waiting to see how the government's funding settlement would affect KCC.

5. Mr Oakford continued and explained that officers were analysing and reviewing every discretionary service and the statutory minimum levels and had spoken to KCC companies who had performed well and could release £3m in dividends to KCC. There would also be staffing reviews which would need to be considered as outlined in Securing Kent's Future. Mr Oakford summarised and explained that there was still several weeks until the final draft budget was issued and welcomed meetings with Opposition Leaders and Members to discuss alternative savings ideas and proposals.
6. Members raised several concerns and questions:
 - a. Members asked if an independent audit could be undertaken into the finances of home to school transport to ensure competitiveness and value for money. Mr Love, OBE explained that at a recent Cabinet meeting a decision had been made to procure external support for home to school transport and other activities, but the budget had already been scrutinised in detail. He felt that the way to reduce the budget was to reduce the demand on the service and ensure appropriate thresholds were met within the SEND Code of Practice and criteria robustly applied. Any changes to these policies would take time to progress through the system, but the process was underway. Mrs Binks added that an internal audit had already been completed on the service, who had found that problems were due to market difficulties and the number of successful initial assessments.
 - b. Members questioned if an analysis of the availability of school places could be undertaken to ensure the Commissioning Plan for Education Provision was accurate. Mr Love, OBE stated that the data supporting the Commissioning Plan for Education Provision was accurate, and a new plan was currently going through the necessary processes to ensure the right number, and right type, of school places were available. Similar planning methods had also been introduced for special schools, which had been agreed by the Children, Young People and Education Cabinet Committee.
 - c. Members asked what plans were in place for the sale of KCC assets, including windmills, and if some empty or under-utilised buildings could be turned into multi-use office spaces, conference centres, or wedding venues. Mr Oakford confirmed that £18m had currently been secured or planned through asset sales, and Sessions House had been marketed with offers due by the end of 2023. Members and officers would then consider how best to proceed, for example selling A-block for residential dwellings, B-block for multi-use office space, or selling the whole building. The team were also considering other proposals, like wedding venues, as Oakwood House in Maidstone had recently been upgraded for weddings, and some services such as the adult

- social team, adoption team, and Coroner's Service had moved into the building, freeing up other buildings for sale.
- d. Members questioned the cost of consultants and agency staff. It was confirmed that £29m was spent on agency staff by KCC, with £18m of this on children's social workers. This was a national problem as many social workers wanted flexibility, but KCC were working to recruit as many permanent social workers as possible.
 - e. Members raised a concern regarding who would decide if savings were robust enough, and when Members would be able to see and scrutinise these documents. Mr Oakford confirmed that external auditors would decide if the savings were robust enough but could be brought before Members.
 - f. Members asked if future budget reports could include how much was currently spent on services outlined at Appendix D. It was confirmed that Appendix D provided aggregate savings over several budget headlines, but the dashboards at Appendix C could include this information in future.
 - g. A Member questioned savings within highways, the impact of inflation, and the reduction of speed limits within KCC.
 - h. A Member questioned how best value within KCC would be determined and the framework for making decisions and considering proposals for making savings or pursuing cost avoidance. The Leader confirmed that Members and Officers would be determining which proposals were feasible and deliverable, and most savings would be from the largest spending areas, including complex and structural changes.

7. A vote was held on the recommendations: 11 Members were in favour; 0 against; and 2 abstentions.

RESOLVED that the Committee:

- a) Noted the initial draft revenue budget including responses to consultation.
- b) Did not suggest any changes to the initial draft revenue budget before the draft is considered by Cabinet on 25th January 2024 and presented to County Council on 19th February 2024.

29. Revenue and Capital Budget Monitoring Report - September 2023-24 (Item 6)

Mr Neil Baker (Cabinet Member for Highways and Transport), Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mrs Z Cooke (Corporate Director for Finance), Mr R Gough (Leader of the Council), Mrs S Hammond (Corporate Director of Children, Young People and Education), Mr S Jones (Corporate Director for Growth, Environment and Transport), Mr R Love, OBE (Cabinet Member for Education and Skills), Mr P Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services), Mr H Rayner (Deputy Cabinet Member for Finance, Corporate and Traded Services), Mr D Shipton (Head of Finance, Policy, Planning and Strategy), Mr R Smith (Corporate Director for Adult Social Care and Health), and Mr D Watkins (Cabinet Member for Adult Social Care and Public Health) were in attendance for this item.

1. The Chairman explained that the report had been presented to Cabinet on 30 November and was now back to the Scrutiny Committee for monitoring purposes.

RESOLVED that the Committee:

- a) Discussed, commented on, and noted the report.

30. Home to School Transport and Short Focused Inquiry Executive Response

(Item 7)

Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mrs S Hammond (Corporate Director of Children, Young People and Education), and Mr R Love, OBE (Cabinet Member for Education and Skills).

1. Mr Love, OBE explained that the report provided a response to the Home to School transport Short Focused Inquiry (SFI).
2. Members questioned how the personal transport budget was being used regarding SEND home to school transport. Mr Love, OBE stated that parents were made aware of the personal transport budget and were encouraged to utilise this option as it was more cost effective. It provided an alternative to local authority transport and often worked better for parents.
3. Members questioned the governance process of the SFI and it was confirmed that the SFI made recommendations to Cabinet, which Cabinet did not have to accept, but the SEND Sub-Committee reported directly to the Scrutiny Committee.
4. Mr Barrington-King, as Chair of the SFI, provided a background to their work and felt that they had received good buy-in from Members and Officers, and made recommendations which could be applied to both SEND and mainstream home to school transport. Mr Love, OBE added that the report summarised the issues within home to school transport and the team were working to understand its implications and the potential for culture change, using the SFI as a prompt to re-examine and review.
5. Members felt concerned regarding the robustness of the proposed savings within home to school transport, particularly regarding the use of personal transport budgets. Mrs Hammond confirmed that the threshold criteria meant that personal transport budgets must cost less than alternative offers, and an ongoing review was in place for all personal transport budgets granted since January 2022, which equated to approximately 500 families.

RESOLVED that the Committee:

- a) Noted the response to the Home to School Transport Short Focused Inquiry Report.

31. Decision 23/00083 - Supported Accommodation Service 16 - 19 and transitional arrangements

(Item 8)

Mr A Brady (Member for Canterbury City North), Mrs S Chandler (Cabinet Member for Integrated Children's Services), Mrs S Hammond (Corporate Director of Children, Young People and Education), and Mr R Love, OBE (Cabinet Member for Education and Skills).

1. The Chairman explained that the decision had been to Children, Young People and Education Cabinet Committee on 17 October, and a call-in had been submitted and subsequently rejected. Following Scrutiny Committee procedure, a request had been raised to add the decision onto the agenda for further consideration and discussion.
2. Mr Brady explained that the reason he had requested the decision on the Scrutiny Committee agenda was for several reasons. These included the decision not meeting the requirements of the Children and Social Work Act 2017, as he felt the decision was not in line with the best interests of children and young people in Kent and had not taken into account their views and feelings. He questioned whether children and young people had been consulted on the decision. Furthermore, the original paper had outlined that potential risks in the decision would be managed through the work of the District and Borough Councils within their capacity as the local housing associations. He questioned if local councils were involved in this decision and what consultation had been undertaken with them. He felt that the decision did not consider the knock-on costs for KCC, as the decision could increase homelessness in the borough, and therefore not provide a net saving.
3. Mrs Chandler explained that care-leavers had been included within the decision, and some care-leavers had felt that the accommodation provided by KCC did not support them becoming independent and they would rather have more support in procuring their own accommodation. Discussions had also taken place between KCC and district/borough councils as well as with Kent Housing Group. Officers added that engagement with district councils had begun in 2021 when KCC officers had met individually with borough councils and the Housing Options Group, which contained all thirteen local councils. In September 2021 the Chair of the Housing Options Group attended the Corporate Parenting Panel, and officers had attended the Kent Finance Officers Group alongside district council officers to discuss the proposal. Mrs Hammond explained that legislation and statutory guidance mandated councils to take reasonable steps to keep in touch and re-establish contact with care-leavers up until the age of 21; and have a personal adviser up until the age of 25 if the young person wished to stay in touch. The legislation did not mandate the Council to provide accommodation to care-leavers past the age of 18, and this had been a discretionary service. She explained that KCC would continue to offer a personal adviser and provide assistance for housing where the care-leaver used to live or was seeking employment. Accommodation would continue to be provided for 18-19 year olds, which was not a statutory duty, and the decision would not be implemented until April 2024, which for those currently aged 16 provided three years of preparation for the young person until they turned 19. Officers added that the Children's Council had been presented with the proposals early in the process.

4. Members raised concerns as many care-leavers did not have any family support, so often needed the Council for accommodation support. Members also raised concerns with the availability of council housing, house prices, and rent prices, all of which could be barriers to care-leavers having stable and secure housing at 19 years old.
5. Members questioned how many children and young people in care would be affected by this decision. It was confirmed that 90 young people would be affected. There were 332 children in care, but 242 of these were unaccompanied asylum-seeking children who, under new immigration policies, would not be entitled to any services or support after the age of 18.
6. Members queried how the impact of the decision would be monitored and reported. Mrs Hammond explained that KCC reported to central government on how many care-leavers became homeless or were in appropriate accommodation. This was also reported within KCC as key performance indicators on a monthly basis.
7. Members voted on the recommendation: 12 Members agreed; 0 voted against; and 1 abstained.

RESOLVED that the Committee:

- b) Considered the information provided in response to questions raised during this item and make any comments or recommendations it deems appropriate.

32. Work Programme

(Item 9)

Members did not have any items to add to the Work Programme.

RESOLVED that the Committee:

- a) Considered and noted the report.