

PRESENT

Members of the Committee

Councillor Professor Sir Anthony Coates, Bt, BSc, MD, FRCPath, FRCP
(Chairman)

Councillor Judith Blakeman

Councillor Victoria Borwick

Councillor Barbara Campbell

Councillor Andrew Dalton

Councillor Gerard Hargreaves

Councillor Tim Jones

Councillor Elizabeth Rutherford

Councillor Emma Will

Co-opted Voting Members

Dr Samer Al-Zaher (parent governor)

Mr John O'Donnell (Roman Catholic Diocesan Board of Education)

Mr Paul Quinn (Parent Governor)

Co-opted Non-Voting Members

Mr Kieran Parsons (teacher)

Mrs Kathleen Williams (Headteacher)

Others in Attendance

Councillor Elizabeth Campbell (Cabinet Member for Education and
Libraries)

Councillor Baroness Ritchie (Cabinet Member for Family and Children's
Services)

Officers

Mrs Libby Blake, Executive Director for Family and Children's Services

Mr Nicholas Holgate, Executive Director for Finance, Information Systems
and Property

Ms Rebecca Matthews, Director for Schools, Quality and Standards

Ms Karen Tyerman, Director for Community Learning

Mr John Page, Interim Director for Family Services

Ms Joanne Hay, Interim Director of Policy and Performance

Mr John O'Sullivan, Programme Manager Stronger Families

Mr Stephen Burch, Business Analyst

Ms Clair Bantin, Scrutiny Manager

Mr Ivor Quinn, Principal Governance Administrator

A1 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Robert Atkinson and The Revd William Taylor (London Diocesan Board for Schools).

A2 MEMBERS' DECLARATIONS OF INTEREST

None.

A3 MEMBERSHIP

The Chairman welcomed Councillor Hargreaves to his first meeting of the committee.

A4 APPOINTMENT OF VICE-CHAIRMAN

It was moved by the Chairman, seconded by Councillor Dalton and
RESOLVED-

That Councillor Barbara Campbell be appointed Vice-Chairman of the committee for the ensuing year.

A5 MINUTES

The minutes of the meeting held on 8 September 2010 were confirmed as a correct record and signed by the Chairman.

A6 FINANCIAL IMPLICATIONS OF THE 2010 SPENDING REVIEW AND

A7 STRONGER FAMILIES - DEEP LEVEL SCRUTINY

The committee considered Reports A6 and A7 together.

Mr Nicholas Holgate, Executive Director for Finance, Information Systems and Property, reported orally on the financial implications of the 2010 spending review. He made the following main points:

- He noted that the FCS business group and the committee had both taken a positive approach to the spending review with, respectively, the Stronger Families Transformation Programme and the Finance and Priorities in depth review
- A detailed announcement by the Government was expected on 2 December (now changed to 9 December), but it was not clear yet what period the settlement would cover; it might be for two years or three or four. The settlement might also not cover all of the grants received by the Council.
- The Chancellor on 20 October had announced a 26% reduction in real terms for local government funding during the next four years; 6.5% each year, although Eric Pickles, the Secretary of State, had said in a letter that it would be 7.25% a year.
- Although the average loss in total income over four years would be about 14% for local authorities in general, the Council might be harder hit and Mr Holgate's rough estimate was that the loss would be about 16%. The reductions were

likely to be greater in the first year (2011/12) and then average out.

- Funding for schools had been protected and was passed straight to them through the Dedicated Schools Grant, although this might mean that there might be higher cuts in other grants. Specific grants would be consolidated into one grant.
- The Cabinet would meet on 8 December (now changed to 16 December) to consider the details of the Council's funding allocation.

At the Chairman's request, Ms Hay briefly introduced Report A7.

Members asked the following questions:

- Councillor Borwick asked for clarification on a number of points in Report A7 and asked for an explanation of the numerous acronyms. The per pupil spend figures were an average of all borough schools. Ms Tyerman explained that the play service was not a statutory service - the Council had a statutory duty to ensure the provision of childcare, but that this did not have to be discharged through the model of a Play Service. The fully loaded costs of childcare per week referred to the five Council children's centres. Figures for five centres had been given and not eight as childcare was not delivered in all centres. Councillor Borwick thought it would be helpful to include Golborne in future. Ms Hay undertook to provide a list explaining the various acronyms.

Action: Head of Policy and Performance

- Mr O'Donnell said that headteachers were concerned that a recent statement by a junior minister had indicated that the Government considered that it would be providing sufficient money to allow the Sure Start scheme to continue unreduced and unaffected by the spending review. Mrs Blake said that she was aware of the statement. Mr O'Donnell referred to the Education White Paper and its proposals for teachers to be trained in schools rather than at university based courses. He asked whether the Council would fund schools to provide such training. Councillor Elizabeth Campbell replied that this was unlikely as the DSG budget was being less affected by the spending reductions than general Council funding.
- Councillor Jones referred to the Private, Voluntary and Independent (PVI) Early Years Nursery Education and said that he understood that the thrust of legislation was to equalise the amounts paid to the PVI and maintained sectors. Ms Matthews replied that the Council was just completing a consultation

exercise to produce a funding formula that would be transparent and fair, and to reduce the gap between the sectors to some extent. The detailed work had been considered by a working group of the Schools' Forum and the proposals had been sent to all schools for comment. The results of the consultation would be reported to the Schools' Forum on 9 December. Councillor Baroness Ritchie commented that these would be transitional arrangements. Ms Matthews said that this was true and a new formula would be introduced next financial year.

- Councillor Will asked whether there was scope for the Council to charge more for places in its children's centres given the charges made by the PVI sector. Ms Matthews said that she did not have the details of private charges to hand, but the PVI sector covered a wide range of providers so there might be scope for increasing charges. Councillor Will asked about the school benchmarking figures on good and outstanding schools. Ms Matthews replied that the figures had to be treated with care, as they gave the total number of good and outstanding schools, but did not give the percentage of such schools in each borough.
- Councillor Jones asked about the risk of inflation in respect of the Dedicated Schools Grant. Mr Holgate replied that the position was unclear: the intention appeared to be that the funding would be flattish but with some allowance for inflation, but he considered that there was bound to be a reduction in real terms because the borough paid a relatively large amount per pupil at present.
- Councillor Dalton referred to FCS discretionary spending. He said that the business group had employed two business analysts to help analyse and benchmark costs. Was the Council confident that it had sufficient and robust information to make comparisons and reach meaningful conclusions? Mr Holgate said that his answer was a qualified yes. The FCS information was better than most others because of the requirement to compile it under section 251. He did not have such confidence in some other benchmarking figures. Mrs Blake said that the business group had benefited from the exercise to break down costs.

The Chairman then asked if members had comments on Mr Holgate's oral report or on Report A7.

- Councillor Blakeman considered that there should have been an induction to the work of the committee for new members as FCS was a large and wide-ranging area of work. The

Chairman said he understood this and he hoped that the mini sub-groups he would propose later in the meeting would allow members to focus on a more limited and manageable area and go into greater depth. He added that the Council was faced with an unprecedented period of change and members and officers were having to work at a much faster pace than usual.

- Mrs Williams referred to the benchmarking data for statutory and non-statutory services. She was concerned that the focus for savings appeared to be on schools non-DSG funding rather than on the rest of FCS. She asked if the core services within the School Improvement Service would be protected. Councillor Baroness Ritchie said such a decision could not be made at this stage.
- Mr O'Donnell said that the committee should be aware of the uncertainty the savings review was causing in schools. Teachers were asking whether they would still have a job next April and this uncertainty would have an impact on the delivery of services.
- Councillor Jones commented on Early Years and the comments in paragraphs 4.15 and 4.25. Mrs Blake explained that there were 60 children in need places in children's centres, plus another 30 places reserved for children referred through the Common Assessment Framework, so there were 90 places reserved for children in these two categories.
- Councillor Rutherford referred to the average costs of the Pupil Support Service and the disparity of costs between primary and secondary schools. Mrs Blake said that this service was for pupils with behavioural needs. Ms Matthews said that behavioural issues were more extreme at secondary level and behaviour was better at primary level.
- Councillor Will asked about the figures given in appendix 1 of Report A7. Mr Holgate explained the difference between internal FCS recharges (e.g. costs of the FCS Executive and Finance) and external recharges (e.g. the costs of corporate finance, personnel, legal etc.).
- The Chairman also referred to appendix 1 and said it might be helpful if members bore in mind two figures in particular for each service area: first, the gross expenditure and, second, the RBKC funded expenditure (net of area based grant) - the latter figure was the controllable one. For example, for Community Learning gross expenditure was £19.244m with net expenditure of £9.693m; for Family Services £28.869m and £19.626m and for Schools, Quality and Standards

£111.823m and £7.175m. The controllable expenditure covered both statutory and non-statutory services.

- Mr Quinn asked what each area of expenditure covered, e.g. E18 - Parenting. Mr Holgate replied that the Revenue Budget for 2010/11, which was on the Council's website, included a brief explanation of every budget heading.
- Mr Parsons said that the Council was recognised as a top local education authority with high performing schools. He questioned what effect three borough working would have on standards and morale in the borough's schools. Did the Council have an idea of what would be a tolerable drop in standards and what level would this be? Mr Holgate replied that three borough working was not intended to homogenise standards. He said that differing levels of service would be possible in each borough, without necessarily losing economies of scale or procurement savings. Each borough would make its own decisions on what standards to maintain. Ms Matthews added that some services were purely grant funded, with no addition of money from the Council, and if those grants were lost very difficult decisions would have to be made.
- Councillor Hargreaves commented on the references in paragraphs 5.2 and 5.6 to, respectively, the extent to which high quality services would continue to form an essential part of the RBKC brand and whether shared and merged services with other local authorities would alter the current FCS focus on local residents. Mrs Blake replied that three borough working might mean that FCS had reciprocal arrangements for dealing with more out-of-borough children than now.
- Dr Al-Zaher commented on the possible segregation of schools from local authorities. Mrs Blake replied that three borough working would provide an opportunity to work with a larger pool of schools. Councillor Baroness Ritchie said that the Government had said that it wanted a strategic role for local authorities and things would be clearer once the Education White Paper was published. Councillor Dalton said that the Finance and Priorities Working Group had considered this point and it was clear that the Government wanted to give schools greater freedom from local authority control. The point was also made that if the Council started to charge schools for services it previously had provided for free then many schools would decide not to have the service at all or to buy it elsewhere more cheaply.

- The Vice-Chairman commented on the costs of youth centres and the high unit costs of Council run centres. She referred particularly to the running costs of the Lancaster Youth Centre, which at £350,000 seemed high. She also referred to the libraries full self-service project which was being introduced in all libraries on a phased basis during 2010/11 at a cost of approximately £420,000 over three years. She said there would be no point in doing this if there was then a decision to close a library. Councillor Baroness Ritchie said there could be no guarantees or promises about libraries. The Vice-Chairman commented that perhaps the answer might be to lower standards a little across the business group and to ask whether the Council could continue to afford its very high standards.

The Chairman thanked members for their questions and comments and officers for their replies and explanations.

A8 DEEP LEVEL SCRUTINY MINI-GROUPS

Following an oral report and suggestions from the Chairman, the committee agreed to establish four informal deep level scrutiny mini-groups:

Community Learning (to focus on libraries) - to be chaired by the Vice-Chairman, with Councillors Dalton, Hargreaves and Will. The group would meet twice in January and report back orally to the next meeting of the committee.

Schools, Quality and Standards - to be chaired by the Chairman, with Councillor Borwick and Mr O'Donnell, Mr Parsons and Mrs Williams. The group would meet twice in March and report back orally to the committee on 4 May.

Family Services - to be chaired by Councillor Dalton, with Councillors Jones and Rutherford and Dr Al-Zaher and Mr Quinn. The group would meet twice in March and report back orally to the committee on 4 May.

Three Borough Working - to be chaired by the Chairman, with the Vice-Chairman and Councillor Dalton. This group would aim to have one informal meeting in January with the chairmen and vice-chairmen of the scrutiny committees of the two other boroughs to discuss matters of mutual interest and concern.

Councillor Blakeman said that she would provide Labour Group nominations once she had a chance to discuss the matter with Councillor Atkinson.

The Chairman suggested that the groups might meet in business group premises rather than at the Town Hall and asked Mrs Blake to consider this.

Action: Executive Director for Family and Children's Services

It was agreed that each group would be supported by a director, and the relevant Cabinet Member would be invited to attend and participate in the work. The committee recognised that the Cabinet Members and the Cabinet would be considering the spending review in December and early in the New Year in order that proposals were ready for the budget meeting of the Council on 2 March. For that reason, it was all the more important that the group's reviews were fast and informal with the Cabinet Members present to hear the discussion.

The committee noted that each group's work would start by considering the findings of the Finance and Priorities in depth review. The groups would need to concentrate on finance, the balance of services especially between statutory and non-statutory, and expenditure reductions and their consequences. Bearing in mind the reaction to the Health Scrutiny Committee's report on childhood obesity, it was agreed that groups should avoid sweeping generalisations.

The Chairman asked Ms Bantin to confirm in a brief procedure note how the mini groups would operate.

Action: Scrutiny Manager

A9 CORPORATE PARENTING

Mr John Page, Interim Director for Family Services, introduced the annual report which gave an overview of the Council's work in providing the best care and protection for children and young people who were in public care.

In response to a question from Councillor Borwick, Mr Page undertook to provide a break down by age of the children currently in care. It was noted that the most expensive places were for older children.

The report was noted.

Action: Interim Director for Family Services

A10 CABINET MEMBERS' REPORT

Councillors Elizabeth Campbell and Baroness Ritchie answered members' questions on their report.

Kensington and Chelsea Schools top League Tables

The Chairman on behalf of the committee formally thanked the headteachers and Ms Matthews and the School Improvement Team for these outstanding results.

Appointment of Executive Director for Family and Children's Services

The committee congratulated Mrs Blake on her appointment.

Employee Led Mutual Pathfinder

In reply to a question from Councillor Blakeman about whether youth support services was the only area for the pathfinder project, Mrs Blake said that shared library services was also a pilot project, but with a slightly different focus.

Chelsea Academy Update

The committee congratulated everyone involved in the organisation of the official opening. Whilst agreeing that the opening had been very successful, Councillor Dalton commented that an opportunity had been missed because the donors had not been thanked as part of the opening ceremony.

A11 SCHOOL PERFORMANCE IN 2010 - KEY STAGE ASSESSMENTS

The report was noted.

A12 REPORTS BY MEMBERS ON VISITS

The committee noted the reports and thanked Councillor Rutherford for submitting them. It was agreed that that it would be helpful if officers provided members with a one page briefing note before a visit was made.

A13 FORWARD PLAN

The report was noted.

A14 DEEP LEVEL SCRUTINY PRINCIPLES AND PROCEDURE

The Chairman introduced the report which set out some principles of deep level scrutiny and outlined a procedure note.

Members' comments were:

- Councillor Blakeman considered that the procedure was too prescriptive and said that reports should contain minority or dissenting views. She added that there was no provision for follow-up questions and clarification of answers already given.
- Councillor Borwick suggested that points of clarification should be separate and should not be counted as questions or comments.
- Councillor Hargreaves said that as a new member he inevitably had many questions to ask.
- Councillor Will thought that the officers' introduction should be longer, perhaps about ten minutes rather than five and that this might reduce the number of questions.
- Councillor Rutherford suggested that there should be more meetings of the committee but with shorter agendas each time.
- Councillor Dalton said that he thought that the deep level scrutiny undertaken earlier in the meeting had gone very well and it was now time for the mini groups to consider the matter in more detail.

The Chairman responded by saying that all views should be included. Points of clarification and questions could be e-mailed to the officers in advance and considered at mini group meetings.

A15 ANY OTHER ORAL OR WRITTEN PUBLIC ITEMS WHICH THE CHAIRMAN CONSIDERED URGENT

There were none.

The meeting ended at 8.35pm.

Chairman