

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 30 November 2015.

PRESENT: Mr P B Carter, CBE (Chairman), Mr M A C Balfour, Miss S J Carey (Substitute for Mr J D Simmonds, MBE), Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr P J Oakford and Mr B J Sweetland

UNRESTRICTED ITEMS

138. Apologies and substitutions

(Item 2)

Apologies for absence were received from the Deputy Leader and Cabinet Member for Finance and Procurement, Mr J Simmonds, who was substituted by the Deputy Cabinet Member for Finance and Procurement, Miss S J Carey.

139. Declarations of Interest

(Item 3)

No declarations of interest were received.

140. Minutes of the Meeting held on 12 October 2015

(Item 4)

The minutes of the meeting held on 2 October 2015 were agreed as a correct record and signed by the Chairman subject to an amendment to minute 132 to reflect the fact that Miss Carey had made a declaration of interest in relation to minute 136 as she is a member of the Kent Fire and Rescue Authority.

141. Corporate Parenting Select Committee Report

(Item 5)

Mrs Z Wiltshire, Chairman of the Corporate Parenting Select Committee, introduced the report. She said that this report was a precis of the one that would be considered by County Council on 10 December 2015 and drew Members attention to their role as corporate parents particularly in relation to decisions about health care, education and living arrangements for young people in care. She said that internal and external witnesses and been invited to give evidence including the Head of the Virtual School Kent, the Corporate Director of Social Care, Health and Wellbeing, foster care representatives, the Youth Offending team designated doctor for East Kent and site visits had been made to hear the views of children and young people, front line social workers and foster carers.

Mrs Wiltshire thanked Members for their input to the committee.

Mrs Cribbon said that among the key issues identified during the investigation were: the importance of selecting foster carers; matching young people with the most suitable carers; support for carers when making decisions relating to education and health care for young people in their care; and support for young people after the age of 18.

Mr Brookbank paid tribute to Mrs Wiltshire's commitment to ensuring the views of young people were heard, urged all Members to be involved in their role as corporate parents and said that HOSC would consider the new contract for Child and Adolescent Mental Health Services in January 2016.

The Cabinet Member for Specialist Children's Services, Mr P Oakford thanked Mrs Wiltshire, the Select Committee and officers for the report. He said the Select Committee's recommendations reflected the continuing work to improve services and welcomed the focus on understanding and supporting the role of all Members as corporate parents.

The Corporate Director for Social Care, Health and Wellbeing, also welcomed the report and its recommendations.

The Leader of the Council hoped that all Members would participate in the debate on the report at the next County Council meeting, referred to the need to provide all members with reliable data relating to their divisions as well as information that articulated the views of young people. He also asked Mr Oakford to circulate a response to the recommendations in the report.

It was RESOLVED that

- i. The Select Committee's work for producing an instructive and timely report be applauded
- ii. The contribution of the witnesses who provided evidence and the officers who supported the Select Committee's work be recognised
- iii. The recommendations be commended to the County Council.

142. Elective Home Education Policy *(Item 6)*

The Cabinet Member for Education and Health Reform, Mr Roger Gough, introduced the report which set out the results of the engagement with the elective home education community on the revised Elective Home Education Policy and sought confirmation of the previous Cabinet decision to adopt following engagement with families.

Mr Gough reminded members that Cabinet had previously considered the EHE policy in January 2015 and had agreed to seek feedback from the EHE community. As a result of this engagement the policy had been amended, the authority's website had been improved and changes had been made to some working practices. He said that the majority of parents who elected to educate their children at home provided suitable education and were to be commended; the policy set out when and how the

authority would intervene on those occasions that the home education provided was not suitable.

He reported that the policy adoption was particularly timely as there had been an increase in the numbers of families registered to educate at home, including young people aged 14-16 and pupils with a history of exclusion and unauthorised absence from school.

The Corporate Director for Education and Young People’s Services, Patrick Leeson, said that the new policy would ensure a reasonable and measured approach which would enable the authority to provide support and advice as well as providing a basis for meeting with the parent(s) if there were any concerns about the suitability of the education being provided.

CABINET Elective Home Education Policy 30 November 2015	
1.	The feedback from the engagement exercise detailed in Appendix 1 of the report be noted
2	It be noted that the policy had been amended in light of the feedback received and appeared at Appendix 2 of the report
3.	The earlier agreement by Cabinet on 28 January 2015 to implement this revised Policy be confirmed
REASON	
1 - 3	To ensure that KCC has a properly considered, fit for purpose and properly adopted policy in relation to Elective Home Education
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

143. Revenue and Capital Budget Monitoring for 2015-16, Quarter 2
(Item 7)

Cabinet received a report providing the budget monitoring position for September 2015-16 for the revenue and capital budgets, including an update on key activity data.

Ms Susan Carey, Deputy Cabinet Member for Finance and Procurement was in attendance in the absence of Mr John Simmonds Cabinet Member and she introduced for Members to key information to which they should have regard, in particular she highlighted the following in relation to the revenue budget:

- i. That the net projected variance against the combined directorate revenue budgets was an overspend of £6.609m, before management action.

- ii. Management action was expected to reduce this to £5.009m. However, there was some minor re-phasing of budgets which would need to roll forward to 2016-17 in order to fulfil legal obligations (detailed in section 3.7 of the report) having allowed for these changes the predicted overspend was £5.301m.
- iii. Some significant underspending was detailed within the forecast, (section 3.8 of the report) this would only be rolled forward to the same initiatives in 2016-17 if the Authority as a whole was sufficiently underspending by year end. Currently, the factoring in of roll forwards, would increase the predicted overspend to £6.586m.
- iv. Directorates had been tasked with creating further management actions to balance the position.

The report, she said, contained mixed messages; improvements had been made since the last monitoring position, largely related to news that the Home Office would increase funding for Unaccompanied Asylum Seeking children, but huge efforts were still required to ensure that a balanced budget was achieved by the year end.

She described in detail some of the issues relevant to each directorate including, in year funding cuts for public health, concessionary fare demand, the waste budget, SEN home to school transport and various demand lead areas of Adult Social Care.

The Leader, Mr Paul Carter, thanked Ms Carey for her comprehensive overview. He was encouraged that the position had improved and grateful that the Home Office had agreed to increase funding for Unaccompanied Asylum Seeking Children but reiterated Ms Carey's warning that with four months until the end of the financial year, much hard work would be needed to deliver a balanced budget. In respect of this work, Andy Wood, Corporate Director of Finance and Procurement reported that Budget Managers had again been reminded to only approve essential spending and that this had been successful in producing savings in the past.

Bot Mr Mathew Balfour, Cabinet Member for Environment and Transport and Andrew Ireland, Corporate Director - Social Care, Health and Wellbeing reminded members of the impact that a cold spell could have on both of their service areas bringing additional pressures that would need to be managed carefully in order that the budget were not adversely affected.

Ms Carey, spoke to the item once more to describe for members the key information relating to the Capital budget, in particular she referred to the following:

- i. That the working budget for the 2015-16 Capital Programme was £374.675m (£336.897m excluding PFI) and the forecast outturn against this budget was £277.124m (£273.381m excluding PFI). The variance, therefore, was -£97.551m (-£63.516m excluding PFI).
- ii. The Capital Budget Monitoring headlines were as follows:
 - a. The majority of schemes were within budget and on time.
 - b. +£0.913m of the -£97.551m variance was due to 'real' variances as follows:
 - i. Home Support Fund & Equipment (SCH&W Adults): -£0.341m. This reflected the lower than anticipated demand for telecare equipment, resulting in a reduction to the anticipated revenue contribution to capital.

- ii. Highway Major Enhancement (GET): + £0.792m. This reflected, in the main, an additional footway scheme at Bank Street, Ashford (+£0.290k) and enhancement works at Star Lane, Thanet (+£0.500k), both were to be funded by additional developer contributions.
 - iii. Disposal Costs (S&CS): +£0.400m. This reflected the capitalisation of security costs to protect the value of KCC assets, and would be funded from the capital proceeds of property disposals. Future year budgets will be considered as part of the 2016-19 MTFP process
 - iv. The remaining +£0.064m of real variances were made up of a number of real over and underspends on a number of projects across the capital programme. Full details were provided in the annexes to the report.
- iii. In addition Ms Carey reported that since the last report the Government had agreed that the Grammar School Annex could go ahead and this project would now be progressed.

No further comments were received.

It was RESOLVED that:

Cabinet 30 November 2015	
1.	That the latest monitoring position on both the revenue and capital budgets be noted.
2.	That the reduction in the Public Health cash limits as identified in annex 4 in response to the in – year government funding cut confirmed on 4 November be agreed.
3.	That the changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 3 be agreed.
Reason	
1.	In order that Cabinet can effectively carry out monitoring requirements.
2.	In order that necessary action to mitigate the funding reduction be legitimately taken.
3.	In order that the budget accurately reflects the real time position and is fit for purpose enabling necessary actions to be taken.
Alternative options considered	None
Conflicts of interest	None
Dispensations granted	None

144. KCC Autumn Budget Statement

(Item 8)

Cabinet received a report setting out the fiscal assumptions underlying the forthcoming 2016/17 budget proposals and Medium Term Financial Plan (MTFP) ahead of the Chancellor's autumn budget statement.

The Leader, Mr Paul Carter, introduced the item and reminded members that the assumptions contained within the report were by no means certainties. There were many unknowns at present that could have a dramatic impact, positively or negatively, on the current assumptions. He reported that clarification had been sought from government on a number of matters.

Ms Carey, Deputy Cabinet Member for Finance and Procurement, agreed with the Leader that information was needed regarding government funding but also explained that the report took into account funding secured from other avenues such as council tax and business rates in order that it was as comprehensive as possible. Despite the need for clarity from government it was expected that the original Local Government Settlement release date of early December would not be met and instead would likely be released at the end of December. At that point more solid assumptions could be made.

Andy Wood, Corporate Director of Finance and Procurement spoke to the item, he reported that one of the potential variables for next year would be the impact of the government's recent announcement regarding the National Living Wage (NLW). While there would be no immediate impact of the NLW on Kent scheme employees as the bottom rate of KR2 scale is already more than £7.20 an hour. There was a much greater potential impact of NLW on contracted services, particularly social care contracts where many employers currently paid minimum wage. It was likely that paying the NLW would be a significant burden for these employers and contracts would have to be renegotiated. However, until information was received as to whether (and if so, how) this government policy would be funded it was difficult to make headway on renegotiation, or include a figure in budget plans.

Ms Carey concluded by reporting that the pattern of rising spending demands and reduced funding identified within the report looked set to continue over the next 3 years but assured members that the budget consultation would help to ensure that any difficult financial decisions reflected the will of residents and that all efforts continued to be made to manage demand as an approach to reducing costs rather than cutting services.

It was RESOLVED that the report be noted.

145. Quarter 2 - Performance Report

(Item 9)

Cabinet received the quarterly performance report for quarter two of 2015-16 informing members of the key areas of performance for the authority and reporting achievement against targets.

Richard Fitzgerald, Business Intelligence Manager – Performance was in attendance and introduced the item to members, in particular he referred to the following;

- i. That overall performance against targets was good. There were no 'red' categories, a positive change from two (2) in quarter one.
- ii. That the Net Direction of Travel was positive with eighteen (18) indicators improving and sixteen (16) showing a fall in performance.
- iii. That there had been 10 changes of RAG status, six of which were positive movements with four improving from Amber to Green and two from Red to Amber. There had been four negative movements, with indicators reducing from Green to Amber. Full details were provided in the report.

It was RESOLVED that the report be noted.

146. Corporate Risk Register - Annual Refresh
(Item 10)

Cabinet received a report setting out the latest version of the Corporate Risk Register for the authority following the annual refresh.

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance was in attendance to introduce the item. He reported that the most recent amendments reflected key themes arising from meetings with individual Corporate Management Team officers, Cabinet Members and Directorate Management Teams during the autumn.

He referred to the main amendments contained at paragraphs 1.3 and 1.4 of the report and reminded members that although the formal refresh occurred annually, it was a 'living' document and was reviewed and updated regularly by the Corporate Management Team and Cabinet Members in-year to reflect any significant new risks or changes in risk exposure.

Further comments arising from the presentation of corporate risks to Cabinet Committees and the Governance & Audit Committee during the year had also been taken into account.

The Leader, Mr Paul Carter, asked that given the potential for the Risk Register to change 'in-year' that consideration be given to increasing Cabinet reporting to twice yearly.

It was RESOLVED that the information be noted and officers and members consider the usefulness of increased reporting in the future.