



AGENDA

CABINET

Monday, 3rd December, 2007, at 10.00 am Ask for: **Karen Mannering /
Geoff Mills**
Darent Room, Sessions House, County Hall, Maidstone Telephone **(01622) 694367/
694289**

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

UNRESTRICTED ITEMS

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

1. Declaration of Interests by Member in Items on the Agenda for this meeting
2. Revenue and Capital Budgets, Key Activity and Risk Monitoring (Pages 1 - 102)
3. Select Committee: Carers in Kent (Pages 103 - 112)
4. KCC International Activities Annual Report 2006/07 (Pages 113 - 130)
5. Kent's Pledge for Children and Young People in Care (Pages 131 - 162)
6. Strategy for Staff (Pages 163 - 178)
7. Draft Proposal for a Public Health Observatory for Kent (Pages 179 - 194)
8. KCC Health Inequalities Action Plan (Pages 195 - 246)
9. KCC Environment Policy (Pages 247 - 250)
10. Free Travel for 11 - 16 Year Olds (Pages 251 - 256)
11. Cabinet Scrutiny and Policy Overview (Pages 257 - 262)
12. Other items which the Chairman decides are relevant or urgent

EXEMPT ITEMS

MOTION TO EXCLUDE THE PRESS AND PUBLIC

(That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 of the Act.

13. Building Schools for the Future: Update on Evaluation of Final Bids

Peter Gilroy
Chief Executive
Friday, 23 November 2007

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

REPORT TO: CABINET – 3 DECEMBER 2007

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

**BY: NICK CHARD – CABINET MEMBER FOR FINANCE
ANDY WOOD – HEAD OF FINANCIAL MANAGEMENT
MANAGING DIRECTORS**

SUMMARY:

Members are asked to:

- note the latest monitoring position on the revenue and capital budgets,
- note the changes to the capital programme,
- agree the revenue virements detailed in section 3.6 of this report.

1. INTRODUCTION

1.1 This is the second full monitoring report to Cabinet for 2007-08. The first full monitoring report was presented to Cabinet on 17 September 2007. Since the first report there has been a change to the portfolio structure with the creation of two new portfolios, Operations, Resources & Skills (CFE) and Children, Families & Educational Achievement (CF&EA). These effectively replace the previous portfolios for Education & School Improvement and Children & Family Services, however Kent Works has also transferred from the Policy & Performance portfolio to the new OR&S (CFE) portfolio. In addition, part of the Policy & Performance portfolio has transferred to the Regeneration & Supporting Independence portfolio.

1.2 The format of this report is:

- This summary report highlights only the most significant issues
- There are 6 reports, each one an annex to this summary, one for each directorate and one for Financing Items. Each of these reports is in a standard format for consistency, and each one is a stand-alone report for the relevant directorate.

2. OVERALL MONITORING POSITION

2.1 The net projected variance against the combined portfolio revenue budgets is an underspend of £0.9m. Section 3 of this report provides the detail, which is summarised in Table 1a below.

Table 1a – Portfolio position – net revenue position after management action

Portfolio	Budget	Gross Variance	Proposed Management Action	Net Variance
	£k	£k	£k	£k
O,R&S (CFE) *	-807,894	+2,649	-1,829	+820
CF&EA	+104,647	+1,879	-2,144	-265
Kent Adult Social Services	+271,898	+4,109	-2,194	+1,915
E,H&W	+121,802	-1,700	0	-1,700
Regen & SI	+9,313	-795	0	-795
Communities	+53,541	+1,365	-535	+830
Public Health	+312	-50	0	-50
Corporate Support	+27,258	-145	0	-145
Policy & Performance	+3,107	0	0	0
Finance	+107,034	-1,559	0	-1,559
TOTAL (excl Schools)	-108,982	+5,753	-6,702	-949

* Of the £0.820m residual pressure within the OR&S (CFE) portfolio, +£0.570m relates to budgets managed within the CFE directorate and +£0.250m relates to budgets managed by the Chief Executives directorate (Kent Works).

2.2 In addition to the projected portfolio variance there are two projected overspends:

- a) The Asylum Service is expected to overspend by £3.4m
 - b) Schools are projecting a draw-down of their reserves of £15m.
- Further details are provided throughout this report.

2.3 The forecast against the capital programme is showing an underspend of £8.7m, plus a re-phasing of £82.4m of expenditure into later years. Section 4 of this report provides further details. A report on the outcomes that have been delivered by the capital programme will be presented to Cabinet in the new year.

3. REVENUE

3.1 Virements/changes to budgets

Cash limits have been adjusted to reflect the revised portfolio structure and a virement of £0.4m from the Finance portfolio to the Regeneration & Supporting Independence portfolio for costs associated with the development of Manston & Eurokent. All other changes to cash limits reported this quarter are considered “technical adjustments” ie where there is no change in policy, including allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.

3.2 The revenue projection, before management action, is a pressure of £9.149m, a breakdown of this position by portfolio is shown in table 1b below. This is a movement of +£1.097m since the position reported to Cabinet in the first full monitoring report on 17 September 2007. The position after assumed management action reduces to a pressure of £2.447m (including Asylum of +£3.396m), a breakdown by portfolio is shown in table 1a above. In addition, we are currently forecasting that schools will overspend their delegated budgets and draw down their reserves by up to £15m this year.

3.2.1 **Table 1b** – Portfolio/Directorate position – gross revenue position **before** management action, excluding schools

Portfolio	Budget £k	Variance £k	Directorate						
			CFE £k	KASS £k	E&R £k	CMY £k	CED £k	FI £k	
O,R&S (CFE)	-807,894	+2,649	+2,399					+250	
CF&EA	+104,647	+1,879	+1,879						
Kent Adult Social Services	+271,898	+4,109		+4,109					
E,H&W	+121,802	-1,700			-1,700				
Regen & SI	+9,313	-795			-795				
Communities	+53,541	+1,365				+1,365			
Public Health	+312	-50						-50	
Corporate Support	+27,258	-145						-145	0
Policy & Performance	+3,107	0						0	
Finance	+107,034	-1,559						0	-1,559
SUB TOTAL (excl Schools)	-108,982	+5,753	+4,278	+4,109	-2,495	+1,365		+55	-1,559
Asylum	0	+3,396	+3,396						
TOTAL (excl Schools)	-108,982	+9,149	+7,674	+4,109	-2,495	+1,365		+55	-1,559

3.2.3 **Table 1c** – Gross, Income, Net (GIN) position and revenue (**before** management action), including

Portfolio	CASH LIMIT			VARIANCE		
	Gross	Income	Net	Gross	Income	Net
	£k	£k	£k	£k	£k	£k
O,R&S (CFE)	+143,740	-951,635	-807,895	+2,343	+306	+2,649
CF&EA	+195,032	-90,385	+104,647	+3,473	-1,594	+1,879
Kent Adult Social Services	+425,859	-153,961	+271,898	+4,344	-235	+4,109
E,H&W	+140,814	-19,012	+121,802	-435	-1,265	-1,700
Regen & SI	+12,788	-3,475	+9,313	-350	-445	-795
Communities	+100,205	-46,664	+53,541	+2,528	-1,163	+1,365
Public Health	+312	0	+312	-50	0	-50
Corporate Support	+45,653	-18,395	+27,258	+3,159	-3,304	-145
Policy & Performance	+3,485	-378	+3,107	+441	-441	0
Finance	+138,238	-31,204	+107,034	-780	-779	-1,559
SUB TOTAL (excl Schools)	+1,206,126	-97,477	-108,983	+14,673	-8,920	+5,753
Asylum	+13,200	-13,200	0	-1,122	+4,518	+3,396
TOTAL (excl Schools)	+1,219,326	-110,677	-108,983	+13,551	-4,402	+9,149
Schools	+938,969	-80,517	+858,452	+15,000	0	+15,000
TOTAL	+2,158,295	+797,767	+749,469	+28,551	-4,402	+24,149

3.3 Table 2 below details all projected revenue variances over £100k, in size order. Supporting detail to each of these projected variances is provided in individual Directorate reports as follows:

Annex 1 Children, Families & Education

incl. Education & School Improvement & Children & Family Services portfolios

Annex 2 Kent Adult Social Services

Annex 3 Environment & Regeneration

incl. Environment, Highways & Waste & Regeneration & Supporting Independence portfolios

Annex 4 Communities

Annex 5 Chief Executives

incl. Public Health, Corporate Support, Policy & Performance & Finance portfolios

Annex 6 Financing Items

incl. elements of the Corporate Support & Finance portfolios

Table 2 - All Revenue Budget Variances over £100k in size order

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ORS	Schools delegated budgets - expected drawdown of reserves	+15,000	EHW	Reduced tonnage through Allington WtE plant.	-2,300
CFEA	Asylum - Shortfall in income (income)	+4,518	FIN	savings resulting from debt restructuring & higher investment income due to cash balances and increased interest rates	-1,809
CFEA	Independent Sector Residential Care - increased number and cost of placements (gross)	+1,956	CFEA	Asylum - potential draw down of residual balance in Corporate Asylum reserve (gross)	-1,122
KASS	Older People Domiciliary expenditure	+1,376	CFEA	Independent sector residential care - funding from health and education (income)	-743
KASS	Learning Disability Supported Accommodation	+1,032	KASS	Assessment & Related - Management action around staffing	-706

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
KASS	Learning Disability Residential	+1,019	EHW	Waste - improved sales / Operation Cubit income	-650
KASS	Learning Disability Independent Living Schemes & Group Homes	+1,000	CMY	YOS Prevention Grant Income	-566
ORS	Capital Strategy - costs previously charged to capital (gross)	+970	KASS	Management Action on Training	-525
CFEA	Fostering Service - independent fostering allowances (gross)	+964	KASS	Older People Preserved Rights	-474
KASS	Learning Disability Direct Payments	+865	KASS	Provision for risk within SRP expenditure not now required	-468
EHW	The Waste WPEG grant was budgeted as 100% revenue grant but it is being paid as 50% capital grant and is therefore not available to support the revenue	+800	RSI	Increased Volume of DCLG grant - Kent Thameside & Swale Delivery Boards	-460
CFEA	Independent Sector Residential Care - children in secure accommodation	+750	EHW	Increased level of external funding enabling more projects within	-460
EHW	E&R Directorate Budget Gap (covered from Waste under spend)	+735	RSI	Re-phasing of Fort Hill, Margate de-dualling project	-450
ORS	SEN Home to School Transport - savings targets linked to purchase cards (gross)	+696	CFEA	Leaving care/16+ - managed underspend (gross)	-419
KASS	Physical Disability Direct Payments	+681	CMY	AE Income for Immigration Contract	-373
CMY	AE loss of Tuition Fees	+568	EHW	Increase on non-grant income on rural bus services	-350
CFEA	Other Services Support - Recharges from Legal services (gross)	+559	EHW	WEEE Grant not budgeted as income	-350
CMY	YOS Prevention Grant Expenditure covered by increased income	+532	KASS	Management action - Resources	-297
ORS	Personnel and Development - Pensions budget (gross)	+474	KASS	Area Contracts & planning Teams - management action around staffing	-286
EHW	More project expenditure supported by external funding within Environment	+460	CFEA	Section 17 - managed underspend (gross)	-266
RSI	Increased Volume of DCLG activity - Kent Thameside & Swale Delivery Boards	+460	CMY	AE Business Development Income	-260
CFEA	Fostering Service -County Fostering team staffing costs (gross)	+416	KASS	Older People Residential	-249
EHW	Rural Bus Services - non-grant income supporting further rural service.	+350	CFEA	Fostering service - in-house fostering provision (gross)	-249
CMY	AE Immigration Contract Expenditure covered by increased income	+336	KASS	Management action in facilities	-248
KASS	Older People Nursing (excl Pres Rights)	+334	RSI	Delay in Minerals and Waste Local Development Framework activity	-230
KASS	Learning Disability Domiciliary	+329	CMY	Additional LSC AE Formula Grants	-230
CFEA	Assessment & Related - delay in achieving staffing savings target (gross)	+264	RSI	Delay in Shaw Grange remedial works	-220
FIN	Commercial Services - delay in letting outdoor advertising contract	+250	CFEA	Other Services Support - Out of Hours service matched by additional expenditure (income)	-219
ORS	Kent Works - higher costs & reduced income	+250	CFEA	Direct payments - managed underspend	-198
KASS	Mental Health Residential Care exp.	+241	CFEA	In-house residential care - Alderden House (gross)	-180
EHW	Extra take-up of Freedom Bus Pass	+240	CFEA	Residential care - Non Looked after children - reduction in placements (gross)	-175
KASS	Part year impact of 'fairer charging' decision by Ombudsman	+225	CMY	AE Project grants	-161
ORS	Personnel and Development - closing schools redundancy costs (gross)	+225	EHW	Additional income from base revenue supported bus services	-160

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CFEA	Other Services Support - Out of Hours service covered by additional income (gross)	+219	KASS	HQ Policy & Performance - management action around staffing	-157
RSI	1 Unfunded post and Seconded Staff funded externally in Change & Development Division	+210	CFEA	KCC Family Support - management of staff vacancies (gross)	-155
KASS	Learning Disability Day Care	+209	CFEA	Assessment & Related - additional income for Education for Best project	-150
KASS	PD Supported Accommodation	+200	EHW	Additional Recharges income from KHS Division	-130
KASS	Older Persons Direct Services Unit (staffing costs)	+198	KASS	Part year saving on establishment of SRP Systems Support Team	-122
CMY	YOS Secure Accommodation	+163	CFEA	ASK: Improvement and Leadership - advisory headteachers recharge to schools (income)	-122
CMY	Increased guided learning hours for Family and Lifelong Learning in AE covered by increased income	+161	CMY	Libraries and Archives savings from reduced expenditure on consumables and other non pay headings.	-120
CMY	Coroners Mortuary Fees	+142	CFEA	Fostering service - training income from county fostering team (income)	-107
KASS	PD Residential Care	+139	RSI	Seconded Staff funded externally in Change & Development Division	-100
CMY	Neighbourhood Learning & SIP	+135	RSI	Kent Regeneration Fund - projects delayed due to expected funding shortfall	-100
CMY	AE fee and concessions policy revisions not implemented	+133	KASS	Occupational Therapy Bureau - Provision for Replacement Hoists	-100
EHW	Budget under-estimate on KHS depot running costs.	+130	ORS	Personnel and Development - reduction in expenditure from incorrectly placing staff on pension schemes (income)	-100
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			
ORS	ASK: Improvement and Leadership - increase in number of advisory headteachers (gross)	+117			
CMY	AE Project expenditure covered by increased income	+104			
EHW	Reduction in Country Parks income due to poor summer weather	+100			
RSI	Kent Regeneration Fund expected funding shortfall	+100			
CMY	Arts Unit reduction in grant income	+100			
KASS	Physical Disability Day Care Exp.	+100			
ORS	Personnel and Development - reduction in income from incorrectly placing staff on pension schemes (income)	+100			
		+42,116			-17,316

3.4 Key issues and risks

3.4.1 In the Children, Families & Education directorate, the key issues are:

3.4.1.1 **Operations, Resources & Skills (CFE) portfolio:** Forecast excl. Asylum **+£2.399m**

This pressure is mainly due to the inability to achieve the budgeted savings on SEN transport in the current year; additional pensions and redundancy costs largely as a result of a number of school closures and amalgamations, and a requirement to meet some costs from revenue which were previously charged to capital upon the advice of our external auditors.

3.4.1.2 **Children, Families & Educational Achievement portfolio:** Forecast excl. Asylum **+£1.879m**

This pressure is mainly due to an increased number of children placed in independent sector residential care; an increase in independent fostering allowances largely due to an increase in placements, and increased legal fees within Children's Social Services. These pressures are partially offset by managed savings elsewhere within the Children's Social Services budgets.

3.4.1.3 **Children, Families & Educational Achievement portfolio - Asylum:** Forecast **+£3.396m**

The forecast assumes the same grant rules and unit costs as 2006-07. Also the Border & Immigration Agency will not be funding any increase in pay and prices in 2007-08. In addition we are experiencing higher rental costs from landlords and once again we saw an increase in applications for Asylum in October representing the highest number of referrals in a single month for over 4 years. Overall this results in a forecast pressure of £4.518m which we have offset by the £1.122m balance in the Asylum Reserve. The position regarding 2006-07 and 2005-06 remains unresolved and negotiations continue with the Home Office and the DCSF. The Home Office special circumstances bid for 2006-07 is being audited and we should know by the end of December whether or not the funding is approved. There is no formal procedure for the DCSF special circumstances bids and we are therefore reliant on lobbying central government. A Joint Councils meeting was held at the LGA on 13 November to discuss the money, which nine local authorities, including Kent, Hillingdon and Hammersmith & Fulham, claim is owed to them by the Government for the care of unaccompanied asylum seeking children. It was agreed at this meeting to commission an independent audit of these costs to be completed in January and, on receipt of that report, KCC is to arrange a meeting with Ministers to take forward discussions. The Joint Councils meeting was followed by a very positive briefing of MPs and government officials at Westminster, attended by the Leader and Chief Executive, and we are now hoping to bring this long standing financial issue to a successful resolution.

Further details of these pressures are provided in Annex 1.

3.4.2 **Kent Adult Social Services portfolio:** Forecast **+£4.109m**

This pressure is mainly as a result of demographic and placement pressures on most client groups but most significantly people with learning difficulties where we are experiencing young adults transferring from Children's Services and increasing numbers of clients over 65 in line with the trend for people to live longer and many of these clients have very complex needs. In addition, within services for older people, there is increasing demand for nursing care placements and domiciliary care. Also, our success in meeting the direct payments target continues to identify previously unmet demand/need.

Further details are provided in Annex 2.

3.4.3 In the Environment & Regeneration directorate, the key issues are:

3.4.3.1 **Environment, Highways & Waste portfolio:** Forecast **-£1.700m**

There is a large underspend on waste, mainly because the Waste to Energy plant at Allington, which is still in the commissioning stage, is not working as expected. As a result, more waste is going to landfill, which is currently a cheaper means of disposal. This is offsetting a gap in the budget identified in the 2007-10 MTFP as requiring an in-year management action plan of one-off actions. This forecast also assumes that corrective work of £0.425m following the earthquake and floods in June will be funded from the Emergency Conditions Reserve, consistent with previous practice.

3.4.3.2 **Regeneration & Supporting Independence portfolio:** Forecast **-£0.795m**

Within the portfolio a number of projects are re-phasing into 2008-09, including the de-dualling of Fort Hill, Margate, Shaw Grange remedial works and the Minerals and Waste Local Development Framework, and £0.9m will be required to roll forward to reflect the revised timing of these projects. This leaves an underlying pressure of £0.105m which relates to a post for which the external funding has now ceased.

Further details are provided in Annex 3.

3.4.4 **Communities portfolio:** Forecast **+£1.365m**

The main pressures are within Adult Education, Coroners, Youth Offending Service and the Arts Unit. The pressures within the Adult Education service are largely in respect of difficulties the service has faced in delivering the challenging target of generating a £500k surplus to repay the loan from the Finance portfolio provided in 2006-07, a significant reduction in tuition fee income due to lower than anticipated take-up of courses and the additional costs associated with the restructuring of the service and the rationalisation of premises. The Youth Offending Service is under pressure as a result of more young people being placed in secure accommodation or on remand; there is a continuation of the pressures experienced in 2006-07 on the Coroners Service and a reduction in EU grants for the Arts Unit. Further details are provided in Annex 4.

3.4.5 In the Chief Executive's directorate, the key issues are:

Operations, Resources & Skills (CFE) portfolio: Forecast +£0.250m

Increased costs and reduced income for services provided to schools within Kent Works. A review of the service is underway to try to address this.

Further details are provided in Annex 5

3.4.6 On the Financing Items budgets, the key issues are:

Finance portfolio: Forecast -£1.559m

Savings as a result of debt restructuring, lower assumed external borrowing for the capital programme and increased investment income are partially offset by an anticipated reduction in the contribution from Commercial Services as a result of a delay in letting the contract for outdoor advertising and sponsorship.

Further details are provided in Annex 6

3.4.7 Directorates have implemented management action plans which are expected to reduce the pressures from £9.149m to £2.447m including Asylum, with residual pressures currently anticipated at year end within KASS, OR&S (CFE) and Communities portfolios. It is expected that the position within OR&S (CFE) portfolio will be partially offset by the forecast underspend within the other portfolio managed within the CFE directorate, the CF&EA portfolio, which is consistent with previous practice adopted when a directorate has been faced with an imbalance at year end between their portfolios. Also, CFE expect that this position will improve further as we progress through the remainder of the year. Progress against these management action plans will be closely monitored throughout the remainder of the financial year. With regard to Asylum, the current forecast of +£3.396m is after the balance of the Asylum Reserve is utilised. Provisionally this residual pressure at year end, will be considered as the first call on any Finance portfolio underspend, although KCC fully expects Government to meet the full costs of this national pressure.

3.5 Implications for future years/MTFP

3.5.1 The key issues and risks identified above will need to be addressed in directorate medium term financial plans (MTFP) for 2008-11. Although these are forecast to be largely offset by management action this year, a lot of the management action is one-off or not sustainable for the longer term. The Directorates are currently trying to assess the medium term impact of these issues. There are other pressures which, although not hugely significant this year, will also need addressing in the MTFP. These are detailed in the Annex reports.

3.6 Revenue Virements

There are a couple of new projects for which funding is required and Cabinet is asked to agree the following virements in order to provide this funding:

3.6.1 £0.2m of the underspend reported on the Waste Management budget be vired to Kent Highways Services, both within the Environment, Highways & Waste portfolio, to fund the work required to get to the planning application stage of the Borough Green and Platt by-pass.

3.6.2 £0.1m of the underspend within the Finance portfolio on interest and debt financing costs be used to provide funding for Health Watch within the Public Health portfolio.

3.6.3 In both cases, some of the costs are likely to fall into 2008-09, in which case roll forward will be required.

4. CAPITAL

4.1 Changes to budgets

4.1.1 This year the capital monitoring focuses on projects which are re-phasing by £1m or more and it distinguishes between real variances/re-phasing on projects which are:

- part of our year on year rolling programme or projects which already have approval to spend and are underway , and
- projects which are still only at the initial planning stage or are only at the approval to plan stage and their timing remains uncertain.

We now separately identify projects which have yet to get underway, but despite the uncertainty surrounding their timing they were included in the budget because there is a firm commitment to the project. By identifying these projects separately, we can focus on the real re-phasing in the programme on projects which are up and running. It is intended that from 2008-09 the presentation of the capital budget will also change to show this distinction between projects.

4.1.2 This quarter, the following adjustments have been made to the 2007-08 capital budget. Further details are provided in the relevant annex reports, including the effect on the future years of the capital programme, where applicable.

	£000's
1 As reported to Cabinet on 17 September (excl. PFI)	360,246
2 Marlowe Innovation Centre – additional external funding from European Regional Development Fund (OR&S (CFE) portfolio)	220
3 Additional Integrated Transport Grant (EH&W portfolio)	2,290
4 Waste Performance Grant (EH&W portfolio)	812
	363,568
5 PFI	36,301
	399,869

4.1.3 In addition to the cash limit adjustments above, there has been a couple of virements since the last report:

- £40k from KASS portfolio to CF&EA portfolio in respect of Systems Replacement project funded by Improving Information Management grant
- £5k from Policy & Performance portfolio to Communities portfolio in respect of a Small Community Capital Grant for Herne Bay Youth & Community Centre.

4.2 Table 3 – Portfolio/Directorate position – capital

Portfolio	Budget	Variance	Directorate				
			CFE	KASS	E&R	CMY	CED
	£k	£k	£k	£k	£k	£k	£k
O,R&S (CFE)	+148,675	-37,386	-37,386				
CF&EA	+6,627	-1,169	-1,169				
KASS	+11,023	-4,974		-4,974			
E,H&W	+112,251	-22,988			-22,988		
Regen & SI	+10,607	-4,950			-4,950		
Communities	+23,661	-17,610				-17,610	
Corporate Support	+3,995	-669					-669
Policy & Performance	+501	0					0
Finance	+6,527	-1,413					-1,413
TOTAL (excl Schools)	+323,867	-91,159	-38,555	-4,974	-27,938	-17,610	-2,082
Schools	+39,701	0	0				
TOTAL	+363,568	-91,159	-38,555	-4,974	-27,938	-17,610	-2,082

Real Variance		-8,716	-4,013		-1,949	-1,281	-1,473
Re-phasing (detailed below)		-82,443	-34,542	-4,974	-25,989	-16,329	-609
		2007-08	2008-09	2009-10	Future yrs		Total
Re-phasing		-82,443	+28,881	+30,498	+23,064		0

4.2.1 Table 3 shows that there is an underspend of £8.716m on the capital programme for 2007-08 and £82.443m of re-phasing of expenditure into later years. This represents an increase in the

underspend of £2.965m and an increase in the re-phasing of expenditure by £35.003m since the last full monitoring report to Cabinet on 17 September 2007.

4.3 Table 4 below, splits the forecast variance on the capital budget for 2007-08 as shown in table 3, 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 the timing remains uncertain, and
- projects at the initial planning stage.

Table 4 – Analysis of forecast capital variance by project status (excl. Devolved Capital to Schools & PFI)

Project Status	Variance				
	budget £'000s	real variance £'000s	re-phasing £'000s	total £'000s	
Rolling Programme	108,296	-2,052	-10,236	-12,288	
Approval to Spend	151,907	-2,655	-28,616	-31,271	
Approval to Plan	54,945	99	-39,411	-39,312	
Initial Planning Stage	8,719	-4,108	-4,180	-8,288	
Total	323,867	-8,716	-82,443	-91,159	
	2007-08	2008-09	2009-10	future years	total
	£'000s	£'000s	£'000s	£'000s	£'000s
Re-phasing:					
Rolling Programme	-10,236	5,266	4,470	500	-
Approval to Spend	-28,616	28,337	279	-	-
Approval to Plan	-39,411	-8,902	25,749	22,564	-
Initial Planning Stage	-4,180	4,180	-	-	-
Total	-82,443	28,881	30,498	23,064	-

4.3.1 Table 4 shows that of the -£91.159m forecast capital variance -£8.288m is due to projects at the initial planning stage and -£39.312m is due to projects which are still only at the approval to plan stage and their timing remains uncertain. This leaves a variance of -£43.559m which relates to projects that are either underway or are part of our year on year rolling programme.

4.3.2 The majority of the capital variance has been analysed as being broadly due to the following reasons:

- £43m due to delays in obtaining planning permission or due to public objections
- £20m due to delays caused by a re-think of the project / new opportunities
- £24m is due to over optimism in the original spend profile

4.3.3 Table 5 below shows the effect of the capital variance on the different funding sources. The variance against borrowing (supported and prudential) is -£32.397m and this is a major contributory factor in the underspend reported within the Finance portfolio.

Table 5: 2007-08 Capital Variance analysed by funding source

	Capital Variance (£m)
Supported Borrowing	-4.492
Prudential	-20.696
Prudential/Revenue (directorate funded borrowing)	-7.209
Grant	-17.643
External Funding	-8.415
Revenue & Renewals	-1.772
Capital Receipts	-30.732
General Capital Receipts (generated by Property Enterprise Fund)	-0.200
TOTAL	-91.159

4.4 Table 6 below details all projected capital variances over £250k, in size order. These 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 of the individual Directorate annex reports, and all real variances are explained in section 1.2.5 of the individual Directorate annex reports, together with the resourcing implications.

Table 6 - All Capital Budget 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						
EHW	Ashford Ring Road	Real		+870		
OR&S	SSR - Whitfield & Aspen	Real		+683		
OR&S	Mod 06/07/08 - Chaucer Tech. School	Real	+438			
KASS	Improving Information Management (IIM)	Real		+427		
OR&S	BN - The North School, Ashford	Real	+328			
OR&S	SSR - St Nicholas School	Real		+255		
OR&S	Build Mtce Prog. - Catering Equipment	Real	+250			
OR&S	Primary BSF Pathfinder Programme	Real			+250	
			+1,016	+2,235	+250	+0
		<i>Real</i>	<i>+1,016</i>	<i>+2,235</i>	<i>+250</i>	<i>0</i>
		<i>Phasing</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Underspends/Projects behind schedule						
EHW	Rushenden Link Road	Phasing			-10,349	
EHW	Re-shaping Kent Highways Accommodation	Phasing		-8,522		
CMY	Turner Contemporary	Phasing			-8,310	
OR&S	Dev Opps - Kingsmead	Phasing			-4,000	
RSI	East Kent Empty Property Initiative	Phasing		-3,700		
OR&S	BN - Tovil PS (Archbishop Courtenay)	Phasing	-3,328			
CMY	The Hub Southborough	Phasing				-3,025
CMY	The Hub Southborough	Real				-200
OR&S	Dev Opps - Folkestone School for Girls	Real				-3,094
KASS	Dartford Town Centre project	Phasing			-2,880	
OR&S	Dev Opps - Tonbridge Girls Grammar	Phasing		-2,725		
OR&S	Freshstart - Castle Hill	Phasing		-2,289		
OR&S	Freshstart - Castle Hill	Real		-386		
OR&S	Dev Opps - Darford Campus	Phasing		-2,198		
OR&S	Valence School - Refurbishment	Phasing			-2,002	
OR&S	BN - Dartford Grammar Girls	Phasing	-2,000			
EHW	Thamesway	Real		-1,919		
EHW	Thamesway	Phasing		-80		
OR&S	SSR - Orchard School	Phasing		-1,696		
OR&S	SSR - Orchard School	Real		-27		
OR&S	Dev Opps - St James the Great	Phasing		-1,620		

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Initial Planning Stage
			£'000s	£'000s	£'000s	£'000s
CMY	Community Facilities - Edenbridge	Phasing			-1,465	
CMY	Library Campus Gravesend	Phasing			-1,439	
FIN	Commercial Services Vehicles, Plant & Equipment	Real	-1,373			
OR&S	Mod 06/07/08 - Phoenix CPS	Phasing	-918			
OR&S	Mod 06/07/08 - Phoenix CPS	Real	-254			
OR&S	SSR - Rowhill	Phasing			-979	
OR&S	SSR - Rowhill	Real			-69	
OR&S	Mod 07/08 - Park Farm PS	Phasing	-1,011			
OR&S	Dev Opps - Istead Rise	Phasing			-1,000	
OR&S	Academies - Minster College	Phasing			-1,000	
OR&S	Dev Opps - The Towers School	Phasing				-1,000
OR&S	Dev Opps - Axton Chase School	Real				-1,000
CMY	Ashford Learning & Information Centre	Phasing			-888	
CMY	Ashford Learning & Information Centre	Real			-104	
CF&EA	Preventative Strategy - Kingmead Family Centre	Phasing			-896	
OR&S	Dev Opps - Greenfield	Phasing		-649		
OR&S	Dev Opps - Greenfield	Real		-234		
EHW	East Kent Access Phase 1c	Real		-843		
RSI	Arts & Business Centre at Folkestone	Phasing		-800		
OR&S	Dev Opps - Headcorn PS	Phasing			-750	
OR&S	Build Mtce Prog. - Mobile Moves	Real	-700			
KASS	Princess Christian Farm	Phasing			-622	
EHW	Sittingbourne Northern Relief Road	Phasing			-583	
CMY	Herne Bay Youth Centre	Phasing		-465		
CMY	Herne Bay Youth Centre	Real		-90		
OR&S	SSR - Milestone	Phasing		-327		
OR&S	SSR - Milestone	Real		-226		
OR&S	Marlowe Innovation Centre	Phasing		-552		
OR&S	Mod 04/05/06 - Kennington Juniors	Phasing	-551			
CMY	Big Lottery Fund - PE & Sport	Real		-443		
CMY	Big Lottery Fund - PE & Sport	Phasing		-59		
EHW	Energy & Water Investment Fund	Phasing		-500		
OR&S	Dev Opps - Valence School - Fountain Cottages	Phasing		-488		
KASS	Westerham Write Back-To Fund IIM/Broadmeadow	Real		-475		
RSI	Fort Hill De-dualling	Phasing			-450	
KASS	Crispe House	Phasing		-432		
KASS	Osborne Court/Faversham DOS	Phasing			-415	
OR&S	SSR - Bower Grove	Phasing		-406		
OR&S	SSR - Ridgeview	Phasing			-401	
OR&S	Mod 06/07/08 - The Wildernesse Sch.	Phasing	-390			
OR&S	Non Delegated PRU's	Phasing	-387			
OR&S	Mod 06/07/08 - Sussex Road PS	Phasing	-378			
OR&S	Mod 06/07/08 - Sussex Road PS	Real	-1			

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Initial Planning Stage
			£'000s	£'000s	£'000s	£'000s
CMY	Village Halls & Com Ctrs - Grants	Real	-300			
CMY	Village Halls & Com Ctrs - Grants	Phasing	-53			
OR&S	H&S - Tree Safety	Real	-350			
CS	Gateways	Phasing			-336	
EHW	Newtown Road Bridge	Phasing			-334	
KASS	Beaney Centre	Phasing		-300		
OR&S	Mod 04/05/06 - Crockenhill Primary	Phasing	-295			
KASS	Edenbridge LD Services	Phasing		-289		
CF&EA	Improving Public Access - Lowfield Road	Real		-273		
OR&S	BN - Site Acquisitions	Phasing	-264			
CMY	Tun Wells Library, Museum & Gallery	Phasing			-250	
EHW	Non TSG Land, Part 1 Comp.Claims	Real	-250			
			-12,803	-33,013	-39,522	-8,319
		<i>Real</i>	-3,228	-4,916	-173	-4,294
		<i>Phasing</i>	-9,575	-28,097	-39,349	-4,025
			-11,787	-30,778	-39,272	-8,319
		<i>Real</i>	-2,212	-2,681	77	-4,294
		<i>Phasing</i>	-9,575	-28,097	-39,349	-4,025

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

4.5.1 The real variance identifies the actual over and underspends on capital schemes and not re-phasing of projects. The main areas of under and overspending in 2007-08 are listed below together with their resourcing implications:-

- -£3.1m on the Development Opportunities project at Folkestone School for Girls as the school is not progressing with the scheme at this time due to planning issues with the enabling development, which indicate that we are unlikely to achieve a capital receipt to the level necessary to develop the project to current proposals. The saving across all years of the capital programme is £9.1m but this is matched by a reduction in capital receipts.
- -£1.9m on the Thamesway project due to the benefits of value engineering being achieved. This scheme is 100% grant funded and therefore any underspend will be matched by a reduction in grant.
- -£1.4m on Commercial Services Vehicle, Plant & Equipment replacement, which is largely due to continuing the trend adopted last year of leasing vehicles rather than purchasing outright. This will be matched by a reduced contribution to their Renewals Fund.
- -£1.1m on the costs of moving and hiring mobile classrooms and tree safety works, as these costs now need to be charged to revenue following latest advice from the external auditors. This therefore represents a pressure on the revenue budget and a real saving to the capital budget.
- -£1m on the Development Opportunities project at Axton Chase School as this project is on hold pending Academy application, which if successful will change the current funding arrangements. The potential saving across all years of the capital programme could be up to £20m, funded by capital receipts.
- -£0.8m on East Kent Access Phase 1c due to a reduction in the forecast following a review of the land acquisition estimate. There is no compensatory reduction in resources so this represents a real saving to the capital budget.
- +£0.8m on costs of construction of the Ashford Ring Road following tender returns. We will bid for additional grant funding.

Further details and details of smaller real variances are provided in the annex reports.

4.6 Main projects re-phasing and why.

4.6.1 The projects that are re-phasing by £1m or more are identified below: -

- -£10.3m Rushenden Link Road as SEEDA has not been able to complete its land assembly and planning permission status as quickly as assumed. Construction is now expected to start in February 2008.
- -£8.5m reshaping Kent Highways accommodation due to delays in starting the Wrotham and Sandwich schemes because of objections to elements of the intended construction.
- -£8.3m Turner Contemporary - the budgeted phasing of the project was based on early discussions with architects before we had received their initial outline and concept design reports. This re-phasing simply represents movement between years and not a delay on completion.
- -£4m Development Opportunities project at Kingsmead as the start has been delayed due to time taken to agree the purchase of the new site from Canterbury City Council. The only expenditure that is likely to be incurred this financial year is the site purchase and minimal development costs.
- -£3.7m East Kent Empty Property Initiative – the budget assumed that there would be a substantial and early need for a rolling loan facility but this has not materialised to the extent anticipated in the budget.
- -£3.3m Archbishop Courtenay (Tovil) Primary School – the project has been delayed as we have been unable to agree the Compulsory Purchase Order for the site with the current site owners.
- -£3m The Hub, Southborough has been delayed in the planning process due to prolonged discussions with the adjoining land owners who have now come forward with an offer to buy land owned by the Town Council (over which KCC has a claw back covenant). They are now revising their offer which is expected in a few weeks.
- -£2.9m Dartford Social & Healthcare Centre has been delayed due to the land predicated for the site not having yet been marketed by its owner. Planning surrounding this project has been generally delayed due to rejection of the major Lowfield Street regeneration application. The redevelopment of Dartford town centre is being reviewed by Dartford Borough Council (DBC) with consultation anticipated during the autumn. An alternative site is being investigated in conjunction with DBC.
- -£2.7m Development Opportunities project at Tonbridge Girls' Grammar because of ongoing difficulties in obtaining Section 22 approval, regulations relating to the sale of school playing fields.
- -£2.3m Castlehill Freshstart project - the development of this project has taken longer than expected.
- -£2.2m Dartford Campus – delays due to difficulties obtaining the necessary Section 77 and Schedule 22 approvals (regulations relating to the sale of school playing fields) from the DfES (as then was).
- -£2m Dartford Grammar Girls - the project start date has slipped into the next financial year as it cannot begin until the Dartford Campus project has finished (see above).
- -£2m Valence School refurbishment has been delayed due to green belt objections.
- -£1.7m The Orchard School (Special Schools Review) - the project comprises a mixture of new-build and refurbishment to the main part of the school and two satellite centres for primary aged pupils. The re-phasing is due to the satellite centres being on hold.
- -£1.6m Development Opportunities project at St James the Great school was unexpectedly delayed by an objection from English Heritage which has now been resolved.
- -£1.5m Edenbridge Community Facilities – planning approval is now being sought with an expected start on site possible in late spring.
- -£1.4m Library Campus, Dartford – as a result of the failure of the Big Lottery bid, a number of other options are now being assessed, including partnerships with a range of other service providers.
- -£1m Development Opportunities project at Istead Rise has been delayed due to the school being unhappy with the original feasibility. A revised feasibility has been completed and the school are currently considering the proposals.
- -£1m Minster College Academy as a result of the Secretary of States decision to have an independent review of the planned provision undertaken, in light of objections.
- -£1m Development Opportunities project at the Towers School due to planning issues.

- -£1m Park Farm Primary School Modernisation project – the project needs to be reviewed following preliminary tender costs being much higher than the resources available.
- -£1m Rowhill Special School due to delays in getting to the final design caused by difficulties in reaching a decision on a change of location, plus the new site is green belt so additional work has been necessary to present a water tight case.
- -£1m Phoenix Primary School Modernisation project due to difficulties in obtaining outline planning permission and undertaking a value engineering exercise in order to reduce the specification to bring tender costs to within the available resources.

4.7 Key issues and risks

4.7.1 The impact on the quality of service delivery to clients as a consequence of re-phasing a capital project is always carefully considered, with adverse impact avoided wherever possible. The impact on service delivery of projects which are re-phasing by £1m or more, as identified in table 6 above, is highlighted in section 1.2.4 of the annex reports.

4.7.2 The funding of the 2007-10 capital programme, is reliant upon capital receipts of some £178.428m. It is not always possible to have receipts 'in the bank' before starting any replacement project, due to the obvious need to have the re-provision in place before the existing provision is closed. Management of the delivery of capital receipts is therefore rigorous and intensive.

4.8 Implications for future years/MTFP

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

4.8.2 As a result of the level of capital re-phasing experienced this year, a series of meetings have taken place to scrutinise the reasons for it. These broadly fell into three categories:

- Delays in obtaining planning permission/public objections ie outside of our control
- Delays caused by a re-think of the project/ new opportunities
- Over optimism in the original budget phasing

To address these issues for next year's capital programme, to avoid as far as possible a repeat of the level of re-phasing experienced in the last few years, the budget setting process now includes a session for detailed scrutiny of capital spend planned for 2008-09 to help ensure a more realistic timing of delivery of projects is reflected in the budget and that assumptions made around the time required to gain the necessary planning approvals etc are in line with more recent past experience and therefore more realistic. It is also planned to categorise capital schemes in the budget book according to the stage of development that they are at, including "projects at initial planning stage" to identify the more embryonic schemes, in line with the format of the monitoring adopted this year.

4.9 Impact on Treasury Management

4.9.1 The re-phasing of the capital programme from 2006-07, resulting in high cash balances at the end of the 2006-07 financial year, and the re-phasing on the capital programme projected in this report are major factors in the £1.8m underspend reported against the Interest on cash balances/debt charges budget within the Financing Items revenue budget. Further details are provided in Annex 6. This re-phasing will impact upon the phasing of the debt charges within the revenue budget and this will be reflected in the 2008-11 MTFP.

4.10 Resourcing issues

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

4.11 Prudential Indicators

4.11.1 The latest monitoring of Prudential Indicators is detailed in **appendix 1**. There has been some deviation from the prudential indicator for the upper limit for principal sums invested for periods longer than 364 days. A £35m limit was set for sums invested for 2-3 years, however the best value in long term investments has mostly been in the period of up to 3 years duration. A decision was therefore taken to 'over-invest' against this indicator to take the best advantage of the market yield curve, however this has been compensated for by lower longer term investments. Investments are still within the overall prudential limit of £135m. Further details are provided in section 9 of appendix 1.

5. RISK MANAGEMENT

Internal Audit have completed the process of interviewing business unit managers and capturing their risks and controls. This has led the development of the final 6 month audit plan (October 2007 - March 2008). The audit plan, along with a description of the risk scoring process is being submitted to the December Governance and Audit committee. It is also being presented for discussion at the Finance Strategy Board and Resource Directors Group for discussion and agreement.

The strategic risk register is currently being refreshed and will be finalised in January 2008. The Head of Audit and Risk is looking at integrating this process with the business planning process and audit planning and it will culminate with a facilitated risk workshop in late January/early February with the Governance & Audit Committee Members.

6. BALANCE SHEET AND CONSOLIDATED REVENUE ACCOUNT

6.1 Impact on reserves

6.1.1 A copy of our balance sheet as at 31 March 2007 is provided at **appendix 2**. Highlighted are those items in the balance sheet that we provide a year-end forecast for as part of these quarterly budget monitoring reports, based upon the current forecast spend and activity for the year. The forecast for the three items highlighted are as follows:

Account	Projected balance at 31/3/08 £m	Balance at 31/3/07 £m
Earmarked Reserves	55.1	80.9
General Fund balance	25.8	25.8
Schools Reserves *	52.6	67.6

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

6.1.2 The reduction of £25.8m in earmarked reserves is mainly due to the anticipated movements in the rolling budget reserve, Asylum reserve, and Emergency Conditions reserve and planned movements in reserves such as PRG, Kent Regeneration, Environmental Initiatives, IT Asset Maintenance and the Kingshill Smoothing reserve.

6.1.3 The reduction of £15m in schools reserves is our assessment of the impact of the introduction of the 'balance control mechanism' since January 2007, which is a means of clawing back schools reserves over and above a specified level. The half-yearly forecast from schools indicates a draw down of approximately £22m this year, as they undertake projects that formed part of their 'committed' balances (which were £37.6m of the total £67.6m of schools reserves as at 31 March 07) to avoid any clawback, but past experience suggests that this is overstated.

7. RECOMMENDATIONS

Cabinet is asked to:

- 7.1 Note the latest monitoring position on both the revenue and capital budgets.
- 7.2 Note the changes to the capital programme, as detailed in section 4.1.
- 7.3 Agree to the virements as detailed in section 3.6 of this report.

2007-08 OCTOBER Monitoring of Prudential Indicators

1. Estimate of capital expenditure (excluding PFI)

Actual 2006-07	£237.059m	
Original estimate 2007-08	£315.683m	
Revised estimate 2006-07	£272.409m	(this includes the rolled forward re-phasing from 2006-07)

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

	2006-07 Actual	2007-08 Original Estimate	2007-08 Revised Estimate
	£m	£m	£m
Capital Financing Requirement	1,010.127	1,131.934	1,102.046
Annual increase in underlying need to borrow	96.796	104.598	91.919

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

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

Actual 2006-07	11.33%
Original estimate 2007-08	12.01%
Revised estimate 2007-08	10.95%

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

4. Operational Boundary for External Debt

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

The operational boundary for debt will not be exceeded in 2007-08.

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

	Prudential Indicator 2007-08 £m	Position as at 31.10.07 £m
Borrowing	1,084.0	894.7
Other Long Term Liabilities	8.0	1.5
	1,092.0	896.2

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

	Prudential Indicator 2007-08 £m	Position as at 31.10.07 £m
Borrowing	1,139.0	952.6
Other Long Term Liabilities	8.0	1.5
	1,147.0	954.1

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the County Council. The limits for 2007-08 are:

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

	£m
Borrowing	1,121
Other long term liabilities	8
	<u>1,129</u>

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

	£m
Borrowing	1,179
Other long term liabilities	8
	<u>1,187</u>

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

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

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

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

The Council has determined the following upper limits for 2007-08

(a) Borrowing

Fixed interest rate exposure	100%
Variable rate exposure	30%

(b) Investments

Fixed interest rate exposure	100%
Variable rate exposure	20%

These limits have been complied with in 2007-08. Total external debt is currently held at fixed interest rates.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 31.7.07
	%	%	%
Under 12 months	8	0	0
12 months and within 24 months	8	0	0
24 months and within 5 years	24	0	0
5 years and within 10 years	24	0	8.7
10 years and above	100	40	91.3

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

	Indicator	Actual
1 year to 2 years	£35m	£34m
2 years to 3 years	£35m	£45m
3 years to 4 years	£35m	£17m
4 years to 5 years	£20m	£16m
5 years to 6 years	<u>£10m</u>	<u>£0m</u>
	£135m	£112m

The best value in long-term investments has mostly been in the period of up to 3 years duration. A decision was taken to over-utilise against the Prudential Indicator for investments with a duration of 2-3 years to take best advantage of the market yield curve. Investments are still within the overall prudential limit with £112m invested against an overall allowance of £135m.

Balance Sheet

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

	31 March 2007		31 March 2006 Restated	
	£'000	£'000	£'000	£'000
Fixed assets				
Intangible Fixed Assets		4,732		5,935
Tangible Fixed Assets				
Operational assets				
Land and buildings	1,414,844		1,239,411	
Vehicles, plant and equipment	15,863		17,511	
Roads and other highways infrastructure	514,320		518,182	
Community assets	7,775		6,664	
Non-operational assets				
Investment Property	6,584		1,955	
Assets under construction	237,813		131,573	
Surplus and non-operational property	95,423		74,349	
Total Tangible Assets		2,292,622		1,989,645
Total fixed assets		2,297,354		1,995,580
Long-term investments		115,000		66,000
Long-term debtors		59,736		62,002
Deferred Premiums		20,990		21,940
PFI debtor		441		0
Total long-term assets		2,493,521		2,145,522
Current assets				
Stocks and work in progress	5,905		6,809	
Debtors	175,613		173,145	
Investments	153,059		153,234	
Cash and bank balances	96,652		102,615	
Total current assets		431,229		435,803
Current liabilities				
Temporary borrowing	-38		-40	
Creditors	-266,856		-237,452	
Cash balances overdrawn	-124,609		-101,924	
		-391,503		-339,416
Total assets less current liabilities (Net Assets Employed)		2,533,247		2,241,909
Long-term liabilities				
Long-term borrowing	-952,365		-882,523	
Deferred liabilities	-957		-1,523	
Deferred credit - Medway Council	-55,609		-57,926	
Provisions	-13,786		-12,855	
Government grant deferred account	-174,435		-173,058	
Liability related to defined benefit pensions schemes - KCC - DSO	-637,700 -2,487		-719,900 -2,017	
		-1,837,339		-1,849,802
Total assets less liabilities		695,908		392,107

Balance Sheet

Fixed asset restatement account		-664,125	-498,986
Capital financing account		-462,092	-416,820
Earmarked capital reserve		-26,698	-24,884
Usable capital receipt reserve		-7,942	-7,473
Pensions reserve	- KCC	637,700	719,900
	- DSO	2,487	2,017
Earmarked reserves		-80,929	-74,094
General Fund balance		-25,835	-25,835
Schools reserves		-67,639	-65,626
Surplus on trading accounts		-835	-306
Total net worth		-695,908	-392,107

CHILDREN, FAMILIES & EDUCATION 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" ie where there is no change in policy, including:

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

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
OPERATIONS, RESOURCES & SKILLS (CFE) portfolio							
Delegated Budget:							
- Delegated Schools Budget	837,274	-80,517	756,757	15,000	0	15,000	expected drawdown of reserves of up to £15m due to the balance control mechanism
- Standards Fund (incl SSG)	101,695	0	101,695	0	0	0	
TOTAL DELEGATED	938,969	-80,517	858,452	15,000	0	15,000	
Non Delegated Budget:							
- Finance	3,384	-931	2,453	-19	0	-19	
- Awards	5,066	-999	4,067	-19	67	48	
- Grant income & contingency	5,232	-924,317	-919,085	0	0	0	
- Personnel & Development	15,739	-3,493	12,246	613	107	720	Pensions overspend £474k; redundancy overspend due to closed schools £225k
- School Support Service	53	0	53	0	0	0	
- Capital Strategy	4,880	-3,284	1,596	964	11	975	costs previously charged to capital
- Building Schools for the Future	0	0	0	0	0	0	
- Client Services	6,810	-4,281	2,529	29	0	29	
- Business Management	2,760	-143	2,617	15	-16	-1	
- ICT	13,987	-3,635	10,352	7	0	7	
- Health & Safety	434	-8	426	6	-1	5	
- Strategic Management	1,785	-103	1,682	0	0	0	
- Kent Music School	838	0	838	0	0	0	
- Extended Schools	5,818	-2,261	3,557	55	-40	15	
-14-24 unit	1,490	-94	1,396	0	0	0	
- School Organisation	2,851	-141	2,710	22	-22	0	
- Mainstream HTST	15,432	-484	14,948	-93	51	-42	
- SEN HTST	14,806	0	14,806	696	0	696	Travel requirements of SEN children have increased and the service is unable to meet all of the £989k savings targets
- Clusters	17,718	-2,654	15,064	-34	0	-34	
- Kent Children's Trusts	536	0	536	0	0	0	
- AEN & Resources	13,577	-3,722	9,855	0	0	0	
- Independent Sector Provision	9,719	-260	9,459	0	0	0	
TOTAL NON DELEGATED	142,915	-950,810	-807,895	2,242	157	2,399	
OR&S Assumed Mgmt Action						-1,829	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
OR&S Non delegated forecast after Mgmt Action				2,242	157	570	
Total OR&S incl delegated	1,081,884	-1,031,327	50,557	17,242	157	15,570	
CHILDREN, FAMILIES & EDUCATIONAL ACHIEVEMENT portfolio:							
- Attendance & Behaviour Service	16,431	-5,359	11,072	0	0	0	
- Specialist Teaching Service	3,064	-337	2,727	0	0	0	
- Educational Psychology Service	3,721	-129	3,592	-74	34	-40	
- Minority Community Achievement	1,850	-96	1,754	0	0	0	
- Children's Safeguard Service	763	-13	750	0	0	0	
- Joint Commissioning	2,431	-226	2,205	0	0	0	
- Commissioning General	146	0	146	0	0	0	
- In House Residential care	2,630	-25	2,605	-156	-10	-166	savings from closure of Alderden £180k
- Ind sector residential care	3,465	-351	3,114	2,706	-700	2,006	higher number of placements than budgeted for, plus 3 children in secure accommodation costing £750k in 07-08
- Residential care - not looked after children	649	-7	642	-163	-12	-175	Number of placements reduced
- KCC Family support	9,736	-892	8,844	-155	-81	-236	staff vacancies; various income
- Family group conferencing	1,106	-241	865	-4	-17	-21	
- Fostering service	21,396	-97	21,299	1,131	-107	1,024	Increase in independent fostering allowances & staffing; training income
- Adoption service	6,030	-22	6,008	76	-49	27	
- Independent Sector day care	885	0	885	-8	0	-8	
- Section 17	1,030	-5	1,025	-266	0	-266	managed underspend
- Link placements	232	0	232	-25	0	-25	
- Grants to voluntary organisations	7,166	-398	6,768	0	0	0	
- Direct payments	826	0	826	-198	0	-198	managed underspend
- Teenage pregnancy	616	0	616	0	0	0	
- Leaving care/16+	3,399	0	3,399	-419	-6	-425	managed underspend
- Other services support	5,325	-824	4,501	758	-219	539	legal costs, various income
- Assessment and related	19,018	-110	18,908	314	-219	95	high social worker recruitment costs, various income
- Policy & Service Development	9,519	-2,413	7,106	-9	0	-9	
- Management Information	28,045	-35	28,010	-38	-5	-43	
- International Development	194	-100	94	33	-4	29	
- Early Years & Childcare Operations unit	17,379	-234	17,145	26	-25	1	
- Advisory Service Kent (ASK) Secondary Team	3,273	0	3,273	-85	0	-85	
- ASK Primary Team	4,498	-650	3,848	-3	-20	-23	
- ASK Early Years Team	6,739	-187	6,552	-2	-10	-12	
- ASK Improvement & Leadership	2,808	-150	2,658	117	-122	-5	Increase in number of advisory headteachers offset by recharge to schools.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- ASK Improvement Partnerships	4,148	-85	4,063	-83	-22	-105	vacancies; increased income from schools
- ASK Professional Development	4,793	-2,217	2,576	0	0	0	
- Grant income & contingency	1,721	-75,182	-73,461	0	0	0	
Total CF&EA	195,032	-90,385	104,647	3,473	-1,594	1,879	
CF&EA Assumed Mgmt Action						-2,144	
CF&EA Forecast <u>after</u> Mgmt Action	195,032	-90,385	104,647	3,473	-1,594	-265	
- Asylum Seekers	13,200	-13,200	0	-1,122	4,518	3,396	
Total CF&EA incl. Asylum	208,232	-103,585	104,647	2,351	2,924	3,131	
SUMMARY:							
Total Delegated	938,969	-80,517	858,452	15,000	0	15,000	
Total Non Delegated (excl. Asylum)	337,947	-1,041,195	-703,248	5,715	-1,437	4,278	
Total Directorate Controllable (excl. Asylum)	1,276,916	-1,121,712	155,204	20,715	-1,437	19,278	
Directorate Assumed mgmt action						-3,973	
Total Directorate Controllable (excl. Asylum) <u>after</u> mgmt action	1,276,916	-1,121,712	155,204	20,715	-1,437	15,305	
Directorate Net Total (incl. Asylum) <u>before</u> mgmt action	1,290,116	-1,134,912	155,204	19,593	3,081	22,674	
Directorate Net Total (incl. Asylum) <u>after</u> mgmt action	1,290,116	-1,134,912	155,204	19,593	3,081	18,701	

1.1.3 Major Reasons for Variance: [provides an explanation of the 'headings' in table 2]

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

O,R&S (CFE) Portfolio

1.1.3.1 Personnel and Development

The Personnel and Development unit is projecting a £720k net overspend. The pensions budget is due to overspend by £474k, this has slightly increased since previously reported. The majority of the overspend is due to early retirements within schools, which is mainly the result of the number of recent schools closures and amalgamations. The remainder of the overspend is mainly attributed to the redundancy costs associated with closing schools (£225k) as a result of the implementation of the primary strategy and the transfer of 6 secondary schools to academies.

There is a gross and income variance of £100k which represents the income from schools associated with additional pensions contributions where teaching staff who have been incorrectly charged against the Kent pensions scheme, and the corresponding expenditure as this money is passed on to the teachers pension agency.

1.1.3.2 Capital Strategy (Gross)

Following the audit of the accounts and latest advice from the external auditors, £970k of items previously charged to capital will be processed through revenue. This includes tree safety costs of £270k and the costs of moving and hiring mobile classrooms estimated at £700k. This has been reported previously.

1.1.3.3 SEN Transport (Gross)

As part of the 2007-10 MTP process the SEN transport budget was reduced by 10% over the period 2007-09 and the Directorate was asked to look at implementing purchase cards as a way of delivering part of that saving (£870k) and keeping price increases to under 5% (£119k).

As part of that process to try and deliver the required savings we carried out a survey of all 3,500 users and a number of users have requested more information about making their own arrangements. Some of these may have the potential to be moved to a system of direct payments or a purchase card but whether that will generate savings will largely depend on the nature of the transport those students currently have. If they travel by bus or are one of a number of students in a taxi then KCC is unlikely to be able to realise any saving by moving them to a direct payment/purchase card arrangement as the existing bus/taxi will still need to run.

A pressure of £935k on this budget line was reported in the first full monitoring return in September which largely represented the low level of demand from parents to organise their own transport, along with inflation and appeals decisions.

However, a review and re-tender was recently undertaken of all single occupancy taxi journeys, and a potential saving was identified of £700k for a full academic year, equating to £400k for the remainder of the current financial year. The first two months of term saw a period of re-negotiations with parents and the identification of further children requiring transport to school, and as a result the saving from this process has been reduced to £239k. This means that the pressure we are forecasting on this budget is reduced to £696k from the previously reported £935k.

CF&EA Portfolio

1.1.3.4 In House Residential Care (Gross)

A saving of £180k is forecast as a result of the closure of the Alderden Centre.

1.1.3.5 Independent Sector Residential Care (Gross and Income)

A pressure of £2,706k is forecast, of which £750k has been previously reported resulting from 3 children being placed in high-cost secure placements. The remainder of the overspend is attributed to a 29% increase in the number of paid placement weeks compared to last year and an increase in the unit cost of these placements by 14%.

Additional Funding of £743k from education and health is expected for placements following agreement from the Joint Residential Assessment Panel for this financial year.

1.1.3.6 Residential Care – Non Looked after Children

A saving of £175k is forecast from a reduction of 2 placements; these children have been moved to looked after children residential care budget lines.

1.1.3.7 KCC Family Support (Gross)

A forecast underspend of £155k is due to the management of staff vacancies. A number of posts are being held vacant to help with the pressure on staffing on the Assessment and Related budget line.

1.1.3.8 Fostering Service (Gross and Income)

The independent fostering allowances budget is forecasting an overspend of £964k. There have been growing difficulties placing difficult children with foster parents, along with resistance from both the Guardians and the children themselves from being moved to alternative placements. This has resulted in a net increase of 12 placements since April 2007. This is partly being offset by £249k savings on other fostering lines due to management action.

The County Fostering Team is due to overspend by £416k due to staffing. This is partly offset by an increase in training income from this team of £107k.

1.1.3.9 Section 17 (Gross)

An underspend of £266k is forecast due to the management of section 17 payments to help with the pressure on the Fostering service budget lines.

1.1.3.10 Direct Payments (Gross)

An underspend of £198k is forecast due to managing a delay in introducing new clients to the direct payment scheme. This will result in a reduced take-up of direct payments for this financial year which will help with pressures on other children social services budget lines.

1.1.3.11 Leaving care/16+

Expenditure against this service is being managed in order to assist with pressures on other Children's Social Services budget lines, and is currently forecasting an underspend of £419k.

1.1.3.12 Other Services Support (Gross and Income)

There is a pressure of £559k forecast against the budget for Legal services due to higher than average monthly bills. This service line is currently under review with a view to identifying efficiencies.

The Out of Hours Service is currently forecasted to overspend by £219k but this is offset by additional income of £219k.

1.1.3.13 Assessment and Related (Gross and Income)

The forecast pressure on the assessment and related gross budget line is down to a shortfall in achieving the staffing savings target for 07/08 plus the introduction of market premium for new front-line social work staff (£264k and £30k respectively). Much of this has been offset by further income received from other projects mainly Education for Best Project £150k (Social Workers visiting schools to promote best behaviour).

1.1.3.14 ASK: Improvement and Leadership

The £117k overspend is due to an increase in the number of advisory head-teachers appointed. This is offset by recharging schools for their services and generating estimated income of £122k.

1.1.3.15 Asylum

The Asylum Service is now forecast to have a funding shortfall of £4,518k for the 2007-08 financial years, £4,018k of direct spending and £500k of indirect spending.

The overall funding shortfall is partly offset by the expected draw down of the remaining balance in the corporate asylum reserve of £1,122k, leaving a residual net pressure of £3,396k.

The forecast pressure of £4,518k is mainly due to the fact that the unit costs claimable under the grant conditions set by the Home Office and Department for Children, Schools & Families (DCSF) are significantly lower than the real unit costs of providing the service. The resulting shortfall in income is estimated to be £3,852k.

In August 2007, the Home Office announced that the grant rates for 2007-08 would remain at the same level as the previous year and would not be uplifted for inflation. The resulting shortfall in income is estimated to be £185k. Guidance has not yet been issued from the DCSF, but it is assumed that 2006-07 funding rates will apply.

The New Asylum Model (NAM) introduced by the Border Immigration Agency (BIA) is an attempt to streamline the decision process for new arrivals, with the aim of providing every applicant a decision in 7 weeks. The new procedures that the BIA have introduced has significantly increased the workloads on the Service for Unaccompanied Asylum Seeking Children (SUASC) staff, for example each of our clients is required to make at least three trips to either Croydon or Hayes, Middlesex for various immigration interviews - they have to be accompanied by two members of staff on each trip. These new procedures were introduced in April with little notice or consultation, and no additional funding has been made available to meet the increased costs, which are estimated to be around £135k for this financial year.

A further pressure of £115k has been identified this month due to a higher than usual referral rate. In October there were 70 referrals compared to 57 at the same time last year. This has costs implications for the service in terms of the numbers of agency staff and the additional accommodation that needs to be funded.

A further pressure of £70k is forecast due to the increased staffing needed to manage the currently large proportion of care leavers, and another £250k resulting from higher rental costs from landlords. This has been offset to some extent by the savings made from reduced client numbers of around £105k.

Finally, the change in client placements has resulted in additional forecast cost pressure of £16k.

In relation to previous years, there is also the issue of the outstanding grant income relating to our special circumstances bids for 2006-07 to the Home Office and the DCSF. Additionally, the special circumstances bid for 2005-06 to the DCSF remains outstanding. The 2006-07 Home Office bid is being audited next week and we should know by the end of December whether or not the funding has been approved. There is no formal procedure for the DCSF special circumstances bids and we are reliant on lobbying central government to meet these additional costs. A Joint Councils meeting was held at the LGA on 13 November to discuss the money nine local authorities, including Kent, Hillingdon and Hammersmith & Fulham, claim is owed to them by the Government for the care of unaccompanied asylum seeking children. It was agreed at this meeting to commission an independent audit of these costs to be completed in January and, on receipt of that report, KCC is to arrange a meeting with Ministers to take forward discussions. The Joint Councils meeting was followed by a very positive briefing of MPs and government officials at Westminster, attended by the Leader and Chief Executive, and we are now hoping to bring this long standing financial issue to a successful resolution.

As previously reported, we have assumed that we will be successful in receiving part of this income and the balance has been met from the Corporate Asylum reserve. If elements of these expected grants are challenged and we receive less income than we assumed from these special circumstances bids, then the forecast will increase from the current £4.518m.

Other Issues

1.1.3.16 Payments to PVI providers for the free entitlement for 3 and 4 year olds (DSG)

The latest forecast suggests an underspend of around £1.5m on payments to PVI providers for 3 and 4 year olds. This budget is funded entirely from DSG and therefore any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, and cannot be used to offset over or underspends elsewhere in the directorate budget. Therefore, as any unspent Early Years funding has to be returned to schools, at year end any underspend will be transferred to the schools unallocated reserve for DSG and hence is not included in the overall directorate forecast in this report.

1.1.3.17 Delegated Schools Budgets

The half-yearly forecast from schools indicates a draw down of reserves this year of approximately £22m. Past experience indicates that this figure is overstated, but January 2007 saw the introduction of the 'balance control mechanism' which is a means of clawing back schools reserves over and above a specified level. We predict that this will start to have an impact on the level of reserves held by schools in this financial year, and we are therefore projecting a possible drawdown of reserves of up to £15m as schools undertake the projects that formed part of their 'committed' balances in the previous year.

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

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ORS	Schools delegated budgets - expected drawdown of reserves	+15,000	CFEA	Asylum - potential draw down of residual balance in Corporate Asylum reserve (gross)	-1,122
CFEA	Asylum - Shortfall in income (income)	+4,518	CFEA	Independent sector residential care - funding from health and education (income)	-743
CFEA	Independent Sector Residential Care - increased number and cost of placements (gross)	+1,956	CFEA	Leaving care/16+ - managed underspend (gross)	-419
ORS	Capital Strategy - costs previously charged to capital (gross)	+970	CFEA	Section 17 - managed underspend (gross)	-266
CFEA	Fostering Service - independent fostering allowances (gross)	+964	CFEA	Fostering service - in-house fostering provision (gross)	-249
CFEA	Independent Sector Residential Care - children in secure accommodation	+750	CFEA	Other Services Support - Out of Hours service matched by additional expenditure (income)	-219
ORS	SEN Home to School Transport - savings targets linked to purchase cards (gross)	+696	CFEA	Direct payments - managed underspend	-198
CFEA	Other Services Support - Recharges from Legal services (gross)	+559	CFEA	In-house residential care - Alderden House (gross)	-180
ORS	Personnel and Development - Pensions budget (gross)	+474	CFEA	Residential care - Non Looked after children - reduction in placements (gross)	-175
CFEA	Fostering Service -County Fostering team staffing costs (gross)	+416	CFEA	KCC Family Support - management of staff vacancies (gross)	-155
CFEA	Assessment & Related - delay in achieving staffing savings target (gross)	+264	CFEA	Assessment & Related - additional income for Education for best project (income)	-150
ORS	Personnel and Development - closing schools redundancy costs (gross)	+225	CFEA	ASK: Improvement and Leadership - advisory headteachers recharge to schools (income)	-122
CFEA	Other Services Support - Out of Hours service covered by additional income (gross)	+219	CFEA	Fostering service - training income from county fostering team (income)	-107
ORS	ASK: Improvement and Leadership - increase in number of advisory headteachers (gross)	+117	ORS	Personnel and Development - reduction in expenditure from incorrectly placing staff on pension schemes (income)	-100
ORS	Personnel and Development - reduction in income from incorrectly placing staff on pension schemes (income)	+100			
		+27,228			-4,205

1.1.4 Actions required to achieve this position:

The above position can only be achieved as a result of a number of management actions which are now in place.

The balance control mechanism is designed to discourage schools from holding excessive reserves for future years and instead to spend their budgets for the benefit of the pupils in school today. The £15m "pressure" above represents an anticipated drawdown of reserves which would not be achievable without such a scheme being in place.

The pressure on the directorate budget would be significantly greater without the management action which has been put in place within the Children's Social Services budget lines. A number of vacancies are being held and various other budgets are being managed in order to assist with the difficulties within the residential care and fostering lines.

The review undertaken within the SEN transport budget has enabled some savings to be achieved in this budget line.

1.1.5 Implications for MTFP:

Some of these ongoing pressures are being addressed through the 2008-11 MTFP process, such as fostering and covering the costs of services previously funded from capital. We are expecting to manage the remaining pressures downwards on an ongoing and sustainable basis, however if this is not fully achieved we may need to address some of these issues within an already extremely difficult 2008-11 MTFP.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 Details of proposals for residual variance:

The Directorate intends to balance the 2007-08 budget using the proposals listed below:

- The majority of the pensions overspend relates to school staff and following a recent change there are now specific limited circumstances under which these costs can be charged to the DSG. The redundancy costs associated with closing schools may also be chargeable to DSG. This would be subject to proving an overall saving in the schools budget, such as that arising from a school closure under the Primary Strategy. In addition to this condition, it would also require school funding forum approval. Therefore we are currently investigating the possibility of using one-off DSG underspend from the previous financial year, to fund this **£699k** pressure.
- We have also received a one-off payment from the DCSF for prior year mandatory student awards, which we had not accrued for in the accounts, as the debt dated back to 2002-03. This will give us a further **£535k** to support the overspend in this financial year.
- The directorate has delayed the distribution of this year's superannuation uplift of **£1,107k** (ORS £463k, CFEA £644k) and has also held back a budget of **£132k** for the costs of the technology refresh programme. It is now proposed that managers will be required to cover the associated increase in costs from within existing budgets so that these funds may be used to cover the remainder of the portfolio's shortfall.
- The directorate underspent its LAA grant in 2006-07. This is one-off money which was rolled forward as a receipt in advance in accordance with the grant rules, some of which has already been committed, but it is proposed that the remainder of **£1,500k** is used to badge against qualifying expenditure within the Children's Social Services budgets in order to fund some of the overspends in the current financial year. It should be noted that this is one-off funding and the underlying issues will need to be addressed in the MTFP.

These management actions will cover £3,973k of the reported pressures. Although Table 1 shows an imbalance between portfolios, with OR&S having a shortfall of £570k and CF&EA (excluding Asylum) a surplus of £265k, the directorate as a whole is left with a small residual overspend of £305k. Historically directorates have been able to use the underspend in one portfolio to offset a pressure in another. The residual overspend will be dealt with later in the year as further budget variances come to light, and should the position worsen the directorate will need to consider further management action.

Although these measures will cover the majority of this year's overspend, there will still be an underlying pressure in the base budget, as most of the proposals listed above are using one-off monies. The directorate is looking to manage this pressure downwards on an ongoing and sustainable basis, however if this is not fully achieved we may need to address some of these issues within the 2008-11 MTFP.

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 the new portfolio structure and the following adjustments:

2007-08	2008-09
£000s	£000s

Operations, Resources & Skills (CFE) portfolio:

- Marlowe Innovation Centre – additional external funding from European Regional Development Fund, Thanet District Council & East Kent Partnership 220
- Castlehill Freshstart project – DCSF Devolved Capital Grant for new schools 244

Children, Families & Educational Achievement portfolio:

- Virement from KASS portfolio in respect of Improving Information Management grant 40

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

	Prev Yrs Exp	2007-08	2008-09	2009-10	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Operations, Resources & Skills (CFE) portfolio						
Budget	117,714	148,455	95,833	53,180	53,863	469,045
Additions:						
- Marlowe Innovation Centre		220				220
- Castle Hill Freshstart			244			244
- devolved capital for PRUs						
Revised Budget	117,714	148,675	96,077	53,180	53,863	469,509
Variance		-37,386	+7,224	+11,401	-2,012	-20,773
split:						
- real variance		-3,740	-16,763	+367	-637	-20,773
- re-phasing		-33,646	+23,987	+11,034	-1,375	0
Children & Family & Educational Achievement portfolio						
Budget	7,366	6,587	300	350	500	15,103
Additions:						
- virement from KASS portfolio		40				40
Revised Budget	7,366	6,627	300	350	500	15,143
Variance		-1,169	+896	0	0	-273
split:						
- real variance		-273	0	0	0	-273
- re-phasing		-896	+896	0	0	0
Directorate Total						
Revised Budget	125,080	155,302	96,377	53,530	54,363	484,652
Variance	0	-38,555	8,120	11,401	-2,012	-21,046
Operations, Resources & Skills (CFE) portfolio						
Devolved Capital to Schools						
Revised Budget		39,701	27,673	27,673	55,346	150,393
Variance		0	0	0	0	0
split:						
- real variance		0	0	0	0	0
- re-phasing		0	0	0	0	0
Real Variance		-4,013	-16,763	+367	-637	-21,046
Re-phasing		-34,542	+24,883	+11,034	-1,375	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						
OR&S	SSR - Whitfield & Aspen	Real		+683		
OR&S	Mod 06/07/08 - Chaucer Tech. School	Real	+438			
OR&S	BN - The North School, Ashford	Real	+328			
OR&S	SSR - St Nicholas School	Real		+255		
OR&S	Build Mtce Prog. - Catering Equipment	Real	+250			
OR&S	Primary BSF Pathfinder Programme	Real			+250	
			+1,016	+938	+250	+0
Underspends/Projects behind schedule						
OR&S	Dev Opps - Kingsmead	Phasing			-4,000	
OR&S	BN - Tovil PS (Archbishop Courtenay)	Phasing	-3,328			
OR&S	Dev Opps - Folkestone School for Girls	Real				-3,094
OR&S	Dev Opps - Tonbridge Girls Grammar	Phasing		-2,725		
OR&S	Freshstart - Castle Hill	Phasing		-2,289		
	Freshstart - Castle Hill	Real		-386		
OR&S	Dev Opps - Darford Campus	Phasing		-2,198		
OR&S	Valence School - Refurbishment	Phasing			-2,002	
OR&S	BN - Dartford Grammar Girls	Phasing	-2,000			
OR&S	SSR - Orchard School	Phasing		-1,696		
	SSR - Orchard School	Real		-27		
OR&S	Dev Opps - St James the Great	Phasing		-1,620		
OR&S	Mod 06/07/08 - Phoenix CPS	Phasing	-918			
	Mod 06/07/08 - Phoenix CPS	Real	-254			
OR&S	SSR - Rowhill	Phasing			-979	
	SSR - Rowhill	Real			-69	

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Initial Planning Stage
			£'000s	£'000s	£'000s	£'000s
OR&S	Mod 07/08 - Park Farm PS	Phasing	-1,011			
OR&S	Dev Opps - Istead Rise	Phasing			-1,000	
OR&S	Academies - Minster College	Phasing			-1,000	
OR&S	Dev Opps - The Towers School	Phasing				-1,000
OR&S	Dev Opps - Axton Chase School	Real				-1,000
CF&EA	Preventative Strategy - Kingmead Family Centre	Phasing			-896	
OR&S	Dev Opps - Greenfield	Phasing		-649		
	Dev Opps - Greenfield	Real		-234		
OR&S	Dev Opps - Headcorn PS	Phasing			-750	
OR&S	Build Mtce Prog. - Mobile Moves	Real	-700			
OR&S	SSR - Milestone	Phasing		-327		
	SSR - Milestone	Real		-226		
OR&S	Marlowe Innovation Centre	Phasing		-552		
OR&S	Mod 04/05/06 - Kennington Juniors	Phasing	-551			
OR&S	Dev Opps - Valence School - Fountain Cottage	Phasing		-488		
OR&S	SSR - Bower Grove	Phasing		-406		
OR&S	SSR - Ridgeview	Phasing			-401	
OR&S	Mod 06/07/08 - The Wildernesse Sch.	Phasing	-390			
OR&S	Non Delegated PRU's	Phasing	-387			
OR&S	Mod 06/07/08 - Sussex Road PS	Phasing	-378			
	Mod 06/07/08 - Sussex Road PS	Real	-1			
OR&S	H&S - Tree Safety	Real	-350			
OR&S	Mod 04/05/06 - Crockenhill Primary	Phasing	-295			
CF&EA	Improving Public Access - Lowfield Road	Real		-273		
OR&S	BN - Site Acquisitions	Phasing	-264			
			-10,827	-14,096	-11,097	-5,094
			-9,811	-13,158	-10,847	-5,094

1.2.4 Projects re-phasing by over £1m:

Several of the projects detailed below are funded partially or entirely by capital receipts. Assumptions have been made regarding the timing of these receipts. If, however, the actual timing of these receipts differs from our assumptions then we may need to borrow temporarily until the receipt is realised if we cannot manage this short term funding within the overall programme.

1.2.4.1 Kingsmead (Development Opportunities) – slippage £4.0million

This scheme is designed to provide a new 1.5FE school to replace the existing Kingsmead & Diocesan Payne Smith Primary School. The only expenditure that is likely to be incurred in 2007/08 is the site purchase and minimal development costs. The project has slipped by £4m representing 57% of the total value of the scheme. Its start has been delayed due to time taken to agree the purchase of the new site from Canterbury City Council. Until the new facility becomes available, education provision will continue at Kingsmead and Diocesan Payne Smith Primary Schools. The project which was expected to complete in 2007/08 is now not expected to become available until August 2010. This is a further years slippage since the last detailed report to Cabinet. Until the scheme has been developed and the existing site sold it is assumed that the scheme will be self funding although there is an expectation that the eventual position could require additional funding to be identified. This could be in the order of £2m. Any such cost pressures caused by the delay will be addressed either by management action to deliver compensating savings or by identification of additional funding to contain the overall capital programme within existing cash limits over the medium term.

Revised phasing of the scheme is now as follows:

BUDGET & FORECAST						
Budget	10	7,000	0	0	0	7,010
Forecast	10	3,000	600	2,400	1,000	7,010
Variance	0	-4,000	600	2,400	1,000	0
FUNDING						
Budget:						
supported borrowing	10					10
prudential		7,000	-7,000			0
capital receipts			7,000			7,000
TOTAL	10	7,000	0	0	0	7,010
Forecast:						
supported borrowing	10					10
prudential		3,000	600	-3,600		0
capital receipts				6,000	1,000	7,000
TOTAL	10	3,000	600	2,400	1,000	7,010
Variance	0	-4,000	600	2,400	1,000	0

1.2.4.2 Archbishop Courtenay (Tovil) PS – Basic Need – slippage £ 3.328 million

This scheme is designed to provide a new 1.5FE school to replace the existing Tovil, St Stephens Infant School & All Saints Primary School which amalgamated in September 2005. The forecast cost of the project has recently been increased from £3.330m to £5.503m to reflect the predicted costs of obtaining a suitable site for the new School, via a Compulsory Purchase Order. The project has slipped by £3.328m which represents 100% of the total budget for the scheme following difficulties agreeing the CPO with the current site owners British Telecom. Until the facility becomes available, education provision will continue at St Stephens Infants & All Saints. The overspend & the expected shortfall in developer contributions will be met from additional capital receipts which have yet to be identified.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	2	3,328	0	0	0	3,330
Forecast	2	0	2,800	2,701		5,503
Variance	0	-3,328	2,800	2,701	0	2,173
FUNDING						
Budget:						
supported borrowing	2					2
External (Dev Conts)		3,328				3,328
TOTAL	2	3,328	0	0	0	3,330
Forecast:						
supported borrowing	2					2
External (Dev Conts)		0	1,300			1,300
capital receipts			1,500	2,701		4,201
TOTAL	2	0	2,800	2,701	0	5,503
Variance	0	-3,328	2,800	2,701	0	2,173

1.2.4.3 Tonbridge Girls Grammar (Development Opportunities) – slippage £ 2.725 million

This project is to rebuild the School from receipts generated from the sale of land. The project has slipped by £2.725m which represents 31% of the total value of the scheme. The slippage on this scheme has been due to difficulties in obtaining Section 22 approval, regulations relating to the sale of school playing fields, which still remains outstanding & may cause further rephasing to be required. Until the new facility becomes available, education provision will continue in its current format & within the existing buildings. It should be noted that the sale of the school playing fields will realise a maximum of £7.050 million of the capital receipt required for this project which leaves a further £1.650 million to be found from additional LEA capital receipts which have yet to be identified.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	0	4,350	4,350	0	0	8,700
Forecast	0	1,625	7,075	0		8,700
Variance	0	-2,725	2,725	0	0	0
FUNDING						
Budget:						
prudential		4,350	-4,350			0
Capital Receipts			8,700			8,700
TOTAL	0	4,350	4,350	0	0	8,700
Forecast:						
Capital Receipts			7,050			7,050
Capital Receipts - LEA Contribution		1,625	25			1,650
TOTAL	0	1,625	7,075	0	0	8,700
Variance	0	-2,725	2,725	0	0	0

1.2.4.4 Castle Hill PS (Freshstart Scheme & ICT purchases) – Total variance £ 2.675 million made up of slippage of £2.289 million & real underspend of £0.386 million

This scheme primarily funded by government grant is designed to provide a replacement facility. It has slipped by £2.289 million representing 54% of the total value of the scheme. The reason for delay is because it has taken longer than initially planned to develop the scheme to a position whereby Corporate Property can take the scheme forward. It is now with Corporate Property to progress. There will be an impact on the completion date but this will be minimised as the project moves forward. Education provision during the build/refurbishment, some of which was always planned to be in temporary mobile accommodation, will move forward as planned albeit in a different timescale. Latest estimates also indicate a real saving on the project of £0.386 million caused by a mixture of cost reductions (£0.142 million) & additional resources being made available to the project (£0.244 million).

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	456	3,544	244	0	0	4,244
Forecast	456	869	2,413	120	0	3,858
Variance	0	-2,675	2,169	120	0	-386
FUNDING						
Budget:						
grant	456	3,044	244			3,744
capital receipts		500				500
TOTAL	456	3,544	244	0	0	4,244
Forecast:						
grant	456	869	2,413	6		3,744
capital receipts				114		114
TOTAL	456	869	2,413	120	0	3,858
Variance	0	-2,675	2,169	120	0	-386

1.2.4.5 Dartford Campus (Development Opportunities) - slippage £2.198 million

This major scheme provides for replacement secondary, primary and nursery facilities plus Adult Education. It is a complicated scheme funded from a combination of funding sources. Difficulties were encountered obtaining the necessary Section 77 and Schedule 22 approvals (regulations relating to the sale of school playing fields) from the DfES (as then was). The result has been a delay in scheme delivery and an increase in cost. It has slipped by £2.198m representing approximately 11% of the total budget of the scheme. Although the Dartford Technology College element of the scheme is not scheduled to complete until November 2008, Westgate Primary School opened in June and the Adult Education and Nursery are scheduled to open in March 2008 and July 2008 respectively. Current education provision will continue in its current format until the new facilities become available. The financial implications of this delay and disruption are forecast to add £4.2m to the overall cost of the scheme which will be addressed by a combination of management action elsewhere in the programme, the identification of additional capital receipts & the proposal to use £0.987 million of Performance Reward Grant which will be allocated in the 2008 to 2011 Medium Term Financial Plan. As the capital receipt to fund this project is now not expected to come in until next year we will need to undertake some temporary borrowing. If this additional temporary prudential borrowing cannot be accommodated from slippage elsewhere in the capital programme then there will be additional borrowing costs that will need to be borne by the directorate's revenue budget.

Revised phasing of the scheme is now as follows.

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	9,060	9,348	1,500	92	0	20,000
Forecast	9,060	7,150	7,467	523	0	24,200
Variance	0	-2,198	5,967	431	0	4,200
FUNDING						
Budget:						
supported borrowing	5,846	1,526		92		7,464
grant	1,500	3,000	1,500			6,000
capital receipts	1,714	4,822				6,536
TOTAL	9,060	9,348	1,500	92	0	20,000
Forecast:						
supported borrowing	5,846	1,526		92		7,464
prudential/revenue		2,624	-2,624			
grant	1,500	3,000	2,487			6,987
capital receipts	1,714		7,604	431		9,749
TOTAL	9,060	7,150	7,467	523	0	24,200
Variance	0	-2,198	5,967	431	0	4,200

1.2.4.6 Valence School Refurbishment – Slippage £2.002 million

This project, which is running alongside the Special Schools Review project at the School, is designed to improve the residential provision at the School which was under the threat of closure following a review by Commission for Social Care Inspection (CSCI). The project has slipped by £2.002m representing approximately 53% of the total value of the scheme. The slippage on the scheme has been caused by Green belt objections which has resulted in the rephasing below. Until the project is complete pupils will remain in unsuitable residential accommodation. CSCI are comfortable with this position as they can see that the improvements within the project brief are being progressed.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	0	2,800	1,000	0	0	3,800
Forecast	0	798	3,002	0	0	3,800
Variance	0	-2,002	2,002	0	0	0
FUNDING						
Budget:						
grant	0	2,800	1,000			3,800
TOTAL	0	2,800	1,000	0	0	3,800
Forecast:						
grant	0	798	3,002			3,800
TOTAL	0	798	3,002	0	0	3,800
Variance	0	-2,002	2,002	0	0	0

1.2.4.7 Dartford Grammar School for Girls (Basic Need) – slippage £ 2.0million

This scheme is designed to provide the school with a new sports hall & refurbished classrooms and is linked to the main Dartford Campus scheme. It has slipped by £2.0m representing 83% of the total value of the scheme. The project start date has slipped into the next financial year as it cannot begin until the Dartford Campus scheme has finished. Work is expected to start in late 2008 and complete by Christmas 2009. Until the new facility becomes available the School will continue with their current arrangements, inadequate sporting facilities (school hall and small gymnasium) and mobile classrooms, until the new facility becomes available. Until such time as tenders are received we will not know if there will be any financial implications arising from the delay.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	0	2,000	400	0	0	2,400
Forecast	0	0	100	2,300	0	2,400
Variance	0	-2,000	-300	2,300	0	0
FUNDING						
Budget:						
supported borrowing		1,000	400			1,400
capital receipts		1,000				1,000
TOTAL	0	2,000	400	0	0	2,400
Forecast:						
supported borrowing				1,300		1,300
capital receipts			100	1,000		1,100
TOTAL	0	0	100	2,300	0	2,400
Variance	0	-2,000	-300	2,300	0	0

1.2.4.8 The Orchard School (Special Schools Review) – Total variance £1.723 million made up of slippage £1.696 million & real underspend of £0.027 million.

The review of special schools in Kent, of which the Orchard School project is just one, reflects the commitment of the County Council to continue to provide parents with the potential to choose special school education for their child as close as possible to the family home.

The Orchard School's former designation was for 108 boys and girls aged between 5-16 with moderate learning difficulties. The school was re-designated in September 2004 to become a 5-16 day provision for 96 boys and girls with a combination of Behaviour and Learning needs (which includes up to 12 primary aged pupils with Behavioural, Emotional and Social need). The work comprises of a mixture of new-build and refurbishment to the main part of the school and two satellite centres for primary aged pupils, one in south Ashford and the other location to be determined. The scheme has slipped by £1.696m representing 29% of the total budget of the scheme. The slippage from 2007/08 to 2008/09 is due to the satellite centres for Primary aged pupils being on hold. Delay to the programme of works will not significantly impact on the function of the school. Latest estimates also indicate a small real saving on the project in 2007/08 of £0.027 million.

Revised phasing of the scheme is now as follows.

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	940	4,108	862	40	0	5,950
Forecast	940	2,385	2,558	0	0	5,883
Variance	0	-1,723	1,696	-40	0	-67
FUNDING						
Budget:						
supported borrowing	905		862	40		1,807
prudential/revenue		139				139
capital receipts	35	3,969				4,004
TOTAL	940	4,108	862	40	0	5,950
Forecast:						
supported borrowing	905		862			1,767
prudential/revenue		139				139
capital receipts	35	2,246	1,696			3,977
TOTAL	940	2,385	2,558	0	0	5,883
Variance	0	-1,723	+1,696	-40	0	-67

1.2.4.9 St James the Great Primary School (Development Opportunities) – slippage £1.620 million

This scheme is a self funding replacement primary school scheme. It has slipped by £1.620m representing 62% of the total value of the scheme. The scheme was unexpectedly delayed by an objection from English Heritage. This has now been resolved and the scheme is progressing. Although the project will not be starting as early as expected we still expect the completion date of September 2008 to be achieved. Until such time as tenders are received we will not know if there will be any financial implications arising from the delay. As the capital receipt to fund this project is now not expected to come in until next year we will need to undertake some temporary borrowing. If this additional temporary prudential borrowing cannot be accommodated from slippage elsewhere in the capital programme then there will be additional borrowing that will need to be borne by the directorate's revenue budget.

Revised phasing of the scheme is now as follows.

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	116	1,900	600	0	0	2,616
Forecast	116	280	2,209	13	0	2,618
Variance	0	-1,620	1,609	13	0	2
FUNDING						
Budget:						
prudential	116	-150				-34
capital receipts		2,050	600			2,650
TOTAL	116	1,900	600	0	0	2,616
Forecast:						
prudential	116	-116				0
prudential/revenue		396	-396			0
capital receipts			2,605	13		2,618
TOTAL	116	280	2,209	13	0	2,618
Variance	0	-1,620	1,609	13	0	2

1.2.4.10 Phoenix Primary School (Modernisation 2006/07/08) – Total variance £1.172 million made up of slippage £0.918 million & real underspend of £0.254 million

This scheme is designed to provide a new 1.0FE school on the old Bybrook Junior site to replace the Bybrook Infants & Bybrook Junior Schools that amalgamated in April 2003. Within the same project additional accommodation has been included for both Community use & a Childrens Centre. The project has slipped by £0.918m which represents 32% of the total budget of the scheme. The scheme has been delayed by difficulties in both obtaining outline planning permission, which has now been granted & reducing the specification by undertaking a value engineering exercise with the aim of bringing tender costs to within the resources that we have available. Until the facility becomes available, education provision will continue on the old Bybrook Infant School site. The £0.254 million project saving is predominantly due to a contribution from the Childrens, Families & Educational Achievement portfolio which wasn't previously allowed for in the expenditure profile for this project.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	105	2,799	0	0	0	2,904
Forecast	105	1,627	863	55	0	2,650
Variance	0	-1,172	863	55	0	-254
FUNDING						
Budget:						
supported borrowing	9	2,343				2,352
DCFS Grant	96					
capital receipts		456				456
TOTAL	105	2,799	0	0	0	2,904
Forecast:						
supported borrowing	9	1,627	716			2,352
DCFS Grant	96					
capital receipts			147	55		202
TOTAL	105	1,627	863	55	0	2,650
Variance	0	-1,172	863	55	0	-254

1.2.4.11 Rowhill Special School – Total variance £1.048 million made up of slippage £0.979 million & real underspend of £0.069 million

The review of special schools in Kent, of which the Rowhill School project is just one, reflects the commitment of the County Council to continue to provide parents with the potential to choose special school education for their child as close as possible to the family home.

The school was re-designated in September 2004, to become a 5-16 day provision for 96 boys and girls with a combination of Behaviour and Learning needs, including up to 12 primary aged pupils with Behavioural, Emotional and Social need with effect from 1st September 2004. The scheme which is at approval to plan stage has slipped by £0.979m representing 18% of the total budget of the scheme. The project has been delayed in getting to the final design caused by difficulty in reaching a decision on a change of location plus the new site is green belt so additional work has been required to present a water tight case. Delay to the programme of works will not significantly impact on the function of the school. Latest estimates also indicate a small real saving on the project in 2007/08 of £0.069 million.

Revised phasing of the scheme is now as follows

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	711	2,334	2,041	200	31	5,317
Forecast	711	1,286	3,020	29	0	5,046
Variance	0	-1,048	979	-171	-31	-271
FUNDING						
Budget:						
supported borrowing		2,334	2,041	200	31	4,606
prudential/revenue	201					
prudential	172					172
capital receipts	338					338
TOTAL	711	2,334	2,041	200	31	5,317
Forecast:						
supported borrowing		1,286	3,020	29		4,335
prudential/revenue	201					
prudential	172					172
capital receipts	338					338
TOTAL	711	1,286	3,020	29	0	5,046
Variance	0	-1,048	979	-171	-31	-271

1.2.4.12 Park Farm Primary School – slippage £ 1.011 million

This scheme is designed to demolish an existing unsuitable 'stand alone' Key Stage 1 building & provide new Key Stage 1 accommodation attached to the existing main School building.

The project has slipped by £1.011m which represents 74% of the total budget of the scheme. The scheme has been rephased following the need to review the project specification following preliminary tender costs being much higher than the resources available. Until the new build becomes available, education provision will continue in the old KS1 building.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	38	1,321	0	0	0	1,359
Forecast	38	310	1,052	0	0	1,400
Variance	0	-1,011	1,052	0	0	41
FUNDING						
Budget:						
supported borrowing	38					
grant		1,321				1,321
TOTAL	38	1,321	0	0	0	1,359
Forecast:						
supported borrowing	38					
grant		310	1,052			1,362
TOTAL	38	310	1,052	0	0	1,400
Variance	0	-1,011	1,052	0	0	41

1.2.4.13 Istead Rise (Development Opportunities – slippage £1.0 million

This is a self funding replacement 1.5 FE primary school scheme which is planned to bring together the junior and infant elements into the same building. The scheme has slipped by £1.0m representing 25% of the total scheme value. The slippage has been caused by the school being unhappy with the original feasibility which has now been revised and the school are currently considering the new proposals. Because of the delay the completion date is now expected to be August 2009 rather than as previously anticipated March 2009. The School will continue in its present split site format until the proposed provision becomes available. Until such time as tenders are received and appraised we will not know if there will be any financial implications arising from the delay. As the capital receipt to fund this project is now not expected to come in until 2009-10 we will need to undertake some temporary borrowing in 2008-09. If this additional temporary prudential borrowing cannot be accommodated from slippage elsewhere in the capital programme then there will be additional borrowing costs that will need to be borne by the directorate's revenue budget.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	0	1,100	2,750	150	0	4,000
Forecast		100	2,900	1,000	0	4,000
Variance	0	-1,000	150	850	0	0
FUNDING						
Budget:						
prudential		1,100	-1,100			0
capital receipts			3,850	150		4,000
TOTAL	0	1,100	2,750	150	0	4,000
Forecast:						
prudential		100	-100			0
prudential/revenue			3,000	-3,000		0
capital receipts		0	0	4,000		4,000
TOTAL	0	100	2,900	1,000	0	4,000
Variance	0	-1,000	150	850	0	0

1.2.4.14 Minster School (Academies) – slippage £1.0 million

This is an Academy scheme scheduled for the Isle of Sheppey. It has slipped by £1.0m representing 100% of the total value of the scheme. The scheme has slipped as a result of the Secretary of States decision to have an independent review of the planned provision undertaken in light of objections. Agreement has recently been agreed between the Secretary of State and the Leader as to the way forward which is to site the Academy at both Minster College and Cheyne Middle School. Other than the delay there are no financial implications as the £1.0m is KCC's sponsorship to the Academy project.

Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	0	1,000	0	0	0	1,000
Forecast	0	0	1,000	0	0	1,000
Variance	0	-1,000	1,000	0	0	0
FUNDING						
Budget:						
capital receipts		1,000				1,000
TOTAL	0	1,000	0	0	0	1,000
Forecast:						
capital receipts		0	1,000			1,000
TOTAL	0	0	1,000	0	0	1,000
Variance	0	-1,000	1,000	0	0	0

1.2.5 Projects with real variances

The overall variance over the lifetime of the Medium Term Plan indicates an underspend of £21.046m (OR&S portfolio £20.773M & CF&EA portfolio £0.273m). However:

- an overspend of £0.572m on the Modernisation project at Crockenhill Primary School will be met by an additional contribution from the land disposal of Red House and Garages which form part of the school site. The receipt is expected to be £0.7m with the extra income contributing to other programme pressures.
- The sale of Essex Road which was to be used to fund the Improving Public Access project at Lowfield Road in the CF&EA portfolio is not now taking place, reducing available capital receipts by £0.273m
- The increased spend on the Valence Special School Fountain Cottage project will be funded from an increase in the capital receipt from the cottages (+£0.5m).
- The Development Opportunity projects at Axton Chase School (£20m) and Folkestone School for Girls (£9.1m) are no longer being progressed. These two reductions to the capital programme will be matched by a reduction in capital receipts. There are now plans for Axton Chase to become an Academy, which will require KCC to find £1.0m sponsorship within the 2008-11 MTFP.

After allowing for these changes in the available resources, **the true underlying variance on both portfolios is an overspend of £7.127m**. This underlying overspend is being addressed within the current Medium Term Planning process.

The main contributing factors to the £7.127m overspend over the lifetime of the MTFP are as follows:

- Dartford Campus (£4.2m) - see template & reason at 1.2.4.5 above.
- Tovil (Archbishop Courtenay) PS £2.173m) - The additional cost is to reflect the difficulties in agreeing the compulsory purchase order with the site owners British Telecom. See 1.2.4.2 above.
- BN Future Years Programme (£1.629m) – The overspend relates to the 3 to 2 Schools scheme on the Isle of Sheppey. The additional funding for this scheme will be addressed as part of the 2008/09 MTP process.
- Chaucer School (£0.495m) - This project has been added to the 2006/07/08 Modernisation Programme & represents the LEA contribution to the 6th form centre at the School. The School is the major contributor to the project. (£800K). Although the project is part of the 'rolling' programme it has yet to obtain 'approval to spend'.
- An overspend on The North School, Ashford project (£0.328m) which is partly due to indexation costs and partly due to a lump sum life cycle contribution which wasn't previously forecast.
- Replacement of Catering Equipment (£0.250m) annual gas safety checks have revealed that equipment needs to be updated as it does not meet current Health and Safety guidelines

- There is also an overspend, estimated to be £0.250m on the Primary Pathfinder Programme where there is a need for development costs to be incurred in 2007/08 ahead of government funding which comes on stream in 2008/09.
- Downsvie PS (£0.232m) – This overspend is in respect of tender costs being higher than originally anticipated & additional works that arisen during the build, the most expensive of which has been roofing works.
- Wilmington Enterprise College (Modernisation Programme) (£0.199m). Problems with enabling works, specifically the electricity supply, significantly delayed the project which has resulted in increased costs.
- Special Schools Review. Although in Table 4 there are several Special School Review projects (SSR) that are showing real savings in 2007/08 there are pressures on other SSR projects in future years. Over the lifetime of the programme there is an indicative overspend of £2.259m. This overspend is in respect of costs incurred on Special Schools in Thanet which will be met from funding from Building Schools for the Future programme.

These overspends are partially offset by the savings listed below:

Savings:

- Savings on Mobile Moves (£3.500m) & Tree Safety (0.350m). Following latest advice from the external auditors, these categories of spend will now be met from revenue resulting in savings to the capital programme.
- Lesser savings have been achieved on the following: Castle Hill Primary School (Freshstart) (£0.386m) where latest outturn estimates indicate that the £0.500 LEA contribution from capital receipts will not be fully required.
- Phoenix School (£0.254m) - This saving is due to a contribution from the Children & Family Services Directorate capital programme which wasn't previously expected or included in earlier months monitoring returns.
- Business Start Up units (£0.200m) – There are no current plans to spend the residual cash limit on this heading.
- Development Opportunity projects at Greenfields (£0.234m) and Newington (£0.133m) where costs are now estimated to be less than the approved cash limits plus ICT replacement costs (£0.150m) where the budget manager is confident that savings against cash limit can be made.

There is also a residual balance of +£0.319m on a number of more minor projects.

1.2.6 **General Overview of capital programme:**

(a) Risks

The major risk remains those that were associated with the programme when it was approved, namely that a number of projects are wholly or partly dependant on capital receipts and/or external funding and if this funding is not achieved the projects will not proceed. This is particularly relevant to The Bridge Development at Dartford which is to be fully funded by development contributions. In the event that the developer contribution is insufficient to cover the costs of the project the capital programme will either need to be reduced to compensate or additional resources will need to be found.

(b) Details of action being taken to alleviate risks

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

1.2.7 **PFI projects**

- Schools PFI

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

	Previous Years	2007-08	2008-09	2009-10	Total
	£'000s	£'000s	£'000s	£'000s	£'000s
Budget	89,709	2,701	0	0	92,410
Actual/Forecast	85,735	6,675	0	0	92,410
Variance	-3,974	3,974	0	0	0

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

It is envisaged that the third party contractor will have incurred some additional costs beyond the capital expenditure originally priced as a result of the delays. This is a risk that is borne entirely by the third party contractor and is not reported to the Authority.

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

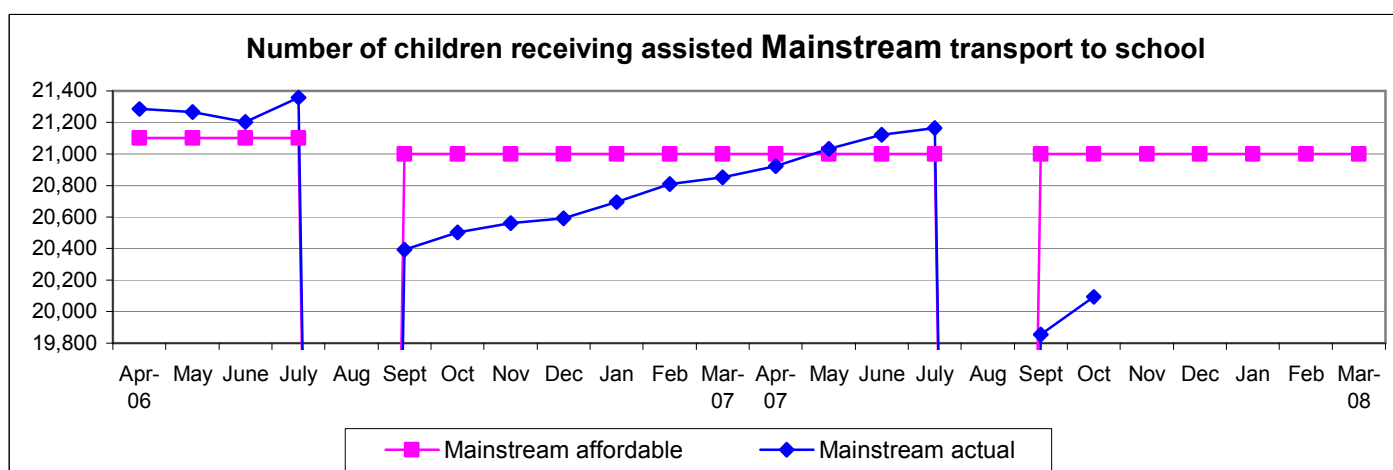
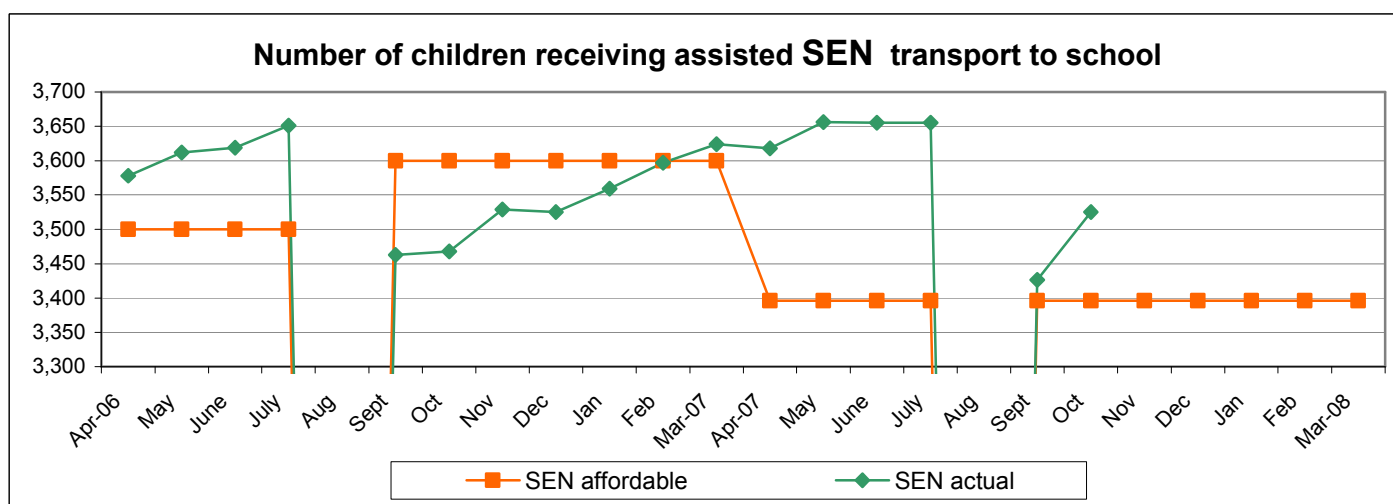
The delays to the construction programme do not impact on the level of the unitary charge that is payable by KCC to the contractor as any delays, unless caused by the Authority, are at the risk of the third party contractor. The unitary charge (as a percentage for each school) does not become payable until the relevant school has been completed and is ready for occupation. As a consequence, the revenue expenditure that is met from the equalisation reserve for 2006/07 and 2007/08 is less than expected.

Overall, there will be no net effect on the forecast revenue position for the current year as payments will continue to be made into the equalisation reserve to meet future expenditure.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

	2006-07				2007-08			
	SEN		Mainstream		SEN		Mainstream	
	planned	actual	planned	actual	affordable	actual	Affordable	actual
April	3,500	3,578	21,100	21,285	3,396	3,618	21,000	20,923
May	3,500	3,612	21,100	21,264	3,396	3,656	21,000	21,032
June	3,500	3,619	21,100	21,202	3,396	3,655	21,000	21,121
July	3,500	3,651	21,100	21,358	3,396	3,655	21,000	21,164
August	0	0	0	0	0	0	0	0
September	3,600	3,463	21,000	20,392	3,396	3,426	21,000	19,855
October	3,600	3,468	21,000	20,501	3,396	3,525	21,000	20,093
November	3,600	3,529	21,000	20,561	3,396		21,000	
December	3,600	3,525	21,000	20,591	3,396		21,000	
January	3,600	3,559	21,000	20,694	3,396		21,000	
February	3,600	3,597	21,000	20,810	3,396		21,000	
March	3,600	3,624	21,000	20,852	3,396		21,000	

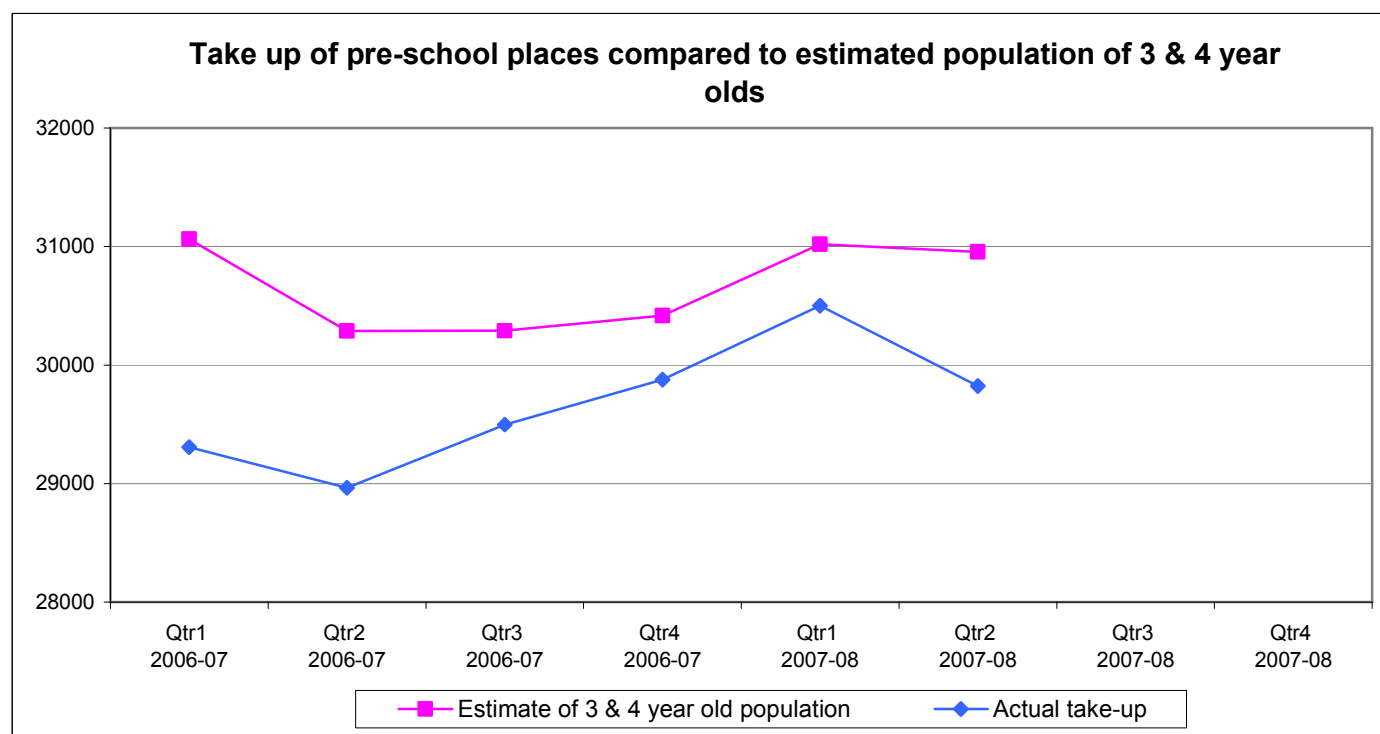


Comments:

- **SEN HTST** - The significant gap between the actual and affordable assisted SEN transport to school relates to the savings targets which have significantly reduced the affordable level from last year, and the fact that the service is currently unable to achieve these savings in full as reported in section 1.1.3.3 of this annex. The affordable level has been calculated by dividing the 2007/08 budget (after it has been reduced for the savings target) by the current average cost per child.
- **Mainstream HTST** - There is a slight decrease in the actual number of children receiving assisted mainstream transport to schools and this is reflected by the £93k gross saving shown in table 1 above.

2.2.1 Take up of pre-school places against the estimate of 3 & 4 year old population, split between Private Voluntary and Independent Sector (PVI) places and School places:

	2006-07			2007-08				
	Total places taken up	Estimate of 3 & 4 year old population	% take up	PVI places taken up	School places taken up	Total places taken up	Estimate of 3 & 4 year old population	% take up
April - June	29,307	31,062	94%	21,027	9,475	30,502	31,019	98%
July - Sept	28,963	30,287	96%	20,323	9,496	29,823	30,956	97%
Oct - Dec	29,498	30,289	97%					
Jan - March	29,878	30,419	98%					

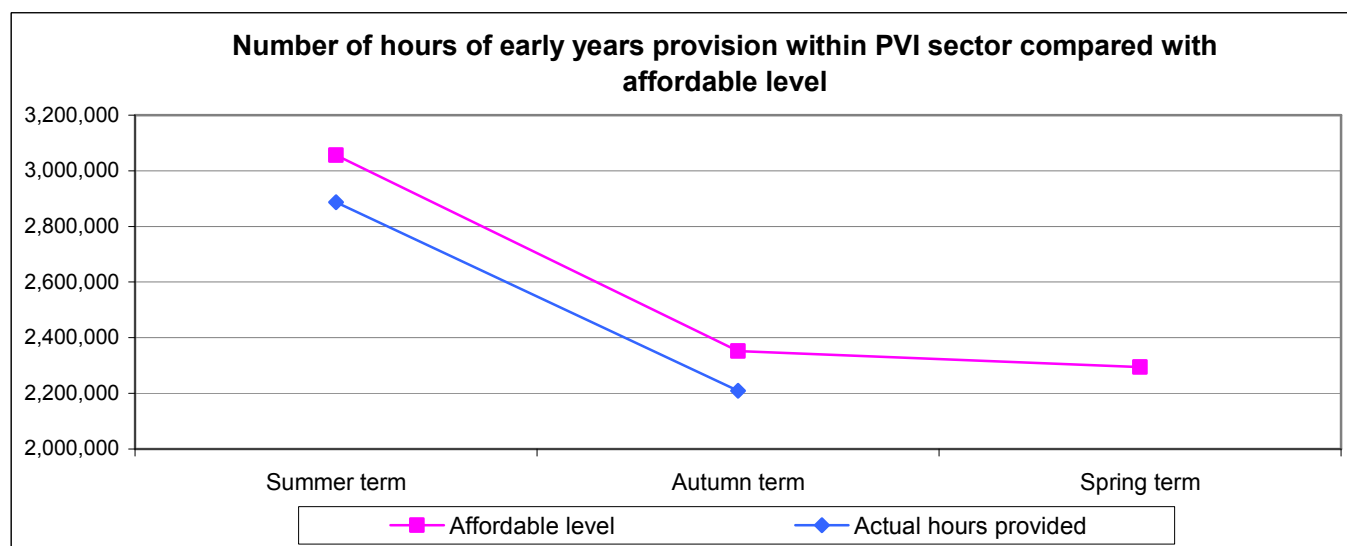


Comments:

- Please note the total places taken-up for July to September is an estimate and may change marginally once the reconciliation process is complete. This is due to the large number of adjustments that now take place as parents are allowed to alter the number of hours taken up and the provider used mid term rather than at the end of term.
- This graph shows that currently 97% of the estimated population of 3 and 4 year olds are receiving some level of early years provision, whether this be one session per week for 33 weeks or the maximum of five sessions per week for the full 38 weeks. This activity indicator is based on headcount and provides a snapshot position at a point in time, whereas the activity data in 2.2.2 below provides details of the number of hours provided in the Private, Voluntary & Independent sector, and will correlate with the variance on the Early Years budget within the Management Information Unit. However as this budget is funded entirely from DSG, any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, and cannot be used to offset over or underspends elsewhere in the directorate budget. Therefore, as any unspent Early Years funding has to be returned to schools, at year end any underspend will be transferred to the schools unallocated reserve for DSG and hence is not included in the overall directorate forecast shown in table 1, but is reported in the narrative in section 1.1.3.16 of this annex.

2.2.2 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:

	2007-08	
	Affordable number of hours	Actual hours provided
Summer term	3,056,554	2,887,134
Autumn term	2,352,089	2,209,303
Spring term	2,294,845	
	7,703,488	5,096,437



Comments:

- Please note the total places take-up for July to September is an estimate and may change marginally once the reconciliation process is complete. This is due to the large number of adjustments that now take place as parents are allowed to alter the number of hours taken up and the provider used mid term rather than at the end of term.
- The affordable number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks.
- The current activity suggests an underspend on this budget which has been mentioned in section 1.1.3.16 of this annex.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

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

	2005-06	2006-07	2007-08
	as at 31-3-06	as at 31-3-07	Projection
Total number of schools	600	596	575
Total value of school revenue reserves	£70,657k	£74,376k	£59,376k
Number of deficit schools	9	15	16
Total value of deficits	£947k	£1,426k	£1,304k

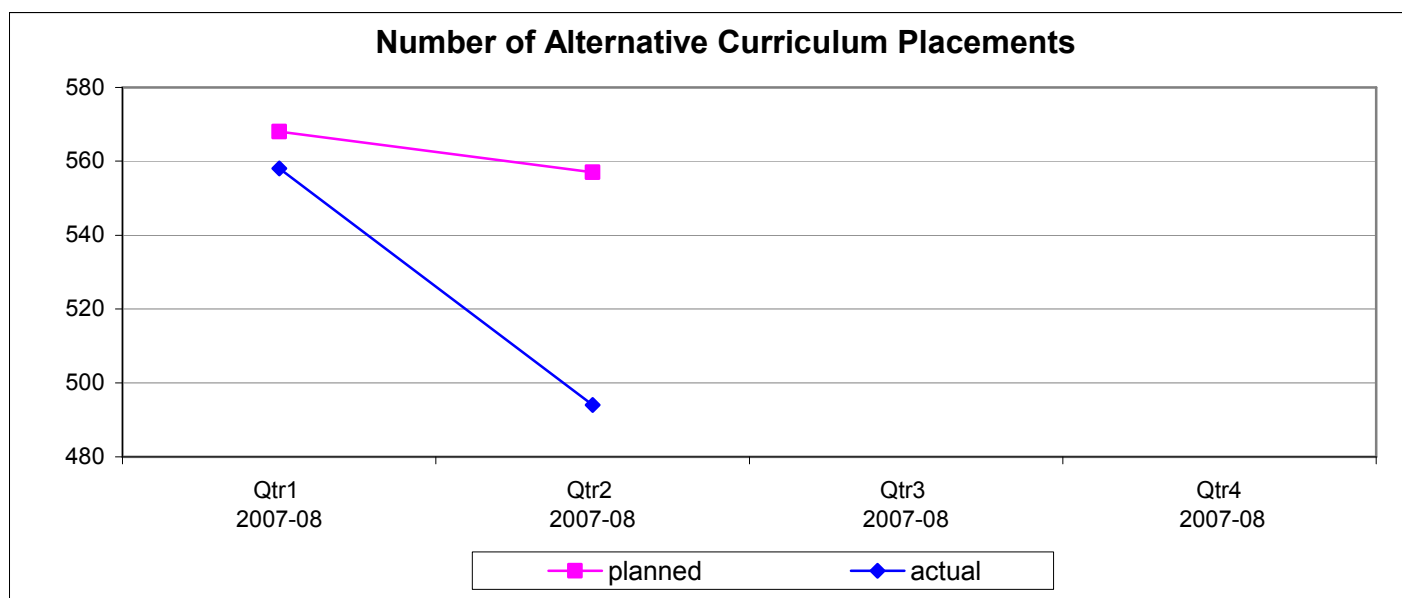
Comments:

- We are currently forecasting that schools will drawdown up to £15m of their reserves this year in response to the introduction of the balance control mechanism, which is a means of clawing back schools reserves over and above a specified level.

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

2.4 Number of Alternative Curriculum Placements:

	2007-08	
	planned	actual
April - June	568	558
July - September	557	494
October - December		
January - March		

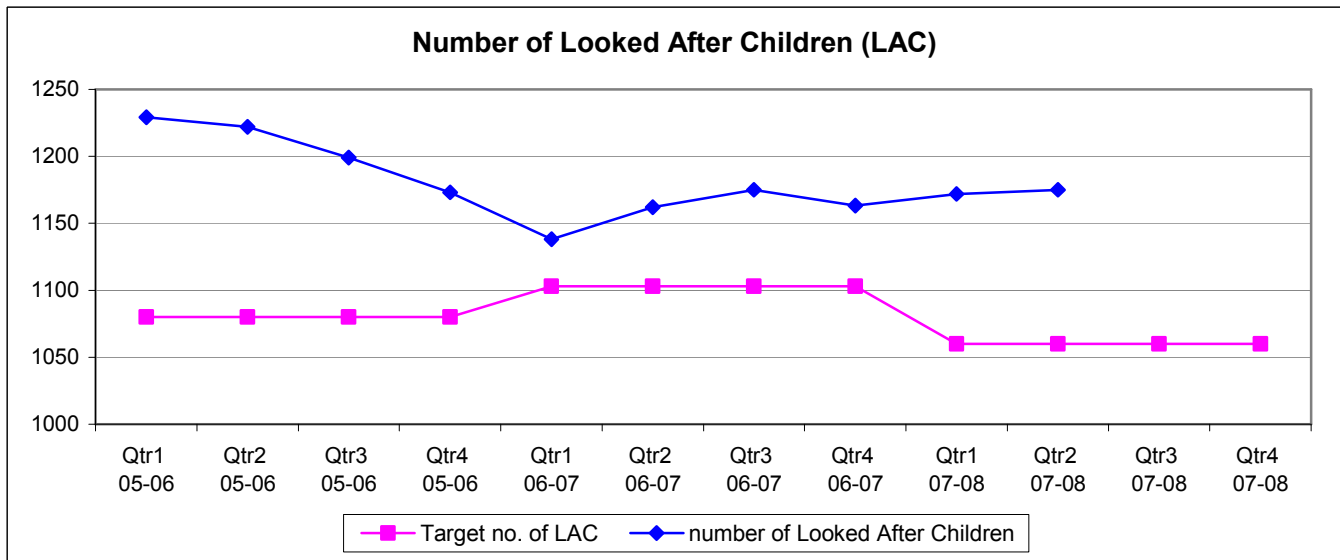


Comments:

- Full time alternative curriculum places need to be purchased 6 months in advance in order to secure them. From September 2007, Government guidelines required excluded pupils to be placed in full-time education within 6 days of being excluded. This target is now being met in the vast majority of cases.
- Please note that spare capacity is expected at this stage in the school year and is essential to cope with predicted demand throughout the school year.

2.5 Numbers of Looked After Children (LAC):

	2005-06		2006-07		2007-08	
	Target	number of Looked After Children	Target	number of Looked After Children	Target	number of Looked After Children
Apr – Jun	1,080	1,229	1,103	1,138	1,060	1,172
Jul – Sep	1,080	1,222	1,103	1,162	1,060	1,175
Oct – Dec	1,080	1,199	1,103	1,175	1,060	
Jan – Mar	1,080	1,173	1,103	1,163	1,060	

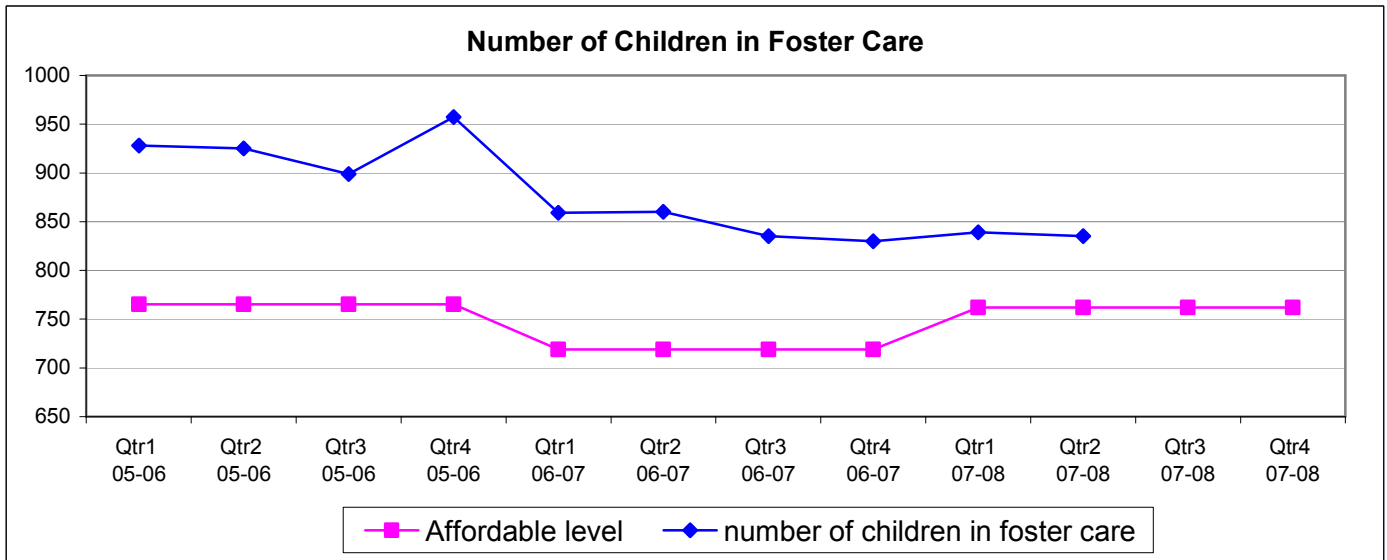


Comments:

- The current number of looked after children compared to the targeted level is of cause for concern. The financial implications have been reported within the Children’s Social Services budget lines in section 1.1.3.
- The target number of children does not represent the affordable level, but the position which the county is aiming to achieve.

2.6 Number of Children in Foster Care:

	2005-06		2006-07		2007-08	
	Target	number of children in foster care	Target	number of children in foster care	Target	number of children in foster care
Apr - Jun	765	928	719	859	762	839
Jul - Sep	765	925	719	860	762	835
Oct - Dec	765	899	719	835	762	
Jan - Mar	765	957	719	830	762	



Comments:

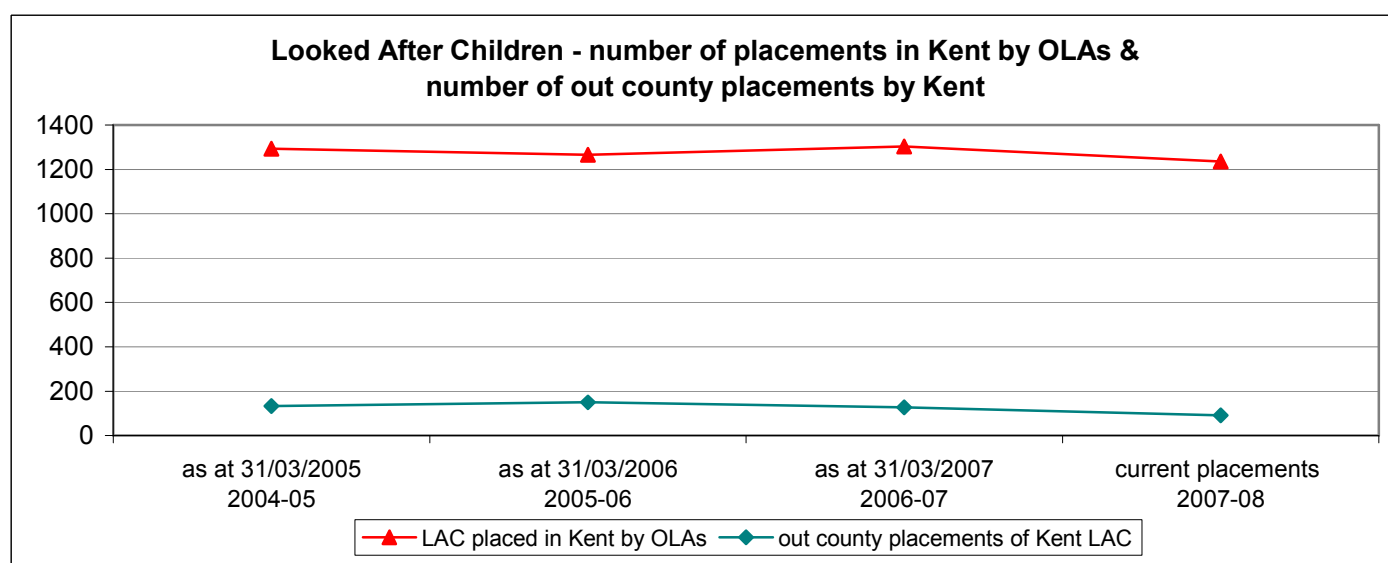
- The current number of children in foster care compared to the target is of cause for concern. The financial implications have been reported within the Children’s Social Services budget lines in section 1.1.3.
- The target number of children does not represent the affordable level, but the position which the county is aiming to achieve.

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

2004-05 as at 31/03/2005	2005-06 as at 31/03/2006	2006-07 as at 31/03/2007	2007-08 Current placements
1,294	1,266	1,303	1,236

2.8 Number of Out County Placements of LAC by Kent:

2004-05 as at 31/03/2005	2005-06 as at 31/03/2006	2006-07 As at 31/03/2007	2007-08 Current placements
132	149	127	91

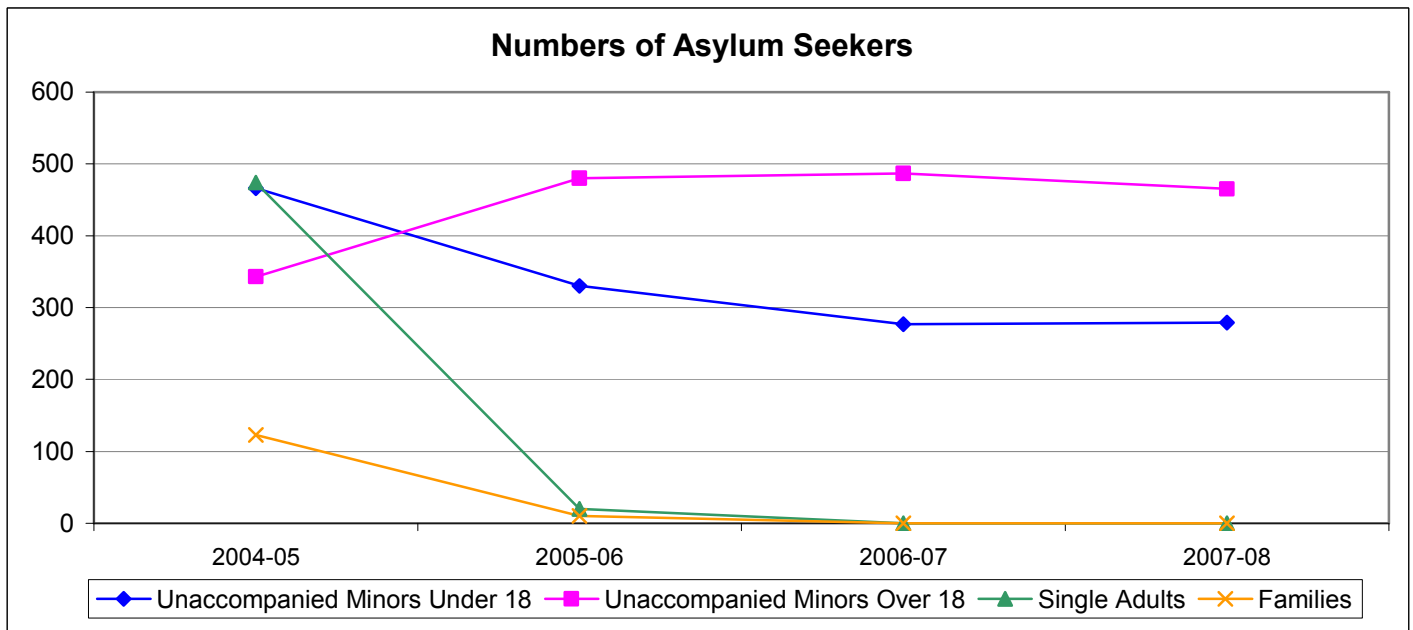


Comment:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken. The majority (over 99%) of Looked After Children placed out of the Authority are either in adoptive placements, placed with a relative, specialist residential provision not available in Kent or living with KCC foster carers based in Medway.
- There has been a significant reduction in the number of placements in Kent by other local authorities and the number of out of county placements by Kent due to a data cleansing exercise conducted with other local authorities. This exercise has no financial implications as authorities are not allowed to recoup the costs associated with caring for looked after children from other local authorities.

2.9 Numbers of Asylum Seekers (by category):

	2004-05	2005-06	2006-07	2007-08
	31-03-05	31-03-06	31-03-07	30-09-07
	Number	Number	Number	Number
Unaccompanied Minors Under 18	466	330	277	279
Unaccompanied Minors Over 18	343	480	487	465
Single Adults	474	20	0	0
Families	123	10	0	0

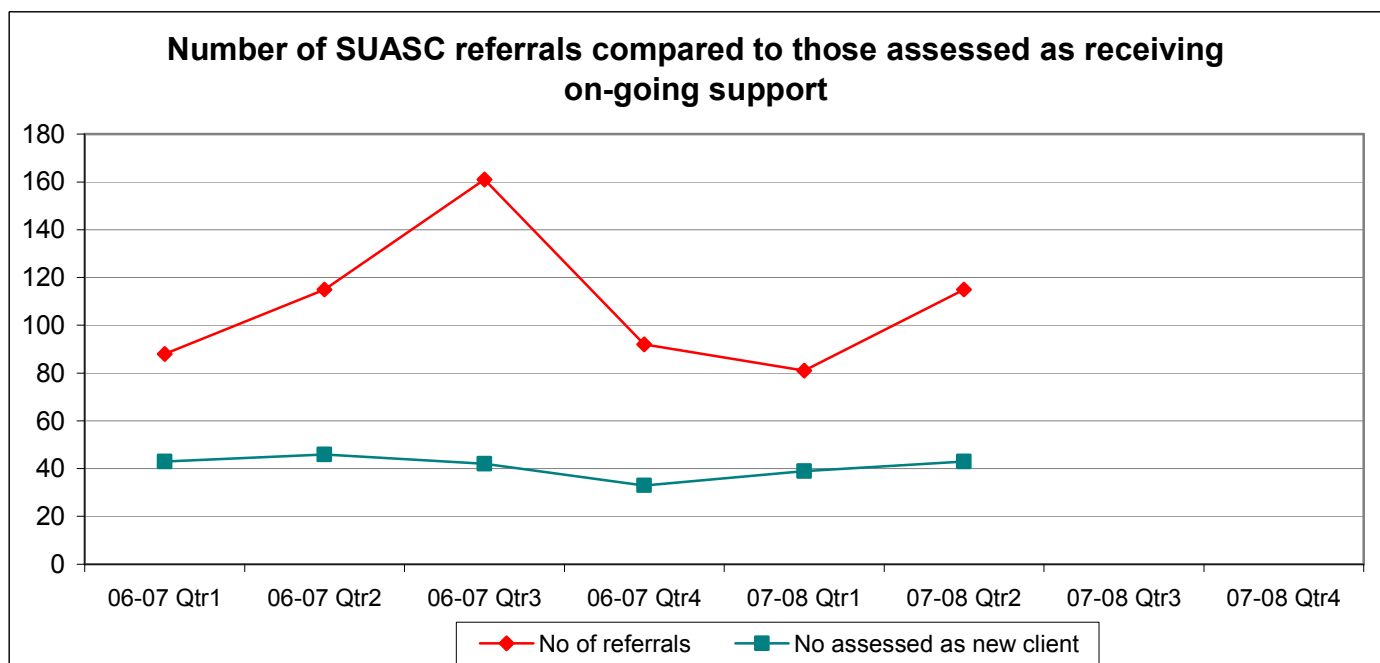


Comment:

- The numbers above refer to clients who have been assessed as qualifying for asylum. The numbers have reduced in line with expectation.

2.10 **Numbers of Asylum Seeker referrals compared with the number assessed as qualifying for on-going support from Service for Unaccompanied Asylum Seeking Children (SUASC) ie new clients:**

	2006-07			2007-08		
	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%
April - June	88	43	49%	81	39	48%
July - Sept	115	46	40%	115	43	37%
Oct - Dec	161	42	26%	70 (October only)		
Jan - March	92	33	36%			



Comments:

- The number of referrals in the second quarter is slightly higher than the forecast of 110 and the same as the second quarter last year. The percentage of referrals that become on-going referrals has fallen significantly below the forecast level of 50%.
- In October we had 70 referrals. This represents half of our forecast for the whole of the third quarter, and is the highest number in a single month for over 4 years.

KENT ADULT SOCIAL SERVICES 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” ie where there is no change in policy, including:

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

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Adult Services portfolio							
Older People	167,460	-68,849	98,611	1,058	-44	1,014	Demographic and placement pressures
People with a Learning Difficulty	72,956	-20,505	52,451	4,377	127	4,504	Demographic and placement pressures
People with a Physical Disability	26,089	-5,558	20,531	999	98	1,097	Demographic and placement pressures
Adults Assessment & Related	29,743	-4,600	25,143	-761	55	-706	Management action around staffing
Older Persons Direct Service Unit	24,420	-3,712	20,708	268	-7	261	Staffing & utility costs
Adult Service Provider Unit	13,876	-777	13,099	-71	66	-5	
SESEU	1,913	-571	1,342	-20	19	-1	
Occupational Therapy Bureau	9,168	-2,933	6,235	587	-762	-175	Release of provision for replacement hoists
Mental Health Service	23,306	-7,272	16,034	-49	200	151	Residential placement pressures
Supporting People	33,006	-33,006	0	-20	0	-20	
Gypsy Unit	625	-280	345	-16	6	-10	
Asylum All Appeal Rights Exhausted	100	0	100	-40	0	-40	
Strategic & Area Management	649	-3	646	25	3	28	
Performance, Contracting & Planning	7,284	-1,784	5,500	-402	-126	-528	Management action around staffing
Training, Duty & Support	15,264	-4,110	11,154	-1,591	130	-1,461	Staff savings, training budget and facilities
Total Adult Services controllable	425,859	-153,960	271,899	4,344	-235	4,109	
Assumed Management Action				-2,868	674	-2,194	
Forecast after Mgmt Action				1,476	439	1,915	

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 General Comment

KASS continues to face significant budget pressures in common with many other local authorities. These primarily relate to demographic and price pressures within services for People with Learning Disabilities.

1.1.3.2 Older People (+£1,014k)

The number of permanent residential placements continues to remain fairly static, and at a level well below target. As a result this line is forecasting a significant underspend of £249K. Nursing placements, however, continue to rise, and the forecast overspend of £334K reflects the on-going demand for beds for transfers from hospitals. The position is exacerbated by previous bed closures in acute and community hospitals together with delays in opening Broadmeadow. Districts are also seeing greater numbers of people with Mental Health problems being referred for services. However the Directorate has seen a higher level of attrition than expected within Preserved Rights, and as these placements are funded by a specific Grant this has resulted in an underspend on this line of £474k.

The reduced rate of residential placements also impacts on domiciliary care as this is often the alternative to seeking a permanent placement. Demographic pressures have also contributed to the forecast overspend of £1,376k, as has the transfer of budget from this line to fund direct payments at target levels. Unfortunately there has been little evidence to date of domiciliary activity reducing as a result of people switching to direct payments.

Budgets have been realigned recently to reflect increased income particularly relating to changes in the bands for Free Nursing Care. The forecasts also include the impact of the Ombudsman decision in relation to our practices on charging for domiciliary care, specifically that we backdate charges to the date that a service starts and not to the date of notification of the charge to the client. This has resulted in a reduction in income of £225k.

1.1.3.3 People with Learning Disabilities (+£4,504k)

Services for this client group are under extreme pressure as a result of both demographic and placement price pressures. There are forecast overspends against the main budget lines – residential, direct payments and supported accommodation/independent living, together with domiciliary and day-care. Demographic pressures reflect the numbers of young adults transferring from Children's Services, alongside increasing numbers of learning disabled clients over the age of 65, and many of these clients have very complex needs. There are also more cases of clients becoming "ordinarily resident" in Kent. This is the term used to describe people deemed to be living in the county and therefore the responsibility of KCC, rather than just receiving care in a residential or nursing placement. A client would become "ordinarily resident" following de-registration of a residential home and conversion to supported accommodation, something which is starting to happen more frequently.

1.1.3.4 People with Physical Disabilities (+£1,097k)

There are similar pressures here to those for services for People with Learning Disabilities – an increase in direct payments, without a corresponding reduction in domiciliary and other costs, together with demand and demographic pressures against residential care budgets, day-care and supported accommodation.

1.1.3.5 Assessment & Related (-£706k)

The underspend results from management action around staffing vacancies. There is planned slippage across all areas including the Policy team, Direct Payments Advisory service and Exchequer services (Specialist Finance Teams).

1.1.3.6 Older People Direct Services Unit (+£261k)

The overspend is a combination of higher than anticipated utility costs, together the continuing need to cover sickness and other absence with agency staff in order to meet care standards set by the regulator (Commission for Social Care Inspection).

1.1.3.7 Occupational Therapy Bureau (-£175k)

This underspend has arisen for two reasons. Firstly, although a provision of £100K was set up last year to fund the bulk replacement of hoists on health and safety grounds, the OTB has been able to absorb these costs within existing budgets'. This allows the full amount of the provision to be released as an underspend. Secondly there is also some slippage against planned recruitment. There will also need to be some re-alignment of gross and income budgets.

1.1.3.8 Mental Health (+£151k)

Although the forecast position within Mental Health has improved following implementation of Management Action, some demographic and placement price pressures remain within residential care budgets. There will also need to be some re-alignment of gross and income budgets.

1.1.3.9 Other (-£2,031k)

Principally relates to management action around staffing vacancies, but there are some specific savings including:

- -£525k – management action against training.
- -£468k – provision for risks in SRP costs not now required
- -£122k – delay in recruitment of the systems support team.
- -£ 248k – management action in facilities.
- -£ 286k – management of vacancies in area business units.
- -£157k – Performance, Planning & Contracting – management of vacancies
- -£ 59k – management of vacancies in Finance.
- -£40k – Asylum All Appeal Rights Exhausted – underspend
- -£297k – management action – Resources
- -£20k – Supporting People Admin underspend

Alongside these savings are several areas of budget pressure:

- +£13k – pressure on Personnel.
- +£55k – pressure on legal costs of Housing PFI
- +£40k – pressure on legal services SLA
- +£83k – pressure on enhanced pensions

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
KASS	Older People Domiciliary expenditure	+1,376	KASS	Assessment & Related - Management action around staffing	-706
KASS	Learning Disability Supported Accommodation	+1,032	KASS	Management Action on Training	-525
KASS	Learning Disability Residential	+1,019	KASS	Older People Preserved Rights	-474
KASS	Learning Disability Independent Living Schemes & Group Homes	+1,000	KASS	Provision for risk within SRP expenditure not now required	-468
KASS	Learning Disability Direct Payments	+865	KASS	Management action - Resources	-297
KASS	Physical Disability Direct Payments	+681	KASS	Area Contracts & planning Teams - management action around staffing	-286
KASS	Older People Nursing (excl Pres Rights)	+334	KASS	Older People Residential	-249
KASS	Learning Disability Domiciliary expenditure	+329	KASS	Management action in facilities	-248
KASS	Mental Health Residential Care exp.	+241	KASS	HQ Policy & Performance - management action around staffing	-157
KASS	Part year impact of 'fairer charging' decision by Ombudsman	+225	KASS	Part year saving on establishment of SRP Systems Support Team	-122
KASS	Learning Disability Day Care	+209	KASS	Occupational Therapy Bureau - Provision for Replacement Hoists	-100
KASS	PD Supported Accommodation	+200			
KASS	Older Persons Direct Services Unit (staffing costs)	+198			
KASS	PD Residential Care	+139			
KASS	Physical Disability Day Care Exp.	+100			
		+7,948			-3,632

1.1.4 Actions required to achieve this position:

Management Action plans were finalised in August which, at the time, were anticipated to bring us back to a breakeven position. However, although actions are being implemented, the demographic pressures are still growing, and we now feel that the management actions will only be able to bring the £4,109k pressure down to £1,915k.

1.1.5 Implications for MTFP:

At this stage the Medium Term Financial Plan for future years assumes that we will have an underlying pressure of £1.9m

1.1.6 Details of re-phasing of revenue projects:

No revenue projects have been re-phased.

1.1.7 Details of proposals for residual variance:

We are proposing to reflect a rolled forward overspend of £1,915k from the current year in the MTFP submission.

1.2 CAPITAL

- 1.2.3 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:

	2007-08 £000s -40
▪ Virement to CF&EA portfolio in respect of Improving Information Management grant	

- 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
Kent Adult Social Services portfolio						
Revised Budget per Sept Cabinet	18,398	11,063	5,786	1,794	4,687	41,728
Adjustments:						
- Virement to CF& EA portfolio		-40				-40
						0
						0
Revised Budget	18,398	11,023	5,786	1,794	4,687	41,688
Variance		-4,974	491	2,673	1,810	0
split:						
- real variance		0				0
- re-phasing		-4,974	+491	+2,673	+1,810	0
Real Variance		0	0	0	0	0
Re-phasing		-4,974	+491	+2,673	+1,810	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 £'000s	Approval to Spend £'000s	Approval to Plan £'000s	Initial Planning Stage £'000s
Overspends/Projects ahead of schedule						
KASS	Improving Information Management (IIM)	Real		+427		
			+0	+427	+0	+0
Underspends/Projects behind schedule						
KASS	Dartford Town Centre project	Phasing			-2,880	
KASS	Princess Christian Farm	Phasing			-622	
KASS	Westerham Write Back-To Fund IIM/Broadmeadow	Real		-475		
KASS	Crispe House	Phasing		-432		
KASS	Osborne Court/Faversham DOS	Phasing			-415	
KASS	Beaney Centre	Phasing		-300		
KASS	Edenbridge LD Services	Phasing		-289		
			0	-1,496	-3,917	0
			+0	-1,069	-3,917	+0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Social & Healthcare Centre in Dartford Town Centre – slippage £2.880 million

The Dartford Town Centre project is a Health and Social Care Centre aiming to relocate and modernise a number of existing day care services into a new building incorporating voluntary services, independent living flats, social enterprise and potentially health care services.

It has been delayed due to the land predicated for the site not having yet been marketed by its owner. Planning surrounding this project has been generally delayed due to rejection of the major Lowfield Street regeneration application. The redevelopment of Dartford town centre is being reviewed by Dartford Borough Council (DBC) with consultation anticipated during the autumn. An alternative site is being investigated in conjunction with DBC. It is not clear, to KASS or DBC, when land will be available but the following estimates assume July 2008, a delay of 21 months.

Completion is also estimated to have slipped by 21 months to August 2010. Consequently, in total the project costs are estimated to have slipped by £1.8m into 2010-11, representing 33% of total costs of the scheme, which includes slippage from 2007/08 into 2009-10 of £2.88m, 52% of total budget. Services will be provided from existing or temporary locations until completion, within current revenue budgets.

The project is funded by a mix of allocated back-to-back receipts and developer contributions. It is anticipated back-to-back receipts will be obtained before significant expenditure commences. It is expected Dartford planning issues will also delay the anticipated developer contributions.

Revised phasing of the costs of the scheme and developer contributions are estimated as follows but will be subject to further change.

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget		2,930	2,570	40		5,540
Forecast		50	1,210	2,470	1,810	5,540
Variance	0	-2,880	-1,360	+2,430	+1,810	0
FUNDING						
Budget:						
external		470	1,230	580		2,280
capital receipts		2,460	1,340	-540		3,260
TOTAL	0	2,930	2,570	40	0	5,540
Forecast:						
external				470	1,810	2,280
capital receipts		50	1,210	2,000		3,260
TOTAL	0	50	1,210	2,470	1,810	5,540
Variance	0	-2,880	-1,360	+2,430	+1,810	0

1.2.5 Projects with real variances, including resourcing implications:

As can be seen in Table 4, Adult Services have a real credit variance on the Westerham project of £475k, this is due to a revenue write-back of capital costs due to the aborted project. Also in Table 4 is shown a real pressure on the Improving Information Management project of £427k. This pressure is due to various commitments within SRP, including a change in the domiciliary charging policy, further work on client billing interfaces, and further training. This pressure is to be offset by the variance on Westerham. There are also smaller variances, including a pressure of £150k on Broadmeadow, caused by costs associated with the earthquake earlier this year, and unsatisfactory completion of works by the contractors. This is partially offset by the Westerham credit, and also by a £102k underspend on telehealth, a result of under-commitment of funds. After allowing for these issues the true underlying variance is £0k.

1.2.6 General Overview of capital programme:

(a) Risks

The majority of the directorate's capital programme comprises 'back to back' schemes predicated on generating capital receipts. There is a risk around the valuations.

(b) Details of action being taken to alleviate risks

Schemes reliant on capital receipts are being reviewed regularly with our Corporate Property colleagues.

- PFI Housing

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

	Previous years	2007-08	2008-09	2009-10	TOTAL
	£000s	£000s	£000s	£000s	£000s
Budget	-	33,600	38,700	189	72,489
Forecast	-	8,892	51,818	11,779	72,489
Variance	-	-24,708	13,118	11,590	0

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

Overall costings are still as planned.

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

The unitary charge is not subject to indexation as the contractor has agreed to a fixed price for the duration of the contract. Deductions will be made during the contract period if performance falls below the standards agreed or if the facilities are unavailable for use.

During the contract period if one of the partners proposes a change that either results in increased costs or a change in the balance of risk this must be taken to the Project Board for agreement. Each partner has a vote and any decision resulting in a change to the costs or risks would need unanimous approval.

(c) **Reason for Variance/Rephasing**

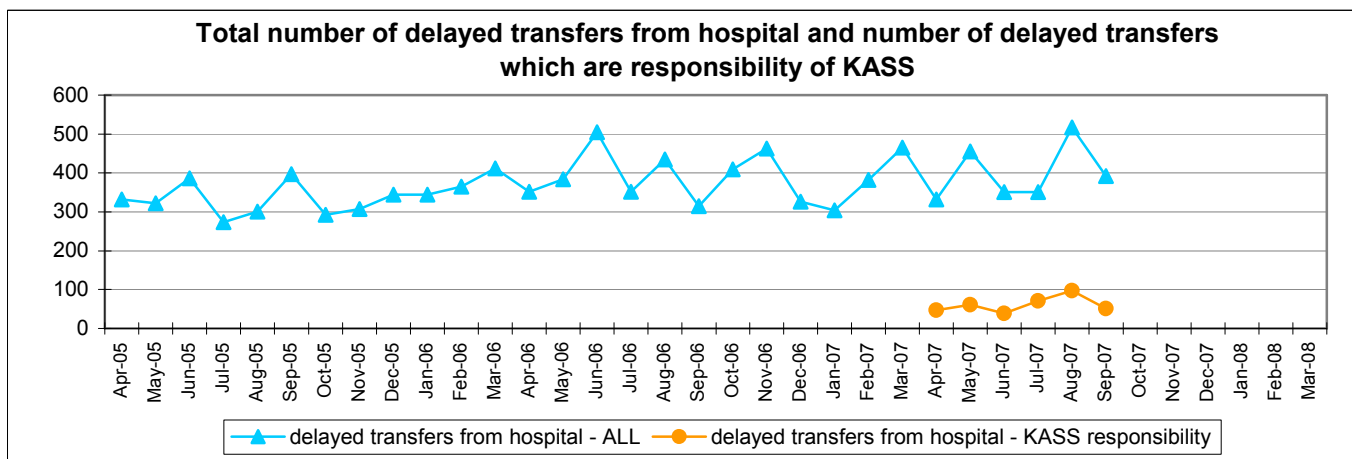
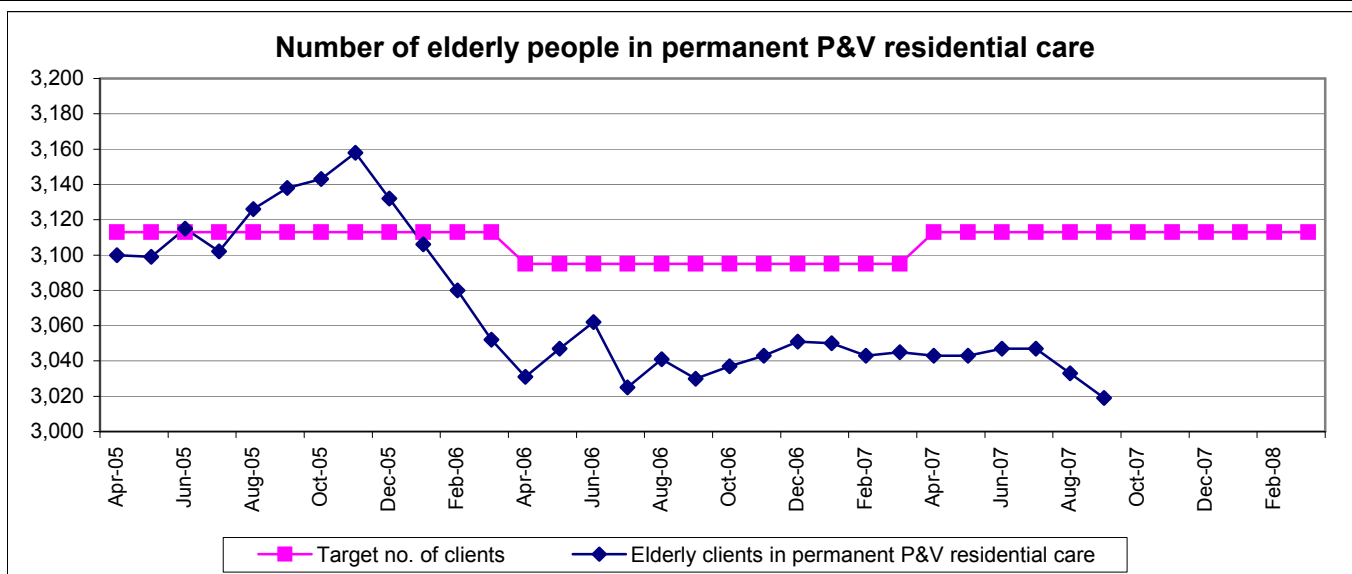
The revised forecast reflects the anticipated capital expenditure by the contractor in the PFI contract. The contract was signed on 5th October and any figures prior to this were estimated.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

Owing to delays in implementing SWIFT (client activity system), the activity data for the period August 2006 to March 2007 has been reliant on local records and manual counts.

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

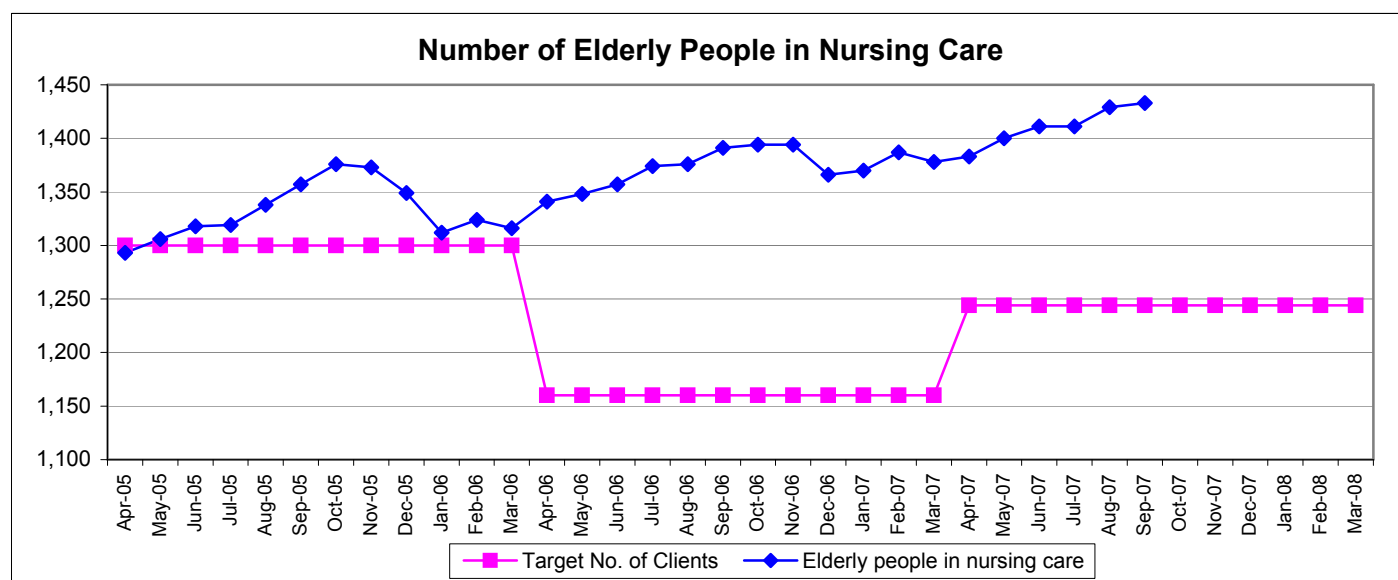
	2005-06			2006-07			2007-08			
	Target	Elderly clients in permanent P&V residential care	Delayed transfers from hospital	Target	Elderly clients in permanent P&V residential care	Delayed transfers from hospital	Target	Elderly clients in permanent P&V residential care	Delayed transfers from hospital (DTCs)	
									All	KASS
April	3,113	3,100	332	3,095	3,031	352	3,113	3,043	332	47
May	3,113	3,099	322	3,095	3,047	384	3,113	3,043	455	61
June	3,113	3,115	386	3,095	3,062	505	3,113	3,047	351	39
July	3,113	3,102	274	3,095	3,025	352	3,113	3,047	351	71
August	3,113	3,126	301	3,095	3,041	435	3,113	3,033	517	97
September	3,113	3,138	397	3,095	3,030	315	3,113	3,019	392	51
October	3,113	3,143	293	3,095	3,037	409	3,113			
November	3,113	3,158	307	3,095	3,043	463	3,113			
December	3,113	3,132	344	3,095	3,051	326	3,113			
January	3,113	3,106	344	3,095	3,050	304	3,113			
February	3,113	3,080	365	3,095	3,043	382	3,113			
March	3,113	3,052	412	3,095	3,045	465	3,113			



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

2.2 Numbers of elderly people in nursing care:

	2005-06		2006-07		2007-08	
	Target	Elderly people in nursing care	Target	Elderly people in nursing care	Target	Elderly people in nursing care
April	1,300	1,293	1,160	1,341	1,244	1,383
May	1,300	1,306	1,160	1,348	1,244	1,400
June	1,300	1,318	1,160	1,357	1,244	1,411
July	1,300	1,319	1,160	1,374	1,244	1,411
August	1,300	1,338	1,160	1,376	1,244	1,429
September	1,300	1,357	1,160	1,391	1,244	1,433
October	1,300	1,376	1,160	1,394	1,244	
November	1,300	1,373	1,160	1,394	1,244	
December	1,300	1,349	1,160	1,366	1,244	
January	1,300	1,312	1,160	1,370	1,244	
February	1,300	1,324	1,160	1,387	1,244	
March	1,300	1,316	1,160	1,378	1,244	

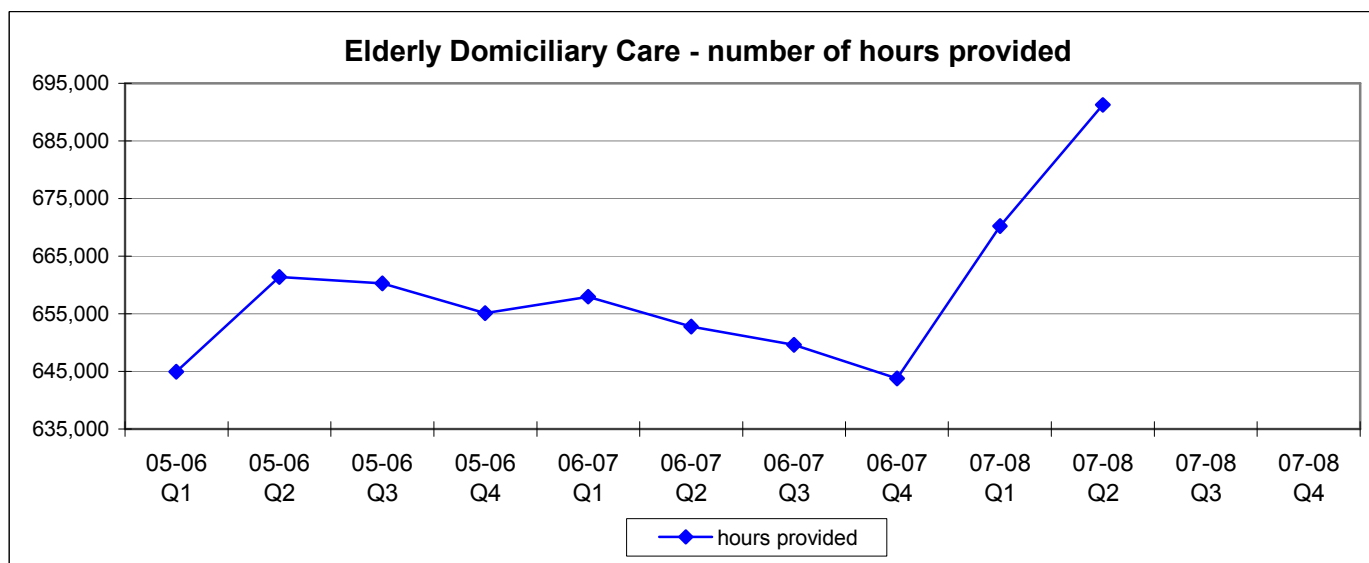
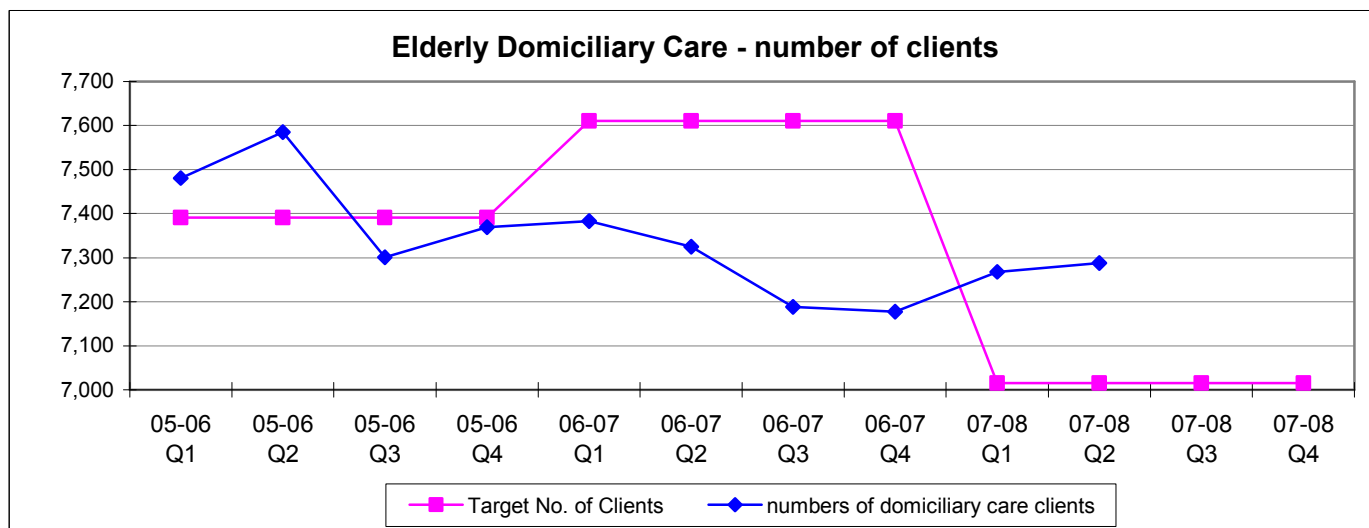


Comment:

- Increases in permanent nursing care may happen for many reasons. The main influences over the last year have been the closure of hospital beds in the East of the County. The knock on effect of minimising delayed transfers of care has resulted in an increase in the number of older people being admitted to nursing care. Demographic changes – increasing numbers of older people with long term illnesses – also means that there is an underlying trend of growing numbers of people needing more intense nursing care.

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

	2005-06			2006-07			2007-08		
	Target	numbers of domiciliary care clients	hours provided	Target	numbers of domiciliary care clients	hours provided	Target	numbers of domiciliary care clients	hours provided
Apr - Jun	7,391	7,481	644,944	7,610	7,383	657,948	7,015	7,268	670,203
Jul - Sep	7,391	7,585	661,415	7,610	7,325	652,789	7,015	7,288	691,231
Oct - Dec	7,391	7,301	660,282	7,610	7,188	649,624	7,015		
Jan - Mar	7,391	7,369	655,071	7,610	7,177	643,777	7,015		

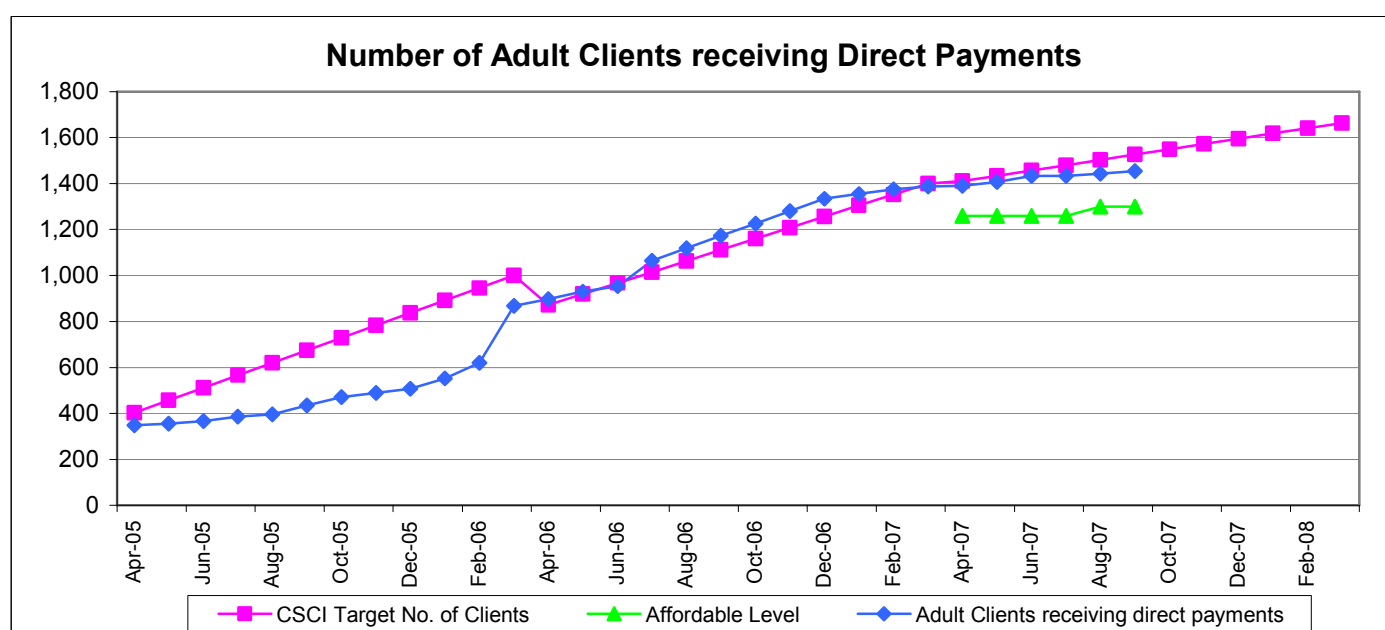


Comment:

- The number of people receiving domiciliary has increased throughout the year reflecting the continuing demographic pressures within this area. The reduction in residential placements has also had an impact on activity as this is often the alternative to seeking a permanent placement. Data quality issues in Swift make comparison with last year more difficult which might also explain the significant increase in clients, however average hours delivered per client per quarter is little different.

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

	2005-06		2006-07		2007-08		
	CSCI Target	Adult Clients receiving Direct Payments	CSCI Target	Adult Clients receiving Direct Payments	CSCI Target	Affordable Level	Adult Clients receiving Direct Payments
April	403	349	871	896	1,411	1,259	1,390
May	457	355	919	930	1,434	1,259	1,407
June	511	366	967	954	1,457	1,259	1,434
July	566	386	1,015	1,065	1,480	1,259	1,434
August	620	395	1,063	1,119	1,503	1,299	1,444
September	674	434	1,112	1,173	1,526	1,299	1,454
October	728	470	1,160	1,226	1,549		
November	783	489	1,208	1,280	1,572		
December	837	507	1,256	1,334	1,595		
January	891	553	1,304	1,355	1,618		
February	945	621	1,352	1,376	1,641		
March	1,000	868	1,400	1,388	1,662		

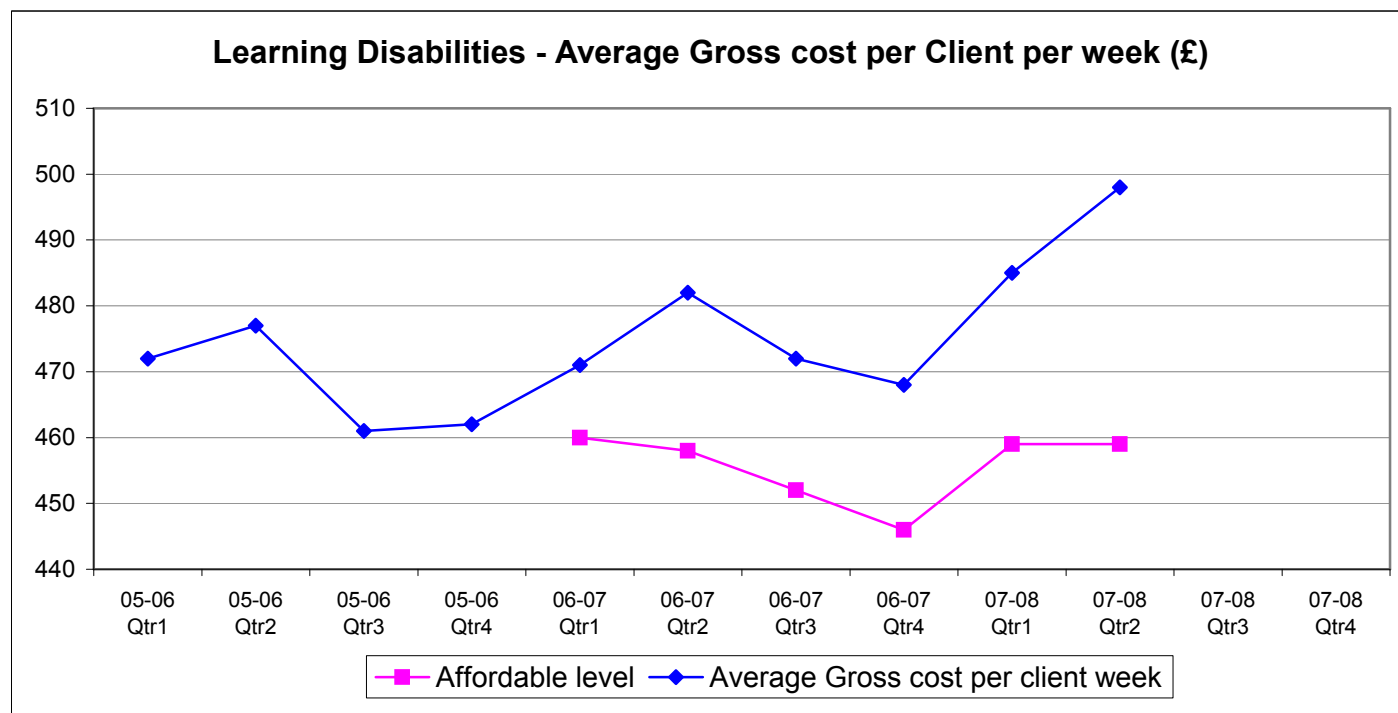


Comments:

- Direct payments are increasing, however a body of evidence is growing which suggests that the introduction of direct payments is identifying some previously unmet demand/need. Work is ongoing to track all new direct payment clients to prove /disprove this belief.
- It should be noted that the affordable level is 1,299, which relates to the budgets that are currently set for direct payments. This level has been increased since July to reflect budgets vired from other service lines, such as domiciliary and day-care, to recognise the move away from traditional services into self directed support.
- The financial forecast and variances being reported cover the ongoing costs of the 1,454 direct payment users we currently have.
- The 1,662 is the Commission for Social Care Inspection (CSCI) target for the end of year required position.

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

	2005-06	2006-07		2007-08	
	Average Gross cost per client £	Affordable level £	Average Gross cost per client £	Affordable level £	Average Gross cost per client £
April - June	472	460	471	459	485
July - September	477	458	482	459	498
October - December	461	452	472		
January - March	462	446	468		

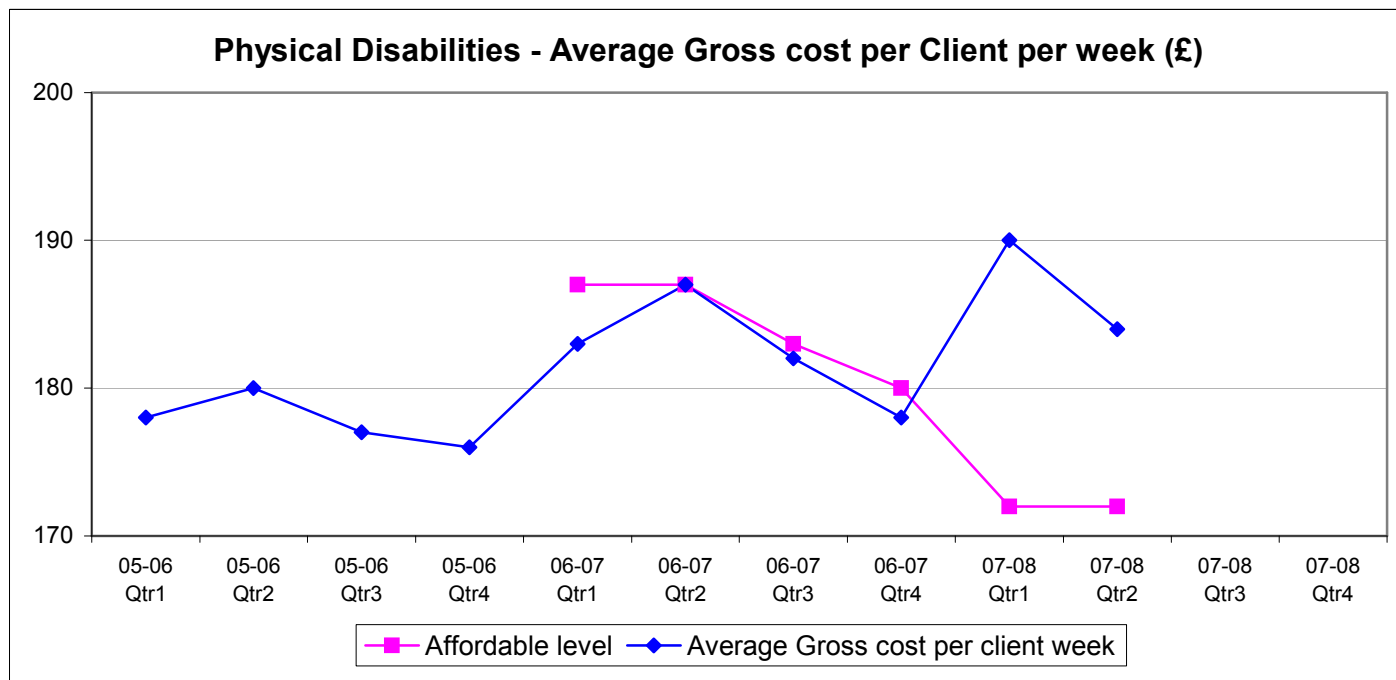


Comments:

- Targets did not exist prior to 2006-07 as this average cost is not a real performance indicator. It is merely intended to demonstrate the general upward trend in the cost of supporting clients with Learning Disabilities.
- This graph reflects the average cost per client week across all Learning Disability services, including those with the lowest levels of need.
- The basis for calculation has changed from last year in order to include both the costs of services provided by the private and voluntary sector and in-house service provision. The previous years figures have been adjusted accordingly.

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

	2005-06	2006-07		2007-08	
	Average Gross cost per client £	Affordable level £	Average Gross cost per client £	Affordable level £	Average Gross cost per client £
April - June	178	187	183	172	190
July - September	180	187	187	172	184
October - December	177	183	182		
January - March	176	180	178		



Comments:

- Targets did not exist prior to 2006-07 as this average cost is not a real performance indicator. It merely attempts to demonstrate the general upward trend in the cost of supporting clients with Physical Disabilities.
- This graph reflects the average cost per client week across all Physical Disability services, including those with the lowest levels of need.
- The basis for calculation has changed from last year in order to include both the costs of services provided by the private and voluntary sector and in-house service provision. The previous years' figures have been adjusted accordingly.

ENVIRONMENT & REGENERATION 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" ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget, and a virement of £400k from Finance portfolio to Regeneration & Supporting Independence portfolio for costs associated with the development of Manston & Eurokent.

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Environment, Highways & Waste portfolio							
Kent Highways Services	56,646	-8,511	48,135	130	-130	0	Additional Depot running costs. Assumes Emergency Works met by Corporate Centre. Extra Recharge income.
Public Transport Contracts	7,677	-634	7,043	240	-160	80	Freedom Pass take-up above expectation. Extra income.
Rural Bus Grant	2,276	-2,276	0	350	-350	0	Non-grant income supporting further rural service.
Capital Programme Group	689	-444	245	30	-30	0	Minor variations.
Waste Management	60,627	-2,749	57,878	-2,300	-200	-2,500	Less tonnage via Allington. WEEE Grant and improved sales/Op. Cubit income.
Environmental Group	7,915	-3,931	3,984	460	-360	100	More project expenditure, supported by external funding, than included in the budget. Reduced income from Country Parks.
Transport Strategy	559	0	559	-80	0	-80	Vacant post (part year). Slippage on CTRL Impact Study.
Resources	4,424	-467	3,957	735	-35	700	Directorate Budget Gap. Extra recharge income.
Total E, H & W	140,814	-19,012	121,802	-435	-1,265	-1,700	
Regeneration & Supporting Independence portfolio							
Regeneration & Projects - Area Teams & Major Projects	5,230	-1,112	4,118	-20	-460	-480	Extra DCLG activity. De-dualling of Fort Hill Road will slip to 2008/09.
Economic Development	2,950	-988	1,962	0	0	0	
Planning & Development	1,183	-57	1,126	-205	15	-190	£230k of delay in Local Development Framework, to be bid for roll forward. Reduced grant from Government.
Planning Applications	1,583	-468	1,115	-235	0	-235	Vacant posts. Delay on Shaw Grange remedial work of £220k, to be bid for roll forward.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Change & Development	285	0	285	210	-100	110	Unfunded post and seconded staff with income
Kent Regeneration Fund	954	-850	104	-100	100	0	Projects held-back due to shortfall in funding.
Total Regen & SI	12,184	-3,475	8,709	-350	-445	-795	
Total Directorate Controllable	152,998	-22,487	130,511	-785	-1,710	-2,495	

1.1.3 Major Reasons for Variance:

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

Environment, Highways & Waste portfolio:

- 1.1.3.1 Kent Highway Services (KHS) has under estimated the budget requirement for the running costs of the depot network, at a cost of £130k.
- 1.1.3.2 Recharge income for KHS is estimated to exceed the budget, particularly in the area of Section 38 Agreements (developer contributions towards the KHS design and supervision fee in respect of new housing developments), generating an extra £130k.
- 1.1.3.3 The Resources Division within the E,H&W Portfolio holds the Directorate-wide budget imbalance of £735k, which relies upon a Management Action Plan to ensure a balanced Portfolio budget by the year-end. The under spending of the Waste Management budget, detailed in 1.1.3.5 below, will provide the needed funding cover.
- 1.1.3.4 One of the Towards 2010 targets is the provision of a Freedom Pass for public transport usage by 11 to 16 year olds. Two pilots are in progress. The take-up of passes has exceeded expectations and a further £240k will be required to re-imburse the operators. This sum will be covered primarily by the additional income received from the Education Service and others exceeding the budget set.
- 1.1.3.5 The Allington Waste to Energy plant is still in the commissioning stage. At present, it is not working. As a result more waste is going to Landfill than budgeted for, but this is at a cheaper rate, for the moment, and hence a saving on the budget is being achieved (-£2,300k). An assessment has been made as to the period needed before full working is achievable. Also, the waste tonnage to date, compared to last year, is slightly reduced.
- 1.1.3.6 We have received WEEE grant income of £350k that was not built into the budget, and additional sales and Operation Cubit income of some £650k. However, some £800k of WPEG budgeted income has been paid as a capital grant and therefore is not available to support the revenue budget as planned. The overall impact on the waste income budget is a net under spend of £200k.
- 1.1.3.7 Additional non-grant income of £350k on Rural Bus Services is supporting further service provision.
- 1.1.3.8 In Environment, an ability to increase the level of external funding received, compared to the budget assumption, has enabled more projects to be achieved (+/-£460k). However a reduction in the income from Country Parks, ascribed to the poor summer weather, has meant a shortfall on the budget of £100k.

Regeneration & Supporting Independence portfolio:

- 1.1.3.9 There is an increased volume of DCLG activity within Regeneration & Projects, in relation to the Kent Thameside and Swale Delivery Boards, which will be matched by 100% grant (+/- £460k). The budget for this item has to be determined often before knowledge of all programmes of work is available. However, slippage of £450k on the Fort Hill, Margate de-dualling project will require a bid for roll-forward to next year.
- 1.1.3.10 Within Change and Development, one occupied post is unfunded, and there are three seconded staff matched by 100% external funding of £100k. The costs will exceed the budget by £210k.
- 1.1.3.11 Within Planning & Development, a delay in the Minerals and Waste Local Development Framework will require a bid for roll-forward of £230k.

- 1.1.3.12 There is also a delay in the remedial works required to Shaw Grange and of the under spend of £235k within Planning Applications, £220k will be requested for roll forward.
- 1.1.3.13 Due to an expected shortfall in the Kings Hill income available for the Kent Regeneration Fund, (though refined figures are still being worked on), projects have been held back wherever possible (+/- £100k).

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

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
EHW	The Waste WPEG grant was budgeted as 100% revenue grant but it is being paid as 50% capital grant and is therefore not available to support the revenue budget	+800	EHW	Reduced tonnage through Allington WtE plant.	-2,300
EHW	Directorate Budget Gap (covered from Waste under spend)	+735	EHW	Waste - improved sales / Operation Cubit income	-650
EHW	More project expenditure supported by external funding within Environment Group	+460	RSI	Increased Volume of DCLG grant - Kent Thameside & Swale Delivery Boards	-460
RSI	Increased Volume of DCLG activity - Kent Thameside & Swale Delivery Boards	+460	EHW	Increased level of external funding enabling more projects within Environment Group	-460
EHW	Rural Bus Services - non-grant income supporting further rural service.	+350	RSI	Re-phasing of Fort Hill, Margate de-dualling project	-450
EHW	Extra take-up of Freedom Bus Pass	+240	EHW	Increase on non-grant income on rural bus services	-350
RSI	1 Unfunded post and Seconded Staff funded externally in Change & Development Division	+210	EHW	WEEE Grant not budgeted as income	-350
EHW	Budget under-estimate on KHS depot running costs.	+130	RSI	Delay in Minerals and Waste Local Development Framework activity	-230
EHW	Reduction in Country Parks income due to poor summer weather	+100	RSI	Delay in Shaw Grange remedial works	-220
RSI	Kent Regeneration Fund expected funding shortfall	+100	EHW	Additional income from base revenue supported bus services	-160
			EHW	Additional Recharges income from KHS Division	-130
			RSI	Seconded Staff funded externally in Change & Development Division	-100
			RSI	Kent Regeneration Fund - projects delayed due to expected funding shortfall	-100
		+3,585			-5,960

1.1.4 Actions required to achieve this position:

Whilst the Regeneration and Supporting Independence Portfolio shows an under spending of £795k, it should be noted that £900k under spending will be the subject of bids for roll forward into 2008/09, in order to complete key activities. Hence the imbalance is in reality +£105k, which relates to a post for which the external funding has now ceased. The Directorate is confident that a solution will be found before the year-end.

The E, H & W Portfolio is showing a forecast net £1.7m under spend. This reflects that the Directorate budget net gap of £0.7m is a first call on the Waste Management under spend, forecast at £2.5m. Of the £1.7m net forecast underspend, a bid for roll forward will be made for £55k in order to complete the CTRL Impact Study, leaving a residual £1.645m underspend.

It should be noted that this forecast assumes that the County Council's Emergency Reserve will provide funding to meet the estimated cost of £425k, for corrective work following the earthquake and floods in June.

1.1.5 Implications for MTFP:

- The WtE plant at Allington is assumed to be at full operational capacity from 1st April 2008.
- The Directorate budget net gap of £700k is to be re-aligned within the 2008/09 budget year.

1.1.6 Details of re-phasing of revenue projects:

The forecast under spending of:

- £230k in respect of a delay in the Local Development Framework for Waste and Mineral Studies,
- £220k for Shaw Grange remedial works and
- £450k slippage on the Fort Hill de-dualling work will all be requested for roll forward to 2008/09 (R&SI Portfolio).

Similarly, a roll forward bid will be made for £55k in order to complete the CTRL Impact Study (E,H&W Portfolio).

1.1.7 Details of proposals for residual variance:

Under spends elsewhere in the Directorate will be achieved to provide a solution to the unfunded post within Change & Development Division.

1.2 CAPITAL

1.2.4 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:

	2007-08 £000s
<u>Environment, Highways & Waste portfolio:</u>	
▪ Additional Integrated Transport Grant	2,290
▪ Waste Performance Grant	812
▪ Transfer of budget for de-dualling of Fort Hill, Margate to R&SI portfolio as this was incorrectly included in EH&W portfolio in the last full monitoring report	-550
<u>Regeneration & Supporting Independence portfolio:</u>	
▪ Transfer of budget for de-dualling of Fort Hill, Margate from EH&W portfolio	550

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

	Prev Yrs Exp	2007-08	2008-09	2009-10	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Environment, Highways & Waste Portfolio						
Revised Budget per Sept Cabinet	88,025	109,699	67,028	53,795	88,428	406,975
Adjustments:						
- Integrated Transport Grant		2,290				2,290
- Waste Performance Grant		812				812
- de- dualling Fort Hill, Margate		-550				-550
Revised Budget	88,025	112,251	67,028	53,795	88,428	409,527
Variance		-22,988	-15	5,139	19,182	1,318
split:						
- real variance		-1,949	+3,267			+1,318
- re-phasing		-21,039	-3,282	+5,139	+19,182	0
Regeneration & Supporting Independence Portfolio						
Revised Budget per Sept Cabinet	3,904	10,057	1,500	2,000	1,000	18,461
Additions:						
- de-dualling Fort Hill, Margate		550				550
-						0
-						0
Revised Budget	3,904	10,607	1,500	2,000	1,000	19,011
Variance		-4,950	+4,950	0	0	0
split:						
- real variance						0
- re-phasing		-4,950	+4,950			0
Directorate Total						
Revised Budget	91,929	122,858	68,528	55,795	89,428	428,538
Variance	0	-27,938	+4,935	+5,139	+19,182	1,318
Real Variance		-1,949	+3,267	0	0	+1,318
Re-phasing *		-25,989	+1,668	+5,139	+19,182	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			Initial Planning Stage
			Rolling Programme	Approval to Spend	Approval to Plan	
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
EHW	Ashford Ring Road	Real		+870		
			0	+870	0	0
Underspends/Projects behind schedule						
EHW	Rushenden Link Road	Phasing			-10,349	
EHW	Re-shaping Kent Highways Accommodation	Phasing		-8,522		
R&SI	East Kent Empty Property Initiative	Phasing		-3,700		
EHW	Thamesway	Real Phasing		-1,919 -80		
EHW	East Kent Access Phase 1c	Real		-843		
R&SI	Arts & Business Centre at Folkestone	Phasing		-800		
EHW	Sittingbourne Northern Relief Road	Phasing			-583	
EHW	Energy & Water Investment Fund	Phasing		-500		
R&SI	Fort Hill De-dualling	Phasing			-450	
EHW	Newtown Road Bridge	Phasing			-334	
EHW	Non TSG Land, Part 1 Comp.Claims	Real	-250			
			-250	-16,364	-11,716	0
			-250	-15,494	-11,716	0

1.2.4 Projects re-phasing by over £1m:

There are three schemes falling into this category, namely Re-shaping Kent Highways Accommodation Project, the Rushenden Link major road scheme, and the East Kent Empty Property Initiative.

1.2.4.1 Re-shaping KHS Accommodation project – slippage £8.522 million

This scheme is designed to deliver service improvements and efficiencies and replacements for some of the existing depots which do not meet modern day environmental standards. The project has slipped by £8.522 million representing 31% of the total value of the scheme. There has been delay in starting the Wrotham and Sandwich schemes because of objections to elements of the intended construction. There will be a delay in completion. The service implications of this delay are a continuation of the usage of existing office accommodation. It is anticipated that revenue costs will be contained within the budget allocation. The financial implications of this delay will be contained within the Project Contingency, to contain the overall capital programme within existing cash limits over the medium term. Revised phasing of the scheme is now as follows:

PROJECT: Re-shaping Kent Highways Accommodation

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	5,052	20,100	250			25,402
Forecast	5,052	11,578	8,772			25,402
Variance	0	-8,522	8,522	0	0	0
FUNDING						
Budget:						
prudential	2,000					2,000
prudential/revenue	2,843	18,330	-4,120	-3,800		13,253
external	9					9
capital receipts	200	1,770	4,370	3,800		10,140
TOTAL	5,052	20,100	250	0	0	25,402
Forecast:						
prudential	2,000		2,438			4,438
prudential/revenue	2,843	11,578	2,632	-3,800		13,253
external	9					9
capital receipts	200		6,140	3,800		10,140
TOTAL	5,052	11,578	11,210	0	0	27,840
Variance	0	-8,522	10,960	0	0	2,438

Cabinet agreed in September to the virement of £2.45m of the slippage on this project for use on a range of capital maintenance projects, in order to bring the 2007-08 budget for capital maintenance up to the figure in the Government's Local Transport Plan settlement for Kent, with the corresponding £2.45m reduction in the Re-shaping KHS Accommodation budget being reinstated in the 2008-11 MTFP process. This virement has been reflected in the table above. Once the £2.45m of prudential funding is re-instated in the 2008-11 MTFP process, the £2.438m overspend on the project, as shown in the above table, will disappear.

1.2.4.2 Rushenden Link Road – slippage £10.349 million

SEEDA has not been able to complete its land assembly and planning permissions status as quickly as assumed and so construction of this major road scheme is now not expected to commence until February 2008.

Although SEEDA are the lead body for the project, KCC is the employer to the contractor, hence why the project is reflected in our capital programme, so all payments will be made via KCC with the DCLG grant being received via SEEDA.

PROJECT: Rushenden Link Road

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	401	11,599	1,500			13,500
Forecast	401	1,250	11,849			13,500
Variance	0	-10,349	10,349	0	0	0
FUNDING						
Budget:						
grant	401	11,599	1,500			13,500
TOTAL	401	11,599	1,500	0	0	13,500
Forecast:						
grant	401	1,250	11,849			13,500
TOTAL	401	1,250	11,849	0	0	13,500
Variance	0	-10,349	10,349	0	0	0

1.2.4.3 East Kent Empty Property Initiative – slippage £3.700m

This project is designed to deliver service improvement, through bringing empty properties back into use and improving the physical environment in four coastal districts of Kent. The project has under-utilised the funding by £3.7million representing 37% of the total value of the scheme over the MTFP. The proposal for this project assumed that there would be a substantial and early need for a rolling loan facility, but this has not materialised to the extent reflected in the budget for the current year. The basis for this project is that the loans will be repaid to KCC over the MTFP. This project is a PSA target. The targets set are being achieved, though only requiring limited use of the rolling loan facility, so far.

PROJECT: East Kent Empty Property Initiative

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	51	5,449	1,500	2,000	1,000	10,000
Forecast	51	1,749	5,200	2,000	1,000	10,000
Variance	0	-3,700	3,700	0	0	0
FUNDING						
Budget:						
prudential	51	4,949		-2,500	-2,500	0
capital receipts		500	1,500	4,500	3,500	10,000
TOTAL	51	5,449	1,500	2,000	1,000	10,000
Forecast:						
prudential	51	1,249	3,700	-2,500	-2,500	0
capital receipts		500	1,500	4,500	3,500	10,000
TOTAL	51	1,749	5,200	2,000	1,000	10,000
Variance	0	-3,700	3,700	0	0	0

1.2.5 Projects with real variances, including resourcing implications:

Table 3 shows a real underspend of £1.949m in 2007-08 and a real overspend of £3.267m in 2008-09, which is in respect of:

2007-08:

- +£870k Ashford Ring Road; impact of a tender return. A bid for additional Government grant has been submitted.
- -£1,919k Thamesway; value engineering has reduced scheme costs. However, this scheme is 100% funded from Government grant.
- +£230k Everards Link Phase 2 which will be met by additional DCLG grant and external contributions.
- -£37k on Civic Amenity site improvements and pollution control projects but this will be offset by reduced revenue contributions.

All of the above variances are expected to be matched by changes in resources, however the underspends detailed below are real:

- -£843k East Kent Access 1c; reduced cost of land compared to estimate.
- -£250k due to a reduced volume of Land Compensation Act Part 1 claims.

2008-09:

All of these variances are expected to be matched by a change in resources:

- +£2,438k Re-shaping KHS Accommodation – this overspend is as a result of the virement agreed by Cabinet in September which will be re-provided for in the 2008-11 MTFP process, as detailed in section 1.2.4.1 above.
- +£470k Ashford Newtown Way – this is expected to be met by additional DCLG grant.
- +£360k Everards Link Phase 2 which will be met by additional DCLG grant and external contributions.

1.2.6 **General Overview of capital programme:**

(a) Risks:

It is still relatively early in the year to be confident of all project/scheme over/under spends. The quality of the project forecasts will improve as we move through the financial year.

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

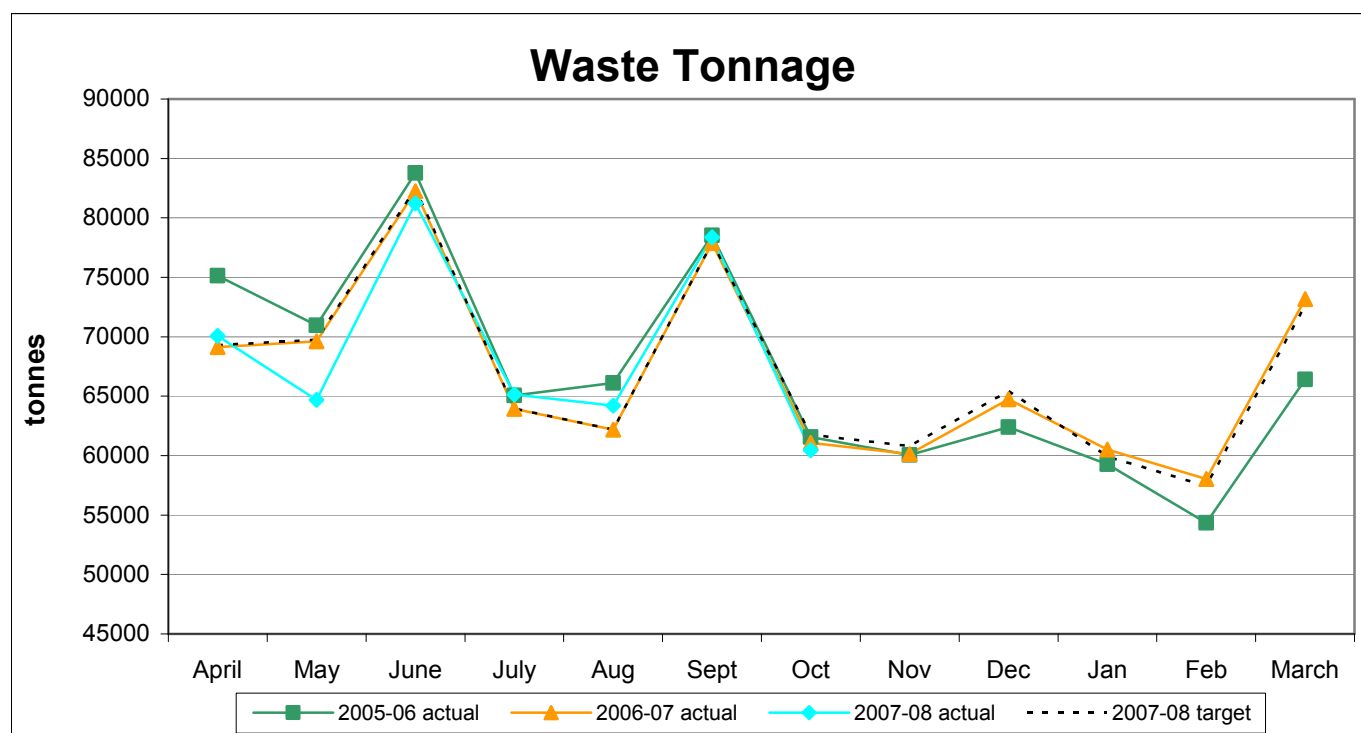
Monthly meetings with project managers take place to revise the forecast.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Waste Tonnage:

	2005-06	2006-07	2007-08	
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Business Plan Target *
April	75,142	69,137	70,075	69,290
May	70,964	69,606	64,688	69,760
June	83,770	82,244	81,231	82,425
July	65,063	63,942	65,134	63,953
August	66,113	62,181	64,192	62,189
September	78,534	77,871	78,368	77,912
October	61,553	61,066	60,448	61,751
November	60,051	60,124		60,807
December	62,397	64,734		65,426
January	59,279	60,519		59,932
February	54,337	58,036		57,443
March	66,402	73,170		72,610
TOTAL	803,605	802,630	484,136	803,498

* there has been some minor re-alignment of the profile since the last report to reflect outstanding data received from a number of district councils



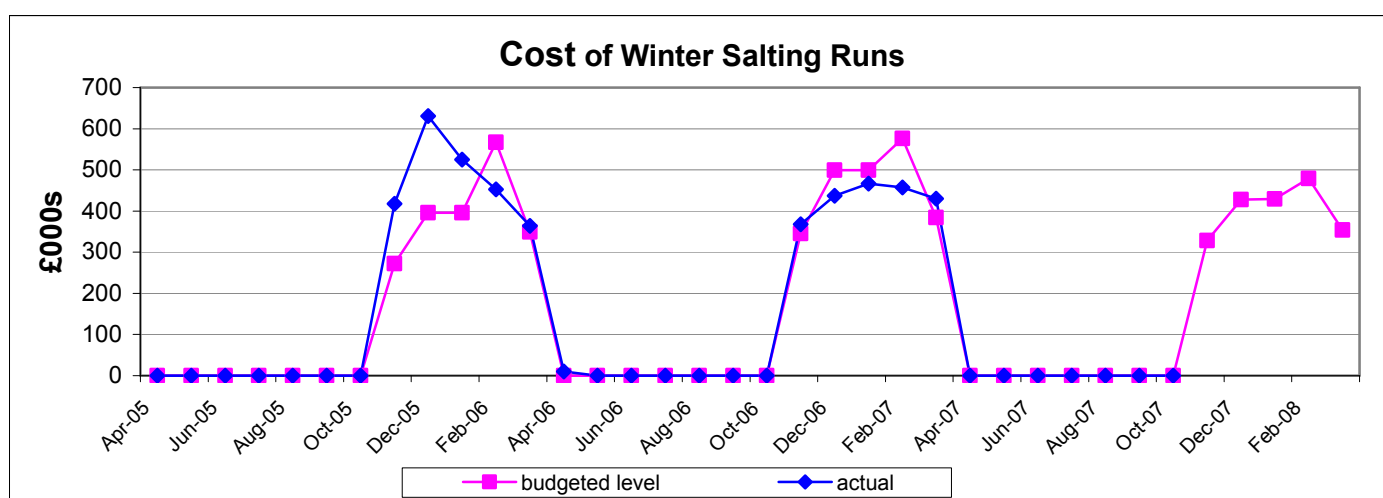
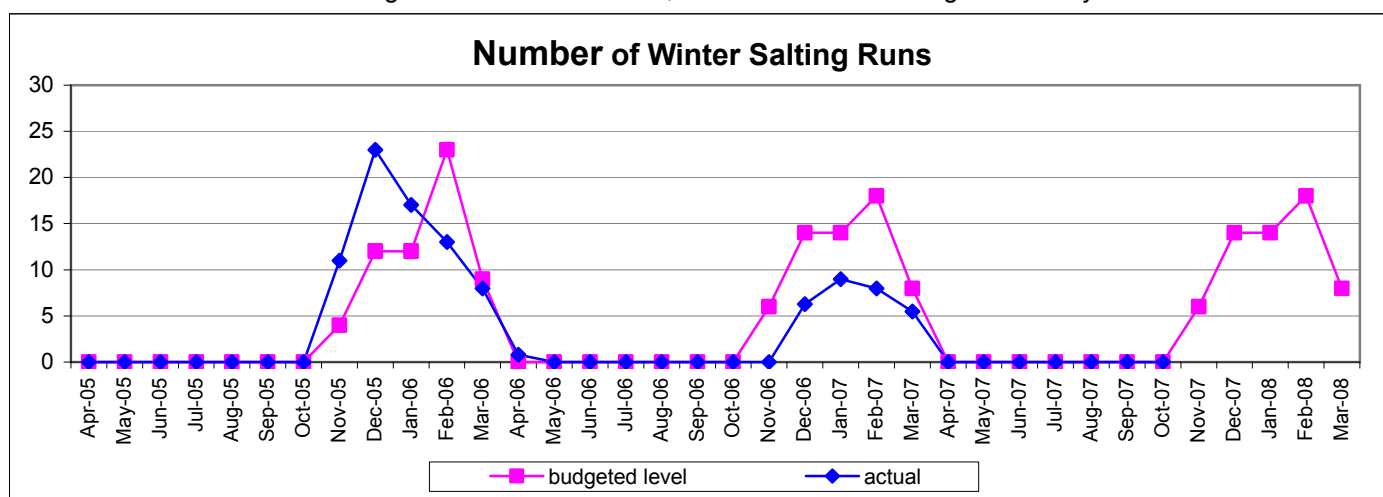
Comments:

- Tonnage has declined slightly from last year. Also the expected volume to be put through the Allington WtE Plant, which is still in the commissioning stage, is significantly below expectation. As, in the early years, the cost of Allington processing is higher than standard Landfill, the budget benefits from reduced costs. So, even if the total tonnage to be managed was the same as last year, there would still be an under spending on the budget, all other things being equal.
- The target tonnage profile has been amended slightly since the previous report.

	2005-06				2006-07				2007-08			
	Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs	
	Actual	Budgeted level	Actual	Budgeted level	Actual	Budgeted Level	Actual	Budgeted Level	Actual	Budgeted level	Actual	Budgeted Level ²
					£000s ¹	£000s	£000s	£000s			£000s	£000s
April	-	-	-	-	0.8 ¹	-	10	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-
November	11	4	418	272	-	6	368	345		6		328
December	23	12	631	396	6.3	14	437	499		14		428
January	17	12	525	396	9.0	14	467	499		14		429
February	13	23	453	567	8.0	18	457	576		18		479
March	8	9	364	349	5.5	8	430	384		8		354
TOTAL	72	60	2,391	1,980	29.6	60	2,169	2,303	0	60	0	2,018

Note ¹: only part of the Kent Highways Network required salting

Note ²: the 2007-08 budget excludes overheads, as these are now charged centrally

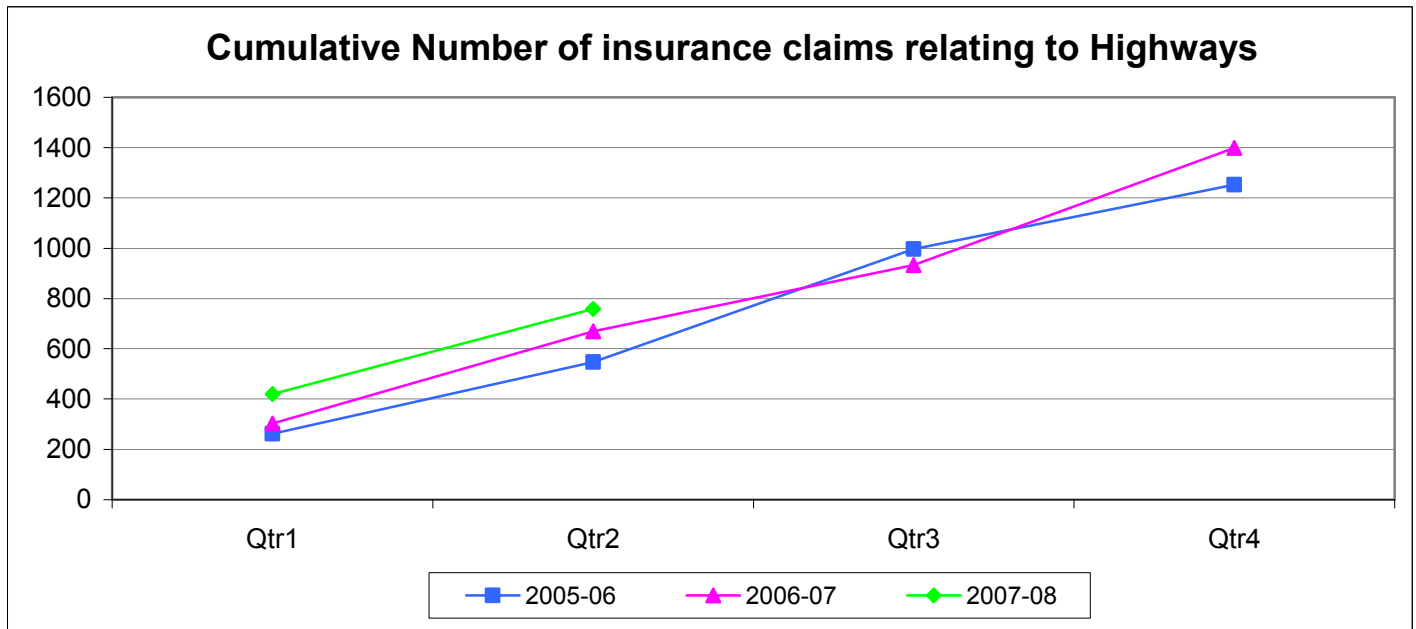


Comment:

- The charges for the Winter Maintenance Service reflect a large element of fixed cost; the smaller element being the variable cost of the salting runs. Contractual fixed costs have been apportioned equally over the 5 months of the salting period.

2.3 Number of insurance claims arising related to Highways:

	2005-06	2006-07	2007-08
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
April – June	263	303	419
July – September	547	669	758
October – December	997	933	
January - March	1,252	1,398	



Comments:

- The increase in claims between 2005-06 and 2006-07 appears to reflect a national trend. Nearly all other county councils in South East England have reported a similar rise in 2006. Carriageway claims are starting to increase and this may be evidenced by the relatively high figure for the first two quarters of this financial year.

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** below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Communities portfolio							
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 focussed 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

1.2.5 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:

- 2007-08
£000s
5

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

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 b100udget 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. The Page 89 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

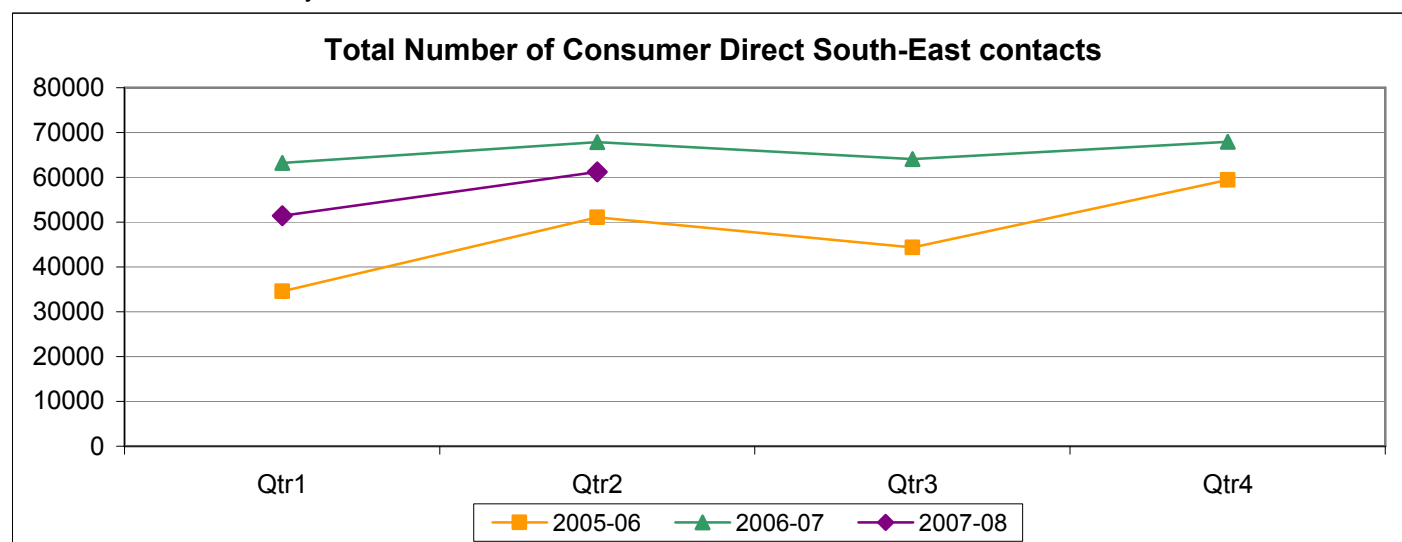
2.1 Number of Consumer Direct South-East contacts, by local authority area:

	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.



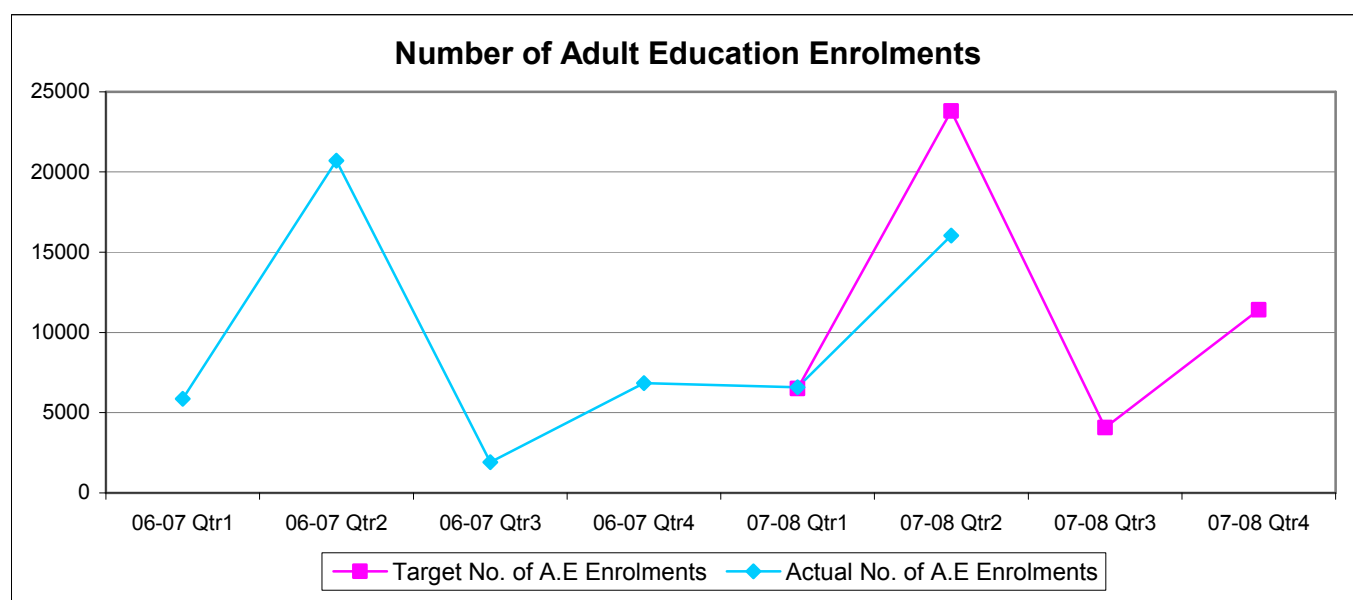
Comments

- 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:

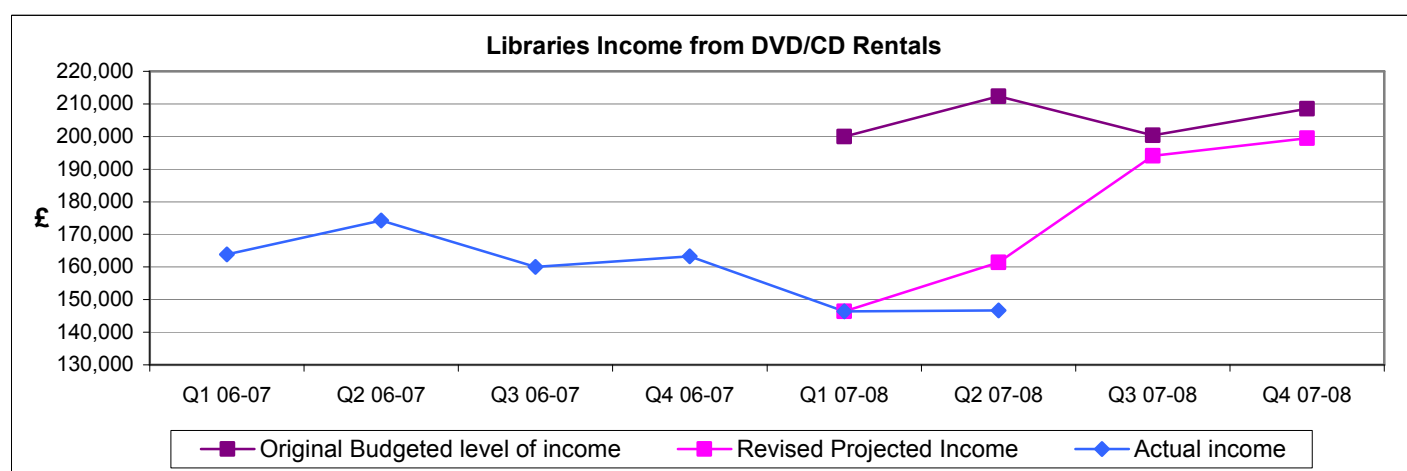
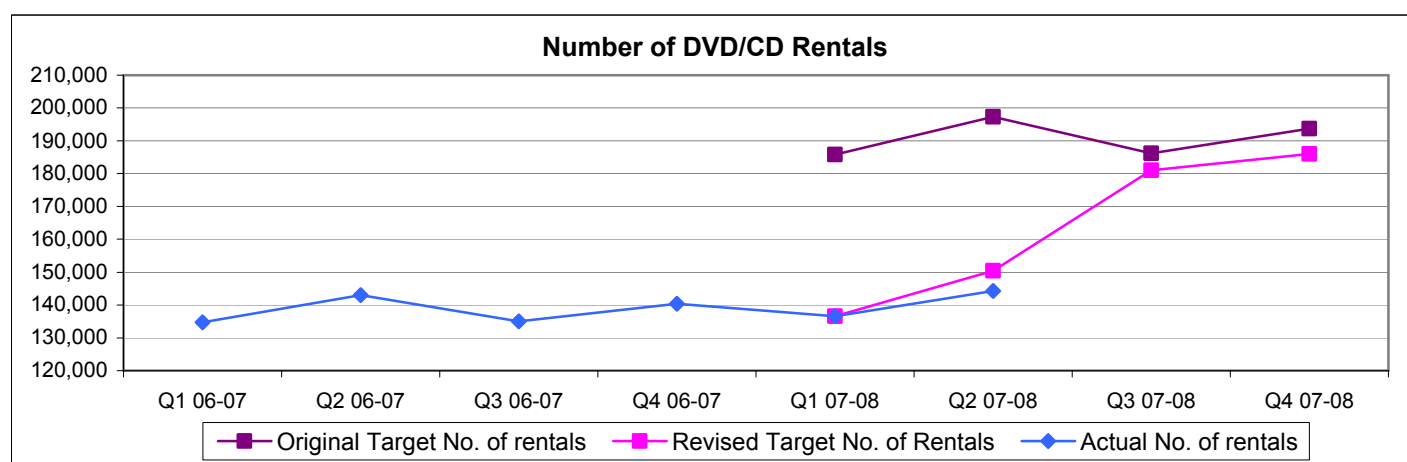
- The LSC formula grants depend partly on enrolments to courses. Students taking courses leading to a qualification are funded via Further Education (FE) grant based upon the course type and qualification. However, students taking non-vocational courses not leading to a formal qualification are funded 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.

CHIEF EXECUTIVES 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” ie where there is no change in policy, including:

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

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
OR&S (CFE)							
Kent Works	825	-825	0	101	149	250	Higher costs & lower income than expected
Regeneration & Supporting Independence							
Supporting Independence	604	0	604	0	0	0	
Public Health portfolio							
Kent Department of Public Health	312	0	312	-50	0	-50	R/fwd to support promotion activities in 2008-09
Corporate Support portfolio							
Personnel & Development	10,065	-3,945	6,120	425	-500	-75	Delayed start to Health Checks
Business Solutions & Policy (inc Information Systems)	21,657	-5,782	15,875	1,858	-1,858	0	
Democratic Services	4,101	-93	4,008	38	-38	0	
Legal	4,546	-4,853	-307	950	-950	0	
Corporate Management & Strategic Development	2,851	-250	2,601	-112	42	-70	Delays on Gateways construction/opening.
Dedicated Schools Grant	0	-2,789	-2,789	0	0	0	
Total CS&H	43,220	-17,712	25,508	3,159	-3,304	-145	
Policy & Performance portfolio							
Policy & Performance	1,236	-209	1,027	187	-187	0	
Kent Partnerships	368	0	368	177	-177	0	
International Affairs Group	375	-77	298	72	-72	0	
Corporate Communications	1,506	-92	1,414	5	-5	0	
Total P&P	3,485	-378	3,107	441	-441	0	
Finance Portfolio							
Strategic Management	1,619	-110	1,509	80	-80	0	
Finance Group	8,390	-3,320	5,070	265	-265	0	
Property Group	16,612	-10,108	6,504	228	-228	0	
Total Finance	26,621	-13,538	13,083	573	-573	0	
Total Directorate Controllable	75,067	-32,453	42,614	4,224	-4,169	55	

1.1.3 **Major Reasons for Variance:** *[provides an explanation of the 'headings' in table 2]*

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

OR&S (CFE) - Despite efforts to reduce costs and increase income to achieve a sustainable position the Kent Works operation is having to report a potential overspend of £250k this year. Any reduction to costs must consider the Operation's obligations under the contract with the Learning and Skills Council and actual income for services provided to schools is still forecast to be significantly short of that originally planned.

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

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
OR&S (CFE)	Kent Works - higher costs & reduced income	+250			
		+250			-0

1.1.4 Actions required to achieve this position:

N/A

1.1.5 Implications for MTFP:

OR&S (CFE) - A review of the Kent Works operation is currently in progress, the outcomes of which will determine any implications for the MTFP.

1.1.6 Details of re-phasing of revenue projects:

Public Health Portfolio: -£50k will need to be re-phased into 2008/09 to help fund the continued support and promotional activity within the Kent Department of Public Health to successfully promote healthy living for Kent's residents.

Corporate Support Portfolio:

Personnel: -£75k will need to be re-phased into 2008/09 as there was a delayed start to the Health Checks programme resulting in part-year costs in 2007/08 and 2008/09.

Strategic Development: -£70k will need to be re-phased into 2008/09 as the construction of the Maidstone Gateway project has been delayed, therefore delaying it's opening until 2008/2009.

Excluded from the forecast position is the Home Computing Initiative which, due to the accounting treatment, will require a scheduled overspend of £255k to roll forward into 2008/09 to be met from staff salary deductions.

1.1.7 Details of proposals for residual variance:

With the underspends reported in 1.1.6 being proposed as roll-forwards there is a residual variance, relating to Kent Works, of +£250k. The review of the Kent Works operation, agreed by the 14-24 Innovation Board, includes addressing this year's overspend, evaluation of quality and provision and recommending short and medium term actions to deliver the LSC contract and services to schools. The review will be completed by the end of December but at the moment no additional management action has been identified.

1.2 CAPITAL

1.2.6 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:

2007-08
£000s

Policy & Performance portfolio:

- Virement of Small Community Capital Grant budget to the Communities portfolio in respect of Herne Bay Youth & Community Centre -5

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

	Prev Yrs Exp	2007-08	2008-09	2009-10	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Corporate Support Portfolio						
Revised Budget per Sept Cabinet	2,680	3,995	4,757	1,239	497	13,168
Additions:						
-						0
Revised Budget	2,680	3,995	4,757	1,239	497	13,168
Variance		-669	-344	900	13	-100
split:						
- real variance		-100	0	0	0	-100
- re-phasing		-569	-344	+900	+13	0
Policy & Performance Portfolio						
Revised Budget per Sept Cabinet		506	500			1,006
Adjustments:						
- virement of SCCG budget		-5				-5
-						0
Revised Budget	0	501	500	0	0	1,001
Variance		0	0	0	0	0
split:						
- real variance		0	0	0	0	0
- re-phasing		0	0	0	0	0
Finance Portfolio						
Revised Budget per Sept Cabinet	1,103	6,527	4,344	4,079	9,185	25,238
Additions:						
-						0
Revised Budget	1,103	6,527	4,344	4,079	9,185	25,238
Variance		-1,413	+40	0	0	-1,373
split:						
- real variance		-1,373	0	0	0	-1,373
- re-phasing		-40	+40	0	0	0
Directorate Total						
Revised Budget	3,783	11,023	9,601	5,318	9,682	39,407
Variance	0	-2,082	-304	900	13	-1,473
Real Variance		-1,473	0	0	0	-1,473
Re-phasing		-609	-304	+900	+13	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 £'000s	Approval to Spend £'000s	Approval to Plan £'000s	Initial Planning Stage £'000s
Overspends/Projects ahead of schedule						
			+0	+0	+0	+0
Underspends/Projects behind schedule						
FIN	Commercial Services Vehicles, Plant & Equipment	Real	-1,373			
CS	Gateways	Phasing			-336	
			-1,373	0	-336	0
			-1,373	0	-336	0

1.2.4 Projects re-phasing by over £1m:

N/A

1.2.5 Projects with real variances, including resourcing implications:

Corporate Support Portfolio

There is an underspend of £100k on Kent TV Pilot station, which will result in £100k less prudential borrowing.

Finance Portfolio

An underspend of -£1,373k on Commercial Services Vehicle, Plant & Equipment replacement is largely due to continuing the trend adopted last year of leasing vehicles rather than purchasing outright. This will be matched by a reduced contribution to their Renewals Fund.

1.2.6 General Overview of capital programme:

(a) Risks

N/A

(b) Details of action being taken to alleviate risks

N/A

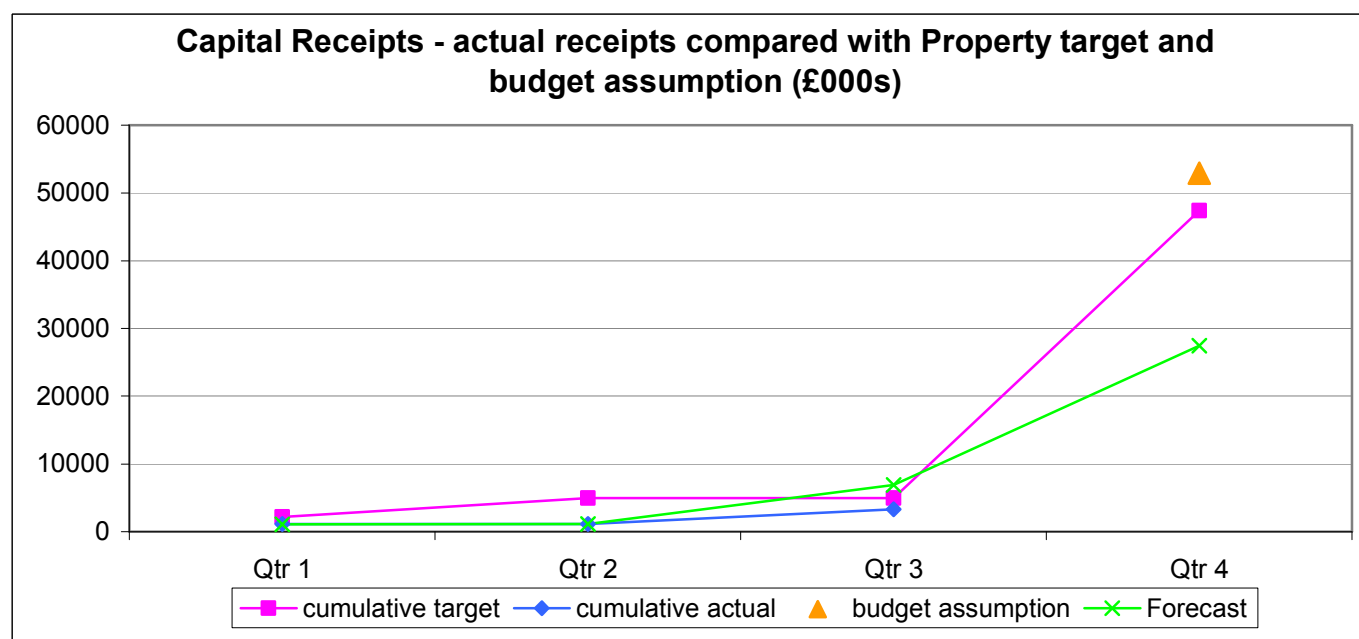
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts – actual receipts compared to budget profile:

	2007-08			
	Budget funding assumption £000s	Cumulative Target profile £000s	Cumulative Actual receipts £000s	Forecast receipts £000s
April - June		2,150	1,148	1,072
July - September		4,929	1,148	1,148
October - December		4,929	**3,288	6,866
January - March		47,359		27,450
TOTAL	*52,958	47,359	3,288	27,450

* figure updated from 2007-08 budget assumption to reflect roll forward from 2006-07

**actuals to 31 October 2007



Comments:

- The gap shown in the graph between the budget assumption and the Property target is due to a timing issue. The capital receipts need to be looked at over the three year span of the Medium Term Plan (MTP), in conjunction with the funding assumption, as shown in the table below. The current forecast for capital receipts over the 2007-10 MTFP now shows a potential deficit of £1.107m. This is being reviewed as part of the 2008-11 MTFP process to ensure that we set a balanced capital programme.
- The table below shows a deficit of £21.518m of capital receipts against a cash limit of £52.958m of projects funded by capital receipts in the current year. However, table 5 of section 4.3.3 of the executive summary identifies that £30.732m of the -£91.159m current variance against the overall capital budget for 2007/08 relates to capital receipt funded projects. Therefore, despite a delay in the timing of realising these receipts, the capital spend has also re-phased and we are currently expecting to have sufficient capital receipts to fund current forecast spend.
- If a reasonable level of capital receipts is not achieved this financial year there is also a risk that the 5% top slice on those actually achieved will be insufficient to meet the capitalised revenue costs of Property Group's disposal activity, creating a pressure upon Property Group's revenue budget.
- With the high percentage of the current year's receipts forecast to be delivered in the final quarter, there is an obvious risk that the actual receipts banked by 31 March 2008 are lower than projected.

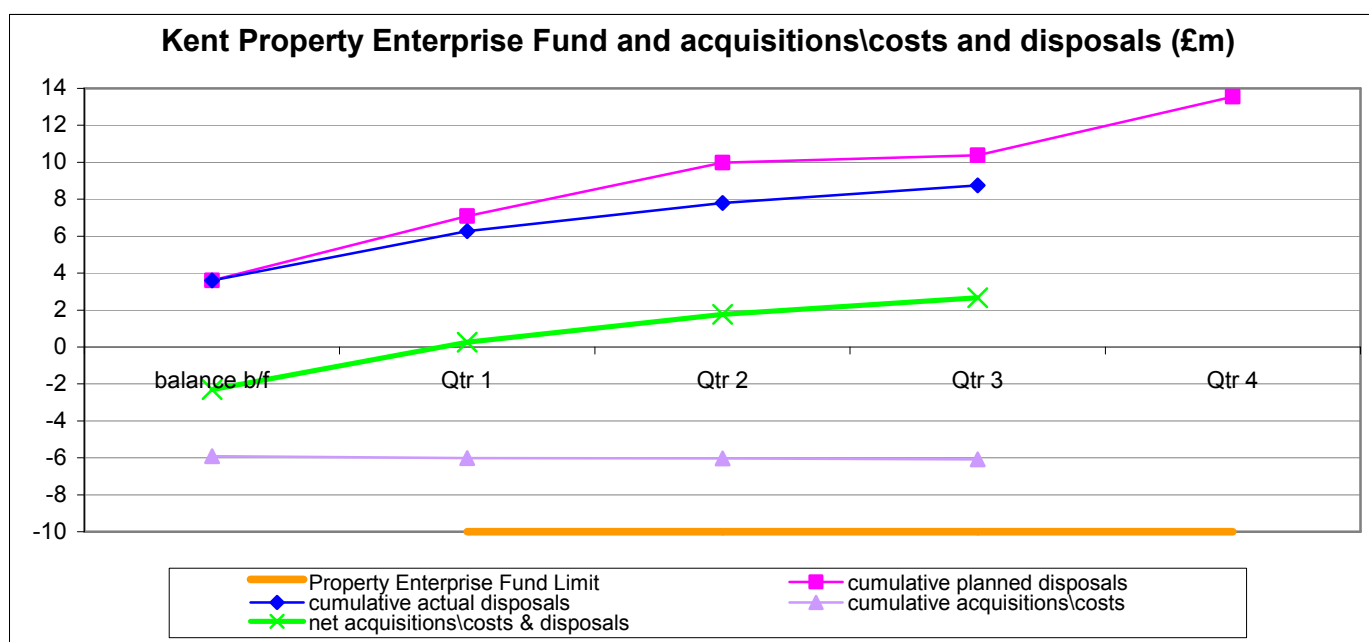
Capital receipt funding per 2007-10 MTP	47,973	71,943	50,424	170,340
Capital receipt roll forward changes	4,985	-9,110	113	-4,012
	52,958	62,833	50,537	166,328
Property Group's forecast receipts	27,450	60,675	22,800	110,925
Receipts banked in previous years for use	2,208	256		2,464
Receipt funding from other sources	1,782	1,500	4,500	7,782
Potential Surplus\Deficit (-) Receipts	-21,518	-402	-23,237	-45,157
Sites identified by Directorates for Property to work up for disposal*				44,050
Overall Potential Deficit				-1,107

* Timescale for delivery uncertain until worked up by Property Group

2.2 Capital Receipts – Kent Property Enterprise Fund:

	<i>Kent Property Enterprise Fund Limit</i> £m	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions\Costs (-) £m	Cumulative Net Acquisitions\Costs (-) & Disposals (+) £m
Balance b/f		3.606	3.606	-5.918	-2.312
April - June	-10	7.088	6.280	-6.013	0.267
July – September	-10	9.973	7.798	-6.040	1.758
October – December *	-10	10.371	8.749	-6.084	2.665
January – March	-10	13.555			

* reflects position to the end of October



Comments:

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

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

Balance brought forward

In 2005-06, £0.541m of capital receipts were realised from the disposal of non-operational property. The associated disposal costs of £0.054m were funded from these receipts, leaving a balance of £0.487m available for future investment in the Kent Property Enterprise Fund. In 2006-07, £3.065m of capital receipts were realised from the disposal of non-operation property giving a balance of £3.606m for investment. The Fund was used to acquire land at Manston Business Park. Together with the costs of acquisition and disposal, costs in the year totalled £5.864m, leaving a deficit of £2.312m to be temporarily funded from the £10m borrowing facility.

The balances brought forward have been amended to account for receipts that have subsequently been confirmed as non-earmarked (disposals increased by £0.433m and costs increased by £0.030m).

Planned Disposals

At the start of 2007-08 Property Group identified £9.949m worth of potential non-earmarked receipts to be realised this financial year.

Disposals to date this year have been encouraging but there are signs that the market is hardening affecting the ability to achieve the original target. A recent review of the receipts currently being worked up for disposal has determined a revised working target of c.**£7.75m**.

Actual Disposals

As at the end of October 2007 the Fund had realised £5.143m of capital receipts this financial year through the sale of 40 non-operational properties.

Acquisitions\Costs

At present there are no committed acquisitions to report, however forecast outturn for costs of disposals (staff and fees) is currently estimated at **£0.608m**.

Other Fund Commitments

The 2007-08 revenue budget includes income of £3.3m of receipts to be generated by the Fund in the current year.

The Fund has been earmarked to provide funding of £5.4m for the Eurokent Access Road scheme in Ramsgate, Thanet, with £2.4m currently forecast for 2007-08, subject to formal decision.

Forecast Outturn

Taking all the above into consideration the Fund is expected to be in a deficit position of £0.870m by the end of this financial year.

Opening Balance	-£2.312m
Planned Receipts	£7.750m
Costs	-£0.608m
Acquisitions	-
Other Fund Commitments:	
- revenue budget support	-£3.300m
- Eurokent Access Road	-£2.400m
Closing Balance	-£0.870m

Revenue Implications

Approximately £0.075m of low value revenue receipts are currently forecast for this financial year but, with the need to fund both costs of borrowing (£0.163m) against the overdraft facility and the cost of managing properties held for disposal (£0.213m), the PEF is forecasting a £0.301m deficit on revenue which will be rolled forward to be met from future income streams.

FINANCING ITEMS 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” ie where there is no change in policy, including:

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

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Corporate Support portfolio							
Contribution to IT Asset Maintenance Reserve	2,433		2,433			0	
PFI Grant		-683	-683			0	
Total Corporate Support	2,433	-683	1,750	0	0	0	
Finance Portfolio							
Insurance Fund	3,479		3,479			0	
County Council Elections	255		255			0	
Workforce Reduction	1,359		1,359			0	
Environment Agency Levy	331		331			0	
Joint Sea Fisheries	252		252			0	
Audit Fees & Subscriptions	800		800			0	
Interest on Cash Balances / Debt Charges	103,544	-6,297	97,247	-1,353	-456	-1,809	debt restructuring & increased base rates
Contribution from Commercial Services		-5,010	-5,010		250	250	delay in letting outdoor advertising contract
Public Consultation	100		100			0	
Provision for Kent Scheme Revision	18		18			0	
Local Priorities	682		682			0	
Local Scheme spending recommended by Local Boards	722		722			0	
Local Boards - Member Community Grants	38		38			0	
Transferred Services Pensions	22		22			0	
PRG & Capital Reserves		-2,159	-2,159			0	
Income from Kings Hill		-1,000	-1,000			0	
LABGI income		-3,200	-3,200			0	
Margate's Big Event	10		10			0	
Kent Celebration of Youth Event	5		5			0	
Total Finance	111,617	-17,666	93,951	-1,353	-206	-1,559	
Total Controllable	114,050	-18,349	95,701	-1,353	-206	-1,559	

1.1.3 Major Reasons for Variance: *[provides an explanation of the 'headings' in table 2]*

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 Financing Costs:

Interest on Cash Balances

- There have been 2 base rate rises since the budget was set and market pessimism has made investment returns higher than originally forecast.
- Longer term callable deposits have been restructured to give an improved interest return.
- Balances have increased with the receipt of grants earlier than we had profiled at the time of setting the budget.

Debt Charges

- No new borrowing has yet been taken in 2007-08 thereby saving against interest costs.
- Restructuring of £184.9m of existing debt has made further savings against the budget.

1.1.3.2 Commercial Services:

Due to delays in letting the contract for outdoor advertising and sponsorship, we will not achieve all of the expected £500k in the current year.

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

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
FIN	Commercial Services - delay in letting outdoor advertising contract	+250	FIN	savings resulting from debt restructuring & higher investment income due to cash balances and increased interest rates	-1,809
		+250			-1,809

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

N/A

1.1.5 **Implications for MTFP:**

N/A

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

N/A

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

N/A

1.2 **CAPITAL**

N/A

2. **KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING**

N/A

By: Mr K Lynes, Cabinet Member for Adult Social Services

To: Cabinet – 3 December 2007

Subject: Select Committee: Carers in Kent

Summary: To receive and comment on the report of the Select Committee on Carers in Kent

Introduction

1. The Adult Social Services Policy Overview Committee proposed the establishment of a Select Committee to look at the some of the issues around support for Carers in Kent. This was agreed by the Policy Overview Co-ordinating Committee at its meeting in February 2007.

Select Committee Process

Membership

2. The Select Committee commenced its work in June 2007. The Chairman of the Select Committee was Mr Leslie Christie, other members being Mr Alan Chell, Mr Jeff Curwood, Mrs Valerie Dagger, Mr Godfrey Horne, Mr David Hirst, Mr George Koowaree and Mrs Maureen Newell

Terms of Reference

3. The Terms of Reference for this Select Committee Topic Review were to:-

- a) consider what support carers require to assist them in their caring role, how needs are met and how this can be delivered
- b) consider all carers, including young carers and hard to reach carers
- c) understand what needs to change to improve outcomes for carers

This review considered a number of factors, including the following:-

- Accessing Support and identification of needs
- Carer Support Services (including respite and emergency care)
- Information for carers
- Involvement of carers

Evidence

4. The Committee received oral and written evidence from a wide range of stakeholders including officers from Adult Social Services, Children's Social Services, Education, representatives of Carers Support Groups and Adult and Young Carers. A questionnaire was also sent out to Carer groups and they were encouraged to make carers aware of the review and to send in their views. In addition to this Carers Groups were invited to submit written evidence. A full list of the witnesses who attended Select Committee hearings is attached at Appendix 1.

Timescale

5. The Select Committee met with myself, Oliver Mills, Thomas Michael Sam (Adult Social Services) and Andrew Hickmott (Children, Families and Education) on 15 November to receive out comments on their report before it was finalised. A copy of the draft executive summary is attached at Appendix 2.

Conclusion

5. (1) I would like to thank the Select Committee for their report and I would also like to thank all those witnesses who gave evidence to the Select Committee.

(3) Mr L Christie, Chairman of the Select Committee, Mr D Hirst and Mr G Koowaree will present the report. Please contact Angela Evans on 01622 221876 or email angela.evans@kent.gov.uk if you require a full copy of the report.

Recommendations

6. (1) The Select Committee be thanked for its report.
- (2) The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.
- (3) We recommend the report and its recommendations to Cabinet and welcome any observations Cabinet wish to make.

Mr K Lynes

Cabinet Member for Adult Social
Services

Background Information: *None*

SELECT COMMITTEE – CARERS IN KENT

Hearing date	Witnesses who attending hearing sessions
25 July 2007	Alf Archer , General Manager, Maidstone and North West Kent, Crossroads
	Loraine Bond , Service Manager, East Kent, Crossroads
	Sharon McGeouch , Senior Manager, Maidstone MIND
7 Aug 2007	Ron Alexander , Chief Executive, Carers First , Tonbridge.
	Judy Ayris , Dementia Carer Support Service, Age Concern , Canterbury.
	Joy Butcher , Executive Director of Find a Voice and Chair of Ashford District Partnership Group for Learning Disabilities.
	Carol Smith , Alzheimer’s & Dementia Support Group , Northfleet
	Jane Barnes , Head of Adult Services Provider Unit (ASS) (KCC)
8 Aug 2007	Andrew Hickmott , Head of Childrens Services , West Kent (C, F & E)
	Amanda Hornsby , Policy Officer (C, F & E)
	Barbara Bradley , Policy Manager, Carers (ASS) (KCC)
	Chris Lovelock , Manager, Swale Carers Centre
	2 x Young Carers
9 Aug 2007	Jean Penney , Project Manager , Independent Living (ASS) (KCC)
	Barbara Hagan , Project Manager, Carers Project , Maidstone.
	Peter Axton and Alan Thomas , Carers
	Kate Gollop , Manager, Volcare

Hearing date	Witnesses who attending hearing sessions
15 Aug2007	Des Sowerby , Joint Direct Learning Disabilities (ASS) (KCC)
	Sue Graham , District Manager with Lead for Carers (ASS) (KCC)
	Clare Martin , Head of Supporting People (ASS) (KCC)
16 Aug 2007	Ferne Haxby , Carers Lead, West Kent PCT
	Chris Belton Head of Adult Social Services- West Kent (ASS) (KCC)
	Mike Powe , District Manager – Thanet (ASS) (KCC)
	Barbara Bradley , Policy Manager, Carers (ASS) (KCC)

SELECT COMMITTEE – CARERS IN KENT

Executive Summary and Recommendations

Carers have identified a number of needs as crucial and fundamental in supporting them to continue to care. These include breaks from caring, adequate respite care for the person being cared for (the client), better services from both the local authority and health authority, access to information, and greater involvement in decision making relating to the client.

Information is a key priority as carers use it to have choice and control, access available services, claim benefits and understand the system. A common theme emerged was in relation to the difficulty people have of accessing the right information at the right time. Once Carers are 'in the system' or known to the Carer Support Organisations there was general consensus that access to information was good, it was more an issue of finding out about services in the first place or discovering what path to follow. Many carers are unaware of the services that are available from voluntary organisations and statutory bodies or how to access them. There was a clear need for co-ordination especially around where to go for help initially.

Communication is paramount and key messages to carers need to be repeated and targeted at, for example people new to caring and hidden carers. Improving awareness and early sign-posting of carer support organisations and targeting of information at carers in the first year of caring is crucial. As well as Social Services, the Health Sector, General Practices, and others such as pharmacies have a key role to play as they are most likely to be the first point of contact with many carers. Information, advice and support is a 24/7 requirement, but this is not currently available. The identification of hidden carers remains a priority, and is the joint responsibility of Social Services as well as education services and Health as early identification and referral to carer support services can prevent crisis and carer breakdown. An Adult Carers Strategy could have the potential to develop joint action to target hidden and new carers, and raise the profile of carers and carer support organisations, potentially pooling resources.

Carers need assessments backed up by preventative support, essential to sustaining the carer role. Carers needs often change due to changing circumstances and it emerged that these are often not identified or met before crisis. There is a need for a two way process between care managers and carers and to reinforce the relationship that exists, and a smoother process for regularity of reviews. There should be regular contact and carer reviews annually as a minimum.

KCC has developed and supported a wide range of preventative services and invested in/financially supported the Voluntary Sector, who provide a broad range of services to carers. The services provided by the Voluntary Sector are numerous and can appear fragmented, growing/changing over time in response to area needs and resources available. There is a perception that

allocation of funds is also partly historic and does not take full account of the number of carers supported or service being provided. The services provided by the sector are highly valued but there is concern that many services have considerable waiting lists, with a lack of resources to meet demand, increases in numbers referring and increased levels of need for support and distress.

Respite and short breaks are essential to carers welfare, providing a break and enabling many to continue to care. KCC has developed a system of short breaks and longer-term respite and sees its continued partnership and investment in the Voluntary sector as crucial. However it is clear that the quantity of respite provided in the locality is not enough for a substantial number of carers and that flexible respite options need to be extended further, and a more co-ordinated approach taken.

The development of a multi agency Adult Carers strategy and action plan is a clear priority. It would give a clear direction to commissioners about the future services that need continued support and those that need to be developed. It is important that all organisations acknowledge their responsibility for supporting carers and actively work together to do so. A broad range of issues has been identified by this review and there is an underlying need for a more strategic joined up approach to addressing them. Although the need for a multi Agency strategy was agreed in October 2006, there is little evidence of progress and should now be taken forward as a priority.

Young carers are one of the most vulnerable group of children and young people for whom KCC has responsibility. The impact of being a young carer can be significant. Only a small proportion of young carers in Kent access the young carers projects and it is estimated that only a small proportion of young people accessing these projects are known to services. It is important to recognise that other than education, young carers may not access services provided by local authorities and are unlikely to have knowledge about services available. It was clear that often young carers remain unknown to their schools. It is also important to acknowledge that not all young carers will want schools to know that they are caring, and that some young carers will actively seek to hide their caring role for fear of ridicule by peers or the intervention of statutory agencies. Education has a key role in supporting young carers, especially as this may be the only service in contact with young carers. The young carers multi-agency strategy 'Invisible People' was welcomed, and the recent development of an accompanying commissioning strategy to back this up should ensure that steps to improve support for young carers are evident on the ground.

The health sector has a key role to play through identifying carers and sign-posting carer support services/organisations, and it was clear that more could be done in partnership with General practices. The need to support carers of mental health patients was particularly highlighted especially at times of crisis and out of hours.

Confidentiality continues to be an issue. Carers reported that their views are not listened to, that there is a lack of information due to privacy laws, which can create barriers for carers and that carers of people with mental health needs find it difficult to access the support they need. Carers particularly

expressed the need for support to help with coping strategies and the importance of improving communication with and for carers.

Recommendations to improve outcomes for carers

Communication and Access to information (section 6.0)

Need to raise awareness and profile of carers and carer support services and make information available out of standard hours. Initial contact is difficult, but once in the system information is readily available. Need to consider campaign about local services and find innovative ways to raise the profile of carers, where to find support and what support services are available. Access gateways to services need to be knowledgeable of services for carers in area. However raising the profile and access to information needs to be backed up by tangible support (whether financial, emotional or practical) to remain credible. The focus of information services should be reviewed to assess options for providing support and information outside of normal office hours.

Promote single point of contact for carers – Carers are often unaware of entitlements, support networks and help available and the diversity of sources of information are confusing and often overwhelming. Need simplified way to make contact for initial guidance, and possibility of a one-stop shop approach should be explored. It should also be ensured that the contact centre has the knowledge/training in order to refer carers appropriately.

Carers Assessments (section 7.0)

The **involvement of the Carer Support Organisations at assessment and subject to carers consent sharing the statutory assessment should be considered**, and need to ensure carers are informed that they can have someone present at their assessment – e.g. a friend, advocate or interpreter.

reviews or contact from Care managers should be regular with annual reviews as a minimum. This issue needs to be addressed. Case management to have systems in place so improved contact and carers regularly asked if circumstances have changed and ensure reviews are carried out annually (as a minimum). There should also be a general target for time taken following a request for a review before it is undertaken.

Support Services (section 8.0)

District Social Services Teams to address and overcome issues around call management and ensure improvements are made around response and accessibility of team members.

Emergency Support for Carers (section 9.0)

Emergency Card Schemes, backed up by emergency plans and response teams should be expanded and developed kent wide if the pilot is successful. If successful a Kent Carers Emergency Card scheme, rather than individual district based schemes should be considered with a commitment to have an emergency plan for all carers, with every carer to be offered access to a scheme.

Respite and Short Breaks (section 10.0)

KCC together with Health and VCO's need to ensure that provision of respite/breaks is flexible, of the right type and that provision meets the needs of carers as well as the cared for person. It was clear that carers value this service and that there is simply not enough, and not always the right type of respite available to meet growing demand. There needs to be a multi agency plan and commissioning strategy to address identified issues and gaps, developing a more co-ordinated approach to access and provision of respite locally for carers. KCC to pursue with Health the need for **appropriate respite options for people with mental health needs and their carers and issues around levels of provision in the county.**

Adult Carers Strategy (section 11.00)

Multi Agency Adult Carers Strategy to be progressed as a priority and agreed within a mutually agreed time frame, suggested within a year as a maximum. The strategy needs to be realistic and developed through a commissioning plan.

Young Carers (section 12.00)

9. **Need to ensure that awareness is raised within schools to increase understanding of what it means to be a 'young carer', and find ways to identify and support Young carers.** Each identified young carer should have a support plan and also ensure that specific reference to young carers is incorporated in anti bullying policies. The support for young carers in schools needs to develop an understanding of their needs, developing a flexible approach to meet those needs and referring them onto other resources and agencies as appropriate. The Common Assessment Framework (CAF) will be key to identifying the needs of young carers for all services.

Consider the need for a clearly identified lead professional for young carers on CSS operational front and education, alongside those for policy/strategy. Young Carer support projects give the opportunity to support young carers, for young carers to meet together and also provide a good contact point for services. There is an opportunity for lead

professionals to build on the relationships that already exist and harness knowledge/experience of young carer projects to increase awareness/understanding within schools and other services. The Committee hope that the CAF will help in the identification of Lead professionals for young Carers.

Need to ensure clear responsibilities and referral pathway for young carers between Kent Adult Social Services, and CFE and other agencies, and ensure that protocols between Kent Adult Social Services and Children's Social Services are developed as a matter of urgency.

Invisible People – the multi agency young carers strategy and accompanying commissioning strategy (currently in draft) should be implemented urgently and monitored to ensure objectives and targets are met. Regular updates on progress and issues should be reported to the Childrens Trust Board, Chief Executive and Policy Overview Committee.

Health sector (section 13.0)

KCC in partnership with Health and the VCO's need to **improve understanding and signposting from Health sector** to available help and support for carers in the county. (Multi Agency action).

KCC to pursue with Health the **need to consider how carers of mental health patients (and service users) can be better supported, particularly at times of crisis and out of hours.** Access to response support service in crisis is a key issue for carers, and needed especially out of hours and for those not meeting CATT criteria, as timely support can prevent harm and further deterioration and increased pressure on the carer. Need to give consideration to response times, communication, and consider how carers/families can be better supported, to enable them to cope more effectively with crises, psychotic episodes and emotional strain of caring.

NB: see also recommendation 7 on type and provision of respite services in the county. (respite was discussed in section 10.0 and 13.25)

By: Alex King, Deputy Leader
Peter Gilroy, Chief Executive

To: Cabinet – 03 December 2007

Subject: KCC International Activities Annual Report 2006/7

Classification: Unrestricted

1. Introduction

- 1.1 The International Activities Annual Report 2006/7 is the second annual report covering the diverse range of international work in which KCC is involved.
- 1.2 The report utilises the following headlines to report activity across KCC in the past year - The Global Economy; Developing Global Citizenship; Ensuring World-Class Services. The report also groups information by geographical region. This format follows the structure of the draft KCC International Strategy (Appendix 1).

2. 2006-7 Headlines

- 2.1 Headline successes in 2006-7 include:
- Determining a realistic EU Funding target for Kent of €100 million over the next programming period 2007-13.
 - More than 1000 students and teachers have undertaken international visits in 2006-7. There has been significant emphasis on vocational education and professional development.
 - Successful premises relocation of the Kent Brussels Office with KCC as leaseholder.
 - Successful bid to host the prestigious EBN Congress 2007 in Canterbury around the theme of Transatlantic Cooperation between SMEs in Innovation & Technology.
 - A renewed Memorandum of Understanding (MoU) was signed by the current Governor of the Commonwealth of Virginia, Tim Kaine and the Leader of KCC, Paul Carter to further develop joint work across a range of areas of common interest.

3. Costs / Benefits

Directorate	Unit / Project	Costs (£m p/a)	Financial Benefits (£m p/a)
Adult Social Services & Communities	International Perspectives Unit	0.07	£2.1m
Chief Executive's Department	European Affairs Group	0.321	£20m
Children, Families & Education	International Development Unit	0.08	£2.1m
Environment & Regeneration	Kent/Virginia	0.315 (*2007)	(to be confirmed)
	Smithsonian	0.225 (*2007)	(to be confirmed)
	PASCAL	0.058	£100k
TOTALS		£1.069m	£24.3m

* Time limited – Costs 2005-2007

4. An International Strategy for Kent County Council

4.1 In a changing world, Kent must remain firm in its understanding of, and commitment to, international activity, and its relevance and benefits for the people of Kent. Kent has always looked outwards and a good measure of its prosperity has been derived from its geographical situation – but this factor alone is no longer enough to ensure competitiveness. As the world grows ever smaller and more inter-dependent, it is vital that KCC keeps pace with change to allow the people and businesses of Kent to profit from future opportunities.

4.2 As such, KCC's first corporate International Strategy (Appendix 1) has now been produced to bring together the key strands of this work. The strategy addresses the following issues:

- Why must Kent work internationally?
- Spheres of Influence
- Principles
- Monitoring & Evaluation
- Communication

It is grouped by geographical area and under the following headlines:

- The Global Economy
- Developing Global Citizenship
- Ensuring World-Class Services

4.3 The strategy is a crucial tool in bringing greater coherence to KCC's international activities and through the strategy, Members are asked to acknowledge and support the ongoing development of this area of business for the benefit of the people of Kent.

4.4 As part of this developing work, a strategy for engaging with China is in development and will be brought separately to Members and officers in the near future.

5. Recommendations

Cabinet is asked to:

- (i) NOTE the contents of the 2006-7 Annual Report, and
- (ii) DISCUSS & APPROVE the draft International Strategy (Appendix 1)

Background Documents: None

Contact Officer:

Tom Pelham

Staff Officer to Deputy Leader

Tel: 01622 696947

Appendix 1 – Draft International Strategy



KENT – GLOBAL REACH, LOCAL BENEFIT

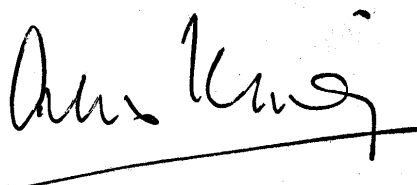
I have commissioned this Strategy because I strongly believe that Kent and KCC must be firm in our understanding of, and commitment to, international activity, and its relevance and benefits to our work for the people of this County.

The value to successful cities and regions across the world of an effective international engagement has been increasingly recognised in recent years. In this global economy, where cities are often seen as the drivers, regions which do not effectively engage now will find themselves less able to do so in the future. Our strategy will allow us to build on the robust, effective relationships that already exist between Kent and our current international partners, as well as to foster new links and secure added value for the people of Kent.

We must make use of Kent's prime location, situated between London and Europe, to take advantage of the huge potential benefits of inward investment to improve our economic performance.

Kent has always looked outwards and a good measure of its prosperity has been derived from its geographical situation – but this factor alone is no longer enough to ensure competitiveness. As the world grows ever smaller and more inter-dependent, it is vital that we keep pace with change to allow us to benefit from future opportunities. To compete effectively, we must be prepared to foster an entrepreneurial spirit, and to collaborate and connect with partners. To nurture such relationships can be mutually beneficial, and we must be sure of our key strengths and our capacity to change.

I believe that this strategy will clarify the importance of taking an international perspective and placing international considerations at the heart of policy and action.

A handwritten signature in black ink, appearing to read 'Alex King', with a horizontal line drawn underneath it.

Alex King MBE
Deputy Leader, Kent County Council

MANAGING INTERNATIONAL ACTIVITY

As an excellent local authority, Kent County Council has a strong reputation for adding value to our core business through international work. I am proud of this reputation, and keen that we should build on it as an organisation, whilst continuing to offer measurable value for money in everything we do. We already work closely with a wide variety of partners within the UK and beyond. The long term goal of this strategy and its associated work is to ensure an ever-improving quality of life for Kent's residents by engaging with relevant partners, wherever they may be in the world.

To do this, it is vital that we promote an effective and co-ordinated approach, building on the strong relationships we already have with partners such as Virginia and Seattle in the USA, and our immediate neighbours in North West Europe. Relationships can only be truly useful where they are mutually beneficial. To ensure this, we must be proactive in seeking potential partners based on their experience, and also be sure of our own key strengths and competences.

There are many tangible benefits to be gained from international work. Best practice sharing and benchmarking, an integral component in the development of successful services, is greatly enhanced by strong international partnerships. These also allow us to maximise benefits by sharing experience in the long-term and keeping Kent at the cutting edge of innovation.

An example of the types of benefit we can gain can be seen in the operation of international staff exchanges. These allow us not only to share valuable best practice, but also to aid staff retention by increasing motivation and professional development. This directly benefits services and by extension, the people of Kent.

As a practical concern, 70% to 80% of European legislation can be said to directly impact on the work of local authorities. With the expansion of the Union, there is increased competition for funding. It is therefore vital that we have strong relations with the EU institutions, and other European partners, in order to influence policy and access funding for the benefit of Kent.

This strategy makes the County Council's commitment to international work clear. As Chief Executive, I fully support its direction, and encourage its dissemination and use throughout the organisation.

A handwritten signature in black ink, appearing to read 'Peter Gilroy', with a large, stylized flourish at the end.

Peter Gilroy OBE
Chief Executive, Kent County Council

WHY MUST KENT WORK INTERNATIONALLY?

1. THE GLOBAL ECONOMY

Kent is geographically well-placed to benefit from trade and inward investment, and as a strategic local authority, we have a duty to maximise the benefit to local business from this potential market advantage.

We must provide the right environment for Kent businesses, especially SMEs, to develop internationally in support of their prosperity and sustainability. Kent County Council's links can help ensure opportunities for international trade and co-operation are explored and best practice models identified, to aid competitiveness and support innovation.

Inward investment is crucial to Kent's economy, given the ever more competitive international market driven by the likes of the United States, China and other Asian economies. High quality investment in Kent will attract people from across the world to visit, work, invest and study here, whilst retaining their international connections.

Realising the potential of Kent's unique tourism offer can make a significant contribution to local economic development too, with knock-on benefits in terms of environmental improvements and community development. Raising Kent's profile through tourism, by attracting major events and maximising benefits from the likes of the 2012 Olympics and Paralympics, contributes to the image of Kent as a place to live and do business.

2. DEVELOPING GLOBAL CITIZENSHIP

Increased understanding between and within communities leads to better social cohesion and improved community engagement – and a greater awareness and understanding of the wider world is key to achieving this. We must mobilise our social and cultural resources to encourage a meaningful international perspective amongst the people of Kent, including our institutions and community partnerships.

International activity provides opportunities for young people to broaden their horizons, and can break down barriers to combat stereotypes, racism and xenophobia. Integrating the global dimension into education can raise standards of learning and boost key skills such as communication and organisation, as well as supporting an understanding of the rights and responsibilities of global citizenship.

Getting involved with partners in other countries can act as a motivating factor for the wider community, in particular disadvantaged groups and those who might not normally engage with their local authority. It can promote a better appreciation of others, deepen confidence and awareness of the wider world, and help them look at their own environments and explore social and political issues.

The most successful cities and regions in the world acknowledge their diversity, and seek to encourage mobility. Contact between communities across the world can bring communities in Kent closer together, through enhanced cross-cultural understanding.

3. ENSURING WORLD-CLASS SERVICES

As one of the United Kingdom's leading local authorities, Kent County Council's key motivation is improving the quality and delivery of our services to the people of Kent. Best Value legislation, and the expectations of local residents require cost-effective, quality services. International partnerships offer the opportunity to benchmark our services against the best in the world, share information and expertise, and learn how to improve our core business.

By extension, research and development can be more wide-ranging and effective when carried out in conjunction with the most appropriate partners, wherever they may be located – and of course the use of modern technology means much of the relationship can be conducted at a distance.

Staff exchange is a cost-effective, sustainable means of learning from good practice and carrying out in-depth problem-solving. Officers and Members can better understand emerging trends and new issues likely to affect the County, and ensure Kent can adapt and be proactive in its response.

International work can provide an innovative development opportunity for staff, enhancing their ability to work in their own communities. Sharing lessons from around the globe develops our collective expertise. Our international profile can enhance Kent's reputation as an exciting choice for the best staff in their field.

Experience shows that participation in international networks and partnerships can build networks more locally, within Kent and the UK, by bringing colleagues together across sectors and departments, supporting the development of partnerships beyond local government.

A proportion of Kent's initiatives may attract funding support from the EU and other sources – and our positive, broad international profile enhances our ability to shape the future of European policies and programmes.

SPHERES OF INFLUENCE

Kent's international relationships have developed out of nearly two decades of close joint working with northern France, and of experience gained through our dedicated presence in Brussels, in response to European funded opportunities, or in order to exchange staff and good practice.

The following links have strategic, long-term value, and should therefore be maintained. Whilst the list is not exhaustive, additional relationships should only be sought where they provide demonstrable benefits with appropriate and minimal resource commitment, in line with the Principles below.

EUROPE

Some European connections are underpinned by top-level Member commitments, and cover, or may include, a wide range of our services:

- | | |
|---------|---|
| Finland | - Provincial State Office of Southern Finland |
| France | - Conseil Régional du Nord Pas de Calais |

Hungary - Conseil Général du Pas de Calais
- County of Bács-Kiskun

Additionally, we have some close ties based on specific funding or projects:

Belgium - Province of West Flanders
Netherlands - Cities of Utrecht and Rotterdam
- Province of Zeeland
Sweden - Commune of Svalöv

Finally, we are exploring the potential of more active engagement with:

Bulgaria - Province of Lovech
Slovakia - Region of Košice
Sweden - Regional Council of Skåne

TO THE WEST

Kent's relationship with the Commonwealth of Virginia was formalised by a Memorandum of Understanding signed in 2006, which identified areas where co-operation was believed to be of mutual benefit. The areas being explored cover all Directorates as well as public and private sector partners, and include inward investment, trade/business, tourism, land-based economies, education and culture, economic and commercial presence, and general sharing of experience and good practice.

Our relationship with Seattle/King County stemmed from the successful Social Care Exchange Programme with the Department of Veterans Affairs, and has broadened to include partners in the public and voluntary sector relevant to a wider range of our social and community services.

TO THE EAST

It is widely recognised that the growing strategic importance - in economic, environmental and cultural terms - of China demands a considered approach. Kent County Council has engaged a range of partners at a local and national level, including UK Trade & Investment and the Local Government Association, to look collectively at how we can approach the challenge this represents, in order to maximise the opportunities and benefits associated with China, for the people of Kent.

PRINCIPLES

WE SHOULD CONCENTRATE ON PRIORITIES AND ACTIVITIES WHICH BRING BEST VALUE IN TERMS OF MEETING THE COUNTY'S NEEDS

Our international activities should, without exception, support core business and link clearly to Kent County Council's key priorities as expressed in our policy documents. We must be clear about the purpose of any and all international work we undertake, giving it a long-term strategic framework.

Partnerships and other international relationships must be of mutual benefit, and should be viewed by both parties as permanent/long-term, with the level of activity fluctuating naturally to reflect opportunities available. They will be subject to annual review, to ensure focus, respond to changes, and avoid drift.

Unless there is clear logic for an exchange to be thematically limited, relationships should be accessible to the organisation as a whole, and to businesses, groups and individuals more widely in Kent, rather than limited in scope to one area of interest.

Enabling individual Directorates and service areas to pursue relevant interests complementary to the corporate picture is to be supported, provided it fits with the overall international strategy and their own identified priorities.

WE MUST CAPITALISE ON EXISTING LINKS

Once a key partnership has been recognised and supported by the Council, internal resources should be made available to promote and strengthen the relationship, and support the activities flowing from it, both within international functions, and within relevant Directorates and their services.

Wherever possible, such links should be underpinned by a Memorandum of Understanding or similar document, to ensure buy-in from the highest levels in both organisations. Such strategic alliances not only help to ensure genuine meaningful benefits to both sides, but they also assist in profile-raising.

Existing relationships should be re-examined at regular intervals, with a view to redefining common areas of activity, expanding links beyond the initial focus, and ensuring the focus is on practical co-operation projects and exchange.

In certain circumstances, it may be worth exploring multilateral links, adding value to our and our partners' work by linking two or more of our international partners, or by forming a thematic network.

WE SHOULD ONLY CONSIDER NEW LINKS WHERE THEY DEMONSTRATE CLEAR AND QUANTIFIED ADDED VALUE

When considering new partnerships, we must not lose focus, and should only pursue activity with a limited number of partner regions that most closely meet a set of defined and understood criteria. New partners must:

1. Share broadly similar social and economic characteristics
2. Provide similar opportunities, priorities and challenges
3. Be reasonably accessible at reasonable cost
4. Provide linkages of relevance to local communities on both sides

Additionally, strong funding may justify the establishment of a new link.

This does not mean we should reject other opportunities where there is real value in a specific activity – but such links must have the full knowledge and support of lead officers/Members. Indeed, it is clear that we would benefit from stronger links with emerging economic markets, and countries in Central and Eastern Europe. This strategy can act as a catalyst for partnerships of mutual benefit in themes not adequately catered for by our existing connections, including where such new links directly involve groups beyond the Council itself. Where new links are seen to have potential, appropriate resources should be made available for exploration and pilot projects.

We should bear in mind alternatives to partnership commitments, and avoid the assumption that all relationships necessitate significant travel. Delegation visits to Kent and small-scale study visits abroad may fulfil some requirements. Network involvement should be developed, with officer/Member representation co-ordinated corporately, and we should evaluate the potential for Kent of emerging networks.

WE MUST MAXIMISE THE BENEFITS TO KENT OF INCOME GENERATION OPPORTUNITIES

In recent years, KCC has been extremely successful in securing European funding. Given that the funds which we can access are now somewhat reduced, we will need to be much more focussed in our bidding activity, and reduce our reliance on EU funds to support key projects. There remains considerable potential in EU funding for cross-border projects of mutual benefit. Beyond Europe, transnational partnerships with countries such as the USA can be used as a means of attracting investment.

High profile events, such as the 2012 Olympics, must be used as catalysts to attract inward investment. The organisation should develop a unified approach to such key events, to minimise duplication and maximise benefit.

As a large organisation, we have the resources and reputation necessary to develop international links. Where appropriate we should open these links to the private sector, to allow local businesses real opportunities to engage and foster trade and inward investment. Kent's expanding film and television industry is one that could specifically benefit from an increased international dimension.

MONITORING & EVALUATION

Careful monitoring and evaluation is critical to the success of our international activity. Corporate responsibility lies with the Chief Executive, assisted by the International Affairs Board (IAB) and accountable in Member terms to the Deputy Leader, who drives policy and sets the political context.

International activity must not be seen as the exclusive preserve of international teams - there needs to be a balance between their expertise and meaningful input from service units. It is vital that officers and teams responsible for co-ordinating international work commit to working together to achieve the outcomes of the strategy.

IAB will be reconstituted to be a more focussed and coordinated group, a means of ensuring that the main parties involved in international work, members and officers, share information on a regular basis. We will institute a wider, parallel International Forum, chaired by KCC's Chief Executive, to include key, like-minded external partners to aid the further dissemination of information and to enable greater partnership working.

There are a number of areas that need to be strengthened in relation to international partnerships:

- Memoranda of Understanding, or similar agreements, should exist for all links of a scale greater than informal networking, to demonstrate political support
- All links must have clear objectives to demonstrate links to existing policies and core business
- To allow for meaningful evaluation of international activity, and to demonstrate added value, emphasis must be placed on documenting, reflecting on and sharing outcomes, including those less easy to quantify

Evaluation of individual links and partnerships plays an important role in deciding the most appropriate level of implementation. Although it is often true that the relevant international team has the skills and experience necessary to establish and maintain links, this should not be automatically assumed, and it is often important that this work is carried out by professional units, which can benefit more directly from their close involvement.

It will be necessary to develop a transparent framework by which to progress this strategy and evaluate outcomes, including formal overview by Cabinet. This will consist of:

- Four-year strategic objectives
- Annual action plans
- Annual evaluation of activity, to review progress against action plans
- Full evaluation of the success of the strategy at the end of the four year period

COMMUNICATION

International activity is a highly valuable area for Kent County Council, and the way it is viewed is critical. Awareness of this strategy, as well as future priorities and targets, will help embed an understanding and active acceptance of the need to look outwards in order to drive innovation and change. Members are central to this process of communication and it is crucial that they are fully informed about international work in Kent, and feel able to engage with the agenda.

As part of our evaluation and monitoring, an annual matrix of international activity should be made available so that Members and officers from all parts of the organisation have an awareness of what has taken place and where there may be opportunities for further engagement. Units should be encouraged to consider the international perspective more frequently so that opportunities are not missed. Negative perceptions and real barriers must be broken down.

With regard to wider audiences, it is important that we take a proactive approach to disseminating information, placing emphasis on added value and value for money. We need to foster a wider recognition of the legitimate leadership role of the County Council in positioning Kent as a forward-looking, cosmopolitan place embracing opportunity. Nevertheless, we need to be aware of the potential for misinterpretation

of information, and should ensure our web-based and other communications support this strategy. There should be a focus on the proactive involvement of Kent's residents and businesses.

1. SUMMARY OF ACTIVITIES

1.1 The Global Economy

Europe

- Influencing European Policy and future EU funding programmes
- Responding to consultations and influencing the outcome of EU and government key policy proposals, including the shape of new Interreg cross-border programmes; DTI State Aid Review (extension of Kent's coverage); EU Strategic Guidelines; National Strategic Reference Framework; EU Urban Regeneration.
- Drafting a high-quality bid for Interreg IVA Managing Authority.
- Securing the only Local Authority place on Interreg IVA North Programme Working Group.
- Securing membership of S.E. EU Competitiveness Programme drafting group and lobbying for targeting of resources on coastal strip and Kent ports.
- Securing, for the first time, participation in new EU North Sea Transnational Cooperation Programme 2007-13.
- Securing a realistic EU Funding target for Kent of €100 million over the next programming period 2007-13.

- The Strategic Innovation Gateway Network (SIGN)
- Technology transfer of two technologies prompted by the Centre for Innovative Technology (CIT), Virginia.
- SIGN vital to the success of the bid to host the prestigious EBN Congress 2007.
- Influencing the accreditation of Kecskemét Business Innovation Centre (BIC) by EBN.

To the West

- Kent-Virginia Project
- A renewed Memorandum of Understanding (MoU) was signed on 14th November 2006 by the current Governor of Virginia, Tim Kaine and the Leader of KCC, Paul Carter. The MoUs now cover the following areas for co-operation:
 - Trade and business relationships for commercial, economic and social benefit,
 - New approaches to tourism development jointly between the Virginia Tourism Corporation and the Kent Tourism Alliance building on and beyond the 2007 Quadricentennial events,
 - Links between the land based economies in Virginia and Kent,
 - Educational and cultural links between Virginia and Kent,
 - Virginia's economic and commercial presence in UK and Europe and Kent's economic and commercial presence in the US,
 - Performance Management
 - Health and Medical Administration including social care, fostering and adoption
 - Energy Use and Comprehensive Energy Policy
 - Agribusiness and Farm Preservation
 - Sharing experience and best practice in any field that the parties agree to be relevant for mutual benefit
- In addition, a Statement of Intent on Staff Exchanges was signed in July 2006 by Stephen Adkins, Virginia Department of Human Resources and Amanda Beer, KCC.

To the East

- Emerging Links with China
- The economic and social drivers behind China's rapid and ongoing development mean that there are now significant opportunities for KCC to engage with China. A number of activities have already been identified which are relevant to this intention to develop closer links with China. A strategy for engagement will be developed and implemented in 2007-8 and beyond.
- The Children, Families and Education Directorate has already undertaken a visit to China (Shanghai, Chongquin & Zhangqui), hosted a return delegation and looked at a number of innovative proposals for future links.
- The University of Kent has an established Anglo-Chinese Business & Management Centre which has educational and commercial partnerships in China, including jointly-awarded academic qualifications.
- The University of Greenwich is soon to commence an adult-nursing programme with a partner university in China.
- Representatives from KCC and Locate in Kent have also met with Strategic China with a view to engaging with their high-level links with relevant government agencies and trade bodies.

Inward Investment

- Locate in Kent Ltd. (LiK) is Kent's investment promotion agency and one of the most successful agencies of its kind in the UK. During 2006-7, LiK recorded 65 successes, creating 1358 new jobs and retaining a further 1596 jobs. The following companies provide a sample of the continuing achievements of LiK:
- CFSI (Cabot) - Cabot has shut down a facility in Bradford and consolidated its whole operation at Kings Hill in Kent because of a greater quality of staff and much higher level of staff retention in Kent. This underlines Kent's ability to be home to a significant and growing financial services business where the right skills can be accessed and -with the forthcoming expansion to new premises on Kings Hill- the right support can be given as expansion takes place.
- Over C (UK) Ltd - A new start-up assisted by LiK over a period of 4 years. Over-C specialises in the design and development of advanced web application software tightly integrated with Near Field Communication (NFC) mobile phones and works in partnership with Nokia. The technology created is utilised within the security industry as well as event management and many others.
- SearchFlow expansion project - SearchFlow is an electronic conveyancing search service. It provides a one-stop solution for sending and receiving property searches. Originally a success from 2003, Searchflow recently expanded and currently employs over 90 people.
- James Villa Holidays - Operating from the 20/20 Business Park in Maidstone, the company outgrew its premises. Maidstone proved to be a fertile ground for staff recruitment and the company moved in July 2006 to the AA Building. The staff is expected to grow from 85 to 160 over the next three years.
- Hitachi – A new rail and maintenance depot is being constructed in Ashford for the Hitachi high-speed train. It is estimated that the depot will be completed in June 2007. The depot will employ 97 staff primarily from three sectors (Rail, Engineering & Military). LiK has advised on recruitment, tax and accounting issues and made links with other Japanese companies in Kent and Ashford.

1.2 Developing Global Citizenship

Europe

- International Student Visits
 - More than 1000 students and their teachers have undertaken international visits in 2006-7. Schools have also been encouraged and supported to link with other education establishments across the world.
- Hardelot Centre
 - Managing the Hardelot Centre in northern France and growing its potential to aid the development of global citizenship in schools. Although the Centre is mainly used by schools and youth organisations, it is also open to other groups when available and during 2006-7, the Centre increased it's bookings by 20%.
- Support to Schools
 - Giving expert advice and support to schools and providing opportunities to forge links, particularly with our partners in Nord Pas de Calais, Virginia, Aix-Marseille and South Africa;
- EVOLVE
 - The EQUAL-funded Development Partnership focuses on the most deprived districts in Kent and promotes the employability of disadvantaged groups through three types of service; Vocational training, mentoring, advice and guidance. The transnational element involves partnering with Finland, the Netherlands and Austria.
- Bien-être: Healthy Schools and Communities Project
 - This Interreg IIIa partnership project, facilitated and managed by the Kent & Medway NHS Health & Europe Centre also included Kent County Council and schools in the Dover Cluster. The objectives of Bien-être were to create cross-border and local learning networks – comprised of those involved with the health and education of children and the well-being of communities – in order to learn from different cultures, to foster mutual understanding of different methods of health and educational service delivery and to explore opportunities for reducing health inequalities in schools and local communities. By focusing on food, the project stimulated interest in healthier lifestyles through professional, social and cultural exchanges and increased community involvement in local projects.

1.3 Ensuring World-Class Services

Europe

- Strengthening and developing strategic partnerships
 - Strengthening partnership working with Nord-Pas de Calais, including Joint Political Declaration signed with Regional Council on 5 April 2006 and close cooperation to mutual benefit on the future Interreg Cross-Border programme 2007-13. Adult Services managers are developing concrete joint activity between social care functions on both sides of the Channel and key themes include the isolation of older people, learning and physical disabilities, and strategic workforce issues. Potential is also being explored at a low-key level around themes relevant to Sport, Leisure & Olympics, Cultural Development and Libraries & Archives.

- Renewed impetus for work with Bács-Kiskun County Council, including Kent involvement in their Structural Funds projects following a meeting with the new Leader in December 2006.
- The established protocol between Kent and Southern Finland has been refreshed and renewed, one key focus being exchanges for young people and relevant staff. The new agreement also allows for the future involvement of other KCC services to be explored in 2007/8.
- Implementing Kent's strategic priorities through EU funding
 - Ongoing implementation of a range of EU-funded projects (including Interreg IIIA, B & C; Urban; Objective 2; Leader; ESF)
 - 14 new Interreg IIIA projects (out of 24 approved across programme area) amounting to an additional £1 million ERDF.
- Providing a strong representation for Kent's interests in Brussels
 - Effective lobbying on key issues such as 'Operation Stack' and Eurostar. With the support of the Committee of the Regions, KCC brokered a joint KCC-NPDC meeting and Communiqué regarding Eurostar on 7 December in the presence of high level Commission officials, SEEDA and SNCF.
 - Kent Brussels Office (KBO) leadership of UK Brussels Office Regional Policy Group and joint chair of UKBO Health Group.
 - Successful premises relocation of KBO with KCC as leaseholder.
- Information, intelligence and advice to KCC and partner organisations
 - Regular policy updates and range of briefings for partners in Brussels and Kent including meetings of Regional Policy Thematic Group, Kent Breakfast Meeting.
- Bidding for the European BIC Network (EBN) Congress 2007
 - There has been a successful bid for the Congress to be held in Canterbury, 20-22 June 2007 around the theme of Transatlantic Cooperation between SMEs in innovation & technology.
 - Kent will be positioned as an international conference centre, tourist destination for the 2012 Olympics and will gain an enhanced profile.
- European Network on Community Safety (ENoCS)
 - Community Safety, along with Kent Police, is working to establish a European best practice and staff (warden) exchange network – no such forum exists at present in Europe. This will involve known partners in the short term, and will revolve around an annual conference.
- International Professional Development
 - Working with 12 key international partnerships, 2006-7 has provided opportunities for more than 200 teachers, headteachers and education professionals to engage in international professional development. This has been achieved through a number of themed study visits across Europe, (France, Finland), America (Virginia) and further afield (Canada, Sri Lanka, and South Africa). In 2006-7 these visits have had an emphasis on vocational education, allowing both students and their teachers to explore the relevance of the Global Economy.
- LET'S TALK
 - Developed in partnership by the Kent & Medway NHS Health & Europe Centre with Kent Teenage Pregnancy Partnership and the Conseil General de la Somme, this

two year Interreg action research project aims to explore the values and attitudes of groups of teenagers and professionals to sex and relationships, sexual health and teenage pregnancy. The information gathered from the Project has been used by young people and professionals to develop new ways of looking at education and health services, with the aim of tackling teenage pregnancy.

To the West

- International Staff Exchange Programmes
 - The Seattle Adult Services exchange programme, which has a focus on older people, mental health, and adults with learning disabilities, continues to make a valuable contribution to the Staff Care package, notably around the motivation and retention of staff. Opportunities have been available to five mainly front-line staff during this financial year, offering personal and professional development and best practice exchange.
 - Building on the successful Adult Services programme and at the request of the Chief Executive, a pilot exchange with King County Council, Seattle, has taken place. A range of future potential co-operation themes was identified, with a strong focus around democratic processes and the modernisation of local government.

To the East

- PASCAL International Observatory
 - PASCAL is an international research and policy development alliance sharing new and emerging ideas about Place Management, Social Capital and Learning Regions. It was established in November 2003 by the University of Stirling, the Royal Melbourne Institute of Technology (RMIT) University, the State Government of Victoria (Australia), the Scottish Executive and Kent County Council. Key successes in 2006-7 include:
 - The development of joint vocational education programmes between RMIT University and KCC notably in the field of advanced engineering.
 - A 2nd PASCAL book, published by NIACE further establishing credibility as a cutting edge, research driven initiative.
 - A Memorandum of Understanding signed between KCC and RMIT University.
 - The prestigious PASCAL international conference 2008 will be held in Kent.

2. Resources & Benefits

Directorate	Unit / Project	Costs (£m p/a)	Financial Benefits (£m p/a)
Adult Social Services & Communities	International Perspectives Unit	0.07	£2.1m
Chief Executive's Department	European Affairs Group	0.321	£20m
Children, Families & Education	International Development Unit	0.08	£2.1m
Environment & Regeneration	Kent/Virginia	0.315 (*2007)	(to be confirmed)
	Smithsonian	0.225 (*2007)	(to be confirmed)
	PASCAL	0.058	£100k
TOTALS		£1.069m	£24.3m

* Time limited – Costs 2005-2007

By: Graham Badman, Managing Director – Children, Families and Education

To: Cabinet - 3 December 2007

Subject: Kent's Pledge for Children and Young People in Care

Classification: Unrestricted

Summary: The report describes the work that has been undertaken to develop Kent's Pledge for children and young people in and leaving care, which has been undertaken by a multi- agency/professional working group on behalf of the Looked After Children (LAC) Review Steering group, chaired by Marilyn Hodges.

Introduction

1. (1) Kent's Pledge for children and young people in and leaving care is attached as Appendix 1 and the range of other issues identified from the LAC review are described at Appendix 2.

(2) Section 2 of the report focuses on:

- (a) The purpose of a pledge for children in care
- (b) A description of Kent County Council's (KCC's) Pledge
- (c) Key objectives/outcomes and how each commitment contributes to these
- (d) How the pledge will be evaluated

(3) Section 3 provides a detailed account of the work undertaken to develop the pledge, including the views of children and young people who were consulted throughout its development.

(4) Section 4 focuses on work that has been undertaken to estimate the cost of implementing the pledge and how this is to be funded.

(5) The appendices presented with the report are:

- Appendix 1: KCC's Pledge for Children in Care
- Appendix 2: Summary of LAC Review
- Appendix 3: Pledge source/outcome table
- Appendix 4: Key factors that have influenced the pledge
- Appendix 5: KCC Children, Families and Education's (CFE's) response to the pledge DVDs
- Appendix 6: Work undertaken to estimate cost of implementing the pledge

The Role and Purpose of a Pledge

Purpose

2. (1) The primary purpose of a pledge for children and young people in care is to:
- (a) Inform children and young people what they can expect in terms of services and support from their corporate parent (i.e. the local authority responsible for their care)
 - (b) Encourage best practice with respect to promoting and safeguarding children/young people's welfare
 - (c) Promote better outcomes for children and young people in and leaving care¹
 - (d) Close the widening gap between children in care and their peers. The report titled 'Close the Gap for Children in Care (NCH, 2005) challenged government to make a pledge to address the under-achievement of children in care with the aim that the growing inequalities they face would be closed by 2020).
- (2) Care Matters highlights a number of issues that a pledge should take into account (see Care Matters, White Paper, page 22, paragraph 1.25 and page 23):
- (a) The basic statutory requirements with which local authorities should already be complying;
 - (b) Key opportunities and benefits offered to children in care locally;
 - (c) Support to engage in positive activities as much as possible;
 - (d) Children and young people should be consulted and involved in developing the pledge, including those with special needs and disabled children, and;
 - (e) The pledge should be regularly reviewed and included in the local Children and Young Person's Plan (CYPP).
- (3) The White Paper (see page 22) also highlights a list of basic elements that a pledge should cover:
- A commitment to involve children in decisions which affect them and to take account of their wishes and expressed feelings about the services they receive
 - Qualified social workers for every child in care with clear arrangements in place for the child in care to contact his/her social worker as necessary
 - Effective assessment of individual needs and an up to date care plan based on those needs
 - A placement with carers who can meet needs

¹ Children and young people leaving care are especially vulnerable to experience poor outcomes and fail to achieve their full potential. They are: 5 times less likely to get 5 good GCSE's; 7 times more likely to be excluded; 6 times more likely to truant; 4 times more likely to suffer from mental health problems; 3 times more likely to become pregnant teenagers; 3 times more likely to be cautioned or convicted of an offence (a quarter of adult prisoners have spent time in care); Have a 10% chance of having 10 placements by the age of 11 years; Have a 50% chance of leaving school with no qualifications; Only 6% of young people in the care system continue into HE (compared with 39% of the general school leaver population)

- Contact with siblings and birth parents in line with their care plan
- Regular reviews in which children will be enabled to participate meaningfully (particularly for disabled children with communication difficulties)
- Services which recognise the diverse ethnic and cultural needs of the children
- Access to advocacy services if children have a complaint
- An Independent Reviewing Officer (IRO) to ensure children's rights are upheld
- Access to high quality free early years provision at age 3 and 4
- A place in a good school
- A designated teacher in school to ensure high quality support in school
- Details of support available to participate in positive leisure time activities
- Support to reduce absence from school
- Help to catch up with school work if they fall behind
- Regular assessments of their health (physical and emotional)
- Details of support available when they move on from care
- The support young people can expect when entering further and higher education
- How the local authority will support young people seeking employment, including employment with training

Description of Kent's Pledge

3. (1) Kent's pledge for children and young people in care are in two parts, connected together by an overarching statement of purpose:

- (a) A pledge for children and young people in care of Kent County Council
- (b) A pledge for children and young people in care placed in Kent by another local authority (OLA LAC)

(2) A combined pledge was not developed for the following reasons:

- (a) It would be overly confusing for children and young people to follow – especially if some of the promises given remained dependant on whether they were looked after by KCC
- (b) An increased risk of making commitments that could not be kept by KCC for some children and young people,
- (c) It would require making commitments for OLA LAC that KCC is not resourced to provide nor has legal authority to undertake, or
- (d) It would reduce the number of commitments made in the pledge so that it was equally applicable to all and consequently reduce its effectiveness to promote better outcomes for this group of children/young people.

(3) Consideration was also given to developing a pledge in three parts (i.e. pledge for KCC citizen LAC; Unaccompanied Asylum Seeking Children (UASC), and OLA LAC). Some of the commitments made in the pledge with respect to UASC are not grant reclaimable. In addition, reference to parent's and family in some of the commitments has had to be qualified to take into account issues for UASC whose parent's whereabouts are unknown.

(4) The working group did not recommend this for the following reasons:

- (a) KCC would be criticized for highlighting inequalities between these two groups of children, whom KCC has equal corporate parenting responsibilities for.
- (b) KCC have already criticized government for doing this in the Home Office consultation paper, 'Promoting Better Outcomes and Planning for UASC' (i.e. Kent's response to the Home Office consultation).

(5) Within the model chosen for the pledge a number of commitments have been identified, which are presented within 6 headings:

- (a) A sense of belonging
- (b) A consistent adult in your life
- (c) A good education
- (d) Good memories for the future
- (e) Preparation for adulthood
- (f) Champion your needs and interests

(6) A copy of the pledge is presented at Appendix 1.

Promoting better outcomes and evaluation

4. (1) Appendix 3 provides a detailed description of each commitment in the pledge in relation to its source (e.g. Care Matters, young people, statutory requirements, research), its contribution to promoting better outcomes, and additional cost.

(2) The commitments identified are all considered necessary to promote better outcomes for children in care. When correctly applied and combined with the range of tasks and duties highlighted in established practice checklists (such as the Social Work Checklists, Checklists for Foster Carers, and model school policy) this should lead to better outcomes for this vulnerable group of children and young people.

(3) The relationship between each commitment with respect to improvements on a given outcome (e.g. see footnote under paragraph 2.1.1) is not necessarily a direct one or easy to measure quantifiably. There are a number of reasons for this:

- (a) There are constraints on making the commitments in the pledge too specific because of the level of diversity that exists within the care population. For example, a commitment that each child in care will achieve 'x' number of GCSEs at A*-C at age 16 or 18 years would not be applicable to a LAC with a significant disability that affected their learning.
- (b) Some of the commitments included have been identified as being important by children/young people (e.g. a commitment for each child/young person to have a passport if legally entitled to own one) and while their link to better outcomes may not be clear or direct, they still have merit for inclusion in the pledge.
- (c) A number of the commitments have been influenced by specific proposals in Care Matters (e.g. see list of basic elements highlighted under paragraph 2.1.3)
- (d) It is also important to ensure that each commitment is realistic and achievable rather than aspirational.

(4) Work is being undertaken to ensure that each commitment in the pledge is incorporated into KCC's Integrated Children's System (ICS). This will mean that it will be possible to know for a given child, groups of children or Kent's whole LAC population the extent to which each commitment is being delivered. The extent to which the pledge helps to achieve local and national (e.g. PAF) targets for children/young people in and leaving care will be evaluated as part of an annual review of the pledge.

(5) Supporting the delivery of the pledge will be a key objective of Integrated Looked After Children Support Services (ILCSS) (described in the report at Appendix 2), which is planned to be up and running from April 2008.

Key influences on the development of the Pledge

5. (1) The recommendations outlined in Care Matters and our response to it (see paragraph 2.1.3 and at Appendix 4, parts A and B) have been a key influence on the contents of the pledge.

(2) The multi-agency/professional working group that developed the pledge worked closely with children and young people and their representatives (e.g. Upfront; 16plus Youth Workers) with respect to style and content.

(3) Consultation with children/young people included two residential events focussing specifically on the pledge. A detailed account of the issues raised by the children/young people at these events is outlined at Appendix 4, part C. The young people developed 2 DVDs to present their views, which were formally presented to Members, managers and practitioners at a viewing on 31st August 2007 in the Sessions House lecture theatre. Appendix 5 outlines CFE's response to the DVDs.

(4) Copies of the DVDs will be made available at the meeting.

(5) Appendix 3 (see source column) also outlines issues raised by children and young people at other events where their views have been sought. These include an event arranged by the Children's Champion Board to meet with a group of children/young people to hear their views in 2005, issues raised at the 2005 16plus young people's conference as well as young people's views on the pledge and Care Matters, which was taken into account when developing Kent's response to the Green Paper.

(6) Children/young people have also been consulted directly on the framework and wording in the pledge, which has included some major editing in response to their feedback.

(7) Consultation has taken place with operational staff at the NCH: Action for Children, whose report 'Close the Gap for Children in Care (2005) (see paragraph 2.1.1 of the report – bullet point 3). Their feedback on Kent's pledge (an earlier draft) was broadly very positive, although a recommendation was made that the pledge would benefit from a greater focus on issues for children with a disability. Kent's Children's Trust also made a similar recommendation.

(8) In response to this feedback the following actions have/are being undertaken:

- (a) Consultation has taken place with managers and practitioners in the Children's Disability teams, which resulted in some amendments/additions to the pledge to make sure that each

commitment is relevant to children with a disability. This includes a new commitment to ensure that every disabled child (approximately 50 LAC) will be provided with a communication passport (which describes how that child communicates) (estimated additional cost to pledge £1000 pa).

- (b) Work is taking place to look at how the pledge should be presented for children with a severe disability (e.g. via widget)
- (c) Arrangements are in place for a further 3 residential events, which are planned for spring/summer 2008. The focus of these events is the development of an information/training DVD in three parts focussing on children/young people's experience of the care system (coming into care, being in care and leaving care). The residential events are being planned by a working group of professionals with children/young people (including children with a disability and UASC). This work is likely to highlight additional issues that will need to be incorporated into the pledge at the next available review.

(9) Further work is to take place on the wording of the pledge by consulting with the plain English Society (recommended at POC, 15/11/2007).

(10) Work is also to take place with the UASC team to look at how the pledge can eventually be produced in different languages (relevant to children/young people from key ethnic minorities). This work will make use of KCC's link with the Refugee Council and other relevant groups to help ensure that the interpretation of the pledge is accurate.

Resource Implications

6. (1) The commitments outlined in the pledge exceed the expectations presented in Care Matters. They include additional commitments that have been highlighted by children and young people as being important to them and/or are considered necessary to support the goal of promoting better outcomes for children and young people in and leaving care.

(2) A number of the commitments have resource implications over and above current resources for services/sections that would be responsible for meeting them. Some of the commitments, if applied to UASC, would not be grant claimable (highlighted in the pledges where applicable). Similarly, the commitment to fund sports and leisure activities for OLA LAC would be an additional cost (although one where negotiation could and should take place with the respective responsible local authorities for reimbursement of these costs).

(3) KCC CFE Finance have produced an analysis of the predicted cost of each of the commitments made in the pledges in three tables (one KCC citizen children in care, UASC and OLA LAC), which is presented at Appendix 6.

(4) Undertaking all of the commitments is estimated to cost an additional £2.6m in the first year, with ongoing costs of around £2.4m pa, based on current numbers of children and young people in care.

(5) The most additional funding that KCC is likely to receive from government to implement Care Matters (including the pledge) is £2m pa (over the next 3 years – 2% of the national £100m implementation grant).

(6) KCC CFE has already earmarked £600k in the MTP (identified from savings in other areas) for implementation of Care Matters, which is to be undertaken primarily through the pledge.

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Background Documents:

None

Appendix 1

Our pledge for Kent's children and young people in care

Kent County Council understands that being in care and leaving care isn't always easy and that it can bring additional challenges and pressures for you. If we are to get it right for you we need to make a real difference to help you achieve your best and gain success in your life.

Our pledge includes a number of promises to you that will help make sure that your time in care is a positive experience. These are based around 6 themes:

- a sense of belonging
- a consistent adult in your life
- a good education
- good memories for the future
- preparation for adulthood
- champion your needs and interests

We are making a pledge to you because you are a child/young person in care or leaving care living in Kent.

Ideally we would want to make the same promises to all children in care living in Kent but this is not possible at present because your needs are different and it also depends on which local authority is responsible for your care. It is equally important to ensure that the promises that we make to you are ones that we are confident that we can keep and that will be important to you and have a positive effect in your life.

This is why we have made two separate pledges. These are:

- A pledge for children in the care of Kent County Council, and
- A pledge for children in care placed in Kent by another local authority

We will review our pledge to you on a regular basis so that when possible we will increase the promises that we make and listen to the views of children and young people in care.

[Insert name and signature of Graham Badman and Lead Member]

Pledge for Children and young people in care of Kent County Council

Kent County Council understands that being in care and leaving care isn't always easy and that it can bring additional challenges and pressures for you. If we are to get it right for you we need to make a real difference to help you achieve your best and gain success in your life.

Our pledge includes a number of promises to you that will help make sure that your time in care is a positive experience. These are based around 6 themes:

- a sense of belonging
- a consistent adult in your life
- a good education
- good memories for the future
- preparation for adulthood
- champion your needs and interests

We will review our pledge to you on a regular basis so that when possible we will increase the promises that we make and listen to the views of children and young people in care.

[Insert name and signature of Graham Badman and Lead Member]

A sense of belonging

We will:

- Provide a placement for you as near as possible to your family and friends
- Help you maintain contact with family and/or friends and when this is not possible give you a clear reason why
- Ensure that you and where appropriate your parent's views of the type of carers that you would want are taken into account when choosing your placement and respite care
- When making decisions we will take into account your age, background and beliefs, including your ethnic and cultural needs and needs that may be as a result of a disability especially communication
- Arrange for you to get your national insurance number for your 16th birthday or as soon as possible after being entitled to have one
- Get you a passport by your 16th birthday if you are legally entitled to have one – sooner if you need one to go on holidays with your carers and take part in school activities
- Tell you who your corporate parents are and how you can contact them

A consistent adult in your life

We will:

- Ensure that you have a named social worker/caseworker and Independent Reviewing Officer and know how you can contact them
- Make sure that you have at least one person in your life who you can expect to be around throughout your time in care

A good education

We will:

- Ensure that you have a place at a school that will enable you to do your best
- Make sure that 3 and 4 year old children in care can go to early years education
- Work with your school and the designated teacher¹ to help you do your best
- Provide opportunities and support to pursue your education beyond 16 years, including help going to university or further education if you want to do this
- Help you catch-up with school work if you fall behind
- Expect your carers to take an active interest in your education and make positive links with your school, including attending parent's evenings and other school events
- Provide a computer for you if you have been in care for 6 months or more and are aged 11 years or over and, where appropriate, access to the internet
- Celebrate your achievements and success

¹All schools are expected to appoint a designated teacher who is responsible for co-ordination all of the schools services for those children in care who attend the school

Good memories for the future

We will:

- Provide at least 4 hours a week of opportunities to pursue hobbies and interests (including sports, art and music)[†]
- Help you build a photo album of key people in your life and places you have been to while in care

Preparation for adulthood

We will:

- Make sure that you are consulted about key decisions being made in your life
- If you have a disability we will make sure that you have your own 'communication passport' that tells others how you communicate and how they can communicate to you
- Ensure that accommodation provided to young people preparing to leave care is safe and properly supported - with temporary, unsuitable accommodation, being a last resort and used for as little time as possible
- Invest in a savings account for you a sum of £100 for every year you are in care. This money will be available to you on your 18th birthday^{*}
- Up to your 21st birthday, help you with council tax and losing out on housing benefit as a result of taking part in education, training and low paid employment^{*}
- Help and support you take up appropriate opportunities for training, further education and employment
- £1000 for every year you complete in Higher Education or £2000 for the whole period of the course, whichever is the greater^{*}
- Ensure that your transition to adult services if you require them is as smooth as possible

Champion your needs and interests

We will:

- Ensure that you are able to communicate your wishes, feelings and interests – taking into account any disabilities you have
- Listen to your wishes and feelings before making decisions that affect you and support you if you need help to do this
- Work with you and your family to make sure that plans for your care are up to date and meet your educational, health and care needs
- Make sure that you know how to complain and how to get in touch with Upfront (Kent's Children's Rights Service), who can provide support to help you pursue a complaint
- Provide you with access to a solicitor (at our cost) if you want legal advice about your care order, or any other legal order affecting you – such as contact with certain people in your life

Pledge for children and young people in care placed in Kent by another local authority

Kent County Council understands that being in care and leaving care isn't always easy and that it can bring additional challenges and pressures for you. If we are to get it right for you we need to make a real difference to help you achieve your best and gain success in your life.

Our pledge includes a number of promises to you that will help to ensure that your time in care is a positive experience. These are based around 6 themes:

- a sense of belonging
- a consistent adult in your life
- a good education
- good memories for the future
- preparation for adulthood
- champion your needs and interests

We see our role as supporting your local authority meet their responsibilities to you so that you can be treated the same as all other children in care living in Kent. This includes encouraging your local authority to include in their pledge to you a range of promises, like the ones that we can make to children and young people in care of Kent County Council.

We will review our pledge to you on a regular basis so that when possible we will increase the promises that we make and listen to the views of children and young people in care.

[Insert name and signature of Graham Badman and Lead Member]

A sense of belonging

We will:

- Help your local authority ensure that your care plan includes extra help to enable you to attend school and maintain contact with important people in your life
- Make sure you know who your corporate parents are and how you can contact them

A consistent adult in your life

We will:

- Ask the local authority responsible for your care to ensure that you have a named Independent Reviewing Officer and a named Social Worker who visits you on a regular basis and tells you how to contact them, and
- Ask your local authority to make sure that you have at least one person in your life who you can expect to be around throughout your childhood

A good education

We will:

- Work with your social worker to ensure that you have a place at a school that will help you to do your best
- Work with your school and the designated teacher¹ to help you do your best
- Help you catch-up with school work if you fall behind
- Celebrate your achievements and success

¹Schools are expected to appoint a designated teacher who is responsible for co-ordinating all of the schools services for those children in care who attend the school

Good memories for the future

We will:

- Provide at least 4 hours a week of opportunities to pursue hobbies and interests (including sports and music)

Preparation for adulthood

We will:

- Ask the local authority responsible for your care to make sure that you are consulted about key decisions being made in your life

Champion your needs and interests

We will:

- Encourage you to communicate your wishes, interests and feelings – taking into account any disabilities you have
- Ask the local authority responsible for your care to make sure that you know how to complain and how you can access a Children's Rights Service who can provide support to help you pursue a complaint
- Support you, your carers and your local authority in making sure that plans for your education and health needs are up-to-date
- Remind your local authority of their responsibility to provide you with access to a solicitor if you want legal advice about your care order, or any other legal order affecting you – such as contact with certain people in your life

LAC Review summary report

Introduction

1. Kent had begun to look how it might improve services for Looked after Children ahead of the government green paper 'Care Matters' and following its publication in October 2006 the Managing Director of CFE commissioned the Director of the Strategy, Policy and Performance Division to conduct a formal review.

Process

2. (1) A multi-agency officer LAC Steering Group, chaired by the Director of Strategy, Policy and Performance, was set up to undertake the detailed work required by the Review process.

(2) Information to inform the review was gathered through a range of mechanisms:

- Feedback from partner agencies during the Care Matters consultation
- Consultation events with Head teachers, young people, Elected Members, foster carers, social work practitioners, 16+, Upfront and others
- Review of structural arrangements
- Topic investigations of the robustness of Kent's policy/practice
- Report on the work of the LAC Strategy Group (sub group of Kent's Children's Trust)
- Identification of sources of finance
- Compilation of background information

(3) The LAC Review Steering Group findings were reported to the Managing Director of CFE on 19 June 2007 and its recommendations were accepted.

LAC Review recommendations and progress

3. The LAC Review process resulted in many recommendations and the following, which include a report on progress, represent a selection that were considered to be high priority:

- Make representations to Health to prioritise development of more responsive mental health services for LAC including providing a mental health assessment for all LAC.

Interim project capacity has been identified to undertake research to inform a specification for services for vulnerable young people pending the arrival of the newly appointed CAMHS Project Manager. Work is also in hand to include a mental health assessment as part of the initial health assessment.

- Extend Family Group Conference service to wider age groups and earlier intervention;

The service to wider age groups will shortly be in place and discussion about intervening earlier has started.

- Local Children’s Trust arrangements to prioritise the commissioning of early intervention services that are effective in preventing LAC;

Kent Children’s Trust has agreed that the commissioning of such services should be prioritised.

- Kent should develop an Adolescent Strategy;

A steering group is in place and a specification for this service is in an advanced stage of development.

- Kent should lobby for ‘funding to follow the child’ to ensure other authority LAC are not disadvantaged;

Consideration is being given to the setting up of a Member Select Committee on this topic in the autumn.

- Kent should ensure LAC are prioritised as Clusters implement arrangements to prevent exclusions and ensure access to education for excluded pupils;

This work has started as part of a range of actions to promote education of LAC.

- Kent should consider lobbying as part of the Care Matters consultation for tax incentives that will encourage foster carers to continue to care for care leavers beyond 18;

The Managing Director, CFE will be writing to the Minister about this.

- Kent should set up of a multi-agency LAC Support Team which would be deployed across 3 areas to improve integrated working that will include professionals from CFE, Health and Connexions and be hosted by a Cluster under Kent’s local Children’s Trust arrangements;

A steering group has been set up to take this recommendation forward. It is expected that the team will be in place by April 2008.

- Kent should develop multi-agency Protocols for LAC;

It is expected that these will be in place during spring 2008.

Resources

5. The resource implications of both the review and the Pledge have been costed where possible and incorporated into Kent’s Medium Term Planning process. It is anticipated that some activity can be covered within existing budgets. The steering group is currently exploring how the cost of delivering the pledge could be reduced through potential sponsorship arrangements.

LAC action matrix

6. (1) In addition to the recommendations set out above an Action Plan Matrix is being developed in order to ensure the other findings of the sub groups are also pursued as part of the overarching strategy to improve services for LAC.

(2) It had also become evident during the review that a range of actions were already being taken forward under the aegis of the LAC Strategy Group, sub group of Kent Children's Trust and in other forums. Therefore, the Matrix has been expanded to incorporate not only these tasks but also those set out in the Care Matters White Paper which are believed to be good practice or are likely to be required. This integrated plan, set out using the headings of Care Matters, should clarify arrangements and simplify monitoring.

Key factors that have influenced the contents of the pledge

A) Pledge issues suggested by Care Matters (Green Paper)

- A choice, with their Social Worker, of high quality placements
- 24/7 support from the lead professional or an out of hours contact
- At least four hours a week of positive out of school activities
- Annual health assessments (x2 for under 5's) and x2 yearly dental check-ups
- An independent advocate
- A chance to take part in volunteering
- The choice of when to move on to enter adult life, up to the age of 18
- A chance to have their voice heard and influence the work of the local authority through participation in a 'Children In Care Council'

B) Issues highlighted by Kent County Council in response to Care Matters (Green Paper)

Universal Pledge:

- *A commitment to ensure that 3 and 4 year olds access early years education.*
- *A choice of a good school that is helping each child to do their best*
- *A commitment to provide twice yearly health assessments for under 5's and annual health assessments and twice yearly dental check-ups for older children from an NHS dentist*
- *To enable children/young people to express their wishes and feelings in the knowledge that their concerns will be taken into account*
- *To have high but achievable expectations for achievement for each child/young person*
- *A minimum entitlement of 2.5 hours per week to sport and leisure activities (see also question 19)*
- *Not to be discriminated against for any reason*
- *To be told how to complain if things go wrong and to deal with any complaint properly*

Pledge as Corporate Parent:

- *Encouragement to participate in making decisions and plans for your future*
- *Timely out-of-school educational support*
- *Reducing changes of Social Worker/lead professional and maintaining stability of other key professionals in the child's life (especially at transition stages)*
- *To provide information to children/young people about their family and other important people in their lives and to promote contact with them or a clear explanation of why it is not possible*
- *A safe environment/home with more options/choice so that it is right for each child/young person*
- *To promote a sense of permanency for the child*
- *An independent advocate (see also question 10)*

- *To prepare young people for life as an adult with the necessary help available to you while you are doing this, including*
- *Help and support while continuing in full-time education beyond age 16 years*
- *To be proactive in keeping in touch with all young people looked after their 16th birthday to at least 21 years*

Other things that could be included in a pledge as corporate parent are:

- *For young people who were Looked After beyond their 16th birthday to be exempt from paying council tax once living independently up to their 21st birthday (this is currently being explored in Kent at the request of young people) – this is also suggested under question 23*
- *To pursue an application for criminal injuries compensation for all children in the care of the local authority who have been subject to abuse or neglect or an act of criminal violence. Kent County Council has already established a fast-track service with the Criminal Injuries Compensation Authority and currently holds approximately £1.6m in criminal injuries awards that it has been successful in obtaining for children/young people looked after by the local authority.*

C) Issues Raised from consulting with Children and Young People

Two residential activity events took place in March 2007 in order to help ascertain the views of children and young people with experience of the looked after system, about what they want in a pledge. These events took place at the Hardelot Education Centre in France and focussed on different age groups of children/young people. 16plus staff supervised the first residential event (9/03/07 to 11/03/07), which involved looked after children (16 years upward) and care leavers. The second residential event (16/03/07 to 18/03/07) was arranged with the assistance of Upfront (Children's Rights Services) and focussed on a generally younger group of children and young people, ranging in age from 10 years to 18 years. The work of the children/young people is being developed into two DVDs – one for each group and due for formal release in August 2007.

The key elements of what the children and young people highlighted as needing to be included in Kent's Pledge are outlined below:

Views expressed by the younger group of children/young people supervised by Upfront (aged 10 years to 18 years)

18 plus NOT 16 plus. The group felt that 16 years is too young to start preparing to move on into independent living. They show this in the DVD by standing in a circle holding hands with another a young person in the middle of the circle. This was to show how isolated and scared the young person felt and the barrier of having no control over their life at this point. The young people also made the point that if you were living with birth parents you would not necessarily leave home so young. The young person then runs into the barrier and each time a member of the circle shouts out at them, cook for yourself, clean, budget etc, to the point that the young person is bounced around and so overwhelmed that he collapses.

Tact in schools. It is upsetting for children in care when teachers are insensitive or forgetful of their situation. This can cause unnecessary distress or isolation for the young person. The example given in the DVD was a Mother's Day card. This upset the young person so much that she ended up putting it in the bin. The group was saying how even the smallest comment could cause bullying or a feeling of being different.

A Social worker is for life not just for Christmas! There was a strong feeling of being passed around, leaving children with a feeling of no worth or importance. One group member stated

“It’s as if social workers unwrap us and then throw us away.”

The DVD shows a young person being introduced to a number of social workers and not one of them doing as he promised, the promise being their passport.

Respite with someone you know. The group stated how upsetting it was when foster families go away on family holidays without them. It upsets them even more when they are then left to stay with respite carers they don’t even know. One group member stated,

“You are in care initially, therefore there is a feeling of rejection, you are then rejected again by your foster family, so that feeling is reinforced and the trust is lost each time you are put into respite.”

This part of the DVD was filmed on the beach to create the feeling of isolation and feeling alone. The young people wrote in the sand words that described how this situation made them feel. After being told that they were going on respite with strangers they then saw their foster family excitedly running across and destroying all their feelings that they had written in the sand.

The young people wrote a poem expressing themselves, which they have not included in the DVD, but would like the LAC Review Group to read.

*Social workers come and go, but problems stay the same
A new one comes in every week but doesn’t learn my name
They promise this, they promise that, they say it’s all for me
But nothing ever happens, at least nothing I can see.*

The issues highlighted by older young people (aged 17 years to 20 years)

This group of young people decided to base their DVD around a news programme with an anchorman introducing the various reports, each focussing on a different issue important to them in a pledge. The first and last pledges are acted out, the middle three are to have voiceovers.

Pledges will come up as bullet points after each clip and then all five will be displayed at the end of the news bulletin.

Accommodation issues - *“a safe environment/home with more options/choice so that it is right for each child/young person”*

Graig, a Roving Reporter interviews two young people, one in a supportive placement where he is doing well at college and feels happy and secure, the other where he has dropped out of education and receives no support or encouragement at home.

Identity issues - *“to ensure each young person has a passport and National Insurance number before the transition to 16plus”*

- 1) Garen visits the Army Recruitment Centre to apply to join up. He is asked for his NI number but cannot produce it and is told to come back when he's got one. He asks how he can get one and is told that he'll have to find out for himself.

2) A group of young people is filmed boarding a minibus to go away on a residential experience abroad. Matt is left behind because he doesn't have a passport.

Sport accessibility - *"a minimum entitlement of 2.5 hours per week of funded sports and leisure activity"*

A young man is lazing in bed, because he can't afford to access sports/leisure facilities and he can't afford the bus/train fare to get there. The DVD shows a variety of sporting activities, highlighting that participation in sports and leisure opportunities encourage a healthy lifestyle and helps to develop social skills and general wellbeing, promoting confidence and self-esteem.

Contact issue - *"to be proactive in keeping in touch with all young people looked after, after their 16th birthday to at least 21 years"*

Still picture of a young man, inset still picture of a worker, both on telephone. Message that all young people should have as an absolute minimum a telephone call from their worker every month until at least their 21st birthday.

Life skills issues - *"to prepare you for life as an adult with the necessary help available to you while you are doing this"*

- 1) Matt struggles to put a cover on his duvet. Worker appears and demonstrates how to do it.
- 2) Garen struggling with his bills and cash. Worker appears to help him budget.
- 3) Matt asks for help in learning basic life skills.
- 4) Still pictures of various life skills - cooking, budgeting, health, hygiene, first aid, etc, etc.

Message that young people need to be taught basic life skills, once learnt, never forgotten

CFE's response to young people's Hardelot DVDs

The DVDs produced by children and young people in and leaving care with respect to their views on a pledge include a number of issues. These are summarised below together with KCC CFEs response to them. The DVDs and KCC CFEs response were presented to children/young people, key managers within KCC and partner agencies and County Council Members at a formal launch of the DVDs on 31st August 2007.

Guarantee a safe home environment, with more choices, so that it is right for every young person.

- We will look at ways in which young people can be more involved in deciding who should be a foster carer.
- We will look at how young people can get involved in providing training to carers and social workers, so that they have a better understanding of what it means to be in care.
- We will ask Independent Reviewing Officers (IROs) to make sure that:
 - the social worker is seeing the child/young person regularly, with opportunities to see them on their own.
 - the child/young person can see their IRO before the review starts.
- We want to recruit more foster carers so that children/young people have more choice about where they go to live.

Ensure that every young person has a passport and a National Insurance number

- We have included a commitment to both of these requests in Kent's pledge for children in care.
- We have asked Independent Reviewing Officers (IROs) to ensure that these issues are checked during the review meeting.
- We have added a check onto the Looked After Children Review form to remind IROs of the need to check these documents for children/young people aged 15yrs and upwards.
- We will work with 16plus to make sure the pathway plan includes a check for passports and National Insurance numbers.

Provide a minimum of 2.5 hours funded sport and activities per week

- We do not think that this is enough, and we are looking at increasing this to 4 hours per week in Kent's pledge. (we will keep you updated)

Be proactive in keeping in touch with all looked after young people after their 16th birthday, until they are at least 21 years old, with a minimum of one telephone call per month

- 16plus have amended their service plan so that it includes a commitment to do this

Prepare each young person for life as an adult, and make sure that the necessary help is available

- We agree that leaving care at 16 years old to live independently is too early for most young people.
- We think that the idea of a life skills booklet/CD is a very good one. We will produce this with 16plus, with help from young people. It will include information about local resources and places to get help and advice.
- We recognise that carers need more training on this.
- We will explore with 16plus how each young person can have a mentor for the first year of living independently. This could be a foster carer, another young person, a family member or an independent visitor.

Tact in schools - teachers to be more sensitive to the needs of children and young people in care

- This is an issue for all children in schools, but is particularly important for children and young people in care.
- We will take up confidentially and discretely any issues of insensitivity in school that we become aware of with the designated teacher and headteacher, so that they are aware of the impact that this has had and how it can be prevented in future.
- We already provide training to teachers about the needs of children and young people in care.
- We will explore how we can involve more young people in training with teachers and school governors.

Consistent adults - including fewer changes of social worker

- Through Kent's pledge, we are looking at how we can ensure that each child and young person has at least one consistent adult in their lives while they are in care

Respite care with people you know

- We need to make the process of providing two weeks of respite care per annum for foster carers more child friendly.
- Many foster carers who use their respite already arrange for the child / young person to be cared for in their home, with a respite carer who already knows the child / young person.
- Some carers also choose not to use respite until after the children and young people have left the placement.
- We will continue to encourage both of these options.
- We will look at how we can reward carers with two weeks additional pay in place of respite.
- We will look at how we can enable children and young people to choose their respite carer and ensure consistency of respite while in care.

By: Graham Badman, Managing Director – Children, Families and Education
Chris Well, Cabinet Member for Children, Families and Educational
Achievement, CFE

To: Cabinet – 3 December 2007

Subject: Kent's Pledge for Children and Young People in Care

Summary: This recommendation is intended to be read in conjunction with the report on Kent's Pledge for Children and Young People in Care listed as Item No 5 in the papers that you have already received for Cabinet on 3 December.

Recommendation

1. The Cabinet Member is requested TO AGREE:
 - (a) The commitments outlined in the pledge
 - (b) Implementation of the pledge from 1st April 2008

Paul Brightwell
Policy and Performance Manager – Looked After Children/Leaving Care
Children, Families and Education Directorate
Tel: (01622) 694308

Background Documents:

None

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Pledge Commitments / Outcomes

KCC Pledge			
Pledge Commitment	Source	Contribution to Better Outcomes	Additional Estimated Cost pa
1. Sense of belonging			
Provide a placement for you as near as possible to your family and friends	Care Matters proposals (see White Paper pages 60 to 61); The Utting Report, 1997; The Children Act 1989 duties	Promotes safeguarding of LAC; PAF69 (distance of placement) performance; Contributing to positive identity in children/young people by enabling them to maintain contact with family and friends (e.g. Gilligan 2001; 2004); Meeting existing KCC Policy on out of authority placements; Provides example of good practice to other local authorities re placing LAC in Kent	£335k
Help you maintain contact with family and/or friends and when this is not possible give you a clear reason why	Children Act 1989 duties. Also linked to commitment above. Contributes to key message of Care Matters re promoting stability (Chapter 3 of White paper)	Promotes safeguarding of LAC; Contributing to positive identity/resilience in children/young people by enabling them to maintain contact with family and friends (Gilligan 2001; 2004 highlights importance of a secure base in promoting resilience); Helps to promote stability of placements (e.g. PAF1 – placement stability); The commitment indirectly promotes Educational attainment (PAFA2 – GCSE attainment); increased opportunities for sport and leisure activities (Care Matters requirement); increased opportunities for LAC to be rehabilitated home or achieve legal permanence through family/friends (kinship care)	£0
Ensure that you, and where appropriate your parent's, views of the type of carers that you would want are taken into account when choosing your placement and respite care	Young people (Hardelot DVDs on pledge); Children Act 1989 principles; Research findings on the benefits of involving children/young people in decision making	Will help to reduce placement instability; contributes to performance on PAF1 (stability in placements); also contributes indirectly to educational achievement (including PAF2 (GCSE attainment) and PAF24 (school absence)); safeguarding and healthy care (ECM) objectives	£0
When making decisions we will take into account your age, background and beliefs, including your ethnic and cultural needs	Children Act 1989 duties; reinforced in Care Matters	Promoting LAC's identity and increased resilience to cope with adversity (e.g. Erikson, 1982). This commitment indirectly supports better outcomes re educational attainment (PAFA2 (GCSE attainment), PAF24 (school absence), LAA target (key stage results and GCSE attainment); healthy care (ECM) and safeguarding	£0
Arrange for you to get your national insurance number for your 16 th birthday or as soon as possible after being entitled to have one	Young people (Hardelot DVDs on pledge)	Necessary for young people 16years or over to obtain employment (supports performance on PAF4 – NEET); promotes children/young peoples' identity/resilience through self esteem and self efficacy (based on research findings by Gilligan 2001); evidence for involvement of children/young people in development of services	£0
Get you a passport by your 16 th birthday if you are legally entitled to have one – sooner if you need one to go on holidays with your carers and take part in school activities	Young People (Hardelot DVDs on pledge)	Promotes identity; increased opportunities for sports and leisure activities (Care Matters proposal); demonstrates involvement of children/young people in development of services	£8,928

Tell you who your corporate parents are and how you can contact them	Care Matters (see range of proposals focussing on corporate parenting under Chapter 1 of White Paper, specifically pages 22 to 27); Existing DCSF guidance for members on their role as a corporate parent (see KCC guidance document)	Promotes effective corporate parenting and accountability; contributes to evidence that Lead Member and DCS (Graham Badman) are meeting their current and forthcoming legal duties for LAC	£0
2. A consistent adult			
Ensure that you have a named social worker/caseworker and Independent Reviewing Officer and know how you can contact them	Care Matters proposal (basic element of pledge – see page 22 and 63 and 64 of White Paper re SWs; page 22 and 132 re IROs); Highlighted by young people (Hardelot DVDs on pledge)	Promotes safeguarding; helps to prevent LAC drifting in care; indirectly supports LAC placement stability (including PAFA1) through support to carers (based on research findings – e.g. McAuley et al, 2006)	£637,588
Make sure that you have at least one person in your life who you can expect to be around throughout your time in care	Highlighted in Care Matters (White Paper) ; Issue raised by young people (Hardelot DVDs on pledge) . Commitment includes focus on provision of Independent Visitors (legal requirement under The Children Act 1989 and emphasised in Care Matters, including new legislation (page 133))	Safeguarding; promoting identity/resilience of LAC (i.e. a secure base – Gilligan 2001; 2004). Indirectly supports better outcomes re placement stability (including PAFA1); educational attainment (e.g. PAFA2 (GCSE attainment); PAFC24 (school absence) and LAA target 3 – key stage results and GCSE attainment); access to sports and leisure opportunities (Care Matters proposal).	£0
3. A good education			
Ensure that you have a place at a school that will enable you to do your best	Care Matters proposal (basic element of pledge) – page 22 and Chapter 4; issue raised by young people – ie. Upfront Survey (1998); meeting with Children's Champion Board 2005.	Improved educational attainment of LAC and Care Leavers; contributes to a range of government performance targets – e.g. PAFA1 (placement stability); PAFC24 (school absence); PAFA2 (GCSE attainment); PAFA4 (reducing NEET); C81 (reducing offending); contributes to LAA target 3 (key stage results and GCSE attainment); supports healthy care (ECM) agenda for LAC; promotes identity/resilience (i.e. importance of school in promoting resilience – Mortimore, 1995; Quinton and Rutter, 1988); increases opportunities for LAC to achieve legal permanence outside of the LAC system	£0
Make sure that 3 and 4 year old children in care can go to early years education	Care Matters proposal (see page 67 of White Paper); Supports current KCC policy and requirements under Section 52 of The Children Act 2004	As above (except LAA target 3 contribution)	£0
Work with your school and the designated teacher to help you do your best	Care Matters proposal (basic element of pledge) – see page 22 and 71; Supports existing expectations under Section 52 of The Children Act 2004	As above	£106k
Provide opportunities and support to pursue your education beyond 16 years, including help going to university if you want to do this	Care Matters Proposal (basic element of pledge) – see page 22; commitment supports research findings re existing outcomes for care leavers (i.e. only 6% of young people in care continue into HE, compared with 39% of the general school leaver population)	As above – increase in number of KCC care leavers entering HE	£0
Help you catch-up with school work if you fall behind	Care Matters proposal (basic element of pledge) – see page 22; commitment supports an existing KCC service (Catch-up fund) initiated in 2000 as a result of listening to views of children/young people in care	As above	£0
Expect your carers to take an active interest in your education and make positive links with your school,	Care Matters (chapter 3); Section 52, The Children Act 2004; research findings on role of parental	As above	£0

including attending parent's evenings and other school events	participation on promoting educational attainment (e.g. Cotton and Wiklund, 1989; Fan and Chen, 2000; Flouri and Buchanan, 2004)			
Provide a computer for you if you have been in care for 6 months or more and are aged 11 years or over and, where appropriate, access to the internet	Issue raised by young people (16plus conference 2005) ; Supports existing work undertaken under LAA target 3; Quality Protects initiative; research on benefits of ICT and computers to promote learning (e.g. basic skills – Mann, 1999; BECTA, 2000; Motivation – Peabody, 1996; Sherry, 2001; and establishing life-long learning habits – Schollie, 2001)	As above and promoting access to leisure activities	£111,555	
Celebrate your achievements and success	Corporate Parenting Guidance; Research findings on promoting Resilience in Children	As above - particularly promoting identity/resilience	£0	
4. Good memories for the future				
Provide at least 4 hours a week of opportunities to pursue hobbies and interests (including sports, art and music)	Care Matters proposal (basic element of pledge) – see page 22; Young People (Hardenlot DVDs on pledge)	Supports Healthy Care initiative (part of ECM agenda for LAC); promotes placement stability (including PAFA1), identity/resilience; contributes to evidence that lead member and DCS (Graham Badman) are meeting their current and forthcoming legal duties for LAC	£406080	
Help you build a photo album of key people in your life and places you have been to while in care	Based on principles of Life Story work with vulnerable children who have experienced instability/change	Promoting a greater sense of identity and belonging (e.g. a secure base – Gilligan 2001; and a sense of identity – Erikson, 1982); promotes effective corporate parenting; indirectly this commitment will help to promote placement stability (including PAFA1) and educational attainment (including GCSE attainment - PAFA2 and school absences - PAFC24)	£6,500	
5. Preparation for adulthood				
Make sure that you are consulted about key decisions being made in your life	UN Convention on the Rights of the Child 1989/1991/Children Act 1989 and more recent childcare legislation; The Gillick Judgement 1985 ; Young People (Hardenlot DVDs on pledge) ; Care Matters proposal (basic element of pledge) – page 22 ; Research findings on benefits on involving children/young people in decision making	Promoting safeguarding (e.g. Butler-Sloss 1988); Decisions for child in all aspects of their lives are more likely to be successfully implemented (e.g. Thoburn, 1992; Hodgson, 1996); promotes greater resilience and sense of identity through promoting self efficacy (e.g. Gilligan, 2001; Henderson, 1995)	£0	
Ensure that accommodation provided to young people preparing to leave care is safe and properly supported - with temporary, unsuitable accommodation, being a last resort and used for as little time as possible	Young people (Hardenlot DVDs on pledge) + issue raised with CCB members in 2005 and at 2005 16plus conference. Specific CYP area for improvement	Promotes safeguarding; supports APA requirement re provision of suitable accommodation; enables KCC to demonstrate it is meeting its corporate parenting responsibilities for Care Leavers as well as LAC	£0	
Invest in a savings account for you a sum of £100 for every year you are in care. This money will be available to you on your 18 th birthday	Care Matters proposal (see Chapter 6, page 112-113) ; Institute for Public Policy Research (IPPR) (Dominic Maxwell, January 2005) recommendation; Issue raised by CCB in 2006.	Helping towards young people successfully leaving care with an adequate level of support from their corporate parent – demonstrates effective corporate parenting by the local authority	£144,000	
Up to your 21 st birthday, help you with council tax and losing out on housing benefit as a result of taking part in education, training and low paid employment	Young people – raised with CCB members in 2005 during an arranged meeting event	Supports PAFA4 performance + issues raised above	£348,300	

Help and support you take up appropriate opportunities for training, further education and employment	Care Matters proposal (part of basic element of pledge); Children (leaving care) Act 2000; Performance Assessment Framework target	Supports PAF44 (reducing NEEETs) Helping towards young people successfully leaving care; increase number of care leavers entering HE (i.e. nationally only 6% of young people in care continue into HE, compared with 39% of the general school leaver population)	£0
£1000 for every year you complete in Higher Education or £2000 for the whole period of the course, whichever is the greater	Care Matters proposal (part of basic element of pledge); Supports existing KCC policy; supports existing Children (leaving care) Act 2000 responsibilities	As above	£0
6. Champion needs and interests			
Ensure that you are able to communicate your wishes, feelings and interests – taking into account any disabilities you have	Care Matters (basic element of pledge – see page 22); Children Act 1989 duties	Promoting safeguarding (e.g. Butler-Sloss 1988); Decisions for child in all aspects of their lives are more likely to be successfully implemented (e.g. Thoburn, 1992; Hodgson, 1996); promotes greater resilience and sense of identity through promoting self efficacy (e.g. Gilligan, 2001; Henderson, 1995)	£0
Listen to your wishes and feelings before making decisions that affect you and support you if you need help to do this	UN Convention on the Rights of the Child 1989/1991/Children Act 1989 and more recent childcare legislation; The Gillick Judgement 1985 ; Young People (Hardenlot DVDs on pledge); Care Matters proposal (basic element of pledge) – page 22 ; Research findings on benefits on involving children/young people in decision making	As above	£0
Work with you and your family to make sure that plans for your care are up to date and meet your educational, health and care needs	UN Convention on the Rights of the Child 1989/1991/Children Act 1989 and more recent childcare legislation; The Gillick Judgement 1985 ; Young People (Hardenlot DVDs on pledge); Care Matters proposal (basic element of pledge) – page 22 ; Research findings on benefits on involving children/young people in decision making	As above	£0
Make sure that you know how to complain and how to get in touch with Upfront (Kent's Children's Rights Service), who can provide support to help you pursue a complaint	Care Matters (basic element of pledge – page 22); existing KCC policy	As above	£0
Provide you with access to a solicitor (at our cost) if you want legal advice about your care order, or any other legal order affecting you – such as contact with certain people in your life	Existing Children Act 1989 duty	Promotes safeguarding; effective corporate parenting; involvement of child/young person in decision making (promotes resilience via promoting self efficacy)	£0

OLA Pledge			
Pledge Commitment	Source	Contribution to Better Outcomes	Additional Estimated Cost pa
1. Sense of belonging			
Help your local authority ensure that your care plan includes extra help to enable you to attend school and maintain contact with important people in your life	Care Matters	Promotes example of best practice to other local authorities placing LAC in Kent in a way which benefits the child/young person through encouraging better outcomes – including placement stability; safeguarding; identity/resilience and health care (ECM) agenda	£0
Make sure you know who your corporate parents are and how you can contact them	Care Matters (see range of proposals focussing on corporate parenting under Chapter 1 of White Paper, specifically pages 22 to 27); Existing DCSF guidance for members on their role as a corporate parent (see KCC guidance document)	Promotes good example of effective corporate parenting and accountability to the responsible local authority; contributes to evidence that Lead Member and DCS (Graham Badman) are meeting their current and forthcoming legal duties for all LAC in Kent	£0
2. A consistent adult			
Ask the local authority responsible for your care to ensure that you have a named Independent Reviewing Officer and a named Social Worker who visits you on a regular basis and tells you how to contact them	Care Matters proposal (basic element of pledge – see page 22 and 63 and 64 of White Paper re SWs; page 22 and 132 re IROs); Highlighted by young people (Hardelot DVDs on pledge)	Promotes safeguarding; helps to prevent LAC drifting in care; indirectly supports LAC placement stability (including PAFA1) through support to carers (based on research findings – e.g. McAuley et al, 2006) Promotes best practice in other local authorities	£0
Ask you local authority to make sure that you have at least one person in your life who you can expect to be around throughout your childhood	Highlighted in Care Matters (White Paper) ; Issue raised by young people (Hardelot DVDs on pledge) . Commitment includes focus on provision of Independent Visitors (legal requirement under The Children Act 1989 and emphasised in Care Matters, including new legislation (page 133)	Promotes safeguarding; promoting identity/resilience of LAC. Indirectly supports better outcomes re placement stability (including PAFA1); educational attainment (e.g. PAFA2 (GCSE attainment); PAFC24 (school absence) and LAA target 3 – key stage results and GCSE attainment); access to sports and leisure opportunities (Care Matters proposal). Promotes best practice in other local authorities	£0
3. A good education			
Work with your social worker to ensure that you have a place at a school that will help you to do your best	Care Matters proposal (basic element of pledge) – page 22 and Chapter 4; issue raised by young people – ie. Upfront Survey (1998); meeting with Children's Champion Board 2005.	Improved educational attainment of LAC and Care Leavers; contributes to the responsible local authorities performance a range of government targets – e.g. PAFA1 (placement stability); PAFC24 (school absence); PAFA2 (GCSE attainment); PAFA4 (reducing NEET); C81 (reducing offending); contributes to LAA target 3 (key stage results and GCSE attainment); supports healthy care (ECM) agenda for LAC; promotes identity/resilience; increases opportunities for LAC to achieve legal permanence outside of the LAC system	£0
Work with your school and the designated teacher to help you do your best	Care Matters proposal (basic element of pledge) – see page 22 and 71	As above	£0
Help you catch-up with school work if you fall behind	Care Matters proposal (basic element of pledge) – see page 22	As above	£0
Celebrate your achievements and success	Corporate Parenting Guidance; Research findings on promoting Resilience in Children	As above – especially resilience/identity	£0

4. Good memories for the future			£342,066
Provide at least 4 hours a week of opportunities to pursue hobbies and interests (including sports and music)	Care Matters proposal (basic element of pledge) – see page 22; Young People (Hardenlot DVDs on pledge)	Supports Healthy Care initiative (part of ECM agenda for LAC); promotes placement stability (including responsible authorities performance under PAFA1), identity/resilience; contributes to evidence that lead member and DCS (Graham Badman) are meeting their current and forthcoming legal duties for all Kent LAC	
5. Preparation for adulthood			
Ask the local authority responsible for your care to make sure that you are consulted about key decisions being made in your life	UN Convention on the Rights of the Child 1989/1991/Children Act 1989 and more recent childcare legislation; The Gillick Judgement 1985 ; Young People (Hardenlot DVDs on pledge); Care Matters proposal (basic element of pledge) – page 22 ; Research findings on benefits on involving children/young people in decision making	Promoting safeguarding (e.g. Butler-Sloss 1988); Decisions for child in all aspects of their lives are more likely to be successfully implemented (e.g. Thoburn, 1992; Hodgson, 1996); promotes greater resilience and sense of identity (e.g. Henderson, 1995) Promotes best practice in other local authorities	£0
6. Champion needs and interests			
Encourage you to communicate your wishes, interests and feelings – taking into account any disabilities you have	UN Convention on the Rights of the Child 1989/1991/Children Act 1989 and more recent childcare legislation; The Gillick Judgement 1985 ; Young People (Hardenlot DVDs on pledge); Care Matters proposal (basic element of pledge) – page 22 ; Research findings on benefits on involving children/young people in decision making	Promoting safeguarding (e.g. Butler-Sloss 1988); Decisions for child in all aspects of their lives are more likely to be successfully implemented (e.g. Thoburn, 1992; Hodgson, 1996); promotes greater resilience and sense of identity (e.g. Henderson, 1995) Promotes best practice in other local authorities	£0
Ask the local authority responsible for your care to make sure that you know how to complain and how you can access a Children's Rights Service who can provide support to help you pursue a complaint	As above	As above	£0
Support you, your carers and your local authority in making sure that plans for your education and health needs are up-to-date	Care Matters (basic element of pledge – page 22	As above	£0
Remind your local authority of their responsibility to provide you with access to a solicitor if you want legal advice about your care order, or any other legal order affecting you – such as contact with certain people in your life	Existing Children Act 1989 duty	Promotes safeguarding; effective corporate parenting by responsible local authority; involvement of child/young person in decision making (promotes resilience) Promotes best practice in other local authorities	£0

PLEDGE COSTING FOR CHILDREN YOUNG PEOPLE IN CARE PLACED IN KENT BY ANOTHER LOCAL AUTHORITY

Pledge	Additional estimated costs £'s	Method of calculation
A sense of identity and belonging		
Help your local authority ensure that your care plan includes extra help to enable you to attend school and maintain contact with important people in your life	£0	Within existing budgets
Tell you who your corporate parents are and how you can contact them	£0	Within existing budgets
A consistent adult in your life		
Ask the local authority responsible for your care to ensure that you have a social worker who visits you on a regular basis and tells you how to contact them	£0	Within existing budgets
Ask you local authority to make sure that you have at least one person in your life who you can expect to be around throughout your childhood	£0	Within existing budgets
A good education		
Work with your social worker to ensure that you have a place at a good school that will help you to do your best	£0	Within existing budgets
Work with your school to help you do your best	£0	Take from new base funding in "Kent" sheet
Celebrate your achievements and success	£0	Within existing budgets
Good memories for the future		
Provide at least 4 hours a week of opportunities to pursue hobbies and interests (including sports and music)	£342,066	£5 per week per child plus junior leisure centre membership at £22 pa for 1213 children
Preparation for adulthood		
Ask the local authority responsible for your care to make sure that you are consulted about key decisions being made in your life	£0	Within existing budgets
Champion your needs and interests		
Ask the local authority responsible for your care to make sure that you know how to complain and how you can access a Children's Rights Service who can provide support to help you pursue a complaint	£0	Within existing budgets
Remind your local authority of their responsibility to provide you with access to a solicitor if you want legal advice about your care order, or any other legal order affecting you – such as contact with certain people in your life	£0	Within existing budgets
Total ongoing budget needed (base budget)	£342,066	
Amount per child	£294.12	

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By: Paul Carter, Leader of the County Council
Amanda Beer, Director of Personnel and Development

To: Cabinet **Date:** 3 December 2007

Subject: **STRATEGY FOR STAFF**

Classification: **Unrestricted**

SUMMARY: This paper provides information on KCC's Strategy for Staff, charting progress, outlining the current key priorities and highlighting the major challenges to delivering the strategy going forward. It also shows how Strategy for Staff (S4S) is underpinned by a number of other major Personnel and Development policies and areas of activity. Cabinet Members are invited to comment on the present draft revision of S4S which is attached at Appendix 1 and on the key priorities identified.

1 Introduction

- 1.1 KCC aims to be a "great place to work" for all its staff. The organisation's commitment to this is enshrined in its Strategy for Staff. This aspirational Human Resources strategy provides a framework for setting Personnel and Development priorities for the organisation.
- 1.2 This corporate Strategy was first introduced in 1998 and has developed from a short list of tangible actions into the comprehensive strategy it is today.

2 Development of the Strategy

- 2.1 Strategy for Staff is an important part of KCC's determination to continuously improve its position as an employer of choice. It has been enhanced by a number of influences both internal and external, including the Staff Care package developed in Social Services.
- 2.2 The development of the latest version of Strategy for Staff has been the subject of consultation within the P&D function and with the Workforce Strategy Board, senior managers and Members.
- 2.3 A later draft will be shared with Trades Unions and Personnel Committee.
- 2.4 The draft document attached commits the organisation to some challenging objectives to demonstrate innovation, best practice and our commitment to our staff. These are felt to be essential if we are to ensure that KCC is a "great place to work".
- 2.5 The strategy identifies six key attributes which are essential to the provision of excellent services. These are:

- An excellent workforce

- Continuous improvement
- Leadership and management
- Communication and engagement
- Employment and Reward
- A healthy organisation

2.6 The key priorities for meeting the commitments made under each heading are clearly spelt out in the document. The many achievements already made have benefited both the organisation and our people through enhancing the employment package, leading to effective recruitment, retention, motivation and performance. Paragraphs 4 to 10 of this paper deal with achievements and challenges under each S4S heading.

3. Key Achievements and Benefits

3.1 Strategy for Staff recognises that our success depends upon the passion, skill and motivation of our staff, so our commitment to recruiting, developing and retaining the very best people goes way beyond traditional boundaries. The benefits of our holistic approach to making KCC a great place to work are evidenced by our successful recruitment, retention rates, staff development opportunities and the level of staff satisfaction.

3.2 Vacancy rates, for example, among social workers have shown very significant improvements since the introduction of this approach. Before 1998 vacancy rates were around 25% rising to over 40% in some teams. These improved to 12.25% in 2000 and the current 6% average has been maintained since 2003. This compares to a national rate of 12%.

3.3 Turnover rates in KCC are currently under 13%. This healthy figure compares favourably to the information available on other similar organisations. For example, turnover in Bedfordshire County Council is 17%, and in Westminster, an excellent London Borough, it runs at 19%. Kent Adult Social Services turnover rates are 9.85%. This is exceptionally low for a social care directorate.

3.4 External benchmarks provide another example of success. KCC's successful reaccreditation against the new harder Investors in People (IiP) standard was a significant achievement for an organisation of this size and complexity. Ways to Success and the reward strategy have both attracted significant national attention and been on the short lists for achievements in excellence. We were ranked 37th of the top 100 employers for gay people in the Stonewall workplace equality index 2007 list and we have successfully retained the "Two Ticks" accreditation from job centre plus every year since 2002. We were shortlisted this year for the recruitment award by the Employer's Forum on Age.

3.5 The role of managers and first line supervisors is pivotal to our success. Their attitudes and performance are highly influential, determining how staff behave and perform. Their development is therefore at the core of S4S. The KCC management qualifications centre is a Centre of Excellence, awarded by the Chartered management Institute. Over the past two years 176 delegates have achieved a qualification and nearly 50 have completed a Diploma in coaching and mentoring. 220 Essential Skills programmes have been run for 2500 delegates over the same

period, with a further 194 managers completing open modular programmes. Our management development framework is attached as Appendix 2.

- 3.6 The completion of Single Status and the ongoing development of our innovative Reward Strategy are a major achievement. The decision to develop and implement the Single Status agreement well in advance of the vast majority of other local authorities was typically courageous and proactive. The benefits have been creation of a single Kent Scheme pay scale, the introduction of job families and role profiles and three years of constructive pay bargaining. The financial benefits of this timely response to nationally agreed requirements are outlined later in this paper and it should be noted that this proactivity has eradicated the very real risk of legal challenge currently facing many other Authorities across the country.
- 3.7 The outcomes from previous staff surveys prove that our people recognise the benefits of S4S. In the last staff survey more than half our employees felt their employment package compared favourably to the private sector and a very significant 73% felt it was better or the same as other public sector organisations. Between 2001 and 2004 there was a significant increase in staff advocacy. Nearly two thirds of our staff expressed satisfaction with their current job. This is nationally recognised as being a key indicator of high performing organisations.

4. Key Priorities and Challenges

- 4.1 A strong performance management culture is essential to excellent service delivery. Continuously improving our people management framework, giving managers the skills and confidence to tackle poor performance and recognise and reward good performance (and be able to objectively differentiate between the two) is a thread which runs through many of the priorities identified in the Strategy. We must value “people management” as a skill that needs to be developed and recognised as contributing to excellent service delivery as much as professional expertise.
- 4.2 A major contribution to a strong performance management culture is to further develop the reward strategy, strengthening the link between performance and reward. We will develop the “total reward” strategy to ensure our people are aware of the total value of their employment package. The major challenges in developing a more transparent link between individual performance and level of reward are financial constraints and the current incremental pay scales which limit flexibility. However embedding a performance culture is contingent on management competence.
- 4.3 KCC is committed to having a competent, high performing workforce which reflects the population it serves. There are clear action plans for our under-represented groups, with a strong emphasis through the Equality and Diversity agenda of improving the recruitment and retention of disabled people. The challenge is to turn excellent policy and process into reality across KCC. Tackling the issues presented by the current age profile of staff will see further work on attracting and retaining young people and on ensuring flexible work patterns and retirement options for our older staff. Many young people do not see local government as a

career of first choice, but Personnel and Development is working closely with the 14-24 unit, the Supporting Independence team and the Strategic Development unit to attract high quality young applicants to a range of career opportunities in the County.

- 4.4 Recruitment to and promotion within KCC is based on merit and ability and there is no place for prejudice against or subjective assumptions about any group at any level in the organisation. We will continue to develop the framework for the subsequent development and retention of excellent staff from all backgrounds.
- 4.5 Staff surveys will continue to be regular to ensure we measure people's perceptions of the organisation, the impact of the strategy and whether KCC feels like a "great place to work". The latest staff survey is scheduled for December with a telephone questionnaire being conducted with a random 10% of employees. Spring next year will see the first e-mail/written questionnaire being sent to all staff. Timely and effective follow up action planning is essential to ensure our staff believe we listen to their views.
- 4.6 Improving internal communications is an ongoing priority and the "First" newsletter and "team briefing" will be the subject of continuous review and refinement. The Chief Executive has commissioned a booklet, available to all staff and new starters from December, explaining Strategy for Staff to ensure our people know what they can expect from KCC as an employer.
- 4.7 Innovation and flexible ways of working (both in terms of use of technology and the changes ensuing from the office transformation project) must be encouraged and facilitated through our employment package, learning and development opportunities and work and wellbeing initiatives.
- 4.8 Learning and development opportunities must be even more closely aligned to overall business objectives and an effective model for measuring return on investment in training agreed and embedded across KCC. In addition KCC will work actively with higher education institutions in Kent to influence and help develop the content of professional and academic programmes relevant to County Council services.

5. Partnerships

- 5.1 Vision for Kent, Towards 2010 and the Kent Commitment all stress the importance of working in partnership to ensure the best possible outcomes for the people of Kent and secure a better tomorrow for them. Enshrined in Personnel and Development's approach to continuous improvement of S4S is an equally strong partnership working ethos.
- 5.2 Internally, the success of S4S and the business needs it must help meet are dependant on Personnel and Development working closely with the service directorates, other corporate support services, the Strategic Development Unit, Adult education on skills development, Supporting Independence Programme and the 14 to 24 Innovation Unit. We have also worked closely with the Public Health team on issues such as the smoking policy and obesity. The Trades Unions have played an important role in the development of the Reward Strategy and some key staff development

activity including the Go award. We have worked closely with staff groups on the development and monitoring of equality and diversity and employment policies. The introduction of the Workforce Strategy Board, now chaired by the Chief Executive, ensures that development of HR strategies that are innovative, professionally exemplars of best practice and firmly rooted in meeting business need.

- 5.3 We are increasingly working with HR partners in other public sector organisations to deliver workforce solutions for Kent, not just KCC. There are close links with the Kent PCTs co-operating on developing workforce strategies at both corporate and Directorate level. Discussions are on-going with Medway, Essex County council, Hertfordshire County Council and several Districts to encourage closer working – a member of HR staff has recently been seconded to cover the head of personnel at Tunbridge Wells District Council, we are looking at delivering payroll services to some Districts, several Districts are part of our recruitment advertising contract with Tribal Resourcing and our Employment Strategy manager chairs the Kent Personnel Officers Group where we are able to share our expertise in developing employment policies, give updates on employment law and share training opportunities.
- 5.4 Over the last 18 months KCC and the Health & Safety Executive (HSE) have been working closely together to help ensure that risks are sensibly managed on a day to day basis. As part of the partnership working initiative a joint six monthly newsletter is now produced. The partnership relationship continues to support developments across KCC and a more joined up approach, including input from our trades unions, ensures that health and safety performance is continually monitored and mutual priorities are recognised and promoted.
- 5.5 Personnel professionals from KCC participate in several national and regional bodies including:
- Chair of PPMA South East Region
 - Only public sector representative on the national CIPD Reward group
 - Active member of the Oracle users group which enables us to share our significant expertise in the development of Oracle HR and payroll with other public sector users.
 - County Council PPMA group
 - Panel member on Quality South East as part of Investors in People
- 5.6 Personnel and development launched innovative Work and Wellbeing and HR Conferences which were well attended the public and private sectors resulting in improved collaboration, networking and sharing of best practice. The Health and Safety team organised a Stress management seminar for local businesses providing information and support in this challenging area.
- 5.7 Our learning and development opportunities are marketed to the public and private sectors and the Kent Leadership programme and Power to Lead have been developed specifically to promote partnership working and engage participants in resolving Kent wide issues.

6. An Excellent Workforce

- 6.1 Strategy for Staff recognises that “An excellent organisation needs excellent staff. We want staff to be passionate about what they do, to fulfil their potential and have the skills, knowledge, tools and information to do their jobs effectively. We want people to feel part of KCC and enjoy coming to work.”
- 6.2 Key to achieving this aim is to ensure that we attract people from a range of backgrounds and develop them appropriately to enable them to reach their full potential. Our workforce is increasingly diverse, although we still do not fully reflect the population in Kent for some minority groups, including young people and disabled people.
- 6.3 Significant advances in achieving an excellent workforce have been made through the extensive development of the personal development, appraisal and total contribution pay frameworks all of which were recognised in the liP assessment.
- 6.4 Ways to Success enables staff and managers to recognise that the way a job is done is as important as the achievement of targets, particularly in relation to customer facing environments.
- 6.5 Feedback from the last staff survey showed clearly that our more junior staff felt they lacked learning and development opportunities which resulted in a whole new range of support staff training programmes and opportunities.
- 6.6 The coaching strategy has helped individuals (both coaches and coachees) realise their full potential.
- 6.7 The ongoing development of clear career pathways through career grades and the introduction of job families and role profiles encourages retention of able staff and helps break down organisational silos. The ongoing commitment in this area was reinforced by a common reason given for leaving KCC – that is a lack of career progression opportunities.
- 6.8 Last year saw the first KCC workforce development plan which provides an organisation wide set of agreed actions for developing our workforce, agreed by the Workforce Board. It is supplemented by specific workforce plans for the Adult Services and Children’s Services workforce, both of which extend beyond KCC employees.

7. Continuous Improvement

- 7.1 The commitment in this section of S4S reads “Staff who deliver services are best placed to improve them. We value innovation and will encourage and enable staff to initiate change, take personal accountability for their own development and the way they do their jobs”
- 7.2 Recent key achievements in making this a reality include:
- Development of a staff engagement strategy
 - The embedding of Quality Service Awards across KCC

- “Take 5” through which people were invited to put forward their ideas for improving the value for money of our services
- The assurance that feedback is an integral part of the new team briefing process
- Meetings between senior managers and staff now take place regularly in all KCC Directorates
- The Leader has attended a number of lunches with middle managers and feedback given to attendees
- Consultation on issues which impact on people is an integral part of managing change across KCC
- The Culture development action plan has staff involvement at its core communication and feedback on individual performance and development
- Staff surveys allow staff to “have their say” and feedback is an integral part of the follow up
- There is clear support and guidance in place to enable our managers to effectively manage change
- KCC’s successful re-accreditation against the new tougher liP standard offered an objective measure of our success in this area.

8. Leadership and Management

8.1 The commitment is “Inspirational leadership” and excellent people management are critical to our success. Our Members, managers and supervisors influence the performance and behaviour of staff and the relationships with our partners and customers. We want managers who can work effectively across traditional boundaries, work collaboratively and in partnership to provide direction, purpose and support and epitomise behaviour that reinforces our values.”

8.2 Key achievements in this area have been:

- Agreement to sign up for the Member charter
- Talent Management – KCC is one of the very few public sector organisations that has a clear and identifiable framework for developing leadership potential
- Flexibility in secondments and transfers. This has been developed as part of the talent management framework and as a way of bringing new people in to KCC (such as in corporate policy) and to encourage movement out of internal organisational silos
- Kent Leadership Programme
- People Management Handbook developed to provide clear advice to managers on people management issues
- Ways to Success successfully embedded as an integral part of the performance management, development and recruitment frameworks.
- Management Qualifications centre – the KCC Qualification centre is a Centre of Excellence, awarded by the Chartered Management Institute in recognition of the development of a range of programmes, the very high achievement results, the multi-faceted programme and the stringent assessment process.
- Coaching Strategy - KCC has 36 people who have taken professional coaching qualifications to enable them to nurture management potential in others
- Management Development Framework (attached at Appendix 2)

- “Speed Surgeries” for managers on people management issues
- Equality and Diversity agenda and training to ensure KCC develops a diverse range of people

9. Communication and Engagement

- 9.1 KCC recognises that “A climate of trust, honesty, respect and involvement enhances the performance of the organisation. We want every member of staff to feel engaged, to express their views and opinions freely and have their contributions recognised.”
- 9.2 P&D has made a strategic contribution to internal communications and developed both an internal communication strategy and an engagement strategy
- 9.3 Other achievements include:
- Team Briefing
 - Development of KNet, particularly staff zone and Safetynet
 - Updates to the Blue Book and People Management Handbook
 - Commitment to the Go Award and Learning Agreement
 - Improved Induction at all levels
 - Staff surveys and extensive follow up and feedback
 - Support for Staff groups - Level Playing Field; Greenhouse; Unite and Rainbow
 - Equality and diversity action planning including consultation on equality impact assessments.

10 Employment and Reward

- 10.1 “Our employment package aims to attract and retain high calibre people and reward them for their contribution. We want a flexible workforce that responds positively to meet the changing needs of the people of Kent.”
- 10.2 The implementation of Single Status in such a timely and consultative way has been a major success. By agreeing a phased implementation it was possible to get agreement to a way forward without the need for any back pay. This has saved the Authority about £90 million.
- 10.3 The development of a twenty first century reward package has included:
- Market premia payments which help recognise market value but avoid grade drift
 - Total contribution pay
 - Completion of the first Equal Pay Audit looking at base salaries (KCC is one of the very few organisations to have completed this)
 - The removal of an automatic right to augmented pension entitlements
 - “Total reward” package being explained and communicated to staff
 - Kent Rewards – staff discount scheme which has no match in the public sector
 - Tax efficient schemes enabling the purchase of phones, bicycles, home computers and child care vouchers
 - Cash and non cash awards to enable a quick and unbureaucratic mechanism for rewarding good performance
 - Buying and selling annual leave

- Carers leave introduced as part of the drive to reduce sickness absence
 - Staff club which offers discounted social activity to all our staff
- 10.4 Our employment policies are an integral part of the employment package and we have an ongoing programme to ensure these remain up to date and easy to access for managers and staff.
- 10.5 We have fostered an excellent employee relations climate which has enabled success in three years of local pay bargaining and in introducing a significant amount of change in terms of structures and working practices with no interruption to the delivery of excellent services.

11. A Healthy Organisation

- 11.1 KCC has at the heart of its people strategy the realisation that “Working for KCC is about more than just a job. We want a healthy, lively and vibrant organisation, where the physical environment, the nature of the job and the balance between home and work enable staff to work effectively, safely and have fun.”
- 11.2 Part of the realisation of this objective is enshrined in our approach to the management of health and safety policy and associated risk management. The Health and Safety Executive (HSE) have launched a Sensible Risk Management campaign, inviting Chief Executives from all local authorities to sign up to taking a sensible line on health and safety. The Chief Executive and Corporate Health and Safety Manager are keen to send out a public message of support for the drive to temper the over interpretation of health and safety law and will be inviting all Authorities in Kent to join in a collective sign up event. This will raise the profile of the national campaign and demonstrate support for the HSE’s initiative as part of our partnership working commitment. It is intended that the event will be hosted by KCC early in the New Year illustrating our commitment to delivering high quality services in a way that protects vulnerable groups or individuals to the real risks which need to be recognised and not reducing or inhibiting sensible, well-planned, creative activity.
- 11.3 There have been a number of achievements in fostering the sort of productive working environment aimed for, including:
- Health, wellbeing and attendance programme which brings together activities from across the Personnel and Development function to encourage attendance and minimise sickness absence
 - Improved incident/accident reporting which facilitates better management of absence and allows preventative measures to be targeted appropriately
 - Respect and dignity policy which incorporates our policy on violence at work
 - Ongoing provision of staff care services which is to be transferred from April next year to commercial Services to allow for income generation and business development
 - Development and ongoing review of policies to minimise the impact of harassment and bullying and monitoring of their effectiveness through the Equality and Diversity agenda and with input from our Trades Unions.

- Health and Wellbeing – Fit4health programme to encourage healthy lifestyles
- Ongoing Health check programme
- Stress management policy which is based on HSE standards

12 The Personnel and Development Framework

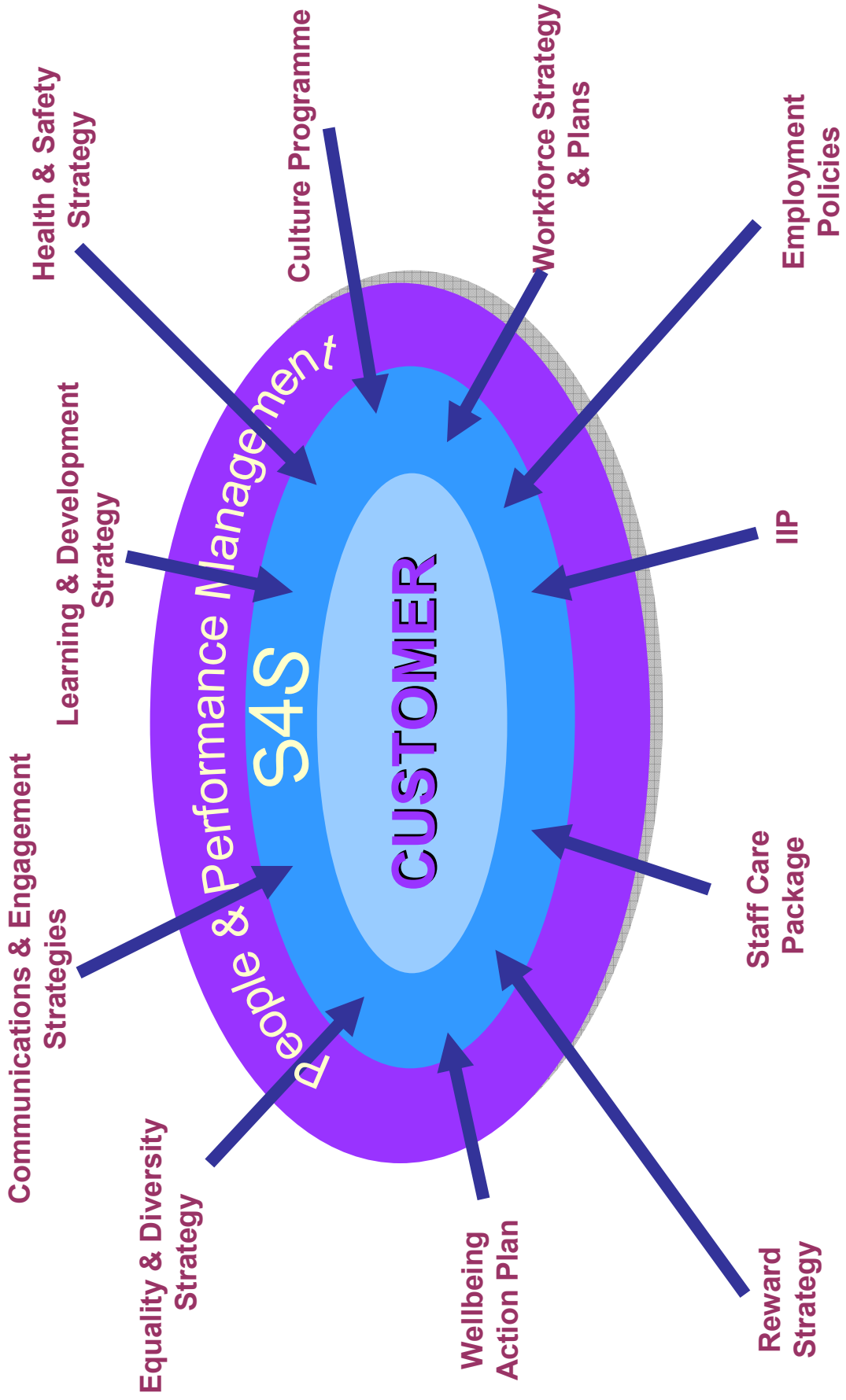
12.1 This paper has referenced a number of personnel and development strategies, policies and action plans which provide greater depth and clarity to the aspiration and overarching Strategy for Staff. Appendix 3 illustrates how these relate to S4S.

13 Recommendation

13.1 Cabinet is invited to note the achievements against Strategy for Staff objectives, and comment on the attached draft of the latest iteration of our Strategy for Staff and on the key priorities identified in paragraph 3 of the paper.

Amanda Beer
Director of Personnel & Development
Ext 4136

GREAT PLACE TO WORK □ MAKING IT HAPPEN



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STRATEGY FOR STAFF 2007

KCC aims to make Kent a great place to live and work. A county that people are proud of, where communities, families and individuals flourish and where people feel safe. We achieve this by putting customers first, providing and commissioning high quality services and by continuously improving our performance.

As success depends upon the passion, skill and motivation of our staff, our commitment to recruiting, developing and retaining the very best people goes way beyond traditional boundaries.

Driven by our core values and high performance culture, our Strategy for Staff aims to make KCC a great place to work. A place where inspiring leadership and excellent people management enable all our staff to:

- Feel proud and excited about working for KCC
- Achieve their full potential
- Treat customers as they would like to be treated themselves
- Feel valued, equipped and rewarded for what they do
- Feel confident to welcome change and initiate innovation

AN EXCELLENT WORKFORCE

An excellent organisation needs excellent staff. We want staff to be passionate about what they do, to fulfil their potential and have the skills, knowledge, tools and information to do their jobs effectively. We want people to feel part of KCC and enjoy coming to work. We will:

- Have comprehensive induction for every member of staff
- Ensure all staff have an action plan and understand how their contribution fits into the bigger picture
- Ensure everyone has a personal development plan and access to a minimum of 5 days training and development each year, which can include 2 days volunteering
- Promote secondments, job swaps, shadowing and other development opportunities
- Embed talent management to identify and develop potential
- Ensure we attract the right people through excellent recruitment
- Undertake exit interviews to find out why people leave and respond to retention issues

CONTINUOUS IMPROVEMENT

Staff who deliver services are best placed to improve them. We value innovation and will encourage and enable staff to initiate change, take personal accountability for their own development and the way they do their jobs. We will:

- Celebrate achievement, recognise and reward innovation and improvement
- Encourage creativity and learning by providing opportunities to identify and share best practice and ideas
- Increase flexibility and vitality through excellence in recruitment, maximising technology and promoting new ways of working
- Manage change effectively and positively
- Identify service improvements through Managers and Members going 'back to the floor'

LEADERSHIP AND MANAGEMENT

Inspirational leadership and excellent people management are critical to our success. Our Members, managers and supervisors influence the performance and behaviour of staff and the relationships with our partners and customers. We want managers who can work effectively across traditional boundaries, work collaboratively and in partnership to provide direction, purpose, support and epitomize behaviour that reinforces our values. We will:

- Embed high standards of people management that enhance our diverse workforce and promote equality of opportunity
- Provide excellent leadership and management development programmes
- Through a 360° approach, link people management performance to reward
- Set and monitor standards for accrediting the 'KCC Manager' through effective induction, regular re-induction, mandatory training and development
- Enhance partnership working through increased collaboration and sharing with the public and private sector
- Drive individual and organisational improvement through the increased use of coaching and mentoring

COMMUNICATION AND ENGAGEMENT

A climate of trust, honesty, respect and involvement enhances the performance of the organisation. We want every member of staff to feel engaged, to express their views and opinions freely and have their contributions recognised. We will:

- Provide a variety of mechanisms to enable regular, frequent dialogue across the whole organisation
- Listen and respond to what staff tell us
- Inform staff about key events before the media
- Write all correspondence in clear, straightforward language
- Engage and consult staff and their representatives on major plans and changes
- Maintain a constructive relationship with recognised employee representatives

EMPLOYMENT AND REWARD

Our employment package aims to attract and retain high calibre people and reward them for their contribution. We want a flexible workforce that responds positively to meet the changing needs of the people of Kent. We will:

- Pay people a fair rate for the job and give additional reward for excellent contribution
- Provide career structures that enable movement and progression across the whole organisation
- Ensure our pay structure is simple, fair, transparent and modern
- Offer a flexible package which meets the needs of the business and our diverse workforce
- Deal firmly and fairly with poor performance
- Promote dignity, respect and exemplary conduct through our employment policies and practices.
- Provide support to help people respond to change and move on when necessary

A HEALTHY ORGANISATION

Working for KCC is about more than just a job. We want a healthy, lively and vibrant organisation where staff feel supported, where the physical environment, the nature of the job and the balance between home and work enable staff to work effectively, safely and have fun. We will:

- Value the contribution of our diverse workforce and promote equality of opportunity
- Improve attendance and reduce sickness through the promotion of health and wellbeing and effective management
- Ensure our employment 'offer' recognises family commitments, provides opportunities for flexible working and promotes personal fitness and a healthy work/life balance
- Embed the management of health and safety throughout the organisation through integration into standard practice
- Use performance indicators and feedback from staff to monitor and continuously improve the morale of the organisation
- Reduce our impact on the environment through excellent practices.

By: Graham Gibbens – Cabinet Member for Public Health
Meradin Peachey, Director of Public Health

To: Cabinet - 3 December 2007

Subject: Draft Proposal for a Public Health Observatory for Kent

Classification: Unrestricted

Summary:

This paper recommends the establishment of a Kent Public Health Observatory in liaison with the South East Public Health Observatory. This will improve health intelligence to the NHS and KCC as an integrated service. The paper outlines the principles and functions of the observatory. It provides the rationale for a restructure of the current NHS Public Health Informatics Service which will be based on a specification for a modern integrated health intelligence service.

The service will contribute health improvement and reduction of health inequalities by ensuring that Kent has the most efficient and effective provision of Public Health Intelligence and Knowledge Management services in a defined unit called the Kent Observatory for Public Health (KOPH).

A phased approach is proposed to allow for the early establishment of the service to gain short term benefits, but also allowing for future developments to enhance the service and realise its full potential. The new service will be closely aligned with KCC priorities and strategic objectives and link closely with Public Health across Kent.

For Information

1. Recommendation

Cabinet is asked to:

(i) NOTE the report and is asked to AGREE the establishment of the Kent Observatory of Public Health and SUPPORT its implementation in due course.

Meradin Peachey
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**PROPOSAL FOR A
PUBLIC HEALTH
OBSERVATORY FOR
KENT**

DRAFT

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1. THE BACKGROUND TO THE PROPOSAL AND THE RATIONALE FOR RESTRUCTURING PUBLIC HEALTH INFORMATION SERVICES

1.1 National Antecedents

In the 2001 report of the Chief Medical Officer (1) it stated that it was his aim to improve and intelligence skills and capacity throughout England.

This was further emphasized in the “NHS fully engaged scenario” as recommended by Derek Wanless (2) in relation to Securing Good Health through Public Health Evidence.

The report of the Public Health Information & Intelligence (I&I) Task Force about the Public Health workforce seeks to deliver enhanced training, career pathways and technical capabilities for the Public Health Intelligence function(3).

1.2 Background to the shaping of PCTs and Public Health intelligence services in Kent.

The last two NHS reorganisations have been instrumental in determining the current shape of public health intelligence in Kent and in presenting an opportunity for modernisation. In England, in 2002, NHS Regional Offices were abolished, Health Authorities (HA s) were reorganised down to fewer Strategic Health Authorities and over three hundred Primary Care Trusts (PCT s) emerged. This resulted in 8 PCTs in Kent and one SHA for Kent and Medway.

In 2006 the number of Strategic Health Authorities were reduced to ten, and the number of PCT s were reduced by half. In Kent as at October 1st 2006, the eight former PCTs were merged into two. At the same time, the eight former directorates of Public Health were combined into one, with a Director jointly appointed by, and accountable to, the two new PCTs and the County Council.

Before the changes in 2002 there were two Health Authorities for Kent and Medway, each with integrated Public Health analytical services. There was also a shared, Kent and Medway wide, Public Health library service, hosted by one of the HA s. Following the changes the library services remained central (first hosted by the SHA and then a PCT), and the analytic services were reorganised. The two previously integrated HA services were amalgamated into a single service. This was moved from direct Public Health management into a unitary function managed by the Kent & Medway Informatics Service, (itself hosted in the acute hospital sector). The primary aim was to maintain a critical mass of analysts able to support each other and to support Public Health at PCT s, through dissemination of their services.

This arrangement had three closely related disadvantages. The first was that the service was no longer integral within Public Health Departments, unlike the analytic services supporting finance, medicines management, commissioning and community and child health services. This meant it was separated from other related functions such as evidence base developments or PCT priorities. The second related to the difficulties perceived in responding equitably to the competing demands of eight directors of public health and their departments. The third was a lack of strategic leadership in public health matters. In spite of these structural disadvantages the service was seen to be innovative and hard working under difficult circumstances.

The latest restructuring of the PCT s and the development of a single Director of Public Health for Kent presents an opportunity to reintegrate analytic service within Public Health and to unite them with the evidence and intelligence service. At the same time the injection of strategic leadership, the opening of potential routes for linking up information with partner agencies, and the development of other functions will provide a completely new and broader function which will become the Kent Public Health Observatory.

1.3 Partner Integration

There are a myriad of sources of Public Health Data available in the community. Because of the previous nature of NHS, we have tended to focus on a limited number of traditional data sources. Data pertaining to crime, employment, housing and other environmental functions, social services, disability and a range of other elements, can substantially augment public health. All of these are available to our partners. However, our access to their data and their access to ours is often cumbersome and time consuming to achieve. To allow these data sources to deliver valuable public health information efficiently, we need to maximise use of our methodological, analytic, and knowledge management skills, through closer integration with partner agencies.

1.4 Critical mass and economies of scale

The emergence of Regional Public Health Observatories has provided Public Health partners with access to a wealth of information and instruments for improving the health of their populations. These units have demonstrated the power of economies of scale, through developing resource intensive innovations and mass producing them across different populations or making them available for use through internet applications.

With reconfiguration of Primary Care Trusts and technological developments in the use of data from multiple sources, we have a unique opportunity. The new shape of Public Health should be able to extract the same sorts of economies and dissemination advantages seen through the success of regional observatories. The rationale behind developing a facility of this nature is to enable the public health and partners in Kent to provide an expert and reliable population, clinical, social and wider intelligence, applicable at a local level and which is fit for purpose.

It is increasingly important to use such services for organisations, which are seeking to strengthen commissioning and enhance responsiveness to local population needs, through increasing ill health prevention and service redesign. The Chief Executives of Eastern and Coastal Kent and West Kent Primary Care Trusts and Kent County Council have expressed their support to see services develop in this manner.

1.5 Supporting Mainstream Public Health Strategy

Improvement of the health of the population, and the reduction of inequalities, through the Kent Public Health Strategy and the development and delivery of Local Area Agreement targets, underpin the value of shared information. Specific examples, such as alcohol use, injury and policing the night time economy, or the immunisation status of cohorts of vulnerable children, (such as those in care), can demonstrate how the use of diverse local data sources can provide knowledge greater than the sum of its parts. Health Improvement Plans underpin the central strategies of the PCTs, the County Council and all of the District Councils in Kent, the establishment of the Public Health Observatory will greatly enhance future planning for health improvement.

“The Framework for procuring External Support for Commissioners (FESC) was developed in response to the vision set out in Health Reform in England: update and commissioning framework (July 2006) for stronger and more effective commissioning, as a key element of a comprehensive programme of health reforms. It is intended to provide Primary Care Trusts with easy access to a framework of expert suppliers who can support them in undertaking their commissioning functions.”

The Commissioning Framework recognises that PCTs will need to develop excellent skills in a range of commissioning processes, for example, in actuarial approaches to population risk assessment, in data harvesting and analysis, social marketing, opinion surveys, service evaluation and redesign, procurement and performance management. Part of the purpose of the FESC is to allow for development and sharing of skills across organisations, particularly where partners have worked in different parts of the NHS and in other healthcare systems. The Public Health Observatory, through direct participation or as a conduit, will provide a catalyst for this function.

1.6 Supporting Decision Makers

The Public Health Observatory for Kent is envisaged as a 'virtual organisation', which would facilitate cooperation and joint working between analytic and knowledge management staff from different parent agencies. We envisage the sharing of population based information, within the appropriate permissible frameworks, to provide greatly enhanced local knowledge. By pooling staff and intellectual capacity from different agencies / organisations, virtual teams can provide greatly enhanced information to a broader spectrum of customers. Through the application of different skills and resources (eg. software packages and expertise) different ways of looking at issues can be developed. Such enhanced expertise becomes self generating, having the potential to attract other expertise along with external resources for development, research and broadening overall effective capacity.

The development of such a service envisages workforce development and training across a range of analytical and knowledge management staff to broaden the overall understanding of public health, and to further enhance our access to and use of information derived through the application of epidemiological principals and practice.

The service would address issues raised in the report of the Public Health Information & Intelligence (I&I) Task Force 'Project plan for the Workforce sub-group on Increasing the I&I capabilities & capacity of the public health workforce' (*See Appendix 1*)

The development of such a service would enable the establishment and refinement of a Kent wide Public Health Intelligence work programme to support annual reporting, assessment and analysis of needs, health impacts, health equity, health surveillance, and epidemiological questioning. By channelling this enhanced capacity into strategic planning, commissioning will be strengthened.

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2. THE PLAN FOR CHANGE

2.1 Aim

To improve health and reduce inequalities by ensuring that Kent has the most efficient and effective provision of Public Health Intelligence and Knowledge Management services in a defined unit called the Ken Observatory for Public Health (KOPH).

2.2 Objectives

To enhance service provision through, strategic public health leadership, senior management directly accountable to the Kent Director of Public Health, and centralised consolidation and virtual expansion through formal linkages to wider intelligence teams and data systems.

To enhance service provision and support for Public Health Teams, through clear lines of accountability to Director and to Deputy Directors of Public Health.

To ensure equitable access for and substantial development input from public health localities and specialists

To deliver an implementation plan

To establish an initial work programme, comprising annual public health report, health needs assessment, a surveillance development agenda, specific topic and population data requests, support for the public health strategy including routine analysis of public health targets and support for configuration and service reviews.

To establish a development work programme.

To develop the reputation of the unit as a timely provider of high quality information.

To build on the expertise and calibre of the team members through protected time and targeted learning. This will enable the Observatory to further its reputation and attract highly competent professionals in Public Health Information and Knowledge Management and to maintain high standards of service and staff satisfaction.

To develop career pathways in these specialist fields. To provide opportunities for creative workforce placements and secondments, and develop a hub of excellence which attracts a range of professionals and those in training.

To provide a substantial part of a comprehensive public health information strategy as recommended by the Health Information and Intelligence Task Force (see appendix 1).

To monitor and enhance the service through appropriate structures.

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2.3 Time frame for change

	Oct 07	Nov	Dec	Jan	Feb	Mar	Apr	May 08
Proposal to PH Board	19th							
Proposal to Boards & Cabinet		3 dates						
Consultation period			xxxxxx	xxxxxx	xxxxxx			
Interviews						xxxxxxxx		
Structure in place with partners							xxxxx	xxxxxxxx
Data linkage development			xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
Partner issues			xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx

2.4 Over view of proposed work programmes for KOPH

- Work programmes will be developed on the basis of one and three year planning and will reflect the commissioning cycles of the PCTs and partner commissioners.
- Annual Public Health Report for Kent, to be published - To be published in third quarter each year.
- Needs Assessments – Joint Strategic Needs Assessments will become an iterative process, and there will be routine priority setting to establish and refresh projected one and three year work programmes.
- Surveillance - Development of robust surveillance systems for Kent relating to Screening Programmes, Immunisation Programmes, Infection Control, Deaths, Suicides, LAA, PSA, HCC, and DH target monitoring.
- Support the monitoring and delivery of the Kent Strategy for Public Health
- Support to DPH and Deputy DsPH - As required with responsive programmes.
- Support for strategic planning - Population and other modeling
- Support for practice based commissioning - Refinement of locality, cluster and practice information.
- Support for mainstream commissioning - Specific analyses of hospitals' activities in relation to effectiveness of care issues and clinical indicators.
- Creating and maintaining a 'Development Agenda' – For example economic modelling of ill health burdens and the costs and impacts of related preventive intervention strategies.
- Public Health Information provision - Regular public health briefings, status reports
- Evidence based health care provision - Clinical and public health evidence data-base collation and updating
- Scientific Development programme – the observatory will in due course seek to attract participants and additional funds in specific areas, eg. funding for evaluating interventions such as would be associated with community alcohol strategies, the observatory would at the same time seek to attract public health researchers, through the etc.
- Business Development Programme
- Dedicated networking activities – Participation in Public Health Information Networks, Health and Social Care Library and Intelligence Networks, Association of Public Health Observatories, Cross channel Public Health Observatory partnership.

2.5 Service Delivery

Methods of service delivery will be comprehensive and will involve:

- extensive development of electronic data access web based services,
- appropriate geographic dissemination of staff and partnership working, with some staff possibly based on more than one site, as well as provision for hot desking
- collaborative working with public health consultants, specialist and specialist registrars and trainees, and key partner officers
- interface arrangements (such as honorary contracts for staff in different organisations) and appropriate data linkage (such as joint licence arrangements, joint commissioning and innovative partnership agreements).

2.6 Outputs

Outputs will be measurable in many areas and these would be part of an annual plan and subsequent report. Likely areas would include:

Needs, health impact and equity assessments / audits delivered
Modelling – such as with Fit for the Future
Programme Budgeting
Forecasts against burdens of ill health, and actuarial forecasting.
Surveillance
Specific PH support outputs
Specific Commissioning support outputs
Specific social marketing and segmentation outputs
Specific profiling support outputs

2.7 Monitoring and evaluation

Consideration will need to be given to an oversight body to monitor the functions, direction and performance of the observatory. This could be subsumed by the Public Health Board or conducted by a subgroup thereof or by a separately constituted group.

The observatory will be expected to produce an annual report and to be guided by the oversight group on any modifications to its constitution or objectives.

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3. ORGANISATION AND STAFFING

3.1 Principles

The proposal is for a Kent Public Health Observatory (KPHO), to be part of the Kent Department of Public Health.

The organisation structure is designed for form to follow function.

3.2 The major functions of the observatory are defined by the following programmes:

- Public Health Reporting Programme – Includes APHR, Strategy for PH reporting /updating, Public Health Information provision
- Technical Work Programme – Includes Needs Assessments, ad hoc analyses,
- Surveillance Programme - Development and maintenance of robust surveillance systems for Kent
- Strategic Planning and commissioning Support Programme
- Development Programme.
- Evidence based health care support programme-
- Scientific programme – the observatory will in due course seek to attract participants and additional funds in specific areas, eg. funding for evaluating interventions such as would be associated with community alcohol strategies, the observatory would at the same time seek to attract public health researchers, through the etc.

3.3 Resources structure and staffing:

This will be determined following the development of a specification agreed with the partner agencies.

3.4 Customers / Clientelle

Existing users of Public Health Intelligence and Knowledge Management include:

- All levels of Public Health professional within PCTs and Local Government including the wider NHS workforce (health promotion, health visitors, etc)
- PCT staff (commissioners, primary care, etc)
- SHA staff
- Specialised Commissioning Unit
- Kent Cancer Network
- CHD Collaborative
- Health Protection Unit
- Children's Trust/Services
- Partners and associated groups (Crime Disorder Reduction Partnerships, SureStarts etc)
- Academic organizations
- General Public

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4. IMPLEMENTATION

The ethos of the direction is to work towards creating an environment of quality and excellence that will assist and motivate people to achieve desired end results. It is proposed to move forward in three phases.

4.1 The establishment phase

- Work with HIS to align Public Health analysts functions with PCTs to support needs assessments.
- PBC, Commissioning, and Surveillance of Targets and technical advice.
- Work with partners to explore joint development opportunities.
- Identify KCC and other agency information analysts and information staff to join the observatory team.
- Establish interim team for primary observatory functions, surveillance, annual reporting , PCT support
- Work with HIS to align Public Health analysts functions future Observatory functions.
- Work up proposed structure in response to recommended service specification report.

4.2 The Transition Period

- Public Health Knowledge Services to come under the leadership of a Public Health Consultant as part of Kent Public Health Department.
- Steering Group (KPHSG) to meet to agree TORs Membership, Agenda shape and to report through its minutes to the Public Health board.
- Core work programme to be agreed.
- Links with partners to be explored and reported on to KPHOSG
- Build upon the current partnership work and arrangements recently established by the services.
- Consolidation of Annual Public Health Reporting Process through agreed development programme.
- Consolidation of Needs Assessment Agenda (including equity audit and health impact assessments), through agreed development of rolling programme
- Expansion of complete work agenda

4.3 The early development phase

- Programme development will proceed as soon as the proposed new structure is put in place
- A virtual team will be established with KCC, PCT & HIS and other information colleagues and specialist subject meetings to be in place according to series of target dates, which address the major linkages.
- An observatory skills network will be established to involve analysts, consultants and specialists in project lead and support roles, target dates for specific milestones will be devised.
- Identify the access and maintenance agenda for databases of health related data
- A communication and reputation enhancement strategy with a programme of presentations will be developed.

4.4 Later potential developments

Subject to attracting appropriate resources

- Close working with Acute Trust Teams on specific clinical data analysis to do with clinical effectiveness and prevention.
- Academic and R&D links furthered

4.5 Career Structures and Capacity

In spite of National moves there is as yet no definitive career structure for Public Health Intelligence / Information. Career development and education for existing and new staff will be a feature of the Observatory and attracting trainees to build future capacity.

5. GOVERNANCE

There is a 'wider Public Health workforce' who are making increasing demands upon Public Health Information. Local LAA and LDP targets in Public Health have been and continue to be developed, Health Equity Audits and Area Needs Assessments are becoming increasingly important in the planning and delivery of local services and in turn placing an ever increasing demand on the public health information resource.

The recent use of Public Health Information in supporting Practice Based Commissioning is a new key area and the Kent & Medway PHIT have produced GP Cluster profiles to strengthen this relationship and need. Work continues in this area with Senior Analysts working closely with GPs and PBC groups to further develop the GP Cluster profiles.

There is an increasing demand for public health information from many of our partner organizations. With the appointment of a joint DPH across the PCTs and KCC, the demand for high quality public health information support will inevitably rise and the team is already engaged with many KCC departments who require that form of support.

Partnership work with Local Authorities is also crucial for the delivery of the local components of the LAA and LDP agenda. Work for and with CDRPs is also on the increase, with more and more requests for health related information by the local police force for example.

There is an immediate agenda to address and start rolling out. There will not be a large amount of resource to devote to capacity planning so it will be sensible to operate on the side of 'prudence' and keep the initial agenda tight and to look to the future for developing and providing broader services.

The development agenda will be important in due course for the motivating and creating a reputation of quality and service in the new environment.

It will be critical to show that the service is of the highest quality and meets user requirements. A primary aim will be to build up the reputation of the KPHO as a provider of a cutting edge, technically robust and appropriate service. An overseeing panel representing stakeholders and service users will agree an annual programme of work. The panel would include members from the Public Health Board, Kent County Council, PCTs, other service users and senior KPHO staff. The panel will have the role of performance management of the service and would expect to receive regular performance information from the KPHO. It would constitute a sub group of the Public Health Board. The suggested membership of the panel could include: The DPH, one PCT DDPH, one PCT DCE, one KCC DAS, one LA CE, one Academic Epidemiologist.

Declan O'Neill
21st November 2007

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APPENDIX 1

Report of the Public Health Information & Intelligence (I&I) Task Force
**Project plan for the Workforce sub-group on:
Increasing the I&I capabilities & capacity of the public health workforce**

Background

This Strategy aims to guide and develop a vision for the Public Health Information and Intelligence skills in England over the period 2006-9 for the three categories defined in the Chief Medical Officer's Report: To Strengthen the PH function¹. The Strategy outlines in detail the detail of what can be achieved in the three years to enable and support public health capacity and capability and better equip staff in the decision making process about the health and social care of the population.

"The public health agenda originally set out in 'Saving Lives: Our Healthier Nation' is huge, challenging and complex. The NHS plan affirms its place in the mainstream of NHS activity and, at the same time, acknowledges that it is everyone's business and is a corporate responsibility, not just the province of specialists". (Foreword from Liam Donaldson¹)

The Chief Medical Officer's (CMO) report¹ on the public health function, recommends action under six headings:

- Increasing workforce capacity
- Strengthening multidisciplinary public health
- Strengthening capabilities
- Education, training and organisation development
- Leadership and management development
- Strengthening academic public health.

*'Choosing Health: making healthier choices easier'*² states that the key to national health improvement is more people making healthier choices more of the time. The paper also indicates that the changes set out will only occur if the right people, with the right skills, are in place to deliver them at all levels.

The overall strategy of *'Choosing Health'* is *'to develop and build capacity for health improvement at all levels of the system, with the backing of a national competency framework for health to support the development of the necessary education and skills'*.

The most recently published White Paper *'Our Health, our care, our say: a new direction for community services'*³, continues the Government's drive to reduce health inequalities, which they say:

"remain too stark – across social class and income groups, between different parts of the country and within communities. The new emphasis on prevention will help close the health gap".

Building public health capability and capacity is fundamental to closing the health gaps. The aim of this Strategy is to ensure that the social and health care workforce is equipped to deliver improved health by providing basic information and intelligence skills and knowledge, and to support the development of effective specialist public health practice and leadership.

Partnerships

Nationally there are many providers of skills for a variety of audiences, this initiative will scope all current providers, e.g. Learning and Skills Council, Public Health Observatories, Health Knowledge, Colleges of Further Education and work with these providers to ensure a joined-up approach. The Canadian Enhanced Surveillance training resource is mentioned in the task section, in addition to this a scoping exercise will identify what resources are available from other international bodies and universities to ensure duplication of effort is minimised.

Aim

To improve public health information and intelligence skills and capacity throughout England for the three levels of the public health workforce as defined by the "Report of the Chief Medical Officer's Project to Strengthen the Public Health Function" published in 2001 (see appendix 1). This will be overseen by the Public Health I&I Workforce Steering Group.

Objectives

The objectives have been defined to support the delivery of "Choosing Health: making healthier choices easier", the "NHS fully engaged scenario" as defined by Derek Wanless and the Teaching Public Health Networks initiative.

1. **Career Pathways:** To improve recruitment and retention of high quality specialist public health I&I staff by developing career pathways and peer support networks as well as nationally approved job descriptions and person specifications.

2. Training Strategy:

a) To support the personal and professional development of public health I&I workforce.

b) To support the personal and professional development of the public health workforce in England through the availability of increased access to public health I&I and general public health training resources.

c) To support the provision of public health skills in undergraduate and post graduate curricula.

3. **On-line Training Resources:** To increase access to training resources for public health information, intelligence and general public health knowledge and skills in England, making them readily available in a central on-line repository.

Outputs/Deliverables

1. **I&I Career Pathways:** work with the DH PH workforce planning directorate and Skills for Health to support current and future specialist I&I staff and ensure they can deliver the requisite support to the NHS.

This will be achieved by:

a. Developing career pathways for I&I specialists that are both vertical and horizontal

b. Exploring with the IDeA common skills bases and career pathways.

c. Identifying the skill and knowledge levels required to move within a defined career framework

d. Developing model job descriptions and person specifications in line with Agenda for Change

e. Ensuring that the salary grades at each level are explicit, justified and competitive in line with agenda for change

f. Oversee a census of public health I&I staff conducted by APHO.

2. **Training strategy:** develop a training strategy that will support the development of public health skills for all staff.

This will be achieved by:

a. Supporting the personal and professional development of the I&I

- workforce through robust induction and developmental training programmes
- b. Supporting the personal and professional development of the public health workforce in England.
 - c. Identifying current resources and commissioning new training resources to meet the needs of the I&I workforce, public health workforce and academic curricula
 - d. Work with the Teaching Public Health Networks who will be working with WDDs, Universities and Colleges, professional bodies and monospecialist societies (e.g. Royal Colleges) regarding their curricula and identifying new areas to be included in undergraduate and post graduate training
 - e. Piloting and evaluating I&I training using identified resources across all sectors, disciplines and organisations
 - f. Setting up training the trainers to enable local training cascades

3. On-line Training resources: identify a repository to contain toolkits and courses to support those aiming to improve their skills and general public health knowledge in public health information and intelligence (this will cover the widest range of public health skills such as health needs assessment, health equity audit, health scrutiny, critical appraisal, evaluation and health impact assessment for 3 levels of CMO PH workforce).

This will be achieved by:

- a. Identifying current materials to support public health intelligence skills development
- b. Organising focus groups to establish what I&I tools are required to support training needs
- c. Identifying gaps between existing materials and the results of users' needs assessment
- d. QA and adapt existing materials to include teacher notes
- e. Commissioning of appropriate new materials and training courses
- f. Working with the defined repository to define cataloging system
- g. Identifying how QA, evaluation & updating of repository will be done.
- h. Ensuring that the outputs of this project link into the knowledge management strategies of PheNet and the National Library for Public Health and IDeA.

The workplan below outlines the operational side of the strategy, identifying expected timescales and costs, as well as the lead person responsible for delivery of each area.

¹ Department of Health. The Report of the Chief Medical Officer's Project to Strengthen the Public Health Function. 2001

² Department of Health. Choosing Health: Making healthy choices easier: 2004
Work force sub group: Katie Enock 2
20 February 2006

³ Department of Health. Our Health, Our Care, Our Say: a new direction for community services. 2006
Work force sub group: Katie Enock 3
20 February 2006
Work force sub group: Katie Enock 4
20 February 2006

DRAFT

By: Graham Gibbens, Cabinet Member for Public Health

Meradin Peachey, Director of Public Health

To: Cabinet Meeting – 3rd December 2007

Subject: **KCC Health Inequalities Action Plan**

Classification: (Unrestricted)

Summary:

FOR DECISION To agree the KCC Health Inequalities Action Plan process which is currently 'work in progress' to support the Kent County Council Public Health Strategy and as highlighted in the County Council debate on 24th July 2007.

Introduction

1. (1) The KCC Health Inequalities Action Plan sets the existing priorities and commitment of KCC in tackling health inequalities in Kent. Reducing Health Inequalities and raising the life expectancy of the most socially disadvantaged is the primary aim of the KCC Public Health Strategy and indeed is the clear priority of the South East England Public Health Strategy. The Plan is not to incur any new targets or initiatives but to focus attention on the range of activities and programmes already in existence.

(2) The report was submitted to Corporate POC on the 8th November as '*work in progress*'. Comments and amendments arising from this meeting have been included in this report, particularly promoting the local partnership activities with District Councils and Primary Care Trusts. The Action Plan will be continue to develop in consultation and collaboration with all directorates and districts who are continuing to contribute to the Action Plan. Further contributions to the Plan will continue to be made.

(3) Health Inequalities was a key aspect of the IdeA Peer Review and this is the first opportunity to present the Health Inequalities Action Plan to Cabinet.

Health Inequalities Action Plan

2. (1) The Kent Department of Public Health are leading the process to develop a Health Inequalities Action Plan that reflects the contribution and commitment of KCC to reduce the gap of health inequalities. The Plan identifies priorities, examples of activities that support the priorities and also details of partnership working.

(2) The Health Inequalities Action Plan supports the Public Health Strategy where reducing health inequalities is one of the main priorities. There is a 16 year difference in life expectancy at birth across the best and worse wards in Kent and there are also clearly health inequalities issues at ward level across districts.

(3) It is recognized that actions to tackle health inequalities are most successfully delivered at local level. Therefore, Kent County Council and the District Council (Chief Executives and representatives of the Public Health Board) have been involved in and support this process. Furthermore, this work is referenced with Local Strategic Partnerships who will be supported to develop action plans that address local priorities through local community strategies. This is current 'work in progress'.

Recommendation

3. Cabinet:

- a) Is invited to comment and agree the process as described in this report
- b) Is asked to agree the Action Plan in this report and to note that there will be further reports to Cabinet as this work evolves.

Meradin Peachey
Director of Public Health
Kent Department of Public Health

Debbie Smith
Policy Officer
Kent Department of Public Health

Kent County Council
Health Inequalities
Action Plan 2007
(Draft)



Kent County Council Health Inequality Action Plan

Foreword

The purpose of this Action Plan is to highlight and promote examples of the existing aims and objectives of KCC in tackling health inequalities across Kent. Many of the significant achievements are being delivered at local district and at a county-wide strategic level and this document will serve to illustrate some of the good practice and commitment of the County Council working in collaboration with our local and strategic partners in District Councils, Primary Care Trusts, the Strategic Health Authorities, other Statutory Local Authorities and also in the private and voluntary sector.

But we know that addressing inequalities is a complex issue and there is still much more to be done. From 2008, this Action Plan will be progressed within a Health Inequalities Framework and will be informed and influenced by the KCC Public Health Strategy. This will enable the County Council to harvest a Health Inequalities shared vision statement and strategic approach, reflecting the range of collective aims and aspirations of the authority and other partners to tackle the diverse multifactorial agenda of health inequalities which will also include issues such as Transport, Housing, Employment, Crime (to name but a few) through a process of working collaboratively with partners and to aspire to a common set of principles.

Introduction:

Health Inequality is the difference between rich and poor, “the health gap between the worst off in society and the better off” (Wanless 2001). Health inequality covers the whole population and exists ‘right across the spectrum of advantage and disadvantage’ (CMO England 2001). Health inequalities can relate to gender, ethnicity, age, disability, socio-economic status and geography. Some geographic variation can be explained by socio-economic and behavioural factors but there is evidence that the place where people live can affect their health.

At present some people of Kent will live less long and suffer more disease and debilitating conditions because of where they live or the conditions in which they live. Tackling health inequality is about reducing the gap of health variations between the worst off and better off in society to aim towards the same life expectancy.

Why is this important?

Health inequality creates a society where some people enjoy good health and live longer because they are wealthier, have better access to health and other services, and live in more prosperous areas.

Life expectancy at birth in Kent is 79.7 years (81.7 for women and 77.6 for men) and is higher than the national average. But between the best and worst wards in Kent there is a 16.6 year difference. Even in the district with the least difference (Tunbridge Wells) there is a 6.8 years gap between the best and worst wards.

It is recognised that there needs to be a targeted approach to identify the needs of those who live in small deprived communities within wards. These small areas of deprivation are sometimes masked by the affluence of the communities that surround them.

Apart from the moral arguments that this is demonstrably unfair in a mature and overall wealthy society, this means that people from disadvantaged communities will create a disproportionate demand on health, social care and other support services. As people generally live longer they are more likely to do so dealing with chronic conditions which may impact on their quality of life and dependency on formal and informal carers. Unless the projected increased demand for health care can be prevented through improved health, especially for those that will create the most demand, the NHS and other services will struggle to cope.

Many factors need to be addressed to reduce inequalities. For example, unemployment is a crucial issue and effective economic regeneration of deprived areas and their populations is vital to improving public health. This can improve the economic viability of communities, increase the average annual income, create an environment that enables people to make healthy choices and increase the proportion of resources spent on health.

KCC and the activities it promotes across all its directorates and departments are a major influence on the critical determinants of the health of the people of Kent. By harnessing this influence and aligning the efforts of other key partners in the NHS, district councils and the private and voluntary sectors the extent of health inequalities can be reduced to the benefit of our whole community.

What have we achieved so far?

Putting Kent First – Key Objectives

Making Kent a great place to live and work

- Promoting a healthy lifestyle for all

Recognition of the importance of tackling health inequalities has been reflected throughout KCC and its strategies and plans. Whilst much of this is

implicit there are numerous examples of commitments from KCC as a whole and from each directorate that directly address the issue of health inequalities or their obvious manifestations. This has embedded tackling health inequalities into the mainstream policy of all parts of KCC.

The Public Health Strategy for Kent

Live life to the Full, adopted by KCC, both Kent PCTs and the District Councils has *Reducing health inequalities significantly* as its number one priority. This will be prioritised by the following commitments:

- i) Reduce the number of poorer people who smoke
- ii) Preventing and managing risks of coronary heart disease, cancer and many chronic illnesses by improving diets and increasing levels of physical activity levels
- iii) Reducing hypertension (high blood pressure) and by better primary care and public health action
- iv) Improving housing quality by tackling cold and dampness
- v) Reducing accidents at home and on the road
- vi) Help reduce the differences for some people in how likely their infant children are to die :
 - a) by improving the quality and accessibility of antenatal care and early years support for people in disadvantaged areas
 - b) Reduce Smoking by parents and improve nutrition for children in their early years
 - c) Reduce the number of teenagers who become pregnant and support teenage parents better
 - d) Improve housing conditions for children who live in disadvantaged areas or circumstances.
 - e) Increase levels of breast feeding

Vision for Kent

Improved health, care and wellbeing

Long-term Goals (Inc.):

- Improve the health and the physical and mental wellbeing of the population and reduce inequalities
- Inform and encourage self-responsibility for enhancing healthy lifestyles

Short-term Priorities

- Promote and improve the health of Kent's residents and reduce health inequalities by addressing variations in health across the county
- Address the wider factors affecting people's health as well as treating the conditions from which they suffer

- Ensure a particular focus on improving the health and quality of life for people with mental health problems
- Empower people to make healthier choices that prevent them from being ill
- Promote health through large employers and use employment, commissioning and other working practices to enhance healthy living and wellbeing

The Vision For Kent “Opportunities for All” Wheel



The Kent Agreement

Outcomes (Inc):

- 16 To promote and improve the health of Kent’s residents and reduce health inequalities by addressing variations in health across the county

- 1 To promote the physical, emotional, social and intellectual development of young children so they flourish at home and at school
- 7 To improve participation and engagement by all children and young people in youth, cultural and community activities
- 11 To reduce the harm caused by illegal drugs, including substantially increasing the number of drug misusing offenders entering treatment through the criminal justice system
- 13 To increase the capacity of local communities so that people are empowered to participate in local decision making and delivery of services
- 15 To promote independence through employment for those who are able to work
- 17 To improve Kent's residents' access to homes of excellent quality, in the right place, at the right time, and at the right cost
- 18 To promote independent living for all

Towards 2010

Many of the T2010 targets are designed to promote wellbeing and better health. There are four particular targets that apply to health inequalities:

- Target 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
- Target 48: Increase opportunities for everyone to take regular physical exercise
- Target 49: Enter into practical partnerships with the NHS, sharing resources to combat obesity and encourage people of all ages to take responsibility for their health and wellbeing
- Target 50: Introduce a hard-hitting public health campaign targeted at young people to increase their awareness and so reduce the damaging effects of smoking, alcohol, drugs and early or unprotected sex
- Target 51: Encourage Healthy Eating by providing nutritious lunches through the Healthy Schools Programme and launch a range of community based healthy eating pilots

KCC directorates include commitments to reducing inequalities or their effects in their vision statements:

Children, Families and Education:

- All Kent schools to be participating in the Healthy Schools programme by December 2009 with a specific focus on PSHE, Healthy Eating, Physical Activity and Emotional Health and Well Being.
- Undertake projects that reduce child health inequalities and promote social inclusion.
- To improve the education of young people in care
- Achieve economic well being so that children and young people: engage in further education, employment or training on leaving school, are ready for employment, live in decent homes and sustainable communities, have access to transport and material goods and live in households free from low income
- Sure Start Local Programmes and local Children's Fund projects are examples of how targeted services have been developed in more deprived areas of the county with critical contributions from the Voluntary and Community sector and Faith groups. Pockets of deprivation, not necessarily reflected by national deprivation statistics, present a particular challenge, particularly where rural isolation is a factor in service accessibility.

In accordance with the Children Act 2004, CFE is designated Children's Services Authority and has a duty to promote co-operation across services to improve the health and well being of all children and young people in Kent. The plan to achieve this includes:

- The development of Children's Trust arrangements in Kent and the delivery of the 'Every Child Matters' agenda.
- Promoting healthy and active lifestyles for all children and young people.
- Reducing health inequalities for children and young people in Kent.
- Improving the emotional and mental health, resilience and self-confidence of children and young people.
- Reducing the use of harmful drugs and alcohol among young people and increase access to drug/alcohol targeted prevention and treatment services.
- To reduce unwanted teenage conceptions and sexually transmitted infections and improve access to young people's sexual health services.
- Improving joint planning, services and outcomes for vulnerable groups of children and young people such as 'looked after' children, young carers, young offenders, children with disabilities and others.

Kent Adult Social Services

Active Lives:

- Promoting healthy lifestyles, to enable everyone to live their lives to their full potential, through supporting the Kent Public Health agenda.
- Creating the conditions, with others, for equality of opportunity (in relation to manage, gender, race, disability, religion and social inclusion).
- Build healthy, inclusive and sustainable communities.
- Using our strategic influence to ensure that local Community Strategies promote healthy lifestyles in the broadest sense (for example they will have impact assessments for health, equalities and sustainability; promote the lifetimes home standard; reduce crime, promote independent living and a sense of community).

Environment and Regeneration:

- Live – a healthy environment now and for future generations
- Work – a strong economy with a skilled and adaptable workforce
- Visit – a distinctive destination for residents and tourists to enjoy
- Drive the physical, social, and cultural regeneration of key coastal towns through a variety of programmes including site assembly, bringing empty properties back into use, and transport improvements.

Communities

Utilising KCC resources to support the three core principles:

- To continuously improve locally delivered services
- To involve communities in shaping them
- To extend the positive impact they have, especially in our more disadvantaged communities.

Chief Executive's Department:

The Supporting Independence Programme is one of KCCs principle visions and policy drivers to support, co-ordinate and refocus the work of the county council and other partners within the public, private and voluntary sector to increase the number of individuals leading independent lives. Specific aims include :

- to enable those who are reliant on benefit to lift themselves out of dependency into a more meaningful existence where they are able to support themselves and their families
- to identify initiatives that tackle the root causes that create dependency and improve individual's life chances to prevent them becoming dependant in the first place.
- To bring together a range of agencies and stakeholders to share and understand the common goal of developing and using their resources to improve service delivery and enhance the effectiveness and outcomes of their services for the individual end users

SIP through both preventative and responsive strategies is focused on working alongside others to reverse the spiral of dependency and therefore the vision and priorities are closely aligned to those identified within the health inequalities action plan.

It is important for us to work together particularly in areas that relate specifically to health initiatives to provide a joined up and supportive approach which enhances provision and positive outcomes.

SIP is currently supporting a number of health initiatives with particular vulnerable groups . These include:

- The development of a countywide employer engagement strategy which will support and improve access to employment for a large number of individuals who are experiencing health or other barriers to securing permanent employment.
- Conducting a review on drug and alcohol service support provision across the county
- Working alongside jobcentreplus to improve support and information provided to teenage parents
- The delivery of a number of programmes working with long term incapacity benefit claimants to identify and find solutions to their long term health issues and find positive initiatives to enable them to rejoin the labour market

- To continue to review the growing number of young people and adults experiencing an increase in mental health problems and severe depression linked to their dependant lifestyles

All of KCC directorates have Equalities and Diversity Plans to foster a fairer society and value 'difference' in its broadest sense.

Health and Housing

There is strong evidence that the quality of housing and accommodation can impact upon an individual's health and wellbeing, particularly for vulnerable groups. These are likely to be older people, low income households, people with chronic illness, teenage mothers, homeless people and people in temporary accommodation and refugees and asylum seekers. Affordable housing, regeneration, growth, rural housing and quality of housing are all wider determinants of people's health and wellbeing and therefore continue to be priorities for the Supporting people agenda, for primary Care Trusts, Local Strategic Partnerships, Community Strategies and for the District and County Local Authorities.

In Kent & Medway there are over 646,300 households. One quarter of these are pensioner households, and over 50% of these households are of lone pensioners. 5.6% of households have no central heating (compared with 4.9% in South East). In 2004, 8.1% of households had no central heating and a resident with limiting long term illness (compared with 7.4% in the south east).

There are a number of partnership initiatives to improve the health and living conditions of peoples. Examples of these are:

- Safety in home
- Energy efficiency and heating
- Improving design
- Involving residents in plans
- Access to parks and green spaces
- Homelessness strategies

Case Study

Kent Better Homes Active Lives project

The groundbreaking Kent Better Homes Active Lives (BHAL) project brought together a number of district councils, housing providers and social services to deliver 340 new homes for vulnerable people over the next 2-3 years. Using a Private Financial Initiative model with the support of government credits the BHAL is the largest single partnership to deliver new housing in this way. The majority of homes delivered will be extra-care housing for older people that will enable older people to live more independent lives in their own home. In addition the project will bring forward a significant number of homes for people with a learning disability and also mental health problems.

There are many key partners and stakeholders involved in the multi-disciplinary approach to tackling poor health and housing issues. The Kent Energy Centre has been instrumental in mustering support from key organizations and Teams in PCTs, KCC Social Services, district council and the private and voluntary sector. Key partnership contributions are identified in the *Kent Affordable Warmth Strategy*. The Strategy addresses problems such as energy inefficient homes, under-occupancy, income and fuel poverty. By collectively tackling these issues, there can be a significant reduction in preventable illnesses such as respiratory infections, arthritis and rheumatism, accidents, strokes, coronary heart disease, hypothermia and mental health issues.

The importance of future proofing housing for a changing demography is a challenge that cuts across health, social services and housing. Work is already underway in encouraging the delivery of 'life-time' homes that are built to an industry standard which means future adaptations can be carried out more easily and at less cost. We need to engage in describing our vision for housing that will meet the expectations of the generation and incorporate new technology such as Tele-care and Tele-health.

The Kent Joint Policy & Planning Board brings together professionals from a wide range of disciplines; including housing, health, social services, probation and youth offending services. The Board provides a unique arena to develop the delivery mechanisms for cross cutting strategies and policy. A number of important protocols have been developed through the JPPB to assist vulnerable people:

- Mental Health & Housing Protocol
- Young Person's Homelessness Protocol
- Intentionally Homeless Families with Children Protocol

The Board is currently working on a protocol for Offenders & Housing in conjunction with the Prison Service and with the involvement of serving prisoners.

KCC Directorates are engaged in a number of local housing initiatives and programmes that seek to address identified problems specific to that Directorate. Youth Offending Service, for example have identified concerns for young people accessing housing following custodial sentences.

What must we aim to achieve?

The government has set two cross-cutting national targets:

by 2010 to reduce inequalities in health outcomes by 10% as measured by infant mortality and life expectancy at birth.

In Kent we have seen that whilst overall life expectancy in Kent is better than the England average there are significant differences between and within districts. This is also true for the two main measures of infant mortality –

- The number of deaths within 28 days of birth per 1000 live births
- The number of deaths in the first year of life per 1000 live births.

Health Inequality Outcomes in Kent (see Live Life to the Full)

The attached table illustrates some examples of how, in Kent we should achieve in the **short-term**:

- Improved lifestyle choices by children in schools in deprived areas
- Improved lifestyle choices by adults and young people in deprived areas
- Improved access to public sector services

Our **long –term** outcomes should be:

- Halt in the rise of childhood obesity
- All schools achieve and maintain the healthy school standard
- Infant mortality rates in Eastern and Coastal Kent better than the national average
- Improved education levels of looked after children
- Fewer people of working age on benefits
- Fewer children living in households with low income in deprived areas
- Smaller gap in life expectancy from 6.5 years to 6 years
- Fewer cases of – and deaths from - cancer

What are our priorities?

Strategic priorities:

- Incorporate tackling health inequalities into all key strategy and planning documents, especially those that define KCC partnership working such as:

The Kent Agreement 2
T2010 successor

- Promote and mainstream the use of Health Impact Assessments alongside other impact assessments already required and adopted as good practice such as Equality Impact Assessments and Environmental Impact Assessments, on all new policies, strategies, plans and proposals.
- Ensure that all parts of KCC identify and deliver practical and tangible actions that aim to reduce health inequalities as part of their day to day work.
- Engage local communities that are affected by health inequality more effectively to identify problems, develop proposals and build the social and community capacity necessary to benefit from investment and regeneration.

Changing lifestyle priorities:

There are some critical poor lifestyle factors that affect health and which are more prevalent in disadvantaged communities:

- Smoking is the biggest single cause of premature death and smoking rates are higher in lower socio-economic groups (including the number of pregnant mothers who smoke).
- Teenage pregnancy is associated with poorer health outcomes for children and their mothers. Teenage conception rates are higher in areas of deprivation.
- Breastfeeding is the best way to start a child's life and confers health benefits that last into later life
- Obesity due to poor diet and lack of exercise is likely to overtake smoking as the biggest cause of premature death in the near future. Obesity is associated with many illnesses and is directly related to increased mortality and lower life expectancy. It can lead to increased risk of heart disease, type 2 diabetes and some cancers.

The Process for Delivery

The Action Plan reflects examples of activities to tackle health inequalities at a County and Local level. The most successful initiatives are those that are delivered in partnership at a local level focussing on particular local needs, which is why there will be further work to implement the activities at a local level and ensure they are aligned to the district community strategies. This will place Local Strategic Partnerships in a strong position to oversee the delivery of initiatives that tackle health inequalities at a local level. Kent County Council is contributing its resources in local partnerships to assist with the delivery.

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Health Inequalities Activity Table (Work in Progress).

The following Activity Table provides examples of some of the joint initiatives aimed at tackling health inequalities in partnership at a local level. This demonstrates the shared commitment and priorities to address health inequalities across key local organisations and acknowledges that work is currently ongoing and new and innovative initiatives are currently being developed. It also identifies where Kent County Council is contributing its resources in the local delivery of these activities.

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14. Dartford District Council	Page 49

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>1. <u>Communities</u> KDAAT</p> <p>Page 212</p> <p>YOS</p>	<p>We will see a Significant Reduction in health Inequalities</p>	<p>All drug users on structured treatment interventions are offered a health assessment.</p> <p>Nurse Consultant Dual Diagnosis service to ensure that substance misuse and mental health services are integrated and better aligned.</p> <p>Both services help to provide training and support for improving skills for employment.</p> <p>KDAAT & Kent Police reporting structure for drug-related deaths</p> <p>Youth Inclusion programmes promote physical activity and its importance</p>	<p>Health, Kent Police, Probation Service, Youth Justice Board & National Treatment Agency</p> <p>Kent Police</p>			<p>Directorates' Public Health Network</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<u>Communities</u> Adult Education and Library Service		<p>Baby bounce and rhymetime also introduce children to literacy in a friendly and relaxed atmosphere</p> <p>Hosting healthy living fairs and promote family learning events</p>				
<p>Page 13</p> <p><u>Communities</u> NOS</p>	Improved Mental Health And Wellbeing for Children	<p>Work with Childrens Mental Health Service to improve access to mental health services.</p> <p>Dual Diagnosis Project in Thanet.</p> <p>Substance Misuse Parent Project in Thanet and Dover</p>	Health	Short, Medium and Long Term		Directorates' Public Health Network

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p><u>Communities</u> Youth Service</p> <p>Sports Development Unit Page 214</p> <p>Youth Service</p>	<p>Fewer People in Kent will suffer from Heart Disease</p> <p>Improved Sexual Health and Fewer Teenage Pregnancies</p>	<p>Range of activities to reduce risk of childhood obesity</p> <p>Work with young fathers' responsibilities regarding sexual health and feelings during pregnancy (in Folkestone)</p> <p>Sports, Leisure, Olympics and Paralympics extensive programmes for adults and children</p> <p>Physical Activity initiatives surrounding 2012 London Olympics for all ages</p> <p>Promoting physical activity for all</p> <p>Training Youth Workers to work with young people about their sexual health</p> <p>Reducing Teenage pregnancy through Connexions PAS</p>	<p>Health</p>	<p>Short, Medium and Long Term</p>		<p>Directorates' Public Health Network</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>Youth Offending Service</p> <p>Page 215</p>		<p>specialist</p> <p>Provide guidance and support for pregnant teenagers as part of their work</p>				

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>2. <u>Environment and Regeneration</u></p> <p>Environment & Waste – Country Parks</p> <p>Page 218</p>	<p>Tackling Obesity through range of programmes to enable participation in outdoor activity</p> <p>Delivering outdoor environment-al education for schools at Shorne Wood & Lullingstone Country Parks & Canterbury Environmental Education Centre</p> <p>Providing opportunities for people with physical & learning disabilities through the Branching Out programmes</p>	<p>Programme of country walks within and from KCC country parks:</p> <p>i) Naturally Active ii) Walking for Health initiative</p> <p>Nordic walking, a whole body exercise using poles</p> <p>Developing Out- door activity programmes with Maidstone BC</p> <p>Developing fund- raising walks</p> <p>Programme of conservation volunteering, teaching new outdoor skills whilst working in the countryside</p>	<p>i) WK PCT, NWK Countryside Partnership</p> <p>ii) Natural England</p> <p>Kent Adult Social Services (Activmobs)</p> <p>Maidstone BC</p> <p>British Heart Foundation</p>	<p>By 2008</p> <p>i) 2008-2010</p> <p>ii) 2008</p>	<p>£189K pa from DCSF (to 31st March 2010) to support the Travelling to School initiative launched in 2004. This enables Kent Highway Services to employ 4 dedicated School Travel advisors. The funding is managed by KHS for CFE and KHS are accountable for delivery to a cross directorate Travel to School' Steering Group</p>	<p>Recording participants of walking activities and conservation volunteering</p> <p>Recording number of school visits to education centres</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Kent Highways Service	To increase levels of walking and cycling to school.	Developing walk to school initiatives including walking buses, Walk on Wednesday and the KM Green Footsteps Challenge. The target is to ensure that 25% of all Kent Primary Schools are engaged in a Walk to School initiative in each academic year. This has been achieved in 2007/08 with some 40 walking buses operating across the county and 120 schools engaged in other walk to school initiatives. Early indications suggest that a downward trend in walking to school, spanning some 3 decades, is being turned around. KHS are also working with Sustrans to increase the level of cycling to schools as part of the Bike IT initiative. The Kent Bike It officer is currently engaged with 12 schools in the Ashford area but KHS are seeking to expand the scheme to other parts of Kent from 2008/09.	Kent and Medway Walking Bus Group Charity – walk to school. KM Newspaper – walk to school. Medway Council – walk to school.	All schools to have Travel Plans by 2010. 75% of all schools to have achieved Healthy Schools status (which requires a School Travel Plan by 2009).	£113K pa from DCSF (to 31 st March 2011) to deliver a new statutory duty to promote Sustainable Travel to School as part of the Education and Inspections Act 2006. This is also managed by KHS on behalf of CFE (as above).	School census returns (PLASC)

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Kent Highways Service	To work with schools, businesses and public sector organisations to develop Travel Plans.	Working to ensure all KCC schools develop Travel Plans by 2010 as part of the Government's 'Travelling to School' project. Over 330 (55% of Kent schools) School Travel Plans have been approved to date. KHS are also working with partners in the districts to ensure that workplace/residential Travel Plans are an integral part of all new developments and that they are developed and monitored to a consistent standard.	NHS - as part of the Healthy Schools initiative. Sustrans – Bike IT (cycling to school) Travel Plans – Pfizer, Crossways Business Park, Fairview New Homes		£95K pa from DfT (3 years from 2007) to support the development of walking buses & walk to school initiatives. Funding directly to schools but working collaboratively to develop walking buses & walk to school in partnership with Medway Council and the Kent and Medway Walking Bus Group.	Walk to School schemes such as WoW and Green Footsteps are subject to ongoing monitoring.
Kent Highways Service	Smarter Choices - To develop a wide range of innovative initiatives to	Incentivising public transport (e.g. Kent Freedom Pass) and more innovative and efficient use of the car e.g. car clubs and	Private sector e.g. Liftshare and Streetcar – car clubs and car	ongoing but aligned to Kent's second Local	LDDF, EK Partnership Fund, District Partnership	Usage of Streetcar and Kentcarshare are monitored. KHS are working with

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
	facilitate people making 'smarter' travel choices which benefit their personal health and wellbeing as well as contributing to reduced congestion and an improved environment.	Kentcarshare which seek to reduce levels of unnecessary single occupant car trips. Such initiatives recognise that walking is the 'glue' which holds all transport trips together and that a relatively short walk to and from the bus stop can help individuals reach the DoH physical activity target. Car sharing and car clubs also facilitate more affordable and sustainable use of the car.	sharing Bus operators – Kent Freedom Pass.	Transport Plan 2006-07 to 2010-11	Group funds PCTs Department of Health	district councils to improve the amount of monitoring and enforcement of work place travel plans in the absence of any external funding to support this initiative.
<u>Regeneration Economy</u> Page 21	Promote Business Growth and job creation for local people Ensure new developments have adequate provision for community infrastructure and/or facilities ideally co-located with other public sector agency provision for the	Joint venture with Thanet District Council to bring forward the complementary development of Manston Park and Eurokent in Thanet. Primary school of the future at the Bridge development in Dartford	Thanet District Council Dartford Borough Council, KCC and developers			

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 222</p>	<p>benefit of new and existing communities</p> <p>Supporting emerging sectors</p>	<p>Such as the creative industries to provide investment and jobs in Kent.</p>				

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>3. Kent Adult Social Services</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 223</p>	<p>Ensuring that vulnerable adults are able to access appropriate medical advice and assistance</p>	<p>Promoting good health amongst adults with learning disabilities through the Health Implementation Group which reports to the Learning Disability Partnership Board. To make sure people stay healthy, get the right health treatment they need and have a good experience of the NHS</p>	<p>Service Users with Learning Disabilities, PCT, NHS Trust and Skill net</p> <p>PCTs and voluntary Sector</p>	<p>2008</p> <p>Ongoing</p>	<p>All funding is either bid for through the usual KCC Business Planning processes or being developed through various joint commissioning processes which are being developed as part of Kent Childrens Trust arrangements , at county and locality levels</p>	<p>Data collected on on number of Health Action Plans and number of assessments completed. GP registers will be used to track access to services specifically for this client group</p>
	<p>Reducing health inequalities significantly</p>	<p>Improving access to Mental health services for members of black and minority ethnic communities through employing community development workers. To reduce stigma associated with mental illness in such communities and therefore improve access to diagnosis and treatment.</p>	<p>Dept. of Health, PCTs, Borough councils, independent sector and voluntary organisations</p>	<p>3 year time limited project with target for delivery at each year milestone</p>		<p>Analysis of referral date pre and post implementation of project Feedback from service users about their experience of services</p>
	<p>Empowering people to manage their own health and especially</p>	<p>Participation in DH whole Systems Demonstrator project to evaluate the use of assistive technology, telehealth and</p>				<p>WSD evaluation via collective of academic research organisations including the Kings Fund. Outcomes of</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
	those with long term conditions	telecare, to evaluate the use of assistive technology to promote independence and the self management of long term conditions. Specifically utilising the telehealth and telecare technologies				project will influence national policy development
Page 224						

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p data-bbox="91 320 280 427"><u>4. Children, Families and Education</u></p> <p data-bbox="91 730 125 874" style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 225</p>	<p data-bbox="320 357 604 504">To promote healthy and active lifestyles for all children and young people.</p>	<p data-bbox="627 395 1059 647">Introduce a hard-hitting public health campaign targeted at young people to increase their awareness and so reduce the damaging effects of smoking, alcohol, drugs and early or unprotected sex</p>	<p data-bbox="1131 320 1391 871">Kent county Childrens Trust Board: PCTs, Schools, School Clusters, KCC Directorates, District Councils, Probation, Connexions, LSC, Kent CAN, Further and higher Education providers, Faith organisations and others</p> <p data-bbox="1131 951 1384 1094">Kent Early Years, Childcare and Extended Services Board</p>	<p data-bbox="1413 320 1570 352">2007-2010</p>	<p data-bbox="1639 320 1823 576">Choosing Health (from West Kent PCT) and other West Kent PCT funding</p>	<p data-bbox="1865 320 2145 1094">The outcomes will be assessed through the KCC Annual Performance Assessment process, which has replaced the annual inspection by CSCI and DfES of Education and Childrens Social Services and also by the new multi-agency inspection of children's services known as JAR (Joint Area Review) and will feed into KCC star rating</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 226</p>		<ul style="list-style-type: none"> • Roll out the Kent Early Support Programme to provide more co-ordinated multi agency responses for children with a disability/ developmental delay who are under 5. • Further develop Children’s Centres across Kent to the 30% most deprived communities, integrate them with Sure Start programmes which will include child and family health services and antenatal care. • Continue to develop extended services in and around schools to meet the needs of children, their families and the wider community. <p>All Kent Schools to be working towards Healthy School status by December 2009</p>		<p>2007-2010</p>		

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Page 227	To reduce health inequalities for children and young people in Kent	<p>Encourage healthy eating by providing nutritious school lunches through the Healthy Schools programme and launch a range of community-based healthy eating pilots and increase the uptake of healthier school meals including free school meals.</p> <p>Further develop the school nursing service in relation to healthy lifestyles and prevention with particular reference to vulnerable groups</p> <p>Extend and enhance support to children and young people caring for relative and friends</p> <p>Implement a Personal Social and Health Education Strategy to improve the delivery of PSHE and build resilience in children and young people to deal with</p>		<p>2007-2009</p> <p>2007-2010</p>		

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Page 228	To improve the emotional and mental health, resilience and self-confidence of children and young People	<p>stress, bullying, domestic violence, drugs, alcohol and other pressures in their lives</p> <p>Implement the Kent Anti-Bullying strategy in all schools</p> <p>To identify children and young people (aged 0-15) with emotional and/or psychological difficulties at the earliest possible stage and respond with the most effective support.</p>		2007-2010		
		<p>Improve the quality of sex and relationships education at school and in other settings target areas of high need and young people “at risk” groups; improve access to information and advice and services</p>		2007-2010		

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Page 229	<p>To Improve the co-ordination availability and accessibility of child and adolescent mental health services</p> <p>To reduce unwanted teenage conceptions and sexually transmitted infections and improve access to young people's sexual health services</p> <p>Improve joint planning services and outcomes for vulnerable groups of children and young people</p>	<p>Bring together services in multi-agency teams to jointly assess and plan services for C&YP who are disabled, those with learning difficulties and other vulnerable groups to improve outcomes for them.</p>				

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p><u>5. Shepway Community Partnership.</u> Vision: A safe, smart and self-confident Shepway where everyone plays their part in a thriving, healthy and creative community</p>	<p>To reduce health inequalities across the District. Across the board service improvement whilst ensuring delivery takes place closest to the people who need them most, such as those held back by deprivation and dependency in East Folkestone or by isolation on Romney Marsh</p>	<p>Establish a Community Partnership Board, involving local residents and representatives, to co-ordinate the delivery and development of public services in East Folkestone. Introduce a pilot programme on Romney Marsh to increase the number and range of community based health and social care services delivered closer to peoples homes.</p>	<p>SDC, E&CK PCT Folkestone Town Council KCC, Kent Police, Job Centre Plus, Voluntary and Community Sector, Hawkinge NMP.</p> <p>E&CK PCT KCC Adult Services EKH NHS Trust Voluntary & Community sector</p>	<p>Partnership Board in place 2007. 3 year programme of service development agreed by March 2008.</p> <p>Marsh Implementation Group in place Summer 2006 Pilot programme in place 2007. Three year development programme to 2010. December 2007.</p>		<p>Lead partners report on progress using standard pro-forma. Results are monitored by the partnership.</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Page 231	To improve public awareness and understanding of the services which promote well-being and independence.	Publication of easy to use literature, available in both written and electronic format which describes the services available	E&CK PCT and KCC Voluntary & Community sector SDC	Health & Well Being partnership in Place & partners commitment to programme 2007.		
	Smoke free workplaces. Exercise and diet programme piloted in largest employers. Childhood obesity.	Establishing a health and well being partnership, as a sub group of the SCP to co-ordinate and drive public health, workplace and lifestyle improvement.	E&CK PCT KCC Shepway Economic Regeneration Partnership, SDC, Kent Police.	Pathfinder Trusts in place by Summer 2007 with roll out of services following this.		
	Building Skills for Better Prospects to deliver better health, social care, education and vocational training for children and young people to	Develop better integrated services for children, young people and their families based around local Children's Trusts.	KCC E&CK PCT Voluntary & Community Groups SERP	In line with Shepway Economic Regeneration Strategy		

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 232</p>	<p>enable them to become safe, healthy and fulfilled citizens. Increased educational and employment aspirations. Improved job prospects and stronger local workforce.</p>	<p>Improve the quality of childrens work related learning and links to businesses, taking account particularly of te job prospects outlined in the SERP 'Employment Roadmap'</p>	<p>KCC SERP Voluntary & Community sector South Kent College</p>			

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p><u>6.Maidstone Borough Council</u></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 233</p>	<p>Teenage pregnancy Reduction (LSP priority)</p> <p>Choosing Health agenda</p> <p>Promoting Healthier Lifestyles</p>	<p>Development of Community Health Plan</p> <p>Lead role in the Teenage Pregnancy Local Implementation Group</p> <p>Community Development Workers leading on a number of health issues in the deprived areas</p> <p>Leading on the development of an older persons' forum for Maidstone with KCC, West Kent PCT and the Voluntary and Community Sector. This is a participatory forum involving service users with the aim to enhance the quality of life for Older People, particularly around Mental Health issues, domicilliary care and education classes from Retirement.</p>	<p>Primary Care Trust Kent County Council Maidstone Borough Council VCS</p> <p>West Kent PCT, Maidstone Borough Council, Kent County Council</p>	<p>2007 – 2011 priority themes as outlined in the Strategic Plan</p>		<p>All initiatives measured through a range of statutory performance indicators.</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<u>7.Gravesham Borough Council</u> Page 234	Smoking Cessation	In partnership with West Kent PCT, a community based Smoking Cessation person is employed, offering education (in schools) 1:1 sessions for those who wish to quit and support for groups across Dartford and Gravesham	West Kent PCT, KCC, Gravesham Borough Council			Kent Local Area Agreement
	Obesity	Through Health Action Gravesham, they offer cooking sessions with dietary/nutrition advice, a physical activity instructor for those in sheltered accommodation and residential homes and a young people's programme that works in schools, after school and out of school times running weekly swimming sessions	Gravesham Borough Council, KCC, PCT			Kent Local Area Agreement
	Sexual health and teenage pregnancy	Since 2002, the GR@ND Healthy Living Centre has offered a nurse-led contraception service focussing on the needs of young	Gravesham Borough Council, KCC,			Kent Local Area Agreement

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
Page 235	Mental health	<p>people 14-25 including Chlamydia testing. Plans to run a men's health clinic in partnership with Acute Trust. In 2006 an officer of the council began to chair the Local Implementation Group of the Kent Teenage Pregnancy Partnership.</p> <p>Since 2005 the GR@ND has offered an Active Listening service for young people (14-25) led by qualified counsellors. In 2006 the service was expanded with the addition of a 2nd session</p>	PCT, St HA			Kent Local Area Agreement
	Inequalities	<p>Through Health Action Gravesham the council employs community health net-workers whose role it is to address the social determinants of health in deprived communities</p>				Kent Local Area Agreement

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
8. <u>Canterbury City Council</u>	Smoking Cessation	Optimise the number of people quitting smoking or choosing not to smoke. Reduce percentage of women who smoke during pregnancy. Promote smokefree environments through legislation effective 01.07.07	PCT			Kent Local Area Agreement
	Obesity	Improve participation by children and young people in youth and community activities. Reduce levels of obesity and increase healthy eating through Healthy Schools, GPs and exercise advice.	KCC, Canterbury City Council, PCT			Kent Local Area Agreement
		Reducing links with death rates in cancer, heart disease and stroke under 75. Increase participation in sport and physical activity Active Canterbury – the Community Sports Partnership for the district brings key partners including KCC, PCT, education sector, sports sectors together to work towards increasing	PCT KCC, PCT, Sports Sector, Canterbury City Council			

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 237</p>	Sexual health and Teenage Pregnancy	<p>participation. Reduce the number of pregnancies of ages 15-17</p>				Kent Local Area Agreement
	Mental Health	<p>To meet additional needs of children and families. Improve the mental and emotional wellbeing of Kent residents. Reduce the age standardised death rate per 100,000 populations per year from suicide and undertermined injury. Tackle bullying</p>				Kent Local Area Agreement
	Inequalities	<p>Improve the sense of self-worth and self-esteem amongst socially excluded groups. Increase the number of pre-school children with access to high quality affordable early education. Proote economic wellbeing – increase number of people moving into paid employment. Improve housing conditions. Regeneration maximise benefit uptake. Target sports and physical activity programmes to</p>				Kent Local Area Agreement

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 238</p>	<p>Substance Misuse</p>	<p>deal with health inequalities.</p> <p>Increase the number of people accessing drug and alcohol support services.</p>				<p>Kent Local Area Agreement</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
9. <u>Swale Borough Council</u>	Smoking Cessation	Advise and enforce the restrictions on smoking and point people who want to quit to the NHS Stop Smoking Service. Employed a Smokefree Officer until March 08. Sit on KASH group to liaise with PCT, Trading Standards & smoking cessation colleagues to promote partnership working on smoking issues.	KCC, PCT, Swale Borough Council			Kent Local Area Agreement
	Obesity	Work with health Promotion specialists to encourage healthy eating. Have various sports and leisure schemes aimed at school children and families (eg. Skip to be Fit, Don't Sit-Get Fit, MEND, Bus club). Also have a social inclusion programme aimed at 8-14 year olds with an Anti-Social Behaviour purpose, has as activity spin off	KCC, PCT, Swale Borough Council			Kent Local Area Agreement
	Mental health	MEND programme (Mind Exercise Nutrition Do it)				Kent Local Area Agreement
	Inequalities	Social inclusion programmes (eg. Charlton Futures & holiday activities)				Kent Local Area Agreement

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<u>10.</u> <u>Tunbridge</u> <u>Wells</u> <u>Borough</u> <u>Council</u> Page 240	Smoking Cessation	Programmes including awards system to participating premises				Kent Local Area Agreement
	Obesity	Offer healthy eating awards developed by Environmental Health Team. Providing grants and other practical support to sports clubs and providers in the voluntary sector. Delivery of leisure centres, playing fields and sports development.	KCC, Tunbridge Wells Borough Council, voluntary sector			Kent Local Area Agreement
	Sexual Health and Teenage Pregnancy	Working with partners in the Community Safety Partnership to develop programmes for younger people including sexual health interventions	KCC, Tunbridge Wells Borough Council, PCT			Kent Local Area Agreement
	Mental Health	Targeted arts programme, museum and theatre including GP referral system and “sense of place/community cohesion” activity with mental health objectives	KCC, Tunbridge Wells Borough Council, PCT			Kent Local Area Agreement
	Inequalities	Participation in health assessment programmes and delivery and improvement of				Kent Local Area

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 241</p>		<p>community assets in relatively deprived areas together with community workers. Increasingly working with social housing providers to target tenant's needs.</p>				<p>Agreement</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>11. <u>Dover District Council</u></p> <p>Page 242</p>	<p>Increase Participation in Physical Activity</p> <p>Reduce levels of Obesity</p> <p>Reduce the risk of Coronary Heart Disease</p>	<p>Inter-reg programme: Bien Etre to increase the levels of physical activity and healthy eating of young children</p> <p>Dedicated full-time physical activity co-ordinator to promote the benefits and take up of physical activity</p> <p>Developing the roles of Health Trainers</p> <p>Tackling obesity issues in partnership with the aim to achieve healthier, happier communities.</p>	<p>Dover District Council, KCC, PCTs</p> <p>Good multi-agency partnership networks and community development links established</p>			

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
<p>12. <u>Sevenoaks District Community Planning Partnership</u></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 243</p>	<p>Promote and improve health and wellbeing throughout the District of Sevenoaks</p> <p>Improve access to health services and reduce health inequalities</p> <p>Reduce poverty and social exclusion and close the gap between the most deprived areas and the rest</p>	<p>Extend existing community based healthy lifestyles projects and Choosing Health programme (healthy eating, walking & exercise, smoking cessation) to all age groups</p> <p>Health needs assessments, equity audits and working with socially excluded groups</p> <p>Work in identified areas & involve local residents in projects to improve neighbourhoods including increasing numbers of volunteers, opportunities for debt management and employment</p>	<p>Sevenoaks District community Planning Partnership and Sevenoaks District community Safety Partnership which includes: West Kent PCT, West Kent Extra, Housing Associations, Sencio Community Leisure and voluntary, faith & community groups</p>	<p>2007-2010</p>	<p>Choosing Health Funding, Big Lottery Funding</p> <p>Choosing Health</p> <p>Choosing Health</p>	<p>Monitored quarterly through the District's community Plan</p> <p>All key outcomes are monitored and reported on an annual basis</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
13. <u>Tonbridge and Malling Borough Council</u> Page 244	<p>Promoting active lives and exercise to tackle obesity and poor health</p> <p>Focusing health improvement on the Borough's three priority communities at East Malling, Trench and Snodland</p> <p>Improving the sexual health of young people</p>	<p>Lifestyles referral programme at Borough's leisure centres and through outreach work in our local communities</p> <p>Formal community regeneration partners activities in each of the communities.</p> <p>Formal community regeneration partners activities in each of the communities.</p> <p>Pilot negotiated to develop services with Tonbridge & Malling BC (leads) at Joint Local Board.</p>	<p>West Kent PCT, GPs, Big Lottery, Homestart, YWCA</p> <p>The Beat Project, a wide range of local partners, Big Lottery</p> <p>Multi-agency – being developed at Joint Local Boards</p>	<p>All work is on-going</p>		<p>monitoring of clients using the referral programmes</p> <p>Range of monitoring programmes are currently under development</p>

Directorate/ Team	HI Priority	Example of Delivery	Partners	Timescales	Funding Sources	Monitoring and Evaluation
14. <u>Dartford District Council</u>	Reducing Childhood Obesity	Introducing Don't Sit Get Fit programme across Dartford and Gravesham	West Kent PCT	2007-2010		Monitored through Health data
	Reducing Teenage Pregnancy	Range of programmes including School theatre programme	KCC	2007-2010		
	Smoking Cessation	Work based programmes, education on the smoking ban	Living Well healthy Living Centre	2007-2010		

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By: Keith Ferrin Cabinet Member Environment, Highways and Waste/Amanda Honey – Managing Director Communities

To: Cabinet 3 December 2007

Subject: KCC Environment Policy

Classification: Unrestricted

Summary:

KCC's existing Environment Policy is overdue for review. Both the Chief Officers Group and the Climate Change Cabinet Working Group agreed in August that this review is needed urgently. The purpose of this report is to get feedback and approval from Cabinet for the new KCC Environmental Policy.

For Information

1. Introduction

1.1 KCC's Environment Policy is the statement of our commitment to improving our own corporate environmental performance. The scope of the Policy covers our own estate, operations, activities and decision-making. It is therefore related to but separate from our wider policy commitments to protect and enhance Kent's environment as a whole (as set out in the Vision for Kent, the Kent Environment Strategy, Kent Prospects and the Kent and Medway Structure Plan); it is the way in which we demonstrate that we lead by example within our own organisation.

2. Revising KCC Environment Policy

2.1 It is essential that the updated policy:

- Provide a clear and renewed public commitment to improving our corporate environmental performance
- Reflect key strategic policy drivers such as Towards 2010, Putting Kent First, the KCC Climate Change Action Plan as well as the emerging Kent Agreement 2 and the high level aims of the Joint Environmental Prospectus produced by the LGA and Defra.
- Be underpinned by strong practical guidance and solutions, measurable targets and standards (Towards 2010), with clear resourced action plans, which identify potential for cost savings and efficiencies wherever possible.

3. The vision for the revised KCC Environmental Policy

The proposed KCC Environment Policy statement is attached in **Annex 1**. This is a high-level statement and will be underpinned by detailed action plans and guidance. The vision comprises three complementary pillars:

- To stabilise and progressively reduce KCC's environmental footprint
- To progressively reduce our carbon dioxide emissions and make sure our estate and services are adapted to the future impacts and opportunities of climate change
- To contribute positively to Kent's character, local environmental quality and natural environment

In addition to publishing the high-level statement in stand-alone format on our external webpages and in our buildings, we propose the main reference point for KCC colleagues is publication of the Policy on KNet.

4. Process

The process for the revision of the KCC Environment Policy to date has included:

- discussion and agreement by all KCC's Directorate Senior Management Teams, and key KCC Officers
- discussion and agreement by the KCC Environment Board on the 26 September 2007
- discussion and agreement by COG 7th November
- an assessment of implications which has been consulted on with the Environment Board, as well as Directorate Senior Management Teams and key officers
- starting the development of a detailed set of action plans and guidance to ensure effective and well planned implementation

5. Changes to the policy

There has been a challenge regarding the lack of aspiration with regards to the waste target. Baseline data for waste will not be available until late November. When this is available, this target will be reviewed and a revised target put forward for approval. Details of the target once approved will be widely circulated.

6. Recommendation

Cabinet is asked to:

- (i) NOTE and SUPPORT the contents of the report
- (ii) Agree the KCC Environment Policy
- (iii) Delegate authority to the Managing Director for Communities in consultation with the Cabinet Member for Environment, Highways and Waste to approve the revised waste target.

Background Documents: None

Contact: Carolyn McKenzie – Environment and Regeneration 1916

Annex 1: Draft revised KCC Environment Policy

KCC Environment Policy

At Kent County Council, elected members and staff alike recognise that protection and enhancement of the environment is the key to sustaining a high quality of life in Kent. We recognise that our own activities have an impact on the environment, that we have a responsibility to ensure that these impacts are positive, and that our use of natural resources is minimised.

Our vision

To stabilise and progressively reduce our environmental footprint; to progressively reduce our carbon dioxide emissions and make sure our estate and services are adapted to the future impacts and opportunities of climate change; and to contribute positively to Kent's character, local environmental quality and natural environment

We will do this by applying an evidence led approach to sustainability, identifying the potential for cost savings wherever possible and committing to environmental policies and standards in the following areas:

Our decisions

We will:

- Expect every manager and decision-maker in KCC to demonstrate how they comply with this Policy
- Integrate environmental considerations into our strategic and day-to-day decision-making processes, and give significant weight to them where they conflict with other objectives
- Assess key decisions for their environmental impact, taking a pragmatic whole-life-cost view, and use such assessments to fully inform decision-making
- 'Climate proof' decisions to ensure they reduce our contribution to climate change and help us prepare for the impacts and opportunities of unavoidable climate change, including where appropriate enabling biodiversity and coastal areas to adapt to climate change in line with the KCC Climate Change Action Plan
- Continue to comply with all relevant environmental legislation and statutory duties
- Seek to embrace new environmental technology and methodologies to ensure we are at the leading edge of developments and solutions, within a well-managed risk-analysis and cost-benefit framework

Our estate

We will:

- Reduce energy use within our estate to meet carbon reduction targets of 10% by 2010 and 20% by 2015
- Increase the proportion of the energy needs of our existing estate met from renewable sources
- Reduce water use by 7.5% by 2010 across our estate
- Reduce waste generation across our estate by 10% by 2010, and increase the proportion of our corporate waste which is reused or recycled to 50% by 2010
- Maximise the efficient use of land in our Estate by reusing previously developed land and buildings wherever practical, before using greenfield land.
- Protect, enhance and restore biodiversity, the natural and historic environment within both our buildings and open space, including measures that support climate change adaptation
- Minimise light, noise, air and other forms of pollution arising from our estate
- Ensure KCC-owned highways comply with the relevant parts of this Policy

Our travel and transport

We will:

- Reduce our members and employees' need to travel, including through our estate strategy, locations selected for council events, use of public transport, teleconferencing and other sustainable solutions
- Achieve reductions in total business mileage travelled by employees, encourage greater car sharing and other sustainable solutions, without adversely affecting end-user service delivery
- Promote the use of fuel efficient vehicles and technologies through our vehicle fleet and lease car scheme

Our procurement

We will:

- Increase the proportion of goods and services sourced locally where there are environmental or employment benefits and in compliance with broader UK and EU purchasing legislation
- Work with our suppliers to ensure that they are taking action to reduce the environmental impacts of their businesses
- Identify those goods, including timber and paper, which can be obtained from certified sustainable sources and ensure that these supplies are used
- Work with suppliers to develop markets for environmental technologies, goods and services

Our construction

We will:

- Meet high standards of sustainable construction in all new KCC buildings and refurbishments, and in all developments on KCC-owned land. The BREEAM 'very good'/Code for Sustainable Buildings level 3 or equivalent standard is required as a minimum
- Require all new KCC buildings and refurbishments to assess the feasibility of developing on-site renewable energy to help meet energy needs
- Ensure that our estate and roads are planned and managed in ways which minimise the risk of flooding and do not increase the risk of flooding elsewhere
- Seek to avoid adverse impacts on biodiversity and comply with policy and legislative requirements

Our workforce

We will:

- Ensure that our members and employees understand the implications of environmental legislation and regulation, and exceed minimum environmental standards where possible
- Ensure that environmental awareness is raised and good environmental behaviour encouraged through our corporate training, performance appraisal and reward strategies
- Raise awareness of how to comply with all relevant environmental legislation and statutory duties

Our leadership role in the community

We will:

- Lead Kent's communities to a better understanding of the importance of our environment and help them value and enhance the environment locally and globally
- Set out and deliver a vision of environmental excellence with our partners in the Kent Partnership through regular review and implementation of the Kent Environment Strategy

We will set out detailed action plans and guidance for delivery of these commitments, so that colleagues across KCC have a clear basis for decision-making.

This Policy is owned by the KCC Environment Board who may choose to call decision-makers to account for compliance with these commitments and escalate as necessary to the Leader and Chief Executive. Any proposed exceptions to this Policy will need to provide a sound business case based on whole-life economic, social and environmental costs and benefits.

Kent County Council's Corporate Environmental Performance Group will oversee provision of advice and support, monitoring and reporting. In particular, the Group will lead embedding of these commitments in ISO14001 accreditation for the County Council as a whole by 2010. The Group will report via the KCC Environment Board to the Leader and Chief Executive.

[signed]

Paul Carter
Leader

[signed]

Peter Gilroy
Chief Executive

Published [November] 2007. This Policy and its successful implementation will be reviewed annually by the KCC Environment Board, escalating any changes as necessary to the Leader and Chief Executive.

By: Keith Ferrin, Cabinet Member for Environment, Highways and Waste
Adam Wilkinson, Director of Environment and Regeneration

To: Cabinet – 3 December 2007

Subject: Free Travel for 11 – 16 Year Olds

Classification: Unrestricted

This report sets out the progress to date in the introduction of free travel for 11 – 16 year olds and suggests a programme of additional implementation in 2008 leading to a full Kent wide roll out in 2009.

1. Background

- 1.1 In September 2006, Kent County Council published “Towards 2010” (T2010) with an aspiration to introduce free travel for school children in secondary education aged 11 – 16.
- 1.2 The key policy aspirations of free travel for 11 – 16 year olds are:
 - A reduction in peak hour congestion.
 - Improved social inclusion through improved mobility of young people outside school hours.
 - Encourage longer term use of public transport by young people.

2. Pilot Schemes

- 2.1 In June 2007 two free travel pilot schemes called the Kent Freedom scheme were introduced in Tonbridge/Tunbridge Wells and Canterbury. Excellent press coverage was gained from the launch events in Canterbury and Tonbridge.
- 2.2 These pilots were chosen on the basis of the complexity of the transport arrangements to the secondary school catchment areas and the high level of congestion which is evident at peak times. It was considered that a successful introduction in these complex areas would provide sufficient evidence to make a clear decision on the feasibility of free county-wide travel for non-entitled 11-16 year olds. 4800 passes have been issued to date.
- 2.3 Additional bus capacity has been provided by bus operators in the pilot areas to cope with extra demand given that most existing service buses are full in the morning peak. Eight additional vehicles in each pilot area from 4 June ensured a seamless introduction of free travel providing sufficient capacity for the extra demand. This was increased to 10 from the start of the September term although the number has been reduced after initial peak use in September and October. We have taken the approach of asking the

incumbent operators to provide additional capacity, used on a flexible basis. This is the most efficient way of providing additional seats as trying to set up “competing” additional KCC funded services on commercially provided routes would undermine local bus networks and would be outside the free market spirit of the Transport Act 1985. We have received excellent support from the South Eastern Traffic Commissioner for this approach.

- 2.4 Detailed work has been undertaken on the usage of passes in the two pilots and the cost to the County Council in 2007-08 is estimated at £1.4m with a full year cost of £1.9m. In other words, the additional take-up has not directly translated to additional costs. The operators are reimbursed on the gap in their income as a result of the scheme on an open book accounting basis. This is largely income from students who previously paid a fare plus the cost of providing additional capacity.
- 2.5 The Kent Freedom scheme has proved very popular in the pilot areas. Survey results from Freedom pass holders show that 27% of users previously travelling to school by car now use the bus which is most encouraging. Impact studies on congestion are being measured and will be reported when meaningful results are available. There is evidence that students are using Freedom passes for travel at weekends and evenings which was a key aspiration of the Kent Youth County Council. Students also have the travel flexibility to use after school clubs which has been greatly appreciated by a number of correspondents.

3 Promotion

- 3.1 There have been a number of high profile events to launch and promote the Freedom scheme. A specially liveried bus was provided by Stagecoach and this has been particularly effective in promoting Freedom in Canterbury. Arrangements are being made to use a liveried bus in each of the pilot areas next year. A special event was held to mark the issue of the 4000th Freedom pass in October, with further events, aimed at the west of Kent planned over the next few months. A promotional film is also available on KentTV.
- 3.2 The involvement of the Youth County Council throughout the introduction of Freedom has been particularly helpful and has enable students to participate in the various promotional activities. Members of the Youth County Council will attend the Cabinet meeting on 3rd December.
- 3.3 Linked with Freedom is some valuable work on barriers to young people travelling on public transport being undertaken within Children, Families and Education. Work is being undertaken with Kent Youth County Council (Transport committee), to link into and expand work on personal safety, particularly on projects dealing with unacceptable behaviour and travel training, including a buddy system for students and those with special educational needs. They will make links with organisations such as Help the Aged and Age Concern as they have very similar issues in terms of breaking down perception. A recent NFER survey shows that public transport access and affordability is a key barrier to young people participating in sporting activities. The Freedom scheme is helping to overcome this important issue which also has significant positive health implications for those who are now able to participate in healthy activities.

- 3.4 Kent County Council received the Halcrow Transport Authority of the Year Award in November 2007 and the innovative Freedom concept was a significant reason for this accolade.

4 The Future

- 4.1 Concern has been raised about the ability of bus operators to provide the vehicles necessary to cater for the new demand a county-wide roll out of the Freedom scheme would generate. Cabinet approved the pilot schemes on 8 February 2007 with a view to county-wide roll-out in 2009/10. This matter has been discussed with Arriva and Stagecoach and they have agreed that an extension to the existing pilot schemes in June 2008 would be possible and would make it easier to achieve a full county-wide scheme in 2009/10. This is a complex issue as the County Council will need to achieve a balance of operational issues with public expectation which will require factors such as child deprivation to be considered. An early decision is required in order to ensure that additional vehicles required for the scheme extension are in place by June 2008.
- 4.2 Concern has been expressed by some Members about the administration fee of £50. Evidence suggests, however, that there has been no adverse reaction to this charge with many recipients praising its excellent value for money. It is suggested therefore, that the charge of £50 be retained in 2008/09.
- 4.3 There is scope for Kent to seek funding from Government. Under the Education & Inspections Act 2006, LEAs have been invited to bid for pathfinder status. Up to 20 pathfinders are likely to be selected for introduction in 2009 for a period of 4 years. Each initiative can receive up to £200k pump priming and there is up to £12m available pa across all of the pathfinder schemes. An 'in principle' bid is under preparation for submission by the deadline of 30 November 2007 linked to the pathfinder criteria of supporting children in education beyond 16, the use of technology through smartcards or overcoming potential barriers to take up from disadvantaged households from the charge. Although the financial benefit is fairly limited a full bid is proposed in the summer 2008 based on the results of the pilot.

5 Financial Implications

- 5.1 In 2008/09, the County Council has allocated £5 million for the Freedom scheme which will enable us to introduce a further roll-out as appropriate. Our consultant, MCL has suggested that at current prices, a sum of £8.3 million net (£12 million gross) will be required to operate on a countywide basis, although this does include travel by rail. However, in view of the higher than expected bus travel take-up which is likely to translate into the County-wide roll out, rail costs would be additional and are un-quantified at present as they are not being assessed as part of the existing pilots. In 2009/10, the County Council has allocated £8 million so with some flexibility to adjust funding between financial years, there will be sufficient funding at current prices to fund the bus service element of the scheme. In 2010/11, a £11.4 million allocation is provided which appears adequate but does not take into

account inflation which is estimated at 5% per annum (approximately £500 K increase p.a).

- 5.2 Once free travel has been introduced on a countywide basis, it is recommended that the home to school transport mainstream and Freedom budget are administered from one source to ensure that financial and procurement efficiencies can be made.
- 5.3 We have received some criticism for not extending the freedom scheme to 17 and 18 year olds in full time education. Cabinet may wish to consider this point in the context of congestion reduction as these students are increasingly using the car as a method of travelling to school. There is a significant cost implication likely to be in the region of £5 million as these students are outside the free transport provisions of the 1944 Education Act.
- 5.4 There has been considerable discussion about the inclusion of rail in the countywide roll-out of the Freedom scheme. There are sound arguments not to include rail and the operator South Eastern remains unenthusiastic about participating. If rail is not included, this will reduce the potential revenue burden by an estimated £1 million per annum.

6 Smart Cards

- 6.1 Greater accuracy of the usage of Freedom passes could be achieved through the introduction of smart cards. Such cards could also be used for a range of other purposes such as libraries and school meals. A barrier to this in the past has been the price of on-bus readers which cost around £1000 each. With 800 buses operating in Kent, the capital cost of implementation would be high. Stagecoach and Arriva have indicated that their groups are investing in a new design of ticket machine which included a smart card reader. There may be a willingness to allocate these machines to Kent but some capital pump-priming would be required. It is suggested that discussions are held with operators to explore the feasibility of new ticket machines with smart card readers.

7 Conclusion

- 7.1 The introduction of the Kent Freedom scheme has been successful and well received. This success is significantly attributable to the partnership working between bus operators and the County Council. It is recommended that formal discussions are held with bus operators with a view to extending the pilots in June 2008. There is sufficient funding next year to accommodate an extension to three/four more District areas. The introduction of smart cards would be highly beneficial in operational and monitoring terms.

8 Recommendations

- 1) Cabinet considers an extension to the pilot schemes in June 2008.
- 2) Cabinet agree in principle to pump prime the introduction of smart cards.
- 3) Officers consider how efficiencies could be gained once the Freedom scheme is rolled out Countywide.
- 4) Rail is not included in the additional 2008 schemes.

Contact; David Hall 01622 221982

Background Documents; None

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REPORT TO: CABINET 3 December 2007
BY: PETER GILROY CHIEF EXECUTIVE

CABINET SCRUTINY AND POLICY OVERVIEW
Standing Report to December 2007

Summary

1. The report provides a summary (in Table 1) of outcomes and progress on matters arising from the most recent Cabinet Scrutiny Committee (CSC) meeting held on 24 October 2007.
2. The work programme for Select Committee Topic Reviews was reviewed in depth by Policy Overview Co-ordinating Committee (POCC) at its meeting held on 5 November 2007. The revised programme and current status of each topic review are shown in Table 2.

Recommendations

3. To note
 - (i) progress on actions and outcomes of the meeting of Cabinet Scrutiny Committee held on 24 October 2007 as set out in Table 1,
 - (ii) the present programme and status of Select Committee Topic Reviews following the meeting of POCC held on 5 November 2007.
-

Background Documents: None

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ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 24 October 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
A2 Declarations of Interest	None, other than: (i) Dr Eddy informed the Committee that he was a former member of the Strategic Health Authority, but not within the past two years. (ii) Mr Lake informed the meeting that he was a Non-Executive Member of the Kent and Medway Partnership Trust.
A3 Minutes of Cabinet Scrutiny Committee 26 September 2007	The minutes were agreed. Two issues were raised relating to: (i) a Press Release relating to the last meeting being withdrawn since it appeared to differ from what the Committee had agreed. (ii) a question by Mr Fittock on whether KCC could "scrutinize" the operations of the Post Office. Mr Law responded that in his opinion, questions had been answered and facts had been exchanged at the meeting, and these had helped to raise wider awareness of future process.
A4 Informal Member Group on Budgetary issues – 26 September and 11 October 2007.	The minutes were noted. (i) Mr Smyth commented that the IMG would keep a watching eye on Direct Payments and their administrative costs. (ii) Mrs Dean also expressed disappointment that it took 18 months to obtain a report on back-office costs, and yet there was still no information on comparative costs, which in her view were still needed.

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 24 October 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
<p>A5 Informal Member Group on Kent Highway Services' Business Plan- 3 October 2007.</p>	<p>The report was noted. This was followed by discussion in which the following points were raised:</p> <ul style="list-style-type: none"> (i) Concern at the apparent lack of detail in the budgets set out within the Business Plan (Mr Hart). (ii) The IMG had serious reservations that the staff structure in the Plan bore no resemblance to that in operation. (Mr Law). Note: The current restructuring post-dated the 2007/08 Business Plan. The Committee asked the Director of Kent Highway Services to provide the information on new structures as soon as possible. ACTION: Mr G Harrison-Mee (iii) It was important to have the views of the new Managing Director for Environment and Regeneration in the next Business Plan 2008/09. (Mr Law) (iv) Mrs Dean commented that whilst evidence within the Plan suggested performance was improving, anecdotal evidence from Parish Councils in her area was the opposite; information from customer questionnaires needed to be quantitative as well as qualitative. (v) Mr Bullock added that the list of faults needed to refer to non-parished areas as well as those with Parish Councils. (vi) Mr Law referred to the KHS Alliance and commented that there was provision to monitor against a wide range of BVPIs and to compare complaints against jobs completed. (vii) Mr Hart asked for confirmation of the first meeting date for the reconvened Thanet Joint Transportation Board. Action: G Harrison-Mee.
<p>A6 Cabinet Scrutiny Committee: Standing Report to October 2007</p>	<p>Report was noted. Referring to Table 2, Dr Eddy asked about the timetable for the proposed Select Committee on Accessing Democracy. Mr Wickenden responded that the agenda for POCC on 5 November would include reference to this item.</p>

ACTIONS FOR CABINET/DIRECTORATES FROM CABINET SCRUTINY COMMITTEE 24 October 2007

Item/Issue	Actions and Outcomes from Cabinet Scrutiny Committee
A7 Proposed Additional Meeting-23 April 2008	Members noted that Wednesday 23 April 2008 at 10:00am has been reserved for a possible additional meeting of the Committee should it be needed following the additional Cabinet meeting arranged for 14 April to consider Directorate Business Plans for 2008/09.
C1: Clostridium Difficile Outbreaks at Maidstone and Tunbridge Wells NHS Hospitals Trust- Report by the Healthcare Commission (Report to Cabinet 15 October 2007)	<p>Mr A J King (Deputy Leader), Mr G Gibbens (Cabinet Member for Public Health, Ms L McMullan (Director of Finance), and Ms Meradin Peachey (Director of Public Health) were present for this item and responded to Members' questions.</p> <p>There was extensive discussion about the Cabinet Report dated 15 October with particular emphasis on:</p> <ul style="list-style-type: none"> (i) the offer of a returnable loan of £5 million to the Maidstone and Tunbridge Wells Health Trust; and (ii) the proposals to introduce a Local Health Watch in Kent. <p>Following extensive questioning of the Cabinet Members and Chief Officers, the Committee resolved as follows:</p> <ul style="list-style-type: none"> (i) to thank them for attending and explaining in detail the background to the proposals; (ii) the Cabinet's commitment to support the Health Trust is to be commended (iii) the proposals, whilst being helpful, would be improved through consultation and support of the NHS Trusts concerned; (iv) that every effort be put in to the establishment of LINKs as soon as possible, and at the latest by April 2008, rather than creating an additional non-statutory forum such as Health Watch. <p>Resolutions nos (i) to (iii) above were agreed unanimously. Resolution (iv) above was put to the vote and carried by 12 votes for to 3 votes against.</p>

**Select Committee Topic Review Programme
Reviewed at Policy Overview Co-ordinating Committee 5 November 2007.**

Policy Overview Committee/ Topic Review/Chair	Current Topic Review status and other topics agreed for the period July 2007 to July 2008 * Updated to December 2007.
<p>Children Families and Education :</p> <p>PSHE-Children's Health: Chair Ms CJ CRIBBON</p> <p>Developing the Creative Curriculum#</p> <p>Young People's Spiritual, Moral, Social and Cultural Development#</p> <p>Vulnerable Children</p>	<p>The Select Committee's report was accepted by Cabinet on 16 April 2007, and was debated at full County Council on 24 July 2007. Annual review scheduled for April 2008. (Research Officer: Gaetano Romagnuolo).</p> <p>#POCC agreed 5/11/2007 that this should be re-bid with other potential topics in February 2008.</p> <p>#POCC agreed 5/11/2007 that this topic should also be re-bid with other potential topics in February 2008.</p> <p>POCC agreed 5/11/2007 this Topic Review should commence in early 2008 when resources become available.</p>
<p>Corporate: Accessing Democracy</p>	<p>POCC agreed 5/11/2007 this Topic Review should commence in late 2007/early 2008 when resources become available.</p>
<p>Communities</p> <p>Student Voice –Consultation and Participation with Young People#</p> <p>Provision of Activities for Young People</p>	<p>#POCC agreed 5/11/2007 that this should be re-bid with other potential topics in February 2008.</p> <p>POCC asked 5/11/2007 for an updated scoping exercise for this work, which POCC will consider in February 2008.</p>

<p>Communities</p> <p>Alcohol Misuse Chairman: MR D HIRST</p>	<p>Inaugural meeting held on 16 May 2007; Hearings were held mid June to the end of July. In view of the importance and complexity of this topic Members of POCC agreed unanimously on 5/11/2007 to an extension of the reporting phase. The Draft Report will be completed in December 2007 and presented to Cabinet in the first quarter of 2008. (Research Officer: Gaetano Romagnuolo)</p>
<p>Adult Services</p> <p>Carers in Kent: MR L CHRISTIE</p>	<p>Inaugural meeting of the Select Committee was held on 5 June 2007, with hearings being held in July/August 2007. The report is on target for presentation to Cabinet in December 2007. (Research Officer: Pippa Cracknell)</p>
<p>Environment and Regeneration</p> <p>Flood Risk MRS S HOHLER</p>	<p>POCC having agreed that this topic review should proceed as soon as possible, hearings were held during July and August. The report will be presented to Cabinet on 26 November 2007. (Research Officer: Susan Frampton)</p>

jhw/sc 19 November 2007