

**COMMUNITIES POLICY OVERVIEW AND SCRUTINY
COMMITTEE**

Thursday, 11th November, 2010

10.00 am

**Council Chamber, Sessions House, County Hall,
Maidstone**





AGENDA

COMMUNITIES POLICY OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 11 November 2010 at 10.00 am Ask for: **Denise Fitch**
Council Chamber, Sessions House, County Telephone: **01622 694269**
Hall, Maidstone

Tea/Coffee will be available 15 minutes before the meeting

Membership (12)

Conservative (11): Mrs E M Tweed (Chairman), Mr A R Chell (Vice-Chairman),
Mr H J Craske, Mr D A Hirst, Mrs J P Law, Mr J M Ozog,
Mr K Smith, Mr R Tolputt, Mr C T Wells, Mr M A Wickham and
Mr A T Willicombe

Liberal Democrat (1): Mr I S Chittenden

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UNRESTRICTED ITEMS

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

Item No

A. COMMITTEE BUSINESS

- A1 Substitutes
- A2 Declarations of Interests by Members in items on the Agenda for this meeting
- A3 Minutes - 16 September 2010 (Pages 1 - 10)

B. ITEMS FOR CONSIDERATION

- B1 Portfolio Holder and Managing Director's update (Pages 11 - 12)
- B2 Change to Keep Succeeding (Pages 13 - 70)

- B3 Financial Monitoring 2010/11 (Pages 71 - 84)
- B4 Performance Management in the Communities Directorate (Pages 85 - 90)
- B5 Budget 2011/12 and Medium Term Financial Plan 2011/12 to 2012/13 (Pages 91 - 110)
- B6 The Kent Coroners Service (Pages 111 - 118)
- B7 Margate Task Force - progress report (Pages 119 - 146)

C. SELECT COMMITTEE WORK

- C1 Select Committees - update (Pages 147 - 148)

EXEMPT ITEMS

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

Peter Sass
Head of Democratic Services and Local Leadership
(01622) 694002

Wednesday, 3 November 2010

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

KENT COUNTY COUNCIL

**COMMUNITIES POLICY OVERVIEW AND SCRUTINY
COMMITTEE**

MINUTES of a meeting of the Communities Policy Overview and Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 16 September 2010.

PRESENT: Mrs E M Tweed (Chairman), Mr A R Chell (Vice-Chairman), Mr I S Chittenden, Mr H J Craske, Mr D A Hirst, Mrs J P Law, Mr J M Ozog, Mr K Smith, Mr R Tolputt, Mr M A Wickham and Mr A T Willicombe

ALSO PRESENT: Mr P M Hill, OBE and Mr A Sandhu, MBE

IN ATTENDANCE: Mr S Beaumont (County Manager, Community Safety), Mr A Bose (Public Involvement & Communications Manager), Mr D Crilley (Director of Community Cultural Services), Ms J Edwards (Director of Policy and Resources, Communities Directorate), Ms D Fitch (Assistant Democratic Services Manager (Policy Overview)), Mr R Fitzgerald (Performance Monitoring Manager), Mrs S Garton (Head of County Performance and Evaluation Manager), Mr W Gough (Staff Officer To The Managing Director), Ms A Honey (Managing Director Communities), Mr M Scrivener (Business Information Manager), Ms A Slaven (Director Youth Services and KDAAT), Mr K Tilson (Head of Finance for Policy and Resources) and Mr D Whittle (Policy Manager)

UNRESTRICTED ITEMS

68. Minutes

(Item A3)

RESOLVED that the minutes of the meeting held on 9 July 2010 are correctly recorded and that they be signed as a correct record.

69. Feedback from the Informal Members Group to assist with development of the budget

(Item A4)

(1) The Chairman read a statement from the Cabinet Member for Finance which explained that, although the Cabinet was committed to involving all Members of the County Council in the budget process, they had reached the conclusion that at the particular juncture, any further debate of the details before the Government's announcement of the spending review on 20 October 2010 would not be time well spent. In October there would be a clearer idea of the size and timing of the challenge, which would still leave time for a meaningful debate about next years budget in advance of the draft budget being published in January 2011.

(2) RESOLVED that the statement by the Cabinet Member for Finance be noted.

70. Portfolio Holder and Managing Director's Update

(Item B1)

(1) Mr Hill and Ms Honey updated Members on the following issues:-

28 July 2010 - Top 200 Visit to Margate

(2) Ms Honey reminded Members of the work that had been carried out in two wards in Margate as part of the Total Place pilot. She explained that Kent had been selected as one of three areas in the County to have a visit from the top 200 civil servants across all departments. This had been organised as part of an initiative commissioned by the Cabinet Secretary, to work on the issues around disadvantage in neighbourhoods and to come up with ideas around the Big Society which would feed into the Comprehensive Spending Review. This gave an opportunity to share KCC's concerns and put forward suggestions including the establishment of an intervention area for the two wards and to share thoughts on housing. The report from the top 200 would be circulated to the Committee when it was available. Members agreed that they would like more information on the work that was being carried out in Thanet and how the resources that were being put into that area were being utilised.

14 September 2010 - Review of Prisons in Kent and its impact on Public Services

(3) Ms Slaven referred to the document that had been produced in the summer which looked at the impact having a relatively large number of prisons had on Kent. Better partnership working would lead to better outcomes for prisoners who lived in Kent and also those who were not residents of Kent. On 14 September 2010 a group including the Chief Probation Officer, representatives from Health, Housing, the Department of Work and Pensions, Youth Offending Service and Drug Services had met to discuss how they could work together to improve outcomes especially for the Thanet area. This was a first step and the outcomes would be developed by Mr Bainbridge and the Community Safety Partnership.

Euro-Camp

(4) Ms Honey referred to the Euro-Camp which had been organised by the Kent Youth Service. This included a whole week of activities and had been based at Swattenden. She thanked the Youth Service for organising and it was hoped that there would be a second event on a bigger scale in 2012.

YOS ISS Arts Council Awards

(5) Ms Honey congratulated the eight young people from the Youth Offending Services who were awarded bronze arts Council award after attending a Summer Arts College. These eight young people were at high risk of re-offending but all of them had got college places for the autumn. In response to a question Ms Slaven explained that this was the first time that these awards had been held, it had been experimental and had been achieved over a short period of time. All those involved were congratulated on an excellent project.

Open Golf 2011

(6) Mr Hill reported that arrangements were well advanced for the Open Golf at Sandwich in 2011. The spin off for Kent was estimated to be £70 m of inward investment.

Planning for the 2012 Olympic Games

(7) Mr Hill reported that planning for the 2012 Olympic Games was going very well. Plans were underway for the next Kent school games in 2012. Kent had more training camps than any other English County and there were even more anticipated. He referred to other parallel events such as the four nations under 17 athletic international, Kent Power World Cycling Tournament. No decision had yet be made in relation to the where the Olympic torch would enter the UK, this was expected in the next few months.

Turner Practical completion

(8) The date of practical completion for Turner Contemporary was 8 December 2010. There would be a soft opening in April/May 2011 with a formal opening later in the year.

Kent Drug and Alcohol Action Team (KDAAT) Performance

(9) Mr Hill stated that four and a half years ago the performance of the KDAAT was not where it should be, since then it has been transformed. In the past year there had been a 7% increase in the number of people into effective treatment. KDAAT was one of the best in its family of services.

Update on Capital Schemes

(10) Mr Hill updated the Committee on the Ashford Gateway, Gravesend Library, the Beaney refurbishment and Kent History and Library Centre. He was proud of Community Services Capital projects which had been delivered on time.

The Launch of Communities Resilience Scheme

(11) Mr Hill explained that the Communities Resilience Scheme had come from an idea by Mr Cloake, the Head of Emergency Planning to enable communities to help themselves in emergency situation, such as the snow last winter. This had been piloted on a couple of areas and had been well received.

Ofsted Inspection of Adult Education

(12) In June 2010 Community Learning and Skills (CL&S) had been subject to an Ofsted inspection. They had been rated as "Good" and included in the comments was reference to the staff being confident in their roles, partnership working being effective and success rates being high. There were a couple of areas which needed to be addressed and an action plan was in place to do this.

Trading Standards legal cases

(13) Ms Honey undertook to arrange for the information on Trading Standards legal cases to be circulated to Members of the Committee.

Kent Venture Boat – New Petra – Oostende

(14) Mr Sandhu updated the Committee on his visit on 7 July 2010 to the Petra Barge in Oostende. When he visited there were 10 young people on board including 5 young people from a Special Needs School in Dover. They were all enjoying the facility and explained that it built their confidence and self esteem.

(15) RESOLVED that the update be noted and that that a progress report be submitted to the November meeting of the POSC on the work being carried out in the two “total place” pilot wards in Thanet.

71. Financial Monitoring 2010/11

(Item B2)

(1) Mr Tilson presented a report to the Committee on the forecast outturn against budget for the Communities portfolio.

(2) In response to a question from Mr Chittenden regarding the deemed “overspend” on the Supporting People budget, Mr Tilson explained that the supporting people budget in previous years had not been fully spent and a reserve had been created to set aside funds for future expenditure programmes. The current year’s expenditure is in excess of the current year’s Area Based Grant (ABG) allocation but was fully funded by drawing down from this reserve. Mr Tilson confirmed that the current “overspend” was a planned programme of expenditure which was agreed by the Commissioning Body. This represented the forecast drawdown for the entire year, rather than an opportunistic drawdown to balance the books in relation to spend to date.

(3) Mr Tilson explained that the supporting people budget came from a specific grant which had been rolled forward into a reserve; there was a planned programme of expenditure.

(4) In relation to the Edenbridge Centre, Mr Crilley stated that as the anticipated land values had not been met it had been necessary to bring in as many organisations as possible to work within the centre and to fund the project costs. This had been difficult to achieve but they had successfully got the community on board to make this happen and he confirmed that the costs would be fully covered by partner contributions, as well as other units from within KCC that had not been part of the initial specification and plans.

(5) Regarding the work of the Gateways Members were informed that regular reports were submitted to the Corporate Policy Overview and Scrutiny Committee and copies of these reports were available on request.

(6) Mention was made of the variance in expenditure in the Community Safety budget that included a narrative relating to the Future Jobs Fund. Mr Tilson and Mr Hill explained that a number of deputy wardens had been employed by the unit, which had given the opportunity to bring into the job market disadvantaged people and give them experience of work but that this had been fully funded by an application to the Future Jobs Fund and therefore at no cost to the authority. This Fund was established following a successful bid by the Supporting Independence Programme (SIP), who monitored applications and reported gross expenditure and income within their budget. SIP had a net budget of £700k from KCC but the appendix to the monitoring report showed a gross expenditure in excess of £4m. This referred to allocations made to units who employed Future Jobs Fund applicants, with income also in excess of £4m which was the drawdown of funding received from Government. The benefits of giving people short-term employment, in these placements which lasted 6 months and were fully funded, was critical in these challenging times.

(7) RESOLVED that the projected outturn figures for the directorate for 2010/11 based on the first quarterly monitoring report to Cabinet be noted.

72. Kent Apprenticeships

(Item B3)

(1) Mr Gough introduced a report which updated the Committee on the latest position regarding the development of the apprenticeship offer in Kent.

(2) Mr Gough explained that the South East Apprenticeship Company (SEAC) were a training agency who employed young people and enabled them to be shared amongst a number of employers, thus making it easier for employers to be involved in support apprentices. The SEAC was one of approximately 14 companies set up by the previous Government across the Country. He stated that he could not see any barriers to a private company or a social enterprise full filling a similar role.

(3) In response to a question, Mr Hill confirmed that the Learning and Skills Board had within its remit apprenticeships. The Board consisted of Cabinet Members and senior representatives from the Directorates which had an input into learning and skills. These included Children, Families and Education, Adult Social Services, Regeneration and Economic Development and Communities. He stated that a report from the Board would come to the County Council in due course.

(4) Regarding a question on the limiting factors in recruiting apprentices, Mr Gough explained that this was the availability of employers willing to take on apprentices as Kent had a lot of small businesses. The team had produced a pack to support employers and to make it as easy as possible for them to take on apprentices. Also it was difficult for young people to see apprenticeships as an option at the same time as they were applying for places at college or sixth form, as it was not possible to apply for an apprenticeship until they had a job and they could not get a job until they were 16, by which time they had often decided on another option.

(5) RESOLVED that the latest developments on the Kent Apprenticeship Programme be noted and that Members of the Committee inform officers if they require any further

information to enable them to become Ambassadors or Champions for Apprenticeships.

73. Developing a new Children and Young People's Plan (CYPP) 2011-2014

(Item B4)

(1) Ms Slaven presented a report which set out the development of the next Kent Children and Young Peoples Plan (CYPP) 2011-2014. It was anticipated that the statutory duty to produce the CYPP would soon be abolished and although the Kent Children's Trust was no longer a statutory body there had been agreement for the partners to continue to work together. The CYPP would provide a strong direction to ensure that the partners continue to improve outcomes for Kent's Children, Young People and their families. The emerging financial and locality frameworks would require a redraft of the current Plan to ensure that it reflected the new environment and context for delivering services. A final draft of the Plan would be submitted to this Committee in November and to the Cabinet in January 2010.

(2) In response to a question, Ms Slaven confirmed that Youth Action Groups were represented on Local Children's Trust Boards and this was set out in the terms of reference for the Boards. In relation to young carers, Ms Slaven acknowledged that they fell within all seven of the priority groups outlined in the draft plan and their high level of priority had been noted. It was pointed out that Members, through their local grants, could support young carers projects.

(3) The issue of the number of meetings that partners on the Local Children Trust Boards attended was raised and it was questioned whether this was best use of their time. However, the new structures would need time to bed in to before assessing how effective they were.

(4) RESOLVED that the current position on the development of the new CYPP 2011-2014 be noted.

74. Community Safety - Presentation

(Item B5)

(1) Mr Beaumont gave a presentation on the new context for Community Safety and Criminal Justice. It included information on Home Office decisions already made, what had been achieved in Kent over the last decade, options for strategic vision and tactical vision and current consultations.

(2) In response to a question on public confidence and perception of criminal activity, Mr Beaumont stated that, in his opinion, the way to improve this was to listen to people, react quickly and to be visible to build confidence. It was important to have neighbourhood based policy with news letters to keep people informed about policing in their area.

(3) Members questioned how they could influence what was happening around Community Safety and Criminal Justice as a lot of it appeared to be outside of their remit. Also mentioned was the importance of insuring that consultation was meaningful, and it should be recognised that magistrates already consider rehabilitation rather than a short sentence where possible.

(4) In relation to increasing the powers of Police Community Support Officer's (PCSOs) Mr Hill confirmed that the Chief Constable kept these under constant review.

(5) RESOLVED that the presentation be noted.

75. Communities Directorate Consultation, Involvement and Complaints report 2009/10

(Item B6)

(1) Ms Edwards introduced a report which updated Members on the activities that took place across the Directorate (2009/10) to engage and listen to the views of all those who were interested in or involved with their services. It also included the Directorate's annual complaints monitoring report.

(2) RESOLVED that the contents of the report be noted and the following priorities as set out below be endorsed:-

(a) Exploring how digital technologies could be better deployed to make engagement work, cheaper, quicker, more responsive, more relevant and more convenient for residents and businesses.

(b) Use every opportunity to keep down the costs of consultation exercises, minimise duplication and to make best use of the analysis and information that is collected.

76. Draft Towards 2010 annual report

(Item B7)

(1) Mr Hill presented a report which set out the process for finalising the fourth and final *Towards 2010* Annual Report prior to approval by County Council on 14 October and attached a draft of the report (concerning the 17 targets led by the Communities Directorate) for Members' comment.

(2) RESOLVED that the reports attached at Appendix one be noted.

77. Bold Steps for Kent - Update

(Item B8)

(1) Mr Whittle presented an update on the timetable and development of the new medium term plan, *Bold Steps for Kent*, and sought the Committee's input on the key issues over the next four years that it believes the plan might address ahead of the launch of a draft version for public and partner consultation.

(2) Members stressed the importance of ensuring that Bold Steps for Kent was clearly understood by all its target audiences, including the public and officers. It should be a document that was able to engage the public and get them to be optimistic about the future for Kent and their part in it.

(3) In response to a question on the “right to bid” process for KCC services, Mr Whittle confirmed that this included bidding against external competition and also staff buy outs.

(4) Mr Hill stated that he had suggested that the document should include a section on “Enjoying Life for the people of Kent”.

(5) Mr Whittle invited Member to submit any further suggestions that they may have to him outside of the meeting.

(6) RESOLVED that the report and the comments made by Members including, ensuring that the document addresses its target audiences, including the people of Kent, and the suggestion that a section on “Enjoying Life for the people of Kent” be added be noted.

78. Draft Annual Performance report 2009 -10

(Item B9)

(1) Mrs Garton introduced a report which provided an overview of the council's Annual Performance Report 2009/10 and attaches a draft of the report for Members' information.

(2) RESOLVED that the draft report be noted.

79. Core Monitoring Report

(Item B10)

(1) Ms Garton introduced the relevant sections of the first Core Monitoring report which had been submitted to Cabinet on 13 September 2010, this would be a quarterly report to all Policy Overview and Scrutiny Committees. She invited comments on the presentation of the report.

(2) Ms Edwards confirmed that the directorate were happy that the Red/Amber/Green scores were an accurate reflection of the work of the directorate, currently there were no red issues but if there would they would be highlighted to the Committee. Mr Hill stated that he found the information in the report a very useful monitoring tool in his role as Cabinet Member.

(3) RESOLVED that the report be noted.

80. Informal Adult Learning: Lead Accountable Body role

(Item B11)

It was noted that this item had been withdrawn as Lead Accountable Bodies were not going to be established.

81. Select Committees - update

(Item C1)

(1) The Committee received a report which updated them on the progress of the Select Committee on Extended Services and also contained the minutes of the monitoring meeting of the Select Committee on Provision of Activities for Young People. Mr Chell, Chairman of the Select Committee, stated that the Committee had been pleased with the progress with their recommendations and highlighted a couple of outcomes including the establishment of a register of vehicles, owned by Social Services, Schools etc that could be used to transport young people to activities and the introduction of a positive image policy.

(2) Members were requested to advise the Democratic Services officer of any items that they would like to suggest for inclusion in the Select Committee topic review programme

(3) RESOLVED that the progress of the Select Committee on Extended Services, the minutes from the meeting of the Select Committee on Provision of Activities for Young People be noted.

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To: Communities Policy Overview & Scrutiny Committee

By: Mike Hill, Cabinet Member for Community Services and Amanda Honey, Managing Director – Communities Directorate

Date: 11th November 2010

Subject: Portfolio Holder and Managing Director's update

Classification: Unrestricted

Summary: This will be an oral update to members of the committee on recent developments within the Directorate.

FOR INFORMATION AND COMMENT

Events

- Australian Athletics use of Tonbridge School 2012 - Signing (21 September)
- Kent Alcohol Strategy Launch (5 October)
- MLA (9 October)
- Youth Takeover Week - Shadowing (11 November)
- Opening Folkestone Library and History Resource Centre (28th October)
- Turner Contemporary handover (8th December)

Other Topics for Consideration

- National changes relating to Communities Services
- Young People's Housing Strategy
- Emergency Accommodation protocol
- Cultural Strategy
- Tell Us Once – Countywide Roll Out

- Forward Plan, Key Decisions
 - Edenbridge
 - St John's Library
 - Kent Archives and Local History Service Development Plan

- Self issue (Libraries and Archives)

Recommendations

Members of the POSC are invited to note and comment on the updates from the Cabinet Member and Managing Director.

Contact Officer: Margaret Harkup

Title: Executive Officer to Cabinet Member for Communities Services

Contact Number: 01622 221883

Email Address: margaret.harkup@kent.gov.uk

Contact Officer: Serine Annan-Veitch

Title: Staff Officer to Managing Director, Communities

Contact Number: 01622 694645

Email Address: serine.annan@kent.gov.uk

By: Jeff Hawkins, Transformation Programme Manager
To: Communities Policy Overview and Scrutiny Committee
11 November 2010
Subject: Change to Keep Succeeding
Classification: Unrestricted

Summary: "Change to Keep Succeeding" is a report by the Group Managing Director on the transformation of the County Council's operating framework.

The Environment, Highways and Waste Policy Overview and Scrutiny Committee will be given a presentation on the report, the management structure it proposes, and the process for consulting with staff.

Background

1. "Change to Keep Succeeding" sets out a proposed new structure for the senior management of Kent County Council. It was presented to meetings of the Council's Cabinet, Scrutiny Board and Cabinet Scrutiny Committee in the week commencing 11 October 2010.

2. Following Cabinet and Cabinet Scrutiny, on 15 October Kent County Council started a period of formal consultation on the proposed new senior management structure with the 25 staff impacted by this proposal. At the same time a wider informal consultation was commenced which is open to all staff and partners. The consultation period ends on 3 December 2010. A report will then be made to full Council on 16 December 2010 for a revised management structure and plans for the implementation of that structure.

4. The target is to implement the change in structure, subject to consultation and the decision of the County Council on 16 December, by 4 April 2011.

Recommendation

5. The Communities Overview and Scrutiny Committee is requested to consider these proposals and to note that the matters raised by members at this and other member meetings to which this matter is to be reported will be fully considered as part of the consultative process.

Background Documents: *none*

J L Hawkins
Transformation Project Manager, Sessions House room 1.68, extension 8103

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By: Paul Carter, Leader of the Council
Katherine Kerswell, Group Managing Director

To: Cabinet

Date: 11 October 2010

Subject: “Change to keep succeeding”
The transformation of the Council’s operating framework

Classification: **Unrestricted**

SUMMARY: This report outlines the work to date on a programme to ensure that the Council continues to deliver successfully in the face of the most significant changes facing local government in the external financial and policy context. It needs to be read in conjunction with the draft medium term plan which is being launched for consultation - “Bold Steps for Kent” as this is proposing the draft new strategic vision for the Council which the organisational framework of the Council needs to be able to support and deliver upon. A supplementary and more detailed report will be circulated prior to the meeting on 11th October due to the closing date of the consultation period upon which that part of this report needs to rely. As this further report will include details of the proposed new structure and information about members of staff, its status may be “exempt”.

1. Introduction

(i) To reduce the scale of the £156bn public deficit, to repair the nation’s public finances and to restore confidence in the national economy, the Government has embarked on a radical plan to reduce public spending. The Comprehensive Spending Review will settle the landscape for public service funding in late October. And the following month the Council will receive a clearer view of the provisional settlement in its external revenue funding. This will present elected Members and officers of the Council with our biggest challenge for a generation. Over the next four years it is likely that some £340m needs to be reduced from the Council’s net revenue budget in order to reduce spending and absorb the pressures we face. But the Council does not face this challenge alone – aside from the health service (which has to contain its intrinsic growth pressures rather than substantially reduce its base budgets) most public agencies in Kent and beyond face similar challenges. However, unlike most other public agencies, Kent County Council has the capabilities to meet these challenges head on. For when faced with challenges of this scale the Council needs to draw on its strengths of excellence and innovation.

(ii) Success is a springboard for future success. But simply repeating the success of the past will not be enough to meet the challenges of the future.

Instead the Council needs to make sure that its organisation and services are sufficiently agile to lower their costs to meet the coalition government's challenge on public sector costs and the Authority will need to evolve against the background of significant changes in other sectors including Health, Education, while sustaining and improving service outcomes. Individual services need to continue to strive to be ever more cost-effective but the overall organisation needs also to embrace an ethic of collective cost-effectiveness. This will require a more linked and connected organisation that is able to reap the benefits of scale, lower the cost of organisational infrastructure, and foster higher levels of overall productivity.

(iii) The Council needs to grasp the opportunities of the Government's decentralisation and localist agenda to revive enterprise and employment across Kent. It needs to help shape the future of education and healthcare across Kent to assure ever better life-chances for Kent's people. And it needs to make sure that its own organisation is sufficiently agile so as to continue to lower costs, raise productivity and secure ever better standards of customer service.

(iv) The proposed changes to the senior management arrangements to be outlined in the following appendix to this report (once consultation has closed) will seek to achieve the above and also to make the overall organisation leaner and fitter for future purposes. Without doubt, Kent benefits from the considerable talents and energies of the Council's most senior managers. But these benefits are not without significant cost to the taxpayer. In lowering costs and raising productivity, all layers of management need to be examined to assure cost-effectiveness and fitness for purpose. And it is crucial that the Council's senior management arrangements are reviewed to assure Members that value for money is secured and that these managers can together drive through the essential changes that are required across the County.

(v) In usual times, top-level organisational changes can help drive change throughout organisations. In times of tightening fiscal constraint they are essential to drive even deeper change throughout services and organisations. These top-level changes need to be approached in a disciplined and corporate manner. This is why I am proposing a coherent approach that secures Council-wide improvements in managerial culture, direction, and co-ordination. In particular I am mindful that during a period of major spending reductions, the conventional risks to service delivery pale against the potential risks of failure when services are being delivered on (an average of) three-quarters of their current budget. Controls based on single service or professional domains need to be strengthened by newly fashioned corporate controls to enable Members to better govern the risks to be faced over the next four years.

(vi) In order to deliver sustainable levels of budget savings over the coming four years we will require organisational courage and resilience from Members and officers alike. But these virtues are not of themselves sufficient. The Council needs to ensure that its senior managers are able to execute the changes that are required over the coming period. These senior managers need to possess the competencies and capabilities to take the

whole organisation forward and they need to possess the collective confidence to take the next bold steps.

2. OUTCOME OF THE INFORMAL CONSULTATION PROCESS

(i) The response to the initial informal consultation has been positive with nearly 200 members of staff already offering comment on the design principles. The comments are predominately positive in nature to the proposals contained within the draft design principles. Eight meetings were also held with managers about these design principles and feedback from those meetings is also being incorporated into the final draft recommendations for Cabinet.

(ii) All the feedback received will be collated and reported to Cabinet to inform their decisions and thinking about the way forward. They will also be used to assess the value of the draft design principles that have been circulated and the design of the Council's operating framework that will then flow from these.

3. PROJECT PLAN

Detail of the sequence and timing of the implementation steps will be provided in the following report. The detail of this will need to be based around the final recommendations of any proposed changes to the operational framework to be made to Cabinet.

4. PROPOSED NEW ORGANISATIONAL STRUCTURE.

The supplementary report to follow will cover:

- Details of the proposed directorates' structure,
- The proposed senior posts in each directorate and the business activity reporting into these roles.
- Outline job descriptions for each of the proposed senior roles
- A list of the current posts that it is proposed are deleted and a list of the new posts that it is proposed to create.
- Details of proposals to create a number of new companies to deliver Council services. The detail of these new company models will need to also be developed during the consultation period.

5. REVIEW OF REWARD POLICY FOR SENIOR POSTS

(i) Cabinet is asked to agree to a review, by the HayGroup, of the appropriate salary levels for the proposed senior posts. The review will take account of the level of responsibility and accountability of each proposed role and recommend an appropriate level of salary taking account of internal relativities and market rate. The review will be completed between the 18th October and 5th November.

(ii) The current salaries for senior posts are "spot" salaries, i.e. there is a rate for the job and no salary scale. Some senior posts have a contractual entitlement to a performance payment which applies a percentage lump sum

bonus according to the level of performance. However, these payments were frozen last financial year and will not be paid for this current financial year. It is proposed that senior managers are consulted during the formal consultation period on bringing senior performance pay in line with the Total Contribution Pay scheme in place for all other Kent County Council staff on the Kent Scheme of terms and conditions of employment. This proposal includes removing the current contractual bonuses for senior staff.

(iii) At the end of the formal period of consultation, all proposals for any changes to the terms and conditions for these proposed senior posts will be put to Personnel Committee for consideration before being reported to Cabinet on 16th December.

6. PROCESS FOR APPOINTING TO SENIOR POSTS

(i) Details of the process and timeline for populating the proposed senior level posts will be included in the supplementary report. This could include Member panel interviews preceded by assessment centres. Before any such arrangements like this can be agreed to, it will be necessary to follow the Council's process outlined in the Council's Blue Book of terms and conditions of employment.

(ii) This will of course be followed in deciding whether individual senior managers are "slotted" (i.e. automatically placed) to the proposed posts in the structure. This means that an individual may be slotted if all the following criteria are met:

- the job must be the same grade as before the re-organisation,
- there must be the same number of jobs (or more) as job holders
- the job is deemed 75% the same type of work in term of job accountabilities, activities and broad objectives

(iii) Then there is no recruitment process either internal or external and the employee whose job has been altered by this process is slotted in to the new job. This can only be assessed at the end of the consultation process and following the full Council's final decision on the proposals.

4. CORE VALUES AND BEHAVIOURS

(i) This change programme is aimed at enabling Kent County Council to alter the way it operates so that it can meet the new challenges it is facing. It cannot therefore be solely about the organisation structure, but must also lead to a new organisational culture.

(ii) It is therefore proposed that an external provider is procured to engage with staff across the Authority and with Members and senior managers to design a set of draft values and behaviours. This process when shared with staff has been warmly welcomed as a means of being involved in shaping the Council and ensuring we can deliver as well in the future as we have in the past.

(iii) These values and behaviours will be put forward for discussion and agreement at the County Council meeting on 16th December. Once agreed these values and behaviours will drive all aspects of the Authority's HR strategy.

5. EXIT MANAGEMENT PROCESS FOR SENIOR POSTS

It is suggested that a voluntary redundancy process is introduced, to be offered to any of the senior managers affected by the restructure proposals at the start of the process. Details of the process for this together with proposals around notice periods, appeals against decisions made and alternative job search support will follow in the supplementary report.

6. RECRUITMENT TO ANY POSSIBLE VACANT SENIOR POSTS

It is critical to the stability of the organisation, the continuation of excellent service delivery and the success of the many significant change programmes being undertaken that any senior posts left vacant are filled as soon as possible. The standard Kent County Council personnel process will be applied to any post that is not filled by a priority candidate, and the post will be advertised to internal staff with external candidates being sought contemporaneously if required. This has worked very successfully in the past and it is hoped that if such a circumstance arises of a vacant post needing to be filled, internal staff are able to come forward and be assessed for the vacancy.

7. FINANCIAL IMPLICATIONS

(i) The Council is facing significant financial challenge more so than at any time in its past by virtue of the economic conditions of the country and the forthcoming comprehensive spending review that is proposing to reduce Council budgets between 25% to 40%. Officers have been working on a series of options to increase the efficient working of the Council and to review ways in which services can be delivered to reduce costs whilst maintaining quality to meet this level of reduction.

(ii) The management costs and organisational structure costs of the authority must be examined along with all other costs within the Council. This process will naturally contribute to the savings required. Details of the proposed savings will be available once consultation has closed and a final draft proposal for Cabinet can be created. Other savings proposals that will affect staffing arrangements in the Council will undoubtedly follow in the budget proposals that will be presented to Members later this Autumn / Winter. Effective corporate programme management will ensure alignment and enable any possible double counting to be dealt with.

8. RISKS

(i) It is important early on in this work to highlight a number of possible risks facing the Council from these proposals. A fuller risk register will be supplied

following the closure of consultation and the draft proposals being able to be concluded.

(ii) This proposed change process is happening at a very congested time for this Council. The Council along with all others in the public sector is facing unprecedented external policy and financial changes. Local people's expectations from services and what they are willing to pay for them is also changing fundamentally. We are in the process of discussing with Members and the Scrutiny committees the Council's new medium term plan "Bold Steps for Kent" which is considering a brand new focus and way of working for the next four years. The draft medium term plan is also on this Cabinet's agenda for approval for consultation.

(iii) It is imperative that the process of transforming our operational framework, preparation of the Council's medium term financial plan and the development of the medium term plan dovetail and absolutely align. They are all intricately related and the individual success of each of them relies upon the success of all.

(iv) The Group Managing Director's role is to ensure the co-ordination of such major developments and also to plan and manage the risk of non-alignment by working very closely with key officers in the Council. Therefore these programmes will be programme managed through the Group Managing Director's office and the Corporate Management Team will be the programme board for these activities. The programme office resource is in place to support this.

(v) It is important to be clear about the need to ensure accurate financial control is maintained throughout this change. This risk will be strongly mitigated by the programme management approach, the corporate management team's role as the programme board and very strong input from the financial services division into the programme team that is already in place.

(vi) In addition to the risk being mitigated by the effective programme management resource, another possible mitigation of this risk could be to delay one or several of these programmes that are occurring at the same time.

(vii) "Bold Steps for Kent" the new medium term plan, has to take place in this timeframe. Our current medium term plan "Towards 2010" has concluded and this Council needs to be clearly focused on dealing with the new policy challenges facing us and being able to plan for and deliver Members' ambitions for the next four years.

(viii) The transformation of the Council's operating framework is intrinsically linked to making certain that the Council can deliver "Bold Steps for Kent" the new medium term plan, which requires of us a new integrated delivery model and new ways of working.

(ix) The new medium term plan “Bold Steps for Kent” also supports and enables many of the proposals currently being developed to deliver the new medium term financial plan and the estimated £340m of reductions that the Council may have to find over the next four years.

(x) The medium term financial plan clearly has to take place at this time to deliver the Council’s budget and respond to the outcome of the comprehensive spending review on the 20th October. The changes proposed by this report will enable many of the financial reductions that will be necessary to be made.

(xi) If we are to avoid a period of managed decline we need to deliver our services at lower cost and in different ways. If we halt the organisational change that this report contemplates we face a different risk of “salami slicing” of services and being unable to deliver the quality of service that Kent is renowned for. It is important that the costs of how this organisation delivers its services are considered and challenged as much as the costs of what we deliver in actual services.

(xii) Kent has a national reputation for being able to seize opportunities at the right moment. If we fail to align these three programmes effectively and not maximise the support they give to each other and manage the pace of each through a co-ordinated and resourced programme office we run the different risk of losing the benefits of these processes and prolonging the period of turbulence for this organisation.

(xiii) Another two risks of all these programmes and in particular the subject of this report are the risks to morale and leadership capacity. Members will be able to see from the responses from staff to this informal consultation (those received to date) that they talk about the uncertainty that they all feel. There are also comments welcoming the fact they we are facing up to this and want to involve staff in how we deal with the situation. There has also been very positive support expressed in the managers meetings about taking up this difficult situation with their teams to help manage the transition and deal with the uncertainty that the external policy changes and financial environment are driving.

(xiv) As our services have to be reduced and the policy challenges we are facing and also wish to create ourselves are changing, we need to examine the most senior posts that we have in this organisation. We must ensure that they along with all the other roles and services are fit for purpose and that the overhead costs that they represent are appropriate. The period between our current operational framework to any different framework that Members agree will need to be very carefully managed through a transition programme to ensure effective capacity is available to keep the programmes of the Council going.

(xv) All areas of this Council are being reviewed and challenged as part of the process to find the £340m reductions needed over the next four years. There is the risk that if we fail to examine the costs of our most senior management structures and whether they are designed in the most effective way for our

future, we will give a contradictory message to the rest of our staff about the different values placed upon roles at different levels in the Council. That is clearly not part of the values of this authority and it is important that we must be seen to be demonstrating explicitly the equity and fairness of the approach that we take to examining all costs at all levels and in all services.

(xvi) This Council can be proud of the fact that we have a strong pool of resilient and steadfast managers who have met such challenges as this in the past and have managed the transition and uncertainty that is necessary in such a turbulent period.

(xvii) Cabinet must also consider in assessing the options that this report will place before them a slightly different type of risk. The risks above can be described as a type 1 risk. The risk of something going wrong that can then either be mitigated or put right.

(xviii) here is also the type 2 risk that needs to be considered. This is the risk of not doing something, that if you had done it – it would have delivered the future you are seeking to achieve.

(xix) The consequence of a type 2 risk in relation to this report and the proposals that are to follow; is that changing the organisation at a later date when the opportunities we are seeking to take advantage of have moved on could be much more costly and damaging for us. The external demands of the policy changes from the new government and the financial reductions we will have to find show no sign of slowing down or reducing, indeed they seem to be accelerating. Cabinet will need to consider the cost of change now in all its dimensions or a possible much increased cost at a later date.

9.RECOMMENDATION

Cabinet is asked to note and agree as appropriate the proposals put forward in this report and to note that further recommendations will follow in the supplementary report.

Note: *This report will also be discussed at a meeting of the Scrutiny Board which is taking place on 11 October on the rising of the Cabinet meeting and a meeting of the Cabinet Scrutiny Committee taking place on Friday 15 October 2010*

Background documents: The First Bold step Informal consultation document

Katherine Kerswell
4000

Amanda Beer
4136

Change to keep succeeding Appendix 1

The challenges facing us

1. As described in the Cabinet report already circulated, KCC is facing; along with all other local authorities and public service agencies, an unprecedented level of and pace of change. The challenges facing the Council arise from three main sources.
 - From the changing patterns of needs and demands from service users and local residents.
 - From the financial reductions that are being applied to public spending generally.
 - From the fundamental changes planned by the Government to public sector policy and our own Kent new policy ambitions in the draft medium term plan “Bold Steps for Kent”.
2. The needs and demands of our public do change and are changing rapidly and if we are not equally nimble in responding to them we can appear rigid or fixed in terms of the style of our service delivery and our ability to change our cost base. The demographic changes we are facing in Kent are significant enough on their own but they accompany further social and economic change as well as the fast paced changes in local peoples’ use of media technologies such as Face Book campaigns, electronic petitions and the widespread use of direct contact email. KCC has embraced the transparency agenda and this will yield further avenues for media technologies to engage with the delivery of our services and our functioning as a Council.

The demographic challenge

3. Over the next eighteen years the total population in Kent is predicted to increase by 18%, which is higher than the growth predicted for the whole of England and the South East. The particular population growth trend that we need to be mindful of in thinking and planning for our future is the growth of the over 85 population. At one level this should be absolutely celebrated as many more people are living past this age than ever before.
4. Over the next eighteen years the percentage of over 85’s in our total Kent population will increase by 99% from a population of 38,700 to 77,400. (ONS – 2008 –based sub national population projections) In contrast our younger population group of 4-10 year olds only increases by 12% between 2009 and 2019 and then remains constant after that.
5. This clearly has major issues for a wide range of services we provide and certainly is not restricted in its impact to adult social care services. The principle that its not just adding years to life but life to those years means each of our services must think very hard how we address this significant increase in our over 85 population.

The service delivery challenge

6. Essentially, future needs and demands for public services will differ in character from those of today – they will not simply differ in the level or amount we deliver. People want more appropriate, more flexible, more personally tailored and responsive services. They want more self-organised services and they expect, wherever practicable, for services to be made available online. How people privately consume goods and services will continue to influence their expectations of our services.
7. In order for us to be able to meet our future challenges, KCC, local government, indeed all public institutions and agencies will need to be more agile in how they organise themselves. The stress will rightly be on redesigning services, on reshaping the systems of service delivery, and on revising “service user pathways” such as in care for elderly people with specific conditions, and really maximising the use of the latent potential of our Gateways. But to do so will require us to be much more flexible in how we finance our services and how we shape our functions and activities. We must also be very clear this does not simply apply to how we work on our own, but increasingly we will be working with our partners and we will need to be flexible and agile in the many differing types of relationships that will emerge.
8. Eight briefing sessions with 219 of the Council’s managers have taken place over the informal consultation period. We have discussed the changes that the Council will have to face over the next period. We have also discussed between us the new policies that the Coalition Government is introducing. Members will see from Appendix 2, a summary of the responses from those sessions. One of the very consistent themes raised in those discussions was the impact of the level of financial reductions that we have to plan for and contemplate ahead of the 20th October CSR announcement and also the effects that this could have on local jobs and services in our county.

The financial challenge

9. The Government have adopted a broad plan for public sector reductions. The current plan is for 85 per cent of the planned reductions to come from public spending cuts. The period of private sector recession of 2008-9 is being followed by period of public sector retrenchment from 2010-14.
10. At the very broadest level this presents a background of considerable uncertainty for KCC and its public sector partners in the county, all of whom face the challenge of planning for this future. Nationally local government has had to deliver efficiencies of around 3% a year. As an excellent authority KCC has delivered above that level at around 4% a year. This has required significant focus and activity by the organisation and Members. The level of reductions we are expecting from the CSR announcement translates roughly into reducing our spending by up to eight per cent each year for the coming three years.
11. Efficiencies of three or four per cent can be planned for by way of productivity improvements and the like. Ongoing cumulative reductions of eight per cent are significantly much more demanding – to determine, and then to implement.
12. They require some bold steps to be taken.

The policy challenge

13. The Coalition Government has published an ambitious agenda for fundamentally altering the nature of public service in this country. It has resonated very closely with the future vision for public services that the County Council set out in the Leader's paper "Bold Steps for Radical Reform" in January 2010.
14. Kent's history of innovation, delivery of quality services and strong relationships with Whitehall places us in an enviable position to develop many of these new ideas and bring additional advantages for example through investment in new service models, by a government willing to see its ideas being tested and trialled. All throughout the meetings with managers their willingness to try new ideas and pride in the history of innovation and entrepreneurialism of their Council was very evident and staff are getting ready to step up to these new challenges.
15. The fact that we have two externally driven major changes of a policy framework and a financial framework is significant. We must avoid the pressure of such a reduction in our funding to feel that the future has to be one of managed decline and a timid future then emerging.
16. This point was raised in the consultation process and many staff opted for creating a new future and not just face an endless "salami slicing" of Council services. Their responses are very true to a core aspect of KCC – that of facing up to our future and changing it for the better. That characteristic will be essential for us going forward and managing these challenges. We need to be able to take advantage of the new ideas that are emerging about public services and really offer a different future for public services in Kent. These draft structure proposals aim to enable that capacity to be in place as soon as possible and to aid the financial reductions we must face.
17. The structure charts that are included with this report for Cabinet to approve as a consultation draft for the organisation and our partners, attempt to capture the challenges we face and to enable the County Council to fully respond to the new opportunities in the changing financial and policy environment both from our own draft medium term plan "Bold Steps for Kent" and the Government's radical agenda.
18. A series of design principles were developed and circulated in a leaflet "The first bold step" to all staff to create a debate about what was facing us as a Council and whether we are currently organised and operating in a way that enables us to deal with that future in the most effective manner. The summary of the comments received back from staff is attached at Appendix 2. There are a wide range of comments, both critical and supportive and I have responded to each, full copies of which are available in the Member's Information Point as well as to each Member of Cabinet and the Scrutiny Boards overseeing this report. Overall there is a positive sense of energy and desire to change some of the ways that we operate as an organisation, most notably on how we connect internally and operate as one organisation. Many

of the design principles were supported and they have shaped the draft structure proposals placed before Members today.

19. The changing nature of the delivery of public services will require KCC to think very carefully about the current way it is organised. As recently as Sunday 3rd October the Secretary of State for Communities and Local Government – Eric Pickles MP made a statement of how local government must end duplication and increase its productivity, He urged us all to share more services between Councils and between other public agencies. The proposals in this restructure rise to the challenge that the Secretary of State has thrown out to all local government in ensuring we are joining ourselves up as an organisation and making the use of our internal systems much more productive. This will enable an easier connection to be made as one Council with partners when needing to join up services together.
20. It will also enable us to create new forms of service delivery vehicles with our key partners in Schools and with GP's. It will also help us to deliver more effectively in localities, joining decision making with our other partners in District Councils, the Police and Health and other local organisations to really tailor our services to the particular needs of that locality. The intention is that this locality approach does not stop at the district level but can explore closer delivery with our parish and town Councils and in local neighbourhoods.
21. All of this is exactly in line with the Secretary of State's determined vision for the future of local government delivery. On coming into office the Secretary of State declared his priorities to be;

“localism, localism and localism – but not necessarily in that order”.

22. In the face of that drive to join up and also increase our productivity; how we internally organise our business support resources also needs to alter so that we are connected and integrated as one organisation. We can then become much more efficient and productive in how we use those systems and processes – a “one pass” approach and (leading to much more effective and coherent) can then effectively integrate with others.

Explanation of the structure in general and process for staff impacted

23. In addition to the text below which describes the main themes that the proposed structure is attempting to deliver, it may be helpful for Members to look at the structure diagrams. These are portrayed in two ways, a traditional organogram of posts and reporting lines showing the whole Council and a more detailed picture outlining the top two tiers of management posts in each proposed Directorate that are directly impacted by this proposed restructure consultation. The array of functions that are shown (in the grid boxes) for that Directorate then would lie within their areas of responsibility if those senior posts at first and second tier were approved. Please note these are not all current service teams but also denote capacity and functions that will need to be created.
24. Please also note that the areas described as functions and any staff or managers within those are **not** affected at this stage by any of these restructure proposals. If at a later stage further re-organisation is required then that will be dealt with, within the terms and conditions of the KCC's employment policies. Appendix 5 of this report lists the current senior

management posts that are directly impacted by these draft structure proposals. It needs to be explicitly understood that these are the **only** posts which are affected by this process.

25. Those post holders are **not** placed formally at risk by this consultation process. That can only happen if and when Members take their final decision on the proposals at the Full Council meeting on the 16th December. It will only be at that stage that it will be possible to determine whether any of the current posts have altered significantly and therefore whether any of the post holders are then formally at risk. The Director of Personnel and Development and the Group Managing Director will be writing formally to all senior officers directly impacted by this process on Friday 15th October following the outcome of Cabinet Scrutiny Board. Formal consultation can only begin following the outcome of that meeting. However all senior staff are being briefed on the morning of the 11th October so that they are fully aware of the draft structure proposals and can ask any additional information about the process that they require. The Corporate Management Team have also all been informed of these proposals on Friday 8th October, either in a meeting or by receiving copies of the proposals due to other meetings preventing them attending.
26. It is very important to be aware that the posts at the second tier level do **not** all carry the same level of seniority, size of job or price tag for that job. The inclusion of director level posts in this way represents the first visible sign of implementing the design principle of a flatter structure leading to fewer management tiers between the top of the organisation and the front line.
27. There are a number of posts that have been designated “director” that have a very singular focus such as waste and procurement. These have been included in the most senior tiers of management as they are such significant areas for the Council and to give them a very clear focus and priority.
28. By virtue of the design principle that was endorsed by staff, this structure is aiming to connect all business support services together in one Directorate serving the whole of the Council. There are two posts in that Directorate however that are also members of the Corporate Management Team with the same first tier status as the Corporate Directors leading Directorates. These two posts are Corporate Director Finance and Corporate Director Human Resources. The reporting lines and day to day operational activity of these two divisions need to be part of the Business Strategy and Support Directorate but they play such a significant role in the life of this authority that they will be formally members of the Corporate Management team and enable to enact their strategic role in full. It is also critical for the statutory role of the Chief Finance Officer post that it is a member of the Corporate Management Team in order to be able to fulfil its duty.
29. The Corporate Director Business Strategy and Support has also been designated as Deputy Managing Director. This will ensure continuity of organisational leadership in the absence of the Managing Director. The current job title of the post of Group Managing Director is proposed to be altered through this process to Managing Director. This is now possible due to the other Directorates being re-titled away from being Managing Directors in their own right and also denoting the one Council – one organisation design principle.

Detail regarding the role of the Corporate Director

30. The post of Corporate Director denotes the most senior tier – first tier of management in the authority and membership of the Corporate Management Team. The Corporate Director along with all other first and second tier posts will share identical responsibilities in their job descriptions in regard to overarching responsibilities for being focused on; our customers, working with partners, leading services, leading people, performance, finance and risk. In addition they will also have the specialist responsibilities in line with their Directorate's functions.
31. The Corporate Director is the overall managerial head of the Directorate and as such has a key responsibility for ensuring its smooth running. The post has to have a strong relationship with the business partners who will support the operation of that Directorate. The Corporate Director is also a strategic policy client initiating the development of major policy via the Director of Business Strategy and the resources in that division and in close liaison with their Cabinet portfolio holder. The design of the business strategy division is to ensure a holistic approach can be taken to policy and strategy development in the Council and that the staff working there are able to cross fertilise ideas and develop their thinking in the broadest context of the direction of the Council as a whole.
32. Corporate Directors will still as happens currently take the lead on a number of cross cutting issues and themes that are critical for the smooth running of the organisation. Health and Safety and Equalities are two very obvious areas of work that both require the most senior posts in the authority to champion.
33. Those Directors and Corporate Directors who have responsibility for the business partner relationships for their particular functions with other Directorates are also designated Heads of Profession". This covers finance, human resources, property, IT, communications, consultation and engagement The Director of Governance and Assurance is also the Head of Profession for legal services.
34. The Chief Officer Group has been redesigned over these last three months into a Corporate Management team (CMT) and its new way of working is in line with the design principles. It will be a key element in ensuring effective corporate working and that new silos don't replace the old.
35. CMT's role is primarily in two areas. One is giving advice to Members. In large-scale multi-functional local government there are, inevitably, competing claims for resources, assets, facilities, services and political attention. In this context one key feature of corporate management is the requirement to advise Members on how best to balance differing interests and how best to weigh competing claims. Members may require a plurality of views but these must first be considered through a corporate lens – policy, service and managerial issues need to be considered in the round and not simply through the prism of one singular service domain. This if not counteracted can be a major driver of silo behaviour.
36. The other is managerial leadership. The Council's services, functions and activities are all directed to improve outcomes for the people of Kent. The

Council's top team are collectively responsible for the coherence of management direction and controls – operationally, strategically and corporately. The team is responsible for overall results, the stewardship of resources, the Council's corporate reputation and its effective risk management (results, resources, reputation and risks).

37. The Chief Officer Group whilst it has clearly undertaken a number of the above roles in the past has not operated as explicitly as the new terms of reference of the Corporate Management Team describe. This new Corporate Management Team role is critical for the smooth operation of the new operating framework of the authority.
38. In the face of all our challenges the Corporate Management Team must absolutely share one responsibility that of explicitly challenging all our areas of service and practice to ensure we are truly delivering the best we can. This is not just a question of ensuring that the things we are doing are being done in the right way. But also in the light of the significant financial, and policy changes both nationally and of our own volition that we are now doing the right things.

Delivering the new vision of the authority – delivering the design principles

39. It may seem odd in a report to Members that is primarily about draft structure proposals to say that the future operating framework cannot just be about a structure. Throughout the consultation and in the manager's meetings, we have discussed a way of looking at the organisation through a number of areas, one of which is the structure. We have also discussed the style of the Council – how it works, the systems we use, our shared values, the skills, our staff need, etc. Staff strongly responded to this and have endorsed that we need to develop other aspects of the way we work and organise ourselves and not solely focus on the structural arrangements of services and reporting lines as important as they are.
40. The earlier report that was circulated to Cabinet refers to the development of a new set of shared values and workplace behaviours that will be designed by staff for staff. This too has been welcomed in the feedback as a means of engaging the Council and making the design principles really come to life in our day to day interactions.
41. The Council will shortly be consulting on its draft medium term plan "Bold Steps for Kent". The outline of this was captured in the first design principle which shared with staff the three proposed ambitions for Kent; to grow the economy, tackle disadvantage and put citizens in control. The way we will work to deliver that, will be through operating as one Council and very much focused on the localities of Kent with our partners. The role of KCC in speaking out for the whole of Kent and its needs is also captured in this principle and the need for us to stand up for our county and ensure our needs and demands are clearly understood.
42. The structure proposals have been developed in line with the thinking in "Bold Steps for Kent" and will strongly support the new ambitions and provide capacity to implement the direction of travel for public services in KCC and the whole of Kent that is outlined in there.

43. Draft proposals for consultation on the future structure of Kent County Council

44. It is proposed to create five Directorates – Business Strategy and Support, Customer and Communities, Enterprise, Families, Health and Social Care and Education, Learning and Skills. These Directorates aim to deliver the design principles that have been consulted upon with staff. (see Appendix 2)
45. They are also intended to reflect the three draft Council and county wide ambitions contained within the draft medium term plan “Bold Steps for Kent”. These are 1. Growing the Economy – Enterprise Directorate, 2. Tackling Disadvantage – Education, Learning and Skills Directorate and Families, Health and Social Care Directorate and 3. Putting the Citizen in Control – Customer and Communities Directorate. The Business Strategy and Support Directorate contains the policy development and intelligence function for the whole Council and contributes overall to the whole plan. These descriptions are not intended to suggest that the other Directorates would not contribute to any of the other ambitions but to show a correlation between their focus and the Council’s ambitions for the future.
46. One of the design principles was to enable the Council to work as a more integrated organisation rather than as a series of federated services. This is an essential shift if we are going to be able to focus completely on the delivery of “Bold Steps for Kent” and those three overarching ambitions. It is also an essential shift if we are to be able to channel our delivery into a series of locality delivery boards and the integrated frontline of the authority to meet the pattern of service delivery that local people require at the price we can afford.

Education, Learning and Skills Directorate

47. Overall the Directorate will focus upon ensuring strategic leadership and the County Council’s championship of high quality learning opportunities from early years through to 19+. It will make sure that there is genuine choice and diversity in provision to meet the needs and aspirations of all children, young people, and parents, with information advice and guidance so they can make the appropriate choices. It will coordinate and facilitate collaborative working amongst schools, keeping Kent at the leading edge of educational practice. It will also ensure the coordination of admissions, home to school transport, special needs education and link closely with the children’s services team to ensure every child is attending and flourishing in school. Finally it will be keeping a very close eye on standards and achievement, making sure support and intervention is there when required.
48. Capacity has been created within the proposed Directorate to develop with our community of Schools, Head teachers and Governors, a number of new vehicles to provide them with continuing professional development, school improvement, curriculum development and a really strong range of school support services which many of them access currently. It is envisaged that this type of new vehicle will enable us to support both the thinking of the new Department of Education in the greater independence they wish to see schools having and also to continue to support the large number of Kent schools who currently value a very close working relationship with us. This model as a “best of both worlds” approach has been broadly welcomed in recent meetings with head teachers.

49. The proposed Directorate also signals a move to recognise the new policy thinking within the Department of Education on the “every child matters” policy framework of integrated children’s services. There have been significant advantages gained from this policy framework. There have however been some losses mostly in the relationship with adult social services in terms of being able to conduct a real integrated assessment and develop properly integrated continuous care pathways for clients. The proposed structure tries to rebalance our service delivery models so that we are able to regain these elements and also retain the excellent work that has been done to date in this county on the integration of children’s services.
50. The current Children, Families and Education Directorate has re-organised itself to ensure in the twelve district areas of our county, there are integrated children’s services for school support, children’s social care services and preventative services such as children’s centres. These operate with a series of twelve locality boards and an over arching Kent Children’s Trust Board. This is a valuable forerunner of the thinking that is being proposed within the draft medium term plan “Bold Steps for Kent” and the 12 locality district boards and it will be essential to learn from its experiences in the development of the model being proposed for the whole Council.
51. The proposal in this draft structure is to support and maintain those links in the localities of integrated children’s services but to designate the line management “home” of targeted Children’s services as the proposed Families, Health and Social Care Directorate. Throughout the proposed consultation period there will be a number of bills and white papers published by the Government. Amongst them is expected to be an Education White Paper. This will give us further guidance on what the residual statutory duties of the local authority are likely to be in regard to education and may also discuss what the future statutory role of the Director of Children’s Services could be. The consultation period should allow enough time to take into account any proposed changes and give us the flexibility to respond.
52. Bearing in mind the current statutory requirements, it is proposed that a protocol be produced to ensure that the accountability of the Director of Children’s Services is properly maintained and not fettered by a different reporting line arrangement. The reporting links to the statutory role of the Lead Member must also be maintained pending any national review. The current statutory guidance on the role of the DCS does not insist that there has to be a direct reporting relationship of these posts.

Families, Health and Social Care Directorate

53. This Directorate will focus on the continued delivery of high quality adult social care services; develop a new model of integrated delivery of social care with our health partners and others, develop the new role of Public Health and work to ensure the Council is able to support the GP practices in the county facing their new agenda as commissioners. The Directorate will maintain the high standards of care practice for children and continue to champion safeguarding for adults and children throughout all the Council’s services. It will also seek to deliver new models of more integrated assessment and care pathways with the addition of the children’s services division and commissioning, assurance and delivery of services for other vulnerable groups.

54. The draft structure proposals for this Directorate show this as the new home of the Director of Children's Services and the line management arrangements and the locality connections to integrated children's services as described above. It must be emphasised that the dotted line is to represent a real living relationship of the services across these two Directorates.
55. This Directorate is also home to the significant range of adult social care services that are provided by the Council, both their commissioning and provision. The future of direct delivery and possible integration with health services or with other models of delivery are very current. The role of Transition Director in this Directorate is to enable the future model of service delivery to be developed for Members and also to ensure the new relationship with the GP's and their responsibilities under the Health White Paper can be properly developed.
56. Safeguarding is a critical issue for all services in the Council but most notably for adult and children's social care services. Whilst the personal responsibility and activities within the different social care teams – adults and children's, will continue unaffected, there is potential to draw together the support services to the safeguarding boards, training and promotion and the commissioning of and oversight of any investigative work that may need to happen. Whilst adults and children's safeguarding practice have a different legal basis, there are many similarities within the culture, approach and core workload of these different teams to promote and ensure safeguarding is a live issue for all our staff. The function would also be expected to look across the Council and raise the profile of safeguarding for everyone.
57. In this Directorate there is also the role of the joint post of the Director of Public Health. The post holder at present is shared between the two primary care trusts in Kent – Eastern and Coastal Kent and West Kent and ourselves. We share a third of the costs of the post each. The national changes proposed by the Department of Health are as wide ranging as the national policy changes to education. It is certainly one of the most significant policy proposals of this Government. Health is being redesigned to move the majority of commissioning decisions into GP practices, new roles for local authorities are being developed and new roles at a national commissioning body level are also being developed.
58. Kent County Council has a proud history of involvement with health and pioneered the development of Health Watch which has been mirrored by the Government in their new policy framework. We will need to see the Public Health White Paper when it is published and the further detail that will emerge from the Department of Health over the next few months as to how this role will develop. There are very likely to be many changes in this area that we will need to discuss with Members as and when the picture becomes clear.
59. Within this Directorate there is also a new division headed by a Director of Supporting People. This division is intended to house significant commissioning activity to vulnerable groups, via the supporting people commissioning body we have, for children's health and for children's social care. There is also the critical role closely related to commissioning as a function, that of quality assuring the delivery of social care. The safeguarding new function has been referred to above and will be placed here. Youth Offending and KDAAT whilst needing to retain their existing links to the

community safety function will focus on delivering particular support to the vulnerable people in need of those particular services.

Enterprise Directorate

60. Overall this Directorate focuses upon three key areas, the delivery of the regeneration of our county, the planning and environment issues that are associated with that and the delivery of major contracts that affect every single resident in Kent.
61. Growing the Economy is one of the three proposed Council and county wide ambitions in the new draft medium term plan “Bold Steps for Kent”. The County Council has made a bid with Essex to create a Local Enterprise Partnership to really drive the growth of the two very significant economies in the south east. The Government has announced the £1bn Growth Fund that we will seek to access for significant work in the LEP. We will continue to invest monies ourselves as a Council in growth activity. We have also made a very strong bid to HM Treasury as part of a place based budgeting bid for the nationally controlled funding stream that is spent within our county.
62. This bid if successful will enable us to decide how that money is most effectively spent. The delivery of this integrated funding stream will be from this Directorate. The regeneration policy development will be led from the Business Strategy and Support Directorate as part of the overall integrated policy unit and will commission this work in the Enterprise Directorate in consultation with the Cabinet Member and Corporate Director for Enterprise. This integrated approach to policy development supports the concept of the “one Council” that ensures that any major initiative is thought through in the context of the whole Council and not just a part.
63. Our highways and waste disposal services are essential in maintaining the quality of life in our county and the smooth passage of all our residents in their daily lives. These are mostly “invisible” services in that their actual provision by the County Council is often invisible to the residents that use them day to day but they are critical and fundamental services to all of us. They become instantly visible and a very high priority if things are not working smoothly. The focus of these two divisions – Highways and Waste will be to ensure just that and that we take forward the very exciting waste agenda that we have embarked upon with our District and Borough colleagues.
64. The Directorate also houses the development control and environment activity of the Council, our keen focus on the rural parts of our county and of course our coastline. The quality of the environment of Kent is very precious to this Council and the very many people visiting and living in the county and this will be a key role for this Directorate to be able to continue to develop partnerships and invest in these services at a time of real financial pressure for the authority.
65. The Directorate will also newly house the re-purposed commercial services operation we have but it will be housed with other services where we believe there could be a significant advantage if those services could be developed in a different way.
66. This should not be presumed to be on the same business model as our current very successful commercial services division that has operated to

date. The Coalition Government is encouraging the public sector to develop a wide range of new and alternative vehicles for public service delivery – social enterprises, employee buy outs, mutuals, joint ventures etc, which will all contribute strongly to local economic growth and enterprise. This division will help the Council to explore these models. As the Prime Minister said on 6th October

“The countries that succeed will be those that find new ways of doing things, new ways of harnessing the common good, better alternatives to the old-fashioned state. I am saying to the people who work in our public services - set up as a co-operative, be your own boss, do things your way. I am saying to business, faith groups, charities, social enterprises – come in and provide a great service.”

67. This division will also house the project resources for the major regeneration activity that may continue to be invested in by us and our partners. As explained above it will also provide the engine room for any implementation of combined expenditure if we are successful in our Place Based Budgeting proposal on regeneration monies spent in Kent. We will learn more about that after the 20th October and the spending review announcement.

Customer and Communities Directorate

68. The purpose of this Directorate can be summed up very simply as owning the “front line” for the whole Council. It could be thought of as a “Directorate of the front line” – and by that we mean both the physical buildings, the call centre and web access. The Council has made a significant investment over recent years in the Gateways – jointly run with our partners. This has been nationally recognised as excellent practice. This Directorate will have a clear focus on developing the Gateway model across all our public access buildings and re-engineering services to take full advantage of delivering an integrated front line to the public and delivering savings from that.

69. The Directorate will also be home to a range of services that share a similar characteristic in that the public choose to use them – i.e. “they come to us”. In addition to the Gateways, there are the registrar service, libraries and our parks. It will also house key strategic services for the Council from community safety and public protection to adult learning, skills and youth services. These services have a particular significance in relation to the Kent economy.

70. This will require a significant change programme to re-engineer services so that the reality of the frontline service can really fulfil the vision of the Gateway model. There are also a number of new approaches to service delivery that will need development. The draft medium term plan “Bold Steps for Kent” contains a proposal to create locality delivery boards. The intention is to pilot a number of these next April. A resource will need to be created to develop these pilots. We have also made two further place based budgeting bids one building on the leading edge work on the Margate Task Force and another building on earlier work around offender management that paved the way for many of the Total Place pilots that then took place nationally. If these bids are successful then the activity will be driven from here. This division is also home to KCC’s commitment to create the Big Society. “Bold Steps for Kent” raises a number of ideas such as a Big Society Bank, working more closely with volunteers etc, and all this work will be developed from here.

71. The Directorate will also be home to the new integrated division of Communications, Consultation and Community Engagement. This is a key design principle that has been warmly welcomed. Concerns have been raised about needing to ensure flexibility in communicating to different groups and this is acknowledged in the design principle itself. This division will also co-ordinate all external consultation activity and will also connect the engagement activity that takes place with all areas of Kent but at present is not internally as connected as it could be. We are losing the opportunity to add a whole Council value to this engagement. Further work will be needed to establish what connections with the teams currently involved in community engagement should look like and how embedded in Directorates or drawn together in this division the service should be.

Business Strategy & Support Directorate

72. The provision of a sound, efficient corporate support and strategy function is an essential component in enabling the effective operation of KCC as a public service provider delivering a range of services to the community. Therefore whilst the role of this area of business is self-evident – *how* it is set up and the business model it follows invariably depends on the wider political, financial and policy pressures the organisation must respond to.

73. In responding to the increasingly clear direction set by the Coalition Government for the future of public services it is clear that a number of key principles are critical success factors

- Efficiency
- Effectiveness
- Customer Experience
- Intelligent commissioning
- Engagement

74. Priorities will now have to be set across and between different services – rather than simply within them - in order to deliver the size of the financial savings required by the Treasury. The challenge will not be to become more efficient at doing what is currently being done, but to focus resources on doing the right things. This will require the political and managerial leadership of the authority to continually evaluate what services to provide, how they should be delivered,

75. The role of BSS therefore must be to structure itself and its business model around meeting the changed needs of the organisation – it must therefore:

- Continue to provide transactional support services, but seek to provide these at ever-lower cost to the organisation.
- Support the political and managerial leadership in its strategic decision making role in regard to the prioritisation and value of services.

76. These core activities are the driving force behind structural changes that provide support for:

- A clear separation of the activities that are about ‘deciding’ what should be provided from those responsible for providing services
- An overall reduction in layers of management
- Professional and technical support services and resources to be delivered from a single point and not replicated in individual services

- Priorities to be set in relation to the identified needs based on independent, sound, accurate, reliable data.
77. Therefore central to ensuring KCC is fit for the future is the need for a strong corporate function to offer clear intelligence and effective controls for the organisation in support of its strategic decision-making role, whilst professional, technical and other support services are grouped together to provide consistency, economies of scale and remove unnecessary duplication.
78. Within this Directorate is a new business strategy division. The division would undertake high-quality policy analysis, to provide in-depth professional advice in support of Cabinet and CMT in their strategic decision-making role. The division would act as an integral driving force behind the decisions of Cabinet/CMT, with the functions to ensure they have the capacity to provide the full range of analysis and advice required.
79. This will be a mix of generalist and service specialists networked into the service delivery, partnerships and national and local government policy framework that are able to provide sound evidence based advice and judgement on service policy questions and opportunities in support of Cabinet and CMT. This policy function handles both strategic and specialist policy activities to support the business of the Council, including strategic and spatial planning, regeneration, social and education policy. In addition this function would allow Directorates to access high quality, professional policy advice and support, from specialists with service specific-knowledge. It would also provide the capacity for specific one-off pieces of work on behalf of Cabinet/CMT, as and when the need arises.
80. Partnerships work would be directed by, and inform, organisational strategy in a way that is targeted towards specific objectives. Delivering through and with partners will be a core requirement over the medium to long term and the management and support of partnership arrangements to drive this agenda forward needs to be mainstreamed into the strategic decision making process of the authority.
81. The Business Intelligence Unit would focus on providing the information and research capability that drives meaningful and effective prioritisation and decision making. The logic behind this is both the fundamental role they play in effective, evidence-based strategy & prioritisation, and the critical mass of core skills sets required for these functions.
- Horizon scanning
 - Knowledge management
 - Needs/ demands analysis function
82. Monitoring and management of KCC's progress against strategic objectives as set by Cabinet/CMT. Working closely with the business review and audit functions, Performance Management will provide the strategic decision-makers of the organisation and external regulators with robust, timely information about how well services are performing, identified reasons for performance variance and options and solutions open to resolve against poor performance. The information gathered by the function will also feed into the analysis and prioritise phases of strategic decision-making, by allowing Cabinet/CMT to gain a holistic understanding of what is working well and what isn't.

83. The corporate and business support to all the Directorates of the authority will be conducted through this Directorate. This includes the key support functions that underpin the business of the whole authority (Finance, Information Technology, Law, HR and Property) as well as governance and democratic support. The overriding objective should be for all our support functions to be provided at the lowest possible cost whilst meeting appropriate business need. Economies of scale require and a 'one Council' approach necessitates the continued provision of support services in Directorates no longer can be afforded. Effective market understanding and sound commissioning / procurement skills should ensure an ability of corporate support services to cater for even the most service specific of Directorate requirements.
84. In order to make the model work all corporate support functions should be grouped together. However, a strategic interface does not necessarily mean that support functions would be delivered to a one-size-fits-all business model. Different support services to different services must recognise their different market conditions and complexities which mean there may be different business solutions as to the most cost effective way to provide these services to the organisation. For any support service there are a number of business models that will be explored by service managers to ensure provision in the most effective way. These will be explored throughout this consultation period.
85. As mentioned earlier in the report there are two Corporate Directors also housed within this Directorate. They are first tier officers who are Members of the Corporate Management Team providing strategic advice and guidance to the operation of the whole authority. They also deliver significant operational activity that supports the smooth running of the whole Council. Therefore on the basis of the design principle they need to be based here. The two statutory posts that reside in this Directorate (Monitoring Officer and Chief Financial Officer) have at all times a clear and direct relationship with the Managing Director even though there is no direct reporting relationship.
86. The post of Director of Governance and Assurance has been created so to reflect the increased need of the authority to build upon its current governance environment and to ensure in the light of the very significant changes both policy wise and financially that we are facing, the Council is spending its money wisely and taking its decision well. It is also intended over time to explore how we could develop our currently very successful legal services into a company
87. Property continues as a division in this structure but will change to become the corporate landlord and home of all the Council's capital development activity.
88. The HR Division will also draw together all the learning and development activity currently undertaken within Directorates to achieve greater economies of scale and coherence within the development programmes of the Council's staff. Some of this training is also directed at the Council's partners and wider related workforces. This will of course be maintained through this new function.

Conclusion

89. Cabinet have before them a draft proposed structure for consultation and new ways of working within the Council. There are also actions contained within the previous report that will enable us to ensure that we can shape the whole of the Council's operating environment and not just the "reporting lines".
90. There have been three weeks of consultation with staff and eight meetings with 219 managers to assess whether in the face of all that we see in the future – policy changes both here and nationally and financial changes to name a few – we are still fit for purpose in our current arrangements.
91. The Managing Directors and Executive Directors and Director of Finance and HR have had a number of 1:1 meetings with the Group Managing Director about these ideas and have had two meetings as sub groups of CMT (due to annual leave) on 1st September and the 8th September and one CMT discussion on the final draft this week – 5th October. It is a very difficult balancing act being both consultee and affected by a developing process and being able to fully discuss matters in a personally disinterested way. I do acknowledge that some members of CMT would have liked more involvement. However I believe the way it has been structured has enabled them to properly influence my advice to Cabinet.
92. A wide range of views have been received, and overall although Members can clearly judge for themselves from the feedback that they have it is my view there is a broad level of support for change and a recognition that we cannot stay the same.
93. Many of them say – "let's see what we could change into" and these draft structure proposals offer that alternative view. This is a genuine consultation and many of the early ideas on what the structure could look like have been altered by the feedback received so far.
94. A risk register is attached as Appendix 3 for Cabinet's assessment in their consideration of their decision to proceed with this consultation. It is important that this is fully considered in the decision process.
95. There are two particular types of risk that Cabinet must consider. There are the type 1 risks that are very clearly laid out in the register and the mitigating actions that are in place or are proposed. There are also the type two risks that if we do not take this decision now – what are the consequences of not acting in the light of all the challenges we face. If this is as successful as it is believed and will position the Council to be able to deal with its challenges in a stronger and more effective way than if we stay as we are – what additional benefits and opportunities do we risk for the people of Kent and our staff.
96. A community impact assessment is also contained as Appendix 4 assessing the implications and impact of this decision to formally consult on a new structure.
97. In the previous report to Cabinet already circulated paragraph 7. ii) indicates that this restructure must of course contribute to the savings that the council needs to make in response to the CSR shortly to be announced. It is also recognised good practice for any organisation to be constantly assessing

whether its managerial overheads are at the right price and are organised in the most cost effective way for the current and developing circumstances for that organisation. At this stage it is not possible to accurately quantify a amount- although human resources estimate a potential saving of at least £500,000 from these proposals.

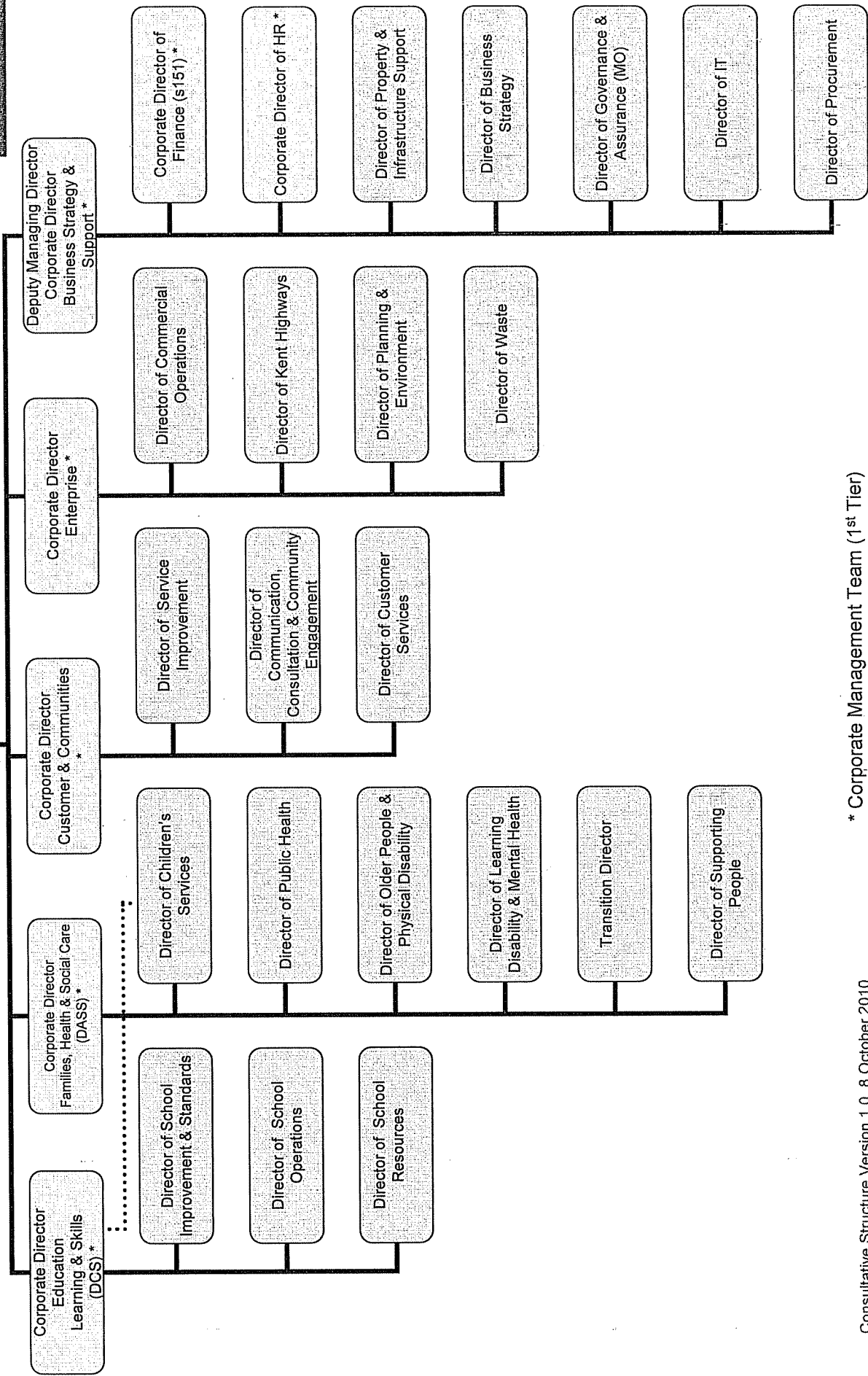
98. Whilst that is undeniably useful, what is much more important is whether or not the council's structure and its managerial resources are organised in the best way possible to deliver the quantum of savings that we know we must.

The real value in this redesign is that it provides the platform as we work through the changes for major savings to be delivered.

99. I commend these draft structure proposals to Cabinet to endorse for formal consultation until the 3rd December 2010. The outcome of that consultation process will then be brought before Full Council for its decision on the 16th December 2010.



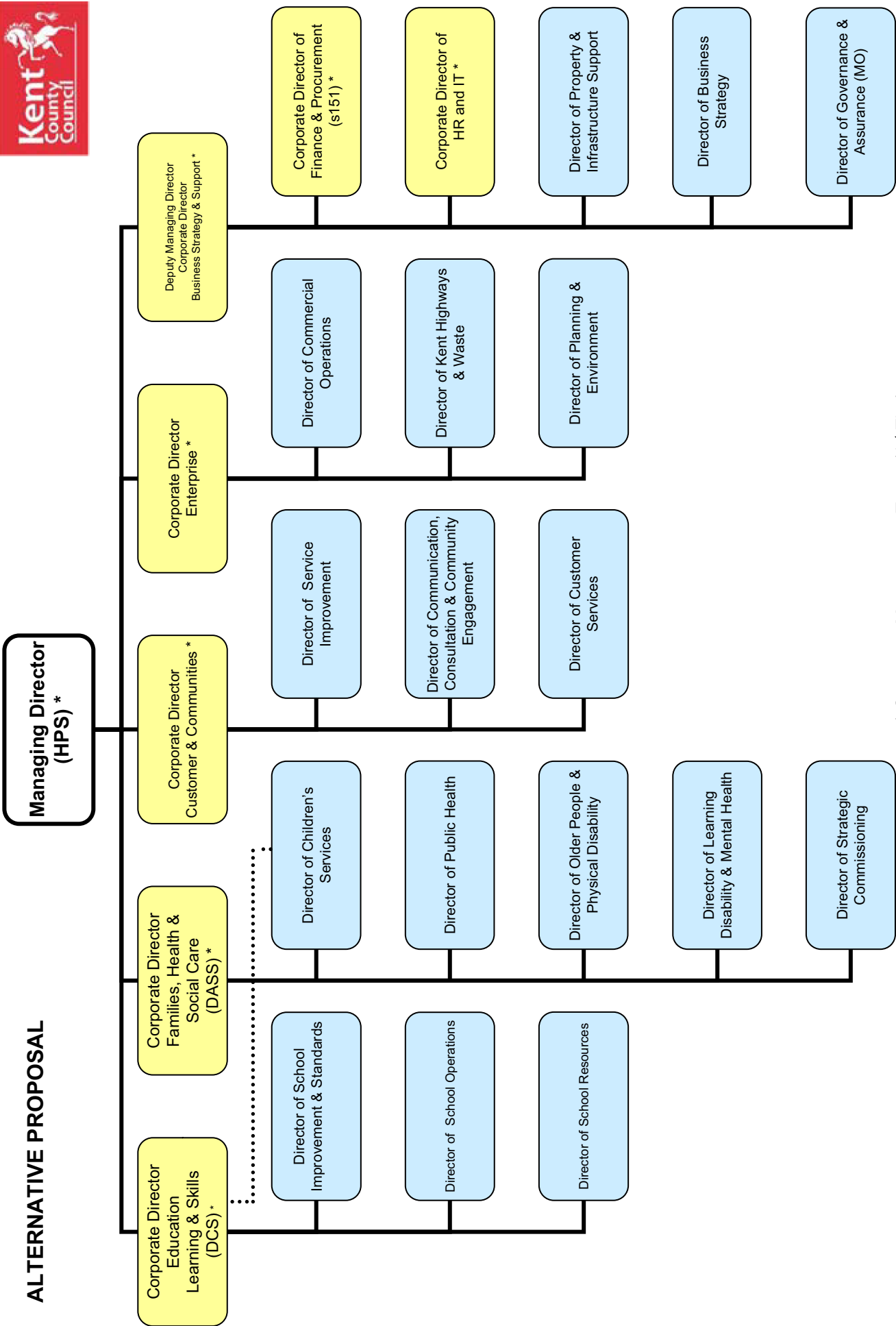
Managing Director (HPS) *



* Corporate Management Team (1st Tier)



ALTERNATIVE PROPOSAL



* Corporate Management Team (1st Tier)

CORPORATE DIRECTOR
Education, Learning & Skills
(DCS)

Director of School Improvement & Standards	Director of School Operations	Director of School Resources	Dotted line relationship to Director of Children's Services
<p>Early years and Childcare Standards and School Improvement</p> <ul style="list-style-type: none"> * Primary School Improvement * Secondary school improvement * Special school improvement <p>Standards and School Improvement 14-19 Entitlement Careers guidance Connexions</p>	<p>Association of Schools Governor Services Information and support for parents Financial Awards Admissions & Transport commissioning Attendance and Behaviour Assessment of Learners with Additional Needs Planning & Provision Children and YP disability (including SEN, health assessment and transition planning) Educational Psychology Specialist services</p>	<p>Education finance, Schools personnel service Development of a schools company/vehicle to include: Property Personnel Traded services Continuous professional development School improvement service</p>	<p>This means that connections are maintained to the team around the child and the team around the school Links with the 12 district teams, locality boards and the Children's Trust</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Education, Learning & Skills
(DCS)

Director of School Improvement & Standards	Director of School Operations	Director of School Resources	Dotted line relationship to Director of Children's Services
<p>Early years and Childcare</p> <p>Standards and School Improvement</p> <ul style="list-style-type: none"> ▪ Primary School Improvement ▪ Secondary school improvement ▪ Special school improvement <p>14-19 Entitlement</p> <p>Careers guidance</p> <p>Connexions</p>	<p>Association of Schools</p> <p>Governor Services</p> <p>Information and support for parents</p> <p>Financial Awards</p> <p>Admissions & Transport</p> <p>Commissioning</p> <p>Attendance and Behaviour</p> <p>Assessment of Learners with Additional Needs</p> <p>Planning & Provision</p> <p>Children and YP disability (including SEN, health assessment and transition planning)</p> <p>Specialist services</p> <p>Educational Psychology</p>	<p>Education finance, Schools personnel service</p> <p>Development of a schools company/vehicle to include:</p> <ul style="list-style-type: none"> ▪ Property ▪ Personnel ▪ Traded services ▪ Continuous professional development ▪ School improvement service 	<p>This means that connections are maintained to the team around the child and the team around the school</p> <p>Links with the 12 district teams, locality boards and the Children's Trust</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Families, Health & Social Care
(DASS)

Director of Supporting People	Director of Children's Services (dotted line to DCS)	Director of Older People & Physical Disability	Director of Learning Disability & Mental Health	Transition Director	Director of Public Health
<p>Youth Offending service (dotted line to youth service & link to attendance & behaviour service) Child Health Commissioning of Specialist care Quality assurance of health and social care Safeguarding Adults and Children Supporting People KDAAT</p>	<p>Children's Services West Kent (Initial duty and assessment, child protection and long term care, prevention including children's centres) Children's Services East Kent (ditto) Children's Services Mid Kent (ditto) Corporate Parenting (includes, including adoption and fostering, Unaccompanied Asylum Seeking Children and care leavers) Links with the 12 district teams, locality boards and the Children's Trust (joint commissioning with partners to support vulnerable young people)</p>	<p>HoS Ashford /Shepway HoS Dover /Thanet HoS Canterbury /Swale HoS Maidstone / Malling HoS South West Kent HoS Dartford, Gravesham & Swanley Head of Strategic Commissioning OP / PD Contracts & Procurement Planning & Market Shaping</p>	<p>HoS LD – WK HoS LD – EK Head of Strategic Commissioning LD&MH Contracts & Procurement Planning & Market Shaping MH Partnership arrangement with KPMT VPN Manager</p>	<p>Community Health Trust development team (commissioning & back office) Development team to create social enterprises Relationship to Director of Service Improvement</p>	<p>Public Health Intelligence Commissioning of provision Health promotion Case management of Healthwatch</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Families, Health & Social Care
(DASS)

Director of Strategic Commissioning	Director of Children's Services (dotted line to DCS)	Director of Older People & Physical Disability	Director of Learning Disability & Mental Health	Director of Public Health
<p>Children's Health Commissioning</p> <p>Children's social care Commissioning</p> <p>Supporting People</p> <p>Strategic Commissioning OP / PD & LD & MH</p> <p>Contracts & Procurement</p> <p>Planning & Market Shaping</p> <p>Quality assurance of health and social care</p> <p>Safeguarding Adults and Children</p>	<p>Children's Services West Kent (Initial duty and assessment, child protection and long term care, prevention including children's centres)</p> <p>Children's Services East Kent (ditto)</p> <p>Children's Services Mid Kent (ditto)</p> <p>Corporate Parenting (includes, including adoption and fostering, Unaccompanied Asylum Seeking Children and care leavers)</p> <p>Links with the 12 district teams, locality boards and the Children's Trust (joint commissioning with partners to support vulnerable young people)</p>	<p>HoS Ashford /Shepway</p> <p>HoS Dover /Thanet</p> <p>HoS Canterbury /Swale</p> <p>HoS Maidstone / Malling</p> <p>HoS South West Kent</p> <p>HoS Dartford, Gravesham & Swanley</p>	<p>HoS LD – WK</p> <p>HoS LD – EK</p> <p>VPN Manager</p> <p>Transition support to Directorate to create for e.g. Community Health Trust</p> <p>Development team (commissioning & back office)</p> <p>Development team to create social enterprises</p> <p>Relationship to Director of Service Improvement</p>	<p>Public Health Intelligence</p> <p>Commissioning of provision</p> <p>Health promotion</p> <p>Case management of Health watch</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Customer and Communities

Director of Service Improvement Need close links to Director of Business support	Director of Customer Services	Director of Communication, Consultation and Community Engagement
<p>Re-engineering resource Change resource Developing Models for externalising service delivery, e.g outsourcing/mutuals/social enterprises Locality Delivery Team Place based budgeting delivery of offender management proposals Margate Task force Place based budgeting delivery of Margate task force proposals Supporting independence Welfare reform Kent supported employment Building social capital (SILK) Big Society Volunteering</p>	<p>Gateway Delivery Contact Centre Business web development Health watch Libraries & Archives Registrars Arts & Kent Film Office Sport, Leisure & Olympics Extended Schools Youth Service Community learning & Skills Adult Learning Adult Apprenticeships Countryside Access - PROW Country Parks & Kent Downs AONB Emergency Planning Community Safety Trading Standards</p>	<p>Engagement / public involvement Community Liaison Business partners- Directorate communications Internal Communication Employee Engagement Media and Operations Events Digital & Moving Images</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR Customer and Communities		
Director of Service Improvement Need close links to Director of Business support	Director of Customer Services	Director of Communication, Consultation and Community Engagement
Re-engineering resource Change resource Developing new models for externalising service delivery, e.g. outsourcing/ mutuals / social enterprises Locality Delivery Team Place based budgeting delivery of offender management proposals Margate Task force Place based budgeting delivery of Margate task force proposals Supporting independence Welfare reform Kent supported employment Building social capital (SILK) Big Society Volunteering	Gateway Delivery Contact Centre Business web development Health watch Libraries & Archives Registrars Arts & Kent Film Office Sport, Leisure & Olympics Countryside Access – PROW Country Parks & Kent Downs AONB Extended Schools Youth Service Community learning & Skills Adult Learning Adult Apprenticeships Community Safety Trading Standards Youth Offending service KDAAT	Engagement / public involvement Community Liaison Business partners- Directorate communications Internal Communication Employee Engagement Media and Operations Digital & Moving Images Events

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Enterprise

Director of Waste Management	Director of Kent Highways	Director of Commercial Operations	Director of Planning & Environment
Waste Management	Community Operations Network Management Transport & Development Technical Services Countrywide Improvements	Kent Scientific Services Visit Kent Locate in Kent Produced in Kent Tourism Project management capacity Commercial Services Delivery of regeneration projects and any place based budgeting proposals on regeneration	Development Planning (MWF & LDF's) Planning Applications Environmental Programmes & Partnerships (rural agenda & climate change) Natural Environment & Coast Gypsy & Traveller Unit Heritage Conservation

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

**CORPORATE DIRECTOR
Enterprise**

Director of Kent Highways and Waste	Director of Commercial Operations	Director of Planning & Environment
<p>Community Operations</p> <p>Network Management</p> <p>Transport & Development</p> <p>Technical Services</p> <p>Countywide Improvements</p> <p>Waste Management</p>	<p>Commercial Services</p> <p>Kent Scientific Services</p> <p>Visit Kent</p> <p>Locate in Kent</p> <p>Produced in Kent</p> <p>Tourism</p> <p>Project management capacity</p> <p>Delivery of regeneration projects and any place based budgeting proposals on regeneration</p>	<p>Development Planning (MWF & LDF's)</p> <p>Planning Applications</p> <p>Environmental Programmes & Partnerships (rural agenda & climate change)</p> <p>Natural Environment & Coast</p> <p>Gypsy & Traveller Unit</p> <p>Heritage Conservation</p> <p>Emergency Planning</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Business Strategy & Support
And Deputy Managing Director

Corporate Director of Finance (Chief Financial Officer - S151)	Director of Business Strategy	Director of Governance and Assurance (Monitoring Officer)	Director of Property and Infrastructure Support	Corporate Director of HR	Director of IT	Director of Procurement
<p>Audit & Risk</p> <p>N.B. direct access to Mo & Hops whenever required.</p> <p>Financial Services</p> <p>Business partners</p> <p>- Directorate</p> <p>Finance</p> <p>Financial Management</p> <p>Strategic Finance</p>	<p>Corporate policy</p> <p>Europe / International</p> <p>Public affairs</p> <p>Public health</p> <p>Economic development</p> <p>Regeneration strategy</p> <p>Strategic planning – spatial & transport.</p> <p>Strategic assets</p> <p>Social policy</p> <p>Education strategy</p> <p>Customer strategy</p> <p>Engagement strategy</p> <p>Performance Management & Monitoring</p> <p>Business</p> <p>Intelligence & service review</p> <p>Partnership support</p> <p>External Funding</p> <p>Cabinet Office</p>	<p>Information resilience and transparency</p> <p>Corporate data protection</p> <p>Democratic Services</p> <p>Legal Services (transition to external arms length trading organisation)</p> <p>Elections</p> <p>Coroners</p>	<p>Capital & infrastructure support</p> <p>Strategic Asset & Enterprise Fund</p> <p>Delivery of Total Place activity</p> <p>BSF, PFI & Academies</p> <p>Directorate PFI & development (KASS)</p> <p>Business partners</p> <p>Directorate – Property</p> <p>Office Transformation</p> <p>Estates management & property operations</p>	<p>HR Business operations (includes graduate scheme)</p> <p>HR Employment Strategy</p> <p>Organisation development (including embedded – learning and workforce development)</p> <p>Business partners</p> <p>Directorate – HR</p> <p>Business support – case work</p> <p>Directorate HR</p> <p>Health and Safety</p>	<p>ICT</p> <p>commissioning</p> <p>ICT operations</p> <p>Kent Connects</p> <p>Business partners -</p> <p>Directorate IT</p>	<p>Procurement team</p>

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

CORPORATE DIRECTOR
Business Strategy & Support
And Deputy Managing Director

Corporate Director of Finance & Procurement (Chief Financial Officer - S151)	Director of Business Strategy	Director of Governance and Assurance (Monitoring Officer)	Director of Property and Infrastructure Support	Corporate Director of Human Resources & Information Technology
Audit & Risk Financial Services Financial Management Business partners - Directorate Finance Procurement team	Corporate policy Europe / International Public affairs Public health Economic development Regeneration strategy Strategic planning – spatial & transport. Strategic assets strategy Social policy Education strategy Customer strategy Engagement strategy Performance Management & Monitoring Business Intelligence & service review Partnership support External Funding Cabinet Office	Information resilience and transparency Corporate data protection Democratic Services Legal Services (transition to external arms length trading organisation) Elections Coroners	Capital & infrastructure support Strategic Asset & Enterprise Fund Delivery of Total Place activity BSF, PFJ & Academies Directorate PFI & development (KASS) Business partners Directorate – Property Office Transformation Estates management & property operations	HR Business operations (includes graduate scheme) HR Employment Strategy Organisation development (including embedded – learning and workforce development) Business partners Directorate – HR Business support – case work Directorate HR Health and Safety ICT commissioning ICT operations Kent Connects Business partners - Directorate IT

Please note: The headings listed below the 1st and 2nd tier Director posts are intended to be indicative of the functions contained within that division and directorate.

Appendix 2

The First Bold Step

Report on the informal consultation process

Informal Consultation process

1. The leaflet 'The first bold step – proposals for consultation with staff on a new KCC' was published on KNet on Wednesday 9 September following agreement by private cabinet and the Conservative Group to this. Hard copies were sent to home addresses for all staff without access to KNet.
2. This was an informal consultation, not done to meet an obligation under employment law, and with no mandated timescale. Three weeks were allowed to the submission of responses from staff.
3. All staff were invited to respond with their views. Responses could be made electronically or in hard copy. Consultation closed on Friday 1 October at which point:
 - 4,000 copies had been distributed
 - 7878 copies were accessed or downloaded from KNet
 - 319 responses had been received: 41 in hard copy and 278 online
 - 170 staff members have requested to be involved in further activity to transform KCC.
4. Responses could be made anonymously and with the implication that staff could speak openly, freely and without recrimination. All responses have been read by Katherine Kerswell who has responded personally to every respondent who opted to include their e-mail address.
5. Comments were predominantly positive and supportive, though some questioned the value of consultation. Most welcomed the proposals for change and overwhelmingly recognised the need for change now. Many advocated a reduction in the cost and number of senior managers, or were fearful that the cost savings would fall disproportionately on front-line staff and service delivery. A large number of comments were specific to their service and directorate, often focussing on improvements to process and cost savings.
6. Comments were wide ranging. A summary of the responses is provided below from paragraph 10 onwards.

7. In addition to seeking responses by email and hard copy, feedback was sought from senior staff through meetings with Katherine Kerswell. In all, 242 senior staff were invited to, and 219 attended, 1 of 8 meetings between 9 September and 30 September at which Katherine presented and sought feedback on whether we should change the organisational framework in order to be able to respond to the very different policy and financial context facing us and our own plans under Bold Steps for Kent. Meetings were all held at Sessions House and each meeting included a question and answer session. There was a balanced mixture of all directorates at every meeting.
8. As part of each 90 minute meeting, feedback was sought from staff on:
 - 8.1. likes and dislikes – “how I feel about KCC”.
 - 8.2. their view of current KCC values in practice
 - 8.3. ‘horizon scanning’ - what risks did they see that would need to be recognised and managed as we transform the organisation.
9. Feedback was by individual rather than by groups, unprompted in that individuals could comment on any aspect of KCC, not prioritised or ranked or given a position in a range, and not moderated or challenged. The feedback provides a simple unedited snapshot of managers’ opinions of KCC and by implication of themselves. A summary of the feedback is below. It was very evident after the first two meetings that feedback from managers in each meeting was broadly the same in what it praised KCC for and what it criticised KCC for.

Summary of the responses from the Informal Consultation

10. The responses received to “The First Bold Step”, whether at meetings with managers or as written responses, are summarised below. Appropriate direct quotes are included in italics.
11. The following general themes were evident:
 - 11.1. There is appetite for change: we are realistic about the financial situation, and we accept the need to change and do it now. No one denied the financial situation or proposed delaying change.
 - 11.2. The engagement of staff in the process of change is seen as wholly positive and we want more not less communication. A very few individuals thought information was being withheld and that there were *fake consultations when decisions are pre-made*.
 - 11.3. KCC is seen as a good employer. There were a small number of negative comments, but the majority view was that we: *value staff; value staff contribution; train staff; are a fair employer; a good employer; and have good pay and pensions, we are inclusive*.

11.4. We like our colleagues. We are *fair, kind, polite, fun, have respect for each other* and are *caring*. We are *principled, honest, show courage, are dedicated, committed* and *hard-working* and we are a *loyal workforce*.

11.5. We are critical of our management style.

12. **Our strategy** was accepted. Staff showed their approval of the strategy through their endorsement of *support for vulnerable people, support for the local economy* and a *desire, if not always followed through, to put the customer first*. There were the following challenges to the strategy:

- in addition to tackling disadvantage we should continue to provide high quality services for the rest of the population
- we should not lose sight of children and young people's services as a priority
- our commitment to grow the economy should not be at the expense of the environment.

13. **Our structure** was accepted.

13.1. No one disagreed with a flat structure and no alternative types of structure were proposed. There were only three comments on structure and they proposed:

- three directorates: one for each of the three ambitions of our strategy
- KASS and Children's Services to combine
- the federated system be retained.

13.2. There was a very strong dislike of silos. Among managers 15.2% (i.e. 33) explicitly cited silos as something they disliked about the way KCC worked: *it is sometime easier to work with partners than with other parts of KCC, silo mentality between directorates, silos within directorates; deliberately duplicate to self-protect, protect budgets rather than deal with problems*. There were 2 comments that thought we worked well across directorates. In comparison there were over 50 comments to the contrary on silos, duplication and failure to share information

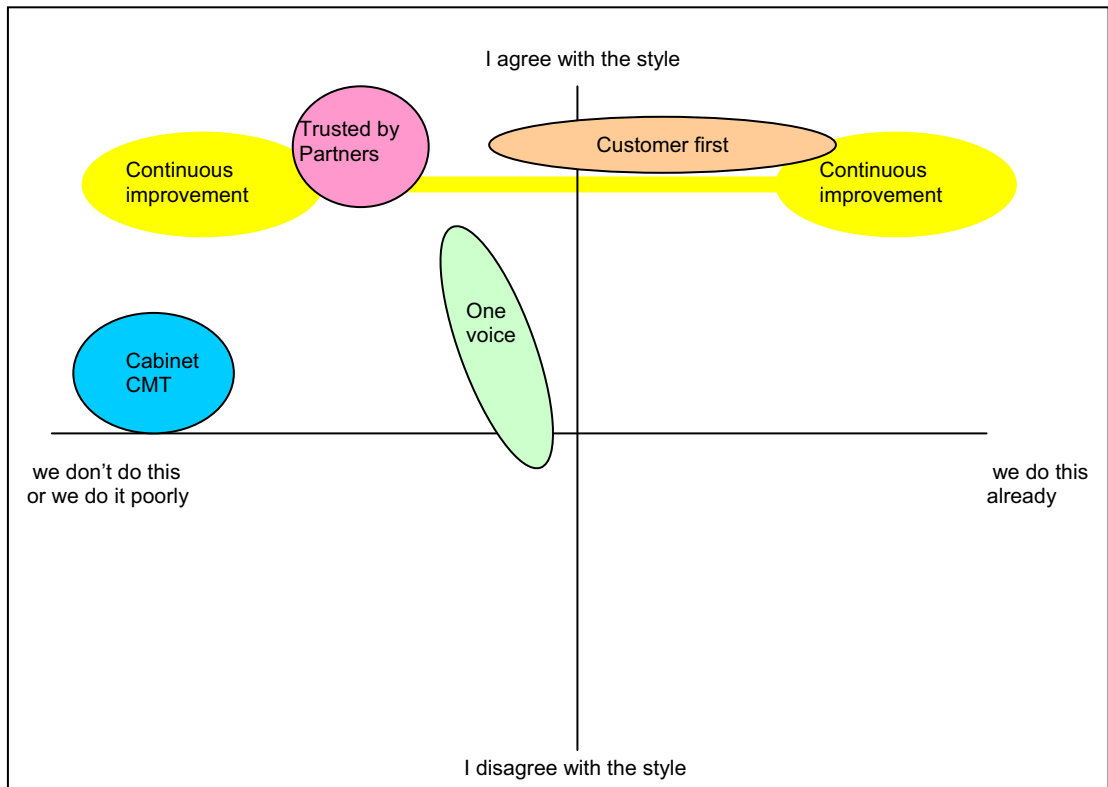
14. **Our systems**

14.1. While some thought we manage well, others were critical of the way we manage and are managed – and that criticism came from managers. We *micromanage, we overmanage; we have top heavy oppressive management; we are obsessed with protocols and process and tick boxes. We talk big about empowering*

managers but it does not happen; we have a treacle layer which can be insular and resistant. There is favouritism, ego and he/she who shouts loudest gets heard. We are not decisive.

14.2. Gateways were welcomed. There were reservations about their implementation and whether staff will be adequately trained to deal with service issues.

15. **Our shared values.** No one thought we had a set of shared values, although some were confident they had a set of shared values within their directorate. No proposals were made for shared values.
16. **Our style** drew the largest response. There was broad agreement with the styles, but considerable disagreement over the extent to which we currently exhibit those styles. Below is a diagrammatic representation of where the responses fell:



16.1. We put the customer first

- Staff accepted this without exception as a style we should have for external customers, and showed a massive commitment to public service. But staff were largely silent on how we should treat internal customers.
- Many thought that we already put the customer first, but a substantial number thought we *spoke of putting the customer first but in practice did otherwise*. Specific comments were:

we are controlling; we pretend to consult; we don't really want to know what the public thinks.

16.2. We communicate as one voice as one unified organisation

- Staff largely accepted this as a goal. They want us to speak out for Kent as a whole and communicate clearly and more often. Some comments show discomfort over 'one voice' as it *stifles debate* and is *Orwellian*. *One respondent thought we should retain separate cultures and styles.*
- We are not a unified organisation as evidenced by the comments objecting to silos and duplication throughout the organisation. Autonomy and the flexibility to make local decisions found favour with a few respondents.

16.3. Cabinet and CMT work as a joint team with clear roles

- A small number thought the *administration is clear about what it wants* and *liked the experienced leadership at MD level.*
- But the substantial majority of comments were negative. *No joint working with the senior leadership team; CMT in-fighting and 'them and us' between the centre and the directorates; too many plans and directives with mixed messages; business planning is meaningless and non-responsive; and we challenge Government on regulation but we still over-regulate and monitor internally.* It must be noted that all of these quotes came from managers.

16.4. Everyone is hungry for continuous improvement

- Staff accepted this style without exception, but have polarised views on our current performance
- Many staff said we already practiced this style: *we are innovative, creative, willing to change, forward thinking and willing to take risks and try new things.*
- A greater number disagreed. Many thought we failed to innovate, others said we are *big on rhetoric of creative and challenging thinking but the reality is we are risk averse; we are resistant to change; it has to be like that because that's how we have done is for years; governance restricts innovation; we don't deliver but strategise well; we fail to act on what we hear, we know best and fail to learn from the past; and we are sometimes dazzled by our own brilliance.*

16.5. **Our relationship with partners should be based on trust**

- Staff accepted this style without exception, but we do not practice it. A few thought *we work well with partners* but most spoke of a poor relationship: *we preach at prospective partners; we are autocratic with partners, we are dismissive of partners and districts, we think we know best and we are arrogant.*

17. **Our skills.** The general view was that we value staff training and staff appreciate that, but otherwise this style generated little comment.

J Hawkins
1.68 Sessions House
ext 8103
mobile 077 99 88 4149

(template source: Risk and Audit)

completed by: Jeff Hawkins, Transformation Programme Manager
completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Control Measure		Assessment of Mitigated Risk (with controls in place)	
		Impact	Likelihood	Impact	Likelihood	Impact	Likelihood
RA 1	the change to the framework is happening at the same time as other demands on KCC: external policy changes and financial changes; planning and delivering the new medium term plan. That places great demands on KCC management resources.	5	4	3	3	3	9
<p>This change in framework is being led by the Group Managing Director and supported by a programme manager reporting directly to her. CMT is the Programme Board, and the programme has weekly visibility at CMT. (It is the role of GMD and CMT to lead the organisation through major change and manage the inherent risks, and it essential that CMT and their direct reports are committed to the change).</p> <p>A project plan and timeline are in place, a project team established, risks are identified and mitigation steps already taken.</p> <p>Transition planning is taking place and a detailed transition plan is being developed.</p> <p>CMT will discuss and examine the different proposals and create models for new ways of working.</p> <p>Type 2: the consequence of NOT implementing the new framework at this time:</p> <ol style="list-style-type: none"> 1. It is imperative that the process of delivering a new operational framework dovetails and aligns absolutely with the preparation of the Council's medium term plan and delivery to that plan over the next four year. 2. The success of each of these relies upon the success of the others. 3. If we do not make these savings we may have to resort to managed-decline and be unable to deliver the quality of services that Kent is renowned for. 							

Managing Business Risks - Risk Assessment

(template source: Risk and Audit)

completed by: Jeff Hawkins, Transformation Programme Manager
completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Control Measure	Assessment of Mitigated Risk (with controls in place)		
		Impact	Likelihood		Impact	Likelihood	
RA 3	<p>Senior managers do not support the new framework and actively resist the changes.</p> <p>Partners and key stakeholders - headteachers, governors etc - do not support the changes.</p>	3	3	<p>Full consultation is taking place in order to engage staff in the process of change and allow them to influence the outcome.</p> <p>Elements of the new operational framework will be designed with staff and managers to create relevant new solutions and buy-in.</p> <p>Early contact, regular communication and other meetings with partners and stakeholders to explain our ideas.</p> <p>Proposals have been made for voluntary redundancy and for filling vacant posts according to standard protocols (i.e. the Council's 'slotting in', priority candidate, and redeployment processes)</p>	2	2	4
RA 4	<p>staff morale falls and impacts on service delivery</p>	3	4	<p>Full consultation and engagement has taken place and staff have welcomed the fact that we are actively pursuing change. The risk to morale is limited to senior staff who are impacted by these proposals.</p> <p>Uncertainty damages morale; moving quickly and decisively will reduce this risk.</p> <p>Communication plans are in place and for most staff and most services any proposed changes to, and consultation with, the senior management will not impact their day-to-day delivery of service.</p> <p>It is the role of senior managers to show leadership during change.</p> <p>Type 2: the consequence of not changing the framework</p> <p>1. Failure to tackle silo-working may actually have a worse effect on morale. Staff expect change and are ready for it.</p> <p>2. Maintaining the current culture may worsen staff morale as the informal dialogue so far has indicated a positive desire among staff for change</p>	3	2	6
RA 5	<p>Staff who are not successful in being 'slotted in' or redeployed to a new post as a priority candidate may leave.</p>	3	3	<p>HR is ready to appoint replacements following the standard processes of looking first for internal candidates to 'act up' as interims.</p>	2	3	6

Managing Business Risks - Risk Assessment

Appendix 3

(template source: Risk and Audit)

completed by: Jeff Hawkins, Transformation Programme Manager
completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Control Measure	Assessment of Mitigated Risk (with controls in place)		
		Impact	Likelihood		Impact	Likelihood	
RA 6	consultation is legally challenged causing delay	5	2	Mitigation has already taken place: <ul style="list-style-type: none"> - we are allowing longer than statutorily necessary - we are communicating widely and frequently - we have a robust process that is legally defensible - meetings have been held, and will continue to take place, with the Trades Unions 	4	1	4
RA 7	HR division does not have the resources to manage the HR elements of the project or produce the new HR structure in time for 1 April 2011	3	3	HR have scoped the requirement and dedicated staff to this project	3	2	6
RA 8	Finance division does not have the resources to recast the 2011/2 budgets to align with the new structure, or create the new accounting structure and controls, possibly due to being occupied by other major projects (Oracle release 12 in Nov 2010 and IFRS)	5	4	Finance are currently scoping the work. Extra resources will be provided if necessary. The workload will be eased by: <ul style="list-style-type: none"> - restructuring at directorate level: individual outward-facing services will not be restructured but will either not move or move in their entirety to a new directorate structure - all moves will take place at the end of the FY - so no need for mid-FY adjustments - finance can reassess their current workload priorities in the light of Member decisions today as this proposed new structure was outside their knowledge when the business plan for the division was set in April 2010. 	4	3	12

Type 2: the consequence of NOT implementing the new framework on 1 April 2011

The work will become more complex, and maintaining proper financial controls made more difficult if the change does not align with the year end.

Managing Business Risks - Risk Assessment

Appendix 3

(template source: Risk and Audit)

Change To Keep Succeeding
 Objective: to deliver a new organisational framework completed by: Jeff Hawkins, Transformation Programme Manager
 completed 7 October 2010

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Control Measure		Assessment of Mitigated Risk (with controls in place)		
		Impact	Likelihood	Impact	Likelihood	Impact	Likelihood	
RA 9	The change in framework weakens financial controls	5	3	15	Finance are engaged on scoping the changes necessary. The work to ensure robust financial controls in the new organisational framework will be itemised in the transition plan. The change at a single date (1 April) means we avoid the intermediate states (and their associated risk of confusion over accountability) which are inevitable if the changes are done as a sequence over time. Type 2: taken at face value this risk could be used to advocate not changing the framework at any date	3	3	9
RA10	The change to a new framework causes confusion over accountabilities and responsibilities (not just financial matters, but accountabilities and responsibilities for services in general)	4	4	16	The changeover applies only to Tier 1 and tier 2 managers. Responsibility for services and finance will need to be clarified through the transition plan and the 'D Day' handover plan A single changeover date for all affected will be planned for to reduce the opportunity for confusion among staff in general.	2	2	4
RA 11	Actions 'in flight' and responsibilities are dropped or lost during the change to a new framework (not just financial matters, but accountabilities and responsibilities for services in general)	3	3	9	We will have a scrupulous transfer of all activities including (a) a default destination for activities in each existing directorate - anything that is not itemised goes to the default destination and (b) a small close down team to make sure there are no trailing edges in any directorate that closes.	3	1	3
RA 12	Changes to IT may not be made in time	5	3	15	IT are already working with HR and finance to identify changes to systems, and examining changes to IT support systems. The next stage is to identify whether, as a result of the new structure, staff need access to additional applications (a service moving to a new directorate may need access to some of that directorate's internal systems)	3	3	9

Managing Business Risks - Risk Assessment

Appendix 3

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completed by: Jeff Hawkins, Transformation Programme Manager

completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Rating	Risk Control Measure	Assessment of Mitigated Risk (with controls in place)		Risk Rating
		Impact	Likelihood			Impact	Likelihood	
RA 13	Service delivery suffers as a result of changes to top-level structures, and performance drops	3	4	12	Individual services are not being restructured, but continue unchanged except that the reporting line to a director may change on 1 April This 'no change' message for services will be repeatedly communicated. Detailed planning will take place for every directorate to identify every exception to the 'no change' rule. The new directorates will be expected to nominate a transition manager to ensure that all the necessary steps are taken in advance to ensure smooth operation from 1 April. We aim to fill tier 1 posts in January 2011. Tier 1 appointees will be 'designate' until 1 April 2011 giving them time to prepare for a new role.	3	2	6
RA 14	Adverse media coverage. Staffs openness about the areas for improvement could be portrayed by the media in a manner that is damaging to KCC's reputation	4	3	12	By starting the savings on efficiency at the top tiers of management, the changes should be seen in a positive light. The positive support of staff for the changes is a factor that supports us - we need to maintain that support through engagement of staff. It is the sign of an excellent organisation that it is willing to examine how it currently operates and be frank and open about itself and look for ways to improve.	4	2	8

Managing Business Risks - Risk Assessment

Appendix 3

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completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Rating	Risk Control Measure		Assessment of Mitigated Risk (with controls in place)		Risk Rating
		Impact	Likelihood		Impact	Likelihood			
RA15	<p>Not able to plan for the 2011/12 budget. Within the planning for the four-year MTFP - as well as ensuring we are able to achieve overall balance and implementation of any proposals - it is clearly essential that we have proposals costed and ready to balance the 2011-12 budget. This could be disrupted by the change programme.</p> <p>Impact of these proposed changes to senior management and disturbance to existing management teams may undermine the ability of senior officers to support KCC in implementing the significant actions that are likely to be required for the MTFP and the reductions we may face of between 25% - 40% in funding</p>	5	4	20	<p>These changes to management arrangements are being widely consulted upon, have been preceded by a widely-held informal consultation, and officers are well aware that change is underway. The responses have shown a broad recognition of the need for change and awareness of the difficulties we have from our current style of working.</p> <p>The timing of this process is well ahead of the actions necessary for any implementation of the MTFP, and any changes to senior management arrangements should be in place by the end of January 2011. Any vacancies that may arise from this process will, in the first case, be filled by internal acting-up interims to ensure continuity.</p> <p>CMT as the programme board for the change programme and for the MTFP should ensure that work is not carried out in two separate but parallel workstreams but is co-ordinated.</p> <p>A separate workstream with the programme board will oversee the detailed activity necessary to compile the budget proposals for 2011-12 and ensure actions are prepared/pursued appropriately. This will be reported separately to CMT.</p>	5	2	10	
RA16	<p>There is currently a safeguarding inspection into Children's social care. It is important that the inspectors do not make any invalid assumptions about the impact upon the service of the consultation or the proposed change to</p>	5	3	15	<p>KK and RT will speak directly with inspectors to explain and allay any concerns</p>	5	1	5	

Managing Business Risks - Risk Assessment

Appendix 3

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completed by: Jeff Hawkins, Transformation Programme Manager

completed 7 October 2010

Change To Keep Succeeding

Objective: to deliver a new organisational framework

Risk No	Challenges	Assessment of Inherent Risk (with no controls in place)		Risk Control Measure	Assessment of Mitigated Risk (with controls in place)		
		Impact	Likelihood		Impact	Likelihood	
RA17	Risk of opposition to the business support directorate model	4	3	Detailed transition planning provides the opportunity to address concerns and, within the remit of a business support directorate, to adjust the delivery of service. Workshops will be held with staff and managers to design new processes for business support. Type 2. Failure to implement the business support directorate Retention of the current federated model of business support within directorates perpetuates the duplication of effort and silo-working and their associated cost - something which staff have identified as a feature of KCC that needs to change.	2	3	6
RA18	Risk of opposition to the new Education and Families model from headteachers and partners	4	3	Consultation and explanation of the model. Reassurance around Children's Trusts and Locality Boards. Await guidance from Government on new role	2	2	4

EQUALITY IMPACT ASSESSMENT SCREENING GRID

“Change to keep succeeding”. The transformation of the Council’s operating framework.

Minority strand	Could this policy, procedure, project or service affect this group differently from others in Kent? YES/NO	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO	Assessment of potential impact HIGH/MEDIUM/LOW/ NONE/UNKNOWN		Reason for assessment
			Positive	Negative	
Age	Yes	Yes		Medium	<p>Younger employees may be more likely to have shorter service than others and be less experienced.</p> <p>Younger workers may be impacted in terms of redundancy payments, or in terms of pay progression given the proposal involves staff potentially affected will receive pay based on performance based on the Total Contribution Pay Scheme (TCP).</p> <p>Older staff should also not be treated less favourably over younger staff on the grounds of age.</p> <p>The proposed evaluation of roles by Hay Group will ensure equal opportunities and alignment of pay / roles.</p>

APPENDIX 4

Disability	Yes	Yes	Medium	<p>The recruitment process may require reasonable adjustments to be made for staff with disabilities covered by the Equality Act 2010.</p> <p>The new posts may require reasonable adjustments to be made for staff with disabilities covered by the Equality Act 2010.</p> <p>Managers will need to be aware of disabilities in the above and ensure staff are not treated less favourably as a result.</p>
Sex (Gender)	Yes	Yes	Low	<p>Female senior officers are under-represented compared to the KCC workforce (65% v 84%).</p> <p>Female staff may also have shorter service due to caring responsibilities.</p> <p>Female staff are also more likely to have primary caring responsibilities or be part time.</p> <p>Most post-holders are however full-time.</p>

APPENDIX 4

Gender Reassignment	No	No	No	None	None	None	Gender reassignment should not be a factor in this project, either in recruitment or in performing the roles.
Race	No	No	No	None	None	None	As above
Religion or belief	No	No	No	None	None	None	As above
Sexual orientation	No	No	No	None	None	None	As above
Marriage & Civil Partnership	No	No	No	None	None	None	As above
Pregnancy & Maternity	No	No	No	None	None	None	As above

Current Posts Impacted

Chief Executive's Department

Executive Director of Strategy and Business Support
 Director of Finance (s.151)
 Director of Law & Governance (MO)
 Director of Personnel & Development
 Director of Property
 Director of Commercial Services
 Director of Strategic Development Unit & Public Access
 Director of Public Health

Children, Families and Education

Managing Director Children, Families & Education
 Director of Commissioning and Partnerships
 Director of Capital Programmes and Infrastructure
 Service Director - Learning
 Director of Resources and Planning
 Service Director - Specialist Children's Services

Communities

Managing Director – Communities
 Director of Cultural Services
 Director of Community Safety & Regulatory Services
 Director of Youth Services & Kent Drugs Alcohol Action Team
 Director of Policy & Resources

Environment, Highways & Waste

Executive Director, Environment, Highways & Waste Directorate
 Director of Environment & Waste
 Director of Integrated Strategy & Planning
 Director of Kent Highway Services

Kent Adult Social Services

Managing Director, Kent Adult Social Services
 Transforming Social Care - Lead Officer
 Director of Strategic Business Support
 Director of Operations
 Director of Commissioning & Provision x 2

NB: These are the only posts directly impacted by this process.

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To: Communities Policy Overview and Scrutiny Committee

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

Date: 11th November 2010

Subject: Financial Monitoring 2010/11

Classification: Unrestricted

For Information and Comment

1. Introduction

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

2. Background

2.1 Policy Overview and Scrutiny Committees (POSCs) consider priorities for the Medium Term Plan (MTP) at their November meetings and the draft MTP and annual budget at their January meetings. To inform discussion, three reports are presented to the Committee on a regular basis:

a) Budget Monitoring reports

A quarterly budget monitoring report is presented to Cabinet, usually in September, December and March and the Communities' annex to those reports is on the agenda of this Committee at the next available meeting. This keeps Members informed about current trends, pressures and management actions in advance of the next year's budget setting.

b) Performance reports

Reports are also brought to POSCs throughout the year advising Members of performance against national indicators, the Local Area Agreement and Towards 2010 targets, operational business activity and any external inspection reports.

c) Outturn report

The outturn report in July summarises financial and performance information for the preceding year.

3 Quarterly monitoring report

- 3.1 Attached is the monitoring report for the first quarter in 2010/11 for Communities, as the second quarter's monitoring is yet to be approved by Cabinet. The salient points from this report and any subsequent exception reports are highlighted below.

3.2 Revenue

The latest available forecast for Communities, based on July's outturn, is a forecast underspend of £0.076m, as reported in October's monitoring report to Cabinet.

At our previous POSC we presented a forecast underspend of £0.055m – based on quarter one's outturn to June. The £21k net movement to July arose following further pressures of £0.132m (Coroners, Business Support, Youth Service) and early implementation of savings of £0.153m (Community Safety, Youth Offending Service, Registration, Trading Standards).

A verbal update of the key pressures facing the directorate in the intervening months will be given on the day.

3.3 Capital

- 3.3.1 The portfolio forecasts an underlying budget variance of nil. There are, however, a few issues of note:

3.3.2 Grove Green Library

The project has been removed from the capital programme.

3.3.3 Tunbridge Well Library

The planned refurbishment of the Library has been re-phased to 2012-13 pending a review of Total Place and development opportunities for this area.

- 3.3.4 The remaining projects underway, such as Ashford Gateway Plus, Turner Contemporary, Kent History & Library Centre and Gravesend Library are all progressing well and are on budget. A report will be brought to the next POSC meeting explaining progress and forecast expenditure regarding The Beaney.

4 Recommendations

- 4.1 Members of the POSC are asked to note the projected outturn figures for the directorate for 2010/11 based on the latest monitoring report to Cabinet.

Amanda Honey
Managing Director, Communities

*Contact Officer: Kevin Tilson
Title: Head of Finance & Asset Management
Telephone Number: 01622 696136
Email: Kevin.tilson@kent.gov.uk*

Appendix:

The Communities annex to the 2010/11 quarter one budget monitoring report to Cabinet on 13 September 2010 is shown below.

COMMUNITIES DIRECTORATE SUMMARY JULY 2010-11 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 budget was set to reflect the adjustments required as a result of the in year grant reductions as reported to Cabinet in July, the addition of £0.126m of roll forward from 2009-10, as approved by Cabinet on 14 June 2010 and a number of technical adjustments to budget including the transfer of the Stronger Safer Communities Area Based Grant from the Finance portfolio.
- The inclusion of a number of 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 2 of the executive summary.

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							
Kent Drug & Alcohol Action Team	17,172	-14,933	2,239	0	0	0	
Youth Offending Service	6,757	-3,012	3,745	1	-1	0	
Youth Services	12,059	-5,205	6,854	-19	-3	-22	
Supporting People	32,314	-220	32,094	0	0	0	
Adult Education (incl KEY)	17,072	-17,172	-100	0	0	0	
Arts Unit	2,277	-285	1,992	-107	95	-12	Variance relates to the finalisation and repayment of an Interreg grant, gross and income effect.
Libraries, Archives & Museums	22,602	-3,045	19,557	-62	62	0	Gross costs have been reduced by enhanced vacancy management with AV income forecasts reduced in line with Qtr 1 activity.
Sports, Leisure & Olympics	3,002	-1,373	1,629	-8	8	0	
Supporting Independence	4,937	-4,160	777	0	0	0	
Kent Community Safety Partnership	5,296	-382	4,914	33	-79	-46	Reduced staff costs mainly due to part year Community Warden vacancies offset by contribution towards directorate vacancy savings target. Additional income from Future Jobs Fund.
Coroners	2,702	-475	2,227	95	0	95	Continuation of pressure reported in 2009-10, regarding long inquests and Body removal contract.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Emergency Planning	828	-199	629	-9	9	0	
Kent Scientific Services	1,271	-780	491	-40	58	18	Reduced staff costs arising from vacancy management, offset by higher than anticipated price increases of chemical and safety equipment. Income variance relates to an income target, which at present is deemed as not achievable.
Registration	3,895	-3,027	868	-28	0	-28	Reduced staff and premises costs.
Trading Standards	3,655	-322	3,333	-63	11	-52	Reduced staff costs due to vacancies being held, where possible, for duration of year; reduced spend on staff related, premises and transport costs. Reduced fees income
Policy & Resources	1,669	-361	1,308	0	0	0	
Business Development & Support	579	-228	351	-16	16	0	
Strategic Management	929		929	-1	0	-1	
Centrally Managed directorate budgets	1,296	-1,228	68	46	-53	-7	
Support Services purchased from CED	4,760		4,760	0	0	0	
Total Communities controllable	145,072	-56,407	88,665	-177	122	-55	
Assumed Management Action						0	
Forecast after Mgmt Action				-177	122	-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:

1.1.3.1 Coroners: +£95k Net (Gross +£95k)

The pressures affecting the service, and our inability to control Coroners' expenditure has been fully documented over the past years.

Despite additional funding in each of the last three years to address the issue of long inquests and increasing pressures on Mortuary costs, the service continues to experience pressures, due to a rise in the number of deaths that are deemed suspicious.

The main pressure arises from long inquests payments (£39k on staff pay, £47k premises and £43k fees with private sector). As an example, two long inquests in the North West Kent area are forecast in the region of £49k, with another significant inquest scheduled later in the year, estimated at a further cost of £20k.

The pressure is being exacerbated by one of the coroners continuing to use, in the first quarter, an external provider for toxicology and other laboratory services, instead of using Kent Scientific Services, which contributes £20k towards the forecast overspend.

These pressures are being partially offset because late invoices relating to 2009-10 have come in at less than the estimated creditor provisions set up at the end of the year.

1.1.3.2 Libraries: -£62k Gross and +£62k Income

The service has made savings on gross expenditure, mainly through vacancy management (-£65k), and on premises costs (-£134k) which have been achieved from one-off rates rebates for three of their libraries.

This is being offset by higher than anticipated running costs (£89k) and increased internal recharges (£39k).

Libraries are forecasting a reduction in their Audio Visual and merchandising income streams of £155k and reduced fines income of £50k, due to reduced activity in Quarter 1. The budget was set at a lower level than in the prior year but even then; revised targets have not been met. Therefore, the forecast for the year has been reduced accordingly.

This is being offset by various one-off income contributions from internal and external partners totalling £146k.

1.1.3.3 Community Learning & Skills (AE &KEY)

Subsequent to the preparation of the 2010-2011 budget, the service was notified of a variation in grant funding of £469k, for the 2010-2011 academic year from the Skill Funding Agency (formerly the Learning & Skills Council).

The service has responded to this ever changing and volatile market by revising its budget plans to take into account the net loss of grant income, amended the enrolment targets set, and put in place management action designed to reduce expenditure in line with current funding levels and to mitigate against the loss of income.

Cash limits have been adjusted to reflect this grant reduction, as highlighted in Appendix 3, Reconciliation of Gross and Income Cash Limits to the Budget Book, to the executive summary report.

1.1.3.4 Supporting People

Commitments are in place that will result in gross expenditure being close to £2,796k in excess of the agreed cash limit for floating support. This is a demand led service provided by the unit, to assist customers within their homes. Demand currently exceeds the resources allocated and, therefore, additional support has been provided to cope with the increase in demand. These costs will be met by a drawdown from the existing supporting people earmarked reserve and, therefore, a balanced position is being forecast with regard to the main grant.

As a result of the 10 June Government savings announcement, the service was notified of a reduction in the Area Based Grant for supporting people administration of £736k. Cabinet, at its meeting in July, agreed that this reduction could be met by a drawdown from the supporting people earmarked reserve and the cash limit has been reduced accordingly to reflect this drawdown. However, the current forecast for supporting people administration indicates a modest underspend of -£73k, therefore the estimated drawdown from the reserve will be reduced accordingly.

Overall therefore, the current estimated drawdown from the reserve is £2,723k (£2,796k - £73k) above the budgeted drawdown of £736k.

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

(shading denotes that a pressure has an offsetting saving, which is directly related, or vice versa)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CMY	Supporting People: planned increase in the level of Floating Support and small underspend on administration	+2,723	CMY	Drawdown from Supporting People reserve.	-2,723
CMY	Libraries: reduced forecast on audio visual income stream due to reduction in activity compared with Q1 in 09-10 and anticipated shortfall in merchandising income.	+155	CMY	Libraries: one-off income contributions from internal and external partners.	-146
CMY	Coroners: long inquest costs	+129	CMY	Libraries: Reduced spend on utilities and one off rates rebates.	-134
		+3,007			-3,003

1.1.4 Actions required to achieve this position:Community Learning & Skills

In order to mitigate against the grant reduction from the Skills Funding Agency of £469k, the service has enacted management action devised to deliver a balanced budget.

Vacancy management

Due to the current financial climate and volatility regarding grant funding, the directorate has informed units to maintain and extend vacancies wherever possible, but on the basis that front line provision should not be adversely affected. In addition, services have also been asked to monitor and reduce all non essential expenditure.

Grant Reductions

A few directorate units have recently been notified of reduced grant income from internal and external partners. In all cases, management actions has been enacted to contain expenditure and to deliver a balanced budget position.

Supporting People

The service expects to drawdown £3.459m from its reserve to address costs required to service their contracts. The level of drawdown required, has been exacerbated by the removal of the Admin grant.

1.1.5 Implications for MTP:

The base budget implications of issues identified in this monitoring report will be a call on the amounts identified in the 2010/13 MTP as emerging pressures in 2011/12 and 2012/13. The details of individual amounts will be included when the revised plan is published for consultation in January 2011 together with any new pressures forecast for 2011/12 and 2012/13. There are no significant issues for the Communities portfolio arising from 2010/11 budget monitoring.

The revised MTP will include proposals on how the in-year cuts in Government grants will be accommodated in base budgets once it has been confirmed that these reductions are permanent, following the announcement of the provisional local government finance settlement for 2011/12 which we anticipate will be in late November/Early December. The revised plan will also include the strategy to address the likely reductions in funding over the lifetime of the current parliament following the Chancellor's emergency budget statement on 22nd June in which he outlined his plans to address the national budget deficit.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 Details of proposals for residual variance: [eg roll forward proposals; mgmt action outstanding]

This section should provide details of the management action outstanding, as reflected in the assumed management action figure reported in table 1.

N/A

1.2 CAPITAL

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

The capital cash limits have been adjusted since last reported to Cabinet on 12th July 2010, as detailed in section 4.1.

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

	Prev Yrs Exp £000s	2010-11 £000s	2011-12 £000s	2012-13 £000s	Future Yrs £000s	TOTAL £000s
Communities Portfolio						
Budget	33,545	28,725	10,311	3,060	350	75,991
Adjustments:						
- re-phasing May monitoring		-1,680	1,680			
- completed projects	-18,654					-18,654
- The Beaney			170			170
Revised Budget	14,891	27,045	12,161	3,060	350	57,507
Variance	0	-22	+876	0	0	+854
split:						
Real Variance	0	261	593			854
Re-phasing	0	-283	283			

1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2010-11 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 preliminary 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 preliminary 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	Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
	None					
			+0	+0	+0	+0
Underspends/Projects behind schedule						
	None					
			0	-0	-0	-0
			-0	-0	-0	-0

1.2.4 Projects rephasing by over £1m:

None

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of +£0.854m (-£0.022m in 2010-11 and £0.876m in 2011-12) which is detailed as follows:

Edenbridge Centre +£0.830m (+£0.237m in 2010-11,+£0.593m in 2011-12 and rephasing of -£0.237m from 2010-11 to 2011-12): The increase in gross expenditure reflects the revised and increased project specifications which include funding in full from the developer, external partners and the service units (libraries and youth). The full funding proposals are expected to be completed and approval to spend sought later this year.

Taking this into account, there is an underlying variance of +£0.024m

1.2.6 General Overview of capital programme:

(a) Risks (mitigations in section b below):

Library Modernisation Programme – consists of a number of large individual projects, which if delayed could result in significant rephasing of costs into 2011-12. As this programme is linked to the Modernisation of Assets budget, delays in relation to DDA and planned maintenance would also ensue.

The Beaney – further archaeology is required, which could result in additional delays and cost. The existing building needs significant restoration, the cost of which was included in

the original budget but if further defects are noted then these may not be covered by the project contingency. The delayed start could also lead to further weather related delays.

Turner Contemporary– the external funding target of £2.9m, underwritten by KCC, may not be reached, therefore causing a potential funding shortfall.

Ashford Gateway Plus – the specification of the build was enhanced to incorporate partner requests, however any further changes to the specification or schedule could result in additional costs.

Ramsgate Library – final agreement with the Administrator is very close. It is anticipated that the settlement should be in line with the project budget; however there is small risk that this position may alter.

Tunbridge Wells Library – awaiting revised plans and costings for the external lifts. Given the listed status of the building, there is a small risk that the budget will be insufficient to meet the cost of remedial works.

Kent History & Library Centre – project funding could be affected by both the state of the property market, by virtue of reduced capital receipts/land value, and rising costs.

Gravesend Library – the delay to the programme start could result in additional costs if the proposed schedule cannot be adhered to.

New community facilities at Edenbridge – the project is partially dependent upon external partner funding, which in itself is reliant on the sale of a partner asset, and without this in place the KCC share of the project costs will rise.

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

Library Modernisation Programme – a Library Modernisation Advisory Group, including support from the Property Group, has been established to oversee this programme and to co-ordinate appropriate project management, design development, estates and financial advice of the various rolling programmes. Expenditure has been profiled over the coming year for each of the key locations.

The Beaney – the archaeology to the crane foundations is considered a low risk as this is a small, relatively shallow area and the project team is working closely with Canterbury Archaeological Trust. A full assessment of the existing building by specialist consultants is now underway and further value engineering will follow if the allocated budget and contingency is insufficient to cover remedial works. Any weather related delays will be a call on the contingency, which was recently increased as a prudent measure.

KCC are working closely with the specialist consultants and Canterbury City Council, our partners in this venture, to ensure that this risk is mitigated and that the project is kept on schedule with regards to timing and cost.

Turner Contemporary– Turner Contemporary Art Trust has been established to raise funds to meet the funding target and a number of donations have been made in recent months, although the funding target has still to be fully mitigated.

Ashford Gateway Plus – the installation of the steel frame indicates that progress will be prompt for the remainder of the build. Further specification changes are not expected at this late stage of the design but any possible changes would require value engineering or full funding to ensure there is no financial liability to the authority.

Ramsgate Library – the outstanding defects liability has been costed by the Quantity Surveyor and formed part of the settlement negotiations. Therefore it is considered that sufficient funds will be available to complete the works. Negotiations are ongoing but are at an advanced stage.

Tunbridge Wells Library – development of the revised plans is now progressing well and the conservation officers are involved in this process thereby ensuring that the project completes on time and within budget. The budget is being monitored and the revised plans are focused on essential works only, to ensure no exposure to KCC.

Kent History and Library Centre – a revised funding strategy is being devised, which will aim to close any future funding shortfall.

Gravesend Library – the contractors have identified a revised schedule that aims to complete the re-development within the original timeframe, thereby minimising the risk and exposure to the authority.

New community facilities at Edenbridge – the developer has indicated a willingness to purchase the third party property, thus alleviating the risk to the authority that funding will not be in place at the required juncture. This significantly reduces the risk associated with this project.

1.2.7 Project Re-Phasing

Cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m will be reported and the full extent of the rephasing will be shown. The proposed re-phasing is detailed in the table below.

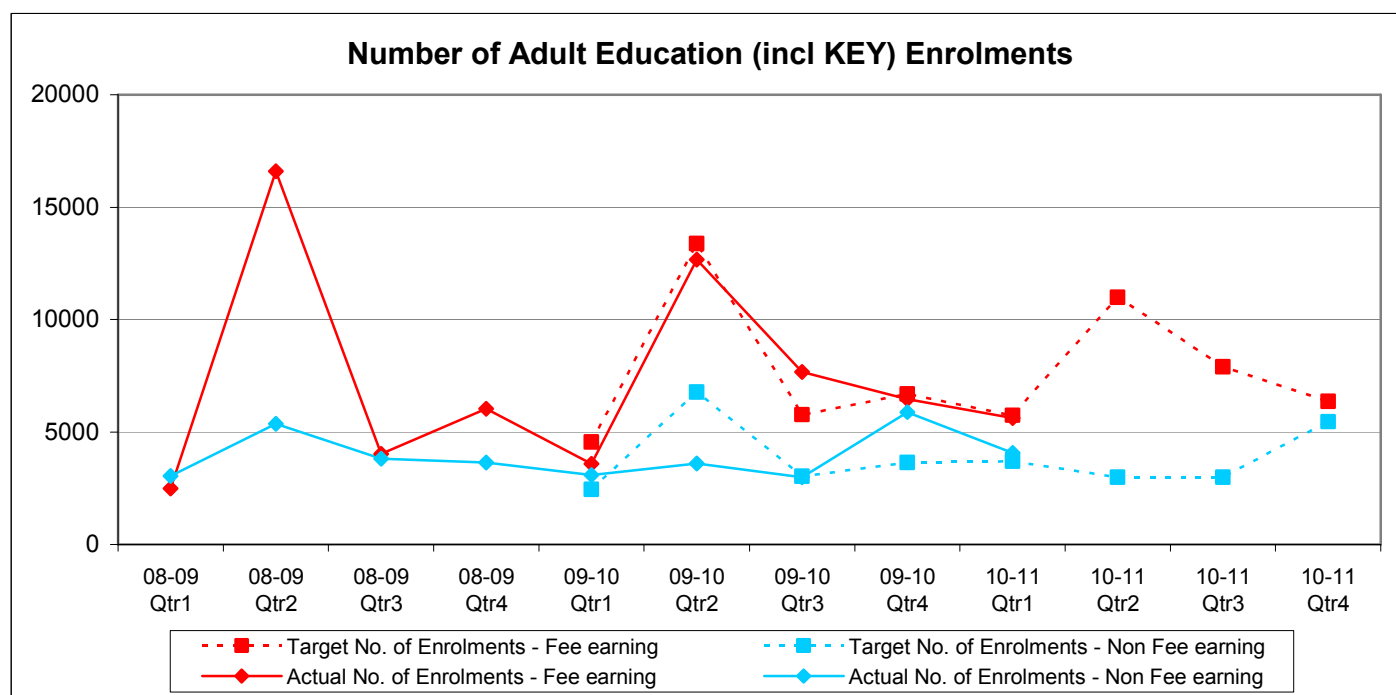
	2010-11	2011-12	2012-13	Future Years	Total
	£k	£k	£k	£k	
New Community Facilities at Edenbridge					
Amended total cash limits	+75	+1,680			+1,755
re-phasing	-237	+237			0
Revised project phasing	-162	+1,917	0	0	+1,755
Total re-phasing >£100k	-237	+237	0	0	0
Other re-phased Projects below £100k	-46	+46			0
TOTAL RE-PHASING	-283	+283	0	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Adult Education & KEY enrolments:

	2008-09			2009-10					
	ACTUALS			TARGET			ACTUALS		
	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL
Apr - Jun	2,496	3,049	5,545	4,560	2,456	7,016	3,589	3,087	6,676
Jul - Sept	16,590	5,360	21,950	13,377	6,774	20,151	12,667	3,598	16,265
Oct - Dec	4,024	3,816	7,840	5,776	3,029	8,805	7,680	2,986	10,666
Jan - Mar	6,039	3,639	9,678	6,689	3,651	10,340	6,474	5,880	12,354
TOTAL	29,149	15,864	45,013	30,402	15,910	46,312	30,410	15,551	45,961

	2010-11					
	TARGET			ACTUALS		
	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL
Apr - Jun	5,750	3,700	9,450	5,619	4,075	9,694
Jul - Sept	11,000	3,000	14,000			
Oct - Dec	7,900	3,000	10,900			
Jan - Mar	6,368	5,462	11,830			
TOTAL	31,018	15,162	46,180	5,619	4,075	9,694



Comments:

- The Skills Funding Agency (SFA) grants depend partly on enrolments to courses and are subject to a contract agreement with SFA. 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.
- All enrolments (fee and non fee paying) have exceeded the target by 2.6% for the periods April – June. Enrolments on fee paying courses have increased by 56.6% over that achieved for similar period last year, but are below target by 2.2%. Enrolments for courses where fees are not payable

have increased by 32% over that achieved for similar period in 2009-10, and are 10.1% above target enrolments for 2010-2011.

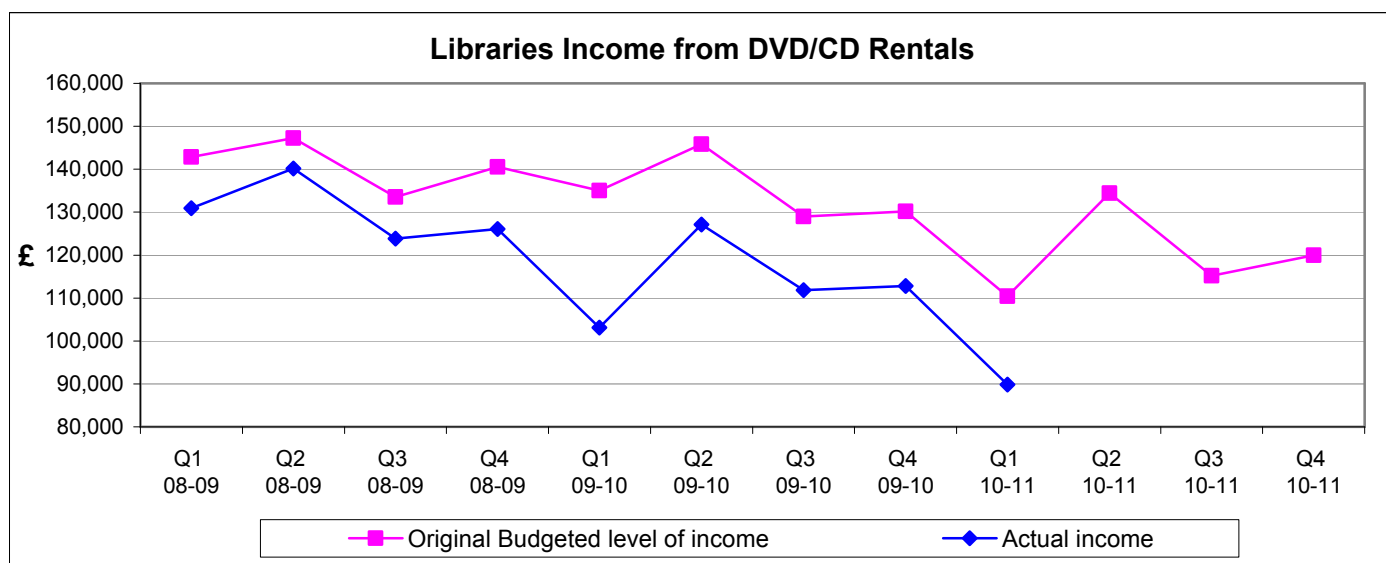
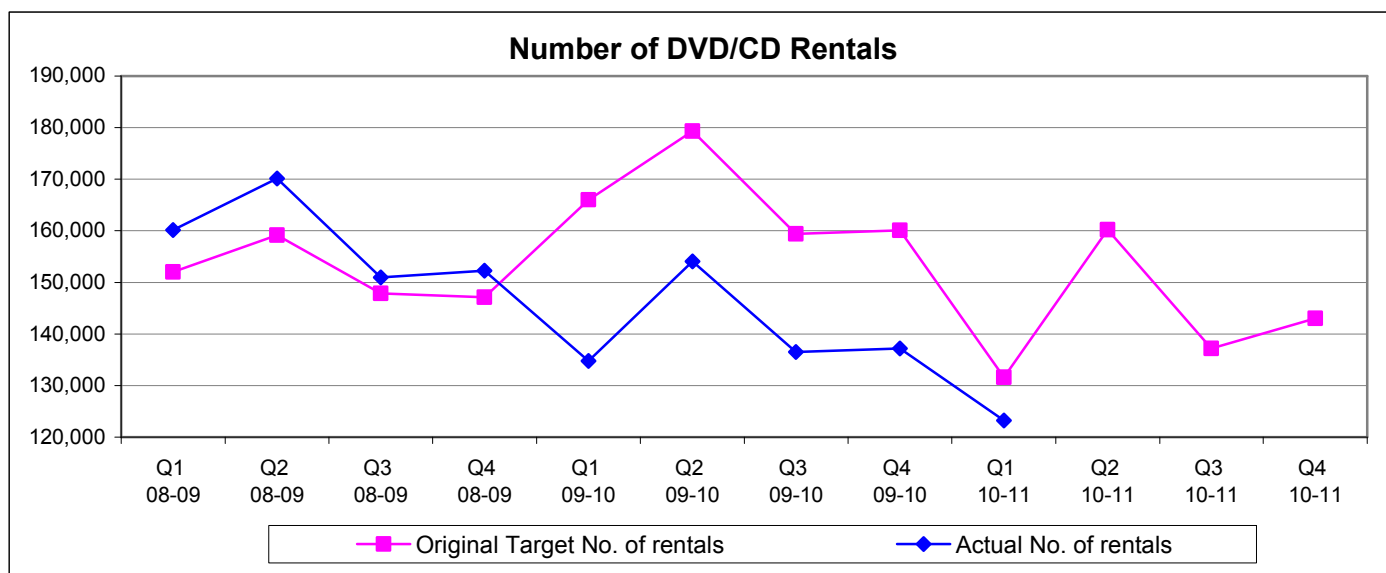
The majority of these enrolments are for family learning and skills for life programmes, which are wholly funded by Skills Funding Agency (SFA) contracts. Performance on the contracts is regularly monitored to ensure the services will drawdown the total contract values for the academic year.

- The estimated profile of 2010-11 enrolment targets provided in the 2009-10 outturn report has been adjusted as the unit moves towards 'continual' curriculum planning. The 2010-2011 brochure was published 3-4 weeks earlier than 2009-10 (2% down against target - peak enrolment period Qtr 2 & Qtr 3). The increase in enrolments for courses without fees is due to a profile of enrolments on Family Learning courses. Generally, enrolment targets have been revised to reflect changes in the minimum contract value.

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

	2008-09				2009-10			
	No of rentals		Income (£)		No of rentals		Income (£)	
	Budgeted target	actual	budget	actual	Budgeted target	actual	Budget	actual
April – Jun	152,059	160,162	142,865	130,920	166,000	134,781	135,000	103,135
July – Sep	159,149	170,180	147,232	140,163	179,300	154,044	145,800	127,156
Oct – Dec	147,859	150,968	133,505	123,812	159,400	136,516	129,000	111,827
Jan – Mar	147,156	152,249	140,533	126,058	160,100	137,172	130,200	112,775
TOTAL	606,223	633,559	564,135	520,953	664,800	562,513	540,000	454,893

	2010-11			
	No of rentals		Income (£)	
	Budgeted target	actual	Budget	actual
April – Jun	131,600	123,201	110,400	89,866
July – Sep	160,200		134,400	
Oct – Dec	137,200		115,200	
Jan – Mar	143,000		120,000	
TOTAL	572,000	123,201	480,000	89,866



Comments:

- Rentals of audio visual materials (especially videos and CDs) continue to decline as videos become more obsolete and alternative sources for music become more widely available, which has resulted in a reduction in AV income of £111k.
- Research undertaken by the service in order to mitigate this actual and forecast decline, 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 increased income budgets from other merchandising to offset the loss of income from AV issues, but is also now falling short on this. Issues and income achieved in 2009-10 were below target, partly due to the impact on loans in the first quarter as the new computer system was being rolled-out, and visitor numbers declined; as customers stayed away, wary that things may go wrong with the new system. The position was exacerbated further by half day closures, the unavailability of the web catalogue and the facility to renew items, which resulted in a loss of income as DVD's could not be renewed.
- The service is currently working on an exit strategy for the audio visual rental service, in acknowledgment of the continual decline in demand and that merchandising income is no longer sufficient to plug the gap. It is expected that the outcomes of this will be reflected in the 2011-14 MTP.
- The actual number of rentals includes those from visits to lending libraries, postal loans and reference materials.
- To enable better comparison of AV issues and income data, the actual income reported for the previous quarter is changed from the figure previously reported, to reflect the late banking of income which has taken place during the current quarter but relates to rentals issued within the previous quarter. The number of rentals reported previously remains unchanged. It is likely that this adjustment will be required in each report.

To: Communities Policy Overview and Scrutiny Committee

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

Date: 11th November 2010

Subject: Performance Management in the Communities Directorate.

Classification: Unrestricted

Summary

In a time of transition for national performance regimes, this paper gives an overview of how the Communities directorate manages service performance, looks ahead to how the approach will develop in the light of greater self regulation.

1. Background

- 1.1 From 2002 to 2008 KCC operated within the Audit Commission's Comprehensive Performance Assessment (CPA) regime. In addition to the two inspections that took place during that period, several Services that transferred into the Communities Directorate upon its inception were also monitored in part of the wider CPA framework. The Culture block consisted of mostly Library-related indicators, while the Environment block contained several Trading Standards performance indicators. In addition, an annual performance assessment was conducted by Ofsted, along with an adult social care self assessment survey overseen by the Commission for Social Care Inspection (CSCI).
- 1.2 A Use of Resources assessment has also taken place annually up to now, which involves the auditing of KCC's finances, including the Communities directorate.
- 1.3 KCC's medium term priorities, Towards 2010, contained 63 commitments that were monitored over the past four years, 2006-2010.
- 1.4 A new National Indicator Set was introduced from April 2009, containing 198 key indicators that local authorities, with partners, would be judged against. This was launched alongside the Comprehensive Area Assessment (CAA) regime, which was a successor to the CPA. Its aim was to focus more on impact and outcomes for the people of Kent, rather than organisational processes. Of these XX were led by

services within the Communities directorate and have previously been reported to Policy Overview and Scrutiny Committee as part of six monthly performance monitoring arrangements.

2. Recent Changing Landscape

- 2.1 On the 28th May 2010 the Government announced the abolition of CAA, with any work in progress ceasing with immediate effect. Alongside this, the Place Survey and TellUs national schoolchildren survey, both sources of national indicator data, have been scrapped.
- 2.2 On the 13th October 2010 local authorities were given notice that all designations of local improvement targets in Local Area Agreements were revoked with immediate effect. Any targets that Kent wishes to continue focusing on will not be monitored nationally and there is no requirement for local authorities to prepare a new agreement from April 2011.
- 2.3 In addition, it has been announced that the National Indicator Set is to be replaced with a single, comprehensive list of all the data that local government is expected to provide to central government. This is expected to be in place by April 2011.
- 2.4 Both Ofsted and the Care Quality Commission (formerly known as CSCI) regimes have continued. Ofsted derives a grade from a performance profile of the quality of services and outcomes for children and young people in each local area. In addition, the Care Quality Commission (CQC) publishes an annual rating for adult social care. It is likely that independent evaluation and inspection of vulnerable groups will continue in future years.

3. Self-Regulation

- 3.1 It has been noted that self-regulation mechanisms will become even more important with the demise of CAA. However, much of the work of CAA relied on the local authority having robust self-regulation mechanisms in place, the outcomes of which were reported to the Audit Commission.
- 3.2 The approach to performance management since the Communities Directorate was formed in 2006 can be summarised as follows:
 - Responsibility for operational business planning and performance management is delegated to Heads of Service;
 - Central monitoring, management and co-ordination of key performance indicators and strategic objectives takes place within the Policy & Resources Division, as well as the monitoring of risk and essential controls, both financial and non-financial;

- Ownership of accountability of the performance of the directorate is led at the highest level with the Managing Director and Portfolio Holder
- Staff and middle managers are involved in the development of the directorate's annual business plans.

3.3 In particular, the Directorate's monitoring, management & review arrangements are summarised below:

- KCC Core Monitoring: an agreed list of indicators from the Communities Directorate features in KCC's Core Monitoring report, which aims to monitor the 'organisational health' of KCC.
- Annual Operating Plans: monitored six-monthly and reported to Policy Overview and Scrutiny Committee in January.
- A review of previous year's service performance within the directorate is presented to Policy Overview and Scrutiny Committee in July, alongside financial outturn.
- Financial monitoring is reported monthly to SMT and Portfolio Holder and quarterly to Cabinet & POSC. The quarterly reports also include monitoring of key activity.
- 1:1 Updates – the Managing Director has monthly 1:1 update sessions with Directors to discuss issues, including any of concern arising. The Portfolio Holder meets the Managing Director weekly, as well as Directors regularly.
- Internal & External Audit: services within the directorate are subject to internal and external audit and / or inspection programmes.
- The Senior Management Team receives updates on performance & other business information (e.g. workforce information, customer intelligence) as and when necessary, and it is the responsibility of divisional Directors to take forward any issues arising.

3.4 At the time of abolition of CPA and Best Value Performance Indicators services in the directorate focused on developing 'operational' indicators that feature in our operating plans. These include national indicators, Towards 2010 indicators (up to 2010/11), activity levels that impact on budget, or income targets as appropriate.

4. In-year Update 2010-11

4.1 Services within the Communities directorate have been focusing on preparations for delivery of a very tough 2011-14 Medium Term Financial Plan, whilst operating in a period of rapid change. Half-year monitoring of 2010-11 Annual Operating Plans is being completed and the following headlines are emerging. The Communities directorate extract of the next KCC Core Monitoring report will be presented to this Committee in January 2011, incorporating a full half-year performance update.

Progress against Projects / Developments / Key Actions

- 4.2 The significant majority of actions set out in Annual Operating Plans are on course for completion by March 2011. However, there are a greater number of actions this year that are unlikely to be completed by year-end. In most cases this is down to changing central government priorities in areas such as anti-social behaviour and public confidence in the criminal justice system; ESOL (English for Speakers of Other Languages) course provision; and the ending of the Building Schools for the Future programme. This has often resulted in reduction or cessation of grants e.g. Dept of Health funding for County Sports Partnerships; the Volunteering Community Action pilot for 14-16 year olds; Youth Capital Fund; Supporting People administration grant etc.
- 4.2.1 Some actions originally set out in operating plans are on hold pending outcomes of Service reviews or potential KCC-wide changes.

Key Performance Indicators

- 4.4 Services within the Communities directorate work to a series of 'operational' indicators set out in their annual operating plans. Several of these feature in this core monitoring report with a contextual summary underneath. Targets that are not covered by core monitoring that are unlikely to be met in 2010/11 are:
- 4.4.1 KDAAT – The percentage of young people assessed as requiring specialist community treatment receiving their treatment within 15 days of referral is currently running at 92%, against the national target of 100%. Young Person's specialist community treatment services work closely with local children's services to ensure that young people in need of treatment receive a fully integrated service. These young people often have complex needs and are not always ready to engage in treatment. This means the 100% target is unrealistic, although KDAAT works with specialist treatment provider to ensure that services are able to offer treatment within 15 days whenever required.
- 4.4.2 Youth Service – the service is unlikely to meet its target for working with 16plus young people as the project is now supported by only one youth worker following moratorium on staff recruitment (post is funded through Catch 22).
- 4.4.3 Sport - The Service aimed to advise on 60 facility developments during the year. The final number is likely to be closer to 40 as less funding is available for these sorts of developments, including closure of the Building Schools for the Future Programme. The number of Kent Sport website visitors is increasing year-on-year in the build up to the 2012 Games, although the total may fall slightly below the original target set.

- 4.4.4 Community Safety – the Kent Partnership has been using a proxy measure for the % of people who agree that the police and other local public services are successfully dealing with anti-social behaviour and crime in their local area, taken from the Kent Crime & Victimisation survey. This shows that confidence has decreased in recent months, from 73.8% in 2009/10 to 63.7% (Jul 09 to Jun 10). However, the Home Secretary has announced that the single Police Confidence measure and the Policing Pledge would be scrapped. Therefore associated work-streams have been removed from the County Community Safety Agreement and will no longer be a partnership priority.
- 4.4.5 Kent Scientific Services – Calibration section income is forecast to be below target as not as much private sector work has materialised in the current climate. However, this is expected to be offset by the Analytical section exceeding target.

Forward Look

- 4.5 The directorate will continue to apply a risk-based approach to monitoring service performance, and will pay particular attention to the following areas in the coming months:
- Library usage as the modernisation programme continues: including physical and 'virtual' visits, activities held in Libraries – PC Usage and book and AV loans;
 - First-Time Entrants to the youth justice system. A key partnership indicator, this has been continually improving in recent years, although the Kent level per 100,000 10-17 population is still above (worse) than statistical neighbours and national average.
 - Numbers of Kent Success Apprenticeships taken on by KCC. This will be particularly important in the light of the new 'Bold Steps for Kent' consultation document, which pledges that KCC will taken on a minimum of 350 apprentices during the next four years.
 - Monitoring of activity linked to income generation, particularly linked to Registration Service ceremonies, adult education enrolments.

5. The Future

- 5.1 The Department for Communities and Local Government's Structural Reform Plan published in July 2010 contains two actions that refer to some form of future performance framework:
- i) "Identify exceptional areas where central government needs to retain an oversight role".
 - ii) "Design and implement a new approach with less reporting burdens on local government and greater transparency for local people".
- 5.2 The Local Government Group has also produced a consultation document entitled, "Sector self-regulation and improvement", which is

based on the principles that councils have a collective responsibility for the performance of the sector and will collaborate to both give and receive support. This will involve a greater amount of peer review and benchmarking of performance and costs.

- 5.3 CIPFA (the Chartered Institute of Public Finance and Accountancy) is developing a Value for Money toolkit based on that developed by Somerset County Council.
- 5.4 It is important to note that whatever changes take place to national frameworks, services within the Communities Directorate will continue to manage service performance in a robust manner using relevant 'operational' indicators and will be fully involved with KCC efforts to ensure services are accountable to the public of Kent.

Recommendations

Members are asked to:

- i) NOTE the report and COMMENT on the service performance management arrangements within the directorate and the in-year performance update.

Judy Edwards
Director of Policy & Resources
Email: judy.edwards@kent.gov.uk
Telephone: 01622 694176

Contact Officer:

Mark Scrivener
Business Information Manager, Communities Directorate
Email: mark.scrivener@kent.gov.uk
Telephone Number: 01622 696055

To: Communities Policy Overview Committee

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

Date: 11th November 2010

Subject: **BUDGET 2011/12 AND MEDIUM TERM FINANCIAL PLAN 2011/12 TO 2012/13**

Classification: Unrestricted

Summary: This report identifies the proposed strategy for determining next year's budget and the financial plans for the following years. This includes an initial analysis of Spending Review 2010, the likely impact on the overall funding for KCC, the indicative cash limit for the Communities portfolio, and the latest indications of likely pressures facing the Communities portfolio.

Recommendation: Members are asked to review and comment on the pressures outlined for the Communities portfolio and to identify their priorities in order to meet the indicative cash limit.

FOR COMMENT

1. Introduction

- 1.1 The Autumn Budget Statement is due to be presented to Cabinet on 29th November 2010 and will set out the proposed budget strategy following the Spending Review announcement on 20th October. Even after the Spending Review announcement we will not know the full impact on the County Council's grants until we get the provisional Local Government Finance settlement. Indications are that we will not receive this settlement information until early December.
- 1.2 The Spending Review and Local Government Finance announcements will give us the final detail but we have been planning based on a likely scenario of a 5% per annum reduction in cash terms in Government grants. This assumption was based on the Chancellor's statement in his emergency budget that unprotected spending departments should plan for a 25% reduction in real terms from the forthcoming spending review.
- 1.3 The overall for position for the County Council was that we estimated the combination of reduced grant allocations and demands for budget pressures would amount to a gap of £340m over the next four years. The gap for the next two years was estimated at £136m.

2. Background

- 2.1 Provisional cash limits for 2011/12 and 2012/13 were approved by the County Council on 18th February 2010 in the Medium Term Plan (MTP) for 2009/12. The approved MTP for the Communities portfolio is included as appendix 1. These provisional cash limits will be updated for known changes such as transfers of activities or staff between portfolios and identified as base budget adjustments in monitoring reports.
- 2.2 We are proposing that the provisional cash limits are updated for unavoidable pressures. These may be new pressures, changes to pressures identified in the existing published MTP, or resisting previously identified pressures. In all cases the amounts included as budget pressures have been thoroughly scrutinised to ensure only legitimate unavoidable pressures have been included in cash limits. Any pressures arising from individual portfolio proposals which are not unavoidable will have to be met within existing cash limits through corresponding savings elsewhere in the portfolio.
- 2.3 Portfolios have been set targets for budget savings via the indicative cash limits on a priority-led basis to target savings according to highest relative spend and KCC priorities for services as outlined in the consultative document "Bold Steps for Kent". In setting these targets we have been clear that we need to drive out as much as possible from efficiency savings. These indicative cash limits are intended to give members and officers an indication of the magnitude of the savings needed in order to close the £136m gap and will be revised before the draft budget is published to take account of the specific proposals contained therein.
- 2.4 The revised indicative cash limit for the Communities portfolio is summarised in table 1 below.

Table 1	2011/12	2012/13	Total
	£000s	£000s	£000s
Existing Approved MTP			
Base	87,926	82,306	
Base Adjustments	38	-2	36
Pressures	252	173	425
Grants	0	0	0
Savings & Income	-2,133	-359	-2,492
Total Existing MTP	86,083	82,118	
New Base Budget Adjustments	1,181		
New & Changed Pressures	601	445	1,046
Savings Target	-5,559	-7,843	-13,401
Proposed Cash Limit	82,306	74,720	

3. Latest Developments: National Context

- 3.1 The outcome of the Spending Review 2010 was announced on 20th October and set out the Government's **national spending plans** for 2011/15. The Spending Review gives us an overall indication of the Government's spending priorities by department but does not give us detailed grant settlements. We are anticipating provisional grant settlements in early December.
- 3.2 The overall spending plans are in line with the reductions outlined in the emergency budget in June and the spending review just gives us a clearer indication which departments are to be protected and when reductions will start to bite for different Government departments. The announcements on Formula Grant for local authorities show that the reductions are front loaded with the biggest reductions in 2011/12.
- 3.3 Other than Formula Grant (which now includes the transfer of Area Based and specific grants into the Formula Grant) we do not have any information on the scale of reductions in other government grants or when the reductions might hit. At this stage we are assuming these reductions will be in line with ministerial statements on the average reduction.
- 3.4 The Spending Review announcement includes a confusing comparison of cash reductions in Government Department spending (referred to Department Expenditure Limits) and quoted real terms reductions in grants. Ministers have stated that councils will face an average loss of grant of 7.25% in real terms in each of the next 4 years, although we are concerned that the front loading of reductions in Formula Grant will mean that this average could disguise in year differences. The impact of distributional changes as Area Based and specific grants are transferred into the formula (as well as changes to the formula methodology) are also likely to result in further variations from this average for individual authorities.
- 3.5 As outlined in paragraph 3.2 we do know the cash reductions in Formula Grant. This shows a reduction of £4.1bn over the next two years (14.4%) and £5.6bn over the four years (19.6%). These reductions **include** the extra £1bn for personal social services and the £0.7bn Council Tax Freeze Grant.
- 3.6 In summary the Spending Review has confirmed the following changes to the national funding arrangements for local government:
- The overall reduction in grants to councils of an average of 7.25% in real terms in each of the next 4 years.
 - Reduction in the baseline Formula Grant of £7.2bn reduction in cash terms over the next four years but with savings front loaded into 2011/12. This equates to a 29.2% reduction in cash terms (35.6% real terms) over four years with 22.4% cash reduction (25.6% real terms) in the first 2 years

- Transfer of £3.4bn of Area Based and Specific Grants into Formula grant. These transferred grants are subject to differential increases or reductions over the two/four year period which marginally change the overall reductions
- The allocation of a new £1bn grant for Social Services within the Formula Grant (with a further £1bn to be administered as a specific grant from Department of Health)
- The allocation of a new £0.7bn grant to honour the pledge to support councils in freezing Council tax increases for 2011/12. This grant provides funding for the four year period and thus earlier fears that a freeze would not be sustainable have been alleviated for this spending review period.

3.7 Over the last 2 years inflation initially declined in the wake of the recession in autumn 2008/winter spring 2009 but has been rising since autumn 2009 and has only recently started to marginally decline. Throughout the period other than for a brief period in summer 2009 inflation has exceeded the Government's 2% target for CPI. Inflation remains as one of the most significant pressures on our budgets and resisting inflationary pressures through negotiating with suppliers remains a key strategy to balance the budget.

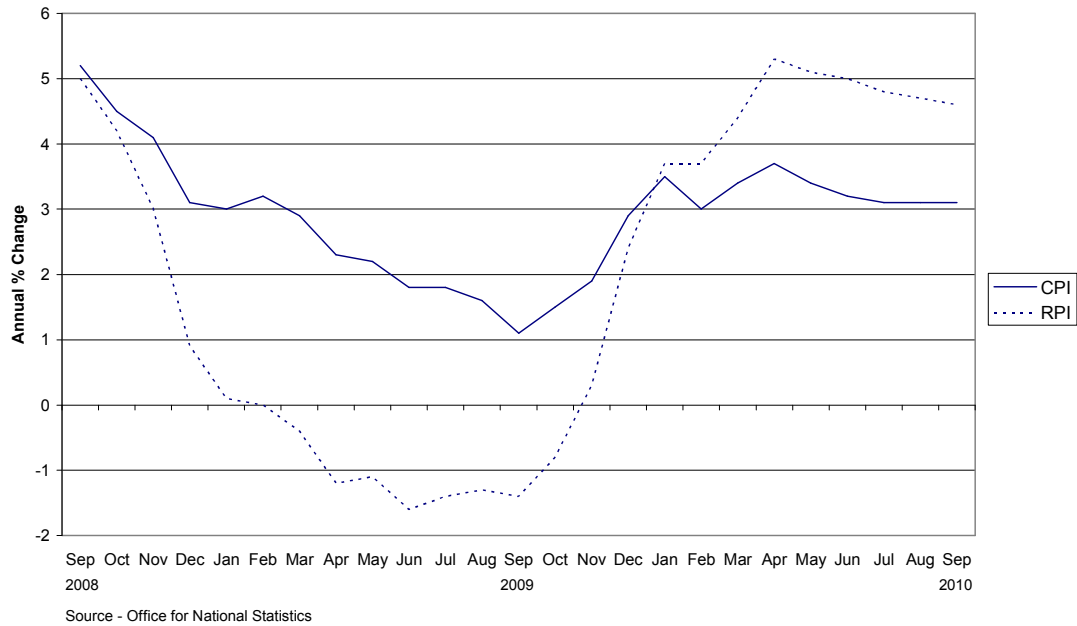
3.8 There are different indices used to measure inflation which enable an annual rate of underlying inflation to be calculated:

Retail Price Index (RPI) – This is the traditionally accepted measure for inflation and has been calculated continuously since June 1947. In the past it is used by the government to update pensions, benefits and index-linked gilts. However, in his Emergency Budget the Chancellor announced that in future all benefits, tax credits and public sector would be updated by CPI rather than RPI (with a guaranteed increase of at least 2.5% for state pensions). RPI is still commonly used to update contracts, and is often taken into account in wage bargaining.

Consumer Price Index (CPI) – This is the measure now adopted by Government for targets on the economy. It is based on harmonised consumer index prices (HCIP) and enables comparison on internationally agreed standards throughout Europe. It does not include mortgage interest or indirect taxes but does include some financial services not included in RPI.

Beneath the headline figures for RPI and CPI there are detailed indices for individual areas of spending such as energy, housing, food, etc. We use projections of the detailed indices in determining inflationary pressures rather than the general all items index (for some contracts we use specific indices where these are written into the contract terms).

3.9 The chart below shows the changes in the all items indices of inflation over the last 2 years.



4. Revenue Budget Strategy

4.1 Following the Spending Review announcement we have reviewed our assumptions about the overall gap. We remain confident at this stage that our overall strategy for a gap of £340m over four years is still realistic. However, in light of the front loading of the reductions in Formula Grant we are now estimating that the magnitude of savings needed to balance estimated grant reductions and pressures for 2011/12 and 2012/13 is £153m. At this stage this revision to the targets for the first two years has not been reflected in the indicative cash limits subject to confirmation of provisional grant settlements in early December.

4.2 The strategy for tackling the indicative cash limits will need include:-

- Reviewing our services to be clear whether they are strategic, commissioned or are direct in-house provision; and testing whether there alternative more cost-effective ways to deliver the same outcomes.
- Collaborating with partner agencies in order to deliver more efficient and effective services for the people of Kent, at a reduced cost base.
- Examining whether 'Big Society' concepts could play an innovative role in service planning and in developing very new ways of thinking about the business

5. The current budget and medium term priorities

5.1 The current budget for the portfolio(s) under the oversight of this POSC is as follows:

	Gross spend £'000	Income £'000	Net spend £'000
Portfolio controllable	145,072	-56,407	88,815

Full details of the current MTP 2010-13, and the 2010-11 budget, are given Appendix 1.

5.2 The budget funds a distinctive range of high quality services which together deliver a wide variety of outcomes, including:

Contributions to developing strong, safe and healthy communities; helping the people of all ages in Kent to raise their aspirations, enhance learning opportunities and improve their quality of life.

Supporting Kent business and people, for example by securing opportunities arising from the London 2012 Games and preventing people from becoming victims of frauds or loan sharks.

Contribution to the Safer Stronger Communities agenda in Kent strategically; and also operationally through the KCC Community Wardens who continue to offer a valuable presence in the communities around the county.

Support for groups of people who are particularly vulnerable or disadvantaged

Further information about activity relating to each service budget is shown in Appendix 2.

5.3 As reported in the quarterly monitoring reports there are spending pressures/savings in the following areas:

Coroner Service

Despite additional funding over the past three years, the service continue experience pressures on long inquests (pay, premises and specialist fees) and Mortuary costs, due to a rise in the number of deaths that are deemed suspicious.

Trading Standards

The service has made savings on gross expenditure, mainly due to vacancy management and the advancement of restructuring proposals.

Supporting People

Commitments are in place that will result in gross expenditure in excess of the agreed cash limit for Floating Support. This is a demand led service provided by the unit to assist customers within their homes. Demand currently exceeds the resources allocated and, therefore, additional support has been provided, by

utilising reserves, to cope with the increased demand but finite reserves are available.

Libraries & Archives

The Library service provides a rental service for audio visual material (especially videos and CD's) on which a proportion of the service income is predicated. Over the past four years, the service has experienced a decline in rentals and associated income, as alternative sources become more available.

Registration

The service has made savings on gross expenditure, mainly due to vacancy management and reduced spending on premises, combined with a modest increase in its fees income.

Further detail is given in Appendix 3.

5.4 As outlined in the proposed cash limits we are proposing to provide additional funding of £0.601m for 2011/12 and £1.046m over the next two years to cover unavoidable pressures including the following:

- Social care provision - inflationary increases for Supporting People
- Coroners - long inquest and specialist fee pressures
- Youth - adverse impact of changes to rates legislation and reliefs

6. Recommendation

6.1 Members are asked to

- (i) note the latest information arising from the Spending Review 2010
- (ii) comment on the proposed additional funding for pressures included in the indicative cash limits and outlined in paragraph 5.4
- (iii) identify priorities for delivering the indicative cash limits

Contact officer:

Kevin Tilson

Head of Finance and Asset Management
Communities

APPENDIX 1. Existing 2010/13 Medium Term Plan and 2010/11 Revenue Budget

Communities Medium Term Plan 2010/13				
	Staffing FTE	2010-11 £'000	2011-12 £'000	2012-13 £'000
Base budget		57,204	87,926	86,083
Base Budget Adjustments - Internal		318	38	-2
Base Budget Adjustments- External		31,990	0	0
Total Base Adjustments		32,308	38	-2
Revised Base Budget		89,512	87,964	86,081
<u>PRESSURES:</u>				
Pay:				
All	Non-Kent Scheme (non DSG)	99	0	0
		99	0	0
Prices:				
All	Transport	48	50	52
All	Social Care Provision	12	13	13
All	Gas & Electricity	-93	75	140
All	Rent	35	17	17
All	Rates	17	17	18
All	Other	171	62	14
		190	234	254
Unavoidable Government/Legislative Pressures:				
Youth	Loss of zero rates for youth centres	10	50	0
Registration	Loss of income from General Registry Office	22	22	0
Coroners	Histology costs from referral of child deaths	20	0	0
Total Unavoidable Government/Legislative Pressures		52	72	0
Service Strategies & Improvements:				
Turner	Contribution to Operating trust	115	0	0
Libraries	Additional running costs of extended Canterbury library	0	35	104
Sports/Arts	2012 Olympic and Paralympic Games	50	110	-200
Turner	Shortfall on levy from Rendezvous	0	200	95
Libraries	Ramsgate Library	30	0	0

Communities MTP 2010-13 (cont)

		Staffing FTE	2010-11 £'000	2011-12 £'000	2012-13 £'000
Service Strategies & Improvements (cont):					
CMY	Dilapidations - Church Street		129	-129	0
Sports/Arts	Extended services SLA - reduction in Sure Start monies		75	0	0
Various	Open golf at Sandwich		350	-270	-80
Total Service Strategies & Improvements			749	-54	-81
Total Pressures		0.0	1,090	252	173
<u>SAVINGS AND INCOME:</u>					
Income Generation:					
Libraries	Income from Kent on canvas		-10	0	0
KSS	Fee generation target - Activity and Calibration		-50	-50	0
Youth	Fee generation target - Youth Centres		-65	0	0
Registration	Fee generation target - inflationary uplift		-80	-80	0
Adult Ed	Reduce the net subsidy by increased efficiency or income		-100	-100	0
Total Income Generation			-305	-230	0
Savings and Mitigations:					
Libraries	Prison service		-38	0	0
Libraries	Schools Advisory Services		-14	0	0
Registration	Rationalisation of premises		-60	0	0
Arts	Rationalisation of grants		-20	0	0
Libraries	Remove grants to Cobtree		-60	0	0
Registration	Staff restructure - management review FYE		-100	0	0
Libraries	Mobile Libraries operation - single staffing solution		-132	-88	0
All	Staff restructure - back office/management/support review	-75.0	-647	-1,053	-828
All	Reduction to non staffing budgets		-100	0	0
Comm Safety	Handyvans - move from KCC to external funding		-200	0	0

Communities MTP 2010-13 (cont)

		Staffing FTE	2010-11 £'000	2011-12 £'000	2012-13 £'000
Savings and Mitigations (cont):					
KAES	Overhead recharge - increase to appropriate level		-100	-100	0
SIP	Reduction in T2010 - Supporting Independence		-500	0	0
Sports	End of T2010 target - Encouraging regular exercise		-30	-50	0
Comm Safety & CED	End of T2010 target - Neighbourhood Policing		-20	0	0
Comm Safety & CED	End of T2010 target - Reduce night time crime		-25	0	0
P&R	End of T2010 target - Support volunteer groups and sports clubs		-100	0	0
All CED Delegated	Property maintenance - better targeting of spend		-94	0	0
CED Delegated	Services provided by CED		-131	-143	0
	Target Reduction in net spend		0	-469	469
Total Savings and Mitigations			-2,371	-1,903	-359
Total Savings and Income		-75.0	-2,676	-2,133	-359
Budget controlled by this portfolio		-75.0	87,926	86,083	85,895

COMMUNITIES REVENUE BUDGET 2010-11

2009-10		2010-11			Managing Director	
Spending Plans £'000	Spending Plans	Gross	Income	Net Cost		
		£'000	£'000	£'000		
2,182	Kent Drug & Alcohol Action Team	17,096	- 14,933	2,163	Implementing government strategies for drugs and alcohol to combat effects of substance misuse on people & communities within Kent.	AH
3,827	Youth Offending Service	6,757	-3,012	3,745	Working to prevent offending by Children and Young people.	AH
7,010	Youth Services	12,740	-5,768	6,972	Providing personal and social development opportunities & support to young people to enable them to reach their full potential.	AH
32,882	Supporting People	32,830		32,830	Ensuring vulnerable people have appropriate housing support to remain independent.	AH
0	Adult Education Service (Incl. Key Training)	17,541	-17,641	-100	Encouraging adults of all ages to enjoy gaining new skills to develop their confidence, improve their wellbeing and employability, helping young persons aged 16+ to realise their career ambitions, and providing training solutions to both companies and individuals in local communities across Kent.	AH
2,150	Arts Unit	2,277	-285	1,992	Supporting & developing the Arts in Kent, including support for Turner Contemporary.	AH

COMMUNITIES REVENUE BUDGET 2010-11 (cont)

2009-10		2010-11			Managing Director	
Spending Plans £'000	Spending Plans	Gross	Income	Net Cost		
		£'000	£'000	£'000		
20,475	Libraries, Archives & Museums	22,284	-2,727	19,557	Enhancing the quality of life for Kent residents and communities, by stimulating lifelong imagination, exploration and discovery.	AH
1,200	Sports, Leisure & Olympics	3,074	-1,445	1,629	Enabling the people of Kent to fulfil their sporting potential and ensuring Kent derives maximum benefit from the London 2012 Olympic and Paralympics games.	AH
1,388	Supporting Independence	4,887	-4,160	727	Kent Apprenticeships and community renewal and reducing the number of people dependent on welfare benefits.	AH
3,920	Kent Community Safety Partnership	3,979	-318	3,661	Ensuring the co-ordination and delivery of safer and stronger communities for the people of Kent.	AH
2,037	Coroners	2,702	-475	2,227	Investigation of sudden or uncertified deaths and ensuring the provision of post mortem, mortuary and body removal facilities for HM Coroners.	AH
639	Emergency Planning Group	828	-199	629	Ensures an effective response to major emergencies in Kent.	AH
576	Kent Scientific Services Group	1,271	-780	491	Provides a scientific and calibration service to local authority enforcement agencies and others.	AH

COMMUNITIES REVENUE BUDGET 2010-11 (cont)

2009-10		2010-11			Managing Director	
Spending Plans £'000	Spending Plans	Gross	Income	Net Cost		
		£'000	£'000	£'000		
1,083	Registration Service	3,899	-3,027	872	Registration of births, marriages, deaths and civil partnerships; licensing venues where civil ceremonies may be solemnised and conducting a wide range of ceremonies.	AH
3,481	Trading Standards Group	3,583	-322	3,261	Protects consumers & ensures honest trading.	AH
1,272	Policy & Resources	1,272	-73	1,199	Working with colleagues in KCC and with external partners to ensure the Communities Directorate is responsive to the needs and aspirations of the people of Kent.	AH
396	Business Development & Support	579	-228	351	Provides Investors In People, Business Planning, Business Continuity, Health & Safety, Quality Assurance and Support services to the Regulatory Services division.	AH
996	Strategic Management	1,007		1,007	Directorate senior management and their support team.	AH
-32,025	Specific Grants			0	Specific Grant income from DoH and CLG, now funded through ABG.	
-526	Centrally Managed Directorate Budgets	1,226	-1,293	-67	Operational budgets managed for a range of services where it is more cost effective to manage collectively.	AH
4,241	Support Services purchased from CED	4,780		4,780	Property, Finance, HR and ISG support services purchased from CED.	AH

COMMUNITIES REVENUE BUDGET 2010-11 (cont)

2009-10	2010-11			Managing Director
Spending Plans £'000	Spending Plans £'000	Gross £'000	Income £'000	Net Cost £'000
57,204	Budget Controlled by this Portfolio	144,612	-	87,926
			56,686	
	PLUS:			
	Budgets controlled by other portfolios:			
5,849	♦ Central costs	7,600		7,600
1,733	♦ Service costs	1,810		1,810
3,426	Charges for using capital assets	2,802		2,802
Staff Numbers (FTEs)				1,897
Why the budget has changed				£'000
♦ Changes in responsibilities				32,308
♦ Inflation and rising costs				289
♦ We have changed spending on:				
♦ Delegated Schools Budget (includes pay, prices, rising rolls, teacher superannuation etc)				
♦ Government/Legislative pressures				52
♦ Pressures from 2009-10				
♦ Increased demand for services				0
♦ Service strategies & improvements				749
♦ Dedicated Schools Grant				
♦ Other grant increases				
♦ We have income generation of				-305
♦ We have made savings of				-2,371
TOTAL				30,722

COMMUNITIES REVENUE BUDGET 2010/11 ❖ HOW THE MONEY IS SPENT

2009-10 Spending Plans £'000		2010-11 Spending Plans £'000
	Employee Costs	
57,651	Salaries and Wages	55,268
429	Pension and Severance Payments	715
627	Training Expenses	588
106	Other Employee Costs	75
58,813	Total Employee Costs	56,646
	Premises Costs	
1,136	Repairs, Alterations and Maintenance	1,038
1,056	Energy Costs	1,073
1,928	Rent	2,046
1,525	Rates	1,472
1,106	Other Premises Costs	1,036
6,751	Total Premises Costs	6,665
	Transport Costs	
298	Vehicle Running Costs	289
143	Hire and Pool Car Charges	143
0	Home to School / College Transport	0
83	Public Transport (Clients)	55
1,436	Members and Staff Car Allowances and Travel Expenses	1,561
1,960	Total Transport Costs	2,048
	Supplies and Services	
2,942	Equipment, Supplies and Transfer Payments	2,818
1,912	Book Fund	1,912
2,848	Communications and Computing	2,483
186	Member and Staff expenses (Excl. Travel)	225
3,732	Grants and Subscriptions	4,471
307	Levies and Other Costs	343
0	Free School Meals	0
1,520	Social Services Payments	1,521

APPENDIX 2. Activity and output data – what the current budget “buys”

Unit	Permanent FTE	Principal Activities and Outputs
Kent Drugs & Alcohol Team	39.5	Intervention strategies for drugs & Alcohol to combat effects of substance misuse. 3900 adults across Kent accessing service and 9521 young people receiving targeted early intervention services.
Youth Offending Service	124.5	Working to prevent offending by Children & Young People. 1641 non custodial remands; 706 referral orders issued by courts; 1919 new entrants in the YJ system.
Youth Service	275.9	Provision of personal and social development opportunities support to young people to enable them to reach their full potential. 3883 young people involved with D of E awards, 27473 votes cast in the Youth County Council election; 2500 people involved in commissioned voluntary sector projects.
Community Learning & Skills	410.0	Encourage adults of all ages to enjoy gaining new skills to develop their confidence. 46000 student enrolments.
Arts Unit	11.1	Promotes Arts activity, events, performances, educational workshops and youth theatre activities county wide to approx. 198000 people; monitoring and managing relationship with Turner Contemporary.
Libraries, Archives & Museums	612.4	Service comprising of 101 permanent libraries and 11 mobile vans, issuing 6m books; 6.8m physical visits.
Sports, Leisure & Olympics	24.1	Promoting sport in Kent and ensuring Kent derives maximum benefit from the 2012 Olympic and Paralympic games. Over 30,000 young people from 550 schools competing in the Kent School Games.
Supporting Independence	6.0	Kent Apprenticeships and community renewal and reducing the number of people dependent on welfare; 94,300 claimants of working age benefits; 350 Kent Apprenticeships; 140 people completed Kent Community programme.
Community Safety	128.2	Development and support to those engaged in community safety, including police accreditation training to over 200 KCC/ local authority wardens, parking attendants and other enforcement officers in Kent & Sussex.
Coroners	4.0	Investigation of sudden and suspicious deaths; 7650 deaths reported to coroners resulting in 4500 post mortems.
Emergency Planning	15.0	KCC emergency Planning and Business Continuity provision in accordance with statutory requirements. Delivers consultancy and training services to District Council customers.
Kent Scientific Services	23.1	Provides scientific and calibration services to local authority enforcement agencies and others.
Registration Service	73.3	Registration of Births, deaths and civil partnerships; 6666 marriages; 17,000 births and 13290 deaths registered.
Trading Standards	84.2	Protects consumers from rogue traders and ensures honest trading. 10,606 consumer organisations receiving trading standards alerts regarding rogue traders; 1985 requests for advice from businesses; 29 prosecutions commenced in period.
Business Support	16.0	Provides Business planning, Business continuity and Quality Assurance support to the Regulatory Services division.
Strategic Management	9.8	MD and Divisional Directors and their direct support
Policy & Resources (incl Kent Volunteers)	23.4	Policy, Finance, Asset and Resource Management and Governance support to the Communities directorate.
Centrally Managed Budgets	-	Operational budgets for a range of services where it is more cost effective to manage collectively.
Support Services purchased from CED	-	Property, HR, Finance and ISG support purchased from CED.

APPENDIX 3. Current budget monitoring details (Quarter 1 2010/11)

Table 1

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Communities portfolio							
Kent Drug & Alcohol Action Team	17,172	-14,933	2,239	0	0	0	
Youth Offending Service	6,757	-3,012	3,745	1	-1	0	
Youth Services	12,059	-5,205	6,854	-19	-3	-22	
Supporting People	32,314	-220	32,094	0	0	0	
Adult Education (incl KEY)	17,072	-17,172	-100	0	0	0	
Arts Unit	2,277	-285	1,992	-107	95	-12	Variance relates to the finalisation and repayment of an Interreg grant, gross and income effect.
Libraries, Archives & Museums	22,602	-3,045	19,557	-62	62	0	Gross costs have been reduced by enhanced vacancy management with AV income forecasts reduced in line with Qtr 1 activity.
Sports, Leisure & Olympics	3,002	-1,373	1,629	-8	8	0	
Supporting Independence	4,937	-4,160	777	0	0	0	
Kent Community Safety Partnership	5,296	-382	4,914	33	-79	-46	Reduced staff costs mainly due to part year Community Warden vacancies offset by contribution towards directorate vacancy savings target. Additional income from Future Jobs Fund.
Coroners	2,702	-475	2,227	95	0	95	Continuation of pressure reported in 2009-10, regarding long inquests and Body removal contract.
Emergency Planning	828	-199	629	-9	9	0	
Kent Scientific Services	1,271	-780	491	-40	58	18	Reduced staff costs arising from vacancy management, offset by higher than anticipated price increases of chemical and safety equipment. Income variance relates to an income target, which at present is deemed as not achievable.
Registration	3,895	-3,027	868	-28	0	-28	Reduced staff and premises costs.

Trading Standards	3,655	-322	3,333	-63	11	-52	Reduced staff costs due to vacancies being held, where possible, for duration of year; resultant spend on staff related, premises and transport costs.
Policy & Resources	1,669	-361	1,308	0	0	0	
Business Development & Support	579	-228	351	-16	16	0	
Strategic Management	929		929	-1	0	-1	
Centrally Managed directorate budgets	1,296	-1,228	68	46	-53	-7	
Support Services purchased from CED	4,760		4,760	0	0	0	
Total Communities controllable	145,072	-56,407	88,665	-177	122	-55	
Assumed Management Action						0	
Forecast after Mgmt Action				-177	122	-55	

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Item B6

To: Communities Policy Overview and Scrutiny Committee

By: Mike Hill, Cabinet Member for Community Services and Amanda Honey, Managing Director – Communities Directorate

Date: 11 November 2010

Subject: The Kent Coroners Service

Classification: Unrestricted

Summary: This report describes the Coroners Service and how it is organised in Kent. It also notes the key stakeholders with whom we work; the budget pressures facing the service and what is being done to tackle them.

FOR INFORMATION AND COMMENT

1.0 BACKGROUND

1.1 Coroners are statutory officers of the Crown who are appointed by local authorities and the service is also funded by local authorities. The office of Coroner is an ancient one, dating back at least to 1194 and their duties and responsibilities are set out in the Coroners Act 1988 and the Coroners Rules 1984. Coroners are required by law to be qualified as a Barrister, Solicitor or legally qualified Medical Practitioner of not less than five years standing.

1.2 Coroners inquire into deaths reported to them, which appear to be violent or of sudden and unknown causes. They seek to establish the cause of death if necessary by way of a post mortem and if the cause remains in doubt an inquest is held. There are specific requirements to investigate deaths in certain circumstances, for example, the death of a person in custody, or a death resulting from a person's occupation.

1.3 Coroners' salaries are determined nationally by the Joint Negotiating Committee for Coroners and they are appointed as full time or part time depending on case load. They can appoint Deputy and Assistant Deputy Coroners subject to approval by the Chairman of the local authority and receive an allowance from the local authority in order to do so. This allowance is also determined nationally by the JNC. Coroners are assisted by Coroners Officers who receive reports of deaths and make enquiries on their behalf and in Kent these officers are employed by Kent County Constabulary.

2.0 THE CORONERS SERVICE IN KENT

2.1 There are currently 4 Coroners for the County of Kent, one for each of four Coroner's districts. The districts are Mid Kent & Medway; Central & South East Kent; North West Kent; and North East Kent.

2.2 This structure dates back to 2001, when the previous 5 Coroner districts were reduced to 4 by the amalgamation of the Ashford & Shepway, East Kent and Thanet districts (following the retirement of the East Kent Coroner), to form the North East Kent and Central & South East Kent districts. This amalgamation was carried out to go part way towards fulfilling a long term goal of creating full time Coroner's districts for the County of Kent. Government guidance in the past has been that where districts have small caseloads (as was the case for East Kent), then local authorities should seek to rationalise the service where possible. It is possible to secure rationalisations when a Coroner resigns or retires.

2.3 KCC also provides the Coroners Service to Medway Council through a Service Level Agreement (SLA). This arrangement was established in 1998 when Medway became a unitary authority because it did not make sense to create a small and separate Coroners district for the Medway Towns.

2.4 The table below gives an indication of the activity levels in each district.

District	Deaths reported 2009	Post Mortems 2009	Completed Inquests 2009
North West Kent	1,578	869	235
North East Kent	1,938	1,232	207
Mid Kent & Medway	2,429	1,292	262
Central & S E Kent	1,498	1,003	186
TOTALS	7,443	4396	890

3.0 KEY STAKEHOLDERS

3.1 Kent County Constabulary

3.1.1 There are 16 Coroners Officers in Kent (15.68 FTE's) who are employed by the Police Authority and they receive reports of deaths and make enquiries on behalf of the Coroner. They are based either in local Police Stations or hospital mortuaries. On a day to day basis they work for the Coroner but for line management purposes report to a local Inspector. The annual costs for this element of the service is in the region of £650,000 a year.

3.1.2 In some areas of the country Coroners Officers are employed by the Police and in others by the local authority and over the last few years as budgets have become tighter, a number of police forces have transferred the employment of Coroners Officers to the local authority. In some cases with a

full transfer of the staffing budget, but in others only a partial transfer of budget.

3.1.3 In the last few months we have been in discussions with Kent County Constabulary as to whether it would be in our respective interests for the Coroners Officers to transfer to KCC. For the time being we have agreed not to pursue a transfer but to work together to improve the linkages between our two services, particularly in respect of day to day communication and liaison between the Coroner, the Coroners Officers, the Coroners support staff and Registration staff.

3.1.3 The force communications centre at Police HQ in Maidstone acts as first point of contact for mobilising contracted Funeral Directors to attend the place of death and remove the deceased to a hospital mortuary pending post mortem examination. There is close liaison between the KCC Officer who manages the body removal contract, and the force communication centre.

3.2 The National Health Service

3.2.1 If a Coroner needs to order a post-mortem these are contracted from each of NHS trusts and are carried out at:

- William Harvey Hospital, Ashford
- Queen Elizabeth Queen Mary Hospital, Margate
- Medway Maritime Hospital, Gillingham
- Kent & Sussex Hospital, Tunbridge Wells
- Darenth Valley Hospital, Dartford

3.2.2. The cost of post mortems for 2010-11 is forecast to be in the region of £917,000. Dartford and Gravesham NHS Trust has however recently informed us that it intends to increase its annual charge for post mortems at Darenth Valley Hospital from £97,000 to £249,000 and this would create an immediate in year pressure for which there is no budget provision. The Head of Registration & Coroners and the Head of Finance for CMY, has met with the Trusts Deputy Finance Director to discuss this issue and are hopeful that we can arrive at a compromise solution.

3.2.3 The average cost of a post mortem is £189 and we are currently investigating the potential for an 'invest to save' scheme to construct a county mortuary facility (or possibly two) with associated accommodation including a Coroners Court.

3.3 Kent Scientific Services (KSS)

3.3.1 Toxicology testing is used in cases of sudden death and fatal accident enquiries and KSS has traditionally been commissioned by all Coroners in Kent to examine the presence of alcohol, drugs and solvents which may provide evidence in any subsequent court cases.

3.3.2 The KSS toxicology budget is allocated on a fixed fee basis, regardless of the level of activity, which makes it vulnerable to any coroner choice of alternative providers. This choice has been exercised in recent years and has put pressure on the budget for the last two and a half years. Arrangements are now in place for all toxicology testing to be carried out by KSS from November 2010.

3.4 Funeral Directors

3.4.1 When someone dies in the community and the death is referred to the Coroner it is necessary for the deceased to be removed to a hospital mortuary by a Funeral Director pending post mortem examination. In order to obtain best value, we have put in place formal contracts for body removals and these are renewed every four years. This was We first did this in 2001 and we are now in the third round of contracts.

4.0 COSTS AND BUDGETS

4.1 Coroners' salaries are based on national formulae and relate to the number of cases dealt with. They are deemed to be full-time where their caseload exceeds 3000 a year. For anything less, Coroners are classified as part time. In Kent the four Coroners are all part time as their caseloads vary between 1500 and 2500 a year.

4.2 In addition to salary and pension costs the Coroners budget funds work related costs including travelling time; clerical and accommodation costs; and a daily rate for any inquest lasting more than one day. These rates are set nationally by the JNC.

4.3 The Coroner is also responsible for reimbursing financial loss allowances for jurors and witnesses, fees for professional witnesses and fees for post mortems. Some of these are set nationally, others locally. One such fee set nationally over which KCC has no control, and which has a significant impact on the budget is the fee due to the Pathologist for undertaking the post mortem examination and reporting the results to the Coroner. The annual cost of Pathologists fees in Kent is £425,000.

5.0 BUDGET PRESSURES AND MITIGATING ACTION

5.1 The Coroners Service is demand led and as such KCC has very little control over expenditure. Whilst it is able to exercise some control over costs such as for body removals, and to a lesser degree post mortems by way of formal contracts, many of the costs of the service are set nationally, over which we have no control. We have nevertheless been working hard to tackle some of these pressures and these are set out in the following paragraphs.

5.2 The Coroner for Mid Kent & Medway is retiring on 30 April 2011 and although this is currently a part time post the caseload is approaching that for a full time Coroner. We are therefore seeking to appoint a full time Coroner for Kent who would succeed to be the office holder in the other three districts

as they become vacant. Each time a vacancy occurs and the jurisdiction merges we would increase the level of Deputy and clerical support to reflect the additional workload. These changes will result in a full year saving of £25,500.

5.3 We propose to base the new Coroner (and his/her clerical support) at Maidstone Register Office and KCC will provide the clerical assistance. Both would be set up on KCC's IT network with access to our financial reporting systems and this will enable a partnership approach towards budgets and the day to challenges and costs of running the service. Savings will be in the region of £13,000 a year although some of this will be re-directed as an income stream to the registration service in the form of rent.

5.4 In order to reduce expenditure on court hire charges (up to £300/day) some Communities Directorate premises are being used to hold inquests. In 2009 we began using the main hall on the ground floor of Gravesend Adult Education Centre for all inquests occurring in the Dartford and Gravesend area of the North West Kent Coroners district. In the same year the Coroner for Mid Kent and Medway began using Maidstone Register Office for some of the less contentious and routine inquests and we will increase the frequency of use in future.

5.5 In the Central & South East Kent jurisdiction Her Majesty's Court Service has been conducting a public consultation on the closure of Ashford Magistrates Court. If this goes ahead we plan to hold inquests in the ceremony rooms at Ashford Gateway+ when it opens in 2011.

5.6 Medway Council pays 15.39% of the total cost of the Kent Coroners Service following the re-negotiation of the SLA to reflect the full costs of providing the service. As a consequence the re-charge increased from £384,000 a year in 2008-09 to an estimated £475,000 in 2010-11 and there are excellent working relationships with Medway officers.

5.7 Long inquest payments to part time Coroners adds significantly to the costs and each year it is usually the single biggest unknown factor. In 2010-11 we expect these payments to be in the region of £150,000. It is difficult to predict with any degree of certainty when a long inquest will take place and how much preparation and hearing time will be necessary but we have been working positively with Coroners to ensure that information on these can feed into forecasting as soon as they are apparent.

5.8. The possibility is being explored of constructing one or more strategically located Coroners facilities through an 'invest to save' scheme that would include a post mortem room, associated body storage, Coroners court and ancillary accommodation and offices for the Coroner and support staff. This new facility, if constructed, would provide a holistic / integrated and efficient service, which would be of significant benefit to the public. Importantly it would also mean that the costs would be within KCC's control.

5.9. Over the last three years we have taken the lead on behalf of all local authorities to lobby Government on the escalating costs of the Coroners Service, and the need to permit more local control. Ministerial meetings have been held and will continue.

6.0 CORONERS AND JUSTICE ACT

6.1 In August 2009 the Coroners and Justice Act was came into effect. Its aims are to deliver a more effective, transparent and responsive justice system for victims, witnesses and the wider public. The key provisions are:

- Introduction of a Chief Coroner
- Introduction of a new death certification system
- Relaxation of the current rigid boundary restrictions
- Appeals system
- Independent inspection
- New Coroners areas
- New appointment system for Coroners
- Powers to secure information and evidence
- Inquests to be held in private if non-publicly disc losable material is relevant to proceedings
- Charter for bereaved families

6.2 The key provisions from our perspective are:

- The Act envisaged that Coroners would continue to be appointed and funded by their local authorities
- There would be an improved service for bereaved people who come into contact with the Coroners system, setting out service standards and giving rights of appeal against Coroners' decisions
- The introduction of national leadership, with a Chief Coroner for England and Wales, to ensure a greater consistency of approach between areas
- A reduction in delays and improvement in the quality and outcomes of investigations and inquests.

6.3 The measures in the Act were due to be implemented on a phased basis from 2011. However, the Justice Secretary commissioned an internal review of the scope and timing of the Coroner reform plans in the light of the financial situation facing government as a whole and on 14 October 2010 the Minister responsible for Coroner reform policy announced that the reforms must be brought forward without the proposed national leadership framework and new appeals system to be headed by a Chief Coroner. This announcement is a setback but does not prevent us from appointing a full time Coroner for a jurisdiction that would normally merit a part-time Coroners post, which would then set the scene for amalgamation of jurisdictions at some future time.

7.0 Conclusion

7.1 The budget risks associated with local authority accountability for the coroners' service costs have been well rehearsed at this Committee and this report has examined how these risks arise, and some of the mitigating action that has been taken or is planned. The latest government position on the implementation of the Coroners and Justice Act is disappointing and members of the Committee can be assured of continued pressure and argument at that level both by officers and by the Cabinet member for Community Services.

8.0 Recommendation

8.1 That members NOTE the report, in particular the actions being taken to tackle the budget pressures currently facing the service.

Clive Bainbridge
Director of Community Safety and Regulatory Services
Telephone Number: 01622 221014
Email: clive.bainbridgge@kent.gov.uk

Contact Officer:

Name: Giles Adey,
Job Title: Head of Registration & Coroners
Telephone Number: 01622 221003
Email: giles.adey@kent.gov.uk

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To: Communities Policy Overview and Scrutiny Committee

By: Mike Hill (Cabinet Member for Community Services)
Amanda Honey (Managing Director, Communities Directorate)

Date: 11th November 2010

Subject: Update on Margate Task Force

Classification: Unrestricted

1. Summary

- 1.1 This report seeks to update POSC on the Margate Task Force (MTF), in terms of progress to date, the local and national interest that MTF has attracted, operational and strategic priorities for the short and longer term future and its relevance to the wider Kent context.
- 1.2 There are two appendices attached to this document. The first is a summary of the High Cost Cases study, The second is a draft proposal to introduce a Selective Licensing Scheme for privately rented accommodation within the Margate Task Force area. This study estimates overall public expenditure on a number of case studies within the area.
-

2. Introduction

- 2.1 The overarching aim of Margate Task Force is to address the significant socio-economic disadvantage experienced by the population in Margate Central and Cliftonville West and the wider impact on Thanet district through a number of priority work strands. These include housing regeneration, tackling low skills and worklessness, addressing significant health inequalities, reducing out of area placement of vulnerable people, and transforming multi- agency delivery of services (7.1-7.5). This work is underpinned by strong community engagement through a core Task Force Team (7.5)

3. Context

- 3.1 The vision for the Margate Task Force is to transform and regenerate Margate Central and Cliftonville West. Within these wards there are high levels of deprivation and welfare dependency, this in turn leads to disproportionate public costs. The Task Force will respond flexibly to local needs through developing a locally based joint commissioning approach which will achieve more effective targeting of all resources. This would include money currently spent at National Government level.
- 3.2 As one of Kent's Total Place strands there has been an overt focus on understanding the complex array of issues and conditions at play in this small geographical area. Through intensive discussions at all levels, from top decision-

makers to local community leaders, there is now a shared understanding and multi-lateral commitment to action.

3.3 The overriding concern is that if nothing changes, the cycle of deprivation will become further entrenched, with consequences such as a decline in standards of accommodation which would accelerate levels of worklessness. The significant demand on public services within the two wards cannot be sustained and provision needs to be transformed to deliver greater efficiencies within the context of emerging economic stringency.

3.4 The existing housing infrastructure includes many Houses of Multiple Occupancy (HMO's) in Cliftonville West which is recognised as a key driver of current deprivation and is the main focus of any future regeneration activity. All agencies, not just the Local Housing Authority, will save in the long run through investing in renewing and reshaping housing in the area.

4. Composition of the Task Force

4.1 The Task Force Team is made up of the following staff: a Programme Manager, a Community Safety Officer, a Housing Team Leader (overseeing 4 Housing Improvement Officers), Police Sergeant (overseeing 6 PCs and 6 PCSOs), Family Intervention Worker, Social Work Assistant, Youth Offending Worker, Detached Youth Worker, Community Engagement Officer, Fire Safety Officer and an Administrative Assistant.

5. What does Margate Task Force aim to achieve?

5.1 Short Term

- Combined service efforts to address socio-economic, health and well-being problems within the two wards.
- Partnership approaches to identifying and removing duplication and barriers to joint working through improved targeting and co-ordination of resources within a highly localised delivery model.
- Identification of key barriers to worklessness and low skills and stimulation of new types of work and training programmes.
- Multi-agency agreement and understanding that tackling housing types must be at the centre of any regeneration strategy, which by design will change the nature of the residential population to ensure a mixed occupation of good standard accommodation across the wards.
- Cross-organisational agreement to resourcing a focused and clearly defined set of actions to regenerate the two wards to an acceptable level through a community-led Neighbourhood Plan.

5.2 Long Term

- Adapting delivery of services to provide flexible, customer focused and more cost efficient responses to a changing demographic mix across the two wards.

- To reduce levels of worklessness and improve skills levels across the age range.
- To reduce the percentage of private-rented stock and number of HMOs and encourage a better tenure mix and increase in property values.
- To move from high cost reactive services to preventative personalised services and a more prosperous self-managed community.
- To ensure that problems are not displaced to impact negatively on other communities in Thanet or neighbouring authorities.
- For deprivation in the two wards to decrease to the county average by 2019
- To give further impetus to the wider regeneration and marketing of Margate and Thanet as a place to live, learn, visit and work.

6. What benefits will this achievement represent?

- 6.1 Agency commitments to resourcing the Margate Task Force have been found from within existing staffing complements. Additional costs have been borne by KCC and Thanet District Council in the additional investment for 2 full time positions. KCC is also investing £0.5m in initial housing intervention work in Cliftonville West. Partner agreement around future funding, pooled budgets, information sharing and governance are required and currently in progress. Whilst potential cost to regenerate the two wards will be considerable, prospective long-term savings will be even more significant.
- 6.2 The high levels of economic inactivity, benefits dependency, anti-social behaviour and crime in the two wards have an adverse knock-on effect on a multitude of public and private organisations. Restoring public confidence in the area is crucial to increasing residential home ownership and attracting new investment.
- 6.3 Tackling the oversupply of poor quality, private rented housing and stemming the inflow of vulnerable 'high cost' individuals will rebalance the area's population profile and improve quality of life in the two wards. In achieving these aims wholesale cost benefits would deliver long-term savings to a number of agencies and organisations.

Indicators include:

- | | |
|--|--|
| • Increase in life expectancy | • Reduction in unemployment |
| • Increase in general health and wellbeing | • Reduction of those Not in Education Employment or Training (NEETs) |
| • Increase in average property prices | • Reduction in crime |
| • Increase in business activity | • Reduction in health inequalities |
| • Increase in private sector interest in investing in the housing infrastructure | • Reduction in number of those frequently admitted to hospital |
| • Improvement the Index of Multiple Deprivation (IMD) rating | • Reduction in benefits claimants |
| • Improvement in educational attainment | • Reduction in annual transiency and an increase in place satisfaction |
| | • Reduction in teenage pregnancy |
| | • Reduction in smoking |

- Reduction in insurance premiums
- Reduction in current disproportionate demand on ancillary service e.g. waste
- Efficiency savings through joined up services and delivery
- Invigorated community sector
- Significant reduction in current estimated £900m public sector spend on Thanet and £110m on two wards

7. Profile within Kent and nationally

- 7.1 The Margate Task Force approach to shared front line services is highlighted as a model approach to delivery in Kent County Council's new Medium Term Plan 'Bold Steps for Kent'.
- 7.2 Moreover Margate was selected as one of four locations nationally for a visit from senior Civil Servants on 28 July 2010. The *Top 200* was set up in March 2006 as the corporate leadership group for the Civil Service with an aim to improve public services, deliver government business and build a strong Civil Service. The focus of the *Big Society – Deprived Neighbourhoods* project is to develop a cross-Government approach to find ways to embed the 'Big Society', localism and decentralisation in delivering for deprived neighbourhoods and the need to get greater efficiency from public investment. A report summarising the findings of the national visit has recently been produced and further follow up action is being agreed by KCC, TDC and partners.
- 7.3 As well as Top 200, the Margate Task Force has attracted several ministerial visits from both the previous and current administrations, enabling this work to be linked directly into central government policy with potential for negotiation of freedoms and exceptions.

8. Update on Operational and Strategic Priorities

8.1 *Update on Placements of Looked After Children and Vulnerable Adults*

- 8.1.1 Negotiations to control out-of-area placements of Looked After Children have progressed. Rosalind Turner, KCC CFE Managing Director, has written to and met with all London Boroughs and high placing local authorities across the South, East and Midlands to ask what action they are taking to reduce out of area placements.
- 8.1.2 The Right Honourable Laura Sandys, MP for Thanet South, met with Tim Loughton, Minister for Looked After Children on 8th September 2010 to highlight concerns for Thanet and further follow up action is being planned. This includes implementation of statutory guidance on the 'sufficiency duty' requiring local authorities to have sufficient accommodation for looked-after children and not to place out of their own area.

8.2 *Update on Housing Intervention*

- 8.2.1 A housing enforcement delivery plan has been completed demonstrating how existing TDC resources involved in regulating private sector landlords will be enhanced with the use of £0.5m Performance Related Grant funding provided by KCC.

- 8.2.2 A key element of the housing regulation is the need to integrate this with other enforcement and regulatory activities undertaken by the council including, Environmental Health, Community Safety, and Planning as well as partner agencies such as Police, Fire and Rescue Service, KCC and the UK Border Agency.
- 8.2.3 Implementation of a Selective Licensing Scheme for landlords is also currently under consultation (appendix 1). The proposal is that the scheme will be declared in December 2010, starting operation in April 2011 for 5 years until December 2015. There will be a charge of £525 per licence per unit payable by the landlord; where there is non-compliance legal action will ensue with use of fines and in certain cases compulsory purchase orders.
- 8.2.4 Work is underway to establish a new method of intervention to take control of housing in Cliftonville West which will fundamentally change the environmental and demographic mix within the area and will increase demand and house values. A report by DTZ linked with the Kent and Medway Housing Strategy will explore various options and benefits/risks of implementation.

8.3 *Update on Work and Skills*

- 8.3.1 Recent research by Experian which focused on the economic impact of a decreasing public sector highlighted Thanet's significant vulnerability in the face of economic recession. Data released by the Office of National Statistics in October 2010 places Margate Central seventh in the national rankings of wards with the highest levels of benefits dependency.
- 8.3.2 Further analysis of employment and skills conditions by Thanet Works, KCC and SEEDA has been completed. This analysis estimates a shortfall of 5,000 jobs in Thanet district.
- 8.3.3 Following a meeting with Paul Carter and Lord David Freud (the Government's Minister leading on Welfare Reform), an officer team was established to develop a Prospectus for Change for the area which is focused on tackling key barriers and developing a mechanism for adding value to the new national 'Work Programme'.
- 8.3.4 At an operational level, Jobcentre Plus are working closely as a Task Force partner, exploring new ways of working with partners to reach those people who have the greatest barriers to developing skills and accessing training and work.

8.4 *Update on Health Inequalities*

- 8.4.1 Eastern & Coastal Kent NHS Triple Aim initiative is a key strand of the work to tackle health inequalities in Thanet and in particular in Margate Central and Cliftonville West. Key aims of Triple Aim are to reduce teenage pregnancy, premature mortality from cancer and circulatory disorders and tackling the high cost of those which frequently return to Accident and Emergency and GP practices.
- 8.4.2 It is important that mental health is recognised as a key issue (745 people are on incapacity benefits and are diagnosed with mental health conditions within the area). Thanet is a pilot area for the 'Fit for Work' service and this is clearly linked to the Employment strand.

8.5 Update on Transformation of Public Services through Place Based Delivery

- 8.5.1 Development of a multi-agency action plan and a fully operational multi-agency Task Force team co-ordinated by the Programme Manager is now nearing completion. This currently includes: Community Safety Officer, Housing Team Leader (overseeing 4 Housing Improvement Officers), Police Sergeant (overseeing 6 PCs and 6 PCSOs), Family Intervention Worker, Social Work Assistant, Youth Offending Worker, Detached Youth Worker, Community Engagement Officer, Fire Safety Officer and Administrative Assistant.
- 8.5.2 The core team has a coordinating and deployment role across the services which operate in the locality.
- 8.5.3 Key principles include an 'invest to save' approach focused on prevention, better use of resources and customised multi-agency services. The business plan for the first year will be informed by a range of current work strands including the investigations into High Cost Cases (appendix 2); 'Think Family' project led by KCC CFE; and the Community Engagement Plan. An Operational Management Group of multi-agency partners meets every six weeks.

9. Impact on Wider Kent

- 9.1 The Margate Task Force presents a 'test-bed' opportunity through which the successes and lessons learned from the programme will inform future organisation and delivery of public services across Kent. Improved integration and targeting of remodelled statutory services at a locality level, community-led priorities and the stimulation of third sector resources and social enterprise within a Big Society framework looks to be the key shape of public services in the future.
- 9.2 The impact of intervention in the two wards, if successful, will have significant long term benefits for Thanet and Kent more widely in terms of reduced public sector expenditure, improved quality of life for many of its residents where inequality gaps have been dramatically reduced or eradicated, and a more prosperous, sustainable economy and population.
- 9.3 KCC and Thanet District Council are keen for these two wards to be used by local and central government for future pilots and initiatives, building on the high profile achieved over the past 12-18 months, attracting opportunities for new ways of working, freedoms, flexibilities and funding, the benefits of which can inform future public sector provision in Kent and beyond.

Amanda Honey

Managing Director of Communities

Amanda.honey@kent.gov.uk

01622 694101

Contact Officers:

Sara Woodward

Margate Task Force Programme Manager

01843 577632

sara.woodward@thanet.gov.uk

Tim Woolmer

Corporate Policy Officer

01622 694414

tim.woolmer@kent.gov.uk

Margate Task Force

**High Cost Cases Report:
A Summary**

October 2010

High cost cases report: summary conclusions

In July 2010 a High Cost Cases study in the two wards of Margate Central and Cliftonville West was completed looking in depth at customer journeys, service interactions and costs to public services of individuals and families with a complex range of needs. This work is ongoing and will inform areas where greater efficiencies can be achieved in remodelling service provision and delivering improved outcomes for customers.

Discrete costings of the agency processes in each exemplar were identified and tabulated, providing an overall estimation per case, as shown in this summary report. The study highlights potential areas in which the Margate Task Force and partner agencies can drive efficiencies and improve targeting of services through joint working. These include assessment and early intervention, a lead professional approach to co-ordinating services around children, families and adults, and the streamlining of public services such as benefits payments.

The high cost cases study found that assessment opportunities can be missed at a critical early intervention stage in a person's experience of services or duplicated at later points. Case Study 5 highlights how multiple assessment processes occur within one family through service-led rather than a family based approach. Case Study 2 points to the fact that mental health diagnosis and treatment needs to be better integrated with Drug and Alcohol services.

The report also underlines the extent and complexity of public service interventions in Margate Central and Cliftonville West, and the associated costs. Future investment in services must be informed by what is effective and identify gaps in provision. Case 4 illustrates a young person who has repeatedly attended short term training courses without progressing to any longer term skills development or work. Case 2 echoes the national figures relating to the success rates of individuals using drug and alcohol treatment services - nationally 8.4% of those who enter treatment complete it free of dependency¹. Kent Drug and Alcohol Action Team are currently working on a Systems Change Pilot to improve outcomes which moves away from treatment focused intervention to a more holistic approach including a focus on housing, education, training, skills and employment.

The coalition government's proposed single benefit model needs to address the inefficiencies which are currently prevalent in the benefits payment system, illustrated in cases 3 and 4. The payment of housing benefit directly to the client rather than the landlord can lead to further costs to service providers in rent arrears cases. Through streamlining benefits both administration and service impact costs can be significantly reduced.

Finally, at a time when the public sector faces extreme funding pressures the demand for targeted, value for money, high quality public services has never been greater. It is essential for organisations to work together to cost and improve their service processes to deliver better outcomes for customers. The challenge now is to transform the way we work, and to further develop multi-disciplinary delivery to strengthen and improve the quality of provision and outcomes for vulnerable children, families and adults.

¹ National Treatment Agency for Substance Misuse (2010) <http://www.nta.nhs.uk/facts.aspx>

High cost cases in Margate Central & Cliftonville West

The High Cost Cases report looks at six examples of client interaction with services that are typically found in Cliftonville West and Margate Central and assesses the costs of cross service interventions in the area. It also examines the wider implications of these scenarios.

The examples are based on real anonymised cases, reflecting findings from discussions with service professionals who have identified routine casework with their clients. Because this report is looking specifically at high cost cases, some estimations are based on high end needs.

Summary of case studies

Case Study 1: Young person in care Cost £160,648

Case study 1 illustrates the high costs of young people in care, particularly where the young person experiences difficulties which bring them into contact with a range of additional support services. The costs in this case include taking the child into care (£36,653), care arrangements, Youth Offending Services intervention and police involvement.

Children's Social Services aim to reduce the costs associated with taking children into care through supporting families to stay together in the first instance. Where care proceedings are necessary effective prevention and joint working with carers and other services – schools, health – can reduce the impact of this process on the child and avoid subsequent need for more complex intervention.

This particular case involves an individual who has absconded from care. Thanet is responsible for 33% of Kent's missing persons. Of these 75% are Looked After Children.

Agencies involved in this case – Children's Social Services, YOS, Police, KFRS, Education, Child & Adolescent Mental Health Services

Case Study 2: Long term drug user Cost £18,033

Drug and alcohol use is particularly high within the two target wards. At the time of writing KDAAT had identified 207 people accessing treatment services. If each of these individuals replicated the pattern of the example case, the costs would equate to £3,500,000. Of these 207 people, 8 are known to have children in care. Taking a best case scenario of each having only 1 child in care (at a low end cost of £50k), this amounts to an additional £400,000 per year.

It is essential to look at success rates for clients in substance misuse treatment services and potential relapse rates. This has major implications in terms of costs as the national average is for a person to need 6-7 cycles of intervention before achieving a successful outcome.

The Task Force should work to strengthen links between drug and alcohol services and mental health providers, given the high incidence of dual diagnosis cases and the challenges in achieving long term positive outcomes among this client group.

Agencies involved in this case – KDAAT, NHS, JCP, Police, Prison Service

Case Study 3: Offender serving community sentence

Cost £30,884

Housing is a key issue within the two wards, with 3787 housing benefit claimants². The payment of housing benefit directly to the client and the ease of falling off the housing benefit register generates a number of issues. Firstly, those with erratic lifestyles, such as drug and alcohol use, habitually miss Job Seekers Allowance (JSA) appointments leading to a loss of JSA and housing benefit. When this happens the client must re-sign on for JSA which incurs additional public sector costs. Secondly, payment for housing may not reach landlords and agents when cases are not safeguarded. This then incurs housing enforcement costs and efforts to stall eviction.

The two target wards have a high concentration of offenders living within them³, many of whom use probation services. Probation services cost roughly 10% of a custodial sentence, however without employment opportunities the chances of reoffending and a possible custodial sentence increase.

Agencies involved in this case – Prison Service, Probation, Police, NHS, CPS, TDC (Housing Enforcement, Revenue & Benefits, Environmental Protection), JCP

Case Study 4: Young Addicted Offender and NEET

Cost £45,828

This case highlights the multiple needs of young people aged 16–18 who are not in employment education or training (NEET). Young people with learning difficulties, those leaving care and young offenders are all disproportionately represented among the NEET population, highlighting the need for support strategies and early intervention which guide school leavers into appropriate further education, training, apprenticeships and work opportunities. Early intervention is critical in avoiding pathways into long term patterns of poor skills and unemployment which incur very high lifetime costs.

This case shows that existing mechanisms for upskilling and offering employment progression opportunities for the NEET population is fragmented and not linear. This young person has undergone three rounds of training provision without progressing to a longer term training programme or job opportunity. This is also a reflection of the shortage of available jobs in the Thanet district.

In May 2009 there were 1,001 people from the two wards claiming Job Seekers Allowance, and 1,350 people receiving Employment Support Allowance (formerly Incapacity Benefit). Not including administrative costs, these two groups were receiving payments of £9,763,233. In the majority of cases clients were also likely to be in receipt of Housing Benefit and Council Tax Exemption.

² The total number of households in receipt of housing benefits in Thanet is 13,400, the next highest in Kent is Swale with 9,850.

³ Vulnerable Locations Profile (2010) Kent Police

Agencies involved in this case – KDAAT, CAMHS, Connexions, Police, YOS, TDC (Housing), JCP

**Case Study 5: Single Parent, with 4 children
Cost £50,122**

This case study underlines the complexity and range of service involvement in families where the costs on each agency can be substantial. It also highlights the importance of developing systems of assessment and delivery of provision which take into account whole family need – whether initiated through children’s or adult services. Where approaches are not fully integrated replication and duplication are apparent (e.g. separate Common Assessments (CAFs) per child). An information sharing protocols across services is central to making the transition to a holistic family approach. This example shows the potential future savings that could be achieved from the use of a family recovery approach.⁴

Agencies involved in this case – JCP, TDC (Revs & benefits), KCC (CFE, KDAAT), Police, NHS

**Case Study 6: Czech Roma Family
Cost £30,461**

There are significant numbers of Czech Roma families living in the Cliftonville West area, more often than not in unsatisfactory housing conditions. Children and young people of school age who have moved to the UK may have difficulties making the transition to education due to cultural factors and high rates of special school attendance in the Czech Republic.

Frontline staff and schools have identified high levels of school non-attendance among children of migrant families as a particular problem in this community. A focus on early access to education on arrival to the area and improved attendance rates would help prevent future costs associated with truancy and exclusions. The cost of truancy is calculated at £44,000 throughout the academic career of the child.

Agencies involved with this case – JCP, TDC (Revs & benefits), KCC (CFE services)

⁴⁴ ‘Thinking Family’ Westminster City Council (2008)

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Draft Proposal to Designate a Selective Licensing Scheme

Private Sector Housing

Draft proposal for consultation 6th September
2010 – 15th November 2010

If you would like a copy of this document in a
different format such as Braille, audio or large
print, or in another language please call
01843 577165



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1. Introduction

Thanet is located to the north east of Kent in the South East of England. The South East is considered to be an affluent region and yet Margate Central and Cliftonville West wards are in the bottom 3% of the most deprived wards nationally and are the two most deprived wards in the South East of England (IMD).

Thanet was a popular holiday destination but has struggled to restructure its economy following the decline of this industry and this has led to serious deprivation challenges. Despite a wide range of actions and interventions in recent years, the area's ranking in deprivation compared to other areas of the country has declined significantly since 2004. This deprivation is manifested in numerous ways through high levels of worklessness and benefit dependency; a highly transitory population with an annual turn over of residents exceeding 30% and considerable inequalities in health with life expectancy significantly lower than elsewhere in the county.

One of the major challenges in Margate and Cliftonville West is the built environment. In Cliftonville West in particular the Victorian seaside properties are characterised by large terraced houses or guest houses and hotels, over several floors with small gardens. Since the decline in Thanet's tourism this type of property has lent itself to be used as small flats, and houses in multiple occupation, being too large for retention as a single household family home, with very few traditional guest houses or B&B's remaining. The increase in this type of accommodation at the lower end of the rental market has led to a change in the type and tenure of housing, and consequently a change in the demographic profile of the area.

With little opportunity for employment in recent years, these properties have become easily accessible housing for benefit dependent individuals and less attractive to home owners. As owner occupiers sell up and move out, market values have reduced over time and the large properties have become attractive investments for landlords to purchase and sub divide, creating additional flats and Houses in Multiple Occupation (HMOs).

Many single person benefit dependent households are transient and this has led to a high turnover of residents. A significant number of people move into the area from other parts of the country and outside of the UK, as well as constant movement between properties within the ward. There remains a core community of households who have pride in the area but the constant movement of the privately rented sector means it is difficult to maintain and develop any feeling of community and this contributes to the area scoring poorly on community cohesion indicators.

In 2005 the District Council declared the wards of Cliftonville West and Margate Central as a Neighbourhood Renewal Area (NRA). Despite considerable attention and financial support for the area progress on improving the deprivation indicators has been slow and in some cases has declined. Property values have slumped and levels of deprivation have continued to remain high. The area has many absentee landlords, high levels of privately rented accommodation which is often poorly managed and in poor condition,

and high numbers of empty properties. From a social perspective there are high levels of worklessness, poor health, high levels of crime and anti social behaviour and physical and social deprivation. It is not surprising that the area is perceived to be rundown and contributing negatively to the overall reputation of Thanet.

Despite all these issues the area of Cliftonville West continues to be a priority for Thanet Council, Kent County Council and East Coast Kent NHS. It is viewed as an area with considerable prospects for the future with determination from the community, public sector services and voluntary services to intervene and make a difference to the current profile of this ward.

The Margate Task Force, which is due to be launched in September 2010, draws together a co-ordinated and focussed multi-agency approach to tackling the high level of socio-economic problems in the area, characterised by a disproportionate concentration of vulnerable individuals and families.

The Task Force team structure will take the lead in co-ordinating integrated working around key priorities and adding significant capacity to existing work around community safety such as anti-social behaviour, tackling crime; supporting vulnerable individuals and families and housing. This intervention is underpinned by an agreed long-term strategy and neighbourhood plan, shaped and directed through community engagement, for addressing the significant issues faced in the Cliftonville West and Margate Central wards, alongside a comprehensive housing intervention plan.

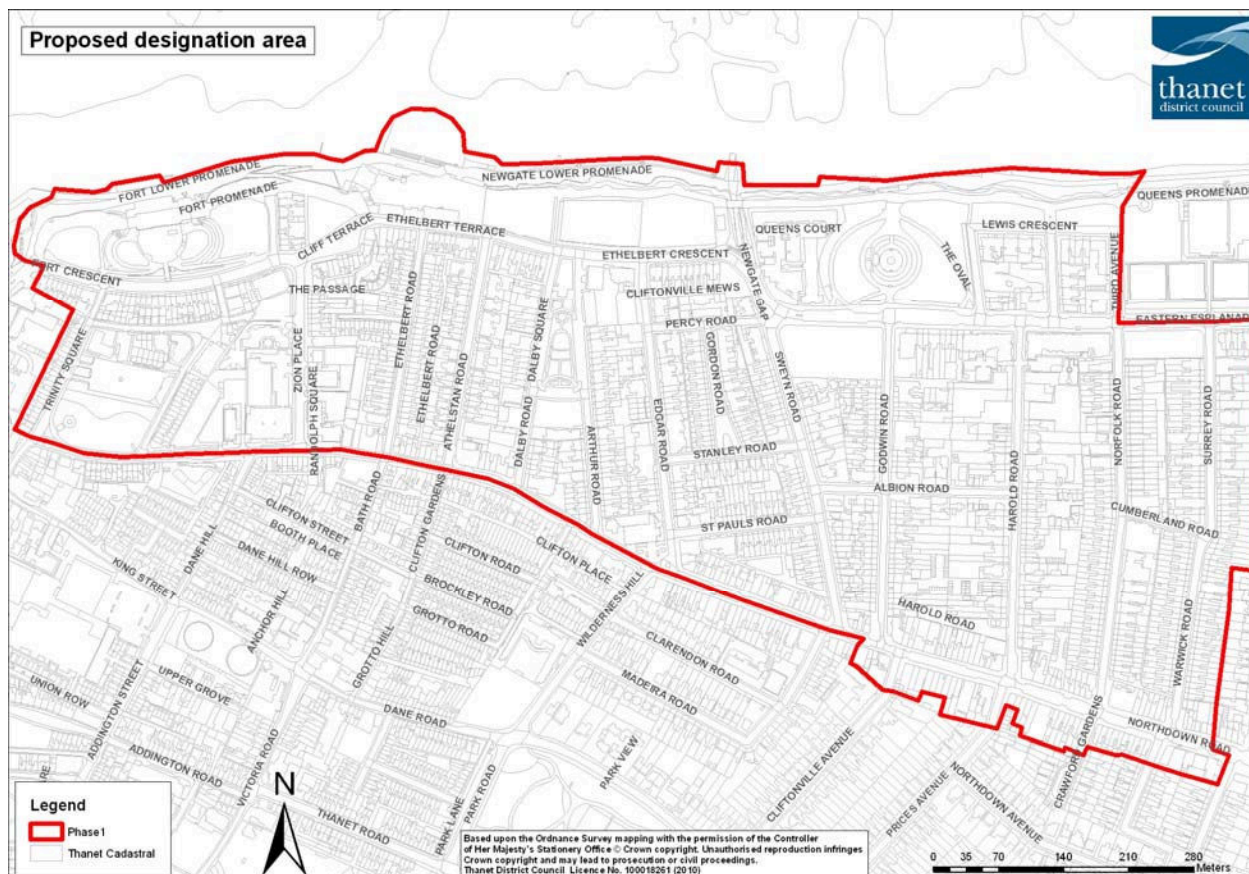
It is proposed that a selective licensing scheme is introduced in specified areas of Cliftonville West and Margate Central. This approach is fully supported compliments the range of activities and action plans in place to achieve the vision for the two wards.

It is essential that the community are engaged with this proposal and have the opportunity to make comment. This document sets out the detail behind the proposal and the reasons why making a designation will enhance the existing activity and welcomes any views or comments. Section 6 provides details on how to make representation.

Following the 10 week consultation period, a final report will be submitted to Thanet District Council's cabinet meeting in December for a decision on whether to proceed with the designation.

2. The Proposal

It is proposed that Thanet District Council designate the area outlined in red on the map below as a selective licensing area.



The designation will be used to tackle anti-social behaviour in the area and to assist in improving the quality and the management of rented accommodation.

Every privately rented flat, house or room (unless already licensed as a HMO under the existing mandatory scheme) will require a licence to operate in the area and landlords will be responsible for making an application to the Council.

It is proposed that the selective licensing scheme will be declared in December 2010 and will become operative in April 2011. The designation will last for 5 years until December 2015.

Initially it is expected that compliant landlords will apply for a licence shortly after the designation, however it will be necessary to introduce a comprehensive enforcement programme to capture un-licensed properties. Enforcement will be carried out on a phased approach starting in the worst streets for levels of anti social behaviour. This will be combined with a targeted approach for individual properties identified on a priority basis through the Margate Task Force and through the Housing Intervention programme.

3. What is a Selective Licensing scheme?

Selective licensing is a regulatory tool provided by the Housing Act 2004 (the Act). Section 80 of the Act allows local housing authorities to designate areas suffering from either significant and persistent anti-social behaviour and/or low housing demand.

By making the designation, all privately rented accommodation in the designated area will require a licence. Owners of rented properties will be required to make an application to the Council for a licence and will need to nominate either the manager or the owner to be the licence holder.

Landlords who own more than one property within the designated area will need to apply for a licence for each of the units of accommodation they rent out. The licence is valid for up to 5 years and will contain a series of conditions that the licence holder will be required to comply with. These conditions will include items relating to the management of the property, fire safety and anti-social behaviour. There will also be a requirement that landlords provide references for tenants that move on from their properties.

The Housing Regeneration Team will be responsible for ensuring compliance with the designation and will be supported by the Margate Task Force. Where a breach of licence conditions is identified the licence holder may be prosecuted with a fine of up to £5,000 per breach. Failing to apply for a licence could lead to prosecution and a fine of up to £20,000.

The Housing Regeneration Team will be carrying out a programme of pro-active inspection and is expected to take a zero tolerance approach where un-licensed properties or breaches of conditions are found. They will also be assessing the physical condition of the property and will be able to take enforcement action against the licence holder to reduce any hazards that are found and make any improvements that are necessary.

Although the penalties to non-compliant landlords can be high the aim of the scheme is to deal with the anti-social behaviour of some tenants. In order to tackle this it will be necessary to support landlords in dealing with anti-social tenants. The Housing Regeneration Team will be looking at ways in which to best deliver this support through the Margate Task Force and other partner organisations.

There will be a charge for the licence and this will be £525 per licence. If the designation is agreed in December 2010 then designation will become operative in April 2011. Between January and April 2011 it will be possible to make an application and it is proposed that there will be a discount for those that submit an application before the operative date. It is also proposed that landlords who are accredited with the Kent Landlord Accreditation Scheme will also benefit from a discount. Further information will be supplied in January should the designation be successful.

4. Why do we need a Selective Licensing Scheme

Although both the wards of Cliftonville West and Margate Central have issues relating to anti social behaviour, it would not be feasible to declare the whole area as part of the designation due to staff resource implications. The focus for this designation is, in the main, focused on the part of the ward of Cliftonville West due to the higher proportion of residential accommodation and the link between anti social behaviour and rented accommodation. If the designation is successful it may be that further designations are considered in the future.

4.1 Anti-social behaviour

Anti social behaviour is a concern within the ward and forms the main reason for this proposal.

The area suffers from a number of fires both deliberate and accidental each year. The Fire Service attended 215 deliberate fires in 2009/2010 across Thanet and this is one of the highest levels in Kent. However, the ward of Cliftonville West has the highest number of call outs for deliberate dwelling fires experiencing 13 last year. As a result of these fires 2 people suffered serious injuries and 9 had to be rescued from their homes.

Thanet's average incident rate for fire is 4.3 fires per 1,000 population. The rate in Cliftonville West is double that rate at 10.2 fires per 1,000 population and is the highest rate across all the wards in Thanet.

Crime is also a significant problem in Cliftonville West and Margate Central. These two wards have some of the worst crime rates in Kent with a combined crime rate of 247.3 per 1000 population; the average for Kent is 71.3 per 1000 population

Cliftonville West had 386 reported violent crimes compared to the ward average of 133 in Thanet. This is almost three times the average.

Burglary linked to local problematic drug users, accounts for 153 crimes a year in Cliftonville West alone against a Thanet ward average of 33.

Within the two wards (Cliftonville West and Margate Central), the Youth Offending Service has 87 customers annually. This represents 17% of the Thanet total. Cliftonville West is the worst ward for youth offending in Kent accounting for 15% of youth crime in Thanet.

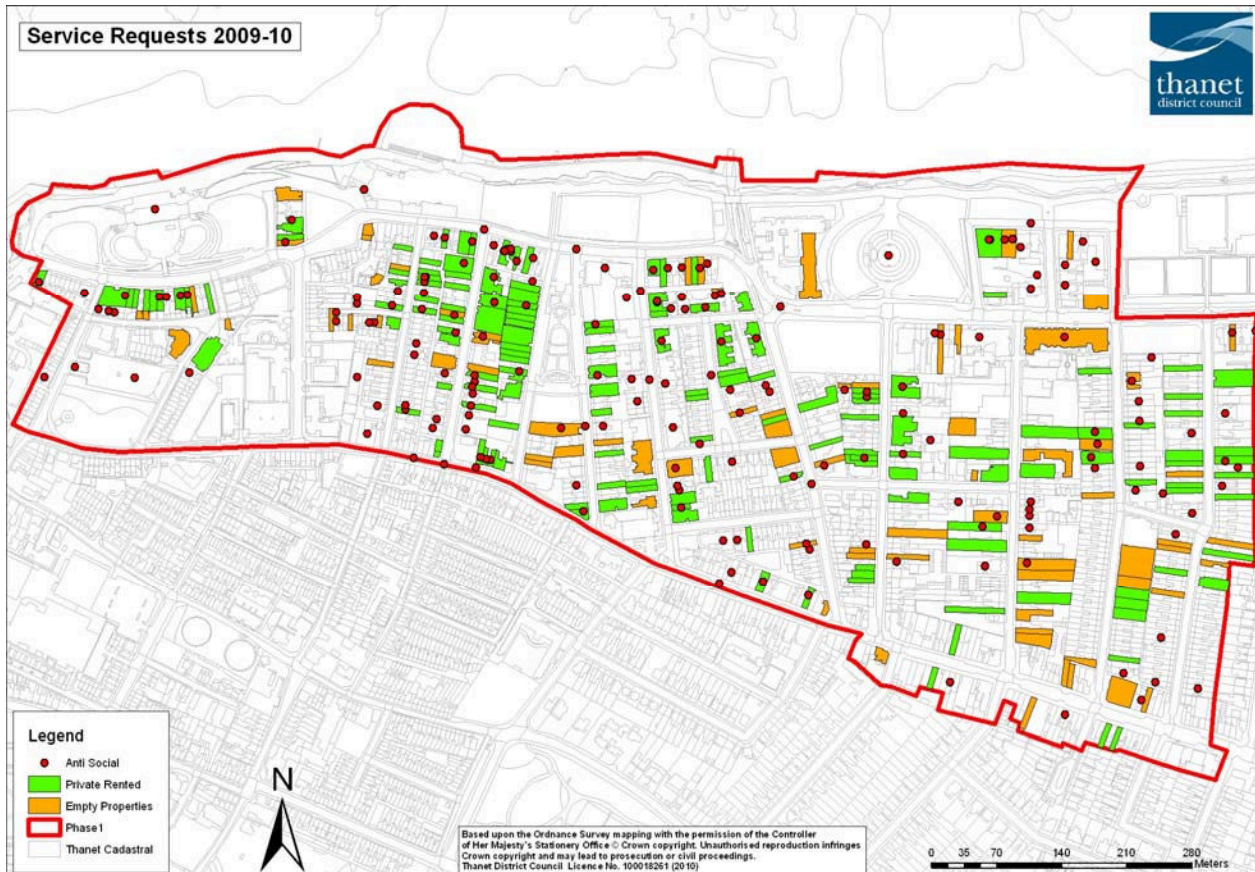
Approximately 15% of KCC's children's social work cases in Thanet are found in these two wards. This includes a disproportionate number requiring statutory intervention.

745 of Incapacity Benefit claims were for mental health and behavioural disorders from a total of 1390 in the area (53.7%).

Approximately 34% of all GP referrals in Thanet to secondary mental health services emanate from these two wards.

From July 01 2009 - July 01 2010 a total of 188 fixed penalty notices were issued for littering and dog fouling across the district. 14% of those notices were served within Cliftonville West.

As indicated by some of the statistics shown above the area of Cliftonville West suffers from a significant problem of anti social behaviour. The map below indicates the levels of service requests received by Thanet DC in 2009/10 relating to antisocial behaviour and privately rented properties. It also plots known empty properties.



The map shows that across the area there are a number of properties that are linked to anti social behaviour. This only shows the level of activity by Thanet DC and does not show the calls and activity relating to crime and disorder and therefore the map should be read in conjunction with the general statistics already provided.

In order to qualify for a selective licensing scheme there must be evidence of a link between the housing and a significant and persistent problem of anti social behaviour. The data and map clearly show that this is the case, however there is data missing on exactly how many properties are privately rented. As information becomes available this map will be updated.

Based on the available data that has been mapped, there are clear hotspot areas. The 'hotspots' will form the basis of a prioritisation for the enforcement programme but it is considered appropriate to designate this whole area to ensure a comprehensive approach is taken to deal with the issues.

By designating the whole area detailed in the map above the risk of problems migrating to other wards is reduced. The nature of the housing stock in this area is so unique that it is unlikely that other wards will be affected in the same way. So far, of those authorities that already have a selective licensing scheme, there appears to be no evidence that the problems migrate to other areas. The aim of the scheme is to tackle the root cause of the anti social behaviour rather than moving it from property to property. Evaluation of the scheme will form an important part of this project and this will include an impact assessment on surrounding areas.

4.2 Housing Tenure

One of the main distinguishing features of this area and arguably at the heart of the problem is the over-supply of mainly substandard private rented accommodation. In October 2009, the Housing Regeneration Team at Thanet District Council began a proactive programme of inspection called 'Your Home, Your Health'. This programme involved the systematic inspection of all properties in the area, one street at a time. This programme is currently on going and has provided valuable data on the properties in the area. So far the data collected has identified that in some streets more than 80% of the properties are privately rented. The average for privately rented property in Thanet is 28.5% which is still very high compared to a national average of 13%. This is a symptom of the current housing market and the high levels of people on means tested benefits that are unable to access the housing market. Despite the house prices having recently reduced and the value of property in Cliftonville West being particularly low, the area is more attractive to investment landlords with a demand for low rent accommodation rather than owner occupiers.

45% of properties are in single-occupation and this is largely due to the number of small flats and HMOs. 58% of properties are flats compared to the Kent average of 16% and 30 properties in the area already have a mandatory HMO licence. The level of home ownership has reduced significantly with some streets only showing around 10% of properties being owner occupied and this figure appears to be falling. This type of accommodation has an impact on the diversity of the community with less family accommodation available which in turn leads to over occupation and overcrowding.

In addition to the high levels of rented accommodation and low levels of owner occupied properties there are high levels of empty properties. Up to 20% of units are empty in some streets and in some cases whole buildings that have been converted into a number of flats are empty and boarded up.

4.3 Housing Condition

Figures provided by the Building Research Establishment (BRE) show that between 58- and 85% of properties within Cliftonville West have at least one category one hazard as assessed under the Housing Health and Safety Rating system. This is an indicator of substandard accommodation that does not meet the decent homes standard. Following a stock condition survey for the whole of Thanet in 2008, it is likely that properties will contain disrepair issues that will lead to a risk of exposure to the cold through inadequate heating and insulation, and an increased risk of fire, falls, and crime. This is

further supported by the data mentioned in 4.1 which details the level of crime and incidents of fire.

4.4 Population

The population in the area is particularly transient with a 34% annual 'churn'. Work through the 'Your Home, Your Health' project has highlighted that more than 80% of residents in the survey area are not originally from Thanet. Around 21% are from elsewhere in Kent, 43% are from elsewhere in the UK and 19% are from outside of the UK.

The transient nature of the residents makes it extremely difficult to understand the needs of the residents in the area and to make a lasting impact by tailoring services to meet those needs.

The average life expectancy in Margate Central is 72.7 years (2004 -2008 pooled data) - 17 years shorter than the best in Kent. Life expectancy at birth for males in Cliftonville West is 69.2 years, almost 18½ years below the best county average. Key killers for this population are circulatory disease (highest mortality rates in Thanet) and all cancers.

The area also has high levels of people in receipt of benefits. 39% of people are in receipt of at least one benefit which is the worst in Kent. 9.4% are in receipt of Disability Living Allowance and 18.5% receive Incapacity Benefit this is the second worst in Kent the first being Margate Central.

4.5 Current Activity

Given the data collected, it is considered appropriate that a selective licensing designation should be considered. However, it is important to ensure that this scheme compliments existing projects and activity.

In 2005 Cliftonville west was declared as a renewal area. Additional resource was directed to the area in the form of a small team dedicated to responding to issues in the area and administering small grants to improve the frontage of the properties. The work of this team has identified the need for a much larger more integrated approach which has led to the development of the Margate Task Force. The area also benefited from investment from the Safer, Stronger Communities Fund (SSCF) which helped deliver projects for the community.

These have all had a positive impact on the area but have not directly tackled the internal conditions of the properties or dealt with continued anti social behaviour issues. Although the Council has always responded to complaints relating to housing condition and anti social behaviour this only deals with a small proportion of the problems leaving the remaining area largely un-regulated.

In 2007 the Council also led on a multi agency enforcement approach called 'Operation Cleansweep'. Again this is a continuing programme of activity and is a highly successful model for enforcement. There have been a number of successes through the scheme and this approach will continue to have an important role in the enforcement and delivery of selective licensing.

In 2009 the Council introduced a proactive property inspection programme called 'Your Home Your Health'. There are two main aims to this approach. The first is as a multi agency referral form to assist residents in accessing a number of services that they may not normally be aware of. These services range from finding a dentist or a doctor, quitting smoking and healthy living advice, to benefit advice and debt management, to accessing community groups and befriending services. The second aim is to collect information about the properties, the tenure, and the population. So far this has provided some useful information to allow us to direct services appropriately. 'Your Home, Your Health' runs in partnership with the NHS and services across Kent County Council and Thanet DC and has successfully linked a number of residents to services that have improved their health safety and welfare.

It is intended that selective licensing will support the activity that is currently being undertaken but also bridge the gap that has been identified by dealing with the problems associated with rented accommodation and anti social behaviour.

5. What are the benefits of having a designation

It is the intention of the Council to designate specified areas of Cliftonville West and Margate Central as a selective licensing scheme. Although a selective licensing scheme provides the council with the powers to regulate the private rented sector it is the intention to work with landlords to reduce anti social behaviour and improve housing conditions. It is expected that introducing such a scheme will have a number of benefits to the community, landlords, tenants and owners, both directly and indirectly.

Expected benefits include:

- Reduce levels of anti social behaviour
- Improved management and condition of privately rented accommodation
- Support for landlords in dealing with anti social tenants
- Education for tenants in their responsibilities to behave in a tenant like manner
- Education for tenants to ensure they only live in properties that meet a minimum standard
- Promotion of the landlord accreditation and the aspiration to let property to a higher standard and to act in a professional manner with well written tenancy agreements, inventories and protected deposits
- Encouragement of landlords not to take tenants with a poor reference
- Development of a tenant referencing system to enable landlords to make informed decisions when letting property
- Improvement of the image and desirability of the area
- Encouragement in the market to increase rents and values of property in the area

- Encouraging a change to the tenure mix of the area

Selective licensing has been successfully implemented in a number of areas across the country. Middlesbrough was one of the first and has reported positive results following the first 18 months of the scheme. In particular, there has been evidence that as a result of the intervention, anti social behaviour has decreased and the level of privately rented accommodation has also decreased. There has also been a slight increase in property value despite the current housing market being slow. The London Borough of Newham has also introduced a scheme that is analogous to the proposal for Cliftonville West in that there is high anti social behaviour but being in the south east of England where housing demand is considered high. The Newham scheme became operative on the 1st March 2010 and Newham have already started to see a clear reduction in anti social behaviour, in particular environmental crime. The scheme has received support from professional landlords who have commented that it has had a positive impact on their business.

Thanet DC is fortunate that it has a positive relationship with a number of authorities that have already been through this process and can share best practice. There is also support from Local Government Regulation to guide the council through the designation.

It is expected that this scheme, working along side other intervention projects in the area, will have a significant impact on anti social behaviour issues and consequently the housing tenure of the area.

6. How do I make comments on this proposal

For general enquiries about this consultation please contact:

Hannah.Thorpe@thanet.gov.uk

To make any comments or observations about this proposal please send these to:

Selective licensing Consultation

Thanet District Council

Freepost SEA 8273

Or you can leave comments on line at:

www.thanet.gov.uk

Consultation will be taking place using the following methods:

- Direct mail to landlords and residents.
- Direct mail to local community groups (this includes a number of harder to reach groups).
- Press release to local media/press.
- Posters – some translated into other languages – work with Migrant helpline.
- Article in Thanet Matters/Your Say.
- Information on TDC website (link from the front page).

Groups to be consulted include:

Landlords, Letting Agents/Estate Agents

Direct mail – all landlords/agents will be sent a letter explaining what the proposal is and how it will affect them as landlords.

As part of the mail out, a feedback form will be included providing landlords with an opportunity to give their views on the proposal.

The letter will also advertise details of a drop in session to be held during in the evening. The drop in sessions will be informal so landlords can call in at any time. The sessions will be held so that landlords can find out more about the proposal, ask any questions and provide any comments/feedback. TDC Private Sector Housing Staff will be on hand to answer any questions.

Landlords' board/forum will be advised of the consultation and will be invited to comment. If a meeting of the board/forum is held during the consultation period then the consultation will be added to the agenda and/or Housing Officers will attend to promote this.

Tenants and residents in Cliftonville West

Mail drop - All properties in Cliftonville West will be mail dropped a flyer about the scheme. The flyer will explain what the scheme is and what it means for tenants/residents.

On the reverse of the flyer there will be a short tear off survey/feedback form to give tenants the chance to provide any comments on the proposal.

The flyer will also advertise details of a number of road show dates which will be held throughout the consultation period at a number of venues in Cliftonville West. The road show will be held during the daytime and some evenings to ensure those who work are also able to attend.

The road show sessions will be informal so tenants can call in at any time. The sessions will be held so that tenants can find out more about the scheme, ask any questions and provide any further comments. TDC Housing Regeneration Staff will be on hand to answer any questions.

Ward Councillors for Cliftonville West

Ward Councillors will be contacted (by letter/e-mail) ahead of a general mail out to all councillors. This letter will provide details of the proposal as well providing the full consultation plans for the area. They will be asked to provide any feedback/comments about the proposal.

Stakeholders/partners/community groups in Cliftonville West

Community groups will be contacted (by letter/e-mail) with details of the proposal. They will be advised of the road show dates and will be asked to promote the consultation to their members. A few copies of the flyer (going out to tenants) will be included within the letter and they will be invited to provide any comments or feedback.

Where relevant TDC officers may wish to visit any well attended community group meetings/forums/PACT panels throughout the consultation period to promote the scheme.

The consultation will need to be flagged up to Margate Renewal Partnership and also to the 'This is Margate' group to ensure that they are aware of the consultation.

Shelter, NLA and CAB will also be consulted.

Relevant TDC Staff

An e-mail will be sent to relevant TDC staff to advise them of the proposal. For any teams who may experience a significant impact from the proposal (e.g. Community Safety) a meeting should be set up to

discuss the implications and to provide an opportunity for council officers to provide suggestions and feedback on the proposal.

All residents in Cliftonville West

A press release will be issued to local media/press to promote the consultation, including the dates and venues of the road show.

Posters will be placed around Cliftonville West advertising the consultation. The posters will be translated into Czech/Slovak and placed in public spaces, as well as asking some local venues (cafes/pubs/community centres) to display them.

Information will be available on the council website so any people with internet access will be able to find out more about the proposal as well as completing an online comments/feedback form. (Completed in SNAP).

The road show will be held in public open spaces so any member of the public will be able to find out more about the proposal and will have the opportunity to ask questions or to provide comments.

All TDC councillors

A letter/e-mail will go to all TDC Councillors to advise them of the proposal for Cliftonville West.

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By: Overview, Scrutiny and Localism Manager
 To: Communities Policy Overview and Scrutiny Committee
 2 November 2010
 Subject: **SELECT COMMITTEE - UPDATE**
 Classification: Unrestricted

Summary: This report updates Members on the progress of the Select Committee on Extended Services.

Select Committee: Extended Services

1. (1) The Select Committee on Extended Services under the Chairmanship of Mr Robert Burgess has finalised its report. The relevant Cabinet Members and Directorate representatives were invited to comment on the draft report prior to the Select Committee agreeing the final version.

(2) The report will be presented to Cabinet on 29 November 2010, and if meeting time permits County Council on 16 December 2010.

New Select Committee Topic Review – “The Student Journey”.

2. At the meeting of the Scrutiny Board on 3 November 2010 it was agreed to establish a Select Committee review on “The Student Journey. Initial background research will start shortly, along with discussions to focus its scope, It is likely that the Select Committee will carry out its evidence gathering sessions in Spring 2011. This review covers matters currently with the remit of Learning & Development and Economic Development & Regeneration POSC’s as well as this POSC. This Committee will receive regular updates on the progress of this review.

Suggestions for Select Committee topic reviews

3. If Members do have any suggestions for future Select Committee topic reviews could they contact the Democratic Services Officer for this POSC.

Recommendations

3. Members are asked to endorse the executive summary of the report from the Select Committee on Extended Services, and to advise the Democratic Services officer of any items that they would like to suggest for inclusion in the Select Committee topic review programme

Background Information: *Nil*

Denise Fitch
 Tel No: 01622 694269
 e-mail: denise.fitch@kent.gov.uk

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