



AGENDA

COMMUNITIES POLICY OVERVIEW COMMITTEE

Thursday, 24 January 2008, at 10.00 am
Pendragon, Invicta House, County Hall,
Maidstone

Ask for: **Christine Singh**
Telephone **01622 694334**

Membership (14)

- Conservative (9): Mr P W A Lake (Chairman), Mr A R Chell, Mrs V J Dagger,
Mr D A Hirst, Mrs S V Hohler, Mr R E King, Mr C J Law,
Mr M J Northey and Mrs E M Tweed
- Labour (3): Mr L Christie (Vice-Chairman) and Mr T A Maddison
- Liberal Democrat (1): Mr G Rowe
- Independent (1) Mr B P Wood

UNRESTRICTED ITEMS

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

A. COMMITTEE BUSINESS

- A1 Substitutes
- A2 Declarations of Interests by Members in items on the Agenda for this meeting
- A3 Minutes of the meeting held on 7 November 2007 (Pages 1 - 8)

B. ITEMS FOR CONSIDERATION

- B1 Portfolio Holder and Managing Director's Update
- B2 Communities Budget Monitoring 2007/08 (Pages 9 - 30)
- B3 2007/08 Performance Update (Pages 31 - 42)
- B4 Draft Medium Term Financial Plan and Budget (Pages 43 - 48)

C. SELECT COMMITTEE WORK

C1 Select Committee Topic Review (Pages 49 - 50)

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)

Stuart Ballard
Head of Democratic Services
(01622) 694002

Wednesday, 16 January 2008

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.

KENT COUNTY COUNCIL

COMMUNITIES POLICY OVERVIEW COMMITTEE

MINUTES of a meeting of the Communities Policy Overview Committee held on Wednesday, 7 November 2007 at Sessions House, County Hall, Maidstone, Kent.

PRESENT: Mr P W A Lake (Chairman), Mr L Christie, (Vice-Chairman), Mr A R Chell, Mrs C J Dagger, Mr D A Hirst, Mrs S V Hohler, Mr R E King, Mr S J G Koowarre (substitute for Mr G Rowe), Mr C J Law, Mr T A Maddison, Mr M J Northey, Mrs E M Tweed and Mr B P Wood.

ALSO PRESENT: Mr M Hill, Cabinet Member for Community Services.

OFFICERS IN ATTENDANCE: Ms A Honey, Managing Director accompanied by Mr D Shipton, Head of Finance and Asset Management, Mrs A Slaven, Director of Youth Offending and Substance Misuse, Mr N Baker, Head of Kent Youth Service, Mr C Bainbridge, Director of Community Safety and Regulatory Services, Mr R Ellwood, Principal Emergency Planning Officer, Mr T Cruttenden, Principal Emergency Planning Officer and Ms C A Singh, Democratic Services Officer (Overview and Scrutiny).

UNRESTRICTED ITEMS

48. Minutes – 13 July 2007
(Item A3)

RESOLVED that the Minutes of the meeting held on 13 July 2007 are correctly recorded and that they be signed by the Chairman, subject to the words “party political” in Minute 39(3) being replaced with “cross-party” and in Minute 40(1), the word “excellent” being deleted.

49. Minutes - 27 September 2007

RESOLVED that the Minutes of the meeting held on 27 September 2007 are correctly recorded and that they be signed by the Chairman subject to the word “sympathetic” being deleted and replaced with the word “concerned” in Target 26 and in the third paragraph of Target 58 a full stop be placed after the word “liver” and the remaining words being deleted.

50. Matters Arising

3 July 2007

Minute 39(5) the Managing Director agreed to give a response outside the meeting. The Democratic Services Officer agreed to forward copies of the PricewaterhouseCoopers report to each Member of this Committee. Mr Hill agreed to submit a report on the personnel issues surrounding the Library restructuring and a progress report of the CDRP to a future meeting of this Committee.

27 September 2007

Mr Bainbridge agreed to report back at a future meeting on the results and evaluation of the cold calling trial.

51. Future Meeting Dates
(Item A4)

(1) Members noted that efforts had been made before this meeting to change the Monday meeting dates for 2008 to allow Mr Hill, Cabinet Member for Community Services to be present, in line with the Leader's response to the questionnaire to Members on the Policy Overview Committees considered at a meeting of this Committee on 27 September 2007. Agreement had been given to change Monday, 28 January 2008 meeting to Thursday, 24 January 2008, the other meeting dates would remain the same.

(2) RESOLVED that the following dates for meetings in 2008 be noted:-

Thursday, 24 January 2008
Wednesday, 2 April 2008
Monday, 2 June 2008
Monday, 22 September 2008
Wednesday, 12 November 2008.

All meetings would commence at 10.00 am.

52. Portfolio Holder and Managing Director's Update
(Item B1 – Oral report by Mr M Hill, Cabinet Member for Communities and Ms A Honey, Managing Director for Communities)

Turner Contemporary

(1) Mr Hill advised that the publicity surrounding David Chipperfield Architects winning the prestigious RIBA Stirling Prize for Architecture had given a boost to the public's confidence and had strengthened the fundraising position for the project. A public meeting was held on 16 October 2007 at the Margate Theatre Royal, which Mr Chipperfield attended to unveil the new design of the new Gallery which received unanimous support from those present. Pictures of the design were circulated to Members present.

(2) Mr Hill advised that the governance of the Turner Contemporary was still an ongoing issue that he was working hard to resolve.

(3) Mr Maddison suggested that there may be a way of receiving sponsorship through the connection of Tate and Lyle Sugar Company and the founder of the Tate Gallery. Kent County Council could look into receiving permission to advertise on the bags of sugar as he had already noted that the company currently had a voucher promotion on the bags. Mr Hill thanked Mr Maddison for his suggestion and agreed to look into this.

(4) Members raised the issue, regarding the £2m per annum revenue costs of running the Turner Contemporary and how this was going to be achieved [details of which were covered in the Medium Term Plan paper on the agenda]. Mr Hill advised that £500K per annum would be received from the Arts Council and £300k from trading, sponsorship and

fundraising. He concluded that it would be his responsibility to ensure that a robust funding stream was in place by the time the Gallery was completed.

(5) Mr Maddison suggested that if solar cladding was to be used in the construction of the building there maybe a Government grant available. Ms Honey thanked Mr Maddison for his suggestion and advised that they were working closely with Mr Chipperfield on all the options available.

Olympics 2012

(6) Mr Hill announced that the County Council had successfully submitted bids for pre-games training camp sites and Kent had received that largest list of sites in the country.

Youth Clubs

(7) Mr Hill advised that three new youth clubs were being established in Hythe, Herne Bay and Ashford North.

Capital Programme

(8) Mr Hill agreed to bring back a report on the progress of Ashford Library and the new Kent History Centre to future meeting of the Committee.

Inspection

(9) Ms Honey advised that January 2008 would be a very busy time for the Directorate with inspections of the Youth Offending Service, Enhanced Youth Service Inspection, JAR, which is being led by the Children, Families and Education Directorate and the CPA inspection.

Staff Conference

(10) The first Communities Directorate's Staff Annual Conference had been held with 100 staff in attendance. Communities POC invitees included Mr Lake, Mrs Tweed and Mr Christie.

Trading Standards

(11) Ms Honey acknowledged the work of the Trading Standards Department with the support of colleagues from Surrey County Council through the recent outbreaks of Foot and Mouth and Bluetongue diseases in the county.

(12) RESOLVED that the oral report by the Portfolio Holder and Managing Director be noted and the suggestions made by Members be noted.

53. Financial Monitoring Report 2007/08

(Item B2)

(Report by Mr M Hill, Cabinet Member for Communities and Ms A Honey, Managing Director for Communities)

(Mr Shipton was present for this item)

- (1) The Committee received the first of what will be a regular report to this Committee on the forecast outturn against the budget for the Community Services Portfolio.
- (2) Mr Shipton highlighted paragraph 3.1 of the report which detailed the main points of concern within the budget; Adult Education, Coroners Budget and the imminent restructuring of the Cultural Development Unit.
- (3) Members were advised that the figures within the report before them were from the quarterly monitoring report, which went to a Cabinet meeting in September and reflected the position at the end of June. Members of the Committee raised their concerns as they understood that the Cabinet would be receiving up to date figures later in November. Members requested that the scheduling be looked into so that the Committee Members received up to date information. It was suggested that it would be helpful to show the percentage of the variances within the tables of figures. Mr Shipton explained the timing of compiling figures for the report which took two months, but agreed to look into this issue. He also explained that the format had been agreed at Cabinet.
- (4) RESOLVED that the report be noted subject to the points raised in paragraph (3) above being taken into account by the drafting officer.

54. Medium Term Plan – 2008-11

(Item B3 – Report by Mr M Hill, Cabinet Member for Communities and Ms A Honey, Managing Director for Communities)

(Mr Shipton was present for this item)

- (1) The Committee received an update on the Autumn Budget Statement Report to Cabinet on 17 September 2007, which set out the national and local context for KCC Medium Term Plan for the period 2008/09 to 2010/11. The report also updated Members on the latest developments and announcements by government departments and sought Members' savings proposals for services provided by the Communities Directorate.
- (2) The Committee was reminded that the next three years Medium Term Plan (MTP) had been agreed at County Council on 22 February 2007 and discussed with Communities POC at its meeting on 26 January 2007. The MTP still included transfer of funds from other directorates within the County Council when the Communities Directorate was set up in 2006. The directorate would have a level-based budget from 2009. The existing MTP makes provision for unavoidable pay and price increases, meeting the "Towards 2010" targets and service developments and efficiency savings in accordance with directorate priorities.
- (3) Members of the Committee were advised that the budget proposals would be published on Monday, 21 January 2008 and this Committee would be meeting to discuss them on Thursday, 24 January 2008.
- (4) Mr Shipton drew Members' attention to the Local Government Finance Settlement being announced in late November or early December and advised that until that time,

Kent would not know its share of the government revenue support grant. One issue for Communities would be the transfer of specific grants into Revenue Support Grant. Referring to page B3.4, Members were advised that the Kent Schools Games, which was going to be a shared project with the Children, Families and Education and the Communities Directorates, was now solely with the Communities Directorate. Mr Shipton advised that some of the 2009/10 funding would need to be put in reserve to smooth the funding between the years when the games were taking place.

(5) Members noted that if Turner Contemporary was not successful in raising sponsorship towards the estimated £2m running costs for the gallery, there would have to be other ways found to raise the revenue, and the directorate had identified a possible additional £400k pressure in 2010/11 towards supporting the gallery.

(6) Referring to paragraph 4.6 on the Comprehensive Spending Review 2007, Mr Shipton sought the Committee's opinions on its spending priorities bearing in mind the government requirement for efficiency savings of 3% per annum. Members agreed to Mr Shipton's request that questions on Appendix 4 accompanying the report should be dealt with outside the meeting.

(7) Members of the Committee were given the opportunity to make comments and ask questions on points of clarity on the figures before them. These were as follows:

- Members suggested that income could be generated in Kent Libraries through selling greeting cards and other items similar to those sold within the Kent Archives Shop in Sessions House, Maidstone. It was also suggested that catering, similar to that in many commercial bookshops could be investigated.
- There was concern raised by Members of the Committee with the continual 3% efficiency savings and where those savings would be found. Mr Hill advised that this was of concern to him. He stressed to the Committee that he would continue to defend each of the Directorate's services but with the continual need to find efficiency savings could not guarantee how long this could be sustained.
- Members were aware of the 3% efficiency savings target and the decision of how to divide up the remaining funding was a Member decision. The only option was to look at increasing the income and was not willing to identifying any cuts in services.
- There was a suggestion that as the government was no longer going to claw back funds held by schools, this could be an opportunity for the schools to be approached to give some of this money towards the school games. Mr Hill advised that it was complicated receiving money from schools for the school games.
- Members of the Committee sought assurance that the specific grants transferring into RSG would all be received. Mr Shipton advised that in the past it had proved difficult to identify the transfer of specific grants. However, there had been assurance given that specific grants would be identifiable in the RSG settlement.

(13) RESOLVED that:-

- (a) the national and local context within which this Medium Term Plan would be set be noted;
- (b) the pressures attached to this report be noted; and
- (c) the Committee recommended that it could not express relative priorities for savings without more information on the overall context for the County Council budget settlement and the flexibility available within the overall settlement.

55. Emergency Planning – Report and Presentation

(Item B4- Report by Mr Hill, Cabinet Member for Community Services and Ms A Honey, Managing Director for Communities)

(Mr C Bainbridge, Director of Community Safety and Regulatory Services, Mr R Ellwood, Principal Emergency Planning Officer and Mr T Cruttenden, Principal Emergency Planning Officer were present for this item)

(1) The Committee received a detailed presentation on the Emergency Planning Unit by Mr Ellwood covering the Civil Contingencies Act 2004, the Unit's duties, responsibilities and partnership working, training and exercising, roles and responsibilities and some of the key projects that the Unit had been involved in. Members thanked Mr Ellwood.

(2) Mr Lake advised that he would be recommending to the Leader that a presentation on the Emergency Planning Unit be given at a future County Council meeting.

(3) Members of the Committee were given the opportunity to make comments and ask questions of the officers present. They were as follows:

- Some of the Members of the Committee indicated that they had been part of Select Committee for Flood Risk and highlighted that through the evidence gathering, they were keen to see tighter arrangements for the frail and elderly receiving support during times of evacuation and allocations of water during such times. Members also highlighted the absolute necessity of sharing information, highlighting that one of the recommendations from the Select Committee for Flood Risk was through the Flood Liaison Committee, Flood Wardens be appointed. Their role would be to support and identify vulnerable people within the affected area. Mr Ellwood highlighted that the Kent Resilience Forum System Group and Severe Weather Group were also taking this action forward.
- In response to whether the communications were now compatible between the agencies during the emergencies, Mr Ellwood advised that it was better than it had been and the best form of communication was through the airwaves, although there was still room for improvement.

(4) RESOLVED that the comments made by Members of the Committee and the presentation and the report be noted.

56. Integrated Youth Strategy

(Item B5 Report by Mr Hill, Cabinet Member for Community Services and Ms A Honey, Managing Director for Communities)

(Ms A Slaven, Director of Youth Offending and Substance Misuse and Mr N Baker, Head of Kent Youth Service, were present for this item)

(1) The Committee received a report on the work being undertaken to develop a high level Integrated Use of Support Strategy and sought Members' contribution.

(2) Ms Slaven advised that the County Council was required to produce an overall statement of intent for this very specific age group of young people, aged 13 to 19 years. The document would be a high level strategy giving clear detailed operational plans for this group of young people across the County. Members were advised that the draft strategy, which was appended to the covering report, would be put before the Children's Trust Board to seek its approval in January 2008.

(3) Members of the Committee were keen to see that the guidance took on board what young people wanted and that it did not fall down on the working relationships between the district councils and the County Council. Mr Baker reassured Members that the Commissioning Service was looking for joined up thinking and services focused on a single outcome. In response to concerns over the distribution of money for youth groups, Mr Baker advised that the future development of the Children's Trusts based around the existing 23 clusters would assist in this distribution as they would have the ability to use delegated funding to prioritise budgets.

(4) Members made the following comments:

- It was suggested by Mr Northey that the words "young people are our future" be replaced with "young people are our present". Ms Slaven and Mr Baker agreed to consider this idea.
- In response to whose strategy this was and where the input from young people would come from, Mrs Tweed advised that there had been engagement with young people through the Youth Opportunity Fund with groups such as Kent Youth County Council. Ms Slaven added that young people with disabilities and young offenders had also been consulted; she stressed that the net would be cast wider to include looked after children and faith groups. Mr Hill, Cabinet Member for Community Services was taking the lead on this strategy and a joint Communities, and Children, Families and Education Senior Management Team had already been set up and had met on 25 September 2007.

(5) RESOLVED that the comments made by the Committee be noted by the drafting officer and the report be noted.

57. Select Committees – Update

(Item C1 – Report by Overview and Scrutiny Manager)

(Mrs C Singh, Democratic Services Officer, was present for this item)

(1) Members received a report on the progress of the Select Committee on Alcohol Mis-use and the Select Committee Work Programme for 2007-2008 and potential two year programme.

(2) The Democratic Service Officer gave an update on the decisions made at a meeting of the Policy Overview Co-ordinating Committee (POCC) held on 5 November 2007 as follows:-

- Members of the Committee noted that it was agreed that the Alcohol Mis-use Select Committee would have a short extension of time to allow the draft report to be shared with the many external agencies before the report was put in the public domain;
- All three topics in the Review Programme for Autumn 2007 to Spring 2008; Accessing Democracy, Vulnerable Children and Access to Healthcare were agreed;
- The potential topics for the two year programme detailed in the POCC report in paragraph 3 (1) (i)-(iii) would be removed from the Review Programme unless these topics were still current and relevant, a bid for these to remain should be made to the meeting of the POCC on 14 February 2008; and
- The potential topic of “Provision of Activities for Young People”, which would be owned by this Policy Overview Committee, would be considered further at the POCC February 2008 meeting with an updated assessment form.

(3) The Committee Members were encouraged by the Democratic Services Officer to put forward any suggestions of Topic Reviews.

(4) RESOLVED that the progress of the Select Committee for Alcohol Abuse and the update on the Select Committee Topic Review Work Programme be noted.

07/o&s/comm poc/110707/final minutes

To: Communities Policy Overview Committee
From: Mike Hill, Cabinet Member and Amanda Honey, Managing Director
Subject: **Communities Budget Monitoring 2007/08**
Classification: Unrestricted

FOR INFORMATION

1. Introduction

- 1.1 This report is a regular report to this Committee on the forecast outturn against budget for the Communities portfolio.

2. Background

- 2.1 Policy Overview Committees consider the draft Medium Term Financial Plan at their November and January meetings. To enable a more informed discussion, three reports will be presented to the Committee on a regular basis:

a) Budget Monitoring reports

A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. A report for each directorate is annexed to the summary report, and the annex for the Communities directorate will be presented to this Committee at the meetings following those Cabinet meetings. This will help inform this POC about current trends, pressures and management actions in advance of the next year's budget setting

b) Performance data

This will be reported to this Committee twice a year in January and July, the first report being in January 2008

c) Outturn report

Effectively an amalgam of the above two, the outturn report will summarise both the financial and performance information for the whole of the preceding year

- 2.2 Armed with the above, the POCs will be in a stronger position to question and comment on the future budget and medium term proposals, as they will be asked to do at the November and January meetings.

3 Quarterly monitoring report

3.1 Attached is the monitoring report for the second quarter for Communities directorate. The main points are highlighted below.

3.2 Revenue

- a. The position for the Adult Education service has deteriorated since the last quarter. Previously we had been reporting that the service had addressed the in-year position following significant reductions in LSC funding but had been unable to implement plans to repay the £500k loan that was made available in 2006/07 to cover the unresolved deficit. Enrolments for the academic year starting in September 2007 were lower than we had planned with a consequential reduction in tuition fee income of £568k.

The service has been unable to fully reduce spending in line with this reduced take-up of courses resulting in a forecast overspend of £330k for the remainder of this financial year to add to the £500k that cannot be repaid from previous years. We are currently developing an action plan how the accumulated deficit of £830k can be repaid over the period of the forthcoming MTP and the changes the service needs to make in order that it can be more responsive to variations in income in future. Inevitably this will mean the service has to take a more business like approach which would impact on the employment of permanent staff, where courses can be delivered and the fees paid by students.

- b. The budget for the Coroners continues to show a forecast overspend of £300k due to the increased number of post mortems and increased costs for use of mortuaries from hospital trusts. The pay award for Coroners was finally agreed in November but this left insufficient time to assess the full impact for the December Cabinet report. We are negotiating with hospital trusts to ensure that new contracts limit annual uplifts to cover inflation only and that service developments and building work improvements are agreed with us before they are undertaken. We are also negotiating with Medway Council to ensure they fund their share of the pressures.

Due to the nature of Coroner's work much of this pressure is unavoidable and KCC cannot directly influence their work. We have identified an additional £200k in the forthcoming Medium Term Financial Plan to add to the Coroner's base budget in 2008/09. This should bring the budget back into balance although we are still vulnerable if there are any long or major inquests as these add significantly to costs and are unpredictable. We have initiated a series of regular meetings with the 4 Kent Coroners to ensure they are more aware of the financial consequences to KCC arising from their investigations.

- c. We have nearly completed the restructuring of the Cultural Development Unit. This restructuring is being driven by KCC's need to make the unit more strategic rather than in response to budget issues and will not address the forecast overspend of £165k which mainly arises from loss of income. The new structure will ensure that the unit can deliver its more strategic role within the existing MTP without any change to the overall net budget.

- d. We have been able to reduce the forecast overspend for the Youth Offending Service through a number of management actions. The budget is still at risk from decisions by the courts on the placement of offenders on court ordered remand where the service may have to incur significant transport and accommodation costs. We have identified the requirement for additional funding in the forthcoming Medium Term Financial Plan to address this risk.
- e. The library service has faced diminishing income from the rental of CDs and DVDs due to increased availability of alternative sources. The service has undertaken a review of its marketing strategy and has repositioned itself to recover some of the lost income although it will not be able to fully achieve the planned budget resulting in a forecast overspend of £120k. The service reviewed the expenditure budgets for CDs, DVDs and other consumables and non staffing budgets to offset this forecast loss of income. This will not affect spending through the book fund.

3.3 Capital

- a. Although the capital programme shows a significant under spend in 2007/08 (forecast spend of £6.051m against a budget of £23.661m) the vast majority of this represents slippage into future years rather than under spending on projects. Most of the slippage is on projects that are still in the planning stage and the revised spending forecast represent a more realistic assessment of when building works can commence. Details of the individual projects are set out in appendix from the Cabinet report.

4 Recommendations

- 4.1 Members of the POC are asked to note the projected outturn figures for the directorate as at the first quarter

Amanda Honey
Managing Director

Contact

Dave Shipton
Head of Finance & Asset Management
Tel: 01622 696136

Appendix: Communities Directorate Summary October 07-08 Full Monitoring Report

**COMMUNITIES DIRECTORATE SUMMARY
OCTOBER 2007-08 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.
 - Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- 1.1.2 **Table 1** on the next two pages 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							
Turner Contemporary	885	-82	803			0	
Kent Drug & Alcohol Action Team	15,220	-13,438	1,782			0	
Youth Offending Service	5,610	-1,889	3,721	1,019	-949	70	Cash limit incorrectly reflects balance of expenditure and income. Net overspend is mainly due to increased number of young people placed in secure accommodation or on remand
Adult Education	12,667	-13,213	-546	1,307	-477	830	Income from LSC has increased due to higher than anticipated formula grant, immigration contract, business development & a number of other smaller grants. This increase has been largely offset by clawback of grants for previous years, not implementing changes to concessions policy & failure to meet tuition fee income targets. Increased spending is in part due to increased ringfenced income & partly due to unanticipated costs for staff restructuring & additional premises costs

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Cultural Development	1,404	-225	1,179	22	143	165	Ongoing impact of the loss of EU grants which have supported unit budget since restructuring in 2003/04
Libraries, Information & Archives	25,713	-2,787	22,926	-120	120	0	Revised target for income from AV issues offset by a reduction in spending on consumables and non staffing
Dover Discovery Centre	383	-383	0			0	
Sports, Leisure & Olympics	1,127	-312	815			0	
Youth Services	9,169	-1,570	7,599			0	
Key Training	3,865	-3,865	0			0	
Kent Community Safety Partnership	4,703	-159	4,544			0	
Contact Centre	4,877	-1,947	2,930			0	
Coroners	2,077	-333	1,744	300		300	Continuation of pressures which arose during 2006/07 after the MTP had been set
Emergency Planning	752	-165	587			0	
Kent Scientific Services	1,575	-1,587	-12			0	
Registration	4,237	-2,475	1,762			0	
Trading Standards	4,432	-399	4,033			0	
Policy & Resources	1,443	-97	1,346			0	
Centrally Managed directorate budgets	67	-1,738	-1,671			0	
Total Communities controllable	100,205	-46,664	53,541	2,528	-1,163	1,365	
Assumed Management Action				-535		-535	
Forecast after Mgmt Action				1,993	-1,163	830	

1.1.3 Major Reasons for Variance:

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

- 1.1.3.1 Youth Offending Service – The latest forecast gross expenditure on YOS is £1.019m more than the cash limit and income is £949k more than cash limit giving a net pressure of £70k, which is mainly attributable to £163k of pressures on the budget for secure accommodation and transport for offenders on court ordered remand. The number sentenced by courts is increasing and offenders are being placed outside the county more frequently. The service has secured additional prevention

grant from the Youth Justice Board that was not included in the budget which provides £566k income and £532k direct expenditure. The net difference of £34k income contributes towards the service's overheads which accounts for the remainder of the variance including an additional £124k on staffing. The remainder of increase in income is due to increased contributions from partners and support for specific projects that were not included when the original budget was set (each additional contribution is less than £100k and not shown in table 2).

1.1.3.2 Adult Education – The latest forecast gross expenditure on the AE is £1,307k more than cash limit, income is £477k more than the cash limit giving a net pressure of £830k which can be attributed to the difficulty the service has faced to deliver the challenging target to generate a £500k surplus in 2007/08 to fully repay the loan used to cover the deficit in 2006/07, the significant loss of tuition fee income due to lower than anticipated take-up of courses and the additional costs associated with restructuring and premises reorganisation. All the other variances reflect both income and expenditure and have no impact on the net costs. The major reasons for the variances are:

- *Immigration Service* – The budget included the removal of the previous contract for the prisons service which came to end in July 2006 and transferred to the voluntary sector. Following a review the service has retained the provision of education services to the Immigration Service effective from April 2007. The revised forecast includes planned income of £373k and expenditure of £336k under this contract.
- *Business Development* – since the budget was agreed the AE service has agreed a new strategy towards business development and has employed a business development manager with a remit to generate more than twice as much income (£260k) than the annual salary and running costs (£120k).
- *LSC Formula Grants* – The service has received £230k more in its final settlement from the LSC for Adult and Community Learning (ACL) and Further Education (FE) than expected when the budget was set. Some of this additional funding has to be spent on particular activities e.g. £161k additional guided learning hours for Family Language, Literacy and Numeracy (FLLN) and Family Learning (FL) programmes. The service is facing the loss of Information and Guidance grant and clawback on LSC grants for 2005/06 and 2006/07 which collectively reduce grant income by £117k.
- *Tuition Fees* – The budget included proposed changes to the fee and concession structures which would have increased total fee income by £133k but these have not been fully implemented as they were deemed not necessary in light of the other changes in income and expenditure. Since the last quarter's monitoring the service is forecasting an increased shortfall on tuition fees of £568k due to lower than anticipated take-up of courses.
- *Staff Restructure & Redundancies* – The restructuring of the service in response to reductions in LSC funding has resulted in significant redundancies in 2006/07 and 2007/08. It was agreed that up to £240k would be funded from a corporate reserve. In 2007/08 the service is estimating redundancy costs of £176k of which only £95k can be funded out of the remainder of the £240k available leaving a net pressure of £81k. There is also a pressure of £15k resulting from delays in implementing the new arrangements resulting in an overall net pressure in 2007/08 of £96k.
- *Projects* – these include a number of projects that were not finalised at the time the budget was set that attract external funding increasing income (£161k) and expenditure (£104k).
- *Neighbourhood Learning and SIP* – The original budget included contributions of £135k towards the cost of these programmes which we no longer expect to

receive. There has been a one-off contribution from the roll forward of Finance Portfolio under spend from 2006/07 towards the deficit carried forward from the 2006/07 programme but the service has to cover the ongoing cost of the programme within its overall income from 2007/08 and beyond without receiving these additional contributions.

- 1.1.3.3 Coroners Service – The latest forecast spending is £300k more than budget. The single major reason for this overspend is the increased cost of mortuary fees (£142k). This pressure arises from a number of factors including more referrals by doctors following the Shipman report, above inflation fees being charged by NHS hospital trusts for post mortems, and the cost of the transfer of bodies from Maidstone to Medway following the closure of the mortuary at Maidstone hospital.
- 1.1.3.4 Cultural Development Unit – We had previously identified a shortfall of £100k on the Arts Unit budget due to the loss of income from EU grants. This is being addressed through a staff restructuring. It was agreed to exclude the small team that produces audio visual resources for schools on a trading basis from the restructuring even though it was identified that the team is not fully recovering its costs from sales of audio visual materials to schools. The increased overspend to £165k reflects this deficit on trading activities. We are seeking to outsource the venture and we have had some encouraging expressions of interest.
- 1.1.3.5 Libraries and Archives – The service has faced diminishing income from the rental of CDs and DVDs. The service undertook a thorough review and concluded that they could significantly increase issue if they focused on the more specialist areas, offered loans for longer periods and reduced the cost of loans. This would deliver a revised income projection of £701k against a budget based on historical trends of £821k and actual income in 2006/07 of £661k. The £120k overspend against the budget will be covered by reductions in spending on consumables and other non staffing budgets. Indications from the second quarter are that there has been an increase in issues although we are anticipating a more marked increase in the third and fourth quarters.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CMY	AE loss of Tuition Fees	+568	CMY	YOS Prevention Grant Income	-566
CMY	YOS Prevention Grant Expenditure covered by increased income	+532	CMY	AE Income for Immigration Contract	-373
CMY	AE Immigration Contract Expenditure covered by increased income	+336	CMY	AE Business Development Income	-260
CMY	YOS Secure Accommodation	+163	CMY	Additional LSC AE Formula Grants	-230
CMY	Increased guided learning hours for Family and Lifelong Learning in AE covered by increased income	+161	CMY	AE Project grants	-161
CMY	Coroners Mortuary Fees	+142	CMY	Libraries and Archives savings from reduced expenditure on consumables and other non pay headings.	-120
CMY	Neighbourhood Learning & SIP	+135			
CMY	AE fee and concessions policy revisions not implemented	+133			
CMY	YOS Staffing	+124			
CMY	AE Business Development Expenditure covered by increased income	+120			
CMY	Libraries & Archives underachievement of AV income covered by savings on non pay headings	+120			
CMY	AE Loss of Information and guidance grant amd clawback of LSC grants from 2005/06 and 2006/07	+117			
CMY	AE Project expenditure covered by increased income	+104			
CMY	Arts Unit reduction in grant income	+100			
		+2,855			-1,710

1.1.4 Actions required to achieve this position:

We have reviewed the YOS budget and tackled a number of issues relating to staffing and premises budgets and income from partners. The budget for secure accommodation for young offenders sentenced by courts remains the only area for concern.

The Adult Education service has undertaken a major restructuring in response to a 16% reduction in LSC funding allocations and made changes to its tuition fee structure. Some unforeseen one-off costs associated with the restructuring and loss of tuition fee income means the service cannot return to a balanced budget position this year and generate the necessary surplus to repay the £500k loan from the Finance portfolio to cover previous years overspends without resulting in irreparable damage to the service's reputation.

We have embarked on a restructuring of the Cultural Development unit. Consultation with staff and unions has taken place on the proposed structure. The

savings accruing from the restructuring are needed to deliver the current MTFP and will not deliver any additional savings.

We are pursuing central government as to whether any additional grant support will be available to address the pressures faced by the Coroners service. The service is part of the judicial system and Coroners do not report to KCC and merely claim expenses and charge the costs of post mortems and specialist fees to KCC. We have embarked on discussions with the Coroners about different spending patterns in each of the 4 districts in Kent.

1.1.5 Implications for MTFP:

The pressures on Coroners and YOS for secure accommodation are imposed outside the direct control of the authority and will be reflected in the MTFP. The restructuring of the Cultural Development Unit will also be reflected in the MTFP. Some of the issues for AE service are one-off relating to 2007/08, others affect the base budget on an ongoing basis and will be reflected in MTFP submission including options to cover the £830k proposed rollover of the deficit on the AE service.

1.1.6 Details of re-phasing of revenue projects:

N/A

1.1.7 Details of proposals for residual variance:

The directorate is reviewing the forecast over spends and looking at other budgets where savings might be possible to offset the over spends. The directorate is also reviewing the amounts held in reserve as a possible source of off-setting some of the additional one-off costs in 2007/08. It is planned to take-up the issue of over spending on the Coroners service with the government. We are also exploring the opportunity to use developer contributions to fund the purchase of new library books currently funded from revenue budget and to defer expenditure on sports grants. It is planned this action will achieve £535k of savings leaving an overspend of £830k relating to AE. We will be reflecting this rolled forward overspend in the MTFP submission.

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 via the Leader or relevant delegated authority.

Cash limits have been adjusted since the last full monitoring report to reflect:

- Virement of Small Community Capital Grant budget from Policy & Performance portfolio in respect of Herne Bay Youth & Community Centre

2007-08
£000s
5

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	Future Yrs £000s	TOTAL £000s
Communities						
Revised budget per Sept Cabinet	22,119	23,656	14,073	5,259	5,820	70,926
Additions:						
- virement of SCCG budget		5				5
Revised Budget	22,119	23,661	14,073	5,259	5,820	70,931
Variance		-17,610	+2,363	+10,952	+3,434	-861
split:						
- real variance		-1,281	+220	+200	0	-861
- re-phasing		-16,329	+2,143	+10,752	+3,434	-0
Real Variance		-1,281	+220	+200	0	-861
Re-phasing		-16,329	+2,143	+10,752	+3,434	-0

1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2007-08 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- projects at initial planning stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the initial planning stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER

Portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Initial Planning Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
			+0	+0	+0	+0
Underspends/Projects behind schedule						
CMY	Turner Contemporary	Phasing			-8,310	
CMY	The Hub Southborough	Phasing Real				-3,025 -200
CMY	Community Facilities - Edenbridge	Phasing			-1,465	
CMY	Library Campus Gravesend	Phasing			-1,439	
CMY	Ashford Learning & Information Centre	Phasing Real			-888 -104	
CMY	Herne Bay Youth Centre	Phasing Real		-465 -90		
CMY	Big Lottery Fund - PE & Sport	Real Phasing		-443 -59		
CMY	Village Halls & Com Ctrs - Grants	Real Phasing	-300 -53			
CMY	Tun Wells Library, Museum & Gallery	Phasing			-250	
			-353	-1,057	-12,456	-3,225
			-353	-1,057	-12,456	-3,225

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Turner Contemporary – slippage £8.310 million

This scheme is to build an art gallery in Margate which will play a key role in the economic regeneration of the area. There has been slippage of over £8.310 million (48% of the total value of the scheme) since the budget was published. The project is still scheduled to be completed by 2010 within the £17.4m budget allocated and thus the slippage simply represents movement between years and not a delay on completion or additional cost. The published budget was based on early discussions with architects before we had received their initial outline and concept design reports (RIBA stage A/B).

We have now completed detailed designs for the project (RIBA Stage D). The outline planning stage (RIBA Stage C) slipped by three months from the original project plan. We are currently planning that the tender process (RIBA Stage G/H) will commence in May 2008 with site works commencing in October 2008. This time frame enables the project to achieve its planned completion in 2010. It is not

uncommon that the planning stages for an architectural building of the type envisaged can take more than 2 years.

Running in parallel with the project is the de-dualling of Fort Hill. This has to be completed before work on the construction of the gallery can commence.

We are planning that we will receive £11m in external funding towards the cost of the project from partners. This will reduce the level of prudential borrowing reflected in the published budget by £0.75m. However, it is unlikely that the external funding will be confirmed until 2008/09.

Revised phasing of the scheme is now as follows:

Turner Contemporary

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	340	9,517	6,803	740	-	17,400
Forecast	340	1,207	2,915	10,004	2,934	17,400
Variance	-	-8,310	-3,888	9,264	2,934	-
FUNDING						
Budget:						
prudential	340	6,037	373	400	-	7,150
external	-	3,480	6,430	340	-	10,250
TOTAL	340	9,517	6,803	740	-	17,400
Forecast:						
prudential	340	957	1,217	3,429	457	6,400
external	-	250	1,698	6,575	2,477	11,000
TOTAL	340	1,207	2,915	10,004	2,934	17,400
Variance	-	-8,310	-3,888	9,264	2,934	-

1.2.4.2 Community Facilities, Edenbridge – slippage £1.465 million

This project aims to provide a new community facility following the closure of Eden Valley School some years ago. The current buildings are managed by the Youth Service and provide some community use. The new building will be funded from a small housing development on site, the size of which is restricted because of it being located in the Green Belt.

Planning approval for the proposals is now being sought and the community centre will cost approximately £2m, with £180k coming from Kent Adult Social Services. There are a number of other partners, including the Baptist Church, necessary to secure the planning approval and as a consequence the size of the community building has had to increase and this is reflected in a rise in the cost from £1.6m to £1.820m.

The potential capital receipts are estimated to be £3-4m of which CFE are to receive £1m towards the cost they incurred in providing the necessary school places in Sevenoaks at the time of closure, therefore there should be sufficient capital receipt to cover the forecast increased costs of the project.

The risks associated with the project are that planning approval may not be given, the cost of the community facility will rise and the capital value of the housing development will be less than that predicted.

The table below identifies that based on current forecasts we will need to borrow £100k in 2007-08 to be repaid from the capital receipt in 2008-09. If this temporary borrowing cannot be covered by slippage elsewhere within the Communities capital programme, then there will be additional revenue costs associated with this temporary borrowing which the directorate will need to cover.

Community Facilities, Edenbridge

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	35	1,565				1,600
Forecast	35	100	1,685			1,820
Variance	-	-1,465	1,685	-	-	220
FUNDING						
Budget:						
prudential		-34				-34
developer conts	19					19
capital receipts	16	1,599				1,615
						-
TOTAL	35	1,565	-	-	-	1,600
Forecast:						
prudential		100	-100			-
developer conts	19					19
capital receipts	16		1,785			1,801
						-
TOTAL	35	100	1,685	-	-	1,820
Variance	-	-1,465	1,685	-	-	220

1.2.4.3 Library Campus Gravesend – slippage £1.439 million

This library is the highest priority for the library service for major maintenance, refurbishment and expansion as a significant hub in Kent Thameside. It is a Grade II listed building, the annexe of which is in danger of collapsing into the street. A Big Lottery bid made in March this year was unsuccessful. It would have provided additional funds (£2m) to add to the £2.5m capital budget to complete the scheme.

A number of options are now being assessed, including partnerships with a range of other service providers, including Gateway, Adult Education and Gravesham BC. At this stage the project has been rephased to reflect the delayed scheme and the profile will be subject to further amendment once details have been worked up.

At this stage we have not had to incur any additional premises costs such as the hire of temporary buildings or any other significant revenue costs associated with the slippage of the project. We are keeping the main library building open and have simply closed off the upper floors of the annexe building, which was used as staff accommodation and storage and was not used by the public.

Information & Library Campus, Gravesend

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	3	1,539	958			2,500
Forecast	3	100	1,400	997		2,500
Variance	-	-1,439	442	997	-	-
FUNDING						
Budget:						
prudential	3	1,539	958			2,500
						-
TOTAL	3	1,539	958	-	-	2,500
Forecast:						
prudential	3	100	1,400	997		2,500
						-
TOTAL	3	100	1,400	997	-	2,500
Variance	-	-1,439	442	997	-	-

1.2.5 Projects with real variances, including resourcing implications:

- Village Halls and Community Centre Capital Grants – an under spend of £300k rolled forward from previous years, of which £200k will be vired to Herne Bay Youth Centre project and £100k vired to the Petra Barge project.
- Adult Education, Canterbury High School – additional £15k adding to the overall overspend being discussed with the school. This expenditure could be covered from developer contributions if it is not recovered from the school.
- Big Lottery Fund – PE and Sport – The overall programme is coming to an end next year. It has been possible to add a further project at Tenterden Junior School as a result of BLF agreement to switch unspent monies elsewhere as a result of unexpected developer contributions. There is a net reduction in spend against the approved budget overall of £443k with £502k in 2007-8 (and slippage of £59k into 2008-9) as a consequence of expenditure being met from existing school and DDA budgets. There are no net resources available through this process, as it is in effect a duplication of resources reflected in the budget.

- Green Spaces – This lottery funded programme is complete and the unspent grant (£16k) will be returned.
- Spaces for Sport and the Arts - This lottery funded programme is complete and the unspent grant (£43k) will be returned.
- Herne Bay Youth Centre – the overall project cost is now expected to be £915k, however, £200k relates to the Children's Centre which is included in the CFE budget and so £715k is forecast within Communities against a budget of £805k. The funding package has also changed from the original budget with less Youth Capital grant and lower development contributions being available. Consequently, this reduced funding by £330k, but an additional £200k will be vired from Village Halls grants and £40k Members Grants have been promised. The expenditure in 2007-8 will be reduced by £400k with £310k re-phasing into 2008-09.
- Mortuaries Refurbishment – The original plan included contributions to works at Ashford and Maidstone hospitals. Whilst those at Ashford have proceeded, it was not possible to secure refurbished facilities at Maidstone and consequently new plans have been agreed with Medway Maritime Hospital but with a saving of £86k. It is proposed that this saving be used to help fund the cost of refurbishment at the Earlscliffe centre for the Registration Service (see below) and a virement will be requested. This project is funded by prudential borrowing.
- Community Facility Edenbridge – Planning approval is now being sought for the whole site, with the community centre expected to cost approximately £2m, £180k of which is planned from Kent Adult Social Services. There are a number of other partners including the Baptist Church necessary to secure the planning approval and as a consequence the size of the community building has had to increase and this is reflected in a rise in the cost from £1.6m. This additional cost of £220k will be met from the capital receipt.
- The Hub Southborough – This project remains in the initial planning stage. It is intended to dispose of the library and Ridgeway Centre in order to realise a net £700k capital receipt. However, in order to support the Tunbridge Wells library project (see below) it is proposed that £200k of the capital receipt available is vired from this project. This would be accomplished through a lower specification/less space etc and a reduction in the revised project budget of £0.2m to £3.05m.
- Ashford Library Learning & Information Centre – Options for this project are being finalised and will be brought forward as soon as possible. In the meantime the cost plan and funding package reflecting in the capital budget includes gross capital receipts and these have been reduced by £104k to take account of disposal costs.
- Tunbridge Wells Library – In order to support and strengthen a new HLF lottery bid jointly with TWBC in March 2008 it is intended to increase the KCC share of the project from £600k to £800k out of a total cost of £3.6m. This would be funded from viring £200k capital receipts from the Southborough Hub project (see above).
- Dover Discovery Centre Car Park – These plans have become extremely complex and have been overtaken by the emerging regeneration programme for the Western Docks and town centre and may come forward later as part of a comprehensive programme of works. The £200k scheme and the directorate funded prudential borrowing has been abandoned.
- Earlscliffe Centre – plans to refurbish this building for the Registration Service are advancing, in order to provide continuity of service pending their move into the new Ashford Library in 2010. It will be vacated by Adult Education by Christmas and the works are likely to cost at least £86k, which could be

accommodated by the saving on the mortuaries refurbishment – a virement will be requested.

After allowing for these funding issues the true underlying variance is nil.

1.2.6 **General Overview of capital programme:**

(a) Risks

- Adult Education at Canterbury High School – we may need to make provision for a part of any potential overspend on this project (a) if the school will not contribute the additional £160k spent last year on the project, and/or (b) if there is an over spend attributable to the adult education facility.
- Edenbridge – if the planning approval is not forthcoming this project cannot proceed. If the costs of the facility are higher than expected they will have to be met from the capital receipt. However, it is possible the capital receipt may be insufficient, particularly as £1m has been agreed to meet CFE costs in which case we will have to make provision for any overspend.

(b) 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 and further detailed work is in hand to identify how the additional costs should, if appropriate, be shared between the school and AE.
- Edenbridge – the proposals are being developed in close co-operation with Sevenoaks planners, planning advisors and property valuers.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

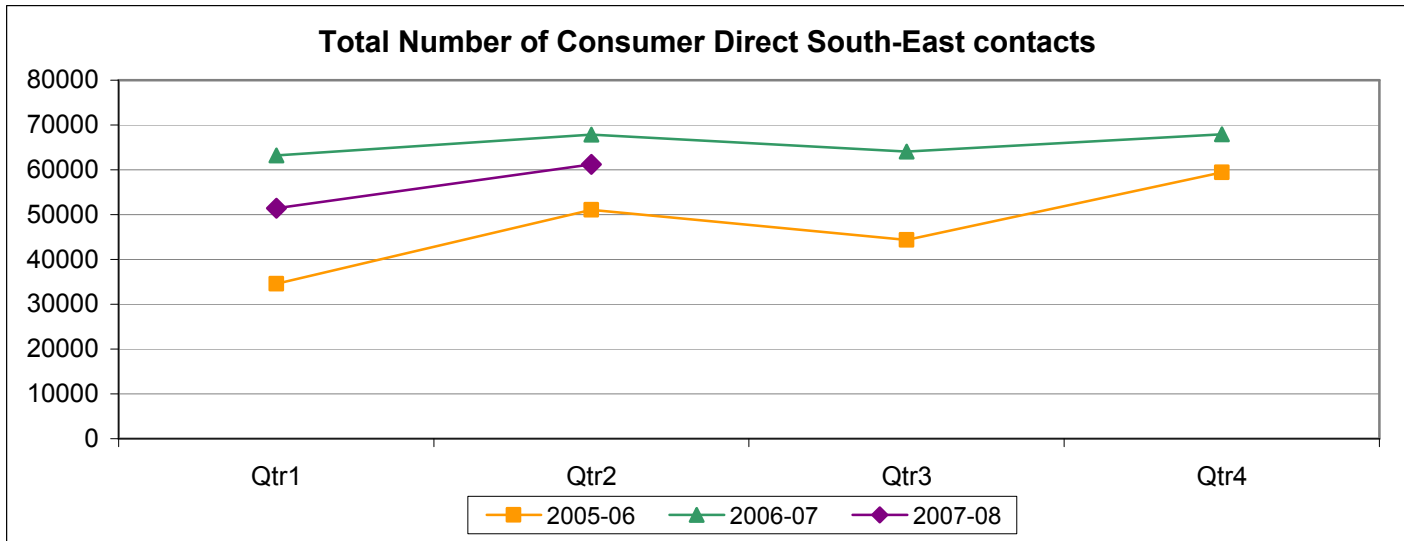
2.1 Number of Consumer Direct South-East contacts, by local authority area:

	2005-06	2006-07	2007-08				TOTAL
			Qtr1	Qtr2	Qtr3	Qtr4	
	Total for the year	Total for the year	01/04/07 to 30/06/07	01/07/07 to 30/09/07	01/10/07 to 31/12/07	01/01/08 to 31/03/08	Total for the year
Bracknell Forest	715	330	209	271			
Brighton & Hove	7,116	5,834	987	899			
Buckinghamshire	9,006	4,012	614	708			
East Sussex	9,717	9,893	1,843	2,047			
Hampshire	19,105	12,520	2,237	2,167			
Isle of Wight	2,129	2,106	346	446			
Kent	29,074	21,500	3,571	4,028			
Medway	1,671	1,249	267	358			
Milton Keynes	1,037	671	85	91			
Oxfordshire			No immediate plans to switch				
Portsmouth	5,524	4,332	571	547			
Reading	2,582	2,952	534	564			
Royal Borough of Windsor & Maidenhead ²	809		Callers to RBWM are asked to redial CDSE direct				
Slough	1,826	1,717	346	380			
Southampton	4,680	3,780	24	374			
Surrey	21,660	19,278	2,846	3,480			
West Berkshire	1,503	1,831	278	261			
West Sussex ³		2,334	1,441	1,257			
Wokingham	758	648	176	170			
Main English Landline ^{*1}	60,248	127,064	26,852	33,479			
Main English Mobile ^{*1}	7,712	25,073	5,398	6,677			
Calls handled for other regions	2,532	6,373	407	63			
Call-backs handled for other regions		1,017	0	407			
E-Mails		8,546	2,405	2,496			
2007-08 TOTAL			51,437	61,170			
2006-07 TOTAL by Qtr		263,060	63,185	67,865	64,080	67,930	
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 – since January 2007, West Sussex calls and e-mails have been diverted to CDSE.



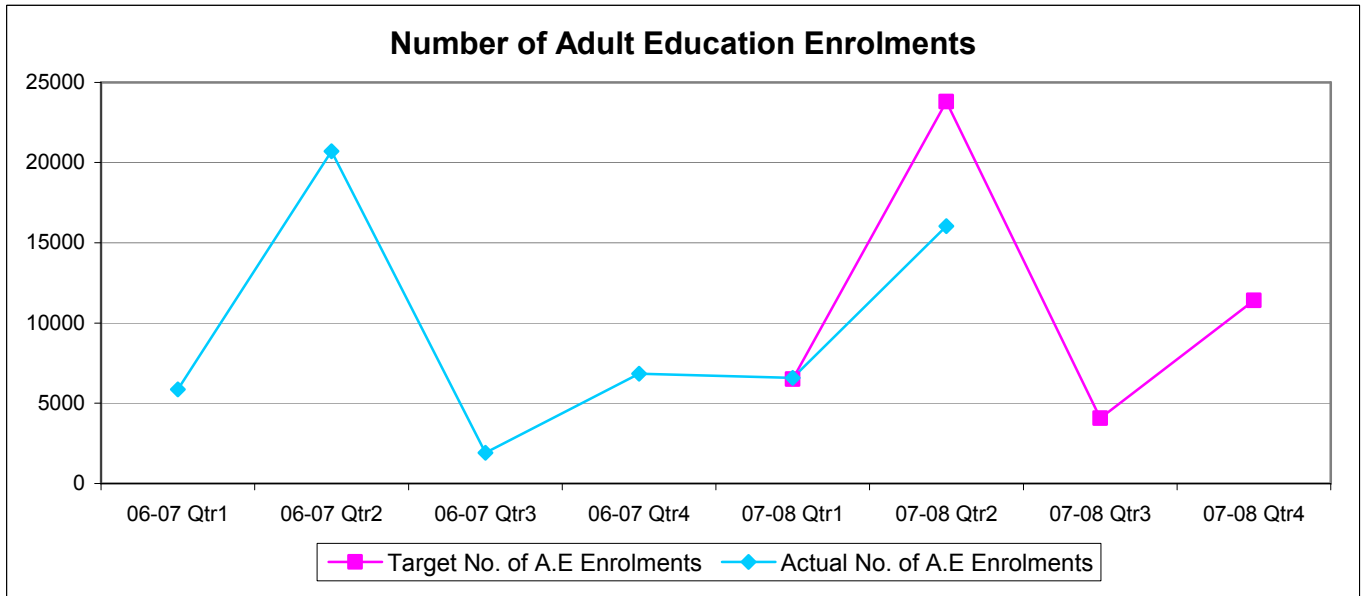
Comments

- Consumer Direct South East is funded according to the number of calls it receives. When it was established a reserve of £172k was established to cover trading deficits. Should call volumes not increase for the remainder of the year it is estimated the service will need to draw down £55k from the reserve as a result of lower than anticipated call volumes.

2.2 Number of Adult Education Enrolments:

	Financial Year		
	2006-07	2007-08	
	A.E Enrolments	Target	A.E Enrolments
April – June	5,849	6,501	6,567
July – Sept	20,713	23,803	16,052
Oct – Dec	1,925	4,071	
Jan - March	6,829	11,416	
TOTAL	35,316	45,791	22,619

In previous years we have shown the number of Adult Education learners. This year we have revised the data to show the number of enrolments as this gives a better picture, as some learners enrol on more than one course. Enrolments is a better indicator of income levels than student numbers as both LSC Further Education (FE) formula grants and tuition fees are based on enrolments.



Comments:

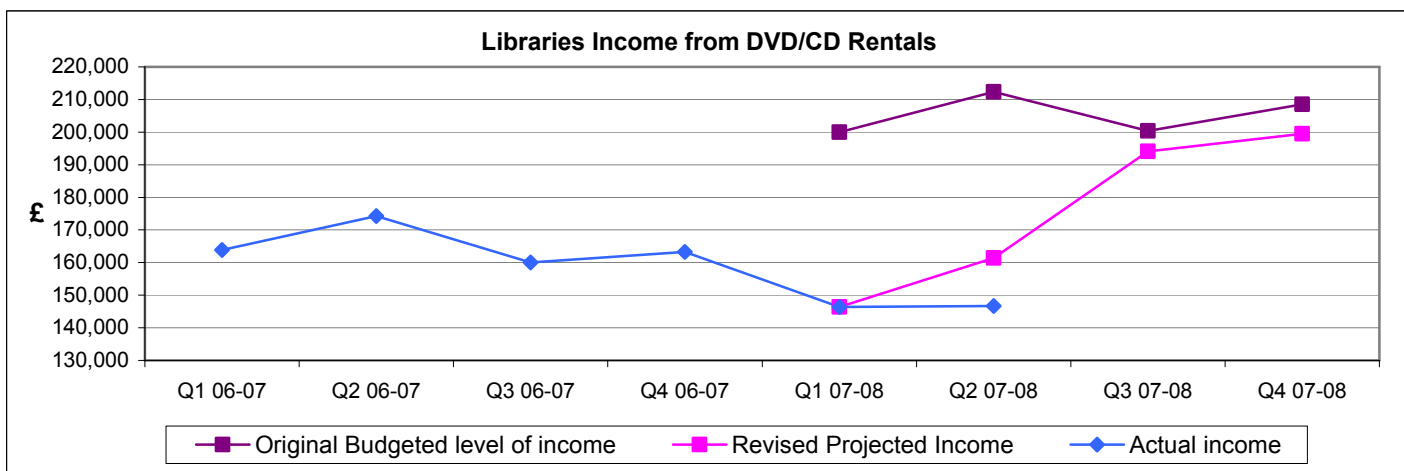
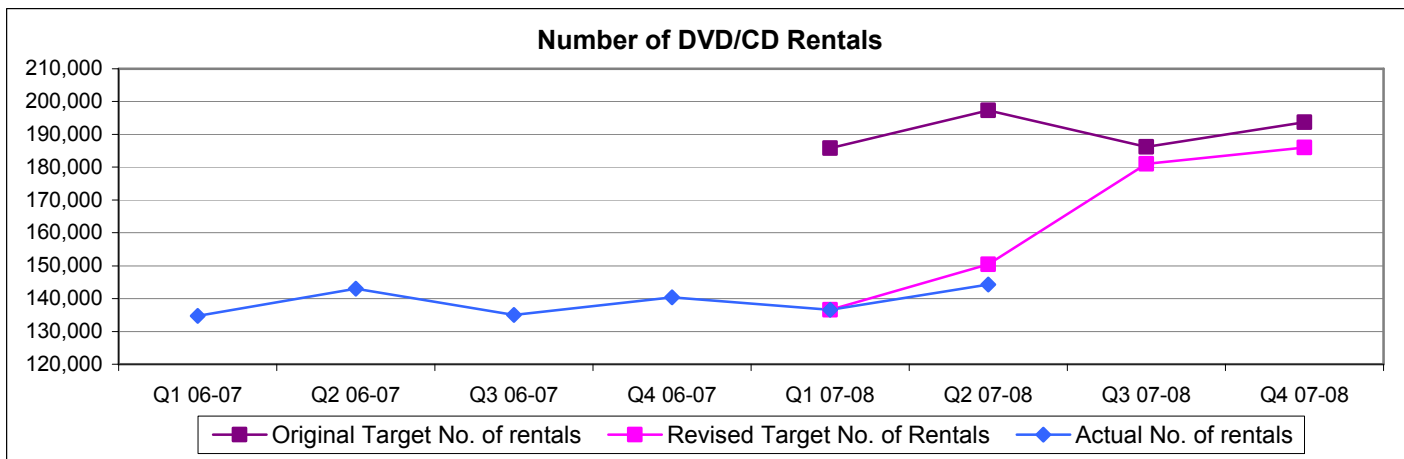
- The LSC formula grants depend partly on enrolments to courses. Students taking courses leading to a qualification are funded via Further Education (FE) grant based upon the course type and qualification. However, students taking non-vocational courses not leading to a formal qualification are funded via a block allocation not related to enrolments, referred to as Adult and Community Learning Grant (ACL) grant. Student enrolments 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 AE service has reduced expenditure on course provision as a result of lower than anticipated enrolments, however there remains a residual pressure on the AE budget which is largely as a result of a reduction in tuition fee income due to the reduced enrolments.

2.3 Number of Library DVD/CD rentals together with income raised:

	2006-07		2007-08					
	No of rentals	Income (£)	No of rentals			Income (£)		
	actual	actual	Budgeted target	revised target	actual	budget	revised projected income	actual
April – June	134,736	163,872	185,800	136,556	136,566	200,000	146,437	146,437
July – Sept	143,023	174,247	197,300	150,500	144,331	212,300	161,390	146,690
Oct – Dec	135,010	160,027	186,200	181,000		200,400	194,096	
Jan – March	140,419	163,269	193,700	186,000		208,500	199,458	
TOTAL	553,188	661,415	763,000	654,056	303,516	821,200	701,381	293,127



Comments:

- Target figures for 2006/07 have not been shown as this data was not presented in monitoring reports last year
- Rentals of videos and CDs continue to decline as videos become more obsolete and alternative sources for music become more widely available. Demand for spoken word materials and DVDs has remained.
- Research undertaken by the service indicates issues can be increased if loans are offered for longer periods at a reduced fee. The service has also identified that it has a niche market for certain genres where demand can be sustained and there is little competition e.g. old TV shows.
- The service has reviewed its marketing strategy and set more realistic levels of rentals both in terms of volume and value. The service has reduced expenditure on consumables and other non-pay headings to offset the estimated loss of £120k income.
- There has been an increase in the rentals in quarter 2 but the income has not increased due to the reduced cost of rentals, as detailed in section 1.1.3.5 of this annex. It is expected that rentals will increase further in quarters 3 & 4 as a result of the reduced rental cost and increased loan periods.

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To: Communities Policy Overview Committee – 24 January 2008

By: Mike Hill, Cabinet Member for Communities
Amanda Honey, Managing Director, Communities

Subject: 2007/08 performance update

Classification: Unrestricted

Summary:

This report summarises 'in-year' performance information in advance of the annual review of performance to be reported to Members in June 2008.

FOR COMMENT AND DISCUSSION

Background

1. Members of this Policy Overview Committee (POC) received an annual review of performance in the Communities Portfolio and Directorate for 2006/07 in July 2007. In common with the other POCs meeting at this time, this report provides an in-year update on performance in 2007/08, prior to the annual review which will be presented in the June/July 2008 committee cycle.

Towards 2010

2. At a meeting of this POC on 27th September 2007, members considered reports on progress against the Towards 2010 targets for which the Communities portfolio holder and Managing Director have responsibility. In light of this consideration these reports were presented to full Council for approval on 18th October 2007.

3. It was agreed at that meeting that a revised set of performance measures would be developed and these were approved by the County Council on 13th December 2007. Two the Towards 2010 targets led by Communities were classified at that time as 'aspirational' (i.e. they cannot be measured by indicators as they are not directly within KCC's control) or 'task based' (not measurable by indicators, but by achievement of the task) and a full list of all the targets and PIs for which the portfolio holder and managing Director have responsibility are set out in Appendix One.

4. Progress against all the targets for which CMY is accountable is satisfactory at this stage in the programme.

KCC Annual Plan

5. Directorate Strategic objectives are consistent with the priorities for improvement published in sections 2 to 11 of the 2007/8 KCC *Annual Plan*. Progress against all of

those attributed to the Communities Directorate has been categorised as either 'On course' or 'Done and ongoing' except for one. This relates to the achievement of ISO 14001 accreditation (relating to the Environment), which is now scheduled to be achieved by 31st December 2008.

Annual Business Plans

6. All service unit managers within the directorate monitor progress against their operational business plan targets on a six-monthly basis or as required. A half-yearly review at Directorate level has shown that approximately 95% of all the targets have been achieved or are on course for achievement by 31 March 2008. The remaining 5% which are unlikely to be achieved relate to ICT project implementation (due in whole or part to issues with external suppliers) and some actions held back while the Libraries & Archives and Arts Development Unit re-structuring has been taking place. These will roll forward into the 2008/09 business plans.

Directorate Objectives

7. The cross- Directorate objectives identified in the introduction to 2007/8 business plans are also all on course and are listed at Appendix Two. Several of these objectives relate to progress against the Towards 2010 agenda, such as ensuring KCC's contribution to preparation for the Olympics and development of its legacy. Others relate to establishing or consolidating business processes across the Directorate, building on existing practice within individual units. These include risk management, partnership governance, intelligence-led planning and asset management. Good progress is being made on all of these.

Key Performance Indicators

8. An 'in-year' progress report against the 13 national Best Value Performance Indicators (BVPs) within the Communities remit is attached to this report at Appendix Three. Services in CMY play a supporting rather than leading role in some of the targets, but it is worthwhile to highlight that 12 out of the 13 are either on or ahead of target for 2007/8. A particularly positive note is the increase in recorded outcomes for youths engaged through youth work during the year which had been flagged up as an area of concern in 2006/7. One indicator remains behind target, BV 170c (number of pupils visiting KCC supported museums and galleries in organised school groups), but new developments such as the Sevenoaks Kaleidoscope will help to improve performance against this target.

9. The annual performance report presented to this POC in July 2007 also flagged up the rise in headline re-offending rate for youths as an issue to address and positive action is being taken to reverse this trend. This includes refocusing on early intervention in communities and schools, and strengthening the Youth Offending Service intervention programmes. Improvement in referral timescales for young people known to the Youth Offending Service manifesting acute mental health problems has been sustained in the first half of 2007/8, with 100% of assessments made within timescales, up from 84.4% in 2006/7.

10. The first 3 year Local Area Agreement in Kent, formally endorsed by the Kent Partnership and known as the Kent Agreement (KA) reaches its conclusion on 31 March 2008. It includes 18 commitments and targets, for which various partners in the county are accountable. Communities services contribute in a number of ways to the targets in the Agreement particularly those linked to improving participation and engagement by children and young people in youth, cultural and community activities and outcomes connected with “Safer & Stronger” communities. There is good progress to report in advance of the final close-down report.

11. Outcome 11 of the current Local Area Agreement (reducing the harm caused by substance misuse) is an area of concern and we continue to work hard at this. The numbers of people entering treatment is now improving and work has been taking place to increase the capacity of treatment providers through additional investment from Primary Care Trusts, to ensure GP shared care and pharmacy prescribing opportunities to sustain people in the community.

New National Indicator Set and Kent Agreement 2

12. 2007/8 is the final year for Best Value Performance Indicators. A new set of 198 headline indicators underpinning the national performance framework were published by Government in October 2007. These indicators have been developed in consultation with the public sector and reflect the Government’s priorities as set out in the Comprehensive Spending Review 2007. The new national indicator set will be the only measures on which central government will performance manage outcomes delivered by local government, either working alone or in partnerships. Local authorities are likely to retain or develop their own local performance indicators, but only the new national set of 198 will be reported nationally and thus be available for comparison.

13. There are a number of indicators in the new national indicator set to which services within the Communities Directorate will contribute. A summary list of the headline indicators that link closely to Communities Directorate Business is attached at Appendix Four.

14. Proposed themes for the new Kent Agreement, to take effect from 1 April 2008 will be Economic Success, Learning for Everyone, Improved Health, Care and Wellbeing, Environmental Excellence, Stronger and Safer Communities, Enjoying Life, Keeping Kent Moving, and High Quality Homes (following the Vision for Kent structure), and we anticipate that Communities Services will play an important role in the delivery of subsequent targets.

Conclusion

15. The targets and commitments for which the Communities portfolio holder and MD are responsible are largely on track for achievement at the end of 2007/08. Those which remain a concern are being closely managed and action being taken appropriately to ensure they are on course.

16. A final report on 2007/08 performance will be presented to this Committee in June 2008, together with the outcomes of the independent inspections of the Youth Offending Service and Youth Service that are being carried out in January and February 2008.

Recommendations

17. Members are asked to NOTE this report

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Background Documents - nil

Towards 2010 Indicators led by Communities Directorate**Aspirational – not measured by indicators AND not directly within KCC control in terms of delivery**

Target	Description
25	Promote Kent as a centre for the arts, encouraging the development of a network of music and cultural venues across the county
57	Build on the successful Kent Community Warden scheme, supporting Kent Police in their visible Neighbourhood Policing programme and working with them and the CDRPs to strengthen the police presence in problem areas

Task based assessment – not measurable by indicator

Target	Description
27	Open the Turner Contemporary gallery, Margate, in 2010

Measurable by indicators**22: Establish a biennial Kent Youth Games and support Kent sports men and women to compete in the 2012 London Olympics and Paralympics**

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
The number of schools participating in the Kent Schools Games	New indicator	300	400
The number of athletes supported during the year to compete at a national level in the run-up to 2012 Olympics and Paralympics	360	400	490

23: Facilitate and enhance the development of Kent Youth Theatre activities

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
Number of new participants in youth theatre activities facilitated by the Arts Development Unit	New Indicator	1,400	2,000
Number of youth Theatres who are members of the National Association of Youth Theatres	New Indicator	6	18

26: Modernise the library service so it also acts as a focal point for KCC services and widens access to Kent's rich culture

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
Number of libraries modernised (cumulative)	5	9	15

28: Support and encourage the large number of local and voluntary groups and sports clubs in Kent AND

63: Promote the Kent Volunteers Programme and work with other partners to attract more volunteers

Measurable Indicator (s)	2006/07	2009/10 Target
Number of sports clubs achieving Clubmark accreditation	75	175
Number of sports clubs receiving services via the ClubConnect Card	0	400
Number of volunteers managed by KCC	1,500 est.	1,800

47: Create and launch initiatives that facilitate more competitive sport in schools, support after-school sports clubs and sponsor more inter-school competitions and holiday sports programmes

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
Percentage of pupils taking part in an additional two or more hours beyond the school day delivered by a range of school, community and club providers	New Indicator *	To be confirmed in January	To be confirmed in January

* Baseline and targets subject to further analysis being completed during Dec / Jan.

58: Help maintain Kent's low levels of burglary and car theft and work with off-licence, pub and club owners to reduce alcohol-fuelled crime and disorder, anti-social behaviour and domestic abuse

Measurable Indicator (s)	2006/07	2009/10 Target
Domestic Burglary per 1,000 households	10.7	Maintain or reduce
Car Crime per 1,000 population	10.3	Maintain or reduce

60: Support young people to reduce the risk of them offending

Measurable Indicator (s)	2007/8 Target	2009/10 Target
Number of new entrants to the youth justice system	1,919	To reduce

61: Extend our public awareness campaign to alert people to the activities of rogue traders, particularly those involved in door-to-door sales, and increase the number of offenders prosecuted

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
Percentage increase in number of community organisations in Kent receiving alerts about the activities of rogue traders	New indicator	15%	25%

62: Expand the Kent Handyvan scheme, making the homes of older and vulnerable people more secure

Measurable Indicator (s)	2006/07	2007/08 Target	2009/10 Target
Number of safety checks completed by the 'HandyVan' service (cumulative from 2006/07)	2,401	5,401	10,801

Objectives for the Directorate which apply to most or all of the service units:

1. Publish and consult on the Communities Directorate Vision and integrate the commitments within it into mainstream business
2. Ensure continuous improvement in all direct services, and successful implementation of the 2010 and other targets for which Communities is responsible
3. Articulate and implement the special contribution that Communities services are making to the development and lives of children and young people
4. Demonstrate commitment to excellent customer service and explicitly use feedback in service development
5. Ensure that the services in the Directorate exercise their functions with due regard to their effect on, and the need to do all that we can reasonably do to prevent, Crime and Disorder in the area (*section 17, Crime and Disorder Act 1998*)
6. Ensure that the principles of Investors in People are fully embedded in all services and encourage focus on creativity and innovation through personal development plans
7. Contribute to achieving Level 3 of the Equalities Standard by March 2008 and increase the number of people with disabilities who are employed within our services.
8. Ensure that Communities services are well regarded nationally – many already are – and in a position to influence national policy debate
9. Ensure that KCC's contribution to preparation for the Olympics and development of legacy is forward thinking and dynamic and demonstrate in particular our commitment to the role volunteers play in the life of communities
10. Conduct a review of best practice and governance in partnership arrangements and implement the findings
11. Focus on the opportunities arising from the asset base in communities and integrate an asset management plan with an office strategy that reflects corporate priorities and models new ways of working
12. Manage and control the risks specific to the Directorate, and put in place a consistent approach in all service units
13. Build on the considerable experience, within Communities, of intelligence led service planning in order to target and integrate resources activity to best effect – using area based pilots
14. Support preparations for KCC's Corporate Assessment in January 2008, and demonstrate excellent practice during the Youth Offending Service Inspection, the

enhanced Youth Inspection and Joint Area Review of Children's Services in Kent - all of which will also be taking place in January 2008.

15. Carry out a review of the "environmental footprint" of the Directorate and set reduction targets as appropriate.

The National Outcome and Indicator Set that relate to the activities of the Communities Directorate (Summary list)

Outcome	National indicators
Stronger communities	<p>NI 6 Participation in regular volunteering CO DSO</p> <p>NI 8 Adult participation in sport DCMS DSO</p> <p>NI 9 Use of public libraries DCMS DSO</p> <p>NI 10 Visits to museums or galleries DCMS DSO</p> <p>NI 11 Engagement in the arts DCMS DSO</p>
Safer communities	<p>NI 19 Rate of proven re-offending by young offenders PSA 23</p> <p>NI 21 Dealing with local concerns about anti-social behaviour and crime by the local council and police PSA 23</p> <p>NI 24 Satisfaction with the way the police and local council dealt with anti-social behaviour HO DSO</p> <p>NI 25 Satisfaction of different groups with the way the police and local council dealt with anti-social behaviour HO DSO</p> <p>NI 27 Understanding of local concerns about anti-social behaviour and crime by the local council and police HO DSO</p>
Safer communities <i>(continued)</i>	<p>NI 30 Re-offending rate of prolific and priority offenders HO DSO</p> <p>NI 32 Repeat incidents of domestic violence PSA 23</p> <p>NI 37 Awareness of civil protection arrangements in the local area CO DSO</p> <p>NI 38 Drug-related (Class A) offending rate PSA 25</p> <p>NI 40 Drug users in effective treatment PSA 25</p> <p>NI 41 Perceptions of drunk or rowdy behaviour as a problem PSA 25</p> <p>NI 42 Perceptions of drug use or drug dealing as a problem PSA 25</p> <p>NI 43 Young people within the Youth Justice System receiving a conviction in court who are sentenced to custody MoJ DSO</p> <p>NI 44 Ethnic composition of offenders on Youth Justice System disposals MoJ DSO</p> <p>NI 45 Young offenders engagement in suitable education, employment or training MoJ DSO</p> <p>NI 46 Young offenders access to suitable accommodation MoJ DSO</p>
Children & Young People	<p><i>Be Healthy</i></p> <p>NI 57 Children and young people's participation in high-quality PE and sport DCSF DSO</p>

Outcome	National indicators
Children & Young People	<p><i>Enjoy and Achieve</i></p> <p>NI 79 Achievement of a Level 2 qualification by the age of 19 PSA 10</p> <p>NI 80 Achievement of a Level 3 qualification by the age of 19 PSA 10</p> <p>NI 81 Inequality gap in the achievement of a Level 3 qualification by the age of 19 DCSF DSO</p> <p>NI 82 Inequality gap in the achievement of a Level 2 qualification by the age of 19 DCSF DSO</p>

Outcome	National indicators
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Outcome	National indicators
Children & Young People <i>(continued)</i>	<i>Make a positive contribution</i> NI 110 Young people's participation in positive activities PSA 14 NI 111 First time entrants to the Youth Justice System aged 10 – 17 PSA 14 NI 115 Substance misuse by young people PSA 14
	<i>Economic Wellbeing</i> NI 117 16 to 18 year olds who are not in education, training or employment (NEET) PSA 14
Local economy	NI 161 Learners achieving a Level 1 qualification in literacy PSA 2 NI 162 Learners achieving an Entry Level 3 qualification in numeracy PSA 2 NI 163 Working age population qualified to at least Level 2 or higher PSA 2 NI 164 Working age population qualified to at least Level 3 or higher PSA 2 NI 165 Working age population qualified to at least Level 4 or higher PSA 2
Local economy <i>(continued)</i>	NI 182 Satisfaction of businesses with local authority regulation services BERR DSO NI 183 Impact of local authority regulatory services on the fair trading environment BERR DSO

To: Communities Policy Overview Committee

By: Amanda Honey, Managing Director Communities
Mike Hill, Cabinet Member Communities

Subject: **Budget 2008-09 and Medium Term Plan 2008-09 to 2010-11**

Classification: Unrestricted

Summary:

The purpose of this report is to consult the Committee on budget proposals for the Directorate, with reference to the KCC published consultation paper issued on 21st January 2008 .

Members are invited to comment on the key issues on the proposed funding changes for the services provided by the Communities Directorate.

1. Introduction

- 1.1 The Autumn Budget Statement report by the Leader, Cabinet Member for Finance, Chief Executive and Director of Finance to Cabinet on 17 September 2007 set out the national and local context for KCC's medium term plan (MTP) for the period 2008-09 to 2010-11.
- 1.2 The report 'Update on CSR 07 and the Local Government provisional finance settlement' to Cabinet on 14 January 2008 updated the overall budget position to reflect the provisional local government finance settlement for the years 2008-2011. As reported, the provisional grant settlement was better than expected and has provided a small degree of flexibility for the overall proposed budget package.
- 1.3 We reported the national and local context to the last Policy Overview Committee meeting and outlined the existing MTP priorities.
- 1.4 Since that meeting there have been a number of further developments that have resulted in the budget proposals being presented for consultation. Members are invited to comment on the key issues for the services provided by the Communities Directorate so that these can be taken into account at the budget meetings of Cabinet on 6 February and County Council on 19 February 2008.

2. Background

- 2.1 The consultation papers include an overall summary of the proposed Communities portfolio budget for 2008-09 showing the amounts proposed for each service within the portfolio/directorate. This now identifies the gross expenditure, income and net expenditure.
- 2.2 The papers also include the proposed capital investment programme and the medium term revenue and capital plan for 2008-09 to 2010-11 expressed as figures and portfolio priorities. All papers are presented in a consistent format for every portfolio.
- 2.3 Due to the timing of the consultation release (21 January 2008) we cannot include any papers with the agenda for this Committee but copies of the draft budget book and medium term plan will be available from 21 January 2008 and at the meeting.

3. Revenue Budget

- 3.1 The starting point for the budget is derived from the existing MTP. As indicated in the previous report, there have been some adjustments to reflect transfers between portfolios, service pressures, and efficiency savings and income generation.
- 3.2 Areas of spending priority for which significant additional funding is proposed to be added to the base budget are as follows (this represents an updated position since the November report where there have been changes and to avoid confusion we have identified the amounts to be added to the budget each year rather than overall spend across the 3 years):

Pay £987k in 2008/09 and £2,821k over the MTP – This represents the unavoidable pressure as result of the annual pay award for staff in the Kent scheme and in other schemes (Youth Workers, AE Lecturers, Coroners). We have allowed 2.5% in the cash limit for 2008/09 and 2% for other years. We have not made provision for staff funded by external partners as we have not received notification of funding settlements and it would be inappropriate to include cost increases in the budget and MTP without the increase in funding. If providers do not include sufficient funding for pay awards then services will have to make consequential savings elsewhere.

We have included provision for AE staff and a matching increase in AE tuition fees as LSC funding changes in recent years have provided no allowance for inflation and it is likely this will continue.

In addition to the overall increase in the cash limit for 2008/09 of £987k there is a further base budget transfer of £254k to cover pay awards for staff who transferred to Communities in 2006/7 and were included in the MTP of other portfolios. 2008/09 is the last year of the arrangements for funding to be provided within the MTPs of portfolios following the setting up of the new directorate in April 2006.

Adult Education £500k in 2008/09 – This increase restores the reduction taken out of the service's base budget in 2007/08 to repay the £500k from Finance Portfolio to cover the deficit rolled forward from 2006/07. As indicated in the monitoring report the service has been unable to implement its plans to repay this loan and it is proposed that this will be repaid as £250k in 2008/09 and 2009/10 (shown as revised base adjustment in 2008/09 which is reversed in 2010/11). These adjustments do not represent additional funding for the service which continues to operate with a zero base budget form KCC and has to cover all of its operational and strategic management costs from LSC and tuition fee income

Turner Contemporary £120k in 2008/09 – We have received notification from the Arts Council of the proposed allocations as a regularly funded organisation (RFO) for 2008/09 to 2010/11. The proposed allocations are £200k in 2008/09, £300k in 2009/10 and £500k in 2010/11. These will not be confirmed until after 24th January and therefore have not yet been included in the MTP. The £200k for 2008/09 is the same as the grant finally received in 2007/08 although at the time the budget was set we had had no notification of proposed allocation and the budget was set at the same level as the grant received in 2006/07 (£80k). The Arts Council grant does not affect KCC's contribution (which remains at approx £800k) and thus to correct the base budget we need to show the additional £120k income and expenditure in the MTP and budget book.

Trading Standards Grants £168k in 2008/09 – At the November meeting we raised that the Government had indicated that they would identify the amounts transferring from specific grants into the Local Government Finance Settlement but we would not be able to confirm this until we received the provisional settlement. We have been able to confirm that additional money has been included for the transfer of grants for Intellectual Property Enforcement, Food Hygiene and Animal Feed. We have only been able to identify the amount added to KCC's base settlement and have not been able to identify any increase in the overall amount in the settlement for Intellectual Property Enforcement or new money for enforcement of Energy Performance Certificates.

Charlton Athletic Agreement £75k in 2008/09 – The authority entered into an agreement with Charlton Athletic Community Trust in 2006/07 to provide a range of sport and football related activities for young people and in particular disruptive children or those at risk of exclusion from school. The agreement was a one-off and was supported by £150k rolled forward from the Finance portfolio under spend in 2005/06. The trust attracted funding from a number of other agencies (Football Foundation, Kent Police, District Councils, Network Rail, etc.). The Trust has approached KCC and other partners with and extended and enhanced scheme and is looking for a commitment to provide annual funding. KCC's contribution of £75k would help to secure funding from other agencies.

- 3.3 Provisional cash limits for each Portfolio have been set, and therefore to balance to those cash limits, given the pressures outlined above and in November report, we will need to propose efficiency savings and new/enhanced income streams to deliver a balance budget. The MTP sheets released on 21st January outline the proposed savings required in 2008/09. Some further commentary is provided below:

Income Generation

Adult Education – As outlined under the pay pressures we are assuming there will be no increase in LSC funding to cover unavoidable cost increases and the AE service will need to increase the fees paid by students and review concessions by around £250k. Since fees represent less than ¼ of the total income for the service there is a significant gearing effect which means that 1% increase in total costs equates to an increase in fees of over 4%.

Registration Service – The service receives fee income for a range of statutory services with fee levels set by Government. In addition to statutory services the registration provides a range of other enhanced ceremonial services. We are proposing a significant increase in these ceremonial fees to generate an additional £350k towards balancing the overall cash limit. This is part of a long term strategy to move the Registration Service into a position where all costs are covered by fee income

Youth Centres – Youth centres have been increasing the amount of income they have been able to generate by letting out facilities when they are not used for youth service activities for a number of years. In this way individual centres raise a significant proportion towards their running costs. We are proposing to set increased targets for centres to raise an additional £65k income towards their running costs in 2008/09. Encouraging centres to raise more towards their running costs ensures that we can preserve the total spending on Youth Services.

Efficiency Savings

Library Service – There will be a consequential saving in 2008/09 as a result of the library service restructuring agreed as part of 2007/08 budget which was implemented in September 2007. This saving will have to be offset by the additional costs to the Local Government Pension Scheme for those staff who opted for early retirement resulting in a net saving of £180k in 2008/09.

We are also proposing savings on library IT costs. The current contract with BT expires on 31st March 2009. In the build up to the new contract savings of £422k are possible in 2008/09 partly through not needing to replace equipment (£267k) and partly through other managed efficiencies in the build up to the new contract. We are also working on the basis that the new contract will deliver revenue savings in 2009/10 although these cannot be quantified at this stage.

Grants to CDRPs – The Community Safety unit provides £120k in grants to Crime and Disorder Reduction Partnerships (CDRPs) towards community safety projects and £60k to award for warden's projects. These grants represent a small element of the overall funding for CDRPs which in future will come through the Kent Partnership. We are proposing to remove these grants as it seems inappropriate that KCC provides specific additional funding when all the other funding for CDRPs will be determined through the Kent Agreement.

Registration Service Premises Rationalisation and Staff Efficiencies

The registration service currently operates out of 6 main area offices, 5 local offices and 2 outstations. We are planning to reduce this number of offices saving on rent, rates and other costs associated with running the buildings. As part of this rationalisation we intend to explore the opportunity for registration services to be provided out of other Communities establishments. The registration service will also be able to deliver staffing efficiencies in 2008/09 following the introduction of a new management information system to manage appointments (CaRA)

- 3.4 The overall strategy for the revenue budget has been to accurately identify unavoidable budget pressures, provide additional funding in policy priority areas (particularly around Towards 2010 Targets), seek to maximise income (particularly where service users have the ability to pay more) and to only make efficiency savings which do not have a direct impact on front line services. We need to develop and expand these themes over the medium term as we aim to protect Communities Services over a continuing period of financial constraint, particularly to ensure services can support the more vulnerable groups in Kent.

4. Capital Budget

- 4.1 The starting point is the existing published capital programme. This is adjusted for re-phasing of schemes from 2007/08, for schemes that are no longer going ahead, changes to the total cost or funding of schemes, and new schemes. The detailed programme is included in the budget papers released on 21st January. The programme has been represented to show annual rolling programmes, scheme that are underway and have been given approval to spend on contracts, schemes that are in the formal planning stage and any expenditure is limited to design and other professional fees, and schemes in the initial feasibility stage where no expenditure is envisaged for some time.
- 4.2 Although the Communities capital programme shows a significant reduction in spend in 2007/08 this mainly relates to the rephrasing of schemes still in the planning stage where changes are inevitable. We are now making significant progress on a number of the schemes.
- 4.3 The capital programme reflects the Council's and the directorate's capital strategy, and for Communities will deliver major projects for the Turner Centre in Margate, complete refurbishment/replacement/enhancement of libraries in Ashford, Canterbury, Gravesend and Maidstone, upgrade to the archive facilities in Maidstone, new youth/community centres in Edenbridge and Herne Bay, as well as the continued programmes for library upgrades and modernisation of Communities assets.

5. Recommendation

- 5.1 Members are asked to note and comment on the above proposals.

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Contact

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By: Overview Scrutiny and Localism Manager
To: Communities Policy Overview Committee – 28 January 2008
Subject: **SELECT COMMITTEES - UPDATE**
Classification: Unrestricted

Summary: This report updates Members on the progress of the Select Committee on Alcohol Misuse and the Select Committee Topic Review Work Programme.

Select Committee: Alcohol Misuse

1. (1) The Chairmanship of this Select Committee transferred from Mr J B O Fullarton to Mr D A Hirst in the summer. Hearings for the Select Committee took place between mid June to the end of July and also in September 2007. As well as requesting written information for a variety of organisations the Select Committee also heard from representatives of the Alcohol industry representations, Academics, treatment providers, support organisations, colleagues in the Health Service and Education, representatives of the Kent Youth County Council, Kent Drug and Alcohol Action Team (KDAAT) and other stakeholders.

(2) The issue of alcohol misuse is extremely complex and involves working with multi agencies which has led to a very challenging Select Committee process. The Select Committee and the agencies which have been involved in the process are determined that the recommendation of the Select Committee should add and improve outcomes for Kent residents. As a consequence the Policy Overview Co-ordinating Committee on 5 November 2007 agreed to allocate more time in the topic review work programme to enable this Select Committee to complete their report and present it to Cabinet on 17 March 2008.

Select Committee Work Programme

2. (1) The Policy Overview Co-ordinating Committee (POCC) at its meeting on 5 November 2007 agreed that the following Select Committees should be established under the Committee indicated as soon as resources became available.

- (a) Accessing Democracy (Corporate POC);
- (b) Vulnerable Children (Children, Families and Education POC) ; and
- (c) Accessing Healthcare (Health Overview and Scrutiny Committee).

(2) The POCC agreed that the topic “**Provision of Activities for Young People**” proposed by this Policy Overview Committee in June 2006 should remain on the programme. Information to support this suggested review should be provided. Information to update this topic review proposal will be submitted to the meeting of the POCC on 14 February 2007.

Recommendations

3. The Committee are asked to note that :-
 - (a) the progress on the Select Committee for Alcohol Misuse be noted;
 - (b) an update on the topic “Provision of Activities for Young People” will be submitted to the Policy Overview Co-ordinating Committee on 14 February 2007: and
 - (c) the Committee are invited to put forward suggestions for inclusion in the Topic Review programme.

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Background Information: *Nil*