

**CORPORATE POLICY OVERVIEW AND SCRUTINY
COMMITTEE**

Thursday, 8th April, 2010

10.00 am

**Darent Room, Sessions House, County Hall,
Maidstone**





AGENDA

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 8 April 2010 at 10.00 am
Darent Room, Sessions House, County
Hall, Maidstone

Ask for: **Denise Fitch**
Telephone: **01622 694269**

Tea/Coffee will be available 15 minutes before the meeting

Membership (12)

Conservative (11): Mr E E C Hotson (Chairman), Mr R W Bayford, Mr D L Brazier, Mr J R Bullock, MBE, Mr R B Burgess, Mr B R Cope, Mr R Frayne, Mrs J Law, Mr R J Parry, Mr J E Scholes and Mr M V Snelling

Liberal Democrat (1): Mrs T Dean (Vice-Chairman)

UNRESTRICTED ITEMS

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

Item No

A. COMMITTEE BUSINESS

- A1 Substitutes
- A2 Declaration of Interests by Members in items on the Agenda for this meeting.
- A3 Minutes - 14 January 2010 (Pages 1 - 8)

B. ITEMS FOR CONSIDERATION

- B1 Financial Monitoring Report : Corporate Services 2009/10 (Pages 9 - 30)
- B2 Total Place (Pages 31 - 86)
- B3 Shared Services work in Kent (Pages 87 - 108)
- B4 Citizens' Panels - update (Pages 109 - 146)
- B5 Ministry of Defence Welfare Pathway pilot in Kent. (Pages 147 - 150)
- B6 International Affairs Group Update (Pages 151 - 164)
- B7 ICT Strategic Plan (Pages 165 - 188)
- B8 CED Risk Register - update (Pages 189 - 206)

C. SELECT COMMITTEE WORK

C1 Select Committees - update (Pages 207 - 208)

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

Monday, 29 March 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

**CORPORATE POLICY OVERVIEW AND SCRUTINY
COMMITTEE**

MINUTES of a meeting of the Corporate Policy Overview and Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 14 January 2010.

PRESENT: Mr E E C Hotson (Chairman), Mrs T Dean (Vice-Chairman), Mr D L Brazier, Mr J R Bullock, MBE, Mr R B Burgess, Mrs J Law, Mr R J Parry, Mr J E Scholes, Mr M V Snelling and Mrs P A V Stockell (Substitute for Mr R Frayne)

ALSO PRESENT: Mr P B Carter, Mr R W Gough, Mr A J King, MBE, Mr R A Marsh and Mr J D Simmonds

IN ATTENDANCE: Mrs A Beer (Director of Personnel & Development), Mr N Fairburn (Workforce Development Manager), Ms D Fitch (Assistant Democratic Service Manager (Policy Overview)), Mrs S Garton (Head of County Performance and Evaluation Manager), Mr P Gilroy (Chief Executive), Mr R Hardy (Director of Improvement and Engagement), Ms J Hill (Performance Manager), Ms L McMullan (Director of Finance), Mrs T Oliver (Director of Strategic Development and Public Access) and Mr D Shipton (Finance Strategy Manager)

UNRESTRICTED ITEMS

36. Minutes - 13 November 2009

(Item A3)

RESOLVED that the minutes of the meeting held on 13 November 2009 are correctly recorded and that they be signed by the Chairman.

37. Financial Monitoring Report : Corporate Services 2009/10

(Item B1)

(1) Mr Shipton introduced the second quarter's budget monitoring report for 2009/10 to Cabinet on 30th November 2009 and the latest exception report on 11th January 2010 for the Chief Executives Department.

(2) In response to a question from Mrs Dean, officers undertook to send Members information on the Property Enterprise Fund (PEF).

(3) RESOLVED that the projected outturn for the Chief Executive's Department and Financing Items for 2009/10 based on the second quarter's monitoring report to Cabinet be noted.

38. Budget 2010/11 and Medium Term Financial Plan 2010/13

(Item B2)

(1) The Committee considered the Chief Executives Departments (CED) Draft Budget proposals set out in the Draft Budget 2010-11 and the Draft Medium Term Financial Plan (MTP) 2010-2013 and also the report which was circulated specifically relating to the key areas of these documents for this Department. The report also included the issues raised by the Informal Member Group in November 2009, along with the resulting responses and the comments made by Members.

(2) Mrs McMullan and Mr Shipton introduced the draft MTP and the Revenue Budget and Capital Budget for the Chief Executives Department then answered questions from Members about the following issues:-

ISG base budget

(3) In response to a question from Mr Parry on the ISG base budget increase of £600,000 (page 29 of the report), Mr Shipton explained that the previous year's budget had included a reduction in ISG support services commensurate with an anticipated reduction in the number of KCC officers requiring email accounts and support. However, this reduction did not materialise and therefore it was not possible to make the savings identified without there being an impact on Directorate service levels. Service Directorates were not prepared to agree to such a reduction and thus the base budget provision has had to be restored.

Cost of living increase

(4) In response to a question from Mrs Dean, Mr Shipton stated that for 2011/12 and 2012/13 no specific provision for the cost of living increase had been made at this stage as the authority had not made any proposals and we were awaiting full details of the 1% pay cap announced in the Pre Budget report on 9th December 2010. Once proposals were made the cost would have to be met from the provision made for emerging pressures in the draft MTP.

Reduction in staffing numbers

(5) Mrs Dean referred to paragraph 3.5 (page 29) of the report, regarding savings involving further reviews of staffing and whether the publicly quoted figure of a reduction of 700 posts was fixed. Mrs Dean also referred to the proportionally high reduction in posts in Legal and Democratic services (page 71 of the MTP) and asked whether any redundancies had been decided yet. Mr Shipton explained that the staffing reduction numbers in the MTP were based on the average salary cost to determine the estimated number of posts required to achieve the savings quoted in the MTP. However, it was hoped that savings would be made by not filling vacancies. Mr Shipton also explained that savings figures had been calculated according to individual service's ability to make savings according to their relative spending on strategic and support activities in order to preserve front line services.

(6) Officers undertook to supply information, at the lowest level possible, on redundant posts for this Directorate to Members of the Committee.

Kent TV

(7) Mrs Dean referred to the delay in awarding the contract for Kent TV, Mr Gough explained that interviews with tenderers had been postponed due to adverse weather and would be held shortly. Mrs Oliver confirmed that KCC was still within the legal framework for awarding the contract.

(8) RESOLVED that the revenue and capital budget proposals, the issues raised by the Informal Member Group, along with the resulting responses and the comments made by Members be noted.

39. Half-year monitoring 2009/10

(Item B3)

(1) Mrs Hill introduced a report which summarised the corporate element of the 2009/10 half-year monitoring results for the Annual Business Unit Operating Plans and included a statement by the Chief Executive of progress to date.

(2) In response to a question from Mrs Dean, Mr Gilroy confirmed that the review of Prisons covered the issue of support for prisoners on discharge.

(3) Mrs Dean commended the successful HOUSE project.

(4) It was confirmed that there was a focus group of Members involved in the development of the Members Portal.

(4) In relation to a question from Mr Parry regarding the location of the East Kent Data Centre, Mr Bole explained that although there had been some delays caused by the need to evaluate potential sites, the scheme was still due to be achieved within the original timescale.

(5) Mr Hardy explained that "pick and mix" was a pilot project funded by central government and was a new way for the public to access publicly held data, which combined maps, spreadsheets and other data sources to allow the public to put together their own sets of information. It was due to go live in March 2011. It was agreed that all Members of the Council would be supplied with information on this project.

(7) In response to a question on the Interreg IVa coastal deprivation project, officers undertook to supply further information to Members of this Committee.

(8) RESOLVED that the report be noted.

40. Gateway Update

(Item B4)

(1) Mr Gough and Mrs Oliver presented a report which updated Members on the Gateway programme in Kent across face to face, telephone and online access. This report also included an update on the Interreg IVa project, the links with Total Place and Better Work Places and the recently launched Welfare Pathway with the Ministry

of Defence. Mr Gough acknowledged the success of the Gateways in gaining a green flag in the recent CAA review.

(2) A Member referred to the need to have equal District and County Council branding at Maidstone Gateway or to ensure that it was undertaken in a way similar to Tunbridge Wells, which Mrs Oliver acknowledged was necessary.

(3) Mr Burgess referred to the positive effect that sharing the Gateway facility has had for Thanet library which has seen an increase in use.

(4) In relation to the franchising of Gateways, Mrs Oliver explained that aim was for this to be cost neutral initially, with the first authority expressing an interest being Buckinghamshire, but it was hoped that there would be some income generation from this in the future.

(5) Mrs Dean requested the footfall figures for Gateways and comparative figures for services before they were included with the Gateway. Mrs Oliver undertook to provide the figures that were available but explained that some partner organisations and some parts of KCC did not keep these figures prior to using the Gateway.

(6) The importance of KCC services making full use of Gateways was emphasised by Members.

(7) In relation to questions on the voluntary sector presence in the Gateway's it was suggested that funding from KCC should be conditional upon voluntary sector partners making effective use of Gateway facilities.

(8) RESOLVED that the report be noted.

41. Reception Closure Programme

(Item B5)

(1) The Committee were given the opportunity to read the following papers which were circulated at the meeting, the report to the Chief Officers Group on 2 December 2009, numbers of visitors to SHQ receptions and the recommendations from the Cabinet Scrutiny Committee on 9 December 2009.

(2) The Chairman explained that this item had been referred to this Committee from the Cabinet Scrutiny Committee on 9 December 2010 via the Scrutiny Board spokesmen.

(3) Mr Gough introduced a report which set out the rationale behind the programme for closing receptions in KCC office buildings beginning with headquarters (excluding Sessions House), which had been agreed by the Chief Officer Group. This issue came within officer delegated responsibilities. He stated that this matter needed to be taken in context and was about doing things in a different way to meet the financial pressures on the authority.

(4) Mrs Dean, as Chairman of the Cabinet Scrutiny Committee, explained that Cabinet Scrutiny Committee had considered this matter at the request of the staff involved. As a delegated officer decision it would not have gone to Members but in

consultation with the Cabinet Scrutiny Committee Vice-Chairmen, it was unanimously decided that the Committee would consider this matter. She emphasised that Cabinet Scrutiny had only considered Strategic headquarters and had not considered any of the other buildings that were referred to in the report to this Committee. She accepted that the situation in other buildings may be totally different to that at headquarters. Mrs Dean referred to the number of visitors to headquarters and questioned whether Sessions House reception staff would be able to deal with this increase along with their other tasks. She stated that she had requested an analysis of why people visited the receptions at headquarters and had not received this. She made it clear that no one was suggesting that the public should not be directed to the Gateway and acknowledged that the majority of the public that visited Sessions House were going to the Crown Restaurant. Cabinet Scrutiny Committee wanted to be assured that there had been sufficient information available to inform this decision, which was why the Committee had asked to see the relevant documents. Without having this information available Cabinet Scrutiny Committee did not know whether the savings outlined would be offset by the additional cost to directorates in staff time for collecting visitors etc. She mentioned that UNISON had received a letter on 8 December 2009 stating that this proposal would go ahead. At Cabinet Scrutiny Committee Members had emphasised the importance of people visiting headquarters being welcomed in an appropriate manner.

(5) Mr Gough expressed surprised at what appeared to be a staff issue being considered at Cabinet Scrutiny Committee as there were specific procedures to be used for these matters. He explained that at the Cabinet Scrutiny Committee it was not possible to answer all Members questions as key officers were not available. He confirmed that when the matter had been considered at Cabinet Scrutiny Committee the process had been stopped to enable the matter to be discussed by this Committee.

(6) Mrs Oliver assured the Committee that a lot of detailed discussions had taken place with facilities and directorates. The Chief Officers Group had been supportive of the proposal. The paper circulated to this Committee gave details of how this would work, it would be a customer friendly service and she suggested that all reception staff should receive the same training as Gateway staff.

(7) The Leader clarified that the comments that he had made at the Cabinet meeting related to the importance of the recommendations from Cabinet Scrutiny Committee receiving a full response from the Cabinet Members.

(8) Mr Bullock shared the experience of Tunbridge Wells Borough Council who, as part of their transformation agenda, had closed their four reception areas and referred visitors to the Gateway. However, it was still possible for the public to meet with officers. The saving identified by the closure of reception areas at headquarters of £60k savings were important.

(9) Mr Brazier raised concerns about potential security issues arising from the changes. Mrs Oliver explained that if a pass was issued under the new system it could be time limited, and restricted to initial entry to a building and not all areas, she believed that this would not lessen the existing security arrangements currently in place, although acknowledged that no system could be completely secure

(10) The importance of insuring that Members were provided with papers, on request, that informed decisions was emphasised.

(11) Mr Scholes, as a Member of Cabinet Scrutiny Committee clarified that, he was not against the strategic aim to save £60,000 but as the key officer was not able to attend the meeting for this item the detailed questions that Members had were not answered and this had been his concern. This meeting and the information provided had rectified that situation.

(12) It was suggested that that the changes should be reviewed after a reasonable period.

(13) Mr King reminded Members, in light of the financial situation facing local government, of the importance of challenging perceptions and looking at different ways to provide services.

(14) RESOLVED that the report, the programme phasing and the comments made by Members be noted.

42. Equalities Update

(Item B7)

(1) Mr Hardy introduced a report on equalities which provided an update on work completed and underway in relation to those key areas for action.

(2) The Chairman asked that the more detailed report that Mr Hardy would be submitting to the next meeting of the Committee include examples of best practise.

(3) Mrs Beer informed the Committee that in the recent Stonewall Equality Index survey KCC had been placed 101. This was an improvement of 14 places on the previous year index and was a good outcome for KCC.

(4) RESOLVED that the content of this report be noted and a report on the draft revised Equality Strategy be submitted to the next meeting of this Committee.

43. Workforce Strategy Update

(Item B6)

(1) Ms Beer and Mr Fairburn introduced a paper which provided an update on KCC's strategy to influence employment demographics and recommended that this Committee monitored progress towards meeting the targets and objectives on a regular basis. Questions and comments from Members were invited.

(2) In response to a question on whether factors such as changing financial circumstances and increased longevity leading people to retire later were being taken into account in the strategy, Mr Fairburn confirmed that the importance of managing and retaining talent at different age levels was acknowledged. The need to retain existing talent but also to attract new staff was part of the overall strategy.

(3) Mrs Beer explained that the aim of the strategy was to have a workforce that reflected the population of Kent and provided opportunities for young people.

(3) In response to questions about the apprenticeship scheme Mr Fairburn explained that the majority of funding for this scheme was targeted at the 16 -18 age range which made widening the scheme to include those up to the age of 25 a challenge.

(4) Mr Fairburn gave details of the targeted recruitment of young people, which included visits to schools and recruitment fairs. He also explained that for entry level posts experience was not required and the only qualifications sought were those specifically required for the post, this helped to encourage young people to apply for KCC posts.

(5) RESOLVED that:-

a) the achievements to date and future developments on the Workforce Strategy be noted;

b) that the comments made by Members on further areas that they would like to see developed be noted;

c) this Committee will regularly monitor progress against the targets set.

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TO: Corporate Policy Overview Committee – 8th April 2010

**BY: Paul Carter, Leader
Alex King, Deputy Leader
John Simmonds, Cabinet Member for Finance
Roger Gough, Cabinet Member for Corporate Support
Services & Performance Management
Alan Marsh, cabinet member for Public Health &
Innovation
Peter Gilroy, Chief Executive**

SUBJECT: Financial Monitoring 2009/10

Classification: Unrestricted

Summary:

Members of the POSC are asked to note the third quarter's budget monitoring report for 2009/10 to Cabinet on 29th March 2010

FOR INFORMATION

1. Introduction

1.1 This is a regular report to this Committee on the forecast outturn for Chief Executives Department and Financing Items budgets within the corporate services portfolios.

2. Forecast Outturn

2.1 A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. These reports outline the full financial position for each portfolio and are reported to POSCs after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report.

2.2 The third quarter's monitoring report for 2009/10 was presented to Cabinet on 29th March 2010. Extracts from the annex for the Chief Executives Department for the portfolios reporting to this POSC and the annex for Financing Items are attached as appendix 1.

2.3 Revenue Budget

Chief Executives Department

2.3.1 Since the last report to this POSC in January we have identified the following significant variations:

- a. Increased “pay as you go” activity and income in Personnel & Development, Information Systems Group and Property Group. Pay as you go activities are those services which directorates pay for directly according to take-up rather than those services for which funding has been delegated under service level agreements.
- b. Under spends in Personnel and Development due to delays in setting up training programmes on National Crisis Leadership and Backing Kent Business and delays in undertaking employee health checks. We will be seeking roll forward of these under spends to meet costs anticipated to be incurred in 2010/11.
- c. Additional one-off and running costs for new Gateways opening during the year partially offset by additional contributions from partners.
- d. Additional spending and income in Kent Works as a result of providing health and safety checks in schools
- e. Reduced spending and income in Public Health Department due to delays on “mobile house” and “communities for health programme”. There has also been an under spend on publicity campaign for the Healthwatch campaign which will be requested for roll forward into 2010/11.

2.3.2 The overall impact is a net forecast under spend of £287k after taking account of the impact of a review of reserves which is contributing £311k towards one-off items and ongoing spending for which provision has been made in 2010/11 budget.

2.3.3 The support element of Chief Executive’s Department budgets has been delegated to service directorates. This means any over or under spends on the support elements will feature in directorate budget monitoring. At this stage the only variations to delegated support service budgets is a minor variation in relation to reduced costs for the Kent Public Services Network (KPSN) and additional costs for education appeals.

Financing Items

2.3.4 The forecast under spend on financing items has increased by £0.962m since the last exception report (new forecast £3.984m under spend). The main reason for the increase is due additional interest income due to:

- a) Higher than anticipated cash balances as a result of additional grant receipts and rephrasing of capital spending
- b) The impact of the new counterparty policy approved by Cabinet in October which allows the authority to invest balances with other banking institutions in addition to the Debt Management Office

2.3.5 There is an increase in the forecast over spend on the Insurance Fund from £1.4m to £2.322m which is covered by an increased draw down from the Insurance Reserve. The number and value of insurance claims are rising and we have made provision in 2010/11 budget to increase the contribution to the Insurance Fund although based on current claims experience we will continue to need draw down from reserves.

2.3.6 The third quarter's forecast for financing items also includes the additional £1.57m contribution to reserves to support the 2010/11 budget as approved by the County Council 18th February.

2.4 Capital

2.4.1 Capital cash limits have been updated to reflect previously reported variances.

2.4.2 The forecast capital spending for 2009/10 shows an increase of £538k due to additional spending within Commercial Services on vehicles plant and equipment funded from an additional contribution from their renewals reserve. The monitoring also shows rephrasing of spending totalling £175k into 2010/11 mainly arising from the Gateway programme.

3 Recommendations

3.1 Members of the POSC are asked to note the projected outturn for the Chief Executive's Department and Financing Items for 2009/10 based on the third quarter's monitoring report to Cabinet.

Officer Contact:
Dave Shipton
Finance Strategy Manager
Ext. 4597

Background Documents:

- 1) Cabinet 29th March 2010 – Revenue and Capital Budgets, Key Activity and Risk Monitoring

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CHIEF EXECUTIVES DIRECTORATE SUMMARY JANUARY 2009-10 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the last full monitoring report. 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	
Localism & Partnerships portfolio							
Democratic Services:							
- core service & PAYG activity	4,408	-49	4,359	210	-14	196	Committee manager post & Members allowances
- delegated to directorates	160	-160	0	81	-81	0	Schools Appeals recharged to CFE
TOTAL Democratic Services	4,568	-209	4,359	291	-95	196	
International Affairs Group	587	-35	552	31	-31	0	
Kent Partnerships	810	-321	489	-78	116	38	£35k reduction in income & expenditure relating to Learning Skills Council. Income from Thanet for staff secondment less than budgeted.
County Council Elections	255		255	0	0	0	
Public Consultation	100		100	-41	0	-41	
Provision for Member Community Grants	852		852	0	0	0	
Local Scheme Spending recommended by Local Boards	429		429	0	0	0	
District Grants for Local Priorities	625		625	0	0	0	
Budget Managed by this portfolio	8,226	-565	7,661	203	-10	193	
Less Support Costs delegated to Service Directorates	-160	160	0	-81	81	0	Adj for Schools Appeals revised charge
Total L&P portfolio	8,066	-405	7,661	122	71	193	
Corporate Support & Performance Management portfolio							
Personnel & Development:							
- core service & PAYG activity	6,205	-5,032	1,173	578	-702	-124	Pay as you go activity. Underspends due to delays on National Crisis Leadership programme, Backing Kent Business seminars & Healthchecks.
- delegated to directorates	4,356	-4,356	0	0	0	0	
TOTAL P&D	10,561	-9,388	1,173	578	-702	-124	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Business Solutions & Policy:							
- core service & PAYG activity	9,846	-8,239	1,607	2,914	-2,919	-5	ISG pay as you go activity and EIS trading activity with Schools.
- delegated to directorates	14,410	-14,410	0	-28	28	0	KPSN adj
TOTAL Business Solutions	24,256	-22,649	1,607	2,886	-2,891	-5	
Property Group:							
- core service & PAYG activity	5,442	-4,080	1,362	393	-451	-58	Pay as you go activity.
- delegated to directorates	4,525	-4,525	0	0	0	0	
TOTAL Property Group	9,967	-8,605	1,362	393	-451	-58	
Internal Audit & Procurement Support to Directorates							
- core service & PAYG activity	286	-31	255	17	-17	0	Pay as you go activity
- delegated to directorates	754	-754	0	0	0	0	
TOTAL Internal Audit & Procure	1,040	-785	255	17	-17	0	
Legal Services	6,189	-7,037	-848	807	-1,157	-350	Increased trading activity & related costs
Corporate Communications	1,596	-94	1,502	53	-80	-27	£20k addt staff cost funded by income from EH&W. Also Increased trading activity.
Strategic Development Unit	3,567	-961	2,606	132	-78	54	Mainly increased running costs for Gateways
Strategic Management	604		604	60	0	60	
Centrally Managed Budgets	2,010	-434	1,576	156	-12	144	In year management action savings target
Contact Kent	5,108	-2,091	3,017	56	-56	0	Increased trading activity & related costs
Central Policy	566	-81	485	258	-84	174	Strengthening of team
Performance, Improvement & Engagement	570	-86	484	72	-1	71	Expenditure to develop plans for change
Kent Works	895	-895	0	112	-112	0	Increased costs & income for Health & Safety checks in Schools
PFI Grant		-630	-630	0	0	0	
Dedicated Schools Grant		-4,289	-4,289	0	0	0	
Support Services purchased from CED	4,199		4,199	0	0	0	
Budget Managed by this portfolio	71,128	-58,025	13,103	5,580	-5,641	-61	
Less Support Costs delegated to Service Directorates	-24,045	24,045	0	28	-28	0	Adj for KPSN revised charges
Total CS&PM	47,083	-33,980	13,103	5,608	-5,669	-61	
Finance Portfolio							
Finance Group:							
- core service & PAYG activity	6,178	-4,199	1,979	41	-41	0	Increased costs & recovery in Investments & Treasury
- delegated to directorates	1,706	-1,706	0	0	0	0	
TOTAL Finance Group	7,884	-5,905	1,979	41	-41	0	
Less Support Costs delegated to Service Directorates	-1,706	1,706	0	0	0	0	
Total Finance portfolio	6,178	-4,199	1,979	41	-41	0	
TOTAL CORPORATE POSC	61,327	-38,584	22,743	5,771	-5,639	132	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Public Health & Innovation portfolio							
Kent Department of Public Health	1,410	-620	790	-272	164	-108	Underspend on Publicity campaign for Healthwatch
Total Directorate Controllable	62,737	-39,204	23,533	5,499	-5,475	24	
Assumed Management Action:							
- L&P portfolio						0	
- CS&PM portfolio				-311		-311	Drawdown from reserves
- Finance portfolio						0	
- PH&I portfolio						0	
- Regen & ED portfolio						0	
Forecast after Mgmt Action				5,188	-5,475	-287	

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:

Localism & Partnerships portfolio

- 1.1.3.1 **Democratic Services:** Primary variance on gross (+£120k) is due to continuance of the Committee Manager post through to March 2010 plus other salary pressures which include three cases of maternity cover. A further (+£52k) variance is due to the part year effect of the restructuring of Members Allowances.

Corporate Support & Performance Management portfolio:

- 1.1.3.2 **Personnel & Development:** Variances on gross spend and income reflect the increased demand for additional Personnel services, mainly trading activity with Learning & Development (+£378k expenditure, -£384k income) and Schools Personnel Service (+/-£133k). Also, within Employee Services, additional external income, partly from shared HR services with District Councils at East Kent, has been offset by additional expenditure on the replacement of the telephony system (+/- £234k). There will be a request to roll forward, in accordance with the year-end guidance, underspends for:

- Healthchecks due to slow uptake of programme (-£52k);
- National Crisis Leadership programme due to delays in procuring hardware and software necessary to run the programme (-£54k) and
- seminars for Backing Kent Business (-£15k).

- 1.1.3.3 **Information Systems (Business Solutions & Policy):** Variances on gross spend (+£2914k) and income (-£2919k) reflect the increased demand for additional IT services, mainly trading activity with Schools through EIS +/-£890k and Pay-as-you-go projects +/-£1,966k (includes support to Libraries +/-£457k & Children's Centres +/-£490k). Project demand is difficult to predict during

budget setting. Within the budgets delegated to service directorates, reduced costs relating to the Kent Public Services Network (KPSN) will result in lower recharges to directorates **-/+£28k**.

- 1.1.3.4 Property Group: Variances on gross spend **(+£393k)** and income **(-£451k)** reflect increased demand for additional pay as you go services mainly within the Estates and Capital Projects teams. The resulting underspend of **(-£58k)** will be requested to roll forward to meet consultancy costs for Total Place work in the new financial year.
- 1.1.3.5 Legal Services: Variances on gross spend **(+£493k)** and income **(-£843k)** reflect the additional work that the function has taken on over and above that budgeted for, responding to both internal and external demand. Variances of **(+/-£314k)** is due to increased costs & their recovery for Disbursements.
- 1.1.3.6 Strategic Development Unit: There is a variance of £152k on the running costs of new Gateways in 2009/10, which is partially offset by an additional £81k contribution from partners. The costs for each Gateway are unique arising from individual negotiations and opportunities and during the year we have incurred £66k of one-off costs, such as furniture and equipment for Tenterden Gateway, workshops and multimedia campaign.
- 1.1.3.7 Centrally Managed Budgets (CMB): **(+£175k)** - In the 2009-10 approved budget there is an MTP saving for 'In year Management action'. The saving is to be met from savings and income generation opportunities which present themselves through the year. Although the savings target is held within CMB, the offsetting savings/income generation is being/will be achieved across the other budget lines. There are some compensating savings **(-£31k)** within CMB themselves.
- 1.1.3.8 Central Policy & Performance, Improvement & Engagement: Additional permanent and temporary appointments **(+£170k)** have been made within the Central Policy and Improvement & Engagement teams in order to strengthen these areas in preparation of developing plans to improve performance management and corporate assurance across KCC. These pressures have been addressed in the MTP.
- 1.1.3.9 Kent Works: **(+/-£112k)** Increased costs and income from Health & Safety checks in Schools.

Public Health and Innovation:

- 1.1.3.10 Public Health: There are underspends on the 'Mobile House' and 'Communities for Health' programmes which have both been delayed, resulting in **(+/-£153k)** reduced expenditure and income. There has also been an underspend of **(-£108k)** on the Healthwatch programme due to delayed spend on publicity which will be requested to roll-forward for a publicity and marketing campaign in the new financial year.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER
(shading denotes that a pressure/saving has an offsetting entry which is directly related)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CSPM	Information Systems costs of additional pay as you go activity	+1,966	CSPM	Information Systems income from additional pay as you go activity	-1,966
CSPM	Information Systems costs of EIS additional services/projects	+890	CSPM	Information Systems income from EIS additional services/projects	-890
CSPM	Legal services cost of additional work (offset by increased income)	+493	CSPM	Legal income resulting from additional work (partially offset by increased costs)	-843
CSPM	Property Group - Additional costs of increased PAYG activity	+393	CSPM	Property - Additional income from PAYG activity	-451
CSPM	Personnel - increased trainer costs in Learning & Development	+378	CSPM	Personnel - increased income from Learning & Development courses	-384
CSPM	Legal services increased costs of Disbursements	+314	CSPM	Legal services increased income relating to Disbursements	-314
CSPM	Personnel - increased costs of trading activity, including new telephony system for Employee Services	+234	CSPM	Personnel - Increased external income in Employee Services, partly from shared HR with DCs at East Kent	-234
CSPM	MTP saving 'In year management action'	+175	PH&I	Public Health - reduced costs for delayed Mobile House and Communities for Health programmes	-153
CSPM	Policy & PIE- Staffing costs to strengthen performance management & corporate assurance across KCC	+170	CSPM	Personnel - increased income from trading activity with Schools	-133
PH&I	Public Health - reduced income relating to delayed Mobile House and Communities for Health programmes	+153	CSPM	Kent Works - Increased Income from Health & Safety checks in Schools	-112
CSPM	Increased running costs and one-off costs of new Gateways	+152	PH&I	Public Health - underspend on Publicity campaign for Healthwatch	-108
CSPM	Personnel - increased costs of trading activity with Schools	+133			
L&P	Committee Manager post to March 2010 plus maternity covers.	+120			
CSPM	Kent Works - Increased costs for Health & Safety checks in Schools	+112			
		+5,683			-5,588

1.1.4 Actions required to achieve this position:

N/A

1.1.5 Implications for MTP:

The 2010-13 Medium Term Plan reflects the ongoing pressures on all services at the time the 2010-11 budget was produced.

1.1.6 Details of re-phasing of revenue projects:

The following projects are re-phasing into ~~2010-11~~ **Page 16**

	£000s
Corporate Support & Performance Management portfolio:	
Personnel & Development:	
• Healthchecks - due to slow uptake of programme	-52
• National Crisis Leadership programme – due to delays in procuring hardware and software necessary to run the programme	-54
• Backing Kent Business seminars	-15
Public Health & Innovation portfolio:	
• Healthwatch programme – delay in the publicity and marketing campaign	-108
	-229

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

The overall forecast position before management action as shown in table 1 is an overspend of £24k. However there is re-phasing of projects into 2010-11 of £229k as identified in section 1.1.6 above, giving an underlying pressure of £253k. In addition, the following bids for roll forward will be requested:

	£000s
Corporate Support & Performance Management portfolio:	
Property Group:	
• to meet consultancy costs for Total Place work in the new financial year	-58
	-58

This gives an underlying pressure of £311k. However, there has been an in depth review of all reserves held within CED and as a result, it is expected that enough money can be returned to revenue to cover this residual pressure.

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 to reflect the position reflected in the 2010-13 MTP as agreed by County Council on 18 February 2010, any further adjustments are 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	2009-10	2010-11	2011-12	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Corporate Support Services & Performance Management						
Budget	10,919	15,450	22,116	16,631	18,575	83,691
Adjustments:						
- Gateways		-93	-7			-100
						0
Revised Budget	10,919	15,357	22,109	16,631	18,575	83,591
Variance		363	231	0	-56	538
split:						
- real variance		+538				+538
- re-phasing		-175	+231		-56	0
Localism & Partnerships Portfolio						
Budget	0	584	500	500	500	2,084
Adjustments:						
-						0
						0
Revised Budget	0	584	500	500	500	2,084
Variance		0	0	0	0	0
split:						
- real variance		0	0	0	0	0
- re-phasing		0	0	0	0	0
Directorate Total						
Revised Budget	10,919	15,941	22,609	17,131	19,075	85,675
Variance	0	363	231	0	-56	538
Real Variance	0	+538	0	0	0	+538
Re-phasing	0	-175	+231	0	-56	0

1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2009-10 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	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
CSS&FM	Commercial Services VPE	real	+538			
			+538	+0	+0	+0

1.2.4 Projects re-phasing by over £1m:

Corporate Support and Performance Management Portfolio

Commercial Services Vehicles, Plant & Equipment +£0.538m (in 2009/10): The increase in expenditure on vehicles, plant & equipment will be funded by an increased contribution from their Renewals Fund.

Taking these into account, there is no underlying real variance.

1.2.6 General Overview of capital programme:

(a) Risks

None

(a) Details of action being taken to alleviate risks

None

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 possible re-phasing is detailed in the table below.

	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Gateway Multi-Channel Service Delivery (CSS&PM)					
Amended total cash limits	+100	+200			+300
re-phasing	-100	+100			0
Revised project phasing	0	+300	0	0	+300
Total re-phasing >£100k	-100	+100	0	0	0
Other re-phased Projects below £100k	-75	+131		-56	0
TOTAL RE-PHASING	-175	+231	0	-56	0

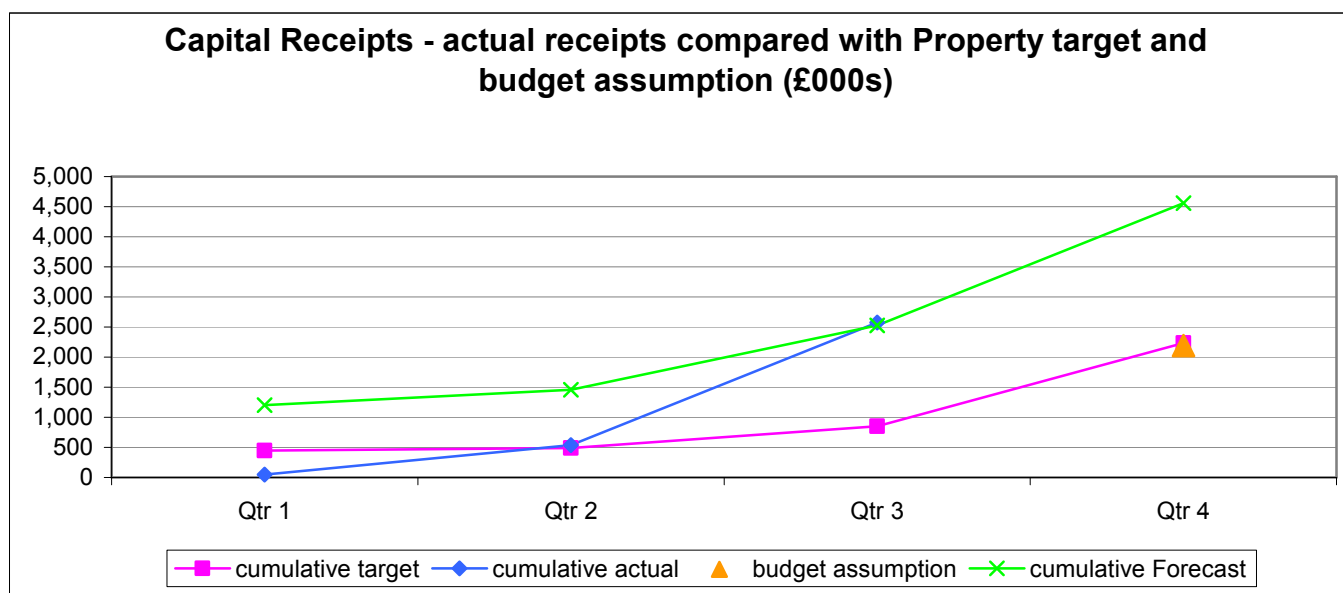
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts – actual receipts compared to budget profile:

	2009-10			
	Budget funding assumption £000s	Cumulative Target profile £000s	Cumulative Actual receipts £000s	Cumulative Forecast receipts £000s
April - June		447	47	1,200
July – September		492	538	1,455
October - December		850	2,577	2,524
January - March		2,235		4,559
TOTAL	*2,194	**2,235	2,577	4,559

* Budget funding has been updated to reflect proposed 10-13 Budget.

**The cumulative target profile shows the anticipated receipts for 2009-10 total £2,235k. The difference between this and the budget funding assumption is mainly attributable to timing differences between when the receipts are anticipated to come in and when the spend in the capital programme will occur.



Comments:

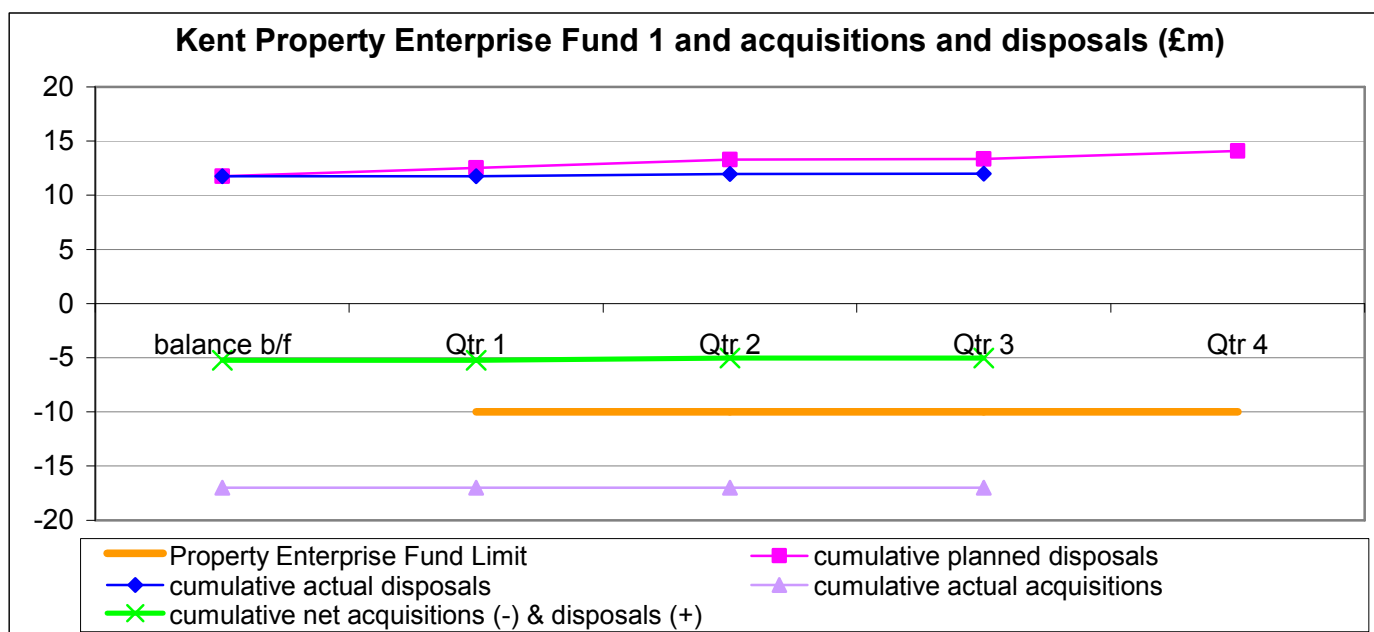
The table below compares the capital receipt funding required per the capital programme this year, with the expected receipts that will be available to fund this. Property group are actually forecasting a total of £4.56m to come in from capital receipts during this financial year. The table below only includes those that are earmarked to fund spend in the current financial year. The rest is needed to be earmarked for spend in future years of the programme.

It is continuously challenging to provide realistic forecasts of receipts given the current economic climate.

	2009-10 £'000
Capital receipt funding per revised 2010-13 MTP	2,194
Property Group's forecast receipts	407
Receipts banked in previous years for use	787
Capital receipts from other sources	1,000
Potential Deficit Receipts	0

2.2 Capital Receipts – Kent Property Enterprise Fund 1:

	<i>Kent Property Enterprise Fund Limit £m</i>	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions (-) £m	Cumulative Net Acquisitions (-) & Disposals (+) £m
Balance b/f		11.764	11.764	-16.999	-5.235
April - June	-10	12.529	11.771	-16.999	-5.228
July – September	-10	13.295	11.966	-16.999	-5.033
October – December	-10	13.341	11.986	-16.999	-5.013
January – March	-10	14.084			



Background:

- County Council approved the establishment of the Property Group Enterprise Fund No.1, with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
 - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
 - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

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

Comments:

The balance brought forward from 2008-09 on the Property Group Enterprise Fund No. 1 was **£5.235m**.

A value of **£0.287m** has been identified for disposal in 2009-10. This is the risk adjusted figure to take on board the potential difficulties in disposing some of the properties.

As at the 31 January 2010 disposals to date this year have been **£0.222m** from the disposal of 3 non-operational properties.

The fund has been earmarked to provide **£0.990m** for Gateways in this financial year.

At present there are no committed acquisitions to report, however forecast outturn for costs of disposals (staff and fees) is currently estimated at **£0.397m**.

Forecast Outturn

Taking all the above into consideration, the Fund is expected to be in a deficit position of £6.335m at the end of 2009-10.

Opening Balance – 01-04-09	-£5.235m
Planned Receipts (Risk adjusted)	£0.287m
Costs	-£0.397m
Acquisitions	-
Other Funding: - Gateways	-£0.990m
Closing Balance – 31-03-10	-£6.335m

Revenue Implications

In 2009-10 the fund is currently forecasting £0.020m of low value revenue receipts but, with the need to fund both costs of borrowing (£0.382m) against the overdraft facility and the cost of managing properties held for disposal (net £0.173m), the PEF1 is forecasting a £0.978m deficit on revenue which will be rolled forward to be met from future income streams.

2.2 **Capital Receipts – Kent Property Enterprise Fund 2 (PEF2):**

County Council approved the establishment of PEF2 in September 2008 with a maximum permitted overdraft limit of £85m, but with the anticipation of the fund broadly breaking even over a rolling five year cycle. The purpose of PEF2 is to enable Directorates to continue with their capital programmes as far as possible, despite the downturn in the property market. The fund will provide a prudent amount of funding up front (prudential borrowing), in return for properties which will be held corporately until the property market recovers.

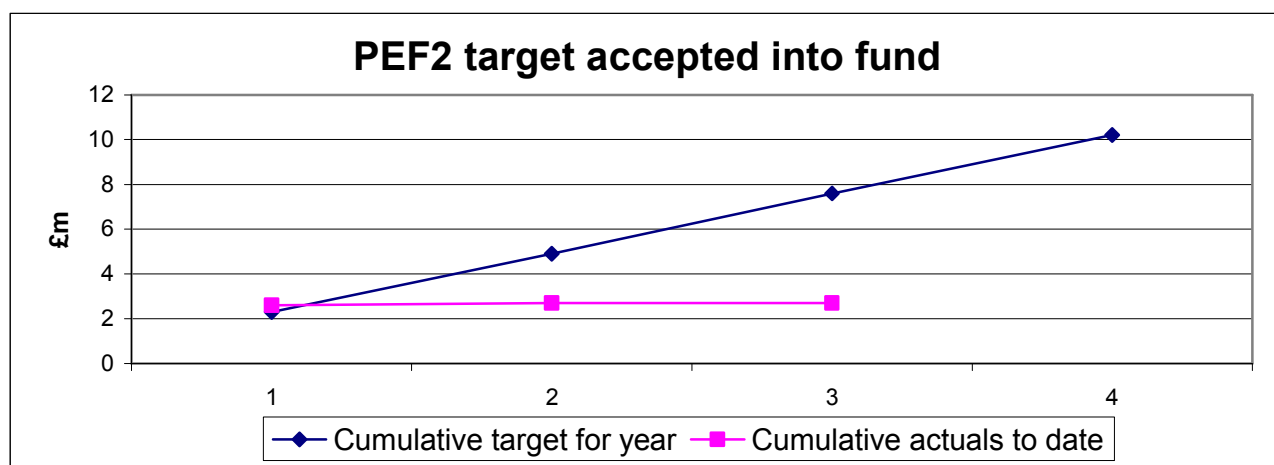
Overall forecast position on the fund

	2009-10 Forecast
	£m
Capital:	
Opening balance	-42.914
Potential receipts to be agreed into PEF2	-10.216
Forecast sale of PEF2 properties	12.696
Disposal costs	-0.635
Closing balance	-41.069
Revenue:	
Opening balance	0.000
Interest on borrowing	-1.680
Holding costs	-1.730
Closing balance	-3.410
Overall closing balance	-44.479

The forecast closing balance for PEF2 is -£44.479m, this is within the overdraft limit of £85m.

The target receipts to be accepted into PEF2 during 2009-10 equate to the PEF2 funding requirement in the proposed 10-13 budget book, and achievement against this is shown below:

	Cumulative target for year	Cumulative actuals to date
	£m	£m
Balance b/fwd		2.6
Qtr 1	2.3	2.6
Qtr 2	4.9	2.7
Qtr 3	7.6	2.7
Qtr 4	10.2	



Comments:

To date three PEF2 properties have been sold. The cumulative profit/(loss) on disposal to date is -£0.265m. Large profits or losses are not anticipated over the lifetime of the fund.

Interest costs

At the start of the year interest costs on the borrowing of the fund for 2009-10 were expected to total £1.77m.

Latest forecasts show interest costs of £1.68m, a decrease of £0.09m. This is due to a reduced net closing balance on the fund caused by reduced purchases and increased disposals.

Interest costs on the fund are calculated at a rate of 4%.

FINANCING ITEMS SUMMARY

JANUARY 2009-10 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the last full monitoring report. 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	
Corporate Support & Performance Management portfolio							
Contribution to IT Asset Maintenance Reserve	2,352		2,352			0	
Audit Fees & Subscriptions	764		764	-62		-62	underspend on subscriptions budget
Contribution from Commercial Services		-6,460	-6,460			0	
Total Corporate Support & PM	3,116	-6,460	-3,344	-62	0	-62	
Finance Portfolio							
Insurance Fund	2,979		2,979	2,332		2,332	increase in value of provision for recorded claims outstanding
Workforce Reduction	1,498		1,498			0	
Environment Agency Levy	359		359	-20		-20	
Joint Sea Fisheries	264		264	6		6	
Interest on Cash Balances / Debt Charges	117,821	-12,769	105,052	-9,975	1,026	-8,949	Write down of discount saving from 08-09 debt restructuring; no new borrowing; reduced interest apportionments to Pension fund & schools
Transferred Services Pensions	22		22			0	
PRG	83	-2,100	-2,017			0	
Contribution to/from Reserves	-2,392		-2,392	2,709		2,709	tfr of write down of discount saving from 08-09 debt restructuring to reserves; provision for recession; drawdown of Insurance reserve to cover pressure on Insurance Fund; tfr to reserves to support 10-11 budget

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Drawdown from Kings Hill reserve	-1,000		-1,000			0	
ABG Safer Stronger Communities	1,366		1,366			0	
Original Turner Contemporary	0	0	0	6,000	-6,000	0	settlement proceeds offset by tfr to reserves of net proceeds
Total Finance	121,000	-14,869	106,131	1,052	-4,974	-3,922	
Total Controllable	124,116	-21,329	102,787	990	-4,974	-3,984	

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 Interest on Cash Balances and Debt Charges:

- There is a saving of £1.971m which relates to the write-down in 2009-10 of the £4.024m discount saving on debt restructuring undertaken at the end of 2008-09. (£0.39m was written down into 2008-09, therefore leaving a further £1.663m to be written down over the period 2010-11 to 2012-13).
- There is a £6.978m saving as a result of lower debt charges and a saving on the interest on cash balances budget. This is because:
 - We have some long term deposits unexpectedly still running which have bolstered our rate of return. Call options have been allowed for in this forecast.
 - Our cash balances were higher than we assumed in our budgeted cash flow assumptions as a result of higher grant receipts than assumed and re-phasing on the capital programme, however balances have reduced following transfers out to Fund Managers of a large amount of the Pension Fund cash for reinvestment but the reduction in interest earned as a result of this is offset by reduced interest apportionments on cash balances to the Pension Fund and schools.
 - No new borrowing has been undertaken this financial year.
 - The forecast also reflects the impact of the new counterparty policy approved by Cabinet in October, where the newly added banking groups are being utilised as fully as possible.

1.1.3.2 Insurance Fund:

A forecast pressure on the Insurance Fund, currently estimated at £2.332m, will need to be met by a drawdown from the Insurance Reserve. The £0.9m increase from the previously reported deficit of £1.4m is almost entirely due to a £1.4m increase in recorded claims outstanding which has been offset by a reduction of £0.5m in the claims settlements paid.

The reserved value of claims is steadily increasing due to an increasing volume of claims coupled with rising compensatory awards which are dictated / influenced by external factors beyond our control.

1.1.3.3 Original Turner Contemporary:

A settlement has been reached, without any admissions as to liability, regarding the original Turner project which was abandoned in 2006. The costs of this project were written off to reserves when this project was abandoned and therefore the net proceeds of this settlement will be transferred back to reserves and used to offset running costs of the Turner Contemporary in future years.

1.1.3.4 Contributions to/from reserves:

- As planned, the £1.971m write down of the discount saving earned from debt restructuring in 2008-09, will be transferred to the Economic Downturn reserve.
- There is also a forecast contribution to the reserve of £1.5m to provide contingency against the impact of the recession on the Finance Department budgets.

- £1.570m has been transferred to reserves to support the 2010-11 budget, as agreed at County Council on 18 February.
- At year end there will be a draw down from the Insurance reserve to cover the overspend on the Insurance fund, currently estimated at £2.332m.

1.1.3.5 Workforce Reduction:

It is likely that we will not need all of the Workforce Reduction budget this year. It is proposed that, in line with usual practice, any unspent balance is transferred to the Workforce Reduction reserve at year end in order to fund future costs of modernising council services which cannot be accommodated within the base budget.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER
(shading denotes that a pressure/saving has an offsetting entry which is directly related)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
FIN	Transfer to reserves of net proceeds from Turner settlement	+6,000	FIN	Treasury savings - lower debt charges and savings on interest on cash balances budget	-6,978
FIN	Pressure on Insurance Fund	+2,332	FIN	Original Turner Contemporary settlement	-6,000
FIN	Contribution to economic downturn reserve of 2009-10 write down of discount saving from 2008-09 debt restructuring	+1,971	FIN	Drawdown from Insurance Reserve to cover pressure on Insurance Fund	-2,332
FIN	Contribution to reserves to support 2010-11 budget	+1,570	FIN	2009-10 write down of discount saving from 2008-09 debt	-1,971
FIN	Contribution to economic downturn reserve to provide contingency for the impact of the recession	+1,500			
		+13,373			-17,281

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

N/A

1.1.5 **Implications for MTP:**

- The forecast reflects the transfer of £1.570m to reserves in order to support the 2010-11 budget.
- The 2010-13 MTP reflects an increase in funding for the Insurance fund as a result of the increasing number of claims. In addition a new way of charging KHS for highways insurance claims will be introduced from April 2010 in order to more accurately reflect the risk and reward associated with managing risk within the Highways service.

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

N/A

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

N/A

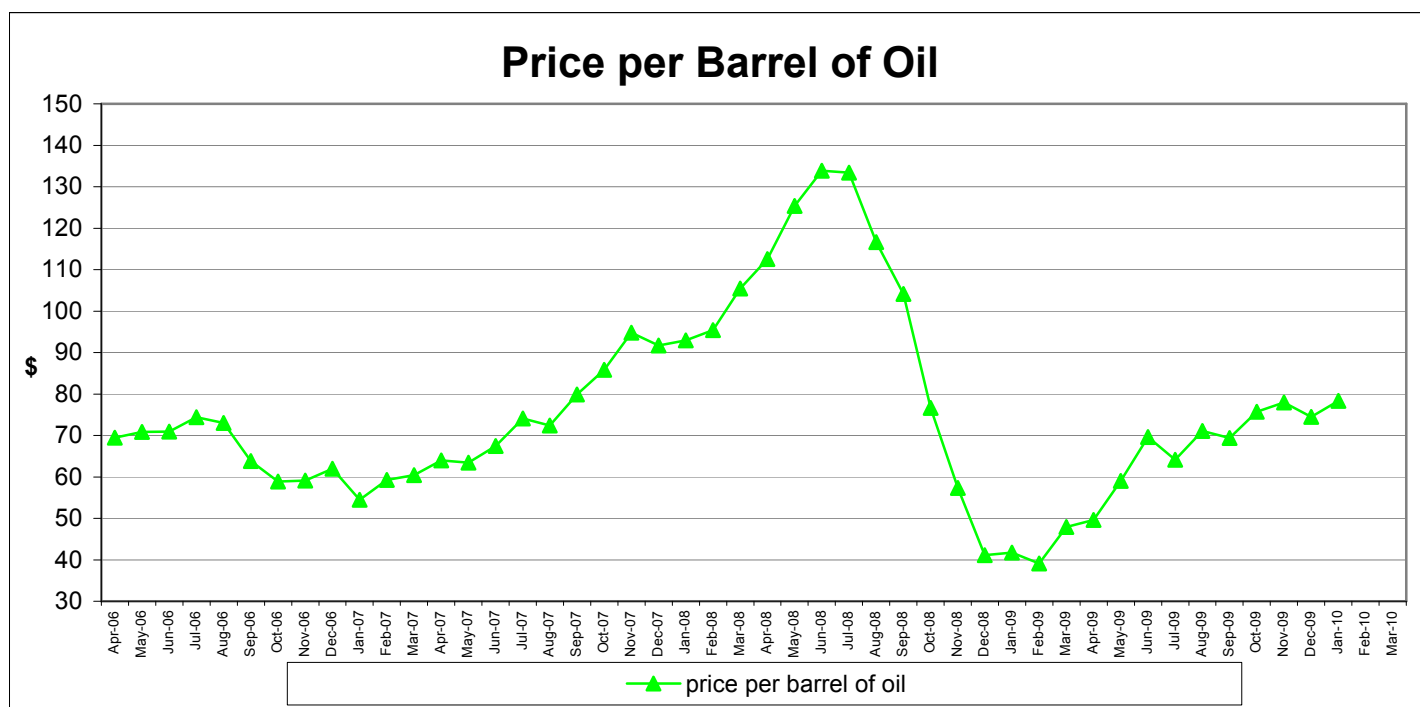
1.2 CAPITAL

N/A

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil – average monthly price in dollars since April 2006:

	Price per Barrel of Oil			
	2006-07	2007-08	2008-09	2009-10
	\$	\$	\$	\$
April	69.44	63.98	112.58	49.65
May	70.84	63.45	125.40	59.03
June	70.95	67.49	133.88	69.64
July	74.41	74.12	133.37	64.15
August	73.04	72.36	116.67	71.05
September	63.80	79.91	104.11	69.41
October	58.89	85.80	76.61	75.72
November	59.08	94.77	57.31	77.99
December	61.96	91.69	41.12	74.47
January	54.51	92.97	41.71	78.33
February	59.28	95.39	39.09	
March	60.44	105.45	47.94	



Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.

By: Roger Gough, Cabinet Member Corporate Support Services & Performance Management
Tanya Oliver, Director Strategic Development & Public Access

To: Corporate Policy Overview & Scrutiny Committee 8 April 2010

Subject: Total Place Update

Classification: Unrestricted

Summary: To update on the Total Place pilot and future direction of Total Place

For Information

1. Introduction

1.1 Kent was selected as one of 13 pilots for Total Place by central government. The pilots began in summer 2009 and culminated in the submission of a final report on the 5th February 2010. The aim of the Total Place initiative is to look at a “whole area” approach to public services and how that approach can lead to better services for less money.

1.2 Kent County Council has worked closely with partners across the public sector in Kent including, district and borough councils, NHS, Fire, Police and central government departments. The Public Service Board and Kent Partnership are committed to the Total Place initiative.

1.3 As part of the pilot exercise, Kent were required to examine aspects of public service delivery in a geographical area, looking for potential efficiency gains and customer service improvements that could be achieved through closer collaboration, alongside the barriers that prevent realisation and delivery of these benefits.

1.4 At the heart of Kent’s proposition is the citizen both as a consumer and shaper of future public services. They are our first and last consideration. In order to provide focus to the work, lead Authorities were asked to identify ‘themes’ within which the total place concept could be developed.

The themes chosen for Kent were: -

- Gateway (multi-channel)
- Margate Central and Cliftonville West
- Single Asset Management Strategy

In addition the report reflected on the burden of regulation and inspection on the public sector.

2. Outline of Report

2.1 The Final Report as submitted to Government is attached as Appendix 1. It outlines the bold aspirations of Total Place in Kent. The proposition represents an opportunity to radically change the way public services are offered, procured and delivered across the public sector. It offers local and central government significant revenue and capital gains over the next five years whilst at the same time improving quality and outcomes from public services. This is profoundly important at a time when public resources are reducing. It is important to highlight however that the aspirations will be further developed and delivered with partners across Kent and with national government. The proposals and suggestions are not prescriptive.

The aspirations can be summarised as follows: -

2.2 Gateway (multichannel)

The Gateway initiative puts the citizen first – making access to public services simpler, friendly and more effective – and is achieved through strong working relationships between public service organisations.

The initiative is transforming access to services whether via the web, telephone or by visiting one of the ‘high street’ facilities being rolled out across Kent.

Savings linked to the Gateway initiative can be achieved as a result of bringing services closer together including the opportunity to redesign service provision across partners, resulting in a reduced need for buildings, call centres and websites.

For example, redesigning just one process around ‘redundancy’ across public sector partners indicates potential savings of £2.2m through reducing duplication and visits required to support the citizen. If similar levels of saving across all processes can be realised then there is potential for significant efficiency across partners.

2.3 Margate Central and Cliftonville West

Once a flourishing sea-side resort, Margate now experiences some of the highest levels of social deprivation and benefit dependency in the UK.

Kent aims to totally transform this area by challenging those national policies which exacerbate the problem rather than assisting the cure, and through the implementation of fundamental changes to the traditional way in which services are delivered to residents.

Our proposals to Government seek the power to declare the area as a designated “Special Intervention Area” providing clear and distinct powers and flexibilities in order to drive the pace of change around housing, worklessness and public service reform. We also seek public policy change to stop the placement of vulnerable people in these two wards by other authorities within Kent and other authorities nationally.

Improving the quality of residents’ lives is the key driver for the project, as well as looking at reducing costs.

For example, reducing Margate’s £48m annual benefits bill to Kent’s average levels would save around £37m per year.

2.4 Single Asset Management Strategy

This theme aims to make better use of land and buildings used by the public sector in Kent, estimated by to worth more than £5bn.

It looks at options for sharing these assets more effectively, using buildings outside of normal opening hours and the potential for more efficient accommodation to support public service modernisation.

The sale of surplus property could release significant sums of money – in the region of £200-280m once associated costs have been taken into account, plus another £40m can be made from the reduction of annual running costs.

In addition to these three themes, pilot areas were also asked to examine the following:

2.5 Counting Exercise

The annual public expenditure in Kent across the public sector is £8.25 billion. It also holds over £5 billion of capital assets. Kent has counted expenditure across the public sector for some years as a result of the Public Service Board and the original Public Service Agreement. The aim of Total Place is to maximise the outcomes of this expenditure to Kent residents.

2.6 The Burden of Inspection and Regulation

Work to date indicates a conservative cost of £7m on inspection and regulation across the public sector in Kent, this figure likely to increase as more information from partners.

We believe with a root and branch review and a more proportionate system, we could save up to 50% of this figure locally.

2.7 Barriers to Progress

The total place pilot has identified a number of key barriers to progress within each of these themes, and these have been included and illustrated within the final report. A number of these barriers that can be resolved locally but others will need commitment from central government.

3. Potential Savings

A summary of the potential financial savings identified through the Total Place pilot is as follows: -

- Significant savings can be achieved through the Gateway theme – based on the analysis of one process (redundancy) that shows a £2.2 million (one third) saving, predicted savings are in the region of tens of millions of pounds across the public sector in Kent. This supports the Asset Management theme and the Gateway principles will also enable savings across channels of access and the transformation of professional services.
- Revenue savings of approximately £40 million could be realised across Kent through the rationalisation of assets.
- Based on the global asset base of approximately £5bn and the Swale Deep Dive, indicative gross capital receipts suggest £720-£780m could be achieved over the next five years. Our current broad evaluation suggests £200m-£280m net savings given the current focus on asset management through “Putting the Front Line First: smarter government”.
- Significant revenue savings over the next ten years through the Cliftonville West and Margate Central theme (figures to come following local analysis).
- With the estimated conservative cost of £7 million on inspection and regulation, we believe with a root and branch review and a more proportionate system, we could save up to 50% of this figure locally (i.e. £3.5m).

4. Next Steps

The significant progress made by Total Place pilot authorities has been recognised within the Budget statement issued on 24 March and its associated documentation.

The Government has committed to further work with Kent on some of the key findings of the pilot including :-

- Further work on asset rationalisation models
- Joint exploration of closer working with Job Centre plus in Kent
- The potential to reduce the burden of inspection and regulation
- The potential for “single offer” and “innovative policy offers” for places/neighbourhoods such as Margate.

Total Place is a partnership initiative and how the aspirations within the Total Place submission are delivered will be determined by Kent partners in discussion with central government departments. This will be a partnership of the willing and we believe that taking many small steps will deliver a radical vision and long-term sustainable efficiency gains. The Kent Partnership and Kent Public Service Board have a key role to play to drive this forward.

5. Summary

Total Place is a continuation of the modernising and transformation that has been taking place with Kent over the last ten years. The golden thread through all themes is one of fundamentally improving the customer experience and personalisation of public services whilst maximising the opportunity that 21st century technology brings, thereby reducing both transactional and infrastructure costs. This is set against a vision for the Kent region as set out in “Unlocking Kent’s Potential”.

Kent has ambitious plans and unique opportunities over the next twenty years that look beyond the current economic climate. Kent will continue to move forward through innovation that will drive forward a stronger improved economy, improved living standards and a great place to live and work.

Total Place provides increased momentum through much closer partnership working where the imperative will be to deliver more for less. It also offers and opportunity for a fundamental positive shift in relationships between local government, other agencies and central government. Tackling the obstacles identified in the report is the vital prerequisite for success.

6. Recommendations

Members are asked to note progress on this key activity for Kent.

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The Burdens of Inspection and Regulation

Appendix Two

2.1 Kent County Council

In 2008 across the organisation, inspections included:

Chief Executive's Directorate (CED)

- The "Harder Test" CPA Corporate Assessment in 2008 – KCC scored 4 out of 4
- Now subject to the Comprehensive Area Assessment (CAA) - includes two assessment of the organisation : Use of Resources and Managing Performance

Children, Families and Education (CFE)

- Joint Area Review (JAR) in 2008
- Preparation for annual inspection of children's services to feed into CAA

Communities

- Inspection on Youth Offending – inspection took place in January 2008 and the final report was published in May 2008 including 10 recommendations
- Inspection on Youth Services
- Contribution to preparations for the corporate inspection, the JAR and the external assessment against the equalities standard

Kent Adult Social Services (KASS)

- 3 Unannounced social care inspections: Fostering (score = good); Adoption (score = good) and Private Fostering (score = good)
- The Independence Wellbeing and Choice (Safeguards) Inspection Report - The final report and the action plan have been agreed between KCC and CQC.
- There will be an Adult Learning inspection sometime between October 2009 and July 2010.
- Preparation for annual inspection of adult social care which feeds into CAA

Environment, Highways & Waste (EHW)

- No annual inspections
- Relatively low number of PIs
- Work undertaken to support corporate assessments such as CPA and CAA

Therefore in 2008/09 there were a minimum total of 9 major inspections.

2.2 Health

Organisation: NHS Eastern & Coastal Kent

inspectorial/assessment/regulatory activities	Estimated cost of inspection activity (including % of senior staff time)	Perceived benefits	Perceived burdens	Internal/localised inspectorial performance-related activity (Yes/No)
External Audit including Use of Resources	£310k + 5% of band 8c plus 2% of finance resource in preparing UoR	Assurance that financials and governance are right	Some work doesn't deliver vfm	No
Internal Audit	£100k + 5% of band 8c	As above		No
Counter Fraud	£100k + 1% of vsm	Fraud is both uncovered and actively discouraged	Lots of expensive work on unpaid prescriptions, and other minor cases leading to no financial recovery. Cost of service is considerably more than the amt recovd.	No
World Class Commissioning	5% of KB's time and some of AH. Over £1m of extra commissioners on the payroll	That we meet WCC guidelines	Extremely costly for not much perceived benefit	Yes
Care Quality Commission	5% of KB's time and some of AH. 2%? of AH directorate costs to prepare evidence	Good score leads to public confidence in organisation	A lot of work to prove we are delivering what we should be delivering anyway	Yes
Strategic Commissioning Plan	20% of band 8d plus 10% of about 5 other key staff	Gives SHA assurance PCT is doing what it should be doing	This is best practice, which we would do, but the burden of producing it specific DH/SHA format and regular updating as assumptions change makes this a very time consuming process	Yes

2.3 Police

EXTERNAL SCRUTINY MATRIX (2008)

Type	Origination	Frequency	Outcome	Main Resource(s) required & cost	Staff Cost £
National rolling programme of themed inspections	HMIC	2 per year	Report on level of compliance / critical threats / AFIs. (Managed by dedicated resource)	80% of grade F (full time) 5% of Chief Insp total working time 5% of Grade I 10% of Grade M	30,863 3,848 3,209 9,754
Thematic inspections – usually on risk based selection criteria	HMIC	Ad Hoc (annual)	Report on level of compliance / critical threats / AFIs. (Managed by dedicated resource) category includes inspection against	Total	47,673

				minimum threshold standards for Protective Services				
Data quality audit - systems, processes and outcomes	HMIC	Ad Hoc (TBC)		To audit quality of data submitted to Home Office to ensure reporting process is robust and effective. (Managed as part of normal business)	Grade H – 3 days Pat King – 3 days Grade M – 1 day Total	746 639 437 1,822		
Thematic Reviews of compliance / implementation progress against specific projects / programmes	NPIA	Ad Hoc (annual)		Report on level of compliance / implementation. Examples include PREVENT in 08, violent & sexual offenders in Jan 09 and PIP in Feb 09. (Managed as part of normal business)	Grade I – 20 days	5,781		
National law enforcement agency inspection against RIPA and use of communications data (different element at each inspection)	Interception Commissioner	Every 2 years (2-3 days)		Report on findings which includes guidance and advice to Chief Constable. Also to the Home Office.	Steve Starbuck X 3 days 0.5 day for Chief Constable Total	867 434 1,302		

Compliance inspection against RIPA provisions	Office of the Surveillance Commissioner	Annual (1-week)	Report from Chief Commissioner to Chief Constable. (Managed as part of normal business)	Steve Starbuck X 3 days	867
External peer reviews of some major crime investigations (against MIRSAP & MIM)	Doctrine (Professional Guidance Manuals)	As required (e.g. Op Deliver)	Report on investigation and recommendations for further action. (Managed as part of normal business)	SIO (DCI) for 10 days	3,579
Audit of DSP funding use	National Coordinators Office for Counter Terrorism	Annual	Findings feed into funding settlement programme for the next reporting period.	Grade H for 2 days	497
Audit of Reflex funding use	National Centre for Immigration Crime	Annual	Findings feed into funding settlement programme for the next reporting period.	Grade H for 2 days	497
Police Use of Resources Assessment	Audit Commission	Annual	Report on compliance with set criteria published annually. Originally combined with HMIC inspection results. (Managed as part of normal business)	50% of grade F (f/t) 30% of grade H (f/t)	19,290 16,253

(PURE / URE)				<p>10% of grade H (f/t)</p> <p>KPA 5%</p> <p>Grade L (Ann) - 5% ??</p> <p>DCC x 1 day 809</p> <p>CC x 0.5 day 434</p> <p>ACC x 1 day 626</p> <p>DFA x 2 days 1,109</p> <p>Grade K x 0.5 day 179</p> <p>Ch Supt x 0.5 day 251</p> <p>Grade M – 10 days 4,374</p>	<p>Total</p> <p>55,856</p>
External Statement of Accounts	Audit Commission	Annual	Audit Opinion in Statement of accounts	Grade I – 10 days	2,891
Internal audit	Bentley Jennison	Ad Hoc	Reports to Audit & Governance. Auditors opinion on Statement of Accounts	Grade G – 50 days	10,648
National rolling programme of inspection: 2008 Inspection of offender management, in particular on MAPPA	HMI Probation	Ad Hoc (annual)	Identify action plan for delivery through Safeguarding Board. (normal business)	Insp x 1 week	1,645
National rolling programme of inspection: 2008 Joint Area Review (JAR) of Children's Social Services	Ofsted	Ad Hoc (annual)	Identify action plan for delivery through Safeguarding Board.	Insp x 1 week	1,645

National rolling programme of inspection 2008-09 : Review of Adult Protection arrangements	Commission for Social Care Inspection (CSCI)	Ad Hoc (annual)	Identify action plan for delivery through Safeguarding Board.	Insp x 1 week	1,645
Review on Rape provisions	Home Office Working Group (Rape)	One off (poss annual)	National report and direct feedback to Forces.	Insp x 1 week	1,645
<i>Local risk based inspection under GL3 methodology – self assessment template followed by a full inspection</i>	HMIC	<i>Ad Hoc (TBC)</i>	<i>Report on findings with AFIs. (Managed as part of normal business)</i>	<i>Grade F - 2 weeks Ch Insp – 3 weeks 2 Insp – 3 weeks Ch Supt – 1 week Supt – 1 week K – 2 weeks Total</i>	<i>1,770 5,369 9,869 2,507 882 3,574 23,970</i>
<i>Full inspection of Firearms against licensing criteria (NPFTC)</i>	NPfIA	<i>Every 4 years</i>	<i>Self-assessment and evidence matrix. Report on findings and re-licence.</i>	<i>Sgt – 1 weeks Insp -2 days Total</i>	<i>1,441 658 2,099</i>

2.4 Fire and Rescue

List of inspectorial/assessment/regulatory activities	Estimated cost of inspection activity (including % of senior staff time)	Perceived benefits	Perceived burdens	Do you have any internal/localised inspectorial performance-related activity (Yes/No)
Organisational Assessment	10 days of Middle Manager pulling together submission, 4 days of Assistant Director reviewing documentation and meetings with AC 2 days for CFO, DCO reviewing documentation and meetings with AC	Allows FRA to self-review itself and its view of strengths and weaknesses.	We find the process relatively simple to administer as the auditor only wants case studies and updates on things which have materially changed in the last year. This is better than previous regimes where each year a full submission was required against each KLOE.	Internal peer review process in place which looks at business unit performance on a three year cycle - including operational service delivery units.
Operational Assessment (formal national assessment of the Authority using a process led by IDEa and Chief Fire & Rescue Advisor's Unit.	Team meeting (10 people for 2 days), preparation of best practice examples (10 people 7 days). Member Scrutiny @ 2 days. 20 days of Middle Manager creating documentation, 5 days of Assistant Director reviewing. 1 day of CFO, DCO, 1 day per director (3 in total) related to reviewing documentation and meetings with AC. 5 day on site visit involving all Senior Management.	Allows FRA to self-review itself and its view of strengths and weaknesses. Helpful challenge from OpsA peer review team to focus activity on improvement areas	As above	Internal peer review process in place which looks at business unit performance on a three year cycle - including operational service delivery units.

List of inspectorial/assessment/regulatory activities	Estimated cost of inspection activity (including % of senior staff time)	Perceived benefits	Perceived burdens	Do you have any internal/localised inspectorial performance-related activity (Yes/No)
Use of Resources	10 days of Middle Manager pulling together submission, 4 days of Assistant Director reviewing documentation and meetings with AC 2 days for CFO, DCO reviewing documentation and meetings with AC District Audit fee 10,471	Allows FRA to self-review itself and its view of strengths and weaknesses. Useful benchmark against other authorities	Not all evidence is produced as a by-product of normal work ie need to produce case studies etc	Internal peer review process in place which looks at business unit performance on a three year cycle - including operational service delivery units.
Health & Safety Executive	Ad hoc inspections – last one 4 years ago. Based on a risk assessment process	Useful national framework for local activity	None	Formal performance and inspection process for H&S including regional peer assessment using RoSPA model.
External Audit/District Audit	District Audit Fee £70,644 (inc £2.5k for WGA)	Independent verification of the financial statements. A statutory requirement.	High cost, when many processes very streamlined	Supported by formal internal audit programme supplied by Kent Audit (KCC)
Ad hoc Audit Commission studies	Ad hoc, but last year we had one request for info, requiring Middle Manager (4 days) and Assistant Director (4 days) to put together, followed by 1 on-site meeting with AC, CFO, DCO and directors and service managers 5 days	Gives a level of national comparison.	It is not always clear to us how the findings from ad hoc studies will be used and why Kent has been selected.	
CLG Annual E & D Report		None – completed to meet	Duplicates the activities	Extensive monitoring locally

List of inspectorial/assessment/regulatory activities	Estimated cost of inspection activity (including % of senior staff time)	Perceived benefits	Perceived burdens	Do you have any internal/localised inspectorial performance-related activity (Yes/No)
		internal CLG reporting requirement	required to support the assessment process related to meeting the Equality Framework for Local Govt	and undertake regular assessments to meet Local Govt Equality Standard.
Annual (IRMP) data return to CLG	Co-ordinated and submitted by Senior Analysts. 5-10 days x 2 people	Very little benefit. Does ultimately allow some useful benchmarking but currently takes too long for results to be published. Hard to see why some of the data is collected or how it will be used.	Burden is excessive and benefits are small. KFRS proposed a reduction in data return as a CPA freedom in 2005/06, which was turned down.	Our own performance framework provides the information we need to manage effectively.
Data Quality Audit by Audit Commission	1 day for Middle Manager, 2 days for 2 Senior Analysts, 1 day for Senior HR officer	Gives assurance that our data quality is robust and that of comparable organisations	Relatively low burden, hard to see how it could be made any lighter	Internal data quality checks and performance reporting

2.5 Tunbridge Wells Borough Council

Job Title/Description	Full Cost	CAA/Use of Resources %	CAA/Use of Resources £	TOTAL £
Corporate Policy & Improvement Officer	30,920	50%	15,460	15,460
Delivery Unit Manager	62,290	20%	12,460	12,460
Head of Legal Services	70,370	20%	14,070	14,070
Customer Care Manager	42,750	0	0	0
Chief Executive	135,000	2%	2,700	2,700
Directors x 2	224,340	2%	4,490	4,490
Heads of Service x 8	624,900	2%	12,500	12,500
Head of Finance & Governance	70,370	5%	3,520	3,520
Service Accountants x 2	96,240	2%	1,920	1,920
Internal Audit Manager	63,600	3%	1,590	1,590
Internal Auditor	37,560	3%	940	940
Audit Commission Fees	149,000	100%	149,000	149,000
Audit Committee	6,720	50%	3,360	3,360
			222,010	222,010

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Gateway

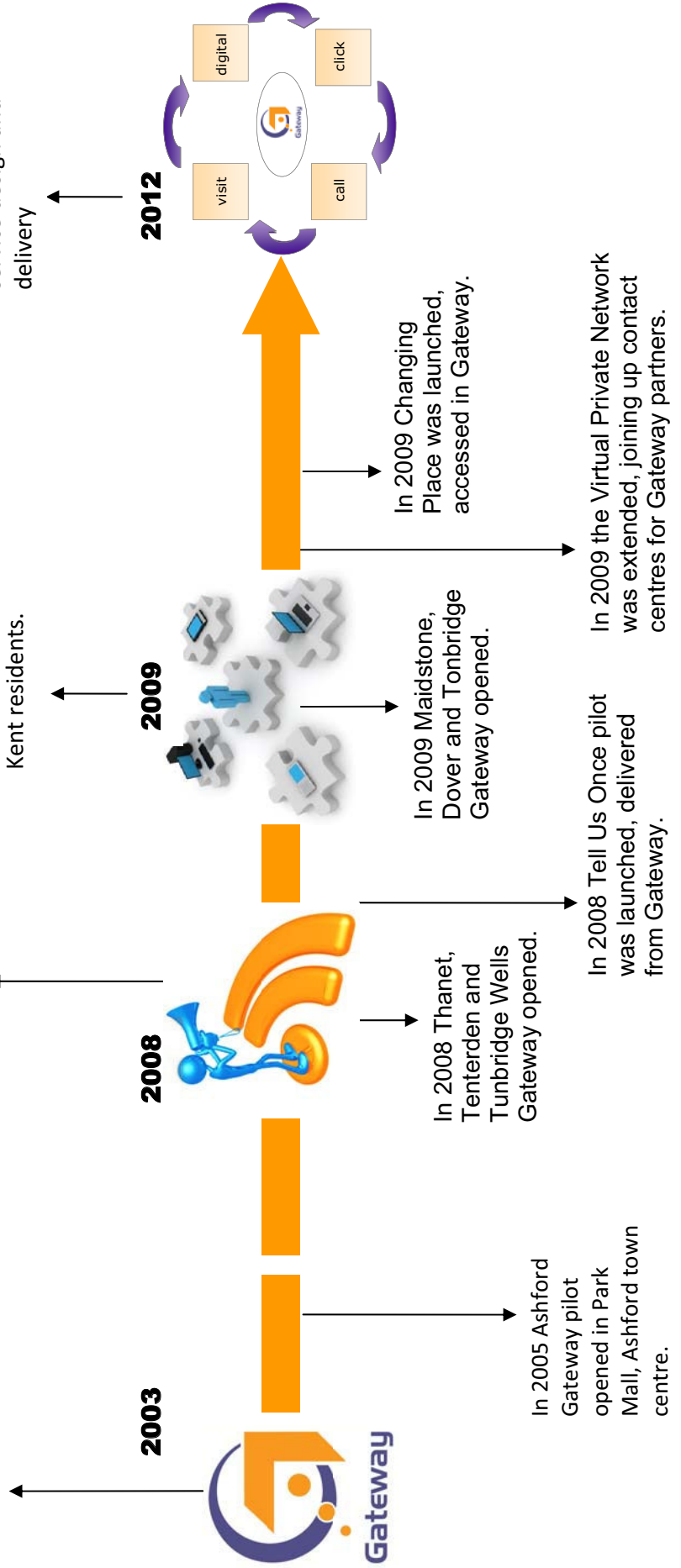
Gateway Strategy Timeline

In 2003 the Gateway concept was born with a vision to offer customer-focused, large-scale, cross-agency service in a modern retail setting.

In 2008 energy and commitment was given to exploring how the approach and learning Gateway had already achieved could be applied to phone and web delivery as part of a programme, Access Kent.

In September 2009 the work Access Kent and Gateway were undertaking was integrated into one programme, Gateway Multi-Channel. This offers a single brand for access across phone, web and in a face-to-face environment for Kent residents.

2012 → A new strategic integrated public service offer – Physical to Digital – engaging citizens in service design and delivery



Social Return on Investment Case Study – Skills Plus at Ashford Gateway

Case study - Skills Plus in Ashford Gateway

DEFINITION

The intervention is: locate the Skills Plus desk in the Gateway rather than have it alone in its own premises on the street (as before).

INPUTS

Staff wages	£/y	63,852
Exam fees & admin	£/y	2,515
Total inputs	£/y	66,367

OUTPUTS

	Before	After	Difference
Number of trainees (who finish training courses)	190	509	319
% unemployed before taking Skills Plus training	22%	22%	
Number equivalent	42	112	70
After Skills Plus training, reduction of unemployed			66%
Number equivalent, employed, attributable to intervention			46

OUTCOMES

Wage before training	£/h	0.00
Wage after Level 2 training	£/h	8.80
Wage after Level 3 training	£/h	10.40
Average wage after training	£/h	9.60
Increase in wage earned	£/h	9.60
Hours worked per week	h/w	40
Weeks worked per year	w/y	48
Increase in wage earned, attributable to intervention	£/y.person	18,432

Civic saving from not paying Jobseeker Allowance	£/y.person /group	3,344	JSA	£64.30
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IMPACTS

Trainees' gain in wages earned, before NI and tax	£/Y	£853,748
Civic gain in National Insurance paid by employee	11%	£93,912
Civic gain in Income Tax paid by employee	20%	£170,750
Civic gain from saving Jobseeker Allowances	£/Y	£154,872
Total civic gain	£/Y	£419,533
Trainees' gain in wages earned, after NI and tax	£/Y	£589,086
Total social gain	£/Y	£1,008,620

SROI ratio	15
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RETURN ON INVESTMENT OVER SEVERAL YEARS

Assumptions:

- 1 Aggregate impact in Year 1 remains steady for 5 years.
- 2 Skills Plus agency has a one-off cost of moving into Gateway, a rent increase, and its operating cost there is same as before (per INPUTS).
- 3 Constant prices (i.e. no inflation or other price increases)
- 4 Training course lasts 1 year, during which Jobseeker Allowance is paid. Wage earning begins a year later.

	Year:					
	Y0	Y1	Y2	Y3	Y4	Y5
OUTFLOW	£					
Cost of moving into Gateway & additional rent	200,000	20,000	20,000	20,000	20,000	20,000
Operating costs		66,367	66,367	66,367	66,367	66,367
Total outflow	266,367	86,367	86,367	86,367	86,367	20,000
INFLOW	£					
Trainees' gain in wages earned, after NI and tax	0	0	589,086	589,086	589,086	589,086
Total civic gain	0	0	419,533	419,533	419,533	419,533
Total inflow	0	0	1,008,620	1,008,620	1,008,620	1,008,620
NET FLOW (including social benefits)	£	-266,367	-86,367	922,253	922,253	988,620

NET PRESENT VALUE at 5% discount rate	£2,683,728
NET PRESENT VALUE at 10% discount rate	£2,139,980
INTERNAL RATE OF RETURN	128%

These may be compared with alternative options for investment, to guide choice when funds are scarce.

NET FLOW TO INVESTOR (financial, excluding social benefits)	-200,000	-86,367	333,166	333,166	333,166	333,166
NPV at 5%	£802,744					
FIRR	69%					

Compare with NPV and IRR that recognise Social impact in addition to Financial.

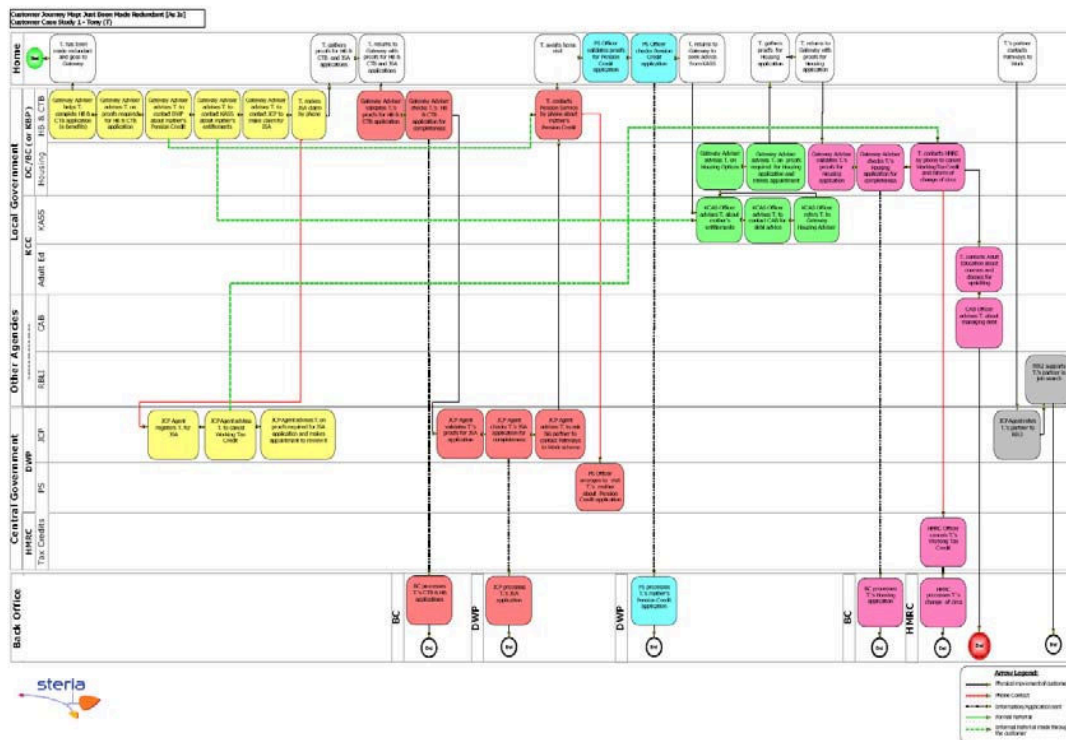
The Benefits Hub - Tony's Journey

APPENDIX 3.3

Tony has just been made redundant following the closure of a local factory. He was on a low income and has been in receipt of Working Tax Credit (WTC). He's 46, married with three children (aged 4, 12 and 14) and lives with his family and elderly mother in private rented accommodation. Tony's partner is on long-term Employment and Support Allowance (ESA).

In the diagrams below, the coloured boxes represent different events or stages in Tony's journey, as he interacts with separate organisations. The contrast between the complexity of the current, 'as is' journey and our vision of the future - the streamlined 'to be' journey, represents a **very different experience** for Tony and **considerable savings** for the public purse.

As it is now:



Tony goes to the Gateway in pursuit of benefits. He does not know what to expect, and is not prepared with any proofs of entitlement. The Gateway Adviser helps Tony fill in applications for HB and CTB, and tells him what proofs of entitlement he must provide. The Adviser advises Tony to contact DWP to claim Pension Credit for his mother and refers him to KASS for specialist advice about her entitlements. The Adviser advises Tony to contact JCP to claim JSA, so he calls them and registers for JSA. He then goes home to collect proofs of eligibility for benefits.

When he returns to the Gateway with proofs of eligibility, the Gateway Adviser validates the proofs and helps Tony complete applications for CTB and HB. Tony goes to JCP with proofs of eligibility for JSA and completes his application for it. The JCP Adviser suggests he ask his partner to contact *Pathways to Work*. Tony also contacts DWP by phone to organise Pension Credit for his mother. A Pension

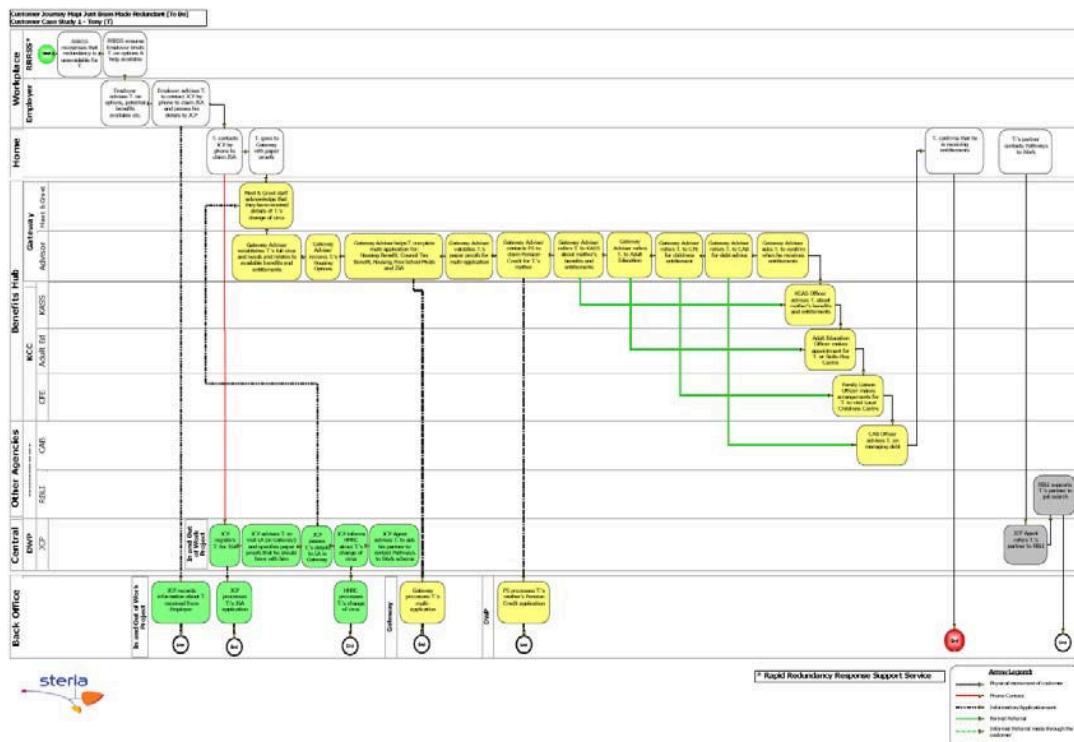
Service Officer visits Tony's mother at home, and validates her eligibility for Pension Credit.

Tony returns to the Gateway to follow up a referral to KASS for specialist advice about his mother's entitlements. The KCAS Officer that he speaks to advises him to contact CAB for advice about managing debt and refers him to the Housing Officer for help with his housing options. During the same visit Tony is able to see a Housing Adviser, who opens an application for housing for him and tells him what proofs he will need for it.

Tony returns to the Gateway with proofs of entitlement for housing and completes his application. He rings HMRC to cancel his WTC, then talks to Adult Education about suitable up-skilling courses and to CAB about managing debt. When he gets home, Tony follows up the JCP Adviser's suggestion by asking his partner (on long-term ESA) to contact *Pathways to Work* for help with job-searching.

As is, Tony has to make repeated visits to different Government agencies and Departments, service providers operate autonomously and the outcome depends to a large degree on his determination and ability to navigate the benefits systems and procedures. In our vision of the Gateway Benefits Hub, service providers take the customer's perspective and have a full view of Tony's needs. Agencies share information and have a single approach to assessment which minimises the need for Tony to make separate visits and submit separate applications and proofs. Customer service advisors act as the customer advocate and take responsibility for fulfilling the needs of Tony and his family.

As it could be:



The SEEDA/JCP redundancy Rapid Response Service has interceded but failed to prevent Tony's redundancy. The service ensures that Tony's employer directs him to JCP and passes information about him to JCP. JCP handles Tony's case as part of the *In and Out of Work* project. So, when Tony makes contact, he finds not only that the JCP is aware of him, but that JCP directs him to the Gateway for help with benefits and sends information about him to his local Council. It also tells him what proofs of entitlement he will need and informs HMRC about his change of circumstances.

Tony goes to the Gateway armed with proofs of entitlement to benefits. The Gateway Adviser establishes his circumstances in greater detail and assists Tony in considering his housing options. He then helps him complete a combined application for several benefits, including CTB, HB, and Free School Meals for his children.

The Gateway Adviser reviews Tony's elderly mother's needs; he organises PC for her and refers Tony to KASS for further specialist advice.

The Adviser refers Tony to CFE for advice about entitlements for his children, to Adult Education for advice about skills and training, and to CAB for advice about managing debt. Tony is able to follow these referrals up on the same day. When gets home, Tony follows up the JCP adviser's suggestion by asking his partner (on long-term ESA) to contact *Pathways to Work* for help with job-searching.

Mapping Tony's Journey

Tony's journey, current and future, was mapped at a series of workshops held with Gateway staff and local organisations in Kent, including the District and County Councils and their partners, voluntary agencies and Jobcentre Plus. Following the workshops, supporting information and data, such as volumes and timings, were gathered to create a more complete picture of the journeys and to allow an assessment of the impact of change. Our comparison of the delivery of the "to-be" vision against the "as-is" for Tony's journey revealed potential for great savings, as well as improved service outcomes.

Understanding the Benefits

There are very many potential benefits of adopting the vision for the Gateway Benefits Hub as illustrated in Tony's journey. Bringing together all the cross-agency benefit processes in Kent, from central and local government to the voluntary sector, has the potential to transform the customer experience and make profound savings, through:

- The social return on investment (SROI) that is driven out from these service improvements;
- Potential efficiencies from other transactions and processes undertaken by visitors and staff at the Gateway (the above example on redundancy accounts for less than 20% of all visits);
- Potential savings from back office processes.

As an example, below is a calculation of the potential saving through the reduction in customer service advisor (CSA) contact time. This calculation is based on a staff salary of £25,000 and an annual staff cost of £30,000, minus annual and public holidays, as shown:

Hours worked per year
 = (52 – 7.6 = 44.4) weeks per year @ 37 hours per week = 1642.8
Therefore cost per hour
 = salary cost of £30,000/1642.8 = £18.26 per hour

The hourly cost is then multiplied by the difference in time taken between the ‘as is’ and ‘to be’ customer journeys:

Total time taken ‘end to end’ for interactions/processes includes:

- Assessments/form completion
- Validation of proofs

‘As-is’ and ‘To-be’ time in minutes **As is 371, To be 243**
Difference in hours **= (371-243)/60**
= 2.13 hours

Multiply by staff cost per hour **£18.26 * 2.13 hours**

Cost saving per customer journey **£38.90**

The saving per customer journey is then applied to individual cases, using statistics provided by the Kent Research and Intelligence Unit:

Monthly average of new unemployment cases
in Kent over the last five years **4,750**
Annual figure **(4,750 * 12) = 57,000**
Multiply by cost saving for each case **57,000 * £38.90**

Potential yearly cost saving for this scenario **£2,217,300**

However, in our experience, the potential savings from the streamlining and improvement of back office processes, supported by enabling technology, are even greater. Evidence gathered from our many improvement programmes, with customers across all sectors, suggest that these may deliver savings in the range of 10% to 25% of back office processing costs.

Glossary of Terms

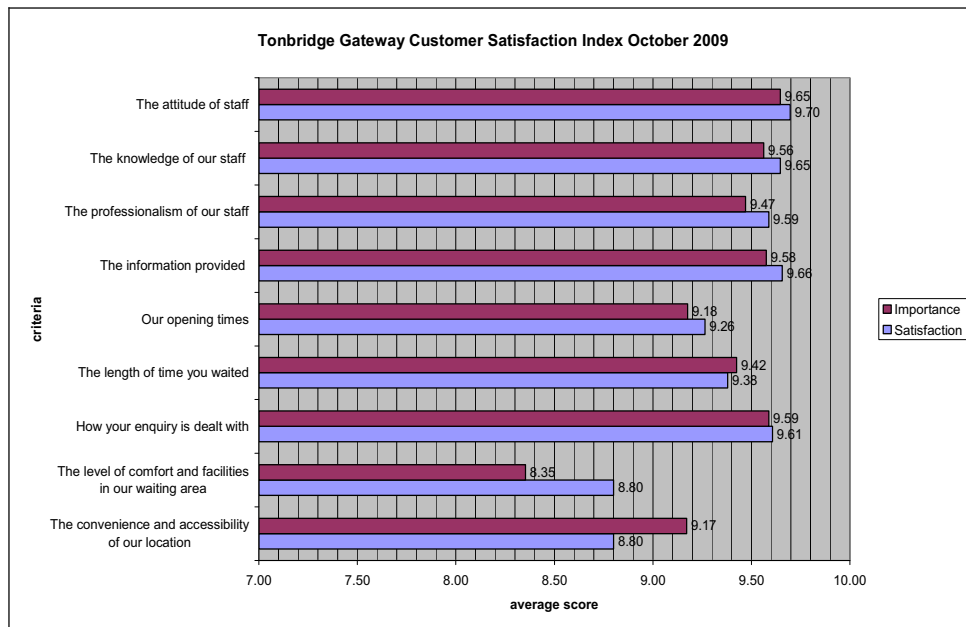
WTC	Working Tax Credit
ESA	Employment and Support Allowance
HB	Housing Benefit
CTB	Council Tax Benefit
DWP	Department for Work and Pensions
JCP	Jobcentre Plus
JSA	Job Seekers Allowance
KASS	Kent Adult Social Services
KCAS	Kent Contact and Assessment Service
CAB	Citizens Advice Bureau
HMRC	HM Revenue & Customs
SEEDA	South East England Development Agency
PC	Pension Credit
CFE	Children, Families and Education
CSA	Customer Service Advisor

Gateway Customer Satisfaction

The following table gives the result of the customer satisfaction survey carried out in October 2009, just two and half months post opening of a new Gateway in Tonbridge. The same survey will be repeated in April 2010 to provide consistent and comparable results.

Quotes taken from Customer Feedback – 2009/10

- *“This is a great idea - to have advice, housing advice, general help under one roof, close to the town centre. **Brilliant***
- The new Gateway concept is very light, airy and seems to have had **an excellent effect on staff (as well as customer) morale. Keep up the good work!**
- *I find that this new office and décor has lifted the atmosphere for the people who visit for benefits, etc. The **terminals for the internet** are a very good idea and the fact you have nine terminals should give ample opportunity for people to get a turn. All staff helpful and friendly.*



- **Good service here. Friendly service – very efficient. Internal facilities are absolutely brilliant!**
- *I am extremely impressed with the facilities and **quality of service** offered by The Gateway. Perfect location, **innovative**, with excellent staff.*
- **An excellent, speedy and helpful service. Every town should have one**
- *This is my first visit to your new premises. very impressed with the décor, more friendlier atmosphere and restful! It's nice to have a centre right in the middle of the town centre, especially for people like myself who can't walk very far.*
- **I think the new Gateway is great. It's quick and easy to sort out your problems. I have had a fair few. Thanks to Gateway I hardly have any."**

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Margate Central & Cliftonville West - Background Documentation

- Consultant, (Dec 2009) *Margate Central and Cliftonville West Delivery Model – Proposal to Kent County Council and Thanet District Council*
- Kent Child Protection Committee (Jun 2005) *Report of the Kent Child Protection Committee Inquiry in Thanet*
- Kent County Council Research and Intelligence (Jan 2010) *Mosaic Mapping in Deprived Wards in Thanet: Margate Central and Cliftonville West*
- Kent County Council Research and Strategy (Jan 2010) *Summary Worklessness Assessment: Margate Central and Cliftonville West*
- Margate Renewal Partnership (Dec 2009) *Margate Renewal Implementation Plan and Framework 2009-2011*
- NHS Eastern and Coastal Kent (Oct 2009) *Triple Aim Baseline Needs Assessment*
- Shared Intelligence (Jul 2008) *Margate Study*
- Thanet Community Safety Partnership (Oct 2009) *Strategic Assessment*
- Thanet District Council (Nov 2009) *Margate and Cliftonville Housing Renewal Strategy (a consultation draft)*
- Walton J.K. & Browne P (ed) (Jan 2010) *Coastal Regeneration in English Resorts – 2010*, Coastal Communities Alliance

A file of all other reference documents and data sources used has been compiled.

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Appendix Five

Total Place Proof of Concept: Proposal to co-locate public sector back-office functions in Tunbridge Wells

Summary:

A proposal to co-locate a range of public and voluntary sector agencies in a town centre 'Gateway' to improve the coherence and efficiency of customer service along 'tell us once principles' and to bring together back office functions in a public sector 'hub' which would help deliver capital receipts and ongoing revenue savings of £1.1 million per annum.

The proposal very much supports the other strands of Kent's Total Place pilot as follows:

- Gateway: Tunbridge Wells already has an established Gateway. This proposal would enhance and deepen the offer by aligning and integrating services and extending them deeper into back-office functions
- Deprivation: Whilst the Kent pilot on addressing deprivation has focused on one geographical location in Margate, the lessons learned would be clearly applicable in Tunbridge Wells (an area that, whilst on the face of it, appears to be affluent, nevertheless has significant pockets of deprivation). The Margate work would inform the space planning work to make sure that inter-related functions of separate organisations are co-located (for example, the Police being co-located with the Licensing, CCTV, Community Safety and Civil Enforcement functions of Tunbridge Wells Borough Council and the PCT being co-located with colleagues from Adult Social Services).
- Assets: The proposal would support the disposal of three Central Government properties (Land Registry, HMRC and Probation Service) and would enable further future disposals. It would also bring approximately nine local offices (used by TWBC, KCC and the PCT) together into just one building with associated annual savings in rental, utilities and space requirements of £682k and approximately £180k staffing costs.

Background

As part of the Kent Total Place pilot, one particular 'proof of concept' has been developed alongside the more general work on counting public sector expenditure in the County and exploring how it could be spent more effectively. This concept, if delivered, presents an opportunity to realise capital receipts associated with the disposals of a number of assets, to reduce ongoing revenue expenditure and radically to improve joint working between central and local public and voluntary sector organisations.

The opportunity

Four developments have come together to present an exciting and viable opportunity:

Gateway

One initiative which has enabled the Council to consider relocating its office accommodation is the opening of a 'Gateway' in the heart of the Town Centre. Gateway is a joint initiative between Kent County Council and Tunbridge Wells Borough Council which has brought together 30 public, private and voluntary sector organisations under one roof. Organisations currently operating out of the Gateway include the Borough and County Councils, Citizens Advice Bureau, the local volunteer bureau, the local FE College, the local Pathways to Work and Flexible New Deal contractors, Business Link, a firm of solicitors who provide legal aid advice and a range of local voluntary sector organisations. Gateway (which has also been a 'Tell Us Once' pilot) has dramatically improved the way in which we can deal with complex cross-organisational issues and inquiries. It has proved to be particularly effective in helping local residents and businesses cope with the economic downturn by providing a coherent response to inquiries relating to housing, benefits, education, debt advice and volunteering. Its town centre presence has also meant that a number of organisations are now willing to consider relocating their back office functions.

KCC Office Rationalisation

Kent County Council is currently in the process of rationalising their office accommodation. The proposals would see three separate buildings in South West Kent being combined into one building.

Land Registry Building

On 22 October, the Land Registry announced a five-year programme of reorganisation and transformation aimed at cutting costs. The first phase of this proposal was to see the closure of a number of offices including Tunbridge Wells. The Land Registry Building is located at Forest Road, Hawkenbury, just outside Tunbridge Wells Town Centre. It was constructed in 1998 and occupies a site of approximately 5.5 acres. The structure comprises a main three-storey office building constructed around a central courtyard with two linked single storey annexes

currently providing a reception and staff facilitates building. The total floor area is 4,970Sq M NIA (6,210 Sq M GIA). There are three outbuildings and considerable external parking

The accommodation offers modern, flexible, accessible working space and from the information provided it would appear that the structure is generally in good repair.

The current space configuration is indicated in the plans attached at the end of this document.

From information provided by the Land Registry it would appear that the building has a condition survey and maintenance programme which identifies minor areas of disrepair but generally implies that the building has been adequately maintained.

Tunbridge Wells Regeneration Company and the Town Hall Site

In 2008, Tunbridge Wells Borough Council set up a joint venture company with a private sector company – one of the first Local Asset Backed Vehicles in the country. The company is exploring redevelopment opportunities for 38 Council-owned sites in the Borough's four main towns. One site which is actively being considered is the Town Hall site in the centre of Royal Tunbridge Wells. In addition to the Town Hall, the site wider civic site also includes a Police Station, Assembly Hall Theatre, Adult Education Centre, Library and Museum and other Council-owned property including two car parks. Whilst many of the buildings are listed, they are no longer fit for purpose and they also offer a significant opportunity to improve the economic vitality of the Town, to increase employment opportunities and to join the two halves of Tunbridge Wells town centre. The Regeneration Company has appointed architects to draw up a scheme for the site and the Council is working with a consultant to identify alternative sites for its office accommodation.

The Proposal

Our proposal would be to co-locate a range of national and local public sector bodies and/or functions:

- Front-facing service would be delivered from the Gateway¹. As well as providing a more effective, coherent and efficient service to the public, this would also enable us to promote new ways of working and 'channel migration' as outlined in the report of the Gateway strand of the Kent Total Place Pilot.
- Back-office staff would be co-located in the current Land Registry building. This again would present very considerable opportunities to reduce cost (see Appendix 2), increase flexibility and improve the coherence of public sector services in Tunbridge Wells (see Appendix 3).

Work with partners to date (see below) has suggested that there is an appetite not merely to co-locate staff but to integrate staff from according to function/service rather than organisation. This provides exciting and interesting opportunities to

¹ With the potential, in time, to relocate the Gateway to another, larger, town-centre site through the Regeneration Company if further space were to be required

improve coherence in policy areas which overlap organisational boundaries – for example, adult social care or community safety.

Associated Opportunities

Government departments and agencies are actively exploring opportunities to rationalise their estate and to deliver efficiencies. The proposal from the Land Registry published on 22 October is one such example, but we have also had discussions with HMRC who are looking to dispose of their offices in Tunbridge Wells and to relocate front-facing and back-office staff to another town-centre site. Such proposals are met with two principal concerns: the loss of service locally and the loss of employment opportunities. Our proposal would help address both of these concerns: The redevelopment of the Town Hall and a number of other sites in Tunbridge Wells will generate a number of new employment opportunities; and services can continue to be delivered locally (either by departments/agencies themselves or by us on their behalf) through Gateway and the back office 'hub'. We have already had discussions with both the Land Registry and HMRC which has revealed an interest in locating front-facing staff in Gateway to retain local service whilst relocating back-office staff to regional service centres to deliver the economies of scale. Kent has recently upgraded its Public Service Network (which is fully GSX compliant) which should enable front-office staff to access back-office systems.

The 'hub' idea would also provide an opportunity to accommodate voluntary sector organisations who (as the Gateway have demonstrated) can make use of serviced accommodation on a flexible basis.

Delivering Savings and Value for Money

Cashable savings would be delivered in two ways:

- The proposal would help deliver a number of asset disposals including the Land Registry itself, but also buildings on the civic site and HMRC's building Longford House.
- The proposal would also enable organisations to make considerable revenue savings in running costs by shrinking their space requirements (through more flexible accommodation and working patterns) and by sharing space in respect of meeting rooms, training rooms, break-out and refreshment areas and reception areas. Further staff savings could be delivered by sharing reception and facilities management arrangements and possibly ICT infrastructure.

Non-cashable savings would be delivered by co-locating services and delivering them in a more effective, coherent manner – both face-to-face through the Gateway and back-office functions.

The concentration from a number of dated, inefficient, carbon intensive properties to combining services and resources in one structure, will help to deliver reductions in the carbon footprints of the organisations involved.

The proposal will help to achieve a sustainable approach to growth that understands, invests in and combines to maintain human, social and environmental resources as well as financial resources.

Steps Taken to Date

Disposal of the Town Hall and other buildings on the 'civic site'

Architects have been appointed to draw up a scheme for the civic site. A wide range of uses are being explored but it is anticipated that the scheme would be suitable for mixed use including retail and office accommodation as well as exploring opportunities to develop a 'cultural quarter' on or around the site. A report is expected in July 2010.

Mapping Accommodation Requirements

Both Tunbridge Wells Borough Council and Kent County Council have completed an initial scoping exercise on their office accommodation needs. These are summarised in Appendix 1.

Kent County Council have a break clause in their existing lease of 17 KHA in 2012. Tunbridge Wells Borough Council have more flexibility in deciding when to move but would probably look to move some time in 2011 or 2012 (depending on the development of proposals for the Town Hall site by the Regeneration Company). Other public sector bodies have expressed a strong interest in the proposal but it has not been possible to complete a detailed needs assessment within the time available. There is ongoing engagement with these organisations to explore possibilities and opportunities open to us.

Discussions have also taken place with some Government agencies. HMRC have announced a proposal to close their offices in Tunbridge Wells but are looking to retain a counter service and some back office staff. They are keen to explore co-locating with TWBC and KCC in the Gateway or elsewhere. Similarly, the Land Registry have indicated that they would be interested in leasing back some space if the building were to be sold in advance of the current proposed closure date of 2012 and that they may have an interest in retaining a counter service at the Gateway. The Probation Service have also indicated an interest in co-locating with the Borough and County Council.

Accommodation needs are as follows:

Organisation	Commentary
Tunbridge Wells Borough Council	2,586 Sq M (including civic space, meeting rooms and break out areas which would be available for joint use with other occupiers)
Kent County Council	1,200Sq M as part of their office rationalisation programme. They would be seeking to decant Croft House, Montague House and Tricorn

	House into one building in the South West of the County. Break clauses in 2012. There may be scope for other County Council activities to be located here as well bringing an additional floor space requirement.
West Kent Primary Care Trust	730 Sq M - there may be some issues separating operational and back-office functions but these are being looked at.
Police	Currently examining the options available and are aware of the need to examine asset management issues
HMRC	Have indicated that they would be looking to dispose of Longford House and to relocate front-office staff into the Gateway. Would require some (albeit minimal) back-office accommodation.
Land Registry	Have indicated that if the building is sold in advance of the proposed closure date (late 2012), they would wish to lease back some space up until 2012. They have also indicated a willingness to explore whether a residual front-office function could be run out of the Gateway.
Kent Probation	405 Sq M required. Break in 2014
Total gross space requirement	4,800 - 5,500 Sq M plus whatever is required by Police, HMRC, Land Registry and other partners (including the voluntary sector)

We are also confident that other public and voluntary sector bodies would be interested in the proposition but it has not been possible to identify their exact accommodation requirements within the timescales available.

The Land Registry Building

The Land Registry Building is 4,970 Sq M (NIA) so very closely matches our accommodation needs. Clearly, the proposal to close the building is still subject to consultation and this proposal is contingent upon a decision being taken to close the building and in no way pre-judges the outcome of the consultation. However, were the closure to proceed, we would propose that we would purchase the building from the Land Registry enabling them to release an early capital receipt. We would be looking to do this sometime in 2011 with the potential to lease back part of the building to the Land Registry until their closure programme is completed in 2012. If a decision is made to proceed, we would undertake a more detailed business case.

In particular, we would look to explore how we could develop innovative management arrangements for the building that would enable us to ensure that services and support arrangements (including facilities management) were shared and that space in the building is planned and apportioned to support effective service delivery. This will maximise the use of the operational space in the building, providing economies of scale in rent and operational cost.

The acquisition, refurbishment and relocation of the various organisations involved would be project managed according to PRINCE2 principles with regular status and, where necessary, exception reports. We would establish a project management team with representatives of the various organisations involved. Local agencies are well versed in managing such projects and KCC and TWBC (who would be leading on the project) have a very strong track record in performance, project management and innovation.

Supporting Total Place and other Government Objectives

In addition to supporting all three strands of the Kent Total Place Pilot (see page 1), the report also supports many of the objectives set out in *“Putting the Frontline First: smarter government”*. The report states that:

“This diffusion of power is the next stage of public service reform ... we will merge back office functions; relocate staff and reduce Civil Service overhead costs; and sell off or mutualise assets that the Government does not need to own”. The report also states that *“we will support local authorities that wish to use their trading powers to create further commercial opportunities, set out guidance on effective use of joint ventures by local authorities and their partners in February 2010”*. Our proposal very much supports these objectives.

Next Steps

We hope that this important project will be considered as a ‘proof of concept’ that will demonstrate how some of the key issues relating to asset rationalisation, customer service, cost-reduction and long term sustainable efficiency gains can be delivered.

The whole project, however, is contingent upon the Land Registry Building being available for purchase at a reasonable price. We have not identified any other similar building in the Borough that would be suitable for our needs and a new build would not be deliverable within the timescales. We would also like to explore whether the sale of the building could be exempted from Stamp Duty given that its ownership is being transferred within the public sector. A similar arrangement already exists for the sale and acquisition of property within the health sector.

We propose:

- 1) That a dialogue should be opened up on whether and how we could acquire the building through private negotiation;-
- 2) That further discussions should take place on possible models for acquiring, holding and managing the building;
- 3) That more detailed work should be undertaken to identify a complete list of possible partners, to understand their accommodation needs and how they might fit into the service model that has been described above.

Needs Analysis – Current and Projected

Current Position				
Organisation	Property	Current space requirements Sq m	Existing cost (rental) per annum	Other costs per annum
TWBC	Town Hall	2747sq m	£389k	£448k
	Calverley Terrace	700sq m	£65k	£114k
KCC	Montague House	754 sq m	£165k	£95.5k
	17 KHA (part)	1400 sq m	£288k	£172k
NHS West Kent	Alan Gardiner Cottage			
	Landsdowne Road			
HMRC				
Total		5601 sq m	£907K	£829.5K

Future Space Requirement – Self Contained (within Land Registry)				
Organisation	Future space requirements (enabled by flexible working)	Projected future cost of office accommodation (rental @ £150 psm N/A)	Projected future costs (other @£114 psm GIA)	
TWBC	NIA 2586 sq m	£388k	£368k	
	GIA 3230sq m			
KCC	1200 sq m	£180k	£171k	
Sub Total	3786 sq m	£568K	£539K	
Vacant	1184 sq m			
NHS West Kent	?			
HMRC	?			
Total	4970 sq m			6210 sq m

Notes:

- More detailed figures from HMRC, NHS West Kent and other partners will be added as and when they are received.
- Other costs per annum reflects maintenance, rates, utilities, etc and are taken as actual costs or based on cost per sq m GIA
- The projected future costs other have been based on information by the Land Registry and does not include refurbishment costs. Consultant advised a refurbishment cost of £400 psm
- The release of savings from 17 KHA will not be achieved immediately due to an existing leasehold commitment.
- NIA is calculate as 80% of GIA

Future Space Requirement – Total Place (within Land Registry)				
Organisation	Future space requirements (enabled by flexible working & shared space)	Projected future cost of office accommodation per annum (rental @ £150 psm N/A)	Projected future costs per annum (other @£114 psm GIA)	
TWBC	NIA 2198 sq m	£330k	£313k	
	GIA 2745sq m			
KCC	1020 sq m	£153k	£145k	
Combined Space	388 sq m	£58k	£55k	
Sub Total	3606 sq m	£541k	£513k	
Vacant	1364 sq m			
NHS West Kent	?			
HMRC	?			
Total	4970 sq m			6210 sq m

Appendix 2: Summary of Cost Savings

Capital Receipts

Asset	Organisation	Asset Value	Comments
Land Registry Building (technically not a 'capital receipt'?)	Land Registry	£8.5m	Planned as part of consultation announced on 22 April. Proposal would enable earlier realisation of value and would allow flexibility for staff to remain in the building. Refurbishment costs approx £2.2m
Town Hall	TWBC	£3.125M	The buildings that collectively form the existing civic site offer considerable opportunities to regenerate the Town. No firm decisions have been taken on the Assembly Hall Theatre, Adult Education Building or Library, Museum and Art Gallery and any proposals would be contingent upon suitable alternative accommodation being found within the Town Centre as part of the Town Centre Area Action Plan. The buildings would be extremely difficult to redevelop without this coherent approach. Where such facilities will require replacement the Asset value at this stage and for the purposes of this exercise have been reflected as zero to indicate a replacement cost.
Calverley Terrace	TWBC	£625K	
Assembly Hall Theatre	TWBC	£0	
Adult Education Building	KCC	£727K	
Library, Museum and Art Gallery	KCC	£0	
Lansdowne Road	NHS West Kent	£280K	
Total		£13.26M	

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Notes:

- The Town Hall and Calverley Terrace have been taken at the Fair Value given in the 2009 Asset Valuation.
- The Adult Education Building and Library, Museum and Art Gallery have been valued in accordance with the Asset valuation on a Depreciated replacement Cost basis 2008 Asset Valuation.
- Lansdowne Road has been taken as the asset value provided by NHS West Kent.
- The Total is a minimum figure reflecting at this point, the capital asset value of the assets from those partners who have indicated their commitment to occupying the LR building. Vacant Space remains in the LR building and it is assumed that further capital will be realised from the disposal of other assets by future partners who have yet to confirm their commitment to occupying the LR building.
- In addition to the capital receipts from the sale of surplus assets through rationalisation into the LR Building, the annual income from "notional" rent from the LR building can be capitalised to identify a financial benefit.

Appendix 2: Summary of Cost Savings

Revenue Savings

Saving	Approx Saving (annual)	Comment
Reduced space requirements from more flexible working	£682K	By rationalising the current Estate holding through the concept of Total Place, space, rental and other costs will be saved as indicated. This reflects the figures for TWBC and KCC only at this stage but should show a far greater saving as the property information from other partners is confirmed.
Reduced space requirement from joint use of facilities	£70-100K	15 per cent of the largest space requirement has been assumed to comprise civic space, meeting space, training facilities, break-out and refreshment facilities and reception areas to be shared by all partners. At present the figures only represent the saving to KCC and TWBC and will show an increased saving as the benefit to other partners can be identified once their space requirements are confirmed.
Reduced staffing costs	£180K	Reception and facilities management costs
Other savings	£100K	e.g. ICT
Total	£1.032M-£1.062M	

Appendix 3: Service Relationships

The opportunity to undertake the business of each organisation within flexible, modern, seamless accommodation will enable each service to complement the other functions within the merged workplace and to develop the relationships to enable them to expand, develop and provide a comprehensive, total service to the client public. Co-location without physical boundaries will enable service relationships to blend and evolve, maximising the benefit of space, cost and fundamentally, service provision.

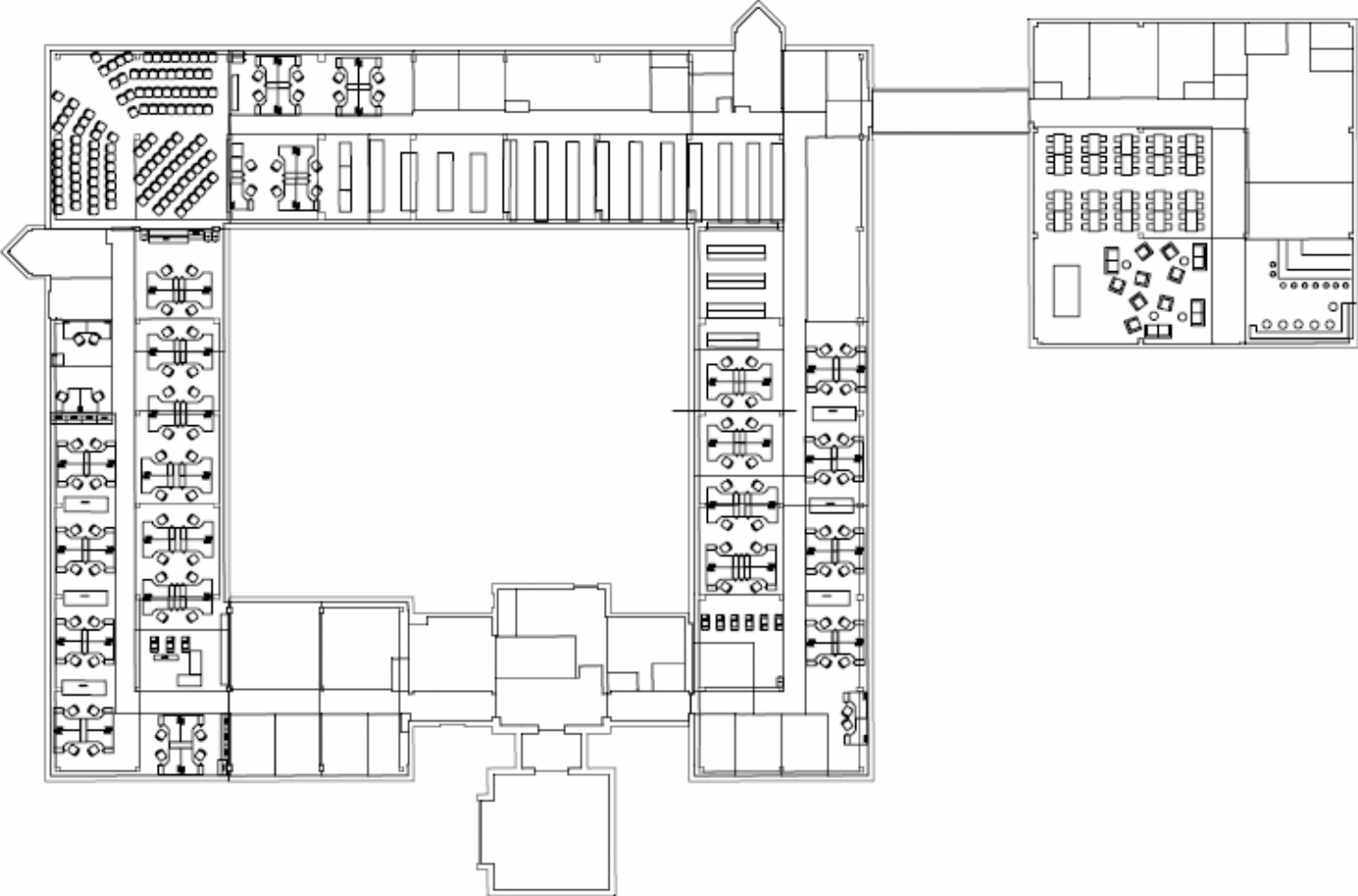
This has been demonstrated by the extremely successful provision of services through the Gateway concept where many different Public Service and charitable bodies have combined within shared, open workspaces to deliver each others' services to the General Public.

Examples of possible 'hubs' are listed below. This concept has been developed as part of the Gateway workstream and will be further developed if the proof of concept is taken forward.

Organisation	TWBC	KCC	PCT	Police	Other
Service 1 Healthy Living	Housing (Aids and Adaptations) Healthy Living Youth Services	Adult Social Services Children's Services			
Community Safety (CSU)	Community Safety Licensing Environmental Health Civil Enforcement Officers CCTV	Community Wardens	Drug and Alcohol abuse Hospital admissions		Probation NOMS
Welfare Benefits	Council Tax and Housing Benefits	Blue Badges School Meals			JCP HMRC DWP

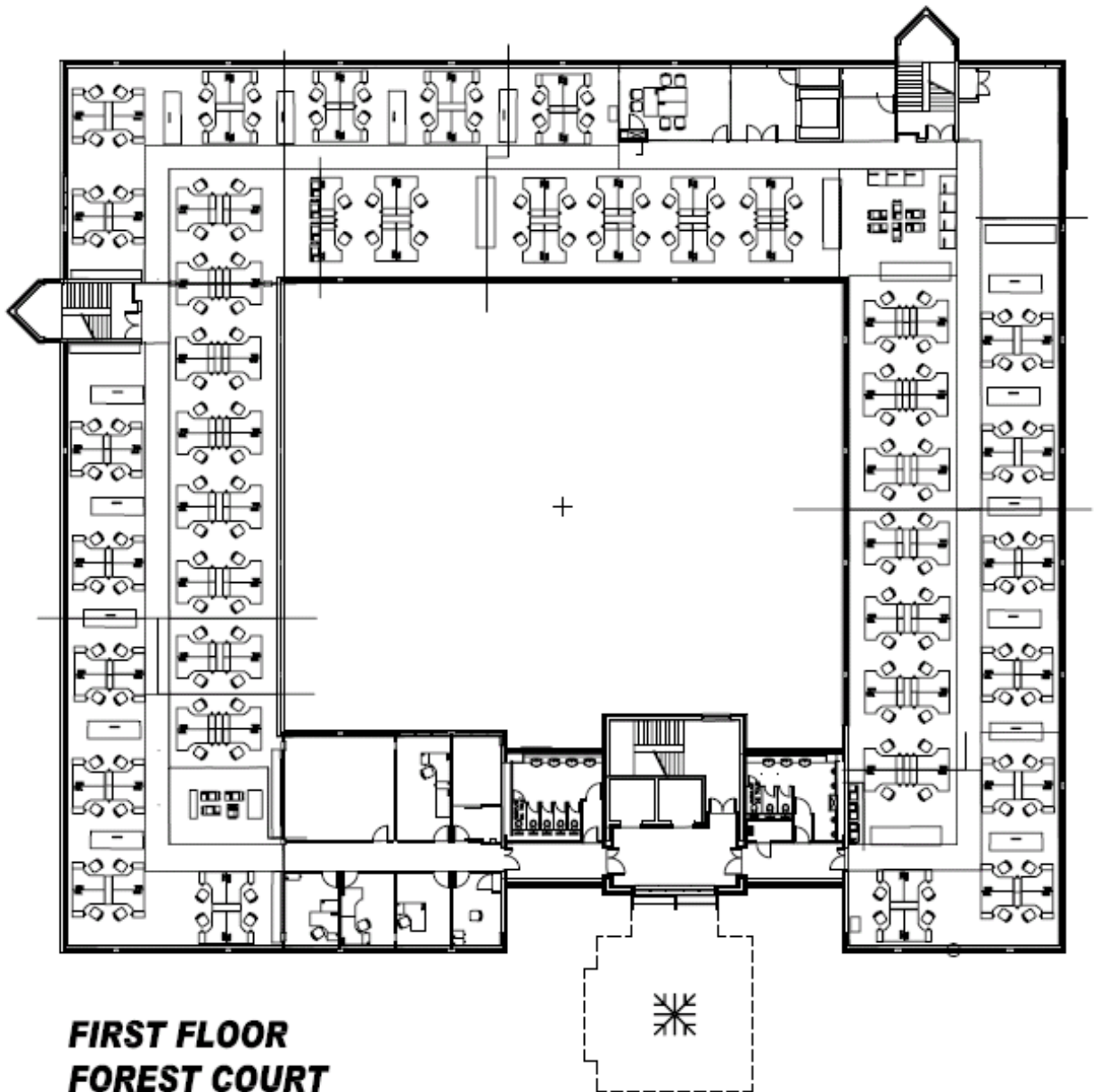
Appendix 3: Service Relationships

Ground Floor



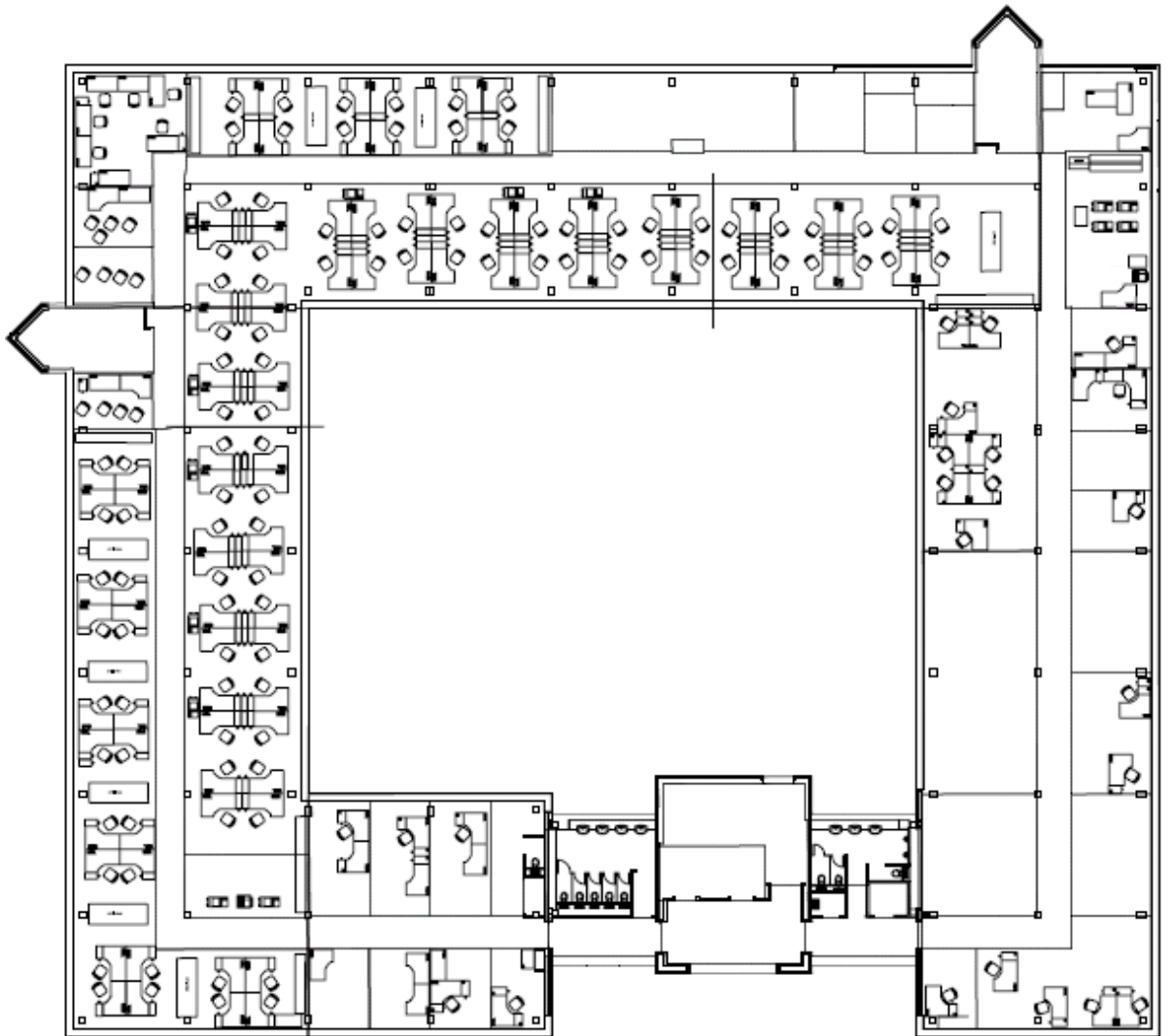
Appendix 3: Service Relationships

First Floor



Appendix 3: Service Relationships

Second Floor



SECOND FLOOR

Asset Management – The Swale Deep Dive

Executive Summary

The Swale deep dive has focused on the assets held by the public sector within Swale. It is important to note that this exercise has been done ahead of a full review of the potential for modernisation of public sector services across Kent. It is likely that significant further reduction in assets would result from such a review.

Data has been collected from all participating partners; however difficulties have been experienced with partners providing the full extent of the data required. As a result, some assumptions have been made regarding the financial information and a proportion of the portfolio has been excluded from the vision for the reorganised estate, due to lack of information.

The assets have been procured on a piecemeal basis, to fulfil historic service requirements and a high proportion is not fit for purpose. They are managed and procured without any reference to other public sector partners in the area. The assets are predominantly owned freehold and the total running costs are estimated at £10M.

The revenue savings identified are estimated at £1.3M. Since running costs are only available for 75% of the estate by area and only £2.6M of the running costs identified relate to participating properties, this saving represents 50% of the running costs of the participating properties. It would be reasonable to assume that once all the data were available for the remaining properties, revenue savings could be increased by a further £460K pa. Given the nature of the properties which have not been included in the vision, however, it is likely that a more detailed examination will reveal further potential savings.

As a result of the reorganised estate, it is estimated that gross capital receipts in the region of £60M would be generated. The cost of re-provision would be in the region of £43M. This would result in net capital receipts released of £17M. Once again, due to the absence of sufficient data on 50% of the portfolio, there may be further capital receipts, which could be generated from the assets not currently identified as part of the vision.

In arriving at the revenue savings only the running costs of assets have been included. It is reasonable to assume that there will be significant cost savings from the modernisation of services, co-location and amalgamation of business processes. This in turn will result in further reduction in space requirements and thus further asset savings. This has not however been quantified by the asset deep dive.

Background

Swale has an important role as part of the Thames Gateway which incorporates the Isle of Sheppey and Sittingbourne. With government focus on delivering growth within the Thames Gateway, there has been significant investment in Swale, both from the public and private sector. In responding to this agenda, Swale Forward has emerged as the key regeneration partnership in the area.

The challenges for Swale over the next few years are considerable. Skills levels in the Borough fall substantially below the national average. There are concentrations of deprivation which are among the worst in the country. Yet in many ways, Swale's opportunities for regeneration and improvement have never been greater.

Connections are much improved with the new Sheppey Crossing, the forthcoming

Sittingbourne Northern Relief Road and faster rail connections to London. Major new investment will transform Queenborough, Rushenden and Sittingbourne Town Centre. Perhaps most importantly, the organisations involved in providing services and representing the community in Swale have a new commitment through the Swale Local Strategic Partnership to work more closely together. This strategy provides local partners with a shared vision to help them deliver better services to the community.

Cllr Andrew Bowles Leader of Swale Borough Council says:

'We here in Swale are excited by the potential that the Total Place initiative can bring for the residents of Swale. Rather than seeing this as a challenge to the way we do things, we have chosen to see the opportunities that the initiative can bring - better joint working across partners, improved reception areas in which to receive the public, and a more efficient use of public sector assets can all bring long term benefits in the quality of service delivery and use of the public purse.'

'With our ambitious regeneration plans for the borough we were particularly pleased to be asked to lead work on the asset management 'deep dive'. We firmly believe that a joint public sector facility within Sittingbourne can not only act as an anchor to catalyse the fulfilment of our regeneration master plan as we recover from the impacts of the recent recession, but also improve the way in which public services work together to focus on improving the lives of our citizens within the tight budget constraints that we all face going forward.'

Methodology

Swale Borough Council working with Kent County Council has engaged with public sector partners currently offering services within Swale, together with those partners who have a wish to do so in the future. Discussions have been held individually with partners to ascertain their service strategies and how these currently affect the properties they occupy.

The partners who have actively engaged with this exercise are as follows:

- Swale Borough Council
- Kent County Council
- East Kent Primary Care Trust
- Kent Police
- Kent Fire Service
- Probation Service
- OGC

Two workshops have been held with partners to explore the opportunities for co-location and modernisation of service, together with the specific barriers to delivering a rationalised estate.

A consultant was appointed to assist in the detailed work relating to the extrapolation of the data, visioning of the new look estate and to act as a critical friend. Base data has been collected from all partners detailing the following:

- Property assets by address
- Size of buildings
- Ownership
- Details of services offered from the assets
- Details of partners sharing the assets
- The condition of the buildings
- The running cost of the buildings
- The number of full time equivalent staff working from the buildings (FTE)

Difficulties have been experienced in partners providing the full extent of the data required. For example, several partners have not been able to provide running costs for individual buildings, whilst others have found it difficult to provide FTE per building. Running cost data for example is only available for half of the properties covered by the deep dive. Although high level analysis has been possible, as a result of gaps in the data more detailed analysis has only been achieved for a proportion of the assets.

The Current Public Sector Estate in Swale

There are a number of characteristics relating to the public sector property assets within Swale:

- Each asset has been procured on a piecemeal basis over the last century to fulfil historic service requirements.
- The assets are managed and procured individually by partners without any reference to other public sector partners in the area.
- A high proportion of the assets are not fit for purpose.
- Each organisation works to different space standards and utilises different IT systems/infra-structure.

The analysis of the data provides the following information about the estate:

- The total number of properties in the database is 208. This represents approximately 10% of the public sector assets within Kent.
- KCC are the largest holder of assets with 50%, followed by Swale Borough Council with 16% of the assets. However if the properties are analysed by area, KCC occupy 72% and Swale Borough Council have 9%. The remainder is split between health, police and fire.

The number of properties: sorted by ownership

	Nr	%
KCC	105	52.50
SBC	34	17.00
Fire	19	9.50
Police	7	3.50
Health	12	6.00
Central Government Departments	15	7.50
Other	5	2.50
Home Office	<u>3</u>	<u>1.50</u>
	200	100.0

Number of properties: sorted by function

	Nr
Education (Schools, adult education, FE)	78
Community facilities (Sport, leisure, halls, pools, museums)	27
Fire (Fire stations, fire houses)	19
Community services (Adult social services, libraries, youth centres, family centres)	13
Offices	8
Adult social services	7
Health	12
Police	7
Justice	8
Miscellaneous	<u>28</u>
	200

- 69% of the assets are owned freehold by the public sector, 17% are leasehold and the remaining 14% are a mixture of user rights and PFI.
- The running costs currently available total £7.6M for 101 buildings. As this represents approximately 75% of the estate in Swale by area, it is reasonable to assume that the total running costs would be in the region of £10M pa.
- Of the running costs available, approximately £5.6M relates to education facilities (primary and secondary schools). Therefore only £2M relates to the non schools estate.

- The average operating cost by function is as follows:

Offices	£73/m2
Fire stations	£246/m2
Police	£53/m2
Libraries	£54/m2
Adult social services	£51/m2
Education	£39/m2
- There is currently 13,371 sq m of office space of which the running costs are available for 6,990 sq m. Based on an average cost per sq m, it is reasonable to assume the total running costs of the office space would be in the region of £1.1M pa.

A Vision for the Future

In arriving at a model for the rationalisation of the public estate in Swale, we have asked the question “How can property be better utilised as a resource in the provision of modernised public services”. In reaching these conclusions the focus has been on delivering quality integrated services, incorporating new ways of working, removing duplication and rationalising back office functions. The service provision has been divided into three components:

- The focused public interface (front office) – which is delivered through the Gateway programme incorporating face to face, internet and telephone interaction.
- The specialist services – where specific type and location of properties are required
- Administration – Back office functions which are not location specific and can be amalgamated with partners across a wide range of supporting services.

Complementary services have been identified which would break down into seven possible groupings, (although these are not exclusive and other groupings would be possible in specific locations):

- Those which could co-locate on school sites
- Emergency response services
- Dirty services (depots)
- Health and social care
- Justice
- Administration (back office)

The following conclusions have been reached regarding the potential modernisation of services through co-location:

- There is potential to deliver the library service in a modernised model, which makes use of improved IT and allows rationalisation of floor space. The result in Swale would be the re-provision of a smaller library service in Gateways or existing schools in Sittingbourne, Sheerness, Minster and Queenborough. There is also potential for re-provision of the library in Faversham alongside ancillary community services. There could be further opportunities for rationalisation of this service for the remaining libraries which do not enjoy high visitor numbers.

- Adult Social Services are changing the model for provision of service which will result in the reduction of the number of buildings required. The model for service will result in delivery of specialist services within leisure centres and other community facilities, thus resulting in a reduction of buildings. Increasingly this service is delivering care through partnership with private sector providers and this will result in a need for fewer public owned buildings. These will also be delivered within third sector and health properties on an informal use basis.
- The public office portfolio contains elements of front and back office, together with some specialist operational uses such as police custody suites. With the potential for two new Gateways in Swale, the front office elements of services can be released from the office space and back office uses amalgamated across partners in a revolutionary model. This would comprise flexible working within shared offices, shared meeting rooms and reception areas and centrally provided facilities management. The savings flowing from this new way of working would not be limited to running cost of assets. The use of some facilities could be based on a 'pay as you go' principle.
- The education estate is currently underutilised by the wider community and greater flexibility of use can be introduced particularly focusing on out of school hours' use and adult skills enhancement. With the BSF programme proposals for the district, there is a unique opportunity to create flexible buildings which can deliver wider leisure services to the public through expanded sports facilities and potentially relocation of elements of the adult education service and libraries, skills enhancement and reinforcement of community values.

The school estate provides a local hub in rural areas, where service points for health, library and community facilities could be located freeing up assets that are underutilised.

- A greater openness to utilise partner accommodation to host drop-in surgeries and other temporary ad hoc services which will prevent the need to acquire costly short term accommodation.

When the model is translated into an area based analysis of the main clusters of services in Sheerness, Queenborough, Sittingbourne and Faversham, the following opportunities are identified:

Sheerness

In Sheerness the remodelled estate would comprise of the maximisation of use of the academy site to incorporate shared leisure and youth facilities open to the wider community. The closure of the existing leisure centre which is in very poor condition would result in a new seafront redevelopment and regeneration site. The size of the building currently being procured for the Gateway offers opportunities for a shared office to be located within the building. This would result in between 4/5 disposal sites and a net reduction of one leasehold premises.

Queenborough

In Queenborough the amalgamation of sports and leisure facilities, re-provision of a smaller library in the school and possible amalgamation of other services could result in a reduction of 4 properties for disposal.

Sittingbourne

In Sittingbourne there is an exciting opportunity to create a new public sector office and community hub as a result of a cluster of sites totalling 3 hectares, within the ownership of the public sector in the town centre. There is a significant requirement for public sector offices which could be built as a result of a major town centre redevelopment scheme and could house the borough council and KCC staff alongside other partners. There is further potential for central government departments such as probation also to share these offices. The benefits this would bring in terms of regeneration are considerable. The offices together with a new Gateway would act as a public sector anchor to the development scheme.

The remodelled school estate would incorporate the co-location of two secondary schools within the town centre and extended community leisure facilities, including a flexible hall which could also be used as a theatre and library. This would completely reshape Sittingbourne town centre and create a new centre of arts and learning.

The new Gateway facility could be housed in the redevelopment site and would host all of the public facing (non specialist) services for the wider public sector. The modernised shared sports facilities could be managed from the Gateway in terms of a central booking system.

The result of this remodelling would generate twelve property disposals, of which two are leasehold premises, and the redevelopment of five town centre sites with potentially the post office.

Faversham

In Faversham there is an opportunity to utilise the leisure centre site to incorporate a mini- gateway for the public facing services, together with a community hub comprising the library, youth centre, family centre, public sector offices for the borough council and potentially others and increased car parking. As a result of decked car parking at the leisure centre, surface car park sites could be released for disposal.

The remodelling of two secondary schools and two primary schools could provide a new sports hub and would release further land for disposal.

In addition there is a cluster of public sector property to the west of Faversham which will result in further release of freehold property for disposal.

The result of this remodelling would generate eleven property disposals.

Efficiency Savings, Capital Generation and Cost of Delivery

There are a number of important assumptions which have been made when arriving at an estimate of the savings which could be generated from the remodelled estate. The ability to reinvest a proportion of capital generated from disposal into the modernised facilities is crucial. The existing barriers relating to the ownership, management of the estate and financial flexibility have been ignored, assuming that these have been resolved to facilitate the savings. The property related barriers, particularly the inflexibility of the planning process have also been largely disregarded.

Values have been based on estimates of potential value, assuming a planning consent for redevelopment and based on broad market assumptions. Clearly a programme of this scale would have to be delivered within an appropriate timescale (estimated at 10 years) to enable capital receipts to be maximised. The building costs have been based on a gross building cost range of between £1500 and £2500/m². VAT has been excluded and the cost of relocation of existing staff has also been excluded. Office accommodation has been based on 6m² per desk and a ration of 2:1.

The revenue savings generated from the proposed vision are estimated at £1.3M. Since running costs are only available for 75% of the estate, by area, and only £2.6M of the running costs identified relate to participating properties, this saving represents 50% of the running costs of the participating properties. It would be reasonable to assume that once all the data is available for the remaining properties, revenue savings could be increased by a further £460k pa. Given the nature of the properties which have not be included in the vision however it is likely that a more detailed examination will reveal further potential savings.

As a result of the reorganised estate it is estimated that gross capital receipts in the region of £60M would be generated. The cost of re-provision would be in the region of £43M. This would therefore result in net capital receipts released of £17M. Once again due to the absence of sufficient data on 50% of the portfolio, there may be further capital receipts, which could be generated from the assets not currently identified as part of the vision.

In arriving at the revenue savings, only the running costs of assets have been included. It is reasonable to assume that there will be significant cost savings from the modernisation of services, co-location and amalgamation of business processes. This in turn will result in further reduction in space requirements and thus further asset savings. This has not however been quantified by the asset deep dive.

The Barriers to Delivery

Partners have identified a number of barriers to the delivery of the rationalised estate and the ultimate release of revenue savings. These comprise financial, legislative, cultural and political barriers. The impact of these barriers should not be underestimated and their resolution is key to the delivery of integrated public sector asset management. The following summarises the barriers identified:

- Part time working rules
- Service specific restrictions (i.e. police custody suites).
- Accounting rules and impact on options for funding. Budgets currently span 3 years which makes long term planning difficult. Under spends often can not be rolled forward and are taken back centrally.
- Different accounting procedures by organisation
- Cultural issues (both capital "c" and little "c"); territorial issues; adapting to new ways of working such as flexible working.
- Complexity of space
- Retention of capital receipts particularly for central Government departments where capital released would have to go back to the Treasury under present rules.
- Green Book – claw back of receipts. Lack of flexibility to move money (capital) between partners. The absence of a financial vehicle makes this currently impossible. Green book will need to be rewritten to incorporate this freedom and flexibility.
- Timetable for implementation; need for interim measures since partners have immediate requirements which need to be met. This may require interim moves to be to lower grade/inferior space.
- Some partners' willingness to engage and political will.
- Competing (conflicting) policy objectives.
- Restrictions within current employment contracts, for example relating to home working.
- Management and ownership of occupational risk.
- Disconnect between occupiers and providers of the asset, for example Home Office Properties and Probation Service. Gap in understanding and knowledge between parties.
- Disconnect between service providers and Total Place project in terms of knowledge and drive to modernise service at the same pace.
- Lack of flexibility in Town Planning process.

- Current IT systems and cost/speed of modernisation to unified systems which can be utilised by all partners. Example cost of Kent Connects.
- Government standards such as BREAM excellent and the cost implications.
- Conflicting Government policies for example Quirk.
- Accessibility of locations particularly in terms of public transport. The need to retain staff and cost of recruitment if members of staff are lost through relocation.
- Government policy/legislation regarding location of services in terms of distance from the population i.e. libraries and driving test centres.
- National property strategies not taking into account Total Place.

A smooth and successful implementation of the vision will require a fast track approach to town planning. For this purpose the current planning system will need to be vastly simplified and consideration should be given to a Development Corporation approach. The legal ownership of the properties will need to be resolved. This is dealt with specifically elsewhere in the report however transfer of ownership to a single purpose vehicle would be ideal. In some cases land assembly may be required and for this purpose a fast track option to compulsory purchase would be helpful.

Public consultation will need to be handled with care as the experience of the process required for planning purposes results in long time delays. A defined and robust system of consultation is essential.

By: Alex King, Cabinet Member for Localism and Partnerships
David Cockburn, Executive Director of Strategy, Economic
Development and ICT

To: Corporate Policy Overview & Scrutiny Committee 8th April 2010

Subject: Shared Services work in Kent

1. Summary

Since the Kent Commitment was signed between Kent County Council and the District and Borough Councils in Kent in January 2007, formal and informal partnership and joint working structures have continued to develop to create shared services and more effective collaboration.

At the January meeting of this Committee you received a detailed report on the payroll and HR aspects of shared services.

This report covers the ongoing work of the East Kent Joint Arrangement Committee (involving the Districts of Canterbury, Dover, Shepway and Thanet, plus KCC); the Mid Kent Improvement Partnership (involving the districts of Ashford, Maidstone, Swale and Tunbridge Wells, plus KCC); the shared services activities between the remaining districts and the work of Kent Commercial Services in support of shared services and shared procurement in Kent.

2. East Kent

Over the last three years the East Kent authorities have been working together to establish a strategic vision for the area. The work started with the establishment of an East Kent Local Strategic Partnership in 2007.

At the same time, the East Kent authorities started to collaborate to develop shared service projects. A pilot was arranged to establish the East Kent Audit Partnership and the project has moved on to include a wide range of services including Waste Management, Housing, HR/Payroll and others. The collaborative working is underpinned by a decision making framework which involves an East Kent (Joint Arrangements) committee (EKJAC) and parallel scrutiny arrangement. Both were established in 2008 following a collaborative project between the Legal representatives of the five constituent authorities of Canterbury, Dover, Shepway, Thanet and Kent CC. Other authorities can co-opt for particular projects, as happened when Ashford elected to participate in the Joint Housing project. Regular informal meetings of the East Kent Chief Executives and Leaders support the work of the committee.

The East Kent districts have also developed a decision making framework for discussion and agreement of joint service arrangements between the East Kent authorities. There was lengthy debate about the need for a formal committee, given that it makes recommendations, which are then referred back to each Council to formally resolve through Executive or Council depending on the nature of the function. The

alternative model involved each authority separately considering and resolving reports without there being a formal collective forum at which the proposals were endorsed.

In the end, all parties accepted the benefits of having all authorities sign up to a single set of recommendations for each report, where all parties have the opportunity to debate the issues together in open forum and make a formally-minuted joint recommendation to the participating authorities. In June 2008, the inaugural meeting of EKJAC took place at which the Procedure rules, administrative processes and proposals for the future development of the East Kent arrangements were all jointly agreed.

The committee is held to account by an East Kent (Joint Scrutiny) committee, which includes three members from each constituent authority, nominated according to the political balance of each. Chairmanship for both committees rotates on an annual basis.

The work of committees is supported by informal (in that they are private) meetings of the East Kent Chief Executives Forum on a fortnightly basis and the East Kent Leaders and Chief Executives on a monthly basis. They receive regular progress reports and offer strategic and political direction to the process. Secretariat support is provided by Canterbury.

The process is hierarchical and can be seen as a pyramid, leading to a recommendation by the joint committee which is referred to teach council for resolution (diagram included at the end).

A summary of the progress on joint projects is attached as Appendix 1

3. Mid Kent

Activities to date and the summary of progress are contained in the annual report of the partnership dated December 2009 – see Appendix 2

Since that date, the Audit Partnership is now in place and further positive progress has been made towards the joint Legal Service Revenues and Benefits service across 3 of the 4 districts.

4. West Kent

West Kent Collaborative Working Group comprises Dartford Borough Council, Gravesham Borough Council, Sevenoaks District Council and Tonbridge and Malling Borough Council.

The four Councils accept that shared working is beneficial and have been inputting to the initiatives being progressed under the Kent Commitment, but now acknowledge that there is the need to progress further collaborative working.

Arrangements in place (as at the end of 2009):

Between Dartford and Sevenoaks

- Internal Audit – Joint management but work taking place to bring the two teams into one.

- **Environmental Health – a joint management arrangement with** consideration being given to progressing to arrangements extended to cover three or all four of the Councils.

Between Sevenoaks and Tonbridge and Malling

- Legal Services – a joint management for an initial period but Councils now looking to extend arrangement.

Between Gravesham and Tonbridge and Malling

- Fraud – joint management arrangement
- Council Tax – joint management arrangement

Other Services being explored

Procurement

- Procurement representatives from the West Kent LA's to meet with the West Kent Steering Group to agree actions to move the procurement agenda forward.
- Joint working being developed whilst seeking to ensure that representatives on the current clusters of the Kent Buying Consortium match the Kent LA's clusters.
- Joint Spend Analysis initiative being undertaken with Spikes Cavell.

I.T.

- Information shared on type of software systems each Council have and where these are due to be replaced. The aim is to try and progressively achieve common systems.
- Service managers meeting to identify and progress opportunities for joint working.

Land Charges – an arrangement across the four Councils is being explored.

Planning – discussions ongoing on possible areas for joint working.

5. Kent Commercial Services (KCS)

This is the largest public sector procurement in the UK outside central Government, with a turnover of £650m. KCS has also been appointed as Centre of Excellence for Procurement by Improvement and Efficiency, South East, who are promoting 10 of our arrangements as 'Best Deals'.

LASER is setting the national standard for energy procurement and management - reducing consumption in addition to best buying – not only within Kent but across the UK.

The goods and services provided by KCS to Districts is worth in excess of £14m ranging from energy supplies (via the LASER consortium) worth over half that total – saving an estimated 23% over other means of supply.

This is summarised in the table attached as Appendix 3

6. Kent Public Service Network (KPSN)

KPSN (Kent Public Service Network) will deliver high quality network services to Kent's communities, local authorities and public service providers as they meet the challenges facing government, education and health in the 21st century. This wide area network will be connecting over 1,100 sites, including Local Authority officers, schools and libraries. All, apart from 40 minor sites, were 'live' by March 2009. There were further savings on 'Government Connects' connections (mandatory for all LAs) worth c£500k in connection/rental costs.

Gartner has reviewed Kent Public Service Network as part of the Government Connect Secure eXtranet Evaluation and Positioning Study. They concluded:

"Kent County Council's WAN is provided at a cost level 29% below the peer average."

and

"Kent's adoption of MPLS, delivered through a strong relationship with a technical partner vendor, at a cost efficient level is exemplary"

Kent Public Service Network was a finalist in the LGC Awards 2009 (rewarding excellence in public sector IT) in the shared services category.

Lee Grafton, Head of Commercial and Communications at Government Connect, praised the progress made by Kent and Medway noting that it is the first aggregate community to connect all their sites. *"The success of KPSN in achieving this significant milestone conclusively demonstrates the ability of local and central government to work in partnership and to deliver real benefits to ordinary people"*.

The 14 local authorities in Kent have implemented a common network which links over 1200 public sector sites, Police and Fire services as well as sharing resources with the Higher and Further Education Joint Academic Network (Janet) and providing a secure shared channel to central government and local NHS trusts. The 3 years of partnership development, planning, procurement and physical implementation of this network was completed in March 2009. In April 2009 Kent became one of only 4 aggregated networks in the UK delivering connection to the Government Secure Network. It remains the only aggregator with 100% membership and compliance of all local authorities in the region.

7. Recommendation

Members are asked to note the contents of this report

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Appendix 1

East Kent Projects

The range of projects reviewed under the shared service arrangements has included those that will have the greatest impact on the future operation of the Council. By tackling 'big ticket' items early, it is hoped that shared services can have the maximum impact in the shortest timeframe, in terms of service enhancement and cashable savings.

The Core Programme

The following services have been identified as the core programme of work by the joint committee.

- East Kent HR/Payroll
- Joint Waste Management project
- East Kent Housing Landlord Services
- East Kent shared support services

HR and Payroll has been the first to conclude and a short summary of the project is provided below. The Waste Management report was recommended for approval at the EKJAC meeting held on 25 November 2009 and is presently working its way through the decision making process of the constituent authorities. Similarly, Joint Housing was approved in December 2009 and is now progressing through the decision making of the four districts.

One of the key learning points from the HR, Waste and Housing projects was the amount of time and staff resource required to prepare a report for recommendation. Consequently the committee has endorsed a radical rethink of the approach for the support services project. A strategic case has been prepared that delegates authority for each Chief Executive, in consultation with their Leader, to transfer selected services into a joint hosting arrangement subject to savings and performance criteria having been met through the preparation of the business case. In January 2010, EKJAC recommended that the report go forward to the constituent authorities for consideration, anticipating that Shepway would not be participating in this particular project but that the EKJAC representatives of Canterbury, Dover and Thanet were supportive.

Case Study: Joint HR/Payroll

A detailed business case was developed that demonstrated that significant savings, in the order of £2m over 5 years, could be achieved by providing a combined HR service. The service is based on the provision of a range of specialist HR advice from a team combined from the four district authorities, supported by trained front-line support officers who would be capable of providing initial professional advice. An HR Manager has been appointed to oversee the new structure. A formal agreement based on the one prepared for the Audit Partnership will underpin the arrangement. The service will be hosted by Dover but line management will be collectively provided by Management Team representatives from each authority.

The proposals will increase the range of specialist advice available to the four authorities, improve resilient within what are currently four smaller teams and offer better career prospects and succession planning opportunities for those in the team. It is expected that further savings will be achieved as the shared service matures; these include:

- Learning and Development (current spend approximately £800,000 across the 4 authorities)
- Recruitment advertising (current spend approximately £200,000 across the 4 authorities)
- Occupational Health provision (Joint contract being let in summer 2009 is expected to bring savings)
- Reduction in the need for technology support to individual systems and individual upgrade costs.

The payroll service has been separated from HR and will be provided by Kent County Council, who as part of the arrangement will acquire new software through a joint procurement process with the HR team. It is expected that the new software will offer far greater self service for client officer, thus creating further efficiency savings.

Objectives

The overall aim of the programme has been the broad scale use of shared services to deliver cost savings and/or improved quality of service. These measures were stated in a report considered at the first meeting of the EKJAC. The importance of relationship building between the partners at the political and managerial level was also seen as critical, which is why the objectives also included a set of agreed behaviours.

Benefits achieved

The legal framework and structure for the East Kent Local Strategic Partnership and the East Kent Joint Arrangements Committee have been approved and are now in full operation.

Members and Officers have jointly developed the ethos of partnership working. Governance arrangements are in place to link the decision making of the Joint Arrangements Committee to the decision making bodies within each council. A East Kent Joint Scrutiny Committee holds the body to account and examines the joint projects in some depth.

A number of the other councils in Kent are now adopting their own models of joint working. For example a Mid Kent Improvement Partnership consisting of Ashford, Maidstone, Swale and Tunbridge Wells is now actively looking at ways of cutting costs whilst improving services through joint working.

As the projects begin to come to fruition the real cashable savings will start to follow through. In the case of the HR/Payroll project, savings in the order of £2.2m over 5 years are expected to be achieved.

Conclusion

The justification for the provision of funding in the original submission to IESE was to pay for officer time and the communication needed to deliver the vision of East Kent joint working through the multi-agency Local Strategic Partnership and the local authority East Kent joint arrangements.

The officer time invested in bringing the projects this far has been significant, both in the planning, negotiation and execution of the objectives. Teams typically require management input from Chief Executives and political guidance from members to steer the negotiations. At officer level teams have included senior financial, legal and HR representatives together with expert input from service managers and users.

The outcomes of the process are still emerging. The implementation of the HR/Payroll project is well underway and the approvals needed to proceed to the implementation phase for Waste Management, Housing Landlord Services and Shared Support Services will have been granted by Spring 2010.

Copies of EKJAC committee reports can be found on the Canterbury City Council website .

<http://www2.canterbury.gov.uk/committee/mgCommitteeDetails.aspx?ID=303>

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**Mid Kent Improvement Partnership
2008-2009 Annual Report
December 2009**

Introduction

1. This first Annual Report of the Mid Kent Improvement Partnership (MKIP) explains the range of activity undertaken since MKIP was formed in 2008. Under the umbrella of MKIP, Ashford, Maidstone, Swale and Tunbridge Wells Borough Councils and the Kent County Council are pursuing common aims for service improvement, efficiency and value for money as a 'cluster' grouping of local authorities. This type of collaboration is consistent with the aims of the Kent Commitment agreed across the Kent public sector in 2007. Collaboration for the Councils is not wholly exclusive to within the five MKIP councils, as it is accepted that from time to time joint working with others will be appropriate and for some is already a feature.
2. Since the Management Board's inaugural meeting in September 2008, MKIP has worked to progress collaboration amongst the councils across a broad range of service activities. As will be seen from the following schedule, projects covering 12 themes have been covered so far. These themes range from single service reviews for an individual council, the creation of bilateral arrangements, and the development of business cases for three or four-council shared service arrangements.
3. Accordingly, this first year has laid foundations for service improvement and delivery change in the near and longer term, with good prospects for larger-scale financial savings. In the current economic climate and with the future for the public sector uncertain, it is necessary to explore this potential and translate this to real outcomes.
4. It is clear that MKIP's work has remained close to the plans originally set. This first year has seen good progress, even if implementation of change during the year was more limited and our capacity stretched. Working together and building consensus and agreement over the form of change all takes time, but is all necessary if the councils are to achieve MKIP's aims. Trust and confidence has grown and many lessons learned along the way. Particular issues to address include:
 - Building a coherent vision and sense of longer term direction
 - Ensuring a wider population of Members and staff across our councils understand MKIP's role and strategy
 - Making consultation and decision-making arrangements slicker
 - Should 'four-way' for the Borough Councils become more the norm as a starting point for evaluations?

- Being transparent about the need for market testing with the private sector
 - Achieving added-value from the KCC's involvement in the partnership
 - Shortening the time between project conception and delivery and addressing issues of capacity
5. MKIP's second year is expected to see some projects reach full implementation (for example, the three-council legal services partnership, and the four-council audit partnership) and some others move towards implementation (for example, the HR shared service and a Revenues and Benefits shared service). During the next year MKIP will also learn from the experience of bilateral partnerships that currently exist (for example the Swale/Ashford Property Management Partnership, and the recently formed ABC led shared management of Environmental Health).

What we said we would do	What we did	What we achieved	What's next
GOVERNANCE			
1. Establish and implement a governance framework	All approved by the councils in the summer of 2008 and arrangements have operated closely to this framework	A strong method of working has been achieved, though this may not be well understood beyond those closely involved. Consultation and decision-making arrangements outside of the MKIP governance arrangements need to be more aligned and so could be the subject of a further review	A review of the framework, consultation and alignment of decision-making by individual councils to be considered.
2. Kent County Council to become a full MKIP Member	KCC became full Member of the Management and Programme Boards during the first year.	Established a dialogue with KCC and input to discussions on the various shared service projects. However, MKIP as a whole needs to consider how it can achieve greater value from this relationship.	An issue for discussion at the 'awayday'
3. Programme Management – appoint a dedicated resource	Recently achieved following two rounds of recruitment. Tina Edwards from MBC has taken this role	Quickly establishing some important project management and reporting disciplines	Expect to utilise this resource and capacity fully to support MKIP and its various projects

What we said we would do	What we did	What we achieved	What's next
ENABLERS			
<p>4. Business Transformation Partnership – expand the partnership to include Swale BC and scope a programme of work for 2008-2009</p>	<p>Swale Borough Council joined the business transformation partnership during 2008.</p> <p>BTP undertook some non-shared service related 'efficiency' reviews:</p> <ul style="list-style-type: none"> - financial and accountancy processes (SBC outside this review) - environmental services contract management arrangements 	<p>BTP conclusions have identified:</p> <p>Potential efficiency savings – mainly cashable- of £250k (17%). Informed ABC's recent internal review. Led to the creation of ABC led Insurance Administration Shared Service (3 councils) which lead to further procurement savings.</p> <p>Potential efficiency savings – mixture of cashable and non-cashable – of £217k. Review informed ABC's changes to its contracts management services.</p>	<p>Possibilities for shared processing to be examined where accounting systems are similar. Insurance partnership to be formalised.</p> <p>Individual councils to follow through consideration of all process recommendations</p>

What we said we would do	What we did	What we achieved	What's next
<p>Business Transformation Partnership (continued)</p>	<p>BTP has also provided shared service feasibility studies:</p> <ul style="list-style-type: none"> - legal services (for MBC/SBC/TWBC) - internal audit shared service - revenues and benefits services (4 council review) 	<p>Identified the basis for a shared legal service, with potential savings of £269k. BTP completed the initial business case for the 4 council partnership</p> <p>Prepared the initial business case</p> <p>Review is currently ongoing, emerging findings suggest a number of options for a shared service, all with significant savings potential.</p>	<p>BTP work complete, legal shared service now being implemented (see below) Partnership proposal now close to implementation (see ... below)</p> <p>No further role for BTP in this project</p> <p>Major study currently ongoing. Work expected to be completed by Dec 09. This will lead to a full business case for a shared service that will be considered by the Management Board in the new year.</p>

What we said we would do	What we did	What we achieved	What's next
Business Transformation Partnership (continued)	<ul style="list-style-type: none"> - printing services (4 council review) - supporting the HR shared service business case 	<p>Identified basis for single source supplier for external printing, shared graphics, design teams and potential for reductions in volumes of printed material produced with potential savings of £230k across 4 councils.</p> <p>This is at preliminary stage, but has avoided larger scale external cost.</p>	<p>External print arrangements being implemented and should be completed early 2010 (SBC no longer participating, ABC no longer participating in shared graphics design). Internal Printing review to be completed.</p> <p>BTP input is dependent on a final decision to proceed with this project; expected early 2010</p>
	<p>Promote and disseminate findings</p> <p>Trained other staff elsewhere. 'Preached the gospel' to other authorities</p>	<p>Obtained external funding of £125k. Trained staff in 9 authorities. Presented sessions to the regional practitioners groups. Supported directors and reviews in 6 other authorities. Presented case study material to IESE.</p>	
	<p>Train and develop capacity Second staff to the BTP team and train them in the skills needed.</p>	<p>3 MBC staff and 2 ABC staff have been involved in the core team. 4 further staff involved in other reviews.</p>	<p>New resourcing approach to be considered.</p>

What we said we would do	What we did	What we achieved	What's next
5. Procurement – implement a four-council procurement partnership	Liaised with the Kent Buying Consortium to agree that its future method of working should be cluster based. MKIP Programme Board has since agreed the scope for a procurement partnership.	County-wide consensus that cluster based procurement approach is preferable. Initial steps to setting up a MKIP procurement partnership now completed.	MKIP Programme Board to oversee the completion of the first phase of work, which will concentrate on developing a MKIP Contracts Register and forward programme of potential joint procurements.
6. ICT - Undertake mapping of systems and approaches and assess scope for collaboration	Set up a MKIP ICT Managers' Group. Managers' Group concluded an approach to support MKIP shared service activity.	A focus that initially supports other shared service projects, with lead ICT Managers attached to each.	Role of ICT as a driver for change and the potential for collaboration across the ICT teams to be considered in the next phase of MKIP's work.
SERVICE PROJECTS			
7. Internal audit - Implement a four-council partnership	BTP review completed initial business case. Proposal agreed by the Councils. Head of Partnership appointed and final structural proposal prepared	Although decision making took longer than anticipated a final proposal for a 4 council partnership is now in place. Has confirmed potential for service improvement, resilience and cost savings of £107k per annum.	Final proposal to be approved by Audit Committees/Cabinets and then move to appoint to the new structure. Should be operative by early 2010.

What we said we would do	What we did	What we achieved	What's next
<p>8. Property management – assess potential for expanding SBC/ABC partnership</p>	<p>ABC and SBC property management partnership (shared management – ABC led) established and working well for both councils. This partnership now undertaking further development to assess the scope for feasibility to convert to a full shared service.</p>	<p>ABC and SBC have achieved some modest efficiencies and service improvements, with transfer of expertise across both councils.</p>	<p>Scope to convert to a full shared service to be considered over the next six months.</p>
<p>9. Revenues and Benefits services – complete business case for a four-council shared service</p>	<p>Established a four-council project group to build a business case for a shared service. Initial business case considered summer 2009. BTP team tasked to review processes in place across the councils. Project team has also reviewed technology options, including an initial proposal from one supplier to host systems for the four councils. Undertaken preliminary soft market testing</p>	<p>All four of the councils' revenues and benefits teams are now fully engaged with the project, as are customer services and IT managers.</p> <p>Detailed analysis of current operations is ongoing; this will lead to conclusions as to future methods of working for a shared service.</p> <p>Procurement documents for IT systems are nearing</p>	<p>Process review and evaluation is expected to be completed by Dec 2009. Outsourcing option to be further evaluated through soft market testing. Invitation to Tender for IT systems to be completed. Final business case to MKIP Management Board expected....</p>

What we said we would do	What we did	What we achieved	What's next
Revenues and Benefits(cont'd)	with one outsourcing company to assess potential benefits of an outsourced approach.	completion.	
10. Legal Services – complete business case for a 3 or 4 council shared service	BTP led process and organisation review early 2009. Business case for a 3 council shared service (ABC decided not to participate) presented in March 2009. SBC undertook to lead implementation.	Shared service agreed and adopted. Recruitment commenced and Practice Manager appointed. Other appointments have been more difficult, further round of recruitment now proceeding.	Move to full implementation once recruitment to all posts is complete. Ongoing recruitment difficulties are currently requiring alternative structures to be explored. Expect this to be early 2010.
11. Human Resources (Personnel) Services – complete business case for a 4 council shared service	Appointed consultants to lead preparation of options appraisal and business case. First business case presented in June 2009. Various subsequent iterations, including assessment of proposals from KCC. Outsourcing options evaluated based on soft market approaches. Final options assessment considered by the four councils in September, Agreement in principle	Developed the initial business case in 4 months. Proposal for co-location of the bulk of the service (the first co-located shared service proposal so far). Subsequently considered proposals from KCC for its involvement in service delivery. Developed understanding of HR service models including the potential implications of an outsourced approach. Decision on final service model delayed to allow further	Further reassessment of the business case to be completed by January for next round of staff and Member consultation.

What we said we would do	What we did	What we achieved	What's next
Human Resources (Personnel) Services(cont'd)	received from 3 councils; TWBC decided not to continue its participation. Currently consulting over the service delivery option.	consultation and consideration of the business case. Cost savings of £397k pa.	
12. Printing Services – complete assessment of scope for a 4 council shared service	Established four-council project team which along with the BTP team considered options for external printing, graphics design and internal printing. Undertaken market testing to determine a single supplier of external printing services.	External printing review and single supplier sourcing should achieve savings as above. Internal graphics design resources to be bolstered to achieve savings for 2 councils (MBC and TWBC). Internal print review delayed.	New external printing arrangements to be completed. Internal print review to be completed in the first quarter 2010, subject to capacity in the BTP team.
13. Environmental Health – shared management	Established bilateral shared management of EH services between ABC and MBC (ABC led)	This is a recent initiative, but will aim to learn more about the scope for 'deeper' collaboration between the two councils in this service area and the potential therefore for a full shared service	Review of progress and emerging findings in the New Year

Other work

14. The above schedule captures most of the work undertaken during the first year. Outside of this officers have routinely discussed potential areas of collaboration with some initial work completed. For example, Planning Officers have discussed areas where greater collaboration could assist the four councils; this includes the scope for achieving greater levels of standardisation of approaches to Section 106 Agreements. Our parking officers are also considering the scope for a shared approach to parking administration given the commonality of enforcement and technology that exists across the four councils.
15. The work of MKIP has not been entirely focused on efficiency and shared service potential. One important government consultation which MKIP partners considered related to the future of the Local Authority Business Growth Incentive Scheme and the question of whether allocations of rewards should be calculated at sub-regional (i.e. county council level) or at some other level. MKIP partners discussed this issue and responses from the Boroughs indicated support for lower than sub-regional groupings. CLG decided to support this principle and for Kent (for LABGI purposes) there are now three groupings (Inland Kent – which includes ABC, MBC and TWBC, along with T and M and Sevenoaks – East Kent, the EK four – and Coastal North Kent, the balance including Swale). KCC rewards are therefore split across the three groupings.

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Appendix 3

		<u>Provider</u>	<u>Ashford</u>	<u>Canterbury</u>	<u>Dartford</u>	<u>Dover</u>	<u>Gravesham</u>	<u>Maidstone</u>	<u>Medway</u>	<u>Sevenoaks</u>	<u>Shepway</u>	<u>Swale</u>	<u>Thanet</u>	<u>Ton & Mall</u>	<u>Tun Wells</u>	<u>TOTAL</u>	
			<u>BC</u>	<u>CC</u>	<u>BC</u>	<u>DC</u>	<u>BC</u>	<u>BC</u>	<u>Council</u>	<u>DC</u>	<u>BC</u>	<u>BC</u>	<u>DC</u>	<u>BC</u>	<u>BC</u>		
Grounds Maintenance		Land Servs	1,061,288	0	624	0	0	1,032	3,771	12,088	912,413	0	705,192	613,335	17,003	3,326,745	
Street & Beach Cleaning			0	0	0	0	0	0	0	0	772,522	0	0	0	0	772,522	
Other Civic Services			0	0	0	0	0	0	0	0	478,031	0	0	0	0	478,031	
Scholastic, Stationery, & Computers	(Whse)	KCS	10,883	33,375	16,747	16,285	1,805	6,547	93,471	6,991	16,579	4,621	2,400	16,015	9,359	235,076	
	(Direct)		45,185	137,121	26,580	55,219	3,531	62,676	88,676	64,340	34,980	35,623	74,289	17,496	45,603	691,319	
Furniture		Furn Prod	632	58	0	219	0	320	1,681	134	99	0	360	0	0	3,503	
Printing		County Print	0	0	0	0	0	194	0	61	0	0	0	887	0	1,142	
Caring Support Equipment		Com Equip Serv	0	0	0	0	0	0	412,197	0	0	0	0	0	0	412,197	
Equipment Maintenance		Tech Servs	145	4,767	404	19	3,909	241	26,011	1,311	1,168	2,211	13,080	96	1,800	55,161	
Procurement Support		Proc Servs	0	0	0	0	0	0	0	0	0	589	0	0	0	589	
Light Commercials & Lease Cars		Kent Fleet	0	102,629	0	10,703	0	264,105	82,040	0	50,552	0	298,157	14,827	0	823,013	
Vehicle Maintenance & Repairs		Trans Eng	0	250	0	0	0	0	3,415	0	3,164	0	0	0	0	6,829	
Bus and Coach Hire		Pass Servs	0	560	0	0	0	0	0	0	0	0	0	0	0	560	
Transport Services		Trans Integr	0	0	0	0	0	0	16,480	0	0	0	0	0	0	16,480	
Energy	Gas	LASER	124,768	271,288	186,389	1,540	76,286	77,714	717,325	26,298	183,563	33,174	95,953	207,814	93,468	2,095,581	
	Electricity		29,993	105,189	88,686	0	333,374	221,219	1,254,742	77,463	136,058	70,929	256,710	435,576	111,286	3,121,225	
	Street Lighting		0	0	0	0	18,301	0	1,684,914	0	0	0	0	0	0	1,703,215	
	Fuel		0	0	5,509	2,637	201,001	157,871	282,878	8,543	7,465	1,472	10,809	6,313	0	684,497	
			<u>£</u>	<u>1,272,895</u>	<u>655,237</u>	<u>324,939</u>	<u>86,621</u>	<u>638,208</u>	<u>791,919</u>	<u>4,667,599</u>	<u>197,228</u>	<u>2,596,594</u>	<u>148,619</u>	<u>1,456,950</u>	<u>1,312,359</u>	<u>278,519</u>	<u>14,427,686</u>

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By Roger Gough, Cabinet Member for Corporate Support Services & Performance Management
Robert Hardy, Head of Performance, Improvement & Engagement

To: Corporate Policy Overview and Scrutiny Committee

Date: 8 April 2010

Subject: The Kent & Medway Citizens' Panel.

Classification: Unrestricted

Summary: The purpose of this report is to inform CPOSC members about the establishment of the Kent & Medway Citizens' Panel, set out the current position regarding membership and partners and outline the proposed activities for 2010/11.

1. HISTORY

1.1 The Kent & Medway Citizens' Panel was established in partnership between KCC and Kent Messenger Group with a county-wide survey carried out by Ipsos MORI between February and April 2008.

1.2 The objective in setting up the KMCP was to create a consultation mechanism that

- Covered the area of Kent plus Medway to ensure that Police and other strategic authorities could opt in
- Carried out surveys in a cost effective way, with partners sharing fixed costs
- Delivered results that were representative of the population at large.
- Acted as the appointed panel for the duty to involve under the Sustainable Communities Act 2007.

1.3 The proposal to create the Kent & Medway Citizens' Panel was developed by the Chief Executive as a partnership initiative of the Public Service Board, with funding through the Comprehensive Performance Assessment budget endorsed by the then Portfolio Holder for Corporate Services.

2. MEMBERSHIP

2.1 Membership of the new Panel was started with the Spring 2008 survey and recruitment has continued, including a £1,000 prize draw for new members which was run by Ipsos MORI. Currently membership stands at some 700.

2.2 In order to achieve around 1200 responses to surveys, the membership is boosted by up to 6,000 members of Ipsos MORI's Access Panel in Kent.

2.3 Recruitment to the KMCP continues

- Through the KMCP website operated by Ipsos MORI at [http://surveys.glopanel.com/communities/default.aspx?p=p110689507&n=\(0%3a0-205450163%230%2c+238\)](http://surveys.glopanel.com/communities/default.aspx?p=p110689507&n=(0%3a0-205450163%230%2c+238))
- by phone to Ipsos MORI on 020 7347 3176
- At events such as the County Show
- By leaflets available in libraries and other service outlets and at Local Board meetings.
- By invitation to Kent residents who are in touch with KCC, for instance through a service user group or with a complaint.

and an open invitation for Kent residents to join is contained on the **Your Council** page of KCC's website at http://www.kent.gov.uk/your_council/have_your_say/kent_and_medway_citizens_panel.aspx

2.4 There is no upper limit to the number of members the KMCP can accommodate and any ideas from CPOSC members about boosting the membership would be welcomed.

3. PARTNERSHIP

3.1 The partners to the original KMCP concept were KCC, KMG and Medway Council, with Ipsos MORI as the agency designated to carry out the research. From the outset, however, Medway Council were unable to commit to any expenditure and the initiative has proceeded without their participation.

3.2 Currently Kent Police and EKPCT are showing interest in collaborating and may become partners in future research. Further, invitations are being extended to some District Councils to explore opportunities for working together, to reduce consultation fatigue and create better value for money.

4. KMCP SURVEYS TO DATE

4.1 Baseline and recruitment survey February – April 2008

- Years lived in Kent and in current accommodation
- Likelihood of moving within and outside Kent
- Satisfaction with Kent as a place to live and with local neighbourhood
- Future change in Kent and in local neighbourhood
- Priorities for improvement in area
- Economic optimism
- Future of the British and Kent economy
- Future of personal financial circumstances and personal spending plans
- *Use of and preferences with local and national media*
- Use of technology and the internet
- *Awareness of Kent organisations*
- Social and “political” activity
- Community involvement and volunteering
- Contact with KCC
- Satisfaction with KCC, value for money and keeping residents informed.

The data collected established the baseline for the Kent & Medway Citizens' Panel and was shared with KMG. The results have been reported to Cabinet and officers and have provided context and background for consideration of target setting, performance management, policy development and resource prioritisation. Some of the questions anticipated topics covered in the Place Survey in autumn 2008 and provided valuable data in connection with LAA targets for national performance indicators (NIs).

4.2 Snapshot survey November 2008

- Current economic situation
- Christmas shopping plans
- Cooking preferences

Part of the purpose of this survey was to keep in touch with Panel members. The results were shared with KMG and used to track residents' attitudes to the recession and likely behaviour in response.

4.3 Follow up survey July 2009

- Satisfaction with Kent as a place to live
- Optimism for British economy
- Priorities for local area
- Satisfaction with KCC
- Use and rating of KCC services
- Operation Stack lorry park proposal
- Further education, career guidance, apprenticeships and post-16 education funding proposal

The results have been reported to Cabinet and officers and have provided context and background for consideration of target setting, performance management, policy development and resource prioritisation. In particular the results concerning Operation Stack together with those on further education, career guidance, apprenticeships and post-16 education informed and supported KCC's bid in August 2009 under the Sustainable Communities Act 2007.

5. PLANS FOR KMCP SURVEYS FOR 2010/11

5.1 Four surveys are planned for 2010.11, one each quarter covering use of and satisfaction with a selection of KCC's services together with overall satisfaction and contact with KCC and residents' perception of value for money.

5.2 The selection proposed for the services is

In April/May/June 2010 - Social care and health services

In July/August/September 2010 - Highways, recycling, regeneration, planning and waste services

In October/November/December 2010 - Children's, family and education services

In January/February/March 2011 - Information, cultural, recreational, democratic, financial, environmental, regulatory and community safety services

5.2 Also considered, although not currently scheduled, are any snapshot surveys on topical subjects or opinion polling in connection with the successor statements to Towards 2010 and Vision for Kent, and these are yet to be programmed.

5.3 Before these and future KMCP surveys are undertaken the purpose and timing of the research will be discussed with the Cabinet Member for Corporate Support and Performance Management and reported to Cabinet. After the research is completed the results will be discussed with the Cabinet Member and reported to Cabinet, with recommendations for action if appropriate.

6. RECOMMENDATIONS

Members are asked to:

- a) note the information contained in this report,
- b) provide any ideas they might have, for instance, for the recruitment of new Panel members or topics for future KMCP surveys.

Nick Warren
Consumer Monitoring Manager – Performance, Improvement & Engagement
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Nick.Warren1@kent.gov.uk

Background Documents: Appendices 1,2 and 3 providing selected headline results from the three KMCP surveys

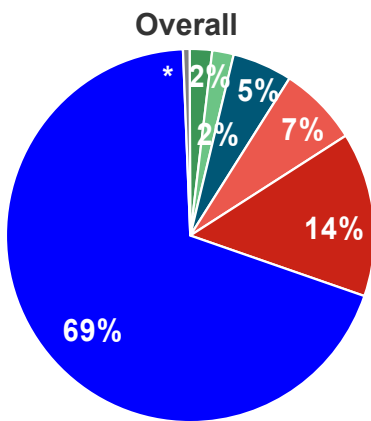
Other Useful Information: None

Face to face survey, in home with 1,838 residents of Kent and Medway with results weighted to the true populations proportions across Kent.

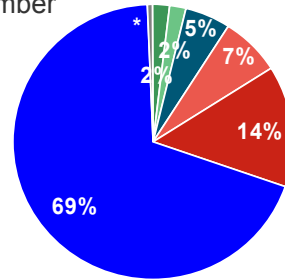
Length of time lived in Kent

Q1. How long have you/your household lived in the County of Kent?

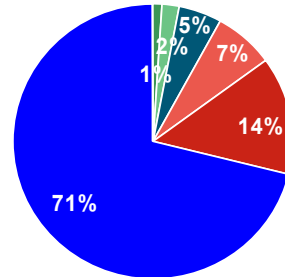
- % Under 1 year
- % 1-2 years
- % 3-5 years
- % 6-10 years
- % 11-20 years
- % 21 + years
- % Don't know/can't remember



KCC Area



Medway Area



Base: All (1,838), KCC Area (1,549), Medway Area (289)

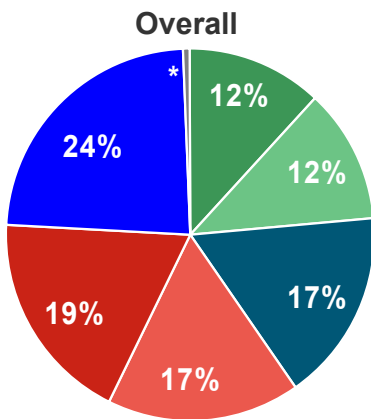
Ipsos MORI



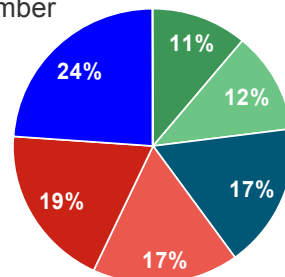
Length of time lived in current accommodation

Q2. How long have you lived in your current house/flat?

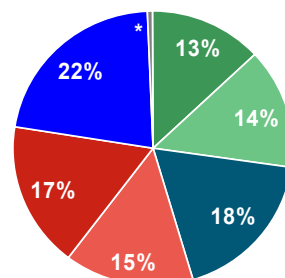
- % Under 1 year
- % 1-2 years
- % 3-5 years
- % 6-10 years
- % 11-20 years
- % 21 + years
- % Don't know/can't remember



KCC Area



Medway Area



Base: All (1,838), KCC Area (1,549), Medway Area (289)

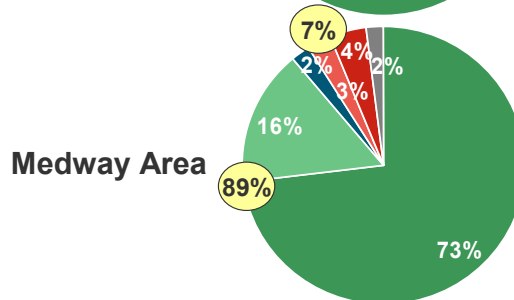
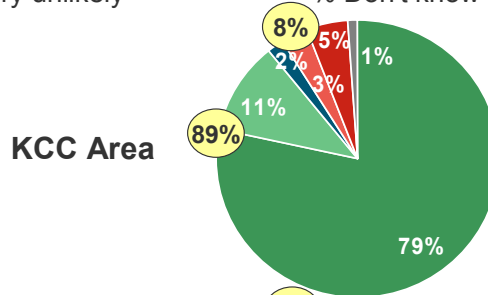
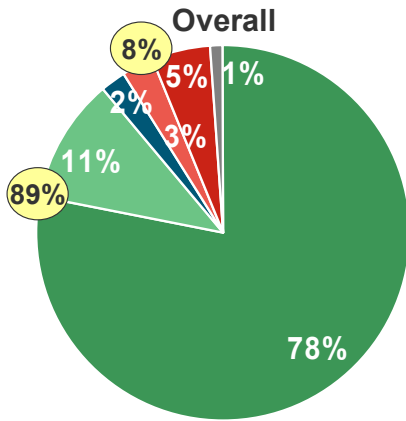
Ipsos MORI



Likelihood of continuing to live in Kent

Q3a. And what do you think is the likelihood that you will continue living in the County of Kent for the next 5 years?

- % Very likely
- % Fairly likely
- % Neither / nor
- % Fairly unlikely
- % Very unlikely
- % Don't know



Base: All (1,838), KCC Area (1,549), Medway Area (289)

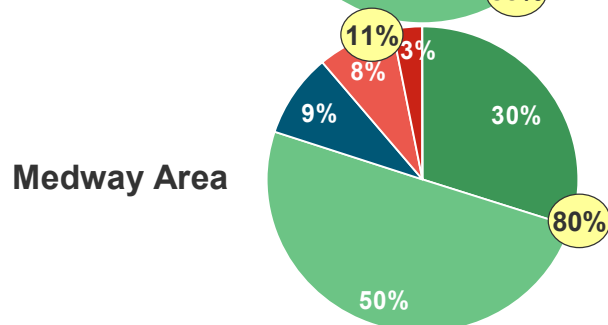
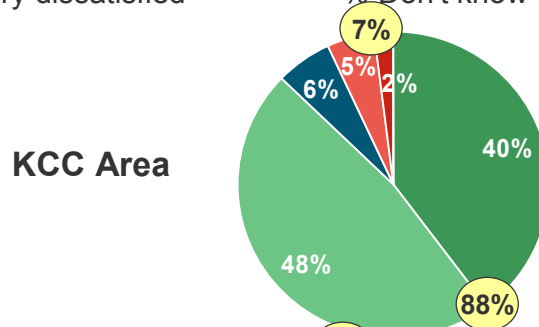
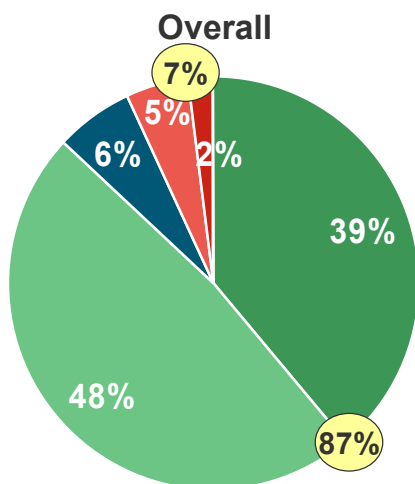
Ipsos MORI



Satisfaction with Kent as a place to live

Q4. Overall, how satisfied or dissatisfied are you with Kent as a place to live?

- % Very satisfied
- % Fairly satisfied
- % Neither / nor
- % Fairly dissatisfied
- % Very dissatisfied
- % Don't know



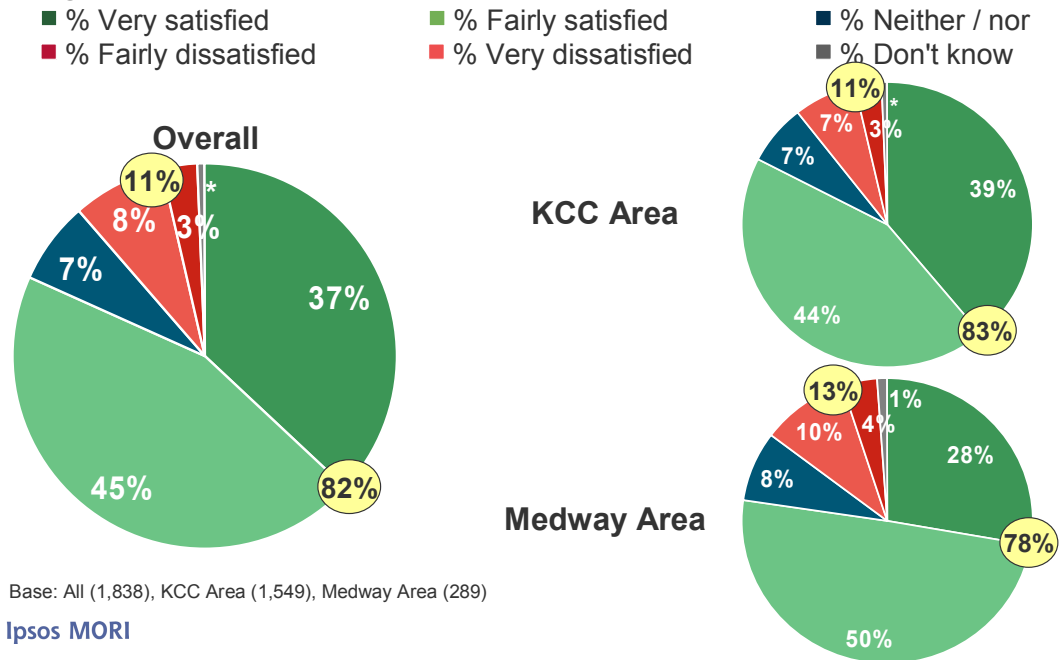
Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



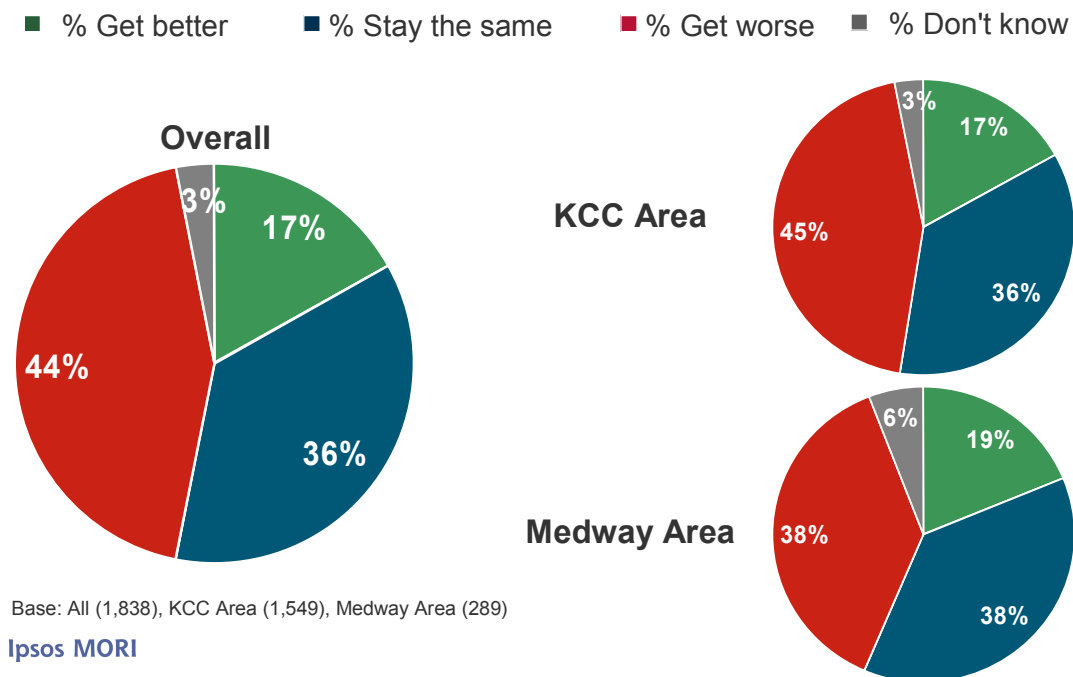
Satisfaction with local neighbourhood as a place to live

Q6. Overall, how satisfied or dissatisfied are you with your local neighbourhood as a place to live?



Future change in Kent

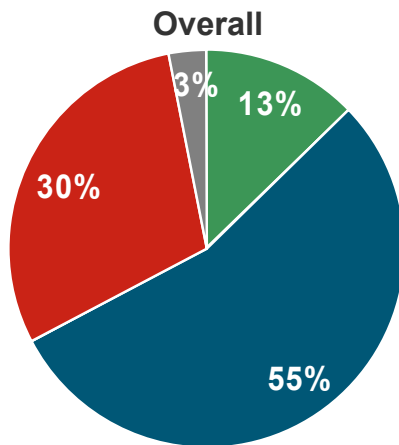
Q5. Thinking about the next two to three years, do you think Kent will get better or worse as a place to live, or will it not change much?



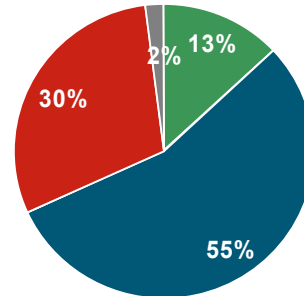
Future change in the local neighbourhood

Q7. Thinking about the next two or three years, do you think your local neighbourhood will get better or worse as a place to live, or will it stay the same?

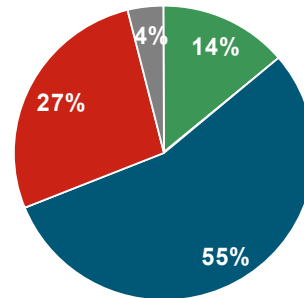
■ % Get better ■ % Stay the same ■ % Get worse ■ % Don't know



KCC Area



Medway Area



Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Priorities in the area (spontaneous and prompted) – Summary

Q11/Q12a. Thinking about your local neighbourhood what, if anything, would you say most need improving?

	Spontaneous		Spontaneous and prompted		% KCC Area		% Medway Area	
Transport/roads	51%		79%		53	80	37	70
Crime	31%		58%		31	57	29	62
Public facilities	25%		53%		27	54	17	48
Young people	22%		48%		23	48	16	46
Environment	20%		49%		22	50	9	38
Employment	14%		48%		15	47	10	53
Housing	13%		38%		14	39	6	33
Immigration/race relations	9%		27%		10	28	6	27
Other	8%		9%		7	8	13	14

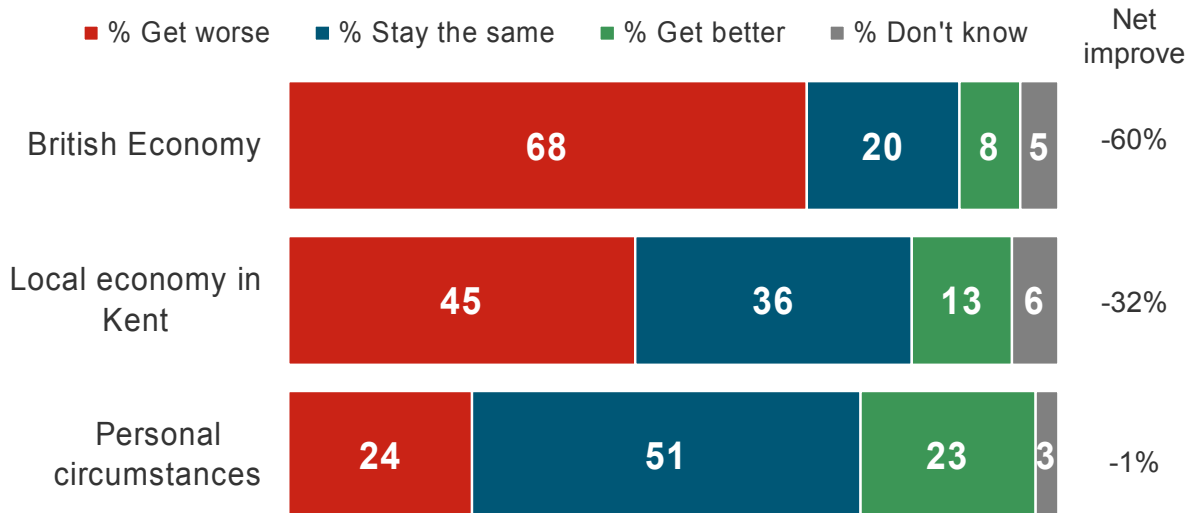
Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Economic Optimism – Summary

Q8/9/10. As a whole, do you think that the British economy/local economy in Kent/your own personal financial circumstances will improve, stay the same or get worse?



Base: All (1,838)

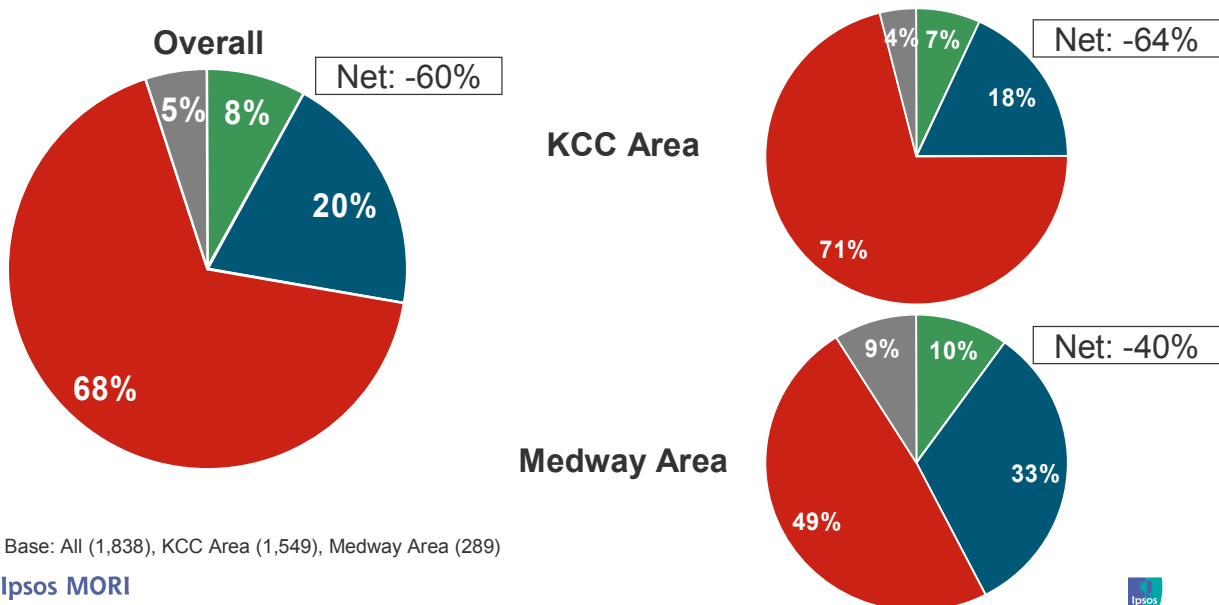
Ipsos MORI



Future of the British economy

Q8. As a whole, do you think that the British economy will improve, stay the same or get worse over the next couple of years?

■ % Improve ■ % Stay the same ■ % Get worse ■ % Don't know



Base: All (1,838), KCC Area (1,549), Medway Area (289)

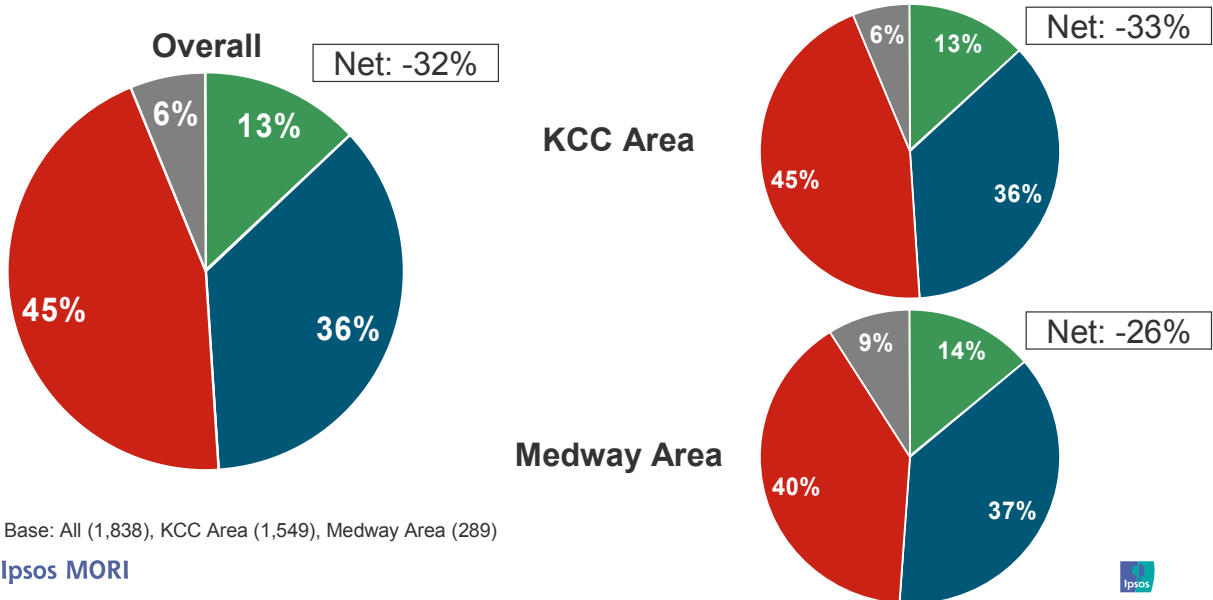
Ipsos MORI



Future of the local economy in Kent

Q9. Do you think that the local economy in Kent will improve, stay the same or get worse over the next couple of years?

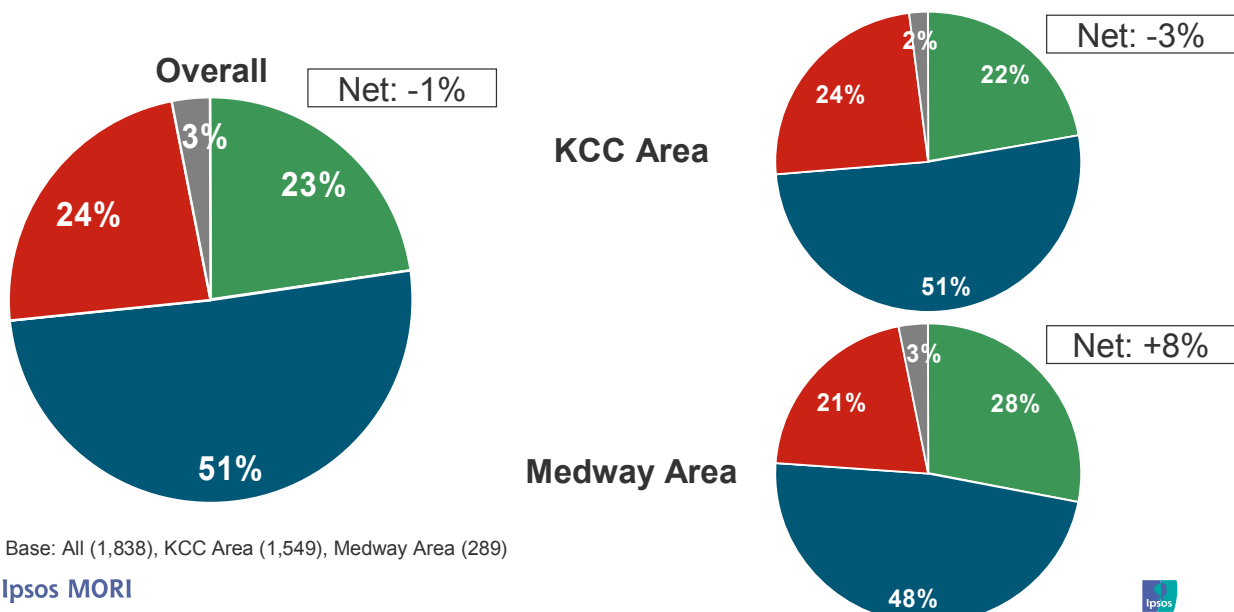
■ % Improve ■ % Stay the same ■ % Get worse ■ % Don't know



Future of personal financial circumstances

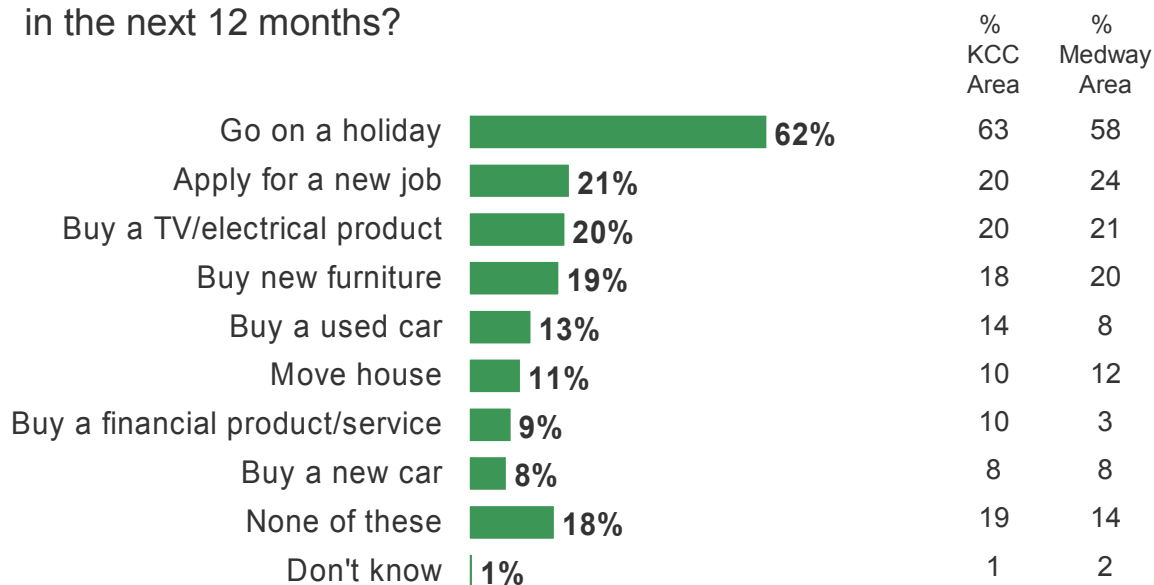
Q10. And do you think your own personal financial circumstances will improve, stay the same, or get worse over the next 12 months?

■ % Improve ■ % Stay the same ■ % Get worse ■ % Don't know



Future plans

Q26. Which, if any, of these do you think you will consider doing in the next 12 months?



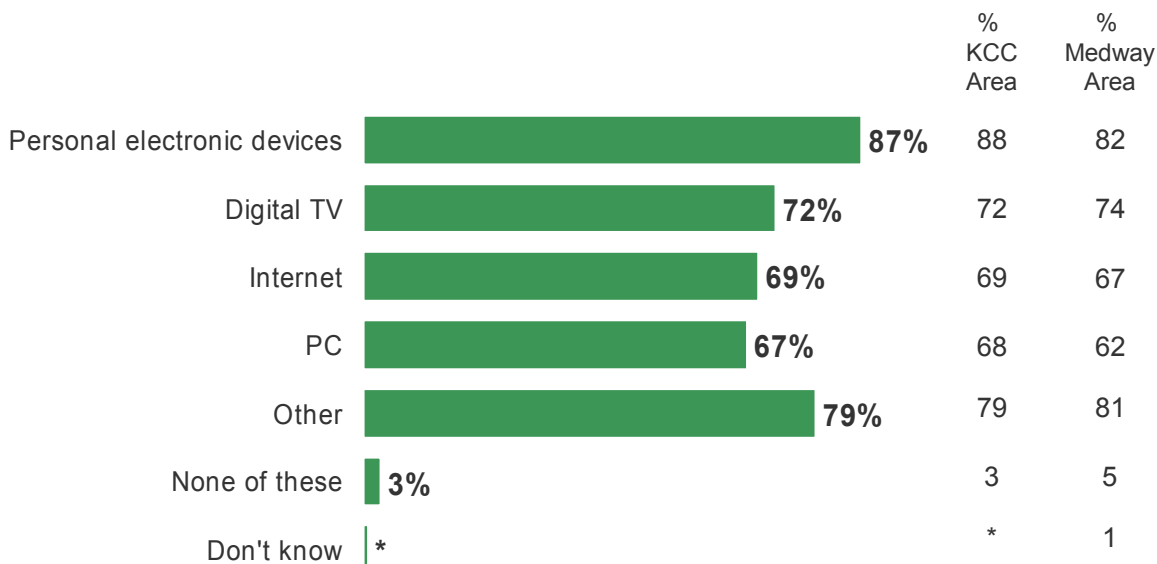
Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Use of technology – Summary

Q21. Which of these, if any, do you personally use ... ?



Base: All (1,838), KCC Area (1,549), Medway Area (289)

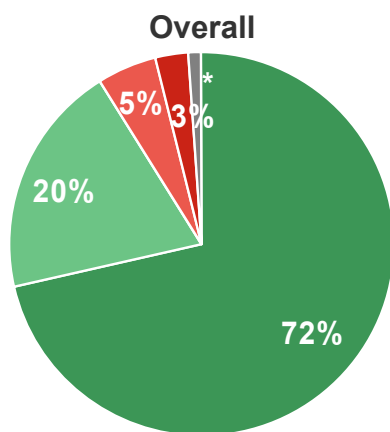
Ipsos MORI



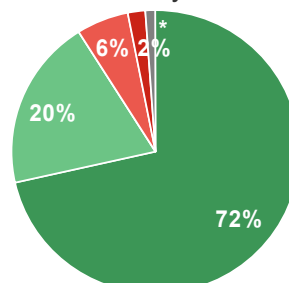
Use of the Internet

Q22. Which of these best describes your use of the Internet? Please include all use of the internet, including sending and receiving emails.

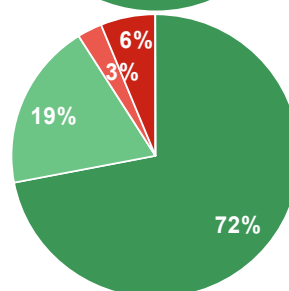
■ % Frequently ■ % Regularly ■ % Infrequently ■ % Occasionally ■ % Don't know



KCC Area



Medway Area



Base: All who use the Internet (1,223), KCC Area (1,038), Medway Area (185)

Ipsos MORI



Taking part in activities

Q30. Which, if any, of these activities have you done or places have you been to in the last three months?

		% KCC Area	% Medway Area
Top 10 responses			
Watch TV	86%	86	84
Shop for food	84%	85	79
Read a newspaper	81%	82	74
Shop for clothing	74%	75	64
Read a magazine	71%	74	59
Cooked a meal from scratch	69%	70	63
Read a book	66%	68	54
Café or restaurant	66%	68	55
Pub or bar	55%	57	41
Had friends round	49%	50	43
DIY	41%	40	41

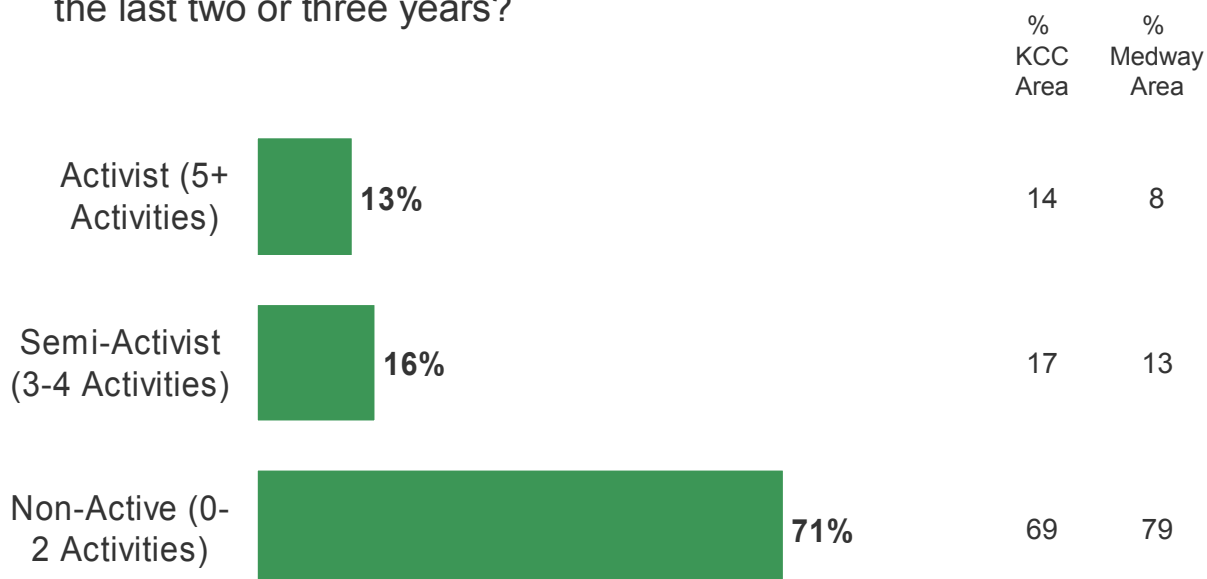
Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Political activity – Summary

Q31. And which, if any, of the things on this list have you done in the last two or three years?

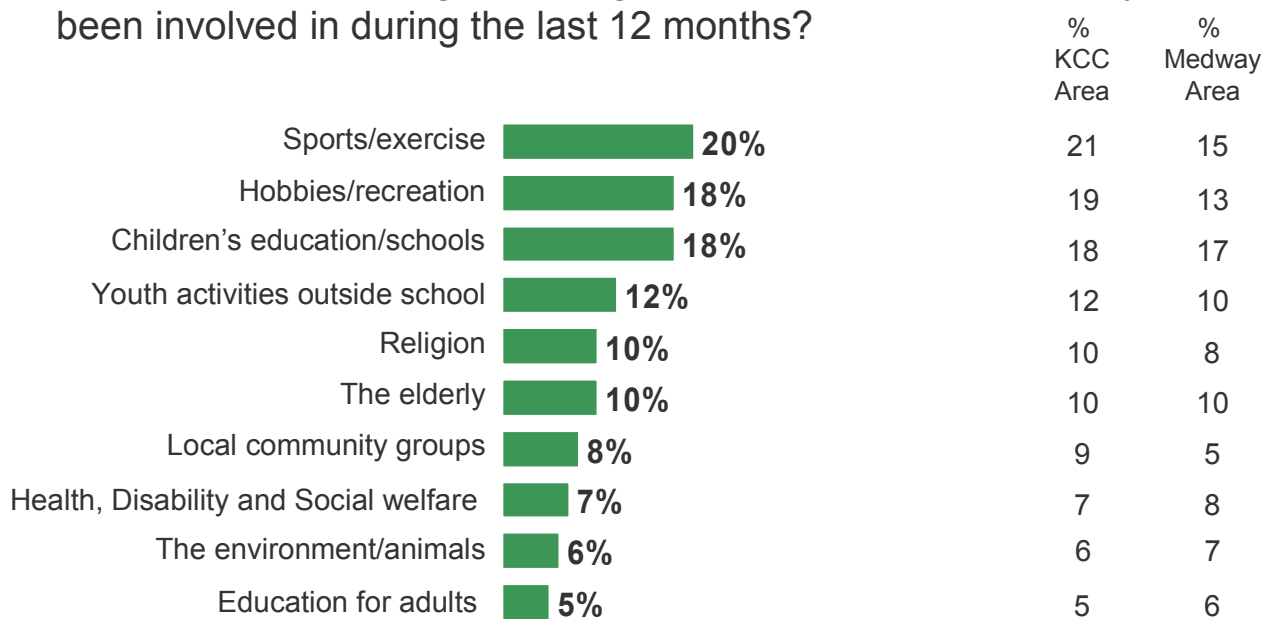


Base: All (1,838), KCC Area (1,549), Medway Area (289)
Ipsos MORI



Community involvement 1

Q32. Which of these groups, organisations or activities have you been involved in during the last 12 months?



Base: All (1,838), KCC Area (1,549), Medway Area (289)
Ipsos MORI



Community involvement 2

Q32. Which of these groups, organisations or activities have you been involved in during the last 12 months?

		% KCC Area	% Medway Area
Safety, First Aid	5%	5	4
Citizens' Groups	2%	2	2
Justice and Human Rights	2%	2	1
Politics	2%	2	2
Trade union activity	2%	2	1
Territorial Army (TA)	1%	1	1
Other	*	*	*
None of these	49%	48	53
Don't know	1%	*	1

Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Unpaid help to community groups 1

Q33. In the last 12 months have you given unpaid help to any groups, clubs or organisations in any of the following ways?

		% KCC Area	% Medway Area
Organising or helping to run an event	12%	13	8
Visiting people	11%	11	10
Raising or handling money	11%	12	7
Leading the group or organisation	8%	8	5
Providing transport	7%	8	5
Mentoring people	7%	7	6
Giving advice	7%	7	6

Base: All (1,838), KCC Area (1,549), Medway Area (289)

Ipsos MORI



Unpaid help to community groups 2

Q33. In the last 12 months have you given unpaid help to any groups, clubs or organisations in any of the following ways?

		% KCC Area	% Medway Area
Secretarial work/admin	6%	7	4
Representing the group or organisation	5%	5	5
Campaigning on behalf of the group	4%	4	3
Other practical help	2%	2	1
Any other help	1%	*	2
None of these	65%	64	73
Don't know	1%	1	1

Base: All (1,838), KCC Area (1,549), Medway Area (289)

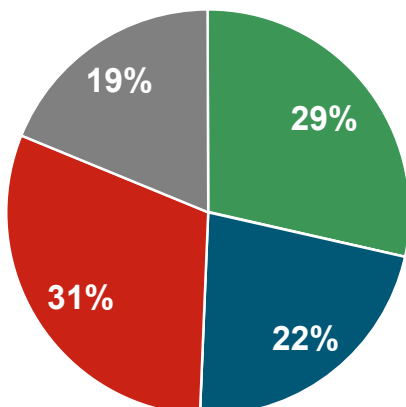
Ipsos MORI



Time spent helping community groups – All

Q34. About how many times in the last 12 months have you generally done something to help this group(s)?

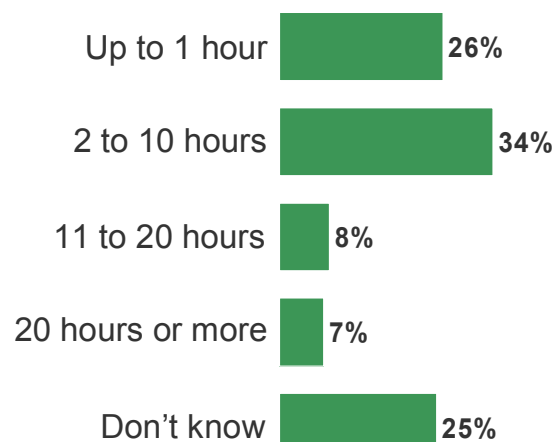
■ % At least once a week ■ % Less often
■ % At least once a month ■ % Don't know



Base: All who have given help to an organisation in the last 12 months (1,014)

Ipsos MORI

Q35. Approximately how many hours have you spent helping this group(s) in the past 4 weeks?



Mean = 7.7 hours



Recent contact with the Council

Q37. Have you or any other member of your family contacted KCC/Medway Council in the last 12 months?

	% Social Housing	% KCC Area	% Medway Area
Yes	44	36	54
Yes, by telephone	34	25	43
Yes, through the Internet	3	7	6
Yes, by mail	4	7	4
Yes, in person	11	5	11
Yes, via a Councillor	1	2	*
No	55	63	45
Don't know	1	*	1

Base: All (1,838), KCC Area (1,549), Medway Area (289), Social housing (287)

Ipsos MORI



Main reasons for contacting the Council

Q38. Thinking about the last time you got in touch, what was your main reason for contacting KCC/Medway Council?

	% KCC Area	% Medway Area
Ask for information	33	20
Make a complaint	29	22
Report an issue or problem	20	27
Ask for advice/help	22	16
Apply for a service/register	10	33
Make a suggestion about a service	4	3
Book an appointment	3	5
Apply for a grant	3	1
Other	2	0
Don't know / Can't remember	1	2

Base: All who have contacted their Council (720), KCC Area (562), Medway Area (158)

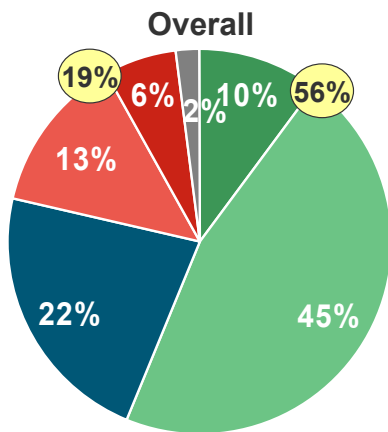
Ipsos MORI



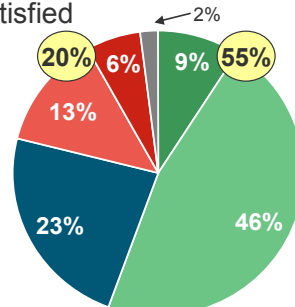
Satisfaction with the way the Council does its job

Q39. Taking everything into account, how satisfied or dissatisfied are you with the way KCC/Medway Council does its job?

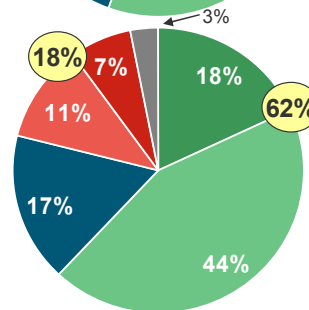
■ % Very satisfied
 ■ % Fairly satisfied
 ■ % Neither
 ■ % Fairly dissatisfied
 ■ % Very dissatisfied
 ■ % Don't know



KCC Area



Medway Area



Base: All (1,838), KCC Area (1,549), Medway Area (289)

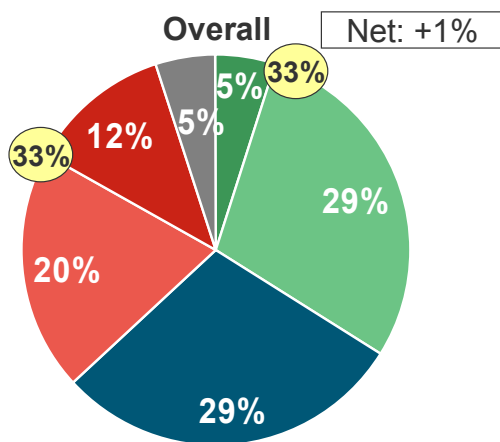
Ipsos MORI



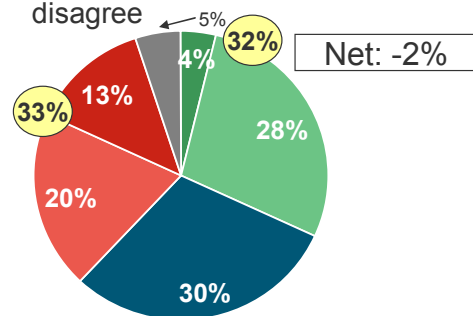
The Council gives local people value for money

Q40. To what extent do you agree or disagree that "KCC/Medway Council gives local people value for money"?

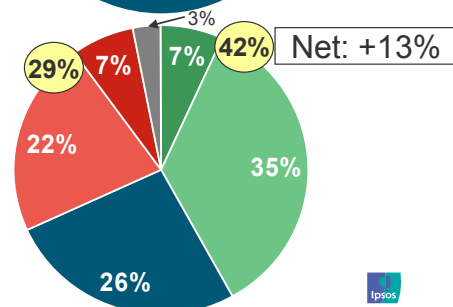
■ % Strongly agree
 ■ % Tend to agree
 ■ % Neither
 ■ % Tend to disagree
 ■ % Strongly disagree
 ■ % Don't know



KCC Area



Medway Area



Base: All (1,838), KCC Area (1,549), Medway Area (289)

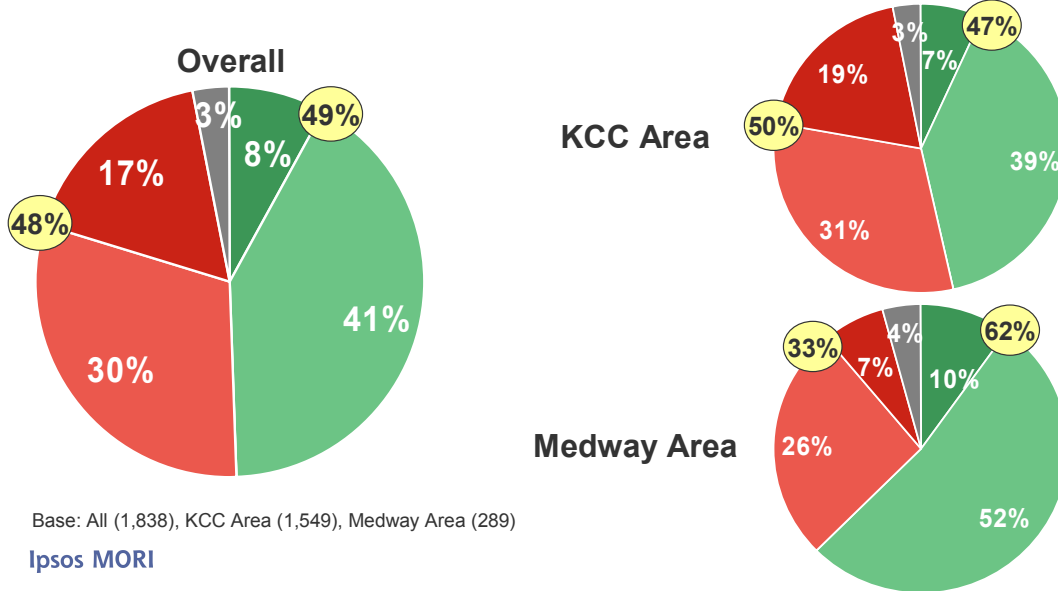
Ipsos MORI



The Council keeps residents informed

Q41. And how well, if at all, do you think KCC/Medway Council keeps residents informed about the services and benefits it provides?

■ % Very well informed
 ■ % Fairly well informed
 ■ % Gives us only a limited amount of information
 ■ % Doesn't tell us much at all
 ■ % Don't know



APPENDIX 2 – KMCP survey results November 2008

Results based on 378 respondents from e-mail questionnaires sent to 545 members of the KMCP, weighted to the known population profile.

Current economic situation

Q1. Thinking about the economy in Kent, do you think this will improve, stay the same, or get worse in the next 12 months?

	%
Improve	6
Stay the same	15
Get worse	76
Don't know	4

Q2. How likely is it, if at all, that each of the following will affect you in the next 12 months?

	Very likely	Fairly likely	Not very likely	Not at all likely	Not applicable	Don't know
	%	%	%	%	%	%
A worsening of my financial situation	20	40	31	5	*	4
Being made redundant or becoming unemployed	2	7	38	19	28	6
Being forced to leave my home due to falling behind on mortgage or rent payments	2	2	28	43	23	2

Q3. To what degree would you say you are more or less aware of the money you are spending every month compared to a year ago?

	%
A lot more aware	45
A little more aware	34
No more or less aware	21
A little less aware	*
A lot less aware	-
Don't know	-

Q4. And to what extent do you agree or disagree with the following statements?

	Strongly agree %	Tend to agree %	Neither agree nor disagree %	Tend to disagree %	Strongly disagree %	Not applicable %	Don't know %
My money doesn't stretch as far as it did a year ago	48	39	8	4	*	*	*
It has become part of my routine to compare online prices with those in the shops before making purchases	24	31	13	16	13	4	1
I have started buying own label/own brand products on staple food items	20	31	21	18	8	1	1
I buy more premium branded treats but offset this by choosing other lower priced items	1	15	25	37	19	2	1
I have started buying more supermarket own label/own brand products rather than the branded alternatives	21	34	17	21	7	1	*
I changed the supermarket I use as the prices at my old one were getting too high	8	15	17	29	28	3	-
I find myself using price comparison sites much more often before making purchases	15	29	14	22	16	4	*
I am buying more locally as I can't afford the petrol	6	18	27	32	11	6	-
I am buying less generally to reduce costs	15	44	18	18	5	1	-

Q5.a Which, if any, of the following potential cost increases concern you the most?

	%
Electricity / gas prices	57
Food prices	15
Petrol / diesel costs	13
Mortgage	10
Other	5
None of these	*
Don't know	-

Q5.b And have you made any lifestyle changes as a result of these concerns?

Base: All who say they are concerned by a cost increase (373)

	%
Yes – definitely	25
Yes – somewhat	54
No	21

Q5.c And are you planning to make any lifestyle changes as a result of these concerns?

Base: All who say they are concerned by a cost increase (373)

	%
Yes – definitely	23
Yes – somewhat	59
No	19

Q6.a On which, if any, of the following items have you or members of your household recently reduced your spending?

Base: All who have made lifestyle changes (295)

	%
Eating out	73
Clothes	63
Holidays (UK or abroad)	48
General entertainment	48
Christmas presents	47
Household food	46
Going to coffee bars and cafes	42
Donating money to charity	37
Going out with friends	37
Going to the pub	37
Cosmetics	23
Gym membership	23
Other	6
None of these	4
Don't know	-

Q6.b **And on which, if any, do you or other members of your household expect to reduce spending in the next 12 months?**

Base: All who plan to make lifestyle changes (304)

	%
Eating out	69
Christmas presents	55
Clothes	54
Holidays (UK or abroad)	52
General entertainment	49
Household food	41
Going to coffee bars and cafes	41
Going to the pub	40
Going out with friends	39
Donating money to charity	33
Cosmetics	25
Gym membership	22
Other	5
None of these	7
Don't know	2

Holiday shopping

Q7. **During the Christmas season of 2008/9, to what extent do you think your household will spend more than last Christmas, less than last Christmas, or about the same amount as last Christmas?**

	%
A lot more	2
A little more	6
About the same amount	33
A little less	37
A lot less	21
Don't know	-
Not applicable	1

Q8. **Where are you planning on buying most of your Christmas presents this year?**

	%
Local shops	30
Online	29
A large shopping centre like Bluewater	13
Supermarket	6
Other	10
Don't know	11
Not applicable	2

Q9. **And how are you planning to pay for most of your Christmas purchases this year?**

	%
Debit card / cheque / cash	57
Credit card	30
Store card	1
Christmas club	1
Other	5
Don't know	3
Not applicable	2
I would prefer not to say	2

Cooking

Q10. **How would you rate your cooking skills?**

	%
Gourmet	6
Competent	69
I can cook if I need to	23
I can't boil an egg	1
Other	1

Q11. **How often, on average, do you personally cook a meal 'from scratch'?**

	%
Every day	21
5 or 6 times per week	24
3 or 4 times per week	24
1 or 2 times per week	14
Less often than once per week	13
Never	5

Q12. **And do you think the current 'credit crunch' will encourage you to cook meals from scratch more often?**

Base: All who do not cook from scratch every day (299)

	%
Yes – definitely	15
Yes – probably	28
No – probably not	46
No – definitely not	6
Don't know	4

APPENDIX 3 – KMCP survey results July 2009

Results based on 1,076 adults with interviews conducted online and data weighted to the known population profile of those in this audience.

Q13. Overall, how satisfied or dissatisfied are you with Kent as a place to live?

Single Response

	%
Very satisfied	24
Fairly satisfied	48
Neither satisfied nor dissatisfied	12
Fairly dissatisfied	11
Very dissatisfied	3
Don't know	2

Q14. As a whole, do you think that the British economy will improve, stay the same or get worse over the next couple of years?

Please select one answer only

Single Response

	%
Improve	37
Stay the same	28
Get worse	30
Don't know	4

Q15. And which of the things listed below, if any, do you think most need improving about your local neighbourhood?

Please select all answers that apply

Multiple Response

	%
Young people	66
Activities for teenagers/young people not having enough to do	66
Crime	77
Anti-social behaviour	60
Communities/lack of community spirit	42
Crime/level of crime	29
Lack of visible policing/policing	*
Public facilities	78
Child care	11
Cultural facilities (e.g. museums)	25
Facilities for young children/child care	24
Health services	31
Schools	20
Shopping facilities	29
Sports/leisure facilities	34
Public toilets	*
Shops/different shops other than Tesco's	*
Housing	54
House building/residential development	13
Housing which is affordable	49
More thought to go into planning/planning new building are ugly	*
Employment	77
Cost of living	47
Job prospects	55
Wage levels	35
Environment	74
Cleanliness of streets	39
Flooding/threat of flooding	11
Pollution/climate change	20
Recycling services	38
Weekly collection of waste	30
Enforcement of dog fouling penalties/dog mess	*
Litter	*
Allotments	*
Parks/keep green spaces	*
Noise pollution/airplane noise	*
Transport/roads	87
Parking – residents or public	42
Public transport	34
State of the roads	58
State of the pavements	38
Traffic/road congestion/volume of traffic	43
Cycle lanes/better facilities for cycling/promotion of cycling/off-road cycling	*

Q15. And which of the things listed below, if any, do you think most need improving about your local neighbourhood?
(Cont)

Please select all answers that apply

Multiple Response

	%
Immigration/race relations	45
Asylum/immigration	39
Race relations	14
Other	3
Criticism of council/KCC	*
Other	2
Don't know/can't remember	1

Q16. Taking everything into account, how satisfied or dissatisfied are you with the way Kent County Council does its job?

Please select one answer only

Single Response

	%
Very satisfied	3
Fairly satisfied	39
Neither satisfied nor dissatisfied	32
Fairly dissatisfied	18
Very dissatisfied	6
Don't know	2

Q17. Which, if any, of the following Kent County Council Services do you or any other member of your household use or benefit from?

Please select all answers that apply

Multiple Response

	%
Adult education	11
Arts activities	7
Country parks	41
Disabled sport service	2
Free school meals	4
Galleries and museums	22
Libraries	51
Primary education	16
Recycling facilities at local tips	60
Secondary education	18
Social care – services for older people, disabled people, people with mental health problems and children and families, including both residential care and home support, as well as fostering and adoption services	8
Subsidised bus travel	15
Transport assistance to school or college	6
None of these	12
Don't know	3

Q18. Overall, how would you rate the services you have received from Kent County Council in the last 12 months?

Please select one answer only

Single Response

	%
Very good	7
Fairly good	42
Neither good nor poor	29
Fairly poor	10
Very poor	5
Don't know	2
Have not used any Kent Council County services	5

Turning to a different subject area

Q20. On average how often, if at all, do you travel along the M20 between Junctions 8-9 and 11-11a or the A20 between Maidstone and Ashford either:

- a) as a driver in a car or other motor vehicle?
- b) as a passenger in a car or other motor vehicle?

Please select one answer on each row

Single Response

	Q8a Driver	Q8b Passenger
	%	%
Every day	4	1
Every few days	6	4
About once a week	6	5
About once a fortnight	7	6
About once a month	12	12
About once every 6 months	17	18
About once a year	6	7
Less frequently	11	19
Never	26	24
Don't know	4	4

Q21. We would now like ask you some questions relating to traffic using the Channel Tunnel and cross Channel ferries from Dover.

When services through the Channel Tunnel or using the cross Channel ferries are cancelled due to events such as emergencies, strike action or bad weather conditions, lorries and other large vehicles being held up as a result park on the M20 and local traffic is diverted along the A20. This process is known as 'Operation Stack'. How familiar are you with 'Operation Stack'?

Single Response

	%
Know a great deal about it	18
Know a fair amount about it	34
Know a little about it	28
Heard of it but know nothing about it	8
Never heard of it	10
Don't know	1

Q22. Which, if any, of the following people do you think have been inconvenienced by 'Operation Stack'?

Please select all answers that apply

Multiple Response

	%
I have personally	34
Another member of my household has	19
A member of my family has	25
A friend of mine has	34
A work colleague has	28
Somebody else you know personally has	17
Lorry drivers	*
Emergency vehicles/police/ambulance/fire brigade	1
General public/residents/neighbours/commuters	*
Companies/businesses	*
Delivery drivers	*
Everybody	*
Other people	1
Nobody I personally know has been inconvenienced by 'Operation Stack'	31
Don't know	7

Base: All have experience of or who know somebody who has been inconvenienced by Operation Stack (670)

Q23. In what ways have you or anybody else you know been inconvenienced as a direct result of 'Operation Stack'?

Please select all answers that apply

Multiple Response

	%
Held up in traffic	77
Late for an appointment or meeting	32
Late for work	39
Late for school	5
Late home	57
Late for something else	21
Changed route	*
Late/nearly late for ferry/Eurotunnel	*
Other	3
Don't know	1

Q24. How serious a problem do you think 'Operation Stack' is for the following people or businesses, or do you not think it is a problem at all?

- a) For residents in Kent?
b) For local businesses in Kent?

Please select one answer on each row

Single Response

	Q12a Residents	Q12b Local businesses
	%	%
Very serious problem	24	39
Fairly serious problem	39	36
Not a very serious problem	25	13
Not a problem at all	1	1
Don't know	11	11

Q25. Who do you think should be responsible for solving the problem of 'Operation Stack' and pay for a solution?

Please select all answers that apply

Multiple Response

	%
The British Government	54
Kent Police	14
Kent County Council	27
Port Authorities	34
The French Government	51
The private sector	7
Levy on vehicles crossing the channel	*
EU/EEC/European government	*
Tax/toll on foreign lorries	1
Lorry companies	*
People who cause it	1
Funded in another way	2
Don't know	12

Q26 Which, if anything, have you heard about Kent County Council's proposals to develop a 3,000 lorry parking area adjacent to the M20?

Please select all answers that apply

Multiple Response

	%
That Kent County Council is proposing a lorry park	46
The proposed site of the lorry park	32
The estimated cost of the lorry park	10
Don't know about the proposal	38
Other	1
Don't know	6

Q27. Kent County Council proposes to solve the problems caused by 'Operation Stack' by creating a lorry park capable of providing up to 3,000 lorry parking places. This lorry park will be located in an area off the M20, and will mean that lorries no longer have to park on the M20 when the ferry ports and channel tunnel are closed. To what extent would you support or oppose Kent County Council's proposal to create such a lorry park?

Please select one answer only

Single Response

	%
Strongly support	25
Tend to support	48
Tend to oppose	11
Strongly oppose	7
Don't know	10

Q28. Currently, central Government's policy is that a lorry park, such as the one proposed by Kent County Council, is to be funded by the private sector. Do you think that central Government should pay for all, some, a little or none of the cost to create and run such a lorry park?

Please select one answer only

Central Government should pay...?:

Single Response

	%
All of the costs	27
Some of the costs	44
A little of the costs	11
None of the costs	10
Don't know	8

Base: All who think the private sector should be responsible for solving the problem of 'Operation Stack' and pay for the solution (76)

Q29. You answered that you thought the private sector should be responsible for solving the problem of 'Operation Stack' and pay for the solution. If the private sector will not pay for the creation and running of the lorry park to help solve 'Operation Stack', which, if any of the following do you think should pay, or do you think that the lorry park should not be built?

Please select all answers that apply

Multiple Response

	%
The British Government	52
Kent Police	9
Kent County Council	33
Port Authorities	50
The French Government	40
Do not think the lorry park should be created	12
Don't know	4
Not stated	1

Q30. In 2007, central Government introduced the Sustainable Communities Act for local communities. This provides a way for local people in Kent to ask central Government to take action to improve the economic, social or environmental well-being of local communities. If local people decide what they think needs to be done to promote the sustainability of their area the local councils submits a proposal and, if accepted, it is funded by central Government.

Do you think that Kent County Council's proposal to create and run a lorry park for 3,000 lorries to help solve 'Operation Stack' should be submitted through the Sustainable Communities Act, or not?

Please select one answer only

Single Response

	%
Kent County Council's proposal should be submitted through the Sustainable Communities Act	57
Kent County Council's proposal should <u>not</u> be submitted through the Sustainable Communities Act	16
Don't know	27

We would now like to ask you some questions about the Further Education System

Q31. I would now like to ask you your views on the Further Education System (FE) as a whole. By FE I mean all post-16 provision offered by further education colleges, private training providers, employers, adult education or community providers and school 6th forms. It excludes training and education provided by universities.

Do you know any young people who are currently going through, or have gone through the post-16 education and training system in Kent in the last five years? If so, who are they?

Please select all answers that apply

Multiple Response

	%
I have gone through the system myself	14
My children have gone through the system	14
I know other young people who have gone through the system	26
I do <u>not</u> know anybody who has gone through the system in the last five years	47
Don't know	7

Q32 **What level of knowledge or understanding would you say you have about the Further Education system? Would you say you have...?**

Please select one answer only

Single Response

	%
A very detailed level of understanding	8
A fairly detailed level of understanding	26
A patchy level of understanding	36
Only a little understanding	20
No understanding at all	8
Don't know	4

Q33. Overall, how satisfied or dissatisfied are you with the Further Education provision in your local area – that is all post -16 education and training apart from those provided by universities?

Please select one answer only

Single Response

	%
Very satisfied	7
Fairly satisfied	30
Neither satisfied nor dissatisfied	29
Fairly dissatisfied	9
Very dissatisfied	2
Don't know	23

Q34. To what extent do you think the current provision of independent careers advice and guidance for young people aged 16 years and over is good or poor?

Please select one answer only

Single Response

	%
Very good	4
Fairly good	21
Neither good nor poor	23
Fairly poor	17
Very poor	6
Don't know	28

Q35. Who do you think is currently responsible for provision of independent careers advice and guidance for young people in Kent aged 16 – 18?

Please select all answers that apply

Multiple Response

	%
The National Government	19
SEEDA (South East England Development Agency)	11
A regional organization that covers the south east of England	16
Kent County Council	42
Connexions	2
Schools/colleges/educational establishments	1
Learning & skills council	*
Other	1
Don't know	34

Q36. Who do you think should be responsible for provision of independent careers advice and guidance for young people in Kent aged 16 – 18?

Please select all answers that apply

Multiple Response

	%
The National Government	32
SEEDA (South East England Development Agency)	17
A regional organization that covers the south east of England	26
Kent County Council	49
Connexions	*
Schools/colleges/educational establishments	1
Learning & skills council	*
Independent careers service/job centre agency	*
Parents	*
Independent organization/separate body	*
Private sector	*
Other	*
Don't know	20

Q37. Thinking now about apprenticeships. Who do you think is currently responsible for funding and managing apprenticeships in Kent?

Please select all answers that apply

MP

	%
The National Government	21
Learning and Skills Council	41
Kent County Council	21
Companies/employers/private sector	1
None	*
Other	*
Don't know	33
Not stated	*

Q38. Who do you think should be responsible for funding and managing apprenticeships in Kent?

Please select all answers that apply

Multiple Response

	%
The National Government	39
Learning and Skills Council	45
Kent County Council	37
Business/companies/employer/local business/private companies	2
Other	*
Don't know	18

Q39. Who do you think is currently responsible for funding and managing post-16 education in Kent?

Please select all answers that apply

Multiple Response

	%
The National Government	21
Learning and Skills Council	23
Kent County Council	44
Connexions	*
Other	*
Don't know	31

Q40. Who do you think should be responsible for funding and managing post-16 education in Kent?

Please select all answers that apply

Multiple Response

	%
The National Government	44
Learning and Skills Council	35
Kent County Council	46
Individuals and self finance	*
Other	1
Don't know	19
Not stated	*

Q41. To recap, in 2007, central Government introduced the Sustainable Communities Act for local communities. This provides a way for local people in Kent to ask central Government to take action to improve the economic, social or environmental well-being of local communities. If local people decide what they think needs to be done to promote the sustainability of their area the local councils submits a proposal and if accepted, is funded by central Government.

Do you think that Kent County Council should ask the Government to provide funding through the Sustainable Communities Act to enable Kent County Council fund and manage post-16 education for Kent's young people?

Please select one answer only

Single Response

	%
Definitely should	24
Probably should	47
Probably should not	10
Definitely should not	3
Don't know	16

Q42. Central Government has set a target of a fourfold increase in the proportion of post-16 years olds entering an apprenticeship. To what extent do you support or oppose this policy, or do you have no views either way?

Please select one answer only

Single Response

	%
Strongly support	31
Tend to support	41
Tend to oppose	4
Strongly oppose	2
No views either way	7
Don't know	15

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By: Roger Gough, Cabinet Member Corporate Support Services & Performance Management
Tanya Oliver, Director Strategic Development & Public Access

To: Corporate Policy Overview & Scrutiny Committee 8 April 2010

Subject: Welfare Pathway

Classification: Unrestricted

Summary: To update Members on the Welfare Pathway & Next Steps

For Information

1. Introduction

1.1 Kent County Council (KCC) was approached by the Ministry of Defence (MoD) regarding the welfare pathway in summer 2009. This is about increased coherence of access to public services to members of the Armed Forces community and is part of a cross government initiative led by the Minister of Veterans, Kevin James. Following a presentation on the Gateway initiative to a MoD conference, Kent was selected as a pilot for this initiative.

1.2 The aspiration of the Welfare Pathway is to bring together services to support the Armed Forces community and to ensure they are aware of the services available to them. The MoD model essentially fits the Gateway model as Gateway already operates along the principle of joined-up access, so it is mainly business as usual as it will touch on a range of services from education and special needs to occupational therapy, social services and other rehabilitation services across KCC, Health, district and boroughs, central government and the voluntary sector, much of which is already accessed by Kent residents through the Gateway model. This is about providing coherence across the public sector for the Armed Forces community rather than generating increased referrals.

1.3 As part of this initiative, the MoD launched a national telephone number to provide one sign-posting service to individuals and families from the Armed Forces Community. Kent also has a dedicated telephone line for the Armed Forces Community, operated through Contact Kent.

1.4 The pilot was launched by the Minister on 4 November to raise the profile of this national initiative and the MoD have expressed a real commitment to working with Kent partners.

1.5 A further aim of the pilot is to capture information on best practice and issues and challenges this community face in order to inform local and national policy discussions and decisions. Data will be captured from the Armed Forces Community accessing services to facilitate this.

2. Progress to Date

2.1 An Armed Forces Champion has been created offering a similar role to that of the Children's Champion and Older Person's Champion within KCC. Leyland Ridings was selected for this position as approved by the Selection & Member Services Committee and the Terms of Reference for this role are attached as appendix one.

2.2 Customer Service Advisors in Gateways have begun to develop a fuller understanding of the range of services available to the Armed Forces Community (particularly those within the voluntary sector) and the national number is displayed in Gateways. Customer Services Advisors in Gateway and in Contact Kent signpost the number appropriately to Kent residents.

2.3 KCC has been working with other public sector agencies and voluntary sector organisations to develop the pathway in practice with the MoD. This began with a seminar in

January 2010 that agreed a number of actions. It is still early days however and there is more work to be done here.

2.4 Frequently Asked Questions have been developed and staff trained within Contact Kent to manage enquiries as they come in by telephone and mystery shopping takes place to ensure these skills are retained.

2.3 A successful launch was undertaken with the Veterans' Minister and local representatives at the Tunbridge Wells Gateway.

3. Next Steps

3.1 Finalise protocols between MoD and local public and voluntary sector organisations, particularly in devising a referral flow chart and capturing information (the MoD are leading on this). Develop a Welfare Pathway Champion role within each Gateway to have more detailed specialised knowledge on the services available. This would be a specific remit of one or more individuals rather than a new position.

3.2 A local Armed Forces Community group is being established (as agreed at the seminar) that will include representation from the following organisations: KCC, SPVA, RBL, War Pensions, district and borough councils, Mental Health Trust, NHS, Kent Adult Social Services, KDAAT, Housing, HIVE, Schools, Citizens' Advice and Prisons/Probation. There may be other organisations that need to be involved as we move forward. This group will be chaired by Leyland Ridings as the Armed Forces Champion.

3.3 Awareness of this initiative within the Armed Forces Community needs to be improved, therefore a communications plan will be developed and implemented. It is important to ensure the operational elements are embedded before the service is widely promoted and therefore it is more sensible to focus on a publicity campaign once the protocols are more established between organisations. We would hope this will take place by the summer.

3.4 The MoD lead officer for this initiative has recently changed and with a new representative comes an opportunity to refocus and raise the profile of this important service.

4. Summary

The Welfare Pathway is an extension of the existing Gateway model focused on the Armed Forces Community. There was a significant drive to launch the Kent pilot by November and since then, work has focused on establishing the operational framework to deliver a coherent service. The next few weeks will see a significant drive to finalise these arrangements and ensure the service is then promoted more widely to the Armed Forces Community and that the feedback from the pilot informs local and national policy discussions.

5. Recommendations

Members are asked to note the report

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KENT COUNTY COUNCIL

Armed Forces Community Champion

Terms of Reference

As part of the Armed Forces Community Welfare Pathway pilot Kent County Council has committed to identify a named individual to act as a champion on behalf of the Armed Forces Community in Kent.

The Armed Forces Community Champion will:

1. Ensure, where appropriate, that the interests of the Armed Forces Community in Kent are properly considered and prioritised within the Council's policies, strategies and plans.
2. Consider the impact on the Armed Forces Community in Kent of council decisions and policies.
3. Ensure that council services likely to be used by the Armed Forces Community in Kent are robust and performing effectively.
4. Advocate on behalf of the Armed Forces Community in Kent.
5. Raise the profile of the Armed Forces Community in Kent.
6. Liaise with the Kent local Veterans Group and In-Service representative, Armed Forces Community, Third Sector and public sector to identify issues that need to be addressed and resolved or areas of good practice that could be replicated either locally or nationally.
7. Engage with the relevant Government Department Armed Forces Advocate to report where and why policies, concerning statutory entitlements and delivery of services to the Armed Forces Community in Kent, are falling short of expectation or not being delivered.
8. Report into the Leader and Cabinet as appropriate.

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By: Alex King, Deputy Leader
Alan Marsh, Deputy Cabinet Member for International

To: Corporate Policy Overview and Scrutiny Committee – 8 April 2010

Subject: International Affairs Group Update

Classification: Unrestricted

Summary: This report is the regular update provided to POSC on Kent's International and European activities co-ordinated by KCC's International Affairs Group (IAG).

1 Introduction

1.1 There is a commitment to provide regular updates to this Committee on international work which includes the work of the International Affairs Group. This report builds on the 2008/09 Annual Report on KCC's International Activities presented to Members on 13 November 2009.

1.2 I set out my long term policy ambitions for the IAG team in 'Staying Ahead of the Changing Game' (an updated version of previous policy document) attached as appendix 1 to this report. In particular, not least to reflect current and future circumstances facing the County, I have asked the team to increase the support it provides Directorates in developing projects eligible for European funding and to extend their remit to work with colleagues in Regeneration and Economy to develop a County-wide programme of support to business for international trade. This paper is structured on the 5 cross-cutting actions established in the Staying Ahead' document.

2 Action 1 - Policy Development and Influence

2.1 In addition to the ongoing issue of the future shape of EU cohesion and funding policy after 2013 (see Action 2 below), other developments over the past year have included extending the range of KCC's policy influence through the successful delivery of the Kent in Europe seminar programme 2008-9. Last year also saw the unveiling to senior Euro-MPs, regions and journalists of the New Vision for High Speed Rail in Europe pamphlet and the European Network of High Speed Regions concept developed by Kent, Nord-Pas de Calais, the Dutch City of Breda and Brabantstad urban network. Work in 2010 will continue to strengthen the network, develop a research and intelligence platform, improve communication with key stakeholders and get ready for any further campaigning that needs to be carried out. This is of particular relevance to Kent in the true context of the liberalisation of HS1.

3 Action 2 – Securing Kent’s Competitive Position in Future EU Funding Regimes

3.1 The current EU Structural Funds programming period ends in 2013. The Funds are a primary mechanism for implementing EU ‘cohesion policy’ which currently addresses three key territorial issues: support to less developed regions to fulfil their economic potential; increasing regional competitiveness and employment and addressing cross-border and transnational cooperation. Kent has in particular secured significant EU funding under the latter two objectives via the South East ERDF Competitiveness Programme and the 2007-13 Interreg programmes.

3.2 A debate on the future of cohesion policy after 2013 is already well underway. The European Commission will set out its own position in its Fifth Cohesion Report which is due to be published in Autumn 2010, followed by a ‘Cohesion Forum’ in Brussels in December. Given the importance to the county of retaining eligibility for EU structural Funds after 2013, IAG has continued to monitor closely policy developments in this field. This has included taking opportunities to submit Kent positions on this issue. For example, a response to the Commission’s ‘Green Paper on Territorial Cohesion’ and contributions to the LGA’s work on a ‘Local Development Methodology’ (LDM)¹ as part of future Cohesion policy. This has included providing case-study examples of Kent projects which demonstrate ‘EU-added value’ over and above national initiatives (see below)

3.3 The main point at issue (as was the case in the negotiation of the current programming period) is once more likely to be whether future EU cohesion policy should continue to apply to all Member States or should be targeted only on the poorest. The ‘renationalisation’ of cohesion policy implied by the latter approach is again currently the position of the UK government but this is not supported by the new Regional Policy Commissioner, Johannes Hahn, or the European Parliament. KCC will continue to argue that, with improved effectiveness, cohesion policy is an objective for the whole EU and should continue to be EU-wide. Continued involvement in EU cohesion policy and structural funds is also valued for the role it gives local government in the development and implementation of EU funding programmes which is currently not always evident at national level.

4. Action 3 – Developing our Links with Business

Kent International Business Event

4.1 To encourage Kent companies to consider the possibilities for exporting products and services overseas, a ‘Kent International Business Event’ took place on 29 October 2009 in Canterbury. The event, which is part of the Backing Kent Business campaign and Kent in Europe seminar programme, was organised by KCC’s International Affairs Group and the University of Kent with backing from several other agencies. This event covered what businesses need to know about international trade and export, an introduction to International Markets; mainland Europe and the USA and how European Funding Programmes can support business development. It included presentations from key players in the field of business internationalisation: UTKI, the Enterprise Europe Network, University of Kent new i3 (Reciprocal Soft Landings)

¹ LDM includes targeting EU funding at smaller ‘real’ spatial levels and economies, such as counties, rather than ‘artificial’ administrative regions, and proper involvement of local authorities as partners of government in the design and delivery of Structural Funds programmes.

Network, the Thames Gateway Chamber of Commerce and HSBC. More than 40 businesses took part.

4.2 Research by the European Commission has confirmed that businesses that engage in international activities have a tendency to show better rates of productivity, growth and profitability. The growth potential afforded by the weak value of the pound coupled with the possibility for growth as the economic situation improves means that businesses could do well to consider developing international activities in the coming months and years.

4.3 There is a perception that the business community in Kent has, in general, not engaged in international activity despite the County's 'gateway' location. A recent figure from a BSK report suggests, for example, that only 8% of Kent companies are involved in exporting which is a lower rate than elsewhere in the South East. The reasons for this are unclear and information relating to SMEs currently involved or with the potential to be involved in international activities is far from comprehensive. Kent County Council has commissioned its own research work to be carried out by Business Support Kent to identify gaps in business support and make recommendations for how best to develop future support to Kent businesses in 'internationalising' their activities.

5. Action 4 – Increasing Our Support for Project Development

5.1 International Affairs Group has continued to help secure a number of significant high value EU projects in support of KCC Directorates' and Kent's priorities. For example, the French launch of the 'Greet the World' project, worth €1 million in EU grant to Kent, took place on 26 February 2010 at the 'Tourissima' Exhibition in Lille. 'Greet' is one of several recently approved EU-funded projects aimed at boosting Kent's tourism industry.

PARTNER'S ANNOUNCEMENT

Kent to benefit from €3m boost to tourism industry

Visit Kent, in partnership with Kent County Council, has successfully secured almost €3 million for the region's tourism industry from the European Union under the EU IVA 2 Seas' Programme. The bids were written by the Visit Kent team led by Sandra Matthews-Marsh, left, and Fran Warrington, right, working with the French, Belgian and Dutch, and seeks to drive the tourism industry forward in Kent for the next three years!

INTERESTING FACTS

THE BIDDING

Each bidding project has to have at least 10 partners from over 10 different countries. Projects can be for a maximum of 3 years.

THE OTHER

For example, the Visit Kent team has secured 10 partners from 10 different countries.

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TOURISM TRAINING IS ON THE GREAT WORLD TEAM'S AGENDA

Visit Kent, in partnership with Kent County Council, has successfully secured almost €3 million for the region's tourism industry from the European Union under the EU IVA 2 Seas' Programme. The bids were written by the Visit Kent team led by Sandra Matthews-Marsh, left, and Fran Warrington, right, working with the French, Belgian and Dutch, and seeks to drive the tourism industry forward in Kent for the next three years!

'New funding will allow industry to flourish'

Kevin Lyons, KCC Cabinet Member for Regeneration and Economic Development said: "By successful joint working, Kent County Council and Visit Kent have secured support for tourism. This will help to give visitor numbers and showcase the very best that Kent has to offer."

Amanda Collard, chairman Visit Kent, said: "Proud of Visit Kent's achievements."

CAST team aims to promote Kent's coastal attractions

For further information go to www.visitkentbusiness.co.uk

Kent County Council

visit Kent

Newstead 01622 794680

Kent Business January 2010 19

5.2 A regular scorecard is kept of EU projects approved in Kent under the various 2007-13 programmes. The running total of all the projects shows that at March 2010 Kent had secured some £20 million of EU grant funding.

SEEC European Committee

5.3 On 22 January 2010, KCC chaired the first meeting of a new South East England Counties (SEEC) working group which will lead to true formation of a SE European Committee. Following the demise of the previous SEEDA/SEERA Joint Europe Committee this will provide a South East England voice on European Affairs. In particular the group will seek to ensure that South East England secures the maximum benefit possible from existing and future European funding streams. The total value of the mainstream programmes (across Europe) for which the South East as a whole is eligible, amounted to some €1 billion at the start of the programming period (see below) of which around €580 million remains to be committed as at March 2010.

EU Funding Programmes – Funding remaining as at March 2010 and next calls for projects

Programme	Total Value	Total Funding secured for Kent Feb 2010	Funding remaining Feb 2010 ²	%	Next call for projects
Interreg IVA '2 Seas'	€169m	£7.3m	€106m	63	7 May to 9 July 2010 19 Nov to 21 Jan 2011
Interreg IVA 'Channel'	€173m	£1.9m	€115m	66	12 April to 10 May 2010 13 Sept. to 11 October 2010
Interreg IVB North West Europe (NWE)	€334m	-	€195m	58	12 March – 9 April 2010
Interreg IVB North Sea Region (NSR)	€150m	-	€40m	27	1 March – 7 April 2010
Interreg IVC	€302m	€143K	€106m	35	9 Dec 09 – 5 March 2010
South East ERDF Competitiveness	£23m (€27m)	£622K (€732K)	£15m (€18m)	66	12 April – 12 May 2010
Totals	€1,151m³	€10.1m	€580m		

IAG support for Directorates' European policy and project activity

5.4 As can be seen, a considerable number of funding opportunities remain, including those programmes such as Interreg IVB which have been untapped in Kent despite being publicised by IAG. For example, a regional seminar on the IVB NWE programme was held at County Hall in Maidstone on 24 November 2009. In this regard, a key objective for IAG in 2010 is to develop further the support it provides to KCC Directorates. By increasing its understanding of Directorate policies and priorities IAG hopes to better identify potential EU funding streams and relevant policy

² Excludes projects already submitted and under appraisal

³ Excludes European Social Fund (ESF) and 'pan-European' programmes such as the Research Framework Programme (FP7)

developments, especially in order to maximise Kent's take-up of those Structural Funds which still remain. As a first step, Managing Directors are being asked to nominate appropriate officers within their Directorates to act as a key liaison point with IAG to develop these arrangements further. It is essential that we continue to maximise Kent's European income when there is heavy pressure on public funding.

6. Action 5 – Optimising benefit from our International and Domestic Partnerships

6.1 KCC's International Strategy emphasises that, firstly, 'existing relationships should be re-examined at regular intervals with a view to redefining common areas of activity and ensuring the focus is on practical co-operation projects and exchange'. Secondly, 'we should only consider new links where they demonstrate clear and quantified added-value. In particular new partners must:

- Share broadly similar social and economic characteristics;
- Provide similar opportunities, priorities and challenges;
- Be reasonably accessible at reasonable cost;
- Provide linkages of relevance to local communities on both sides'

6.2 I am in the process of reviewing our existing International Partnerships and Networks, including the key objectives and outcomes expected from our involvement, in the light of the different emphasises placed on the work of the team by the Staying Ahead document.

6.3 In particular there is a need to think through the partnerships we have specifically developed to help Kent Company's trade internationally. The link with Virginia State is very important and in this regard, with the relatively recent election of a new Governor, I anticipate renewing the existing Memorandum of Understanding to place a greater emphasis on trade and commerce links with a view of a trade mission in 2011. There is also a need to develop a Far East partnership and KCC has joined the Singapore Business Council opportunities including the gateway to China role that Singapore plays.

Partnership with Pas de Calais

6.4 At the last meeting between KCC Leader Paul Carter and the President of the Conseil Général Dominique Dupilet on 11 March 2009, a number of actions for KCC – Pas de Calais cooperation were agreed, in particular; giving a boost to joint cross-channel tourism. Since then, two substantial Kent – Pas de Calais tourism projects: 'Greet the World' and 'CAST' (Coastal Actions on sustainable Tourism) were approved at the Interreg IVA '2 Seas' Programme Steering Committee in Breda (NL) on 23 October 2009. Good progress has also been made in delivering the Interreg 'Observatory' project on Improving Public Services on both sides of the Channel as well as moving forward on potential World Heritage Status for the Dover Straits based on an Amendment to the original Partnership Agreement which the two leaders signed at the March meeting.

6.5 After the French regional election we will also be strengthening our links with Conseil Régional du Nord Pas de Calais. KCC participated in a range of activities during 2009 within the overall context of a programme of joint Pas de Calais and KCC events, the 'Year of Franco British Partnerships' (or 'Channel Hop') encompassing the

100th Anniversary Commemoration of Louis Blériot's first flight across the Channel. These included the Dover Festival and Gala Dinner of 25-26 July, the Nature Trail project of 16 and 18 June and the Guided Walks of 6 September and 4 October. A review of progress with all KCC – Pas de Calais cooperation projects will take place at the next Leaders' meeting currently scheduled for 18 May 2010 at Leeds Castle which will include showcasing of the strategic tourism projects now underway.

Domestic partnerships

6.4 International Affairs Group generates income via Service Level Agreements (SLAs) with a number of partners in Kent: the University of Kent, University of Greenwich, Canterbury Christ Church University, Shepway District Council, Medway Council, Business Support Kent, and, most recently, Kent Fire and Rescue. Over the last year a new approach has been developed with a limited number of strategic SLA partners to strengthen the development of policy initiatives that reflect joint agendas and are to the mutual benefit of *both* parties.

7 Recommendation

Members are requested to note the report

Contact: David Oxlade, Head of Research, Strategy and International;
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INTERNATIONAL AFFAIRS GROUP

‘STAYING AHEAD OF THE CHANGING GAME’

Kent County Council’s approach to international work re-stated to meet the challenges of the second decade of the twenty-first century
By Alex King, Deputy Leader of the Council

The Recent Past

The purpose of the then European Affairs Group was defined by the document ‘Staying in a Changing Game’ published in 2003. This document outlined seven key objectives

- Focussing on an intelligence-led approach to policy and delivery
- Providing clear leadership for Kent and beyond
- Networking beyond the Euroregion
- Establishing consistency across Kent through the International Affairs board
- Modernising relationships with Partners
- Restructuring the team
- Balancing the budget

The implementation of the approach outlined in ‘Staying in a Changing Game’ was in part reflected in KCC’s CPA assessment in which the Audit Commission congratulated the County Council in its outward looking stance commenting that “the Council and its partners are acutely aware of the strategic opportunities and challenges of the ‘Corridor to Europe’ transport links that cross the County from London to Dover and the Channel Tunnel. They have adopted early, active and successful horizon-scanning and wider lobbying to ensure that the benefits accrue to the people of Kent to offset the adverse impact on their environment.” (Audit Commission, KCC Corporate Assessment June 2008).

The Present

However, Europe continues to change – as does the County Council – and we need to respond to different policies, attitudes and structures.

Since I wrote ‘Staying in a Changing Game’ there have been a number of internal and external developments that impact on the re-named International Affairs Group’s work and how it operates. These are listed on the following page in box 1.

Box 1: Internal and external changes on IAG

Internal Forces including....

- The election of a new Administration, Leader and Cabinet
- A radically changed corporate policy framework with new priorities and focus
- The head count of IAG has been gradually reduced from 11 to 7 members of staff. Including a change to the Head of Brussels office and the reduction in the head count in the Brussels from 4 to 2
- The appointment of a Deputy Cabinet member for International work
- The publication by Cabinet of an International Strategy in 2008
- The relocation of IAG to the Chief Executives Department in 2006
- The move to new Brussels offices – International House - in 2008
- The reduction in the number of SLA partners
- The creation of the Kent International Advisory Board

External Forces including....

- The expansion of the EU from 15 to 25 and then to 27 member states
- The introduction of new funding regimes including new structural fund programmes from 2007 – 2013
- The start of preparations and negotiations for the total EU budget 2014-2020
- The start of preparations and negotiations for the Structural Funds 2013-2017
- The collapse of sterling with depreciation of up to 30% against the euro
- The creation of the PASCAL international network with Kent as a founder member

The immediate impact of the current recession means that we must ensure that IAG remains true to its core business. We have seen dramatic reductions in inflation and interest rates and the UK continues to be in a real recession – unlike most of Europe – with rising unemployment and the prospect of continuing increases in business failures.

Testing the Outcomes of Staying in a Changing Game

Of the seven priorities for action in the original 'Staying in a Changing Game' document, five related to how the team operated.

'An Intelligence led approach' (Action 1) remains important, especially in the longer term. Whilst, as foreseen, relatively less funding was allocated to countries such as the UK following enlargement of the EU in 2004, Kent remained eligible (itself a testimony to KCC's influencing activity) for a number of the EU new programmes for the 2007-13 period. Although competition for funding has increased significantly, these programmes provide a key opportunity to support our priorities over the next few years but will require Directorates in particular to invest staff and resources in order to reap the benefits.

If anything, 'Leading the Region' (Action 2) now has even more bearing given current uncertainty over the future of the regional bodies, including the withdrawal of SEEDA from various stands of EU activity and the winding-up last year of the SEEDA/SEERA Joint Europe Committee (JEC). There is therefore an opportunity for KCC to lead and set the European agenda in these current circumstances through South East England Counties where we are recognised as the leader in this field, building on the positive references to the authority's European and International work in the CPA Report.

Following the ending of the Euroregion in 2004 (Networking beyond the Euroregion : Action 3) KCC has further developed around a dozen partnerships, networks and other international relationships where these have supported core business and the County Council's key priorities. These include a new bi-lateral agreement with the Conseil Général Pas de Calais, the setting up of the European Network of High-Speed Regions and the establishment of the PACAL International Observatory, the formal relationship with the Commonwealth of Virginia and bi-lateral connections with other countries in Europe and Asia.

Joined up activity (Action 4) has been enhanced by the strengthening of IAG's corporate role, including its relocation to CED, in providing a coordinated approach to KCC's overseas activity. The establishment of a KCC internal International Affairs Board (IAB) with Directorate representation was supplemented in July 2008 by a Kent International Advisory Board (KIAB) to help provide a joined-up approach to international work across the county.

Staying ahead (New arrangements with Partners: Action 5) envisaged the development of Service Level Agreements (SLAs) which reflected joint agendas rather than the sole interests of the partners. This approach is currently being strengthened further with a targeted number of strategic stakeholders in Kent, particularly those which have an SLA with the County Council. This will require IAG to concentrate and deepen its work and relationships in a number of core areas to mutual benefit.

The Future

KCC has a robust policy framework to guide the work of IAG over the next few years including the Vision for Kent, Towards 2010/2014, The International Strategy, the Regeneration Framework, Backing Kent Business and Backing Kent People.

This framework, together when overlaid with our experience of the implementation of 'Staying in a changing game' and our analysis of the internal and external environment (under

sections xx of this report), suggests 5 thematic priorities and 5 cross-cutting actions that will guide IAG’s future delivery of KCC’s priorities and international activities.

Figure 1: Thematic Priorities and cross-cutting actions guiding IAG’s future work

Policy Development and Influence				
T R A N S P O R T	E D C E O V N E O L M O I P C M E N T	S E C U R I T Y	D E M O C R A T I C H I C	P U B L I C I N N O V A T I O N S E C T O R
Developing our Links with Business				
Increasing Our Support for Project Development				
Maximising our International Partnerships				
Securing Kent’s Competitive Position in Future EU Funding Regimes				

Action 1 – Policy Development and Influence

Kent’s interests at European and national level are critical - with a focal point in Brussels and active networking wherever we need to influence future policy. A general ‘watch’ on the 70% to 80% of European legislation that impacts on the work of local authorities may be useful but a clear focus on policy priorities is essential. The following policy strands will be the priorities for the coming years

- Cross border transport - including Operation Stack intermediate High Speed Rail stations, the future of Eurostar and the use of High Speed 1, movement of freight on to rail.
- Cross border economic development – changes and the revision of the Lisbon strategy and the implications for areas such as regional airports (Lydd and Manston), rail linkages, and the deregulation of businesses
- Cross border migration (not asylum).
- Demographic change (ageing/ reduction of working age population) - impact on health and care with liberalisation of cross border health and social care systems
- Cross border security including asylum
- Public sector innovation - the use of technologies and innovation in all aspects of reshaping the nature and delivery of public service provision
- The climate challenge

Action 2 – Securing Kent’s Competitive Position in Future EU Funding Regimes

The programmes for which Kent is currently eligible, such as Interreg, the Competitiveness Programme and ESF, end in 2013. The Commission’s Green Paper on Territorial Cohesion of October 2008 signalled the start of a debate on the future of EU regional policy and European Funding for the new programming period 2014 – 2020. Having coordinated a Kent response to the Green Paper, a key objective for IAG will be to ensure that Kent continues to be eligible for EU support under any future funding regime. Actions for IAG in this area will therefore include:

- Keeping abreast of policy developments in this field and disseminating information to key partners
- Developing a clear Kent policy position as the post-2013 debate unfolds
- Coordinating and drafting Kent-wide responses to any UK government or European Commission draft proposals
- Maintaining and utilising EU, national and regional level contacts including MEPs, and networks such as the LGA or AER, in order to influence policy development in this field
- Working with local, regional and European partners and networks to develop joint positions in line with our priorities.

Action 3 – Developing our Links with Business

Although the team has always had a strong relationship with Visit Kent, Locate in Kent and Business Link there have never been strong links with the business community. However, given the current economic circumstances and KCC’s renewed commitment through the Regeneration Framework and Backing Kent Business the team will become more involved in helping Kent companies ‘internationalise’. This is not to stray in to the work of Visit Kent, Locate in Kent or Business Link but to offer higher levels of support to them in their work and to increase our work in supporting Kent companies to trade overseas as exporters and, as importers to improve their supply chains

This will include

- Developing the work of the Kent International Advisory Board
- Researching and meeting the international needs of Kent companies
- Developing a suite of support tools and networks for Kent companies and organisations
- Establishing the need and demand for trade missions
- Improving the networking of existing resources
- Working to improve the way European funding can be used to ‘unlock’ talent to support economic recovery
- Campaigning for changes in the EU’s current Lisbon strategy (for growth and jobs) to better reflect current economic circumstances
- Campaigning with key business partners for the simplification of EU rule and regulations and to reduce the overall administrative burden of the regulatory regime

Action 4 – Increasing Our Support for Project Development

Competition in securing EU funding has progressively become more and more competitive partly because of the expansion of the EU but more particularly the extension of the

geographic scope of the Interreg programmes and the developing experience and competency of public and private bodies in bidding for funding.

Whilst we are ahead of the game in ensuring Kent as a region is included in programmes, it is becoming more and more difficult for KCC service Directorates to develop successful project applications and then to make it through the project selection process. Whilst, as indicated earlier, Directorates will need to prioritise limited staff and resources for this activity in order to maximise the benefits, IAG will also need to provide more support to service Directorates by:

- Maximising our influence from our attendance at Programme Committees and related sub-groups and continuing to seek representation where we do not currently have membership.
- Strengthening our working relationships with the individual programme secretariats
- Devoting more staff resources in support of service Directorates in partner search, brokering European partnerships, supporting bid development and sustaining a partnership development process during the life of the successful projects. This project support will be focused on those policy priorities identified in Action 1 above
- Development awareness and access to the wider range of EU funding streams not traditionally accessed in Kent including more direct involvement in European Commission pilot projects
- Promoting full use of International House as a European hub for project development and dissemination

Action 5 – Optimising benefit from our International and Domestic Partnerships

The International Strategy is quite clear on the need to capitalise on existing links and to focus on a limited number of key partnerships with other regions. For IAG these relationships are needed for three broad reasons. First, most funding into the County requires cross-border partner consortium bids. Second, experience has taught us that policy influence both in the EU and indeed nationally is enhanced by an international partnership approach. Third, the need to identify and use best practice from anywhere in the world to in support of KCC's approach to service improvement and innovation. Thus IAG will achieve by:

- Strengthening collaboration and joint working in the following key regions
 - Nord Pas de Calais / Pas de Calais
 - Province of West Flanders
 - Province of North Brabant and the City of Breda
 - Stockholm Region
 - Commonwealth of Virginia
- Maintaining good, but light touch relations with
 - Conseil Général de Nord
 - County of Bacs-Kiskun
 - Jamtland County
 - Region of Flanders
 - Certain key Governmental, industry and non-governmental stakeholders where interests are aligned with Kent on thematic priority areas.
- Exploring the need or otherwise for a strategic partnership with a region of China and elsewhere in South East Asia

- Extending our virtual network of partners through the work of the PASCAL Observatory
- Keeping existing, and any potential new partnerships, under regular review to ensure they remain focused, relevant and mutually beneficial

In addition, the move towards agreements with domestic partners that reflect joint agendas rather than the sole interests of the partners will be accelerated. IAG will:

- Focussing service-level agreement partnerships to strategic stakeholders who can work together on a number of core areas of mutual benefit.
- Developing a more customer-responsive range of activities that cover areas of mutual benefit for organisations beyond the core, strategic stakeholders

The Result

We will stay ahead of the changing game by

Presenting clear and coherent representation of KCC's International policy priorities with the EU and other international partners, driven by KCC's corporate policy framework.

- ***Leveraging existing influence, partnerships and projects to help deliver our other thematic priorities or and cross-cutting actions.***
- ***Refining and improving the intelligence led approach to European work.***
- ***Extending the reach of KCC's policy influence to an appropriate wider international audience***
- ***'Winning' the competitive process of retaining Kent's eligibility for EU structural funding post 2013***
- ***Securing for Kent more funds than any other County area eligible for Interreg funding***
- ***Actively contributing to working with partners on supporting Kent organisations to win inward investment, to attract new visitors and to benefit from international commerce***
- ***Establishing of a Kent-led South East EU Policy Network working through South East England Councils***
- ***Reviewing and strengthening our international partnerships and networks to maximise their contribution Kent priorities and support practical cooperation projects.***

Alex King MBE
Deputy Leader, Kent County Council
And
Chairman, Kent International Advisory Board

November 2009

By: Roger Gough, Cabinet Member for Corporate Support Services and Performance Management
David Cockburn, Executive Director, Strategy, Economic Development and ICT

To: Corporate Policy Overview and Scrutiny Committee

Date: 8th April 2010

Subject: ICT Strategic Plan

Classification: Unrestricted

Summary

This report provides an update to Members on the ICT Strategy and Broadband availability across the county

1. Background

- 1.1 The approach to information and communication technology (ICT) has been structured to reflect the strategic objectives identified in the 'Vision for Kent'. This ensures that the potential to impact on community and public service outcomes remains the primary consideration of ICT investment and activity throughout the council.
- 1.2 This methodology identified the development of broadband infrastructure across Kent as an essential requirement in the delivery of the themes in the 'Vision for Kent'. The council has been at the centre of broadband initiatives since 2003 and this continues to be supported in medium term business and financial planning.
- 1.3 The dependencies and balance between regeneration, digital solutions, community outcomes and efficient and effective delivery of public services remain at the core of ICT strategic planning. A brief summary of development and delivery of the organisational elements of the council's ICT strategy are given at the end of the report.

2. Broadband Delivery

- 2.1 Digital strategy has evolved in response to both the success of the interventions by the council and the increasing national recognition, public and private, of the relevance of broadband. From the digital enablement of the first of Kent's 135 telephone exchanges in 2004 the pressure applied to telecommunications to increase the pace, quality and capacity of Kent broadband infrastructure has been continuous.

- 2.2** The connecting Kent capital programme funded the digital enablement of the last 3 Kent telephone exchanges in April 2007. Since then the priority has been to reduce the number of Kent households without any access to broadband, the so called 'not spots' where the cable distance from the exchange is simply too far for broadband to be achievable over copper wiring.
- 2.3** This programme of work has reduced the number of properties without broadband from 37,958 to 14,669 since 2007. The council continues to work with local communities to address these 'not spots' by identifying alternative solutions through tender and then providing parish councils with grant funding to support implementation.
- 2.4** This initiative continues to attract extensive interest and support. When included on the agenda for meetings of the local parish council attendance is typically over 100 participants. An additional benefit has been that all parishes to have been through this process to date have awarded contract to Kent based companies.
- 2.5** Analysis of areas with no or poor broadband access have been compared with priorities for regeneration and growth. Of most concern within this context has been the poor broadband provision to Kings Hill. Extensive lobbying by multiple agencies has not to date succeeded in inclusion of the West Malling exchange in the scheduled rollout of next generation broadband (NGB) by BT Openreach.
- 2.6** To resolve the lack of response from the telecommunications industry who set the priorities, 'not spot' grant funding was made available to the parish council who invested in implementation of a wireless solution to increase broadband provision in the interim. Engagement of the stakeholder group continues for the West Malling exchange to be included in the next NGB investment cycle. If successful this would result in infrastructure investment from spring 2011. Although pressure was applied for the council to subsidise such future investment, as this would not impact on time scale for investment, it was concluded by the parish that greater benefit would be realised by the community through the investment in the interim solution identified.
- 2.7** The opportunity to capitalise on the procurement capacity of the council has also been extensively exploited. The design and implementation of Kent Public Service Network (KPSN) has resulted in a 55% increase in availability of business broadband in Kent with the number of exchanges delivering this service having increased from 31 to 53.
- 2.8** Availability of infrastructure is not the only consideration that needs to be addressed. Mapping of social deprivation shows a strong correlation with that of digital exclusion. These are typically most prominent in urban areas which are known to enjoy reasonable broadband capacity. Through public service network links and terminals in schools, libraries,

adult education centres and gateways it is estimated that over 30% of Kent's population, across all social groups, enjoy internet access through direct public service provision.

3. Broadband Development

3.1 Pace of change and innovation within the telecommunications industry and around broadband provision should not be underestimated. It is less than six years since the first public broadband circuits became available in Kent. The core infrastructure used to provide those services, based on copper circuits, is already obsolete as it can no longer provide sufficient capacity (bandwidth) to support services which have developed as a consequence of broadband availability. The challenges for Kent associated with this analysis are identified in Appendix 1, the slide deck that accompanies this report.

3.2 It is assessed that this cycle will continue and this conclusion needs to inform how the council further develops and evolves digital strategy for the region. This will need to sustain both the existing programme to resolve 'not spots' at the same time as setting more ambitious targets to identify how to manage the £1.1 billion cost of 'rural broadband' that it is anticipated that market forces will fail to address, **areas where 39% of properties and 30,096 Kent businesses are located.**

4.0 Broadband Action Plan

4.1 Kent Public Sector Network

4.1.1 Increasing the number of public sector sites making use of KPSN has a direct impact on the business case for establishing a presence in the local telephone exchange, introducing the opportunity to improve business/community services at the same time. Discussions are underway with the cabinet office, DWP, Kent Fire & Rescue and Kent's 3 Primary Care Trusts to explore opportunities to extend this 'total place' approach to network infrastructure.

4.2 Not Spots

Proposed programme of grant funding for 2010/11

Parish	Number of households	Number of businesses	Number of properties with no broadband	Number of properties below 1Mbps
Boughton Monchelsea	1188	253	167	784
Chilham	725	119	36	165
Crockenhill	725	65	13	70
Manston	431	122	97	369
Stockbury	289	110	92	342
Westerham (specifically Crockham Hill)	322	56	22	246

4.3 Commercial Investment

4.3.1 Work is being progressed with a number of private sector companies who have expressed interest and support for a strategy to encourage and develop commercial opportunities around future broadband services. Creating demand for such services will impact on the commercial rationale for broadband investment. There is particular interest in development of services that could be delivered across broadband that would benefit small and medium enterprises. This work is being undertaken jointly with the regeneration team.

4.4 Inter Authority Cooperation

4.1.1 Joint discussions are held on a regular basis with East Sussex CC and Hampshire CC. A separate dialogue is also taking place with Surrey. Such discussions are useful in both sharing best practice but also in lobbying for beneficial outcomes with both industry and central government. On 7th January, The Secretary of State for Business, Innovation and Skills announced that rural communities and hard to reach areas that do not have access to next generation broadband will benefit from a share of £1billion of Government investment from the Next Generation Fund.

5. ICT Strategic Plan

5.1 Digital Strategy

5.1.1 The increasing relevance of the digital agenda has prompted the development of what remains the primary objective of the council's strategic ICT plan, into a discrete strategy under the umbrella of the regeneration framework. A more extensive summary of the approach

to broadband are provided in appendix 2. Inter dependencies with the other tiers of ICT strategy must also continue to be maintained and from 27 January 2010 also consider the implications of the national ICT strategy published on that date.

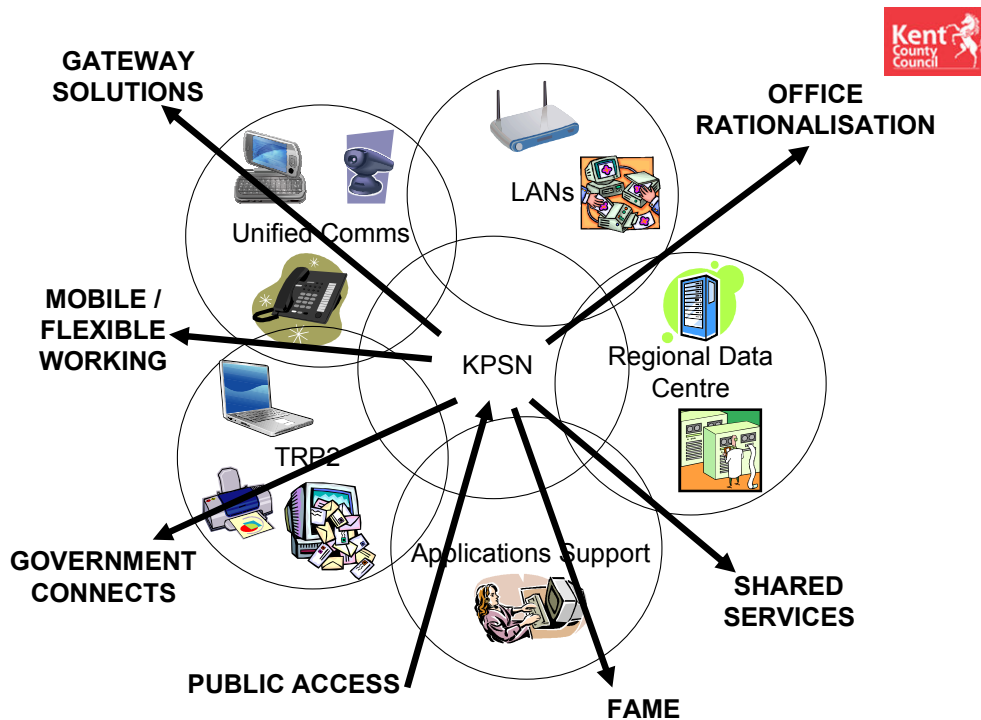
5.2 Shared Services (Total Place)

5.2.1 The potential for ICT to underpin the delivery of more effective public services through use of common infrastructure, has along with broadband, been a major component of ICT strategy since 2004.

- Since July 2009 Kent Local Authorities host one of only 4 aggregated public service network solutions in the UK, supporting 1,200 sites and linking 14 local authorities, Police, Fire and Rescue and central government.
- Discussions are well advanced with the Fire and Rescue Service for all 64 fire stations to be added to the network during 2010.
- The Joint Academic Network (Janet) which serves the 19 university sites across Kent already works in partnership with KPSN in the delivery of internet access. The intention for 2010/11 is to build on this partnership to unify the two networks.
- A joint proposal has been put forward with Kent & Medway NHS Trusts to unify KPSN and the health Community of Interest Network (COIN) when the existing COIN contracts expire in 2012.
- KPSN has been put forward as an exemplar on how to deliver a national public service network through regional solutions, now adopted as part of national ICT strategy within the cabinet office 'network of networks' proposal.
- With connectivity provided by KPSN, the second phase of investment has been development of shared data centre facilities, based in Medway and Maidstone, which in turn will support unification of systems and inter agency working.
- Opportunities with neighbouring county and unitary authorities are being explored, where availability of common infrastructure would allow aggregation of non core functions reducing duplication and cost.

5.3 Organisational Efficiency

5.3.1 The ICT capital programme is designed to both reduce ICT overheads while at the same time underpin the key corporate and directorate business improvement programmes.



5.3.2 The programme also continues the strategy of moving towards sustainable, reliable technology base that supports service development and avoids technology becoming a constraint. This has consolidated:

- Desktop and email services – contract renewal in October 2010 to incorporate enterprise wide print solution.
- Single data network (KPSN) serving multiple public agencies – extension to include unified communications from spring 2011
- Rationalisation of public service data centres in Kent to be completed Autumn 2010
- 'Virtualisation' of hardware platform allowing multiple systems to be delivered from fewer servers and ultimately shared between multiple agencies – 2011 onwards

5.3.3 The current capital programme will consolidate all aspects of ICT infrastructure delivering the most economic solution for ICT provision. Moving forward opportunities for further efficiency will need to consider:

- More ambitious infrastructure aggregation to support all agencies within a region and/or covering a wider geographic base.
- Investigate opportunities for consortia of local authorities to share systems and consider promoting these with central government as solutions to be deployed within the proposed 'G-Cloud', a pan government point of access for systems.

5.3.4 As can be seen from appendix 3, Kent's local authorities are already well advanced in delivering 3 of the 4 core elements of the recently launched national ICT strategy.

5.4 Service Efficiency

5.4.1 The ICT unit is separated into commissioning and operational activity. The activity of the commissioning unit has been the primary focus of this report. The final tier of the ICT strategy is focused on the effectiveness of operational activity and the teams responsible for delivering and maintaining the technology on which public service is now dependant.

5.4.2 The discrete roles within ICT are themselves central to future outcomes. ICT support overheads can most effectively be reduced by aggregating activity across multiple agencies and authorities. Professional efficiency is the primary objective of the operational team which when combined with the exceptional low per capita costs of the service; provide a strong base with the capability to support multiple agencies.

6.0 Recommendation

Members are asked to note and comment on the content of this report.

Lead Officer Contact:
Head of ICT Commissioning
Peter Bole
Tel: 01622 696174

Appendix 1 – Broadband Slide Deck

Appendix 2

Digital Strategy

The Digital Britain report proposes limited intervention for public funded investment in broadband infrastructure. The income raised nationally will be in the order of £150M per annum. With investment shortfall for Kent alone of over £1 billion, local initiative/intervention will be required if any significant progress is to be made within an acceptable time scale.

The digital strategy being developed as part of the regeneration framework comprises three primary elements:

- Encourage and facilitate private sector investment
 - This element of the action plan recognises the need to encourage investment in infrastructure based on the potential for commercial return. With the bulk of Kent's economy driven by SME's, the opportunities being considered are the development of services that could be consumed by these businesses as a means of reducing their overheads, at the same time as establishing a new market for the potential providers of such services.
 - Another approach considers Kent's commuter population. As environmental and considerations become increasingly sophisticated, London based institutions will become increasingly concerned with avoiding the overheads associated with city based accommodation, staff productivity and carbon trading. With transport estimated as accounting for 29% of carbon emissions, methods of enabling employees to work from home or near home locations are likely to increase in relevance and attract investment.
 - Engagement to achieve individual sign up for software services is becoming an increasingly competitive market. As avoiding digital exclusion across Kent's communities is another of our public service targets there is an opportunity when progressing this agenda to influence private sector investment for mutual benefit.
- Reduce investment cost
 - The most significant element of cost associated with delivery of next generation broadband is the dig cost of laying fibre. There are an increasing number of companies interested in developing innovative solutions to overcome the high capital cost of

traditional methods. Wireless and satellite are possibilities for the future, although currently utilising alternative utilities infrastructure offers the most promising options E.g. data over power of using existing sewage networks as fibre conduit.

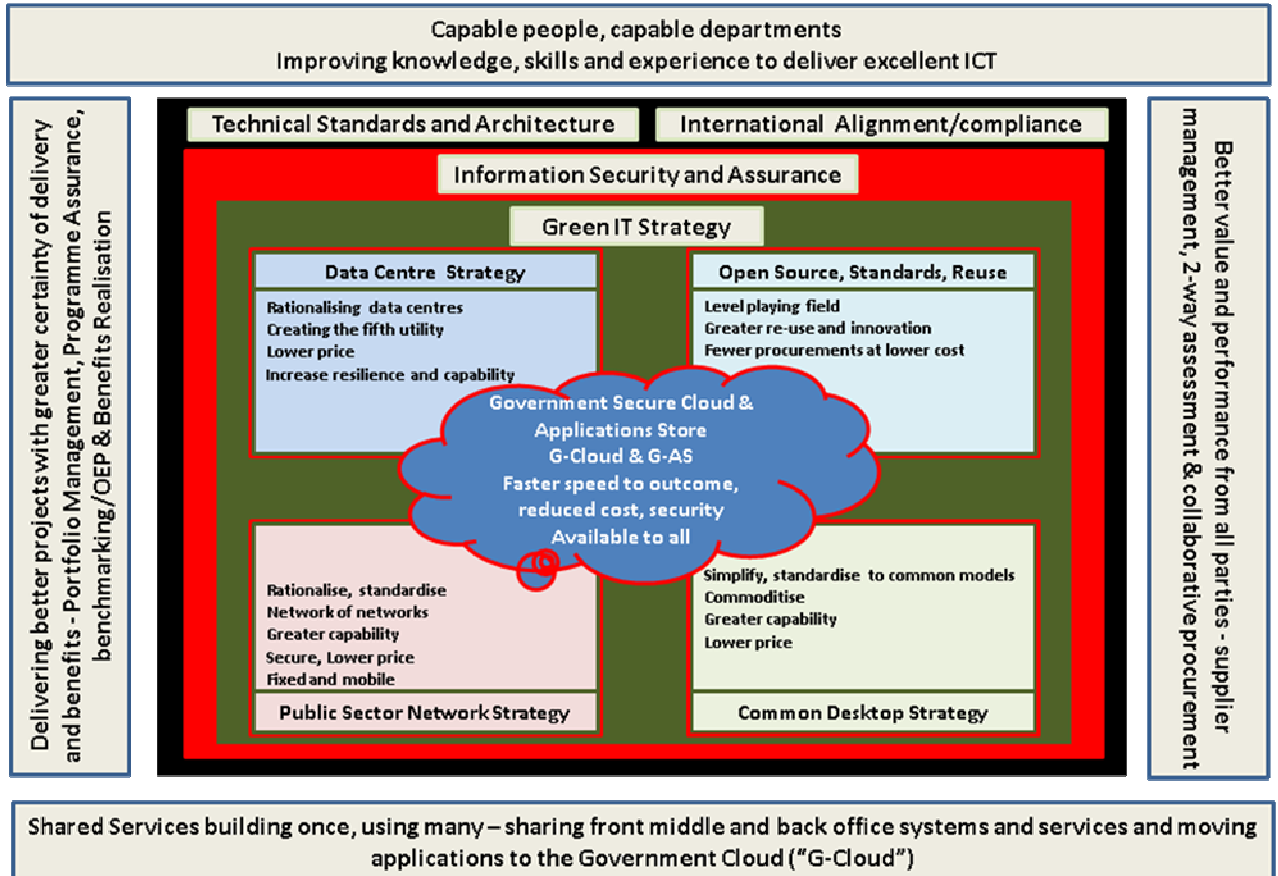
- There is constant refresh and renewal of all elements of Kent's infrastructure. Outside of growth areas much of the planning for this investment is ad hoc and uncoordinated. A more comprehensive and inclusive approach across government and private sector has the potential to reduce the cost of laying down new infrastructure if more closely linked to existing unrelated works.
- Make better use of public infrastructure
 - The Kent Public Service Network (KPSN) delivers high quality/capacity bandwidth to 1200 public sector sites across Kent. The use of this purchasing power can be harnessed to influence the investment behaviour of telecommunications suppliers. The more extensive the use of this common solution across public agencies the greater the benefit to be derived by local communities and businesses.
 - Direct use of the KPSN in delivery of wider public broadband access where market failure can be identified.
 - Direct intervention through grant funding to resolve specific 'not spot' low bandwidth locations across Kent. Application of the proposal in both this and the previous bullet point has to be within the provisions of State Aide Regulation.
 - Kent's topology and the broadband challenges this gives rise to are not unique. By working in cooperation with other shire counties our joint lobbying and influence is increased.

None of these strategies are mutually exclusive and it is essential to recognise the relationships and interdependencies. E.g. Identifying an opportunity for reduced investment cost could be key to making the business case for development of a new service. Making use of reinvestment in associated utilities might only be viable where interim use could be made to a point of presence on the public service network in the short term.

Appendix 3

National ICT Strategy

UK Government ICT Strategy... A pictorial view



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Corporate Policy Overview and Scrutiny Committee

ICT Strategy

8 April 2010

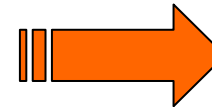
ICT Strategy



'What'

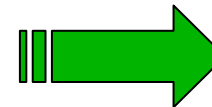
'How'

Community Outcomes
Use of ICT to support and Vision for
Kent and improve prosperity



Broadband delivery

Public Service
Development of shared ICT
services across the public sector



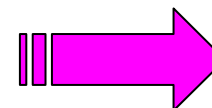
*Multi agency
solutions*

The Council
Provision of ICT Infrastructure to
underpin transformation

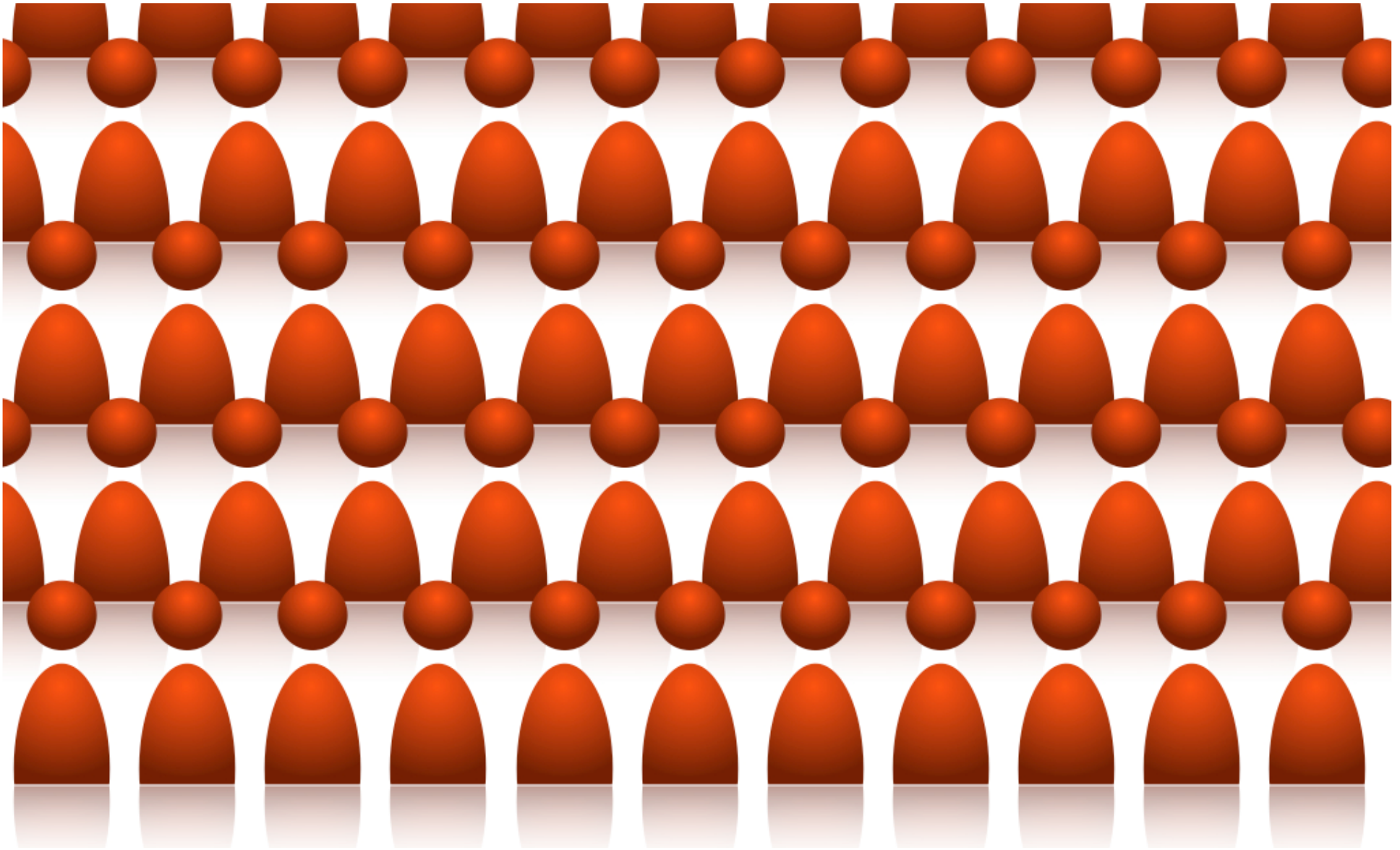


*Sustainable, value
for money ICT*

Business Direction
Application of private sector best
practice to deliver effective
ICT services



*Continuous
Improvement*



**Over 25% of the world's 6.7 billion population
now use the internet**



1,400,000 UK pupils have their own web page.
Over 50% of 5-9 year olds have mobile phones, nearly 100% of over 9s

Digital Challenge



Whether self employed or employing people the challenge is the same:

- **Digital technologies are a key component of future growth and prosperity and the transformation and continued modernisation of public services**
- **The infrastructure proposed by Digital Britain (DB) fails to address the requirements of non metropolitan areas – which will disadvantage Kent**
- **If targets for broadband capacity set by DB are not significantly increased and achieved, then the UK's ranking based on planned investment will slip further**

**The UK ranks
25th in the world**

**in broadband
Internet
availability**



Broadband Leadership Survey 2009

Rank	Country
1	S. Korea
2	Japan
3	Hong Kong
4	Sweden
5	Switzerland
6	Netherlands
7	Singapore
8	Luxembourg
9	Denmark
10	Norway
11	Malta
12	Iceland
13	Australia
14	Lithuania
15	United States
16	Ireland
17	Canada
18	France
19	Estonia
20	Belgium

Rank	Country
21	Finland
22	Slovenia
23	Taiwan
24	Latvia
25	United Kingdom
26	Bahrain
27	Germany
28	Cyprus
29	Czech Republic
30	UAE
31	Romania
32	New Zealand
33	Spain
34	Bulgaria
35	Qatar
36	Austria
37	Portugal
38	Italy
39	Greece
40	Hungary

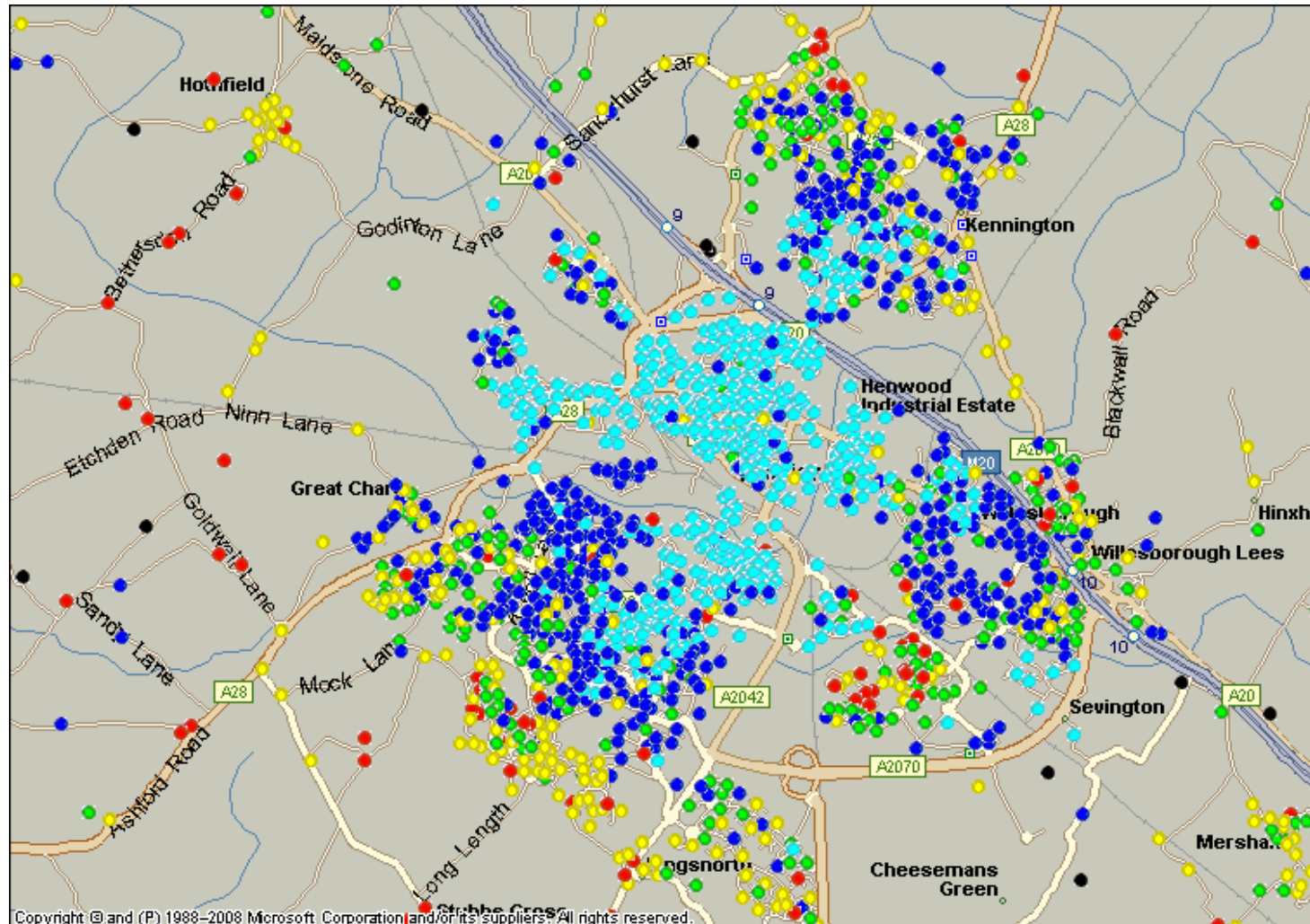
Full implementation of Digital Britain would NOT alter the UK's ranking

South Koreans pay less for 100mbps than we do for 2mbps

Broadband Concerns for Kent:

- **2 mbps for all properties being delivered in Kent only as a consequence of the action being taken by the council**
- **75% = 100% metropolitan coverage but only 60% in shire counties**
- **2017 broadband target only delivers 50% of capacity already achieved in S. Korea by 2009**
- **Telecommunications investment in Kent is focused on the 19 largest exchanges – there are 135 in total**
- **Identified public funding for 'rural broadband' across the UK is less than the amount required to address the shortfall in Kent**

ADSL Speeds in Ashford Town, October 2009

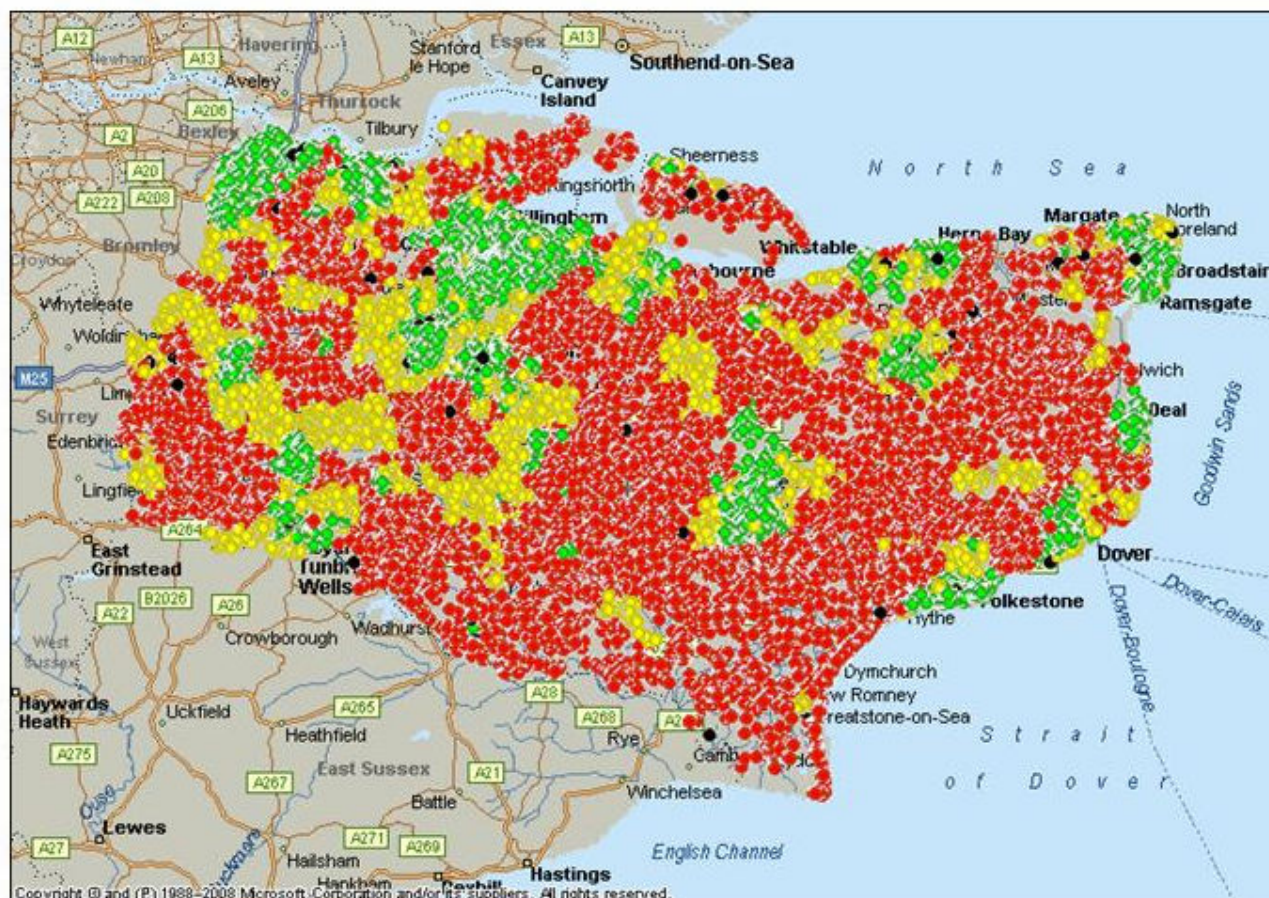


ADSL Speeds in Ashford

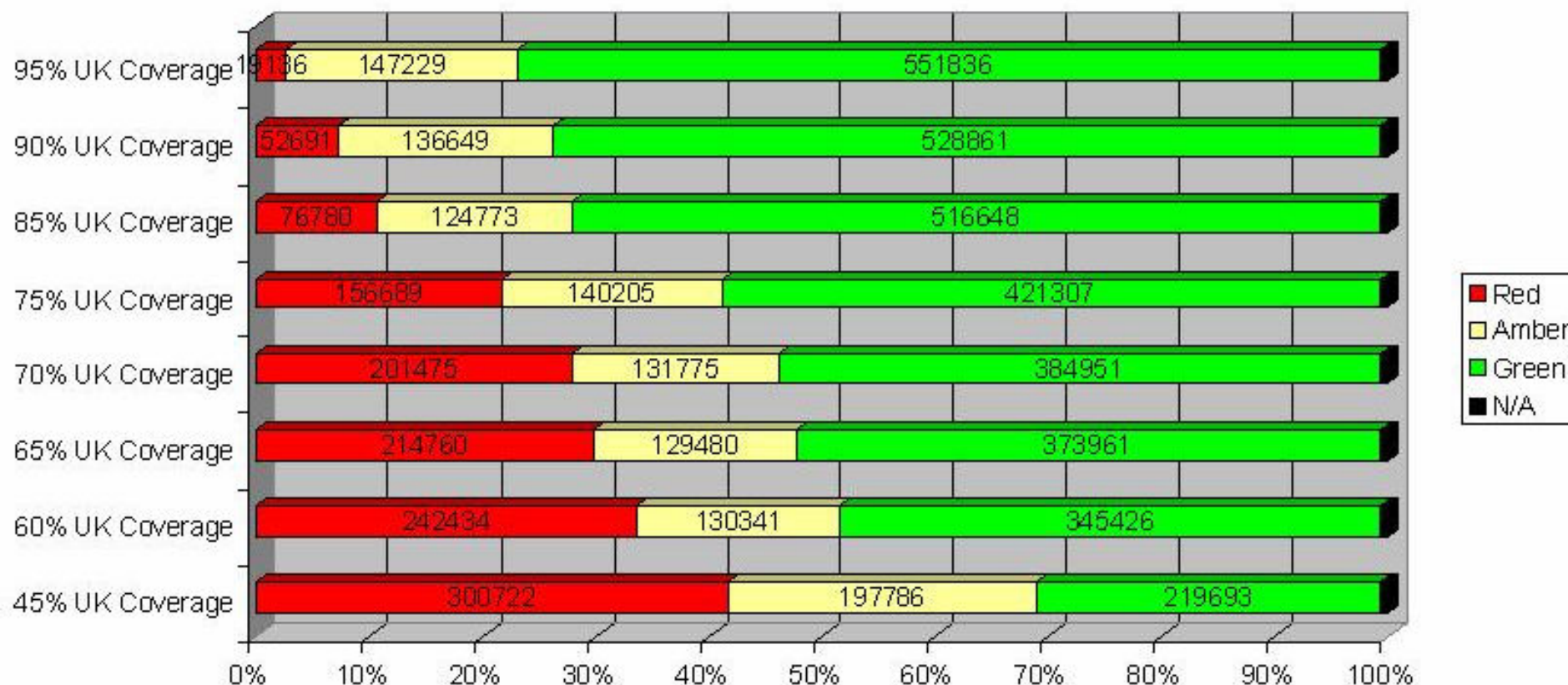
- 4.5 to 8 Mbps ●
- 2.5 to 4 Mbps ●
- 1 to 2 Mbps ●
- 250-500 kbps ●
- Out of Range ●
- No Data Available ●

Each dot represents a postcode that typically contains 10-15 properties

75% UK Coverage



Risk of Missing Out on NGA at Various Market Coverages (Total Kent Households)



Digital Strategy



What:

“Unlimited broadband available to every property in Kent and wireless services accessible in all public areas”

How:

- Encourage and Facilitate Private Sector Investment
 - New services new opportunity
 - Investment in remote working solutions
 - Software as a service

- Reduce Investment Costs
 - Data Over Power
 - Coordinated Infrastructure Works
 - Wireless & Satellite
 - Sewage Networks

- Public Infrastructure
 - Purchasing Capacity
 - Grant Funding
 - Lobbying
 - Network Architectures and Open Access

By: John Simmonds - Cabinet Member – Finance
Lynda McMullan – Director of Finance

To: Corporate Policy Overview and Scrutiny Committee – 8th April 2010

Subject: CED RISK REGISTER - UPDATE

Classification: Unrestricted

Summary: To update the committee of the latest content of the CED Risk Register.

1. Background

1.1. Business Units within CED have formally reviewed their risk registers as part of the annual business planning process. In line with the Council's Risk Management Strategy and Toolkit, the CED risk register has been compiled from the highest scored risks recorded within these registers. It was submitted for comment and approval to CED Management Team on 3rd February, and is submitted now for information. The full risk register is attached at Appendix 1.

2. Process

- 2.1. This revised register lists the key risks that have been escalated up from the unit risk registers of:
- Finance
 - Property Group
 - Personnel & Development
 - Commercial Services
 - Strategy Development
 - Strategy, Economic Development and ICT.
- 2.2. Only risks with a residual score of greater than 12 were selected for inclusion within the CED register for this iteration, and these were subject to a balanced assessment by the Head of Audit & Risk and the Corporate Risk & Insurance Manager.

- 2.3. The number of entries within the register has slightly increased this year which reflects the changing risk profile of the directorate and the improved compilation of registers. Of particular note is the increase in the number of financial related entries due to the economic downturn and the new or increased levels of risk this now presents to the directorate. Of the six risks which show a HIGH residual rating five are of a financial nature and under the control of the Director of Finance.
- 2.4. The residual rating shown against each risk is based upon the assumption that all identified mitigating controls are appropriate and operating effectively. Existing controls within the register will continue to be monitored by Business Units and new actions implemented as set out. Any additional action that is required will need to be intergraded into planning processes and kept under review by senior management.
- 2.5. As usual, key risks identified by Commercial Services considered to be commercially sensitive have not been included within the register.

3. CHANGES WITHIN THE REVISED REGISTER

- 3.1. The detail of amendments to retained and new entries within the register are shown in bold type, however the notable changes are set out below for ease of reference:

Register Ref	Detail	Rating
CED 3(c) Pg 8	Residual score for the existing risk relating to health and safety within Commercial Services increased by 1 point raising rating from MEDIUM to HIGH.	HIGH (16)
CED 11(b) Pg 9	Existing risk relating to the occupation by Commercial Services of the Gibson Drive site reduced from HIGH to MEDIUM due to extension of tenure.	MEDIUM (15)
CED 18 Pg 11	New entry - Financial risk relating to the mandated use of central government solutions which are less efficient than current systems escalated from Finance register.	MEDIUM (15)
CED 19 Pg 12	New entry - Financial risk relating to the Superannuation Fund and falling equity/property markets and investments escalated from Finance register.	MEDIUM (12)
CED 20 Pg 10	New entry - Failure to secure developer contributions towards infrastructure escalated from Strategy, Economic Development and ICT register.	MEDIUM (15)
CED 21 Pg 11	New entry - Financial risk associated with the delivery of major projects escalated from Finance register.	MEDIUM (15)
CED 22 Pg 11	New entry - Financial risk associated with the Growth Agenda escalated from Finance register.	MEDIUM (15)
CED 26 Pg 14	New entry - Financial risk associated with the review of formula grant by 2011-12 escalated from the Finance register.	MEDIUM (12)
CED 27 Pg 7	New entry - Financial risk associated with the review of dedicated schools grant formula.	HIGH (16)
CED 29 Pg 11	New entry - Effects of economic downturn on Kent Film Office escalated from.	MEDIUM (15)
CED 30 Pg 11	New entry - Financial risk associated with the withdrawal of funding for Kent TV.	MEDIUM (15)

- 3.2. The risks that have been removed from the previous iteration of the register are shown below. These risks have been removed due to changes in the risk context and/or controls being effectively applied, thereby reducing the residual risk score. Whilst these risks have been removed from the CED Risk Register they remain within lower level registers and are managed within the Business Unit.

Register Ref	Detail
CED 4	Managing staff absence Risk owner – Director of Personnel & Development
CED 7	Non delivery of planned receipts Risk owner – Director of Finance
CED 12	Non realisation of targeted savings Risk owner – Heads of ICT Commissioning & Operations
CED 14	Implementation of disparate and incompatible ICT solutions Risk owner - Heads of ICT Commissioning & Operations
CED 15	Attack on ICT infrastructure Risk owner - Heads of ICT Commissioning & Operations
CED 16	Major system failure Director of Strategic Development and Public Access

4. Recommendations

Members are asked to note this report and Appendix One.

David Tonks
Head of Audit and Risk
Ext 4614.

CHIEF EXECUTIVE’S DEPARTMENT RISK REGISTER

DATE: Revised November 2009

This register summarises the notable risks within the Chief Executive’s Department.
 Risks are recorded as HIGH, MEDIUM or LOW
 The matrix used to assess the level of likelihood and impact is provided for information.
 This register has been compiled from the registers prepared by individual Business Units.

Summary of risks	Residual score
High	6
Medium	20
Low	0

RISK MATRIX

Likelihood	Very likely	5	5 Low	10 Medium	15 Medium	20 High	25 High
	Likely	4	4 Low	8 Medium	12 Medium	16 High	20 High
	Possible	3	3 Low	6 Low	9 Medium	12 Medium	15 Medium
	Unlikely	2	2 Low	4 Low	6 Low	8 Medium	10 Medium
	Very Unlikely	1	1 Low	2 Low	3 Low	4 Low	5 Low
RISK RATING MATRIX			1 Minor	2 Moderate	3 Significant	4 Serious	5 Major
			Impact				

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
ED 8	Annual special grants significantly scaled back by government to try and rebalance overall public spending	Government Grant fails to increase in line with inflation, demographic, legislative changes etc	Manage	Director of Finance	<input type="checkbox"/> Lobbying of Central Government <input type="checkbox"/> Robust MTP <input type="checkbox"/> Peer review of pressures and savings	<input type="checkbox"/> Continued lobbying of Government <input type="checkbox"/> Policy led budgeting	Ongoing	I = 5 L = 5 R =25 HIGH	I = 4 L = 5 R =20 HIGH
CED 25	Spending review 09 – constraints on government funding due to significantly deteriorating public finances – risk of funding shortfall cost shunted to local government	<ul style="list-style-type: none"> Government Grant fails to increase in line with inflation, demographic, legislative changes etc Major funding shortfall risks on function transfers – e.g. Learning Disability from NHS, concessionary fares from districts 	Manage	Director of Finance	<input type="checkbox"/> Lobbying of Central Government <input type="checkbox"/> Working with LGA, SCT, CCN etc.	<input type="checkbox"/> Continued lobbying of Government <input type="checkbox"/> In depth financial Scrutiny of negotiations over LD transfer	Ongoing	I =5 L = 5 R =25 HIGH	I =4 L = 5 R =20 HIGH
CED 10 Page 193	Treasury Management Financial	Potential loss of principal sum	Manage	Director of Finance	<input type="checkbox"/> Treasury strategy <input type="checkbox"/> Treasury Management practices <input type="checkbox"/> Governance arrangements	<input type="checkbox"/> Full review of all elements	Ongoing	I = 4 L = 5 R = 20 HIGH	I = 4 L = 5 R = 20 HIGH

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
<p>CED 24</p> <p>Page 194</p>	<p>Financial and economic deterioration of UK wide economy (probably into recession) spills over into wider fabric of society with consequential pressure across all KCC services</p>	<ul style="list-style-type: none"> Increased unemployment Increased homelessness Increased crime Increased fraud Higher inflation Reduced income generation “Wealth depleters” depleting wealth more rapidly etc adding substantial demand pressures to KCC services at a time of high price inflation and limited ability to raise KCC income to offset price rises Reduction in Council Tax collection 	<p>Manage</p>	<p>Director of Finance (permeates across the council so CX, all of COG too)</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Lobbying of Central Government for additional resources <input type="checkbox"/> Robust MTP <input type="checkbox"/> Peer review of pressures and savings <input type="checkbox"/> Economic development and regeneration activity 	<ul style="list-style-type: none"> <input type="checkbox"/> Continued lobbying of Government <input type="checkbox"/> Policy led budgeting approach <input type="checkbox"/> Refocusing of priorities to target action to address financial, health wider socio-economic impacts of major recession 	<p>Ongoing</p>	<p>I= 4 L= 5 R= 20 HIGH</p>	<p>I= 4 L= 5 R= 20 HIGH</p>

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
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CED 27	Review of Dedicated Schools Grant Formula and associated matters results in adverse settlement for KCC	<ul style="list-style-type: none"> • Current DSG insufficient to cover pressures both in schools given lower minimum funding guarantee and in LEA retained services (Early Years, EWOs, Attendance and Behaviour etc.) • By 2010 all funding for 16-19 year olds transfers from LSC to LEA • DSG formula review underway for use in 2011-12 DSG settlement • Danger that any or all of the above result in large scale resource distribution between areas • Significant risk that KCC will lose grant 	Manage	Director of Finance (in conjunction with CFE Director, Finance and Corporate Services)	<input type="checkbox"/> Lobbying of Central Government <input type="checkbox"/> Input to DCSEF <input type="checkbox"/> Robust MTP	<input type="checkbox"/> Continued lobbying of Government and DSCF in particular	Ongoing	I =4 L = 5 R =20 HIGH	I = 4 L = 4 R= 16 HIGH
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Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 3 (a)	KCC has a statutory responsibility to maintain the health & safety of employees, service users and contractors	Failure to prevent and avert major accidents / breaches of legislation may result in an inability to deliver services and trade. Severe breaches would result in legal action against KCC	<input type="checkbox"/> Assess likelihood & manage <input type="checkbox"/> Compliance with legislation <input type="checkbox"/> Effective H&S practice and a managed safe working environment	Director of Personnel & Development	<input type="checkbox"/> Corporate Policy <input type="checkbox"/> Corporate H&S action plan <input type="checkbox"/> Monitoring <input type="checkbox"/> Training & Development <input type="checkbox"/> Corporate H&S Board + KCC Jt H&S Committees <input type="checkbox"/> Dedicated H&S staff corporately + within directorates <input type="checkbox"/> Directorate H&S groups <input type="checkbox"/> Risk Assessments <input type="checkbox"/> Public notices		Ongoing	I = 5 L = 3 R = 15 MED	I = 3 L = 3 R = 9 MED
3 (b)	As above	As above	As above	Director of Property for property / assets	<input type="checkbox"/> Construction Design & Management Regulations <input type="checkbox"/> Asbestos policy	<input type="checkbox"/> Legionella policy under review <input type="checkbox"/> Legionella register to be fully populated <input type="checkbox"/> Legionella cases to be reported to HPA. <input type="checkbox"/> Asbestos central register to be developed		I = 5 L = 3 R = 15 MED	I = 3 L = 3 R = 9 MED
3 (c)	As above People Reputation	As above	As above	Commercial Services Director	<input type="checkbox"/> Local H&S risk assessments <input type="checkbox"/> Use of lost time/ accident KPI at SMT	<input type="checkbox"/> Continued focus supported by SMT leadership and improved CSD wide communications and briefings		I = 5 L = 4 R = 20 HIGH	I = 4 L = 4 R = 16 HIGH

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 20	Developer contributions are intended to ensure that developers make appropriate provision for additional facilities and services, that are required to mitigate the impact of a development (Financial)	Failure to secure developer contributions towards infrastructure to help deliver sustainable communities	To secure development contributions to support delivery of community facilities	Head of Development Investment	<input type="checkbox"/> Co-ordinate on behalf of service providers representations to Districts on LDF process <input type="checkbox"/> Team leads identified for each project/major sites <input type="checkbox"/> Development of joint negotiation strategies with Districts for major site developments <input type="checkbox"/> Quarterly monitoring reports to Cabinet, COG and FSB <input type="checkbox"/> Developer's Guide linked to Community Strategy <input type="checkbox"/> Appeal hearings supporting methodologies in the Developers Guide <input type="checkbox"/> Use of in-house demographical model for identifying provision required from developers <input type="checkbox"/> Seek for a full range of KCC services <input type="checkbox"/> Use of external contractor to assist team <input type="checkbox"/> Use of virtual multi-disciplinary teams on major site developments <input type="checkbox"/> Training provided to team members on specific issues as part of development sessions <input type="checkbox"/> Continued liaison with AIT on service mapping	<input type="checkbox"/> Continue series of training workshops <input type="checkbox"/> Continued work programming schedules prepared by team leads <input type="checkbox"/> Consultation on service provider local development framework packs and adopt as KCC planning guidance <input type="checkbox"/> Lead revision of Developers Guide in readiness for adoption of SEP, possible implementation of CIL and other local tariff / charging regimes <input type="checkbox"/> Financial modelling work for capital infrastructure projects	Ongoing Ongoing Mar 2010 Dec 09	I= 5 L= 4 R= 20 HIGH	I= 5 L= 3 R= 15 MED
CED 1	Partnership working	Event funding from KCC/partners is substantially reduced leading to down sizing of capacity	Manage	Head of Partnerships	<input type="checkbox"/> Improvement programmes for KCC involvement in District LSPs and partner development of CDRPs <input type="checkbox"/> Dedicated lead roles e.g. Nbdh projects which support corporate working	<input type="checkbox"/> SSCG/CDRP focus in planning partnership approach for 2009 - 2010	Ongoing	I= 5 L= 4 R= 20 HIGH	I= 5 L= 3 R= 15 MED

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 29	Economic Downturn	This would have an impact on service delivery with regards but not exclusively to Amount of filming taking place, Training opportunities, Individual projects such as movie map.	Manage	Director of Strategic Development And Public Access	<input type="checkbox"/> Development fund in place to offer funding to filming taking place in Kent, this will in turn impact on ability to provide training opportunities and facilitate the movie map.	<input type="checkbox"/> Secure funding. Create board which can advise on which projects to invest in.	Ongoing	I = 4 L = 5 R = 20 HIGH	I = 3 L = 5 R = 15 MED
CED 30	Funding withdrawn	Manage	Funding withdrawn resulting in the closure of Kent TV	Director of Strategic Development And Public Access	<input type="checkbox"/> Contract has been awarded and funding secured until Mar '10. Kent TV is currently undergoing tender process and a formal decision regarding the service will be made Dec 09.	<input type="checkbox"/> Present successes to cabinet and secure extension of the project and funding. Also seek additional external funding from other sources.	Dec 09	I = 5 L = 4 R = 20 HIGH	I = 5 L = 3 R = 15 MED
CED 21 Page 199	Major strategic projects	Delivery of major projects with appropriate management of financial and borrowing risks to - Manston - Eastern Quarry - London Array - Ashford development	Project objectives delivered within budget	Director of Finance	<input type="checkbox"/> Existing project plans <input type="checkbox"/> Governance of projects <input type="checkbox"/> Financial planning of projects	<input type="checkbox"/> Proactive financial input to projects <input type="checkbox"/> Evaluation of risks	Ongoing	I = 3 L = 5 R = 15 MED	I = 3 L = 5 R = 15 MED
CED 22	Growth agenda	Impact of Thames Gateway and Ashford on KCC services South east Plan	Manage	Director of Finance	<input type="checkbox"/> 20 year financial model		Ongoing	I = 3 L = 5 R = 15 MED	I = 3 L = 5 R = 15 MED
CED 18	Central Government setting a range of technical and service standards	Mandated use of central government solutions less efficient than current systems.	Manage	Head of ICT Commissioning	<input type="checkbox"/> Participation of KCC officers in development of national ICT strategy.		Ongoing	I = 3 L = 5 R = 15 MED	I = 3 L = 5 R = 15 MED

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 13	The development and maintenance of ICT support and infrastructure services required by the organization to deliver its objectives	Increased reliance and demand on technology in the delivery of direct service not matched by increased investment in capacity and resilience of ICT infrastructure	Manage	Heads of ICT Commissioning and Operations	<input type="checkbox"/> Medium term plan for technology agreed by COG and Cabinet. <input type="checkbox"/> Contingency planning – in consultation with the business. <input type="checkbox"/> Disaster Recovery considered on a system by system basis. <input type="checkbox"/> Regular interface/liaison with resource directors. <input type="checkbox"/> Change management process includes risk assessment and handover requirements. <input type="checkbox"/> Provision of professional advice to facilitate the assessment of risk.	<input type="checkbox"/> Monitor implementation of agreed medium term plan for technology. <input type="checkbox"/> Maintain key business needs as identified by all business units. <input type="checkbox"/> Regular reassessment of business risk as a consequence of systems failure. <input type="checkbox"/> Review options for sourcing of DR provision.	Ongoing	I= 4 L= 5 R= 20 HIGH	I= 3 L= 4 R= 12 MED
CED 19	Super Fund	<ul style="list-style-type: none"> Failing equity /property markets Investment returns lower than actuarial assumptions 	Manage	Head of Financial Services	<input type="checkbox"/> Monitoring of Fund <input type="checkbox"/> Diversified investment strategy <input type="checkbox"/> Regular review of investment strategy	<input type="checkbox"/> Introduction of passive management of equities <input type="checkbox"/> Alternative investments tender process <input type="checkbox"/> Management of 2010 actuarial valuation	Ongoing Ongoing	I =4 L = 5 R =20 HIGH	I = 3 L = 4 R= 12 MED

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 5	The accurate payment and maintenance of information of KCC staff is reliant on the IT systems, namely Oracle HR Payroll. Expenses and associated systems to ensure requirements are met People / systems	Loss of systems or data would result in lack of ability to meet organizations and business statutory responsibilities relating to the employment and remuneration of staff	Manage	Director of Personnel & Devel'ment	<input type="checkbox"/> Disaster, recovery and contingency plans for Oracle <input type="checkbox"/> Regular local & offsite backups <input type="checkbox"/> Skilled internal IT resource pool <input type="checkbox"/> Use of contracting staff where required <input type="checkbox"/> Flexible/night/weekend working where required <input type="checkbox"/> Sharing information and development with other local authorities <input type="checkbox"/> Critical users and emergency data centres identified <input type="checkbox"/> Regular updating of systems based on latest release of software <input type="checkbox"/> Detailed training and guidance for staff <input type="checkbox"/> Extensive exception reporting and monitoring <input type="checkbox"/> Fully documented systems and processes <input type="checkbox"/> Detailed development plan based on prioritization of requirements <input type="checkbox"/> Robust project control of new developments <input type="checkbox"/> Robust technical and user testing for new developments, patches and enhancements <input type="checkbox"/> Structured project management and documented change procedure controls	<input type="checkbox"/> Update existing disaster recovery plans <input type="checkbox"/> Production and monitoring of HR system development plan <input type="checkbox"/> Review of systems in the light of emerging internal and external requirements (including new statutory reporting)	Ongoing	I = 5 L = 4 R = 20 HIGH	I = 4 L = 3 R = 12 MED
CED 2	Our commitment to continually improve services and provide better outcomes for Kent residents	KCC receives negative Audit criticism of its data collection procedures leading to greater scrutiny and inspection	Manage	Head of Improvem't Performance & Engagem't	<input type="checkbox"/> Standardised collection process for BVPIs. <input type="checkbox"/> Guidance for accountable managers <input type="checkbox"/> Reporting to COG/Cabinet <input type="checkbox"/> Rigorous procedures for Towards 2010 reporting <input type="checkbox"/> Directorate data quality champions <input type="checkbox"/> Data quality (DQ) policy adopted from March 2008	<input type="checkbox"/> Engage national debate, influence Audit Commission expectations – risk based approach <input type="checkbox"/> Adopt ONS procedures <input type="checkbox"/> Directorates to deliver own DQ strategies <input type="checkbox"/> Accountabilities for new NIS	Ongoing	I = 4 L = 4 R = 16 HIGH	I = 4 L = 3 R = 12 MED

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
<p>CED</p> <p>26</p>	<p>Review of formula grant for new formula by 2011-12 plus update for data changes (e.g. Census 2011) results in adverse settlement for KCC</p>	<ul style="list-style-type: none"> • Changes to methodology - Especially Area Cost Adjustment and Resource Equalisation • Changes to data following Census results in redistribution of resource away from KCC • New formula may mean KCC never sees the money owed due to “negative damping” under current formula 	<p>Manage</p>	<p>Director of Finance</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Lobbying of Central Government <input type="checkbox"/> Input to Settlement Working Group <input type="checkbox"/> Input to CCN working group <input type="checkbox"/> Input to South East Counties Treasurers working group <input type="checkbox"/> Robust MTP 	<ul style="list-style-type: none"> <input type="checkbox"/> Continued lobbying of Government 	<p>Ongoing</p>	<p>I =4 L = 4 R =16</p> <p>HIGH</p>	<p>I = 4 L = 3 R= 12</p> <p>MED</p>

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
CED 6(a)	KCC service delivery is dependant on workforce and succession planning People	Loss of key skills and knowledge would have an impact on remaining staff and their ability to deliver services. Failure to recruit and retain high calibre staff would lead to a negative impact on service delivery A low pay settlement & other pay related changes may impact negatively on staff retention and engagement	<input type="checkbox"/> Manage <input type="checkbox"/> Clear Succession Planning <input type="checkbox"/> Improved management and organizational resilience	Director of Personnel & Devel'ment	<input type="checkbox"/> Mgt Development Progs <input type="checkbox"/> Contract with external recruitment agency <input type="checkbox"/> Recruit' practices/ policies <input type="checkbox"/> Induction pack and training <input type="checkbox"/> Workforce Devel'ment plan <input type="checkbox"/> Talent management Prog. <input type="checkbox"/> Benefits package <input type="checkbox"/> Total Contribution Pay <input type="checkbox"/> Strategy for Staff <input type="checkbox"/> Reward Strategy <input type="checkbox"/> Links with best practice organizations <input type="checkbox"/> Work & Wellbeing Prog. <input type="checkbox"/> Recrt'ment/Selection tr'ing <input type="checkbox"/> 2 nd phase - Equal Pay Audit <input type="checkbox"/> Appraisal <input type="checkbox"/> Staff care package <input type="checkbox"/> Link with interim mgt. agencies (Kent Success) <input type="checkbox"/> Ready for Practice Scheme <input type="checkbox"/> Teacher Recruitment team <input type="checkbox"/> Exit interview records <input type="checkbox"/> Range of staff groups (UNITE, Stonewall etc) <input type="checkbox"/> Extended new Kent Graduate Programme	<input type="checkbox"/> Recruitment hotspots identified & strategies developed to address <input type="checkbox"/> Strategy for staff development <input type="checkbox"/> Reward strategy <input type="checkbox"/> Development recruitment management system & strategy <input type="checkbox"/> Strategic workforce plan	Ongoing	I = 4 L = 4 R = 16 HIGH	I = 4 L = 3 R = 12 MED
6(b)	As above	Over reliance on limited group of officers Gaps in capability		Commercial Services Director	<input type="checkbox"/> Management team awareness and minor organisational changes	<input type="checkbox"/> Further organisational development with a robust forward plan <input type="checkbox"/> Much greater emphasis of succession planning <input type="checkbox"/> Improved and consistent use of TCP and Peer review forums to link into development planning activities		I = 4 L = 4 R = 16 HIGH	I = 4 L = 3 R = 12 MED

Ref	Source	Event	Planned Outcome	Acc'table manager	Existing controls	New tasks / action plans	Date	Inherent rating	Residual rating
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By: Overview, Scrutiny and Localism Manager

To: Corporate Policy Overview and Scrutiny Committee
8 April 2010

Subject: **SELECT COMMITTEE - UPDATE**

Classification: Unrestricted

Summary: To update the Committee on the current topic review programme and to invite suggestions for future Select Committee topic reviews.

Select Committee Topic Review Work Programme

1. (1) There are currently no Select Committee topic reviews in the work programme which fall under the remit of this Policy Overview and Scrutiny Committee.

(2) The work programme consists of the following:-

- Renewable Energy – which has started its work and is due to submit its final report to the County Council in October 2010
- Extended Services (previously called Extended Schools) – which has started its work and is due to submit its final report to the County Council in December 2010.
- Educational Attainment of Pupils and Schools in Areas of High Deprivation – which is due to start its work in the summer of 2010
- Dementia which is due to start work in 2010 – timeframe to be agreed.

Suggestions for Select Committee topic reviews

2. At the meeting of the Scrutiny Board on 24 February 2010 Members received an update on the current Select Committee topic review programme. Although resources to support reviews are all currently allocated, there would be the potential to start new reviews in November 2010 and January 2011. It was agreed that Members would be asked to consider whether there are any topics that they would like to put forward for consideration for inclusion in the future topic review programme. If Members do have any suggestions could they contact the Democratic Services Officer for this POSC.

3. Recommendations

Members are asked to note the process for agreeing a Select Committee topic review programme.

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Background Information: *Nil*

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