



AGENDA

CABINET

Monday, 16th April, 2007, at 10.00 am Ask for: **Karen Mannering /
Geoff Mills**
**Darent Room, Sessions House, County Hall, Telephone (01622) 694367/
Maidstone** **694289**

Tea/Coffee will be available 15 minutes before the meeting.

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Minutes of the Meeting held on 12 March 2007 (Pages 1 - 10)
2. Revenue and Capital Budgets, Key Activity and Risk Monitoring (Pages 11 - 88)
3. Select Committee: PSHE/Children's Health (Pages 89 - 96)
4. Equality Strategy 2007 - 2010 (Pages 97 - 184)
5. Directorate Business Plans - 2007/08 (Pages 185 - 188)
6. Kent TV (Pages 189 - 192)
7. Landfill Allowance Trading Scheme Operating Plan (Pages 193 - 204)
8. Cabinet Scrutiny and Policy Overview (Pages 205 - 212)
9. Other items which the Chairman decides are relevant or urgent

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Peter Gilroy
Chief Executive
Friday, 6 April 2007

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

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KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 12 March 2007.

PRESENT: Mr P B Carter (Chairman), Mr N J D Chard, Mr K A Ferrin, MBE, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr K G Lynes, Mr J D Simmonds and Dr T R Robinson

ALSO PRESENT: Mr R A Marsh

IN ATTENDANCE: Mr P Gilroy (Chief Executive), Mr G Badman (Managing Director of Children, Families and Education), Ms A Honey (Managing Director Communities), Mr O Mills (Managing Director - Adult Social Services) Ms L McMullan, Director of Finance and Mr P Raine, Managing Director for Regeneration and Environment.

UNRESTRICTED ITEMS**1. Minutes of the Meeting held on 8 February 2007**
(Item. 1)

The Minutes of the meeting held on 8 February 2007 were agreed as a true record.

2. Revenue and Capital Budget Monitoring Exception Report

(Item. 2 - Report by Mr Nick Chard, Cabinet Member for Finance, and Lynda McMullan, Director of Finance and Managing Directors)

(1) This Exception Report, based upon returns from Directorates, highlighted the main movements since the report to Cabinet in February.

(2) Mr Chard said that currently the Revenue Budget was showing an overspend of £0.5m but this did not take into account £2.6m related to asylum costs. The Council continued to robustly pursue with the Home Office and the DfES its case regarding the underpayment of asylum costs and seeking the Government's assurance that the matter would be resolved quickly and fairly. Mr Chard also said that the continuing slippage on the Capital Programme needed to be carefully monitored.

(3) Mr Carter placed on record his congratulations to the Adult Services Directorate for the reductions which have been achieved in its revenue budget. Mr Carter also said that together with Mr Chard he would be meeting with Managing Directors in order to get a better understanding as to why there was a slippage on the Capital Budget and what could be done to accelerate the programme.

(4) Cabinet noted the latest forecast revenue and budgetary monitoring position for 2006/07.

3. Development Contribution Function

(Item. 3 - Report by Mr Roger Gough, Cabinet Member for Regeneration and Supporting Independence and Mr Pete Raine, Managing Director, Environment and Regeneration) (Mr Nigel Smith, Head of Development Investment was present for this item)

**KENT COUNTY COUNCIL
RECORD OF CABINET DECISION**



**DECISION
TAKEN ON**

Cabinet
12 March 2007

DECISION NO.
07/00965

Development Contribution Function

(Item 3 – Report by Mr Roger Gough, Cabinet Member for Regeneration and Supporting Independence and Mr Pete Raine, Managing Director, Environment and Regeneration) (Mr Nigel Smith, Head of Development Investment was present for this item)

(1) Mr Gough said that the aim of the Development Contribution Guide was to promote a consistent and transparent approach across the county towards the requirement for and the calculation of development contributions for KCC provided services. The Guide also had the objective of helping to quantify the likely level of contributions required in respect of KCC services, to meet the impact on existing community facilities resulting from development. The Guide also supported the County Council’s objectives as set out in its document “Vision for Kent”.

(2) Mr Carter said that it was essential that arrangements were put in place to ensure that the roll out of projects could be properly monitored. It was also important to ensure that there was equity between the requirements of KCC and those of the districts. Mr Smith said that one of the prime objectives of the Guide was to enhance consistency and transparency and place the County Council in the best possible position in terms of planning policy.

(3) Cabinet:-

(a) approved the Kent County Council Guide to Development Contributions and the provision of community infrastructure for adoption and promotion as a policy supporting document for the Kent Partnership Community Strategy-“Vision for Kent”; and

(b) delegated authority to the Managing Director, Environment and Regeneration in consultation with the Cabinet Member for Regeneration and Supporting Independence to sign off any subsequent periodic reviews/updates on behalf of the County Council.

The reasons for this decision are set out above and in the Cabinet report.

Background documents: None

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signed (Chief Executive)

.....
.....
date

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Decision Referred to Cabinet Scrutiny				Cabinet Scrutiny Decision to Refer Back for Reconsideration				Reconsideration Record Sheet Issued				Reconsideration of Decision Published	
YES		NO		YES		NO		YES		NO			

4. Kent Prospects 2006 to 2012 - Final Draft

(Item. 4 - Report by Mr Roger Gough, Cabinet Member for Regeneration and Supporting Independence and Mr Pete Raine, Managing Director, Environment and Regeneration)

(1) Mr Gough said that Kent Prospects provided a county-wide framework to guide economic development and regeneration activity. The future prospects for Kent's economy had never been better with projects such as the CTRL International Station at Ebbsfleet opening this year and the adjacent Thames Gateway Development, which would provide 20,000 jobs over the next 20 years. Ashford would double in size and provide 28,000 jobs by 2030. There is also strong regeneration taking place in other parts of the county and business infrastructure is also improving leading to rising levels of inwards investment. In addition, the 2012 Olympics and Para-Olympics offers further potential to enhance Kent's Gateway location serving the UK, London and Europe. In addition, Kent Prospects provides a further level of detail to support delivery of the "Vision for Kent" the Kent Agreement and KCC's Towards 2010 aspirations for developing economic prosperity.

(2) Mr Carter said the draft Kent Prospects document was to be submitted to the Kent Partnership and the Kent Economic Development Board before being published as a final document. This was agreed.

(3) Taking account of the above, Cabinet noted the timetable for producing the published version of Kent Prospects 2006 to 2012.

5. Energy Saving - Carbon Reduction Targets for KCC

(Item. 5 - Report by Mr Keith Ferrin, Cabinet Member for Environment, Highways and Waste and Mr Pete Raine, Managing Director for Environment and Regeneration)

(1) This report proposed the adoption by KCC of targets for reducing carbon dioxide emissions caused by energy use in buildings. The proposed targets are to reduce total KCC carbon dioxide emissions from buildings by 10% by 2010 and 20% by 2015. 2004 emissions will be used as the base line year.

(2) Mr Ferrin said that the 2010 and 2015 targets are the first steps towards a long term vision for KCC of 60% reductions by 2050. Mr Ferrin said the Council needed to take a clear view as to what the opportunities are and it was already looking at a number of options to ensure its emission targets were met. Mr Ferrin said the emissions from KCC transport, street lighting and traffic signals had not been included at this stage because the County Council did not currently have a robust base line against which to measure reductions in those areas, but such emissions would be included in the targets for 2008/09 or as soon as possible after

that. Among the options that KCC was looking at was changing traffic signal lights to LED's. The cost of that would be some £2m but would reduce emissions and provide savings on electricity costs. There would be a further report on these matters when there was more data.

(3) Cabinet then endorsed the targets to reduce total KCC carbon dioxide emissions from buildings by:-

- 10% by 2010
- 20% by 2015

As absolute reductions in CO2 emissions from energy use in KCC buildings and schools from a base line of 2004 it was envisaged that these targets would be met through genuine reductions in energy use, plus the use of on-site renewables rather than procuring "greed badged" electricity or "off-setting" by investing in overseas projects.

6. Unit Review (including designated and specialist provision and Very Severe and Complex Need Support for children and young people with special educational need at mainstream schools)

(Item 6 - Report by Mr John Simmonds, Cabinet Member for Education and School Improvement, Dr Tony Robinson, Cabinet Member for Children and Family Services and Mr Graham Badman, Managing Director, Children, Families and Education) (Joanna Wainwright, Director, Commissioning (Specialist Services) was present for this item)

(1) This report updated Cabinet on developments to date with the Unit Review (including designated and specialist provision and very severe and complex needs support for children and young people with special and education need at mainstream schools). Dr Robinson said that this was an interim report and that planning and consultation with the Clusters would continue in phases throughout the remainder of 2007 with a more detailed report on the provision that was proposed in Phase 1 being submitted to Cabinet in the Autumn. Currently, there were 63 specialist units and designations covering the six need type categories. There were 690 children with statements accessing this provision with 485 of those travelling outside the cluster in which they lived to access that provision. Dr Robinson said that it was important that through the Review the pattern of provision focussed on ensuring vulnerable pupils had access to appropriate provision in their locality. Mr Gilroy said that this was a good report but the Council also needed to look at the issue of transition for 14-19 year olds and 19-24 year olds. Mr Mills said that tied in with the work of the Select Committee reviewing Transition Arrangements which was due to publish its report in May.

(2) Mr Chard said that whilst the revenue funding for the Review was secure, the Capital funding still needed to be put in place and therefore it was important not to raise expectations only to find that funding for the capital element of the Review was not affordable. Mr Carter said that the County Council had already made provision to improve school buildings through the modernisation allocation but that may need to be added to. Mr Badman said that any capital resources needed to implement the Review would be detailed in proposals from clusters and that would be submitted to Members. Also, subject to Member agreement, proposals may

include refurbishment of existing premises, new provision (eg for autism) and may be linked with BSF/PFI plans for school buildings in each locality. Mr Lynes emphasised the importance of keeping parents and carers closely informed and involved in the Review as their views were critical to this process. Joanna Wainwright said that having an ongoing dialogue with parents and carers was something which was recognised as being of great importance. Joanna Wainwright also confirmed that no child would be moved against the wishes of its parents and for that reason the transition arrangements may take some considerable time to fully implement. At all stages it was important to ensure that parents were given full support and confidence in the process.

(3) Cabinet:-

- (i) noted the progress of the Review;
- (ii) agreed the proposed next stages as detailed in paragraph 4 of the report;
- (iii) agreed the revised timetable for the Review as detailed in Appendix 2 of the report;
- (iv) agreed that the Multi-Agency Unit Review Steering Group consults on the draft criteria for provision; and
- (v) agreed that the Multi-Agency Unit Review Steering Group, in partnership with the appropriate Cluster Boards consults more widely on the provision proposals in relation to Phase One Clusters.

7. Local Authority Proposed Primary School Admission Arrangements 2008-09
(Item. 7 - Report by Mr John Simmonds, Cabinet Member for Education and School Improvement and Mr Graham Badman, Managing Director, Children, Families and Education)

**KENT COUNTY COUNCIL
RECORD OF CABINET DECISION**



**DECISION
TAKEN ON**

Cabinet
12 March 2007

DECISION NO.
07/00963

Proposed Primary School Admission Arrangements 2008/09

(Item 7 - Report by Mr John Simmonds, Cabinet Member for Education and School Improvement and Mr Graham Badman, Managing Director, Children, Families and Education)

(1) The County Council as the Admissions Authority for Community and Voluntary Controlled schools is required to consult on its proposed admission arrangements for these schools annually and to determine its arrangements by 15 April each year. In preparing its admission arrangements, the County Council had consulted with Headteachers and Chairmen of Governors of all Kent primary schools; neighbouring local authorities; diocesan bodies, and all other interested bodies, together with the Chairman and Vice-Chairman of the Admissions Forum.

(2) The report also detailed the outcome of consultations on the following issues:-

- a co-ordinated admission scheme for 2008/09; the oversubscription criteria for Community and Voluntary Controlled Primary Schools;
- the relevant statutory consultation area;
- published admission numbers for Community and Voluntary Controlled Schools; and
- that the South Avenue Infants School (Swale) be linked for the purposes of admissions with the South Avenue Junior School. The report commentated on each of these issues in detail.

(3) Cabinet agreed:-

- (i) the scheme to co-ordinate admissions to primary schools in 2008/09 be as set out in Appendix 1 of the Cabinet report;
- (ii) the oversubscription criteria for Community and Voluntary Controlled Schools be as detailed in Appendix 1 to the Cabinet report;
- (iii) that the relevant statutory consultation area for primary schools be a three mile radius of the school, as detailed in Appendix 1 of the Cabinet report;
- (iv) that the published numbers for Community and Voluntary Controlled primary schools be as detailed in Appendix 2 of the Cabinet report; and
- (v) that South Avenue Junior School (Swale) be linked for the purposes of admissions with South Avenue Infants School.

.....**March 2007**

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Signed Peter Gilroy (Chief Executive)

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Decision Referred to Cabinet Scrutiny			
YES		NO	✓

Cabinet Scrutiny Decision to Refer Back for Reconsideration			
YES		NO	

Reconsideration Record Sheet Issued			
YES		NO	

Reconsideration of Decision Published

8. Local Authority Proposed Secondary School Admission Arrangements 2008-09

(Item. 8 - Report by Mr John Simmonds, Cabinet Member for Education and School Improvement and Mr Graham Badman, Managing Director, Children, Families and Education)

**KENT COUNTY COUNCIL
RECORD OF CABINET DECISION**



**DECISION
TAKEN ON**

Cabinet 12 March 2007

DECISION NO. 07/00964

Proposed Secondary School Admission Arrangements 2008/09

(Item 8 - Report by Mr John Simmonds, Cabinet Member for Education and School Improvement and Mr Graham Badman, Managing Director, Children, Families and Education)

(1) The County Council as the Admissions Authority for Community and Voluntary Controlled schools is required to consult on its proposed admission arrangements for these schools annually and to determine its arrangements by 15 April each year.

(2) The Education Act 2002 introduced a duty on Education Authorities to formulate a scheme to co-ordinate admissions arrangements for all maintained schools in its area and to take action to secure the agreement to the scheme by all Admission authorities. The County Council had consulted Headteachers and Chairmen of Governors of all Kent Primary and Secondary Schools, neighbouring Local Education Authorities, Diocesan Bodies; independent schools (which have pupils transferring to secondary schools) and other interested bodies on its proposals to co-ordinate admissions to all Kent secondary schools in September 2008. The Chairman and Vice-Chairman of the Admissions Forum had also been consulted. The Consultation considered four issues these being:-

- (i) the co-ordinated Admission Scheme for 2008/09;
- (ii) oversubscription criteria for Community and Voluntary Controlled secondary schools;
- (iii) the relevant Statutory Consultation Area; and
- (iv) published admission numbers for Community and Voluntary Controlled secondary schools.

(3) Cabinet agreed:-

- (i) the scheme to co-ordinate admissions to secondary schools in September 2008 be as set out in Appendix 1 of the Cabinet report;
- (ii) the oversubscription criteria for Community and Voluntary Controlled schools be as detailed in Appendix 2 to the Cabinet report;
- (iii) that the relevant statutory consultation area for secondary schools be designated parishes and adjoining districts, as set out in Appendix 3 of the Cabinet report;
- (iv) that the published Admission Numbers for Community and Voluntary Controlled secondary schools be as set out in Appendix 4 of the Cabinet report.

..... **March 2007**

.....
Signed Peter Gilroy (Chief Executive)

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Decision Referred to Cabinet Scrutiny			
YES		NO	✓

Cabinet Scrutiny Decision to Refer Back for Reconsideration			
YES		NO	

Reconsideration Record Sheet Issued			
YES		NO	

Reconsideration of Decision Published

9. Cabinet Scrutiny and Policy Overview
(Item. 9 - Report by Mr Peter Gilroy, Chief Executive)

This report summarised the outcomes and progress on matters arising from the meeting of the Cabinet Scrutiny Committee held on 20 February 2007 and also detailed the overall work programme for Select Committee Topic Reviews as agreed by the Policy Overview Committee.

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REPORT TO: CABINET – 16 APRIL 2007

SUBJECT: REVENUE AND CAPITAL BUDGETS, KEY ACTIVITY, AND RISK MONITORING

**BY: NICK CHARD, CABINET MEMBER FOR FINANCE
LYNDA MCMULLAN, DIRECTOR OF FINANCE
MANAGING DIRECTORS**

SUMMARY:

Members are asked to:

- **note the latest monitoring position on the revenue and capital budgets,**
- **note the changes to the capital programme.**

1. INTRODUCTION

- 1.1 This is the third full monitoring report to Cabinet for 2006-07, based on the monitoring returns for February.
- 1.2 The format of this report is:
- This summary report highlights only the most significant issues
 - There are 6 reports, each one an annex to this summary, one for each directorate and one for Financing Items. Each of these reports is in a standard format for consistency, and each one is a stand-alone report for the relevant directorate.

2. OVERALL MONITORING POSITION (excluding PFI & budgets delegated to schools)

	Variance (£m)		Movement
	This Report	Last Quarter	
Revenue	-3.307	+4.188	-7.495
Capital	-18.138	-44.698	

- 2.1 The revenue projection above is **after** assuming the implementation of management action. Although much of this has now been achieved, if any management action is not achieved, directorates will be required to roll forward overspends into 2007-08, excluding the pressures on Asylum and the residual costs of the original Turner Contemporary project, which are currently forecast at £2.787m and £0.590m respectively. The treatment of these two pressures will need to be considered corporately. Directorates have identified a number of issues which will require roll forward into 2007-08 as a result of the re-phasing of projects and also requests for the roll forward of underspend. These are detailed in the Annex reports.
- 2.2 It was reported in the last quarter's monitoring report to Cabinet on 4 December 2006 that the capital cash limits would be adjusted in this report to reflect the re-phasing of capital projects which has been built into the 2007-10 MTFP. £79.100m of re-phasing from 2006-07 into future years has been reflected in the new MTFP for 2007-10, which includes £6.900m in respect of PFI projects. In addition to this, a £18.138m 'underspend' is now being forecast, of which £21.303m is further re-phasing and £3.165m is a real pressure.

3. REVENUE

3.1 Virements/changes to budgets

All changes to cash limits reported in this third full monitoring report are considered "technical adjustments" ie where there is no change in policy, including allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.

3.2 Table 1 – Portfolio/Directorate position – revenue

Portfolio	Budget	Variance	Directorate					
			CFE	ASS	E&R	CMY	CED	FI
	£k	£k	£k	£k	£k	£k	£k	£k
E&SI	-71,688	-2,101	-2,101					
C&FS	+124,627	-469	-469					
Adult Social Services	+259,301	+1,010		+1,010				
E,H&W	+113,634	-2,375			-2,375			
Regen & SI	+8,022	-290			-290			
Communities	+55,687	-15				-15		
CS&H	+28,977	-228					-228	0
Policy & Performance	+3,229	+35			+25		+10	
Finance	+99,815	-3,471					+13	-3,484
SUB TOTAL (excl Schools)	+621,604	-7,904	-2,570	+1,010	-2,640	-15	-205	-3,484
Asylum	0	+2,787	+2,787					
TOTAL (excl Schools)	+621,604	-5,117	+217	+1,010	-2,640	-15	-205	-3,484
Schools *	+817,948	-622	-622					
TOTAL	+1,439,552	-5,739	-405	+1,010	-2,640	-15	-205	-3,484
DSG	-720,637	+2,432	+2,432					
TOTAL	+718,915	-3,307	+2,027	+1,010	-2,640	-15	-205	-3,484

* the current forecast is that schools will spend at the level of their 2006-07 allocations but there is a forecast underspend of £0.622m of Dedicated Schools Grant which was not distributed at the time of setting the schools budgets. This is required to offset the £2.432m shortfall in DSG, together with a £1.810m forecast underspend on payments for 3 & 4 year olds, included in the £2.101m underspend forecast on the E&SI portfolio.

Appendix 1 details all projected variances over £100k, in size order. Supporting detail to those projected variances is provided in individual Directorate reports as follows:

Annex 1	Children, Families & Education
Annex 2	Adult Social Services
Annex 3	Environment & Regeneration
Annex 4	Communities
Annex 5	Chief Executives
Annex 6	Financing Items.

3.3 Key issues and risks

3.3.1 In Children, Families & Education, the pressure on Asylum has increased, which is due to above average referrals since October and a higher proportion of 18+ clients. The new grant rules for 2006-07 have been issued and as previously anticipated, the unit costs have not changed from last year. The position regarding 2005-06 remains unresolved and negotiations continue with the DfES, however, the Home Office bid has been successful in part but remains subject to audit. In addition, following the preliminary audit of the 2004-05 grant claim the Home Office have disputed £4.6m of grant funding relating to 900 clients whose details do not exactly match with their records. It is expected that the majority of these queries will be resolved easily but it is possible that there may be an adjustment to the grant, although we are unable to quantify this at this stage. Significant pressure also remains on budgets for fostering, adoption and residential care placements within Children's Social Services but this is being offset in the current year by management action largely to hold posts vacant, which is not sustainable in the longer term. Also, as previously reported, there is a shortfall of £2.432m in the final settlement for Dedicated Schools Grant (DSG) compared to the level at which we set the schools budgets. This is being managed by an underspend on payments for 3 and 4 year olds of £1.810m and £0.622m of non-distributed DSG held within the Unallocated Schools budget - this was never distributed to schools as we anticipated a shortfall in DSG at the time of setting the schools budgets. All of these pressures are detailed in Annex 1.

3.3.2 The monitoring returns from schools currently indicate a £16.6m use of reserves in 2006-07. Past experience would suggest that this figure is vastly overstated and we have therefore projected breakeven. However there has been a change to the Scheme of Finance which schools operate under, which means the LEA must introduce a 'balance control mechanism' ie claw back schools reserves that are above a certain level. This therefore means that we cannot use past experience to

determine the level of schools reserves and there is a danger that schools will spend their reserves on non-urgent issues to avoid having them clawed back. This scheme was finalised in January 2007 for implementation at the end of this financial year.

- 3.3.3 In Adult Social Services, significant pressures remain on services for people with Learning and Physical disabilities largely to do with price increases and continuing growth in placements. Also our success in meeting the direct payments target is identifying previously unmet demand/need. Significant management action has been implemented to offset these pressures. Further details are provided in Annex 2. The forecast outturn is currently based on client numbers derived from local records and manual counts. This is because of delays in the implementation of SWIFT (client activity system) – it is not currently possible for us to obtain an accurate snapshot of client numbers until all of the input backlogs are cleared and management reports can be produced. There is some risk therefore that this forecast could change.
- 3.3.4 In Environment & Regeneration the pressures on essential operational highways maintenance, unbudgeted emergencies due to gales and snow and electricity prices for street lighting remain offset by savings within Waste Management due to reduced tonnages and reduced tonnage going into the Allington Waste to Energy plant. The unbudgeted emergency costs as a result of road collapses will now be treated as capital works and will be charged to the capital allocation for highway maintenance, rather than the Emergency Reserve as previously reported. Further details are provided in Annex 3.
- 3.3.5 Within Communities, a forecast pressure on Adult Education mainly due to the reduction in LSC funding is being offset by savings within other services of the directorate. As a result of the re-phasing of the Margate Library and Herne Bay Community & Youth Centre capital projects, the revenue contributions towards these projects approved from the 2005-06 'second homes' money will need to roll forward to 2007-08. There is also a forecast overspend resulting from the final settlement and litigation costs incurred on the original Turner Contemporary project. Further details are provided in Annex 4.
- 3.3.6 In the Chief Executives directorate, the previously reported pressures in respect of the Police HQ roof and Kent Works have been resolved as anticipated in the quarter 2 report. The pressure resulting from increased business rates and energy costs of the county office estate remains but has been largely offset by management action, predominantly holding vacancies, although Property are still in negotiations with directorates to secure some funding for these increased costs. There is also some re-phasing of revenue projects which will require funds to be rolled forward to 2007-08. Further details are provided in Annex 5.
- 3.3.7 The savings on treasury management within the Financing Items budget have increased to £2m. There is also £1.3m of additional LABGI grant and some other minor variances which are detailed in Annex 6.
- 3.3.8 Further management action is still expected to be achieved by year end. There is a risk that not all of this will be achieved, but directorates will be expected to roll forward any overspends as well as underspends into 2007-08.

3.4 Implications for future years/MTFP

- 3.4.1 The key issues and risks identified above have been addressed in directorate medium term financial plans (MTFP) for 2007-10. Although these are forecast to be largely offset by management action this year, a lot of the management action is one-off or not sustainable for the longer term. These and other pressures are detailed in the Annex reports.

4. CAPITAL

4.1 Changes to budgets

- 4.1.1 The following adjustments have been made to the 2006-07 capital budget since the last full monitoring report. Further details are provided in the relevant annex reports, including the effect on the future years of the capital programme, where applicable.

Portfolio	Budget £k	Variance £k	Directorate				
			CFE	ASS	E&R	CMY	CED
			£k	£k	£k	£k	£k
E&SI	+111,722	-11,418	-11,418				
C&FS	+3,629	-518	-518				
Adult SS	+11,718	-913		-913			
E,H&W	+38,728	-1,590			-1,590		
Regen & SI	+27,087	-758			-758		
Communities	+10,881	-1,371				-1,371	
CS&H	+2,434	+196					+196
Policy & Performance	+629	0					0
Finance	+7,091	-1,766					-1,766
TOTAL (excl Schools)	+213,919	-18,138	-11,936	-913	-2,348	-1,371	-1,570
Schools	+37,977	0	0				
TOTAL	+251,896	-18,138	-11,936	-913	-2,348	-1,371	-1,570

Real Variance		+3,165	+2,225	-	+1,617	-104	-573
Re-phasing (detailed below)		-21,303	-14,161	-913	-3,965	-1,267	-997
		2006-07	2007-08	2008-09	Future yrs		Total
Re-phasing		-21,303	+15,871	-1,026	+6,458		0

4.3 Reasons for Real Variance and how it is being dealt with

4.3.1 The real variance identifies the actual over and underspends on capital schemes and not re-phasing of projects. The main areas of under and overspending in 2006-07 are listed below:-

- £0.909m overspend on additional development costs for Building Schools for the Future following the recent decision by the Secretary of State to include Kent in waves 3, 4, 5 & 6 of the national BSF Programme, which is earlier than previously anticipated. It is expected that these costs will be recovered from the BSF provider in 2008-09.
- £0.330m overspend on the Development Opportunities Consultancy budget as a result of supporting the New Line Learning Project at Oldborough Manor School. This will be repaid from additional capital receipts in the future.
- £0.3m overspend on Schools Access Initiative - this programme is running ahead of plan and the overspend will need to roll forward to be first call upon next years programme.
- £0.262m overspend on the Capital Strategy Unit due to the need for additional staffing in the Property Team to enable the delivery of the capital programme and additional estates management costs.
- £0.281m overspend as a result of the health & safety need to replace heavy catering equipment in schools.
- -£0.275m savings on the New & Replacement ICT programme within CFE in order to meet other project overspends as detailed above.

Action will be taken by the CFE directorate to ensure that the overspends detailed above are contained within the resources available for the overall CFE capital programme.

- £1.425m overspend on Fastrack as the land valuation has increased significantly with the land owners securing development land classification. Confirmation of this estimate and the funding issue this presents have yet to be resolved.
- £0.253m overspend on East Kent Access Phase 1c. Discussions are in hand to identify funding cover.

4.4 Main projects re-phasing and why.

4.4.1 The main projects that are being re-phased are identified below:

- -£2.7m re-phasing into 2007-08 on the Special Schools Review. The programme continues to be slowed down to ensure that the costs can be contained within the overall CFE directorate capital cash limits for the individual years of the capital programme. Although we are now forecasting to be below cash limit in 2006-07, the project is still ahead of the budgeted schedule overall.

- -£2.6m re-phasing into 2007-08 of the basic need project at Archbishop Courtenay Primary School, Tovil, pending the outcome of the Compulsory Purchase Order for the proposed site.
- -£2.5m re-phasing into 2007-08 on Children's Centres due to delays in the selection of suitable locations for the centres.
- -£2.5m re-phasing into 2007-08 on a range of projects within the school Modernisation programme – further details are provided in annex 1.
- -£1.1m re-phasing into 2007-08 on the North School, Ashford. This is in line with delays on the main PFI programme (detailed in section 1.2.5 of Annex 1).
- -£0.6m re-phasing into 2007-08 on CFE site acquisitions following legal advice to pay for the site at Clarendon House on completion of the project rather than at the start.
- -£0.7m re-phasing into 2007-08 on the Integrated Children's Systems budget following supplier difficulties
- -£0.3m re-phasing into 2007-08 on the Social and Healthcare Centre at Dartford due to a later than anticipated start date.
- -£0.2m re-phasing into 2007-08 on the Adult Social Services System Replacement Project due to the slower than anticipated work around interfaces and hardware.
- -£0.2m re-phasing into 2007-08 as the refurbishment works at Hesketh Park Bungalow have been hampered by insurance negotiations following vandalism and arson attacks.
- -£2.0m re-phasing into 2007-08 on the PSA Property Target due to procedural hurdles.
- -£0.8m re-phasing into 2007-08 on the programme of Highways, PROW and Street Lighting Capital Maintenance Works and Integrated Transport Schemes.
- -£0.5m re-phasing of the Wetland Creation project into 2007-08.
- -£0.4m re-phasing into future years on the Turner Contemporary project as a more detailed cost profile is now available following early discussions with the architects and their quantity surveyors.
- -£0.2m re-phasing into 2007-08 on the Canterbury High AEC project reflects the uncertainty over final outturn costs for the project due to the litigation being pursued by the school against the professional advisors.
- -£0.2m re-phasing into 2007-08 on the Margate Library & One Stop Shop as progress has been affected by the inclusion of the Gateway into the project.
- -£0.1m re-phasing on the Herne Bay Community & Youth Centre as the project has been delayed due to the need to resubmit proposals to the Youth Capital Fund.
- -£0.7k re-phasing into 2007-08 on the Oakwood House extension due to delay of planning permission for the extended car park area.

4.5 Key issues and risks

- 4.5.1 The impact on the quality of service delivery to clients as a consequence of re-phasing a capital project is always carefully considered, with adverse impact avoided wherever possible.
- 4.5.2 The funding of the revised 2006-10 capital programme, as reflected in the 2007-10 MTFP, is reliant upon capital receipts of some £189.5m. It is not always possible to have receipts 'in the bank' before starting any replacement project, due to the obvious need to have the re-provision in place before the existing provision is closed. Management of the delivery of capital receipts is therefore rigorous and intensive.
- 4.5.3 There is a risk that all of the additional costs of a joint project between Canterbury High School and Adult Education will not be picked up by the school and Adult Education will need to provide for some of this. Further details are provided in Annex 4.

4.6 Implications for future years/MTFP

- 4.6.1 Directorates are continuously addressing issues around their capital programmes, in particular, careful consideration is given to the funding of these projects to ensure that as far as possible capital receipts and external funding is in place before the project is contractually committed.

4.7 Impact on Treasury Management

4.7.1 The re-phasing from 2005-06, resulting in high cash balances at the end of the 2005-06 financial year, and the re-phasing on the capital programme projected in this report and already adjusted for in the 2007-10 MTFP, are major factors in the £2m underspend reported against the Interest on cash balances/debt charges budget within the Financing Items revenue budget. Further details are provided in Annex 6. This re-phasing will impact upon the phasing of the debt charges within the revenue budget and this has been reflected in the 2007-10 MTFP.

4.8 Resourcing issues

4.8.1 There will always be an element of risk relating to funding streams which support the capital programme until all of that funding is "in the bank". As detailed in section 2.1 of annex 5, there is an issue surrounding the timing of capital receipts, but over the three year period of the MTFP, the level of receipts required to support the programme are expected to have been 'banked'. At this stage, there are no other significant risks to report.

4.9 Prudential Indicators

4.9.1 The latest monitoring of Prudential Indicators is detailed in **appendix 2**. There are no adverse issues to report.

5. RISK MANAGEMENT

5.1 The Strategic Risk Register has been considered by the Chief Officer Group and is currently going through the moderation process. This is about to complete, which will mean the Register will be provided to the June meeting of the Governance & Audit (G&A) Committee.

5.2 The Directorate Risk Registers were considered at the March meeting of the G&A Committee and will now be considered by the appropriate Policy Overview Committees.

5.3 A series of Risk Management Workshops are being delivered throughout late April and May. All senior managers have been invited to attend. Following that, each manager will be contacted by Internal Audit in order to capture the risks and controls that the manager faces / is managing. These will then be mapped into our internal controls framework, from which risk management action plans and the audit plan will be developed.

6. BALANCE SHEET AND CONSOLIDATED REVENUE ACCOUNT

6.1 Impact on reserves

6.1.1 A copy of our balance sheet as at 31 March 2006 is provided at **appendix 3**. Highlighted are those items in the balance sheet that we provide a year-end forecast for as part of these quarterly budget monitoring reports, based upon the current forecast spend and activity for the year. The forecast for the three items highlighted are as follows:

Account	Projected balance at 31/3/07 £m	Balance at 31/3/06 £m
Earmarked Reserves	66.4	74.1
General Fund balance	25.8	25.8
Schools Reserves *	65.6	65.6

* Under the school loans scheme, loans to schools are financed from the aggregate of school reserves, hence the sum of such reserves is accordingly reduced by the value of the loans outstanding. The level of school reserves shown in section 2.3 of annex 1 is prior to this reduction and hence differs from the figure in the table above. Both the table above and section 2.3 of annex 1 include delegated schools reserves and unallocated schools budget.

6.1.2 The reduction of £7.7m in earmarked reserves is mainly due to the anticipated movement in the rolling budget reserve, DSG reserve and Asylum reserve together with budgeted movements in reserves such as PRG, East Kent Access and IT Asset Maintenance, offset by contributions to reserves such as Supporting People, as detailed in the annex reports.

7. RECOMMENDATIONS

Cabinet is asked to:

- 7.1 Note the latest monitoring position on both the revenue and capital budgets.
- 7.2 Note the changes to the capital programme, as detailed in section 4.1.

All Revenue Budget Variances over £100k in size order

(supporting detail is provided in individual Directorate reports (annex 1 - 6).)

Pressures (+)			Underspends (-)		
		£000's			£000's
ASS	Learning Disabled Community Care	+2,902	E&R	Waste Management: Reduced tonnages and less tonnage into Allington Plant.	-3,610
CFE	Asylum - funding shortfall	+2,787	ASS	Older Persons Community Care	-2,970
CED	Business Solutions & Policy - costs of increased work (mainly Agency staff for project work, Oracle development and TRP back-fill)	+2,600	CED	Business Solutions & Policy - recharges\income for increased work	-2,600
CFE	Shortfall in DSG income	+2,432	ASS	Supporting People underspend	-2,343
ASS	Transfer to Supporting People Reserve	+2,343	E&R	Kent Highway Services: Extra Income generated & greater recharges of staff time (including to the Capital Programme)	-2,230
E&R	Kent Highway Services: Essential revenue maintenance works	+2,340	FI	savings resulting from debt restructuring and higher investment income due to high cash balances and increased interest rates	-2,000
ASS	Learning Disabled Residential Care	+2,254	CFE	Management Information - saving on 3 & 4 year olds budget to cover shortfall in DSG	-1,810
E&R	Kent Highway Services: Increased cost of electricity and inventory.	+1,600	ASS	Assessment & Related staff vacancies	-1,472
CFE	Community Care - adoption	+1,300	CFE	Community Care - staffing	-1,400
E&R	Regeneration & Projects: Additional DCLG Activity	+1,150	FI	Additional LABGI grant	-1,315
ASS	Physical Disabled Direct Payments	+1,020	E&R	Regeneration & Projects: Additional DCLG grant	-1,150
E&R	Rural Bus Grant: More services largely funded from increased income	+900	E&R	Rural Bus Grant: More income received	-860
CFE	Residential Care	+835	CMY	Reduction in AE prisons spending	-700
E&R	Resources: Manston Flights setting-up	+768	CFE	Community Care - external funding	-692
ASS	Older Persons Nursing	+763	E&R	Resources: Manston flight contributions	-677
CMY	Reduction in Income on AE prisons contract	+700	CFE	School Budgets - undistributed DSG	-622
CFE	Community Care - fostering	+675	E&R	Waste Management: Increased income from sale of recyclates	-605
ASS	Mental Health - price pressures	+621	ASS	Release of SRP funding in revenue	-600
CMY	Spending on final settlement of original Turner Contemporary scheme and preparation of case for mediation/litigation	+590	CFE	ICT - Standards Fund match funding	-583
ASS	Physical Disabled Residential Care	+550	ASS	Management of Area admin. budgets	-569
E&R	Kent Regeneration Fund (Kent): Reduced draw-down from the Fund to match reduced spend	+500	CFE	Assessment and Related - staffing	-502
CMY	Reduction in AE grants for other projects	+500	E&R	Kent Regeneration Fund (Kent): Slower than expected spend on projects	-500
CMY	Overspends on AE budgets	+436	CMY	Reduction in AE spending on other projects	-500
CMY	Unexpect loss of AE grants	+380	CMY	Finance Loan to AE	-500
ASS	Learning Disabled Direct Payments	+337	ASS	Older Persons Residential Care	-459
E&R	Public Transport contracts: More services funded from increased income	+330	ASS	Movement in the Bad Debt Provision	-426
CFE	Personnel & Development - pensions	+300	E&R	Public Transport Contracts: More income received	-415
CED	Property - Increased rates and energy	+300	CFE	Community Care - day care	-375
CFE	Community Care - direct payments	+277	CFE	Assessment and Related - external funding	-366
CFE	International Development - interreg claim	+262	ASS	Mental Health - care staff vacancies	-363
E&R	Revenue funding to replace capital receipts for Colt's Hill Scheme	+212	CFE	Personnel & Development - redundancy	-358
E&R	Kent Highway Services: Unbudgeted emergencies (gales/snow)	+210	ASS	Resources - Management of Vacancies	-347
CFE	Children's Services Support - legal fees	+200	ASS	Release of Other Provisions	-328

Pressures (+)			Underspends (-)		
		£000's			£000's
CFE	Community Care - family group conferencing	+188	ASS	Underspensing against Training budgets	-274
ASS	OPDSU - premises costs	+166	E&R	Planning Applications Group: Delay on Shaw Grange restoration work.	-250
CFE	Advisory Service Kent - staffing	+162	CED	Property - vacancies not filled as part of management action	-250
CFE	Children's Services Provider Unit - premises running costs	+156	CMY	Contact Centre staffing and other budgets	-240
ASS	Mental Health Direct Payments	+153	CFE	Education Psychologists - staffing	-226
CFE	Personnel & Development - tribunals	+148	CFE	Community Care - S17 & fostering	-211
CMY	AE deficit carried forward from 2005/06	+135	CFE	Community Care - S24	-200
ASS	ASPU - reduced Supporting People income	+124	CMY	Removal of Maidstone Team & vacancies in the Margate Team in Turner Contemporary	-200
ASS	OTB - Integrated Community Equipment Store Section 31 - Equipment	+121	ASS	Strategic Director's Budget	-190
CMY	Coroners - Increased pathology tests especially toxicology	+111	ASS	Draw Down from Reserves	-185
E&R	Change & Development: Unfunded posts	+110	CMY	Second homes money on Margate Library and One-Stop Shop	-175
			FI	Part year saving on insurance premiums	-150
			CMY	Arts Council Grants in Turner Contemporary	-149
			CFE	Policy - nurses for Clusters	-123
			CMY	Second homes money on Herne Bay Youth & Community Centre	-120
			ASS	Older Persons Direct Payments	-116
			CMY	Community Warden vacancies	-115
			E&R	Planning Applications Group: additional income from fees	-110
			CMY	Directorate infrastructure costs	-102
			CFE	Personnel & Development - training	-100
			E&R	Resources: Vacant Posts	-100
			CED	Business Solutions & Policy - CPA date set now in 2007-08	-100
		+34,948			-37,933

2006-07 Monitoring of Prudential Indicators – position as at February 2007

1. Estimate of capital expenditure (excluding PFI)

Actual 2005-06	£237.449m
Original estimate 2006-07	£309.170m
Revised estimate 2006-07	£233.758m

2. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)

	2005-06 Actual £m	2006-07 Original Estimate £m	2006-07 Revised Estimate £m
Capital Financing Requirement	913.331	1,040.522	1,026.760
Annual increase in underlying need to borrow	85.656	111.375	113.429

In the light of current commitments and planned expenditure, forecast net borrowing by the Council will not exceed the Capital Financing Requirement.

3. Estimate of ratio of financing costs to net revenue stream

Actual 2005-06	5.89%
Original estimate 2006-07	12.23%
Revised estimate 2006-07	11.32%

The lower ratio in the revised estimate reflects increased income from the investment of cash balances.

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management.

The operational boundary for debt will not be exceeded in 2006-07.

(a) Operational boundary for debt relating to KCC assets and activities

	Prudential Indicator 2006-07 £m	Forecast Outturn 2006-07 £m
Borrowing	960.0	886.6
Other Long Term Liabilities	6.0	1.5
	<hr/> 966.0	<hr/> 888.1

(b) Operational boundary for total debt managed by KCC including that relating to Medway Council etc

	Prudential Indicator 2006-07 £m	Forecast Outturn 2006-07 £m
Borrowing	1,024.0	942.4
Other Long Term Liabilities	6.0	1.5
	<hr/> 1,030.0	<hr/> 943.9

5. Authorised Limit for external debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the County Council. The limits for 2006-07 are:

(a) Authorised limit for debt relating to KCC assets and activities

	£m
Borrowing	1,001
Other long term liabilities	6
	<hr/>
	1,007
	<hr/>

(b) Authorised limit for total debt managed by KCC including that relating to Medway Council etc

	£m
Borrowing	1,064
Other long term liabilities	6
	<hr/>
	1,070
	<hr/>

The additional allowance over and above the operational boundary has not needed to be utilised and external debt, has and will be maintained well within the authorised limit.

6. Compliance with CIPFA Code of Practice for Treasury Management in the Public Services

The Council has adopted the Code of Practice on Treasury Management and has adopted a Treasury Management Policy Statement. Compliance has been tested and validated by our independent professional treasury advisers.

7. Upper limits of fixed interest rate and variable rate exposures

The Council has determined the following upper limits for 2006-07

(a) Borrowing

Fixed interest rate exposure	100%
Variable rate exposure	30%

(b) Investments

Fixed interest rate exposure	100%
Variable rate exposure	20%

These limits have been complied with in 2006-07. Total external debt is currently held at fixed interest rates.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	Forecast outturn
	%	%	%
Under 12 months	8	0	0
12 months and within 24 months	8	0	0
24 months and within 5 years	24	0	0
5 years and within 10 years	40	0	10.6
10 years and above	100	40	89.4

9. Upper limit for principal sums invested for periods longer than 364 days

	Indicator	Actual
1 year to 2 years	£30m	£26m
2 years to 3 years	£30m	£24m
3 years to 4 years	£30m	£24m
4 years to 5 years	£25m	£15m
5 years to 6 years	£20m	£0m

There has been some movement in the position since the last monitoring as call options have been exercised by borrowing banks and some deals have been replaced with deals with differing maturity.

County Fund Balance Sheet

The County Fund Balance Sheet shows the financial position of Kent County Council as a whole at the end of the year. Balances on all accounts are brought together and items that reflect internal transactions are eliminated.

	31 March 2006		31 March 2005	
	£'000	£'000	£'000	£'000
Fixed assets				
Intangible Fixed Assets		5,935		7,699
Tangible Fixed Assets				
Operational assets				
Land and buildings	1,239,218		1,198,926	
Vehicles, plant and equipment	17,511		10,468	
Roads and other highways infrastructure	518,182		521,570	
Community assets	6,664		4,956	
Non-operational assets				
Investment Property	1,955		1,955	
Assets under construction	131,573		72,730	
Surplus and non-operational property	74,349		63,873	
Total Tangible Assets		<u>1,989,452</u>		<u>1,874,478</u>
Total fixed assets		<u>1,995,387</u>		<u>1,882,177</u>
Long-term investments		66,000		24,000
Long-term debtors		62,002		65,234
Total long-term assets		<u>2,123,389</u>		<u>1,971,411</u>
Current assets				
Stocks and work in progress	6,809		5,382	
Debtors	166,929		154,056	
Investments	153,234		215,326	
Cash and bank balances	102,615		85,702	
Total current assets		<u>429,587</u>		<u>460,466</u>
Current liabilities				
Temporary borrowing	-40		-8,168	
Creditors	-237,452		-229,453	
Cash balances overdrawn	-101,924		-79,956	
		<u>-339,416</u>		<u>-317,577</u>
Total assets less current liabilities (Net Assets Employed)		<u>2,213,560</u>		<u>2,114,300</u>
Long-term liabilities				
Long-term borrowing	-882,523		-822,521	
Deferred liabilities	-1,523		-1,858	
Provisions	-12,855		-14,457	
Liability related to defined pensions - KCC schemes	-657,726		-624,636	
- DSO	-2,017			
		<u>-1,556,644</u>		<u>-1,463,472</u>
Total assets less liabilities		<u>656,916</u>		<u>650,828</u>

County Fund Balance Sheet

Fixed asset restatement account	-498,793	-522,801
Capital financing account	-464,395	-397,950
Government grant deferred account	-119,267	-134,221
Deferred Premiums	21,940	22,890
Deferred credit - Medway Council	-57,926	-60,339
Earmarked capital reserve	-24,884	-27,955
Usable capital receipt reserve	-7,473	-4,278
Pensions reserve		
- KCC	657,726	624,636
- DSO	2,017	0
Earmarked reserves	-74,094	-59,875
General Fund balance	-25,835	-28,335
Schools reserves	-65,626	-60,698
Surplus on trading accounts	-306	-1,902
Total net worth	-656,916	-650,828

CHILDREN, FAMILIES & EDUCATION DIRECTORATE SUMMARY

FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the quarter 2 report to reflect a number of technical adjustments to budget.

1.1.2 Table 1 below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Education & School Improvement portfolio							
Delegated Budget:							
- Delegated Schools Budget	786,855	-66,947	719,909	-622	0	-622	Non distributed DSG to cover shortfall in DSG
- Standards Fund (incl SSG)	98,040	0	98,040	0	0	0	
- Targeted Standards Fund			0	0	0	0	
- Direct Funding for Schools			0	0	0	0	
TOTAL DELEGATED	884,895	-66,947	817,948	-622	0	-622	
Non Delegated Budget:							
- Finance	3,500	-952	2,548	-121	120	-1	
- Schools Formula	0	0	0	0	0	0	
- Awards	4,730	-814	3,916	134	-50	84	
- Contingency	-4,471	-213,265	-217,737	0	0	0	
- Personnel & Development	15,600	-3,464	12,135	-250	72	-178	Pensions overspends offset by redundancy, CRB & training underspends
- School Support Service	102	0	102	0	0	0	
- Capital Projects	4,789	-3,238	1,552	69	-5	64	
- Client Services	5,452	-2,499	2,953	253	-192	61	
- Provision Planning	0	0	0	0	0	0	
- Business Management	3,155	-408	2,746	-66	58	-8	
- ICT	10,381	-1,459	8,922	-391	-199	-590	Rephasing of standards fund spend - match funding element
- Health & Safety	419	-4	415	-12	-5	-17	
- Strategic Management	1,680	0	1,680	283	-212	71	
- Policy & Service Development	10,411	-2,125	8,287	-123	0	-123	Delay in recruitment of nurses employed within clusters
- Management Information	26,552	-35	26,517	-1,875	0	-1,875	Underspend to fund DSG shortfall, £65k due to vacancies
- International Initiatives Unit	416	-320	96	24	295	319	Unlikely to recover costs on Intereg claim due to tighter rules from GOSE
- School Organisation	5,397	-299	5,098	25	-1	24	
- Mainstream HTST	14,827	-484	14,343	-120	40	-80	Reduced number of pupils travelling

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Early Years & Childcare	18,041	-842	17,199	-15	-12	-27	
- Clusters	16,293	-190	16,104	0	0	0	
- Advisory Service - Kent (incl Primary Excellence Project)	25,832	-4,969	20,862	1,271	-1,108	163	Staffing overspend
- Early Years (Children's SS)	573	0	573	2	10	12	
TOTAL NON DELEGATED	163,679	-235,367	-71,688	-912	-1,189	-2,101	
Total E&SI	1,048,574	-302,314	746,260	-1,534	-1,189	-2,723	
Children & Family Services portfolio							
- Attendance & Behaviour Service	15,503	-5,836	9,667	0	0	0	
- AEN & Resources	15,079	-6,443	8,635	0	0	0	
- SEN HTST	15,040	0	15,040	-52	0	-52	Reduced number of pupils travelling
- Independent Sector Provision	9,031	-300	8,731	0	0	0	
- Specialist Teaching Service	3,236	-349	2,887	9	-9	0	
- Educational Psychology Service	3,724	-259	3,465	-226	0	-226	Staff vacancies and reduced locum cover
- Minority Community Achievement	1,686	0	1,686	0	0	0	
- Children's Safeguard Service	669	-65	604	-19	0	-19	
- Joint Commissioning	2,117	-377	1,740	85	-85	0	Cash limits to be adjusted
- Residential Care	4,049	-478	3,571	1,083	-247	835	Increase in cost and number of placements
- Community Care	45,731	-2,432	43,299	198	-692	-494	Overspend on fostering & adoption offset by saving on family support
- Assessment & Related	17,968	-2	17,966	-502	-366	-867	Staffing underspend, increase in 'ready for practice' income
- Childrens Service Provider Unit	8,178	-187	7,991	89	86	175	Staffing
- Childrens Services Support	4,445	52	4,497	333	-154	179	Overspend on legal services, increase income due to work for Swindon
- Contingency	2,921	-8,074	-5,154	0	0	0	
Total C&FS	149,377	-24,750	124,627	998	-1,467	-469	
- Asylum Seekers	15,356	-15,356	0	0	2,787	2,787	Funding shortfall
Total C&FS incl. Asylum	164,733	-40,106	124,627	998	1,320	2,318	
Total Delegated	884,895	-66,947	817,948	-622	0	-622	
Total Non Delegated (excl. Asylum)	313,056	-260,117	52,939	86	-2,656	-2,570	£1810k underspend on Management Info to cover DSG shortfall, £760k other underspends
Total Directorate Controllable (excl. Asylum)	1,197,951	-327,064	870,887	-536	-2,656	-3,192	
Directorate Net Total (incl. Asylum)	1,213,307	-342,420	870,887	-536	131	-405	

Memo:

Dedicated Schools Grant		-720,637	-720,637		2,432	2,432	
Directorate Net Total (incl. DSG income)	1,213,307	-1,063,057	150,250	-536	2,563	2,027	

1.1.3 Major Reasons for Variance

This quarter we are projecting:

- a £0.760m surplus on the non-delegated budget
- a £2.432m shortfall in Dedicated Schools Grant
- a £0.622m underspend due to budgets being held back from schools in anticipation of a DSG shortfall
- a £1.810m underspend against 3 & 4 year old budgets to offset the shortfall in DSG, and
- a £2.787m pressure on Asylum.

1.1.3.1 Non-delegated:

Education & School Improvement Portfolio:

- Personnel & Development are projecting a net underspend of £178k. The pensions budget is projecting a pressure of £300k due to capitalisation costs. There are two employment tribunals which are coming to an end at an estimated cost of £148k. These pressures are offset by the underspend on the general personnel function of £44k, an underspend on the redundancy budget that is projected to be £358k, an underspend on the CRB budget of £91k, an underspend on the training budget of £100k, and small underspends on the recruitment and road crossing patrols budgets of £33k.
- ICT are projecting an underspend of £590k, mainly as a result of rephased expenditure on broadband connectivity. This is a 17 month project from April 06 to August 07 and a greater proportion of work than originally anticipated is now being carried out between April and August 2007. This project is 50% funded by Standards Fund. The KCC contribution will show as an underspend in the 2006/07 accounts and this will need to be rolled into 2007/08 in order to complete the project.
- Policy are projecting an underspend of £123k. The budget for employing nurses within Clusters is being held by Policy and released to Clusters once appointments have been made. It is now clear that this budget will underspend due to the delay in recruitment.
- Management Information – the budget for 3 and 4 year olds is now expecting to underspend significantly, due to the majority of providers continuing to offer 33 weeks rather than extending to the 38 weeks for which funding is offered. Although this underspend is within the DSG, it is reported here due to the need to offset the £1.8m DSG shortfall (see section 1.1.3.2 below).
- Within the International Initiatives Unit, following an audit of the 2005-06 Intereg project conducted by GOSE, it is now thought that some expenditure is unlikely to be recovered in full for the current and previous year, at a potential cost of £262k. This is as a result of GOSE tightening the rules surrounding match funding. We consider this to be an unfair interpretation and one that we are in the process of challenging, but until the result of the challenge is known, it seems prudent to report the possible extent of the shortfall. There is also a projected overspend of £50k on the Hardelot budget, mainly due to a shortfall against their income target.
- Advisory Service – Kent is projecting an overspend on staffing of £162k, this is on a variety of projects including WK treasure chest and Hands on Support.

Children & Family Services Portfolio:

- Educational Psychologists are projecting an underspend on staffing of £226k. This is due to staff vacancies, reduced locum cover and the increase in recruitment of the lower cost assistant and trainee psychologists due to a national shortfall of qualified psychologists.
- The pressure on the Residential Care budget has escalated to £835k. This is predominantly due to the continued placement of children in high cost care units. There are currently five children placed in residential colleges and a further two children in civil secure units for their own safety. A number of disabled children are placed in school units, being jointly funded by this budget and other budgets within the Education service.

- Community Care is projecting an underspend of £494k. This is made up of overspends on adoption of £1.3m, fostering of £675k, direct payments of £277k, and family group conferencing of £188k. Fostering and adoption lines have substantially overspent for a number of years. These overspends are offset by a number of underspends, the largest being staffing savings of £1.4m of which the majority are within family support, family group conferencing, related fostering and day care. This has been possible due to a reduction in care packages and management action to reduce the overall spend within community care. There is also a projected underspend of £375k on day care, mainly resulting from the success of the direct payments programme, an underspend on Section 17 (preventative services supporting families) and fostering of £211k, and an underspend of £200k on Section 24 payments (supportive payments made to aged 16+ children leaving care). This underspend is further increased by attracting £692k from external sources for the work carried out in three Family Support Centres.
- Assessment and Related are projecting a net underspend off £867k. £502k of this underspend is a direct result of management action to hold posts vacant in order to avoid a potential overspend situation within the Children's Social Services unit. A further £366k in external income is being generated from a variety of sources such as Sure Start, Education and funding towards the domestic violence project.
- The Children's Services Provider Unit is projecting an overspend of £175k, mainly due to the move to newly built premises and associated overlap in running costs during the transition period. This has been compounded by the loss of income from Medway.
- Children's Services Support are projecting an overspend of £179k, mainly due to higher than anticipated legal costs partially offset by increased income from our work with Swindon.

1.1.3.2 Dedicated Schools Grant (DSG)

The DfES's original allocation of DSG for 2006-07 (announced in late 2005) was £723.005m, their final allocation announced in June 2006 was £718.205m, giving a reduction in grant of £4.8m. However £2.4m of this reduction was anticipated at the time of setting the budget, leaving a shortfall in grant of £2.4m against our published budget figure of £720.637m. £0.6m of this was never distributed to schools as we anticipated a further shortfall at the time of issuing schools budgets, therefore the shortfall that needed to be found from another source was £1.8m.

In July of last year, it was agreed by the Schools Forum that £1.6m of the shortfall could be funded from the unallocated ISB (the remaining £0.2m would come from the non-delegated budget for 3 & 4 year olds). However, it is now probable that there will be sufficient underspend within the budget for 3 & 4 year olds to meet the £1.8m shortfall in full, enabling the £1.6m unallocated ISB to be returned to schools.

There are a number of over and underspends on the DSG, the most significant of which are an overspend on the excepted items budget within Personnel and Development of £842k, offset by an underspend on the trade unions budget of £65k, an underspend on the Cluster budgets of £771k and further underspends within MCAS and Specialist Teaching Service due to staff vacancies following recent restructures. It is expected that the overall surplus on DSG headings will be somewhere between £0.6m and £1.0m. As previously reported, it should be noted that the DSG is a ringfenced 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, and cannot be used to offset over or underspends elsewhere in the directorate budget. Therefore, at year end these balances will be transferred to a new earmarked reserve for DSG and hence are not included in the overall directorate forecast.

1.1.3.3 Delegated

The current forecast is that schools will not draw down on reserves this year and the overall schools budget will balance. It should be noted that the schools forecast is a £16.6m use of reserves in 2006-07. Past experience indicates that this figure is hugely overstated and we have therefore projected breakeven. But, there has been a change to the Scheme of Finance which schools operate under, which means that the LEA now has to introduce a 'balance control mechanism' (i.e clawing back of schools reserves that are above a certain level). This therefore

means that we can no longer use past experience to determine the level of reserves. The scheme was finalised in January 2007 for implementation at the end of the 2006/07 financial year.

There will be an underspend on the unallocated ISB of £0.6m in respect of the undistributed DSG (see 1.1.3.2 above).

1.1.3.4 Asylum Budget

The Asylum budget is forecast to have a funding shortfall of £2.8m for the 2006-07 financial year. This is due to £2.3m of direct spending and £0.5m of indirect spend being unrecoverable at the new grant unit costs from the DfES and Home Office. The guidance has now been issued, and as previously anticipated, the unit costs used in calculating this forecast have not changed from the previous year.

The number of clients being referred to the Asylum team reached a peak during January at 43 referrals. The level of referrals has now reduced but is still higher than the previous average of 20 per month. This together with a higher proportion of 18+ clients has resulted in a slightly increased overspend than previously projected.

The Home Office bid, one of the two outstanding grant claims relating to the 2005-06 special circumstances bids has been successful in part, but still remains subject to audit. There is no news as yet on the DfES bid.

Following the preliminary audit of the 2004/05 grant claim, the Home Office have disputed the payment of £4.6m of grant funding relating to 900 clients whose details do not exactly match with the Home Office records. The asylum team are currently working through the records and it is expected that the majority of these queries will be resolved easily. It is possible that there may be an adjustment to the grant, but we are unable to quantify this at this stage.

1.1.4 Actions required to achieve this position:

The position has moved only marginally since our last exception report, from an underlying surplus of £361k to £760k. The management action that was put in place earlier in the year to avoid an overspend situation is coming into effect as predicted. This included:

- Use of grant funding for other purposes (ability to do this through having a 3 star status)
- Holding Vacancies
- Seeking alternative provision to reduce the costs of residential care

1.1.5 Implications for MTFP:

The issues previously raised within the monitoring have been addressed in the 2007-2010 MTFP.

1.1.6 Details of re-phasing of revenue projects:

The unspent Standards Fund within ICT is 50% match funded, which means that £583k will need to be rolled into 2007/08 in order to make use of the grant element which, in accordance with the accounting principle agreed with our external auditors, will be treated as a receipt in advance and will therefore have no impact on the outturn position.

1.1.7 Details of proposals for residual variance:

The net surplus on the CFE non-delegated budget is £2,570k. This, together with the underspend on the schools budget of £622k, which relates to non-distributed DSG, gives an underspend of £3,192k, excluding Asylum. Offset against this is the shortfall in DSG of £2,432k, leaving a projected surplus of £760k. The £583k Standards Fund match funding for the ICT project will be requested to roll forward, which will leave a net underspend on the non-delegated (non-DSG) budget of £177k.

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval, or relevant delegated authority.

Cash limits have been adjusted since the quarter 2 report to reflect:

	2006-07	2007-08	2008-09	Future Years	Total
	£000s	£000s	£000s	£000s	£000s
<u>Education & School Improvement portfolio:</u>					
• Re-phasing per the 2007-10 MTFP	-27,279	6,680	-689	-5,986	-27,274
• Hythe & St Leonards amalgamation – to be funded by capital receipts from the sale of St Leonards Junior School	864	1,092	44		2,000
• St James the Great – to be funded by capital receipts from the sale of Mill Stream Junior School	150	2,000	650		2,800
• Bellwood Children’s Centre virement from Children & Family Services portfolio	60				60
• Broadmeadow virement to Adult Social Services portfolio	-400				-400
• IT virement to Corporate Support & Health portfolio	-200				-200
• Devolved Capital Grant for Pupil Referral Units	515				515
• Specialist Schools Programme – a further approval from DfES to be funded by grant	100				100
• Marlowe Innovation Centre – to reflect the full gross cost of the scheme with the additional costs to be funded by external funding from Friends of Marlowe Academy and European Regional Development Fund		953			953
• Modernisation 2006-08 (Sussex Road School) – additional costs to be funded by external funding from Sorrell Foundation		150			150
<u>Children & Family Services portfolio:</u>					
• Re-phasing per the 2007-10 MTFP	-1,264	1,317			53
• East Kent Children’s Resource Centre – to be funded by capital receipts from the sale of the Croft and Southdowns		750			750
• Bellwood Children’s Centre virement to Education & School Improvement portfolio	-60				-60
• Legionella virement from Adult Social Services	7				7
• Computers for Looked After Children – to be funded from revenue contributions and Pump Priming Grant	75				75

1.2.2 Table 2 below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Yrs £000s	TOTAL £000s
Education & School Improvement Portfolio						
Revised Budget per qtr 2 report	104,554	137,912	77,644	17,302	23,163	360,575
- rephasing per 2007-10 MTFP		-27,279	6,680	-689	-5,986	-27,274
Additions:						
- Hythe & St Leonards amalgamation		864	1,092	44		2,000
- St James the Great		150	2,000	650		2,800
- Bellwood Children's Centre virement		60				60
- Devolved Capital Grant for Pupil Referral Units		515				515
- Specialist Schools Programme		100				100
- Marlowe Innovation Centre			953			953
- Modernisation 2006-08 (Sussex Road School)			150			150
Reductions:						
- Broadmeadow virement to Adults		-400				-400
- IT virement to Corporate Support		-200				-200
Revised Budget	104,554	111,722	88,519	17,307	17,177	339,279
Variance		-11,418	+16,134	+1,640	-3,129	+3,227
split:						
- real variance		+2,167	+1,464	-415	+11	+3,227
- re-phasing		-13,585	+14,670	+2,055	-3,140	0
Children & Family Services Portfolio						
Revised Budget per qtr 2 report	3,795	4,871	2,353	50	100	11,169
- rephasing per 2007-10 MTFP		-1,264	1,317			53
Additions:						
- East Kent Children's Resource Centre			750			750
- Legionella virement from Adults		7				7
- Computers for Looked After Children		75				75
Reductions:						
- Bellwood Children's Centre virement		-60				-60
Revised Budget	3,795	3,629	4,420	50	100	11,994
Variance		-518	+645	+16	0	+143
split:						
- real variance		+58	+69	+16		+143
- re-phasing		-576	+576			0
Directorate Total						
Revised Budget	108,349	115,351	92,939	17,357	17,277	351,273
Variance	0	-11,936	16,779	1,656	-3,129	3,370
Education & School Improvement Portfolio						
Devolved Capital to Schools						
Revised Budget per qtr 2 report		37,977				37,977
Additions:						
-						
Revised Budget		37,977				37,977
Variance		0				0
split:						
- real variance		0				0
- re-phasing		0				0
Real Variance		+2,225	+1,533	-399	+11	+3,370
Re-phasing		-14,161	+15,246	+2,055	-3,140	0

1.2.3 Capital Resourcing Issues:

Education & School Improvement portfolio:

The table shows a gross forecast pressure of £3.227m over the period of the MTFP. Within this figure we are spending ahead of plan on Schools Access Initiative (£0.300m), which will be first call upon the 2007-08 budget and Building Schools for the Future (King Ethelbert School £0.576m – mainly in 2007-08).

In total this means we currently have a pressure of £2.351m which will need to be managed within the current capital programme.

Children & Family Services portfolio:

The table shows a gross forecast pressure of £0.143m. However we believe this pressure can be covered from additional resources (Primary Care Grant and revenue contributions).

1.2.4 General Overview of capital programme

(a) Projects where there's re-phasing & reasons why:

Education & School Improvement portfolio:

Special Schools Review: The programme continues to be slowed down to ensure that the costs can be contained within the overall CFE directorate capital cash limits for the individual years of the capital programme. *Total rephasings of: 2006/07 -£2.725m, 2007/08 +£4.480m, 2008/09 +£1.457m, 2009/10 -£1.953m & Later Years -£ 1.259m.*

Basic Need Projects 2004/05 starts: Archbishop Courtenay PS, Tovil - Project delayed pending the results of the Compulsory Purchase Order for the proposed site. *Total rephasings of: 2006/07 -£2.600m & 2007/08 +£2.600m.*

Children's Centres: Re-phasing of estimated expenditure in line with delays on the selection of suitable locations for the centres. *Total re-phasings of: 2006/07 -£2.523m & 2007/08 +£2.523m.*

Modernisation Programme 2004/05/06: Some of the more significant changes on this programme of works are:

- Temple Ewell CP (-£0.489m) - This project was to be funded from an enabling development which hasn't been successful. If this project is to proceed any additional costs will form part of the 2008 to 2010 Modernisation Programme.
 - Kennington Juniors (-£0.291m) - project on hold due to planning/conservation issues.
 - Crockenhill PS (-£0.186m) - The project is on hold pending a potential larger project, which if agreed, will be included in the 2008 to 2010 Modernisation Programme.
 - Astor of Hever School (-£0.156m) - Delays with the land sale have delayed the project.
 - Other rephasings in the programme include: Seabrook CPS, Dover Grammar Boys, Monkton PS, Oaktree PS, Ashford, Pembury School, Reculver PS, & Wrotham Road PS.
- Total rephasings of: 2006/07 -£1.794m & 2007/08 +£1.794m.*

The North School, Ashford: Rephasing of estimated expenditure in line with delays on main PFI programme (see section 1.2.5). *Total rephasings of: 2006/07 -£1.108m & 2007/08 +£1.108m.*

Modernisation Programme 2006/07/08: Some of the more significant changes on this programme of works are:

- Mascalls School (+£0.470m) - A self managed School project. The project is progressing much faster than originally anticipated.
- Wilmington Hall School (-£0.409m) - The start on site date has been delayed from early February to early May due to hold ups in agreeing the tender documentation, predominantly because of the need to finalise DDA requirements.
- Barton Court School (-£0.154m) – Archaeology issues have delayed the project start date.
- Maplesden Noakes School (-£0.153m) – project delayed because the school have changed consultancies.

- Astor College for the Arts (-£0.180m) - Previous forecasts were based on the Budget Managers best estimate of when the project would be handed over to the School to self manage. The project has now been handed over and the current profile of spend has now been submitted by the School.
- Other rephasings in the programme include: Chilton PS, St Michaels Infants & Phoenix PS.
Total rephasings of: 2006/07 -£0.745m & 2007/08 +£0.745m.

Site Acquisitions: Clarendon House - Previous arrangements have changed following legal advice. We will now be paying for the site at the completion of the project rather at the start.
Total rephasings of: 2006/07 -£0.614m & 2007/08 +£0.614m.

Marlowe Innovation Centre: The indicative project costs are higher than anticipated causing the expected start date to be delayed to June 2007. *Total rephasings of: 2006/07 -£0.480m, 2007/08 +£0.477m & 2008/09 +£0.003m.*

Basic Need Projects Pre 2004/05 starts: Rephasing at Sedleys PS £113K - mainly due to an earlier than expected school contribution to the project & Singleton School £126K – a Local Authority contribution to an Aided School project which has been rephased by Canterbury Diocesan Architects who are managing this project.
Total rephasings of: 2006/07 -£0.239m & 2007/08 +£0.239m.

North Dartford Primary School: Latest estimates on this project indicate a delayed opening date from Sept 2008 to April 2009 so the build start will be put back 6 months. *Total rephasings of: 2007/08 -£0.469m, 2008/09 +£0.410m & 2009/10 +£0.059m.*

Development Opportunities – Newington PS Amalgamation: Previous forecasts were based on the Budget Managers best estimate of when the project might start. The project has now been handed over to Corporate Property to manage and the current profile of spend has been submitted by the external consultancies. *Total rephasings of: 2006/07 +£0.197m, 2007/08 -£0.164m & 2008/09 -£0.033m.*

Development Opportunities - Greenfields PS: Delay to start on site due to performance issues with consultant and increase in tender prices. *Total rephasings of: 2006/07 -£0.066m, 2007/08 +£0.326m & 2008/09 -£0.260m.*

St James the Great PS: The estimates approved in the budget have been updated following revised spreads of payments from the external consultancies. *Total rephasings of: 2006/07 +£0.083m, 2007/08 -£0.571m, 2008/09 +£0.475m & 2009/10 +£0.013m*

Non Delegated Devolved Formula Capital allocations to Pupil Referral Units: The outturn estimate is based on February Year To Date spend. Under DfES regulations PRU's, like Schools, are allocated an annual allocation which has to be spent within 3 years of allocation. The forecast underspend in 2006/07 will need to be 'rolled forward' into 2007/08 for future years usage. *Total rephasings of: 2006/07 -£0.426m & 2007/08 +£0.426m.*

Other Rephasings include: Istead Rise PS (£0.100m), Specialist Schools Programmes (£0.250m), Downsview PS (£0.078m) & Ashford North Youth Club project (£0.066m). *Net rephasings of: 2006/07 -£0.545m, 2007/08 +£0.542m & 2008/09 +£0.003m.*

Children & Families portfolio:

Integrated Childrens Systems: In late 2006 it was agreed that the ICS system originally purchased by Social Services Directorate in the summer of 2005 was not fit for practice nor would the nominated supplier be able to develop a system to meet the DfES requirements or time scales. As a result of this investigation and test of the system it was agreed that CFE would resolve this situation by seeking to procure a new ICS system. CFE agreed that the capital funds used within this financial year would be covered and that the full ICS capital budget would be rolled over onto 2007/08 to support the purchase and implementation of the new ICS system. DfES recently supported the roll over of the total unspent grant from this year and previous years. The project is expected to be completed by January 2008. The ICS project board will closely monitor expenditure via the Project Manager. *Total rephasings of: 2006/07 -£0.718m & 2007/08 +£0.718m.*

Preventative Strategy for Children : The most significant rephasing relates to the Phoenix Centre project which, because of its direct link to the new School where build isn't due to commence until May 2007, will not incur any spend in 2006/07. *Total rephasings of: 2006/07 - £0.210m & 2007/08 +£0.210m.*

East Kent Childrens Resources Centre (Windchimes): The project is progressing faster than previously estimated. *Total rephasings of: 2006/07 +£0.352m & 2007/08 -£0.352m.*

(b) **Projects with real under or overspends** ie. After considering issues raised in 1.2.3 above.

Education & School Improvement portfolio:

Mascalls School: The dispute and claim by the contractor has now been agreed and the settlement is now being reflected in the outturn forecast. *Overspend 2006/07 +£0.106m*

Modernisation 2004/05/06: The overall increase in spend is predominantly made up of:

- Boughton under Blean PS (+£0.189m) – additional mobile classroom costs, additional survey and temporary car park costs.
- Kennington PS Juniors (+£0.158m) – additional costs have arisen because of delays in commencement of the project.
- Schools Improvement Grant (+£0.155m) – reduction in cash limit to deal with 2005/06 residual Improvement Grant payments to Schools.
- Other less significant increases have occurred on the following projects: Dover Grammar Boys & Oaktree PS, Ashford.

Overspend 2007/08 +£0.681m & 2008/09 +£0.012m

Building Schools for the Future: Additional development costs have arisen following the recent decision by the Secretary of State to include Kent in Waves 3, 4, 5 & 6 of the national BSF Programme, which is earlier than previously anticipated. It is expected that these costs will be recovered from the BSF provider in 2008-09. Additional funding is also being sought, but if this is unsuccessful, the programme will need to be adjusted in line with the funding available.

Overspend 2006/07 +£0.909m.

Modernisation 2006/07/08: Other than the King Ethelbert project mentioned in 1.2.3 above, the remainder of the overall increase in spend is predominantly made up of:

- Crockham Hill PS (+£0.185m) where costs on tender are higher than previously estimated.
- St Pauls PS, Swanley (+£0.141m) – unexpected additional drainage works have been required.

Underspend 2007/08 -£0.020m, Overspend 2008/09 +£0.200m

Development Opportunities – Consultancy: The additional costs are as a direct result of supporting the New Line Learning Project at Oldborough Manor School. We have an agreement with New Line Learning that we will be repaid in the future out of the receipts from the disposal of Senacre, which is also providing the sponsorship for the new Academies.

Overspend 2006/07 +£0.330m.

Capital Strategy Unit: The costs of additional staffing in the Property Team to enable the delivery of the capital programme and additional Estates Management costs of £0.070m

Overspend 2006/07 +£0.262m.

New Replacement ICT: Savings have been achieved to meet other project overspends.

Underspend 2006/07 -£0.275m.

Replacement of Catering Equipment: Health & Safety need to replace heavy catering equipment in Schools. *Overspend 2006/07 +£0.281m.*

Development Opportunities – Newington PS: The tender price is lower than the original estimates for the project. *Underspend -£0.307m (2006/07 +£0.033m & 2008/09 -£0.340m)*

Other residual over and underspends: There are a number of smaller variances across a range of projects. 2006/07 +£0.075m, 2007/08 +£0.375m, 2008/09 -£0.289m & future years +£0.011m.

Children & Families portfolio:

As stated in 1.2.3 above, action will be taken over the course of the Medium Term Plan to ensure the spend remains with available resources.

(c) Risks:

The major risk remains those that were associated with the programme when it was approved, namely that a number of projects are wholly or partly dependant on capital receipts and/or external funding and if this funding is not achieved the projects will not proceed.

(d) Details of action being taken to alleviate risks:

If external funding/capital receipts are not realised and this shortfall cannot be managed within the capital programme, then Members would be asked to consider the cessation of projects.

1.2.5 PFI Projects

- Schools PFI**

The £92.4m investment in the Schools PFI project represents investment by a third party. No payment is made by KCC for the new/refurbished assets until the asset are ready for use and this is by way of an annual unitary charge to the revenue budget.

	Previous years	2006-07	2007-08	TOTAL
	£000s	£000s	£000s	£000s
Budget	38,247	51,462	2,701	92,410
Forecast	38,247	47,488	6,675	92,410
Variance	0	-3,974	+3,974	0

(a) Progress and details of whether costings are still as planned (for the 3rd party)

Target dates have now slipped due to issues with the building contractors and their suppliers and an extension of time has been granted by KCC.

(b) Implications for KCC of details reported in (a) ie could an increase in the cost result in a change to the unitary charge ?

Due to slippage in the construction programme, the contractor is receiving less income at this time from KCC than was expected under the contract, as service availability dates are directly linked into phased increases in the unitary charges. The effect of this has meant less revenue expenditure during 2006-07.

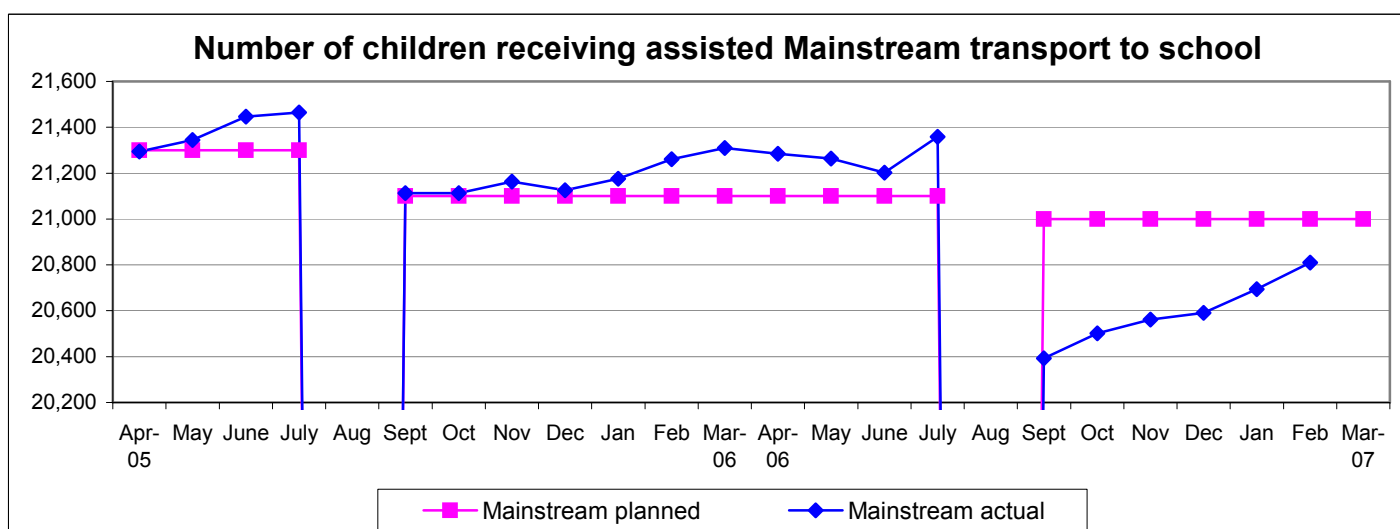
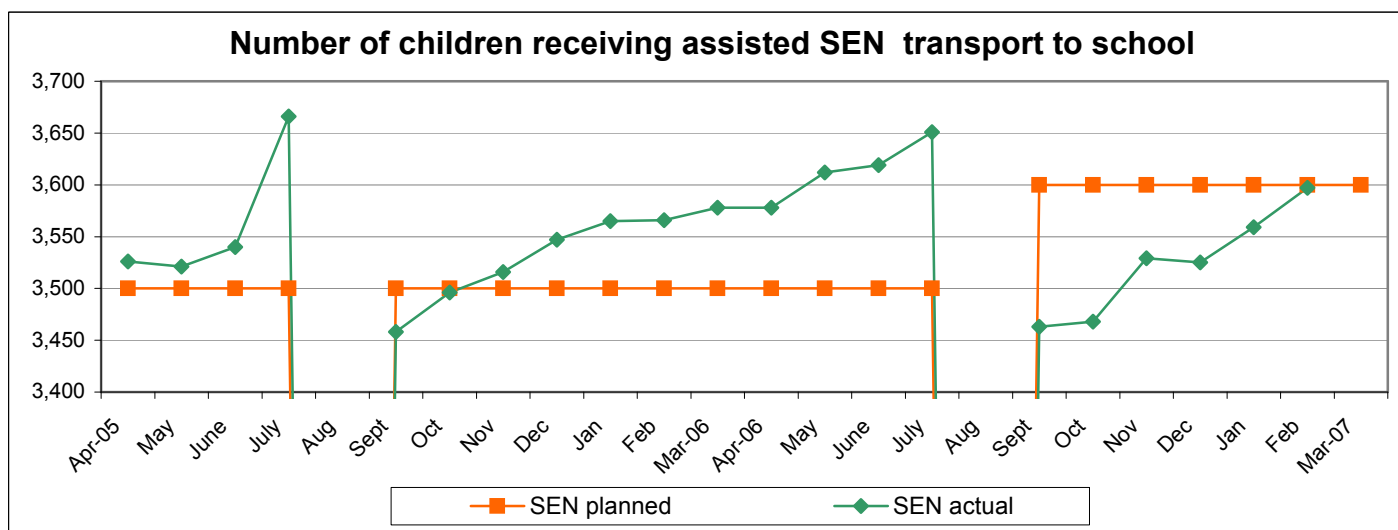
PFI credits have not been affected by this delay, as award of credits was dependent on service availability of the first school, which was achieved during October 2006.

Overall there will be no effect on the forecast revenue position in the current year, as in line with the accounting principle agreed with our external auditors, any excess PFI credits in the current year will be transferred to a PFI reserve to be drawn down in line with the re-phased expenditure.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Numbers of children receiving assisted SEN and Mainstream transport to school:

	2005-06				2006-07			
	SEN		Mainstream		SEN		Mainstream	
	planned	actual	planned	actual	planned	actual	planned	actual
April	3,500	3,526	21,300	21,295	3,500	3,578	21,100	21,285
May	3,500	3,521	21,300	21,344	3,500	3,612	21,100	21,264
June	3,500	3,540	21,300	21,447	3,500	3,619	21,100	21,202
July	3,500	3,666	21,300	21,464	3,500	3,651	21,100	21,358
August	0	0	0	0	0	0	0	0
September	3,500	3,458	21,100	21,113	3,600	3,463	21,000	20,392
October	3,500	3,496	21,100	21,113	3,600	3,468	21,000	20,501
November	3,500	3,516	21,100	21,163	3,600	3,529	21,000	20,561
December	3,500	3,547	21,100	21,126	3,600	3,525	21,000	20,591
January	3,500	3,565	21,100	21,175	3,600	3,559	21,000	20,694
February	3,500	3,566	21,100	21,261	3,600	3,597	21,000	20,810
March	3,500	3,578	21,100	21,310	3,600		21,000	

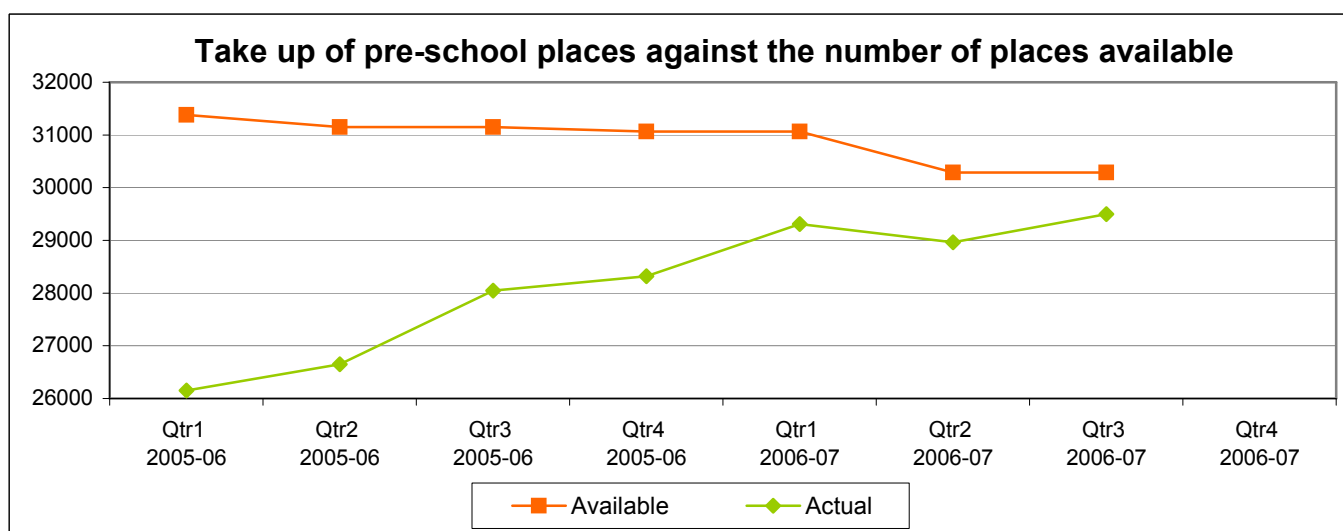


Comments:

- These graphs demonstrate increased demand over the summer term followed by a subsequent drop in the autumn term which is reflected in the small underspends reported in table 1 on pages 16 & 17.

2.2 Take up of pre-school places against the number of places available:

	2005-06			2006-07		
	Actual	Available	% take up	Actual	Available	% take up
April - June	26,152	31,378	83%	29,307	31,062	94%
July - September	26,650	31,147	86%	28,963	30,287	96%
October - December	28,047	31,147	90%	29,498	30,289	97%
January - March	28,319	31,062	91%			



Comments:

- This graph demonstrates that the take-up of the extended hours has increased gradually throughout the year but remains significantly below the budgeted level. The £1.8m underspend generated by this pattern of activity will be used to repay the DSG shortfall referred in section 1.1.3.2 above.
- Data for this activity graph is collected quarterly, therefore data to the end of February is not yet available.

2.3 Number of schools with deficit budgets compared with the total number of schools:

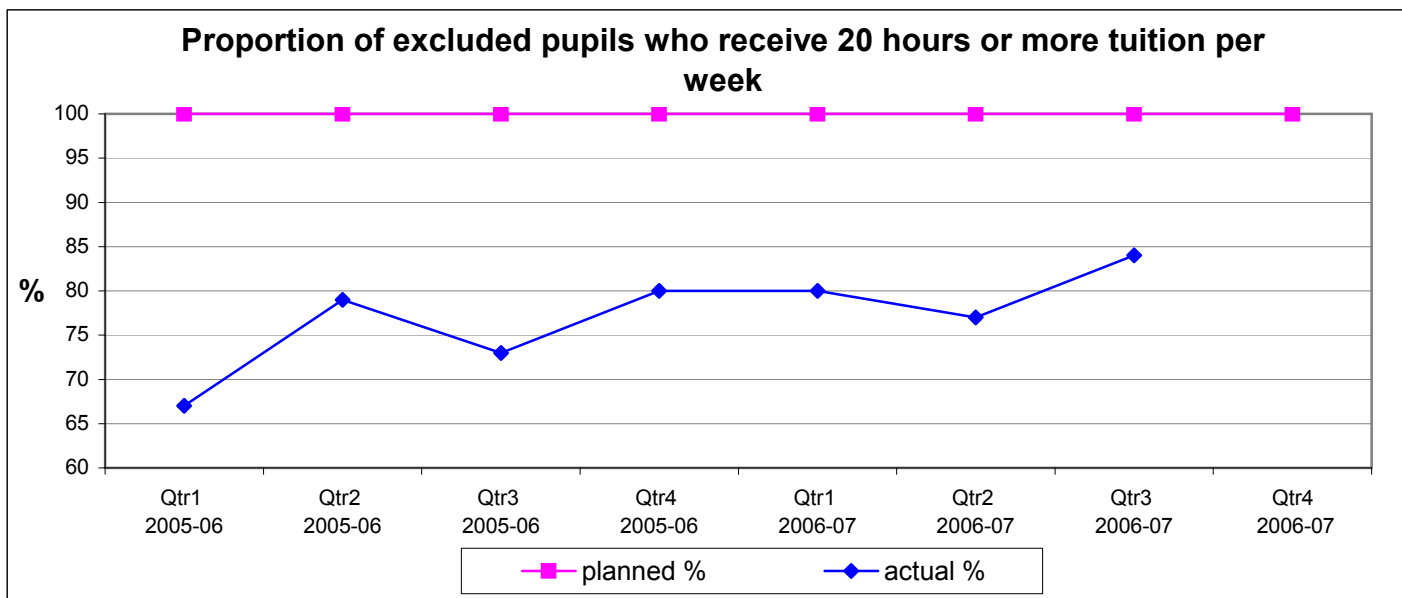
	2005-06	2006-07
	as at 31-3-06	Projection
Total number of schools	600	596
Total value of school reserves	£70,657k	£70,657k
Number of deficit schools	9	14
Total value of deficits	£947k	£1,339k

Comments:

- KCC now has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the LEA, which could ultimately mean suspending delegation.
- The CFE Deficit and Compliance team are working with all schools currently reporting a deficit with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.

2.4 Proportion of excluded pupils who receive 20 hours or more tuition per week:

	2005-06		2006-07	
	planned	actual	planned	actual
April - June	100%	67%	100%	80%
July - September	100%	79%	100%	77%
October - December	100%	73%	100%	84%
January - March	100%	80%	100%	



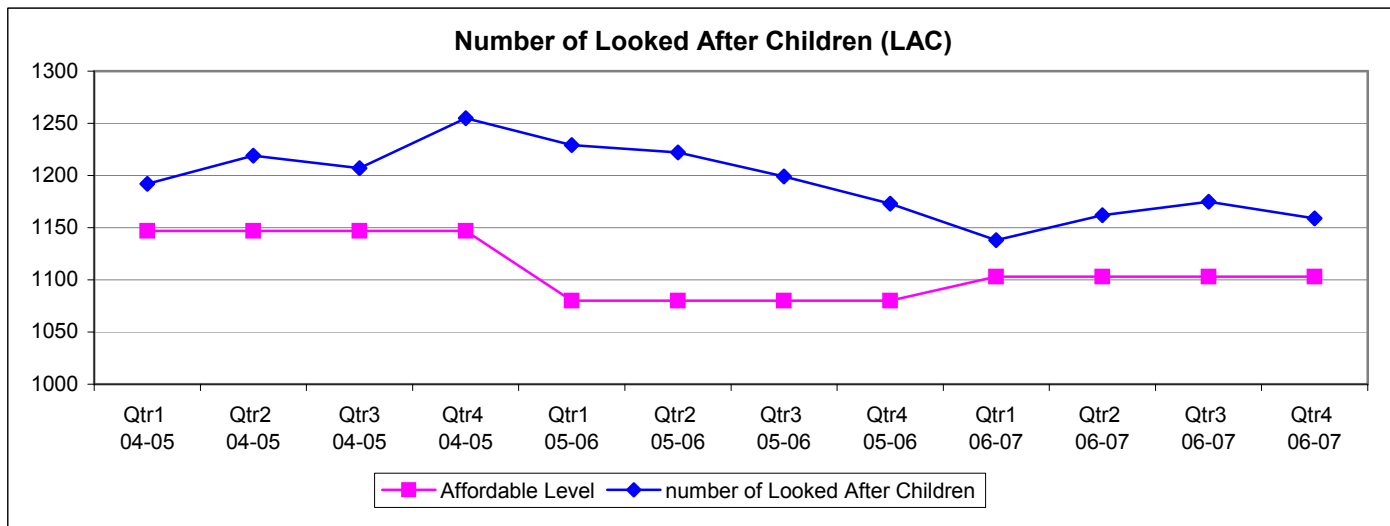
Comments:

- There are no excluded pupils receiving 20 hours or more home tuition per week. They either receive their tuition in Pupil Referral Units or alternative curriculum (which is currently mostly provided by external sources).
- Please note that this data applies to BVPI 159 which is the % of excluded pupils who receive 20 hours or more tuition **within 15 days of exclusion** and not the total proportion of excluded pupils receiving 20 hours or more which is **93%**.
- Data from our alternative tuition establishments is only collected quarterly, therefore data to the end of February is not yet available for this activity.

2.5 Numbers of Looked After Children (LAC):

	2004-05		2005-06		2006-07	
	Affordable Level	number of Looked After Children	Affordable Level	number of Looked After Children	Affordable Level	number of Looked After Children
Apr – Jun	1,147	1,192	1,080	1,229	1,103	1,138
Jul – Sep	1,147	1,219	1,080	1,222	1,103	1,162
Oct – Dec	1,147	1,207	1,080	1,199	1,103	1,175
Jan – Mar	1,147	1,255	1,080	1,173	1,103	*1,159

* includes data for January only



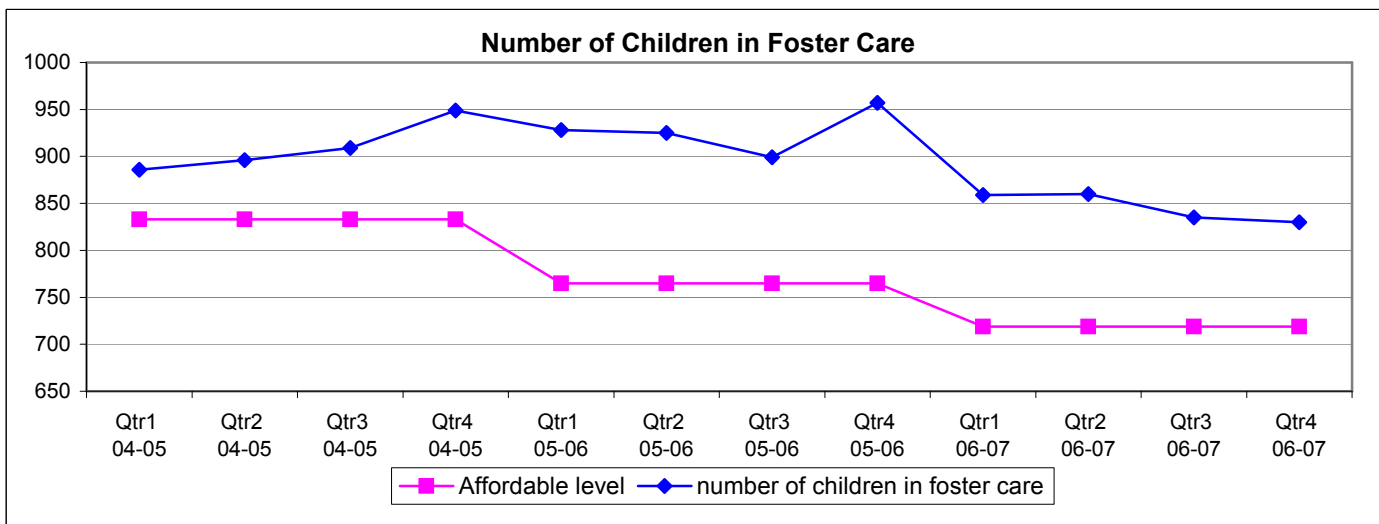
Comment:

- The graph demonstrates a considerable gap between the number of Looked After Children and the affordable level, which has resulted in a large overspend within the residential care budget.

2.6 Number of Children in Foster Care:

	2004-05		2005-06		2006-07	
	Affordable level	number of children in foster care	Affordable level	number of children in foster care	Affordable level	number of children in foster care
Apr - Jun	833	886	765	928	719	859
Jul - Sep	833	896	765	925	719	860
Oct - Dec	833	909	765	899	719	835
Jan - Mar	833	949	765	957	719	*830

* includes data for January only

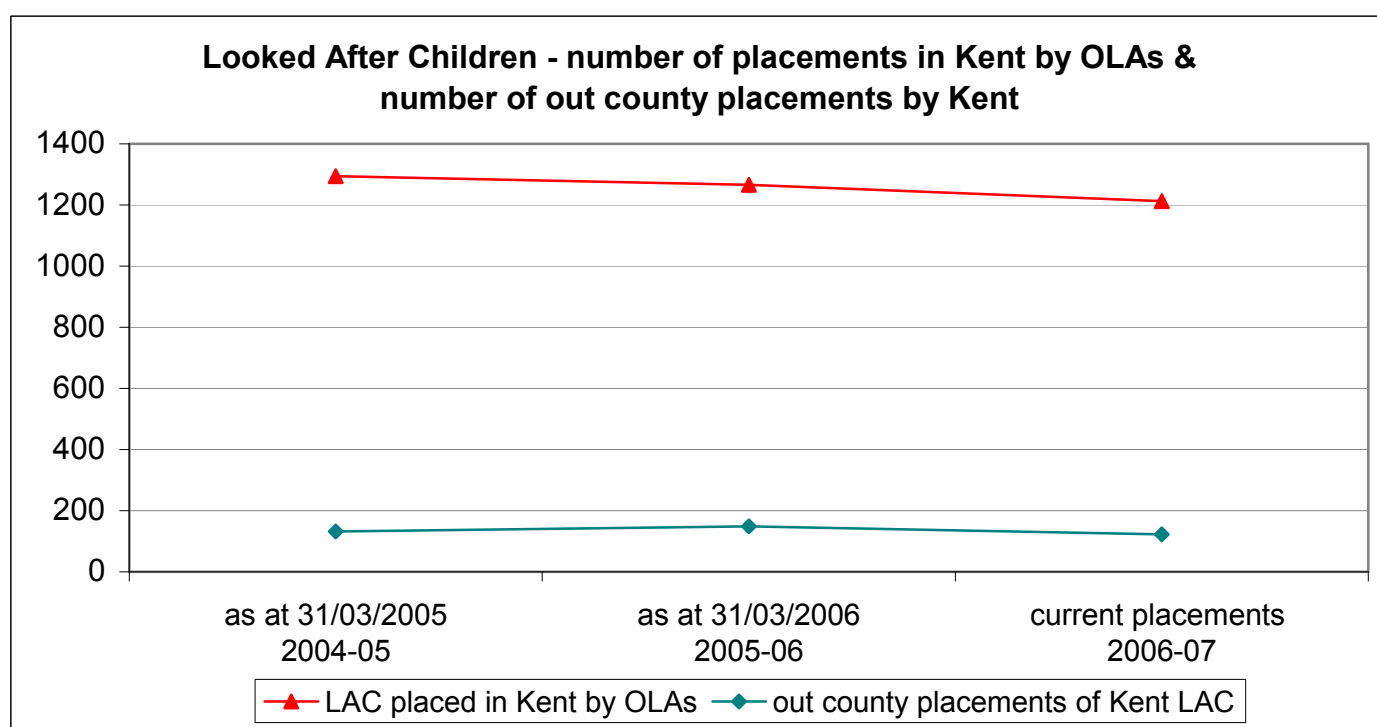


2.7 Number of Placements in Kent of LAC by other Authorities:

2004-05 as at 31/03/2005	2005-06 as at 31/03/2006	2006-07 current placements
1,294	1,266	1,213

2.8 Number of Out County Placements of LAC by Kent:

2004-05 as at 31/03/2005	2005-06 as at 31/03/2006	2006-07 current placements
132	149	122

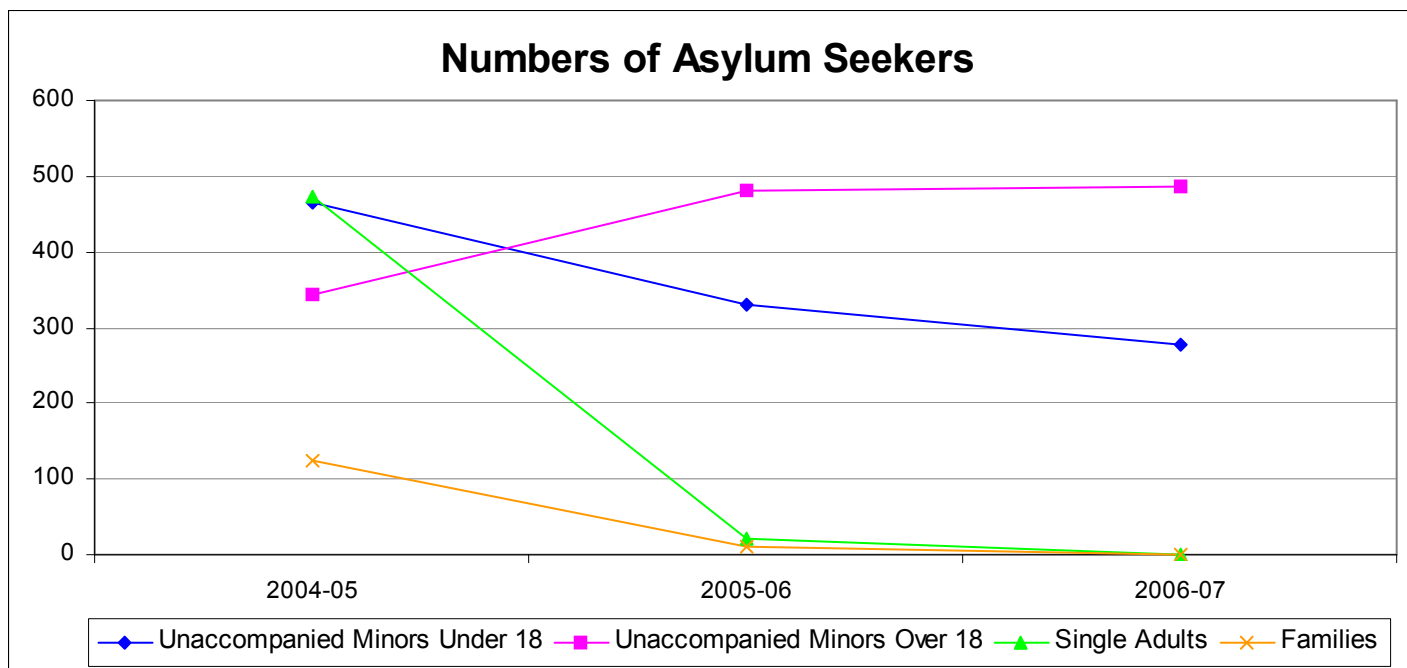


Comments:

- The above figures are as at the end of January 2007. These are our best estimates of children placed in Kent, but we are not automatically kept informed, despite there being a requirement for local authorities to notify each other of changes.
- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken. The majority (over 99%) of Looked After Children placed out of the Authority are either in adoptive placements, placed with a relative, specialist residential provision not available in Kent or living with KCC foster carers based in Medway.

2.9 Numbers of Asylum Seekers (by category):

	2004-05	2005-06	2006-07
	Number	Number	Number
Unaccompanied Minors Under 18	466	330	277
Unaccompanied Minors Over 18	343	480	487
Single Adults	474	20	0
Families	123	10	0



Comment:

- The above figures are as at the end of February 2007
- The numbers above refer to clients who have been assessed as qualifying for asylum. The numbers have reduced in line with expectation. However this masks the problem of increased referrals being experienced by the asylum team which has led to the current forecast overspend. Currently only 30% of referrals become ongoing clients, compared to a forecast of 50%. In addition to this we are seeing a higher number of clients leaving the service as they no longer require assistance.

Table 3

CHILDREN, FAMILIES & EDUCATION DIRECTORATE

VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspenders (-)	
	£000's		£000's
Asylum - funding shortfall	+2,787	Management Information - saving on 3 & 4 year olds budget to cover shortfall in DSG	-1,810
Shortfall in DSG income	+2,432	Community Care - staffing	-1,400
Community Care - adoption	+1,300	Community Care - external funding	-692
Residential Care	+835	School Budgets - undistributed DSG	-622
Community Care - fostering	+675	ICT - Standards Fund match funding	-583
Personnel & Development - pensions	+300	Assessment and Related - staffing	-502
Community Care - direct payments	+277	Community Care - day care	-375
International Development - tightening of rules on interreg claim	+262	Assessment and Related - external funding	-366
Children's Services Support - legal fees	+200	Personnel & Development - redundancy	-358
Community Care - family group conferencing	+188	Education Psychologists - staffing	-226
Advisory Service Kent - staffing	+162	Community Care - S17 (preventative services supporting families) &	-211
Children's Services Provider Unit - premises running costs	+156	Community Care - S24 (supportive payments to aged 16+ children leaving care)	-200
Personnel & Development - tribunals	+148	Policy - nurses for Clusters	-123
		Personnel & Development - training	-100
	+9,722		-7,568

ADULT SOCIAL SERVICES DIRECTORATE SUMMARY FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered "technical adjustments" ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the quarter 2 report to reflect a number of technical adjustments to budget.

1.1.2 Table 1 below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Adult Social Services portfolio							
Older People	162,858	-63,556	99,301	-953	-1,579	-2,532	Client nos. below affordable levels.
People with a Learning Difficulty	64,915	-19,823	45,092	5,604	-598	5,006	Pressure on placements & prices
People with a Physical Disability	24,614	-6,820	17,794	1,082	560	1,642	Placement pressures & direct payments
Adults Assessment & Related	29,043	-4,894	24,149	-1,282	-88	-1,370	Vacancies
Older Persons Direct Service Unit	23,607	-3,702	19,905	262	-32	230	Premises costs & agency staff
Adult Service Provider Unit	13,318	-689	12,630	70	10	80	Reduction in charge to supporting people
SESEU	2,190	-579	1,611	88	-34	54	
Occupational Therapy Bureau	9,278	-2,544	6,735	969	-846	123	
Mental Health Service	22,174	-7,293	14,880	387	74	461	Prices challenges & other price pressure
Supporting People	32,928	-32,928	0	0	0	0	
Gypsy Unit	621	-276	346	-8	7	-1	
Strategic & Area Management	767	-2	764	-146	2	-144	Vacancies
Performance, Contracting & Planning	7,016	-1,675	5,341	-674	-184	-858	Vacancies
Training, Duty & Support	15,195	-4,440	10,755	-1,352	-329	-1,681	Vacancies, training, use of reserves and provisions.
Total Adult SS controllable	408,524	-149,222	259,301	4,047	-3,037	1,010	

1.1.3 Major Reasons for Variance:

1.1.3.1 General Comment

The current forecast position is a result of demographic pressures, specific to Adult Social Services and in common with other local authorities in the region.

1.1.3.2 Older People (-£2,532k)

Comment: This underspend is consistent with the 2005-06 outturn position. Whilst client numbers have increased gradually during the year, they have still not yet reached affordable levels, as per the directorate's business plans.

There is some pressure from the increase in nursing placements, which we believe to result from closure of hospitals. This has adversely impacted on our ability to achieve fully the planned management action.

1.1.3.3 People with Learning Disabilities (+£5,006k)

Comment: Although demography funding was built into the 2006-07 budget, this was insufficient to cover both the inherent pressure from the previous year and continuing growth and prices pressures in the current year. The latest learning disability forecast reflects the full year effect of the increase in residential placements at the end of 2005-06 (23 extra clients) and the continuation of this trend in 2006-07 – a further 53 since the beginning of the financial year. The average unit cost is around £1k per week, but some clients with more complex needs can cost up to £2k per week.

Community Care comprises a variety of different preventative services. During the current year the directorate has been able to divert a number of clients out of residential placements and into independent living type arrangements. Although the costs of such placements are likely to be less expensive than residential care, the weekly costs are still significant in some instances, due to the needs of the clients. The management action implemented by supporting people has meant that some costs have fallen back onto Adult Social Services – most of which would have affected Learning Disability.

Direct payment clients have increased from 41 to over 265 since April 2005, and there is evidence to suggest that our success in meeting the direct payments target is identifying previously unmet demand/need. The directorate is continuing the work initiated to establish whether there is evidence that direct payments are costing more than traditional packages of care.

1.1.3.4 People with Physical Disabilities (+£1,642k)

Comment: Similarly with Learning Disability much of this pressure represents the full year effect of the growth in placements during 2005-06 and the continuation of this trend during 2006-07.

Direct payment clients increased significantly to 172 during 2005-06 and a further 319 clients have taken up direct payments during 2006-07 to date. As in Learning Disability work has been initiated to determine the reasons for additional cost pressures.

1.1.3.5 Assessment & Related (-£1,370k)

Comment: As in previous years, management action around staffing and vacancies has been implemented to fund pressure elsewhere within the budget.

1.1.3.6 Older People Direct Services Unit (+£230k)

Comment: Pressures across all premises headings, as a result of the age and condition of some of the buildings. Also some pressure relating to the use of agency staff to cover staff sickness.

1.1.3.7 Adult Services Provider Unit (+£80k)

Comment: Principally a reduction in internal income resulting from changes in the level of floating support provided to the Supporting People service.

1.1.3.8 SESEU (+£54k)

Comment: Lower than anticipated income generated by the Princess Christian Farm, together with some other premises related pressures.

1.1.3.9 Occupational Therapy Bureau (+£123k)

Comment: The pressure is in part due to additional planned spend required on sessional staff and minor equipment. Also, the success of the Integrated Community Equipment Store, funded via a pooled budget arrangement with the Health Service, has meant that the directorate has had to increase its contribution to the pool.

1.1.3.10 Mental Health (+£461k)

Comment: This year the net pressure against Mental Health is broadly comparable with the 2005-06 outturn. The main cost pressure relates to the full year effect of high price increases, in residential placements, towards the latter part of 2005-06.

As with other client groups direct payments have increased and hence there is now a pressure which we had anticipated would be offset by a reduction against other preventative services. As mentioned earlier this has not proved to be the case.

As in previous years recruitment has been delayed and vacancies held in order to offset other pressures within the Mental Health Service.

1.1.3.11 Other (-£2,683k)

Comment: This underspend comprises a variety of savings and one-off uses of reserves and provisions against the Strategic Management, Performance, Contracting and Planning and Training, Duty and Support budgets across HQ and the two Areas. The principal underspends are as follows:

- Identification of sufficient capacity within the capital programme to enable release of £600k of one-off revenue funds, set aside as a revenue contribution to capital for the Systems Renewal Project.
- Movement in bad debt provisions £150k. (Table 3 shows a £426k reduction in bad debt provision but some of this impacts upon the direct service budget lines detailed above)
- Release of other provisions no longer required £328k.
- Management of vacancies by the Director of Resources £347k.
- Management of staffing and other administrative budgets by Area Management Teams £569k
- Underspending against the directorate's training budget £274k.
- Underspending against the Strategic Director's budget £190k.
- One-off use of various reserves £185k.
- Various other underspends £40k.

1.1.4 **Actions required to achieve this position:**

All management actions to achieve this position are now reflected within the forecasts.

There is some risk as owing to delays in implementing SWIFT (client activity system), it is not possible for us to obtain an accurate snapshot of client numbers until all of our input backlogs are cleared and management reports can be produced. The forecast position therefore represents assumptions made from manual record keeping in a number of instances. The activity data presented in section 2 of this report for the period August 2006 to December 2006 has been reliant on local records and manual counts. The activity data available for January and February is not fully comprehensive and there would be no merit in reporting partial data in section 2 of this report.

1.1.5 **Implications for MTFP:**

This forecast outturn position of +£1,010k is consistent with the position assumed in the 2007-10 Medium Term Financial Plan.

1.1.6 **Details of re-phasing of revenue projects:**

There are no plans to re-phase revenue projects at this time.

1.1.7 **Details of proposals for residual variance:**

The directorate's forecast position reflects carry forward of the entire Supporting People underspend into reserves, consistent with previously agreed practice. This is in anticipation of a reduction in the grant in future years. The transfer to the reserve is currently forecast to be £2,343k this year.

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval, or relevant delegated authority.

Cash limits have been adjusted since the quarter 2 report to reflect:

	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future years £000s
• Re-phasing per 2007-10 MTFP	-1610.8	2,889	2,570	-240
• Home Support Fund – Use of Client Contributions held on balance sheet	+132.0			
• Broadmeadow – Contribution from CFE	+400.0			
• Virement to CFE re: Legionella Works	-7.3			
• Virement to CED re: Ashford Gateway	-6.5			
TOTAL	-1,092.6	2,889	2,570	-240

1.2.2 Table 2 below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Yrs £000s	TOTAL £000s
Adult Services portfolio						
Revised Budget per qtr 2 report	7,309	12,811	2,705	484	562	23,871
- re-phasing per 2007-10 MTFP		-1,611	2,889	2,570	-240	3,608
Additions & Removals:						
- Home Support Fund		132				132
- Broadmeadow virement from CFE		400				400
- Legionella virement to CFE		-7				-7
- Gateways virement to CED		-7				-7
						0
Revised Budget	7,309	11,718	5,594	3,054	322	27,997
Variance		-913	+831	+82	0	0
split:						
- real variance		0	0	0	0	0
- re-phasing		-913	+831	+82	0	0
Real Variance		0	0	0	0	0
Re-phasing		-913	+831	+82	0	0

1.2.3 **Capital Resourcing issues:**

N/A

1.2.4 **General Overview of capital programme:**

(a) Projects where there's re-phasing and reasons why:

Various Disability Discrimination Act and Legionella Works

There is an allocation of £56k in 2006-07 and we are asking for £47k to be re-phased to 2007-08, due to conservation planning issues with regards to a property sited within Canterbury.

Hesketh Park Bungalow

There is an allocation of £152k set aside in 2006-07 to fund the refurbishment works at this building. However, work has been hampered by insurance negotiations, as a result of recent vandalism and arson attacks, therefore this will re-phase into 2007-08.

Dartford Town Centre

As part of the MTFP process, this is a new project added into the Directorates programme. Due to a later than anticipated start date, the current year budget will re-phase into 2007-08, at a value of £270k.

Osborne Court/Faversham DOS

As more planning is required on establishing the service requirement to meet our modernisation agenda, the remaining balance on this project, of £50k, will re-phase into 2007-08.

Ladesfield Works

There are 3 pieces of capital works currently being carried out at this site, the driveway, top floor and asbestos. The re-phasing, to 2007-08, of £52k reflects the likelihood of certain works not being carried out by the end of the financial year.

Princess Christian Farm

There is £625k, within the Directorate programme, for this project, of which £25k is reflected in this financial year. This will re-phase into 2007-08, due to a later than anticipated start date.

Broadmeadow

Recent discussions, with the construction consultants, suggest that £149k of the £5m budget set aside, in 2006-07, should be re-phased into future years. (£67k 2007-08 & £82k 2008-09)

Crispe House

As part of the MTFP process, this is a new project added onto the Directorates programme. We are requesting to pull forward a further £27k into 2006-07, from 2007-08, to cover various works, which appear to be progressing quicker than anticipated.

SRP

Due to the slower than anticipated work around interfaces and hardware, £195k will re-phase into 2007-08.

(b) Projects with real under or overspend:

N/A

(c) Risks:

N/A

After allowing for the funding issues detailed in paragraph 1.2.3 and re-phasing in paragraph 1.2.4 (a), the true underlying variance is **breakeven**.

1.2.5 PFI projects

- PFI Housing

The £72.489m investment in the PFI Housing project represents investment by a third party. No payment is made by KCC for the new/refurbished asset until the asset is ready for use and this is by way of an annual unitary charge to the revenue budget.

	2006-07	2007-08	2008-09	2009-10	Total
	£'000	£'000	£'000	£'000	£'000
Budget	0	33,600	38,700	189	72,489
Forecast	0	33,600	38,700	189	72,489
Variance	0	0	0	0	0

- (a) Progress and details of whether costings are still as planned (for the 3rd party)

Currently the progress of this PFI project is going ahead as planned. No payment is made by KCC for the new extra care facilities across Kent until each facility has been built and available for occupation. The first payment to the contractor is likely to be incurred in 2008-09. The payment will be by way of a unitary charge to the revenue budget.

- (b) Implications for KCC of details reported in (a) above:

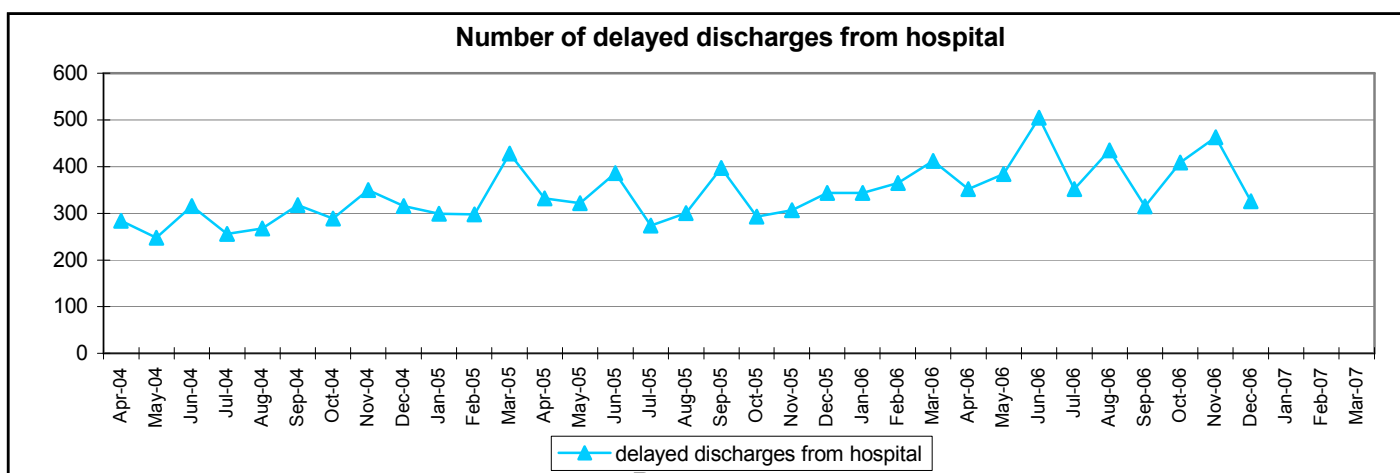
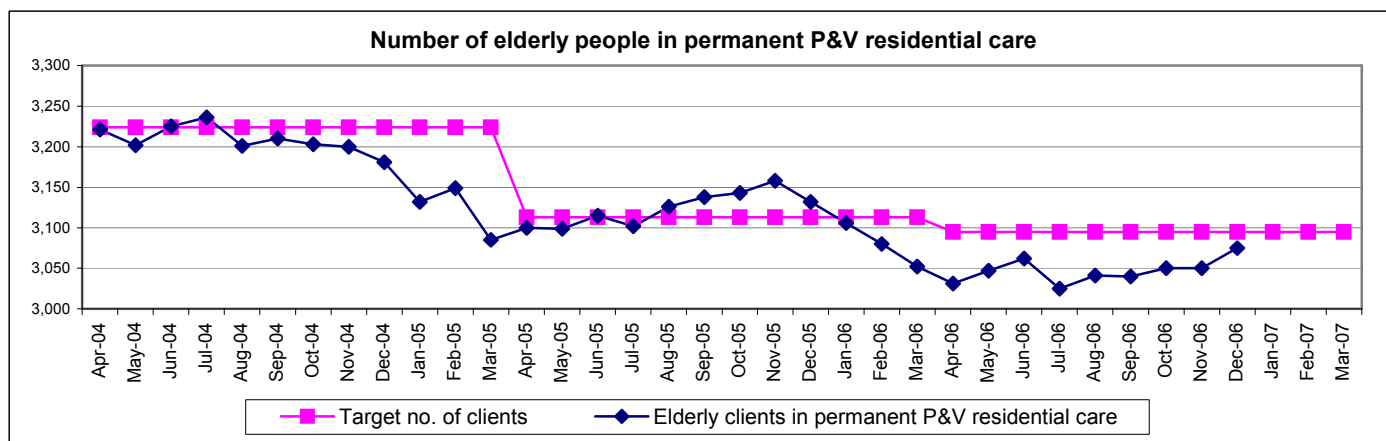
We are expecting no cost implications to KCC.

KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

Owing to delays in implementing SWIFT (client activity system), the activity data for the period August 2006 to December 2006 has been reliant on local records and manual counts. The activity data available for January and February is not fully comprehensive and there would be no merit in reporting partial data in this report.

2.1 Numbers of elderly people in permanent P&V residential care, including indicators on delayed discharges:

	2004-05			2005-06			2006-07		
	Target	Elderly clients in permanent P&V residential care	Delayed discharges from hospital	Target	Elderly clients in permanent P&V residential care	Delayed discharges from hospital	Target	Elderly clients in permanent P&V residential care	Delayed discharges from hospital
April	3,224	3,221	284	3,113	3,100	332	3,095	3,031	352
May	3,224	3,202	248	3,113	3,099	322	3,095	3,047	384
June	3,224	3,225	316	3,113	3,115	386	3,095	3,062	505
July	3,224	3,236	256	3,113	3,102	274	3,095	3,025	352
August	3,224	3,201	268	3,113	3,126	301	3,095	3,041	435
September	3,224	3,210	318	3,113	3,138	397	3,095	3,040	315
October	3,224	3,203	289	3,113	3,143	293	3,095	3,050	409
November	3,224	3,200	350	3,113	3,158	307	3,095	3,050	463
December	3,224	3,181	316	3,113	3,132	344	3,095	3,075	326
January	3,224	3,132	299	3,113	3,106	344	3,095		
February	3,224	3,149	298	3,113	3,080	365	3,095		
March	3,224	3,085	428	3,113	3,052	412	3,095		

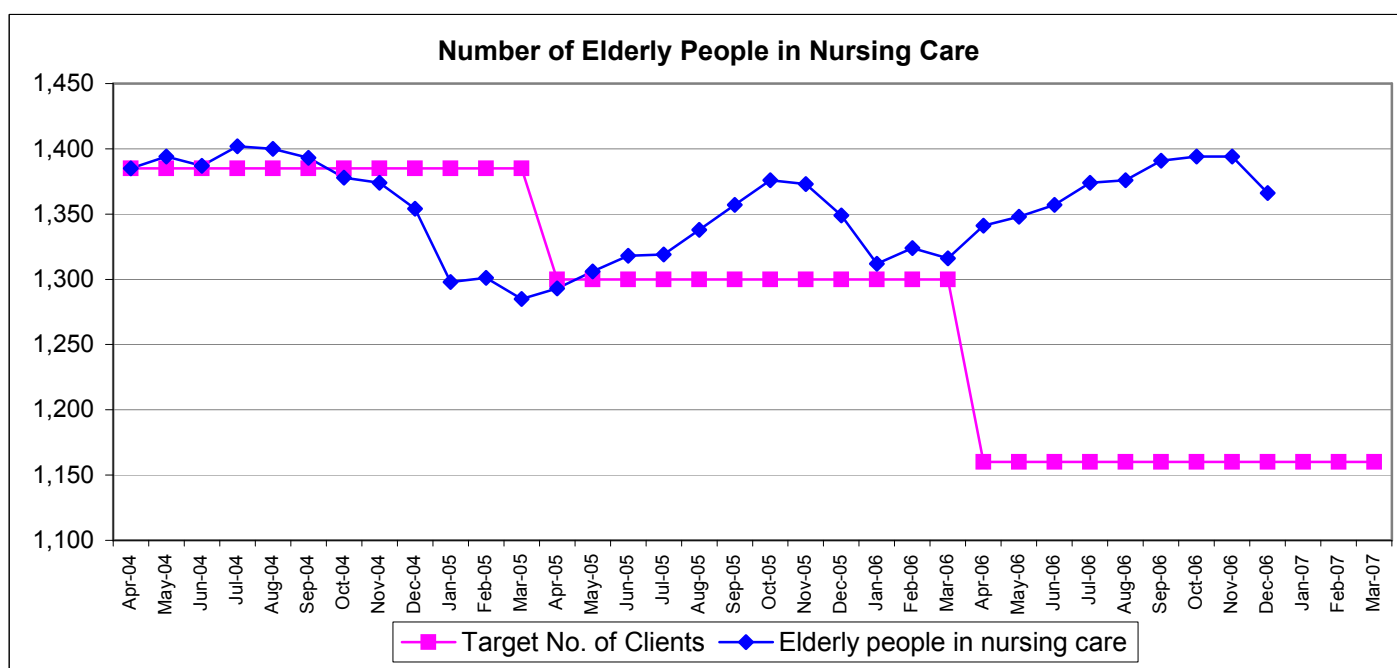


Comments:

The Delayed Transfers of Care (DTCs) show the numbers of people whose movement from an acute hospital has been delayed. Typically this may be because they are waiting for an assessment to be completed, they are choosing a residential or nursing home placement, or waiting for a vacancy to become available. This figure shows all delays, but those attributable to Adult Social Services, and therefore subject to the reimbursement regime, are a minority. There are many reasons for fluctuations in the number of DTCs which result from the interaction of various different factors within a highly complex system over which we have very little influence. The average number of delayed discharges per week appears to have risen, relative to the 65-75 average levels experienced in previous years (measured by the number of delayed discharges as at midnight Thursday). Approximately 13%-22% of these will be the responsibility of Social Services, but this occasionally rises and there are some more predictable "seasonal" variations throughout the year. It should also be noted that each third month is a five-week month.

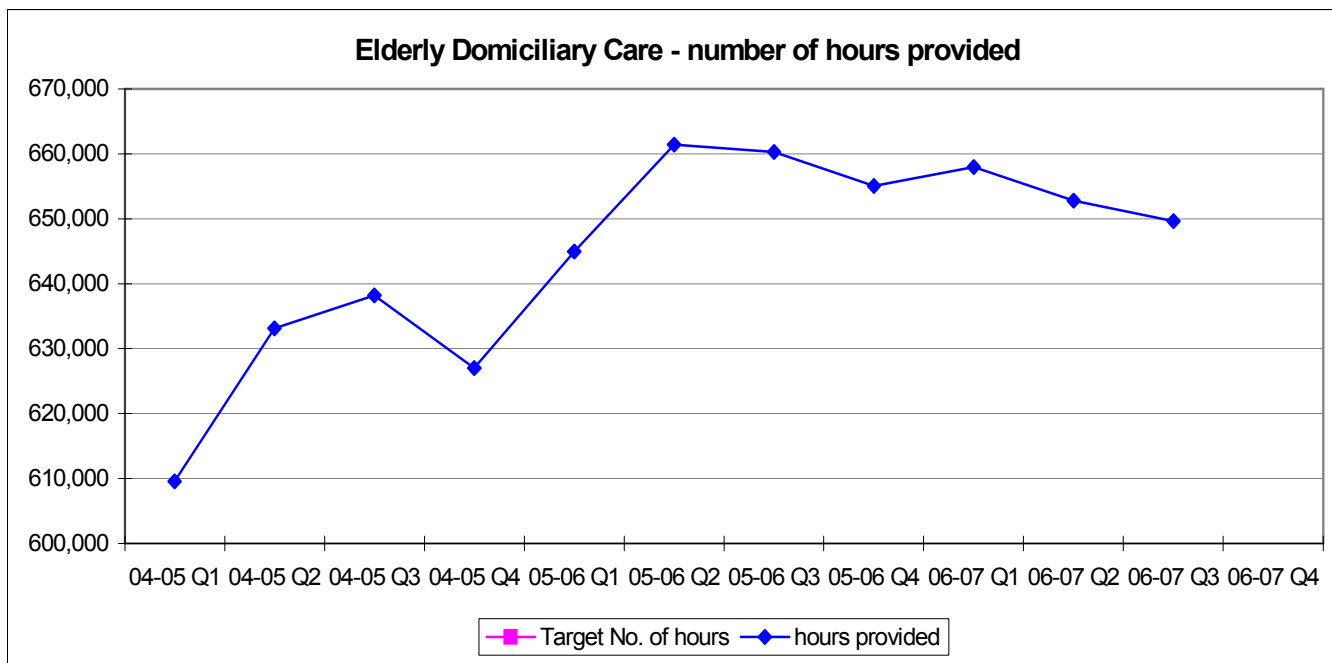
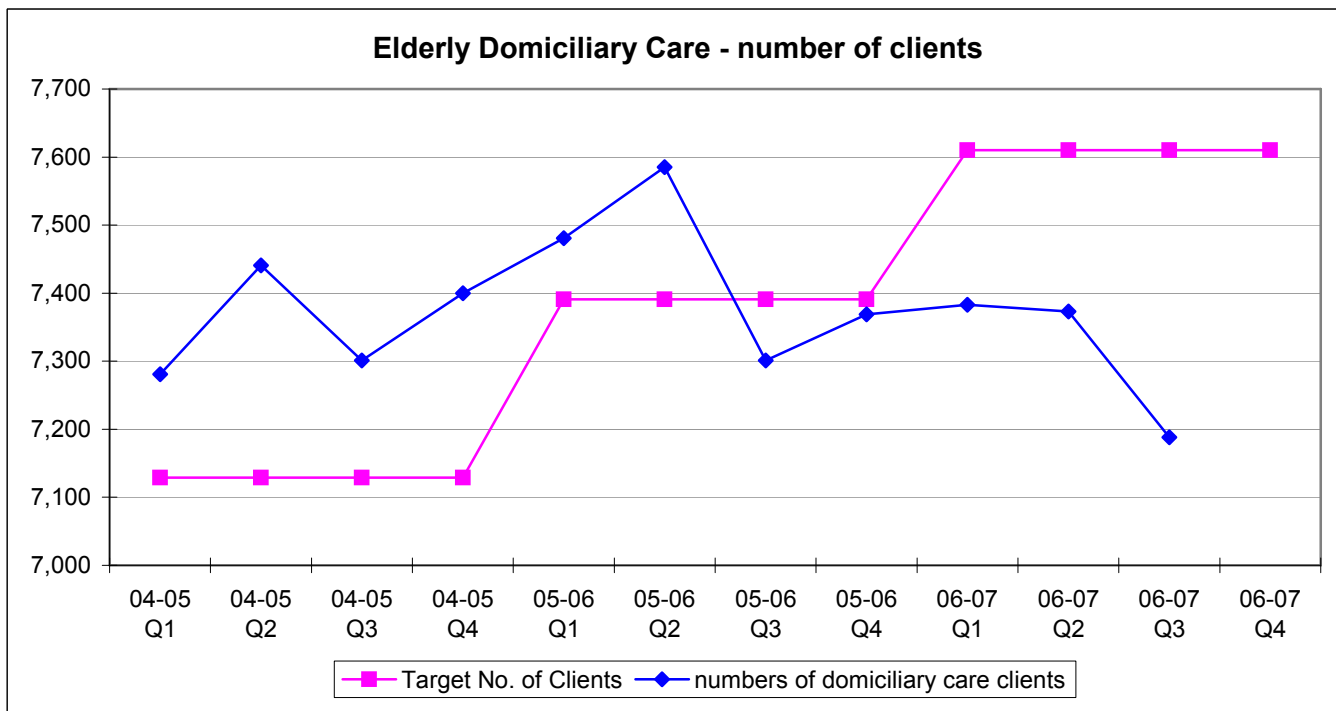
2.2 Numbers of elderly people in nursing care:

	2004-05		2005-06		2006-07	
	Target	Elderly people in nursing care	Target	Elderly people in nursing care	Target	Elderly people in nursing care
April	1,385	1,385	1,300	1,293	1,160	1,341
May	1,385	1,394	1,300	1,306	1,160	1,348
June	1,385	1,387	1,300	1,318	1,160	1,357
July	1,385	1,402	1,300	1,319	1,160	1,374
August	1,385	1,400	1,300	1,338	1,160	1,376
September	1,385	1,393	1,300	1,357	1,160	1,391
October	1,385	1,378	1,300	1,376	1,160	1,394
November	1,385	1,374	1,300	1,373	1,160	1,394
December	1,385	1,354	1,300	1,349	1,160	1,366
January	1,385	1,298	1,300	1,312	1,160	
February	1,385	1,301	1,300	1,324	1,160	
March	1,385	1,285	1,300	1,316	1,160	



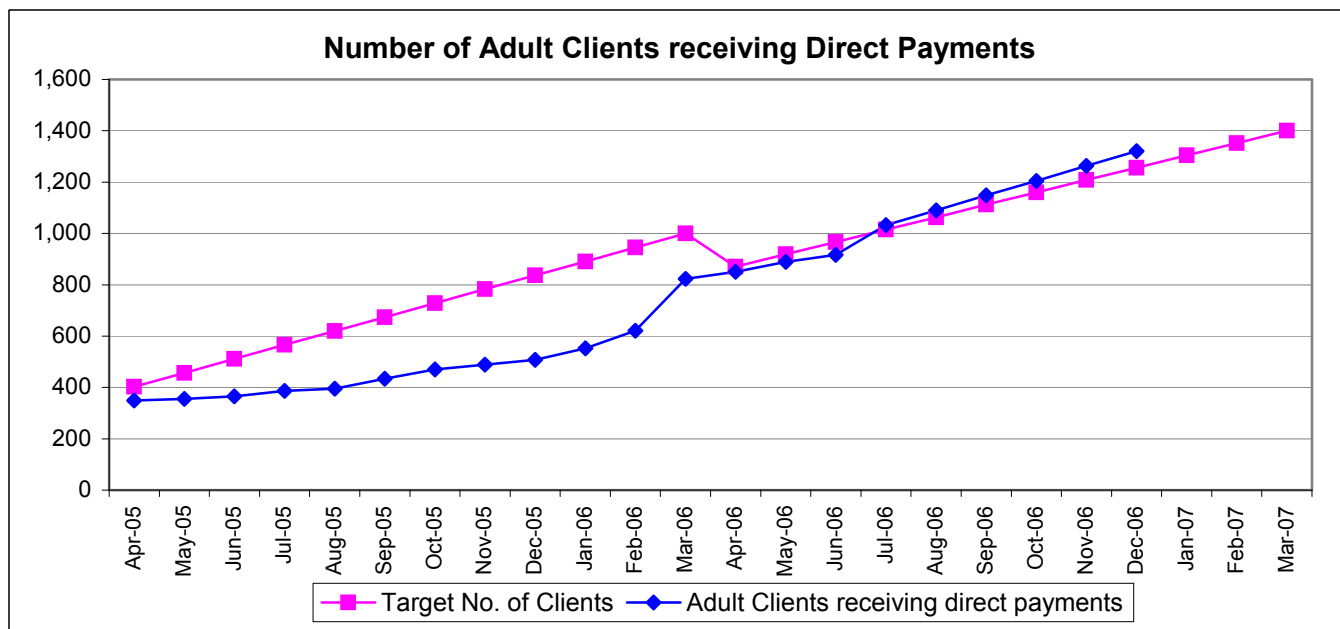
2.3 Elderly domiciliary care – numbers of clients and hours provided:

	2004-05			2005-06			2006-07		
	Target	numbers of domiciliary care clients	hours provided	Target	numbers of domiciliary care clients	hours provided	Target	numbers of domiciliary care clients	hours provided
Apr - Jun	7,129	7,281	609,577	7,391	7,481	644,944	7,610	7,383	657,948
Jul - Sep	7,129	7,441	633,134	7,391	7,585	661,415	7,610	7,325	652,789
Oct - Dec	7,129	7,301	638,187	7,391	7,301	660,282	7,610	7,188	649,624
Jan - Mar	7,129	7,400	626,996	7,391	7,369	655,071	7,610		



2.4 Direct Payments – Number of Adult Social Services Clients receiving Direct Payments:

	2005-06		2006-07	
	Target	Adult Clients receiving Direct Payments	Target	Adult Clients receiving Direct Payments
April	403	349	871	851
May	457	355	919	889
June	511	366	967	917
July	566	386	1,015	1,032
August	620	395	1,063	1,090
September	674	434	1,112	1,148
October	728	470	1,160	1,205
November	783	489	1,208	1,263
December	837	507	1,256	1,321
January	891	553	1,304	
February	945	621	1,352	
March	1,000	823	1,400	

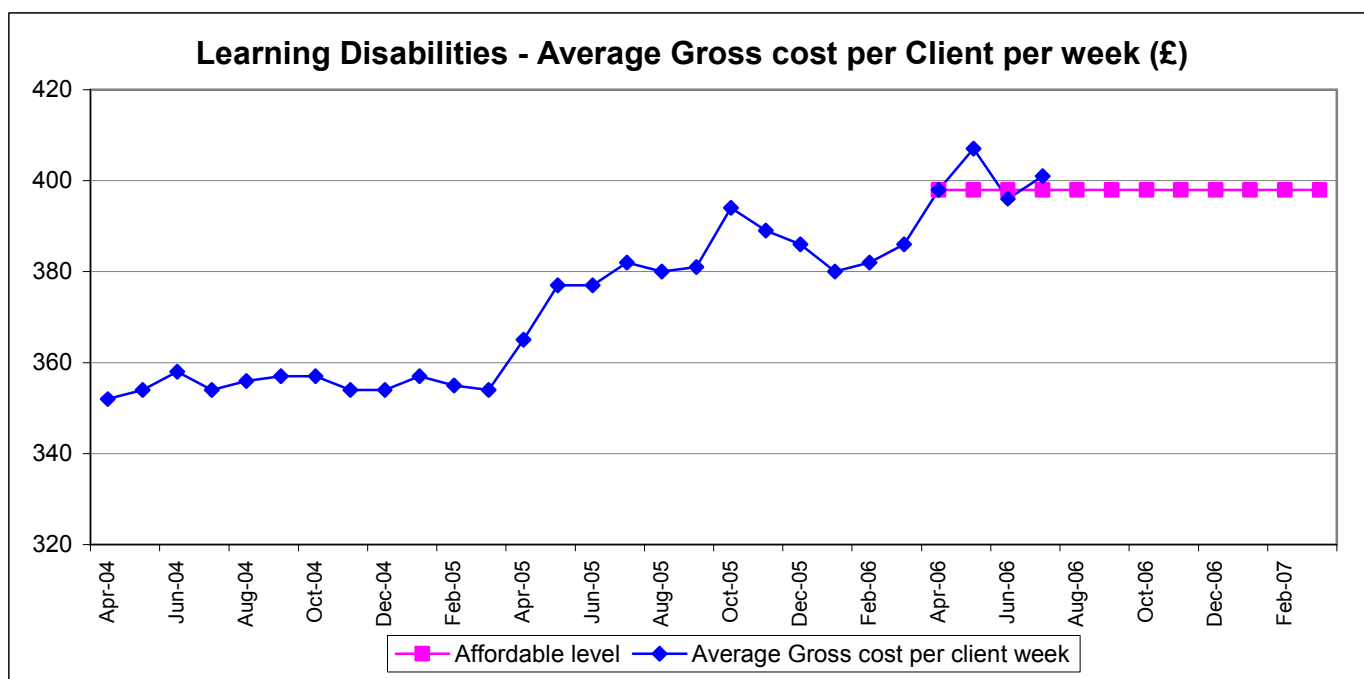


Comment:

- Direct payments are increasing, however work is ongoing to ascertain:
 - (i) the extent to which direct payments are identifying previously unmet demand/need and
 - (ii) whether evidence exists that direct payments are on average more expensive than traditional packages of care.
- The 2005-06 target of 1,000 clients was not met and whilst the 2006-07 target remains at 1,400 clients, the monthly targets have been revised to reflect the fact that actual client numbers were at a lower level than they were expected to be at the beginning of the year.

2.5 Learning Disabilities – Average Gross Cost per Client per Week:

	2004-05	2005-06	2006-07	
	Average Gross cost per client £	Average Gross cost per client £	Affordable level £	Average Gross cost per client £
April	352	365	398	398
May	354	377	398	407
June	358	377	398	396
July	354	382	398	401
August	356	380	398	Please see comment below graph
September	357	381	398	
October	357	394	398	
November	354	389	398	
December	354	386	398	
January	357	380	398	
February	355	382	398	
March	354	386	398	

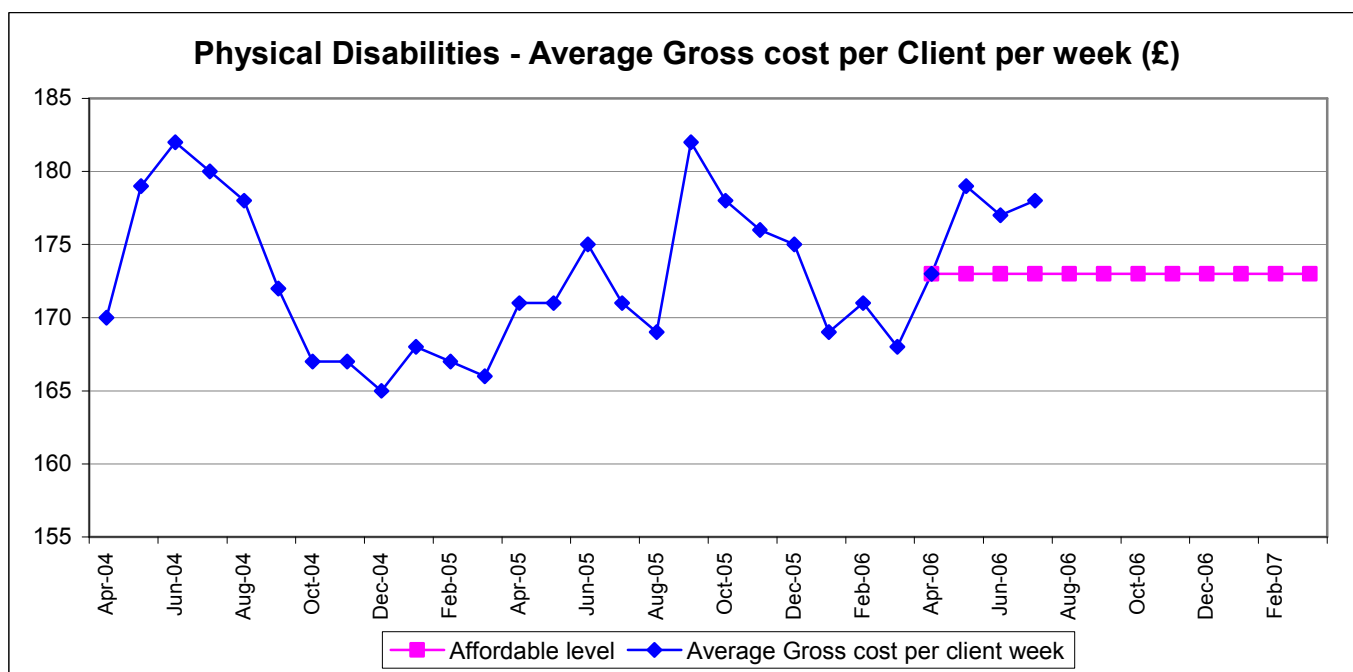


Comment:

- Targets did not exist prior to 2006-07 as this average cost is not a real performance indicator. It merely serves to demonstrate the general upward trend in the cost of supporting clients with Learning Disabilities, however targets have been created retrospectively based upon the previous years outturn plus 3% inflation.
- This graph reflects the average cost per client week across all Learning Disability services, including those with the lowest levels of need.
- Owing to the difficulties the directorate has experienced in implementing SWIFT, the new client information system, data in respect of domiciliary clients is unreliable and consequently any attempt to calculate the average cost per client would be misleading.

2.6 Physical Disabilities – Average Gross Cost per Client per Week:

	2004-05	2005-06	2006-07	
	Average Gross cost per client £	Average Gross cost per client £	Affordable level £	Average Gross cost per client £
April	170	171	173	173
May	179	171	173	179
June	182	175	173	177
July	180	171	173	178
August	178	169	173	Please see comment below graph
September	172	182	173	
October	167	178	173	
November	167	176	173	
December	165	175	173	
January	168	169	173	
February	167	171	173	
March	166	168	173	



Comment:

- Targets did not exist prior to 2006-07 as this average cost is not a real performance indicator. It merely serves to demonstrate the general upward trend in the cost of supporting clients with Physical Disabilities, however targets have been created retrospectively based upon the previous years outturn plus 3% inflation.
- This graph reflects the average cost per client week across all Physical Disability services, including those with the lowest levels of need.
- Owing to the difficulties the directorate has experienced in implementing SWIFT, the new client information system, data in respect of domiciliary clients is unreliable and consequently any attempt to calculate the average cost per client would be misleading.

Table 3

ADULT SOCIAL SERVICES DIRECTORATE

VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspends (-)	
	£000's		£000's
Learning Disabled Community Care	+2,902	Older Persons Community Care	-2,970
Transfer to Supporting People Reserve	+2,343	Supporting People underspend	-2,343
Learning Disabled Residential Care	+2,254	Assessment & Related staff vacancies	-1,472
Physical Disabled Direct Payments	+1,020	Release of SRP funding in revenue	-600
Older Persons Nursing	+763	Management of Area admin. budgets	-569
Mental Health - price pressures	+621	Older Persons Residential Care	-459
Physical Disabled Residential Care	+550	Movement in the Bad Debt Provision	-426
Learning Disabled Direct Payments	+337	Mental Health - care staff vacancies	-363
OPDSU - premises costs	+166	Resources - Management of Vacancies	-347
Mental Health Direct Payments	+153	Release of Other Provisions	-328
ASPU - reduced Supporting People	+124	Underspending against Training budgets	-274
OTB - Integrated Community Equipment Store Section 31 - Equipment	+121	Strategic Director's Budget	-190
		Draw Down from Reserves	-185
		Older Persons Direct Payments	-116
	+11,354		-10,642

ENVIRONMENT & REGENERATION DIRECTORATE SUMMARY FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- This quarter cash limits have been adjusted to reflect two technical adjustments to the E, H & W Portfolio budget, totalling -£43k. The R&SI Portfolio budget remains unchanged.

1.1.2 Table 1 below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Environment, Highways & Waste portfolio							
Kent Highways Services	46,883	-3,182	43,701	4,150	-2,230	1,920	Electricity prices & inventory and essential operational maintenance. Improved income generation & Government funding. £1.23m needs to be rolled forward for Transformation, IBMS, Traffic Management Act and maintenance.
Public Transport Contracts	5,595	-634	4,961	330	-415	-85	More income received and recycled into service. £85k to be bid for roll forward
Rural Bus Grant	2,236	-2,223	13	900	-860	40	More income received and recycled into service
Waste Management	58,067	-2,625	55,442	-3,610	-605	-4,215	Reduced tonnages & more sales of recyclates. £700k needs to be rolled forward
Environmental Group	8,578	-4,420	4,158	-35	85	50	Additional works approved.
Transport Strategy	527	0	527	-35	0	-35	Vacant post. £50k to be bid for roll forward for CTRL work.
Resources	5,103	-272	4,831	825	-875	-50	Vacant Posts & AIT Group extra income. £70k needs to be rolled forward for a replacement finance and management information system
TOTAL E, H & W	126,990	-13,356	113,634	2,525	-4,900	-2,375	
Regeneration & SI portfolio							
Regeneration & Projects - Area Teams & Major Projects	4,742	-1,109	3,633	1,150	-1,185	-35	Mainly increased DCLG Activity funded by 100% grant
Capital Programme Group	826	-285	541	175	-65	110	Funding to replace capital receipts for Colts Hill Bypass. Income earned from forward design.
Economic Development Group	2,426	-981	1,445	-70	100	30	Vacant posts. Income target unlikely to be met
Planning & Development Group	1,084	-94	990	-115	5	-110	Staff vacancies and delay on WLDF. £70k to be bid for roll forward.
Planning Applications Group	1,405	-308	1,097	-250	-110	-360	Delay on Shaw Grange restoration - £270k needs to be rolled forward. Additional fee income. A bid to be made to roll forward a further £60k
Change & Development	317	0	317	110	-35	75	Unfunded Posts
Kent Regeneration Fund (Kent)	705	-705	0	-500	500	0	Slower than expected spend on a number of projects
TOTAL Regeneration & SI	11,504	-3,482	8,022	500	-790	-290	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Policy & Performance portfolio							
International Affairs Group	466	-145	321	35	-10	25	
Kent Regeneration Fund (EU & International)	295	-295	0	47	-47	0	
TOTAL Policy & Performance	761	-440	321	82	-57	25	
Total Directorate Controllable	139,255	-17,278	121,977	3,107	-5,747	-2,640	

1.1.3 Major Reasons for Variance: [provides an explanation of the 'headings' in table 3]

1.1.3.1 Environment, Highways & Waste portfolio:

Waste Management:

- The actual waste tonnage start point for 2006/07 is below the assumed tonnage for the purposes of setting the budget, and the tonnage for the period April 2006 to February 2007 is 1.2% less than for the same period last year. Also, less waste than forecast is being handled by the Allington Plant, leading to cost savings. As a consequence, together with an improvement in the level of income from the sale of recyclates, the forecast is for an under spend on the Waste Management budget of £4.2m. A bid will be made to roll forward £0.700m of this sum to 2007/08.

Kent Highway Services:

- The budget does not include a provision for an increase in the price of electricity, or the impact of a revision to the inventory, for street lighting and lit signs and bollards. The new contract will result in a part year impact of +£1.6m (£2.6m in a full year).
- It is anticipated that Operational Maintenance will be under considerable pressure and is likely to exceed the budget for essential activity by £2.34m.
- The gales and snow fall in January has resulted in unbudgeted emergency expenditure of £0.210m that the service will need to absorb.
- Extra income has been generated of £2.23m. This relates largely to recharges of staff time (including to the Capital Programme).
- A bid will be made to roll forward a sum of £1.23m including for additional operational maintenance works.
- A reconsideration of the nature of the corrective works for the subsidence problems has resulted in these works being treated as capital expenditure. The cost will therefore be met from the capital allocation for Highway Maintenance. The Emergency Reserve will not be drawn-down, leaving the funding in place, within the Balance Sheet, for 2007/08.

Public Transport Contracts & Rural Bus Grant:

- The receipt of higher levels of income for both KCC supported services and the Government funded Rural Bus Grant services are being recycled into more service. A bid will be made to roll forward a sum of £0.085m to support services in 2007/08, to ease the pressure in that year.

Resources:

- The development of Manston Airport, involving flights to the State of Virginia, will lead to additional costs of £0.768m, but with this being financed by external contributions and by the Kent Regeneration Fund.
- The Division has vacant posts and is generating more income from the Analysis and Information Team. A bid will be made to roll forward £0.070m for project management work required for replacing the Directorate's financial monitoring system.

1.1.3.2 Regeneration & Supporting Independence portfolio:

Capital Programme Group:

- £175k of the revenue funds needed to replace the Kings Hill receipts used for the early design on the Colt's Hill major road scheme will be found from this budget group. The balance of £37k will be funded from the Regeneration & Projects Group, from funds available in the current year.

Regeneration & Projects Group:

- Additional DCLG activity of £1.15m will be matched by an equal sum of Government grant. Also, additional income (-£35k), from a variety of sources, will be achieved.

Strategy:

- There has been a delay in commencing the site restoration work at Shaw Grange, but this will commence early in the new financial year and a roll forward of £0.270m will be sought. Additional planning fees will be received. The Planning & Development Group has staff vacancies and a delay has occurred in progressing the Waste Local Development Framework. There will be a further bid for roll forward of £0.130m, for a number of items.

Change & Development:

- Unfunded posts will lead to an over spend.

Kent Regeneration Fund:

- Slower progress than expected, on a number of projects, will lead to a reduced drawdown from the Fund.

1.1.4 **Actions required to achieve this position:**

N/A

1.1.5 **Implications for MTFP:**

The financial benefit from the reduced waste tonnage will roll forward into the MTFP, though other changes are also likely on contract prices.

The new electricity contract has necessitated a price allocation uplift of £2.6m into the base budget for 2007/08.

1.1.6 **Details of re-phasing of revenue projects:**

- The Shaw Grange Restoration works are expected to commence early in the new financial year, now that procedural issues have been resolved (£270k).
- There has been re-phasing on a number of works on Civic Amenity Waste sites where works completion early in the new financial year is anticipated (£105k).
- The project work for the replacement for the Midas Financial & Management Information System will be delayed until early in 2007/08 (£70k).
- The Waste Local Development Framework has not progressed as quickly as expected (staff resource issue) (£30k).

1.1.7 **Details of proposals for residual variance:**

N/A

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval, or relevant delegated authority.

Cash limits have been adjusted this quarter to reflect:

	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Years £000s
<u>Environment, Highways & Waste portfolio:</u>				
• Re-phasing included in the 2007-10 MTFP	-18,233	16,786	-2,605	-718
• Shorne Country Park – to be met by additional grant funding	33			
<u>Regeneration & Supporting Independence portfolio:</u>				
• Re-phasing included in the 2007-10 MTFP	-15,621	-6,584	7,626	3,828
• Removal of A228 Colts Hill Strategic Link from the capital programme, as the preliminary costs are to be met from revenue until Government Approval is obtained for this major road scheme	-20	-10	-10	-10

1.2.2 Table 2 below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Yrs £000s	TOTAL £000s
Environment, Highways & Waste Portfolio						
Revised Budget per qtr 2 report	4,881	56,928	5,942	2,979	721	71,451
- rephasing per 2007-10 MTFP		-18,233	16,786	-2,605	-718	-4,770
Additions:						
- Shorne Country Park		33				33
-						0
Revised Budget	4,881	38,728	22,728	374	3	66,714
Variance		-1,590	+1,652	0	0	+62
split:						
- real variance		+65	-3			+62
- re-phasing		-1,655	+1,655			0
Regeneration & SI Portfolio						
Revised Budget per qtr 2 report	56,406	42,728	52,978	22,000	15,100	189,212
- rephasing per 2007-10 MTFP		-15,621	-6,584	7,626	3,828	-10,751
Reductions:						
- A228 Colts Hill preliminary activity		-20	-10	-10	-10	-50
-						0
Revised Budget	56,406	27,087	46,384	29,616	18,918	178,411
Variance		-758	+2,293	-33	+50	+1,552
split:						
- real variance		+1,552				+1,552
- re-phasing		-2,310	+2,293	-33	+50	0
Directorate Total						
Revised Budget	61,287	65,815	69,112	29,990	18,921	245,125
Variance	0	-2,348	+3,945	-33	+50	+1,614
Real Variance						
Real Variance		+1,617	-3	0	0	+1,614
Re-phasing		-3,965	+3,948	-33	+50	0

1.2.3 Capital Resourcing issues:

Environment, Highways & Waste portfolio:

- Shorne CP, Country Parks, and Civic Amenity site developments – a net overspending of £65k in 2006-07 will be covered from revenue resources.

Regeneration & Supporting Independence portfolio:

- Thamesway – Fastrack Urban – a modest (£34k) increase in costs, to be met from grant.
- Swale Delivery Board – An overspending of £31k, to be met from grant and a contribution from Swale BC.

1.2.4 General Overview of Capital Programme:

(a) Projects where there is re-phasing and reasons why:

These re-phrasings are caused by delays – some procedural and some work related.

Environment, Highways & Waste portfolio:

- Shorne Heritage Park – a re-phasing; 2006/07 -£127k, 2007/08 +£127k.
- Wetland Creation – a re-phasing; 2006/07 -£500k, 2007/08 +£500k.
- Energy Usage Reduction Programme – a re-phasing 2006/07 -£118k, 2007/08 +£118k.
- Waste CA Site Various Works – a re-phasing 2006/07 -£105k, 2007/08 +£105k.
- The programme of Highways, PROW and Street Lighting Capital Maintenance Works and Integrated Transport Schemes will re-phase; 2006/07 -£806k, 2007/08 +£806k.

Regeneration & Supporting Independence portfolio:

- East Kent Access Phase 1 c – there will be re-phasing into the current year – 2006/07 +£561k, 2007/08 -£428k, 2008/09 -£133k.
- A228 Leybourne/West Malling – a fairly modest re-phasing of costs into later years – 2006/07 -£348k, 2007/08 +£198k, 2008/09 +£100k, 2009/10 +£50k.
- Sittingbourne NRR – a modest re-phasing from 2006/07 -£200k into 2007/08 +£200k.
- Thamesway – a re-phasing; 2006/07 -£150k, 2007/08 +£150k.
- Major Schemes Design – a re-phasing; 2006/07 -£50k, 2007/08 +£50k.
- Everards Link Phase 2 - re-phasing; 2006/07 -£350k, 2007/08 +£350k.
- Rushenden Link – a re-phasing; 2006/07 -£150k, 2007/08 +£150k.
- Ashford Ring Road – a re-phasing; 2006/07 +£400k; 2007/08 -£400k.
- Folkestone Arts & Business Centre – a re-phasing; 2006/07 -£23k, 2007/08 +£23k.
- PSA Property Target – procedural hurdles now mean that expenditure will be limited in 2006/07. A re-phasing; 2006/07 -£2m, 2007/08 +£2m.

(b) Projects with real under or overspend ie after considering issues raised in 1.2.3 above:

Regeneration & Supporting Independence portfolio:

- Fastrack land valuation estimate has increased significantly (+£1,425k), with land owners securing development land classification. The confirmation of this estimate, and the funding problems this will present, have yet to be resolved.
- East Kent Access Phase 1 C – an overspending of £0.253m is forecast. Discussions are in hand to identify funding cover.
- Everards Link Phase 2 - a small overspend of £15k
- A number of net small underspendings where funding is “freed-up” – total of -£206k

(c) Risks:

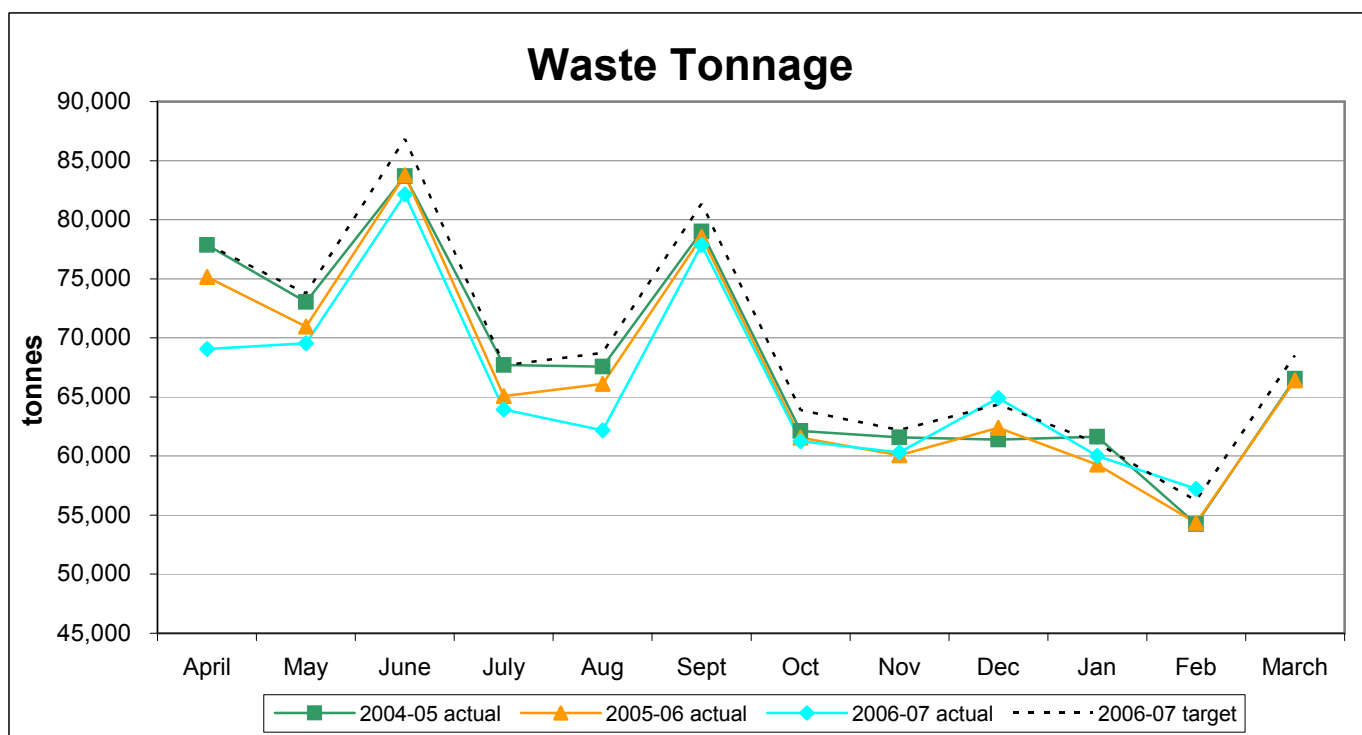
- An urgent resolution is being sought to the funding shortfall on Fastrack.

After allowing for the funding issues detailed in paragraph 1.2.3, and the re-phasing in paragraph 1.2.4 (a), the true underlying variance is **+£1.484m** over the period of the MTFP: E,H&W portfolio -£0.003m in 2007/08; R&SI portfolio £1.487m in 2006/07.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Waste Tonnage:

	2004-05	2005-06	2006-07	
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Business Plan Target
April	77,866	75,142	69,068	77,897
May	73,042	70,964	69,547	73,751
June	83,690	83,770	82,144	86,840
July	67,709	65,063	63,926	67,682
August	67,556	66,113	62,165	68,746
September	78,999	78,534	77,853	81,347
October	62,118	61,553	61,257	63,870
November	61,580	60,051	60,315	62,198
December	61,379	62,397	64,925	64,336
January	61,630	59,279	60,016	61,099
February	54,235	54,337	57,227	56,228
March	66,546	66,402		68,506
TOTAL	816,350	803,605	728,443	832,500



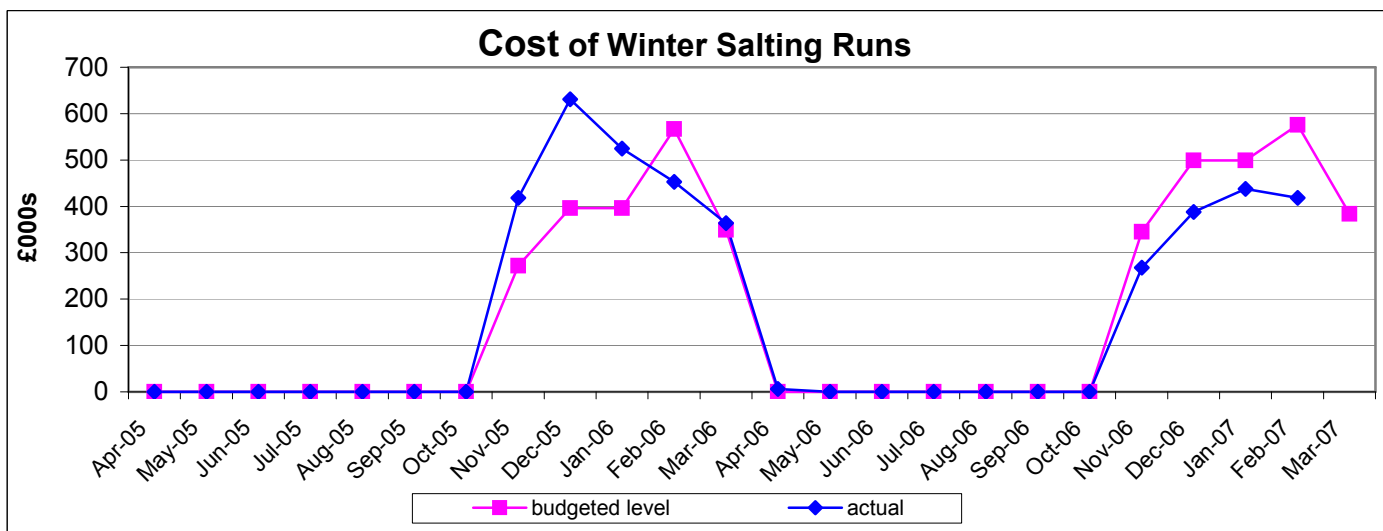
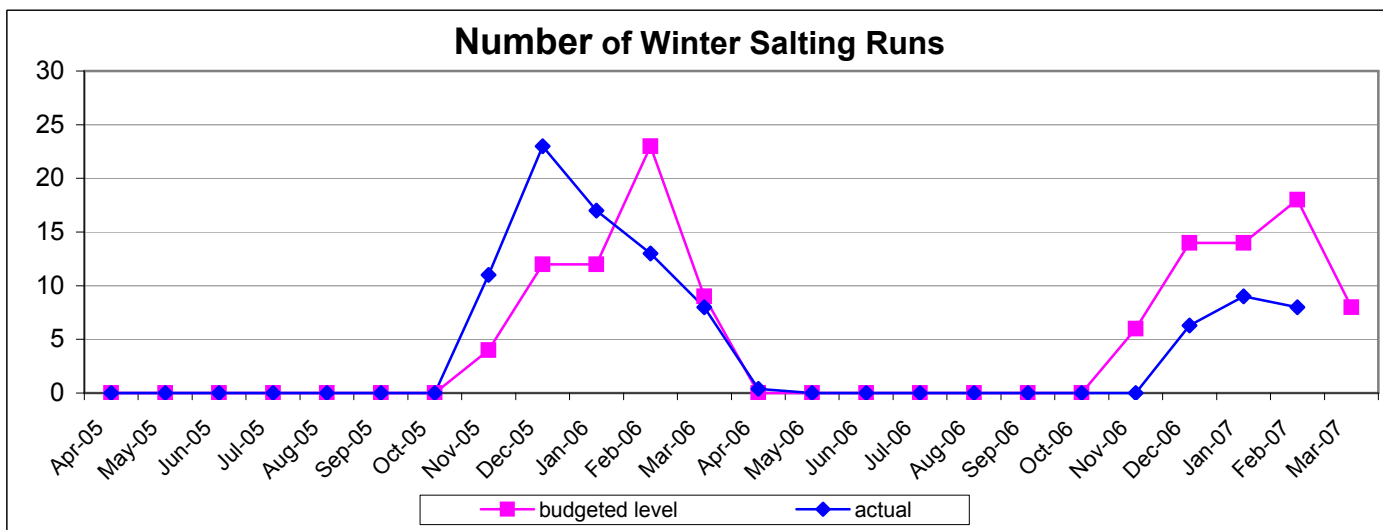
Comments:

- The cumulative tonnage for the period April to February is 1.2% below the same period last year.
- The budget assumes growth of 2.5%.

2.2 Number and Cost of winter salting runs:

	2005-06				2006-07			
	Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs	
	Actual	Budgeted level	Actual £000s	Budgeted Level £000s	Actual	Budgeted level	Actual £000s	Budgeted Level £000s
April	-	-	-	-	0.4 *	-	6	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	11	4	418	272	-	6	268	345
December	23	12	631	396	6.3	14	388	499
January	17	12	525	396	9.0	14	438	499
February	13	23	453	567	8.0	18	418	576
March	8	9	364	349	-	8	-	384
TOTAL	72	60	2,391	1,980	23.7	60	1,518	2,303

* only part of the Kent Highways Network required salting

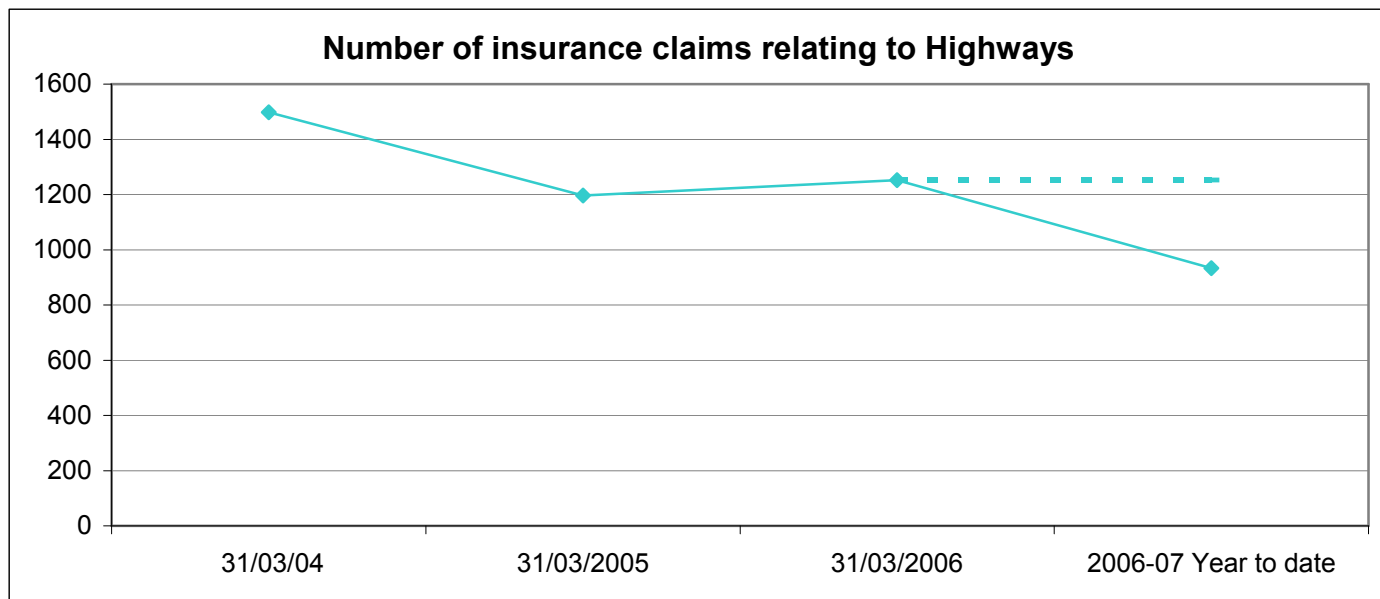


Comment:

- Contractual fixed costs have been apportioned equally over the 5 months of the salting period, hence there are costs in November 06 despite there being no salting runs.

2.3 Number of insurance claims arising related to Highways:

2003-04	2004-05	2005-06	2006-07
as at 31/03/2004	as at 31/03/2005	as at 31/03/2006	Year to date
1,498	1,197	1,252	933



Comments:

- The figure for the number of Highway Insurance Claims previously stated for 2005-06 was 1,030. This was incorrect and a revised figure is now included in the above Table.
- The dotted line on the graph represents the 2006-07 full year projection, at the same level as last year.

Table 3

ENVIRONMENT & REGENERATION DIRECTORATE

VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspends (-)	
	£000's		£000's
Kent Highway Services: Essential revenue maintenance works	+2,340	Waste Management: Reduced tonnages and less tonnage into Allington Plant.	-3,610
Kent Highway Services: Increased cost of electricity and inventory.	+1,600	Kent Highway Services: Extra Income generated & greater recharges of staff time (including to the Capital Programme)	-2,230
Regeneration & Projects: Additional DCLG Activity	+1,150	Regeneration & Projects: Additional DCLG grant	-1,150
Rural Bus Grant: More services largely funded from increased income	+900	Rural Bus Grant: More income received	-860
Resources: Manston Flights setting-up	+768	Resources: Manston flight contributions	-677
Kent Regeneration Fund (Kent): Reduced draw-down from the Fund to match reduced spend	+500	Waste Management: Increased income from sale of recyclates	-605
Public Transport contracts: More services funded from increased income	+330	Kent Regeneration Fund (Kent): Slower than expected spend on projects	-500
Revenue funding to replace capital receipts for Colt's Hill Scheme	+212	Public Transport Contracts: More income received	-415
Kent Highway Services: Unbudgeted emergencies (gales/snow)	+210	Planning Applications Group: Delay on Shaw Grange restoration work.	-250
Change & Development: Unfunded posts	+110	Planning Applications Group: additional income from fees	-110
		Resources: Vacant Posts	-100
	+8,120		-10,507

COMMUNITIES DIRECTORATE SUMMARY FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered "technical adjustments" ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- The cash limits have been adjusted since the quarter 2 report to reflect a number of technical adjustments to budget.

1.1.2 Table 1 below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Communities portfolio							
Community Safety Partnership	4,618	-134	4,484	-115		-115	Staff vacancies
Youth & Community Service	7,846	-245	7,601	-120		-120	Second homes money for Herne Bay Youth & Community centre
Libraries, Information & Archives	24,993	-2,989	22,004	-165		-165	Second homes money for Margate Library & One-Stop Shop & Marlowe Academy Community Facilities
Arts	1,351	-225	1,126			0	
Turner Contemporary	1,292	-82	1,210	-237	-112	-349	Restructuring of Maidstone Team & vacancies in the Margate Team (£200k) and Arts Council Grant funded activities (149k)
Adult Education	16,380	-16,015	365	-1,129	1,629	500	Reduction in LSC FE & ACL income & transfer of Prisons contract
Sports Development	904	-120	784	5		5	
Youth Offending Service	6,304	-2,574	3,730			0	
Kent Drug & Alcohol Action Team	15,126	-13,438	1,688	13		13	
Kent Volunteers	140		140	-5	-8	-13	
Registration	4,102	-2,420	1,682	-3		-3	
Coroners	2,037	-322	1,715	111		111	Increase in number of tests required, particularly toxicology
Trading Standards	4,194	-351	3,843	70		70	Legal fees due to increased prosecutions
Kent Scientific Services	1,534	-1,546	-12	12		12	
Emergency Planning	725	-76	649	-51	-60	-111	Underspends on various budgets and unbudgeted income on district council training

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Policy & Resources	1,202		1,202	-98		-98	Staff vacancies
Central Budgets (unallocated)	895	-521	374	-102		-102	Unallocated budget from Community Safety rollforward from 2005/06 towards directorate infrastructure costs
E-Government	3,544	-442	3,102	-240		-240	Staff vacancies and provision for replacement call management system
Consumer Direct	1,452	-1,452	0			0	Provision to add to reserve towards future costs
Total Communities Controllable	98,639	-42,952	55,687	-2,054	1,449	-605	
Original Turner Contemporary				590		590	Residual costs of final settlement and litigation
Total	98,639	-42,952	55,687	-1,464	1,449	-15	

1.1.3 Major Reasons for Variance: [provides an explanation of the 'headings' in table 3]

1.1.3.1 Adult Education

The Adult Education Service (KAES) has gone through major changes in the last two years with a significant reduction in funding from the Learning & Skills Council (LSC). The LSC funding for the academic year 2005/06 (LSC funding is determined for August to July) was £932.4k less than 2004/05 and the funding for 2006/07 £910.8k less than 2005/06. This has resulted in a loss of a net £988k of LSC grant in financial year 2006/07 compared to 2005/06 outturn. Some of the reduction was anticipated and the variance from the approved budget is £380k mainly due to the unanticipated reduction in Adult Community Learning (ACL) grants.

KAES along with all other local authorities has also lost the LSC contract to provide the prisons service which was worth £1.5m in a full year (although this has been matched by a reduction in spending as staff transferred under TUPE) which was not anticipated when budgets were approved. The impact in 2006/07 is a reduction of £700k on expenditure and income budgets.

KAES has also lost funding for a number of other small projects totalling £500k compared to when budgets were approved. This too is reflected in reduced expenditure and income. The service had also received £49k less in tuition fees than planned in the approved budget. The total loss of funding compared to the original budget is £1.629m. However there is only a £1.2m offsetting reduction in spend, leaving a net £429k reduction in income to be managed.

KAES has undergone major structural changes in response to the loss of LSC funding by reducing gross expenditure by over £2.368m compared to 2005/06 outturn. The budget included provision for £1.604m saving on 2005/06 outturn, thus the service has made additional savings over and above the original budget of £764k. However, the £2.368m saving includes the unanticipated reductions for the transfer of prisons service and other projects (£1.2m) following the loss of specific grants. This means that on the rest of the AE service there has been an unexpected variance of +£436k on spending.

The overall net effect (excluding prisons and other projects) of the over spend on other budget headings and the unexpected shortfall on LSC and fee income leaves the service with an in year deficit of £865k. Added to this is the £135k overspend carried forward from 2005/06 which would leave the service with a deficit of £1m by the end of 2006/07. This is funded £500k from savings elsewhere in Communities (see 1.1.3.2 to 1.1.3.9 below) and £500k one-off loan from Finance portfolio to be repaid in 2007/08.

1.1.3.2 *Turner Contemporary*

The revenue budget for Turner Contemporary included an operational team based in Margate and a development team based in Maidstone. Following the demise of the original Turner Centre development earlier in the year the Maidstone based team has been disbanded and the work passed out to external consultants. There have also been vacancies in the Margate team that has resulted in a predicted under spend of £200k in 2006/07.

The Turner Contemporary development is a catalyst for regeneration in Margate and is central to the plans of the Margate Renewal Partnership Board in which KCC, TDC, SEEDA and ACE are all partners. Turner Contemporary has done much to boost confidence in East Kent in spite of the delays in getting the gallery constructed. The work of the operational team is critical in ensuring that the gallery is positioned at a local, regional, national and international level.

The Turner Contemporary team is responsible for a number of arts exhibitions and events in Margate. The team receives funding from the Arts Council towards these activities. Within the cash limit for 2006/07 is £140k of unspent Arts Council grants rolled forward from 2005/06. The team has received a further £160k of Arts Council grants in 2006/07. Due to the vacancies within the team it has not been possible to spend the grant this year and there is a further predicted under spend of £149k.

1.1.3.3 *Libraries, Information and Archives*

The net under spend in Libraries is due to capital projects. The Margate Library and One-Stop Shop scheme includes funding of £275k from the reduced Council Tax discount on second homes in 2005-06, which is shown as a revenue contribution. Expenditure on the project this year will be no more than £100k and the £175k balance will be requested to roll forward to 2007/08.

1.1.3.4 *Contact Centre*

The £240k under spend is due to savings on the staffing budget from not filling all the vacancies within the service and minor savings on other budget headings. From the saving we would like to request roll forward of £161k to 2007/08 to cover the replacement/upgrade to the Call Management System. The remainder of the savings offset pressures in other services, including those on the central budgets (see 1.1.3.9 below).

1.1.3.5 *Youth and Community Service*

The £120k under spend is due to the proposed community centre in Herne Bay. The revenue budget includes £120k contribution to the scheme from the additional council tax collected from the reduced discount on second homes in 2005-06. Due to delays in the approval of Youth Capital Fund we have not been able to start the scheme this year. A revised scheme is being prepared and the under spend will be requested to roll forward to 2007/08 to support this scheme.

1.1.3.6 *Community Safety Partnership*

There is a £115k under spend due to not filling vacancies for Community Wardens.

1.1.3.7 *Coroners*

The overspend of £111k represents increased cost of pathology tests (notably toxicology tests) due to a larger than anticipated number of tests. The Coroners Service is quasi-judicial and although appointments are made by the County Council the authority has very little control over the work of the service. We are undertaking further work to identify whether the increased requirement for tests is a trend that is likely to continue or whether it is an unusual occurrence this year. We are also testing the extent to which the council can limit the requirement for tests.

1.1.3.8 *Original Turner Contemporary Project*

The overspend of £590k represents the final settlement to the contractor and quantity surveyors and other outstanding professional fees on the original Turner Contemporary scheme. It also includes the costs likely to be incurred this year in compiling a case for mediation/litigation against the designers and their professional advisers for not identifying realistic costs of a steel structure when it was agreed to proceed with the original scheme. We have no clear indication at this point regarding the likely outcome.

1.1.3.9 *Central Budgets*

These represent operational budgets outside Policy and Resources that are yet to be allocated to services following the creation of the new directorate or operational budgets that it has subsequently been agreed are better managed for the whole directorate rather than individual services. By and large most budgets have now been allocated. The largest single item that has not been allocated is the under spend of £572.6k on Community Safety from 2005/06 which was to be used to support one-off costs associated with setting up the new directorate.

The amount unspent has had to be reduced from previous projections to £102k due to a number of one-off issues that have required funding in 2006/07. These include, amongst other things, £70k revenue contribution to Marlowe Academy for a sports facility and £65k development grant to Kent Youth County Council. This reduced under spend has been offset by increased under spends in other services e.g. contact centre, emergency planning, etc. to ensure a balanced budget.

1.1.4 **Actions required to achieve this position:**

KAES has made the necessary structural changes to both management and service delivery. We are expecting a further reduction in LSC grants for academic year 2007/08 (still not finalised) but thereafter we are anticipating LSC funding to stabilise. KAES has drawn up plans to make further savings and generate additional income to bring the service back onto a sound financial footing for the academic year 2007/08.

The directorate has reviewed the budgets of all services in 2007/08 to introduce a consistent approach to managing vacancies. This will reduce under spends on staffing budgets during the year in future years.

1.1.5 **Implications for MTFP:**

The directorate will have to repay the £500k loan for Adult Education to the Finance portfolio in 2007/08.

1.1.6 **Details of re-phasing of revenue projects:**

The re-phasing of the Margate Library and Herne Bay Community Centre capital projects has delayed the need for the revenue contributions to fund these projects until 2007/08 (£175k and £120k respectively). This funding will therefore be requested to roll forward.

1.1.7 **Details of proposals for residual variance:** *[eg roll forward proposals]*

The current forecast outturn for the directorate (excluding the residual costs of the original Turner Contemporary project) is an under spend of £605k. £295k of this will be requested to roll forward to 2007/08 for funding support to the Margate Library and Herne Bay Community Centre capital projects, as detailed in 1.1.6 above. This leaves £310k which will be requested to roll forward into 2007-08 for the following projects:

- | | |
|---|-------|
| • Turner Contemporary Arts Council Grants | £149k |
| • Contact Centre Call Management System | £161k |

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval, or relevant delegated authority.

Cash limits have been adjusted this quarter to reflect:

	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Years £000s
• re-phasing per 2007-10 MTFP	-6,368	6,548	-1,062	1,740

1.2.2 Table 2 below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Yrs £000s	TOTAL £000s
Communities portfolio						
Revised Budget per Qtr 2 report	15,215	17,249	11,237	11,823	400	55,924
- re-phasing per 2007-10 MTFP		-6,368	6,548	-1,062	1,740	858
Additions:						
-						0
Revised Budget	15,215	10,881	17,785	10,761	2,140	56,782
Variance		-1,371	-5,151	-3,130	9,548	-104
split:						
- real variance		-104				-104
- re-phasing		-1,267	-5,151	-3,130	+9,548	0
Real Variance		-104	0	0	0	-104
Re-phasing		-1,267	-5,151	-3,130	+9,548	0

1.2.3 Capital Resourcing issues:

- Marlowe Running Track – the project is now included in the Communities portfolio in its entirety at £140k, with the additional £70k to be met by a revenue contribution from CFE.
- Sports England – Spaces for Sports – a small underspend of £11k will be matched by a reduction in external funding.

1.2.4 General Overview of capital programme:

(a) Projects where there's re-phasing and reasons why

- Turner Contemporary – a more detailed cost profile is now available following early discussions with the architects and their quantity surveyors; this has changed significantly from the estimates available when the budget was prepared. The overall cost remains the same but there has been a re-profiling 2006-07 -£449k; 2007-08 -£5,879k; 2008-09 -£3,220k; 2009-10 +£9,548k. The designs for the building are due by June 2007 when further revisions to the profiling may be exposed.
- Canterbury High AEC – the re-phasing of £194k into 2007-08 on this project reflects the uncertainty over final outturn costs for the project due to the litigation being pursued by the school against the professional advisors. Clarification and agreement has also yet to be reached on the level of contribution to the overall overspend anticipated by the school on this project.
- Gravesend Library & Information Centre – The project has been reduced from previous forecasts subject to the outcome of BLF lottery application of some £2m now being prepared for submission by end March 2007. The spending profile was an estimate which will be revised when the outcome of the bid is known, but re-phasing of £90k is now expected into 2008-09

- Margate Library & One Stop Shop – progress has been affected by the inclusion of the Gateway into the project with £175k re-phasing into 2007-08. It is now scheduled to start on site in April and complete in December 2007.
 - Herne Bay Community & Youth Centre – the project has been delayed due to the need to resubmit proposals to the Youth Capital Fund. This has now been successful in securing £250k and the project plans are now being worked up. Consequently £120k will re-phase into 2007-08.
 - Other Projects – there has been minor re-phasing into 2007-08 totaling £239k on a number of other projects including Sevenoaks Kaleidoscope, Ashford Library Learning and Information Centre, The Hub Southborough, and Edenbridge Youth and Community Centre.
- (b) Projects with real under or overspend ie after considering issues raised in 1.2.3 above
- Modernisation of Assets – an overspend of £94k is forecast which will be rolled forward as a first call on the 2007-08 budget.
 - Village Hall Grants – an underspend of £257k is now forecast and measures to revise the scheme are now being put in place to ensure the resources are fully allocated in future. It is likely that a virement of this underspend to the Herne Bay Community & Youth Centre project will be requested, once the project plans for that project are complete.
- (c) Risks
- Adult Education at Canterbury High School – we may need to make provision for part of the overspend on this project if the school will not fund it all.
- (d) Details of action being taken to alleviate risks
- Adult Education at Canterbury High School – the school are taking legal action against their professional advisors to reduce the overspend.

After allowing for the funding issues detailed in paragraph 1.2.3, re-phasing in paragraph 1.2.4 (a) and the roll forward in paragraph 1.2.4 (b), the true underlying variance is -£257k.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

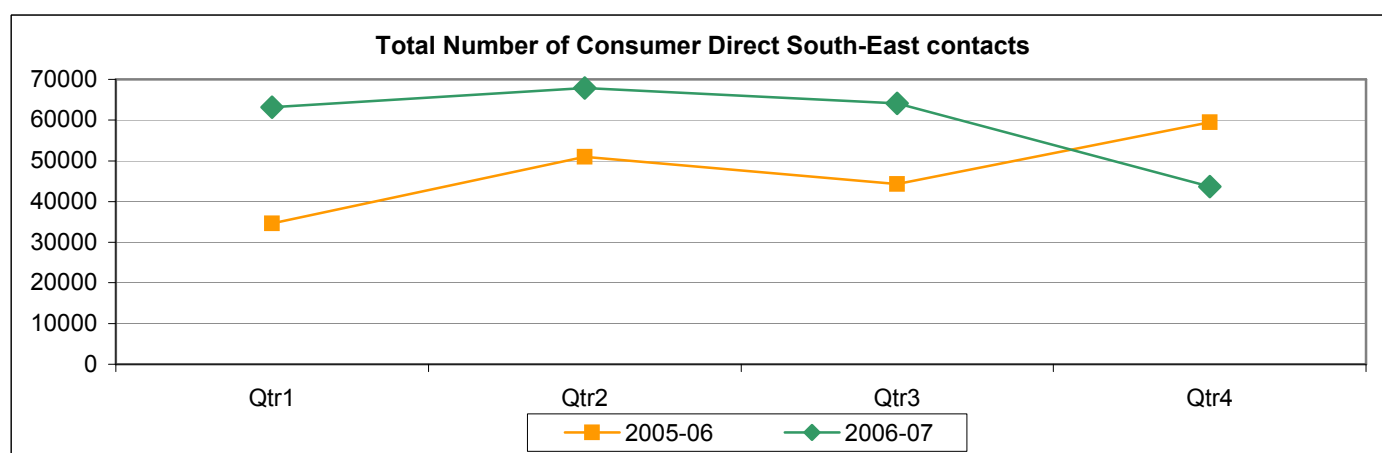
2.1 Number of Consumer Direct South-East contacts, by local authority area:

	2005-06	2006-07			
		Qtr1	Qtr2	Qtr3	Qtr4
	<i>Total for the year</i>	01/04/06 to 30/06/06	01/07/06 to 30/09/06	01/10/06 to 31/12/06	01/01/07 to 31/03/07
Bracknell Forest	715	47	33	11	139
Brighton & Hove	7,116	1,489	1,637	1,420	845
Buckinghamshire	9,006	1,192	1,166	827	540
East Sussex	9,717	2,376	2,726	2,323	1,492
Hampshire	19,105	3,352	3,632	2,999	1,696
Isle of Wight	2,129	513	639	490	294
Kent	29,074	5,887	5,694	5,000	3,024
Medway	1,671	266	286	319	217
Milton Keynes	1,037	264	174	135	63
Oxfordshire	No immediate plans to switch				
Portsmouth	5,524	1,367	1,299	856	533
Reading	2,582	706	847	700	438
Royal Borough of Windsor & Maidenhead ²	809	Callers to RBWM are asked to redial CDSE direct			
Slough	1,826	537	462	341	242
Southampton	4,680	1,058	1,071	842	530
Surrey	21,660	5,012	5,352	4,796	2,660
West Berkshire	1,503	351	369	753	221
West Sussex	Plan to divert calls & e-mails to CDSE in January 2007				1,463
Wokingham	758	165	144	158	100
Main English Landline ^{*1}	60,248	27,908	33,464	32,108	21,209
Main English Mobile ^{*1}	7,712	6,857	6,283	5,937	3,983
Calls handled for other regions	2,532	1,722	571	1,521	2,358
Call-backs handled for other regions		325	81	530	0
E-Mails		1,791	1,935	2,014	1,617
2006-07 TOTAL		63,185	67,865	64,080	43,664^{*3}
2005-06 TOTAL by Qtr	189,404	34,616	51,015	44,334	59,439

*1 – These are calls received directly on the 0845 number which, although known to be from one of the local authorities in the CDSE area, cannot be identified by individual local authority.

*2 – since 01/01/06 callers to RBWM Trading Standards are asked to redial CDSE direct

*3 – As this report is based on February monitoring, Quarter 4 includes actual figures for January & February only



Comments:

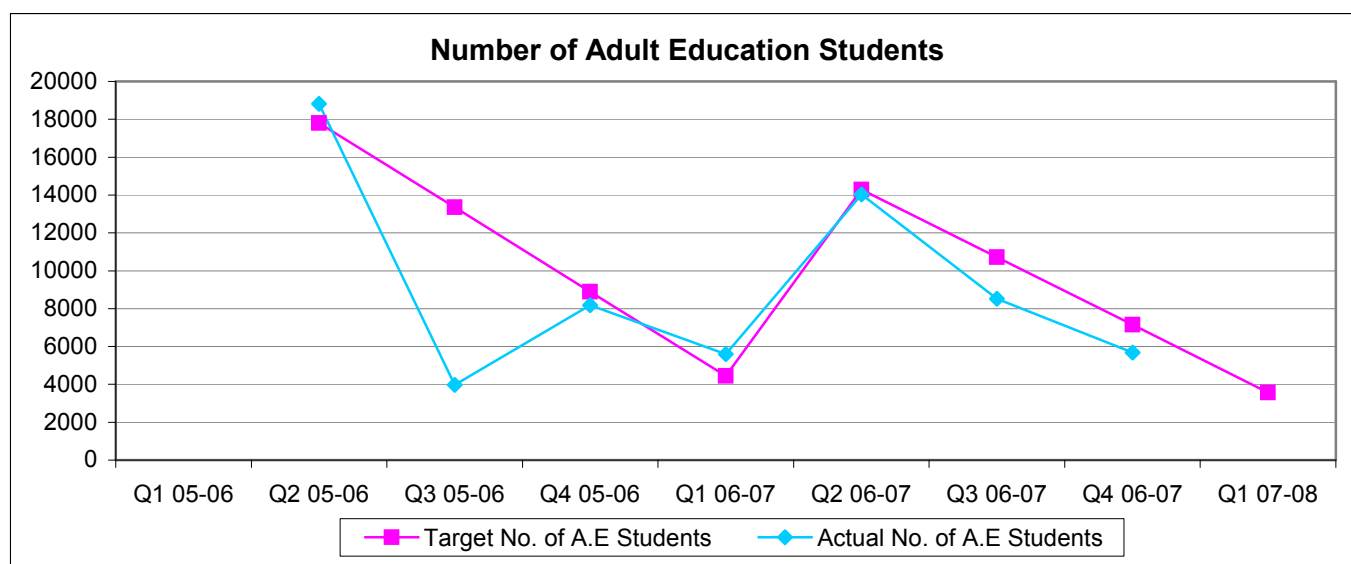
- West Sussex Trading Standards have announced plans to divert their calls & e-mails to CDSE in January 2007, which will result in a further estimated 18,000 contacts per year. Calls to the 0845 number have increased dramatically as awareness of the service grows, whilst historic Local Authority diverts have remained steady and in some cases, reduced slightly.

2.2 Number of Adult Education Students:

	Financial Year					
	2005-06		2006-07		2007-08	
	Target	A.E Students	Target	A.E Students	Target	A.E Students
April – June			4,450	5,589	3,573	
July – September	17,800	18,822	14,293	14,033		
October – December	13,350	3,977	10,718	8,525		
January - March	8,900	8,183	7,148	5,685 ¹		

This data is collected on an academic year rather than a financial year basis ie quarters 2, 3 & 4 of one financial year plus quarter 1 of the following financial year make up an academic year. The data shaded in yellow relates to the 2005-06 academic year and the 2006-07 academic year is shaded in green.

***1 – As this report is based on February monitoring, the actual A.E Student numbers for Quarter 4 (January – March) currently includes actual figures for January & February only**



Comment:

- Targets are agreed with the Learning and Skills Council (LSC) for the number of student enrollments for the academic year (running from July to June). The LSC funding for adult learners depends on the course of study. Students taking non-vocational courses not leading to a formal qualification are funded via a block grant, referred to as Adult and Community Learning Grant (ACL). Students taking courses leading to a qualification are funded via Further Education (FE) grant based upon the course type and qualification – student numbers are gathered via a census at three points during the academic year.

Students pay a fee to contribute towards costs of tuition and examinations. There is a concession on ACL tuition fees for those aged under 19, those in receipt of benefits and those over 60. FE courses are free for those aged under 19 or in receipt of benefits undertaking Basic Skills or Skills for Life Courses

The LSC targets for ACL courses were 32,000 students in 2005-06 school year and 25,500 in 2006-07. The targets for FE courses were 12,500 in 2005-06 and 10,232 in 2006-07. The actual enrolments in 2005-06 were 46,051.

- Note – the actual figures for 2005/06 show the number of enrolments for the respective months in each quarter. In the quarter 1 report, the numbers reflected the number for each term (3 terms during the year).

2.3 **Number of Uneconomic Adult Education Classes**

This graph has been removed for 2007/08 whilst more work is undertaken to agree definition of uneconomic classes and to identify those classes that make a surplus. Part of the strategy that is being considered to bring the service back onto a sound financial footing is to relocate classes into AE centres from community localities e.g. schools, pubs, etc, and to look at fees. If agreed this would significantly change the pattern of “uneconomic” courses.

COMMUNITIES DIRECTORATE
VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspends (-)	
	£000's		£000's
Reduction in Income on AE prisons contract	+700	Reduction in AE prisons spending	-700
Spending on final settlement of original Turner Contemporary scheme and preparation of case for mediation/litigation	+590	Reduction in AE spending on other projects	-500
Reduction in AE grants for other projects	+500	Finance Loan to AE	-500
Overspends on AE budgets	+436	Contact Centre staffing and other budgets	-240
Unexpect loss of AE grants	+380	Removal of Maidstone Team & vacancies in the Margate Team in Turner Contemporary	-200
AE deficit carried forward from 2005/06	+135	Second homes money on Margate Library and One-Stop Shop	-175
Coroners - Increased pathology tests especially toxicology	+111	Arts Council Grants in Turner Contemporary	-149
		Second homes money on Herne Bay Youth & Community Centre	-120
		Community warden vacancies	-115
		Directorate infrastructure costs	-102
	+2,852		-2,801

CHIEF EXECUTIVES DIRECTORATE SUMMARY FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- This quarter cash limits have been adjusted to reflect a number of technical adjustments to budget.

1.1.2 Table 1 below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Corporate Support & Health portfolio							
Personnel & Development	10,951	-4,198	6,753	-85	-83	-168	£70k Reward Strategy, £50k Members Dev - project re-phasing
Business Solutions & Policy (previously Information Systems)	20,789	-5,227	15,562	3,380	-3,480	-100	£100k for CPA, £2,600k costs\income from increased work
Council Secretariat	1,462	-42	1,420	10	-5	5	
Members	2,344	-39	2,305	23	-18	5	
Legal	4,374	-4,630	-256	738	-738	0	
Corporate Management & Support (incl. Strategic Development Unit)	1,132	-20	1,112	997	-967	30	Gateway spend exceeding 1st year estimates
Local Boards	359		359	0	0	0	
Total CS&H	41,411	-14,156	27,255	5,063	-5,291	-228	
Policy & Performance portfolio							
Policy & Performance	1,520	-270	1,250	-169	149	-20	£20k PMG software
Kent Partnerships & Kent Works	1,318	-850	468	116	-86	30	
Corporate Communications	1,282	-92	1,190	21	-21	0	
Total P&P	4,120	-1,212	2,908	-32	42	10	
Finance Portfolio							
Corporate Management	1,703	-187	1,516	-8	8	0	
Finance Group	8,223	-3,174	5,049	-65	25	-40	Internal Audit r/fwd
Property Group	16,823	-6,340	10,483	-181	234	53	increased rates/energy costs. Vacancies.
Efficiency Review & VFM	620	0	620	0	0	0	
Total Finance	27,369	-9,701	17,668	-254	267	13	
Total Directorate Controllable	72,900	-25,069	47,831	4,777	-4,982	-205	

1.1.3 **Major Reasons for Variance:** [provides an explanation of the ‘headings’ in table 3]

Corporate Support & Health Portfolio

Personnel & Development:

- -£120k relating to the re-phasing of Reward Strategy system and Members training and development projects, which will be requested to roll forward.
- -£48k relates to underspend within Payroll.

Business Solutions & Policy:

- Increased costs of new project work, Oracle development and TRP back-fill (mainly through agency staff) which is in turn off-set by income\recharges.
- £100k underspend for Comprehensive Performance Assessment activity which was to fall between April 2006 and March 2008 but date now confirmed within 2007-08, hence the need to roll this forward.

Corporate Management (incl. Strategic Development Unit):

- £30k overspend on Ashford Gateway, a result of higher than expected first year operating costs for the county's first Gateway.

Policy & Performance Portfolio**Kent Works:**

- £30k overspend as a result of the higher costs of establishing the on-going operation.

Policy & Performance:

- -£20k for Performance Management Software, the purchase of which has been delayed whilst a decision is agreed across Directorates as to the specific software needed.

Finance Portfolio

Property: £53k overspend, which is net of:

- reduced income at Oakwood (£60k),
- increased premises costs (£300k),
- savings from unfilled vacancies (-£250k) and
- reduced R&R contribution (-£50k).

1.1.4 Actions required to achieve this position:

Kent Works: following consultation by the Kent Partnership Director with CFE, CFE have confirmed that they will meet some of the higher than expected costs of establishing the on-going operation which will be transferred to CFE in 2007-08 to form part of that directorate's vocational service.

Property: management action of not filling vacancies has contributed £250k towards achieving a balanced position

1.1.5 Implications for MTFP:**Finance Portfolio**

Property: Increased business rates and energy costs have been accepted as a pressure within the 2007-10 MTFP.

1.1.6 Details of re-phasing of revenue projects:

The following projects are re-phasing into 2007-08:

Personnel & Development: £70k Reward Strategy and £50k Members Development programme.

Business Solutions & Policy: £100k for Comprehensive Performance Assessment.

Policy & Performance: £20k for Performance Management Software, the purchase of which has been delayed to 2007-08 whilst a decision is agreed across Directorates as to the specific software needed.

Finance: £40k for IT Audit.

1.1.7 Details of proposals for residual variance: [eg roll forward proposals]

The current forecast underspend of £205k includes roll-forward requests for £280k as detailed in section 1.1.6 above, leaving an underlying variance of +£75k. Property are still in negotiations with directorates to secure some funding for the higher than expected increase in the energy costs of the county office estate.

The directorate as a whole expects to manage down the remaining underlying variance by the year-end. If this is not achieved, any residual overspend will also need to be rolled forward to 2007-08.

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval, or relevant delegated authority.

Cash limits have been adjusted since the quarter 2 report to reflect:

	2006-07 £000s	2007-08 £000s
Corporate Support & Health portfolio:		
• Re-phasing per 2007-10 MTFP	2	
• IT Virement from CFE	200	
• Gateways Virement from Adult Social Services	7	
	209	0
Policy & Performance portfolio:		
• Re-phasing per 2007-10 MTFP	110	
Finance portfolio:		
• Re-phasing per 2007-10 MTFP	-1,936	53
• Removal of the Property Enterprise Fund from the capital programme (this is reported as a stand alone Fund in section 2 of this annex).	-10,000	
	-11,936	53

1.2.2 Table 2 below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	Future Yrs £000s	TOTAL £000s
Corporate Support & Health Portfolio						
Revised Budget per qtr 2 report	7,251	2,225	1,544	2,257	1,236	14,513
Additions:						
- IT virement from CFE		200				200
- re-phasing per 2007-10 MTFP		2				2
- Gateway virement from ASD		7				7
Revised Budget	7,251	2,434	1,544	2,257	1,236	14,722
Variance		+196				+196
split:						
- real variance		+271				+271
- re-phasing		-75	+75			0
Policy & Performance Portfolio						
Revised Budget per qtr 2 report	481	519				1,000
Additions:						
- re-phasing per 2007-10 MTFP		110				110
Revised Budget	481	629	0	0	0	1,110
Variance		0				0
split:						
- real variance		0				0
- re-phasing		0				0
Finance Portfolio						
Revised Budget per qtr 2 report	685	19,027				19,712
Additions:						
- remove Property Enterprise Fund from Capital Prog		-10,000				-10,000
- re-phasing per 2007-10 MTFP		-1,936	53			-1,883
						0
Revised Budget	685	7,091	53	0	0	7,829
Variance		-1,766				-1,766
split:						
- real variance		-844				-844
- re-phasing		-922	+922			0
Directorate Total						
Revised Budget	8,417	10,154	1,597	2,257	1,236	23,661
Variance	0	-1,570	0	0	0	-1,570
Real Variance		-573	0	0	0	-573
Re-phasing		-997	+997	0	0	0

1.2.3 Capital Resourcing issues:

Corporate Support & Health Portfolio

- £261k of spend on the Home Computing Initiative is to be met by revenue contributions.
- Overspend of £10k on Gateways to be met by revenue contribution.

Finance Portfolio

- £905k underspend on Commercial Services Vehicle, Plant & Equipment acquisitions, due to the vehicles now being funded through operating leases instead of renewals. This will be matched by a reduced contribution to the Renewals Fund.

- £61k increased cost of capitalisation for works on capital programme to be met by revenue contribution.

1.2.4 General Overview of capital programme:

- (a) Projects where there is re-phasing and why

Corporate Support and Health Portfolio

- £75k re-phasing into 2007-08 on the Sustaining Kent project owing to a supplier re-call of faulty goods.

Finance Portfolio

The following projects are all re-phasing into 2007-08:

- £82k re-phasing of the Property Database project.
- £679k re-phasing on Oakwood House extension due to delay of planning permission for the extended car park area.
- £131k of works to properties for disposal, following the re-phasing into early 2007-08 of some the planned property disposals.
- £30k re-phasing of Commercial Services renewal of equipment.

- (b) Projects with real under or overspend ie after considering issues raised in 1.2.3 above,

- None

- (c) Risks

- None

- (d) Details of action being taken to alleviate risks

- No additional action taken to date

After allowing for the funding issues detailed in paragraph 1.2.3 and re-phasing in paragraph 1.2.4 (a), the true underlying variance is **zero**

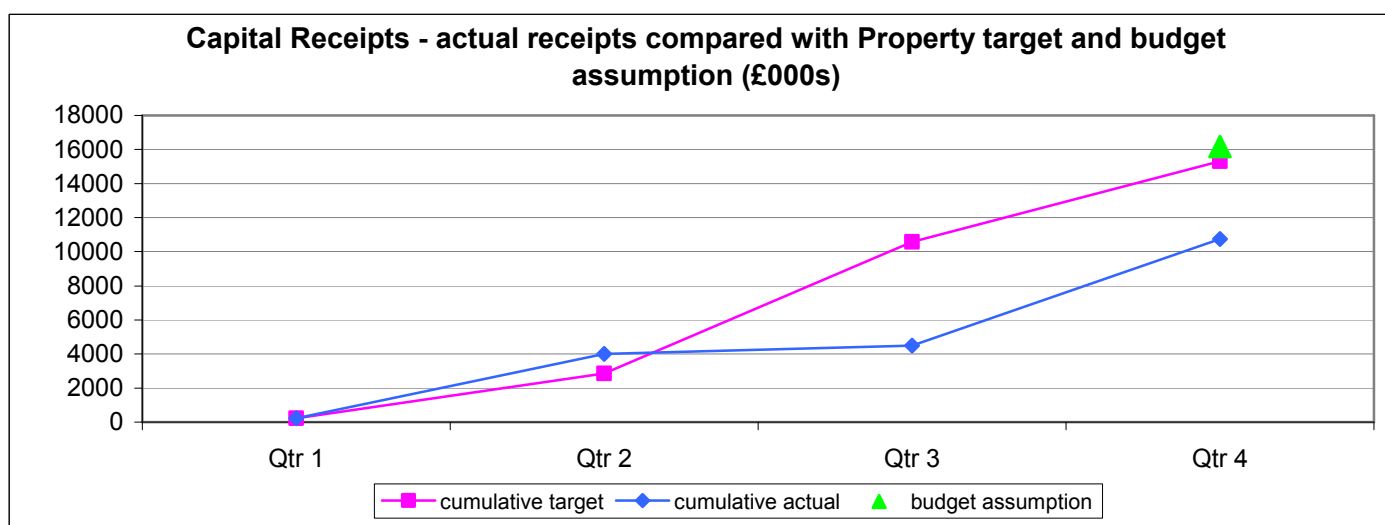
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts – actual receipts compared to budget profile:

	2006-07		
	Budget funding assumption £000s	Cumulative Target profile £000s	Cumulative Actual receipts £000s
April - June		217	217
July - September		2,851	4,015
October - December		10,562	4,492
January - March		15,312	**10,732
TOTAL	*16,177	15,312	10,732

* figure updated from 2006-07 budget assumption to reflect 2007-10 MTP

** banked receipts to end of February 2007



Comments:

- The gap shown in the graph between the budget assumption and the Property target is due to a timing issue. The capital receipts need to be looked at over the three year span of the Medium Term Plan (MTP), in conjunction with the funding assumption, as shown in the table below.
- Forecast receipts for 2006-07 are now estimated at £12.5m as there has been some re-phasing into early 2007-08. This has an impact on the cost of disposals for the year, some of which have also been re-phased into 2007-08.

	2006-07 £'000	2007-08 £'000	2008-09 £'000	Total £'000
Capital receipt funding per 2007-10 MTP	16,177	47,973	71,943	136,093
Property Group's forecast receipts	*11,966	41,312	45,590	98,868
Net re-phasing of receipts **		5,068		5,068
Receipts banked in previous years for use	204	907	10	1,121
Receipt funding from other sources	0	500	1,500	2,000
Sites identified by Directorates for Property to work up for disposal***	0	3,106	29,670	32,776
Potential Surplus\Deficit Receipts (-)	-4,007	2,920	4,827	3,740

* Excludes £561k for Edenbridge properties as earmarking is under review

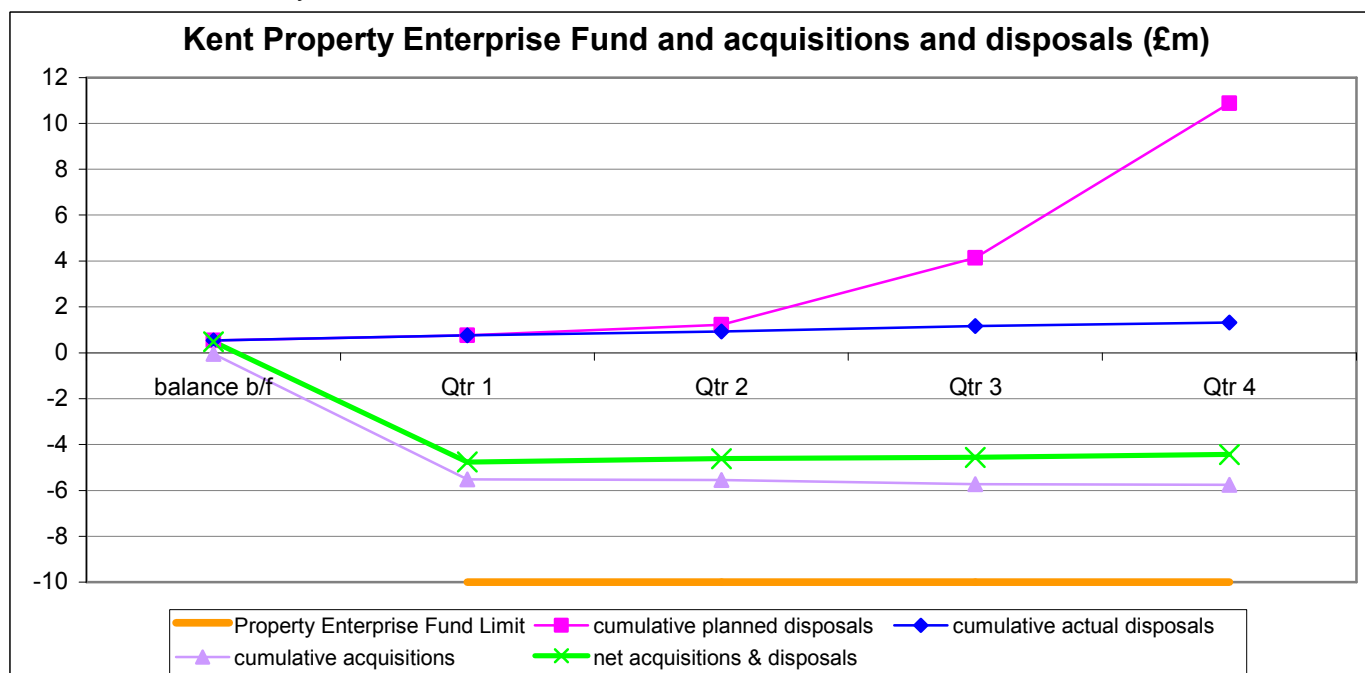
** Some property disposals included in the £15.3m target for 2006-07 have slipped into 2007-08; these have also been revalued and are now expected to achieve a greater receipt in total. In addition, some receipts originally expected in 2007-08 are now forecast to proceed in 2006-07. This represents the net movement.

*** Timescale for delivery uncertain until worked up by Property Group

2.2 Capital Receipts – Kent Property Enterprise Fund:

	<i>Kent Property Enterprise Fund Limit £m</i>	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions (-) £m	Cumulative Net Acquisitions (-) & Disposals (+) £m
Balance b/f		0.541	0.541	-0.054	+0.487
April - June	-10	0.756	0.756	-5.517	-4.761
July - September	-10	1.226	0.926	-5.545	-4.619
October - December	-10	4.151	1.161	-5.720	-4.559
January - March	-10	10.875	1.319*	-5.755*	-4.436*

* to end of February 2007



Comments:

- County Council have approved the establishment of the Property Group Enterprise Fund, with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
 - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
 - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

Any temporary deficit will be offset as disposal income from assets is realised. It is anticipated that the Fund will be in surplus at the end of the 10 year period.

Balance brought forward from 2005-06

In 2005-06, £0.541m of capital receipts were realised from the disposal of non-operational property. The associated disposal costs of £0.054m were funded from these receipts, leaving a balance of £0.487m available for future investment in the Kent Property Enterprise Fund.

Actual Disposals

As at the end of February 2007, the Fund has realised £0.778m of receipts in this financial year from the sale of 6 non-operational properties.

Planned Disposals

At the start of 2006-07, Property Group had identified £10.334m worth of potential receipts in this financial year. As a result of some receipts either subsequently being identified as earmarked or re-phasing into 2007-08, the forecast disposals for this year is now estimated at £2.732m.

Acquisitions

The Enterprise Fund was used to purchase land at Manston Business Park. This land has been vested with Environment & Regeneration to optimise its development opportunity.

With no further acquisitions planned at the time of writing, total expenditure against the fund is forecast at £5.755m. This reflects the cost of the only acquisition to date and the associated costs of both the acquisition and disposal activity, including temporary borrowing costs.

Table 3

CHIEF EXECUTIVES DIRECTORATE
VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspends (-)	
	£000's		£000's
Business Solutions & Policy - costs of increased work (mainly Agency staff for project work, Oracle development and TRP back-fill)	+2,600	Business Solutions & Policy - recharges\income for increased work	-2,600
Property - Increased rates and energy costs	+300	Property - vacancies not filled as part of management action	-250
		Business Solutions & Policy - CPA date set now in 2007-08	-100
	+2,900		-2,950

FINANCING ITEMS SUMMARY

FEBRUARY 2006-07 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- This quarter cash limits have been adjusted to reflect a number of technical adjustments to budget.

1.1.2 Table 1 below details the revenue position by Budget Book line:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Corporate Support & Health portfolio							
Contribution to IT Asset Maintenance Reserve	2,433		2,433			0	
PFI Grant	-711		-711			0	
Total CS&H	1,722	0	1,722	0	0	0	
Finance Portfolio							
Insurance Fund	4,079		4,079	-150		-150	pro rata saving on premiums
County Council Elections	255		255			0	
Workforce Reduction	1,247		1,247			0	
Environment Agency Levy	349		349			0	
Joint Sea Fisheries	242		242			0	
Audit Fees & Subscriptions	800		800			0	
Interest on Cash Balances / Debt Charges	89,715	-6,168	83,547	14,423	-16,423	-2,000	debt restructuring savings & increased investment income
Contribution from Commercial Services		-3,000	-3,000				
Public Consultation	140		140			0	
Provision for Kent Scheme Revision	1,003		1,003			0	
Local Priorities	611		611	-19		-19	
Local Scheme spending recommended by Local Boards	1,996		1,996			0	
Local Boards - Member Community Grants	47		47			0	
Transferred Services Pensions	22		22			0	
PRG & Capital Reserves		-6,640	-6,640			0	
Contribution from Provisions		-400	-400			0	
Contribution to Reserves	363		363			0	
Bad debt provision	350		350			0	
LABGI income		-1,400	-1,400		-1,315	-1,315	additional grant
Income from Kings Hill		-1,000	-1,000			0	
Income Generation		-463	-463			0	
Total Finance	101,219	-19,071	82,148	14,254	-17,738	-3,484	
Total Controllable	102,941	-19,071	83,870	14,254	-17,738	-3,484	

1.1.3 Major Reasons for Variance:

1.1.3.1 The forecast underspending on the Interest on Cash Balances/ Debt Charges budget has increased to £2m. This saving is due to:

Interest on Cash Balances

- Increase in year end balances allowing for longer maturity profile of lending
- Increase in market interest rates available
- Increase in base rates and investment interest

Debt Charges

- £20m of new market borrowing was arranged below the budgeted interest rate
- Loan restructuring has reduced the average interest rate for debt and delivered annual savings and discounts.
- Funding from cash balances and deferring new borrowing means that some saving is made on debt financing costs.
- Re-phasing of the capital programme has resulted in a reduced level of borrowing required in this year.

1.1.3.2 The DCLG has recently announced the allocation of the Local Authority Business Growth Incentive Scheme (LABGI) grant for 2006-07. We have been awarded £1.315m more than we estimated at the time of setting the 2006-07 budget. This is largely as a result of the completion of the new shopping centres in Canterbury, Maidstone and Thanet.

1.1.3.3 The Insurance Section has negotiated a reduction in insurance premiums from 1 January 2007 of £600k per annum, saving £150k in the current year.

1.1.3.4 Currently two District Councils have requested that their grant for local priorities, funded from the second homes money, be rolled forward to 2007-08 in order to provide greater benefit to the local community. Roll forward of these grants for one year is allowed within the terms agreed by Kent County Council with Leaders.

1.1.4 Actions required to achieve this position:

N/A

1.1.5 Implications for MTFP:

The current level of forecast re-phasing on the capital programme has contributed to the saving on debt charges and increased income from high cash balances, however as a result of the re-phasing there will be higher debt charges than budgeted in future years. This has been adjusted for in the 2007-10 MTFP.

The full year effect of the saving on insurance premiums has been reflected in the 2007-10 MTFP.

1.1.6 Details of re-phasing of revenue projects:

£19k in respect of the District Council grants for local priorities, as detailed in 1.1.3.3 above, will be requested to roll forward to 2007-08.

1.1.7 Details of proposals for residual variance: *[eg roll forward proposals]*

N/A

1.2 CAPITAL

N/A

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

N/A

FINANCING ITEMS

VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)		Underspends (-)	
	£000's		£000's
		savings resulting from debt restructuring and higher investment income due to high cash balances and increased interest rates	-2,000
		additional LABGI grant	-1,315
		Part year saving on insurance premiums	-150
	0		-3,465

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By: Mr G Gibbens, Cabinet Member for Public Health
Dr T Robinson, Cabinet Member for Children & Family Services
Mr J Simmonds, Cabinet Members for Education & School Improvements

To: Cabinet – 16 April 2007

Subject: Select Committee: PSHE/Children's Health

Summary: To receive and comment on the Select Committee Report: PSHE/
Children's Health

Introduction

1. The Children, Families and Education Policy Overview Committee, at its meeting on 6 July 2006 noted the proposal to establish a Select Committee to look at the issue of children's health, focusing in particular on aspects of Personal, Social and Health Education (PSHE). This was agreed by the Policy Overview Co-ordinating Committee at its August meeting.

Select Committee Process

Membership

2. The Select Committee commenced its work in October 2006. The Chairman of the Select Committee was Ms J Cribbon, other members being Mrs A Allen, Mr J Curwood, Mrs M Featherstone, Ms A Harrison, Mr D Hirst, Mr P Lake and Mr R Tolputt.

Terms of Reference

3. (1) The Terms of Reference of the Review were as follows:
- (a) To explore the educational effectiveness of Personal, Social and Health Education (PSHE), and particularly of Sex and Relationships Education (SRE), primarily in secondary schools.
 - (b) To recommend a robust strategy directed at teaching young people sexual health, and aimed at reducing the rate of both sexually transmitted infections (STIs) and teenage pregnancies.
 - (c) To ensure that the recommendations of the Committee contribute to strategic corporate objectives as stipulated in key documents, such as "Towards 2010" and the "Public Service Agreement 2" (PSA2).

Exclusions

4 The Select Committee did not explore issues related to obesity, drug use and misuse, and sport in schools. These topics had already been investigated as part of recent Select Committees.

Evidence

5. The Committee received both oral and written evidence from a wide range of witnesses. Witnesses included professionals dealing with PSHE and teenage pregnancy, clinicians, social workers, representatives of central government and young people including young parents. A full list of witnesses who provided both oral and written contributions is contained in Appendix 1 to the Select Committee report.

Conclusion

6. (1) We welcome the report and would like to congratulate the Select Committee on completing this piece of work. We would also like to thank all those witnesses who gave evidence to the Select Committee.

(2) Ms J Cribbon, Chairman of the Select Committee and Mr R Tolputt will present the report. The Executive Summary is attached. Please contact Angela Evans on 01622 221876 or email (angela.evans@kent.gov.uk) if you require a full copy of the report.

Recommendations

4. (1) The Select Committee be thanked for its work and for producing a relevant and a balanced document.

(2) The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.

(3) We recommend the report and its recommendations to Cabinet and welcome any observations Cabinet wish to make.

Dr T Robinson

Cabinet Member for
Children & Family
Services

Mr J Simmonds

Cabinet Member for
Education & School
Improvement

Mr G Gibbens

Cabinet Member for
Public Health

Background Information: *None*

1. Executive Summary

1.1. Committee Membership

The Committee consists of eight Members of Kent County Council (KCC): Five Members of the Conservative Party, Two Members of the Labour Party and one Member of the Liberal Democrat Party.

Mrs Ann Allen
Conservative Member
Wilmington

Ms Jane Cribbon, Chair
Labour Member
Gravesham East

Mr Jeffrey Curwood
Conservative Member
Maidstone Central

Mrs Margaret Featherstone
Liberal Democrat Member
Maidstone North East

Ms Angela Harrison
Labour Member
Sheerness

Mr David Hirst
Conservative Member
Herne Bay

Mr Peter Lake
Conservative Member
Sevenoaks South

Mr Roland Tolputt
Conservative Member
Folkestone South

1.2. Terms of Reference

In October 2006 a Select Committee was set up to consider the issue of children's health, focusing in particular on aspects of Personal, Social and Health Education (PSHE). The review explored the extent to which education and sexual health services met the needs and expectations of young people in Kent. A series of recommendations resulted from this task. The Terms of Reference of the Review were as follows:

1. Explore the educational effectiveness of Personal, Social and Health Education (PSHE), and particularly of Sex and Relationships Education (SRE), primarily in secondary schools.
2. Recommend a robust strategy directed at teaching young people sexual health, and aimed at reducing the rate of both sexually transmitted infections (STIs) and teenage pregnancies.
3. Ensure that the recommendations of the Committee contribute to strategic corporate objectives as stipulated in key documents, such as "Towards 2010" and the "Public Service Agreement 2" (PSA2).

1.3. Exclusions

The Select Committee did not explore issues related to obesity, drug use and misuse, and sport in schools. These topics were already investigated in recent Select Committees.

1.4. Scene Setting

- 1.4.1. The Committee received both oral and written evidence from several witnesses. The selection of witnesses included professionals dealing with PSHE and teenage pregnancy, clinicians, social workers, representatives of central government and young people including young parents. A full list of witnesses who provided both oral and written contributions is supplied in Appendix 1.
- 1.4.2. The Select Committee was established in order to deal with a series of complex and critical issues. It was formed as a response to the requests of Members of the Kent Youth County Council (KYCC) to improve the quality of PSHE and SRE in Kent. Although the national rate of teenage pregnancy in England and Wales is generally decreasing and it is at its lowest level for 20 years (41 per 1,000 females aged 15-17 in 2004), it is still the highest in Western Europe. In Kent, the under 18 conception rate is lower than the national average (38.1 per 1,000 females aged 15-17 in 2004). However, an increase by 2.5 per 1,000 females since 2003 makes the national target of halving the rate by 2010 particularly challenging.

- 1.4.3. The rate of Sexually Transmitted Infections (STIs) in the UK is also the highest in Western Europe. A staggering 10% of young people aged under-25 years has currently contracted Chlamydia in Britain.
- 1.4.4. The Committee focused the Review on the benefits that education can bring about in dealing with these serious issues. Effective sex and relationships education is crucial in teaching young people to make responsible and informed decisions about their lives. Education can help young people learn to respect themselves and others, and can ease the transition from childhood through adolescence into adulthood. It can facilitate breaking a cycle of low aspirations that can lead to unwanted teenage pregnancies. It can help teenagers delay pregnancy until they are better equipped to deal with the demands of parenthood.
- 1.4.5. The consequences of poor sexual health amongst young people can have a significant and harmful impact on their lives, and can incur economic costs to Kent residents at large. The strategic and leadership roles that Kent County Council performs can help improve the quality of life of all the people living in Kent.

1.5. Recommendations

Recommendation 1

That all those dedicated individuals working to provide young people in Kent with high standard sexual health services be commended.

Recommendation 2

The Committee urges that all key agencies be wholly committed and signed up to the Kent Teenage Pregnancy Strategy in an effort to decrease the rate of teenage pregnancy.

Recommendation 3

The Committee endorses and supports all the efforts of the Kent Teenage Pregnancy Partnership. It recommends expanding the Partnership's reach to all the young people in Kent by further promoting its sexual health services in places young people frequent.

Recommendation 4

The Committee strongly recommends the broad production, promotion and distribution of discreet information on local sexual health services and support.

Recommendation 5

The Committee recommends that all partner agencies involved must facilitate the expansion of the National Chlamydia Screening Programme, to ensure full screening coverage of all sexually active young people in Kent under the age of 25.

Recommendation 6

That GUM clinics must replace appointments with a “walk in” service. The Committee insists that the proportion of Genito-Urinary Medicine (GUM) clinic attenders offered an appointment within 48 hours of contacting the service must reach 100% by 2008.

Recommendation 7

That the number of school nurses working in secondary schools in Kent be increased, and that the number of accessible, confidential and young people friendly sexual health clinics in all secondary schools in Kent be raised by at least one per cluster by 2008.

Recommendation 8

The Committee commends and supports all those working with disengaged, vulnerable young people, and urges the effective re-integration of more young mothers and fathers into school to complete their statutory education.

Recommendation 9

The Committee recommends that all schools in Kent work towards Healthy Schools validation by March 2009, through a process which is all inclusive to parents and governors.

Recommendation 10

The Committee strongly recommends a strategy for a more consistent and systematic Personal, Social and Health Education (PSHE) delivery, that is coupled with more robust assessment and monitoring methods, and that is adopted in all primary and secondary schools in Kent.

Recommendation 11

The Committee urges that the new RE and Citizenship Advisor remains permanently in place to ensure that one advisor is permanently and wholly responsible and accountable for PSHE in Kent.

Recommendation 12

That PSHE certificates for both teachers and nurses be widely promoted and supported. That each school cluster in Kent has a PSHE lead and each secondary school in Kent has at least one PSHE certified teacher. That PSHE awareness be raised through a countywide multi-agency conference, which includes all the decision makers, by March 2008.

Recommendation 13

The Committee strongly urges the County Council to press Government to make PSHE statutory and therefore part of the core curriculum, thereby ensuring that a selection of PSHE lessons are duly observed during inspections by Ofsted.

Recommendation 14

The Committee insists that all secondary schools in Kent ensure access to websites such as “foryoungpeople”, “RUthinking” and “Frank”, and that they provide permanent information on local sexual health services on a visible notice board.

Recommendation 15

The Committee recommends that school governors ensure that strong and consistent sex and relationships education within a PSHE framework is delivered. That SRE be taught appropriately from primary school and by specialist teachers.

Recommendation 16

The Committee strongly recommends that the “relationships” aspect of SRE be emphasised more than the biological aspect, and that, in order to reflect this emphasis, the name “sex and relationships education” be changed to “relationships and sex education”.

Recommendation 17

That the nature of SRE lessons reflects equality of responsibility between boys and girls, and therefore that it has a stronger focus on young men and on their attitudes and responsibilities when negotiating sexual relationships. That it be considered to teach particular aspects of SRE in single-sex groups.

Recommendation 18

The Committee commends that schools encourage greater involvement of both pupils and parents/carers in the planning and evaluation of SRE programmes.

By: Paul Carter, Leader of the Council, Corporate support & health
Oliver Mills, Managing Director, Adult Services

To: Cabinet – 16 April 2007

Subject: EQUALITY STRATEGY 2007 - 2010

Classification: Unrestricted

Summary: This paper asks Cabinet to agree an Equality Strategy, which brings together the Council's existing Disability and Race equality schemes, and new Gender Equality Scheme, into one document.

The Strategy aims to support continuous improvement in service delivery across all areas of the Council, with a greater focus on meeting the needs of diverse service users. It is underpinned by a commitment to achieving best value for available resources, working in partnership and encouraging more people to have their say locally to influence decisions which affect them and their community.

1. Overview

The Council has a statutory obligation to produce Disability and Race equality schemes, which it already has in place. From 30 April this year, it is also required to publish a Gender Equality Scheme. Following discussion at the Strategic Equalities Group in November last year, it was agreed to amalgamate these three documents, to enable multiple issues to be addressed more effectively, and ensure that the Council's approach to equality is consistent and integrated across the organisation.

2. About the Strategy

The Council's existing Disability and Race equality schemes form the basis of the Equality Strategy, together with supplementary statistical information.

The Disability priorities and actions remain identical to those contained in the Disability Equality Scheme, which was the product of extensive involvement work with disabled people last year. The priorities and actions identified in relation to Race reflect those set out in Year Three of the current Race Equality Scheme.

Although the Strategy mainly focuses on Disability, Gender and Race equality, it also provides a summary of current issues in relation to poverty, deprivation and cohesion, and associated initiatives being delivered across the Council. This includes the Supporting Independence Programme, reducing teenage pregnancy, migration, and work on the Equality Standard for Local Government.

3. The five priority outcomes

The Strategy identifies five priority outcomes, which support the Council's Equality and Diversity Policy Statement:

- Equal and inclusive services and information for all, regardless of age, disability, gender, faith, race or sexual orientation.
- Creative opportunities for participation and involvement in service planning and decision-making.
- Work with our partners to ensure the county's most vulnerable groups feel safe and free from harassment, and can report incidents in the knowledge that issues will be handled sensitively and effectively.
- Enhance the quality of our intelligence and monitoring systems, to ensure we can target disadvantage in the county where action is most needed and best reflects effective use of resources.
- Maintain our reputation as an excellent employer, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are proactive in anticipating the needs of service users.

4. Next steps

Consultation is currently taking place on the document with service users and employees. Engagement with service users on the Strategy will continue over the next six months, to explore issues in greater detail and reflect ongoing activity in Directorates and work on equality impact assessments. This will inform a review of the Strategy at the end of the year.

Cabinet will be updated orally at the meeting on any key issues to emerge through current consultation activity.

5. Recommendations

Cabinet is asked to:

- (a) Agree the Equality Strategy and Summary Action Plans;
- (b) Authorise the Lead Member to approve any minor amendments to the Strategy or Summary Action Plans indicated between now and 30 April;
- (c) Note that engagement with service users on the Strategy will continue over the next six months, to inform a review at the end of the year.

Jo Richardson

Inclusive Services Policy Manager
01622 221851

Background documents: KCC's Disability Equality Scheme 2006/09
KCC's Race Equality Scheme 2005/08

DRAFT



Kent County Council

Equality Strategy

April 2007 – March 2010

For further information about the Strategy, or if you require it in an alternative format such as large print, Braille, audio tape or Easy to Read, or if you would like it to be explained to you in your language, contact us by:

Email: diversityinfo@kent.gov.uk
Telephone: 01622 221163
Textphone: 08458 247905

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1. Foreword

What do we mean by equality and diversity?

For Kent County Council, equality and diversity means delivering excellent quality, value for money services to everyone in Kent. Our approach is simple. We aim to open doors to access and participation, to enable everybody to contribute to the life of the county, whatever their background or circumstances.

Our services are already rated amongst the best in the country, and we have a strong record of achievement for raising standards, increasing choice and tackling inequality. We are proud of these successes, which cut across a whole range of areas such as social care, children's services, education and employment:

- Our nationally acclaimed Supporting Independence Programme – which tackles the root causes of inequality and promotes community cohesion, making a real difference to the lives of people living in Kent's most disadvantaged communities.
- We were one of the first councils in the country to conduct an equal pay review.
- We have worked with the Department of Health and key partners across the county to pilot 'Culturally competent care', an initiative designed to develop services for black and minority ethnic older people, and best practice checklists for frontline practitioners and carers.
- The Disability Rights Commission has commended our partnership work on the development of our Disability Equality Scheme as 'pioneering'.
- We have hosted part of Natural England's diversity review, the 'By all means' project, increasing the numbers of disabled people in Kent who are able to access and enjoy countryside activities.
- We are ranked 37th out of the 100 best employers in the UK for Lesbian and Gay staff, by independent group Stonewall, joining an elite group of organisations that includes blue chip FTSE 100 companies and government departments.

This Strategy aims to support continuous improvement in service delivery across all areas of the Council, with a greater focus on meeting the needs of diverse service users. It is underpinned by a commitment to achieving best value for available resources, working in partnership and encouraging more people to have their say locally to influence decisions which affect them and their community.

The priorities in the Strategy reflect both local aspirations and regional objectives. Please take a little time to read it and let us know your views and opinions on what we are doing.

2. Executive Summary

Introduction

This is Kent County Council's first Equality Strategy, effective from April 2007 to March 2010. The Strategy sets out how the Council will promote equality and community cohesion and tackle unfair discrimination in Kent.

The Strategy incorporates the Council's **Disability**, **Gender** and **Race** equality schemes, and focuses primarily on these three areas. It spells out what Disability, Gender and Race equality mean for those who live, work in and visit Kent, and the priorities to be tackled in each area. It also deals with **poverty, deprivation**, and the cross-cutting issues of **age, faith**, and **sexual orientation**. In doing so it summarises specific initiatives being delivered across the Council to tackle these issues, such as reducing teenage pregnancy, migration, and work on the Equality Standard for Local Government.

The Strategy supports a range of other key plans and strategies, such as Towards 2010 and the Kent Children and Young People's Plan.

How we developed the Strategy

This Equality Strategy is the result of:

- **Listening** to the views of those who live, work in and visit Kent
- **Learning** from reviews of services and information from inspections
- **Looking** at our key performance measurements so we know what we are doing well and where we need to improve.

Our five priority outcomes

The Strategy identifies five priority outcomes, which describe our overall ambitions for equality, and provide a framework for delivering and managing all our services:

- **Equal and inclusive** services and information for all, regardless of age, disability, gender, faith, race or sexual orientation.
- Creative opportunities for **participation and involvement** in service planning and decision-making.
- Work with our partners to ensure the county's most vulnerable groups feel **safe and free from harassment**, and can report incidents in the knowledge that issues will be handled sensitively and effectively.
- Enhance the quality of our **intelligence** and **monitoring** systems, to ensure we can target disadvantage in the county where action is most needed and best reflects effective use of resources.

- Maintain our reputation as an **excellent employer**, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are **proactive** in anticipating the needs of service users.

Focusing activity and targeting resources in these areas will have the greatest impact on promoting equality and tackling disadvantage in the county.

Making our outcomes a reality

Our five priority outcomes are underpinned by a range of objectives and actions that relate specifically to Age, Disability, Gender, Faith, Race and Sexual Orientation. These have been identified to address specific need within the county and the Council, and gaps in understanding or service provision.

The Strategy is supported by a range of robust action plans, which set out a phased approach to achieving the five outcomes. The Council's Strategic Equalities Group will monitor performance against the action plans.

Over the next six months we are committed to ongoing developmental work on the Strategy with those who live and work in Kent, to explore issues highlighted through consultation in greater detail, identify appropriate responses and take forward key actions.

If you have any questions about Kent County Council's Equality Strategy, or would like to know how to get involved with ongoing activity to develop services in Kent, please contact Corporate Diversity Team on:

Email: diversityinfo@kent.gov.uk

Telephone: 01622 221163

Textphone: 08458 247905

3. Introduction

About the Strategy

The Kent County Council Equality Strategy is effective from April 2007 to March 2010. It identifies the main activities that the Council will carry out to improve outcomes for Kent's diverse communities. It is aimed at everyone in Kent, including residents, employees, staff working with diverse groups, stakeholders and inspectors.

This **Introduction** explains why we are producing an Equality Strategy, and not three schemes. It also explains how the Council developed the Strategy, who was involved and how the views and opinions of local people influenced it.

Section 4, 'Who are the people of Kent?' provides an overview of the county, and some interesting facts about the people of Kent. It also looks at community cohesion in Kent, and the work the Council is doing in this area.

Section 5, 'What shapes services in Kent?' summarises the legislation informing the Strategy, and explains how the Strategy sits in relation to other key plans and decision-making structures in Kent. It also explains how the views of those who live, work in and visit Kent can influence services and decision-making.

Section 6, 'How we deliver equality in Kent', explains how Kent County Council is structured, and how it is promoting equality as an employer and in education.

Section 7, 'Making equality part of everything we do', explains how we communicate with our diverse communities. It also summarises the Council's complaints system, and looks at how we promote equality through partnership working and procurement.

Section 8, 'Our five priority outcomes', describes the five key outcomes the Council wants to achieve for diverse communities in Kent.

Sections 9, 10, and 11 examine in turn the areas of **Disability, Gender** and **Race** equality. They summarise the key facts and challenges in Kent, the achievements we have already made in these areas, and the priorities to be addressed.

Section 12, 'Using equality impact assessments to improve services for everyone in Kent', explains what an 'equality impact assessment' is, why they are important, and how they are helping to turn equality and diversity into every day practice.

Section 13, 'Performance and review', sets out how we will monitor our progress against the Strategy, and make sure we achieve our outcomes.

Section 14, 'Action Plans', sets out all the different actions we will be undertaking over the next three years, in order to achieve our outcomes. An Organisational Action Plan summarises actions which support all areas of equality, and three

separate action plans on Disability, Gender and Race equality summarises work that specifically relates to these areas.

Section 15, 'Appendices', contains a range of additional information for further reading.

Why an Equality Strategy, and not three schemes?

The Council has a legal duty to produce three equality schemes in relation to Disability, Gender and Race. However, it makes sense to bring these schemes together into one simple document, to ensure that our approach to equality is consistent and integrated across the organisation. It also means that the Council can address multiple issues which cut across more than one diverse group more effectively.

The legislation governing Disability, Gender and Race equality is slightly different for each area. In order to address these differences each area has its own section in the Strategy, and is supported by a specific action plan.

How we developed the Strategy

We undertook a range of important steps to develop the Strategy. These included:

- **Understanding the views of diverse groups in Kent** - overall, the views of over 1000 individuals and community groups helped to shape the priorities and actions in the Strategy.
- **Collecting and analysing a range of key data and evidence on local trends** - this included Census information, residents' satisfaction surveys and performance management indicators.
- **The involvement of staff** - through briefing sessions, themed groups and online surveys.
- **Engagement with the voluntary and community sector** - the views of key voluntary and community groups will continue to play a key role in this Strategy.

A full summary of who was involved in developing the Strategy is included in Appendix A. Unless otherwise indicated, all statistics are referenced to the Census 2001.

Over the next six months we are committed to ongoing developmental work on the Strategy with those who live and work in Kent, to explore issues highlighted through consultation in greater detail, identify appropriate responses and take forward key actions.

4. Who are the people of Kent?

About Kent

Kent County Council is the largest non-metropolitan local authority in England, with a resident population of 1,369,900 people (this figure is known as the 'Kent County Council Area', and excludes the Medway Council Area). Referred to as the Garden of England for its beautiful countryside, the county has impressive historical, cultural, shopping and educational facilities, as well as a thriving business sector. In total, there are 610 schools, 117 libraries, 22 youth and community centres and more than 5,000 miles of roads. Kent is the main Gateway between the UK and mainland Europe, with the International Station, Ashford, as close in journey time to Lille as to London.

Some key facts about the people of Kent

- The population of the Kent County Council Area grew by 10,700 people (0.8 per cent) between 2004 and 2005.
- Overall, Ashford Borough has experienced the largest increase in population in real terms, with a growth of 2,300 people between 2004 and 2005.
- No local authorities within Kent have experienced a decline in population.
- The Kent County Council Area is ranked 106th out of a national scale of the 149 most deprived authority areas in England.¹ A rank of 1 is the most deprived. The Kent County Council Area is the 2nd most deprived county council area of all county councils within the South East Region (excluding unitary authorities).
- There are similar numbers of men and women in the Kent County Council Area - 49 per cent and 51 per cent respectively. This is similar for all age groups, until after the age of 75, where there is a marked difference with significantly more women over the age of 75 (62 per cent) than men (38 per cent).
- The Kent County Council Area has an age profile similar to that of England. However, the north of Kent has more people under the age of twenty and East Kent has more people over the age of sixty-five.
- 41,534 people (3.1 per cent) in the Kent County Council Area classify themselves as from a Black Minority Ethnic (BME) group. This compares to 54,957 (3.5 per cent) residents of the county as a whole who classify themselves as BME.
- 13.1 per cent of people in the Kent County Council Area consider themselves to have a long term limiting illness.

¹ Based on the average of lower super output area (LSOA) scores.

- The Council supports more than 30,000 disabled and older people to continue living in their own homes.²
- There are 546,742 households in the Kent County Council Area. Of these, 73.6 per cent are owner occupied and 26.4 per cent are rented. 83.5 per cent of our residents live in a house or bungalow, compared with 15.9 per cent who live in a flat, maisonette or apartment.
- Married couple households are the most common single household type (48.9 per cent) in Kent overall. The 'traditional family' household structure of a married couple with dependent children make up only 18.8 per cent of all Kent households.
- The majority of the population in the Kent County Council Area is of Christian religion (75.13 per cent). The next largest religious group is Sikh with 0.6 per cent. 14.9 per cent state that they have no religion.
- Sevenoaks District has the greatest concentration of Christians (77.0 per cent of the population state this as their religion), whilst Gravesham Borough has the largest concentration of people of Sikh religion with 6.7 per cent compared to only 0.6 per cent for the Kent County Council Area as a whole.
- 65 per cent (728,664) of Kent's resident working age population is employed. Of these, 603,835 work in the county, and around 17 per cent (124,829) work outside. Kent attracts an additional 50,542 people into the county to work.
- Overall, just over 61 per cent of residents in the Kent County Council Area aged 16 and over are 'economically active'.
- In the county as a whole, the percentage of those aged 16-74 in full-time employment is highest in Dartford, followed by Medway Unitary Authority, Maidstone and Tonbridge and Malling. These four areas are above the South East regional average.
- There is a greater percentage of people employed in the construction, health, finance and agricultural sectors in the Kent County Council Area, compared to the national average. However, there is a lower proportion of managerial and senior officials than in the South East as a whole.
- Car ownership is higher in Kent than in the rest of England and has also grown marginally faster than the national average.

² Kent Adult Social Services, management data April 2007

Community cohesion in Kent

What is community cohesion?

The links between equality and community cohesion are well documented. Tensions, insecurity and conflict in the community are all more likely to occur where there are serious inequalities. Difficulties arise when groups of people experience things like poverty, poor housing or access to education and other opportunities, which make them feel insecure. Communities can then blame one another for their difficulties. Blame can often fall upon minority groups in the community - whether these are from culturally different communities, or from groups whose values and behaviour appear to be different.

The general definition of community cohesion is 'a state of well-being that affects the harmony and stability of a given geographical community'.^{3 4} On a practical level, community cohesion is about recognising local risk factors for tension or misunderstanding between communities, and managing these dynamic relationships effectively. Community cohesion is strongest when people have the opportunity, the resources and the motivation to participate in society as fully as they wish and on an equal basis with others.

Starting from a position of strength

Kent did not suffer from the deep polarisations and hostilities that were the root cause of the urban riots in many northern towns and cities in the summer of 2001. The county's distinct geographical and cultural communities each have their own unique identity and character, and for the most part, live in harmony with one another. This is a strong indicator of cohesion within the area.

However, the county has a number of characteristics which could represent potential tension points. For instance, the location of the major port of Dover in the East of Kent, an area of relative deprivation in the South East, has meant that in previous years the Council has had to accommodate large numbers of asylum seekers. Historically, this has exacerbated some community tensions. Although tensions were managed effectively and have eased, new trends are emerging such as an increase in migrant workers entering the county from the new accession countries⁵, many of whom are employed in low-wage jobs in agriculture.

³ Jointly agreed by the Home Office, the Local Government Association and the Commission for Racial Equality.

⁴ For further information see: The Report of the Independent Review Team Chaired by Ted Cante, 2001; Building Cohesive Communities: Community Cohesion Education Standards for Schools, 2002; A Report of the Ministerial Group on Public Order, 2001; Report of the Community Cohesion Panel, July 2004; Community Cohesion: An Action Guide, November 2004 ; Building a Picture of Community Cohesion: December 2004,

⁵ Refers to the eight countries that joined the European Union in 2004:

- Poland
- Lithuania
- Latvia
- Estonia
- Czech Republic
- Hungary
- Slovenia
- Slovakia

In addition, much of Kent's Black and Minority Ethnic population is geographically concentrated in two distinct areas, and communities of relative affluence exist alongside pockets of deprivation such as in Thanet District and Swale Borough. This means that there may be groups of people in Kent, such as people who are new to the borough, travellers, unemployed people, and people on low incomes, who may not enjoy a strong sense of belonging.

Addressing potential issues

Local issues and trends change all the time, and are influenced by a whole range of factors, many of which are outside the Council's control. Work is therefore ongoing to map trends effectively so that we can target activity appropriately. Currently, the Council's focus is on the following key areas:

- Developing local relationships
- Through our Supporting Independence Programme, tackling the root causes of inequality and making a real difference to the lives of people living in Kent's most disadvantaged communities
- Partnership working and intelligence sharing
- Using consultation and involvement to achieve shared outcomes for communities
- Regeneration
- Placing schools and education at the heart of the agenda
- Using culture and the arts to 'build bridges'
- Myth busting.

This activity is summarised below.

Developing local relationships

The development of local relationships is a vital way in which to maintain and enhance community cohesion. The County Council plays a key role in demonstrating a positive and responsive presence in the community, and supporting local relationships. This includes activity such as a recent goodwill visit undertaken by the Chairman of Kent County Council, the High Sheriff of Kent, and the Mayor of Gravesham, to Buddhist, Muslim and Sikh faith groups in Gravesham.

Supporting Independence Programme

The Council's nationally recognised Supporting Independence Programme aims to make a real difference to the lives of people living in Kent's most disadvantaged or isolated communities. Working with partners from across the public and voluntary sectors, it seeks to help a diverse range of people to lift themselves out of dependency and into independence, employment and more fulfilling lives:

- School leavers with low educational attainment
- Adult and young offenders
- Young people in care or leaving care
- Lone and teenage parents

- People lacking basic life and social skills and who lack basic literacy or numeracy skills
- People with alcohol and/or substance addictions
- People with health problems, learning or physical disabilities or who are applying for low-level, long-term incapacity benefit
- Transient or seasonal groups, including refugees, asylum seekers and the homeless
- The long-term unemployed
- Vulnerable older people aged 75 plus.

For more information on the Supporting Independence Programme please contact:
 Telephone: 01622 696932
 Email: sip@kent.gov.uk
 Textphone: 08458 247905

Partnership working and intelligence sharing

Following a sharp increase in the number of asylum seekers coming into Dover in the mid 90s, the Council established a strategic partnership of local organisations to share intelligence and identify appropriate ways in which to address emerging tensions in the neighbouring community. The partnership included the County Council, Health, Kent Police, voluntary organisations and Immigration.

Outcomes of the partnership included regular drop-in surgeries across the areas most affected and the establishment of a centre in Thanet where asylum seekers and local residents could seek advice on a range of issues from childcare to job seeking. It also included the development of the 'Friendship Project', which sought to teach children in primary school about different cultures, and the reasons why some people have to flee persecution. Members of the partnership support activities during national 'refugee week', such as a multi-cultural festival in Dover, and a football tournament.

Using consultation and involvement to achieve shared outcomes

Enabling diverse communities to participate in local decision making is a key facet of cohesion. Improvements in local facilities, for example, new play areas, new schools or other local developments, are very important in making people feel good about where they live. The actual process of getting these started and making them happen, through local consultation and involvement, often provides the 'cement' that is needed to bring communities together, build positive local identities and strengthen the capacity of communities to help themselves.

Initiatives such as this include a project delivered by the Library service, called 'Words Without Frontiers', which worked with a variety of diverse communities to source books and other materials in relevant languages. The scheme also developed a highly successful temporary library ticket to enable asylum seekers and the homeless to access library services. In Dartford, courses and information sessions at the Town Centre Library are available at weekend times, to address need in the local Black community. In Maidstone, courses have been held at the

Maidstone Mosque and family learning events at traveller sites, especially in Swanley and Edenbridge.

Bringing communities together through regeneration

Regeneration programmes, planning and urban design all have a vital role to play in addressing cohesion and integration, and can be key in facilitating interaction between different groups. The Council works in partnership with key stakeholders in the county to promote cohesion and social inclusion through economic prosperity for all. Activity is focused in a number of identified 'growth areas' and areas of economic deprivation in East and Rural Kent.

The backbone of regeneration activity is the promotion of 'mixed' developments with affordable housing, to ensure that housing provision reflects the needs of local communities. Developers are also encouraged to adopt design measures that help contribute to crime reduction, reduce physical isolation and encourage social inclusion. Other activity includes:

- The **Kent Rural Delivery Framework** targets actions at older people, young people, women and ethnic minorities to encourage entrepreneurship and community engagement
- The **URBAN** project provides training and supports independence in deprived communities in North Kent in Gravesend and Dartford.
- The **Trading-Up** project engages deprived communities.
- The **Enterprise Gateways** project provides start-up advice to entrepreneurs in deprived communities.
- The **Empty Homes initiative** looks at new and innovative ways to bring back into use homes that have been empty for longer than six months.

Placing schools and education at the heart of the agenda

As the hub of the community, schools play a key role in supporting community cohesion. They create numerous opportunities for people from a range of ages and backgrounds to meet, exchange ideas and learn life skills together in a positive environment.

Within the curriculum, schools have the opportunity to address issues around stereotyping, discrimination and similar themes through personal, social and health education (PSHE), Citizenship and Religious education. The recently developed Kent Agreed Syllabus for religious education contains important guidance on this aspect for schools, and the role that different subjects have in challenging attitudes and behaviours. There are specific opportunities within the Syllabus to encourage learning about different faiths and cultures, particularly any religious groups which have local significance. Other activities include:

- The 'Creative partnerships Kent' project works with schools to develop a whole range of creative approaches to the curriculum, including cultural and religious celebrations. The Kent Standing Advisory Council on Religious Education (SACRE) is working with the Minority Communities Achievement Service

(MCAS) to provide a portable 'multi-faith place of worship' which will bring places of worship of different faiths to local schools.

- Schools coordinate a variety of events throughout the year to enable pupils to learn about history, such as Black History Month.
- The Council has produced detailed guidance to schools to assist with the development of anti-racist and anti-bullying policies, and has appointed an Anti-Bullying Co-ordinator to co-ordinate this work. In addition, the Council recently developed guidance for schools to address issues around homophobic bullying. Schools are shortly to be invited to participate in a pilot project, where clusters of schools will be designated a "Safe Cluster" if they meet agreed criteria in recognition of their work to tackle bullying.

Using culture and the arts to 'build bridges'

Cultural and artistic programmes provide numerous opportunities to bring communities together, and foster a sense of community pride. Multi-cultural festivals have a particular role to play, providing opportunities to celebrate the richness and value of local cultures, faiths and races. They promote a wider understanding of the contribution made by all to the whole area, and provide enjoyable opportunities to get to know and celebrate different ways of living.

The Council works in partnership with stakeholders across the county to coordinate a broad range of activities each year, such as 'Black History Month', Refugee week, Diwali, the Hindu festival of lights, and other important milestones such as the anniversary of the establishment of Virginia (USA), and the 200th anniversary of the Abolition of Slavery Act. The County Council will also use the location of the Tour de France in Kent and the Olympic Games in London as opportunities to develop inter-cultural, social, economic and curricular activities.

Myth busting

The Council's award winning Gypsy and Traveller Unit engages with residents of the Council's eight Gypsy and Traveller caravan sites and those of neighbouring communities to address tensions and facilitate relationships. The Unit also works with the local media to inform the public on Gypsy and Traveller matters and to 'myth bust' common misconceptions.

For more information on the Council's Gypsy and Traveller Unit please contact:

Telephone: 0845 345 0210
Email: gypsy.liaison@kent.gov.uk
Textphone: 08458 247905

5. What shapes services in Kent?

Legal and national priorities

Over the last three years a wide range of important legislation has been introduced, to promote equality and tackle unfair discrimination. This was partly in response to a number of incidents which highlighted the prevalence of institutionalized inequality in Britain – for instance, the Stephen Lawrence inquiry, and the urban riots of 2001. As part of this reform, six key documents were published, which set out the framework for change and the implications for councils like Kent County Council:

- The **Equal Pay Act 1970** says women must be paid the same as men when they are doing work of equal value and vice-versa.
- The **Sex Discrimination Act 1975** makes it unlawful to discriminate on the grounds of sex, in employment, education, advertising or when providing housing, goods, services or facilities.
- The **Race Relations Act (RRA) 1976** (as amended 2000, 2003), makes it unlawful to discriminate on grounds of colour, race, nationality, ethnic or national origin.
- The **Disability Discrimination Act (DDA) 1995** (as amended 2003 and 2005) makes it unlawful to discriminate on grounds of disability.
- The **Employment Equality (Religion or Belief) Regulations 2003, and the Employment Equality (Sexual Orientation) Regulations 2003** make it unlawful to discriminate on grounds of religion or religious belief, or sexual orientation.
- The **Human Rights Act 1998** gives greater effect to rights and freedoms guaranteed under the European Convention on Human Rights.
- The **Employment Equality (Age) Regulations 2006** and the make it unlawful to discriminate on grounds of age.
- The **Equality Act 2006** makes provision for the establishment of the Commission for Equality and Human Rights (which will start its work in 2007), merging the Equal Opportunities Commission, the Commission for Racial Equality and the Disability Rights Commission, and covering the new strands of discrimination law - religion, sexual orientation and age.

In addition, the recent independent Equalities Review commissioned by the Government has undertaken a comprehensive analysis of the causes of persistent discrimination and inequality in Britain. This activity will be further informed by the ongoing Discrimination Law Review (DLR), which is aiming to create a simpler, fairer legal framework for equalities.

Kent County Council's key strategic documents

'Towards 2010', produced by Kent County Council, provides the strategic framework for the Equality Strategy. Towards 2010 is Kent's key document, which sets out a vision for the future of the county and the main challenges that we need to address along the way. A number of other important plans, strategies and initiatives also help to achieve our vision for Kent. These include:

- Our **Equality and Diversity Policy Statement**, which sets out the Council's overall aim to promote equality, value diversity and combat unfair treatment.
- The Community Strategy, the **Vision for Kent**, details how the County Council will work with key partners in Kent to improve the economic, environmental and social wellbeing of the county over the next 20 years.
- The Council's **Consultation Strategy** ensures that diverse groups such as young people, refugees and asylum seekers and Gypsies and Travellers are not forgotten.
- The **Kent Children and Young People's Plan**, explains how the Council will work with other key partners in the county to improve the lives of children and young people.
- The **Kent Anti-Bullying** Strategy, sets out how the Council and other key agencies will tackle bullying, and make the lives of children and young people safer and happier.
- The **Kent Youth Justice Plan** explains how the statutory youth offending partnership agencies (Social Services, Health, Education, Police and Probation) will work together to prevent offending by children and young people.
- The **Kent Local Area Agreement** was agreed by partners to improve sexual health and reduce **teenage pregnancy** in the county.
- The **Kent Crime and Disorder Strategy** explains how the key agencies in Kent will work with individuals and communities to make the county a safe place to live, work and visit.
- **The Kent Rural Delivery Framework** establishes clear regional rural priorities and effective and targeted delivery mechanisms for services across the county.

The views and involvement of local people

We have an excellent history of consulting local residents about a wide variety of issues, and provide a range of opportunities for local people to get involved with service planning and development. This includes a Residents' Panel, and numerous working groups supported by different Directorates, such as discussion forums with disabled people, and a traveller liaison group. In addition, there is a network of 12 Local Boards across Kent, attended by Councillors and covering each district council area. Local boards provide a regular forum for community debate and consultation on local issues and services.

The Council also works with the North-West Kent Racial Equality Council and the Kent-wide Black and Minority Ethnic Consultation Network.

Up-to-date information about the policies and services we are consulting on is always available on our website www.kent.gov.uk to make it easier for everyone to make their views known.

If you would like to have your say on services in Kent, please contact Corporate Diversity Team on:

Email: diversityinfo@kent.gov.uk
Telephone: 01622 221163
Textphone: 08458 247905

6. How we deliver equality in Kent

How Kent County Council is structured

Kent County Council has 84 elected councillors who each have a dual role, attending to countywide concerns as well as to the needs and interests of constituents. The County Council is led by the Council Leader and his Cabinet, who make key decisions about policy and budget. The Chief Executive and his team of officers are responsible for the day-to-day running of the Council. The Council is divided into five 'directorates', each of which is responsible for a particular area of council activity.

The County Council works closely with 12 district councils, one unitary authority (Medway Council) and more than 300 town and parish councils to deliver services to the people of Kent. The County Council manages schools, social services, strategic planning issues, highways, refuse and waste disposal sites, museums and libraries. District Councils manage services such as town planning, environmental health, housing, benefits, council tax collection, refuse collection and leisure facilities. Parish and town councils represent the most local level of government, and are independent but work closely with both the County and district councils.

The Council's Corporate Diversity Team

Although everyone in the Council has a responsibility to promote equality and tackle unfair discrimination, the Council has a central Corporate Diversity Team in place to support this activity and take the lead on key equalities issues. The Team has five main roles:

- Supporting and embedding equality across all council services and employment
- Ensuring the Council addresses the particular needs of the different communities of the county.
- Breaking down barriers of age, disability, faith, gender, language, race and sexuality.
- Co-coordinating and contributing to the Council's work to promote community cohesion and ensuring local people from diverse groups are involved in planning and decision making.
- Coordinating research and information to ensure the Council can address the needs of the diverse communities of the county.

A number of teams across the Council provide services to deal with particular vulnerable groups, such as Travelers and Gypsies, and Asylum and Immigration. A full list of all County Council services is provided at Appendix C.

Delivering equalities across the Council

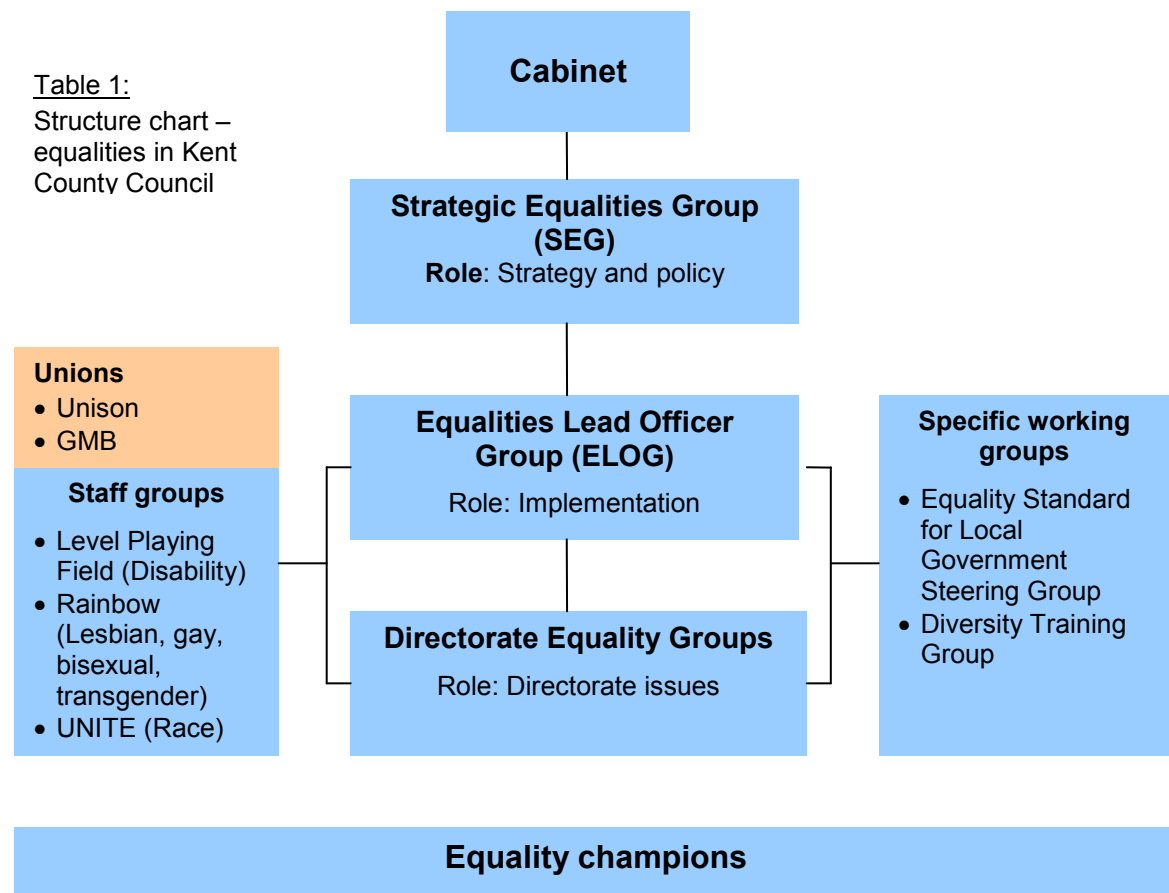
The Cabinet has collective Member responsibility to ensure that equality is successfully applied across all Council services and within the organisation as an employer. A Cabinet Member holds the Portfolio for Equality and Diversity.

The County Council’s Strategic Equalities Group (SEG) is represented by cross-party Members and senior lead officers from every Directorate, and is responsible for agreeing the overall direction of travel on equalities, and policy development. It is supported by the Equalities Lead Officer Group (ELOG), which consists of Directorate lead officers, staff group representatives, diversity specialists and trade unions. ELOG is responsible for day-to-day issues and implementation.

In addition, each Directorate has its own equality group, which produces an annual action plan.

Work on equalities is supported across all five Directorates by the presence of 48 ‘equality champions’. Equality champions are officers who volunteer to ‘champion’ a particular area of equalities, to raise its profile and encourage good practice.

Figure 1 below sets out how all the various groups link together.



Work on the Equality Standard for Local Government

The Equality Standard for Local Government is a tool for local authorities like Kent County Council to mainstream equality across service areas and into every-day practice. It:

- Helps authorities to meet their obligations under the law
- Integrates equality objectives with Best Value
- Encourages the development of anti-discriminatory practice appropriate to local circumstances
- Provides a basis for addressing all forms of institutionalised discrimination
- Provides a clear framework for auditing progress and achievement
- Over time, provides a framework for improving performance.

The Equality Standard specifies five varying levels of achievement which cover all aspects of policy-making, service delivery and employment. The County Council is currently at Level 2 and is on target to reach level 3 by March 2008.

As part of our work to achieve Level 3 of the Standard we are assessing all our policies, procedures and practices to ensure that they are easily accessible by everyone. This work is described in more detail on page 48.

Equality in employment

Kent County Council is a major employer of over 44,000 people, and is committed to promoting equality, valuing diversity and combating unfair treatment. Our work on employment good practice extends across all areas of equalities, and is nationally recognised:

- We were one of the first councils in the country to conduct an equal pay review
- The Council has been accredited as a Two Ticks (Positive about Disabled People) Employer every year since 2002
- In February 2006 we were featured in the Employers Forum on Disability (EFD) news for its good practice recruitment guide.
- In September 2006, we were short-listed for Remploy's 'Leading the Way' award in recognition of our employment of disabled people.
- We are ranked 37th out of the 100 best employers in the country for Lesbian and Gay staff, by independent group Stonewall, joining an elite group of organisations that includes blue chip FTSE 100 companies and government departments.
- Our Supported Employment Team within Kent Adult Social Services has worked with approximately 1000 people over the last three years, moving 250 individuals to paid employment.
- Formal Partnership working arrangements have been in place since 2003 with Kent Association for the Blind, Royal British Legion Industries, Blackthorn Trust, Action for Blind People, Jobcentre plus, Shaw Trust, Remploy.

The Council supports three active staff groups on Disability (Level Playing Field), Race (Unite) and Lesbian, Gay, Bisexual and Transgender issues (Rainbow). Staff

groups help us ensure that employment practice values and supports employees from diverse groups.

We also use expert advisory services, such as the Employers Forum on Disability of which we have been a member since 2002. We are involved in on-going work to increase the accessibility of employment opportunities for diverse groups, for example inviting disabled employees to test new software for accessibility.

Managing our performance on equality as an employer

The Council undertakes a range of activities to promote equality in the workforce and tackle unfair discrimination. This includes regularly monitoring employee data and delivering a comprehensive training programme. For instance:

- **Training:** We have now delivered Year 2 of our Council-wide 'Diversity In Action' training programme for staff and managers, held at various locations across the county. Specialised training is available for employees who are involved in the recruitment and selection process. Equality Impact Assessment Training has also taken place across all Directorates, incorporating both bespoke and general sessions. We maintain a brochure of Equality and Diversity training courses, and update Knet and Clusterweb online sites monthly, to reflect the training available.
- We analyse the number of employees receiving training by disability, gender and race. The Council's diversity training group prioritises identified training need, and produces an annual diversity training programme.
- **Awareness raising:** Monthly themed Equality and Diversity Training 'Extramails' are sent out globally via email to employees, to raise awareness about specific issues, and promote opportunities for further learning. Our Kent Adult Social Services Directorate is currently piloting 'Recruitability' Workshops, which are lunch time sessions for Managers across Kent, focusing on the recruitment and retention of disabled people. They are also offering 'drop in' sessions for staff to raise awareness about accessibility for Deaf people.
- **Recruitment:** We analyse applications for employment by disability, gender and race on a monthly basis across all Directorates. This covers applications, short-listing and positions offered. The Council has a detailed and challenging action plan, developed with our equality champions and staff groups, to support the recruitment and retention of target groups.
- **Retention:** We analyse data about staff leaving the Council by disability, gender and race. All staff leaving our employment are offered 'exit interviews', which provide an opportunity to discuss in confidence what it is like to work for the County Council. Our Redeployment Forum meets regularly to ensure disabled redeployees are given appropriate support, such as improving access to appropriate equipment or software.
- **Appraisal and reward** and **Grievance and disciplinary** processes are monitored on an ongoing basis to ensure that all systems are fair, objective, and free from bias and stereotyping. Our appraisal process explores issues in relation to disability, gender and race and looks at whether any reasonable adjustments may be necessary to help an individual to do their job effectively,

and achieve their full potential. Our Environment & Regeneration Directorate is currently piloting equality as part of its 'Ways to Success' appraisal process.

- **Staff in post and our 'top 5% earners'**: The numbers of staff in post and the number of staff earning the top 5% of salaries in the Council are analysed by disability, gender and race. This information is also reported within our overall Best Value Performance Indicators.

Equality in education and schools

Schools have a number of duties under legislation relating to equality, in relation to age, disability, gender, faith, race and sexual orientation. As a local education authority, the County Council is responsible for monitoring the performance and statistics of schools, and helping them to meet the requirements of the Act. The main duties of schools include:

Disability equality in schools

Schools are required to have regard to the need to:

- Promote equality of opportunity between disabled and other people;
- Eliminate unfair discrimination and harassment; promote positive attitudes to disabled people;
- Encourage participation by disabled people in public life; and
- Take steps to meet disabled people's needs, even if this requires more favourable treatment;
- Secondary schools are required to publish a Disability Equality Scheme (this requirement came into force in December 2006), and primary and special schools must have one in place by December 2007.

Gender equality in schools

From April 2007, schools have a duty to promote equality of opportunity between men and women (including boys and girls), and to publish a Gender Equality Scheme showing how the school intends to fulfil its duties. Schools must revise and review the plan every three years and report on progress annually.

Race equality in schools

Schools are under a duty to promote equality of opportunity and good relations between persons of a different race and nationality. They are required to have in place a written race equality policy. They also have a duty to assess and monitor the impact of policies on pupils, staff and parents, in particular the attainment levels of pupils from different racial groups. Ofsted, the official body for inspecting schools, inspects and reports on whether schools are meeting their duties.

All schools and educational establishments are required to record racist incidents and to report them to the local authority on a regular basis.

7. Making equality part of everything we do

How we communicate with our diverse communities

Effective communication is an essential part of our day-to-day business. It is particularly important to get communication right when engaging with diverse communities, because inaccessible or inadequate information is a major factor in exclusion. It prevents people from making informed choices about the important matters in their lives.

Effective communication is also crucial to community cohesion, because it enables strong relationships to be maintained with groups working within the community. This enables issues to be addressed as they arise, and demonstrates that the Council understands and values the contribution of different communities.

The Council employs a range of communication methods designed to address a wide variety of access issues. These are summarised below.

Accessible formats and technologies

Each of our publications and the web pages on which they can be found give details of how to request information in alternative formats or languages. This includes formats such as audiotape or CD, in Braille and large print, and as computer files in accessible electronic formats. Information can also be made available in easy-to-read formats for people with learning difficulties or poor literacy skills.

Our Contact Centre keeps a list of staff who speak different languages fluently for 'on-the-spot' interpretation requirements, and where this is not available 'language line' is used which provides direct telephone access to interpreters and enables three way conversations to take place in emergency situations.

We are currently engaged in a range of initiatives to enhance how we communicate as a Council:

- We are setting up a new service to provide consistent, high quality language interpretation for our service users and staff. A pilot project has been undertaken in our Asylum and Migration unit and we intend to make the new service available to the whole organisation by the summer of 2007.
- A new website content management system has been established, to help make our websites and intranet more accessible and usable for disabled people. We are also investigating effective ways of making our web-based information more accessible in languages other than English.
- Guidelines have been produced for staff to enable them to understand how to communicate well with our service users and colleagues. These show how to

respond to requests for information in formats other than standard print and languages besides English.

- Textphone services are available to enable Deaf, deafblind, hard of hearing and speech-impaired people to communicate easily with us.
- Our Sensory Disabilities Unit is working to ensure that a consistent and excellent service can be provided to Deaf people who may need speech-to-text reporting or British Sign Language interpreting.

How we deal with complaints

Kent County Council treats all complaints of unfair discrimination or harassment very seriously. Unfair discrimination on the grounds of age, disability, gender, faith, race (direct or indirect), sexual orientation, or harassment, victimisation or abuse of any kind is a serious disciplinary offence for employees.

If you believe that you have been affected by a failure of the Council to comply with equality legislation you should tell us. Even in the best run organisations there can be times when things go wrong and you are not happy with the service you receive. If this happens then please let us know so that we can try to put things right for you.

If you do have cause for complaint:

As an employee:

Employees who feel they are being discriminated against because of their background or circumstances by other employees should raise the matter under the Council's Grievance/Complaints Procedure. If, in the course of their work, employees suffer abuse or harassment from members of the public, the Council will take appropriate action.

As a member of the public:

- Please start by telling the person you have been dealing with at the Council. Most problems can be resolved this way.
- If you feel you need to pursue your complaint further, then please contact the director of the service you have been dealing with. It will help us to deal with your complaint speedily if you write 'Complaint' in the top left corner of the envelope. The addresses of our directorates are on the back of this leaflet, but if you are in any doubt about where to write to, please address your complaint to the Chief Executive and a member of his staff will forward it to the right person.
- If you phone or visit one of our offices with your complaint, our staff will try to help you by answering your query or taking down details so that it can be investigated. They will telephone or write to you to tell you the outcome of the investigation as soon as they can.

- If you put your complaint in a letter or e-mail, you can expect to receive an acknowledgement within one week and a full reply normally within four weeks. If your complaint raises complex issues that cannot be answered within four weeks, we will keep you informed of progress at four-weekly intervals until we are able to respond fully to your complaint.
- If you are not satisfied with the director's response you should send full details of your complaint to the chief executive, at the address on the back of this leaflet, and ask him to look into it.
- A member of the chief executive's staff will try to resolve the matter to your satisfaction. You can again expect to receive an acknowledgement within one week of the chief executive receiving your letter or e-mail and a full reply normally within four weeks.
- Your local county councillor may be able to help resolve your complaint by pursuing it on your behalf with the director concerned or with the chief executive. You can find out the name and address of the county councillor for your area by telephoning our Contact Centre on 08458 247247 or logging on to our website (www.kent.gov.uk) and going to the "Your Council" section.
- If you are still not satisfied after all these steps have been taken, there are two ways you can take your complaint forward depending on whether your complaint is about a Council service, or about the Council's response to a request you have made for information under the Data Protection Act 1998, the Freedom of Information Act 2000, or the Environmental Information Regulations 2004.
- If your complaint is about a Kent County Council service, you have the right to take it to the Local Government Ombudsman. The Local Government Ombudsman is an independent and impartial person, appointed by central government to investigate complaints of maladministration by local authorities. A leaflet explaining how to complain to the Local Government Ombudsman is available direct from the Ombudsman's office (contact the Ombudsman's Advice-line on 0845 602 1983 or visit the website: www.lgo.org.uk).

Promoting equality through partnerships

Kent County Council works with a wide variety of partners and stakeholders such as Kent Police, Health and local businesses, in order to improve quality of life for local people. Partnerships vary enormously in size and remit, but one of the most important is the countywide Kent Partnership, which is responsible for overseeing Kent's community strategy, the *Vision for Kent*. The Partnership is made up of representatives from the private, public, voluntary and community sectors and has a key role in encouraging community leadership, supporting new initiatives and helping to ensure the effective delivery of services.

The Partnership is involved with a number of important pieces of work to promote greater equality in the county, such as the Kent Compact. The Compact aims to

create a new approach to partnership between the County Council and the voluntary and community sector. In addition to establishing a robust framework of engagement, the Compact ensures via monitoring and analysis that local organisations have fair and equal access to Kent County Council funding streams. It also ensures that where possible organisations are supported to acquire funding to build capacity and prepare and deliver projects. In addition, the Compact requires all partnership bids to Kent County Council funding streams to demonstrate, where appropriate, that meaningful consultation with and involvement of relevant access groups and organisations working with diverse groups has occurred.

In addition to this activity, Kent County Council and 12 district councils have signed a new commitment to improve services and achieve significant savings for the people of Kent, through an innovative local agreement known as the 'Kent Commitment'. The agreement targets five major areas for further improvement, all of which have strong links to the equality agenda.

Other important partnership activity includes:

- The County Council co-leads a good practice **Equality Partnership Group** with Kent Police. The group is open to all public authorities within Kent, and includes Medway Council, Kent Fire and Rescue service, Kent Strategic Health Authorities and most of the borough councils within the county.
- The successful partnership between Kent County Council, Churches in Society (CIS) and Medway Council, the **Critical Incident Chaplains (CIC) training programme**, is now into its third year with nearly 100 chaplains. The chaplains support the emergency services, local authorities, health services and voluntary sector as well as the wider community in the event of a major emergency. This programme was recently expanded to include a wide range of faiths and cultures, and an introductory event is planned for February 2008.

Stretching our performance through partnerships

Partners represented on the Kent Strategic Partnership have signed up to a Local Area Agreement (LAA) improve sexual health and reduce teenage pregnancy in the county. Reducing teenage pregnancy is a key factor in preventing health inequalities, child poverty and social exclusion. Girls from the poorest backgrounds are ten times more likely to become teenage mothers than girls from professional backgrounds. Infant mortality rates for babies born to mothers under the age of 18 are twice the average, and are at high risk of growing up in poverty and experiencing poor health and social outcomes.⁶

An LAA is a formal agreement between the Council, local partners and central Government, setting out challenging outcomes and targets over a three-year period. What is new about this way of working is that it moves away from a 'one size fits all' national approach to making improvements, to one where priorities and targets are decided locally. This allows us to target resources wherever they are needed most.

⁶ Department of Health, March 2007

Promoting equality through procurement

The County Council sometimes pays other organisations to provide services, such as social care and youth services, in order to deliver the highest quality, most cost-effective services for the people of Kent. This is generally known as 'procurement'. Before the contract is awarded, the Council assesses the potential contractor's approach to equality, which includes looking at their commitment to providing accessible goods and services, taking into account advice and guidance produced by the Disability Rights Commission, the Commission for Race Equality, the Equal Opportunities Commission and the new Commission for Equality and Human Rights (CEHR). Although the contractor supplying the service is responsible for complying with relevant legislation on equality, the Council is responsible for monitoring the contract.

Under earlier legislation⁷ the law limited the questions we could ask potential providers. Since then, certain aspects of the law have been repealed, which means that we can now ask potential contractors additional questions to assess their attitude and approach to equalities. Exploring how best to do this is a key action in our action plan and cuts across all areas of equality. This also includes ensuring that diverse businesses and voluntary organisations have equal access to Council contracts.

All our services are subject to Best Value Review on a rolling programme, including those that are outsourced. As a result all our services are subject to an equalities assessment at regular intervals, regardless of who provides them.

⁷ Local Government Act 1988

8. Our five priority outcomes

Five key priority outcomes have been identified based on local data and evidence, the views of diverse groups and information about our performance. They describe our overall ambitions for equality, and provide a framework for delivering and managing all our services:

- **Equal and inclusive** services and information for all, regardless of age, disability, gender, faith, race or sexual orientation.
- Creative opportunities for **participation and involvement** in service planning and decision-making.
- Work with our partners to ensure the county's most vulnerable groups feel **safe and free from harassment**, and can report incidents in the knowledge that issues will be handled sensitively and effectively.
- Enhance the quality of our **intelligence** and **monitoring** systems, to ensure we can target disadvantage in the county where action is most needed and best reflects effective use of resources.
- Maintain our reputation as an **excellent employer**, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are **proactive** in anticipating the needs of service users.

Priorities for specific equality strands

Our five priority outcomes are underpinned by a range of specific priorities and actions in relation to Age, Disability, Gender, Faith, Race and Sexual Orientation. These have been identified for each of the strands as a direct result of evidence gathering and user involvement, in order to address specific need, or gaps in understanding or service provision.

For details of specific priorities in relation to Disability, Gender and Race equality, please see:

- Disability (Page 30)
- Gender (Page 35)
- Race: (Page 41)

For details of our priorities more generally as an organisation in relation to other equality strands, see our Organisational Action Plan.

9. Disability equality in Kent

What do we mean by “Disability”?

The Disability Discrimination Act 1995 defines disability as ‘a physical or mental impairment which has a substantial and long-term adverse effect on the ability to carry out normal day-to-day activities’. However, many disabled people are unhappy with the limitations of this definition, and prefer a definition of disability called ‘the Social Model’. The Social Model of disability suggests that disability occurs because of the way society is organized, and that it presents numerous barriers which prevent disabled people from being properly involved in community life. This includes discriminatory attitudes, inaccessible services and information, and physical barriers, such as the design of buildings and public transport.

The legal framework

A clear legal framework underpins our activities in tackling unfair discrimination and promoting equality for disabled people. The main legislation includes:

- The **Disability Discrimination Act 1995 (DDA)**, which makes it unlawful to treat a disabled person less favourably than others in employment, providing services or carrying out public functions. Employers and service providers must make ‘reasonable adjustments’ to enable disabled people to access work and services.
- The **Disability Equality Duty**, which came into force on 4 December 2006 is an important new duty aimed at promoting disability equality across the public sector. All public authorities must:
 - Publish a Disability Equality Scheme
 - Involve disabled people in producing the Scheme and action plan
 - Demonstrate that they have achieved outcomes
 - Report on progress
 - Review and revise the Scheme.
- Under the **Building Regulations Part M 1992** Act (updated in 2003), new and refurbished buildings must meet minimum physical access requirements.
- The **Special Educational Needs and Disability** Act 2001 strengthens the rights of disabled children to access mainstream education and makes unjustified disability discrimination unlawful in nursery, primary, secondary, further and higher education. It also puts duties on local education authorities and schools to review their policies, procedures and practices to make sure that they do not discriminate against disabled pupils.
- Other pieces of legislation that affect disabled people, but come from a traditional, medical model of disability include:

- Under the **Chronically Sick and Disabled Persons Act 1970**, local authorities must provide a range of social care services to meet the needs of eligible disabled people.
- Under the **Community Care Act 1990**, disabled people have the right to have their needs assessed by the local authority and a decision made about what services will be provided to them. The disabled person and his or her carer must be involved in the assessment.

Disability in Kent

Kent's population is expanding, particularly in the growth areas of Ashford and Kent Thameside. As a result of this, we are seeing substantial year-on-year increases in demand for services for disabled people, particularly mental health services and services for people with learning difficulties. Some other key facts include:

- The number of people with physical impairments accessing County Council social services has increased by some 12 per cent over the last five years, outstripping population increases.
- Of the 1,369,900 people who live in the geographical area that is known as the Kent County Council Area (which covers the whole of the county but does not include Medway), 13.1 per cent of the population consider themselves to have a long term limiting illness. Overall, the Council supports more than 30,000 disabled and older people to continue living in their own homes.
- It is currently estimated that 1 in 100 people in Kent suffer from a severe mental illness, but this is rising. By 2010 there are likely to be over 800 additional service users, and by 2016 there will be over 1700 extra people known to us with a severe mental illness.
- Compared to the South East as a whole, the Kent County Council Area has a larger proportion of residents with a limiting long-term illness who say their health is 'not good'.
- According to recent research, it is estimated that over the next fifteen years there will be at least a 10 per cent increase in adults with learning disabilities known to social services and the estimated 'true' number of people with learning disabilities in Kent will increase by 15.6 per cent.
- There is expected to be a 25 per cent increase in older people in Kent who live alone over the next 20 years, which could contribute to greater social isolation and depression.⁸

⁸ Kent Adult Social Services, management data April 2007

Disability within the Council

The Council currently employs 199 full time staff who state that they are disabled. Of these, 102 are male and 97 are female. 209 part time staff state that they are disabled, and of these 52 are male and 157 are female.

The proportion of our top 5% of earners in the Council who consider themselves disabled is significantly lower than that of our staff overall. Of our top 5% earners, six men out of 692, and four women out of 746 who work full time declare themselves disabled.

Kent County Council monitors existing employees and applicants for jobs, promotion and training by disability. Monitoring by disability is also undertaken on grievances, disciplinary action, performance appraisals and employees leaving the Council. This is an important way of identifying trends and issues, to enable inequalities to be addressed and action taken to remove barriers and promote equality of opportunity.

The Council reports statistics and sets new targets annually in relation to the following national Best Value Performance Indicators (BVPI's) which relate to disability:

- BVPI 11c – Employees declaring that they meet Disability Discrimination Act (DDA) 1995 disability criteria that are in top 5 per cent earners
- BVPI 16a – Employees declaring that they meet Disability Discrimination Act (DDA) 1995 disability criteria.

What have we achieved so far?

We are involved in an extensive range of projects to promote disability equality and tackle unfair discrimination. Over the last three years, we have achieved some real outcomes. These include:

- Through our Kent Supported Employment team, we are now working in partnership with 24 branches of Woolworth's across the county, to improve the Company's knowledge of employing and retaining disabled staff. We will begin a programme of work placements of up to six weeks. It is hoped that, through the placement process, some participants will be identified as future employees of Woolworth's.
- Work has taken place with both the Police and Health services to improve access to interpreters for Deaf people, which includes looking at developing a Kent wide interpreting service. The Council has improved access by ensuring the Contact Centre is accessible via textphone, the Gateways is purchasing video interpreting equipment and accessible information is being provided using British Sign Language via DVD and the website. Work has also taken place to develop guidance to ensure that meetings, training and other events are accessible to Deaf, deafblind and visually impaired people.

- We have commissioned a new content management system for our intranet and website. We have built in accessibility testing, which is already leading to improvements in accessibility which will benefit all visitors to the Council's website.
- During the past year, the Library service has been working closely with the Sevenoaks District Partnership Group of adults with learning difficulties, to identify an appropriate range of books, packs and audio visual resources for adults with learning difficulties. Cue cards with easy-to-read symbols are being produced, to make it easier for those who do not read to make their needs known.
- We hosted part of Natural England's diversity review, the 'By all means' project, aimed at increasing the numbers of disabled people able to access and enjoy countryside activities. As a result of this our country parks events programme now includes an enhanced range of opportunities for disabled people, and the format of the Explore Kent website is being redesigned to make it compatible with software used by people with visual impairments. Projects such as the 'all-terrain tramper' at Shorne and two other walks have been researched and implemented through close liaison with people with limited mobility. In addition, an 'easy access' trail has recently been introduced at the Canterbury Environment Centre - providing an accessible, level trail in urban Canterbury.

The challenges

Local issues and trends change all the time, and are influenced by a whole range of factors. Although many of these changes are outside the Council's control, they are likely to have a direct impact on life in Kent. These include:

- Disabled people are 29 per cent less likely to be in work than non-disabled people with otherwise similar characteristics, such as age, ethnicity, educational qualifications and family composition.⁹
- Young disabled people aged 16 are twice as likely not to be in any form of education or training as their non-disabled peers. This increases to three times as likely at age 19.¹⁰
- 54 per cent of Bangladeshis and 49 per cent of Pakistanis aged 50 to 64 report a limiting long-standing illness, compared to 27 per cent of the general population in this age range.
- Over 1.4 million people aged 65 and over currently have severe disabilities or care needs. It is predicted that the growing older population will result in a dramatic increase in the numbers of people over 65 with chronic illnesses or disabilities.¹¹

⁹ *Fairness and Freedom: The Final Report of the Equalities Review, 2007*

¹⁰ *My School, my family, my life: Telling it like it is*", produced by The University of Birmingham, School of Education and commissioned and funded by the Disability Rights Commission.

¹¹ *Dementia UK*", produced by Alzheimer's Society, February 2007

- An efficient and effective public transport system is key to empowering many disabled people to be able to take part fully in society. However, for many disabled people who do not have independent access to a car, public transport presents an insurmountable number of barriers.¹²

Our top disability priorities for the next three years

To promote disability equality and tackle unfair discrimination, activity will be targeted in a range of priority areas over the next three years:

Priority areas for action

- Through equality impact assessments and ongoing involvement with disabled people, identify specific objectives and targets across all services, to tackle barriers to access and address need.
- Explore opportunities for working jointly with partner agencies to build confidence amongst victims of hate crime and signpost to appropriate support.
- Future evidence gathering exercises need a more representative sample. A longer period of time to respond to involvement surveys; providing surveys in more accessible, individualised formats; making sure that support is available to help individuals answer questions. Strategic targeting of ethnic minorities and people with mental health difficulties must also take place. The views of children and their carers (some of whom are also disabled) must also be covered.
- The communication needs of all disabled people must be taken into account for all areas of life. In particular, the needs of people with sensory impairments should be pro-actively considered.
- There are serious inequalities between disabled people as well as between disabled and non-disabled people in terms of quality of life issues. In particular, people with sensory impairments appear to be the 'forgotten people' when it comes to appropriate provision of communication support.
- Whilst moves have been made to improve transport there is much to be done. Without good, reliable, accessible and appropriate transport, disabled people cannot participate in community life and many will continue to feel socially isolated. Kent County Council needs to continue to focus activity in relation to helping to change this situation.
- Buildings need to be checked over by disabled people. Even better, disabled people should be consulted for advice before and during building work.
- Staffing levels need to be flexible enough so that disabled people can socialise and participate in leisure and educational activities, particularly at night.
- Disabled people should be consulted before, during, and after decisions have been made. The benefit of establishing a Kent Panel on Disability should be explored.
- Continue activity to increase the percentage of the top 5% of disabled earners in the County Council.

¹² Disability Rights Commission 2006

10. Gender equality in Kent

What do we mean by “Gender”?

The term ‘gender’ refers to the different roles and expectations of men and women in society. Gender roles can be affected by a variety of factors such as education or economics, and vary widely within different cultures.

Gender roles and expectations are often identified as factors hindering the equal rights and status of men and women, with adverse consequences that affect life, family, socioeconomic status and health. For example, although girls generally outperform boys in schools, they are 30 per cent less likely to be in work than men with otherwise similar characteristics, such as age, ethnicity, educational qualifications and family composition.¹³ Similarly, men are around 25 per cent less likely to visit their GP than women, which has implications for their long-term health and well-being. For this reason, gender is an important element of planning services.

What do we mean by “transgender”?

Gender equality also takes into account the needs and experiences of transgender people. There is considerable debate around these definitions within gender identity groups, however, the legal definition of the term transsexual refers specifically to those people who have undergone, or are undergoing the medical process of gender reassignment. The legal definition of transgender is wider; as well as transsexual people, it also includes, for example, those who choose to live as members of the opposite sex without intending to undergo medical gender reassignment. Although they fall outside the current legal definition, they experience significant harassment and discrimination on grounds of their identity.

The legal framework

A clear legal framework underpins our activities in tackling sexual discrimination and promoting equality for men and women. The main legislation includes:

- The **Sex Discrimination Act 1975** makes it unlawful to discriminate on the grounds of sex. Specifically, sex discrimination is not allowed in employment, education, advertising or when providing housing, goods, services or facilities.
- The **Equal Pay Act 1970** says women must be paid the same as men when they are doing work of equal value and vice-versa.
- The **Equality Act 2006** created the **Gender Equality Duty** for the public sector. The Gender Equality Duty has two parts to it, the ‘general’ duty and the ‘specific’ duty. The general duty places a legal duty on the County Council:
 - To eliminate unlawful discrimination and harassment

¹³ *Fairness and Freedom: The Final Report of the Equalities Review, 2007*

- Produce a gender equality scheme identifying gender equality goals and actions to meet them, in consultation with employers and other stakeholders
 - Monitor and review progress
 - Review the scheme every three years
 - Develop, publish and regularly review an equal pay policy, including measures to address promotion, development and occupational segregation.
- Transgender people are protected under the Sex Discrimination Act (as amended in 1999). It is also unlawful to discriminate in the employment field on the grounds of pregnancy and maternity. Harassment in employment, vocational training and further education is also prohibited.
 - The **Sex Discrimination (Gender Reassignment) Regulations 1999** protect the rights of people who intend to undergo, are undergoing, or have undergone gender reassignment by stating, for example, that employers must not treat such employees less favourably than other staff.
 - The **Gender Recognition Act 2004** became law on 4 April 2005. It allows transsexuals to gain legal recognition in their acquired gender. Once issued with a gender recognition certificate, transsexuals have the right to marry and obtain a birth certificate in their acquired gender and obtain state benefits like anyone else of that gender.

There is no current legal requirement under the Gender Duty for public authorities to take action to promote equality between transsexual or transgender people and non-transsexual or transgender people. However, the Government's Discrimination Law Review will examine extending protection for transsexual and transgender people in this area.

Gender in Kent

The 2001 Census statistics show that there are similar numbers of men and women in the Kent County Council area - 49 per cent and 51 per cent respectively out of a population of 1,369,900. The exact number of transgender people living in the County is not currently known. The proportion of boys and girls under 16 living in the County is also evenly balanced, at 51 per cent and 49 per cent respectively. However, the gender split amongst older people is very different, with significantly more women over the age of 75 (62 per cent) than men (38 per cent). Some other key facts include:

- Women in Kent are significantly more likely to be 'economically inactive' as a result of looking after the home/ family, than men (13 per cent compared to 1 per cent) (the term 'economically inactive' means people who are not working because they are full-time students, are retired or are unable to work due to long-term sickness or disability).
- Similar numbers of women and men in Kent have a limiting long-term illness (17 per cent and 16 per cent respectively).

- There are 8.5 times more female than male lone parent families with dependent children in Kent, (32,000 as compared to 3,750).
- The Kent teenage pregnancy rate currently stands at 38.0 per 1000 females under 18, which is below the national average of 41.3 per 1000. Evidence suggests that teenage pregnancy is particularly high in Swale and Thanet.¹⁴ There is a clear and acknowledged link between teenage pregnancy and deprivation.¹⁵
- Young women between 16 to 19 years of age are far less likely than young men to take part in physical activity or sport (50 per cent compared to 72 per cent). Similarly, women aged between 25 and 29 are also less likely than men to participate in sport (66 per cent compared to 78 per cent).
- Women in Kent (18 per cent) are much more likely than men (11 per cent) not to have access to a car.
- Overall, girls in Kent schools out-perform boys in terms of educational attainment. Boys' under-achievement is most apparent at Key Stage 4. Significant gaps in attainment are evident in certain subjects with girls outperforming boys, although at Key Stage 3 there is no longer a gender gap in mathematics and science at Key Stage 3. In English at Key Stage 3 the gender gap was 12 per cent, which represents a continued reduction and is smaller than the national average. Boys writing improved in 2005 at Key Stage 3. In Kent this is most marked in primary writing assessments.
- In Kent, more men (32 per cent) than women (23 per cent) occupy professional positions, including higher and lower managerial and professional occupations.
- Men in Kent (19 per cent) are more likely than women (8 per cent) to be self-employed.
- The majority of Kent's part time workers are women, who make up 87 per cent of employees. Of all economically active females, high proportions of White British women (24 per cent) work part-time, compared to all other ethnic groups (18 per cent).
- 27 per cent of women in Kent work within 2km from their home, compared to 16 per cent of men.
- 30 per cent of women in Kent have no qualifications as compared to males (27 per cent).
- Between January 2006 and December 2006, 24 gender hate incidents and seven transphobic hate incidents were reported to Kent Police. It is estimated

¹⁴ LPSA statistics (2002) report

¹⁵ Every Child Matters Cross-Government Group report January 2007, 2005 data returns.

that as much as 90 per cent of hate crime goes unreported, because victims are either too frightened to report it, or feel it will not make any difference.

Gender within the Council

Kent County Council currently employs 6030 men and 11637 women on a full time basis. This means that 66 per cent of our staff are women, and 34 per cent are men. In addition to this there are 3512 male (12 per cent) and 25089 female staff (88 per cent) on part time contracts.

Kent County Council monitors existing employees and applicants for jobs, promotion and training by gender. Monitoring by gender is also undertaken on grievances, disciplinary action, performance appraisals and employees leaving the Council. This is an important way of identifying trends and issues, to enable inequalities to be addressed and action taken to remove barriers and promote equality of opportunity.

The Council reports statistics and sets new targets annually in relation to the following national Best Value Performance Indicators (BVPI's) which relate to Gender:

- BV2a: The Equality Standard for Local Government in England.
- BV1a: % of top 5% earners that are women
- BV176: Number of domestic violence refuge places per 100000 population provided/supported by authority
- BV197: Teenage pregnancies.

What have we achieved so far?

We are involved in an extensive range of projects to promote gender equality and tackle sexual discrimination. Over the last three years, we have achieved some real outcomes. These include:

- The 'Why Suffer in Silence' Domestic Violence Conference 2006 was organised in partnership by Kent County Council, North West Kent Racial Equality Council, Rethink Sahayak, and Thames Gateway Women's Multifaith Forum. The conference was extremely well attended, and aimed at local communities and statutory partners to raise awareness. It focused on a range of multiple issues and specific implications for women from a Black or Minority Ethnic background.
- We were one of the first councils in the country to conduct an equal pay review, which concluded in April 2006.
- The Council has worked with local schools in Kent to produce national best practice guidance, 'Boys can do better', to provide teachers with ideas for raising the standards of boys' writing in their schools without any detrimental effect on girls. The case studies included are written by Kent teachers and based on work implemented in classrooms.

- The Council promotes an established programme of flexible working practices as part of its work life balance policy. This includes flexible and compressed working hours, home and teleworking and job-sharing.
- The Council is currently undertaking a special initiative to explore how to encourage girls to take part in more sport in school, and to address the reasons why some girls drop out of physical education.

The challenges

Local issues and trends change all the time, and are influenced by a whole range of factors. Although many of these changes are outside the Council's control, they are likely to have a direct impact on life in Kent. These include:

- Women make up nearly half of Britain's workforce and the proportion is growing. Girls and young women are excelling and outperforming boys in education, but this is not translating into earnings for many. Women are still working predominantly in lower paid areas – cleaning, catering, caring, cashiering and clerical work – which is one of the reasons why their full-time pay on average remains 20 per cent less than full-time men, 40 per cent less if they work part-time. A key fact in this is their need to accommodate career interruptions through childbirth and care, and flexible working thereafter, into their careers.¹⁶
- At the current rate of progress, it will take until 2085 to close the pay gap between men and women.
- Occupational segregation between men and women is predicted to be a key factor in a major skills shortage in the future. While jobs are forecast to shrink in the next decade in manufacturing and heavy industry, three in four of the one million new jobs predicted by 2012 will be service sector jobs in education, health, personal and social care or retailing.¹⁷
- Women with children under the age of 11 are more than 40 per cent more likely to be out of work than men.¹⁸ Overall, women are 23 per cent less likely to be in work than men with otherwise similar characteristics, such as age and ethnicity, the level of educational qualifications and family composition.
- Domestic violence continues to be a major issue for many families. It accounts for a quarter of all violent crime, has the highest rate of re-offending of any type of crime. One in four women experience domestic violence at some time in their lives and two women are killed each week by violent partners or by former partners.¹⁹

¹⁶ *Fairness and Freedom: The Final Report of the Equalities Review, 2007*

¹⁷ *Fairness and Freedom: The Final Report of the Equalities Review, 2007*

¹⁸ *Fairness and Freedom: The Final Report of the Equalities Review, 2007*

¹⁹ Women's Aid, 2007

- Although the majority of lone parents in Britain are women, some men are bringing up children alone or share responsibility with former partners. Stereotyping about parental roles can mean that men's different needs and experiences are overlooked when support services are designed.
- Men and women make different use of public transport. They have different access to private transport, different patterns of commuting and employment, and different child-care and other family responsibilities. Women are the prime users of public transport, especially buses.

Our top gender priorities for the next three years

To promote gender equality and tackle unfair discrimination, activity will be targeted in a range of priority areas:

Priority areas for action

- Through equality impact assessments and ongoing engagement activity with men and women, identify specific objectives and targets across all services, to tackle barriers to access and address need in relation to gender and transgender.
- Explore opportunities with Kent Police and other specialist agencies to build confidence among victims of domestic violence, report incidents and signpost to appropriate support.
- Review gender composition of the Transport Accessibility Forum taking positive action measures to encourage recruitment from women, to better reflect local transport issues affecting women.
- Continue to tackle health inequalities in young people, to reduce the rate of teenage pregnancies in line with the national interim target of a reduction of 15%, and increase physical exercise in girls and young women.
- Continue to work with schools to tackle boys' under-achievement.
- Continue activity to increase the percentage of the top 5% of female earners in the County Council.

11. Race equality in Kent

What do we mean by “Race”?

Although the term ‘race’ has no exact legal definition, a racial group is any group that can be defined on racial grounds, for instance, in relation to race, colour, nationality (including citizenship), ethnic or national origins. A person can fall into more than one racial group; for example, a Nigerian may be defined by race, colour, ethnic or national origins and nationality.

All racial groups are protected from unlawful racial discrimination under the Race Relations Act (RRA). In addition, Romany Gypsies, Irish Travellers, Jews and Sikhs are also recognised as constituting racial groups.²⁰

What do we mean by “racial discrimination”?

Under the Race Relations Act, 'racial discrimination' means treating a person less favourably than others on the grounds of his or her race. However, the law applies only to people's actions, not their personal opinions or beliefs. This means that it is against the law to refuse to provide someone with a service because of his or her race. It is not against the law to have private prejudices.

Generally speaking, a racial incident is any incident which is perceived to be racist by the victim or any other person. Racial incidents include verbal racist abuse, threatening or intimidating remarks about a person's race, racially motivated assault and racially motivated damage to property.

Between January 2006 and December 2006, 1290 race hate incidents were reported to Kent Police. It is estimated that as much as 90 per cent of hate crime goes unreported, because victims are either too frightened to report it, or feel it will not make any difference.

The legal framework

A clear legal framework underpins our activities in tackling racial discrimination and promoting equality. The main legislation includes:

- The **Race Relations Act 1976 (RRA)**, which makes it unlawful for employers and service providers to discriminate directly or indirectly because of someone's race, colour, nationality (including citizenship), ethnic or national origin.

²⁰ It should be noted that although Jews and Sikhs have been defined as a racial or ethnic group for the purposes of the Race Relations Act, Jews have not wanted to be, and Sikhism is a religion.

- The **Race Relations (Amendment) Act 2000**, which placed a new duty on public authorities to consider how to meet the following objectives in relation to everything they do:
 - Eliminate unlawful racial discrimination;
 - Promote equal opportunities;
 - Promote good relations between people of different racial Groups.
 - Under the Act, each public authority has to publish a race equality scheme setting out what actions it will take to make sure they meets its duties.

Race in Kent

Of the 1,579,206 people who live in Kent, 54,957 (3.5 per cent) belong to a Black Minority Ethnic (BME) group. Within the geographical area that is known as the Kent County Council Area (which covers the whole of the county but does not include Medway), 41,534 people (3.1 per cent) classify themselves as BME.

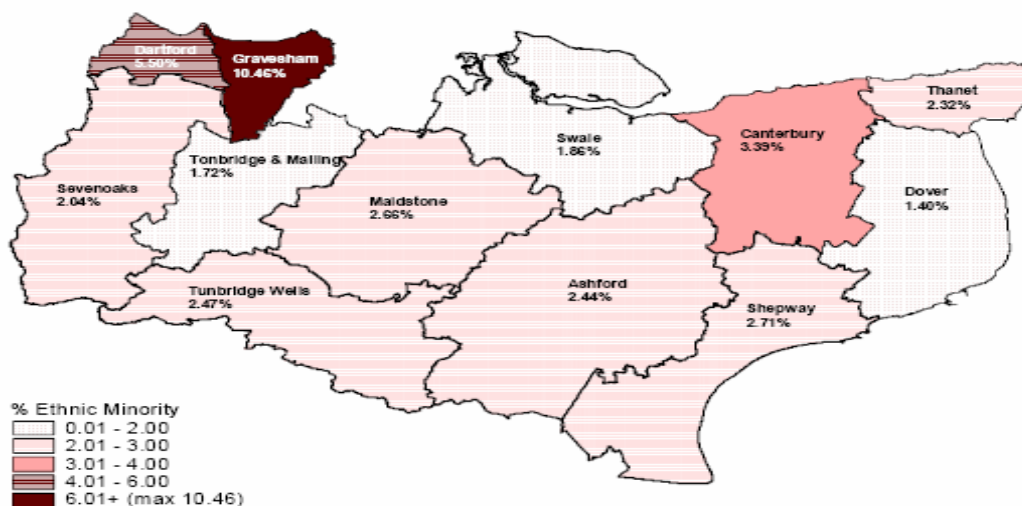
This figure is significantly lower than the percentage for England as a whole (9.1 per cent) and slightly lower than the figure for the South East (4.9 per cent). In contrast, 28.9 per cent of the population of London are from an ethnic minority.

As Figure 2 below shows, the majority of Kent's minority ethnic population is concentrated in North Kent and Medway. Within the Kent County Council Area, North Kent has the greatest concentration of people from a BME background. Gravesham Borough has the highest proportion (10.5 per cent) of BME residents, followed by Dartford Borough with 5.5 per cent.

Indians account for the largest BME group in the Kent County Council area, representing around 12,294 people (0.9 per cent of the total population). The category 'Other Black' represents the smallest group at 0.04 per cent, closely followed by Pakistanis (0.08 per cent) and Mixed White & Black African (0.08 per cent).

Ethnic Minorities within KCC Area

Figure 2: Ethnic minorities as a % of the total resident population
Kent Districts



Gypsies and Travellers

Around 8,200 (0.6 per cent) of the population in Kent is a Gypsy or Traveller. Probably less than half of that number lives in caravan or mobile home. The Council manages eight publicly-provided Gypsy and Traveller caravan sites in Kent. Other councils in Kent manage a further nine. The county's 205 public pitches provide for nearly 300 caravans, and over 500 more caravans are on private sites with planning consent and tolerated sites in Kent. The Council works closely with Medway Council, all district councils and Kent Police when unauthorised encampments occur in the county.

Recently, the Council formed a Joint Select Committee with borough and district councils in Kent, to strategically address the accommodation needs of Gypsies and Travellers. As part of this work the Committee published its Select Committee Report, Gypsy and Traveller Sites, in April 2006. The report made a number of recommendations which will provide a key focus for activity over coming months.

Asylum and immigration

In the UK the term 'asylum seekers' denotes people aged 18 or more who arrive from overseas and apply for refugee status, stating they are fleeing persecution, torture or war. While their applications are being considered by the Home Office, they are termed asylum seekers until their refugee status is confirmed. Those whose claims fail will have their leave to enter or to remain in the UK cancelled.

In the past, the Council has had to accommodate large numbers of asylum seekers, mainly due to the location of the major port of Dover in the East of Kent. In recent years, several major pieces of legislation were introduced²¹ which led to the Home Office setting up the National Asylum Support Service (NASS) to take over from local authorities the role of providing support to asylum seekers. However, the County Council is still required to give assistance to those asylum seekers who arrived before April 2000 and have not yet had a decision on their claim. The Council administers the various benefits asylum seekers are entitled to and also makes provisions for temporary accommodation. Support under the Children Act is provided for unaccompanied minors arriving in the county from abroad.

For more information on Asylum and Immigration please contact:

Telephone: 08458 247 100 or Textphone: 08458 247905

²¹ The Asylum and Immigration Act 2004.

Migration

During May 2004 and September 2005, between 2,200 to 2,900 migrant workers from the new Accession countries were registered in Kent.²² Similarly to Norfolk, Lincolnshire, Cambridgeshire and the Grampians, Kent is one area of the country where there are significant concentrations of migrants employed in agriculture.

Recent statistics suggest that there has been an increase in the last year in the number of migrants coming to Britain, which has been driven in the main by the EU Accession Countries, particularly from Poland. Overall, around 293,000 migrants moved to Britain during this period. Around 22 per cent live in London, 14 per cent in the East of England, 9 per cent in East Midlands and around 8 per cent in the South East.

Concerns that migrants would come to the UK to take advantage of social benefits have proved to be unfounded, though working migrants are entitled to claim in-work benefits. 99 per cent of applications from migrants have been for employment purposes. This is not a new trend and many high growth economies around the world rely upon attracting migrant workers.

Race within the Council

The Council currently employs 9542 men and 36726 women on a full and part time basis. Of these, 121 men and 418 women are from a BME group, representing 539 BME employees overall.

The Council monitors existing employees and applicants for jobs, promotion and training by racial group. Monitoring by racial group is also undertaken on grievances, disciplinary action, performance appraisals and employees leaving the Council. This is an important way of identifying trends and issues, to enable inequalities to be addressed and action taken to remove barriers and promote equality of opportunity.

The Council reports statistics and sets new targets annually in relation to the following national Best Value Performance Indicators (BVPI's) which relate to Race:

- BV2a: The Equality Standard for Local Government in England.
- BV2b -The quality of an Authority's Race Equality Scheme (RES) and the improvements resulting from it
- BV11b -The percentage of the top 5 per cent of the Council's staff who are from an ethnic minority
- BV17a - The percentage of local authority employees from ethnic minority communities.

²² It should be noted that migrants only need to register for 1 year upon arrival in the UK, and it is acknowledged to be an inaccurate measure as there is no requirement to re-register after a year.

What have we achieved so far?

We are involved in an extensive range of projects to tackle racial discrimination, promote equality and good relations between different groups. Over the last three years, we have achieved some real outcomes. These include:

- We launched and implemented a highly successful personal and leadership development programme, 'ASPIRE', for Black and Minority Ethnic staff in grades KS 8 – 12. The course was designed to improve confidence and performance in order to prepare delegates for more senior positions within the organisation. The programme ran during 2006, and was attended by 16 delegates who received one-to-one coaching and mentoring as part of the programme.
- Three BME 'customer groups' were set up in January 2006 in each of the Council's library areas, enabling BME residents to participate and influence discussions about library services. Actions are being implemented as a result of these discussions, for instance, a number of new newspaper and magazine subscriptions have been agreed for various libraries.
- We successfully delivered the 'Kick Racism out of Football' campaign in partnership with Kent Police, NWK Race Equality Council, Walk Tall, Kanko Arts and Kent County Football Association. Events took place across the County during October 2006. Over 100 people took part in each event. Work with young people on poster design and poetry reading in preparation for the event was so successful it has continued and has influenced drama sessions which are now exploring monologue work in relation to the cross cutting themes of race, sexuality, gender and disability.
- Kent Youth County Council has an elected membership of 48 diverse young people aged 13 to 18. Young people involved come from across the different areas of the County. This is a mixed group that reflects various backgrounds based on race, gender, class, age, religion, sexuality, culture and disability. The group meets once per month in session house on Sundays across the year, they engage in debate, other informal and social education activities and take action at times on issues that are of a concern to them.
- A recruitment DVD was commissioned in 2005 featuring a variety of Kent governors across the diversity range. The DVD shares information about the governance role through the mouths of the featured governors, and forms the basis of a presentation to community groups, used in our county recruitment campaigns.
- In response to identified need in the Dartford area, a project was set up for young Muslim people at Highfield youth and community centre. There are more than 40 members aged 13 - 19.
- More than 2000 new British citizens were welcomed to the Kent community through the Registration and Coroners Citizenship Ceremonies programme in over 80 group ceremonies held at County Hall between April 2006 and March

2007. Customer feedback from the new citizens has indicated a high level of satisfaction and enjoyment of the ceremonies provided by Kent County Council.

- Working in partnership with the Scrine Foundation, Dover Asylum Team and Kent Refugee Action at Canterbury, the Council provides opportunities for young refugees and asylum seekers to learn new skills around basic English, essential living and understanding 'British' culture. 60 young people are on the register and 35 attend regularly workshops take place 5 mornings a week 51 weeks of the year.
- Parkside Primary School, in Canterbury, has compiled a large index of resources for teachers wishing to incorporate aspects of Traveller culture into the Literacy Hour. Texts are grouped by genre, using categories from the Literacy Framework.

The challenges

Local issues and trends change all the time, and are influenced by a whole range of factors. Although many of these changes are outside the Council's control, they are likely to have a direct impact on life in Kent. These include:

- The ethnic minority population of Britain is forecast to grow from nine per cent to about 11 per cent by the end of the next decade. Within particular ethnic groups, the highest increases will be among Black Africans, Pakistanis and Bangladeshis.
- The numbers of people in ethnic minority communities who are aged over 60 are predicted to increase enormously over the next 10 years, from around 175,000 people today to nearly 1.8 million in 2016. Older people from ethnic minorities face particular inequalities. For example, they tend to have health and social care needs at a younger age than average, and have poor knowledge and understanding of available services.
- The numbers of migrant workers from the Accession countries coming to Kent is likely to increase over coming years. Migration is likely to be increasingly polarised between highly-skilled migrants and those with low skills, and also between short-term migrants and those who come to stay.
- Pakistani and Bangladeshi women, with the same qualifications as White women, are 30 per cent more likely to be out of work. Despite high levels of economic activity, Black Caribbean women face high levels of unemployment, and obstacles to progression - particularly at senior manager level.
- Some BME groups are far less likely to use pre-school education for their children. 77 per cent of the three and four year olds among ethnic minority children use early years provision, compared to nearly 87 per cent of White three and four year olds.

- Although Chinese, Mixed White and Asian heritage and Indian pupils are doing better on average than White British pupils, pupils from some other ethnic minority groups are doing less well. A large attainment gap exists between Gypsy/Roma and Traveller of Irish Heritage pupils and pupils from all other ethnic groups. In 2006, less than a third of Traveller of Irish Heritage pupils reached the expected levels in Reading and Writing at age seven.
- Gypsies and Travellers have significantly poorer health and more self-reported symptoms of ill-health than other UK-resident, BME groups and economically disadvantaged white UK residents. The life expectancy of a Traveller or Gypsy is 20 years less than the average citizen.

Our top race priorities for the next three years

To promote race equality, tackle unfair discrimination and encourage good relations between groups, activity will be targeted in a range of priority areas:

Priority areas for action

- Through equality impact assessments and ongoing engagement activity, identify specific objectives and targets across all services, to tackle barriers to access and address need amongst Black and Minority Ethnic communities.
- Explore opportunities for working jointly with Kent Police and specialist agencies to build confidence amongst victims of hate crime and signpost to appropriate support.
- Review ethnic composition of the Kent Residents Panel, taking positive action measures to encourage recruitment from Kent BME communities to ensure panel composition reflects the Kent population as a whole.
- Through consultation, identify information needs within Black and Minority Ethnic Communities, and how sign-posting to key services (particularly health and social related services) can be improved.
- Work with partners to enhance the quality of race statistics collected across Kent, particularly in relation to satisfaction and service usage patterns.
- Continue activity to increase the percentage of:
 - Black or minority ethnic employees in Kent County Council compared with the percentage among the economically active minority ethnic population of Kent
 - The top 5% of Black or minority ethnic earners in the County Council.

12. Using equality impact assessments to improve services for everyone in Kent

What are equality impact assessments?

Equality impact assessments are a way of rigorously checking all council policies and services, to ensure that they are easily accessible by everyone. They provide a clear system of quality assurance, and help us to focus on meeting the needs of service users.

We have developed our own, evidenced-based system of equality impact assessments, which has been approved by Diversity in Action in Local Government (DIALOG). We aim to have finished assessing all our policies and practices by December 2007. See Appendix C for a list of County Council services.

Equality impact assessments make good business sense

Equality impact assessments make good business sense for everyone in Kent. They help us to understand the needs of all our service users, which enables us to target resources more efficiently. Understanding the needs of service users is an important part of service delivery, because providing services which are inappropriately designed is inefficient. By targeting resources where they will be most effective we can maximise our impact and deliver more competitive, value for money services which benefit everyone.

What happens during an equality impact assessment?

There are two stages to equality impact assessments in Kent:

- **Stage 1** is a **screening and prioritisation** exercise using a 'screening tool'. The screening tool asks a range of questions to help assess the practical impact of our policies and services, and find out whether everyone has similar access to them. We will be asking service users to 'reality check' our initial findings, to help make sure that we are being thorough and robust.
- **Stage 2** involves **full consultation and engagement** with diverse groups on barriers to services, key issues and priority and objective setting.

Publishing the results of equality impact assessments

The findings of equality impact assessments will be reported on our website www.kent.gov.uk/diversity.

If you have any questions about Equality Impact Assessments, or would like to get involved in 'reality checking' our findings, please contact:

Email: diversityinfo@kent.gov.uk
Telephone: 01622 221163
Textphone: 08458 247905

13. Performance and review

Monitoring performance on the Equality Strategy

The Equality Strategy and progress on the action plan will be reviewed on an annual basis, by the Council's Strategic Equalities Group. In addition, residents and employee forums will play an important role over the course of the year, in assessing our progress and making suggestions for improvements.

For further information about our performance, or if you would like to get involved in helping us assess our progress on the Equality Strategy, please contact:

Email: diversityinfo@kent.gov.uk
Telephone: 01622 221163
Textphone: 08458 247905

Publicising the Strategy

The Strategy will be available online, in all libraries in the county and on request from Corporate Diversity Team.

The Strategy will be available in alternative formats including CD and audiotape, Braille, large print and easy read. It will be available on request in alternative languages.

Over the next 12 months we will use a range of tools to raise awareness about the Strategy and our work more generally to promote equality and tackle unfair discrimination. We are committed to ongoing developmental work on the Strategy with those who live and work in Kent, particularly around our supporting objectives and actions.

Members of the Strategic Equalities Group, the Equalities Lead Officer Group and our Equality Champions have responsibility for raising awareness about the Strategy with employees, service users and partners.

DRAFT

Appendices

Consultation summary

Disability

Our arrangements for involving disabled people on the identification of issues and priorities in relation to the development of the Disability Equality Scheme included:

- Staff were engaged and consulted in developing actions and priorities for the employment elements of the Scheme (during April and May 2006) through a questionnaire using the Council's internal website (KNet) and council-wide emails, promoted through our disability champion network including our staff group Level Playing Field.
- Working with the Tizard Centre at the University of Kent, a postal survey was sent to approximately 1,000 disabled people (service users). Focus groups comprising 99 people were also held at three Active Lives events in Maidstone. In total 402 disabled people took part. The questionnaires were analysed by Tizard using SPSS (Statistical Package for Social Sciences).
- Findings from the questionnaire and the focus groups have been used to develop the Action Plan.
- Directorates identified key priorities from their business plans, to be included in the Scheme.
- We co-lead a Disability Equality Scheme Partnership Working Group with Kent Police. This group is open to all public authorities within Kent, additional partners are:
 - Medway Council
 - Kent Fire and Rescue service
 - Kent Strategic Health Authorities
 - Most of the borough councils within the county

The group meets four times a year to share good practice and help each other to develop their schemes.

The Council is committed to ensuring continued involvement with disabled people on priorities and actions in relation to disability, through an active working group of volunteers. The working group will help ensure the Disability Action Plan is explicit and robust, and prioritised appropriately. Areas to be strengthened will also be identified and recorded, and this will inform all future development of this and future schemes.

Disabled people will be involved on future updates of the Scheme at all key stages, to include identification of the issues and priorities, and the action plan.

Age, gender and race

- BVPI general satisfaction survey 2006, postal survey of 1396 male and female respondents, analysed and weighted in relation to age, gender and ethnicity.
- Focus groups covering the cross-cutting issues of age, gender and race [full details to be included following conclusion and analysis].
- Employee survey [full details to be included following conclusion and analysis]

Over the next six months we are committed to ongoing developmental work on the Strategy with those who live and work in Kent, to explore issues highlighted through consultation in greater detail, identify appropriate responses and take forward key actions.

Summary of equalities legislation

The Kent County Council Equality Strategy complies with the following Equal Opportunities Legislation, Codes of Practice and recommendations:

- The Sex Discrimination Act 1975 and 1986
- Sex Discrimination (Gender Reassignment) Regulations 1999
- The Protection from Harassment Act 1997
- Employment Equality (Sexual Orientation) Regulations 2003
- Gender Equality Duty
- The Equal Pay Act 1970 as amended by the Equal Pay (Amendment) Regulations 1983
- Codes of Practice, including on Equal Pay
- The Race Relations Act 1976
- The Race Relations (Amendment) Act 2000
- Employment Equality (Religion or Belief) Regulations 2003
- Five Year Plan for Asylum and Immigration
- Incitement to Religious Hatred Act (1986 Public Order Act)
- The Macpherson Recommendations, Stephen Lawrence Inquiry
- The Disability Discrimination Act 1995
- The Disability Rights Commission (DRC) Act 1999
- Disability Equality Duty
- Special Educational Needs and Disability Act 2001
- Equal Opportunities Commission and Commission for Racial Equality Codes of Practices
- The Human Rights Act 1998.
- Equality Standard for Local Government

List of Kent County Council Services

<p>Adaptations and equipment for disabled people</p> <p>Additional (including special) educational needs</p> <p>Adoption</p> <p>Adult education</p> <p>Adult protection</p> <p>Air quality</p> <p>Alcohol and drugs misuse</p> <p>Animal feedstuffs</p> <p>Animal health and welfare (farm animals)</p> <p>Archaeology</p> <p>Archives and local studies</p> <p>Arts/cultural development</p> <p>Asylum seekers</p> <p>Awards (school, college and university students)</p> <p>Biodiversity</p> <p>Blue parking badges</p> <p>Bridges</p> <p>Business advice</p> <p>Career Services</p> <p>Care services for adults and support for their carers</p> <p>Child employment permits</p> <p>Children's Centres</p> <p>Child protection</p> <p>Children's Information Service (CIS)</p> <p>Children in entertainment licences</p> <p>Children with special needs</p> <p>Community care for vulnerable people</p> <p>Community Safety</p> <p>Conference and training facilities</p> <p>Connexions service for young people</p> <p>Consumer advice/protection</p> <p>Contact Centre</p> <p>Coroners</p> <p>Country parks and picnic sites</p> <p>Countryside and nature conservation</p> <p>Cultural Development</p> <p>Cycling strategy and cycleways/cycle routes</p> <p>Cycling proficiency courses</p> <p>Day care and day opportunities</p> <p>Deaf services</p> <p>Design Guide for Development</p> <p>Disability sport</p>	<p>Drugs education</p> <p>Drug and Alcohol Action Team</p> <p>Duke of Edinburgh's Award</p> <p>Early Years</p> <p>Economic development</p> <p>Education</p> <p>Education welfare</p> <p>Emergency planning</p> <p>Environment Awards for Kent Business</p> <p>Environmental health</p> <p>Environmental policy/management</p> <p>Environment Task Force (New Deal)</p> <p>European affairs/funding</p> <p>Family support</p> <p>Farmers markets</p> <p>Food labelling</p> <p>Food safety training</p> <p>Footway maintenance</p> <p>Foster care</p> <p>Gypsies and travellers services</p> <p>HandyVan Scheme</p> <p>Heritage and museums</p> <p>Highway design for the mobility impaired</p> <p>HIV and AIDS advice and counselling</p> <p>Historic built environment advice</p> <p>Homecare services for elderly and disabled</p> <p>Household waste recycling centres</p> <p>Independent living</p> <p>Inward Investment</p> <p>Kent Children's University</p> <p>Kent Business Awards</p> <p>Kent Music School</p> <p>Kent Residents' Panel</p> <p>Kent Schools Advisory Service</p> <p>Kent Scientific Services</p> <p>Kentish Fare</p> <p>Learning support service</p> <p>Link family scheme</p> <p>Libraries, including mobile libraries</p> <p>Meals on wheels</p> <p>Mental health services</p> <p>Minorities Communities Achievement Service</p> <p>Museums</p>
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Appendix C

List of Kent County Council Services – continued.

<p>Nature conservation Nursery education Partnerships with Parents Service Pavement maintenance Pedestrian crossings Physical and learning disabilities Physical and sensory services for children (education) Planning applications Population statistics Pothole repairs Pre-school additional educational needs and portage services Princes Trust volunteers Proof of age cards Protection of vulnerable adults Psychology service (children) Public rights of way Recycling of waste Regeneration Registration of births, deaths and marriages Residential care Respite care Road maintenance, including winter gritting/snow clearing Road safety Roadworks information Rural Community Wardens Rural Regeneration and Revival grants</p>	<p>Rural review programme Safer Kent scheme Safe Kent schools initiative School admission appeals School buildings School governors Schools: primary and secondary and special School provision planning School transport and school crossing patrols Social Services Special Educational Needs (SEN) Sports development Street lighting Substance misuse Supported employment for vulnerable adults Sustainable business partnership Tourism development and research Tourism promotion Trading standards Traffic signals Transport planning Volunteering Waste disposal Walks and countryside publications Weddings Weights and measures and weighbridges Youth and Community Youth offender support Youth Services</p>
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The list of Kent County Council services changes from time to time. An updated list of Kent County Council services, which also provides guidance on where further information can be obtained, is to be found on our website (www.kent.gov.uk).

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Kent County Council Equality Strategy 2007/2010

Draft Summary Action Plans

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Organisational Action Plan

Summary Action Plan 2007/2010

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
Priority outcome 1: Equal and inclusive services and information for all, regardless of age, disability, gender, faith, race, gender or sexual orientation						
1.	Deliver ongoing developmental work on the Strategy with those who live and work in Kent	To enhance understanding of localised issues, identify appropriate responses and take forward key actions.	September 2007	Inclusive Services Policy Manager		
2.	All new policy, procedures and practices to undergo equality impact assessment, in relation to Age, Disability, Gender, Faith, Race and Sexual Orientation	<ul style="list-style-type: none"> • Effective risk and resources management • Full account is taken of the needs of all diverse groups in the design, delivery and evaluation of services. 	Ongoing	All Directorates		
3.	Directorates to continue work against key actions /evidence to be collected in Self Assessment	Achieve Level 3 of the Equality Standard for Local Government	Progress reported to ELOG meetings: <ul style="list-style-type: none"> • 4 October 07 	Chairs of Directorate Equality Groups, supported by Equality Standard Steering Group		Commence activity on Levels 4 and 5 of the Standard

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	workbooks, in order to achieve Level 3 of the Standard.		Final deadline: 31 March 2008			
4.	Directorates to complete Stage 1 equality impact screenings	All Directorates hold relevant intelligence about diverse customer need to enable them to predict and respond to change.	21 June 2007	Chairs of Directorate Equality Groups, supported by Equality Standard Steering Group	Number of impact assessments agreed to be completed within a 12-month period.	
5.	Directorates to complete Stage 2 full assessments of all relevant policies, procedures and practices	To enable the Council to address the needs of diverse groups at risk of disadvantage, promote good relations between diverse communities, and set priorities accordingly	31 December 2007 Directorates to report Stage 2 full assessment findings to ELOG January 2008 (date TBC)	Chairs of Directorate Equality Groups, supported by Equality Standard Steering Group	Number of impact assessments agreed to be completed within a 12-month period.	Continue to monitor policies, procedures and practices for adverse impact - Quarterly analysis reports provided to ELOG and Chairs of Directorate Equality Groups
6.	Following completion of impact assessment	Ensure that the issues that matter most to local groups and	31 March 2008	Chair of Strategic Equality Group, supported by Directorate		Directorates/ Service areas to demonstrate progress in

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	<p>process, Directorates/ service areas to identify relevant equality objectives and targets for age, disability, gender, faith, race and sexual orientation, for employment, pay, service delivery and procurement</p>	<p>neighbourhoods are translated into short, medium and long term objects, and integrated into policy objectives, business plans and performance targets</p>		<p>Equality Groups</p>		<p>achieving targets and set new targets.</p>
7.	<p>All objectives and targets to be incorporated into business plans and supported by action plans.</p>	<p>Business planning across the authority clearly addresses the needs of diverse groups at risk of disadvantage.</p>	<p>31 March 2008</p>			
8.	<p>Arrange for external assessor to verify achievement of Level 3 of Equality Standard</p>		<p>April 2008</p>	<p>Inclusive Services Policy Manager</p>		
9.	<p>Revised list of all Kent County</p>	<p>Comply with legislation.</p>	<ul style="list-style-type: none"> April 2007 			

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	Council policies, procedures and practices published and available for inspection		<ul style="list-style-type: none"> April 2008 			
10.	Target activity to meet the procurement objectives of the Equality Standard for Local Government.			Procurement Forum		
11.	Develop good practice guidelines for procurement - drafted and consulted upon both internally and with key external stakeholders.	Equality is included within all contracts and commissioning agreements where equality is a core requirement of delivering the service				Good practice guidelines adopted by Directorate procurement functions.
12.	As part of the tendering process, and proportionate to the value of the tender, require providers of goods	Equality is included within all contracts and commissioning agreements where equality is a core				

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	and services to supply an equality policy statement and also documentation showing how the policy is applied.	requirement of delivering the service				
13.	Encourage contractors and suppliers from BME and other minority communities to seek admission to the approved lists.					
14.	KCC Compact: Aiming to improve the relationship between KCC and the Voluntary & Community Sector (VCS) in Kent	Valuing & seeking to work better with the VCS, including the BME VCS in Kent as a public services delivery partner		Kent Compact BME sub group		Compact principles and practices embedded in directorates
15.	Work in partnership with Kent Police to hold an event on lesbian, gay and bisexual issues in		May 2007			

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	young people's services					
	Priority outcome 2: Creative opportunities for participation and involvement in service planning and decision					
16.	Agree a county-wide consultation and involvement map and protocol to ensure all diverse groups are engaged. To include views and needs of disabled people from BME groups, mental health survivors, and children/ pupils and their carers, some of whom may be disabled.	<ul style="list-style-type: none"> Enhance existing consultation/ involvement mechanisms to increase understanding of the views, needs, desires and preferences of service users at risk of disadvantage. 	March 2008	Inclusive Services Policy Manager		
17.	'Results of consultation page' maintained and used by Directorates	Ensure all diverse communities have up-to-minute knowledge of key Council initiatives and consultations		All Directorates		

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
Priority outcome 4: Enhance the quality of our intelligence and monitoring systems, to ensure we can target disadvantage in the county where activity is most needed and best reflects effective use of resources.						
18.	Explore opportunities for working collaboratively with partners and stakeholders on data gathering and consultation/ involvement exercises	Secure superior quality data and secure efficiency savings.		Inclusive Services Policy Manager		
19.	Complete review/ implementation of corporate complaints process	To enable enhanced analysis of complaints from diverse groups		Performance Manager, Performance Management Team		
20.	Develop responsive risk-based model for cohesion in Kent	Secure superior quality data to inform strategic planning activity	October 2007	Inclusive Services Policy Manager		
21.	Complete mapping exercise/ needs analysis on migration			Senior Policy Manager, Central Policy Unit		

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
Priority outcome 5: Maintain our reputation as an excellent employer, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are proactive in anticipating the needs of service users.						
22.	Evaluate 2006/07 year of Council diversity training programme and continue with programme post evaluation.					
23.	Develop new Data Quality Working Group	Ensure diversity management information across the function is fit for purpose and meets needs of positive action, as required	On-going	Director Of Personnel & Development		
24.	ELOG to continue to receive and consider quarterly diverse workforce reports, to agree positive action initiatives to support achievement of targets across	Six monthly performance reports made to ELOG in accordance with agreed Equalities Performance Management Framework	June and December/January meetings each years			

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Years 2 & 3 Actions 2010
	Directorates. Recommendations to be made to Cabinet and Chief Officers' Group to achieve targets					
25.	Assess annual employment monitoring in schools data and assess need for additional support.			Policy And Statutory Compliance Officer		
26.	Data Capture Exercise	Up-date and increase diversity data held on Personnel Information system to ensure needs of all staff being met, and full data available for positive action, as required	April 07	Director Of Personnel & Development		



Disability equality

Summary Action Plan 2007/2010

To be included, as per agreed Disability Equality Scheme.



Gender equality

Summary Action Plan 2007/2010

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
Priority outcome 1: Equal and inclusive services and information for all, regardless of age, disability, gender, faith, race, gender or sexual orientation						
1.	Take Our Young People to Work Initiative	Counter job segregation and stereotypical roles for young people		Continuous Improvement Manager	Numbers of young people taking part in initiative Feedback from participants	
2.	Promote 'non-traditional' jobs through, for example, the Council's website, targeted publications, job fairs and schools and colleges.	Counter job segregation and stereotypical roles for young people - increase in numbers of men and women applying for 'non-traditional' jobs.	Progress reported to ELOG December 2007		The % of males and females applying for a range of different occupations.	
3.	Increase the take up levels of males accessing library services.	Increase in numbers of males benefiting from library and museum services.			% of males accessing library and museum services.	
4.	Improve Sex and Relationship services for young people particularly boys and young men.	A reduction in teenage pregnancy and sexually transmitted diseases.			% Reduction in teenage conception rate.	

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
5.	Encourage more girls and women to participate in physical activity.	An improvement in the health and lifestyle of young people.			% Increase of school children spending a minimum of 2 hours per week on high quality PE and school sport.	
6.	Increase the educational attainment of boys at key stage 4.	Improvement in educational attainment results for target group.	Refer to targets in Kent Children and Young People's Plan		Average point scores at Key stage 4.	
Priority outcome 2: Creative opportunities for participation and involvement in service planning and decision						
7.	Review gender composition of the Transport Accessibility Forum taking positive action measures to encourage recruitment from women	A representative group is established which considers issues affecting women accessing public transport			Representation of accessibility forum Satisfaction of transport services by gender	

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
Priority outcome 3: Work with our partners to ensure the county's most vulnerable groups feel safe and free from harassment, and can report incidents in the knowledge that issues will be handled sensitively and effectively						
8.	Extend the racist incidents common monitoring projects to capture other hate related incidents, including incidents relating to a persons' gender or transgender identity.	Gender related incidents are recorded and mapped.			Establishment of common monitoring system to capture data on hate crime.	
9.	Work in partnership with Kent Police to build confidence among victims of domestic violence to report incidents, provide victims with support and work with perpetrators to reduce repeat offences.	To reduce overall crime particularly violent crime, domestic violence and hate crime.			<ul style="list-style-type: none"> • Increase number of reported domestic violence incidents by 5%. • Reduce by a third the % of Domestic Violence offences committed by repeat offenders in a twelve-month period. 	

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
Priority outcome 4: Enhance the quality of our intelligence and monitoring systems, to ensure we can target disadvantage in the county where activity is most needed and best reflects effective use of resources.						
10.	Following completion of equality impact assessment process, all business plans to include gender specific objectives and targets.	Meaningful gender equality objectives and targets in respect of service delivery and employment have been set and work started to achieve them.	March 2008	Chairs of Directorate Equality Groups Heads of Services	Objectives and targets to be found in all business plans.	Directorates/ Service areas to have met all gender equality targets and set new targets.
11.	Continue to analyse trends/issues in satisfaction rates between men and women in the county, through the BVPI annual satisfaction survey	Quality responsive data to inform service planning and development	Ongoing	Central Policy Unit	Differences monitored against the BVPI annual satisfaction survey	
12.	Explore ways in which to better address cross-cutting issues, particularly around data collection.					

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
	Priority outcome 5: Maintain our reputation as an excellent employer, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are proactive in anticipating the needs of service users.					
13.	Continuation of Equal Pay Audit - gender	Ensure no detriment in pay	On-going	Reward Manager	Production of report with recommendations arising from audit.	
14.	Continue activity to increase top 5% women in the organisation					
15.	Reward Strategy – auditing of Total Contribution Pay payments - gender	Ensure no detriment in reward system	On-going	Reward Manager		
16.	Reporting of data to Equalities Lead Officer Group through dedicated Management Information Analysis Post	Ensure accurate, up-to-date, robust data made available to ensure positive action, as required	On-going	Staff Care Manager/ Personnel - Diversity Officer		
17.	Formation of Data Quality Working Group	Diversity management information fit for purpose	On-going	Director Of Personnel & Development		

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
18.	Data Capture Exercise	Up-date and increase data held on Personnel Information system	April 2007			
19.	Review part-time working and job share practice.	Identify the barriers to part time working and job share opportunities with a view to removing such barriers wherever possible.			% Of part time employees in the council by gender and, % of part time employees at senior levels by gender.	
20.	Review arrangements for providing support and information for employees with caring responsibilities.	Support needs of employees who have caring responsibilities			Satisfaction with the Council as a good employer as measured by the annual staff survey.	
21.	Ensure that gender equality is integrated into the delivery of the equality and diversity training strategy.	Staff have clear understanding of how gender equality impacts upon service delivery and employment and their responsibilities.	All relevant training and development activity include gender equality component			

	Year 1 Actions 2007/08	Outcome	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
22.	Review and implement the harassment and bullying procedure, ensuring that the elements relevant to sexual harassment are fully considered.	Employees and managers are aware of their responsibilities on sexual harassment, how to report and deal with it appropriately to minimise distress for those involved.			Policy in place and training being provided.	



Race Equality

Summary Action Plan 2008/2010

Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
Priority outcome 1: Equal and inclusive services and information for all, regardless of age, disability, gender, faith, race, gender or sexual orientation					
1. Work with Kent Police to coordinate and publicise a series of events to celebrate Black History Month 2007 and commemorate the Abolition of the Slave Trade Act	To tackle racial stereotype and prejudice, challenge misconceptions, race awareness and celebrate cultural diversity	October 2007	Inclusive Service Policy Manager/ Directorate Equality Leads/ Race Champions / UNITE		
2. The Critical Incident Chaplains training programme partnership to expand to include a wider range of faiths and cultures, and hold an introductory event for up to 125 delegates.	To enhance community cohesion and existing emergency planning arrangements	February 2008			

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
3.	Review existing arrangements for language provision at service points					
4.	Monitor progress on race equality action plans in schools and review priorities					
5.	Continue implementation of interpreting and translation pilot.					
Priority outcome 2: Creative opportunities for participation and involvement in service planning and decision-making						
6.	Review ethnic composition of Kent Residents Panel, taking positive action measures to encourage recruitment from Kent BME communities.	Ensure panel composition reflects the Kent population as a whole		Corporate Services Policy Unit		Ongoing analysis and positive action measures as necessary

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
7.	Local Area Boards devise programme to consult on matters of relevance to BME communities in Dartford, Gravesham, Ashford and Canterbury.	To ensure the Council knows what issues matter most to local groups and neighbourhoods and concentrates its efforts in proportion to this.				
8.	Relationship build with key BME community groups in the county			Inclusive Services Policy Manager		
Priority outcome 3: Work with our partners to ensure the county's most vulnerable groups feel safe and free from harassment, and can report incidents in the knowledge that issues will be handled sensitively and effectively						
9.	Explore opportunities for working in partnership with Kent Police to build confidence among victims of	To reduce overall crime particularly violent crime, domestic violence and hate crime.		Inclusive Services Policy Manager		

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
	hate crime, to report incidents and provide victims with support.					
10.	Assess racial incidents monitoring in schools and need for additional action.			Policy and Statutory Compliance Officer		
Priority outcome 4: Enhance the quality of our intelligence and monitoring systems, to ensure we can target disadvantage in the county where activity is most needed and best reflects effective use of resources.						
11.	New model for data collection and monitoring of race statistics across Kent developed and piloted	Refine our understanding of localised issues	Reported to ELOG 21 June 2007	Inclusive Service Policy Manager		

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
Priority outcome 5: Maintain our reputation as an excellent employer, promoting a culture where the Council recruits on merit, diversity is valued, and where employees are proactive in anticipating the needs of service users						
12.	Review success of ASPIRE personal Development Programme for BME staff	Enhance promotional opportunities for BME staff		Training And Development Manager / Training & Development Officer		
13.	Continue activity to increase top 5% BME staff in the organisation					
14.	Continue implementation of Equal Pay Audit on Race	Ensure no detriment in pay	Commenced April 2006 - ongoing	Reward Manager		
15.	Continue Reward Strategy audit of Total Contribution Pay regarding Race	Ensure no detriment in reward system	On-going	Reward Manager		
16.	New software developed and implemented to					

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
	enable cross-directorate analysis of training data and reward strategy.					
17.	Cross-directorate Working Group established to ensure racial incidents involving service-users and staff is recorded and analysed.					
18.	Monitor Grievance, Disciplinary and Harassment Procedures by 'type of incident' through Dignity at Work guidance	Data captured effectively and positive action needs identified as required	Dignity at Work Guidance for Managers to be published during 2007			
19.	Analysis of Year One Reward and Training data will be reported to ELOG to consider					

	Year 1 Actions 2007/08	Impact	Deadline	Lead officer	Indicator of achievement	Actions 2008/2010
	detriment. Recommendations to be made to Cabinet and Chief Officers' Group to achieve targets.					
20.	Review impact of employment policy following analysis of monitoring information e.g. grievance, disciplinary, harassment.					

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By: Alex King, Deputy Leader
Peter Gilroy, Chief Executive

To Cabinet– 16 April 2007

Subject: BUSINESS PLANS

Unrestricted

Introduction

On the basis of each Cabinet Member's recommendation Cabinet is asked to approve the Business Plans as listed in Appendix 1. They identify medium term priorities and goals within Directorates and also include the 2007-08 annual plans for individual units.

They represent the operation of the County Council's services within the context of its Policy Framework and are clearly linked to its Medium Term Financial Plan and annual budget as approved by the Council on 22 February 2007.

The plans have been made available to members of Cabinet Scrutiny Committee and a copy has been placed in the Members' lounge. Further copies are available on request to the contact officer and the approved plans will be accessible via KNet.

Recommendation

Cabinet is asked to approve the Directorate business plans as listed in Appendix 1.

Background documents: None

Contact:

Janice Hill (01622 221981)

Performance Manager

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<p>Adult Social Services Adult Social Services Adult Mental Health Occupational Therapy and Sensory Disabilities Unit Supporting People Unit Gypsy Unit Strategic and Area Management and Business Support</p>	<p>Communities Policy and Resources Kent Youth Offending Service Kent Drug and Alcohol Action Team Community Safety Contact Centre Trading Standards Food Service Plan Kent Scientific Services Registration and Coroners Emergency Planning Sport, Leisure and Olympics Libraries and Archives Youth Service Cultural Development Turner Contemporary</p>
<p>Children, Families & Education Children's Social Services Operations Division: Clusters Operations Division: School Organisation Standards and Achievement Commissioning Division Finance and Corporate Services Health, Children and Young People Resources Strategy, Policy and Performance</p>	<p>Environment & Regeneration Change and Development Environment and Waste Kent Highway Services Regeneration and Economy Resources Strategy and Planning</p>
<p>Chief Executive's Department Corporate Finance Property Group Commercial Services Legal & Democratic Services Personnel & Development Business Solutions and Policy Strategic Development Unit</p>	

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By: Paul Carter, Leader
Peter Gilroy, Chief Executive

To: Cabinet – 16 April 2007

Subject: Kent TV

Classification: Unrestricted

Summary: To outline the proposals for Kent TV and seek approval for implementation

For Decision

1. Introduction

- 1.1 The spread of digital technology is increasing rapidly and Kent County Council (KCC) is keen to maximise the potential this offers for transforming how we communicate with the public and how we raise the profile of Kent locally, nationally and internationally.
- 1.2 KCC is not the first local authority to invest in local television. The national government invests in Directgov teletext service on Sky and the internet, Glasgow and London both invest in channels designed to promote tourism and other local authorities are looking at following a similar route to Kent. There is also a generic local government channel that various local authorities invest in. Other countries, such as the USA are much more advanced in their use of television channels, for example New York and Seattle. However, at this stage, KCC would be the first local authority in the UK to embrace this concept in such a broad and high quality way, putting us at the cutting edge.
- 1.3 Kent TV fits comfortably with KCC's powers under the section 349 of the Communications Act 2003, the promoting wellbeing and community leadership role in the Local Government Act 2000 and in the Government White Paper "A New Future for Communications", which enables local authorities to provide information services via TV and radio.
- 1.4 "Finding new and innovative ways of communicating with the public, including trialling webcast TV" is a Towards 2010 target (number 24).
- 1.5 We commissioned specialists in this industry to explore this project. The report by Armitage Bucks Communications in July 2006 was a cornerstone in KCC's desire to explore Kent TV as it found a "powerful argument" to proceed. In such a fast-moving technology age however, this argument is now even more significant.
- 1.6 The digital age is well underway and KCC needs to embrace this in order to deliver modernised local government services and ensure information is available in a modern and contemporary way. Whilst revolutionary in what it can achieve, Kent TV is a natural next step in communication.

2. Context

- 2.1 The case supporting Kent TV
- 2.2 The case supporting Kent TV is very powerful and is becoming more powerful all the time. The main reasons for KCC investing in Kent TV are as follows (this list is not exhaustive):
 - Kent TV will create employment both directly by the provider company and by stimulating the local creative industry, there will be indirect employment. The successful company delivering Kent TV will employ mainly local residents.

- It has the potential to transform the way we communicate with the public and the way they communicate with us. This will increase consultation opportunities and interaction more generally.
- The opportunities for Kent TV to enhance the democratic process are significant. KCC will be able to reach out to the people of Kent with information, particularly those in the younger age-bracket of 18-32, where the voting percentage is lowest and explore new ways of engaging in council processes.
- The channel will maximise local produced content, e.g. from schools, universities and colleges as well as user-generated content from individuals, community groups etc. The potential is almost endless and a number of individuals and community groups have been in touch already who wish to be part of this.
- Kent TV can provide an outlet for a range of local talent, from music to acting and from journalism to presenting.
- It is also an outlet for the wealth of existing material within KCC, for example wildlife watching and community safety messages.
- Kent TV will showcase the best of Kent, particularly for tourism and inward investment purposes, working closely with organisations such as Kent Tourism Alliance and Locate in Kent. This medium will enable us to reach out to Kent residents and to people all over the world.
- It will enable us to maximise the benefits to Kent of major events, such as 2012 Olympics.
- Kent TV will provide a showcase opportunity for local businesses.
- Increased educational opportunities are key to this channel. With over 600 schools, the potential for shared learning and master-classes focussing on particular topics is being explored with education colleagues. This medium can open up a whole new range of opportunities for children at school and outside school.
- Sharing professional training opportunities is also possible, e.g. social work or teaching.
- Critical to the longer-term funding of Kent TV, over time it will reduce KCC's reliance on paper communications, thereby saving money and supporting our green agenda.
- The potential for advertising and sponsorship revenue is significant. This is addressed in paragraph 4.

2.2 Outline proposal

- Kent TV will be delivered as a broadband channel and will be available 24 hours a day 7 days a week locally, nationally and internationally, wherever a broadband internet connection is available. This is a preferable option to any presence on Sky TV at this stage for several reasons:
 - It will reach a wider potential audience
 - It reduces costs
 - Broadband is the future of television and this is demonstrated by the much publicised increase in advertising money spent on broadband rather than traditional television.
- The proposal is for a pilot to run for two years from 1 September 2007 to 31 August 2009. If the channel continues after this point, KCC will re-tender.
- Viewing figures are hard to predict accurately with such a new channel, but 50,000 viewers per month is felt to be achievable within the first few months, increasing thereafter. The channel is aimed at all ages.
- An independent company will be commissioned to deliver this channel. The tender process began in November 2006 and we are currently in the final stages of contract negotiation and the successful company will be announced shortly.
- The schedule will be varied but will focus on tourism, education, information, news, user-generated content, democratic participation etc. Any news element will

be delivered independently from KCC. The channel will also maximise existing content where possible, both from KCC and other organisations where this is appropriate.

- As well as a live streaming option, viewers will be able to utilise a range of video on demand options from an archive that will increase over time.
- The channel will maximise the use of current and emerging technologies, such as podcasts on mobile phones, ipods and other MP4 players. There is also the potential for Kent TV to be streamed on television screens in KCC buildings that the public access, e.g. libraries and schools, and in public places, such as shopping malls.
- The technology is developing and improving constantly and the technology now exists to watch broadband television through your normal living room television. More and more people have access to broadband e.g. virtually all schools in Kent now have access, and the offers being provided by various companies, such as mobile phone companies, means the cost of accessing broadband is becoming cheaper and more competitive. Broadband is also accessible through games consoles now e.g. Xbox 360 and Playstation 2. Kent TV will utilise the progress in this technology.
- The quality of the channel and the content will be continuously monitored through processes outlined in the provider contract. This will be undertaken by the Board of Governors (see below). There will also be a moderating process for all user-generated content, which will be run by the provider company.
- To ensure the independence of the channel, particularly in terms of content, a Board of Governors will be established that will consist of representatives with an interest or level of expertise in Kent and/or the media. The exact make-up of this Board is yet to be confirmed. The role of the Board will be to essentially represent the interests of everyone in the county by monitoring the channel's performance against targets and standards, ensuring the channel delivers good value to the people of Kent, ensuring the channel is impartial and arbitrating on complaints from viewers in the last resort.
- KCC will work with a range of partners in order to deliver Kent TV and maximise its benefits to Kent and beyond, including other public sector organisations such as Kent Police, Kent Fire & Rescue, NHS, voluntary organisations, district and borough councils etc., along with private sector partners.

2.3 Risks

2.4 The risks are low, particularly compared to the enormous opportunities Kent TV offers. The main potential risks are outlined below:

- 1) Income generation (see paragraph 4) may not meet expectations initially. This is low risk as we have already received significant interest in sponsorship and the company providing Kent TV will have a role in generating income.
- 2) Maximising viewing figures. This is also low risk as the channel is very broad so will appeal to a range of people locally, nationally and internationally. The quality of the channel will be high and we will obtain feedback, thereby ensuring the channel is meeting public demand. This will be key to overcoming this risk and ensuring viewing figures are high.
- 3) Reputation. KCC has received some negative publicity for investing in Kent TV. However, when balanced against the positive communications and support received directly from community groups, individuals and the voluntary and private sector and national government, this risk is perceived as low overall. Once the channel is up and running, the public and everyone can judge for themselves. Constant feedback from

those people watching the channel will be sought and will influence the future direction of it.

- 4) Maintaining the site. The technical specification that forms part of the contract with the provider has clear requirements in order to ensure the site is maintained and that a risk of the site being down for any period of time is low. KCC will retain ownership of all the content on the site and all the relevant financial checks will have been undertaken on the provider company.

3. Funding

3.1 KCC is initially investing £600k per annum for the two year pilot and this was agreed by County Council in February 2007. However, we are confident that a significant proportion of this will be covered by advertising and sponsorship. This has been validated by those companies who remain in the tendering process. We would hope for the channel to become self-funding over the first two years and then generate income thereafter if the channel continues beyond the pilot. Expressions of interest from various Kent-based organisations looking to contribute as sponsors have already been received.

3.1 The successful company will have a role in securing sponsorship and advertising and this will be within guidelines determined by the Board of Governors. KCC will also maximise this potential where possible and appropriate according to the same guidelines.

3.2 By investing in Kent TV, KCC will over time be able to reduce investment in paper communications, which will help fund the channel. We will also optimise the investment in all our web-based communications.

4. Summary

4.1 As originally stated, the case for Kent TV is very powerful and the opportunities for what can be delivered through this channel are enormous. The digital age is upon us and the time is right for KCC to make the commitment to Kent TV that will both transform our communication processes and raise the profile of Kent locally, nationally and internationally.

5. Recommendations

Cabinet are asked to:

- 1) Agree the implementation of the Kent TV pilot
- 2) Delegate to the Leader and Chief Executive the final approval of the provider company

Tanya Oliver
Head of Strategic Development Unit (01622) 694817
April 2007

To: Cabinet – 16 April 2007

From: Keith Ferrin, Portfolio Holder for Environment, Highways,
and Waste; and
Pete Raine, Director of Environment & Regeneration

Subject: **Landfill Allowance Trading Scheme Operating Plan**

Classification: Unrestricted

SUMMARY

This report deals with the Council's current position with regard to the Landfill Allowance Trading Scheme. It makes recommendations on the approval of a KCC Operating Plan under the provisions of that Scheme to ensure KCC maximises the potential future trading benefits, and the provision of delegated authority to agree future trades. The report also asks Cabinet to note details of the single "trade" which has occurred to date.

REPORT

1.0 Introduction

- 1.1 The Landfill Allowance Trading Scheme (LATS) was introduced under the Waste Emissions Trading Act 2003. This report proposes an Operating Plan, setting out the way in which Kent County Council will engage with comply with the national scheme. See Appendix 1.
- 1.2 The Operating Plan addresses the practical issues concerning the Council's ability to act decisively to maximise income. With this in mind, the decision making process includes provisions for delegated authority to the Director of Finance and the Director of Environment and Regeneration acting together.
- 1.3 The Plan describes the current state of the landfill allowance trading scheme and sets out how the Council will position itself to gain maximum benefit in this developing market. It considers Kent's diversion capacity (from landfill) in the context of the latest market analysis and draws attention to the significant increase in landfill tax announced in the Chancellor's budget speech.

2.0 LATS Scheme

- 2.1 The LATS scheme has been introduced to deliver UK diversion targets to meet the requirements of the EU Landfill Directive. The aim of the directive is to reduce the landfilling of bio-degradable waste from 1995 levels to reach 35% of that level by 2020. In order to deliver this, challenging incremental targets have been set for the intervening years. In common with all other waste disposal authorities, Kent County Council has been provided with an allowance for each

year. If a Council exceeds its allowances by disposing of more biodegradable waste to landfill than permitted it could face fines of up to £150 per tonne. Alternatively, waste disposal authorities can trade their allowances, using the LATS web trading board.

- 2.2 The current market for 2006/07 is flooded with a ratio of 70:1 allowances for sale compared to buyers. This is because current allocations (set to achieve an interim target by 2010) are less challenging in these early years. Secondly, allowances can be rolled forward in the run up to 2010. Achieving LATS targets at the present time is not very challenging and therefore few trades are taking place and the price is low. In fact, some trades have occurred at a nil monetary value within partnerships. However, trading in defined years (09/10 12/13 and 19/20) is likely to be more focused because the LATS scheme has created those as ring-fenced years when banked or borrowed allowances from other years are not permitted to offset in-year deficits.
- 2.3 Although it is very difficult to anticipate how the market will mature, it is essential that the County Council makes the most of its existing robust trading position – one to which many other disposal authorities currently aspire.

3.0 Current Trading and Delegated Authority

- 3.1 With the agreement of the Portfolio-holder, Keith Ferrin, and both the Directors of Finance and Environment & Regeneration, sale of allowances to the value of £100,000 has been agreed from KCC's surplus 06/07 allowances. It is hoped that a long-term trading relationship can be established with the purchasing waste disposal authority.
- 3.2 It is possible that trading may also be secured through potential purchasers taking options on LATS allowances to secure their position in future years. With this in mind the LATS Operating Plan provides a balance between flexibility to be opportunistic in securing trading with appropriate governance controls.
- 3.3 The plan proposes that future trades are agreed by the Director of Finance and the Director of Environment & Regeneration, on the recommendation of two members of the officers' LATS advisory group (at least one of whom will be from Finance). Additionally, no trades either singly or cumulatively in a year will exceed the level for a key decision without separate authority.

4.0 RECOMMENDATION

It is recommended that:

- i) the attached Landfill Allowance Operating Plan is approved, and
- ii) the Director of Finance and the Director of Environment and Regeneration together be authorised to enter into future Landfill Allowance trading agreements, and
- iii) the single "trade" which has occurred is noted.

Background Information: None

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Kent County Council

Landfill Allowance Operating Plan 2007-2020

1.0 LATS Operating Plan

1.1 The purpose of this plan is to comply with the Waste Emissions Trading Act 2003. The plan covers the period set out in the primary legislation and the EU Landfill Directive but will be subject to reviews during the period due to the emerging nature of the LATS market.

2.0 Background

2.1 DEFRA introduced the Landfill Allowance Trading Scheme as a means of helping to ensure that England could meet its targets for the landfilling of biodegradable waste under the EU Landfill Directive as below:

Date diversion to be achieved (by end of)	% diversion from landfill (from 1995 level)
2010	35%
2013	50%
2020	75%

2.2 If the Government fails to meet these targets then it faces national fines of up to £500k a day. Waste Disposal Authorities (WDAs) implicated in failure to meet national targets could face unspecified fines. There is speculation that these fines would be up to £150 per tonne. Each WDA has been allocated annual landfill allowances, i.e. permits enabling the authority to landfill up to a certain tonnage of biodegradable waste. WDAs are required to ensure that they have sufficient allowances for the annual tonnage of biodegradable municipal waste proposed to be sent to landfill.

2.3 Allowances can be bought and sold or exchanged between WDAs. In some years a surplus can be banked for use in future years or 5% may be borrowed from the following year's allocation. A six month reconciliation period is allowed after the end of each trading year, with trades recorded through DEFRA's WasteDataFlow website. See Table 1 appended to this report.

2.4 In set target years (which are 2009/10, 2012/13, and 2019/20) an authority cannot borrow allowances from future years nor use allowances banked in previous years.

2.5 It is noted that in the Chancellor's budget speech of 21 March 2007, the standard rate for landfill tax will increase by £8 per year from 2008. The rate for 2007/08 is

£24/tonne. This will increase the pressure on local authorities to move away from landfill and, as anticipated, brings forward the advantage to KCC of the diversion capacity provided by the Energy from Waste plant.

3.0 Kent's Diversion Capacity and Trading Position

- 3.1 For the year 05/06, before the commissioning of the Allington Energy from Waste plant, the Environment Agency assessed Kent as being one of the bottom three WDAs nationally in terms of projected LATS compliance.
- 3.2 The Allington Waste to Energy plant completely reverses that situation and now places Kent in a position of operating with surplus LATS allowances in current and future years. In the period, including the target years of 2009/10 and 2012/13, Kent will be in a position to sell allowances. In this respect it has considerable market advantage over many other WDAs.
- 3.3 In 2006, Kent advertised a trade to test the market of 7,000 allowances at £16 per tonne to test the market. Despite Kent being the lowest priced 'provider' of allowances, one authority purchased at a higher price from a partner authority while Kent's allowances remained unsold. Limited numbers of transactions been posted on the EA/DEFRA website (which is not necessarily a complete listing), including some free transfers evident within partnerships.

4.0 Market Analysis

- 4.1 The market has been immature and trading limited. The average trading price is £0 -15 per allowance, but few trades have occurred. The market is currently flooded by a ratio of 70:1. This is because the allowances for the period have been comparatively generous and, secondly, because the risk of fines was not perceived to be imminent. Although the allowances have been marketed there has been very little interest over the last 6 months. This may continue until 2009/10 which is a ring-fenced target year. The market could then weaken again through 2010/11 and 2011/12 before firming up again towards 2012/13 (the second target year). However, recent trading by KCC with Cornwall County Council identifies potential for a future trading relationship. On this basis, trading may need to take place in respect of future years, with options being secured by other waste disposal authorities from Kent.
- 4.2 One key risk to KCC in selling its surplus allowances is that it fails to achieve the best price e.g. it sells too early. Given the uncertainty in the market, the recommendation for the years 2007/08 to 2009/10 is that Kent offers a varying proportion of the projected surplus allowances for sale. With some trades at £0 and a flooded market, the current position is that any trading is worth considering, but this situation will almost certainly change. For this reason, it is likely to be necessary to vary both the amount of surplus allowances posted and prices during the year. This will be agreed by both of the Directors. For clarity, an offer to trade posted on the DEFRA trading board does not have to be accepted so no commitment on the part of this Council is made at the time of posting.
- 4.3 The calculation of the number of spare allowances for the purpose of the Operating Plan relies on a 1% growth assumption in municipal waste arisings, based on the 2005/06 EA data for Kent. This provides a prudent approach and additionally includes retention of allowances to use as a buffer and mitigate

market risk. Unlike many other WDAs there is almost no prospect of a LATS deficit arising in Kent in the medium term.

- 4.4 The following table sets out the proposed initial restricted approach. The rationale is that the cumulative available tonnage can be estimated with some confidence, based on the current waste diversion performance (away from landfill) over the short term i.e. for 07/08. The position for 08/09 is less clear so retaining a 40% buffer is an initially cautious approach, while 09/10 is known to be a ring-fenced year and so prices can be expected to rise. With this in mind advance sales should be limited to 25% of those available. It is also noteworthy that there is likely to be substantial cumulative allowances available for sale up to the end of September 2009.

Operating Plan 07/08 (April 07)	2007/08	2008/09	2009/10
% of projected surplus allowances for sale	N/A	60%	25%
Allowances / Tonnes for sale	150,000	-	-

5.0 Risk management

- 5.1 It is essential that there is a timely decision making capability. Whilst this must comply with the constraints of sound corporate governance it is important that the ability to “play the market” is not fettered to the detriment of the potential income stream. Conversely, it is important that there is confidence that trading is being carried out using the principles of best endeavours based on the latest market information. This is challenging, therefore this operating plan must provide the necessary checks and balances as a defined framework but contain the necessary flexibility to be responsive to the market. The risk management plan set out in Appendix 1 addresses these issues.
- 5.2 This operating plan is confined to administration of the scheme. It does not extend to issues regarding the minimisation or diversion of municipal biodegradable waste away from landfill, which remains within the purview of the Kent Joint Municipal Waste Management Strategy. Additionally, a revision to the National Waste Strategy is due to be published shortly and any implications for this LATS Operating Plan will be taken into account at that time.

6.0 The LATS Advisory Group

- 6.1 This group comprises officers from Corporate Finance, E&R Resources and Waste Management. Its terms of reference are to monitor and analyse the LATS market, to make projections of Kent’s position, to advise on trading and recommend individual trades. It reports through the Director of Finance and the Director of Environment and Regeneration.

7.0 **Main issues and conclusions**

- 7.1 The following list summarises the operating process:-

- i) the LATS Operating Plan forms the trading framework and sales of allowances recommended by the Advisory Group will not exceed the surpluses set out in 4.4 above, without a revision to the Operating Plan;
- ii) all trades will comply with the risk management controls (set out in the appendix) which form part of the Operating Plan;
- iii) the LATS Advisory Group will report regularly to the Portfolioholder for Environment Highways and Waste on market position;
- iv) an annual report on the trading position will be submitted to Cabinet together any proposals for changes to the Operating Plan and including projections for future years;
- v) the authority for individual trades (i.e. selling or buying allowances or options on allowances as a single transaction with a WDA) will be recommended by two officers of the Advisory Group (at least one to be from Finance) and signed off as agreed by both the Managing Director (Environment & Regeneration) and the Director of Finance (or in their absence by nominated deputies);
- vi) trades which include any exchange of goods or services will be treated as falling outside the Operating Plan and will be the subject of a separate Member level decision; and
- vii) individual or cumulative trades in any one year will not exceed the value of a key decision (currently £1m) unless the provisions of the Forward Plan process have been utilised.

Table 1 : Posted trades

Total Transferred	Transfer Fee	Requested Date	Price	Scheme Year
5,263	£99,997	28/09/2006	£19.00	2005/06
15,000	£300,000	25/09/2006	£20.00	2005/06
575	£0	21/09/2006	£0.00	2005/06
5,000	£0	15/09/2006	£0.00	2005/06
5,412	£0	05/09/2006	£0.00	2005/06
11,194	£0	31/08/2006	£0.00	2005/06
23,633	£0	31/08/2006	£0.00	2005/06
6,000	£100,000	27/07/2006	£16.67	2005/06
1,632	£0	03/07/2006	£0.00	2005/06
20,000	£360,000	03/07/2006	£18.00	2005/06
500	£0	16/05/2006	£0.00	2005/06
13,500	£243,000	19/04/2006	£18.00	2005/06
66,822	£0	11/04/2006	£0.00	2005/06
21,341	£350,000	04/04/2006	£16.40	2005/06
2,000	£40,000	29/03/2006	£20.00	2005/06
2,000	£0	22/03/2006	£0.00	2005/06
55,412	£0	16/02/2006	£0.00	2005/06
23,500	£446,500	13/01/2006	£19.00	2005/06
10,000	£200,000	09/12/2005	£20.00	2005/06
18,000	£360,000	23/11/2005	£20.00	2005/06
10,000	£200,000	31/10/2005	£20.00	2005/06
280	£5,600	11/10/2005	£20.00	2005/06
17,500	£350,000	06/10/2005	£20.00	2005/06
12,500	£250,000	20/09/2005	£20.00	2005/06
20,000	£380,000	14/09/2005	£19.00	2005/06
15,100	£302,000	11/08/2005	£20.00	2005/06
10,000	£200,000	27/07/2005	£20.00	2005/06
5,000	£200,000	15/07/2005	£40.00	2005/06
15,000	£300,000	12/07/2005	£20.00	2005/06
100,000	£2,000,000	17/06/2005	£20.00	2005/06
20,000	£400,000	20/05/2005	£20.00	2005/06
3,500	£70,000	20/05/2005	£20.00	2005/06
14,000	£210,000	11/10/2006	£15.00	2006/07
37,000	£629,000	29/09/2006	£17.00	2006/07
680	£0	01/09/2006	£0.00	2006/07
312	£5,616	29/08/2006	£18.00	2006/07
5,350	£90,950	11/08/2006	£17.00	2006/07
5,000	£110,000	12/05/2006	£22.00	2006/07
28,190	£676,560	09/12/2005	£24.00	2006/07
20,000	£380,000	14/09/2005	£19.00	2006/07
8,755	£192,610	12/08/2005	£22.00	2006/07
20,000	£400,000	20/05/2005	£20.00	2006/07
5,000	£120,000	07/07/2006	£24.00	2007/08
47,474	£1,139,376	09/12/2005	£24.00	2007/08
20,000	£380,000	14/09/2005	£19.00	2007/08
8,266	£198,384	12/08/2005	£24.00	2007/08
45,000	£1,170,000	07/07/2006	£26.00	2008/09
37,051	£963,326	09/12/2005	£26.00	2008/09
7,859	£204,334	12/08/2005	£26.00	2008/09
5,000	£0	15/09/2006	£0.00	2012/13
Year	Average Price	Total Trades		
2005/06	£13.94	32		
2006/07	£17.40	10		
2007/08	£22.75	4		
2008/09	£26.00	3		

Appendix 1
LATS : RISK MANAGEMENT

A) RISK Market risks	MITIGATION / DETAIL
1) Selling too many allowances (over-trading)	Operating Plan allows for advance trading for only a proportion of the likely available allowances maintaining a significant buffer as contingency. Over-selling may be made up by under-selling in successive years.
2) Failure to sell – allows allowances to time-expire	Continuous market monitoring to review posted “trades”. Additionally, a more pro-active sales/ marketing campaign will be pursued to target waste disposal authorities with potential deficits.
3) Sell too low/too early and not maximise income	Realistic nature of posted trades to be kept under review. The approach of advance trading of only a proportion of likely available allowances enables KCC to take advantage of any significant price increases at a later date as a proportion of the allowances are held-back.
4) Become too risk averse, or protectionist and buy allowances	Unlikely to occur in current market conditions, and contrary to current approach. No prospect of needing to buy allowances to correct over – selling will arise due to the KCC Operating Plan’s limits on trading.
5) Buyers do not complete deals	Robust trade agreement and options / contracts.
6) Over time new facilities for diversion nation-wide erode market for allowances, as other WDAs build Energy from Waste Plants etc.	Targeted trading with WDA’s in deficit. Long term risk to be kept under review in relation to Kent’s own waste procurement programme.

B) RISKS	
Corporate Governance	
1) Total trades exceed key decision	Sign-off form will track annual cumulative trading.
2) Extent of KCCs LATS compliance is ill-founded	Based on 1% growth in waste which is consistent with MTFP, and founded on 05/06 actuals.
3) CPA/Performance Management Framework. Impact on BVPIs	Unlikely to be subject to penalties for exceeding LATS allowances. Need to ensure Kent retains current potential market advantage
4) Authorisations/Corporate Governance	Compliance with Constitution
5) Other WDAs secure additional diversion capacity within Kent, reducing capacity available to KCC.	Input to Waste Development Framework
6) Immature LATS market affects KCCs income stream	Revenue budget not based on LATS income.

<p>C) RISKS</p> <p>EXTERNAL</p>	
<p>1) Deals and cartels between other traders</p>	<p>Watching brief. Noted that trades could be in kind/for other services.</p>
<p>2) Other authorities undermine future LATS capacity</p>	<p>See B5 above.</p> <p>Also, strong long-term relationships required with existing contractors providing diversion capacity.</p>
<p>3) DEFRA do not impose penalties/do not support LATS</p>	<p>Potential market collapse would prejudice income stream. Watching brief. DEFRA lobbying. Legal advice on wording of options agreements particularly where this is applied to future years.</p>
<p>4) District Councils collecting trade waste reducing available trading capacity</p>	<p>Seek to transfer costs to those collecting trade waste.</p>
<p>5) Changes to the National Waste Strategy affect the operation of LATS e.g. allocated allowances etc.</p>	<p>Monitoring of national policy. Strong links with DEFRA.</p>

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REPORT TO: CABINET 16 April 2007
BY: PETER GILROY CHIEF EXECUTIVE

CABINET SCRUTINY AND POLICY OVERVIEW
Standing Report to April 2007

Summary

1. The report provides a summary (in Table 1) of outcomes and progress on matters arising from the most recent Cabinet Scrutiny Committee (CSC) meeting held on 21 March 2007.
2. The new work programme for Select Committee Topic Reviews was developed and agreed by Policy Overview Co-ordinating Committee on 15 February 2007. The agreed programme and current status of each topic review are shown in Table 2.

Recommendations

3. To note
 - (i) progress on actions and outcomes of the meeting of Cabinet Scrutiny Committee held on 21 March 2007 as set out in Table 1,
 - (ii) the present programme and status of Select Committee Topic Reviews.
-

Background Documents: None

Contact Officer: John Wale 01622 694006

Cabinet 16 April 2007		Table 1
ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 21 March 2007		
Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee	
A2 Minutes of Cabinet Scrutiny Committee 20 February 2007.	<p>The minutes were agreed subject to clarification of the following points:</p> <p>(a) Outstanding information requested or offered at the meeting to be followed up. Action: S Ballard.</p> <p>(b) On Free Travel for 11-16 Year Olds, Mr Parker asked why the "Kent Freedom Pass" had been adopted as the new name instead of "Assisted Travel for 11-16 Year Olds" as recommended by Scrutiny Committee, and Mr Hart asked what progress had been made on determining a means of reduction in congestions as a result of the scheme. Action: D Hall.</p> <p>(c) On Operation Stack, Mr Parker asked to be advised of progress on identifying a suitable site for lorry parking. Action: M Sutch.</p>	
A3 IMG on "Kent-What price Growth?" 26 March 2007	<i>Notes to follow after meeting to be held 26 March</i>	
A4 IMG on Budgetary Issues 8 March 2007	<p>The notes were noted by the Committee and the IMG's recommendation in note 2(5) (to request the Cabinet Member for Finance to commission work to identify the reason why some schools were much more financially successful than others, so that lessons could be disseminated more widely within Kent Schools) agreed. Action: Mr Chard/Ms McMullan</p>	
A5 Cabinet Scrutiny Committee: Actions and Outcomes to March/April 2007	<p>The report was noted.</p> <p>With regard to table 2 of the report, the Chairman informed the Committee that Mr Christie had been nominated to chair the forthcoming Select Committee on "Carers in Kent."</p> <p>Mr Parker expressed concern that the process for notifying spokespersons over appointment of chairman and timing of reviews was not happening.</p> <p>The recent meeting of POCC(15/02/2007) had clarified the priorities and dates for reviews, but Mr Wale agreed to look into the matter further to ensure Members were kept informed.</p>	
D1 Children's Centres: Approval to Name Next	Dr T R Robinson (Cabinet Member for CFE), Mrs S J Carey (Lead Member for Education and School	

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 21 March 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
<p>Nine Sites-Decision 07/00942</p>	<p>Improvement), Mrs A Gamby (Head of Early Years/Childcare), Mrs J Smith (QA Co-ordinator, EY and C, and Mr K Abbott (Director, Finance and Corporate Services) attended and answered Members' questions on the process for deciding locations and how funding is allocated to each one. The following issues were covered:</p> <ul style="list-style-type: none"> • Criteria for Site Selection • Process for Site Selection • Involvement of Local Members • Funding of Children's Centres • Decision-making Process • KCC Press Releases about Children's Centres • Children's Centre for Cliftonville West • Offsite Day-care Facilities <p>After discussion, the Committee thanked the Members and Officers for attending and answering questions, and resolved as follows:</p> <ol style="list-style-type: none"> (a) Decision 07/00942 can now be implemented. Action: Dr Ian Craig/Mrs A Gamby (b) Ms Harrison asked for a full explanation of why the DfES had shown the 9 new Children's Centres on their website, and the Minister had included them in a House of Commons written answer, when KCC should not yet have sought DfES approval for them. Action: Mrs A Gamby (c) Dr Eddy asked for details of internal details for making press announcements about new Children's Centres and for seeking approval from DfES (including what that approval related to). Action: Mrs A Gamby (d) Dr Eddy asked why Decision 07/00942

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 21 March 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
	<p>had not been included in the Forward Plan of Key Decisions. Action: Mrs A Gamby/Stuart Ballard</p> <p>(e) The Committee requested a Briefing Note on the Terms of Reference of "District Consortia." Action: Stuart Ballard</p> <p>The Committee also concluded that:</p> <p>(i) progress with the establishment of Children's Centres be welcomed;</p> <p>(ii) concern be expressed to the Cabinet Member for Education and School Improvement and the Managing Director CFE that local Members had not been informed about the identification of sites for Children's Centres in their own electoral divisions. Action: Mr J Simmonds, Dr Craig, Mrs Gamby.</p> <p>the Cabinet Member for Education and School Improvement and the Managing Director, CFE be urged to ensure that, for all future work on the establishment of new Children's Centres, local Members can be fully involved from the outset so that their local knowledge can be used to assist with the identification of sites. Action: Mr J Simmonds, Dr Craig, Mrs Gamby.</p> <p>the Cabinet Member for Education and School Improvement and the Managing Director CFE be urged to ensure that KCC Press Releases on the naming of new Children's Centres be clear as to whether the Centres concerned have been <u>proposed</u> by KCC, <u>agreed</u> by KCC , or <u>agreed</u> by the DfES. Action: Mr J Simmonds, Dr Craig, Mrs Gamby, Gerry Moore.</p> <p>In view of the significance to local communities of the opening of a Children's Centre, future proposals be treated as Key Decisions and publicised in the Forward Plan of key Decisions for up to four months in advance of</p>

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 21 March 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
<p>D2 Cancellation of Kent to Virginia Direct Flights Project (Previous Decision 06/00799)</p>	<p>the formal Decision being taken to name the sites. Action: Dr Craig, Mrs Gamby.</p> <p>Mr P B Carter (Leader), Mr A J King (Deputy Leader), Mr P Gilroy (Chief Executive) and Mr P Raine (MD, Environment and Economy) attended for this item and were thanked for answering Members' questions on costs incurred or committed by KCC to the project.</p> <p>Members subsequently concluded that:</p> <p>(a) the Leader's decision not to proceed with the project following the meeting on 27 February 2007 be recognised as sensible given the lower than expected ticket sales; the fact that no other partners were prepared to share the risks; and the potential cost to the County Council and Council Tax payers.</p> <p>(b) Mr Raine's agreement to provide Members of the Committee with the risk assessment undertaken by the Council's consultants as part of the report and feasibility study before the project commenced be welcomed. Action: P Raine</p> <p>(c) The Leader be urged that, for all future high-risk entrepreneurial projects, a proper risk assessment be undertaken in advance in accordance with the Council's formal risk management processes. Action: P Gilroy/P Raine</p>

**Select Committee Topic Reviews:
Programme following Policy Overview Co-ordinating Committee 15 February
2007* (*Subject to confirmation of Minutes by Chairman and Spokespersons)**

Policy Overview Committee/ Topic Review/Chair	Current Topic Review status and other topics (in no particular order*) agreed for the period February 2007 to July 2008
<p><i>Children Families and Education :</i></p> <p>PSHE-Children's Health: Chair Ms CJ CRIBBON</p> <p>Developing the Creative Curriculum</p> <p>Primary School Attainment</p> <p>Young People's Spiritual, Moral, Social and Cultural Development</p>	<p>Inaugural meeting of the Select Committee was held on 5 October. Hearings and visits were held during November. It is anticipated that the Select Committee report will be submitted to Cabinet in April 2007. (Research Officer: Gaetano Romagnuolo)</p> <p>Dates to be agreed*</p> <p>POCC agreed that this issue was being dealt with through a cross-party mechanism. It was therefore removed at the request of CFE POC.</p> <p>Dates to be agreed*</p>
<p><i>Communities</i></p> <p>Accessing Democracy</p> <p>Student Voice –Consultation and Participation with Young People</p> <p>Provision of Activities for Young People</p>	<p>Dates to be agreed* Preliminary discussions are being held to assess how this work will compliment the work of the “Going Local” Informal Member Group.</p> <p>Dates to be agreed.*</p> <p>Dates to be agreed.*</p>

<p>Communities/Public Health (to be agreed) Alcohol and Related Issues</p>	<p>To start in Spring 2007.</p>
<p>Adult Services</p> <p>Carers in Kent Chairman designate: MR L CHRISTIE (to be confirmed by the Select Committee at its inaugural meeting)</p> <p>Transition from Childhood to Adulthood: MR A BOWLES</p>	<p>Dates confirmed as Spring to Autumn 2007.</p> <p>Inaugural meeting of the Select Committee was held on 9 October 2006; hearing sessions commenced on 26 October and are due to end on 20 December 2006. It is anticipated that the Select Committee report will be submitted to Cabinet in May 2007. (Research Officer: Susan Frampton).</p>
<p>Environment and Regeneration</p> <p>Impact of Supermarkets, Out of Town Shopping Malls and Retail Parks on Businesses in Kent</p>	<p>Dates to be agreed.*</p>

jhw/sc 26 March 2007

** To be discussed at the meeting of the POCC in June and September 2007*

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