



Summons to and  
Agenda for a  
Meeting on  
**Thursday, 9th February  
2012**  
at **9.30 am**





DEMOCRATIC SERVICES  
SESSIONS HOUSE  
MAIDSTONE

Tuesday, 31 January 2012

To: All Members of the County Council

Please attend the meeting of the County Council in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 9 February 2012 at **9.30 am** to deal with the following business. **The meeting is scheduled to end by 5.00 pm.**

### Webcasting Notice

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

By entering the meeting room you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you do not wish to have your image captured then you should make the Clerk of the meeting aware.

### A G E N D A

1. Apologies for Absence
2. Declarations of Interest
3. Minutes of the meetings held on 15 December 2011 and if in order, **(Pages 1 - 14)**  
to be approved as a correct record
4. Chairman's Announcements
5. Questions **(Pages 15 - 32)**
6. Budget 2012/13 and Medium Term Financial Plan 2012/15 **(Pages 33 - 402)**  
(including Council Tax setting for 2012/13)

Peter Sass  
Head of Democratic Services  
01622 694002

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## KENT COUNTY COUNCIL

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MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 15 December 2011.

**PRESENT:**

Mrs P A V Stockell (Chairman)

Mr R E King (Vice-Chairman)

Mrs A D Allen, Mr M J Angell, Mr R W Bayford, Mr R E Brookbank,  
Mr J R Bullock, MBE, Mr R B Burgess, Ms S J Carey, Mr P B Carter,  
Mr N J D Chard, Mr I S Chittenden, Mr L Christie, Mrs P T Cole, Mr N J Collor,  
Mr G Cooke, Mr B R Cope, Mr G Cowan, Mr H J Craske, Mr A D Crowther,  
Mr J M Cubitt, Mr D S Daley, Mr M C Dance, Mrs T Dean, Mr J A Davies,  
Mr K A Ferrin, MBE, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Mrs E Green,  
Mr M J Harrison, Mr W A Hayton, Mr P M Hill, OBE, Mr D A Hirst, Ms A Hohler,  
Mrs S V Hohler, Mr E E C Hotson, Mr M J Jarvis, Mr A J King, MBE, Mr J D Kirby,  
Mr J A Kite, Mr P W A Lake, Mrs J P Law, Mr R J Lees, Mr J F London,  
Mr R L H Long, TD, Mr K G Lynes, Mr S C Manion, Mr R F Manning, Mr R A Marsh,  
Mr M J Northey, Mr R J Parry, Mr T Prater, Mr K H Pugh, Mr L B Ridings, MBE,  
Mrs J A Rook, Mr A Sandhu, MBE, Mr J D Simmonds, Mr C P Smith, Mr K Smith,  
Mr M V Snelling, Mr B J Sweetland, Mr R Tolputt, Mrs E M Tweed, Mr M J Vye,  
Mrs C J Waters, Mr J N Wedgbury, Mr M J Whiting, Mrs J Whittle, Mr M A Wickham  
and Mr A T Willicombe

IN ATTENDANCE: Geoff Wild, Director of Governance and Law and Peter Sass,  
Head of Democratic Services

### UNRESTRICTED ITEMS

#### **76. Apologies for Absence**

The Director of Governance and Law reported apologies from the following Members:

Mr Andrew Bowles  
Mr David Brazier  
Mr Chris Capon  
Mrs Valerie Dagger  
Mr Peter Homewood  
Mr George Koowaree  
Mr Jan Ozog  
Mr Richard Pascoe

#### **77. Declarations of Interest**

(1) Mr Manion declared a personal interest in item 10 on the agenda (Select Committee: Dementia – a new stage in life as his wife is the GP tutor for the Dover area.

(2) Mr Sweetland declared a personal interest as a Director of the Kent Community Health Trust.

(3) Mr Gough declared a personal interest as a Co-opted Board Member of the NHS Kent & Medway Cluster Board.

(4) Mr Whiting declared a personal interest as a Trustee of Age UK Citizen Board; Mr Crowther declared a personal interest as Chairman and a Trustee of Age UK Sheppey; Mrs Allen declared a personal interest as a Trustee of North West Kent Age UK; Mr Brookbank declared a personal interest as a Trustee of Darent Valley Age Concern (Age UK) and Mr Willicombe declared an interest as his wife is a Trustee of Age Concern Sittingbourne.

(5) Mr Christie declared a personal interest in item 14 on the agenda (Quarterly Report on Urgent Key Decisions: Citizen's Advice Consumer Advice Service) as his wife is the Chair of the Management Committee of Citizen's Advice Bureau in Gravesham.

**78. Minutes of the meeting held on 20 October 2011 and if in order, to be approved as a correct record**

(1) Mr Bullock stated that he had sent his apologies and asked that this be reflected in the Minutes.

Resolved: that, subject to Mr Bullock's apologies being added, the minutes of the meeting held on 20 October 2011 be approved as a correct record and signed by the Chairman.

**79. Chairman's Announcements**

(a) Death of Mrs Louise Wilson

(1) The Chairman stated that it was with regret that she learnt of the death of Mrs Louise Wilson on Tuesday 11 October 2011. Mrs Wilson was the Labour Member for Dartford No. 3 Electoral Division from 1974 – 1978.

(2) Mr Gough and Mr Christie gave tributes to Mrs Wilson.

(3) All Members stood in silence as a mark of respect for Mrs Wilson.

(4) After the silence, it was moved by the Chairman, seconded by the Vice Chairman and:

Resolved unanimously: that this Council desires to record the sense of loss it feels on the sad passing of Mrs Wilson and extends to her family and friends our heartfelt sympathy in their sad bereavement.

(b) Law Society Awards

(1) The Chairman announced that Geoff Wild, Director of Governance and Law, had won the prestigious LMS Leader of the Year Award at the 2011 Law Society Awards. Of Geoff, the judges said that "Geoff leads a service that makes a

difference and is widely regarded as an exceptional leader who continues to directly and decisively contribute to the health and success of Kent County Council and the whole of the UK public sector”.

(2) Geoff’s award was displayed in the Council Chamber. The Chairman offered her sincere congratulations on behalf of Members.

(c) Corporate Director of Families and Social Care

(1) The Chairman welcomed Mr Andrew Ireland, the Council’s newly appointed Corporate Director for Families and Social Care to his first meeting of the County Council.

(d) Length of speeches

(1) Because of the volume of business on today’s agenda and in order to give every Member an opportunity to speak if they wanted to, the Chairman proposed, the Vice Chairman seconded and it was agreed that, with the exception of the speeches on the Leader’s oral report (item 6) and the Cabinet Member’s response to the Petition debate (item 16), speeches on all remaining items be limited to 3 minutes, instead of the usual 5 minutes.

## **80. Questions**

(1) Under Procedure Rule 1.18 (4), 10 questions were asked and replies given.

(2) Question No. 2 was not asked because the questioner, Ms Carey, was not present at the time the question was due to be put. Question No’s 12 and 13 were not put because the time limit for this item (30 minutes) had been reached.

## **81. Report by Leader of the Council (Oral)**

(1) The Leader of the Council updated the County Council on events since the last meeting. In particular, the Leader began by speaking about the monumental challenges that the County Council faced in the previous 12 months, including Children’s Services, a tough local government finance settlement, the significant restructuring of the County Council and the unexpected decision from Pfizer to pull out of the Sandwich site, with the loss of 3,000 jobs. However, he was proud of the way that Members and Officers worked together to respond to these significant challenges. He mentioned the improvements in Children’s Services specifically, as having been achieved in record time and that the recent unannounced Ofsted inspection had gone well, resulting in there being no areas remaining for priority action.

(2) He stated that the Council was on track to balance this year’s revenue budget and was launching next year’s budget for consultation on 20 December. He also mentioned the launch of the Big Society Fund and some of the strategies in place to support the Kent economy, including the support being given by KCC for superfast broadband in Kent. He was also particularly pleased to announce that Royal British Legion Industries had recently won the contract to supply new road signs in Kent. With regard to infrastructure, he mentioned the progress made on the lower Thames crossing and the A21 improvements. He also spoke about the redefined role for

Education and the work being done to support young people not in education, employment or training and the young unemployed. Finally, he stated that none of the Council's achievements could be realised without the hard work and dedication of its staff and he thanked all of them on behalf of the County Council for their efforts in the previous 12 months.

## **82. Vision for Kent 2012-2022**

- (1) Mr A King proposed, Mr Carter seconded that the Council:
- (a) note the key issues raised in the consultation exercise;
  - (b) note the key issues raised in the equality impact assessment; and
  - (c) approve the Vision for Kent (Appendix 1) as required in the Policy Framework.

Resolved: that the recommendations above be approved.

## **83. Proposed revisions to the Council's governance arrangements**

- (1) Mr Carter proposed, Mr A King seconded that the County Council:
- (a) approve the dissolution of the existing suite of Overview and Scrutiny Committees and its replacement with Cabinet Committees and a single Scrutiny Committee but that the Health Overview and Scrutiny Committee be retained as this was a statutory requirement.
  - (b) approve the implementation and operational date for the new governance arrangements on 1 April 2012;
  - (c) approve the establishment of six Cabinet Committees with:
    - (i) an average of 12 Members including a seat for the minority opposition groups on each Committee; and
    - (ii) with the proposed terms of reference as set out in Appendix 2 of the report
  - (d) approve Cabinet Committees subsuming the existing Advisory Boards (with the exception of the Corporate Parenting Panel and the Children's Services Improvement Panel or equivalent Safeguarding Panel for Adults and Children);
  - (e) approve the chairing of Cabinet Committees by a mixed economy which may include non executive Members of the administration, Deputy Cabinet Members and Cabinet Members (subject to review by the Leader within the first twelve months);
  - (f) approve setting the agendas for the Cabinet Committees will be a shared responsibility between the Members of the Cabinet Committee, the Chairman of the Committee, relevant Cabinet Members and senior officers;
  - (g) approve Cabinet Committees establishing sub-committees but that Informal Member Groups will not normally be permitted;



(h) note the new relationship between the Corporate Management Team and the Cabinet;

(i) note the ongoing work on the Constitution and other constitutional framework/operational documents; and

(j) note the arrangements for embedding the new arrangements in the County Council and the training of Members and officers to ensure a smooth transition to the new governance arrangements.

(2) Mrs Dean proposed, Mr Vye seconded the following amendment:

(i) Recommendation (e): to read: "the chairing of Cabinet Committees by non-executive Members of the administration" (with all other words deleted)

(3) The Chairman then put the Amendment to the vote, whereupon the number of votes cast was as follows:-

For (8)

Mr I Chittenden, Mr L Christie, Mr G Cowan, Mr D Daley, Mrs T Dean, Mrs E Green, Mr T Prater, Mr M Vye

Against (58)

Mrs A Allen, Mr M Angell, Mr R Bayford, Mr R Brookbank, Mr R Bullock, Mr R Burgess, Mr P Carter, Mrs P Cole, Mr N Collor, Mr G Cooke, Mr B Cope, Mr H Craske, Mr A Crowther, Mr J Cubitt, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr W Hayton, Mr M Hill, Mr D Hirst, Ms A Hohler, Mrs S Hohler, Mr E Hotson, Mr M Jarvis, Mr A King, Mr J Kirby, Mr J Kite, Mr P Lake, Mrs J Law, Mr R Lees, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr R Parry, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Simmonds, Mr C Smith, Mr K Smith, Mr M Snelling, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mrs C Waters, Mr J Wedgbury, Mr M Whiting, Mrs J Whittle, Mr A Wickham, Mr A Willicombe

*Lost*

(4) Mrs Dean proposed, Mr Vye seconded the following amendment:

(ii) Additional recommendation (h): "The Overview and Scrutiny Committee will normally be chaired by the Leader of the Opposition" and existing recommendations (h), (i) and (j) being re-lettered as (i), (j) and (k)

(5) The Chairman then put the Amendment to the vote, whereupon the number of votes cast was as follows:-

For (9)

Mr I Chittenden, Mr L Christie, Mr G Cowan, Mr D Daley, Mrs T Dean, Mrs E Green, Mr R Lees, Mr T Prater, Mr M Vye

Abstain (1)

Mr K Smith

Against (57)

Mrs A Allen, Mr M Angell, Mr R Bayford, Mr R Brookbank, Mr R Bullock, Mr R Burgess, Miss S Carey, Mrs P Cole, Mr N Collor, Mr G Cooke, Mr B Cope, Mr H Craske, Mr A Crowther, Mr J Cubitt, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr W Hayton, Mr M Hill, Mr D Hirst, Ms A Hohler, Mrs S Hohler, Mr E Hotson, Mr M Jarvis, Mr A King, Mr J Kirby, Mr J Kite, Mr P Lake, Mrs J Law, Mr J London, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr R Parry, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Simmonds, Mr C Smith, Mr M Snelling, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mrs C Waters, Mr J Wedgbury, Mr M Whiting, Mrs J Whittle, Mr A Wickham, Mr A Willicombe

*Lost*

(6) Mrs Dean proposed, Mr Vye seconded the following amendment:

(iii) Additional recommendation (i) if second amendment successful or (h) if not: "The report goes to Selection and Member Services Committee for discussion of the protocols and constitutional changes including specifically the procedure for dealing with urgent decisions between scheduled Committee meetings"

(7) With the permission of his seconder, Mr Carter agreed to accept this amendment and, accordingly, it was not put to the vote.

(8) There being no further amendments to the motion, the Chairman then put the substantive motion to the vote, whereupon the number of votes cast was as follows:-

For (62)

Mrs A Allen, Mr M Angell, Mr R Bayford, Mr R Brookbank, Mr R Bullock, Miss S Carey, Mr P Carter, Mr L Christie, Mrs P Cole, Mr N Collor, Mr G Cooke, Mr B Cope, Mr G Cowan, Mr H Craske, Mr A Crowther, Mr J Cubitt, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mrs E Green, Mr M Harrison, Mr W Hayton, Mr M Hill, Mr D Hirst, Ms A Hohler, Mrs S Hohler, Mr E Hotson, Mr M Jarvis, Mr A King, Mr J Kirby, Mr J Kite, Mr P Lake, Mrs J Law, Mr R Lees, Mr J London, Mr R Long, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr R Parry, Mr K Pugh, Mr L Ridings, Mrs J Rook, Mr A Sandhu, Mr J Simmonds, Mr C Smith, Mr K Smith, Mr M Snelling, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mrs C Waters, Mr J Wedgbury, Mr M Whiting, Mrs J Whittle, Mr A Wickham, Mr A Willicombe

Abstain (5)

Mr I Chittenden, Mr D Daley, Mrs T Dean, Mr T Prater, Mr M Vye

Against (0)

*Carried*

Resolved: that the County Council:

- (a) approve the dissolution of the existing suite of Overview and Scrutiny Committees and its replacement with Cabinet Committees and a single Scrutiny Committee but that the Health Overview and Scrutiny Committee be retained as this was a statutory requirement.
- (b) approve the implementation and operational date for the new governance arrangements on 1 April 2012;
- (c) approve the establishment of six Cabinet Committees with:
  - (i) an average of 12 Members including a seat for the minority opposition groups on each Committee; and
  - (ii) with the proposed terms of reference as set out in Appendix 2 of the report
- (d) approve Cabinet Committees subsuming the existing Advisory Boards (with the exception of the Corporate Parenting Panel and the Children's Services Improvement Panel or equivalent Safeguarding Panel for Adults and Children);
- (e) approve the chairing of Cabinet Committees by a mixed economy which may include non executive Members of the administration, Deputy Cabinet Members and Cabinet Members (subject to review by the Leader within the first twelve months);
- (f) approve setting the agendas for the Cabinet Committees will be a shared responsibility between the Members of the Cabinet Committee, the Chairman of the Committee, relevant Cabinet Members and senior officers;
- (g) approve Cabinet Committees establishing sub-committees but that Informal Member Groups will not normally be permitted;
- (h) agree that the report goes to Selection and Member Services Committee for discussion of the protocols and constitutional changes including specifically the procedure for dealing with urgent decisions between scheduled Committee meetings;
- (i) note the new relationship between the Corporate Management Team and the Cabinet;
- (ji) note the ongoing work on the Constitution and other constitutional framework/operational documents; and
- (k) note the arrangements for embedding the new arrangements in the County Council and the training of Members and officers to ensure a smooth transition to the new governance arrangements.

**84. Change to Keep Succeeding: the next steps**

- (1) Mr Carter proposed, Mr A King seconded that the Council:
- (a) agree the deletion of the post of Managing Director from the operating framework
  - (b) agree that the Head of Paid Service responsibilities are designated to the Corporate Director of Business Strategy and Support
  - (c) approve the revised job descriptions for the Corporate Director Business Strategy and Support; the Corporate Director Customer and Communities; the Corporate Director Human Resources and the Director of Governance and Law
  - (d) agree the change of reporting line for the Director of Public Health to the Corporate Director Families and Social Care
  - (e) agree that the posts of Director of Education Standards and Director of Education Planning and Access as part of the senior structure in ELS
  - (f) designate the Director of Governance and Law as the Returning Officer
  - (g) support a proposal being made to the Lord Lieutenant that the Director of Governance and Law becomes the Clerk of the Lieutenancy for Kent
  - (h) note the proposed change in the contracts of employment for the Corporate Director Families and Social Care as described in Section 9 (8)
  - (i) authorise the Monitoring Officer to make any necessary changes to the Constitution as outlined in Section 9 (9) and set out in Appendix 3.

(2) In response to a question from Mr Christie, the Chairman agreed to put recommendation (a) above to the vote separately (in relation to the deletion of the post of Managing Director), whereupon the number of votes cast was as follows:-

For (55)

Mrs A Allen, Mr M Angell, Mr R Bayford, Mr R Bullock, Miss S Carey, Mr P Carter, Mrs P Cole, Mr N Collor, Mr G Cooke, Mr B Cope, Mr H Craske, Mr A Crowther, Mr M Dance, Mr J Davies, Mr K Ferrin, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr W Hayton, Mr M Hill, Mr D Hirst, Ms A Hohler, Mrs S Hohler, Mr E Hotson, Mr M Jarvis, Mr A King, Mr J Kirby, Mr J Kite, Mr P Lake, Mrs J Law, Mr R Lees, Mr J London, Mr K Lynes, Mr S Manion, Mr R Manning, Mr A Marsh, Mr M Northey, Mr R Parry, Mr K Pugh, Mr L Ridings, Mr A Sandhu, Mr J Simmonds, Mr C Smith, Mr K Smith, Mr M Snelling, Mr B Sweetland, Mr R Tolputt, Mrs E Tweed, Mrs C Waters, Mr J Wedgbury, Mr M Whiting, Mrs J Whittle, Mr A Wickham, Mr A Willicombe

Against (7)

Mr L Christie, Mr G Cowan, Mr D Daley, Mrs T Dean, Mrs E Green, Mr T Prater, Mr M Vye

*Carried*

(3) The Chairman then put the remaining recommendations to the County Council, which were approved without the need for a formal vote.

Resolved: that the Council:

- (a) agree the deletion of the post of Managing Director from the operating framework;
- (b) agree that the Head of Paid Service responsibilities are designated to the Corporate Director of Business Strategy and Support;
- (c) approve the revised job descriptions for the Corporate Director Business Strategy and Support; the Corporate Director Customer and Communities; the Corporate Director Human Resources and the Director of Governance and Law;
- (d) agree the change of reporting line for the Director of Public Health to the Corporate Director Families and Social Care;
- (e) agree that the posts of Director of Education Standards and Director of Education Planning and Access as part of the senior structure in ELS;
- (f) designate the Director of Governance and Law as the Returning Officer;
- (g) support a proposal being made to the Lord Lieutenant that the Director of Governance and Law becomes the Clerk of the Lieutenancy for Kent;
- (h) note the proposed change in the contracts of employment for the Corporate Director Families and Social Care as described in Section 9 (8);
- (i) authorise the Monitoring Officer to make any necessary changes to the Constitution as outlined in Section 9 (9) and set out in Appendix 3.

**85. Select Committee: Dementia - a new stage in life**

(1) Mr Gibbens proposed, Mrs Dean seconded that the Council:

- (a) thank the Select Committee for its work and for producing a useful and encouraging document;
- (b) thank the witnesses and others who provided evidence and made valuable contributions to the Select Committee; and
- (c) endorse the Select Committee report and its recommendations subject to resources being identified.

Resolved: that the recommendations above be approved.

**86. Item for full debate - Supporting the Kent economy - presentation**

(1) In response to a Point of Order from Mr Christie, the Chairman moved, the Vice Chairman seconded and it was agreed that Council Procedure Rule 1.21(1) be suspended to enable the item for full debate to proceed.

(2) Mr Lynes gave a detailed presentation to the County Council on the various initiatives and strategies to support the Kent economy.

(3) Mr Lynes moved, Mr Wickham seconded that the County Council note the challenges facing our local economy and the range of projects being planned and delivered to address them; and that officers from across the Council be commended for their continued efforts in this regard.

Resolved: that the County Council note the challenges facing our local economy and the range of projects being planned and delivered to address them; and that officers from across the Council be commended for their continued efforts in this regard.

### **87. The Annual Operating Plan 2011/12 of the Youth Offending Service**

(1) Mr Hill proposed, Mr Sandhu seconded the approval of the objectives of the Annual Operating Plan for the Youth Offending Service and the contribution the County Council is making with respect to improving both public safety and the life chances of those both at risk of entering the youth justice system and those who have offended.

Resolved: that approval be given to the objectives of the Annual Operating Plan for the Youth Offending Service and the contribution the County Council is making with respect to improving both public safety and the life chances of those both at risk of entering the youth justice system and those who have offended.

### **88. Bribery Act Policy**

(1) Mr Gough proposed, Mr Pugh seconded that the Council:

(i) approve the proposed Bribery Act Policy, together with the consequential changes to the Constitution, including the Members' Code of Conduct; and

(ii) note that the Director of Governance and Law will make the necessary consequential changes to the Constitution detailed in Appendix 3 in line with his authority to change the Appendices to the Constitution to reflect decisions duly taken by the Council.

Resolved: that the recommendations above be approved.

### **89. Quarterly Report On Urgent Key Decisions: Citizen's Advice Consumer Advice Service**

Mr Carter proposed, Mr A King seconded that this report be noted.

Resolved: that the recommendation above be noted.

### **90. Petition Scheme Debate - Youth Services in Deal**

(1) The following individuals addressed the County Council on the above petition.

1. Mrs Pam Hawkins– the lead petitioner

2. Mrs Pam Brivio – Petitioner
3. Mr T Johnston - Petitioner

(2) As two of the relevant local Members, Mr Manion and Mr Kit Smith addressed the meeting on the subject of the petition.

(3) The Chairman then opened up the debate to the floor and a number of other Members spoke on the petition.

(4) The Chairman then invited the Cabinet Member for Customer and Communities, Mr Hill, to respond to the debate and describe how he intended to take the petitioner's concerns forward. Mr Hill stated that he had set out his position on this petition and in relation to the transformation of the youth service in Appendix 2 of the report. He reiterated that no decision had been made as yet with regard to the future of either the Aylesham or Linwood Youth Clubs and that he was committed to ensuring that there was a robust youth service provision in both areas into the future. He commented that the transformation of the youth service would involve a mixed economy of direct provision, commissioned provision and voluntary provision and the Locality Boards would begin work early in the New Year with regard to working with local communities to shape the future provision. In relation to the specific comments of the petitioners, Mr Hill stated that he agreed that the Kent Youth Service was something to be proud of and that he would not expect any young person to have to travel 9 miles from their home to enjoy KCC's youth service provision. Finally, he stated that the transformation proposals would deliver a youth service fit for the 21<sup>st</sup> Century.

(4) The Chairman advised the petitioners that their concerns had been noted and the issue of changes to the provision of youth services in the Dover District would be taken forward as indicated by the Cabinet Member for Customer and Communities, Mr Hill.

## **91. Minutes for Information**

Pursuant to Procedure Rule 1.10 and 1.23(1), the minutes of the Planning Applications Committee meetings held on 11 October and 8 November 2011, were noted.

## **92. Exclusion of the Press and Public**

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

## **93. Quarterly Report on Urgent Key Decisions: Academy conversions**

Mr Carter proposed, Mr A King seconded that this report be noted.

Resolved: that the recommendation above be noted.

15 DECEMBER 2011



# KENT COUNTY COUNCIL

---

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 15 December 2011.

## PRESENT:

Mrs P A V Stockell (Chairman)

Mr R E King (Vice-Chairman)

Mrs A D Allen, Mr M J Angell, Mr R W Bayford, Mr R E Brookbank,  
Mr J R Bullock, MBE, Mr R B Burgess, Ms S J Carey, Mr P B Carter,  
Mr N J D Chard, Mr I S Chittenden, Mr L Christie, Mrs P T Cole, Mr N J Collor,  
Mr G Cooke, Mr B R Cope, Mr G Cowan, Mr H J Craske, Mr A D Crowther,  
Mr J M Cubitt, Mr D S Daley, Mr M C Dance, Mrs T Dean, Mr J A Davies,  
Mr K A Ferrin, MBE, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Mrs E Green,  
Mr M J Harrison, Mr W A Hayton, Mr P M Hill, OBE, Mr D A Hirst, Ms A Hohler,  
Mrs S V Hohler, Mr E E C Hotson, Mr M J Jarvis, Mr A J King, MBE, Mr J D Kirby,  
Mr J A Kite, Mr P W A Lake, Mrs J P Law, Mr R J Lees, Mr J F London,  
Mr R L H Long, TD, Mr K G Lynes, Mr S C Manion, Mr R F Manning, Mr R A Marsh,  
Mr M J Northey, Mr R J Parry, Mr T Prater, Mr K H Pugh, Mr L B Ridings, MBE,  
Mrs J A Rook, Mr A Sandhu, MBE, Mr J D Simmonds, Mr C P Smith, Mr K Smith,  
Mr M V Snelling, Mr B J Sweetland, Mr R Tolputt, Mrs E M Tweed, Mr M J Vye,  
Mrs C J Waters, Mr J N Wedgbury, Mr M J Whiting, Mrs J Whittle, Mr M A Wickham  
and Mr A T Willicombe

IN ATTENDANCE: Geoff Wild, Director of Governance and Law and Peter Sass,  
Head of Democratic Services

## UNRESTRICTED ITEMS

### 93. Apologies for Absence

The Director of Governance and Law reported apologies from the following Members:

Mr Andrew Bowles  
Mr David Brazier  
Mr Chris Capon  
Mrs Valerie Dagger  
Mr Peter Homewood  
Mr George Koowaree  
Mr Jan Ozog  
Mr Richard Pascoe

### 94. Declarations of Interest

There were no declarations of interest by any Member on the item contained in this agenda.

**95. Appointment of Honorary Aldermen**

(1) The Chairman announced that it was her great privilege and honour to preside over this special meeting of the County Council to confer the award of Honorary Alderman to eight of its most distinguished former Members, who had been judged to have provided eminent services, both to Kent County Council and the people of Kent.

(2) The Chairman welcomed the nominees and their guests to the meeting, although she noted that Mr Findlay, Mr Palmer and Mr Pears were unable to attend the meeting but had all expressed their delight and honour at being nominated.

(3) The three Group Leaders all spoke briefly to introduce their nominations.

RESOLVED UNANIMOUSLY: that the following distinguished former Members of Kent County Council be awarded the status of Honorary Alderman:

Mr Christopher Brown  
Mr Charles Findlay  
Mr Ivor Jones, DL  
Mr Ronnie Norman  
Mr John Palmer  
Mr Terry Pears  
Lady Pender, DL  
Mr Kit Thornton

(4) The Chairman announced the intention to hold a reception in the new year to present all the Honorary Aldermen with their Honorary Aldermen badges. She then presented the newly appointed Honorary Aldermen with their scrolls.

(5) Mr Thornton responded in suitable terms on behalf of the newly appointed Honorary Aldermen and offered his sincere gratitude for the honour bestowed upon them by the County Council.

**COUNTY COUNCIL MEETING****Thursday, 9 February 2012****Question by Mike Harrison to****Graham Gibbens, Cabinet Member for Adult Social Care and Public Health**

*"Further to Mr Gibbens very full answer to a similar question in December 2011 may I ask him to update we the Members on the present situation with both Care and Nursing Homes here in the county of Kent after the recent demise of the Southern Cross Group?"*

*Are we (KCC) taking up all of the many new spaces which are appearing and becoming available across the county through private enterprise? Also can he give us some idea as to the breakdown of Care as against Nursing beds there are in this ever increasing private sector. All of which leads to the final part of my question, has the loss of our (KCC) homes added to an increase burden to the residents of Kent with increased charges at these privately run homes?"*

*I am convinced that Mr Gibbens will as always have the residents of Kent close to his heart and to that end will he assure us all that every care will be taken to ensure the continued good care attention is taken of our ageing population?"*

**Response**

The situation regarding homes previously owned by Southern Cross Healthcare reached a satisfactory conclusion in late 2011, with any fears regarding potential closures or increased costs for people in Kent not materialising.

KCC funded placements in Southern Cross homes accounted for 8% of our total nursing home placements at the time of transition. Kent has a large and diverse social care market. We are able to provide choice to individuals in terms of care homes and are not reliant on a few large national care home companies.

In direct response to Mr Harrison's concerns:

- Kent has more registered care homes for older people than any other Local Authority in the South East with 229 Older Peoples Care Homes (without Nursing) and 93 Older Peoples Care Homes (with Nursing).
- The top ten largest providers of residential and nursing care in Kent account for approximately 30% of the places KCC purchases across a diverse market of over 650 care homes in the county (includes Learning Disability, Mental Health & Older People).
- Seven new Older People's homes have opened within KCC's boundaries over the past 2 years, chiefly with a Care Home (with Nursing) registration. All but one have applied for a contract with KCC.

- A comparison of the number of registered beds within these seven new establishments (379) against the number of KCC funded placements within these establishments (50) shows that KCC is only purchasing 13% of these newly available beds.
- Six KCC homes were closed as part of the modernisation of Older Persons provision and this was successfully completed by January 2012. All individuals were reassessed and found new services that meet their needs in locations that they wanted. The service users and their families received support in finding alternative services and continue to pay the same amount that they previously had. KCC has seen no evidence that private sector homes have increased their prices as a result of the closure of the KCC run homes.

**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Steve Manion to**

**Bryan Sweetland, Cabinet Member for Environment, Highways & Waste**

Every since the inception of the Member Highway Fund a huge amount of 'Good Things' have taken place in and about the County in connection to both major and minor works on the counties Footways & Highways.

Many, many small works have been funded by local members and in other cases members have pooled their resources and carried major tasks including local bus services. Maybe just maybe most of which would not have been done had we not had the MHF to call upon.

Taking all of this into account my question to Mr Sweetland and his excellent officer team why oh why does it take so long for monies to transfer from request to completion? Much of the good will generated from funding these projects is lost when it takes so long to action them.

**Response**

Chairman, I would like to thank Mr Manion for raising this question as I know that his concerns are shared by several other Members.

For the majority of Members I believe the MHF has worked well and enabled them to prioritise highways work in their Divisions or have work carried out which would not normally be scheduled.

Since the inception of the scheme, Highways officers have dealt with 1,155 MHF applications from Members. Some Members have had over 30 schemes or projects designed and costed in that time and up until the start of this year some members had not used the MHF at all.

In the majority of cases the Fund has been very successful and welcomed by local communities.

For example, 34 major traffic calming and management schemes have been constructed and over £400,000 has been spent making changes to speed limits, which require substantially longer design and consultation periods.

There are currently over 700 live schemes being progressed, with every engineer dealing with an average of over 70 MHF schemes each.

Members will know that there is no "rollover" of funds from this financial year to next year. This is to ensure that monies allocated in previous years are spent. Because of this, £3.4 million of applications have been processed by officers in the last 6 months.

Chairman, a full summary report on the Member Highway Fund is currently being prepared and with agreement of the POSC Chairman, it will be presented to EHW POSC on the 14th March. At that meeting I will seek advice from POSC Members (including Mr Manion) on what changes need to be made to the scheme to ensure that it runs efficiently for every Member and continues to deliver on its objectives and provide value for money solutions to 'local' Highways related needs.

Chairman, I'm sure Members will be pleased, that later this morning, I will confirm that the MHF will be continuing and £2.1M will be allocated to the fund in 2012/13.

**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Ian Chittenden to**

**Mike Hill, Cabinet Member for Customer & Communities**

The proposed cuts to the youth budget could have a serious effect on young people, families and other citizens. Prior to the commissioning process starting with these reduced funds, Locality Boards in their various formats are being asked to meet and make a decision by the end of March on the way forward for their local Youth Service.

In keeping with the spirit of Open Government and KCC's own Customer Service Strategy statements *'that we are looking at the way we treat our customers ... put them first when we design our services ... to increase confidence in what we do'*\*, will the Cabinet Member for Customer and Communities:-

- a) tell the Council how many Locality Boards have terms of reference and have met more than once, in public, with public access to the agenda, the meeting and minutes;
- b) ensure these critical meetings of the Locality Boards where the future of the Youth Service will be discussed will be open to the public, promoted & advertised in advance and webcast so individuals who are unable to attend can see or review the debate? and
- c) say what arrangements are to be made for those Boroughs where no Locality Board meeting these requirements of openness and transparency exist?

\* Customer Service Theme One: Understanding Our Customer Statement in Full: *'We're looking at the way we treat our customers, so that we put them first when we design our services. Our purpose is to increase satisfaction with our services and confidence in what we do'*.

**Answer**

- a) To date nine Locality Boards have met. All Locality Boards are required to have Terms of Reference and those which have met have either adopted or have draft Terms of Reference. At present Locality Boards are informal advisory bodies able to discuss matters of mutual interest concerning the District and KCC - as such there is no formal requirement for them to meet in public nor to provide public access to the minutes, agendas etc. However, two Locality Boards (Gravesham and Swale) do make their minutes and agenda available on the District websites.
- b) Locality Boards are not open to the public, and no arrangements are in place for their work to be webcast.

- c) A number of Districts/Boroughs are still working to establish Locality Boards in partnership with KCC. In these cases, the intention is to establish ad hoc Member groups [comprising District and KCC membership] to enable discussions to take place on specific issues.



**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Martin Vye to**

**Alex King, Cabinet Member for Democracy and Partnerships**

*'Greater transparency and openness, making the decision making process more inclusive, robust and accessible' and 'greater accountability of decision makers' are two of the nine key objectives of our new hybrid model of governance\*.*

Will the Cabinet Member for Democracy and Partnerships agree that modern technology makes it possible to actively engage Kent's citizens to participate to an unprecedented degree in both our pre-scrutiny and our evaluation of policies that affect their services; and will he request officers to explore, including costings and timescales, ways in which electronic public engagement could be achieved at all Cabinet Committees and present their report to the next County Council on 29 March for discussion, approval and endorsement, to make Kent a leader in democratic engagement?

\* The key objectives of the new hybrid model of governance <http://bit.ly/wweah7>

**Response**

The increasing use of social media and online forums gives new opportunities. Webcasting many meetings puts KCC in the forefront of innovative practice in this area. When the new governance arrangements come into force we will evaluate what works best for public understanding and participation.

Our community engagement team will also be piloting social media networks at a more local level during 2012, with the aim of giving a platform for local people to tell us what matters to them and what local priorities should be. This will be in support of the joint district/county locality boards currently being set up across Kent.

**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Carole Waters to**

**Bryan Sweetland, Cabinet Member for Environment, Highways and Waste**

Kent is very fortunate to have the recognised brand 'The Garden of England'. Does the Cabinet Member agree with me that we should emblazon this on our highways signage throughout Kent?

**Response**

I certainly agree that Kent is very fortunate to be known as the 'The Garden of England' and we should promote this unique identity.

I have explored the legality of Mrs Walters' suggestion and can advise that, whilst the regulations do not permit this type of branding on advanced directional road signs, we can include the words "Welcome to Kent - the Garden of England" on all new and replacement boundary signs, in support of the Kent economy and promotion of the County.

However Chairman, I would like to gauge the views of Members on this suggestion and if there is general agreement, I shall instruct officers accordingly.

**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Trudy Dean to**

**Mike Hill, Cabinet Member for Customer & Communities**

Will the portfolio holder for Customer & Communities please state:

- a) how much the County Council has spent in both capital and revenue on the creation and the ongoing running costs to the 31 March 2012 for the Gateway centres;
- b) what evidence exists that the Gateway programme has reduced the costs of the County Council either by closing other outlets, or reducing transactional costs; and
- c) if there is any evidence, since we started the programme of building Gateways, that the number of people accessing our services (via the Gateways) has increased and if so by how many numerically and in percentage terms?

**Answer**

In the 5 years since this programme began, Gateway has achieved national recognition and is regarded as an exemplar of public sector customer service.

- a) Capital, Revenue and ongoing costs
  - i) The total capital spend between April 2008 to March 2012 on the Gateway programme is **£4.6m**. This figure is net of capital contributions made by external partners.
  - ii) The total Gateway revenue expenditure between April 2008 and March 2012 is **£5.8m** which covers the costs of the small strategic management team, 9 live projects (front-line staff and shared premises), two Gateway mobiles and the Customer Insight programme.
  - iii) The ongoing running costs of the current network - **£2.2million** pa (as above).
- b) In relation to reduced costs by closing outlets or reducing transactional costs ....
  - i) To date service consolidation with the Gateway programme has led to the closure of the Park Mall Gateway; of Associate House; and of the Day Opportunity Centre in Ashford. These have capital receipts and reduced lease costs attached to them. In Sheerness with the opening of the Sheerness Gateway the Skills Plus Centre and the Library are now surplus

to requirements. It is worth noting too that the Gateway network is central to the FSC personalisation agenda providing Health and Occupational Therapy assessments at reduced transactional costs. Transactional costs and all costs are being examined closely in the context of the new Customer Service Strategy and the Make Buy Sell review of the Gateway operation.

The Gateway Programme, along with Contact Centre are the first services to be the subject of formal 'Make Buy Sell Reviews'. The review will consider all options for the Gateway Programme including medium and long term improvements and will focus on value for money in conjunction with the scope of service and its partnership arrangements. It will clarify income and expenditure for the Gateway Programme and will consider the evidence on overall and transaction costs.

The review on the Gateways Programme will be reporting early in the new financial year.

- c) The Gateway programme has grown incrementally and is now nearing completion.

The following figures set out the comparative activity data for all customers served. It relates to the opening of new Gateway's and reflects the impact of the recession and breadth and relevance of accessible services.

<b>Year</b>	<b>Number of Gateway locations</b>	<b>Number of Customer Transactions</b>	<b>Growth as a percentage on previous year</b>
<b>2009</b>	7	183,527	
<b>2010</b>	8	409,356	123.0%
<b>2011</b>	9	687,840	68.0%
<b>2012</b>	10	Estimate 1,200,000	74.5%

The number of customer transactions had grown from 183,000 in 2009 to 687,000 last year an increase of 504,000 or 375%.

**COUNTY COUNCIL MEETING****Thursday, 9 February 2012****Question by George Koowaree to****Graham Gibbens, Cabinet Member for Adult Social Care and Public Health**

*"Along with increasing the Blue Badge issue fee from £2.00 to £10.00 KCC has restricted payment to 'payable by cheque only'\* - there is no longer provision for applicants to pay by any other payment methods (i.e. postal order, debit card etc.); will the Cabinet Member for Adult Social Care and Public Health inform this council:*

- a) *if he was aware that KCC had imposed this restrictive payment practice on some of our most vulnerable residents and is not enabling access to a range of cost effective payment methods for all and*
- b) *how disadvantaged individuals who qualify for a badge but do not have a cheque book (i.e. those with a basic bank account\*) are meant to pay for their blue badge?"*

\* Extract from blue badge application form <http://bit.ly/zKaD1V>

**Badge issue fee: £10. Payable by cheque only. Cheques need to be made payable to Kent County Council. This includes on-line applications.**  
 Payment will only be taken if your application for a Blue Badge is successful. You will only be issued with a Blue Badge once your payment has been received.

HB 19.12.2011 V1 page 3

\* With a basic bank account you do not get a cheque book, source: The Money Advice Service - Basic Bank Accounts Guide <http://bit.ly/AE93Fo>

**Response**

The National Blue Badge permit scheme has been subject to a wide range of reforms within the last year in order to increase scrutiny of application, security of badges, reduce fraud and help Local Authority schemes become self funding. The most recent changes occurred on 1 January 2012 seeing an increase in badge costs from £2 to £10. With such a successful scheme, subject to strict assessment criteria, it will be inevitable that some applications will not be successful.

The reason we withdrew accepting Postal Orders was due to the change in policy which came in from 1 January 2012 which means payment is only taken if an application is accepted. Returning a cheque is straightforward, as the applicant can destroy the cheque and no funds will be taken from their account. With Postal orders, fees are not refunded and the Post Office requires the original receipt to obtain a refund.

As a result of feedback from several applicants, and discussions with the Blue Badge Team, the process was amended on 31 January 2012 so that Postal Orders can be

accepted. All of the team that handle Blue Badge enquiries were made aware of this change late on the 31<sup>st</sup>. Our application form and frequently asked questions are currently being updated on kent.gov.

We are asking anyone that chooses to pay by Postal Order, to ask the Post Office when they are purchasing their postal order, how to get a refund if necessary. If their application is declined, their postal order will be returned to them.

We are currently looking into card payments options through the national online blue badge system. Once this has been developed and the Blue Badge Team has agreed a way forward, our website and application form will be updated as appropriate.

We are currently working with the Customer Relationship Team to plot The Customers Journey on Blue Badge Applications and will ensure we follow national guidelines in this regard. We will of course continue to ensure cost effective and efficient payment methods are explored and offer choice to Service Users.

**COUNTY COUNCIL MEETING**

**9 February 2012**

**Question by Tim Prater to**

**Bryan Sweetland, Cabinet Member for Environment, Highways & Waste**

Given the Government announcement of charging foreign lorry drivers to drive on our roads, and the long term stated aim by this Council of seeing such a scheme pay for a long term solution to Operation Stack, what reassurance has been received that Kent will see additional funding from this scheme to resolve Operation Stack and remove this long term burden on businesses, hauliers and residents?

**Response**

We greatly welcome the Government's recent announcement that they are to consult over the proposal to charge foreign heavy goods vehicles using UK roads, (in fact they are planning to charge all lorries but UK lorries will be able to claim a refund through reduced road tax).

This is something which KCC has called for over many years. And as we made clear in our Growth without Gridlock transport strategy, we will seek a proportion of the revenue generated from this proposal to fund improvements and ensure greater resilience in Kent's strategic road infrastructure, including a long-term solution to Operation Stack, which as local Members will know, causes massive economic disruption to the county every time it is brought into use.

The Government forecast that from 2015/16, the scheme will generate net revenue of around £23M.

A significant percentage of the cost of the KCC solution to the problems caused by Operation Stack could be achieved from the revenue expected from the first year's charging of foreign lorries.

I have heard the Road's Minister recently assert that none of this money will be going to KCC. But the fact remains that 87% of all international road haulage that arrives in the UK, arrives via the Dover Strait and with the planned port development at both Dover and Calais and this figure will increase further.

Foreign lorries do not contribute a penny to the Treasury coffers, leaving the taxpayer (in particular Kent's council tax payers) to foot the bill for the external costs they cause. To compound the situation, foreign trucks fill up with diesel bought outside the UK, where fuel duty is far lower, so not only do they avoid contributing to the UK economy at the pumps, they also put UK hauliers at a massive commercial disadvantage. Clearly, ensuring that foreign lorries pay to use our roads is the right thing to do, after all many UK hauliers spend thousands every year on using roads in Europe via different road user charging schemes.

Therefore at our next meeting with Mike Penning the Road's Minister, which is scheduled in three weeks time, we will be submitting a robust case calling for Kent's share of these new revenues to mitigate the adverse impact that foreign lorries have on Kent's roads, Kent's residents and Kent's businesses.



**COUNTY COUNCIL MEETING**

**Thursday 9 February 2012**

**Question by Dan Daley to**

**Jenny Whittle, Cabinet Member for Specialist Children's Services**

*"Following the inspections by OFSTED during 2010, 2,600 children were identified as being without an allocated social worker. Will the Cabinet Member for Specialist Children's Services please say:*

- a) *how many days or weeks since referral each of these children had to wait for a social worker to be allocated; and*
- b) *how many days or weeks since referral each child waited for an initial assessment to be made by the allocated worker?"*

**Answer**

I would like to thank Mr Daley for his question and I'm sure he shares my commitment to improving Children's Services. Many Members have increased their knowledge of Children's Services through membership of the Children's Services Improvement Panel, the Corporate Parenting Panel, the Shadow a Social Worker Scheme, corporate parenting training and Council meetings and briefings. It is vital that we all take our role as corporate parents seriously to ensure that Kent never again receives a poor OFSTED judgement for safeguarding the most vulnerable children in the county.

To provide the level of detail requested by Mr Daley about allocation timescales would necessitate extensive analysis and this has not been possible within the timescales set by democratic services. However, I can provide assurances that the concerns regarding unallocated cases is something that I have taken very seriously, having had this issue brought to my attention as a result of the review undertaken by Malcolm Newsam who was appointed at the Leader's direction as the Interim Corporate Director for Specialist Children's Services.

By February 2011, Mr Newsam had identified significant concerns about unallocated and un-assessed cases and about the backlog of work in the system and that some of these had been unallocated or un-assessed for many months. Action was taken immediately to address these concerns including ensuring that all looked after children and all those with a child protection plan were immediately allocated. Managers were also required to take action to ensure cases were assessed and allocated and to support this, additional resource was recruited by commissioning a peripatetic team to come into Kent to clear the backlog of un-assessed and unallocated work.

This work was effective in achieving the allocation and assessment of children's cases. By 8 May 2011, there were a total of 338 unallocated cases, 71 of which had

been unallocated for over 28 days. The backlog of the 2668 un-allocated cases had therefore been allocated by this time.

Members will also recall that since July 2011 the number of unallocated cases has consistently been fewer than 200, showing that in addition to having successfully addressed the concerns regarding unallocated case work, Children's Services are now allocating all new cases in a timely manner. The most recent unallocated case reporting supports this, with 61 cases unallocated as at the 29 January 2012, of which only 6 were unallocated for over 28 days.

In respect of timescales for carrying out initial assessments on unallocated cases, of the 2668 cases reviewed, 2021 cases had previously had an initial assessment, 1252 of these within 7 days of referral and 771 in more than 7 days. Subsequently, these cases had been held in a Team Leaders name pending allocation. A further 357 cases were referrals which had required the provision of information and advice only and therefore did not require allocation.

The final 259 unallocated cases in the cohort were more recent referrals that had not been assessed at the time the review was carried out and were waiting for the assessment to progress. Of these, 50 subsequently had an initial assessment within 7 days of the referral, 179 had an initial assessment more than 7 days after the referral and, for a variety of reasons such as subsequently being found to be requests for information or advice, 30 did not require an assessment to take place and led to no further action.

## COUNTY COUNCIL MEETING

Thursday 9 February 2012

### Question by Malcolm Robertson to

#### Mike Hill, Cabinet Member for Customer and Communities

*“Delivering the Customer Service Strategy will only be successful if we build trust and credibility for it among KCC staff, our customers and our partners ..... The success of the Customer Service Strategy depends on it being communicated to ensure that staff, customers and partners know about it, feel consulted about it and support it” (Customer Service Strategy, p.23). Will the Cabinet Member for Customer & Communities inform this council how customers, Members, staff and our partners were consulted and fully participated in the drafting of the Customer Service Strategy and specifically their consideration of:*

- a) the principles\* listed on page 2. of the strategy, and
- b) the five themes:
  1. Understanding our customers, p.7-8
  2. Connecting with our customers – effectively and efficiently, p. 9-13
  3. Empowering our staff to meet customer expectations, p. 14-16
  4. Providing excellent quality and value to customers through better designed service delivery, p. 17-20
  5. Improving customer experience working with our public service partners, p. 21-22

\*The Principles:

#### **We will treat all our customers:**

- with dignity and respect, keeping our promises, exceeding expectations wherever possible
- in a way that empowers them to take control and make informed choices
- fairly, offering transparent and easy to understand processes
- equally, providing a consistent customer experience regardless of how they choose to contact us

#### **We will continuously improve our services by:**

- understanding who uses our services
- using customer insight, consultation and customer experience surveys
- understanding the customer journey
- providing easy access to a wide range of services
- working with partners to join up services in a way that makes sense to our customers
- providing greater efficiency by sharing accommodation with our partners

#### **We will behave as one council by:**

- managing information and knowledge to remove duplication
- matching customer need with the appropriate response
- delivering value to the customer
- training our staff to a consistently high standard of customer service
- resolving customer queries at the first point of contact
- promoting channel migration to the most effective channel

## **Response**

The Customer Service Strategy has been developed in conjunction with customers, Members, staff and our partners and this is what we have done so far:

We have used the work we have already done in the Gateways, Contact Centre and Libraries as the main building blocks for the Customer Service Strategy. This will be an ongoing process as we build on information received through customer insight and customer journeys – this is information direct from our customers which will be used to continuously improve services for people in Kent.

We have established a Customer Relationship Team and they have already consulted with a wide range of people, including voluntary organisations and those representing minority groups.

Members have been involved with the Strategy and in January agreed it was ready to be shared more widely. As part of the ongoing process we will be taking the emerging strategy to the new Cabinet Committees during the next few months.

We have involved the full senior management team in KCC. The principles and themes of the new Customer Service Strategy came from the Challenger Group when we looked at their own experience of customer service and how it could be improved.

Consultation with staff is ongoing but we have already taken into account comments made by front line Library, Gateway and Contact Centre staff.

The Customer Relationship Team is talking to our partners and has already taken on board comments from the Police, Probation Service, District Councils and Public Health.

As part of normal KCC process an equality impact assessment has been carried out and is being used to inform current thinking behind the strategy.

The Strategy was launched to staff and members on 12 January 2012 using KNet and a series of road shows (28) will be taking place throughout the county during the next few months. The workshops will be based on a 'market place' concept to make sure we engage with and involve front line people.

By: Paul Carter, Leader of the Council  
John Simmonds, Cabinet Member for Finance and Business Support

To: County Council – 9 February 2012

Subject: Budget 2012/13 and Medium Term Financial Plan 2012/15 (including Council Tax setting for 2012/13)

Classification: Unrestricted

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Summary: The report has been prepared so that Kent County Council can formally set its budget and Council Tax levels for 2012/13 in accordance with relevant legislation.

The report briefly provides an update on the 2011/12 financial position and makes detailed proposals for the 2012/13 revenue and capital budgets, as set out in the draft Budget Book and proposed Medium Term Financial Plan (MTFP) “Draft for County Council”. This revised draft includes the final tax base notifications and collection fund balances as set out in the Cabinet Report of 25 January 2012.

The report does not include the impact of any changes in final grant settlement figures (due to be confirmed in Parliament on 8 February 2012).

The report also details any significant changes to the 2012/13 Budget and MTFP from the original draft, including those reported to Cabinet on 25 January 2012.

The report includes information on the Dedicated Schools Grant and Pupil Premium settlements.

The report seeks formal approval to the recommendation from Personnel Committee in relation to staff pay.

Indicative financial information has been provided within the MTFP for 2013/14 and 2014/15. It should be noted that this is for planning purposes only, in line with the requirements of the Local Government Act 2003.

Members are reminded to bring the **white comb-bound** “Budget Book 2012/13” and “Medium Term Plan 2012/15” drafts for County Council to this meeting. Please note this supersedes the **black comb-bound** original draft version for consultation, which is now obsolete.

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Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to matters relating to, or which might affect, the calculation of Council Tax.

Any Member of a Local Authority, who is liable to pay Council Tax, and who has any unpaid Council Tax amount overdue for at least two months, even if there is an arrangement to pay off the arrears, must declare the fact that he/she is in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

## INTRODUCTION

1. The Local Government Finance Act 1992 requires the Council to formally consult on and ultimately set a budget and Council Tax for the next financial year, 2012/13. This report sets out the required calculations and recommendations. The proposed Budget 2012/13 and MTFP 2012/15 will enable the Corporate Director of Finance & Procurement to satisfy section 25 of the Local Government Act 2003, which requires the statutory officer to give an opinion on the robustness of the budget estimates and the level of reserves held by the Council.
2. The Council's budget is set within the framework of its policy priorities and in particular the proposed 2012/13 Budget and 2012/15 MTFP builds on the vision set out in Bold Steps for Kent. The proposed budget and MTFP also takes into account a range of external factors including national local government funding, the economic situation and the legislative programme.
3. The draft budget has been published earlier than in previous years, allowing longer for consultation, which means we can hold the County Council meeting (and notification of the precept on district councils) earlier. The efforts of district/borough/city council staff are particularly appreciated in providing early notification of the Council Tax base and collection fund balances.
4. The Budget and MTFP sets out in detail the main issues that have been taken into account in setting the Budget and Council Tax for 2012/13, summarised as follows:
  - (a) Net funding reduction of £4.7m compared to 2011/12, including:
    - (i) reduction in Formula Grant of £26.9m (8.5%)
    - (ii) additional one-off Council Tax Freeze grant (+£14.4m)
    - (iii) changes to New Homes and other un-ring-fenced grant (+£3.2m)
    - (iv) and additional Council Tax base/collection fund surplus (+£4.5m)
  - (b) Additional unavoidable spending demands of £62.9m to cover:
    - (i) price increases
    - (ii) demand/demographic changes
    - (iii) externally imposed factors and
    - (iv) the reversal of one-off measures agreed as part of 2011/12 budget

- (c) Service investments and improvements of £32.3m to support local policy priorities, including new proposals on staff pay and establishment of two reserves discussed at Cabinet and Personnel Committee on 25 January
5. The overall impact of the summary in paragraph 4 leaves £99.9m to be found from specific grants, income generation or savings in 2012/13. This pattern of reduced funding and increased spending is forecast to continue for the next 3 to 4 years, with further reductions in Government grant anticipated following the Spending Review 2010 (SR2010) and the Chancellor's Autumn Budget Statement in November 2011. The MTFP includes the estimated impact, although the changes proposed in the Local Government Finance Bill and the lack of indicative allocations beyond 2012/13 means the future funding is uncertain. The MTFP also illustrates the impact of further freezes in Council Tax in 2013/14 and 2014/15 without Government funding. The overall picture means that the Council would need to find savings/income close to the £340m prediction made when the magnitude of the UK budget deficit became clear in 2010.
6. Reductions in capital grants were factored into the approved programme for 2011/12 to 2013/14. This reduced level of capital support is forecast to continue in the proposed capital programme for 2012/13 to 2014/15, including further reductions in schools funding to reflect estimated academy conversions and changes to the allocation for basic need. The Council is continuing to do as much as possible to maintain an ambitious capital programme to provide necessary infrastructure improvements through prudential borrowing and innovative approaches such as Property Enterprise Fund. The Council's ability to sustain these over the medium to long term is limited and other financing options are actively being investigated, including bonds, infrastructure levies and tax increment financing (TIF).

## **BUDGET 2011/12**

7. The latest budget monitoring report forecasts a net £3.476m underspend on the revenue budget for 2011/12. This is an encouraging position bearing in mind the approved budget required £95m of income and savings to be delivered in order to balance the budget and at the start the year only around of 1/3 of these were certain. Members and officers have all made huge efforts to deliver the planned savings/income and to respond to the inevitable unforeseen issues that have arisen throughout the year.
8. The biggest issue faced during the year is the demand for additional placements for Looked after Children (LAC). When the budget for 2011/12 was set, provision for £3.5m of additional spending was included to address the Children's Social Care Improvement Plan (£2.5m one-off in 2011/12 and £1m ongoing). Additional funds were also included to address the demand for LAC placements, on the basis that referrals had reached a plateau. There are currently 1,554 children who have been placed in care and are the responsibility of the County Council. This has led to a forecast 10,000 (19%) more client weeks than budgeted in foster care, together with pressures on the residential care, adoption, assessment, legal and asylum budgets. The overall additional spending on all these budgets in 2011/12 is £14.189m.

9. The additional spending on LACs is more than offset by substantial underspends on adult services, transport, waste and financing items (mainly debt charges). There are also less significant underspends in Education, Customer and Communities and Business Strategy.
10. The 2011/12 accounts are expected to close with £31.7m of general reserves. This represents an increase of £5m over the balance at the end of 2010/11, which is in line with the Council's financial strategy agreed as part of 2011/12 budget to provide greater financial resilience in light of increased risks. It is also in line with recommended best practice as provided by both CIPFA and the Audit Commission.
11. £1.879m of the forecast underspend in 2011/12 is proposed to be transferred into an earmarked reserve to roll-forward to support the 2012/13 budget (n.b. £1.2m underspend on Early Years in 2011/12 has already been transferred to reserves to support next year's budget as agreed by Cabinet in December 2011). The £1.879m has been increased from the £1m identified in the original draft Budget in order to defer the proposed saving on teacher posts in Children's Centres which is now considered undeliverable in 2012/13 (see Other Changes paragraph 35 below).
12. During the course of the year the ruling from the Icelandic Supreme Court confirmed that local councils have been granted preferred creditor status and so all of the £15m invested in Glitnir bank and 98% of the £17m invested with Landsbanki should be recovered. At least 92% of the £18.35m invested with the UK registered Heritable Bank is also expected to be recovered. Members should bear in mind that funds recovered from Icelandic banks are not additional money, as our financial strategy was based on us recovering a large proportion of these investments, although the decision by the Icelandic courts does reduce our risk profile.
13. Schools started 2011/12 with revenue reserves of £55.2m and capital reserves of £7.3m. This represents a £3.4m increase in revenue reserves compared to 2010/11 and a decrease in capital reserves of £6.8m.
14. It should be noted that the Dedicated Schools Grant (DSG) is a ring-fenced grant and any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, for use in schools or on schools related expenditure.
15. The capital budget has been adjusted during the year to reflect re-phasing on various projects. A £2.9m overspend against the revised cash limit of £262.5m is forecast, due to variances on a number of projects.
16. This is a very concise summary of the overall financial position for 2011/12. Detailed quarterly reports will continue to be provided to Cabinet, setting out the latest spending on each budget heading and exception reports in the intervening months highlighting any significant issues since the last full report. The third quarterly report will be presented to Cabinet on 19 March 2012.
17. The volatility of demand led budgets presents one of the council's major financial risks. As part of the restructure of Finance Support it is proposed to



put a greater proportion of resources into supporting managers with the most volatile/demand led budgets, but with reduced resources overall, this will mean managers of other budgets will have to become more independent of Finance Support.

## **CONSULTATION**

18. The draft budget was launched on 20 December. KCC was one of the first Councils to officially publish budget proposals for 2012/13. The launch received local media coverage and information was published on KCC's web-site. Members of the public and staff have been encouraged to examine the budget proposals and submit comments as part of the formal consultation process.
19. As well as consulting with the general public, formal consultation was arranged with Trades Unions & Professional Associations, the business community, and opposition parties. Policy Overview and Scrutiny Committees considered the budget proposals during their meetings in January 2011. The budget proposals were reviewed at Cabinet Scrutiny Committee on 23 January and debated at Cabinet on 25 January 2012.
20. The market research firm Ipsos MORI were also commissioned to undertake a study of public attitudes to expenditure priorities and Council Tax levels. This information informed the recommendations made to County Council and the Ipsos MORI report was included as an appendix to the Cabinet report on 25 January 2012. Cabinet was reminded that the MORI report is the latest in series of reports which have been commissioned to inform previous budget consultation and development.
21. The views from this consultation process were reported to Cabinet on 25 January 2012 and appendices to the report included notes of all of the consultation meetings.
22. Prior to consultation an Equality Impact Assessment (EIA) was undertaken and published on the overall budget process. This EIA identified that consultation on the overall level of the budget and Council Tax and the approval of the budget at County Council is not a substitute for detailed consultation and EIA of specific proposals within individual portfolios/directorates. Portfolio holders have delegated authority to take account of views raised during detailed consultation and any changes from the approved budget are reported as variations and variations during the year through the budget monitoring process.

## **CHANGES TO THE DRAFT BUDGET FOR COUNTY COUNCIL**

23. Some changes have been made to the original draft Budget Book and MTFP documents published for consultation. The most significant changes were reported to Cabinet on 25 January 2012. These include the following:

### *Early Intervention Grant (EIG)*

24. The original draft budget was based on the indicative EIG announced in January 2011. In his Autumn Budget Statement, the Chancellor announced the intention to extend the entitlement to free early years placements to 2 year olds.

At the time the draft budget was launched we had no indication how much would be needed to fund this pledge or how it would be funded. The provisional EIG settlement in December 2011 was £1.724m more than the January 2011 amount which included the additional funding for the 2 year olds pledge.

25. It is now estimated that £860k is needed in 2012/13 to fund the additional places for 2 year olds and this has been added to the Specialist Children's portfolio in the revised draft Budget Book for County Council. The remainder of the additional EIG has been retained in the Finance portfolio as income within the previously identified overall budget requirement. There are no indicative allocations for EIG in 2013/14 or 2014/15, although the roll-out of the 2 year olds pledge is likely to cost substantially more than in 2012/13.

#### *Council Tax base & Collection Funds*

26. The Council Tax base was estimated to increase by 0.3% when the draft budget was launched on 20 December 2011. The final notification from District Councils (as reported to Cabinet on 25 January) confirmed that the increase was better than anticipated and the tax base has increased by 0.74%. This generates an additional £2.567m of funding compared to the original draft and the overall budget requirement has been increased accordingly.
27. KCC's share of the net surplus balance on the district collection funds is £2.239m. This has been added to the overall funding and the Budget requirement increased accordingly. Cabinet recommended the additional money be held in the Finance portfolio along with the additional tax base to support the overall budget and enable the establishment of two new reserves.

#### *Pay and Prices*

28. Personnel Committee on 25 January 2012 recommended a 1% pay award for all staff in the Kent Scheme. The estimated cost (excluding schools) was identified as £3m to be funded from the emerging pressures provision. The report to Cabinet identified the demand on emerging pressures but did not include allocations to individual portfolios. The revised draft Budget Book for County Council (white combed) and MTFP now identifies the amounts for individual lines in the A to Z and in the portfolio summary. The estimated cost for schools is £2m which can be funded from DSG.
29. Cabinet recommended that if the 1% pay award is agreed for Kent Scheme staff a general provision equivalent to 1% should also be made available for adult social care prices. This required the transfer of £3.091m from emerging pressures into the Adult Social Care portfolio to facilitate negotiation with providers.

#### *Dedicated Schools Grant & Young Persons Learning Agency Grant*

30. The announcement of the DSG and YPLAG settlements for 2012/13 were too late to include in the original draft Budget Book and MTFP. It was assumed that the settlements would be the same cash per pupil as 2011/12 and the draft Budget Book only included adjustments to gross expenditure and income to reflect the estimated impact of academy conversions. Unlike previous years this was not reflected as additional spending and grant income in the MTFP, as DSG and YPLAG are ring-fenced.

31. The DSG announcement confirmed our assumptions on the overall cash per pupil and confirmed that the Minimum Funding Guarantee (MFG) for individual schools would remain at minus 1.5% per pupil. Some schools will continue to be funded at the MFG, particularly where they faced reductions in funding as a result of the transfer of Standards Funds into DSG in 2011/12. The MFG also allows some local headroom for the Schools' Funding Forum to agree local changes in the distribution of grant. The Kent Schools' Funding Forum has not recommended any significant changes in the distribution of grants to individual schools for 2012/13.
32. The draft Budget Book included the impact of the doubling in the Pupil Premium Grant as estimated additional grant income and allocations to schools. The Pupil Premium announcement for 2012/13 included a significant extension in the number of qualifying pupils (to any pupil who has been eligible for a free school meal in the last 6 years). The resulting increase in the number of qualifying pupils means the amount per pupil has not doubled. This could be an issue for some schools who had planned their budgets on the amount per pupil doubling. There is also concern that the number of pupils claiming eligibility for free school meals has increased significantly since the grant was introduced, resulting in pressure on the schools DSG budget

#### *Reserves*

33. Cabinet recommended that as a result of the changes to Council Tax base, collection fund surplus, pay and prices, EIG, and emerging pressures that the net balance of just under £10m should be used to establish two new reserves:
  - (i) £7.5m transferred into a new Council Tax equalisation reserve. In effect this would enable just over half of the one-off Council Tax freeze grant to be used to support future year's budgets to smooth the savings that would otherwise be necessary to compensate for the loss of grant and the Council Tax income foregone.
  - (ii) £2m transferred into the existing restructure reserve but to be used specifically on new invest to save initiatives. Drawdown from the £2m would be approved by the Cabinet Member for Finance and Business Support who would ensure applications made significant progress towards the savings targets for 2013/14 and 2014/15 identified in the MTFP

#### *Final Settlement*

34. The final local government grant settlement has not been announced in time for the publication of this report. It is scheduled to be debated in Parliament on 8 February and should be announced prior to this date. The final settlement could include small change to Formula and other grants. This report seeks approval to grant delegated authority to the Cabinet Member for Finance and Business Support to agree the necessary changes to the budget requirement and 2012/13 spending plans to take account of the final settlement.

#### *Other Changes*

35. The Budget Book and MTFP have been updated to reflect the most up to date information. That includes adjustment to pressures and saving on Carbon Reduction Commitment reported to Cabinet on 25 January and minor adjustments under £0.5m referred to in the Cabinet report. These changes

have no impact on the overall budget requirement but have necessitated minor realignment of individual portfolio amounts as reflected in the revised draft Budget Book for County Council (white combed). Updates have also been made to the commentary in the Budget Book and MTFP relating to announcements since the draft was published.

36. There is one further change proposed following the Cabinet meeting on 25 January 2012. It is proposed that the £0.879m saving included within the £2.024m of savings on early years in the Specialist Children's portfolio be deferred. This saving related to the removal of teaching posts in Children's Centres and it is now proposed this be deferred for further consideration following representations made during the formal consultation on the budget. This will have no impact on the overall budget requirement as the deferral can be funded by additional roll-forward of the 2011/12 underspend. This change is reflected in the revised draft Budget Book and MTFP for County Council (white combed).
37. The A to Z of services has been re-presented for the County Council in an alternative format by portfolio as an appendix to the budget book to assist debate on the day. This alternative format has exactly the same proposed budget amounts. A line number reference is also included on each page of the draft Budget Book for County Council (white combed) to make the impact of any amendments easier to identify.
38. Table 1 summaries the impact on the overall budget requirement of the changes since the draft budget was published.

<b>TABLE 1 – CHANGES TO DRAFT REVENUE BUDGET 2011/12</b>	Net £'000
<b>Budget Requirement per draft issued on 20<sup>th</sup> December</b>	<b>899,515</b>
Additional funding from increased Council Tax base	2,567
Additional funding from Collection Fund surplus	2,239
<b>Revised proposed Budget Requirement as per "Draft for County Council"</b>	<b>904,321</b>

39. Table 2 summarises the changes in revenue budget portfolio totals.

<b>TABLE 2 – CHANGES TO PORTFOLIO AMOUNTS</b>	Original Draft Net £'000	County Council Net £'000
Adult Social Care and Public Health	332,181	335,639
Business Strategy, Performance and Health Reform	51,082	52,447
Customer and Communities	78,829	79,496
Democracy and Partnerships	7,156	7,193
Education, Learning and Skills	59,112	59,395
Environment, Highways and Waste	149,079	149,307
Finance and Business Support	67,893	64,201

Regeneration and Enterprise	3,614	3,643
Specialist Children's Services	150,569	153,000
<b>Budget requirement 2011-12</b>	<b>899,515</b>	<b>904,321</b>

### CAPITAL INVESTMENT PROPOSALS 2012/15

40. There have been changes to Education Learning and Skills portfolio proposed capital programme as reported to Cabinet on 25 January 2012 as follows:
- Reduction in three year basic need programme of £30.203m. This is necessary following the changes to the distribution of the DfE grant and to use more of the grant to support the annual enhancement programme
  - Reduction in three year devolved formula capital grants of £1.692m due to estimated loss of DfE grant for academies conversions
  - Reduction in the three year enhancement programme of £8.451m. This reflects both the estimated loss of DfE grant for conversion to academies, loss of supported borrowing and the transfer of grant from basic need
  - Reduction in the three year modernisation programme of £8.108m due to estimated loss of DfE grant for academy conversions
  - Additional spending on school improvements approved by the Kent Schools Funding Forum supported by £4.895m revenue contribution in 2012/13 from schools

The funding for the revised Education, Learning and Skills portfolio capital programme for 2012/15 is summarised in Table 3 below:

<b>TABLE 3 – ELS CAPITAL FUNDING SOURCES 2012/15</b>	Original Draft £'000	County Council Draft £'000
Borrowing	63,378	45,979
Property Enterprise Fund 2 (PEF2)	0	0
Grants	236,939	205,884
Developer Contributions	3,361	3,361
Other External Funding	0	0
Revenue and Renewals	26,000	30,895
Capital Receipts	9,826	9,826
Private Finance Initiative (PFI)	0	0
<b>Total Funding</b>	<b>339,504</b>	<b>295,945</b>

41. The revised capital programme also includes an additional £12m borrowing in Business Strategy portfolio for the proposed Kent Local Authority Mortgage Scheme and an additional £1.35m government grant in the Environment Highways and Waste portfolio for integrated transport. These changes together with ELS reduce the overall three year capital programme from £722.7m to £692.5m
42. The Prudential Regime requires that this capital programme be agreed with due regard to the new indicators which have been provided in full at Appendix B in the MTFP.

## COUNCIL TAX 2012/13

43. It is proposed to freeze the level of Council Tax in relation to the County Council precept at the same rates as 2011/12. This will result in a precept of £577.914m on district councils based on the notified Council Tax base (the revised draft Budget Book for County Council (white-combed) shows the amount for each district on page 6).
44. The frozen amounts for each Council Tax band are shown in table 4 below. In practice, people will pay lower amounts of tax if they are eligible for discounts (e.g. empty properties, people living alone) or receive Council Tax Benefit which is available to people on low incomes. These tax levels exclude the charges from the separate Fire & Rescue Authority, Police Authority, District Councils and Parish Councils.

TABLE 4 – KCC COUNCIL TAX AT FROZEN LEVELS								
Band								
	A £	B £	C £	D £	E £	F £	G £	H £
Annual Charge	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

45. The Council Tax freeze is supported by a one-off government grant equivalent to a 2.5% Council Tax increase. Cabinet Members have considered in detail the merits and implications of accepting the grant offer. Members recognise that by not increasing Council Tax, income is not only foregone in 2012/13 but is likely not be recovered in future Council Tax increases. Nonetheless, Members have concluded that in the current economic climate it would be inappropriate to turn down a government grant and ask Kent residents to pay more.
46. The decision has been a little easier because the existing MTFP and financial strategy did not include a Council Tax increase in 2012/13 in order to finance spending plans. The proposed MTFP for 2013/14 and 2014/15 demonstrate the impact on spending plans and savings/income requirements if further freezes are applied without government grant. Members should note that 3 year projections are included for forward planning purposes and decisions on future Council tax levels will remain an annual budget decision.

## STAFF PAY

47. This is the eighth year of local pay bargaining, and has continued to be undertaken in an honest and constructive manner. The difficult financial climate together with the challenges Kent County Council face now and in the medium term have been key factors in the discussion with our recognised Trade Unions.
48. In the original draft budget there was no specific provision for a cost of living award. This did not mean the Council could not agree to an award as there was capacity within “emerging pressures” to conclude the local bargaining. The Trades Unions local submission sought a substantial settlement for 2012/13, no

further detrimental changes to terms and conditions, and a return to the incremental pay scale.

49. Personnel Committee on 25 January received information on progress on national pay negotiations, inflation trends and pay progression. The committee recommended that a 1% pay award for all Kent Scheme staff should be proposed to full Council in addition to pay progression through the Total Contribution Pay process.
50. Personnel Committee proposed that other issues in the pay bargaining process be reported to Council in March as there is no impact on the 2012/13 budget.

## **TREASURY MANAGEMENT**

51. The volatility of the financial sector across the world continues to provide KCC with a significant challenge. It is important that we respond to this in a way that protects our cash deposits but also provides an income stream (or avoided borrowing cost) to the Council. The updated Treasury Management Strategy approved by Cabinet on 25 January, and included as section 5 of the MTFP, reflects our low risk approach to treasury management within the Council.

## **ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

52. As required by the Local Government Act 2003, the Section 151 Officer (in our case the Corporate Director of Finance and Procurement) must formally give opinion as to the robustness of the budget estimates and the level of reserves held by the Council.
53. The estimates have been produced from a challenging process with Portfolio Holders and senior staff within all directorates, resulting in agreement on the level of service delivery within the identified financial resources.
54. The MTFP clearly sets out the recommended strategy for ensuring adequate reserves and in particular recommendations to drawdown from longer term reserves (to be reimbursed at a later date). In making these recommendations consideration has been given to a number of key factors including; the economic and fiscal uncertainty into the future, the potential changes in local government funding for 2013/14 and beyond, potential disruption due to staff restructuring across the council, our recent excellent record on budgetary control, the restructure of the Finance function, the internal financial control framework, our strong approach to risk management and the expected level of General Reserves at 31 March 2012. The level of general reserves is in line with best practice as recommended by CIPFA and the Audit Commission.
55. To conclude, the Corporate Director of Finance and Procurement is able to formally report that the budget estimates are robust and the level of reserves adequate.

## RECOMMENDATIONS

56. The Council is asked to approve the contents of the attached 2012/13 Budget and Medium Term Financial Plan 2012/15 and to approve the following proposals:

- (a) the Revenue and Capital Budget proposals for 2012/13;
- (b) the Revenue Budget requirement of £904.321m;
- (c) the Capital Investment proposals of £692.469m over three years, together with the necessary use of borrowing, revenue, grants, capital receipts, renewals and other earmarked capital funds, external funding and PFI, subject to approval to spend arrangements;
- (d) the Prudential Indicators as set out in Appendix B of the attached Medium Term Financial Plan;
- (e) the revised Treasury Management Strategy as per section 5 of the MTFP
- (f) the overall Revenue and Capital Budget proposals as presented in the white combed version of the Budget Book and Medium Term Financial Plan for:
  - (i) Adult Social Care and Public Health;
  - (ii) Business Strategy, performance and Health Reform;
  - (iii) Customer and Communities;
  - (iv) Democracy and Partnerships;
  - (v) Education, Learning and Skills;
  - (vi) Environment, Highways and Waste;
  - (vii) Finance and Business Support;
  - (viii) Regeneration and Enterprise;
  - (ix) Specialist Children's Services
  - (x) Localism & Partnerships;

and to delegate responsibility to the portfolio holders to deliver their responsibilities within the overall resources approved by the County Council subject to the outcome of detailed consultation.

- (g) delegate authority to the Cabinet Member for Finance and Business Support to make the necessary changes to the Revenue Budget requirement and spending plans in light of the final grant settlement
- (h) delegate authority to the Cabinet Member for Finance and Business Support to approve allocations from new Invest to Save Reserve
- (i) 1% pay award for all Kent Scheme staff
- (j) a total requirement from Council Tax of £577,914,417 to be raised through precept to meet the 2012/13 budget requirement; and
- (k) a Council Tax as set out opposite, for the listed property bands:



Band								
Council Tax for Band	A	B	C	D	E	F	G	H
£	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

**Background documents:**

*Autumn Budget Statement – Cabinet 5 December 2011*

*Medium Term Financial Plan 2012/15 considered by Policy Overview and Scrutiny Committees between 3 November 2011 and 23 November 2011*

*Provisional Local Government Finance Settlement 2012/13 – 8 December 2011*

*Provisional Local Government Settlement 2010/11 – Cabinet 9 January 2011*

*KCC response to the Provisional Local Government Finance Settlement – 16 January 2012*

*Draft 2012/13 Budget and Medium Term Financial Plan 2012/15 launched 20 December 2011 and considered by Policy Overview and Scrutiny Committees between 10 January 2012 and 20 January 2012*

*Cabinet Scrutiny Committee Agenda and Minutes 23 January 2012*

*Budget 2012/13 and Medium Term Plan 2012/15 – Update to Cabinet 25 January 2012*

*Local Pay Bargaining 2012/13 Personnel Committee 25 January 2012*

Officer Contacts:

Andy Wood, Corporate Director of Finance and Procurement, Ext. 4622

Cath Head, Acting Head of Financial Management, Ext. 1135

Dave Shipton, Acting Head of Financial Strategy, Ext. 4597

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**KENT COUNTY COUNCIL  
EQUALITY IMPACT ASSESSMENT**

**This form dated 17/12/2010 supersedes all previous EIA/ CIA forms**

**Directorate: BSS Finance and Procurement Name**

**of policy, procedure, project or service**

Draft 2012/13 Budget and 2012/15 Medium Term Financial Plan

**Type**

Proposed Budget & Council Tax 2012/13

**Responsible Owner/ Senior Officer**

Dave Shipton

**Date of Initial Screening**

December 2011

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## Screening Grid

Characteristic	Could this policy, procedure, project or service affect this group differently from others in Kent? YES/NO	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO	Assessment of potential impact HIGH/MEDIUM/LOW/ NONE/UNKNOWN		Provide details: a) Is internal action required? If yes, why? b) Is further assessment required? If yes, why? c) Explain how good practice can promote equal opportunities
			Positive	Negative	
Age	Yes	<p>Yes- The approach of the MTFP is to prioritise services that are aimed at the most vulnerable. As such this approach could also create opportunities for those who fall within the Protected Characteristic and are particularly vulnerable.</p> <p>Further Impact Assessment will be undertaken following consultation and when Project Initiation Documents are submitted by Budget holders</p>	Med/ High	Med	<p>a) Yes internal action is required- Following agreement on the strategy,</p> <p>b)Yes -Impact Assessment will be undertaken when Project Initiation Documents are submitted by Budget holders. Also responses to draft budget will be taken into consideration when the final decisions are made.</p> <p>c) See Column 2</p>
Disability	Yes	Yes- As above	Med/ High	Med	As above
Gender	Yes	Yes- As above	Med/ High	Med	As above

<b>Gender identity</b>	Yes	Yes- As above	Med/ High	Med	As above
<b>Race</b>	Yes	Yes- As above	Med/ High	Med	As above
<b>Religion or belief</b>	Yes	Yes- As above	Med/ High	Med	As above
<b>Sexual orientation</b>	Yes	Yes- As above	Med/ High	Med	As above
<b>Pregnancy and maternity</b>	Yes	Yes- As above	Med/ High	Med	As above

## **Part 1: INITIAL SCREENING**

### **Context**

Each year the County Council is responsible for agreeing the overall revenue and capital budgets and in particular the amount of Council Tax it requires to precept from district councils and the consequence on the rate for Council Tax charged for County Council services for each property band.

The Council's overall plan is set out in the document "Bold Steps for Kent" (Bold Steps). This MTFP supports this overall Plan. Bold Steps recognises that we will need to deliver our services with less funding and that the Council structure will have to be as efficient as possible.

Detail in terms of the approach that has been taken to the MTP can be found in the Executive Summary of the Medium Term Plan (Draft)

A key message to our managers that we must manage additional spending demands robustly and by adopting creative solutions as additional funding in the form of grants is unlikely to be available. This does, however, create a financial risk that we will monitor very close

This Equality Impact Assessment has been carried out on the overall budget strategy and not the detail within individual proposals. The individual proposals will be subject to their own separate Equality Impact assessment, consultation and assessment procedures at the relevant time.

The screening grid has been completed in relation to the proposed overall strategy. An outcome of this is that an Equality Impact Assessment of individual proposals (particularly savings) will be included in Project Initiation Documents (PIDs) which back-up the major policy changes within the draft budget.

### **Aims and Objectives**

The draft Budget Book and MTFP are high level strategic plans setting out:

- summary of the forecast 3 year position
- the overall resources available for the forthcoming year
- the Council Tax to precept from district councils and the level to be raised from each property band
- the overall resources to be delegated to each Cabinet Member
- an indication of how the resources will be deployed in individual services and the activity than can be afforded
- a picture of the major changes at county level between 2011/12 and 2012/13
- a picture of the major changes within each portfolio

County Council is not asked to agree the detail of individual portfolio spending plans.

## **Beneficiaries**

Anyone who is eligible to pay Council Tax in Kent/ Residents KCC service beneficiaries. Kent County Council and Members

## **Consultation and data**

The Council has a statutory duty to consult on its proposed budget and level of Council Tax under the Local Government Finance Act 1992. The County Council discharges this responsibility via the following:

- a public launch of the budget proposals which is covered in local media
- providing printed copies of the draft Budget Book and MTFP to elected members, relevant officers, trade union representatives, business representatives and any member of staff or the public who requests a copy
- the draft Budget Book and MTFP are also made available on KCC's website together with links to relevant information
- formal consultation with Cabinet, Policy Overview and Scrutiny Committees, Trades Unions and business representatives throughout January
- communication with staff x opportunity for Kent residents, staff and any other interested parties to submit comments either by e-mail or in writing

The Council also conducted informal consultation about future spending priorities during the autumn. This included an all day workshop with Kent residents commissioned from independent market researchers - copies of the report from this session will be available once finalised but the key message was that the Council should focus its resources to protect the most vulnerable groups.; discussions with trade union representatives; presentations/discussions with cabinet members & senior managers; updates to Policy Overview and scrutiny Committees; informal member groups set up by POSCs.

Consultation on the overall budget proposals is not a substitute for consultation or undertaking EIA before implementing individual elements of the proposed budget .Rather, this will help to inform future decisions. Having set the budget this will not preclude making changes following detailed consultation as long as changes are in accordance with the Council's Constitution and Financial Regulations.



The Council has reviewed the presentation of the draft Budget and MTFP over the last two years to try to make it more transparent and make the data more understandable. Inevitably the budget is a plan and there will be variations arising during the year. These variations are reported through the in year budget monitoring. We have reviewed both the Budget Book and monitoring reports to make the data sources consistent.

### **Potential Impact**

Budget proposals could impact on staff working in particular services, clients of those services and stakeholders involved with those services.

Debate at the County Council provides an opportunity to discuss the impact of individual proposals and for members to consider amendments to the proposed budget in light of potential impact. This enables consideration to be made in light of the impact on Council Tax and other council services and to take account of the overall resources available to the Council.

The proposed budget has been developed in line with the Council's medium term plan (Bold Steps for Kent) and aligns financial resources with the priorities set out in this plan. To that extent we have assessed the impact against these priorities and there has been a positive impact in terms of investing additional spending into areas of highest priority

Impact assessments on individual elements within the budget will be carried out after the County Council has approved the overall budget and levels of Council Tax. Without decisions on these overall strategic parameters it would be impossible to carry out detailed impact assessments.

### **Adverse Impact:**

### **Positive Impact:**

## **JUDGEMENT**

### **Option 1 – Screening Sufficient No**

### **Justification:**

### **Option 2 – Internal Action Required Yes**

*(Complete the Action Plan at the end of this document)*

The budget proposals have been developed throughout the year to take account of the likely resources available to the Council, financial performance during the current year, alignment of finance with priorities set out in the council's medium term plan and engagement with members/senior officers/stakeholders at all appropriate stages in the process.

Detailed screening can only take place once the key strategic parameters have been agreed by the County Council.

Further this Equality Impact Assessment will be revisited following the consultation period.

**Option 3 – Full Impact Assessment NO**

*Only go to full impact assessment if an adverse impact has been identified that will need to undertake further analysis, consultation and action*

**Sign Off**

*I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.*

**Senior Officer**

Signed:

Date: 15 December 2011

Name: Dave Shipton

Job Title: Acting Head of Financial Strategy

**Directorate Equality Lead**

Signed

Date:

Name:

**Part 2: FULL ASSESSMENT**

**Name**

*Of the policy, procedure, project or service*

**Responsible Owner/ Senior Officer:**

**Date of Full Equality Impact Assessment:**

**Scope of the Assessment**

*Set out what the assessment is going to focus on, as directed by the findings from your initial screening*

**Information and Data**

*State what information/data/research you have used to help you carry out your assessment*

**Involvement and Engagement**

*Provide details of all the involvement and engagement activity you have undertaken in carrying out this assessment and summarise the main findings*

**Judgement**

*Set out below the implications you have found from your assessment for the relevant diversity groups. If any negative impacts can be justified please clearly explain why.*

**Action Plan**

*Provide details of how you are going to deal with the issues raised in judgement above and complete the Action plan at the end of this document*

**Monitoring and Review**

*Provide details of how you intend to monitor and review progress against the above actions*

**Sign Off**

*I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.*

**Senior Officer**

Signed:

Date:

Name: Job

Title:

**Directorate Equality Lead**

Signed:

Date:

Name:

Equality Impact Assessment Action Plan

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
<p>ALL</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 57</p>	<p>Understanding impact of approach at the (incomplete sentence</p>	<p>All PIDs to have an EqIA</p>	<p>Most vulnerable are not significantly disadvantaged as a result of their protected characteristics and budget proposals</p> <p>KCC is able to understand and respond to the impact of the MTFP</p> <p>KCC is able to manage risks in relation to Public Sector Equality Duties (PSED) which may have been raised as a result of the MTFP</p>	<p>Budget Owners</p>		

**KCC is able to understand the impact on staff and services as a result of the MTFP**

**KCC is able to robustly manage design and deliver services efficiently without being in breach of its PSED's**

# Budget Book

2012/13

*Draft for County Council*







# KCC Budget Book 2012/13

## CONTENTS

		<b>Page</b>
<b>Section 1</b>	Introduction	1 – 4
<b>Section 2</b>	Council Tax 2012/13	5 – 6
<b>Section 3</b>	Capital Investment Plans	7 – 20
<b>Section 4</b>	Portfolio Revenue Budget Summary	21 – 24
<b>Section 5</b>	A to Z Service Analysis	25 – 44
<b>Section 6</b>	A to Z Variation Statements	45 – 188
<b>Section 7</b>	Budget by Directorate – Summary	Final version only (after County Council)
<b>Section 8</b>	Budget by Directorate (incl. delegations to Managers)	Final version only (after County Council)
<b>Appendix A</b>	Portfolio Revenue Budgets	189 – 218
<b>Appendix B</b>	A to Z Service Analysis Index	219 – 225



# **KCC Budget Book**

# **SECTION 1**

## **Introduction**

## **Section 1 - KCC Budget Book**

### **Introduction**

- 1.1 Please see the “Medium Term Financial Plan 2012/15” for the Leader’s Foreword to this budget and the national and local context in which the budget has been set. In particular this sets the context of the financial challenges the authority faces to set a balanced budget - increasing spending demands, council tax freeze and reductions in Government grants. The remainder of this introduction is a guide to help users navigate this draft budget book. The final budget book with the full analysis of budgets will be produced following County Council approval on 9<sup>th</sup> February.
- 1.2 We have made some changes to the presentation of the revenue sections of this Budget Book to make the document more user-friendly. There are three places where you can find the proposed changes to the budget. One of those is in the Medium Term Financial Plan at Appendix A (iii), the other two are in this budget book, one within section 5 and the other within section 6. The index at the back of this budget book at Appendix B shows which pages within section 5 and 6 you can find each service.
- 1.3 We have continued with an alphabetical list of individual service budgets (see section 5), indicating which Portfolio is responsible for each line in the Budget and showing key performance and activity levels. This format was well received when it was introduced in 2011/12 and there have been only minor changes in descriptions of the services we provide and to remove figures that are so small they are immaterial.
- 1.4 The services continue to be split into four main sections, and within those sections have been further split into meaningful categories to guide the reader to the correct service area. The table below shows the main headings and categories, as presented in the budget pages that follow.

<b>Main Heading</b>	<b>Categories</b>
Direct Service to the Public	Adults & Older People
	Children’s Services
	Community Services
	Environment
	Highways
	Local Democracy
	Planning and Transport Strategy
	Regeneration & Economic Development
	Regulatory Services
	Schools Budgets
	Schools Services
	Transport Services
Waste Management	
Financing Items	
Assessment Services	
Management, Support Services (inc. centrally managed budgets) and Overheads	

- 1.5 A new addition to the Budget Book for 2012/13 is a “variation statement” (see section 6), which summarises changes between 2011/12 and 2012/13 for each line of the A-Z. The purpose of this change is to support the transparency agenda and to help the reader follow the main reasons for a change between financial years in any particular budget service area. We would also refer the reader to ‘What we spend’ section of [kent.gov.uk](http://kent.gov.uk). The index at the back of the book (Appendix B) will be a useful tool for navigating between the variation statements.
- 1.6 We have shown the detailed transactions that make up the Base Adjustments – Internal section. To help the reader we have added a “type” flag to explain why each adjustment has been necessary. The “type” flags used are:

<b>Type</b>	<b>Description of adjustment</b>
11/12	These adjustments relate to budget realignments in 2011/12 and have been reflected through this year’s budget monitoring process
GIN	These adjustments are in the main between Gross and Income and have a nil net effect.
A-Z tfr	These adjustments relate to the transfer of budgets between A to Z service lines
DSG	These adjustments relate to the delegation of Dedicated Schools Grant (DSG) to Schools or realignment of DSG budgets

- 1.7 The Directorate service management and support costs are shown separately at the end of the budget pages. As a result of the restructuring of the council, comparison of these costs by services with previous year’s budget books is not feasible.
- 1.8 The final budget book will also include a section detailing the allocation of revenue budgets to the Council’s management structure, including details of staffing levels.



**KCC Budget Book**

**SECTION 2**

**Council Tax 2012/13**

# COUNCIL TAX 2012-13

## COUNCIL TAX BASE, PRECEPT AND COUNCIL TAX RATES

DISTRICT COUNCIL	COUNCIL TAX BASE	PRECEPT - KCC council tax to be collected	PROPERTY BAND	TAX RATE PROPORTION OF BAND D	TAX RATE
		£			
Ashford	46,075.60	48,277,092	Band A	6 / 9	£698.52
Canterbury	52,353.00	54,854,426			
Dartford	35,069.50	36,745,121	Band B	7 / 9	£814.94
Dover	40,188.44	42,108,644			
Gravesham	35,551.53	37,250,182	Band C	8 / 9	£931.36
Maidstone	60,985.30	63,899,178			
Sevenoaks	50,860.03	53,290,122	Band D	1	£1,047.78
Shepway	40,019.05	41,931,160			
Swale	48,401.04	50,713,642	Band E	11 / 9	£1,280.62
Thanet	47,194.74	49,449,705			
Tonbridge and Malling	49,256.68	51,610,164	Band F	13 / 9	£1,513.46
Tunbridge Wells	45,605.93	47,784,981			
			Band G	15 / 9	£1,746.30
Total	551,560.84	577,914,417	Band H	2	£2,095.56

### Note

These figures reflect only the County Council tax rates. Both the Kent Police Authority, Kent & Medway Fire & Rescue Authority and the District Councils' requirements are shown separately on the Council Tax bills



## **KCC Budget Book**

# **SECTION 3**

## **Capital Investment Plans**



**SUMMARY**

**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

Row ref	2012/15 Funded By:										
	Total cost of scheme £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000
1	Adults Social Care & Public Health	92,933	3,768	937	6,279	5,286	1,441		4,802	70,420	
2	Business Strategy, Performance & Health Reform	52,447	17,971	26,979	1,625	3,950		561	1,361		
3	Customer & Communities	27,047	11,350	12,104		2,127	350		806		
4	Education, Learning & Skills	687,324	365,757	45,979		205,884	3,361		9,826		25,622
5	Environment, Highways & Waste	608,582	212,512	52,174	20	106,983	3,601	253	4,464	300	228,275
6	Regeneration & Enterprise	107,658	13,488	28,972		50,000	225	5,292	4,681		5,000
7	Specialist Children's Services	15,168	14,947	218			3				
8	<b>Total Cash Limit</b>	<b>1,591,159</b>	<b>639,793</b>	<b>167,363</b>	<b>7,924</b>	<b>374,230</b>	<b>8,978</b>	<b>5,858</b>	<b>21,776</b>	<b>70,420</b>	<b>258,897</b>

Row ref	2012/15 Funded By:										
	Three year budget £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000
	<b>ROLLING PROGRAMMES</b>										
9	Adults Social Care & Public Health	3,429		14		3,414			1		
10	Business Strategy, Performance & Health Reform	9,168		4,085		3,950		61	1,072		
11	Customer & Communities	11,885		9,443		2,127			315		
12	Education, Learning & Skills	61,217				35,217		26,000			
13	Environment, Highways & Waste	113,801		12,853		96,800	48	3,800	300		
14	<b>Total Rolling Programmes</b>	<b>199,500</b>		<b>26,395</b>		<b>141,508</b>	<b>48</b>	<b>29,861</b>	<b>1,688</b>		
	<b>INDIVIDUAL PROJECTS</b>										
15	Adults Social Care & Public Health	89,504	3,768	923		1,872	1,441		4,801	70,420	
16	Business Strategy, Performance & Health Reform	43,279	17,971	22,894	1,625			500	289		
17	Customer & Communities	15,162	11,350	2,661			350		491		
18	Education, Learning & Skills	626,107	365,757	45,979		170,667	3,361		9,826		25,622
19	Environment, Highways & Waste	494,781	212,512	39,321	20	10,183	3,553	253	664	300	228,275
20	Regeneration & Enterprise	107,658	13,488	28,972		50,000	225	5,292	4,681		5,000
21	Specialist Children's Services	15,168	14,947	218			3				
22	<b>Total Individual Projects</b>	<b>1,391,659</b>	<b>639,793</b>	<b>140,968</b>	<b>7,924</b>	<b>232,722</b>	<b>8,930</b>	<b>5,858</b>	<b>20,088</b>	<b>70,420</b>	<b>258,897</b>
23	<b>Total Cash Limit</b>	<b>1,591,159</b>	<b>639,793</b>	<b>167,363</b>	<b>7,924</b>	<b>374,230</b>	<b>8,978</b>	<b>5,858</b>	<b>21,776</b>	<b>70,420</b>	<b>258,897</b>

## ADULTS SOCIAL CARE & PUBLIC HEALTH

### SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15

Row ref	2012/15 Funded By:											
	Three year budget £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000	Previous Spend £'000	Total cost of scheme £'000
	<b>ROLLING PROGRAMMES</b>											
1	Asset Modernisation	14						1				15
2	Home Support Fund			3,414								3,414
3	<b>Total Rolling Programmes</b>	14		3,414				1				3,429
	<b>INDIVIDUAL PROJECTS</b>											
	<b>Kent Strategy for Services for Older People (OP):</b>											
4	OP Strategy - Specialist Care Facilities	332	1,082		76			3,374			224	5,088
5	OP Strategy - Trinity Centre, Dartford							999		1		1,000
	<b>Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities:</b>											
6	Community Care Centre - Thameside Eastern Quarry/Ebbsfleet				1,365			53				1,418
7	Learning Disability Good Day Programme	104	5,154					305			1,260	6,823
	<b>Active Care/Active Lives Strategy:</b>											
8	PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent								70,420			70,420
	<b>Developing Innovative and Modernising Services:</b>											
9	Capital Grant - IT Related Projects			1,722							1,796	3,518
10	Public Access Development	487	43	150				70			487	1,237
11	<b>Total Individual Projects</b>	923	6,279	1,872	1,441			4,801	70,420		3,768	89,504
12	<b>TOTAL CASH LIMIT</b>	937	6,279	5,286	1,441			4,802	70,420		3,768	92,933

*Italic font:* these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

**BUSINESS STRATEGY, PERFORMANCE & HEALTH REFORM**  
**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

2012/15 Funded By:												
Row ref		Three year budget £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000	
	<b>ROLLING PROGRAMMES</b>											
1	<i>Modernisation of Assets</i>	5,768	4,085		1,300			61	322			
2	Disposal Costs	750							750			
3	Corporate Property Strategic Capital	2,650			2,650							
4	<b>Total Rolling Programmes</b>	<b>9,168</b>	<b>4,085</b>		<b>3,950</b>			<b>61</b>	<b>1,072</b>			
		<b>Total cost of scheme £'000</b>		<i>Previous Spend £'000</i>								
	<b>INDIVIDUAL PROJECTS</b>											
5	Connecting Kent	2,341	859	1,482								
6	Connecting with Kent	2,413	787	1,626								
7	Energy Efficiency and Renewable energy in the KCC estate	503	250	253								
8	Enterprise Resource Programme	1,898	750	648				500				
9	Integrated Children's System	1,326	674	652								
10	Local Authority Mortgage Scheme	12,000	12,000									
11	Oracle Release 12 - HR & Finance Modules	1,733	140	1,593								
12	Oracle Self Service Development	633	65	568								
13	Property Asset Management System	324		35					289			
14	Sustaining Kent - Maintaining the Infrastructure	10,247	1,424	8,823								
15	Workplace Transformation	9,861	5,945	2,291				1,625				
16	<b>Total Individual Projects</b>	<b>43,279</b>	<b>22,894</b>	<b>17,971</b>					<b>289</b>			
17	<b>TOTAL CASH LIMIT</b>	<b>52,447</b>	<b>26,979</b>	<b>17,971</b>					<b>1,361</b>			

*Italic font:* these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

## CUSTOMER & COMMUNITIES

### SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15

Row ref	2012/15 Funded By:									
	Three Year Budget £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000
	<b>ROLLING PROGRAMMES</b>									
1	Country Park Access and Development	105								
2	Library Modernisation Programme - adaptations and improvements to existing facilities	1,695	1,380					315		
3	Management & Modernisation of Assets	5,558	5,558							
4	Public Rights of Way - Structural Maintenance	2,127		2,127						
5	Public Sports Facilities Improvement - Capital Grant	300	300							
6	Small Community Projects	1,500	1,500							
7	Village Halls & Community Centres - Capital Grants	600	600							
8	<b>Total Rolling Programmes</b>	<b>11,885</b>	<b>9,443</b>		<b>2,127</b>			<b>315</b>		
		<b>Total cost of scheme</b>	<b>Previous Spend</b>							
		£'000	£'000							
	<b>INDIVIDUAL PROJECTS</b>									
9	Gateway phase 2 completion	7,202	2,405							
10	Libraries Invest to Save	1,730	170							
11	Community Facility at Edenbridge, Sevenoaks <i>new Library &amp; Community Centre, Criseesemans</i>	1,006	-236			248		236		
12	Green, Ashford - in response to housing <i>developments</i>	350			350					
13	The Beaney, Canterbury	3,291						255		
14	Tunbridge Wells Library	444	172			62				
15	Web Platform	1,139	150							
16	<b>Total Individual Projects</b>	<b>15,162</b>	<b>2,661</b>		<b>350</b>	<b>310</b>		<b>491</b>		
17	<b>TOTAL CASH LIMIT</b>	<b>27,047</b>	<b>12,104</b>		<b>2,127</b>	<b>310</b>		<b>806</b>		

*Italic font:* these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

**EDUCATION, LEARNING & SKILLS**

**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

Row ref		Three year budget £'000	2012/15 Funded By:							Total cost of scheme £'000	Previous Spend £'000	Later Years £'000
			Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000			
	<b>ROLLING PROGRAMMES</b>											
1	<i>Annual Planned Enhancement Programme*</i>	23,199			23,199							
2	Devolved Formula Capital Grants for Schools for Pupil Referral Units	270			270							
3	Devolved Formula Capital Grants for Schools	11,748			11,748							
4	Schools Revenue Contribution to Capital	26,000						26,000				
5	<b>Total Rolling Programmes</b>	<b>61,217</b>			<b>35,217</b>			<b>26,000</b>				
	<b>INDIVIDUAL PROJECTS</b>											
	<b>Basic Need Schemes - to provide additional pupil places:</b>											
6	<i>Future Basic Need Schemes*</i>	31,987			27,544					4,443		
7	Basic Needs Projects under £1m	969					969					
8	Goat Lees Primary School, Ashford	2,685	210		186		48					
9	Repton Park Primary School, Ashford	6,100	2,241				2,344					
10	Aylesham Primary School, Dover	1,000	2,941								1,000	
11	Cheesemans Green Primary School, Ashford	4,300									4,300	
12	Ebsfleet Station Primary School, Gravesham	5,100									5,100	
13	John Wesley Primary School, Ashford	2,500									2,500	
14	Lansdowne Primary School, Sittingbourne	2,500									2,500	
15	Rushenden Primary School, Queenborough	3,000									3,000	
16	St Peter & St Paul Primary School, Leybourne	2,000									2,000	

**EDUCATION, LEARNING & SKILLS**

**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

Row ref		2012/15 Funded By:										Later Years £'000	
		Total cost of scheme £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000		
	<b>INDIVIDUAL PROJECTS</b>												
	<b>Modernisation Programme - Improving &amp; upgrading school buildings including removal of temporary classrooms:</b>												
1	Frittenden Primary School, Tunbridge Wells	755	705			50							
2	Halfway House Primary School, Sheerness	2,378	858			1,520							
3	Kingsmead Primary School, Canterbury	2,017	218	1,799									
4	Wrotham School, Sevenoaks	3,000	509	600		1,891							
5	<i>Modernisation Programme</i>	20,005				20,005							
	<b>Special Schools Review - major projects supporting the special schools review:</b>												
6	The Wyvern School, Ashford (Buxford Site)	3,000	1,801	1,199									
7	Special Schools Review - Phase 2	30,000	195	29,805									
8	Special Schools Review projects under £1m	1,137	1,048	89									
	<b>Development Opportunities - projects partly/entirely funded by income from land disposal:</b>												
9	Bromstone Primary School, Thanet	3,088											3,088
10	Headcorn Primary School, Maidstone	1,184											1,184
11	Whitehill Primary School, Gravesend	950											950
	<b>Primary Improvement Programme Projects (PCP):</b>												
12	Archbishops Courtney Primary School, Maidstone	3,257	3,180			77							
13	Beaver Green Primary School, Ashford	2,903	2,897			6							
14	Eastchurch CE Primary School, Sheerness	4,710	4,700			10							
15	Richmond Primary School, Sheerness	1,300	1,142			158							
16	Rose Street Primary School, Sheerness	1,383	1,378			5							
17	West Minster Primary School, Sheerness	1,300	373			927							
18	Primary Improvement Programme Projects under £1m	1,576	1,568			8							



## EDUCATION, LEARNING & SKILLS

### SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15

Row ref	2012/15 Funded By:											Later Years £'000
	Total cost of scheme £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000		
	<b>INDIVIDUAL PROJECTS</b>											
	<b>Academy Projects:</b>											
1	Academies Unit Costs Other Projects	4,680	3,235	1,445								
2	Cornwallis Academy, Maidstone	35,328	34,167	178					983			
3	Dover Christ Church Academy	10,252	134			10,118						
4	Duke of York Academy, Deal	24,240				24,240						
5	Isle of Sheppey Academy, Sheerness	49,578	27,531	2,624		19,423						
6	John Wallis Academy, Ashford	7,615	32			7,583						
7	Knole Academy, Sevenoaks	16,947	170			16,777						
8	Longfield Academy, Dartford	24,597	23,797	130		670						
9	Marsh Academy, New Romney	16,627	15,014	217		689			707			
10	Skinnars Kent Academy, Tunbridge Wells	20,399	6,805	44		13,394			156			
11	Spires Academy, Canterbury	13,694	11,026	525		743			1,400			
12	St Augustines Academy, Maidstone	11,545				11,545						
13	Wilmington Enterprise Academy, Dartford	13,056	200			12,856						
	<b>Building Schools for the Future Projects:</b>											
14	BSF Wave 3 Build Costs	208,045	204,545	1,363					2,137			
15	BSF Unit Costs (including SecTT)	12,820	12,720	100								
16	BSF Wave 5 unit costs	1,750	1,250	500								
	<b>Other Projects:</b>											
17	One-off Schools Revenue to Capital	5,000	105						4,895			
18	Unit Review	3,500	1,195	2,305								
19	Ursuline College (Specialist Schools)	350	108			242						
20	<b>Total Individual Projects</b>	<b>626,107</b>	<b>365,757</b>	<b>45,979</b>		<b>170,667</b>			<b>9,826</b>			<b>25,622</b>
21	<b>TOTAL CASH LIMIT</b>	<b>687,324</b>	<b>365,757</b>	<b>45,979</b>		<b>205,884</b>			<b>30,895</b>			<b>25,622</b>

*Italic font:* these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

\* only the 2012/13 allocation has been announced. Estimates have been included for 13/14 and 14/15. Individual projects are to be identified and prioritised prior to approved programmes being announced.

## ENVIRONMENT , HIGHWAYS & WASTE

### SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15

Row ref	2012/15 Funded By:										Later Years £'000						
	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	PEF2 £'000	Grants £'000		Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000
	<b>ROLLING PROGRAMMES</b>																
1						3,800							3,800				
2	10,000		79,946			89,946											
3			10,254			10,554								300			
4	900					900											
5			6,600			6,600											
6	1,953			48		2,001											
7	12,853		96,800	48		113,801							3,800	300			
						<b>Total cost of scheme</b>	<b>Previous Spend</b>										
						£'000	£'000										
	<b>INDIVIDUAL PROJECTS</b>																
	<b>Environment and Waste:</b>																
8						900											
9	438		574			1,370	358										
10	50					1,361	653					50	528			80	
11						1,786	1,650						136				
12	3,640					3,640											
	<b>Household Waste Recycling Centres (HWRCs) and Transfer Stations(TSs)</b>																
13	1,000					4,601	3,601										
14	1,250					1,595	345										
15	2,300					2,300											
16						2,600										2,600	
17	4,440					4,440											
18	4,150					5,000	850										
19	3,630					3,630											

**ENVIRONMENT , HIGHWAYS & WASTE**

**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

Row ref		Total cost of scheme £'000	Previous Spend £'000	2012/15 Funded By:							Capital Receipts £'000	PFI £'000	Later Years £'000
				Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000				
	<b>INDIVIDUAL PROJECTS</b>												
	<b>Kent Highway Services:</b>												
1	Cyclo Park	8,140	7,937					203					
2	<i>A228 Colts Hill Strategic Link - Major road scheme</i>	25,000											25,000
3	Ashford Ring Road - Major road scheme	15,573	15,476				97						
4	East Kent Access Phase 2 - Major road scheme	87,001	82,324	3,827		850							
5	Growth without Gridlock Initiatives	10,000		10,000									
6	Kent Highway Partnership - Co-Location Depots	22,073	21,933	120	20								
7	<i>Kent Thameside Strategic Transport Programme</i>	145,311	527			8,370	819						135,595
8	Rushenden Link (Sheppey) - Major road scheme	11,474	10,804	670					2,637				
9	Sittingbourne Northern Relief Road - Major road scheme	31,535	28,898										
10	<i>South East Maidstone Strategic Link - Major road scheme</i>	35,000											35,000
11	Street Lighting Timing	2,906		2,906									
	<b>Ashford's Future Schemes:</b>												
12	<i>A28 Chart Road</i>	15,000											15,000
13	Drovers roundabout junction	19,075	18,925			150							
14	<i>Orchard Way Railway Bridge</i>	15,000											15,000
15	Victoria Way	18,470	18,231			239							
16	<b>Total Individual Projects</b>	<b>494,781</b>	<b>212,512</b>	<b>39,321</b>	<b>20</b>	<b>10,183</b>	<b>3,553</b>	<b>253</b>	<b>664</b>	<b>253</b>	<b>4,464</b>	<b>300</b>	<b>228,275</b>
17	<b>TOTAL CASH LIMIT</b>	<b>608,582</b>	<b>212,512</b>	<b>52,174</b>	<b>20</b>	<b>106,983</b>	<b>3,601</b>	<b>253</b>	<b>4,464</b>	<b>300</b>	<b>228,275</b>		

*Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.*

# REGENERATION & ENTERPRISE

## SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15

		2012/15 Funded By:											
Row ref		Total cost of scheme £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000	
	<b>INDIVIDUAL PROJECTS</b>												
1	Empty Property Initiative	17,576	5,576							7,000		5,000	
2	Eurokent Road (East Kent)	6,398	5,973			225	5,292			-5,092			
3	Regional Growth Fund	40,000				40,000							
4	Rural Broadband Demo Project	1,584	1,064	520									
5	Regeneration Fund Projects	12,100	875	8,452						2,773			
6	Margate Housing	10,000		10,000									
7	Broadband	20,000		10,000		10,000							
8	<b>Total Individual Projects</b>	<b>107,658</b>	<b>13,488</b>	<b>28,972</b>		<b>50,000</b>	<b>225</b>	<b>5,292</b>		<b>4,681</b>		<b>5,000</b>	
9	<b>TOTAL CASH LIMIT</b>	<b>107,658</b>	<b>13,488</b>	<b>28,972</b>		<b>50,000</b>	<b>225</b>	<b>5,292</b>		<b>4,681</b>		<b>5,000</b>	

*Italic font:* these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

**SPECIALIST CHILDREN'S SERVICES**

**SECTION 3 - CAPITAL INVESTMENT PLANS 2012/13 TO 2014/15**

Row ref	2012/15 Funded By:										
	Total cost of scheme £'000	Previous Spend £'000	Borrowing £'000	PEF2 £'000	Grants £'000	Dev Contrs £'000	Other External Funding £'000	Revenue & Renewals £'000	Capital Receipts £'000	PFI £'000	Later Years £'000
	<b>INDIVIDUAL PROJECTS</b>										
1	Multi Agency Specialist Hubs (Children Development Centres)	14,917	14,912	2			3				
2	Service Redesign	251	35	216							
3	<b>Total Individual Projects</b>	<b>15,168</b>	<b>14,947</b>	<b>218</b>			<b>3</b>				
4	<b>TOTAL CASH LIMIT</b>	<b>15,168</b>	<b>14,947</b>	<b>218</b>			<b>3</b>				

*Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.*



## **KCC Budget Book**

# **SECTION 4**

## **Portfolio Revenue Budget Summary**





**Section 4 - Portfolio Revenue Budget Summary**

**WHO IS RESPONSIBLE FOR THE BUDGET?**

**REVENUE SPENDING**

		2012/13 Proposed Budget									
Ref row	Portfolio	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Change	Cabinet Members	
	2011/12 Revised Base										
	Net Cost £000s										
1	348,162 Adult Social Care & Public Health	59,411	392,428	451,839	-116,200	335,639	0	335,639	-12,523	GG	
2	55,537 Business Strategy, Performance and Health Reform	39,576	50,094	89,670	-31,739	57,931	-5,484	52,447	-3,090	RG	
3	91,498 Customer and Communities	59,387	71,429	130,816	-49,772	81,044	-1,548	79,496	-12,002	MH	
4	6,856 Democracy and Partnerships	2,563	4,890	7,453	-260	7,193	0	7,193	337	AK	
5	69,978 Education, Learning and Skills	603,878	316,159	920,037	-148,154	771,883	-712,488	59,395	-10,583	MW	
6	148,738 Environment, Highways and Waste	16,274	160,332	176,606	-26,052	150,554	-1,247	149,307	569	BS	
7	48,725 Finance and Business Support	24,801	153,297	178,098	-20,999	157,099	-92,898	64,201	15,476	JS	
8	4,560 Regeneration & Enterprise	2,523	2,622	5,145	-1,502	3,643	0	3,643	-917	KL	
9	135,000 Specialist Children's Services	76,611	140,915	217,526	-5,745	211,781	-58,781	153,000	18,000	JW	
10	<b>909,054 BUDGET REQUIREMENT</b>	<b>885,024</b>	<b>1,292,166</b>	<b>2,177,190</b>	<b>-400,423</b>	<b>1,776,767</b>	<b>-872,446</b>	<b>904,321</b>	<b>-4,733</b>		
	<b>Funded by:</b>										
11	-1,663 Local Service Support Grant						-3,437	-3,437			
12	-315,987 Formula Grant						-303,446	-303,446			
13	-14,325 Council Tax Freeze Grant						-14,446	-14,446			
14	-1,400 New Homes Bonus						-2,839	-2,839			
15	-1,991 Deficit/(Surplus) on tax collection for previous year							-2,239			
16	-573,688 Council Tax							-577,914			
17	<b>0 TOTAL</b>	<b>885,024</b>	<b>1,292,166</b>	<b>2,177,190</b>	<b>-400,423</b>	<b>1,776,767</b>	<b>-1,196,614</b>	<b>0</b>	<b>0</b>		



## **KCC Budget Book**

# **SECTION 5**

## **A-Z Service Analysis**



Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity		
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
			<b>Adults and Older People</b>										
			<i>Direct Payments</i>										
1	9,672	ASC&PH	Learning Disability	0	11,573	11,573	-547	11,026	0	11,026	0	11,026	Approximately 1000 clients are expected to be receiving an on-going direct payment. These people have been assessed as being eligible for social care support, but have chosen to arrange and pay for their own care and support services instead of receiving them directly from the local authority. There will also be a number of one-off direct payments made during the year for such things as items of equipment and respite care.
2	732	ASC&PH	Mental Health	0	995	995	0	995	0	995	0	995	Approximately 200 clients are expected to be receiving an on-going direct payment; there will also be a number of one-off direct payments made during the year.
3	5,494	ASC&PH	Older People	0	7,008	7,008	-787	6,221	0	6,221	0	6,221	Around 1000 clients will be receiving an on-going direct payment; there will also be a number of one-off direct payments made during the year.
4	7,895	ASC&PH	Physical Disability	0	9,561	9,561	-374	9,187	0	9,187	0	9,187	Around 1000 clients are expected to be receiving an on-going direct payment ; there will also be a number of one-off direct payments made during the year.
			<b>Domiciliary Care</b>										
5	5,642	ASC&PH	Learning Disability	2,627	3,630	6,257	-1,187	5,070	0	5,070	0	5,070	Domiciliary care provided by the independent sector supporting approximately 420 people to live at home. In addition this service provides: support to 120 people through the independent living scheme and other domiciliary support
6	598	ASC&PH	Mental Health	0	532	532	-80	452	0	452	0	452	Services provided through the independent sector supporting people to live at home

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
7	34,485	ASC&PH	Older People	6,168	37,639	43,807	-12,033	31,774	0	31,774	Domiciliary care provided by the independent sector supporting nearly 5,000 people to live at home. In addition this service provides: - the Kent Enablement at Home Service which provides intensive short term support/enablement to people to allow them to regain or extend their independent living skills; and a number of small contracts for services primarily with Health, including the night sitting service, recuperative care and rapid response.
8	7,129	ASC&PH	Physical Disability	268	7,291	7,559	-576	6,983	0	6,983	Domiciliary care provided by the independent sector supporting approximately 950 people to live at home. This service also provides other domiciliary support (KCC and Independent Living Scheme).
9	70,390	ASC&PH	<b>Nursing and Residential Care</b> Learning Disability	2,026	74,128	76,154	-6,459	69,695	0	69,695	620 clients are provided services through the independent sector. In addition, this service provides: permanent residential care for preserved rights clients through the independent sector and 88 respite beds across various KCC sites.
10	5,924	ASC&PH	Mental Health	0	6,929	6,929	-875	6,054	0	6,054	10,300 weeks of residential care provided through the independent sector. This service also provides approximately 3,000 weeks of permanent residential care for preserved rights clients through the independent sector.
11	23,477	ASC&PH	Older People - Nursing	0	44,812	44,812	-22,674	22,138	0	22,138	Around 1,500 clients provided this service through the independent sector. This service administers the payment of the health element of the nursing cost and reclaims this from PCT's

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
12	50,605	ASC&PH	Older People - Residential	12,377	72,920	85,297	-36,494	48,803	0	48,803	Approximately 2,900 clients on average provided through the independent sector. In addition, this service provides: permanent residential care for preserved rights clients provided through the independent sector. In-house this provides 201 residential care beds and 60 nursing care beds.
13	11,567	ASC&PH	Physical Disability	0	13,813	13,813	-1,969	11,844	0	11,844	Approximately 260 clients provided this service through the independent sector.
14			<b>Supported Accommodation</b>								
15	27,709	ASC&PH	Learning Disability	460	32,636	33,096	-3,694	29,402	0	29,402	Services provided through the independent sector for approximately 620 people in supported accommodation/supported living.
15	1,359	ASC&PH	Physical Disability / Mental Health	0	2,552	2,552	-274	2,278	0	2,278	Services provided through the independent sector in respect of individuals in supported living and supported accommodation
			<b>Other Services for Adults and Older People</b>								
16	13,742	ASC&PH	Contributions to Voluntary Organisations	0	16,044	16,044	-902	15,142	0	15,142	Payments to voluntary organisations for a range of preventative services supporting approximately 6,000 people.
			Day Care								
17	13,114	ASC&PH	Learning Disability	6,735	6,344	13,079	-503	12,576	0	12,576	Day care/day services provided both in the independent sector and in-house
18	3,769	ASC&PH	Older People	1,442	2,006	3,448	-195	3,253	0	3,253	Day care/day services provided both in the independent sector and in-house
19	1,581	ASC&PH	Physical Disability / Mental Health	0	1,565	1,565	-38	1,527	0	1,527	Day care/day services provided both in the independent sector and in-house
20	1,507	C&C	Drug & Alcohol services	909	15,181	16,090	-13,615	2,475	-1,070	1,405	5,470 adults across Kent accessing structured alcohol and drug treatment; 401 young people accessing structured young persons services

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity	
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
21	5,852	ASC&PH	Other Adult Services	1,169	16,761	17,930	-23,780	-5,850	0	-5,850	A range of other services including: - approximately 240,000 home delivered hot meals; Occupational Therapy & Sensory Disability services working in partnership with Health, Hi Kent and Kent Association for the Blind to provide approximately 56,000 items of equipment. Community outreach support to clients with mental health problems; providing support for people with a disability to fund and keep work; collaborating with health on the delivery of Telehealth and Telecare services.	
22	565	ASC&PH	Safeguarding	467	340	807	-236	571	0	571	A multi agency partnership/framework to ensure a coherent policy for the protection of vulnerable adults	
23	29,739	C&C	Supporting People	392	25,353	25,745	0	25,745	0	25,745	24,000 vulnerable people receiving support to enable independent living in their own homes	
			<b>Children's Services</b>									
			<i>Education and Personal</i>									
24	2,553	ELS	14 to 19 year olds	1,222	1,846	3,068	-534	2,534	-1,006	1,528	A range of services for young people including preparation for employment, vocational training, apprenticeships, and Skills Force	
25	1,492	ELS	Attendance & Behaviour	10,271	8,568	18,839	-349	18,490	-17,689	801	Investigation of overall attendance issues, particularly unauthorised absence and persistent absenteeism from school, and provision of alternative education services for those excluded or at risk of exclusion from school, or missing school for health reasons.	
26	19,222	SCS	Children's Centres	14,455	3,255	17,710	0	17,710	0	17,710	97 children's centres delivering support and advice to families	



## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity			
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s				
27	9,787	ELS	Connexions	0	6,787	6,787	0	0	6,787	0	6,787	0	6,787	Contract with Connexions service for the provision of information, advice and guidance to young people
28	7,128	SCS & ELS	Early Years and Childcare	3,720	5,613	9,333	-107	9,226	4,183	-5,043	4,183	Provision of advice, support, challenge and training to over 1,100 childcare providers and 1,600 childminders in the private and voluntary sector and staff in local authority maintained schools with nursery and reception classes		
29	916	SCS	Early Years Education	0	41,276	41,276	0	41,276	1,776	-39,500	1,776	Payments made to over 740 PVI providers for up to 15 hours a week of free entitlement places for 3 & 4 year olds (equates to over 9.5 million hours of provision) plus over 325,000 hours of free places for disadvantaged 2 year olds		
30	3,315	ELS	Education Psychology Service	2,594	316	2,910	-13	2,897	2,897	0	2,897	Statutory assessment of children with special educational needs		
31	0	ELS	Free School Meals	0	1,288	1,288	0	1,288	1,288	-1,288	0	Provision of free school meals for primary schools who had decided not to take delegation of this budget. This budget will be fully delegated to schools from August 2012		
32	1,363	ELS	Individual Learner Support (incl. Minority Communities Achievement and Partnership with Parents services)	8,706	1,461	10,167	-2,330	7,837	1,184	-6,653	1,184	A range of specialist services to support children with learning difficulties and disabilities in local authority maintained schools, to provide advice and support on meeting the needs and raising the achievement of minority ethnic children and young people including those that don't speak English as a main language and the provision of support to parents of disabled children and children with Special Educational Needs.		
33	0	ELS	Statemented Pupils	929	6,515	7,444	-3,680	3,764	3,764	-3,764	0	Support for pupils with Statements of Special Educational Needs (SEN) which has not been delegated to individual schools or SEN units		

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
34	1,928	SCS	Virtual School Kent	1,799	833	2,632	0	2,632	-704	1,928	Supporting approx 1,600 looked after children focussing on their education & health needs
35	6,222	C&C	Youth Service	5,345	3,400	8,745	-2,636	6,109	-50	6,059	Over 220,000 attendances at youth centres; 42,369 attendances at street-based projects; 4,822 young people on Duke of Edinburgh Award; 89,421 daytime outdoor education sessions; 30,000 votes cast in Kent Youth County Council
36	3,608	C&C	Youth Offending Service	3,804	1,929	5,733	-2,319	3,414	0	3,414	4,907 assessments conducted; 786 court sessions attended; 2,702 reports produced; 2,122 young people on remand; 1,222 young people on community based penalties supervised; support for 80 young people in custody; 200 parenting interventions delivered; 150 mediation cases delivered; 3,000 young offenders aged 10-17
			<b>Social Services</b>								
37	7,096	SCS	Adoption	1,951	6,361	8,312	-49	8,263	0	8,263	Permanent care for Kent children who are unable to live with their birth families. Includes adoption payments & Special Guardianship orders
38	280	SCS	Asylum Seekers	4,508	10,817	15,325	0	15,325	-14,245	1,080	Supporting 700 unaccompanied asylum seekers (225 under 18, 475 over 18)
39	1,367	SCS	Children's Support Services	2,291	178	2,469	-1,043	1,426	0	1,426	Out of hours emergency service and family group conferencing
40	29,953	SCS	Fostering	3,905	29,096	33,001	-237	32,764	0	32,764	Short and medium family based care (including longer term care for older children) for Kent children. Includes payments to related and non related foster carers for 1,150 children and independent fostering agencies for 125 children.

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed								Affordable Activity	
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
41	SCS	Leaving Care (formerly 16+ service)	0	5,127	5,127	0	5,127	0	5,127	0	5,127	Supporting children leaving care and ongoing children's services for those aged 16+ still in local authority care, and aftercare service for young people aged 18+. Now excluding residential care and fostering.
42	SCS	Legal Charges	0	6,315	6,315	0	6,315	0	6,315	0	6,315	Costs for in-house legal support and external legal fees for care proceedings for Specialist Children's Services (previously reflected within the Fostering service)
43	SCS	Preventative Children's Services	3,517	16,005	19,522	-829	18,693	-3,500	15,193	Community based preventative and family support services including day care, direct payments and payments to voluntary organisations		
44	SCS	Residential Children's Services	2,375	11,511	13,886	-2,149	11,737	0	11,737	In house and independent sector residential care for 65 children (both looked after and non looked after children, including those with a disability).		
45	SCS	Safeguarding	3,868	449	4,317	-316	4,001	0	4,001	Performance management of services for vulnerable children in Kent		
46	C&C	Archive Service (incl. Museum Development)	1,082	239	1,321	-329	992	0	992	8,000 documents produced for researchers (service closure prior to Kent History Centre opening); 10,000 Modern Records Centre enquiries; 7,000 visitors to archive search rooms; Management of 2,080 cubic metres of manuscript collections; 3,000 postal enquiries; 16,000 telephone enquiries.		

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity		
	Net Cost £000s				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
47	2,009		C&C	Arts Development (incl. grant to Turner Contemporary)	402	1,238	1,640	0	1,640	0	1,640	0	1,640	£2.7m of funding levered into the Arts and Culture (£10.96 levered in for every £1 match funded by KCC) in Kent as well as supporting bids with further leverage in excess of £2m; 167,932 people engaging in the arts, facilitated by the unit. Over 300,000 visitors to the Turner Contemporary gallery since opening in April 2011.
48	5,000		C&C	Big Society Fund	0	0	0	0	0	0	0	0	0	One off funding in 2011/12, but with money available to spend in 2012/13. A fund to support new and existing social enterprises, boosting employment opportunities in Kent and helping to grow the economy.
49	-200		C&C	Community Learning Services	11,063	5,407	16,470	-16,765	-295	0	-295	0	-295	34,630 student enrolments for Adult Learning programmes consisting of: 29,400 students attending Personal and Community Development learning; 4,500 Adults attending family programmes and 730 Neighbourhood Learning in Deprived Communities; 200 new adult apprenticeships; 590 new starts for work-based learning; 180 new starts for 16-18 apprenticeships and 650 attending foundation learning courses.
50	1,750		C&C	Community Safety	378	823	1,201	-21	1,180	-205	975	-205	975	Leads the co-ordination and delivery of safer and stronger communities for the people of Kent
51	2,840		C&C	Community Wardens	2,712	164	2,876	0	2,876	0	2,876	0	2,876	101 KCC Community Wardens deployed across Kent
52	3,996		C&C	Contact Centre & Consumer Direct	5,389	964	6,353	-2,332	4,021	-89	3,932	-89	3,932	Contact Centre handling 1.2m calls from the public annually. From April 2012 Consumer Direct will be delivering first level consumer advice to people in both England and Wales as part of a new contract.

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
53	1,786	C&C	Gateways	458	2,077	2,535	-444	2,091	0	2,091	Contribution towards running costs for 10 Gateways with district councils serving over 400,000 customer transactions
54	14,279	C&C	Library Services	10,046	5,404	15,450	-1,844	13,606	0	13,606	Service comprising of 99 permanent libraries and 11 mobile vans issuing approx 6.4m items (mostly books); supporting 6.7m physical visits, 1.8m virtual visits; 24,500 activities (e.g. Community Groups); 650,000 hours of free public PC use; 2,000 home library service customers; 1,550 blind and partially sighted Postal Loan service customers; 6,000 clients in Prison Library service.
55	609	ASC&PH & BSP&HR	Public Health (incl. Local Involvement Network)	64	553	617	-117	500	0	500	Health Promotion and the 'Mobile House' project which delivers discreet lifestyle messages to promote behavioural change. Funding for the Kent LINK and payment to an independent company whose role it is to help the work of the Kent LINK in improving health and social care services
56	1,174	C&C	Sports Development	862	1,490	2,352	-1,373	979	0	979	30,000 young people involved in Kent School Games from 550 schools; 1,200 athletes supported to compete at national level in run up to 2012 Olympic and Paralympic Games; 1,357 coaches, leaders, officials, volunteers, teachers trained; 800,000 page views on Kent sport website; £2.4m investment levered into Sport in Kent; 2,000 volunteers registered with the Kent event Team, to support sport, leisure & cultural events in the build up to the London 2012 Games and beyond.
57	945	C&C	Supporting Independence & Employment	1,187	356	1,543	-587	956	0	956	100 KCC apprenticeships facilitated; 65 vulnerable learner apprenticeships delivered. Service also facilitates disadvantaged groups to support them into paid, voluntary employment, further education and training.

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
58	705	C&C	<b>Environment</b> Country Parks	869	703	1,572	-919	653	-16	637	Manage 16 Country Parks covering 1,750 acres; 1.5m visitors per year; deliver environmental education to 9,000 children.
59	2,024	C&C	Countryside Access (incl. Public Rights of Way)	1,664	1,230	2,894	-905	1,989	-118	1,871	Define & maintain 6,847km of Public Rights of Way and deliver the Explore Kent service which handles 79,700 letters, phone calls and emails received from the public annually and reviews over 1.8m page views on the Explore Kent website
60	1,738	EH&W	Environmental Management (incl. Coastal Protection)	1,826	3,415	5,241	-1,786	3,455	-1,044	2,411	Flood risk management; carbon reduction, biodiversity planning, heritage conservation & planning, coastal conservation, and sustainability & climate change
61	3,238	EH&W	<b>Highways</b> <i>Highways Maintenance</i> Adverse Weather	0	3,238	3,238	0	3,238	0	3,238	Includes provision for 73 salting runs, salting approximately 4,000km of the highway per run
62	2,496	EH&W	Bridges and other structures	192	2,471	2,663	-259	2,404	0	2,404	Maintenance of 2,700 bridges and structures and two road tunnels
63	13,927	EH&W	General maintenance and emergency response	3,097	11,260	14,357	-486	13,871	0	13,871	Inspection and maintenance of 8,500km of highway and 6,000km of pavements.
64	3,303	EH&W	Highways drainage	148	3,036	3,184	-82	3,102	0	3,102	Maintenance of 340,000 road drainage gullies
65	232	EH&W	Signs, lines and bollards	0	0	0	0	0	0	0	Separate budget line no longer exists in 2012/13 therefore now included within general maintenance and highway improvements budgets
66	3,611	EH&W	Streetlight maintenance <b>Highways Safety and Management</b>	337	3,424	3,761	-167	3,594	0	3,594	Maintenance for 120,000 streetlights
67	833	EH&W	Development Planning	1,766	371	2,137	-1,283	854	0	854	Includes developer agreements & developer plans, local development framework and development control. Budget previously included under Highway Improvements and Sustainable Transport (now Transport Planning)

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
68	1,477	EH&W	Highway improvements	312	1,277	1,589	-120	1,469	0	1,469	Support for highway resurfacing and other improvement programmes to reduce congestion, improve air quality and help prevent crashes. Reduction from 2011/12 due to transfer to new budget line Development Planning
69	970	EH&W	Road safety	689	3,008	3,697	-2,720	977	0	977	Reduce road casualties through educational campaigns and engineering measures and provide funding to support the Kent and Medway Safety Camera Partnership
70	5,104	EH&W	Streetlight energy	0	5,845	5,845	0	5,845	0	5,845	Payment for electricity to light 120,000 streetlights
71	2,872	EH&W	Traffic management	2,045	3,519	5,564	-2,653	2,911	0	2,911	Running cost and maintenance for 15,000 traffic lights and providing congestion reduction measures
72	3,163	EH&W	Tree maintenance, grass cutting and weed control	21	3,339	3,360	-170	3,190	0	3,190	Maintenance of 11million sq metres of grass areas and 500,000 trees
73	443	C&C	<b>Local Democracy</b> Community Engagement	655	60	715	0	715	0	715	Community Engagement Officers
74	2,198	C&C & D&P	Member Grants (incl. Elections)	0	2,513	2,513	0	2,513	0	2,513	Grants controlled by individual Members, grants to Local Boards, grants to District Councils, cost of council elections
75	759	EH&W	Planning & Transport Policy	623	619	1,242	-15	1,227	0	1,227	Developing key strategic transport improvements such as new Lower Thames Crossing, solutions to Operation Stack and enhancements to the rail network. Strategic influencing and producing the Minerals & Waste Development Framework and the Local Transport Plan
76	602	EH&W	Planning Applications	896	216	1,112	-550	562	0	562	Receiving and processing over 530 planning applications and submissions each year

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity		
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
			<b>Regeneration &amp; Economic Development</b>										
77	4,395	R&E	Development staff and projects	2,358	2,622	4,980	-1,502	3,478	0	3,478	Staff and project work on regeneration initiatives including Visit Kent; Locate in Kent; Produced in Kent, etc.		
			<b>Regulatory Services</b>										
78	2,284	C&C	Coroners	680	2,157	2,837	-475	2,362	0	2,362	Investigation of 7,500 deaths in suspicious circumstances reported to Coroner resulting in 4,400 post mortems and 750 inquests. Service also deals with 3,000 body removals.		
79	649	C&C	Emergency Planning	631	224	855	-199	656	0	656	Provision of all KCC emergency planning and business continuity requirements in accordance with law; provision of support to pan-Kent resilience portfolio, including Olympic Games resilience; consultancy and training services to district customers.		
80	-173	C&C	Registration	2,344	390	2,734	-3,135	-401	0	-401	Over 26,800 births and death registered, over 4,650 civil marriage ceremonies registered and conducted, 2,100 new citizens naturalised.		
81	3,437	C&C	Trading Standards	3,156	936	4,092	-785	3,307	0	3,307	1,000 businesses given information, advice or guidance; 784 licences issued; 200 Buy with Confidence issued; 80 campaigns initiated; 159 alert messages sent. Service incorporates Kent Scientific Services dealing with 6000 analytical and 960 calibration laboratory samples.		
			<b>Schools Budgets</b>										
82	0	ELS	Independent Special School placements	0	12,549	12,549	-2,993	9,556	-9,556	0	Placements for over 290 children with severe special educational needs whose needs cannot be met within maintained schools		
83	0	ELS	PFI Schools Scheme	0	23,871	23,871	-9,012	14,859	-14,859	0	Service charges for 11 PFI schools		



## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
84	0	ELS	Schools Delegated budgets	566,645	187,317	753,962	-113,146	640,816	-640,816	0	Budgets managed directly by almost 500 local authority maintained schools
			<b>Schools Services</b>								
85	0	ELS	Meals	21	442	463	0	463	-463	0	Contribution to the cost of school meals to improve quality and take up. This budget will be delegated to schools from August 2012
86	102	ELS	Non delegated staff costs	103	2,541	2,644	-2,310	334	-231	103	Reimbursement of schools' costs for maternity leave, public duties, trade union representatives, suspended staff and tribunals
87	485	ELS	Other Services	714	6,391	7,105	-3,141	3,964	-3,505	459	Crossing Patrols, collective licences, provision of temporary mobile classrooms, tree safety, coordination of cleaning and refuse contracts and various other minor non delegated budgets
88	0	ELS	Redundancy costs	0	1,232	1,232	0	1,232	-1,232	0	Redundancy costs for school staff
89	6,251	ELS	School Improvement	3,677	1,892	5,569	-828	4,741	-250	4,491	Providing advice, guidance and challenge to primary, secondary and special schools and PRUs to raise standards of pupil achievement, and to implement national and local strategies. Support and training for 7,000 school governors
90	-431	ELS	Special School and Hospital recruitment	0	1,660	1,660	-4,880	-3,220	2,420	-800	Payments to other local authorities for Kent pupils educated in other local authority special schools and hospitals. Income from other local authorities for pupils educated in KCC maintained special schools
91	4,945	ELS	Teachers Pension costs	0	7,829	7,829	-684	7,145	-2,000	5,145	Cost of teacher early retirements
92	16,304	EH&W	<b>Transport Services</b> Concessionary Fares	0	16,307	16,307	-27	16,280	0	16,280	17 million free bus journeys for elderly people

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed								Affordable Activity	
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
93	11,152	EH&W	Freedom Pass	0	13,648	13,648	-2,459	11,189	0	11,189	0	11,189	Over 26,400 passes issued to young people aged 11 to 16 for free bus travel
94	1,570	ELS	Home to College Transport	0	1,973	1,973	-367	1,606	0	1,606	0	1,606	Transport to and from further education colleges for 2,000 post 16 students
95	13,917	ELS	Home to School Transport (Mainstream)	0	13,600	13,600	-584	13,016	0	13,016	0	13,016	Transport to and from school for 17,000 eligible children
96	17,039	ELS	Home to School Transport (Special Educational Need)	25	17,246	17,271	0	17,271	0	17,271	0	17,271	Specialist transport arrangements for 3,900 children with special educational needs
97	7,865	EH&W	Subsidised Bus Routes	254	9,773	10,027	-2,370	7,657	0	7,657	0	7,657	Support for over 200 otherwise uneconomic bus routes
98	648	EH&W	Transport Planning	296	164	460	-15	445	-203	242		242	Improve public transport and access to key services. Reduction from 2011/12 due to new budget line Development Planning under Highway Services above
			<b>Waste Management</b>										
			<b>Recycling and diversion from landfill</b>										
99	7,307	EH&W	Household Waste recycling centres	0	8,235	8,235	-1,109	7,126	0	7,126	0	7,126	Operation of 19 sites providing recycling facilities for 4 million visitors per year
100	679	EH&W	Partnership & waste co-ordination	0	715	715	-126	589	0	589	0	589	Collaborative working and public campaigns to reduce overall waste and increase recycling
101	5,232	EH&W	Payments to Waste Collection Authorities (District Councils)	0	5,333	5,333	-102	5,231	0	5,231	0	5,231	Payments to support recycling initiatives that reduce the amount of waste that would otherwise have to be disposed of (through more costly routes, e.g. landfill)
102	9,653	EH&W	Recycling Contracts and Compositing	0	10,976	10,976	-614	10,362	0	10,362	0	10,362	Processing around 332,000 tonnes (45%) of domestic waste produced in Kent
			<b>Waste Disposal</b>										
103	513	EH&W	Closed Landfill Sites & Abandoned Vehicles	0	749	749	-266	483	0	483	0	483	

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
104	29,046	EH&W	Disposal Contracts	0	28,853	28,853	-430	28,423	0	28,423	Treatment and/or disposal of 398,000 tonnes (55%) of domestic waste produced in Kent through waste to energy recovery (300,000 tonnes) or landfill (98,000 tonnes)
105	8,508	EH&W	Haulage & Transfer Stations	0	8,686	8,686	-75	8,611	0	8,611	Operation of 6 facilities to provide local disposal points for the efficient delivery of District Council collection services and outlets for some commercial waste.
106	6,880	EH&W	Landfill Tax	0	7,543	7,543	0	7,543	0	7,543	Unavoidable tax on waste disposed of via landfill
<b>107</b>	<b>706,688</b>		<b>Total Direct Services to the Public</b>	<b>739,987</b>	<b>1,042,672</b>	<b>1,782,659</b>	<b>-331,444</b>	<b>1,451,215</b>	<b>-766,679</b>	<b>684,536</b>	
<b>108</b>			<b>Financing Items</b>								
108	464	D&P	Audit Fees	0	464	464	0	464	0	464	
109	1,368	F&BS	Carbon Reduction Commitment	0	400	400	0	400	0	400	
110	-7,261	EH&W	Commercial Services (net contribution)	0	0	0	-7,761	-7,761	0	-7,761	Contribution from Commercial Services towards KCC overheads
111	3,240	F&BS	Contingency for Children's Improvement Plan	749	0	749	0	749	0	749	
112	2,352	BSP&HR	Contribution to IT Asset Maintenance Reserve	0	3,302	3,302	0	3,302	0	3,302	Annual contribution towards ICT infrastructure replacement
113	-11,245	F&BS	Contribution to/from reserves	0	4,646	4,646	0	4,646	0	4,646	
114	3,429	F&BS	Insurance Fund	0	4,679	4,679	0	4,679	0	4,679	Contribution to self insurance fund
115	4,000	F&BS	Modernisation of the Council	0	3,500	3,500	0	3,500	0	3,500	One-off costs associated with restructure of the council including redundancy provision
116	119,671	F&BS	Net Debt costs (incl. Investment Income)	0	133,071	133,071	-10,077	122,994	0	122,994	
117	1,328	F&BS	Other	0	2,328	2,328	0	2,328	0	2,328	

Section 5 - A to Z Service Analysis

WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed									
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity		
118	3,150	F&BS	Unallocated	2,098	2,150	4,248	0	4,248	0	4,248	0	4,248	
119	-5,711	F&BS	Underspend rolled forward from previous year	0	-3,079	-3,079	0	-3,079	0	-3,079	0	-3,079	
120	-85,054	F&BS	Unringfenced Government Grants	0	0	0	0	0	0	0	-90,510	-90,510	
121	<b>29,731</b>		<b>Total Financing Items</b>	<b>2,847</b>	<b>151,461</b>	<b>154,308</b>	<b>-17,838</b>	<b>136,470</b>	<b>-90,510</b>	<b>45,960</b>			
			<b>Assessment Services</b>										
122	37,792	ASC&PH	Adult's Social Care Staffing	24,137	15,771	39,908	-1,981	37,927	0	37,927	0	37,927	Social care staffing providing assessment of community care needs undertaken by Case Managers and Mental Health Social Workers
123	30,475	SCS	Children's Social Care Staffing	36,366	1,746	38,112	-819	37,293	-66	37,227		37,227	Social Care staffing providing assessment of children & families needs and ongoing support to looked after children
124	1,851	ELS	Assessment of Children's Educational Needs	1,637	0	1,637	0	1,637	-514	1,123		1,123	Assessment of children with Special Educational Needs
125	<b>70,118</b>		<b>Total Assessment Services</b>	<b>62,140</b>	<b>17,517</b>	<b>79,657</b>	<b>-2,800</b>	<b>76,857</b>	<b>-580</b>	<b>76,277</b>			
			<b>Management, Support Services and Overheads</b>										
			Directorate Management and Support for:										
126	2,806	ELS	Education, Learning and Skills (ELS)	4,974	7,755	12,729	-3,303	9,426	-6,039	3,387			
127	13,730	SCS & ASC&PH	Families and Social Care (FSC)	1,751	12,907	14,658	-681	13,977	-766	13,211			
128	7,887	EH&W	Enterprise and Environment (E&E)	3,772	4,312	8,084	-407	7,677	0	7,677			

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

Row Ref	2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity	
	Net Cost £000s			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
129	5,234	C&C	Customer & Communities (C&C)	5,359	464	5,823	-1,089	4,734	0	4,734		
130	-1,929	R&E, BSP&HR & ASC&PH	Business Strategy & Support (BSS)	622	2,509	3,131	-193	2,938	-4,388	-1,450		
131			Support to Frontline Services:									
132	13,112	D&P & F&BS	Finance and Procurement	16,946	3,791	20,737	-5,290	15,447	-2,388	13,059		Responsible for planning, managing and reporting upon the Council's financial resources, in liaison with both Members and senior management, in accordance with the Council's Financial Regulations.
132	12,141	F&BS & BSP&HR	Human Resources	12,096	7,059	19,155	-8,781	10,374	0	10,374		Responsible for delivering the strategic and operational HR requirement for KCC. The function has an advisory role to help ensure that KCC meets its statutory responsibility in terms of Health and Safety, Employment Law and Equality legislation in relation to employment.
133	23,720	BSP&HR	Property and Infrastructure	5,824	20,412	26,236	-2,426	23,810	-505	23,305		Responsibility for the management of KCC's land and property portfolio. This involves strategic asset management across the estate (Corporate Landlord) and is supported by the provision of professional property services delivered in-house and via external consultants.
134	19,187	BSP&HR	Information, Communications and Technology (ICT)	16,706	14,814	31,520	-13,376	18,144	-591	17,553		The division works collaboratively with the business to deliver value for money ICT products and services which enable KCC to better serve the people of Kent. The Kent Public Services Network and the majority of telecommunication costs for KCC, are included here.

## Section 5 - A to Z Service Analysis

### WHAT IS THE MONEY SPENT ON?

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity
135	F&BS & D&P & BSP&HR	Business Strategy	3,394	871	4,265	-322	3,943	0	3,943	The division supports the political and managerial leadership of KCC in a number of ways including strategic policy development across the whole council, economic development, effective performance management, research and business intelligence, international affairs and partnerships.
136	BSP&HR	Governance and Law	7,280	3,005	10,285	-12,470	-2,185	0	-2,185	Provides legal advice and services to KCC, public bodies and other local authorities.
137	D&P	Democratic and Members	1,326	2,617	3,943	-3	3,940	0	3,940	The cost of supporting the 84 elected members of the County Council and the responsibility for the council's Overview and Scrutiny function in accordance with the provisions of the Local Government Act 2000, the Health and Social Care Act 2001 and the Local Government and Public Involvement in Health Act 2007.
138		<b>Total Management, Support Services and Overheads</b>	<b>80,050</b>	<b>80,516</b>	<b>160,566</b>	<b>-48,341</b>	<b>112,225</b>	<b>-14,677</b>	<b>97,548</b>	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.

139	909,054	885,024	1,292,166	2,177,190	-400,423	1,776,767	-872,446	904,321	<b>TOTAL</b>
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**KCC Budget Book**

# **SECTION 6**

## **A-Z Variation Statements**





**A to Z Variation Statement**  
**Adults & Older People - Direct Payments - Learning Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets			10,076	10,076	-516	9,560	-18	9,542
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Realignment to reflect clients choosing Direct Payments as opposed to services provided by payments to Vol Orgs	11/12		545	545		545		545
Direct Payments to Carers transfer from Direct Payments Older People	11/12		15	15		15		15
LD Transfer Grant gross realignment	11/12		202	202		202		202
Removal of Social Care Reform Grant transition funding			-650	-650		-650		-650
<i>Sub Total - Base Adjustments - Internal</i>		0	112	112	0	112	0	112
<b>Base Adjustments - External</b>								
Transfer of Learning Disability and Health Reform Grant to be held centrally				0		0	18	18
<i>Revised Base</i>		0	10,188	10,188	-516	9,672	0	9,672
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Prices</b>								
Social Care Provision			108	108		108		108
<b>Demand/Demographic Led</b>								
Demographic Pressure			1,277	1,277	-18	1,259		1,259
<i>Sub-Total Pressures</i>		0	1,385	1,385	-18	1,367	0	1,367
<b>Savings and Income</b>								
<b>Income Generation</b>								
Income increase in-line with Benefits Uplift				0	-6	-6		-6
FYE of Increase Charging - non residential				0	-7	-7		-7
<i>Sub-total Income Generation</i>		0	0	0	-13	-13	0	-13
<i>Sub-total Income and Savings</i>		0	0	0	-13	-13	0	-13
<b>Proposed Budget 2012/13</b>		0	11,573	11,573	-547	11,026	0	11,026

**A to Z Variation Statement**  
**Adults & Older People - Direct Payments - Mental Health**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		732	732	0	732	0	732
<i>Revised Base</i>	0	732	732	0	732	0	732
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		7	7		7		7
<u>Demand/Demographic Led</u>							
Demographic Pressure		256	256		256		256
<i>Sub-Total Pressures</i>	0	263	263	0	263	0	263
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	995	995	0	995	0	995

**A to Z Variation Statement**  
**Adults & Older People - Direct Payments - Older People**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		6,314	6,314	-665	5,649	0	5,649
<b>Base Adjustments - Internal</b>	<b>Type</b>						
East Kent Carers Payments from Vol Orgs - reallocation of carers funding for changes in commissioning of services	11/12	45	45		45		45
Removal of Social Care Reform Grant transition funding		-200	-200		-200		-200
<i>Sub Total - Base Adjustments - Internal</i>		0	-155	-155	0	-155	0
<i>Revised Base</i>		0	6,159	6,159	-665	5,494	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		63	63		63		63
<u>Demand/Demographic Led</u>							
Demographic Pressure - increased demand		786	786	-71	715		715
<i>Sub-Total Pressures</i>		0	849	849	-71	778	0
<b>Savings and Income</b>							
<u>Income Generation</u>							
Income increase in-line with Benefits Uplift			0	-25	-25		-25
FYE of Increase Charging - non residential			0	-26	-26		-26
<i>Sub-total Income Generation</i>		0	0	0	-51	-51	0
<i>Sub-total Income and Savings</i>		0	0	0	-51	-51	0
<b>Proposed Budget 2012/13</b>		0	7,008	7,008	-787	6,221	0

**A to Z Variation Statement**  
**Adults & Older People - Direct Payments - Physical Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		8,248	8,248	-353	7,895	0	7,895
<i>Revised Base</i>	0	8,248	8,248	-353	7,895	0	7,895
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		82	82		82		82
<u>Demand/Demographic Led</u>							
Demographic Pressure		1,231	1,231	2	1,233		1,233
<i>Sub-Total Pressures</i>	0	1,313	1,313	2	1,315	0	1,315
<b>Savings and Income</b>							
<u>Income Generation</u>							
Income increase in-line with Benefits Uplift			0	-10	-10		-10
FYE of Increase Charging - non residential			0	-13	-13		-13
<i>Sub-total Income Generation</i>	0	0	0	-23	-23	0	-23
Total Adjustments	0	1,313	1,313	-21	1,292	0	1,292
<b>Proposed Budget 2012/13</b>	0	9,561	9,561	-374	9,187	0	9,187

**A to Z Variation Statement**  
**Adults & Older People - Domiciliary Care - Learning Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,619	4,764	7,383	-959	6,424	-452	5,972
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
LD Transfer Grant gross realignment	11/12	-253	13	-240		-240		-240
Transfer Independent Living Centres to Domi LD from Domi PD	11/12	112	5	117		117		117
Reallocate Daycare/MH Domiciliary Saving to Provisional Charging	11/12			0	-13	-13		-13
Jubilee House Health Income/Gross realignment	11/12	270		270	-270	0		0
Budget realignment	GIN	-6	6	0		0		0
Savings realignment to Domiciliary Older People and Domiciliary Physically Disabled -			68	68		68		68
Realignment of Review of Domiciliary procurement/enhanced rates savings								
Realignment of Savings etc		-14		-14		-14		-14
Realignment of budgets within FSC Directorate			-791	-791	91	-700		-700
<i>Sub Total - Base Adjustments - Internal</i>		109	-699	-590	-192	-782	0	-782
<b>Base Adjustments - External</b>								
Transfer of Learning Disability and Health Reform Grant to be held centrally				0		0	452	452
<b>Revised Base</b>		2,728	4,065	6,793	-1,151	5,642	0	5,642
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff travel			9	9		9		9
Employers NI increase		4		4		4		4
Kent Scheme Pay Award		25		25		25		25
<i>Sub-total Pay</i>		29	9	38	0	38	0	38
<u>Prices</u>								
Transport			1	1		1		1
Social Care Provision			43	43		43		43
<i>Sub-total Prices</i>		0	44	44	0	44	0	44
<u>Unavoidable Government/Legislative Pressures</u>								
Learning Disability Transfer and Health Reform Grant - increase in expenditure			1	1		1		1
<u>Demand/Demographic Led</u>								
Demographic Pressure			-242	-242		-242		-242
<i>Sub-Total Pressures</i>		29	-188	-159	0	-159	0	-159
<b>Savings and Income</b>								
<u>Income Generation</u>								
Income increase in-line with Benefits Uplift				0	-14	-14		-14
FYE of Increase Charging - non residential				0	-22	-22		-22
<i>Sub-total Income Generation</i>		0	0	0	-36	-36	0	-36
<u>Efficiency savings</u>								
Review of Community Service Procurement			-228	-228		-228		-228
<u>Service Reforms</u>								
Consistent application of fair access to care services policy			-19	-19		-19		-19
Review of In-house services - LD		-130		-130		-130		-130
<i>Sub-total Service Reforms</i>		-130	-19	-149	0	-149	0	-149
<i>Sub-total Income and Savings</i>		-130	-247	-377	-36	-413	0	-413
Total Adjustments		8	-1,134	-1,126	-228	-1,354	452	-902
<b>Proposed Budget 2012/13</b>		2,627	3,630	6,257	-1,187	5,070	0	5,070

**A to Z Variation Statement**  
**Adults & Older People - Domiciliary - Mental Health**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		882	882	-80	802	0	802
<b>Base Adjustments - Internal</b>							
Removal of £16K Domiciliary Procurement		16	16		16		16
Removal of £80K Domiciliary Income Saving as MH service don't yet charge			0	80	80		80
Realignment of budgets within FSC Directorate		-300	-300		-300		-300
<i>Sub Total - Base Adjustments - Internal</i>	0	-284	-284	80	-204	0	-204
<i>Revised Base</i>	0	598	598	0	598	0	598
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		9	9		9		9
<u>Demand/Demographic Led</u>							
Demographic Pressure		-71	-71		-71		-71
<i>Sub-Total Pressures</i>	0	-62	-62	0	-62	0	-62
<b>Savings and Income</b>							
<u>Income Generation</u>							
FYE of Increase Charging - non residential			0	-80	-80		-80
<u>Service Reforms</u>							
Consistent application of fair access to care services policy		-4	-4		-4		-4
<i>Sub-total Income and Savings</i>	0	-4	-4	-80	-84	0	-84
<b>Proposed Budget 2012/13</b>	0	532	532	-80	452	0	452

**A to Z Variation Statement**  
**Adults & Older People - Domiciliary - Older People**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	6,114	40,679	46,793	-10,679	36,114	0	36,114
<b>Base Adjustments - Internal</b>							
Reallocation of Domiciliary Review Savings - Good practice guidelines		42	42		42		42
Reallocate Daycare Saving to Domiciliary Provisional Charging - Realloc of savings targets			0	-398	-398		-398
Correction to Domiciliary Procurement savings		-118	-118		-118		-118
Realignment of Savings etc		-5	-5		-5		-5
Removal of Social Care Reform Grant transition funding		-1,150	-1,150		-1,150		-1,150
<i>Sub Total - Base Adjustments - Internal</i>	0	-1,231	-1,231	-398	-1,629	0	-1,629
<i>Revised Base</i>	6,114	39,448	45,562	-11,077	34,485	0	34,485
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		69	69		69		69
Employers NI increase	8		8		8		8
Kent Scheme Pay Award	49		49		49		49
<i>Sub-total Pay</i>	57	69	126	0	126	0	126
<b>Prices</b>							
Transport		3	3		3		3
Social Care Provision		383	383		383		383
<i>Sub-total Prices</i>	0	386	386	0	386	0	386
<b>Demand/Demographic Led</b>							
Demographic Pressure		-189	-189	353	164		164
<i>Sub-Total Pressures</i>	57	266	323	353	676	0	676
<b>Savings and Income</b>							
<b>Income Generation</b>							
Income increase in-line with Benefits Uplift			0	-409	-409		-409
FYE of Increase Charging - non residential			0	-900	-900		-900
<i>Sub-total Income Generation</i>	0	0	0	-1,309	-1,309	0	-1,309
<b>Savings and mitigations:</b>							
<b>Identified in published 2011-13 MTP</b>							
Fall out of early Retirement Costs	-2		-2		-2		-2
<b>Efficiency savings</b>							
Review of Community Service Procurement Agency Staff	-1	-1,625	-1,625		-1,625		-1,625
<i>Sub-total Efficiency savings</i>	-1	-1,625	-1,626	0	-1,626	0	-1,626
<b>Service Reforms</b>							
Consistent application of fair access to care services policy		-450	-450		-450		-450
<i>Sub-total Income and Savings</i>	-3	-2,075	-2,078	-1,309	-3,387	0	-3,387
<b>Proposed Budget 2012/13</b>	6,168	37,639	43,807	-12,033	31,774	0	31,774

**A to Z Variation Statement**  
**Adults & Older People - Domiciliary - Physical Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		380	7,363	7,743	-520	7,223	0	7,223
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Reallocate Daycare Saving to Domiciliary Provisional Charging	11/12			0	-19	-19		-19
Reallocation of Domiciliary Review Savings	11/12		8	8		8		8
Transfer Independent Living Centres to Domiciliary LD from Domiciliary PD	11/12	-112	-5	-117		-117		-117
Correction to Domiciliary Procurement savings			34	34		34		34
<i>Sub Total - Base Adjustments - Internal</i>		-112	37	-75	-19	-94	0	-94
<i>Revised Base</i>		268	7,400	7,668	-539	7,129	0	7,129
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff Travel			8	8		8		8
<u>Prices</u>								
Social Care Provision			70	70		70		70
<u>Demand/Demographic Led</u>								
Demographic Pressure			119	119	29	148		148
<i>Sub-Total Pressures</i>		0	197	197	29	226	0	226
<b>Savings and Income</b>								
<u>Income Generation</u>								
Income increase in-line with Benefits Uplift				0	-20	-20		-20
FYE of Increase Charging - non residential				0	-46	-46		-46
<i>Sub-total Income Generation</i>		0	0	0	-66	-66	0	-66
<b>Savings and mitigations:</b>								
<u>Efficiency savings</u>								
Review of Community Service Procurement			-279	-279		-279		-279
<u>Service Reforms</u>								
Consistent application of fair access to care services policy			-27	-27		-27		-27
<i>Sub-total Income and Savings</i>		0	-306	-306	-66	-372	0	-372
<b>Proposed Budget 2012/13</b>		268	7,291	7,559	-576	6,983	0	6,983



**A to Z Variation Statement**  
**Adults & Older People - Nursing & Residential - Learning Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,233	70,845	73,078	-3,256	69,822	-17,787	52,035
<b>Base Adjustments - Internal</b>							
	<u>Type</u>						
Realign to reflect other income due to LD		2,377	2,377	-2,377	0		0
Saving realignment		76	76		76		76
GIN virement to realign Health income cash limit		600	600	-600	0		0
Preserved Rights client transfer to Mental Health Residential		-37	-37	5	-32		-32
Client transfer from MH		18	18	-6	12		12
Realignment of Savings etc	-12		-12		-12		-12
LD Transfer Grant gross realignment	3	-40	-37		-37		-37
Realignment of budgets within FSC Directorate		561	561		561		561
<i>Sub Total - Base Adjustments - Internal</i>	-9	3,555	3,546	-2,978	568	0	568
<b>Base Adjustments - External</b>							
Removal of Learning Disability and Health Reform Grant			0		0	17,787	17,787
<i>Revised Base</i>	2,224	74,400	76,624	-6,234	70,390	0	70,390
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff Travel		1	1		1		1
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	19		19		19		19
<i>Sub-total Pay</i>	22	1	23	0	23	0	23
<u>Prices</u>							
Social Care Provision		731	731		731		731
Other		4	4		4		4
<u>Unavoidable Government/Legislative Pressures</u>							
Learning Disability Transfer and Health Reform Grant - increase in expenditure		391	391		391		391
<u>Demand/Demographic Led</u>							
Demographic Pressure		1,046	1,046	36	1,082		1,082
<i>Sub-Total Pressures</i>	22	2,173	2,195	36	2,231	0	2,231
<b>Savings and Income</b>							
<u>Income Generation</u>							
Income increase in-line with Benefits Uplift			0	-261	-261		-261
<b>Savings and mitigations:</b>							
<u>Efficiency savings</u>							
Review of LD and PD Residential and Supported Accommodation procurement		-2,445	-2,445		-2,445		-2,445
<u>Service Reforms</u>							
Review of In-house services - LD	-220		-220		-220		-220
<i>Sub-total Income and Savings</i>	-220	-2,445	-2,665	-261	-2,926	0	-2,926
<b>Proposed Budget 2012/13</b>	2,026	74,128	76,154	-6,459	69,695	0	69,695

**A to Z Variation Statement**  
**Adults & Older People - Nursing & Residential - Mental Health**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		6,756	6,756	-852	5,904	0	5,904
<b>Base Adjustments - Internal</b>							
Client AS reassessment - Moved from MH to LD		-18	-18	6	-12		-12
Client CD reassessment - Moved from LD to MH		37	37	-5	32		32
<i>Sub Total - Base Adjustments - Internal</i>	0	19	19	1	20	0	20
<i>Revised Base</i>	0	6,775	6,775	-851	5,924	0	5,924
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		54	54		54		54
<u>Demand/Demographic Led</u>							
Demographic Pressure		100	100	3	103		103
<i>Sub-Total Pressures</i>	0	154	154	3	157	0	157
<b>Savings and Income</b>							
<u>Income Generation</u>							
Income increase in-line with Benefits Uplift			0	-27	-27		-27
<i>Sub-total Income and Savings</i>	0	0	0	-27	-27	0	-27
<b>Proposed Budget 2012/13</b>	0	6,929	6,929	-875	6,054	0	6,054

**A to Z Variation Statement**  
**Adults & Older People - Nursing & Residential - Older People - Nursing**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets			45,547	45,547	-22,053	23,494	0	23,494
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Reallocation of Good Practice Guidelines	11/12			0	-17	-17		-17
Waivers savings								
<i>Revised Base</i>		0	45,547	45,547	-22,070	23,477	0	23,477
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Social Care Provision			373	373		373		373
<u>Demand/Demographic Led</u>								
Demographic Pressure			-1,023	-1,023		-1,023		-1,023
<i>Sub-Total Pressures</i>		0	-650	-650	0	-650	0	-650
<b>Savings and Income</b>								
<u>Income Generation</u>								
Income increase in-line with Benefits Uplift				0	-604	-604		-604
<u>Savings and mitigations:</u>								
<u>Service Reforms</u>								
Encouraging Self Funders of Residential Care to seek independent financial advice			-85	-85		-85		-85
<i>Sub-total Income and Savings</i>		0	-85	-85	-604	-689	0	-689
<b>Proposed Budget 2012/13</b>		0	44,812	44,812	-22,674	22,138	0	22,138

**A to Z Variation Statement**  
**Adults & Older People - Nursing & Residential - Older People - Residential**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	12,883	72,923	85,806	-34,038	51,768	-56	51,712
<b>Base Adjustments - Internal</b>							
Realign budgets and Commissioning Transfer	331	107	438	4	442		442
Integrated Care Centre realignment - KCC Hosted PFI Scheme		1,922	1,922	-1,922	0		0
Reallocation of Good Practice Guidelines Waivers savings			0	-33	-33		-33
LD Campus Grant Gross Correction		49	49		49		49
Realignment of Savings etc		-44	-44		-44		-44
Removal of Social Care Reform Grant transition funding		-550	-550	0	-550		-550
Realignment of budgets within FSC Directorate	-27	-1,750	-1,777	750	-1,027		-1,027
<i>Sub Total - Base Adjustments - Internal</i>	304	-266	38	-1,201	-1,163	0	-1,163
<b>Base Adjustments - External</b>							
Removal of Learning Disability and Health Reform Grant			0		0	56	56
<i>Revised Base</i>	13,187	72,657	85,844	-35,239	50,605	0	50,605
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		6	6		6		6
Employers NI increase	15		15		15		15
Kent Scheme Pay Award	76		76		76		76
<i>Sub-total Pay</i>	91	6	97	0	97	0	97
<b>Prices</b>							
Transport		1	1		1		1
Social Care Provision		651	651		651		651
Other		53	53		53		53
<i>Sub-total Prices</i>	0	705	705	0	705	0	705
<b>Demand/Demographic Led</b>							
Demographic Pressure		-200	-200	57	-143		-143
<i>Sub-Total Pressures</i>	91	511	602	57	659	0	659
<b>Savings and Income</b>							
<b>Income Generation</b>							
Income increase in-line with Benefits Uplift			0	-1,312	-1,312		-1,312
<b>Savings and mitigations:</b>							
<b>Efficiency savings</b>							
Agency Staff	-13		-13		-13		-13
<b>Service Reforms</b>							
Encouraging Self Funders of Residential Care to seek independent financial advice		-165	-165		-165		-165
Older Persons Strategy	-738	-76	-814		-814		-814
Consistent application of client transport policy		-7	-7		-7		-7
Review of in-house services (OP)	-150		-150		-150		-150
<i>Sub-total Service Reforms</i>	-888	-248	-1,136	0	-1,136	0	-1,136
<i>Sub-total Income and Savings</i>	-901	-248	-1,149	-1,312	-2,461	0	-2,461
<b>Proposed Budget 2012/13</b>	12,377	72,920	85,297	-36,494	48,803	0	48,803

**A to Z Variation Statement**  
**Adults & Older People - Nursing & Residential - Physical Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s	
2011/12 Approved Budgets		12,513	12,513	-1,738	10,775	-150	10,625	
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Reallocation of PD Procurement savings	11/12	-107	-107		-107		-107	
LD Campus Grant Gross Correction	11/12	-101	-101		-101		-101	
Realignment of budgets within FSC Directorate		1,200	1,200	-200	1,000		1,000	
<i>Sub Total - Base Adjustments - Internal</i>		0	992	992	-200	792	0	792
<b>Base Adjustments - External</b>								
Transfer of Learning Disability and Health Reform Grant to be held centrally			0		0	150	150	
<i>Revised Base</i>		0	13,505	13,505	-1,938	11,567	0	11,567
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Prices</b>								
Social Care Provision		121	121		121		121	
<b>Demand/Demographic Led</b>								
Demographic Pressure		277	277	35	312		312	
<i>Sub-Total Pressures</i>		0	398	398	35	433	0	433
<b>Savings and Income</b>								
<b>Income Generation</b>								
Income increase in-line with Benefits Uplift			0	-66	-66		-66	
<b>Savings and mitigations:</b>								
<b>Efficiency savings</b>								
Review of LD and PD Residential and Supported Accommodation procurement		-90	-90		-90		-90	
<i>Sub-total Income and Savings</i>		0	-90	-90	-66	-156	0	-156
<b>Proposed Budget 2012/13</b>		0	13,813	13,813	-1,969	11,844	0	11,844

**A to Z Variation Statement**  
**Adults & Older People - Supported Accommodation Learning Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		320	30,863	31,183	-3,452	27,731	-15,537	12,194
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
LD Transfer Grant gross realignment	11/12		-137	-137		-137		-137
Transfer Resource Centres to LD Supp Accom from PD	11/12	147	8	155	-5	150		150
Savings realignment	11/12	-1	28	27	-1	26		26
Realignment of budgets within FSC Directorate			-41	-41	-20	-61		-61
<i>Sub Total - Base Adjustments - Internal</i>		146	-142	4	-26	-22	0	-22
<b>Base Adjustments - External</b>								
Transfer of Learning Disability and Health Reform Grant to be held centrally				0		0	15,537	15,537
<i>Revised Base</i>		466	30,721	31,187	-3,478	27,709	0	27,709
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Kent Scheme Pay Award		4		4		4		4
<u>Prices</u>								
Social Care Provision			305	305		305		305
<u>Unavoidable Government/Legislative Pressures</u>								
Learning Disability Transfer and Health Reform Grant - increase in expenditure			363	363		363	0	363
<u>Demand/Demographic Led</u>								
Demographic Pressure			2,101	2,101	-130	1,971		1,971
<i>Sub-Total Pressures</i>		4	2,769	2,773	-130	2,643	0	2,643
<b>Savings and Income</b>								
<u>Income Generation</u>								
Income increase in-line with Benefits Uplift				0	-53	-53		-53
FYE of Increase Charging - non residential				0	-33	-33		-33
<i>Sub-total Income Generation</i>		0	0	0	-86	-86	0	-86
<b>Savings and mitigations:</b>								
<u>Identified in published 2011-13 MTP</u>								
Fall out of early Retirement Costs		-11		-11		-11		-11
<u>Efficiency savings</u>								
Agency Staff		1		1		1		1
Review of LD and PD Residential and Supported Accommodation procurement			-854	-854		-854		-854
<i>Sub-total Efficiency savings</i>		1	-854	-853	0	-853	0	-853
<i>Sub-total Income and Savings</i>		-10	-854	-864	-86	-950	0	-950
<b>Proposed Budget 2012/13</b>		460	32,636	33,096	-3,694	29,402	0	29,402

## A to Z Variation Statement

### Adults & Older People - Supported Accommodation Physical Disability/Mental Health

Portfolio :  
Directorate :

ASC&PH  
FSC

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,210	1,210	-255	955	0	955
<b>Base Adjustments - Internal</b>							
Realignment from Daycare		100	100		100		100
Reallocation of PD Procurement savings		4	4		4		4
Realignment of budgets within FSC Directorate		300	300		300		300
<i>Sub Total - Base Adjustments - Internal</i>	0	404	404	0	404	0	404
<i>Revised Base</i>	0	1,614	1,614	-255	1,359	0	1,359
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Social Care Provision		13	13		13		13
<u>Demand/Demographic Led</u>							
Demographic Pressure		929	929	-18	911		911
<i>Sub-Total Pressures</i>	0	942	942	-18	924	0	924
<b>Savings and Income</b>							
<u>Income Generation</u>							
Income increase in-line with Benefits Uplift			0	-1	-1		-1
<b>Savings and mitigations:</b>							
<u>Efficiency savings</u>							
Review of LD and PD Residential and Supported Accommodation procurement		-4	-4		-4		-4
<i>Sub-total Income and Savings</i>	0	-4	-4	-1	-5	0	-5
Total Adjustments	0	1,342	1,342	-19	1,323	0	1,323
<b>Proposed Budget 2012/13</b>	0	2,552	2,552	-274	2,278	0	2,278

**A to Z Variation Statement**  
**Adults & Older People - Contributions to Voluntary Organisations**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	110	15,416	15,526	-902	14,624	0	14,624
<b>Base Adjustments - Internal</b>							
Realignment to reflect clients choosing Direct Payments as opposed to services provided by payments to Vol Orgs		-545	-545		-545		-545
EK Carers Payments to DP		-60	-60		-60		-60
LDDF Staffing transfer to Other Adults	-110	-194	-304		-304		-304
Realignment of budgets within FSC Directorate		27	27		27		27
<i>Sub Total - Base Adjustments - Internal</i>	-110	-772	-882	0	-882	0	-882
<i>Revised Base</i>	0	14,644	14,644	-902	13,742	0	13,742
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Unavoidable Government/Legislative Pressures</u>							
Pressure funded from NHS Support for Social Care Grant		1,400	1,400		1,400		1,400
<i>Sub-Total Pressures</i>	0	1,400	1,400	0	1,400	0	1,400
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	16,044	16,044	-902	15,142	0	15,142



**A to Z Variation Statement**  
**Adults & Older People - Day Care Learning Disability**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		6,670	6,154	12,824	-418	12,406	-18	12,388
<b>Base Adjustments - Internal</b>								
Realign budgets between Other Services and Day Care LD	Type 11/12	277	91	368	-74	294		294
LD Transfer Grant gross realignment	11/12	11	2	13		13		13
Remove Daycare Charging Savings	11/12			0	238	238		238
Budget realignment	GIN	-55	55	0		0		0
Realignment of Savings etc		-37		-37		-37		-37
Realignment of budgets within FSC Directorate			211	211	-11	200		200
<i>Sub Total - Base Adjustments - Internal</i>		196	359	555	153	708	0	708
<b>Base Adjustments - External</b>								
Removal of Learning Disability and Health Reform Grant				0		0	18	18
<i>Revised Base</i>		6,866	6,513	13,379	-265	13,114	0	13,114
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			6	6		6		6
Employers NI increase		10		10		10		10
Kent Scheme Pay Award		58		58		58		58
<i>Sub-total Pay</i>		68	6	74	0	74	0	74
<b>Prices</b>								
Transport			21	21		21		21
Social Care Provision			46	46		46		46
Other			2	2		2		2
<i>Sub-total Prices</i>		0	69	69	0	69	0	69
<i>Sub-Total Pressures</i>		68	75	143	0	143	0	143
<b>Savings and Income</b>								
<b>Income Generation</b>								
FYE of Increase Charging - non residential				0	-238	-238		-238
<b>Savings and mitigations:</b>								
<b>Efficiency savings</b>								
Day Services Review - LD			-88	-88		-88		-88
Agency Staff		1		1		1		1
<i>Sub-total Efficiency savings</i>		1	-88	-87	0	-87	0	-87
<b>Service Reforms</b>								
Review of In-house services - LD		-200		-200		-200		-200
Consistent application of client transport policy			-156	-156		-156		-156
<i>Sub-total Service Reforms</i>		-200	-156	-356	0	-356	0	-356
<i>Sub-total Income and Savings</i>		-199	-244	-443	-238	-681	0	-681
<b>Proposed Budget 2012/13</b>		6,735	6,344	13,079	-503	12,576	0	12,576

**A to Z Variation Statement**  
**Adults & Older People - Day Care Older People**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,098	2,403	4,501	-210	4,291	0	4,291
<b>Base Adjustments - Internal</b>							
	<u>Type</u>						
Realign OPM MTP and Commissioning Transfer	11/12	-341	-116	-457	15	-442	-442
Remove Daycare Saving and Reallocate to Domiciliary Prov Charge	11/12			0	84	84	84
Realignment of Savings etc		-2	-2	-4		-4	-4
Removal of Social Care Reform Grant transition funding			-160	-160		-160	-160
<i>Sub Total - Base Adjustments - Internal</i>		-343	-278	-621	99	-522	-522
<i>Revised Base</i>		1,755	2,125	3,880	-111	3,769	3,769
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Employers NI increase		1		1		1	1
Kent Scheme Pay Award		7		7		7	7
<i>Sub-total Pay</i>		8	0	8	0	8	8
<u>Prices</u>							
Transport			5	5		5	5
Other			2	2		2	2
Social Care Provision			19	19		19	19
<i>Sub-total Prices</i>		0	26	26	0	26	26
<i>Sub-Total Pressures</i>		8	26	34	0	34	34
<b>Savings and Income</b>							
<u>Income Generation</u>							
FYE of Increase Charging - non residential				0	-84	-84	-84
<b>Savings and mitigations:</b>							
<u>Service Reforms</u>							
Older Persons Strategy		-321	-65	-386		-386	-386
Consistent application of client transport policy			-80	-80		-80	-80
<i>Sub-total Service Reforms</i>		-321	-145	-466	0	-466	-466
<i>Sub-total Income and Savings</i>		-321	-145	-466	-84	-550	-550
<b>Proposed Budget 2012/13</b>		1,442	2,006	3,448	-195	3,253	3,253

**A to Z Variation Statement**  
**Adults & Older People - Day Care Physical Disability/Mental Health**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets			1,695	1,695	-38	1,657	0	1,657
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Transfer of Cash Limit to Supp Accom	11/12		-100	-100		-100		-100
Remove Daycare Saving and Reallocate to Domiciliary Prov Charge	11/12			0	22	22		22
Realignment of budgets within FSC	11/12			0	2	2		2
<i>Sub Total - Base Adjustments - Internal</i>		0	-100	-100	24	-76	0	-76
<i>Revised Base</i>		0	1,595	1,595	-14	1,581	0	1,581
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Transport			4	4		4		4
Social Care Provision			13	13		13		13
<i>Sub-total Prices</i>		0	17	17	0	17	0	17
<i>Sub-Total Pressures</i>		0	17	17	0	17	0	17
<b>Savings and Income</b>								
<u>Income Generation</u>								
FYE of Increase Charging - non residential				0	-24	-24		-24
<b>Savings and mitigations:</b>								
<u>Service Reforms</u>								
Consistent application of client transport policy			-47	-47		-47		-47
<i>Sub-total Income and Savings</i>		0	-47	-47	-24	-71	0	-71
<b>Proposed Budget 2012/13</b>		0	1,565	1,565	-38	1,527	0	1,527

**A to Z Variation Statement**  
**Adults & Older People - Drug & Alcohol Services**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,018	15,362	16,380	-12,558	3,822	-2,272	1,550
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Transfer Youth Substance Misuse from ELS	11/12		140	140		140		140
Realignment of efficiency savings moved from Registration	11/12	-15		-15		-15		-15
C&C share TCP Savings	11/12	-7		-7		-7		-7
KDAAT - Increased Client income for Drug Rehab Programme	11/12		10	10	-10	0		0
Comm Safety/KDAAT - Reduction in HO Community Safety ABG/LSSG Adjustment	11/12		-50	-50		-50		-50
Budget Recast adjustments between Libraries and KDAAT	11/12	-30		-30		-30		-30
Removal of Internal Recharge for EIG	11/12		-140	-140	140	0		0
Realignment of cash limits within service	GIN	-8	8	0	-1,202	-1,202	1,202	0
New Income - Integrated Drug Treatment Services (IDTS) -Prisons Increase from the Home	GIN		548	548	-548	0		0
Reduced Income from KDAAT Partners	GIN		-583	-583	583	0		0
New Income - Additional income from PCT's	GIN	20		20	-20	0		0
Transfer of budget to Directorate Management and Support	A-Z tfr	-80	-1	-81		-81		-81
<i>Sub Total - Base Adjustments - Internal</i>		-120	-68	-188	-1,057	-1,245	1,202	-43
<i>Revised Base</i>		898	15,294	16,192	-13,615	2,577	-1,070	1,507
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			1	1		1		1
Employers NI increase		2		2		2		2
Kent Scheme Pay Award		9		9		9		9
<i>Sub-total Pay</i>		11	1	12	0	12	0	12
<b>Prices</b>								
Transport			1	1		1		1
<i>Sub-Total Pressures</i>		11	2	13	0	13	0	13
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Essential/Lease car			-1	-1		-1		-1
<b>Service Reforms</b>								
Reduction in HO Community Safety LSSG			-114	-114		-114		-114
<i>Sub-total Income and Savings</i>		0	-115	-115	0	-115	0	-115
<b>Proposed Budget 2012/13</b>		909	15,181	16,090	-13,615	2,475	-1,070	1,405

**A to Z Variation Statement**  
**Adults & Older People - Other Adult Services**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,469	12,770	14,239	-8,157	6,082	0	6,082
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Realignment of budgets between Other Services and Day Care LD	11/12	-277	-91	-368	74	-294		-294
Realignment of Savings etc	11/12		-4	-4		-4		-4
Remove Daycare Saving and Reallocate to Domiciliary Prov Charge				0	4	4		4
Transfer Independent Living Centres to Domiciliary LD from Domiciliary PD		-147	-8	-155	5	-150		-150
Removal of Social Care Reform Grant transition funding			-90	-90		-90		-90
LDDF Staffing transfer to Other Adults		110	194	304		304		304
<i>Sub Total - Base Adjustments - Internal</i>		-314	1	-313	83	-230	0	-230
<i>Revised Base</i>		1,155	12,771	13,926	-8,074	5,852	0	5,852
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff Travel			10	10		10		10
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		18		18		18		18
<i>Sub-total Pay</i>		21	10	31	0	31	0	31
<u>Prices</u>								
Transport			1	1		1		1
<u>Unavoidable Government/Legislative Pressures</u>								
Pressure funded from NHS Support for Social Care Grant			4,006	4,006		4,006		4,006
<i>Sub-Total Pressures</i>		21	4,017	4,038	0	4,038	0	4,038
<b>Savings and Income</b>								
<u>Income Generation</u>								
Income increase in-line with Benefits Uplift				0	-46	-46		-46
FYE of Increase Charging - non residential				0	-4	-4		-4
NHS Support for Social Care				0	-15,656	-15,656		-15,656
<i>Sub-total Income Generation</i>		0	0	0	-15,706	-15,706	0	-15,706
<b>Savings and mitigations:</b>								
<u>Identified in published 2011-13 MTP</u>								
Fall out of early Retirement Costs		-4		-4		-4		-4
<u>Efficiency savings</u>								
Agency Staff		-3		-3		-3		-3
Essential/Lease user			-2	-2		-2		-2
<i>Sub-total Efficiency savings</i>		-3	-2	-5	0	-5	0	-5
<u>Service Reforms</u>								
Review of In-house services - PD			-25	-25		-25		-25
<i>Sub-total Income and Savings</i>		-7	-27	-34	-15,706	-15,740	0	-15,740
<b>Proposed Budget 2012/13</b>		1,169	16,761	17,930	-23,780	-5,850	0	-5,850

**A to Z Variation Statement**  
**Adults & Older People - Safeguarding**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets				0		0		0
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Transfer from FSC Directorate Management and Support	A-Z tfr	467	266	733	-236	497		497
Realignment of Savings etc		-6		-6		-6		-6
Transfer of budget from Adults Social Care Staffing			74	74		74		74
<i>Sub Total - Base Adjustments - Internal</i>		461	340	801	-236	565	0	565
<i>Revised Base</i>		461	340	801	-236	565	0	565
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		5		5		5		5
<i>Sub-total Pay</i>		6	0	6	0	6	0	6
<i>Sub-Total Pressures</i>		6	0	6	0	6	0	6
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		467	340	807	-236	571	0	571

**A to Z Variation Statement**  
**Adults & Older People - Supporting People**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		530	29,552	30,082	0	30,082	0	30,082
<b>Base Adjustments - Internal</b>								
Share of TCP savings	Type 11/12	-4		-4		-4		-4
Realignment of budgets across the C&C Directorate	11/12		-257	-257		-257		-257
Removal of Senior Officers Medical Expenses			-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	A-Z tfr	-78	-3	-81		-81		-81
Realignment of cash limits	GIN	-62	62	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		-144	-199	-343	0	-343	0	-343
<i>Revised Base</i>		386	29,353	29,739	0	29,739	0	29,739
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		5		5		5		5
<i>Sub-total Pay</i>		6	0	6	0	6	0	6
<i>Sub-Total Pressures</i>		6	0	6	0	6	0	6
<b>Savings and Income</b>								
<b>Service Reforms</b>								
Review of service priorities (Full Year Effect)			-4,000	-4,000		-4,000		-4,000
<i>Sub-total Income and Savings</i>		0	-4,000	-4,000	0	-4,000	0	-4,000
<b>Proposed Budget 2012/13</b>		392	25,353	25,745	0	25,745	0	25,745

**A to Z Variation Statement**  
**Children Services - Education & Personal - 14 to 19 Year olds**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,644	3,748	5,392	-2,144	3,248	-1,376	1,872
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Flexible 14-19 Funding transferred to Management & Support	11/12		-418	-418		-418	418	0
Apprentices team transfer from Communities	A-Z tfr	209	91	300		300		300
Transfer Alternative Curriculum monitoring team to 14-19 unit	A-Z tfr	297	246	543		543	-543	0
Reduction in Young Apprentices grant	GIN		-694	-694	694	0		0
Cessation of minor grants	GIN		-82	-82	82	0		0
Realignment of gross and income for Skills Studios	GIN	-362	-139	-501	501	0		0
Reduction in Skills Force	GIN		-333	-333	333	0		0
Realignment of gross budget for Kent Science Resource Centre	GIN	-185	185	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		-41	-1,144	-1,185	1,610	425	-125	300
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	381	381
<i>Revised Base</i>		1,603	2,604	4,207	-534	3,673	-1,120	2,553
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		2		2		2		2
Kent Scheme Pay Award		6		6		6		6
<i>Sub-total Pay</i>		8	0	8	0	8	0	8
<i>Sub-Total Pressures</i>		8	0	8	0	8	0	8
<b>Savings and Income</b>								
<u>Service Reforms</u>								
ELS restructure Skills and Employability		-389	-758	-1,147		-1,147	114	-1,033
<i>Sub-total Income and Savings</i>		-389	-758	-1,147	0	-1,147	114	-1,033
<b>Proposed Budget 2012/13</b>		1,222	1,846	3,068	-534	2,534	-1,006	1,528



**A to Z Variation Statement**  
**Children Services - Education & Personal - Attendance & Behaviour Service**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		13,194	8,316	21,510	-1,778	19,732	-18,589	1,143
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Revision of Kent Safe Schools Income Target	11/12	-1,060	-636	-1,696	1,696	0		0
PRUs share of dedicated schools grant	11/12		796	796		796	-796	0
Realignment of PRU gross and income	11/12		294	294	-294	0		0
Revision of income target on Attendance and Behaviour	GIN		-27	-27	27	0		0
Realignment of budgets - Kent Safe Schools (now external organisation)	GIN	-475	475	0		0		0
Transfer Alternative Curriculum monitoring team to 14-19 unit	A-Z tfr	-219	-324	-543		-543	543	0
Transfer to Individual Learner Support due to restructure	A-Z tfr	-181	-20	-201		-201	134	-67
Realignment of Health Needs budget	A-Z tfr		200	200		200	-200	0
<i>Sub Total - Base Adjustments - Internal</i>		-1,935	758	-1,177	1,429	252	-319	-67
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	416	416
<i>Revised Base</i>		11,259	9,074	20,333	-349	19,984	-18,492	1,492
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		2		2		2		2
Kent Scheme Pay Award		7		7		7		7
<i>Sub-total Pay</i>		9	0	9	0	9	0	9
<i>Sub-Total Pressures</i>		9	0	9	0	9	0	9
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Reduction in staff travel			-1	-1		-1		-1
<u>Service Reforms</u>								
ELS restructure - Advocacy and Entitlement		-997		-997		-997	803	-194
ELS - Cessation of Project Salus			-505	-505		-505		-505
<i>Sub-total Service Reforms</i>		-997	-505	-1,502	0	-1,502	803	-699
<i>Sub-total Income and Savings</i>		-997	-506	-1,503	0	-1,503	803	-700
<b>Proposed Budget 2012/13</b>		10,271	8,568	18,839	-349	18,490	-17,689	801

**A to Z Variation Statement**  
**Children Services - Education & Personal - Childrens Centres**

Portfolio : **SCS**  
 Directorate : **FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	14,355	4,121	18,476	0	18,476	-18,476	0
<b>Base Adjustments - Internal</b>							
EIG smoothing	893		893		893		893
Transfer of Children's Centre property budgets to Corporate Landlord (EIG element)		-1,336	-1,336		-1,336		-1,336
Transfer of Children's Centres central development team to Children's Centres		1,189	1,189		1,189		1,189
<i>Sub Total - Base Adjustments - Internal</i>	893	-147	746	0	746	0	746
<b>Base Adjustments - External</b>							
Transfer EIG income budget and hold centrally			0		0	18,476	18,476
<i>Revised Base</i>	15,248	3,974	19,222	0	19,222	0	19,222
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	16		16		16		16
Kent Scheme Pay Award	84		84		84		84
<i>Sub-total Pay</i>	100	0	100	0	100	0	100
<i>Sub-Total Pressures</i>	100	0	100	0	100	0	100
<b>Savings and Income</b>							
<b>Removal of one-off funding</b>							
Review of Early Years and Childcare/EIG Transitional protection	-893		-893		-893		-893
<b>Service Reforms</b>							
Review of Early Years and Childcare		-719	-719		-719		-719
<i>Sub-total Income and Savings</i>	-893	-719	-1,612	0	-1,612	0	-1,612
<b>Proposed Budget 2012/13</b>	14,455	3,255	17,710	0	17,710	0	17,710

**A to Z Variation Statement**  
**Children Services - Education & Personal - Connexions**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		9,787	9,787	0	9,787	-9,787	0
<b>Base Adjustments - External</b>							
Remove EIG income budget and hold centrally			0		0	9,787	9,787
<i>Revised Base</i>	0	9,787	9,787	0	9,787	0	9,787
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Service Reforms</u>							
Connexions		-3,000	-3,000		-3,000		-3,000
<i>Sub-total Income and Savings</i>	0	-3,000	-3,000	0	-3,000	0	-3,000
<b>Proposed Budget 2012/13</b>	0	6,787	6,787	0	6,787	0	6,787

**A to Z Variation Statement**  
**Children Services - Education & Personal - Early Years & Childcare Advisory Services**

Portfolio :  
 Directorate :

**SCS & ELS**  
**FSC & ELS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	6,457	7,284	13,741	-107	13,634	-13,634	0
<b>Base Adjustments - Internal</b>							
<u>Base Adjustments - Internal</u>							
Transfer of CFIS to Contact Centre (CCS&I)	-94	0	-94	0	-94	0	-94
Transfer of Children's Centre maintenance budgets to Corporate Landlord (EIG element)	0	-180	-180	0	-180	0	-180
Transfer of Children's Centres central development team to Children's Centres	0	-1,189	-1,189	0	-1,189	0	-1,189
<u>Base Adjustments - External</u>							
Transfer EIG income budget and hold centrally	0	0	0	0	0	8,591	8,591
<b>Revised Base</b>	<b>6,363</b>	<b>5,915</b>	<b>12,278</b>	<b>-107</b>	<b>12,171</b>	<b>-5,043</b>	<b>7,128</b>
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Employers NI increase	4	0	4	0	4	0	4
Kent Scheme Pay Award	17	0	17	0	17	0	17
<b>Sub-total Pay</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>21</b>
<b>Sub-Total Pressures</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>21</b>
<b>Savings and Income</b>							
<u>Service Reforms</u>							
Review of Early Years and Childcare	-124	-302	-426	0	-426	0	-426
ELS restructure - Early Years Unit	-2,540	0	-2,540	0	-2,540	0	-2,540
<b>Sub-total Income and Savings</b>	<b>-2,664</b>	<b>-302</b>	<b>-2,966</b>	<b>0</b>	<b>-2,966</b>	<b>0</b>	<b>-2,966</b>
<b>Proposed Budget 2012/13</b>	<b>3,720</b>	<b>5,613</b>	<b>9,333</b>	<b>-107</b>	<b>9,226</b>	<b>-5,043</b>	<b>4,183</b>

**A to Z Variation Statement**  
**Children Services - Education & Personal - Early Years Education**

Portfolio : **SCS**  
 Directorate : **ELS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		42,860	42,860	0	42,860	-42,860	0
<b>Base Adjustments - External</b>							
Remove EIG income budget and hold centrally			0		0	916	916
Realignment of PVI Budget in line with July settlement (DSG) - tfr to schools delegated		-2,444	-2,444		-2,444	2,444	0
Base Adjustments - External	0	-2,444	-2,444	0	-2,444	3,360	916
<b>Revised Base</b>	0	40,416	40,416	0	40,416	-39,500	916
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Unavoidable Government/Legislative Pressures</u>							
Increase take up of free Early Years education for 2 year olds		860	860		860		860
<b>Sub-Total Pressures</b>	0	860	860	0	860	0	860
<b>Savings and Income</b>							
<b>Sub-total Income and Savings</b>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	41,276	41,276	0	41,276	-39,500	1,776

**A to Z Variation Statement**  
**Children Services - Education & Personal - Education Psychology Services**

Portfolio : ELS  
 Directorate : ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,979	349	3,328	-13	3,315	0	3,315
<i>Revised Base</i>	<u>2,979</u>	<u>349</u>	<u>3,328</u>	<u>-13</u>	<u>3,315</u>	<u>0</u>	<u>3,315</u>
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Employers NI increase	8		8		8		8
Kent Scheme Pay Award	2		2		2		2
<i>Sub-total Pay</i>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>
<i>Sub-Total Pressures</i>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>10</u>
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Reduction in staff travel		-2	-2		-2		-2
<u>Service Reforms</u>							
ELS restructure - Assessment	-395	-31	-426		-426		-426
<i>Sub-total Income and Savings</i>	<u>-395</u>	<u>-33</u>	<u>-428</u>	<u>0</u>	<u>-428</u>	<u>0</u>	<u>-428</u>
<b>Proposed Budget 2012/13</b>	<u>2,594</u>	<u>316</u>	<u>2,910</u>	<u>-13</u>	<u>2,897</u>	<u>0</u>	<u>2,897</u>

**A to Z Variation Statement**  
**Children Services - Education & Personal - Free School Meals**

Portfolio : ELS  
 Directorate : ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,864	3,864	0	3,864	-3,864	0
<b>Base Adjustments - Internal</b>							
Delegation of free school meals (from Aug 2012)		-2,576	-2,576		-2,576	2,576	0
<i>Revised Base</i>	0	1,288	1,288	0	1,288	-1,288	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	1,288	1,288	0	1,288	-1,288	0

## A to Z Variation Statement

### Children Services - Education & Personal - Individual Learner Support (including Minority Communities Achievement Service and Partnership with Parents)

Portfolio :	ELS							
Directorate :	ELS							
		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		9,427	1,768	11,195	-676	10,519	-9,074	1,445
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Realignment of Specialist Teaching Service budgets	11/12		-19	-19	19	0		0
Gross and income cash limits for traded services	GIN	1,676	307	1,983	-1,983	0		0
Minor realignment of gross and income budgets	GIN		-2	-2	2	0		0
Transfer from School Improvement	A-Z tfr	-578	-136	-714	60	-654		-654
Transfer from Attendance and Behaviour due to restructure	A-Z tfr	181	20	201		201	-134	67
Delegation of Minority Communities Achievement Service (MCAS)	DSG	-1,676	-307	-1,983		-1,983	1,983	0
Removal of Specialist Teaching Service income target	GIN		-132	-132	132	0		0
Realignment of MCAS income no longer received			-116	-116	116	0		0
<i>Sub Total - Base Adjustments - Internal</i>		-397	-385	-782	-1,654	-2,436	1,849	-587
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	505	505
<i>Revised Base</i>		9,030	1,383	10,413	-2,330	8,083	-6,720	1,363
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		8		8		8		8
<i>Sub-total Pay</i>		9	0	9	0	9	0	9
<i>Sub-Total Pressures</i>		9	0	9	0	9	0	9
<b>Savings and Income</b>								
<u>Service Reforms</u>								
ELS restructure - Advocacy and Entitlement		-333	78	-255		-255	67	-188
<i>Sub-total Income and Savings</i>		-333	78	-255	0	-255	67	-188
<b>Proposed Budget 2012/13</b>		8,706	1,461	10,167	-2,330	7,837	-6,653	1,184



**A to Z Variation Statement**  
**Children Services - Education & Personal - Statemented Pupils**

Portfolio : ELS  
 Directorate : ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	3,209	6,515	9,724	-3,680	6,044	-6,044	0
<b>Base Adjustments - Internal</b>							
Transfer to Directorate Management and Support	-211		-211		-211	211	0
Delegation of SEN services	-2,069		-2,069		-2,069	2,069	0
<i>Revised Base</i>	929	6,515	7,444	-3,680	3,764	-3,764	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	929	6,515	7,444	-3,680	3,764	-3,764	0

## A to Z Variation Statement

### Children Services - Education & Personal - Virtual School Kent (for Looked After Children)

Portfolio :  
Directorate :

**SCS**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,293	261	1,554	0	1,554	-304	1,250
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Transfer of Children Adolescent Mental Health Service (CAHMS) funding to Virtual School Kent	11/12	106	122	228		228		228
Additional VSK Funding from ELS - DSG	11/12	400		400		400	-400	0
Transfer from Fostering	11/12		450	450		450		450
<i>Sub Total - Base Adjustments - Internal</i>		506	572	1,078	0	1,078	-400	678
<i>Revised Base</i>		1,799	833	2,632	0	2,632	-704	1,928
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		1,799	833	2,632	0	2,632	-704	1,928

**A to Z Variation Statement**  
**Children Services - Education & Personal - Youth Service**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		6,652	3,728	10,380	-4,593	5,787	-50	5,737
<b>Base Adjustments - Internal</b>								
Tfr of Outdoor Education Property budgets to Corporate Landlord	Type 11/12		-208	-208		-208		-208
Swattenden recharge income from Appledore project to tfr to Corporate Landlord	11/12			0	10	10		10
Tfr of Youth Service cleaning staff from Corporate Landlord	11/12	174		174		174		174
Transfer Youth Opportunities funding from ELS (EIG)	11/12		600	600		600		600
Realignment of efficiency savings moved from Registration	11/12	-20		-20		-20		-20
C&C share TCP Savings	11/12	-10		-10		-10		-10
Realignment of budgets across the C&C Directorate	11/12		-11	-11		-11		-11
Realignment of cash limit due to loss of funding from ELS	11/12	-247	-140	-387	387	0		0
Unattainable Income Targets for Youth Centres	11/12	-39	-65	-104	104	0		0
Realignment of cash limit for revised income position for Outdoor Education	11/12	-119	15	-104	104	0		0
Removal of cross Directorate recharging for Positive Activities for Young People	11/12	-130	-333	-463	463	0		0
Reduction in funding Foundation Learning Programme	11/12	-24		-24	24	0		0
Reduction in funding for House on the move	11/12	-22	-105	-127	127	0		0
Transfer of Budget re YOS/Youth Mgt Restructure	11/12	37		37		37		37
Removal of Internal Recharge for EIG	11/12		-600	-600	600	0		0
Extension of Cookham Wood Project - increased funding	11/12	29	-8	21	-21	0		0
Transfer of proportion of 1 fte to BSS (HR)	11/12		-6	-6		-6		-6
Tfr of Ridgeway Centre (Foundation Learning Programme) premises budget to Corporate Landlord	GIN		-7	-7		-7		-7
Removal of funding for Cookham Wood Project - ceased	GIN	-44	-1	-45	45	0		0
Removal of funding for House on the Move Project - ceased	GIN	-24	-36	-60	60	0		0
Removal of funding for Foundation Learning Programme - ceased	GIN	-38	-9	-47	54	7		7
Removal of Senior Officers Medical Expenses			-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	A-Z tfr	-85	-2	-87		-87		-87
Realignment of cash limit within Portfolio		7		7		7		7
<b>Sub Total - Base Adjustments - Internal</b>		<b>-555</b>	<b>-917</b>	<b>-1,472</b>	<b>1,957</b>	<b>485</b>	<b>0</b>	<b>485</b>
<b>Revised Base</b>		<b>6,097</b>	<b>2,811</b>	<b>8,908</b>	<b>-2,636</b>	<b>6,272</b>	<b>-50</b>	<b>6,222</b>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			5	5		5		5
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		14		14		14		14
<b>Sub-total Pay</b>		<b>17</b>	<b>5</b>	<b>22</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>22</b>
<b>Prices</b>								
Transport			3	3		3		3
<b>Service Strategies &amp; Improvements</b>								
Review of service provision - creation of commissioning budget			210	210		210		210
<b>Repayment of one off saving</b>								
One-off underspend			387	387		387		387

**A to Z Variation Statement**  
**Children Services - Education & Personal - Youth Service**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
<i>Sub-Total Pressures</i>	17	605	622	0	622	0	622
<b>Savings and Income</b>							
<u>Identified in published 2011-13 MTP</u>			0		0		0
Staff restructure - back office/management/support review	-175		-175		-175		-175
Management review of integrated service model	-200		-200		-200		-200
<i>Sub-total Identified in published 2011-13 MTP</i>	-375	0	-375	0	-375	0	-375
<u>Efficiency savings</u>							
Essential/Lease Car		-1	-1		-1		-1
<u>Service Reforms</u>							
Review of service provision-commissioning model staff impact	-394		-394		-394		-394
Review of Service Provision (hybrid model) in Youth - Property Impact		-15	-15		-15		-15
<i>Sub-total Income and Savings</i>	-769	-16	-785	0	-785	0	-785
<b>Proposed Budget 2012/13</b>	<b>5,345</b>	<b>3,400</b>	<b>8,745</b>	<b>-2,636</b>	<b>6,109</b>	<b>-50</b>	<b>6,059</b>

**A to Z Variation Statement**  
**Children Services - Education & Personal - Youth Offending Service**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		4,400	2,119	6,519	-3,012	3,507	0	3,507
<b>Base Adjustments - Internal</b>								
Removal of recharging between YOS and Corporate Landlord	Type 11/12		-90	-90		-90		-90
Realignment of efficiency savings moved from Registration	11/12	-15		-15		-15		-15
Various - C&C share TCP Savings	11/12	-25		-25		-25		-25
Secure Accommodation from CMC to YOS	11/12		100	100		100		100
Realignment of budgets across the C&C Directorate	11/12		-42	-42		-42		-42
YOS - Early Intervention Grant for Youth Crime Prevention	11/12	5	214	219		219	-219	0
YOS - Loss of Funding across YOS	11/12	-542	-151	-693	693	0		0
Transfer of Budget re YOS/Youth Mgt Restructure	11/12	-37		-37		-37		-37
Realignment of cash limits within service	GIN	164	-164	0		0		0
Removal of Senior Officers Medical Expenses			-2	-2		-2		-2
Realignment of cash limit within Portfolio		-7		-7		-7		-7
Realignment of cash limit	GIN	70	-70	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		<i>-387</i>	<i>-205</i>	<i>-592</i>	<i>693</i>	<i>101</i>	<i>-219</i>	<i>-118</i>
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	219	219
<i>Revised Base</i>		<i>4,013</i>	<i>1,914</i>	<i>5,927</i>	<i>-2,319</i>	<i>3,608</i>	<i>0</i>	<i>3,608</i>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			8	8		8		8
Employers NI increase		6		6		6		6
Kent Scheme Pay Award		35		35		35		35
<i>Sub-total Pay</i>		<i>41</i>	<i>8</i>	<i>49</i>	<i>0</i>	<i>49</i>	<i>0</i>	<i>49</i>
<b>Prices</b>								
Transport			1	1		1		1
Other - Secure Accommodation			3	3		3		3
Other - Mediation Services			7	7		7		7
<i>Sub-total Prices</i>		<i>0</i>	<i>11</i>	<i>11</i>	<i>0</i>	<i>11</i>	<i>0</i>	<i>11</i>
<i>Sub-Total Pressures</i>		<i>41</i>	<i>19</i>	<i>60</i>	<i>0</i>	<i>60</i>	<i>0</i>	<i>60</i>
<b>Savings and Income</b>								
<b>Identified in published 2011-13 MTP</b>								
Staff restructure - back office/management/support review		-50		-50		-50		-50
Management review of integrated service model		-200		-200		-200		-200
<i>Sub-total Identified in published 2011-13 MTP</i>		<i>-250</i>	<i>0</i>	<i>-250</i>	<i>0</i>	<i>-250</i>	<i>0</i>	<i>-250</i>
<b>Efficiency savings</b>								
Essential/lease Car			-4	-4		-4		-4
<i>Sub-total Income and Savings</i>		<i>-250</i>	<i>-4</i>	<i>-254</i>	<i>0</i>	<i>-254</i>	<i>0</i>	<i>-254</i>
<b>Proposed Budget 2012/13</b>		<b>3,804</b>	<b>1,929</b>	<b>5,733</b>	<b>-2,319</b>	<b>3,414</b>	<b>0</b>	<b>3,414</b>

**A to Z Variation Statement**  
**Children Services - Social Services - Adoption**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	1,927	5,227	7,154	-49	7,105	0	7,105
Base Adjustments - Internal Realignment of Savings etc							
<u>Type</u> 11/12		-9	-9		-9		-9
<i>Revised Base</i>	1,927	5,218	7,145	-49	7,096	0	7,096
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff Travel		3	3		3		3
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	21		21		21		21
<i>Sub-total Pay</i>	24	3	27	0	27	0	27
<u>Prices</u>							
Transport		1	1		1		1
Social Care Provision		89	89		89		89
<i>Sub-total Prices</i>	0	90	90	0	90	0	90
<u>Demand/Demographic Led</u>							
Increase in demand for Adoption		1,050	1,050		1,050		1,050
<i>Sub-Total Pressures</i>	24	1,143	1,167	0	1,167	0	1,167
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	1,951	6,361	8,312	-49	8,263	0	8,263

**A to Z Variation Statement**  
**Children Services - Social Services - Asylum Seekers**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	4,508	10,017	14,525	0	14,525	-14,245	280
<i>Revised Base</i>	4,508	10,017	14,525	0	14,525	-14,245	280
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Unavoidable Government/Legislative Pressures</u>							
Asylum		800	800		800		800
<i>Sub-Total Pressures</i>	0	800	800	0	800	0	800
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	4,508	10,817	15,325	0	15,325	-14,245	1,080

**A to Z Variation Statement**  
**Children Services - Social Services - Childrens Support Services**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,237	178	2,415	-1,043	1,372	0	1,372
<b>Base Adjustments - Internal</b>							
Realignment of Savings etc	-5		-5		-5		-5
<i>Revised Base</i>	2,232	178	2,410	-1,043	1,367	0	1,367
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	18		18		18		18
<i>Sub-total Pay</i>	21	0	21	0	21	0	21
<b>Demand/Demographic Led</b>							
Kinship & Family Group Conferencing	38		38		38		38
<i>Sub-Total Pressures</i>	59	0	59	0	59	0	59
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	2,291	178	2,469	-1,043	1,426	0	1,426



**A to Z Variation Statement**  
**Children Services - Social Services - Fostering**

Portfolio :	SCS							
Directorate :	FSC							
		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,876	28,075	31,951	-254	31,697	-171	31,526
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Gross/Income Directorate Realignment	11/12		-17	-17	17	0		0
Aiming High Realignment	11/12		-15	-15		-15		-15
Adjustment to VSK	11/12		-450	-450		-450		-450
Realignment of Savings etc	11/12	-19		-19		-19		-19
11-12 Budget Build Corrections-SCS County Posts	11/12		-95	-95		-95		-95
11-12 BB Budget Build Corrections-Non Staff	11/12		-36	-36		-36		-36
In House Fostering transfer from 16+ service	A-Z tfr		2,838	2,838		2,838		2,838
IFA from 16+ service	A-Z tfr		727	727		727		727
Transfer of Legal Services budget to new A to Z line	A-Z tfr		-4,694	-4,694		-4,694		-4,694
<i>Sub Total - Base Adjustments - Internal</i>		-19	-1,742	-1,761	17	-1,744	0	-1,744
<b>Base Adjustments - External</b>				0		0	171	171
Transfer EIG income budget and hold centrally				0		0	171	171
<i>Revised Base</i>		3,857	26,333	30,190	-237	29,953	0	29,953
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			6	6		6		6
Employers NI increase		7		7		7		7
Kent Scheme Pay Award		41		41		41		41
<i>Sub-total Pay</i>		48	6	54	0	54	0	54
<b>Prices</b>								
Transport			14	14		14		14
Social Care Provision			413	413		413		413
Legal Element of Fostering				0		0		0
<i>Sub-total Prices</i>		0	427	427	0	427	0	427
<b>Demand/Demographic Led</b>								
Fostering			4,091	4,091		4,091		4,091
Kinship and FGC			592	592		592		592
				0		0		0
<i>Sub-total Demand/Demographic Led</i>		0	4,683	4,683	0	4,683	0	4,683
<i>Sub-Total Pressures</i>		48	5,116	5,164	0	5,164	0	5,164
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Savings from investment in Prevention services (LAC Strategy)			-2,353	-2,353		-2,353		-2,353
<i>Sub-total Efficiency savings</i>		0	-2,353	-2,353	0	-2,353	0	-2,353
<i>Sub-total Income and Savings</i>		0	-2,353	-2,353	0	-2,353	0	-2,353
<b>Proposed Budget 2012/13</b>		3,905	29,096	33,001	-237	32,764	0	32,764

**A to Z Variation Statement**  
**Children Services - Social Services - Leaving Care (formerly 16+ service)**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	8,988	8,988	0	8,988	0	8,988
<b>Base Adjustments - Internal</b>							
	<b>Type</b>						
IS Residential		-1,125	-1,125		-1,125		-1,125
Independent Fostering Agencies		-727	-727		-727		-727
In House Fostering		-2,838	-2,838		-2,838		-2,838
<i>Sub Total - Base Adjustments - Internal</i>	0	-4,690	-4,690	0	-4,690	0	-4,690
<i>Revised Base</i>	0	4,298	4,298	0	4,298	0	4,298
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Demand/Demographic Led</u>							
Leaving Care		829	829		829		829
<i>Sub-Total Pressures</i>	0	829	829	0	829	0	829
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	5,127	5,127	0	5,127	0	5,127

**A to Z Variation Statement**  
**Children Services - Social Services - Legal Charges**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	0	0	0	0	0	0
<u>Base Adjustments - Internal</u>							
Transfer of Legal Services budget to new A to Z line		4,694	4,694		4,694		4,694
<i>Revised Base</i>	0	4,694	4,694	0	4,694	0	4,694
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Demand/Demographic Led</u>							
Legal		1,621	1,621		1,621		1,621
<i>Sub-Total Pressures</i>	0	1,621	1,621	0	1,621	0	1,621
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	6,315	6,315	0	6,315	0	6,315

**A to Z Variation Statement**  
**Children Services - Social Services - Preventative Services**

Portfolio :	<b>SCS</b>							
Directorate :	<b>FSC</b>							
		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,484	12,868	16,352	-829	15,523	-8,091	7,432
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Aiming High Realignment	11/12		288	288		288		288
Budget Realignment	11/12		194	194		194		194
Realignment of Savings etc	11/12	-1		-1		-1		-1
Family Liaison Officers DSG Budget transfer from ELS		34		34		34	-34	0
<i>Sub Total - Base Adjustments - Internal</i>		33	482	515	0	515	-34	481
<u>Base Adjustments - External</u>								
Transfer EIG income budget and hold centrally				0		0	4,625	4,625
<i>Revised Base</i>		3,517	13,350	16,867	-829	16,038	-3,500	12,538
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Transport			5	5		5		5
<u>Service Strategies &amp; Improvements</u>								
Investment in Prevention Strategy			2,750	2,750		2,750		2,750
<i>Sub-Total Pressures</i>		0	2,755	2,755	0	2,755	0	2,755
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Social care procurement			-100	-100		-100		-100
<i>Sub-total Income and Savings</i>		0	-100	-100	0	-100	0	-100
<b>Proposed Budget 2012/13</b>		3,517	16,005	19,522	-829	18,693	-3,500	15,193

**A to Z Variation Statement**  
**Children Services - Social Services - Residential Childrens Services**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,351	8,188	10,539	-1,895	8,644	-383	8,261
<b>Base Adjustments - Internal</b>							
	<u>Type</u>						
Additional Gross/Income		254	254	-254	0		0
Aiming High realignment		145	145		145		145
Realignment of Savings etc		-12	-12		-12		-12
IS Residential Transfer from 16+		1,125	1,125		1,125		1,125
<i>Sub Total - Base Adjustments - Internal</i>	0	1,512	1,512	-254	1,258	0	1,258
<b>Base Adjustments - External</b>							
Transfer EIG income budget and hold centrally			0		0	383	383
<i>Revised Base</i>	2,351	9,700	12,051	-2,149	9,902	0	9,902
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff Travel		5	5		5		5
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	21		21		21		21
<i>Sub-total Pay</i>	24	5	29	0	29	0	29
<u>Prices</u>							
Transport		2	2		2		2
<u>Demand/Demographic Led</u>							
Residential Care		2,568	2,568		2,568		2,568
<i>Sub-Total Pressures</i>	24	2,575	2,599	0	2,599	0	2,599
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Savings from investment in Prevention services (LAC Strategy)		-764	-764		-764		-764
<i>Sub-total Income and Savings</i>	0	-764	-764	0	-764	0	-764
<b>Proposed Budget 2012/13</b>	2,375	11,511	13,886	-2,149	11,737	0	11,737

**A to Z Variation Statement**  
**Children Services - Social Services - Safeguarding**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	3,534	151	3,685	-316	3,369	-41	3,328
<b>Base Adjustments - Internal</b>							
Transfer of Child Protection Chair to Safeguarding	65		65		65		65
Realignment of Savings etc	-18		-18		-18		-18
<i>Sub Total - Base Adjustments - Internal</i>	47	0	47	0	47	0	47
<b>Base Adjustments - External</b>							
Transfer EIG income budget and hold centrally			0		0	41	41
<i>Revised Base</i>	3,581	151	3,732	-316	3,416	0	3,416
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	6		6		6		6
Kent Scheme Pay Award	34		34		34		34
<i>Sub-total Pay</i>	40	0	40	0	40	0	40
<b>Demand/Demographic Led</b>							
Increase in Safeguarding budget		298	298		298		298
<b>Service Strategies &amp; Improvements</b>							
Social Care Staffing - additional posts	247		247		247		247
<i>Sub-Total Pressures</i>	287	298	585	0	585	0	585
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	3,868	449	4,317	-316	4,001	0	4,001

**A to Z Variation Statement**  
**Community Services - Archive Service (Inc. Museum Development)**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	1,164	233	1,397	-486	911	0	911
<b>Base Adjustments - Internal</b>							
Realign budget between Archives and Libraries		-51	-51	63	12		12
Archives recharge ceasing for Canterbury Cathedral	-94		-94	94	0		0
<i>Sub Total - Base Adjustments - Internal</i>	-94	-51	-145	157	12	0	12
<i>Revised Base</i>	1,070	182	1,252	-329	923	0	923
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	2		2		2		2
Kent Scheme Pay Award	10		10		10		10
<i>Sub-total Pay</i>	12	0	12	0	12	0	12
<b>Service Strategies &amp; Improvements</b>							
Prudential Borrowing Costs - Kent History Centre		57	57		57		57
<i>Sub-Total Pressures</i>	12	57	69	0	69	0	69
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	1,082	239	1,321	-329	992	0	992

**A to Z Variation Statement**  
**Community Services - Arts Development (Inc. Turner Contemporary)**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	474	1,630	2,104	0	2,104	0	2,104
<b>Base Adjustments - Internal</b>							
Share of TCP Savings	-4		-4		-4		-4
Transfer Picture Store to Corporate Landlord		-15	-15		-15		-15
Loss of Senior Officers Medical Expenses		-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	-74	-1	-75		-75		-75
<i>Sub Total - Base Adjustments - Internal</i>	-78	-17	-95	0	-95	0	-95
<i>Revised Base</i>	396	1,613	2,009	0	2,009	0	2,009
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	5		5		5		5
<i>Sub-total Pay</i>	6	0	6	0	6	0	6
<i>Sub-Total Pressures</i>	6	0	6	0	6	0	6
<b>Savings and Income</b>							
<b>Removal of one-off funding</b>							
2012 Olympic & Paralympic Games		-75	-75		-75		-75
<b>Service Reforms</b>							
More robust funding criteria		-300	-300		-300		-300
<i>Sub-total Income and Savings</i>	0	-375	-375	0	-375	0	-375
<b>Proposed Budget 2012/13</b>	402	1,238	1,640	0	1,640	0	1,640



**A to Z Variation Statement**  
**Community Services - Big Society Fund**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	5,000	5,000	0	5,000	0	5,000
<i>Revised Base</i>	0	5,000	5,000	0	5,000	0	5,000
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Removal of one-off funding</u>							
Big Society Fund		-5,000	-5,000		-5,000		-5,000
<i>Sub-total Income and Savings</i>	0	-5,000	-5,000	0	-5,000	0	-5,000
Total Adjustments	0	-5,000	-5,000	0	-5,000	0	-5,000
<b>Proposed Budget 2012/13</b>	0	0	0	0	0	0	0

**A to Z Variation Statement**  
**Community Services - Community Learning Services**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	11,216	5,629	16,845	-17,045	-200	0	-200
<b>Base Adjustments - Internal</b>							
CLS - Realignment of Cash Limits as new Grant Figures for 11-12 have been received	-258	2	-256	256	0		0
Centralisation of support services across Directorates		-24	-24	24	0		0
<i>Sub Total - Base Adjustments - Internal</i>	-258	-22	-280	280	0	0	0
<i>Revised Base</i>	10,958	5,607	16,565	-16,765	-200	0	-200
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	16		16		16		16
Kent Scheme Pay Award	89		89		89		89
<i>Sub-total Pay</i>	105	0	105	0	105	0	105
<i>Sub-Total Pressures</i>	105	0	105	0	105	0	105
<b>Savings and Income</b>							
<b>Efficiency savings</b>							
Hosting charge for use of properties - service reduction required		-200	-200		-200		-200
<i>Sub-total Income and Savings</i>	0	-200	-200	0	-200	0	-200
<b>Proposed Budget 2012/13</b>	11,063	5,407	16,470	-16,765	-295	0	-295

**A to Z Variation Statement**  
**Community Services - Community Safety**

Portfolio : **C&C**  
Directorate : **C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		440	1,621	2,061	-38	2,023	-205	1,818
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Realignment of cash limits between Comm Safety & Trading Standards	11/12	-39		-39		-39		-39
Unachievable income target within Community Safety from external contributions and internal income	11/12		-18	-18	18	0		0
Transfer of staff and related costs from Business Support Team	11/12	50	1	51		51		51
Comm Safety/KDAAT - Reduction in HO Community Safety ABG/LSSG Adjustment	11/12		50	50		50		50
Realignment of cash limits between Community Safety and Community Wardens	A-Z tfr	2	-47	-45	-1	-46		-46
Removal of Senior Officers Medical Expenses			-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	A-Z tfr	-80	-3	-83		-83		-83
<i>Sub Total - Base Adjustments - Internal</i>		-67	-18	-85	17	-68	0	-68
<i>Revised Base</i>		373	1,603	1,976	-21	1,955	-205	1,750
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		4		4		4		4
<i>Sub-total Pay</i>		5	0	5	0	5	0	5
<i>Sub-Total Pressures</i>		5	0	5	0	5	0	5
<b>Savings and Income</b>								
<b>Service Reforms</b>								
Reduction in HO Community Safety LSSG (11/12), formerly Stronger, Safer Communities			-279	-279		-279		-279
Reduction in HO Community Safety LSSG (12/13), formerly Stronger, Safer Communities			-501	-501		-501		-501
<i>Sub-total Service Reforms</i>		0	-780	-780	0	-780	0	-780
<i>Sub-total Income and Savings</i>		0	-780	-780	0	-780	0	-780
<b>Proposed Budget 2012/13</b>		378	823	1,201	-21	1,180	-205	975

**A to Z Variation Statement**  
**Community Services - Community Wardens**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,687	182	2,869	-62	2,807	0	2,807
<b>Base Adjustments - Internal</b>							
Share of TCP savings	-13		-13		-13		-13
Support Wardens programme (funded via FJF) finished in 10-11	-45	-15	-60	60	0		0
Realignment of cash limits between Community Safety and Community Wardens	50	-5	45	1	46		46
GIN adjustment to remove historical income cash limit		-1	-1	1	0		0
<i>Sub Total - Base Adjustments - Internal</i>	-8	-21	-29	62	33	0	33
<i>Revised Base</i>	2,679	161	2,840	0	2,840	0	2,840
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		2	2		2		2
Employers NI increase	5		5		5		5
Kent Scheme Pay Award	28		28		28		28
<i>Sub-total Pay</i>	33	2	35	0	35	0	35
<b>Prices</b>							
Transport		1	1		1		1
<i>Sub-Total Pressures</i>	33	3	36	0	36	0	36
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	2,712	164	2,876	0	2,876	0	2,876

**A to Z Variation Statement**  
**Community Services - Contact Centre & Consumer Direct**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		4,265	961	5,226	-2,136	3,090	-387	2,703
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Tfr of staffing budgets to BSS HR & ICT	11/12	54		54		54		54
One of EIG funding for the Contact Centre	11/12	120		120		120		120
Transfer of CFIS to Contact Centre (CCS&I)	11/12	94		94		94		94
Tfr of Kent Contact and Assessment Services (KCAS) from ASC&PR (Gross and Income)	11/12	1,001	4	1,005	-156	849		849
Share of TCP saving	11/12	-42		-42		-42		-42
Additional income from Trading Standards South East Ltd	11/12	40		40	-40	0		0
Removal of Senior Officers Medical Expenses			-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	A-Z tfr	-78	-1	-79		-79		-79
<i>Sub Total - Base Adjustments - Internal</i>		1,189	2	1,191	-196	995	0	995
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	298	298
<i>Revised Base</i>		5,454	963	6,417	-2,332	4,085	-89	3,996
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		9		9		9		9
Kent Scheme Pay Award		46		46		46		46
<i>Sub-total Pay</i>		55	0	55	0	55	0	55
<u>Prices</u>								
Transport			1	1		1		1
<i>Sub-Total Pressures</i>		55	1	56	0	56	0	56
<b>Savings and Income</b>								
<u>Removal of one-off funding</u>								
Removal of EIG Transitional protection		-120		-120		-120		-120
<i>Sub-total Income and Savings</i>		-120	0	-120	0	-120	0	-120
<b>Proposed Budget 2012/13</b>		5,389	964	6,353	-2,332	4,021	-89	3,932

**A to Z Variation Statement**  
**Community Services - Gateways**

Portfolio :  
Directorate :

**C&C**  
**C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	534	1,851	2,385	-510	1,875	0	1,875
<b>Base Adjustments - Internal</b>							
Share of TCP savings	-5		-5		-5		-5
Realignment of budgets for Ashford Gateway Inc from Libs (Inc Int Clients)		-66	-66	66	0		0
Ashford Gateway Plus		-6	-6		-6		-6
Transfer of budget to Directorate Management and Support	-76	-2	-78		-78		-78
<i>Sub Total - Base Adjustments - Internal</i>	-81	-74	-155	66	-89	0	-89
<i>Revised Base</i>	453	1,777	2,230	-444	1,786	0	1,786
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	4		4		4		4
<i>Sub-total Pay</i>	5	0	5	0	5	0	5
<b>Service Strategies &amp; Improvements</b>							
Opening of new Gateways		300	300		300		300
<i>Sub-Total Pressures</i>	5	300	305	0	305	0	305
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	458	2,077	2,535	-444	2,091	0	2,091

**A to Z Variation Statement**  
**Community Services - Library Services**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	11,743	4,832	16,575	-2,052	14,523	-218	14,305
<b>Base Adjustments - Internal</b>							
Tfr to Corporate Landlord - nappy bins/hygiene units in Libraries		-6	-6		-6		-6
Tfr back from Corporate Landlord of Libraries modernisation budget		30	30		30		30
Share of TCP Savings	-57		-57		-57		-57
Budget Recast adjustments Libraries and KDAAT	-98		-98		-98		-98
Libraries - Cash limit for CRB checks moved from CMC		6	6		6		6
Realignment of budgets within C&C	-3		-3		-3		-3
Realign budget between Archives and Libraries		51	51	-63	-12		-12
Transfer of proportion of 1 fte to BSS (HR)		-10	-10		-10		-10
Reduction of Audio Visual trading Income		-130	-130	130	0		0
Reduction in Modern Records Centre recharge		-86	-86	86	0		0
Stock Services contract to Medway libraries ceased	-14	-47	-61	61	0		0
Budget realignments within Libraries		-34	-34	34	0		0
Other		218	218		218		218
Delegation of DSG to schools		-218	-218		-218	218	0
Recharge to schools for Services (Instead of DSG)		40	40	-40	0		0
Loss of Senior Officers Medical Insurance		-2	-2		-2		-2
Transfer of budget to Directorate Management and Support	-91	-1	-92		-92		-92
<b>Sub Total - Base Adjustments - Internal</b>	<b>-263</b>	<b>-189</b>	<b>-452</b>	<b>208</b>	<b>-244</b>	<b>218</b>	<b>-26</b>
<b>Revised Base</b>	<b>11,480</b>	<b>4,643</b>	<b>16,123</b>	<b>-1,844</b>	<b>14,279</b>	<b>0</b>	<b>14,279</b>
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		4	4		4		4
Employers NI increase	18		18		18		18
Kent Scheme Pay Award	98		98		98		98
<b>Sub-total Pay</b>	<b>116</b>	<b>4</b>	<b>120</b>	<b>0</b>	<b>120</b>	<b>0</b>	<b>120</b>
<b>Prices</b>							
Transport		1	1		1		1
Other		2	2		2		2
Civica Contract Inflation		6	6		6		6
<b>Sub-total Prices</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>9</b>
<b>Service Strategies &amp; Improvements</b>							
Implementation of Radio Frequency Identification (self service) project		450	450		450		450
<b>Repayment of one off saving</b>							
One-off reduction in Book Fund		300	300		300		300
<b>Sub-Total Pressures</b>	<b>116</b>	<b>763</b>	<b>879</b>	<b>0</b>	<b>879</b>	<b>0</b>	<b>879</b>
<b>Savings and Income</b>							
<b>Identified in published 2011-13 MTP</b>							
Staff restructure - back office/management/support review	-100		-100		-100		-100
<b>Efficiency savings</b>							
Essential/Lease User		-2	-2		-2		-2
<b>Service Reforms</b>							
Other efficiency linked proposals	-500		-500		-500		-500
Implementation of Radio Frequency Identification (self service)	-950		-950		-950		-950
<b>Sub-total Service Reforms</b>	<b>-1,450</b>	<b>0</b>	<b>-1,450</b>	<b>0</b>	<b>-1,450</b>	<b>0</b>	<b>-1,450</b>
<b>Sub-total Income and Savings</b>	<b>-1,550</b>	<b>-2</b>	<b>-1,552</b>	<b>0</b>	<b>-1,552</b>	<b>0</b>	<b>-1,552</b>
<b>Proposed Budget 2012/13</b>	<b>10,946</b>	<b>5,404</b>	<b>15,450</b>	<b>-1,844</b>	<b>13,606</b>	<b>0</b>	<b>13,606</b>

**A to Z Variation Statement**  
**Community Services - Local Involvement Network (LINK)**

Portfolio : **C&C & BSP&HR**  
 Directorate : **C&C & BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s	
2011/12 Approved Budgets	0	440	440	0	440	0	440	
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Tfr of Kent Link to Public Health	11/12	0	-440	-440	0	-440	0	-440
LINks budget from CC Directorate	11/12	0	441	441	0	441	0	441
Salary tfr (allocated to wrong area of Public Health in 11/12)	A-Z tfr	32	0	32	0	32	0	32
Activity funded by Kent and Medway network money	GIN	32	28	60	-60	0	0	0
<i>Sub Total - Base Adjustments - Internal</i>		64	29	93	-60	33	0	33
<i>Revised Base</i>		64	469	533	-60	473	0	473
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		64	469	533	-60	473	0	473



**A to Z Variation Statement**  
**Community Services - Public Health**

Portfolio :  
 Directorate :

**ASC&PH & BSP&HR**  
**FSC & BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	318	318	-148	170	0	170
<b>Base Adjustments - Internal</b>							
<u>Type</u>							
Ceasing of income from NHS Eastern & Coastal PCT for House Project	0	-91	-91	91	0	0	0
Removal of annual draw down from reserves to fund 1 fte and fund from reduction in non-staffing budget	0	-34	-34	0	-34	0	-34
<i>Sub Total - Base Adjustments - Internal</i>	0	-125	-125	91	-34	0	-34
<i>Revised Base</i>	0	193	193	-57	136	0	136
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff travel (5p casual user rate increase)	0	1	1	0	1	0	1
<i>Sub-Total Pressures</i>	0	1	1	0	1	0	1
<b>Savings and Income</b>							
<u>Service Reforms</u>							
Rationalise Healthwatch Programme	0	-110	-110	0	-110	0	-110
<i>Sub-total Income and Savings</i>	0	-110	-110	0	-110	0	-110
<b>Proposed Budget 2012/13</b>	0	84	84	-57	27	0	27

**A to Z Variation Statement**  
**Community Services - Sports Development**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	1,032	1,747	2,779	-1,373	1,406	0	1,406
<b>Base Adjustments - Internal</b>							
Tfr to Corporate Landlord of rent for Gibson Drive		-49	-49		-49		-49
Share of TCP Savings	-8		-8		-8		-8
Removal of Senior Officers Medical Expenses		-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	-171	-3	-174		-174		-174
<i>Sub Total - Base Adjustments - Internal</i>	-179	-53	-232	0	-232	0	-232
<i>Revised Base</i>	853	1,694	2,547	-1,373	1,174	0	1,174
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		1	1		1		1
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	8		8		8		8
<i>Sub-total Pay</i>	9	1	10	0	10	0	10
<i>Sub-Total Pressures</i>	9	1	10	0	10	0	10
<b>Savings and Income</b>							
<b>Removal of one-off funding</b>							
2012 Olympic & Paralympic Games		-125	-125		-125		-125
Open Golf at Sandwich		-80	-80		-80		-80
<i>Sub-total Removal of one-off funding</i>	0	-205	-205	0	-205	0	-205
<i>Sub-total Income and Savings</i>	0	-205	-205	0	-205	0	-205
<b>Proposed Budget 2012/13</b>	862	1,490	2,352	-1,373	979	0	979

**A to Z Variation Statement**  
**Community Services - Supporting Independence & Supported Employment**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,386	4,259	5,645	-4,393	1,252	0	1,252
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Share of TCP Savings	11/12	-7		-7		-7		-7
Realignment of cash limits within service	11/12		354	354	-354	0		0
Reduction of DWP funding Future Jobs Fund for 2011-12	11/12		-2,793	-2,793	2,793	0		0
Realignment of cash limits within service	GIN	34	-34	0		0		0
Transfer of Apprentices Budget to ELS	A-Z fr	-151	-149	-300		-300		-300
<i>Sub Total - Base Adjustments - Internal</i>		-124	-2,622	-2,746	2,439	-307	0	-307
<b>Base Adjustments - External</b>								
Removal of DWP funding Future Jobs Fund 12-13 (ceased)		-84	-1,283	-1,367	1,367	0		0
<i>Revised Base</i>		1,178	354	1,532	-587	945	0	945
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff Travel			2	2		2		2
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		8		8		8		8
<i>Sub-total Pay</i>		9	2	11	0	11	0	11
<i>Sub-Total Pressures</i>		9	2	11	0	11	0	11
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		1,187	356	1,543	-587	956	0	956

## A to Z Variation Statement Environment - Country Parks

Portfolio :  
Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,059	718	1,777	-966	811	-7	804
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Tfr of salary costs from Ctry Parks to Comms & Engagement	11/12	-25		-25		-25		-25
Share of TCP Savings	11/12	-4		-4		-4		-4
Transfer of budget to Directorate Management and Support	A-Z tfr	-68	-2	-70		-70		-70
Realignment of cash limits within the Directorate	GIN	-74	-14	-88	97	9	-9	0
<i>Sub Total - Base Adjustments - Internal</i>		<u>-171</u>	<u>-16</u>	<u>-187</u>	<u>97</u>	<u>-90</u>	<u>-9</u>	<u>-99</u>
<i>Revised Base</i>		<u>888</u>	<u>702</u>	<u>1,590</u>	<u>-869</u>	<u>721</u>	<u>-16</u>	<u>705</u>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			1	1		1		1
Employers NI increase		2		2		2		2
Kent Scheme Pay Award		9		9		9		9
<i>Sub-total Pay</i>		<u>11</u>	<u>1</u>	<u>12</u>	<u>0</u>	<u>12</u>	<u>0</u>	<u>12</u>
<i>Sub-Total Pressures</i>		<u>11</u>	<u>1</u>	<u>12</u>	<u>0</u>	<u>12</u>	<u>0</u>	<u>12</u>
<b>Savings and Income</b>								
<b>Income Generation</b>								
Country Parks (increase % income to 68%)				0	-50	-50		-50
<b>Savings and mitigations:</b>								
<b>Service Reforms</b>								
Staff savings		-30		-30		-30		-30
<i>Sub-total Income and Savings</i>		<u>-30</u>	<u>0</u>	<u>-30</u>	<u>-50</u>	<u>-80</u>	<u>0</u>	<u>-80</u>
Total Adjustments		<u>-190</u>	<u>-15</u>	<u>-205</u>	<u>47</u>	<u>-158</u>	<u>-9</u>	<u>-167</u>
<b>Proposed Budget 2012/13</b>		<u>869</u>	<u>703</u>	<u>1,572</u>	<u>-919</u>	<u>653</u>	<u>-16</u>	<u>637</u>

**A to Z Variation Statement**  
**Environment - Countryside Access (inc. Public Rights of Way)**

Portfolio : **C&C**  
 Directorate : **C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,852	1,308	3,160	-918	2,242	-154	2,088
<b>Base Adjustments - Internal</b>	<b>Type</b>							
PROW computer maintenance from E&E	11/12		8	8		8		8
Share of TCP Savings	11/12	-10		-10		-10		-10
Transfer of staff from Business Support	A-Z tfr	11		11		11		11
Removal of Senior Officers Medical Expenses			-1	-1		-1		-1
Transfer of budget to Directorate Management and Support	A-Z tfr	-71	-1	-72		-72		-72
Realignment of cash limits within the Directorate	GIN	-92	13	-79	43	-36	36	0
<i>Sub Total - Base Adjustments - Internal</i>		-162	19	-143	43	-100	36	-64
<i>Revised Base</i>		1,690	1,327	3,017	-875	2,142	-118	2,024
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			2	2		2		2
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		18		18		18		18
<i>Sub-total Pay</i>		21	2	23	0	23	0	23
<i>Sub-Total Pressures</i>		21	2	23	0	23	0	23
<b>Savings and Income</b>								
<b>Income Generation</b>								
Countryside access				0	-30	-30		-30
<b>Savings and mitigations:</b>								
<b>Service Reforms</b>								
PROW network maintenance		-13	-62	-75		-75		-75
Countryside Access		-34	-37	-71		-71		-71
<i>Sub-total Service Reforms</i>		-47	-99	-146	0	-146	0	-146
<i>Sub-total Income and Savings</i>		-47	-99	-146	-30	-176	0	-176
<b>Proposed Budget 2012/13</b>		1,664	1,230	2,894	-905	1,989	-118	1,871

**A to Z Variation Statement**  
**Environment - Environment Management (inc. Coastal Protection)**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	1,804	2,809	4,613	-1,343	3,270	-1,304	1,966
<b>Base Adjustments - Internal</b>							
Realignment of budgets within EHW portfolio	-20	273	253	-443	-190		-190
Reduction in 12/13 loan repayments		-38	-38		-38		-38
<i>Sub Total - Base Adjustments - Internal</i>	-20	235	215	-443	-228	0	-228
<i>Revised Base</i>	1,784	3,044	4,828	-1,786	3,042	-1,304	1,738
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	2		2		2		2
Kent Scheme Pay Award	9		9		9		9
<i>Sub-total Pay</i>	11	0	11	0	11	0	11
<b>Unavoidable Government/Legislative Pressures</b>							
Surface Water Management - NEC	88	402	490		490		490
<b>Loss of Income</b>							
Flood Defence Grant			0		0	260	260
<i>Sub-Total Pressures</i>	99	402	501	0	501	260	761
<b>Savings and Income</b>							
<b>Service Reforms</b>							
Remove post - Heritage	-27		-27		-27		-27
Reduce Activity budgets		-24	-24		-24		-24
Reduce 1 FTE	-30		-30		-30		-30
Reduce Activity budgets		-7	-7		-7		-7
<i>Sub-total Service Reforms</i>	-57	-31	-88	0	-88	0	-88
<i>Sub-total Income and Savings</i>	-57	-31	-88	0	-88	0	-88
<b>Proposed Budget 2012/13</b>	1,826	3,415	5,241	-1,786	3,455	-1,044	2,411

**A to Z Variation Statement**  
**Highway Services - Adverse Weather**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,655	2,655	0	2,655	0	2,655
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		505	505		505		505
12/13 H&T internal budget realignments		78	78		78		78
<i>Sub Total - Base Adjustments - Internal</i>	0	583	583	0	583	0	583
<i>Revised Base</i>	0	3,238	3,238	0	3,238	0	3,238
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	3,238	3,238	0	3,238	0	3,238

**A to Z Variation Statement**  
**Highway Services - Bridges & Other Structures**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	312	2,765	3,077	-433	2,644	0	2,644
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	-116	-207	-323	139	-184		-184
12/13 H&T internal budget realignments	16	-15	1	35	36		36
<i>Sub Total - Base Adjustments - Internal</i>	-100	-222	-322	174	-148	0	-148
<i>Revised Base</i>	212	2,543	2,755	-259	2,496	0	2,496
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Kent Scheme Pay Award	3		3		3		3
<b>Prices</b>							
Maintenance contract		20	20		20		20
Gas and electricity		60	60		60		60
<i>Sub-total Prices</i>	0	80	80	0	80	0	80
<i>Sub-Total Pressures</i>	3	80	83	0	83	0	83
<b>Savings and Income</b>							
<b>Identified in published 2011-13 MTP</b>							
Overhead efficiencies through delayering & streamlining	-23		-23		-23		-23
<b>Service Reforms</b>							
Highways maintenance (one year only)		-152	-152		-152		-152
<i>Sub-total Income and Savings</i>	-23	-152	-175	0	-175	0	-175
<b>Proposed Budget 2012/13</b>	192	2,471	2,663	-259	2,404	0	2,404



**A to Z Variation Statement**  
**Highway Services - General Maintenance & Emergency Response**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	3,452	9,784	13,236	-1,027	12,209	0	12,209
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	-642	976	334	681	1,015		1,015
Redistribution of signs, lines and bollards budget		978	978		978		978
12/13 H&T internal budget realignments	315	-450	-135	-140	-275		-275
<i>Sub Total - Base Adjustments - Internal</i>	-327	1,504	1,177	541	1,718	0	1,718
<i>Revised Base</i>	3,125	11,288	14,413	-486	13,927	0	13,927
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	6		6		6		6
Kent Scheme Pay Award	34		34		34		34
<i>Sub-total Pay</i>	40	0	40	0	40	0	40
<b>Prices</b>							
Maintenance contract		810	810		810		810
<i>Sub-Total Pressures</i>	40	810	850	0	850	0	850
<b>Savings and Income</b>							
<b>Identified in published 2011-13 MTP</b>							
Overhead efficiencies through delayering & streamlining	-68		-68		-68		-68
Highway maintenance		-700	-700		-700		-700
<i>Sub-total Identified in published 2011-13 MTP</i>	-68	-700	-768	0	-768	0	-768
<b>Efficiency savings</b>							
Management reductions		-138	-138		-138		-138
<i>Sub-total Income and Savings</i>	-68	-838	-906	0	-906	0	-906
<b>Proposed Budget 2012/13</b>	3,097	11,260	14,357	-486	13,871	0	13,871

**A to Z Variation Statement**  
**Highway Services - Highway Drainage**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	374	3,471	3,845	-206	3,639	0	3,639
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	-198	-216	-414	132	-282		-282
12/13 H&T internal budget realignments	-27	-19	-46	-8	-54		-54
<i>Sub Total - Base Adjustments - Internal</i>	-225	-235	-460	124	-336	0	-336
<i>Revised Base</i>	149	3,236	3,385	-82	3,303	0	3,303
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	3		3		3		3
<i>Sub-total Pay</i>	4	0	4	0	4	0	4
<i>Sub-Total Pressures</i>	4	0	4	0	4	0	4
<b>Savings and Income</b>							
<b>Identified in published 2011-13 MTP</b>							
Overhead efficiencies through delayering & streamlining	-5		-5		-5		-5
<b>Service Reforms</b>							
Highways maintenance (one year only)		-200	-200		-200		-200
<i>Sub-total Income and Savings</i>	-5	-200	-205	0	-205	0	-205
<b>Proposed Budget 2012/13</b>	148	3,036	3,184	-82	3,102	0	3,102

**A to Z Variation Statement**  
**Highway Services - Signs, Lines & Bollards**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	41	2,005	2,046	-74	1,972	0	1,972
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	-21	-206	-227	74	-153		-153
Redistribution of signs, lines and bollards budget		-1,166	-1,166		-1,166		-1,166
12/13 H&T internal budget realignments	-20	-401	-421		-421		-421
<i>Sub Total - Base Adjustments - Internal</i>	-41	-1,773	-1,814	74	-1,740	0	-1,740
<i>Revised Base</i>	0	232	232	0	232	0	232
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
Identified in published 2011-13 MTP			0		0		0
Overhead efficiencies through delayering & streamlining		-40	-40		-40		-40
<b>Service Reforms</b>							
Highways maintenance (one year only)		-192	-192		-192		-192
<i>Sub-total Income and Savings</i>	0	-232	-232	0	-232	0	-232
<b>Proposed Budget 2012/13</b>	0	0	0	0	0	0	0

**A to Z Variation Statement**  
**Highway Services - Streetlight Maintenance**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	340	3,745	4,085	-271	3,814	0	3,814
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	81	-242	-161	-54	-215		-215
Correction of funding for street lighting team	-157		-157	157	0		0
12/13 H&T internal budget realignments	90	-79	11	1	12		12
<i>Sub Total - Base Adjustments - Internal</i>	14	-321	-307	104	-203	0	-203
<i>Revised Base</i>	354	3,424	3,778	-167	3,611	0	3,611
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	6		6		6		6
<i>Sub-total Pay</i>	7	0	7	0	7	0	7
<i>Sub-Total Pressures</i>	7	0	7	0	7	0	7
<b>Savings and Income</b>							
Identified in published 2011-13 MTP			0		0		0
Overhead efficiencies through delayering & streamlining	-24		-24		-24		-24
<i>Sub-total Identified in published 2011-13 MTP</i>	-24	0	-24	0	-24	0	-24
<i>Sub-total Income and Savings</i>	-24	0	-24	0	-24	0	-24
<b>Proposed Budget 2012/13</b>	337	3,424	3,761	-167	3,594	0	3,594

**A to Z Variation Statement**  
**Highway Services - Development Planning**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	0	0	0	0	0	0
<b>Base Adjustments - Internal</b>							
Redistribution of transport planning budgets	1,782	417	2,199	-1,315	884		884
12/13 H&T internal budget realignments	-37	-46	-83	32	-51		-51
<i>Sub Total - Base Adjustments - Internal</i>	<u>1,745</u>	<u>371</u>	<u>2,116</u>	<u>-1,283</u>	<u>833</u>	<u>0</u>	<u>833</u>
<i>Revised Base</i>	<u>1,745</u>	<u>371</u>	<u>2,116</u>	<u>-1,283</u>	<u>833</u>	<u>0</u>	<u>833</u>
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	18		18		18		18
<i>Sub-total Pay</i>	<u>21</u>	<u>0</u>	<u>21</u>	<u>0</u>	<u>21</u>	<u>0</u>	<u>21</u>
<i>Sub-Total Pressures</i>	<u>21</u>	<u>0</u>	<u>21</u>	<u>0</u>	<u>21</u>	<u>0</u>	<u>21</u>
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Adjustments	<u>1,766</u>	<u>371</u>	<u>2,137</u>	<u>-1,283</u>	<u>854</u>	<u>0</u>	<u>854</u>
<b>Proposed Budget 2012/13</b>	<u>1,766</u>	<u>371</u>	<u>2,137</u>	<u>-1,283</u>	<u>854</u>	<u>0</u>	<u>854</u>

**A to Z Variation Statement**  
**Highway Services - Highway Improvements**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,085	2,187	4,272	-2,356	1,916	0	1,916
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Budget realignment following restructuring	11/12	-934	-1,233	-2,167	1,841	-326		-326
Correction of funding for Member Highway Fund team	11/12	-415		-415	415	0		0
Redistribution of signs, lines and bollards budget	A-Z tfr		100	100		100		100
Redistribution of transport planning budgets	A-Z tfr	-803	-20	-823		-823		-823
12/13 H&T internal budget realignments		405	225	630	-20	610		610
<i>Sub Total - Base Adjustments - Internal</i>		<u>-1,747</u>	<u>-928</u>	<u>-2,675</u>	<u>2,236</u>	<u>-439</u>	<u>0</u>	<u>-439</u>
<i>Revised Base</i>		<u>338</u>	<u>1,259</u>	<u>1,597</u>	<u>-120</u>	<u>1,477</u>	<u>0</u>	<u>1,477</u>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		17		17		17		17
<i>Sub-total Pay</i>		<u>20</u>	<u>0</u>	<u>20</u>	<u>0</u>	<u>20</u>	<u>0</u>	<u>20</u>
<u>Prices</u>								
Maintenance contract			18	18		18		18
<i>Sub-Total Pressures</i>		<u>20</u>	<u>18</u>	<u>38</u>	<u>0</u>	<u>38</u>	<u>0</u>	<u>38</u>
<b>Savings and Income</b>								
<u>Identified in published 2011-13 MTP</u>								
Overhead efficiencies through delayering & streamlining		-46		-46		-46		-46
<i>Sub-total Income and Savings</i>		<u>-46</u>	<u>0</u>	<u>-46</u>	<u>0</u>	<u>-46</u>	<u>0</u>	<u>-46</u>
<b>Proposed Budget 2012/13</b>		<u>312</u>	<u>1,277</u>	<u>1,589</u>	<u>-120</u>	<u>1,469</u>	<u>0</u>	<u>1,469</u>

**A to Z Variation Statement**  
**Highway Services - Road Safety**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	772	2,149	2,921	-1,280	1,641	0	1,641
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		-94	-94	67	-27		-27
12/13 H&T internal budget realignments	-89	952	863	-1,507	-644		-644
<i>Sub Total - Base Adjustments - Internal</i>	-89	858	769	-1,440	-671	0	-671
<i>Revised Base</i>	683	3,007	3,690	-2,720	970	0	970
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	5		5		5		5
<i>Sub-total Pay</i>	6	0	6	0	6	0	6
<b>Prices</b>							
Maintenance contract		1	1		1		1
<i>Sub-Total Pressures</i>	6	1	7	0	7	0	7
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	689	3,008	3,697	-2,720	977	0	977

**A to Z Variation Statement**  
**Highway Services - Streetlight Energy**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		4,955	4,955	0	4,955	0	4,955
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		149	149		149		149
<i>Sub Total - Base Adjustments - Internal</i>	0	149	149	0	149	0	149
<b>Revised Base</b>	0	5,104	5,104	0	5,104	0	5,104
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Gas and electricity		741	741		741		741
<i>Sub-Total Pressures</i>	0	741	741	0	741	0	741
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	5,845	5,845	0	5,845	0	5,845



**A to Z Variation Statement**  
**Highway Services - Traffic Management**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,019	3,550	5,569	-2,860	2,709	0	2,709
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		-63	-63	-64	-127		-127
Redistribution of signs, lines and bollards budget		87	87		87		87
12/13 H&T internal budget realignments	61	-129	-68	271	203		203
<i>Sub Total - Base Adjustments - Internal</i>	61	-105	-44	207	163	0	163
<i>Revised Base</i>	2,080	3,445	5,525	-2,653	2,872	0	2,872
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	3		3		3		3
Kent Scheme Pay Award	21		21		21		21
<i>Sub-total Pay</i>	24	0	24	0	24	0	24
<b>Prices</b>							
Maintenance contract		66	66		66		66
Gas and electricity		19	19		19		19
<i>Sub-total Prices</i>	0	85	85	0	85	0	85
<b>Service Strategies &amp; Improvements</b>							
Traffic management centre		50	50		50		50
<i>Sub-Total Pressures</i>	24	135	159	0	159	0	159
<b>Savings and Income</b>							
Identified in published 2011-13 MTP			0		0		0
Overhead efficiencies through delayering & streamlining	-16		-16		-16		-16
Highway maintenance		-61	-61		-61		-61
<i>Sub-total Identified in published 2011-13 MTP</i>	-16	-61	-77	0	-77	0	-77
<b>Efficiency savings</b>							
Management reductions	-43		-43		-43		-43
<i>Sub-total Income and Savings</i>	-59	-61	-120	0	-120	0	-120
<b>Proposed Budget 2012/13</b>	2,045	3,519	5,564	-2,653	2,911	0	2,911

**A to Z Variation Statement**  
**Highway Services - Tree Maintenance, Grass Cutting & Weed Control**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	26	3,796	3,822	-102	3,720	0	3,720
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		-470	-470	-90	-560		-560
12/13 H&T internal budget realignments	0	-19	-19	22	3		3
<i>Sub Total - Base Adjustments - Internal</i>	0	-489	-489	-68	-557	0	-557
<i>Revised Base</i>	26	3,307	3,333	-170	3,163	0	3,163
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Maintenance contract		32	32		32		32
<i>Sub-Total Pressures</i>	0	32	32	0	32	0	32
<b>Savings and Income</b>							
<u>Identified in published 2011-13 MTP</u>							
Overhead efficiencies through delayering & streamlining	-5		-5		-5		-5
<i>Sub-total Income and Savings</i>	-5	0	-5	0	-5	0	-5
<b>Proposed Budget 2012/13</b>	21	3,339	3,360	-170	3,190	0	3,190

**A to Z Variation Statement**  
**Local Democracy - Community Engagement Officers**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	756	60	816	0	816	0	816
<b>Base Adjustments - Internal</b>							
Share of TCP savings	-7		-7		-7		-7
Redistribution of savings target between Community Liaison and Comms & Engagement	-275		-275		-275		-275
Centralisation of support services post re-	-91		-91		-91		-91
<i>Sub Total - Base Adjustments - Internal</i>	-373	0	-373	0	-373	0	-373
<i>Revised Base</i>	383	60	443	0	443	0	443
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	6		6		6		6
<i>Sub-total Pay</i>	7	0	7	0	7	0	7
<b>Service Strategies &amp; Improvements</b>							
Decision to revise Community Engagement	275		275		275		275
<i>Sub-Total Pressures</i>	282	0	282	0	282	0	282
<b>Savings and Income</b>							
<b>Efficiency savings</b>							
Management Reductions	-10		-10		-10		-10
<i>Sub-total Income and Savings</i>	-10	0	-10	0	-10	0	-10
<b>Proposed Budget 2012/13</b>	655	60	715	0	715	0	715

**A to Z Variation Statement**  
**Local Democracy - Member Grants incl. Elections**

Portfolio : **C&C & D&P**  
 Directorate : **C&C & BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	2,198	2,198	0	2,198	0	2,198
<i>Revised Base</i>	0	2,198	2,198	0	2,198	0	2,198
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Unavoidable Government/Legislative Pressures Elections</u>	0	315	315	0	315	0	315
<i>Sub-Total Pressures</i>	0	315	315	0	315	0	315
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
Total Adjustments	0	315	315	0	315	0	315
<b>Proposed Budget 2012/13</b>	0	2,513	2,513	0	2,513	0	2,513

**A to Z Variation Statement**  
**Planning and Transport Strategy - Planning & Transport Policy**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		605	256	861	-15	846	0	846
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Planning officer tfrd to BSS taken off Strat Man in error	11/12	-75		-75		-75		-75
Superannuation Adj removed from Strat Man in error	11/12	-6		-6		-6		-6
TCP tapering reduction taken from Strat Man in error	11/12	-6		-6		-6		-6
Realignment of budgets within E&E	GIN	74	-74	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		-13	-74	-87	0	-87	0	-87
<i>Revised Base</i>		592	182	774	-15	759	0	759
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Kent Scheme Pay Award		6		6		6		6
Employers NI increase		1		1		1		1
<i>Sub-total Pay</i>		7	0	7	0	7	0	7
<u>Service Strategies &amp; Improvements</u>								
Growth without Gridlock		63	437	500		500		500
<i>Sub-Total Pressures</i>		70	437	507	0	507	0	507
<b>Savings and Income</b>								
<u>Service Reforms</u>								
Removal of Transport Planning Post		-39		-39		-39		-39
<i>Sub-total Income and Savings</i>		-39	0	-39	0	-39	0	-39
Total Adjustments		18	363	381	0	381	0	381
<b>Proposed Budget 2012/13</b>		623	619	1,242	-15	1,227	0	1,227

**A to Z Variation Statement**  
**Planning and Transport Strategy - Planning Applications**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,118		1,118	-500	618	0	618
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Superannuation Adj removed from Strat Man in error	11/12	-8		-8		-8		-8
TCP tapering reduction taken from Strat Man in error	11/12	-9		-9		-9		-9
Balancing adj with Strat Man	11/12		1	1		1		1
Realignment of budgets within E&E	GIN	-215	215	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		-232	216	-16	0	-16	0	-16
<i>Revised Base</i>		886	216	1,102	-500	602	0	602
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Kent Scheme Pay Award		9		9		9		9
Employers NI increase		1		1		1		1
<i>Sub-total Pay</i>		10	0	10	0	10	0	10
<i>Sub-Total Pressures</i>		10	0	10	0	10	0	10
<b>Savings and Income</b>								
<b>Income Generation</b>								
Income Target				0	-50	-50		-50
<i>Sub-total Income and Savings</i>		0	0	0	-50	-50	0	-50
<b>Proposed Budget 2012/13</b>		896	216	1,112	-550	562	0	562

**A to Z Variation Statement**  
**Regeneration & Economic Development - Development Staff & Projects**

Portfolio :  
 Directorate :

**R&E**  
**BSS & E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,463	2,813	5,276	-1,586	3,690	0	3,690
<b>Base Adjustments - Internal</b>							
	<b>Type</b>						
Commissioning staff	282	0	282	0	282	0	282
Staff Transfer	183	5	188	0	188	0	188
Local Enterprise Partnership (LEP)	54	246	300	0	300	0	300
Share of second tier management and TCP savings	-65	0	-65	0	-65	0	-65
<i>Sub Total - Base Adjustments - Internal</i>	454	251	705	0	705	0	705
<i>Revised Base</i>	2,917	3,064	5,981	-1,586	4,395	0	4,395
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel	0	3	3	0	3	0	3
Employers NI increase	5	0	5	0	5	0	5
Kent Scheme Pay Award	24	0	24	0	24	0	24
<i>Sub-total Pay</i>	29	3	32	0	32	0	32
<b>Prices</b>							
General price uplift on contracts	10	0	10	0	10	0	10
<b>Service Strategies &amp; Improvements</b>							
Cyclopark	0	220	220	0	220	0	220
<b>Loss of Income (Not grants)</b>							
Reduction in regeneration project income	0	-12	-12	12	0	0	0
Leader + end of ERDF grant	0	-50	-50	50	0	0	0
Locate in Kent recharge - new terms & condition for employees	0	-22	-22	22	0	0	0
<i>Sub-total Loss of Income (Not grants)</i>	0	-84	-84	84	0	0	0
<i>Sub-Total Pressures</i>	39	139	178	84	262	0	262
<b>Savings and Income</b>							
<b>Efficiency savings</b>							
Central Costs	0	-12	-12	0	-12	0	-12
Pensions	-12	0	-12	0	-12	0	-12
<i>Sub-total Efficiency savings</i>	-12	-12	-24	0	-24	0	-24
<b>Service Reforms</b>							
Regeneration Projects	-165	0	-165	0	-165	0	-165
Regeneration Staff - Delivery	-421	0	-421	0	-421	0	-421
Regeneration Projects	0	-269	-269	0	-269	0	-269
Cease community events	0	-300	-300	0	-300	0	-300
<i>Sub-total Service Reforms</i>	-586	-569	-1,155	0	-1,155	0	-1,155
<i>Sub-total Income and Savings</i>	-598	-581	-1,179	0	-1,179	0	-1,179
<b>Proposed Budget 2012/13</b>	<b>2,358</b>	<b>2,622</b>	<b>4,980</b>	<b>-1,502</b>	<b>3,478</b>	<b>0</b>	<b>3,478</b>

**A to Z Variation Statement**  
**Regulatory Services - Coroners**

Portfolio :  
Directorate :

**C&C**  
**C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	675	2,240	2,915	-475	2,440	0	2,440
<b>Base Adjustments - Internal</b>							
Realignment of budgets across the C&C Directorate							
Transfer of budget to Kent Scientific Services for toxicology work		-20	-20		-20		-20
Transfer of budget to Directorate Management and Support		-81	-81		-81		-81
<i>Sub Total - Base Adjustments - Internal</i>	0	-156	-156	0	-156	0	-156
<i>Revised Base</i>	675	2,084	2,759	-475	2,284	0	2,284
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Mortuary & Post Mortem Contract		23	23		23		23
Clerical Accommodation Uplift	5		5		5		5
<i>Sub-total Prices</i>	5	23	28	0	28	0	28
<u>Demand/Demographic Led</u>							
Increase Cost of Post Mortem Provision		50	50		50		50
<i>Sub-Total Pressures</i>	5	73	78	0	78	0	78
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	680	2,157	2,837	-475	2,362	0	2,362



**A to Z Variation Statement**  
**Regulatory Services - Emergency Planning**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		608	222	830	-199	631	0	631
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Share of TCP savings	11/12	-5		-5		-5		-5
Transfer of staff and related costs from Business Support Team	11/12	27	3	30		30		30
Transfer of staff and related costs from Business Development Team	11/12	22	2	24		24		24
Centralisation of support services across Directorates	11/12	43		43		43		43
Transfer of budget to Directorate Management and Support	A-Z tfr	-71	-3	-74		-74		-74
<i>Sub Total - Base Adjustments - Internal</i>		16	2	18	0	18	0	18
<i>Revised Base</i>		624	224	848	-199	649	0	649
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			1	1		1		1
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		6		6		6		6
<i>Sub-total Pay</i>		7	1	8	0	8	0	8
<i>Sub-Total Pressures</i>		7	1	8	0	8	0	8
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Essential/Lease User			-1	-1		-1		-1
<i>Sub-total Income and Savings</i>		0	-1	-1	0	-1	0	-1
<b>Proposed Budget 2012/13</b>		631	224	855	-199	656	0	656

**A to Z Variation Statement**  
**Regulatory Services - Registration**

Portfolio : **C&C**  
 Directorate : **C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,557	391	2,948	-3,181	-233	0	-233
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Tfr to Corporate Landlord of Registration rental income from Fostering and Adoption for 8 Thanet Registry Office	11/12			0	15	15		15
Realignment of efficiency savings moved from Registration	11/12	50		50		50		50
Share of TCP Savings	11/12	-12		-12		-12		-12
Transfer of budget to Directorate Management and Support	A-Z tfr	-71	-3	-74	81	7		7
<i>Sub Total - Base Adjustments - Internal</i>		-33	-3	-36	96	60	0	60
<i>Revised Base</i>		2,524	388	2,912	-3,085	-173	0	-173
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			2	2		2		2
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		17		17		17		17
<i>Sub-total Pay</i>		20	2	22	0	22	0	22
<i>Sub-Total Pressures</i>		20	2	22	0	22	0	22
<b>Savings and Income</b>								
<b>Income Generation</b>								
Fee generation target - inflationary uplift				0	-50	-50		-50
<b>Identified in published 2011-13 MTP</b>								
Staff restructure - back office/management/support review		-200		-200		-200		-200
<i>Sub-total Income and Savings</i>		-200	0	-200	-50	-250	0	-250
<b>Proposed Budget 2012/13</b>		2,344	390	2,734	-3,135	-401	0	-401

**A to Z Variation Statement**  
**Regulatory Services - Trading Standards**

Portfolio :  
Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,321	1,038	4,359	-946	3,413	0	3,413
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Tfr to Corporate Landlord of KSS rental income from PROW for 8 Abbey Wood Road	11/12			0	17	17		17
Trading Standards -Unattainable income target from sales, fees and charges due to changes in legislation and increase in competition	11/12		-16	-16	16	0		0
KSS - Correction to misalignment of gross/income cash limits	11/12		-48	-48	48	0		0
Share of TCP Savings (incl KSS)	11/12	-27		-27		-27		-27
Realignment of budgets between Comm Safety & Trading Standards	11/12	39		39		39		39
Transfer of staff and related costs from Business Support Team	11/12	80	12	92		92		92
Transfer of staff and related costs from Business Development Team	11/12	32	10	42		42		42
Transfer of budget to Kent Scientific Services for toxicology work	11/12	10	10	20		20		20
Loss of Senior Officers Medical Expenses			-2	-2		-2		-2
Transfer of budget to Directorate Management and Support	A-Z tfr	-151	-6	-157		-157		-157
Realignment of cash limits within Directorate	GIN	64	-64	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		47	-104	-57	81	24	0	24
<i>Revised Base</i>		3,368	934	4,302	-865	3,437	0	3,437
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff Travel			4	4		4		4
Employers NI increase		6		6		6		6
Kent Scheme Pay Award		32		32		32		32
<i>Sub-total Pay</i>		38	4	42	0	42	0	42
<u>Demand/Demographic Led</u>								
Reduced Demand for analytical testing (KSS)				0	80	80		80
<i>Sub-Total Pressures</i>		38	4	42	80	122	0	122
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Essential/Lease User			-2	-2		-2		-2
<u>Service Reforms</u>								
Review of service provision and management approach		-250		-250		-250		-250
<i>Sub-total Income and Savings</i>		-250	-2	-252	0	-252	0	-252
<b>Proposed Budget 2012/13</b>		3,156	936	4,092	-785	3,307	0	3,307

**A to Z Variation Statement**  
**Schools Budgets - Independent Special Schools Placement**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		12,549	12,549	-2,993	9,556	-9,556	0
<i>Revised Base</i>	0	12,549	12,549	-2,993	9,556	-9,556	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	12,549	12,549	-2,993	9,556	-9,556	0

**A to Z Variation Statement**  
**Schools Budgets - PFI Schools Schemes**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets			16,859	16,859	0	16,859	-16,859	0
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Realignment of gross and income budgets	GIN		7,012	7,012	-9,012	-2,000	2,000	0
<i>Revised Base</i>		0	23,871	23,871	-9,012	14,859	-14,859	0
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		0	23,871	23,871	-9,012	14,859	-14,859	0

**A to Z Variation Statement**  
**Schools Budgets - Schools Delegated Budgets**

Portfolio : ELS  
 Directorate : ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		595,555	346,499	942,054	-172,632	769,422	-769,422	0
<b>Base Adjustments - Internal</b>								
Delegation of Extended Services	DSG		128	128		128	-128	0
Delegation of School Library Service	DSG		218	218		218	-218	0
Delegation of Collective Licences	DSG		364	364		364	-364	0
Delegation of maternity leave	DSG		2,160	2,160		2,160	-2,160	0
Delegation of public duties	DSG		150	150		150	-150	0
Delegation of SPS and recruitment	DSG		464	464		464	-464	0
Delegation of Minority Communities Achievement Service (MCAS)	DSG		1,983	1,983		1,983	-1,983	0
Delegation of specialist mainstream provision	DSG		1,033	1,033		1,033	-1,033	0
Delegation of specific costs relating to individual pupils with statements	DSG		862	862		862	-862	0
Delegation of funding to provide support for mainstream placements	DSG		174	174		174	-174	0
Delegation of primary and special school catering	DSG		3,866	3,866		3,866	-3,866	0
Realignment of staffing and non staffing budgets	GIN	75,112	-75,112	0		0		0
Realignment of gross and income budgets	GIN		-5,450	-5,450	5,450	0		0
<i>Sub Total - Base Adjustments - Internal</i>		75,112	-69,160	5,952	5,450	11,402	-11,402	0
<b>Base Adjustments - External</b>								
Realignment of PVI Budget in line with July settlement (DSG) - tfr to schools delegated			2,444	2,444		2,444	-2,444	0
Adjustment for Final 2011-12 Pupil Premium Federation of Music Services grant			-1,865	-1,865		-1,865	1,865	0
Reduction in YPLA grant as a result of schools converting to academy status			376	376	-376	0		0
Reduction in DSG for academy converters			-54,412	-54,412	54,412	0		0
Estimated increase in pupil premium grant for 2012-13		-104,022	-46,676	-150,698		-150,698	150,698	0
<i>Base Adjustments - External</i>		-104,022	-90,022	-194,044	54,036	-140,008	140,008	0
<i>Revised Base</i>		566,645	187,317	753,962	-113,146	640,816	-640,816	0
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		566,645	187,317	753,962	-113,146	640,816	-640,816	0

**A to Z Variation Statement**  
**Schools Services - Schools' Meals**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	21	2,065	2,086	-700	1,386	-1,386	0
<b>Base Adjustments - Internal</b>							
	<u>Type</u>						
Transfer from Special school meals	343	286	629	-225	404	-404	0
Delegation of primary and special school catering	-343	-1,209	-1,552	225	-1,327	1,327	0
<i>Sub Total - Base Adjustments - Internal</i>	0	-923	-923	0	-923	923	0
<b>Base Adjustments - External</b>							
National Milk Subsidy funding ceased - now given directly to schools		-700	-700	700	0		0
<i>Revised Base</i>	21	442	463	0	463	-463	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	21	442	463	0	463	-463	0

**A to Z Variation Statement**  
**Schools Services - Schools' Non Delegated Staff Costs**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s	
2011/12 Approved Budgets	2,300	960	3,260	-660	2,600	-2,498	102	
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Realignment of Trade Union duties	GIN	-231	231	0	0		0	
New gross and income for traded services	GIN		2,310	-2,310	0		0	
Delegation of excepted items	DSG	-1,967	-300	-2,267	-2,267	2,267	0	
<i>Sub Total - Base Adjustments - Internal</i>		-2,198	2,241	43	-2,310	-2,267	2,267	0
<b>Base Adjustments - External</b>								
National Golden Hellos grant ceased			-660	-660	660	0	0	
<i>Revised Base</i>		102	2,541	2,643	-2,310	333	-231	102
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Kent Scheme Pay Award		1		1		1	1	
<i>Sub-Total Pressures</i>		1	0	1	0	1	0	1
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		103	2,541	2,644	-2,310	334	-231	103



**A to Z Variation Statement**  
**Schools Services - Schools' Other Services**

Portfolio : **ELS**  
 Directorate : **ELS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		604	4,833	5,437	-4,104	1,333	-1,069	264
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
New gross and income budget for traded services	GIN		364	364	-364	0		0
Delegation of collective licences budget to	DSG		-364	-364		-364	364	0
Correction of contract cleaning and refuse income target				0	81	81		81
Transfer of Cleaning and Refuse team from Mgmt Support	A-Z tfr	188	99	287		287		287
Realignment of staffing and non staffing budget	GIN	-52	52	0		0		0
Revenue maintenance previously funded by capital grant			2,800	2,800		2,800	-2,800	0
Realignment of cleaning and refuse contract budgets	GIN		-1,246	-1,246	1,246	0		0
Transfer of tree surveys to Corporate Landlord	A-Z tfr		-147	-147		-147		-147
<i>Sub Total - Base Adjustments - Internal</i>		136	1,558	1,694	963	2,657	-2,436	221
<i>Revised Base</i>		740	6,391	7,131	-3,141	3,990	-3,505	485
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		1		1		1		1
Kent Scheme Pay Award		4		4		4		4
<i>Sub-total Pay</i>		5	0	5	0	5	0	5
<i>Sub-Total Pressures</i>		5	0	5	0	5	0	5
<b>Savings and Income</b>								
<u>Service Reforms</u>								
ELS Restructure - Road Crossing Patrol		-31		-31		-31		-31
<i>Sub-total Income and Savings</i>		-31	0	-31	0	-31	0	-31
<b>Proposed Budget 2012/13</b>		714	6,391	7,105	-3,141	3,964	-3,505	459

**A to Z Variation Statement**  
**Schools Services - Schools' Redundancy Costs**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,232	1,232	0	1,232	-1,232	0
<i>Revised Base</i>	0	1,232	1,232	0	1,232	-1,232	0
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	1,232	1,232	0	1,232	-1,232	0

**A to Z Variation Statement**  
**Schools Services - School Improvement Services**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		5,785	2,100	7,885	-1,101	6,784	-1,336	5,448
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Transfer School Improvement ESO to Directorate Management and Support	11/12	-40		-40		-40		-40
Transfer Special School Advisers from LAN to School Improvement	A-Z tfr	578	136	714	-60	654		654
Transfer Extended Services to Directorate Management and Support	A-Z tfr	-276	-16	-292	10	-282	219	-63
Realignment of interim headteachers gross and income	GIN	-248		-248	248	0		0
Realignment of county panel gross and income	GIN	-60		-60	60	0		0
Realignment of gross and income for governor services	GIN	-268	33	-235	235	0		0
Governor Services reinstatement of staffing budget		200		200		200		200
Realignment of gross and income for clerking services	GIN	85		85	-85	0		0
Realignment of staffing and non staffing budgets for 1to1 tuition and Modern Foreign Languages	GIN	-250	250	0		0		0
Realignment of staffing and non staffing budgets for Widening Opportunities for Music	GIN	-75	75	0		0		0
<i>Sub Total - Base Adjustments - Internal</i>		-354	478	124	408	532	219	751
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	52	52
Removal of Music grant income no longer received from the DfE, now received from the Federation of Music Services				0	-815	-815	815	0
Reduction in the amount of centrally retained Federation of Music services income			-680	-680	680	0		0
<b>Base Adjustments - External</b>		0	-680	-680	-135	-815	867	52
<i>Revised Base</i>		5,431	1,898	7,329	-828	6,501	-250	6,251
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		11		11		11		11
Kent Scheme Pay Award		5		5		5		5
<i>Sub-total Pay</i>		16	0	16	0	16	0	16
<i>Sub-Total Pressures</i>		16	0	16	0	16	0	16
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Reduction in staff travel			-6	-6		-6		-6
<u>Service Reforms</u>								
ELS restructure - School Improvement		-1,770		-1,770		-1,770		-1,770
<i>Sub-total Income and Savings</i>		-1,770	-6	-1,776	0	-1,776	0	-1,776
<b>Proposed Budget 2012/13</b>		3,677	1,892	5,569	-828	4,741	-250	4,491

**A to Z Variation Statement**  
**Schools Services - Special School & Hospital Recoupment**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,660	1,660	-4,080	-2,420	2,420	0
<b>Base Adjustments - Internal</b>							
Increase in special school recoupment income			0	-431	-431		-431
<i>Revised Base</i>	0	1,660	1,660	-4,511	-2,851	2,420	-431
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Service Reforms</u>							
ELS restructure - special school recoupment			0	-369	-369		-369
<i>Sub-total Income and Savings</i>	0	0	0	-369	-369	0	-369
<b>Proposed Budget 2012/13</b>	0	1,660	1,660	-4,880	-3,220	2,420	-800

**A to Z Variation Statement**  
**Schools Services - Special Schools' Meals**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		343	286	629	-225	404	-404	0
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Transfer to school meals	A-Z tfr	-343	-286	-629	225	-404	404	0
<i>Revised Base</i>		0	0	0	0	0	0	0
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<i>Sub-total Income and Savings</i>		0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>		0	0	0	0	0	0	0

**A to Z Variation Statement**  
**Schools Services - Schools' Teacher Pension Costs**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		7,629	7,629	-684	6,945	-2,000	4,945
<i>Revised Base</i>	0	7,629	7,629	-684	6,945	-2,000	4,945
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Annual uplift on pension costs		200	200		200		200
<i>Sub-Total Pressures</i>	0	200	200	0	200	0	200
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	7,829	7,829	-684	7,145	-2,000	5,145

**A to Z Variation Statement**  
**Transport Services - Concessionary Fares**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets			16,304	16,304	0	16,304	0	16,304
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Budget realignment following restructuring	11/12		27	27	-27	0		0
<i>Revised Base</i>		0	16,331	16,331	-27	16,304	0	16,304
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Transport			556	556		556		556
<u>Demand/Demographic Led</u>								
Concessionary fares			278	278		278		278
<i>Sub-Total Pressures</i>		0	834	834	0	834	0	834
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Procurement efficiencies			-858	-858		-858		-858
<i>Sub-total Income and Savings</i>		0	-858	-858	0	-858	0	-858
<b>Proposed Budget 2012/13</b>		0	16,307	16,307	-27	16,280	0	16,280

**A to Z Variation Statement**  
**Transport Services - Freedom Pass**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		12,544	12,544	-1,700	10,844	0	10,844
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring		1,081	1,081	-530	551		551
Realignment of budgets within E&E		-514	-514	271	-243		-243
<i>Revised Base</i>	0	13,111	13,111	-1,959	11,152	0	11,152
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Transport		507	507		507		507
<u>Demand/Demographic Led</u>							
Freedom Pass		128	128		128		128
<i>Sub-Total Pressures</i>	0	635	635	0	635	0	635
<b>Savings and Income</b>							
<u>Income Generation</u>							
Freedom Pass			0	-500	-500		-500
<u>Efficiency savings</u>							
Procurement efficiencies		-98	-98		-98		-98
<i>Sub-total Income and Savings</i>	0	-98	-98	-500	-598	0	-598
<b>Proposed Budget 2012/13</b>	0	13,648	13,648	-2,459	11,189	0	11,189



**A to Z Variation Statement**  
**Transport Services - Home to College Transport**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	1,787	1,787	-367	1,420	0	1,420
<u>Base Adjustments - Internal</u>							
Demand for HTC transport		150	150		150		150
<i>Revised Base</i>	0	1,937	1,937	-367	1,570	0	1,570
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Transport		36	36		36		36
<i>Sub-Total Pressures</i>	0	36	36	0	36	0	36
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	1,973	1,973	-367	1,606	0	1,606

**A to Z Variation Statement**  
**Transport Services - Mainstream Home to School Transport**

Portfolio : **ELS**  
 Directorate : **ELS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		14,301	14,301	-384	13,917	0	13,917
<i>Revised Base</i>	0	14,301	14,301	-384	13,917	0	13,917
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Transport		199	199		199		199
<i>Sub-Total Pressures</i>	0	199	199	0	199	0	199
<b>Savings and Income</b>							
<u>Income Generation</u>							
Introduction of parental contribution for denominational and selective transport for pupils			0	-200	-200		-200
<u>Efficiency savings</u>							
Reduction in demand for Mainstream travel		-900	-900		-900		-900
<i>Sub-total Income and Savings</i>	0	-900	-900	-200	-1,100	0	-1,100
<b>Proposed Budget 2012/13</b>	0	13,600	13,600	-584	13,016	0	13,016

**A to Z Variation Statement**  
**Transport Services - SEN Transport**

Portfolio : **ELS**  
 Directorate : **ELS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	119	16,920	17,039	0	17,039	0	17,039
<b>Base Adjustments - Internal</b>							
Realignment of staffing and non staffing budgets	-94	94	0		0		0
<i>Revised Base</i>	25	17,014	17,039	0	17,039	0	17,039
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Transport		232	232		232		232
<i>Sub-Total Pressures</i>	0	232	232	0	232	0	232
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	25	17,246	17,271	0	17,271	0	17,271

**A to Z Variation Statement**  
**Transport Services - Subsidised Bus Routes**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		9,951	9,951	-1,777	8,174	0	8,174
<b>Base Adjustments - Internal</b>							
<u>Type</u>							
11/12							
Budget realignment following restructuring	165	-857	-692	140	-552		-552
12/13 H&T internal budget realignments	91	-91	0		0		0
Realignment of budgets within E&E	-5	981	976	-733	243		243
<i>Sub Total - Base Adjustments - Internal</i>	251	33	284	-593	-309	0	-309
<i>Revised Base</i>	251	9,984	10,235	-2,370	7,865	0	7,865
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Kent Scheme Pay Award	3		3		3		3
<i>Sub-Total Pressures</i>	3	0	3	0	3	0	3
<b>Savings and Income</b>							
<u>Service Reforms</u>							
Remove support for least added value otherwise uneconomical routes		-211	-211		-211		-211
<i>Sub-total Income and Savings</i>	0	-211	-211	0	-211	0	-211
<b>Proposed Budget 2012/13</b>	254	9,773	10,027	-2,370	7,657	0	7,657

**A to Z Variation Statement**  
**Transport Services - Transport Planning (formerly Sustainable Transport)**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	2,606	78	2,684	-1,525	1,159	0	1,159
<b>Base Adjustments - Internal</b>							
Budget realignment following restructuring	-685	504	-181	195	14	-118	-104
Redistribution of transport planning budgets	-980	-398	-1,378	1,315	-63		-63
12/13 H&T internal budget adjustments	-239	-20	-259		-259	-85	-344
<i>Sub Total - Base Adjustments - Internal</i>	-1,904	86	-1,818	1,510	-308	-203	-511
<i>Revised Base</i>	702	164	866	-15	851	-203	648
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Employers NI increase	1		1		1		1
Kent Scheme Pay Award	3		3		3		3
<i>Sub-total Pay</i>	4	0	4	0	4	0	4
<i>Sub-Total Pressures</i>	4	0	4	0	4	0	4
<b>Savings and Income</b>							
Identified in published 2011-13 MTP			0		0		0
Overhead efficiencies through delayering and streamlining	-242		-242		-242		-242
<u>Efficiency savings</u>							
Management reductions	-168		-168		-168		-168
<i>Sub-total Income and Savings</i>	-410	0	-410	0	-410	0	-410
Total Adjustments	-2,310	86	-2,224	1,510	-714	-203	-917
<b>Proposed Budget 2012/13</b>	296	164	460	-15	445	-203	242

## A to Z Variation Statement

### Waste Management - Recycling & Diversion from Landfill - Household Recycling Centres

Portfolio :  
Directorate :

**EH&W  
E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	8,391	8,391	-719	7,672	0	7,672
<b>Base Adjustments - Internal</b>							
Budget Realignment		25	25	-390	-365		-365
<i>Sub Total - Base Adjustments - Internal</i>	0	25	25	-390	-365	0	-365
<b>Revised Base</b>	0	8,416	8,416	-1,109	7,307	0	7,307
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Waste (+3.2% in 2012/13)		291	291		291		291
<u>Service Strategies &amp; Improvements</u>							
Household Waste Recycling Centre Site Maintenance		250	250		250		250
<i>Sub-Total Pressures</i>	0	541	541	0	541	0	541
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Reduction in Budgeted Waste Tonnage		-92	-92		-92		-92
<u>Service Reforms</u>							
Review of HWRC's		-630	-630		-630		-630
<i>Sub-total Income and Savings</i>	0	-722	-722	0	-722	0	-722
<b>Proposed Budget 2012/13</b>	0	8,235	8,235	-1,109	7,126	0	7,126

## A to Z Variation Statement

### Waste Management - Recycling & Diversion from Landfill - Partnerships & Waste Co-ordination

Portfolio :  
Directorate :

**EH&W  
E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		0	892	892	-126	766	0	766
<u>Base Adjustments - Internal</u> Budget Realignment	<u>Type</u> 11/12		-87	-87		-87		-87
<i>Revised Base</i>		0	805	805	-126	679	0	679
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Waste (+3.2% in 2012/13)			10	10		10		10
<i>Sub-Total Pressures</i>		0	10	10	0	10	0	10
<b>Savings and Income</b>								
<u>Service Reforms</u>								
Reduced work on Partnerships and Waste Co-ordination			-100	-100		-100		-100
<i>Sub-total Income and Savings</i>		0	-100	-100	0	-100	0	-100
<b>Proposed Budget 2012/13</b>		0	715	715	-126	589	0	589

## A to Z Variation Statement

### Waste Management - Recycling & Diversion from Landfill - Payments to Waste Collection Authorities

Portfolio :  
Directorate :

**EH&W  
E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	5,500	5,500	0	5,500	0	5,500
<u>Base Adjustments - Internal</u> Budget Realignment							
		-166	-166	-102	-268		-268
<i>Revised Base</i>	0	5,334	5,334	-102	5,232	0	5,232
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u> Waste (+3.2% in 2012/13)		110	110		110		110
<i>Sub-Total Pressures</i>	0	110	110	0	110	0	110
<b>Savings and Income</b>							
<u>Efficiency savings</u> Reduction in Budgeted Waste Tonnage		-111	-111		-111		-111
<i>Sub-total Income and Savings</i>	0	-111	-111	0	-111	0	-111
<b>Proposed Budget 2012/13</b>	0	5,333	5,333	-102	5,231	0	5,231



## A to Z Variation Statement

### Waste Management - Recycling & Diversion from Landfill - Recycling Contracts & Composting

Portfolio :  
Directorate :

**EH&W  
E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	9,674	9,674	0	9,674	0	9,674
<u>Base Adjustments - Internal</u> Budget Realignment		588	588	-609	-21		-21
<i>Revised Base</i>	0	10,262	10,262	-609	9,653	0	9,653
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Waste (+3.2% in 2012/13)		320	320		320		320
<u>Unavoidable Government/Legislative Pressures</u>							
Landfill Tax escalator		774	774		774		774
<i>Sub-Total Pressures</i>	0	1,094	1,094	0	1,094	0	1,094
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Various Contract Renewals		-186	-186		-186		-186
East Kent Joint Waste Contract		181	181	-5	176		176
Reduction in Budgeted Waste Tonnage		-375	-375		-375		-375
<i>Sub-total Efficiency savings</i>	0	-380	-380	-5	-385	0	-385
<i>Sub-total Income and Savings</i>	0	-380	-380	-5	-385	0	-385
<b>Proposed Budget 2012/13</b>	0	10,976	10,976	-614	10,362	0	10,362

## A to Z Variation Statement

### Waste Management - Waste Disposal - Closed Landfill Sites & Abandoned Vehicles

Portfolio :  
Directorate :

**EH&W  
E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		0	743	743	-276	467	0	467
<u>Base Adjustments - Internal</u> Budget Realignment	<u>Type</u> 11/12		36	36	10	46		46
<i>Revised Base</i>		0	779	779	-266	513	0	513
<b>Unavoidable pressures funded in indicative cash limits</b>								
<i>Sub-Total Pressures</i>		0	0	0	0	0	0	0
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Various Contract Renewals			-30	-30		-30		-30
<i>Sub-total Income and Savings</i>		0	-30	-30	0	-30	0	-30
<b>Proposed Budget 2012/13</b>		0	749	749	-266	483	0	483

**A to Z Variation Statement**  
**Waste Management - Waste Disposal - Disposal Contracts**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		0	29,463	29,463	-768	28,695	0	28,695
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Budget Realignment	11/12		13	13	338	351		351
<i>Revised Base</i>		0	29,476	29,476	-430	29,046	0	29,046
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Prices</u>								
Waste (+3.2% in 2012/13)			779	779		779		779
<u>Service Strategies &amp; Improvements</u>								
Disposal Contracts			103	103		103		103
<i>Sub-Total Pressures</i>		0	882	882	0	882	0	882
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Various Contract Renewals			-118	-118		-118		-118
East Kent Joint Waste Contract			-267	-267		-267		-267
Reduction in Budgeted Waste Tonnage			-1,120	-1,120		-1,120		-1,120
<i>Sub-total Efficiency savings</i>		0	-1,505	-1,505	0	-1,505	0	-1,505
<i>Sub-total Income and Savings</i>		0	-1,505	-1,505	0	-1,505	0	-1,505
<b>Proposed Budget 2012/13</b>		0	28,853	28,853	-430	28,423	0	28,423

**A to Z Variation Statement**  
**Waste Management - Waste Disposal - Haulage and Transfer Stations**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	8,203	8,203	-84	8,119	0	8,119
<u>Base Adjustments - Internal</u> Budget Realignment							
<u>Type</u> 11/12		380	380	9	389		389
<i>Revised Base</i>	0	8,583	8,583	-75	8,508	0	8,508
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Prices</u>							
Waste (+3.2% in 2012/13)		348	348		348		348
<i>Sub-Total Pressures</i>	0	348	348	0	348	0	348
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Reduction in Budgeted Waste Tonnage		-245	-245		-245		-245
<i>Sub-total Income and Savings</i>	0	-245	-245	0	-245	0	-245
Total Adjustments	0	483	483	9	492	0	492
<b>Proposed Budget 2012/13</b>	0	8,686	8,686	-75	8,611	0	8,611

**A to Z Variation Statement**  
**Waste Management - Waste Disposal - Landfill Tax**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		0	7,040	7,040	0	7,040	0	7,040
<u>Base Adjustments - Internal</u>	<u>Type</u>							
Budget Realignment	11/12		-160	-160		-160		-160
<i>Revised Base</i>		0	6,880	6,880	0	6,880	0	6,880
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Unavoidable Government/Legislative Pressures</u>								
Landfill Tax escalator			931	931		931		931
<i>Sub-Total Pressures</i>		0	931	931	0	931	0	931
<b>Savings and Income</b>								
<u>Efficiency savings</u>								
Reduction in Budgeted Waste Tonnage			-268	-268		-268		-268
<i>Sub-total Income and Savings</i>		0	-268	-268	0	-268	0	-268
<b>Proposed Budget 2012/13</b>		0	7,543	7,543	0	7,543	0	7,543

**A to Z Variation Statement**  
**Financing Items - Audit Fees**

Portfolio :  
 Directorate :

**D&P**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		464	464	0	464	0	464
<i>Revised Base</i>	0	464	464	0	464	0	464
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	464	464	0	464	0	464

**A to Z Variation Statement**  
**Financing Items - Carbon Reduction Levy**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,368	1,368	0	1,368	0	1,368
<i>Revised Base</i>	0	1,368	1,368	0	1,368	0	1,368
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Reduction in non schools Carbon Reduction Levy		-968	-968		-968		-968
<i>Sub-total Income and Savings</i>	0	-968	-968	0	-968	0	-968
Total Adjustments	0	-968	-968	0	-968	0	-968
<b>Proposed Budget 2012/13</b>	0	400	400	0	400	0	400

**A to Z Variation Statement**  
**Financing Items - Commercial Services (Net Contribution)**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0		0	-7,261	-7,261	0	-7,261
<i>Revised Base</i>	0	0	0	-7,261	-7,261	0	-7,261
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Income Generation</u>							
Increased Contribution from Commercial Services			0	-500	-500		-500
<i>Sub-total Income and Savings</i>	0	0	0	-500	-500	0	-500
Total Adjustments	0	0	0	-500	-500	0	-500
<b>Proposed Budget 2012/13</b>	0	0	0	-7,761	-7,761	0	-7,761



**A to Z Variation Statement**  
**Financing Items - Contingency for Childrens Improvement Plan**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	3,491		3,491	0	3,491	0	3,491
Base Adjustments - Internal tfr to BSS for social workers office based car parking							
<b>Revised Base</b>	<b>3,240</b>	<b>0</b>	<b>3,240</b>	<b>0</b>	<b>3,240</b>	<b>0</b>	<b>3,240</b>
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Sub-Total Pressures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Savings and Income</b>							
Removal of one-off funding Children's Social Care Improvement Plan							
<b>Sub-total Income and Savings</b>	<b>-2,491</b>	<b>0</b>	<b>-2,491</b>	<b>0</b>	<b>-2,491</b>	<b>0</b>	<b>-2,491</b>
<b>Proposed Budget 2012/13</b>	<b>749</b>	<b>0</b>	<b>749</b>	<b>0</b>	<b>749</b>	<b>0</b>	<b>749</b>

**A to Z Variation Statement**  
**Financing Items - Contributon to IT Asset Maintenance Reserve**

Portfolio :  
 Directorate :

**BSP&HR**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,352	2,352	0	2,352	0	2,352
<i>Revised Base</i>	0	2,352	2,352	0	2,352	0	2,352
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Service Strategies &amp; Improvements</u>							
Repayment of reserves used in 11-12 for Enterprise Resource Planning		950	950		950		950
<i>Sub-Total Pressures</i>	0	950	950	0	950	0	950
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	3,302	3,302	0	3,302	0	3,302

**A to Z Variation Statement**  
**Financing Items - Contribution to/from reserves**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		-11,245	-11,245	0	-11,245	0	-11,245
<i>Revised Base</i>	0	-11,245	-11,245	0	-11,245	0	-11,245
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Service Strategies &amp; Improvements</u>							
Drawdown from Prudential Equalisation Reserve for Property Enterprise Fund 2		808	808		808		808
Contribution to Council Tax Equalisation Reserve		7,500	7,500		7,500		7,500
Contribution to Invest to Save Reserve		2,000	2,000		2,000		2,000
Contribution to Reserves		350	350		350		350
<i>Sub-total Service Strategies &amp; Improvements</i>	0	10,658	10,658	0	10,658	0	10,658
<u>Repayment of one off saving</u>							
removal of temporary draw down of long term reserves		14,033	14,033		14,033		14,033
removal of contribution to general reserves		-5,000	-5,000		-5,000		-5,000
<i>Sub-total Repayment of one off saving</i>	0	9,033	9,033	0	9,033	0	9,033
<i>Sub-Total Pressures</i>	0	19,691	19,691	0	19,691	0	19,691
<b>Savings and Income</b>							
<u>One-off savings</u>							
Review of reserves		-3,800	-3,800		-3,800		-3,800
<i>Sub-total Income and Savings</i>	0	-3,800	-3,800	0	-3,800	0	-3,800
<b>Proposed Budget 2012/13</b>	0	4,646	4,646	0	4,646	0	4,646

**A to Z Variation Statement**  
**Financing Items - Insurance Fund**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,479	3,479	0	3,479	0	3,479
<b>Base Adjustments - Internal</b>							
Transfer of 1 fte to Business Strategy		-50	-50		-50		-50
<i>Revised Base</i>	0	3,429	3,429	0	3,429	0	3,429
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Demand/Demographic Led</b>							
Increased contribution to Insurance Fund		1,250	1,250		1,250		1,250
<i>Sub-Total Pressures</i>	0	1,250	1,250	0	1,250	0	1,250
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	4,679	4,679	0	4,679	0	4,679

**A to Z Variation Statement**  
**Financing Items - Modernisation of the Council**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		4,000	4,000	0	4,000	0	4,000
<i>Revised Base</i>	0	4,000	4,000	0	4,000	0	4,000
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Removal of one-off funding</u>							
Modernisation of the Council		-500	-500		-500		-500
<i>Sub-total Income and Savings</i>	0	-500	-500	0	-500	0	-500
<b>Proposed Budget 2012/13</b>	0	3,500	3,500	0	3,500	0	3,500

**A to Z Variation Statement**  
**Financing Items - Net Debt Costs (Including Investment Income)**

Portfolio : Directorate :	F&BS Fin Item	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		0	125,376	125,376	-8,955	116,421		116,421
<b>Base Adjustments - Internal</b>								
	<b>Type</b>							
Refund of Comms saving	11/12	0	-150	-150	0	-150		-150
Early Retirement costs	11/12	0	-12	-12	0	-12		-12
Anti Fraud posts	11/12	0	-75	-75	0	-75		-75
Prudential Borrowing - BSS	11/12	0	782	782	0	782		782
Prudential Borrowing - E&E	11/12	0	260	260	0	260		260
Communications Funding	11/12	0	-500	-500	0	-500		-500
Salary transfer (BSS)	11/12	0	-26	-26	0	-26		-26
shortfall in salary (BSS)	11/12	0	-10	-10	0	-10		-10
Managing Director's staff officer	11/12	0	-54	-54	0	-54		-54
quarter 1 realignment - debt charges	11/12	0	80	80	-80	0		0
quarter 1 realignment - Investment Income	11/12	0	-158	-158	158	0		0
Ashford Gateway Plus directorate funded borrowing	A-Z tfr	0	7	7	0	7		7
Public Health PA post (ASC&PH portfolio)		0	-27	-27	0	-27		-27
BSS new risk posts (KR14 + KR9) (BSP&HR portfolio)		0	-112	-112	0	-112		-112
Other		0	3,473	3,473	0	3,473		3,473
Realignment of budget		0	-306	-306	0	-306		-306
<i>Sub Total - Base Adjustments - Internal</i>		0	3,172	3,172	78	3,250	0	3,250
<i>Revised Base</i>		0	128,548	128,548	-8,877	119,671	0	119,671
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Service Strategies &amp; Improvements</b>								
Financing the capital programme		0	4,031	4,031	0	4,031		4,031
CSR Impact 1% increase in borrowing costs		0	1,300	1,300	0	1,300		1,300
<i>Sub-total Service Strategies &amp; Improvements</i>		0	5,331	5,331	0	5,331	0	5,331
<i>Sub-Total Pressures</i>		0	5,331	5,331	0	5,331	0	5,331
<b>Savings and Income</b>								
<b>Income Generation</b>								
Increased investment income		0	0	0	-1,200	-1,200		-1,200
<b>Savings and mitigations:</b>								
<b>Efficiency savings</b>								
Borrowing costs of PEF2 (from PER)		0	-808	-808	0	-808		-808
<i>Sub-total Income and Savings</i>		0	-808	-808	-1,200	-2,008	0	-2,008
<b>Proposed Budget 2012/13</b>		0	133,071	133,071	-10,077	122,994	0	122,994

**A to Z Variation Statement**  
**Financing Items - Other**

Portfolio :  
Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	5,100	5,100	0	5,100	0	5,100
<b>Base Adjustments - Internal</b>							
creation of corporate legal advice budget	0	150	150	0	150	0	150
Other	0	-3,922	-3,922	0	-3,922	0	-3,922
<i>Sub Total - Base Adjustments - Internal</i>	0	-3,772	-3,772	0	-3,772	0	-3,772
<i>Revised Base</i>	0	1,328	1,328	0	1,328	0	1,328
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Service Strategies &amp; Improvements</u>							
Initiatives to Boost the Economy	0	1,000	1,000	0	1,000	0	1,000
<i>Sub-Total Pressures</i>	0	1,000	1,000	0	1,000	0	1,000
<b>Savings and Income</b>							
<i>Sub-total Income and Savings</i>	0	0	0	0	0	0	0
<b>Proposed Budget 2012/13</b>	0	2,328	2,328	0	2,328	0	2,328

**A to Z Variation Statement**  
**Financing Items - Unallocated**

Portfolio :  
Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	-287		-287	0	-287	0	-287
<b>Base Adjustments - Internal</b>							
refund to E&E of CSD T&Cs saving	-19		-19		-19		-19
Removal of Social Care Reform Grant transition funding		3,150	3,150		3,150		3,150
Budget realignment	306		306		306		306
<i>Revised Base</i>	0	3,150	3,150	0	3,150	0	3,150
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
TCP	2,000		2,000		2,000		2,000
Kent Scheme Pay Award	98		98		98		98
<i>Sub-total Pay</i>	2,098	0	2,098	0	2,098	0	2,098
<i>Sub-Total Pressures</i>	2,098	0	2,098	0	2,098	0	2,098
<b>Savings and Income</b>							
<b>Efficiency savings</b>							
Procurement Efficiencies		-1,000	-1,000		-1,000		-1,000
<i>Sub-total Income and Savings</i>	0	-1,000	-1,000	0	-1,000	0	-1,000
<b>Proposed Budget 2012/13</b>	2,098	2,150	4,248	0	4,248	0	4,248



**A to Z Variation Statement**  
**Financing Items - Underspend rolled forward from previous year**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		-5,711	-5,711	0	-5,711	0	-5,711
<i>Revised Base</i>	0	-5,711	-5,711	0	-5,711	0	-5,711
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Repayment of one off saving</u>							
Moratorium in 10-11 to increase underspend		1,000	1,000		1,000		1,000
Roll fwd of 10-11 projected underspend		4,711	4,711		4,711		4,711
<i>Sub-total Repayment of one off saving</i>	0	5,711	5,711	0	5,711	0	5,711
<i>Sub-Total Pressures</i>	0	5,711	5,711	0	5,711	0	5,711
<b>Savings and Income</b>							
<u>One-off savings</u>							
Early Years underspend in 2011-12		-1,200	-1,200		-1,200		-1,200
Roll-forward of 2011-12 projected underspend		-1,879	-1,879		-1,879		-1,879
<i>Sub-total One-off savings</i>	0	-3,079	-3,079	0	-3,079	0	-3,079
<i>Sub-total Income and Savings</i>	0	-3,079	-3,079	0	-3,079	0	-3,079
<b>Proposed Budget 2012/13</b>	0	-3,079	-3,079	0	-3,079	0	-3,079

**A to Z Variation Statement**  
**Financing Items - Unringfenced Government Grants**

Portfolio :  
 Directorate :

**F&BS**  
**Fin Item**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	0	0	0	0	0	0	0
<b>Base Adjustments - External</b>							
Remove EIG income budget and hold centrally	0	0	0	0	0	-50,286	-50,286
Learning Disability & Health Reform Income	0	0	0	0	0	-34,768	-34,768
Base Adjustments - External	0	0	0	0	0	-85,054	-85,054
<i>Revised Base</i>	0	0	0	0	0	-85,054	-85,054
<b>Unavoidable pressures funded in indicative cash limits</b>							
<i>Sub-Total Pressures</i>	0	0	0	0	0	0	0
<b>Savings and Income</b>							
<u>Grant increases</u>							
Early Intervention Grant Increase	0	0	0	0	0	-4,597	-4,597
Learning Disability & Health Reform Grant Increase	0	0	0	0	0	-859	-859
<i>Sub-total Grant increases</i>	0	0	0	0	0	-5,456	-5,456
<i>Sub-total Income and Savings</i>	0	0	0	0	0	-5,456	-5,456
<b>Proposed Budget 2012/13</b>	0	0	0	0	0	-90,510	-90,510

**A to Z Variation Statement**  
**Assessment Services - Adult's Social Care Staffing**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		25,163	16,119	41,282	-2,023	39,259	-750	38,509
<u>Base Adjustments - Internal</u>								
	<u>Type</u>							
Reimbursement of savings trfd twice to BSS for Employment Services	11/12	-77		-77		-77		-77
Transfer of shortfall in salary to BSS	11/12	-3		-3		-3		-3
Transfer of shortfall in salaries for Social Services Library to BSS	11/12	-18		-18		-18		-18
Tfr of Kent Contact and Assessment Services (KCAS) to Contact Centre	11/12	-1,005		-1,005	156	-849		-849
Tfr of TCO system administrator to BSS ICT	11/12	-11		-11		-11		-11
LD Transfer Grant gross realignment	11/12	244		244		244		244
LD Transfer Grant realign to BSS for Finance Support	A-Z tfr	-99		-99		-99		-99
Transfer of 2 staff posts from Strategic Commissioning to Mental Health Service	A-Z tfr	47		47		47		47
Funding transferred to resolve Client Financial Affairs pressure with Independent Mental Capacity Advocacy	A-Z tfr	-74		-74		-74		-74
Correction to recasting to fund Contracts	A-Z tfr	-25		-25		-25		-25
Realignment of Savings etc			-320	-320		-320		-320
Tfr of staff from Management Support	A-Z tfr	82		82		82		82
Tfr of staff to Business Support	A-Z tfr	-138		-138		-138		-138
Gross up additional income	GIN	37		37	-37	0		0
Personal Health Budgets to Man Support	GIN	-93		-93	93	0		0
Transfer of budget from Adults Social Care Staffing			-74	-74		-74		-74
Tfr of budget to FSC Management and Support	A-Z tfr	-125		-125		-125		-125
Tfr of 1 fte to Customer and Communities	A-Z tfr	-27		-27		-27		-27
<i>Sub Total - Base Adjustments - Internal</i>		-1,285	-394	-1,679	212	-1,467	0	-1,467
<u>Base Adjustments - External</u>								
Transfer of Learning Disability and Health Reform Grant to be held centrally				0		0	750	750
<i>Revised Base</i>		23,878	15,725	39,603	-1,811	37,792	0	37,792
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff Travel			47	47		47		47
Employers NI increase		59		59		59		59
Kent Scheme Pay Award		372		372		372		372
<i>Sub-total Pay</i>		431	47	478	0	478	0	478
<u>Prices</u>								
Transport			17	17		17		17
<u>Unavoidable Government/Legislative Pressures</u>								
LD Reform Grant-Blue Badge Realignment		104		104		104	0	104
<i>Sub-Total Pressures</i>		535	64	599	0	599	0	599
<b>Savings and Income</b>								
<u>Income Generation</u>								
Blue Badges				0	-170	-170		-170
<u>Identified in published 2011-13 MTP</u>								
Fall out of early Retirement Costs		-2		-2		-2		-2
<u>Efficiency savings</u>								
Hospital Team Review		-75		-75		-75		-75
Mental Health Management		-50		-50		-50		-50
Co-ordination Managers				-50		-50		-50

**A to Z Variation Statement**  
**Assessment Services - Adult's Social Care Staffing**

Portfolio :  
 Directorate :

**ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
Agency Staff	-99		-99		-99		-99
Essential/Lease user		-18	-18		-18		-18
<i>Sub-total Efficiency savings</i>	-274	-18	-292	0	-292	0	-292
<i>Sub-total Income and Savings</i>	-276	-18	-294	-170	-464	0	-464
<b>Proposed Budget 2012/13</b>	<b>24,137</b>	<b>15,771</b>	<b>39,908</b>	<b>-1,981</b>	<b>37,927</b>	<b>0</b>	<b>37,927</b>

**A to Z Variation Statement**  
**Assessment Services - Children's Social Care Staffing**

Portfolio :  
 Directorate :

**SCS**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	31,203	1,851	33,054	-1,519	31,535	-1,165	30,370
<b>Base Adjustments - Internal</b>							
<u>Base Adjustments - Internal</u>							
Budget Realignment		11/12	-194		-194		-194
Realignment of budgets-SCS County posts		11/12	95		95		95
Realignment of savings			-89		-89		-89
Transfer of CAMHS-Virtual Schools for Kent	-228		-228		-228		-228
Realignment of Aiming High	-418		-418		-418		-418
Realignment of Gross/Income as a result of grant loss	-700		-700	700	0		0
Transfer of CP Chair to Safeguarding	-65		-65		-65		-65
Removal of internal charging for Area Benefits Officers	-95		-95		-95		-95
<i>Sub Total - Base Adjustments - Internal</i>	-1,506	-188	-1,694	700	-994	0	-994
<b>Base Adjustments - External</b>							
<u>Base Adjustments - External</u>							
Transfer EIG income budget and hold centrally			0		0	1,099	1,099
<i>Revised Base</i>	29,697	1,663	31,360	-819	30,541	-66	30,475
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff Travel		61	61		61		61
Employers NI increase	58		58		58		58
Kent Scheme Pay Award	351		351		351		351
<i>Sub-total Pay</i>	409	61	470	0	470	0	470
<u>Prices</u>							
Transport		25	25		25		25
<u>Demand/Demographic Led</u>							
Increase in Social Care Staffing	2,960		2,960		2,960		2,960
<u>Service Strategies &amp; Improvements</u>							
Workforce Strategy	2,284		2,284		2,284		2,284
Social Care Staffing - additional posts	1,016		1,016		1,016		1,016
<i>Sub-total Service Strategies &amp; Improvements</i>	3,300	0	3,300	0	3,300	0	3,300
<i>Sub-Total Pressures</i>	6,669	86	6,755	0	6,755	0	6,755
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Reduction in staff travel		-3	-3		-3		-3
<i>Sub-total Income and Savings</i>	0	-3	-3	0	-3	0	-3
<b>Proposed Budget 2012/13</b>	36,366	1,746	38,112	-819	37,293	-66	37,227

**A to Z Variation Statement**  
**Assessment Services - Assessment of Children's Educational Needs**

Portfolio :  
 Directorate :

ELS  
 ELS

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		1,290	403	1,693	0	1,693	-570	1,123
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Correction between columns	GIN	19	-19	0		0		0
Transfer of proportion of Admission & transport staff to Directorate Management Support	A-Z tfr	-195	-142	-337		-337	337	0
Transfer of assessment team from Directorate Management and support	A-Z tfr	1,064		1,064		1,064	-130	934
Transfer Tribunal non staff costs to Directorate Management and support	A-Z tfr		-242	-242		-242	36	-206
<i>Sub Total - Base Adjustments - Internal</i>		888	-403	485	0	485	243	728
<i>Revised Base</i>		2,178	0	2,178	0	2,178	-327	1,851
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Employers NI increase		3		3		3		3
Kent Scheme Pay Award		9		9		9		9
<i>Sub-total Pay</i>		12	0	12	0	12	0	12
<i>Sub-Total Pressures</i>		12	0	12	0	12	0	12
<b>Savings and Income</b>								
<u>Service Reforms</u>								
ELS restructure - Assessment		-553		-553		-553	-187	-740
<i>Sub-total Income and Savings</i>		-553	0	-553	0	-553	-187	-740
<b>Proposed Budget 2012/13</b>		1,637	0	1,637	0	1,637	-514	1,123

**A to Z Variation Statement**  
**Education, Learning and Skills Directorate Management & Support**

Portfolio :  
 Directorate :

ELS  
 ELS

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	4,187	11,341	15,528	-2,978	12,550	-7,247	5,303
<b>Base Adjustments - Internal</b>							
Tfr of Education Support Officer from School Imp	40		40		40		40
Children's Centres funding (EIG smoothing)		-893	-893		-893		-893
Contact Centre (EIG smoothing money)		-120	-120		-120		-120
Refund of Communications savings target		50	50		50		50
Transfer of Training Budget to BSP&HR		-263	-263		-263		-263
Transfer Virtual Schools budget to SCS		-400	-400		-400	400	0
Transfer of Integrated Processes to SCS		-34	-34		-34	34	0
Transfer of Youth Opportunities Funding to CCSI		-600	-600		-600		-600
Transfer Youth Substance Misuse to CCSI		-140	-140		-140		-140
Realignment of staffing and non-staffing budgets	23	-23	0		0		0
Flexible funding for 14-19 unit surplus		418	418		418	-418	0
PRUs share of dedicated schools grant		-796	-796		-796	796	0
Transfer of 1 fte from BSS	24		24		24		24
Transfer of Capital projects team to BSS Property	-660	660	0		0		0
Cessation of Post 16 School Access Fund		-100	-100	100	0		0
Transfer of Emergency Planning budget to C&C		-43	-43		-43		-43
New gross & income for traded Extended service		128	128	-128	0		0
New gross and income for traded service	113	178	291	-291	0		0
Catering team and Kitchen maintenance							
Tfr of premises related budgets to Corp Landlord	60	-1,236	-1,176	182	-994		-994
Transfer of Extended Services from Sch Imp	276	16	292	-10	282	-219	63
Transfer from assessment	195	384	579		579	-373	206
Transfer to assessment	-1,064		-1,064		-1,064	130	-934
Realignment of Health Needs budget		-200	-200		-200	200	0
Transfer from Statemeted Support	211		211		211	-211	0
Delegation of SPS		-129	-129		-129	129	0
Delegation of Quality of School Meals		328	328		328	-328	0
Delegation of Extended Learning	-128		-128		-128	128	0
Delegation of Catering maintenance	-113		-113		-113	113	0
Delegation of Kitchen maintenance		-178	-178		-178	178	0
Tfr of the Schools cleaning to Schools Other Services	-188	-99	-287		-287		-287
<i>Sub Total - Base Adjustments - Internal</i>	-1,211	-3,092	-4,303	-147	-4,450	559	-3,891
<b>Base Adjustments - External</b>							
Remove EIG income budget and hold centrally			0		0	1,394	1,394
London Array		9	9	-9	0		0
Reduction in central DSG for academy converters		-200	-200		-200	200	0
National Sensory Impairment Grant		150	150		150	-150	0
Base Adjustments - External	0	-41	-41	-9	-50	1,444	1,394
<i>Revised Base</i>	2,976	8,208	11,184	-3,134	8,050	-5,244	2,806
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Employers NI increase	21		21		21		21
Staff Travel		135	135		135		135
Kent Scheme Pay Award	188		188		188		188
<i>Sub-total Pay</i>	209	135	344	0	344	0	344
<b>Demand/Demographic Led</b>							
Legal Services		250	250		250		250
<i>Sub-Total Pressures</i>	209	385	594	0	594	0	594
<b>Savings and Income</b>							
<b>Removal of one-off funding</b>							
Removal of one-off EIG Transitional funding		-2,079	-2,079		-2,079		-2,079
<b>Service Reforms</b>							
ELS restructure	1,789	1,241	3,030	-169	2,861	-795	2,066
<i>Sub-total Income and Savings</i>	1,789	-838	951	-169	782	-795	-13
<b>Proposed Budget 2012/13</b>	4,974	7,755	12,729	-3,303	9,426	-6,039	3,387

**A to Z Variation Statement**  
**Families and Social Care Directorate Management & Support**

Portfolio : **SCS & ASC&PH**  
 Directorate : **FSC**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		2,501	12,337	14,838	-599	14,239	-2,911	11,328
<b>Base Adjustments - Internal</b>								
	<b>Type</b>							
Tfr back of budget from BSS	11/12	148	0	148	0	148	0	148
Staff correction to BSS	11/12	-15	0	-15	0	-15	0	-15
Tfr of staff to C&C	11/12	-26	0	-26	0	-26	0	-26
Tfr of blackberry budgets from BSP&HR	11/12	0	54	54	0	54	0	54
Tfr of Excellent Homes PFI project from CCS&I	11/12	0	250	250	-250	0	0	0
Correction of BB Error-SCS Director Non Staff	11/12	0	36	36	0	36	0	36
LD Campus Grant Gross Correction	11/12	7	0	7	0	7	0	7
Communications saving	11/12	0	0	0	0	0	0	0
Tfr of staff salary	11/12	32	0	32	0	32	0	32
Removal of incorrect Gross & income Cash Limit	GIN	-25	0	-25	25	0	0	0
Personal Health Budgets from A&R	GIN	93	0	93	-93	0	0	0
Realign Public Health Core Team staffing budget for 12/13	GIN	8	-8	0	0	0	0	0
Transfer of 2 staff posts from Strategic Commissioning to Mental Health Service	A-Z tfr	-47	0	-47	0	-47	0	-47
Funding transferred to resolve CFAO pressure with IMCA	A-Z tfr	74	0	74	0	74	0	74
Correction to recasting to fund Contracts	A-Z tfr	25	0	25	0	25	0	25
Equalities budget transfer from BSS	A-Z tfr	0	9	9	0	9	0	9
Staff transfer to A&R	A-Z tfr	-82	0	-82	0	-82	0	-82
Staff transfer from A&R to Exec Support	A-Z tfr	138	0	138	0	138	0	138
Ashford Gateway Plus directorate funded borrowing	A-Z tfr	-1	0	-1	0	-1	0	-1
Transfer of Adults Safeguarding budget to new AtoZ line	A-Z tfr	-467	-266	-733	236	-497	0	-497
Salary (allocated to wrong area of Public Health in 11/12)	A-Z tfr	-32	0	-32	0	-32	0	-32
Transfer for PA salary costs	A-Z tfr	27	0	27	0	27	0	27
Removal of annual draw down from reserves to fund 1 fte and fund from reduction in non-staffing budget	A-Z tfr	0	34	34	0	34	0	34
Realignment of Savings etc		0	447	447	0	447	0	447
Realignment of Savings etc		153	0	153	0	153	0	153
Removal of Social Care Reform Grant transition funding		-350	0	-350	0	-350	0	-350
Tfr of budget to FSC Management and Support		125	0	125	0	125	0	125
Allocate 2011/12 savings to units		-2	0	-2	0	-2	0	-2
<b>Sub Total - Base Adjustments - Internal</b>		<b>-217</b>	<b>556</b>	<b>339</b>	<b>-82</b>	<b>257</b>	<b>0</b>	<b>257</b>
<b>Base Adjustments - External</b>								
Transfer EIG income budget and hold centrally		0	0	0	0	0	2,145	2,145
<b>Revised Base</b>		<b>2,284</b>	<b>12,893</b>	<b>15,177</b>	<b>-681</b>	<b>14,496</b>	<b>-766</b>	<b>13,730</b>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel		0	5	5	0	5	0	5
Employers NI increase		18	0	18	0	18	0	18
Kent Scheme Pay Award		93	0	93	0	93	0	93
<b>Sub-total Pay</b>		<b>111</b>	<b>5</b>	<b>116</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>116</b>
<b>Prices</b>								
Transport		0	2	2	0	2	0	2
Other (inc Legal)		0	8	8	0	8	0	8
<b>Sub-total Prices</b>		<b>0</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>Sub-Total Pressures</b>		<b>111</b>	<b>15</b>	<b>126</b>	<b>0</b>	<b>126</b>	<b>0</b>	<b>126</b>
<b>Savings and Income</b>								
<b>Identified in published 2011-13 MTP</b>								
Streamline back office support functions		-452	0	-452	0	-452	0	-452



**A to Z Variation Statement**  
**Families and Social Care Directorate Management & Support**

Portfolio :  
 Directorate :

**SCS & ASC&PH**  
**FSC**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
<i>Efficiency savings</i>							
Management Structures	-48	0	-48	0	-48	0	-48
Support Services	-143	0	-143	0	-143	0	-143
Agency Staff	-1	0	-1	0	-1	0	-1
Essential/Lease user	0	-1	-1	0	-1	0	-1
<i>Sub-total Efficiency savings</i>	-192	-1	-193	0	-193	0	-193
<i>Sub-total Income and Savings</i>	-644	-1	-645	0	-645	0	-645
<b>Proposed Budget 2012/13</b>	1,751	12,907	14,658	-681	13,977	-766	13,211

**A to Z Variation Statement**  
**Enterprise & Environment Directorate Management & Support**

Portfolio :  
 Directorate :

**EH&W**  
**E&E**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	3,267	4,261	7,528	-1,014	6,514	0	6,514
<b>Base Adjustments - Internal</b>							
	<b>Type</b>						
Refund of Communications Saving		50	50		50		50
Tfr of PROW computer maintenance to C&C		-8	-8		-8		-8
Tfr of staff to BCC ICT	-33	-1	-34		-34		-34
Prudential Borrowing (Highways Maintenance)		-260	-260		-260		-260
Correction to TCP saving as Commercial	19		19		19		19
Services staff incorrectly coded in calculation							
Budget realignment	11/12	416	-81	335	185	520	520
TCP Tapering Realignment	11/12	23		23		23	23
Super reduction Realignment	11/12	14		14		14	14
Gross/Inc adj made to Strat Man moved to Env	11/12		-282	-282	443	161	161
12/13 H&T internal budget realignments		208	692	900	-12	888	888
<i>Sub Total - Base Adjustments - Internal</i>		647	110	757	616	1,373	1,373
<i>Revised Base</i>		3,914	4,371	8,285	-398	7,887	7,887
<b>Unavoidable pressures funded in indicative cash limits</b>							
<b>Pay</b>							
Staff Travel		26	26		26		26
Employers NI increase	6		6		6		6
Kent Scheme Pay Award	48		48		48		48
<i>Sub-total Pay</i>		54	26	80	0	80	80
<b>Prices</b>							
Highways maintenance contracts		8	8		8		8
<b>Service Strategies &amp; Improvements</b>							
Prudential Borrowing		23	23		23		23
<i>Sub-Total Pressures</i>		54	57	111	0	111	111
<b>Savings and Income</b>							
<b>Income Generation</b>							
Increased rental income			0	-9	-9		-9
<b>Identified in published 2011-13 MTP</b>							
Highways maintenance		-98	-98		-98		-98
<b>Efficiency savings</b>							
Management savings (0.5 FTE graduate post removed)	-16		-16		-16		-16
H&T management reductions	-165		-165		-165		-165
Access & Assessment Agency Staff		-1	-1		-1		-1
<i>Sub-total Efficiency savings</i>	-181	-1	-182	0	-182	0	-182
<b>Service Reforms</b>							
Env Bus Supp - 0.5 FTE graduate post removed & other activities	-15	-17	-32		-32		-32
<i>Sub-total Income and Savings</i>	-196	-116	-312	-9	-321	0	-321
<b>Proposed Budget 2012/13</b>	<b>3,772</b>	<b>4,312</b>	<b>8,084</b>	<b>-407</b>	<b>7,677</b>	<b>0</b>	<b>7,677</b>

**A to Z Variation Statement**  
**Customer & Communities Directorate Management & Support**

Portfolio :  
 Directorate :

**C&C**  
**C&C**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		3,308	2,076	5,384	-2,156	3,228	-35	3,193
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Transfer of salaries to and from BSS Qtr1	11/12	-131	25	-106		-106		-106
Tfr of staff from FSC Qtr 1	11/12	26		26	0	26		26
Transfer of budgets to Corporate Landlord Qtr1	11/12	-53	-452	-505		-505		-505
Centralisation of Communication activity budgets	11/12	525	25	550		550		550
Reduced income & removal of internal income target Qtr 1	11/12		-167	-167	167	0		0
Re-eng & Chg Res - Excellent Homes Project to be transferred back to FSC Qtr 1	11/12		-250	-250	250	0		0
Libraries - Cash limit for CRB checks moved from CMC Qtr 1	11/12		-6	-6		-6		-6
Realignment of cash limits across the C&C Directorate	11/12		42	42	323	365		365
Salary Adjustment within C&C Qtr 1	11/12	153		153		153		153
Secure Accommodation from CMC to YOS Qtr 2	11/12		-100	-100		-100		-100
Libraries/CCCE -Employee cash limit 7hrs trans from Libraries to CCCE Qtr 2	11/12	3		3		3		3
Redistribution of savings target between Community Liaison and Comms & Engagement Qtr 2	11/12	135		135		135		135
Transfer of Webcasting budget to BSS Qtr 2	11/12		-21	-21		-21		-21
Transfer of Employee Volunteering to BSP&HR Qtr 2	11/12	-25	-7	-32		-32		-32
Cust Sers Div Bgt - Restructure of Business Supp Team & Business Dev team Qtr 2	11/12	-213	-26	-239		-239		-239
C&C share TCP Savings Qtr 2	11/12	246		246		246		246
Realignment of cash limits across units	GIN	653	-653	0		0		0
Transfer of Staff pay to PROW	A-Z tfr	-11		-11		-11		-11
Loss of Senior Officers Medical Expenses			13	13		13		13
Tfr of 1 fte from FSC	11/12	27		27		27		27
Transfer of budget to Directorate Management and Support	A-Z tfr	1,245	32	1,277		1,277		1,277
Realignment of cash limits within Directorate	GIN	46	-123	-77	77	0		0
Centralisation of support services post restructure		91		91		91		91
Realignment of cash limits within Portfolio	A-Z tfr	140		140		140		140
<b>Sub Total - Base Adjustments - Internal</b>		<b>2,857</b>	<b>-1,668</b>	<b>1,189</b>	<b>817</b>	<b>2,006</b>	<b>0</b>	<b>2,006</b>
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally				0		0	35	35
<b>Revised Base</b>		<b>6,165</b>	<b>408</b>	<b>6,573</b>	<b>-1,339</b>	<b>5,234</b>	<b>0</b>	<b>5,234</b>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff Travel			58	58		58		58
Employers NI increase		12		12		12		12
Kent Scheme Pay Award		64		64		64		64
<b>Sub-total Pay</b>		<b>76</b>	<b>58</b>	<b>134</b>	<b>0</b>	<b>134</b>	<b>0</b>	<b>134</b>
<b>Prices</b>								
Transport			1	1		1		1
<b>Unavoidable Government/Legislative Pressures</b>								
Loss of zero ratings for Youth Centres			150	150		150		150
Property Maintenance Agreements			250	250		250		250
<b>Sub-total Unavoidable Government/Legislative Pressures</b>		<b>0</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>400</b>
<b>Service Strategies &amp; Improvements</b>								
Replace one-off savings in year management action			57	57		57		57
Unachievable income target				0	250	250		250
<b>Sub-total Service Strategies &amp; Improvements</b>			<b>57</b>	<b>57</b>	<b>250</b>	<b>307</b>	<b>0</b>	<b>307</b>

**A to Z Variation Statement**  
**Customer & Communities Directorate Management & Support**

Portfolio : **C&C**  
 Directorate : **C&C**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
<i>Sub-Total Pressures</i>	76	516	592	250	842	0	842
<b>Savings and Income</b>							
<u>Identified in published 2011-13 MTP</u>							
Streamline of back office	-26		-26		-26		-26
Staff restructure - back office/management/support review	-303		-303		-303		-303
Streamline back office support functions - Policy Team	-29		-29		-29		-29
<i>Sub-total Identified in published 2011-13 MTP</i>	-358	0	-358	0	-358	0	-358
<u>Efficiency savings</u>							
Management reductions	-232		-232		-232		-232
Essential/Lease Car		-2	-2		-2		-2
Communications staffing saving	-225		-225		-225		-225
<i>Sub-total Efficiency savings</i>	-457	-2	-459	0	-459	0	-459
<u>Service Reforms</u>							
Remove all strategic external funding activities	-67	-25	-92		-92		-92
<u>One-off savings</u>							
Roll-forward of 2011-12 projected underspend		-433	-433		-433		-433
<i>Sub-total Income and Savings</i>	-882	-460	-1,342	0	-1,342	0	-1,342
<b>Proposed Budget 2012/13</b>	<b>5,359</b>	<b>464</b>	<b>5,823</b>	<b>-1,089</b>	<b>4,734</b>	<b>0</b>	<b>4,734</b>

**A to Z Variation Statement**  
**Business Strategy and Support Directorate Management & Support**

Portfolio : **R&E, BSP&HR & ASC&PH**  
 Directorate : **BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		449	2,790	3,239	-975	2,264	-8,893	-6,629
<b>Base Adjustments - Internal</b>								
	<b>Type</b>							
Base budget adjustments agreed prior to Q2 monitoring	11/12	792	-1,957	-1,165	975	-190	0	-190
Transfer of 1 fte to ELS Portfolio	11/12	0	-24	-24	0	-24	0	-24
Realignment of budgets within BSS	GIN	95	98	193	-193	0	0	0
DSG for appeals process incorrectly removed as part of delegated budgets in 11-12 budget build	DSG	0	100	100	0	100	-100	0
Move Schools ICT DSG element to BSS Mgt & Supp (originally decided to hold centrally)	A-Z tfr	0	0	0	0	0	-591	-591
Transfer of Commissioning staff to C&C	A-Z tfr	-282	0	-282	0	-282	0	-282
Realignment of budgets within BSS	A-Z tfr	0	54	54	0	54	0	54
Allocate 2011/12 savings to units	A-Z tfr	0	887	887	0	887	0	887
Move Asylum Grant income leg to Finance	A-Z tfr	0	0	0	0	0	692	692
Allocation of EIG income to specific units	A-Z tfr	0	0	0	0	0	752	752
Move DSG income inherited from CFE in recast exercise to relevant units	A-Z tfr	0	0	0	0	0	3,171	3,171
Other	A-Z tfr	0	231	231	0	231	0	231
<i>Sub Total - Base Adjustments - Internal</i>		605	-611	-6	782	776	3,924	4,700
<i>Revised Base</i>		1,054	2,179	3,233	-193	3,040	-4,969	-1,929
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Employers NI increase		2	0	2	0	2	0	2
Kent Scheme Pay Award		9	0	9	0	9	0	9
<i>Sub-total Pay</i>		11	0	11	0	11	0	11
<b>Service Strategies &amp; Improvements</b>								
Borrowing costs - ISG Connecting with Kent, ISG Connecting Kent, ISG Sustaining Kent		0	328	328	0	328	0	328
Maintaining the Infrastructure, Property Better Workplaces								
The Bridge		0	2	2	0	2	0	2
Tapering of PFI grant		0	0	0	0	0	581	581
<i>Sub-total Service Strategies &amp; Improvements</i>		0	330	330	0	330	581	911
<i>Sub-Total Pressures</i>		11	330	341	0	341	581	922
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Fall out of early retirement costs		-93	0	-93	0	-93	0	-93
Impact of deletion of Managing Director Post		-350	0	-350	0	-350	0	-350
<i>Sub-total Efficiency savings</i>		-443	0	-443	0	-443	0	-443
<i>Sub-total Income and Savings</i>		-443	0	-443	0	-443	0	-443
<b>Proposed Budget 2012/13</b>		622	2,509	3,131	-193	2,938	-4,388	-1,450

**A to Z Variation Statement**  
**Support to Frontline Services - Finance & Procurement**

Portfolio : **D&P & F&BS**  
 Directorate : **BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		17,413	3,599	21,012	-5,390	15,622	0	15,622
<b>Base Adjustments - Internal</b>								
	<b>Type</b>							
Early Retirement Costs	11/12	12	0	12	0	12	0	12
Anti Fraud	11/12	75	0	75	0	75	0	75
Tfr in shortfall in salaries from C&C to Finance	11/12	54	0	54	0	54	0	54
Tfr of support team to Property	11/12	-186	-3	-189	0	-189	0	-189
Income target from Business Strategy - External Funding	11/12	0	0	0	-109	-109	0	-109
LD Transfer grant - realigned to BSS for Finance Support (from FSC)	A-Z tfr	99	0	99	0	99	0	99
Allocate 2011/12 savings to units (-£135k TCP, -£24k second tier management savings)	A-Z tfr	-159	0	-159	0	-159	0	-159
Move Asylum Grant Income from Strat Mgt & Directorate Support Budgets to Finance & Procurement	A-Z tfr	0	0	0	0	0	-692	-692
DSG income cash limit previously held in BSS Mgmt & Supp	A-Z tfr	0	0	0	0	0	-1,696	-1,696
Transfer of member of staff to Business Strategy (along with corresponding income target for draw down from Insurance Reserve)	GIN	-38	-1	-39	39	0	0	0
Removal of internal charging for Area Benefits Officers		0	0	0	95	95	0	95
Transfer Insurance team to F&BS portfolio	A_Z tfr	0	0	0	0	0	0	0
Realignment of budgets within BSS Directorate	GIN	-311	236	-75	75	0	0	0
<b>Sub Total - Base Adjustments - Internal</b>		<b>-454</b>	<b>232</b>	<b>-222</b>	<b>100</b>	<b>-122</b>	<b>-2,388</b>	<b>-2,510</b>
<b>Revised Base</b>		<b>16,959</b>	<b>3,831</b>	<b>20,790</b>	<b>-5,290</b>	<b>15,500</b>	<b>-2,388</b>	<b>13,112</b>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff travel (5p casual user rate increase)		0	10	10	0	10	0	10
Employers NI increase		28	0	28	0	28	0	28
Kent Scheme Pay Award		184	0	184	0	184	0	184
<b>Sub-total Pay</b>		<b>212</b>	<b>10</b>	<b>222</b>	<b>0</b>	<b>222</b>	<b>0</b>	<b>222</b>
<b>Service Strategies &amp; Improvements</b>								
Expansion of Procurement Team		1,000	0	1,000	0	1,000	0	1,000
<b>Sub-Total Pressures</b>		<b>1,212</b>	<b>10</b>	<b>1,222</b>	<b>0</b>	<b>1,222</b>	<b>0</b>	<b>1,222</b>
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Management structures (Audit)		-20	0	-20	0	-20	0	-20
Restructure of Finance Function		-1,205	0	-1,205	0	-1,205	0	-1,205
<b>Sub-total Efficiency savings</b>		<b>-1,225</b>	<b>0</b>	<b>-1,225</b>	<b>0</b>	<b>-1,225</b>	<b>0</b>	<b>-1,225</b>
<b>Service Reforms</b>								
Removal of support from Benefits Partnership		0	-50	-50	0	-50	0	-50
<b>Sub-total Income and Savings</b>		<b>-1,225</b>	<b>-50</b>	<b>-1,275</b>	<b>0</b>	<b>-1,275</b>	<b>0</b>	<b>-1,275</b>
<b>Proposed Budget 2012/13</b>		<b>16,946</b>	<b>3,791</b>	<b>20,737</b>	<b>-5,290</b>	<b>15,447</b>	<b>-2,388</b>	<b>13,059</b>

## A to Z Variation Statement

### Support to Frontline Services - Human Resources (HR)

Portfolio : **F&BS & BSP&HR**  
 Directorate : **BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		12,998	6,419	19,417	-7,178	12,239	0	12,239
<b>Base Adjustments - Internal</b>								
	<u>Type</u>							
Transfer of Employee Volunteering from CCS&I	11/12	25	7	32	0	32	0	32
Transfer of Training Budget from ELS	11/12	0	263	263	0	263	0	263
GIN adjustments between Gross and Income - as per QTR2 report	11/12	56	563	619	-619	0	0	0
Reallocation of HR savings between income and gross	11/12	0	281	281	-281	0	0	0
Reimbursement of savings trfd twice from ASC&PH for Employment Services	11/12	77	0	77	0	77	0	77
Tfr of salary costs to BSS HR	11/12	69	0	69	-24	45	0	45
Move BT One bill budget to ICT	11/12	0	-2	-2	0	-2	0	-2
EIG income cash limit (Social Work Professional Training team) previously held in BSS Mgmt & Supp	A-Z tfr	0	0	0	0	0	-400	-400
EIG income cash limit (EY & Childcare Workforce Development) previously held in BSS Mgmt & Supp	A-Z tfr	0	0	0	0	0	-102	-102
DSG income cash limit previously held in BSS Mgmt & Supp	A-Z tfr	0	0	0	0	0	-379	-379
Allocate 2011/12 savings to units (-£122k TCP, -£12k second tier management savings)	A-Z tfr	-134	0	-134	0	-134	0	-134
Cessation in 2012/13 of one-off reserves funding in 11/12 finished	GIN	-79	79	0	0	0	0	0
Transfer of Training Budget from ELS	GIN	0	-263	-263	263	0	0	0
Create base HR School Recruitment Team budget	GIN	125	254	379	-379	0	0	0
Removal of internal charging between portfolios	GIN	0	-25	-25	25	0	0	0
Return DSG budget to ELS for HR School Recruitment Team	DSG	-125	-254	-379	0	-379	379	0
Realignment of various cost centres in Business Operations		188	-188	0	0	0	0	0
Budget realignment	GIN	16	-42	-26	26	0	0	0
<i>Sub Total - Base Adjustments - Internal</i>		<u>218</u>	<u>673</u>	<u>891</u>	<u>-989</u>	<u>-98</u>	<u>-502</u>	<u>-600</u>
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally (EY & Childcare Workforce Development)		0	0	0	0	0	102	102
Remove EIG income budget and hold centrally (Social Work Professional Training team)		0	0	0	0	0	400	400
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Base Adjustments - External</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>502</u>	<u>502</u>
<b>Revised Base</b>		<u>13,216</u>	<u>7,092</u>	<u>20,308</u>	<u>-8,167</u>	<u>12,141</u>	<u>0</u>	<u>12,141</u>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff travel (5p casual user rate increase)		0	8	8	0	8	0	8
Employers NI increase		24	0	24	0	24	0	24
Kent Scheme Pay Award		133	0	133	0	133	0	133
<i>Sub-total Pay</i>		<u>157</u>	<u>8</u>	<u>165</u>	<u>0</u>	<u>165</u>	<u>0</u>	<u>165</u>
<b>Service Strategies &amp; Improvements</b>								
Revenue implications of the ICT replacement system		0	207	207	0	207	0	207
<i>Sub-Total Pressures</i>		<u>157</u>	<u>215</u>	<u>372</u>	<u>0</u>	<u>372</u>	<u>0</u>	<u>372</u>
<b>Savings and Income</b>								
<b>Income Generation</b>								
Schools Personnel Service (Interpay)		0	0	0	-100	-100	0	-100
Employee Services Centre (additional income for CRB)		0	0	0	-16	-16	0	-16

**A to Z Variation Statement**  
**Support to Frontline Services - Human Resources (HR)**

Portfolio :  
 Directorate :

**F&BS & BSP&HR**  
**BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
Workforce Professional Development income from moving to a trading basis	0	0	0	-498	-498	0	-498
<i>Sub-total Income Generation</i>	0	0	0	-614	-614	0	-614
<b>Efficiency savings</b>							
Schools Personnel Services - staff restructure	-100	0	-100	0	-100	0	-100
Employee Services - staff restructure	-100	0	-100	0	-100	0	-100
Employee Services (ERP 2ftes) Enterprise Resource Planning project	-50	0	-50	0	-50	0	-50
Schools Personnel Services (ERP 2ftes)	-50	0	-50	0	-50	0	-50
Enterprise Resource Planning project	-260	0	-260	0	-260	0	-260
Employee Services Group	-40	0	-40	0	-40	0	-40
Health and Safety	-397	-148	-545	0	-545	0	-545
Organisational Development	0	-100	-100	0	-100	0	-100
Closure of Senior Officers Medical Insurance	-90	0	-90	0	-90	0	-90
Other HR efficiencies	-190	0	-190	0	-190	0	-190
Further savings from Enterprise Resource Planning (ERP)	-190	0	-190	0	-190	0	-190
<i>Sub-total Efficiency savings</i>	-1,277	-248	-1,525	0	-1,525	0	-1,525
<i>Sub-total Income and Savings</i>	-1,277	-248	-1,525	-614	-2,139	0	-2,139
<b>Proposed Budget 2012/13</b>	<b>12,096</b>	<b>7,059</b>	<b>19,155</b>	<b>-8,781</b>	<b>10,374</b>	<b>0</b>	<b>10,374</b>



**A to Z Variation Statement**  
**Support to Frontline Services - Property & Infrastructure**

Portfolio :  
 Directorate :

**BSP&HR**  
**BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		5,277	20,139	25,416	-4,686	20,730		20,730
<b>Base Adjustments - Internal</b>	<b>Type</b>							
Move BT One bill budget to ICT	11/12		-61	-61		-61		-61
Move KASS Area Office Gross/Income budgets to Corporate Landlord from Strat Mgt	11/12		883	883	-975	-92		-92
Tfr of rental income from PROW for 8 Abbey Wood Road & Fostering and Adoption for Thanet Registry Office from C&C Registration to Corporate Landlord	11/12			0	-32	-32		-32
Swattenden recharge income from Appledore project to tfr to Corporate Landlord	11/12			0	-10	-10		-10
Tfr of shortfall in salaries to BSS Property	11/12	38		38		38		38
Tfr to Corporate Landlord of Outdoor Ed (208k), Turner maintenance (95k), nappy/hygiene bins in Libraries (6k), council chamber maintenance (2k)	11/12		311	311		311		311
Tfr back from Corporate Landlord of Libraries modernisation budget (-30k), Youth Svc cleaning staff (-174k)	11/12	-174	-30	-204		-204		-204
Tfr to Corporate Landlord of rent for Church Street & rent for Gibson Drive	11/12		68	68		68		68
Tfr to Corporate Landlord of workplace transformation budget	11/12		391	391		391		391
Transfer of Children's Centre maintenance & premises budgets to Corporate Landlord (EIG element)	11/12	25	1,491	1,516		1,516		1,516
Removal of recharging between YOS and Corporate Landlord	11/12		90	90		90		90
Tfr of support team to Property group	11/12	186	3	189		189		189
Remove internal recharge (Willows CSS building) and KASS run buildings (CMY)	GIN		-130	-130	130	0		0
Realignment of internal recharges (Maintenance and DDA team)	GIN		-368	-368	368	0		0
Remove internal recharging for KASS run buildings - CFE	GIN		-841	-841	841	0		0
Remove Brussels Office due to closure	GIN	-37	-131	-168	168	0		0
Realign staffing budget to new structure implemented in 2011-12	GIN	362	-362	0		0		0
Removal of unachievable income targets	GIN	-167	-370	-537	537	0		0
Transfer of premises related budgets to Corporate Landlord from ELS	GIN	-60	1,383	1,323	-182	1,141		1,141
EIG income cash limit (Childrens Centres Development Team) previously held in BSS Mgmt & Supp	A-Z tfr			0		0	-144	-144
DSG income cash limit previously held in BSS Mgmt & Supp	A-Z tfr			0		0	-505	-505
Realignment of budgets within BSS	A-Z tfr		-54	-54		-54		-54
Return equalities budget to FSC	A-Z tfr		-9	-9		-9		-9
Transfer Arts budget for Corporate Landlord	A-Z tfr		15	15		15		15
Allocate 2011/12 savings to units (-£41k TCP, -£12k second tier management savings)	A-Z tfr	-53		-53		-53		-53
Childrens Service Improvement Plan - office accommodation	A-Z tfr		251	251		251		251
Realignment of capital projects funded by ELS	GIN		-1,450	-1,450	1,450	0		0
<b>Sub Total - Base Adjustments - Internal</b>		<b>120</b>	<b>1,080</b>	<b>1,200</b>	<b>2,295</b>	<b>3,495</b>	<b>-649</b>	<b>2,846</b>
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally (Childrens Centres Development team)				0		0	144	144
<b>Revised Base</b>		<b>5,397</b>	<b>21,219</b>	<b>26,616</b>	<b>-2,391</b>	<b>24,225</b>	<b>-505</b>	<b>23,720</b>

**Unavoidable pressures funded in indicative cash limits**

Pay

**A to Z Variation Statement**  
**Support to Frontline Services - Property & Infrastructure**

Portfolio :  
 Directorate :

**BSP&HR**  
**BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
Staff travel (5p casual user rate increase)		5	5		5		5
Employers NI increase	6		6		6		6
Kent Scheme Pay Award	44		44		44		44
<i>Sub-total Pay</i>	<u>50</u>	<u>5</u>	<u>55</u>	<u>0</u>	<u>55</u>	<u>0</u>	<u>55</u>
<b>Prices</b>							
Gas & Electricity		550	550		550		550
Rent		17	17		17		17
Rates		124	124		124		124
<i>Sub-total Prices</i>	<u>0</u>	<u>691</u>	<u>691</u>	<u>0</u>	<u>691</u>	<u>0</u>	<u>691</u>
<b>Unavoidable Government/Legislative Pressures</b>							
Revenue implications of capital programme	786		786		786		786
<b>Demand/Demographic Led</b>							
Dilapidations		-88	-88		-88		-88
<b>Service Strategies &amp; Improvements</b>							
Libraries Modernisation programme		134	134		134		134
<i>Sub-Total Pressures</i>	<u>836</u>	<u>742</u>	<u>1,578</u>	<u>0</u>	<u>1,578</u>	<u>0</u>	<u>1,578</u>
<b>Savings and Income</b>							
<b>Income Generation</b>							
On-selling of approved list, advice & access to Framework Agreements			0	-35	-35		-35
<b>Efficiency savings</b>							
Efficiencies to be delivered by the restructure of Property and Infrastructure	-100	-33	-133		-133		-133
Centralise Maintenance budgets		-70	-70		-70		-70
Restructure KCC Property Function (as Corporate Landlord)	-175		-175		-175		-175
Total Place saving		-1,270	-1,270		-1,270		-1,270
Business Support & Client Services - staffing	-134	-66	-200		-200		-200
<i>Sub-total Efficiency savings</i>	<u>-409</u>	<u>-1,439</u>	<u>-1,848</u>	<u>0</u>	<u>-1,848</u>	<u>0</u>	<u>-1,848</u>
<b>Service Reforms</b>							
Staff Housing (Schools)		-110	-110		-110		-110
<i>Sub-total Service Reforms</i>	<u>0</u>	<u>-110</u>	<u>-110</u>	<u>0</u>	<u>-110</u>	<u>0</u>	<u>-110</u>
<i>Sub-total Income and Savings</i>	<u>-409</u>	<u>-1,549</u>	<u>-1,958</u>	<u>-35</u>	<u>-1,993</u>	<u>0</u>	<u>-1,993</u>
<b>Proposed Budget 2012/13</b>	<u>5,824</u>	<u>20,412</u>	<u>26,236</u>	<u>-2,426</u>	<u>23,810</u>	<u>-505</u>	<u>23,305</u>

## A to Z Variation Statement

### Support to Frontline Services - Information & Communication Technology (ICT)

Portfolio :  
Directorate :

**BSP&HR**  
**BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		15,073	17,035	32,108	-12,403	19,705	-591	19,114
<b>Base Adjustments - Internal</b>								
BT One bill budgets from Finance, Property & HR	Type 11/12		63	63		63		63
Move KASS Area Office Gross budgets to ICT from Strat Mgt	11/12		212	212		212		212
Tfr of staffing from E&E	11/12	34		34		34		34
Tfr of staffing budget to BSS ICT	11/12	26		26		26		26
Return of salary budget for Contact Centre from BSS ICT	11/12	-83		-83		-83		-83
Tfr of TCO system administrator from ASC&PH	11/12	11		11		11		11
Realign old CFE transferred in Schools	11/12		4,363	4,363	-4,363	0		0
Broadband cash limits to match activity								
Realign EIS cash limits	11/12		155	155	-155	0		0
Allocate 2011/12 savings to units (-£155k TCP, -£35k second tier management savings)	A-Z tfr	-190		-190		-190		-190
EIG income cash limit (CFIS) previously held in BSS Mgmt & Supp	A-Z tfr			0		0	-42	-42
Realignment of EiS cash limits to reflect trading forecast activity	GIN	157	-1,066	-909	909	0		0
Realignment of budgets to reflect current activity	GIN	517	-517	0		0		0
Agency staff funded by additional income and a drawdown of reserves	GIN	1,610	-905	705	-705	0		0
Realignment of budgets to remove internal trading within ICT	GIN		-3,567	-3,567	3,567	0		0
Realignment of budgets for Kent Connects	GIN		-274	-274	274	0		0
<i>Sub Total - Base Adjustments - Internal</i>		2,082	-1,536	546	-473	73	-42	31
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally (CFIS)				0		0	42	42
<i>Revised Base</i>		17,155	15,499	32,654	-12,876	19,778	-591	19,187
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff travel (5p casual user rate increase)			15	15		15		15
Employers NI increase		23		23		23		23
Kent Scheme Pay Award		149		149		149		149
<i>Sub-total Pay</i>		172	15	187	0	187	0	187
<i>Sub-Total Pressures</i>		172	15	187	0	187	0	187
<b>Savings and Income</b>								
<b>Income Generation</b>								
Multi Agency (Network) ICT unification				0	-500	-500		-500
<b>Efficiency savings</b>								
Multi Agency (Network) ICT unification			-500	-500		-500		-500
Internal efficiency & Demand reduction		-621		-621		-621		-621
Smarter/Collaborative Procurement			-200	-200		-200		-200
<i>Sub-total Efficiency savings</i>		-621	-700	-1,321	0	-1,321	0	-1,321
<i>Sub-total Income and Savings</i>		-621	-700	-1,321	-500	-1,821	0	-1,821
<b>Proposed Budget 2012/13</b>		16,706	14,814	31,520	-13,376	18,144	-591	17,553

## A to Z Variation Statement

### Support to Frontline Services - Business Strategy

Portfolio : **F&BS, D&PL & BSP&HR**  
 Directorate : **BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		4,525	1,259	5,784	-477	5,307	0	5,307
<b>Base Adjustments - Internal</b>								
	<b>Type</b>							
Transfer of managing directors office budget	11/12	-348	-7	-355	0	-355	0	-355
Realignment of Business Strategy staffing	11/12	7	0	7	0	7	0	7
Strategy supplies & services budget (from Strat Mgt)	11/12	0	53	53	0	53	0	53
Tfr of salary budgets to BSS	11/12	42	0	42	0	42	0	42
Correction to substantive post funding BSS	11/12	15	0	15	0	15	0	15
Tfr back of budget from BSS	11/12	-148	0	-148	0	-148	0	-148
Transfer of shortfall in salary from ASC&PH	11/12	3	0	3	0	3	0	3
Transfer of shortfall in salaries for Social Services Library to BSS	11/12	18	0	18	0	18	0	18
Funding for PA	11/12	26	0	26	0	26	0	26
Shortfall on salary	11/12	10	0	10	0	10	0	10
Realignment of staffing budgets within BSS	11/12	-46	0	-46	0	-46	0	-46
Realignment of Business Strategy staffing	11/12	-7	0	-7	0	-7	0	-7
Income target moved to Finance & Procurement	11/12	0	0	0	109	109	0	109
Tfr of External funding post & other costs to C&C	11/12	-93	0	-93	0	-93	0	-93
Salary for Director of Business Strategy	11/12	149	0	149	0	149	0	149
Corporate Director's office budget	11/12	-389	-136	-525	0	-525	0	-525
Realign staffing expenditure as per 11/12 budget monitoring	GIN	53	-53	0	0	0	0	0
Realign staffing expenditure as per 11/12 budget monitoring	GIN	2	-2	0	0	0	0	0
EIG income cash limit (Quality & Outcomes team) previously held in BSS Mgmt & Supp	A-Z tfr	0	0	0	0	0	-64	-64
Staff budget transfer to R&E Portfolio	A-Z tfr	-183	-5	-188	0	-188	0	-188
Local Enterprise Partnership (LEP) budget (move to R&E Portfolio)	A-Z tfr	0	-300	-300	0	-300	0	-300
Allocate 2011/12 savings to units (-£19k TCP, -£59k second tier management savings)	A-Z tfr	-78	0	-78	0	-78	0	-78
Base funded risk posts (KR14 + one KR9)	A-Z tfr	112	0	112	0	112	0	112
Transfer of 1 fte to Business Strategy	A-Z tfr	41	9	50	0	50	0	50
Kent Partnership income from Districts funding 1 fte	GIN	60	0	60	-60	0	0	0
Realignment of cash limits and income targets as a result of Business Strategy restructure	GIN	-125	19	-106	106	0	0	0
<b>Sub Total - Base Adjustments - Internal</b>		<b>-879</b>	<b>-422</b>	<b>-1,301</b>	<b>155</b>	<b>-1,146</b>	<b>-64</b>	<b>-1,210</b>
<b>Base Adjustments - External</b>								
Remove EIG income budget and hold centrally (Quality & Outcomes team)		0	0	0	0	0	64	64
<b>Revised Base</b>		<b>3,646</b>	<b>837</b>	<b>4,483</b>	<b>-322</b>	<b>4,161</b>	<b>0</b>	<b>4,161</b>
<b>Unavoidable pressures funded in indicative cash limits</b>								
<b>Pay</b>								
Staff travel (5p casual user rate increase)		0	9	9	0	9	0	9
Employers NI increase		7	0	7	0	7	0	7
Kent Scheme Pay Award		39	0	39	0	39	0	39
<b>Sub-total Pay</b>		<b>46</b>	<b>9</b>	<b>55</b>	<b>0</b>	<b>55</b>	<b>0</b>	<b>55</b>
<b>Service Strategies &amp; Improvements</b>								
Analysis and dissemination of 2011 census		0	25	25	0	25	0	25
<b>Sub-Total Pressures</b>		<b>46</b>	<b>34</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>80</b>
<b>Savings and Income</b>								
<b>Efficiency savings</b>								
Planning, Policy and Performance Efficiencies		-298	0	-298	0	-298	0	-298
<b>Sub-total Income and Savings</b>		<b>-298</b>	<b>0</b>	<b>-298</b>	<b>0</b>	<b>-298</b>	<b>0</b>	<b>-298</b>
<b>Proposed Budget 2012/13</b>		<b>3,394</b>	<b>871</b>	<b>4,265</b>	<b>-322</b>	<b>3,943</b>	<b>0</b>	<b>3,943</b>

**A to Z Variation Statement**  
**Support to Frontline Services - Governance & Law**

Portfolio :  
 Directorate :

**BSP&HR**  
**BSS**

		Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets		5,945	2,335	8,280	-9,322	-1,042	0	-1,042
<b>Base Adjustments - Internal</b>								
Creation of corporate legal advice budget by increasing Legal's income budget	Type 11/12			0	-150	-150		-150
Tfr of shortfall in salaries to BSS Governance and Law	11/12	7		7		7		7
Tfr of 1fte from Legal to Democratic Services	11/12	-45		-45		-45		-45
Other internal adjustments funded from increased income	GIN	6	64	70	-70	0		0
Allocate 2011/12 savings to units (-£52k TCP, -£175k in year management action = additional income target to Legal)	A-Z tfr	-52		-52	-175	-227		-227
Increasing workload requiring 20 more staff in Commercial team, offset by increased external receipts		1,349		1,349	-1,349	0		0
<i>Sub Total - Base Adjustments - Internal</i>		1,265	64	1,329	-1,744	-415	0	-415
<i>Revised Base</i>		7,210	2,399	9,609	-11,066	-1,457	0	-1,457
<b>Unavoidable pressures funded in indicative cash limits</b>								
<u>Pay</u>								
Staff travel (5p casual user rate increase)			6	6		6		6
Employers NI increase		11		11		11		11
Kent Scheme Pay Award		59		59		59		59
<i>Sub-total Pay</i>		70	6	76	0	76	0	76
Increased related disbursements			600	600	-600	0		0
<i>Sub-total Demand/Demographic Led</i>		0	600	600	-600	0	0	0
<i>Sub-Total Pressures</i>		70	606	676	-600	76	0	76
<b>Savings and Income</b>								
<u>Income Generation</u>								
Increased income levels				0	-804	-804		-804
<i>Sub-total Income and Savings</i>		0	0	0	-804	-804	0	-804
<b>Proposed Budget 2012/13</b>		7,280	3,005	10,285	-12,470	-2,185	0	-2,185

**A to Z Variation Statement**  
**Support to Frontline Services - Democratic & Member Services**

Portfolio :  
 Directorate :

**D&P**  
**BSS**

	Gross Staffing £000's	Gross Non-Staffing £000's	Total Gross Exp. £000's	Service Income £000's	Net Exp. £000's	Govt. Grant £000s	Net Cost £000s
2011/12 Approved Budgets	1,239	2,592	3,831	-3	3,828	0	3,828
<b>Base Adjustments - Internal</b>							
<u>Type</u>							
Tfr of maintenance of Council Chamber to Corporate Landlord		-2	-2		-2		-2
Tfr of webcasting budget from CCS&I		21	21		21		21
Transfer of 2fte to Democratic Services	91		91		91		91
Allocate 2011/12 savings to units (-£13k TCP)	-13		-13		-13		-13
<i>Sub Total - Base Adjustments - Internal</i>	78	19	97	0	97	0	97
<i>Revised Base</i>	1,317	2,611	3,928	-3	3,925	0	3,925
<b>Unavoidable pressures funded in indicative cash limits</b>							
<u>Pay</u>							
Staff travel (5p casual user rate increase)		7	7		7		7
Employers NI increase	2		2		2		2
Kent Scheme Pay Award	14		14		14		14
<i>Sub-total Pay</i>	16	7	23	0	23	0	23
<u>Service Strategies &amp; Improvements</u>							
Support staff	30		30		30		30
<i>Sub-Total Pressures</i>	46	7	53	0	53	0	53
<b>Savings and Income</b>							
<u>Efficiency savings</u>							
Management Structures	-27	-1	-28		-28		-28
<u>Service Reforms</u>							
15% reduction to Member pool car budget	-10		-10		-10		-10
<i>Sub-total Income and Savings</i>	-37	-1	-38	0	-38	0	-38
<b>Proposed Budget 2012/13</b>	1,326	2,617	3,943	-3	3,940	0	3,940

## **KCC Budget Book**

# **Appendix A**

## **Portfolio Revenue Budgets**





## Appendix A - Portfolio Revenue Budgets

### Adult Social Care and Public Health

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity		
				Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s		Net Cost £000s	
			<b>Adults and Older People</b>										
			<i>Direct Payments</i>										
1	9,672	ASC&PH	Learning Disability	0	11,573	11,573	-547	11,026	0	11,026	0	11,026	Approximately 1000 clients are expected to be receiving an on-going direct payment. These people have been assessed as being eligible for social care support, but have chosen to arrange and pay for their own care and support services instead of receiving them directly from the local authority. There will also be a number of one-off direct payments made during the year for such things as items of equipment and respite care
	732	ASC&PH	Mental Health	0	995	995	0	995	0	995	0	995	Approximately 200 clients are expected to be receiving an on-going direct payment; there will also be a number of one-off direct payments made during the year.
3	5,494	ASC&PH	Older People	0	7,008	7,008	-787	6,221	0	6,221	0	6,221	Around 1000 clients will be receiving an on-going direct payment; there will also be a number of one-off direct payments made during the year.
4	7,895	ASC&PH	Physical Disability	0	9,561	9,561	-374	9,187	0	9,187	0	9,187	Around 1000 clients are expected to be receiving an on-going direct payment ; there will also be a number of one-off direct payments made during the year.
			<b>Domiciliary Care</b>										
5	5,642	ASC&PH	Learning Disability	2,627	3,630	6,257	-1,187	5,070	0	5,070	0	5,070	Domiciliary care provided by the independent sector supporting approximately 420 people to live at home. In addition this service provides support to 120 people through the independent living scheme and other domiciliary support
6	598	ASC&PH	Mental Health	0	532	532	-80	452	0	452	0	452	Services provided through the independent sector supporting people to live at home

## Appendix A - Portfolio Revenue Budgets

### Adult Social Care and Public Health

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity	
			Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s		Net Cost £000s
7	34,485 ASC&PH	Older People		6,168	37,639	43,807	-12,033	31,774	0	31,774	Domiciliary care provided by the independent sector supporting nearly 5,000 people to live at home. In addition this service provides: - the Kent Enablement at Home Service which provides intensive short term support/enablement to people to allow them to regain or extend their independent living skills; and a number of small contracts for services primarily with Health, including the night sitting service, recuperative care and rapid response. Domiciliary care provided by the independent sector supporting approximately 950 people to live at home. This service also provides other domiciliary support (KCC and Independent Living Scheme).
8	7,129 ASC&PH	Physical Disability		268	7,291	7,559	-576	6,983	0	6,983	
9	70,390 ASC&PH	Learning Disability		2,026	74,128	76,154	-6,459	69,695	0	69,695	620 clients are provided services through the independent sector. In addition, this service provides: permanent residential care for preserved rights clients through the independent sector and 88 respite beds across various KCC sites.
10	5,924 ASC&PH	Mental Health		0	6,929	6,929	-875	6,054	0	6,054	10,300 weeks of residential care provided through the independent sector. This service also provides approximately 3,000 weeks of permanent residential care for preserved rights clients through the independent sector.
11	23,477 ASC&PH	Older People - Nursing		0	44,812	44,812	-22,674	22,138	0	22,138	Around 1,500 clients provided this service through the independent sector. This service administers the payment of the health element of the nursing cost and reclaims this from PCT's

## Appendix A - Portfolio Revenue Budgets

### Adult Social Care and Public Health

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity
Net Cost £000s	Staffing £000s			Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
12	50,605	ASC&PH	Older People - Residential	12,377	72,920	85,297	-36,494	48,803	0	48,803	Approximately 2,900 clients on average provided through the independent sector. In addition, this service provides: permanent residential care for preserved rights clients provided through the independent sector. In-house this provides 201 residential care beds and 60 nursing care beds.
13	11,567	ASC&PH	Physical Disability	0	13,813	13,813	-1,969	11,844	0	11,844	Approximately 260 clients provided this service through the independent sector.
			<b>Supported Accommodation</b>								
14	27,709	ASC&PH	Learning Disability	460	32,636	33,096	-3,694	29,402	0	29,402	Services provided through the independent sector for approximately 620 people in supported accommodation/supported living.
15	1,359	ASC&PH	Physical Disability/Mental Health	0	2,552	2,552	-274	2,278	0	2,278	Services provided through the independent sector in respect of individuals in supported living and supported accommodation
			<b>Other Services for Adults and Older People</b>								
16	13,742	ASC&PH	Contributions to Voluntary Organisations	0	16,044	16,044	-902	15,142	0	15,142	Payments to voluntary organisations for a range of preventative services supporting approximately 6,000 people.
			Day Care								
17	13,114	ASC&PH	Learning Disability	6,735	6,344	13,079	-503	12,576	0	12,576	Day care/day services provided both in the independent sector and in-house
18	3,769	ASC&PH	Older People	1,442	2,006	3,448	-195	3,253	0	3,253	Day care/day services provided both in the independent sector and in-house
19	1,581	ASC&PH	Physical Disability / Mental Health	0	1,565	1,565	-38	1,527	0	1,527	Day care/day services provided both in the independent sector and in-house

## Appendix A - Portfolio Revenue Budgets

### Adult Social Care and Public Health

		2012/13 Proposed								Affordable Activity
2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
										A range of other services including: - approximately 240,000 home delivered hot meals; Occupational Therapy & Sensory Disability services working in partnership with Health, Hi Kent and Kent Association for the Blind to provide approximately 56,000 items of equipment. Community outreach support to clients with mental health problems; providing support for people with a disability to fund and keep work; collaborating with health on the delivery of Telehealth and Telecare services.
20	5,852 ASC&PH	Other Adult Services	1,169	16,761	17,930	-23,780	-5,850	0	-5,850	
21	565 ASC&PH	Safeguarding	467	340	807	-236	571	0	571	A multi agency partnership/framework to ensure a coherent policy for the protection of vulnerable adults
22	59 ASC&PH	Public Health (incl. Local Involvement Network)	0	84	84	-57	27	0	27	Health Promotion and the 'Mobile House' project which delivers discreet lifestyle messages to promote behavioural change. Funding for the Kent LINK and payment to an independent company whose role it is to help the work of the Kent LINK in improving health and social care services
23	301,360	<b>Total Direct Services to the Public</b>	33,739	369,163	402,902	-113,734	289,168	0	289,168	
		<b>Assessment Services</b>								
24	37,792 ASC&PH	Adult's Social Care Staffing	24,137	15,771	39,908	-1,981	37,927	0	37,927	Social care staffing providing assessment of community care needs undertaken by Case Managers and Mental Health Social Workers
25	37,792	<b>Total Assessment Services</b>	24,137	15,771	39,908	-1,981	37,927	0	37,927	

## Appendix A - Portfolio Revenue Budgets

### Adult Social Care and Public Health

		2012/13 Proposed										
2011/12 Revised Base	Portfolio	Service	Staffing	Non staffing	Gross Expenditure	Service Income	Net Expenditure	Govt. Grants	Net Cost	Affordable Activity		
			£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s		
		<b><u>Management, Support Services and Overheads</u></b>										
26	9,010 ASC&PH	Directorate Management & Support - Families and Social Care (FSC)	1,535	7,494	9,029	-485	8,544	0	8,544			
27	9,010	<b>Total Management, Support Services and Overheads</b>	1,535	7,494	9,029	-485	8,544	0	8,544			Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.

<b>TOTAL</b>	348,162	59,411	392,428	451,839	-116,200	335,639	0	335,639			
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## Appendix A - Portfolio Revenue Budgets

### Business Strategy, Performance and Health Reform

2011/12 Revised Base		2012/13 Proposed								
Net Cost £000s	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity
		<b>Community Services</b>								
1	473 BSP&HR	Public Health (incl. Local Involvement Network)	64	469	533	-60	473	0	473	Health Promotion and the 'Mobile House' project which delivers discreet lifestyle messages to promote behavioural change. Funding for the Kent LINK and payment to an independent company whose role it is to help the work of the Kent LINK in improving health and social care services
2	473	<b>Total Direct Services to the Public</b>	64	469	533	-60	473	0	473	
3	2,352 BSP&HR	<b>Financing Items</b> Contribution to IT Asset Maintenance Reserve	0	3,302	3,302	0	3,302	0	3,302	Annual contribution towards ICT infrastructure replacement
4	2,352	<b>Total Financing Items</b>	0	3,302	3,302	0	3,302	0	3,302	
		<b>Management, Support Services and Overheads</b>								
5	-2,094 BSP&HR	Directorate Management & Support - Business Strategy & Support (BSS)	457	2,509	2,966	-193	2,773	-4,388	-1,615	
6	9,882 BSP&HR	BSS - Human Resources	6,491	4,995	11,486	-3,115	8,371	0	8,371	Responsible for delivering the strategic and operational HR requirement for KCC. The function has an advisory role to help ensure that KCC meets its statutory responsibility in terms of Health and Safety, Employment Law and Equality legislation in relation to employment.

## Appendix A - Portfolio Revenue Budgets

### Business Strategy, Performance and Health Reform

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
			Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	
7	23,720 BSP&HR	BSS - Property and Infrastructure	5,824	20,412	26,236	-2,426	23,810	-505	23,305	Responsibility for the management of KCC's land and property portfolio. This involves strategic asset management across the estate (Corporate Landlord) and is supported by the provision of professional property services delivered in-house and via external consultants.
8	19,187 BSP&HR	BSS - Information, Communications and Technology (ICT)	16,706	14,814	31,520	-13,376	18,144	-591	17,553	The division works collaboratively with the business to deliver value for money ICT products and services which enable KCC to better serve the people of Kent. The Kent Public Services Network and the majority of telecommunication costs for KCC, are included here.
9	3,474 BSP&HR	BSS - Business Strategy	2,754	588	3,342	-99	3,243	0	3,243	The division supports the political and managerial leadership of KCC in a number of ways including strategic policy development across the whole council, economic development, effective performance management, research and business intelligence, international affairs and partnerships.
10	-1,457 BSP&HR	BSS - Governance and Law	7,280	3,005	10,285	-12,470	-2,185	0	-2,185	Provides legal advice and services to KCC, public bodies and other local authorities.
11	52,712	<b>Total Management, Support Services and Overheads</b>	39,512	46,323	85,835	-31,679	54,156	-5,484	48,672	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.

12	55,537	<b>TOTAL</b>	39,576	50,094	89,670	-31,739	57,931	-5,484	52,447
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## Appendix A - Portfolio Revenue Budgets

### Customer and Communities

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity	
				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
<b>Adults and Older People</b>												
<b>Other Services for Adults and Older People</b>												
1	1,507	C&C	Drug & Alcohol services	909	15,181	16,090	-13,615	2,475	-1,070	1,405	5,470 adults across Kent accessing structured alcohol and drug treatment; 401 young people accessing structured young persons services	
2	29,739	C&C	Supporting People	392	25,353	25,745	0	25,745	0	25,745	24,000 vulnerable people receiving support to enable independent living in their own homes	
<b>Children's Services</b>												
<b>Education and Personal</b>												
3	6,222	C&C	Youth Service	5,345	3,400	8,745	-2,636	6,109	-50	6,059	Over 220,000 attendances at youth centres; 42,369 attendances at street-based projects; 4,822 young people on Duke of Edinburgh Award; 89,421 daytime outdoor education sessions; 30,000 votes cast in Kent Youth County Council	
4	3,608	C&C	Youth Offending Service	3,804	1,929	5,733	-2,319	3,414	0	3,414	4,907 assessments conducted; 786 court sessions attended; 2,702 reports produced; 2,122 young people on remand; 1,222 young people on community based penalties supervised; support for 80 young people in custody; 200 parenting interventions delivered; 150 mediation cases delivered; 3,000 young offenders aged 10-17	
<b>Community Services</b>												
5	923	C&C	Archive Service (incl. Museum Development)	1,082	239	1,321	-329	992	0	992	8,000 documents produced for researchers (service closure prior to Kent History Centre opening); 10,000 Modern Records Centre enquiries; 7,000 visitors to archive search rooms; Management of 2,080 cubic metres of manuscript collections; 3,000 postal enquiries; 16,000 telephone enquiries.	



## Appendix A - Portfolio Revenue Budgets

### Customer and Communities

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity		
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
6	C&C	Arts Development (incl. grant to Turner Contemporary)	402	1,238	1,640	0	1,640	0	1,640	0	1,640	£2.7m of funding levered into the Arts and Culture (£10.96 levered in for every £1 match funded by KCC) in Kent as well as supporting bids with further leverage in excess of £2m; 167,932 people engaging in the arts, facilitated by the unit. Over 300,000 visitors to the Turner Contemporary gallery since opening in April 2011.
7	C&C	Big Society Fund	0	0	0	0	0	0	0	0	0	One off funding in 2011/12, but with money available to spend in 2012/13. A fund to support new and existing social enterprises, boosting employment opportunities in Kent and helping to grow the economy.
8	C&C	Community Learning Services	11,063	5,407	16,470	-16,765	-295	0	-295	0	-295	34,630 student enrolments for Adult Learning programmes consisting of: 29,400 students attending Personal and Community Development learning; 4,500 Adults attending family programmes and 730 Neighbourhood Learning in Deprived Communities; 200 new adult apprenticeships; 590 new starts for work-based learning; 180 new starts for 16-18 apprenticeships and 650 attending foundation learning courses.
9	C&C	Community Safety	378	823	1,201	-21	1,180	-205	975	101 KCC Community Wardens deployed across Kent		Leads the co-ordination and delivery of safer and stronger communities for the people of Kent
10	C&C	Community Wardens	2,712	164	2,876	0	2,876	0	2,876	0	2,876	101 KCC Community Wardens deployed across Kent
11	C&C	Contact Centre & Consumer Direct	5,389	964	6,353	-2,332	4,021	-89	3,932			Contact Centre handling 1.2m calls from the public annually. From April 2012 Consumer Direct will be delivering first level consumer advice to people in both England and Wales as part of a new contract.
12	C&C	Gateways	458	2,077	2,535	-444	2,091	0	2,091	0	2,091	Contribution towards running costs for 10 Gateways with district councils serving over 400,000 customer transactions

## Appendix A - Portfolio Revenue Budgets

### Customer and Communities

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity
Net Cost £000s				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
13	14,279	C&C	Library Services	10,046	5,404	15,450	-1,844	13,606	0	13,606	Service comprising of 99 permanent libraries and 11 mobile vans issuing approx 6.4m items (mostly books); supporting 6.7m physical visits, 1.8m virtual visits; 24,500 activities (e.g. Community Groups); 650,000 hours of free public PC use; 2,000 home library service customers; 1,550 blind and partially sighted Postal Loan service customers; 6,000 clients in Prison Library service.
14	1,174	C&C	Sports Development	862	1,490	2,352	-1,373	979	0	979	30,000 young people involved in Kent School Games from 550 schools; 1,200 athletes supported to compete at national level in run up to 2012 Olympic and Paralympic Games; 1,357 coaches, leaders, officials, volunteers, teachers trained; 800,000 page views on Kent sport website; £2.4m investment levered into Sport in Kent; 2,000 volunteers registered with the Kent event Team, to support sport, leisure & cultural events in the build up to the London 2012 Games and beyond.
15	945	C&C	Supporting Independence & Employment	1,187	356	1,543	-587	956	0	956	100 KCC apprenticeships facilitated; 65 vulnerable learner apprenticeships delivered. Service also facilitates disadvantaged groups to support them into paid, voluntary employment, further education and training.
<b>Environment</b>											
16	705	C&C	Country Parks	869	703	1,572	-919	653	-16	637	Manage 16 Country Parks covering 1,750 acres; 1.5m visitors per year; deliver environmental education to 9,000 children.
17	2,024	C&C	Countryside Access (incl. Public Rights of Way)	1,664	1,230	2,894	-905	1,989	-118	1,871	Define & maintain 6,847km of Public Rights of Way and deliver the Explore Kent service which handles 79,700 letters, phone calls and emails received from the public annually and reviews over 1.8m page views on the Explore Kent website
18	443	C&C	<b>Local Democracy</b> Community Engagement	655	60	715	0	715	0	715	Community Engagement Officers

## Appendix A - Portfolio Revenue Budgets

### Customer and Communities

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity			
			Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s		Net Cost £000s		
19	C&C	Member Grants (incl. Elections)	1,240	0	1,240	1,240	0	1,240	0	1,240	0	1,240	Grants controlled by individual Members, grants to Local Boards, grants to District Councils, cost of council elections
		<b>Regulatory Services</b>											
20	C&C	Coroners	2,284	680	2,157	2,837	-475	2,362	0	2,362	0	2,362	Investigation of 7,500 deaths in suspicious circumstances reported to Coroner resulting in 4,400 post mortems and 750 inquests. Service also deals with 3,000 body removals.
		<b>Emergency Planning</b>											
22	C&C	Registration	-173	2,344	390	2,734	-3,135	-401	0	-401	0	-401	Provision of all KCC emergency planning and business continuity requirements in accordance with law; provision of support to pan-Kent resilience portfolio, including Olympic Games resilience; consultancy and training services to district customers.
23	C&C	Trading Standards	3,437	3,156	936	4,092	-785	3,307	0	3,307	0	3,307	Over 26,800 births and death registered, over 4,650 civil marriage ceremonies registered and conducted, 2,100 new citizens naturalised.  1,000 businesses given information, advice or guidance; 784 licences issued; 200 Buy with Confidence issued; 80 campaigns initiated; 159 alert messages sent. Service incorporates Kent Scientific Services dealing with 6000 analytical and 960 calibration laboratory samples.
24		<b>Total Direct Services to the Public</b>	<b>86,187</b>	<b>54,028</b>	<b>70,965</b>	<b>124,993</b>	<b>-48,683</b>	<b>76,310</b>	<b>-1,548</b>	<b>74,762</b>		<b>74,762</b>	
		<b>Management, Support Services and Overheads</b>											
25	C&C	Directorate Management & Support - Customer & Communities (C&C)	5,234	5,359	464	5,823	-1,089	4,734	0	4,734	0	4,734	

## Appendix A - Portfolio Revenue Budgets

### Customer and Communities

		2012/13 Proposed									
	2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity
	Net Cost £000s										
26	5,234		<b>Total Management, Support Services and Overheads</b>	5,359	464	5,823	-1,089	4,734	0	4,734	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.
27	91,421		<b>TOTAL</b>	59,387	71,429	130,816	-49,772	81,044	-1,548	79,496	

## Appendix A - Portfolio Revenue Budgets

### Democracy and Partnerships

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity		
				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
			<b>Local Democracy</b>										
1	958	D&P	Member Grants (incl. Elections)	0	1,273	1,273	0	1,273	0	1,273	0	1,273	Grants controlled by individual Members, grants to Local Boards, grants to District Councils, cost of council elections
2	<b>958</b>		<b>Total Direct Services to the Public</b>	<b>0</b>	<b>1,273</b>	<b>1,273</b>	<b>0</b>	<b>1,273</b>	<b>0</b>	<b>1,273</b>	<b>0</b>	<b>1,273</b>	
			<b>Financing Items</b>										
3	464	D&P	Audit Fees	0	464	464	0	464	0	464	0	464	
4	<b>464</b>		<b>Total Financing Items</b>	<b>0</b>	<b>464</b>	<b>464</b>	<b>0</b>	<b>464</b>	<b>0</b>	<b>464</b>	<b>0</b>	<b>464</b>	
			<b>Management, Support Services and Overheads</b>										
5	822	D&P	BSS - Finance and Procurement	597	253	850	-34	816	0	816	0	816	Responsible for planning, managing and reporting upon the Council's financial resources, in liaison with both Members and senior management, in accordance with the Council's Financial Regulations.
6	687	D&P	BSS - Business Strategy	640	283	923	-223	700	0	700	0	700	The division supports the political and managerial leadership of KCC in a number of ways including strategic policy development across the whole council, economic development, effective performance management, research and business intelligence, international affairs and partnerships.
7	3,925	D&P	BSS - Democratic and Members	1,326	2,617	3,943	-3	3,940	0	3,940	0	3,940	The cost of supporting the 84 elected members of the County Council and the responsibility for the council's Overview and Scrutiny function in accordance with the provisions of the Local Government Act 2000, the Health and Social Care Act 2001 and the Local Government and Public Involvement in Health Act 2007.

## Appendix A - Portfolio Revenue Budgets

### Democracy and Partnerships

		2012/13 Proposed									
2011/12 Revised Base	Net Cost £000s	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity
				£000s	£000s	£000s	£000s	£000s	£000s	£000s	
8	5,434		<b>Total Management, Support Services and Overheads</b>	2,563	3,153	5,716	-260	5,456	0	5,456	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.
9	6,856		<b>TOTAL</b>	2,563	4,890	7,453	-260	7,193	0	7,193	

## Appendix A - Portfolio Revenue Budgets

### Education, Learning and Skills

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity			
			Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s		Net Cost £000s		
		<b>Children's Services</b>											
		<i>Education and Personal</i>											
1	ELS	14 to 19 year olds	2,553	1,222	1,846	3,068	-534	2,534	-1,006	1,528	A range of services for young people including preparation for employment, vocational training, apprenticeships, and Skills Force		
2	ELS	Attendance & Behaviour	1,492	10,271	8,568	18,839	-349	18,490	-17,689	801	Investigation of overall attendance issues, particularly unauthorised absence and persistent absenteeism from school, and provision of alternative education services for those excluded or at risk of exclusion from school, or missing school for health reasons.		
3	ELS	Connexions	9,787	0	6,787	6,787	0	6,787	0	6,787	Contract with Connexions service for the provision of information, advice and guidance to young people		
4	ELS	Early Years and Childcare	2,933	2,360	3,080	5,440	0	5,440	-5,043	397	Provision of advice, support, challenge and training to over 1,100 childcare providers and 1,600 childminders in the private and voluntary sector and staff in local authority maintained schools with nursery and reception classes		
5	ELS	Education Psychology Service	3,315	2,594	316	2,910	-13	2,897	0	2,897	Statutory assessment of children with special educational needs		
6	ELS	Free School Meals	0	0	1,288	1,288	0	1,288	-1,288	0	Provision of free school meals for primary schools who had decided not to take delegation of this budget. This budget will be fully delegated to schools from August 2012		

## Appendix A - Portfolio Revenue Budgets

### Education, Learning and Skills

		2012/13 Proposed								Affordable Activity
2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
7	ELS	Individual Learner Support (incl. Minority Communities Achievement and Partnership with Parents services)	8,706	1,461	10,167	-2,330	7,837	-6,653	1,184	A range of specialist services to support children with learning difficulties and disabilities in local authority maintained schools, to provide advice and support on meeting the needs and raising the achievement of minority ethnic children and young people including those that don't speak English as a main language and the provision of support to parents of disabled children and children with Special Educational Needs.
8	ELS	Statemented Pupils	929	6,515	7,444	-3,680	3,764	-3,764	0	Support for pupils with Statements of Special Educational Needs (SEN) which has not been delegated to individual schools or SEN units
		<b>Schools Budgets</b>								
9	ELS	Independent Special School placements	0	12,549	12,549	-2,993	9,556	-9,556	0	Placements for over 290 children with severe special educational needs whose needs cannot be met within maintained schools
10	ELS	PFI Schools Scheme	0	23,871	23,871	-9,012	14,859	-14,859	0	Service charges for 11 PFI schools
11	ELS	Schools Delegated budgets	566,645	187,317	753,962	-113,146	640,816	-640,816	0	Budgets managed directly by almost 500 local authority maintained schools
		<b>Schools Services</b>								
12	ELS	Meals	21	442	463	0	463	-463	0	Contribution to the cost of school meals to improve quality and take up. This budget will be delegated to schools from August 2012
13	ELS	Non delegated staff costs	103	2,541	2,644	-2,310	334	-231	103	Reimbursement of schools' costs for maternity leave, public duties, trade union representatives, suspended staff and tribunals



## Appendix A - Portfolio Revenue Budgets

### Education, Learning and Skills

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity	
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
14	485	ELS	Other Services	714	6,391	7,105	-3,141	3,964	-3,505	459	Crossing Patrols, collective licences, provision of temporary mobile classrooms, tree safety, coordination of cleaning and refuse contracts and various other minor non delegated budgets
15	0	ELS	Redundancy costs	0	1,232	1,232	0	1,232	-1,232	0	Redundancy costs for school staff
16	6,251	ELS	School Improvement	3,677	1,892	5,569	-828	4,741	-250	4,491	Providing advice, guidance and challenge to primary, secondary and special schools and PRUs to raise standards of pupil achievement, and to implement national and local strategies. Support and training for 7,000 school governors
17	-431	ELS	Special School and Hospital recruitment	0	1,660	1,660	-4,880	-3,220	2,420	-800	Payments to other local authorities for Kent pupils educated in other local authority special schools and hospitals. Income from other local authorities for pupils educated in KCC maintained special schools
18	4,945	ELS	Teachers Pension costs	0	7,829	7,829	-684	7,145	-2,000	5,145	Cost of teacher early retirements
			<b>Transport Services</b>								
19	1,570	ELS	Home to College Transport	0	1,973	1,973	-367	1,606	0	1,606	Transport to and from further education colleges for 2,000 post 16 students
20	13,917	ELS	Home to School Transport (Mainstream)	0	13,600	13,600	-584	13,016	0	13,016	Transport to and from school for 17,000 eligible children
21	17,039	ELS	Home to School Transport (Special Educational Need)	25	17,246	17,271	0	17,271	0	17,271	Specialist transport arrangements for 3,900 children with special educational needs
22	<b>65,321</b>		<b>Total Direct Services to the Public</b>	<b>597,267</b>	<b>308,404</b>	<b>905,671</b>	<b>-144,851</b>	<b>760,820</b>	<b>-705,935</b>	<b>54,885</b>	
23	1,851	ELS	<b>Assessment Services</b> Assessment of SEN Children	1,637	0	1,637	0	1,637	-514	1,123	Assessment of children with Special Educational Needs

## Appendix A - Portfolio Revenue Budgets

### Education, Learning and Skills

		2012/13 Proposed									
2011/12 Revised Base	Portfolio	Service	Staffing	Non staffing	Gross Expenditure	Service Income	Net Expenditure	Govt. Grants	Net Cost	Affordable Activity	
			£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
24		<b>Total Assessment Services</b>	1,637	0	1,637	0	1,637	-514	1,123		
		<b>Management, Support Services and Overheads</b>									
25	ELS	Directorate Management & Support - Education, Learning and Skills (ELS)	4,974	7,755	12,729	-3,303	9,426	-6,039	3,387		
26		<b>Total Management, Support Services and Overheads</b>	4,974	7,755	12,729	-3,303	9,426	-6,039	3,387	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.	
27		<b>TOTAL</b>	603,878	316,159	920,037	-148,154	771,883	-712,488	59,395		

## Appendix A - Portfolio Revenue Budgets

### Environment, Highways and Waste

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity	
Net Cost £000s				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s		
			<b>Environment</b>									
1	1,738	EH&W	Environmental Management (incl. Coastal Protection)	1,826	3,415	5,241	-1,786	3,455	-1,044	2,411	Flood risk management, carbon reduction, biodiversity planning, heritage conservation & planning, coastal conservation, and sustainability & climate change	
			<b>Highways</b>									
			<b>Highways Maintenance</b>									
2	3,238	EH&W	Adverse Weather	0	3,238	3,238	0	3,238	0	3,238	Includes provision for 73 salting runs, salting approximately 4,000km of the highway per run	
3	2,496	EH&W	Bridges and other structures	192	2,471	2,663	-259	2,404	0	2,404	Maintenance of 2,700 bridges and structures and two road tunnels	
4	13,927	EH&W	General maintenance and emergency response	3,097	11,260	14,357	-486	13,871	0	13,871	Inspection and maintenance of 8,500km of highway and 6,000km of pavements.	
5	3,303	EH&W	Highways drainage	148	3,036	3,184	-82	3,102	0	3,102	Maintenance of 340,000 road drainage gullies	
6	232	EH&W	Signs, lines and bollards	0	0	0	0	0	0	0	Separate budget line no longer exists in 2012/13 therefore now included within general maintenance and highway improvements budgets	
7	3,611	EH&W	Streetlight maintenance	337	3,424	3,761	-167	3,594	0	3,594	Maintenance for 120,000 streetlights	
			<b>Highways Safety and Management</b>									
8	833	EH&W	Development Planning	1,766	371	2,137	-1,283	854	0	854	Includes developer agreements & developer plans, local development framework and development control. Budget previously included under Highway Improvements and Sustainable Transport (now Transport Planning)	
9	1,477	EH&W	Highway improvements	312	1,277	1,589	-120	1,469	0	1,469	Support for highway resurfacing and other improvement programmes to reduce congestion, improve air quality and help prevent crashes. Reduction from 2011/12 due to transfer to new budget line Development Planning	
10	970	EH&W	Road safety	689	3,008	3,697	-2,720	977	0	977	Reduce road casualties through educational campaigns and engineering measures and provide funding to support the Kent and Medway Safety Camera Partnership	

## Appendix A - Portfolio Revenue Budgets

### Environment, Highways and Waste

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed								Affordable Activity	
				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
11	5,104	EH&W	Streetlight energy	0	5,845	5,845	0	5,845	0	5,845	0	5,845	Payment for electricity to light 120,000 streetlights
12	2,872	EH&W	Traffic management	2,045	3,519	5,564	-2,653	2,911	0	2,911	0	2,911	Running cost and maintenance for 15,000 traffic lights and providing congestion reduction measures
13	3,163	EH&W	Tree maintenance, grass cutting and weed control	21	3,339	3,360	-170	3,190	0	3,190	0	3,190	Maintenance of 11million sq metres of grass areas and 500,000 trees
			<b>Planning and Transport Strategy</b>										
	759	EH&W	Planning & Transport Policy	623	619	1,242	-15	1,227	0	1,227	0	1,227	Developing key strategic transport improvements such as new Lower Thames Crossing, solutions to Operation Stack and enhancements to the rail network. Strategic influencing and producing the Minerals & Waste Development Framework and the Local Transport Plan
15	602	EH&W	Planning Applications	896	216	1,112	-550	562	0	562	0	562	Receiving and processing over 530 planning applications and submissions each year
			<b>Transport Services</b>										
16	16,304	EH&W	Concessionary Fares	0	16,307	16,307	-27	16,280	0	16,280	0	16,280	17 million free bus journeys for elderly people
17	11,152	EH&W	Freedom Pass	0	13,648	13,648	-2,459	11,189	0	11,189	0	11,189	Over 26,400 passes issued to young people aged 11 to 16 for free bus travel
18	7,865	EH&W	Subsidised Bus Routes	254	9,773	10,027	-2,370	7,657	0	7,657	0	7,657	Support for over 200 otherwise uneconomic bus routes
19	648	EH&W	Transport Planning	296	164	460	-15	445	-203	242		242	Improve public transport and access to key services. Reduction from 2011/12 due to new budget line Development Planning under Highway Services above
			<b>Waste Management</b>										
			<b>Recycling and diversion from landfill</b>										
20	7,307	EH&W	Household Waste recycling centres	0	8,235	8,235	-1,109	7,126	0	7,126	0	7,126	Operation of 19 sites providing recycling facilities for 4 million visitors per year

## Appendix A - Portfolio Revenue Budgets

### Environment, Highways and Waste

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity
Net Cost £000s	21			22	23	24	25	26	27	28	
				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
	679	EH&W	Partnership & waste co-ordination	0	715	715	-126	589	0	589	Collaborative working and public campaigns to reduce overall waste and increase recycling
	5,232	EH&W	Payments to Waste Collection Authorities (District Councils)	0	5,333	5,333	-102	5,231	0	5,231	Payments to support recycling initiatives that reduce the amount of waste that would otherwise have to be disposed of (through more costly routes, e.g. landfill)
	9,653	EH&W	Recycling Contracts and Composting	0	10,976	10,976	-614	10,362	0	10,362	Processing around 332,000 tonnes (45%) of domestic waste produced in Kent
			<b>Waste Disposal</b>								
	513	EH&W	Closed Landfill Sites & Abandoned Vehicles	0	749	749	-266	483	0	483	
	29,046	EH&W	Disposal Contracts	0	28,853	28,853	-430	28,423	0	28,423	Treatment and/or disposal of 398,000 tonnes (55%) of domestic waste produced in Kent through waste to energy recovery (300,000 tonnes) or landfill (98,000 tonnes)
	8,508	EH&W	Haulage & Transfer Stations	0	8,686	8,686	-75	8,611	0	8,611	Operation of 6 facilities to provide local disposal points for the efficient delivery of District Council collection services and outlets for some commercial waste.
	6,880	EH&W	Landfill Tax	0	7,543	7,543	0	7,543	0	7,543	Unavoidable tax on waste disposed of via landfill
	<b>148,112</b>		<b>Total Direct Services to the Public</b>	<b>12,502</b>	<b>156,020</b>	<b>168,522</b>	<b>-17,884</b>	<b>150,638</b>	<b>-1,247</b>	<b>149,391</b>	
			<b>Financing Items</b>								
	-7,261	EH&W	Commercial Services (net contribution)	0	0	0	-7,761	-7,761	0	-7,761	Contribution from Commercial Services towards KCC overheads
	<b>-7,261</b>		<b>Total Financing Items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-7,761</b>	<b>-7,761</b>	<b>0</b>	<b>-7,761</b>	

## Appendix A - Portfolio Revenue Budgets

### Environment, Highways and Waste

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity		
				Net Cost £000s	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s		Net Cost £000s	
			<b>Management, Support Services and Overheads</b>										
31	7,887	EH&W	Directorate Management & Support - Enterprise and Environment (E&E)	3,772	4,312	8,084	-407	7,677	0	7,677			
32	7,887		<b>Total Management, Support Services and Overheads</b>	<b>3,772</b>	<b>4,312</b>	<b>8,084</b>	<b>-407</b>	<b>7,677</b>	<b>0</b>	<b>7,677</b>			Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.

<b>330</b>	<b>148,738</b>	<b>16,274</b>	<b>160,332</b>	<b>176,606</b>	<b>-26,052</b>	<b>150,554</b>	<b>-1,247</b>	<b>149,307</b>		
<b>TOTAL</b>										

## Appendix A - Portfolio Revenue Budgets

### Finance and Business Support

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed										
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity			
		<b>Financing Items</b>											
1	F&BS	Carbon Reduction Commitment	0	400	400	0	400	0	400	0	400		
2	F&BS	Contingency for Children's Improvement Plan	749	0	749	0	749	0	749	0	749		
3	F&BS	Contribution to/from reserves	0	4,646	4,646	0	4,646	0	4,646	0	4,646		
4	F&BS	Insurance Fund	0	4,679	4,679	0	4,679	0	4,679	0	4,679		Contribution to self insurance fund
5	F&BS	Modernisation of the Council	0	3,500	3,500	0	3,500	0	3,500	0	3,500		One-off costs associated with restructure of the council including redundancy provision
6	F&BS	Net Debt costs (incl. Investment Income)	0	133,071	133,071	-10,077	122,994	0	122,994	0	122,994		
7	F&BS	Other	0	2,328	2,328	0	2,328	0	2,328	0	2,328		
8	F&BS	Unallocated	2,098	2,150	4,248	0	4,248	0	4,248	0	4,248		
9	F&BS	Underspend rolled forward from previous year	0	-3,079	-3,079	0	-3,079	0	-3,079	0	-3,079		
10	F&BS	Unringfenced Government Grants	0	0	0	0	0	0	0	-90,510	-90,510		
11		<b>Total Financing Items</b>	<b>2,847</b>	<b>147,695</b>	<b>150,542</b>	<b>-10,077</b>	<b>140,465</b>	<b>-90,510</b>	<b>49,955</b>				
		<b>Management, Support Services and Overheads</b>											
12	F&BS	BSS - Finance and Procurement	16,349	3,538	19,887	-5,256	14,631	-2,388	12,243				Responsible for planning, managing and reporting upon the Council's financial resources, in liaison with both Members and senior management, in accordance with the Council's Financial Regulations.
13	F&BS	BSS - Human Resources	5,605	2,064	7,669	-5,666	2,003	0	2,003				Responsible for delivering the strategic and operational HR requirement for KCC. The function has an advisory role to help ensure that KCC meets its statutory responsibility in terms of Health and Safety, Employment Law and Equality legislation in relation to employment.

## Appendix A - Portfolio Revenue Budgets

### Finance and Business Support

		2012/13 Proposed									
	2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity
	Net Cost £000s										
14	14,549		<b>Total Management, Support Services and Overheads</b>	21,954	5,602	27,556	-10,922	16,634	-2,388	14,246	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.
15	48,725		<b>TOTAL</b>	24,801	153,297	178,098	-20,999	157,099	-92,898	64,201	



## Appendix A - Portfolio Revenue Budgets

### Regeneration and Enterprise

		2012/13 Proposed									
2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity	
		<b>Regeneration &amp; Economic Development</b>									
1	R&E	Development staff and projects	2,358	2,622	4,980	-1,502	3,478	0	3,478	Staff and project work on regeneration initiatives including Visit Kent, Locate in Kent, Produced in Kent, etc.	
2		<b>Total Direct Services to the Public</b>	<b>2,358</b>	<b>2,622</b>	<b>4,980</b>	<b>-1,502</b>	<b>3,478</b>	<b>0</b>	<b>3,478</b>		
		<b>Management, Support Services and Overheads</b>									
3	R&E	Directorate Management & Support - Business Strategy & Support (BSS)	165	0	165	0	165	0	165		
4		<b>Total Management, Support Services and Overheads</b>	<b>165</b>	<b>0</b>	<b>165</b>	<b>0</b>	<b>165</b>	<b>0</b>	<b>165</b>		
5		<b>TOTAL</b>	<b>2,523</b>	<b>2,622</b>	<b>5,145</b>	<b>-1,502</b>	<b>3,643</b>	<b>0</b>	<b>3,643</b>		

## Appendix A - Portfolio Revenue Budgets

### Specialist Children's Services

2011/12 Revised Base		Portfolio	Service	2012/13 Proposed							Affordable Activity		
Net Cost £000s				Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s			
			<b>Children's Services</b>										
			<i>Education and Personal</i>										
1	19,222	SCS	Children's Centres	14,455	3,255	17,710	0	17,710	0	17,710	0	17,710	97 children's centres delivering support and advice to families
2	4,195	SCS	Early Years and Childcare	1,360	2,533	3,893	-107	3,786	0	3,786	0	3,786	Provision of advice, support, challenge and training to over 1,100 childcare providers and 1,600 childminders in the private and voluntary sector and staff in local authority maintained schools with nursery and reception classes
3	916	SCS	Early Years Education	0	41,276	41,276	0	41,276	-39,500	1,776	1,776	1,776	Payments made to over 740 PVI providers for up to 15 hours a week of free entitlement places for 3 & 4 year olds (equates to over 9.5 million hours of provision) plus over 325,000 hours of free places for disadvantaged 2 year olds
4	1,928	SCS	Virtual School Kent	1,799	833	2,632	0	2,632	-704	1,928	1,928	1,928	Supporting approx 1,600 looked after children focussing on their education & health needs
			<b>Social Services</b>										
5	7,096	SCS	Adoption	1,951	6,361	8,312	-49	8,263	0	8,263	0	8,263	Permanent care for Kent children who are unable to live with their birth families. Includes adoption payments & Special Guardianship orders
6	280	SCS	Asylum Seekers	4,508	10,817	15,325	0	15,325	-14,245	1,080	1,080	1,080	Supporting 700 unaccompanied asylum seekers (225 under 18, 475 over 18)
7	1,367	SCS	Children's Support Services	2,291	178	2,469	-1,043	1,426	0	1,426	0	1,426	Out of hours emergency service and family group conferencing

## Appendix A - Portfolio Revenue Budgets

### Specialist Children's Services

2011/12 Revised Base	Portfolio	Service	2012/13 Proposed							Affordable Activity
			Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	
8	SCS	Fostering	3,905	29,096	33,001	-237	32,764	0	32,764	Short and medium family based care (including longer term care for older children) for Kent children. Includes payments to related and non related foster carers for 1,150 children and independent fostering agencies for 125 children.
9	SCS	Leaving Care (formerly 16+ service)	0	5,127	5,127	0	5,127	0	5,127	Supporting children leaving care and ongoing children's services for those aged 16+ still in local authority care, and aftercare service for young people aged 18+. Now excluding residential care and fostering.
10	SCS	Legal Charges	0	6,315	6,315	0	6,315	0	6,315	Costs for in-house legal support and external legal fees for care proceedings for Specialist Children's Services (previously reflected within the Fostering service)
11	SCS	Other Preventative Children's Services	3,517	16,005	19,522	-829	18,693	-3,500	15,193	Community based preventative and family support services including day care, direct payments and payments to voluntary organisations
12	SCS	Residential Children's Services	2,375	11,511	13,886	-2,149	11,737	0	11,737	In house and independent sector residential care for 65 children (both looked after and non looked after children, including those with a disability).
13	SCS	Safeguarding	3,868	449	4,317	-316	4,001	0	4,001	Performance management of services for vulnerable children in Kent
14		<b>Total Direct Services to the Public</b>	<b>40,029</b>	<b>133,756</b>	<b>173,785</b>	<b>-4,730</b>	<b>169,055</b>	<b>-57,949</b>	<b>111,106</b>	
		<b><u>Assessment Services</u></b>								

## Appendix A - Portfolio Revenue Budgets

### Specialist Children's Services

		2012/13 Proposed									
2011/12 Revised Base	Portfolio	Service	Staffing £000s	Non staffing £000s	Gross Expenditure £000s	Service Income £000s	Net Expenditure £000s	Govt. Grants £000s	Net Cost £000s	Affordable Activity	
15	SCS	Children's Social Care Staffing	36,366	1,746	38,112	-819	37,293	-66	37,227	Social Care staffing providing assessment of children & families needs and ongoing support to looked after children	
16		<b>Total Assessment Services</b>	<b>36,366</b>	<b>1,746</b>	<b>38,112</b>	<b>-819</b>	<b>37,293</b>	<b>-66</b>	<b>37,227</b>		
		<b><u>Management, Support Services and Overheads</u></b>									
17	SCS	Directorate Management & Support - Families and Social Care (FSC)	216	5,413	5,629	-196	5,433	-766	4,667		
18		<b>Total Management, Support Services and Overheads</b>	<b>216</b>	<b>5,413</b>	<b>5,629</b>	<b>-196</b>	<b>5,433</b>	<b>-766</b>	<b>4,667</b>	Overheads no longer sit with the Directorates so 2012/13 costs are not directly comparable with 2011/12. They have been stripped out, slimmed down and transferred to the centre.	
19		<b>TOTAL</b>	<b>76,611</b>	<b>140,915</b>	<b>217,526</b>	<b>-5,745</b>	<b>211,781</b>	<b>-58,781</b>	<b>153,000</b>		

## **KCC Budget Book**

# **Appendix B**

## **A-Z Index**



# INDEX

Services	Category & Sub Category (where appropriate)	Portfolio	Directorate	Section 5 Page No	Section 6 Page No
14-19 Year Olds	Children's Services - Education and Personal	ELS	ELS	30	70
Abandoned Vehicles	Waste Management - Waste Disposal	EH&W	E&E	40	152
Adoption	Children's Services - Social Services	SCS	FSC	32	84
Adult Learning	Community Services - Community Learning Services	C&C	C&C	34	96
Alcohol Services	Adults and Older People - Other Services for Adults and Older People	C&C	C&C	29	66
Apprenticeships	Community Services - Community Learning Services	C&C	C&C	34	96
Apprenticeships	Community Services - Supporting Independence and Employment	C&C	C&C	35	105
Archive Service	Community Services	C&C	C&C	33	93
Arts Development	Community Services	C&C	C&C	33	94
Assessment of Children's Education Needs (SEN)	Assessment Services - Assessment of Children's Educational Needs (SEN)	ELS	ELS	41	172
Asylum Seekers	Children's Services - Social Services	SCS	FSC	32	85
Attendance & Behaviour (in school)	Children's Services - Education and Personal	ELS	ELS	30	71
Big Society Fund	Community Services	C&C	C&C	34	95
Births, Deaths and Marriages	Regulatory Services - Registration	C&C	C&C	38	128
Bridges & Other Structures	Highways - Highways Maintenance	EH&W	E&E	36	110
Children's Centres	Children's Services - Education and Personal	SCS	FSC	30	72
Children's Support Services	Children's Services - Social Services	SCS	FSC	32	86
Closed Landfill Sites	Waste Management - Waste Disposal	EH&W	E&E	40	152
Coastal Protection	Environment - Environmental Management (incl. Coastal Protection)	EH&W	E&E	35	108
Community Engagement	Local Democracy	C&C	C&C	37	121
Community Learning Services	Community Services	C&C	C&C	34	96
Community Safety	Community Services	C&C	C&C	34	97
Community Wardens	Community Services	C&C	C&C	34	98
Concessionary transport	Transport Services - Concessionary Fares	EHW	E&E	39	141
Connexions	Children's Services - Education and Personal	ELS	ELS	30	73
Consumer Direct	Community Services	C&C	C&C	34	99
Contact Centre	Community Services	C&C	C&C	34	99
Coroners	Regulatory Services	C&C	C&C	37	126
Country Parks	Environment	C&C	C&C	35	106
Countryside Access	Environment	C&C	C&C	35	107

# INDEX

Services	Category & Sub Category (where appropriate)	Portfolio	Directorate	Section 5 Page No	Section 6 Page No
Day Care	Adults and Older People - Other Services for Adults and Older People	ASC&PH	FSC	29	63-65
Direct Payments to Adults and Older People	Adults and Older People	ASC&PH	FSC	27	47-50
Domiciliary Care	Adults and Older People	ASC&PH	FSC	27-28	51-54
Drug Services	Adults and Older People - Other Services for Adults and Older People	C&C	C&C	29	66
Early Years and Childcare support	Children's Services - Education and Personal	SCS ELS	FSC ELS	31	74
Early Years education (free entitlement)	Children's Services - Education and Personal	SCS	ELS	31	75
Economic Development Projects	Regeneration & Economic Development	R&E	E&E BSS	37	125
Education Psychology	Children's Services - Education and Personal	ELS	ELS	31	76
Elections	Local Democracy - Member Grants including Elections	C&C D&P	C&C BSS	37	122
Emergency Planning	Regulatory Services	C&C	C&C	37	127
Environmental Management	Environment	EH&W	E&E	35	108
Financing Items	Financing Items	EH&W BSP&HR F&BS D&P	FI	40-41	156-168
Footpaths	Environment - Countryside access (including Public Rights of Way)	C&C	C&C	35	107
Fostering	Children's Services - Social Services	SCS	FSC	32	87
Freedom Pass	Transport Services	EH&W	E&E	39	142
Gateways	Community Services	C&C	C&C	34	100
Grass cutting	Highways - Highways Safety and Management - Tree Maintenance, Grass Cuttings and Weed Control	EH&W	E&E	36	120
Haulage and Transfer Stations	Waste Management - Waste Disposal	EH&W	E&E	40	154
Hedge cutting	Highways - Highways Safety and Management - Tree Maintenance, Grass Cuttings and Weed Control	EH&W	E&E	36	120
Home to College transport	Transport Services	ELS	ELS	39	143
Home to School transport (Mainstream)	Transport Services	ELS	ELS	39	144
Home to School transport (Special Needs)	Transport Services	ELS	ELS	39	145
Household Recycling Centres	Waste Management - Recycling and diversion from landfill	EH&W	E&E	40	148



# INDEX

Services	Category & Sub Category (where appropriate)	Portfolio	Directorate	Section 5 Page No	Section 6 Page No
Independent Special School placements	School Budgets	ELS	ELS	38	130
Individual Learner Support	Children's Services - Education and Personal	ELS	ELS	31	78
Landfill Tax	Waste Management - Waste Disposal	EH&W	E&E	40	155
Leaving Care (Age 16+)	Children's Services - Social Services	SCS	FSC	32	88
Legal Charges (Children's Social Services)	Children's Services - Social Services	SCS	FSC	33	89
Libraries	Community Services	C&C	C&C	34	101
Local Involvement Network (LINK)	Community Services - Public Health (including LINK)	BSP&HR	BSS	35	102
Looked After Children support	Children's Services - Education and Personal - Virtual School Kent	SCS	FSC	31	80
Management & Support	Directorate Management & Support	All	All	42	173-179
Member Grants	Local Democracy - Member Grants including Elections	C&C D&P	C&C BSS	37	122
Museum Development	Community Services - Archive Service	C&C	C&C	33	93
Nursing Care for Adults	Adults and Older People	ASC&PH	FSC	28-29	55-59
Other Adult Services	Adults and Older People - Other Services for Adults and Older People	ASC&PH	FSC	30	67
Partnership & Waste Co-ordination	Waste Management - Recycling and diversion from landfill	EHW	E&E	40	149
Payments to Waste Collection Authorities	Waste Management - Recycling and diversion from landfill	EHW	E&E	40	150
PFI Schools Schemes	School Budgets	ELS	ELS	38	131
Planning & Transport policy	Planning and Transport Strategy	EHW	E&E	37	123
Planning applications	Planning and Transport Strategy	EHW	E&E	37	124
Prevention Services	Children's Services - Social Services	SCS	FSC	33	90
Public Health	Community Services - Public Health (including LINK)	ASC&PH BSP&HR	BSS FSC	35	103
Public Rights of Way	Environment - Countryside access (including Public Rights of Way)	C&C	C&C	35	107
Recycling Contracts & Composting	Waste Management - Recycling and diversion from landfill	EH&W	E&E	40	151
Regeneration Projects	Regeneration & Economic Development	R&E	E&E BSS	37	125
Registration of Births, Deaths and Marriages	Regulatory Services - Registration	C&C	C&C	38	128
Residential Care for Adults	Adults and Older People	ASC&PH	FSC	28-29	55-59
Residential Care for Children	Children's Services - Social Services	SCS	FSC	33	91
Road improvements	Highways - Highways Safety and Management	EH&W	E&E	36	116
Road safety	Highways - Highways Safety and Management	EH&W	E&E	36	117

# INDEX

Services	Category & Sub Category (where appropriate)	Portfolio	Directorate	Section 5 Page No	Section 6 Page No
Road Signs, Lines and Bollards	Highways - Highways Maintenance	EH&W	E&E	36	113
Road/Highway Development Planning	Highways - Highways Safety and Management	EH&W	E&E	36	115
Road/Highway drainage gullies	Highways - Highways Maintenance	EH&W	E&E	36	112
Road/Highway maintenance	Highways - Highways Maintenance	EH&W	E&E	36	111
Road/Highway Traffic Management	Highways - Highways Safety and Management	EH&W	E&E	36	119
Rubbish tip/dump	Waste Management - Recycling and diversion from landfill	EH&W	E&E	40	148
Rural buses	Transport Services - Subsidised Bus routes	EH&W	E&E	39	146
Safeguarding - Adults	Adults and Older People - Other Services for Adults and Older People	ASC&PH	FSC	30	68
Safeguarding - Children	Children's Services - Social Services	SCS	FSC	33	92
Salting of Roads	Highways - Highways Maintenance - Adverse Weather	EH&W	E&E	36	109
School Budgets	School Budgets - Schools Delegated Budgets	ELS	ELS	38	132
School Buses	Transport Services - Home to School Transport	ELS	ELS	39	144-145
School Improvement	Schools Services	ELS	ELS	39	137
School Meals (Free)	Children's Services - Education and Personal	ELS	ELS	31	77
Schools' Meals	Schools Services	ELS	ELS	38	133
Schools' Non Delegated Staff Costs	Schools Services	ELS	ELS	38	134
Schools' Other Services	Schools Services	ELS	ELS	38	135
Schools' Redundancy Costs	Schools Services	ELS	ELS	38	136
Schools' Teacher Pension Costs	Schools Services	ELS	ELS	39	140
Snow clearance	Highways - Highways Maintenance - Adverse Weather	EH&W	E&E	36	109
Social Care Staffing (Adult's)	Assessment Services	ELS SCS ASC&PH	ELS FSC	41	169-170
Social Care Staffing (Children's)	Assessment Services	ELS SCS	ELS FSC	41	171
Special Education Needs	Children's Services - Education and Personal	ELS	ELS	31	79
Special School & Hospital Recruitment	Schools Services	ELS	ELS	39	138
Special Schools' Meals	Schools Services	ELS	ELS	38	133
Sports Development	Community Services	C&C	C&C	35	104
Statemanted Support	Children's Services - Education and Personal	ELS	ELS	31	79
Streetlight energy	Highways - Highways Safety and Management	EH&W	E&E	36	118

# INDEX

Services	Category & Sub Category (where appropriate)	Portfolio	Directorate	Section 5 Page No	Section 6 Page No
Streetlight maintenance	Highways - Highways Maintenance	EH&W	E&E	36	114
Support Services for Frontline Directorates	Support Services for Frontline Directorates	F&BS BSP&HR D&P	BSS	42-43	180-188
Supported Accommodation	Adults and Older People	ASC&PH	FSC	29	60-61
Supporting Independence and Employment	Community Services	C&C	C&C	35	105
Supporting People	Adults and Older People - Other Services for Adults and Older People	C&C	C&C	30	69
Trading Standards	Regulatory Services	C&C	C&C	38	129
Transport Planning	Transport Services	EH&W	E&E	39	147
Tree cutting	Highways - Highways Safety and Management	EH&W	E&E	36	120
Turner Contemporary Gallery	Community Services - Arts Development	C&C	C&C	33	94
Virtual School Kent (for Looked After Children)	Children's Services - Education and Personal	SCS	FSC	32	80
Voluntary Organisations	Adults and Older People - Other Services for Adults and Older People	ASC&PH	FSC	29	62
Waste Disposal Contracts	Waste Management - Waste Disposal	EH&W	E&E	40	153
Waste recycling centre	Waste Management - Recycling and diversion from landfill	EH&W	E&E	40	148
Youth centres	Children's Services - Education and Personal	C&C	C&C	32	81-82
Youth Offending	Children's Services - Education and Personal	C&C	C&C	32	83
Youth Service	Children's Services - Education and Personal	C&C	C&C	32	81-82





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# Medium Term Financial Plan

2012/15

*Draft for County Council*







## Leader's Foreword to Budget & Medium Term Financial Plan

We are setting this Budget and Medium Term Financial Plan (MTFP) in the most difficult fiscal circumstances that we have faced for a very long time. The Government is committed to removing the UK's budget deficit through a combination of public spending reductions and steady/sustainable economic growth. However, recovery from the recession is taking much longer than anyone could have predicted and within the Eurozone the contagion of debt crisis is spreading further and further, posing significant risks to the UK economy.

For the foreseeable future the County Council faces diminishing funding at the same time there is increasing demand for services. In order to address this apparent conundrum the council will need to make significant year on year savings and find new ways to generate income. Any future growth in funding is unlikely to come in the form of government grants that we have become accustomed to and instead is likely to have to be earned from economic prosperity through attracting new businesses into the county or increasing the number of Council Tax payers through new housing.

The outlook for schools is a little more promising. The grant settlement for 2012/13 provides the same cash per pupil as 2011/12. We have also had confirmation that the Pupil Premium will increase from £488 per eligible pupil to £600, and will be allocated for more pupils. We are also heartened by the reforms being considered to school funding from 2013/14 and we will continue to lobby to get a fair settlement for all Kent schools.

We are not starting on the journey from scratch. We foresaw this scenario over two years ago when the impact of the recession first became clear and we started to develop plans to deliver better public services with less money. The council set out its ambitious vision in *Bold Steps for Kent*, which recognised that we would have to be financially strong in the face of diminishing resources and growing demand through reducing pressures and costs to an absolute minimum; effective commissioning and procurement to ensure contracts provide what we need at the right price, optimising income potential; delivering a lean efficient organisation; and as a last resort taking brave decisions on what the authority might have to stop doing or do to a lesser extent. These were encapsulated as "make, buy or sell" considerations for all of our services.

The proposed annual budget and revenue and capital MTFPs have been developed to complement the three aims in Bold Steps:

- We will help the Kent economy to grow by directing our revenue resources towards helping businesses in difficult times, procuring more of our goods and services from within the county wherever possible, help unemployed back into work (particularly by providing our young people with the skills they need to get work) and reducing burdens on business. Within the capital programme we are making provision for investment from the Regional Growth Fund as well as making County Council funds available to support regeneration, and we want to do more to stimulate the housing market through continuing the empty property initiative and we are working on a scheme to help those trying to get their first mortgage.
- We will look to put citizens more in control through the increasing localisation of services so that local communities can decide their priorities within the

cash available, greater personalisation of budgets so that clients have greater choice rather than having a set menu of services and making our budget decisions even more transparent. For the second year running we are proposing to freeze the County Council element of Council Tax which will be welcome at a time when individual household budgets are being squeezed. This is not an easy decision as the support from government is only available in 2012/13 and we will need to make this sustainable in future years.

- Tackling disadvantage by putting more money into social care particularly for looked after children, the frail elderly and those suffering dementia, and adults with disabilities. Through our capital investments we will also seek to tackle disadvantage both through the modernisation of facilities such as making sure our special schools are fit for purpose and also by providing funds to work with partners to tackle housing issues in the areas of highest deprivation.

Of course we will continue to drive out as much efficiency as we can and over the four years from 2011/12 we will have taken more than £100m out of our budget through efficiencies in our back office functions, which means we provide as much if not more value for Kent residents for less money. We will continue with the Change to Keep Succeeding Programme which will continue to deliver more savings as we embed it throughout the whole organisation.

Our employees continue to be the most important resource and their dedication, responsiveness and ability to adapt to change in difficult times is admirable. We will continue to invest in them and their well being and are committed to see through the changes we have implemented to pay progression, which will deliver better rewards for those who go the extra mile and achieve excellent performance.

**Paul Carter**  
Leader of the Council

# KCC Medium Term Financial Plan

## CONTENTS

		<b>Page</b>
<b>Section 1</b>	Executive Summary	1 – 10
<b>Section 2</b>	National Financial and Economic Context	11 – 22
<b>Section 3</b>	Revenue Strategy	23 – 32
<b>Section 4</b>	Capital Strategy	33 – 44
<b>Section 5</b>	Treasury Strategy	45 – 58
<b>Section 6</b>	Risk Strategy	59 – 62
<b>Appendix A</b>	Medium Term Financial Plan (Revenue)	
	(i) High Level 3 Year MTFP Summary	63 – 64
	(ii) New Look 1 Year MTFP Summary	65 – 68
	(iii) Individual 1 Year Portfolio Templates	69 – 84
<b>Appendix B</b>	Prudential Indicators	85 – 88
<b>Appendix C</b>	Annual Minimum Revenue Position Statement	89 – 90
<b>Appendix D</b>	Financial Management Indicators	Final version only (after County Council)
<b>Appendix E</b>	Corporate Risk Register	91 – 96
<b>Appendix F</b>	Level of Reserves	97 – 100
<b>Appendix G</b>	Glossary	101 – 104



# **KCC Medium Term Financial Plan**

# **SECTION 1**

## **Executive Summary**

**(including Bold Steps for Kent  
Executive Summary at Annex 1)**

## **Executive Summary**

### ***National Context***

- 1.1 In our Foreword, we have referred to the fact that we are in one of the most challenging financial periods ever faced by local government. The reality is that local government and the wider public sector must realign itself to a new and permanent financial reality. KCC made £95 million savings throughout 2011/12 and will need to deliver a further £100 million savings in 2012/13. We are estimating we are likely to need to save £70 million to £80 million over each of the following two financial years (2013/14 & 2014/15).
- 1.2 The Government has set out its aim to eliminate the budget deficit, although the Chancellor has now recognised this will not be achieved by the end of this Parliament. The Spending Review 2010 (SR2010), Autumn Budget Statement and the Local Government Finance Settlement have all confirmed that significant savings are expected throughout the spending review period and beyond, with local government's contribution greater than other parts of the public sector. However, the weak economic recovery, rising unemployment, continued low rate of growth, relatively high inflation and uncertainty in both the banking sector and the eurozone present significant risks to the recovery plan and local authority budgets.

### ***Local Context***

- 1.3 In 2012/13, investments will be made by KCC in a number of essential areas including Children's and Adult Social Services, financing new facilities and in supporting economic growth. Demand across a range of services continues to increase at the time when grants from Central Government are being cut, particularly in children's and adult social care.
- 1.4 The short-term pressure resulting from the poor 2010 OfSTED inspection into KCC's Children's Social Services has led to significant financial pressures which are expected to continue into 2012/13. However, the recent unannounced inspection from OfSTED shows this investment has made a significant impact on the quality of service. Throughout the next year the emphasis will be on placing the service on a more sustainable financial footing, with a greater focus on preventative activity, whilst maintaining an improved level of service, and looking to reduce the number of Looked After Children/length of time they are in care over the period of this medium term financial plan.

- 1.5 KCC Adult Social Services (in line with many departments nationally) is experiencing a slowdown in demand pressures which goes against the underlying demographic trend of an increasingly aged population. This is due to a number of factors including the benefits of early intervention and preventative programmes. This is a welcome development although we will need to monitor if it is sustainable and also monitor the impact of any changes to social care following the Dilnot review.

### ***Treasury Strategy***

- 1.6 Treasury management remains a key strategic issue for the Council, not least because of low interest rates, the downgrading of UK banks and limited investment opportunity. The latest Treasury Management Strategy is included in Section 5 which needs to be approved by the County Council at the same time as the 2012/13 Budget and 2012/15 MTFP.

### ***Risk Strategy***

- 1.7 Effective risk management will be essential in ensuring we can deal with the difficult times ahead. The risk management function has been transferred to the Business Strategy division to improve the links between risk management to the performance management, business planning and business intelligence functions within KCC, and to ensure risk management supports the delivery of organisational priorities and objectives. The Risk Strategy can be found at Section 6.

### ***Appendices***

- 1.8 The MTFP continues to include a number of appendices which cover key aspects of the Authority's financial planning framework.

### ***Council Tax***

- 1.9 In this Draft Budget and MTFP we are proposing a freeze on Council Tax for 2012/13, meaning the KCC precept for a Band D property would remain the same as in 2010/11 and 2011/12, at £1,047.78 (the increases in the preceding two years were the lowest since Council tax was introduced in 1993). The actual charge households pay will depend upon levies from other authorities including District Councils, Police Authority, Fire and Rescue and where applicable Parish and Town Councils. We are anticipating a small increase in Council Tax receipts, due to continued growth in the number of Council Tax payers in the County.

- 1.10 The freeze is supported by Government grant but unlike in 2011/12 this is only available for one year. Whilst KCC is proposing to accept this additional grant and to freeze Council Tax, it creates additional pressure on future years' budgets within the MTFP. This is because the equivalent monies must be found from savings or new income into the base budget.
- 1.11 One-off grants from central government do not support sustainable budget management. No announcement has been made regarding Council Tax grant beyond 2012/13. Should it be offered, we will have to carefully consider the short-term gain against the longer-term financial pressure a one-off grant places upon our budget. While the Council remains committed to keeping Council Tax increases to an absolute minimum, at this stage an increase for 2013/14 cannot be ruled out. Neither can the possibility of refusing further one-off Council Tax grant for 2013/14, should it be offered.

### ***Revenue Medium Term Financial Plan Format***

- 1.12 The Council's overall plan is set out in the document "Bold Steps for Kent" (Bold Steps). This MTFP supports this overall Plan. Bold Steps recognises that we will need to deliver our services with less funding and that the Council structure will have to be as efficient as possible. An executive summary of Bold Steps is included as Annex 1 to this Section.
- 1.13 The Government has announced the Local Government Finance Bill, which sets out the legal framework to change the way in which local authorities are funded from 2013/14. As a consequence we have concentrated upon 2012/13 and adopted a more high-level approach for subsequent years. As a result, the MTFP format has altered from previous years and we now have three separate sections to Appendix A:
- a) A new high level three year MTFP summary – Appendix A(i)
- The new budget themes proposed for 2012/13 (localism, personalisation, incentivisation and demand management) will be essential to the three year plan as managers are being asked to rethink their service strategies based around these four key themes.
- b) A new more detailed one year MTFP summary – Appendix A(ii)
- This provides for the first time a summarised view for the whole council of all key additional spending demands and savings/income, as it summarises common themes in individual Portfolio plans.



- c) The traditional Portfolio by Portfolio format, although for one year only – Appendix A(iii).

Each Portfolio plan provides the detail of all the new spending demands and savings/income for 2012/13

- 1.14 In addition we have responded to the new financial reality by removing the “emerging pressures” category for 2013/14 from the MTFP. This reinforces the message to our managers that we must manage additional spending demands robustly and by adopting creative solutions as additional funding in the form of grants are unlikely to be available. This does, however, create a financial risk that we will monitor very closely.
- 1.15 Through our new Make, Buy & Sell review process, services will be subject to greater challenge, review and market testing, including being opened up to bids through the new national Right to Challenge provision. A joint officer-Member Budget Programme Board has been convened by the Cabinet Member for Finance and Procurement. Meeting weekly, the Board’s focus is on delivering the MTFP. It will provide oversight and challenge to all proposals for service reconfiguration, transformation and savings plans, and ensure proposals are robust and deliverable. This will allow careful and proactive management of the risks to delivering the MTFP.
- 1.16 Within the MTFP at Appendix A we have included the following sections:
- *Base Budget Adjustments* – This section summarises the transfer of responsibilities either internally between Portfolios to reflect changed management arrangements, or externally to reflect changes in national funding arrangements. Since these adjustments are simple matters of fact we have not dwelt on the detail in the individual Portfolio MTFP presentations.
  - *Additional Spending Demands* – This section provides more information on the unavoidable pressures for increased spending being imposed on the Authority’s services. These can arise from price increases on contracts and services we procure; legislative requirements putting additional burdens on the Authority; demand pressures such as increased numbers of vulnerable adults and elderly residents to whom we provide care and support; reductions in income through the loss of Government Grants; or local service strategies and improvements in response to local demands and priorities. We have included details of issues relevant to each Portfolio under each of these main areas.

- *Savings and Income* – This section provides more information on the additional income we propose to earn and the savings we need to make in order to balance the Budget to meet the challenge of increasing demands, reducing Central Government funding and freezing Council Tax. We have separated savings into efficiency savings (getting more or the same outcomes for less money), service reforms (changing the way we provide the services) and one-off savings and use of Council reserves in 2012/13.

### ***Capital Budget Format***

- 1.17 As with the revenue MTFP the most appropriate presentation remains in a Portfolio by Portfolio order. However the format for showing the individual schemes within each Portfolio has been revised.
- 1.18 The presentation moves away from showing forecast spend year on year but now combines the three year plan (2012/15) and details the funding of each project over this period. This rightly shifts the focus away from planned spending year by year and more towards the totality of spend and how this is financed. This will focus attention on the merit of schemes, their affordability and overall timeliness rather than the detail of phasing individual amounts between years. More importantly, it will allow the reader to see how the project is financed in order to allow the reader to consider if they approve of using our different resources to finance those capital projects.
- 1.19 Within each Portfolio we have distinguished between spending on rolling programmes (such as enhancement and modernisation of assets); and individual projects. For rolling programmes we are showing the planned spend for the three year period of the MTFP. For individual projects the entire project cost is shown.

### ***Conclusion***

- 1.20 The Draft Revenue and Capital MTFP set out in this document represent the culmination of nearly a year's work in developing how the Council can respond to the unique financial challenge of reduced Government Grants, a slow economic recovery, increased demand for council services and a freeze on Council Tax increase for the second year in a row.
- 1.21 If the economy continues to show a slow recovery the indicative budgets set out in the MTFP for 2013/14 and 2014/15 could get worse and we could face further additional spending demands and/or further reduced/frozen income necessitating greater savings.

## **Delivering Bold Steps – The Medium Term Plan until 2014/15**

Bold Steps for Kent is a very different plan for the challenging times we all face. It charts the County Council's ambition to radically transform how we deliver services for the people of Kent over the next four years, whilst achieving significant financial savings, through embracing localism and new ways of working. Underpinning Bold Steps is our delivery framework for meeting the County Council's three overriding ambitions:

- To help the economy to grow
- To tackle disadvantage
- To put the citizen in control

Within the delivery framework we have identified 16 priorities to focus on in order to achieve our ambitions and deliver the savings identified in the Medium Term Financial Plan.

### **We will help the Kent economy to grow by:**

- **Improving how we procure and commission services**

Our procurement processes will be open, transparent and proportionate to reduce barriers to entry for SMEs. We will publish a Procurement and Commissioning register for all services by April 2012. A new strategic relationship is being developed with the voluntary and community sector, moving from the provision of direct grants to commissioning more services on a competitive basis. District based Locality Boards will play a key role in shaping service delivery.

- **Building a strong relationship with key business sectors across Kent**

Through 'sector conversations' we will ensure our economic development role is focused on practical issues where we can add value to support business growth. Our Connected Kent strategy will deliver innovative projects to secure better broadband provision across Kent, ensuring Kent businesses have access to the fastest broadband.

- **Responding to key regeneration challenges working with our partners**

We will help Kent remain an attractive and competitive location for inward investment by working with our partners in the Local Enterprise Partnership (LEP) and the Kent Economic Board. We will have maximised opportunities from the Pfizer site at Sandwich and a programme of development will have commenced at Manston Park and Eurokent in Thanet. We will have unlocked key sites in the Thames Gateway and other growth points across Kent, which will provide new homes and commercial opportunities.

- **Supporting new housing growth that is affordable, sustainable and with appropriate infrastructure**

Through the Kent Forum Housing Strategy, new housing growth will have been delivered intelligently with the right infrastructure in place through Local Development Frameworks. New investment in the private rented sector, new models of home ownership and better use of public assets will have improved affordability and housing choice. New homes will be brought back to use in Thanet and Dover through the No Use Empty Campaign. New infrastructure and regeneration schemes will have been funded through new financial mechanisms such as Tax Increment Financing, the Community Infrastructure Levy and business rate retention.

- **Delivering the Kent Environment Strategy**

We will use public sector resources more efficiently. Leading by example we will have established a Kent 'Green Deal' enabling the retrofitting of homes and the development of micro renewable energy generation to create vibrant low carbon, energy and water efficient communities. We will deliver a targeted package of low carbon business support to stimulate the development of the green economy, with a focus on east Kent.

- **Delivering 'Growth without Gridlock'**

By 2014/15 we will have a fully costed package of strategic transport infrastructure projects to promote greater economic growth. This will include an affordable solution for Operation Stack and the overnight lorry parking problems along the channel corridor and a cost effective scheme to dual the A21 between Tonbridge and Pembury. Working with the LEP, we will have influenced the DFT decision on the location and funding package for a third lower Thames Crossing and the early delivery of the DFT's short-term capacity improvements such as free flowing tolling. The Rail Action Plan for Kent will have positively influenced a new rail franchise agreement, improving rail services for passengers. Working with Network Rail, funding will be agreed for line speed improvements between Ashford and Ramsgate, and a business case developed for a Thanet Parkway station.

- **Ensuring all pupils meet their full potential**

By 2014 our aim is to support a school system with greater choice, fair access for all pupils and families, and with performance moving above the national average. Schools will have greater control of their own budgets and our school trading arm, EduKent, will be successfully competing in the market for school support services. The Kent Association of Schools will be a strong advocate for all schools in Kent, helping to shape education policy, whilst providing a network of support and sharing best practice across all schools in Kent.

- **Shaping education and skills provision around the needs of the Kent economy**

Working with schools and Further and Higher Education providers, we will deliver a 14-24 Strategy that equips young people with the academic, vocational and life skills to succeed. More apprenticeships and work-based training will be available, with KCC delivering at least 350 additional

apprenticeships and more gap year placements for Kent graduates. Adult Education will provide clear progression routes to further learning.

**We will tackle disadvantage by:**

- **Improving services for the most vulnerable people in Kent**

We will have reduced the number of children in care through new innovative preventative services and an increase in the number of children adopted, with specialist social worker teams overseeing better care planning. Educational outcomes for Looked After Children will have improved compared to the national average, and there will be greater stability in foster care placements. There will be improved arrangements with the NHS to secure timely and appropriate treatment or social care support for children and adults requiring mental health services.

- **Supporting families with complex needs and increasing the use of community budgets**

Community Budgets will be rolled out to families with complex needs across more communities in Kent. This will drive greater use of multi-disciplinary teams and pooled funding arrangements across the public sector, delivering better outcomes at lower cost to the tax payer. The concept will have been adopted across a range of other priorities, with Locality Boards increasingly responsible for oversight of delivery and performance.

**We will look to put the citizen more in control through:**

- **Improving access to public services and moving towards a single initial assessment process**

By 2014 our aim is to improve access to public services through delivering a range of options for residents, including accessing services online. There will be a single assessment process for a range of KCC and other public services allowing residents to quickly understand their entitlements, as well as signposting to additional help and support. We will have expanded the use of the Kent Card beyond social service provision into areas such as transport and libraries to provide more seamless access to KCC services.

- **Empowering social service users through increased use of personal budgets**

We will have a social care model which maximises the use of Personal Budgets by social care clients, giving them greater choice and control to commission and purchase services. The roll out of additional Enablement Services by April 2012 will provide intensive support so older persons can regain independence as quickly as possible and telehealth and telecare will be assisting more older people to live independently in their own homes.

- **Supporting the transformation of health and social care in Kent**

We will improve patient experience of health and social care by delivering care closer to home and fostering more choice through developing greater diversity of provision from social enterprises and the voluntary and community

sector. The full Shadow Kent Health and Wellbeing Board will be established by April 2012, ensuring that services meet the needs of the people of Kent. An integrated Health & Social Care Commissioning Strategy will be in place by 2013 ensuring greater integration of health and social care services, and we will have seen a 5% shift in NHS budget in Kent from acute to community and primary health care. We will have reduced health inequalities by focusing on those communities with the poorest health outcomes.

- **Establishing a Big Society Fund to support new social enterprise in Kent**

By 2014/15 it will have provided over £5m funding for new social ventures that support new employment opportunities across Kent. It will have leveraged additional contributions from sources such as the Government's Big Society Bank. Loans made by the Kent Big Society Fund will be repaid allowing it to become recyclable and sustainable in the long term.

- **Ensuring the most robust and effective public protection arrangements**

We will have a model for vulnerable adults and children which ensures referrals are assessed quickly, with swift intervention where necessary. We will be recognised as an employer of choice for social workers in the South east, with the right number of experienced social workers using their professional judgement and expertise to protect vulnerable children and adults.

- **Promoting Kent and enhancing its cultural and sporting offer for residents**

We will have delivered a successful legacy for Kent from the 2012 London Olympic Games and the Cultural Olympiad with continued support for the school games. We will have inspired more residents to actively participate in sports, arts and music opportunities, so they can benefit from a higher quality of life. Kent will increasingly be identified both nationally and internationally as a cultural destination, delivering a high rate of new economic growth to the Kent economy.

# **KCC Medium Term Financial Plan**

## **SECTION 2**

### **National Financial and Economic Context**

## National Financial and Economic Context

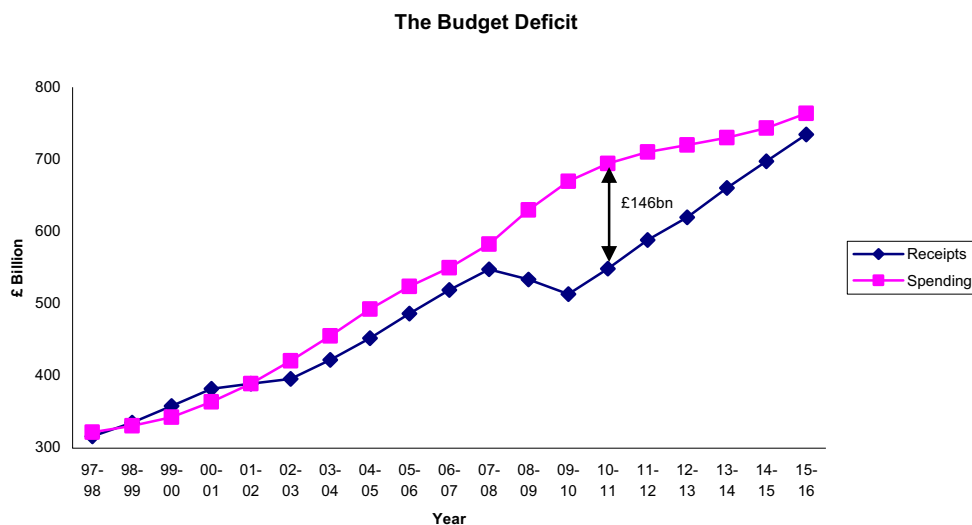
### Introduction

2.1 KCC's financial and service planning takes place within the context of the national economic and public expenditure plans. This part of the proposals explores that context and identifies the broad national assumptions within which the draft budget and MTFP have been framed.

### The Economy

2.2 The Government has made it clear that one of its major priorities is to tackle and eliminate the national budget deficit. The Chancellor of the Exchequer outlined the Government's plans in his Emergency Budget within 6 weeks of the coalition being formed. In his plan he outlined that the deficit would have to be found 80% from spending cuts and 20% from tax rises. Chart 1 below shows how it was envisaged the deficit would be eliminated through slowing the growth in public spending and increasing tax yield (mainly arising from the recovery from recession).

Chart 1



2.3 The Chancellor made some minor changes to the forecast deficit in his 2011 Budget announced on 23rd March but has made some more significant revisions in his Autumn Statement of 29th November. In particular the forecasts for economic growth have been significantly reduced as recovery from the recession has been much slower than earlier predictions and the Gross Domestic Product (GDP) is still well below its 2008 pre recession peak and is only expected to grow at a low rate throughout 2012.



- 2.4 The low growth forecasts mean that tax receipts will be less than previously planned and as a consequence the budget deficit will not be cleared by the end of the current Parliament. The Chancellor has stuck with the spending plans announced in SR2010 and consequently borrowing will be higher than previously planned (although the cost of borrowing will be lower due to lower interest rates which means the cost of financing the additional borrowing will not make the deficit worse).
- 2.5 The government has set a target of 2% for the underlying rate of inflation as measured by the Consumer Price Index (CPI). The annual rate of inflation has been running much higher than this throughout 2011. This has been ascribed to a number of factors including the impact of the VAT increase in January and volatility in commodity prices. Inflation is predicted to fall during 2012 (the impact of VAT increase will cease to be a factor after January 2012) but CPI is not expected to reach the Government's target until into 2014.
- 2.6 CPI in the year to September 2011 showed an increase of 5.2% (up 0.7% on August), RPI was 5.6% (up 0.4% on August). The September indices are important as they are used to uprate benefits, tax credits and pensions. From 2012 CPI will also be used to uprate tax and national insurance thresholds. The uprating of benefits is important to the County Council as it is linked to the charges we make for social care. The October indices show a slight reduction to 5% (CPI) and 5.4% (RPI) due to food, air travel and fuel prices.
- 2.7 Table 1 shows the main economic indicators included in the Chancellor's statements based on the recommendations from the independent Office for Budget Responsibility (OBR).

<b>Table 1</b>							
	2009	2010	2011	2012	2013	2014	2015
<b>Growth % (GDP)</b>							
Emergency Budget June 2010	-4.9	1.2	2.3	2.8	2.9	2.7	2.7
Budget March 2011	-4.9	1.3	1.7	2.5	2.9	2.9	2.8
Autumn Statement Nov 2011		1.8	0.9	0.7	2.1	2.7	3.0
<b>Inflation % (CPI)</b>							
Emergency Budget June 2010	2.1	2.7	2.4	1.9	2	2	2
Budget March 2011	2.2	3.3	4.2	2.5	2	2	2
Autumn Statement Nov 2011		3.3	4.5	2.7	2.1	2	2
<b>Net Borrowing (£bn)</b>							
Emergency Budget June 2010	154.7	149.1	116	89	60	37	20
Budget March 2011	156.4	145.9	122	101	70	46	29
Autumn Statement Nov 2011		137.1	127	120	100	79	53

2.8 The OBR assessment of the underlying and forecast levels of growth and inflation are shown in charts 2 and 3.

Chart 2

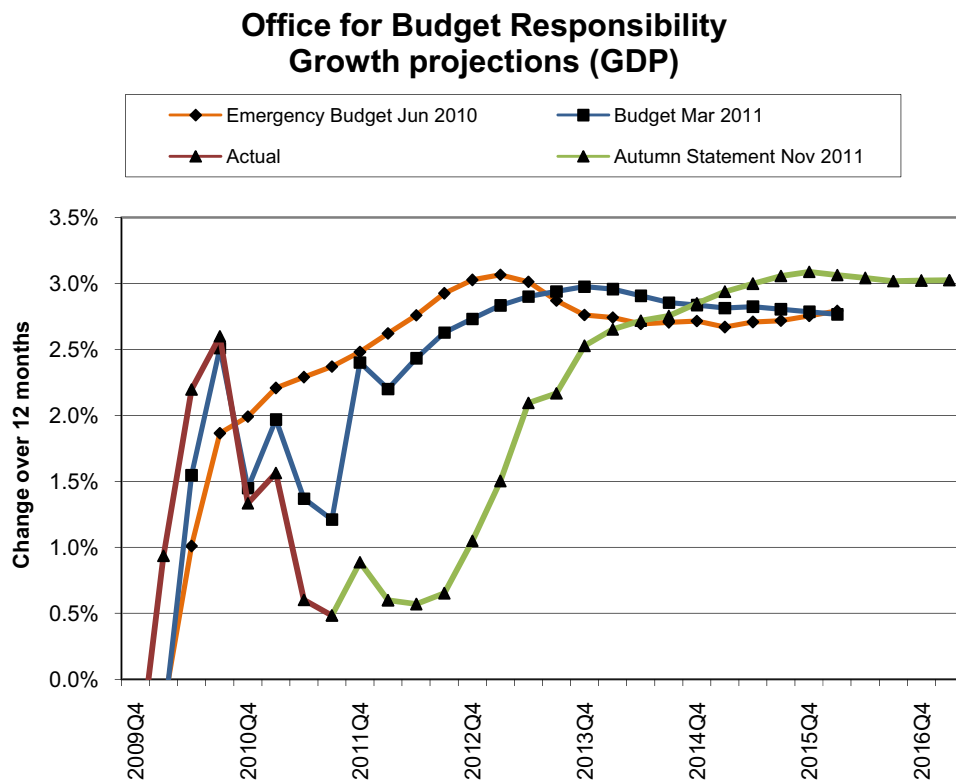
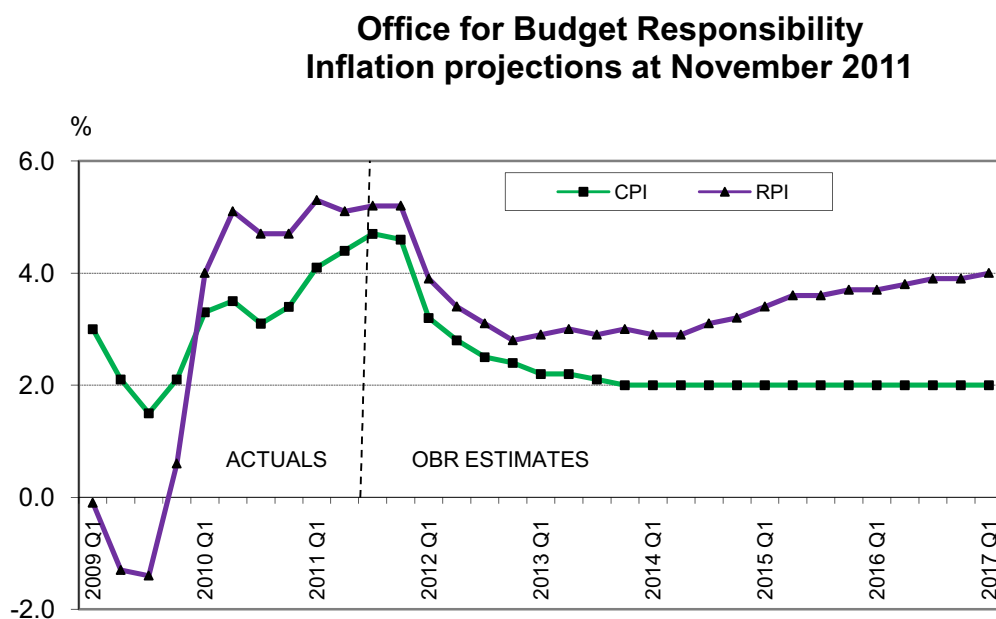


Chart 3



- 2.9 The Bank of England (BoE) is responsible for monetary and financial stability in the UK. The main tool at its disposal is to control the price of money through setting interest rates via the BoE base rate. The BoE responded to the recession with successive interest rate cuts in 2008 and 2009 and by March 2009 it was down to 0.5% where it has remained ever since. Many economic analysts are predicting that the rate will have to stay at this historic low for some time until the recovery is well established and growth levels are sustainable. It is feasible the BoE may have to consider further quantitative easing if growth continues to remain weak.
- 2.10 Good economic performance is essential if the Government is to meet its deficit reduction plan. This was based on a combination of recovering the overall tax yield following its decline during the recession and reducing public expenditure as a proportion of the nation's overall GDP. In reducing public spending the expectation was that the private sector would take up the extra capacity so there would not be an overall reduction in GDP. The sluggish recovery has delayed the deficit reduction plan and the government is now not expecting to meet its original target of eliminating the structural budget deficit by 2015/16.

### **KCC's assessment of the economic position**

- 2.11 The general state of the economy is an important factor in setting the County Council's budget and MTFP. The previous budget and MTFP recognised that the economy seemed to have emerged from recession but that recovery was slower than from previous recessions and had not yet returned to the pre 2008 levels. The budget and MTFP reflected the optimism that the economy would recover in 2011 and 2012 and inflation would stabilise.
- 2.12 As recognised in the Chancellor's Autumn Budget Statement the rate of recovery has slowed during 2011 and is likely to remain sluggish in 2012. Inflation throughout 2011 has been well in excess of previous predictions (mainly due to volatility in commodity prices) although should fall significantly in 2012 as the effect of the VAT increase in January 2011 has worked through. Contagion of the Eurozone debt crisis presents one of the main risks to the UK economic recovery and the knock on consequences if countries in the EU return back into recession.
- 2.13 Overall, we are less optimistic about economic recovery than we were when last year's budget and MTFP were set. Although the Chancellor has confirmed the spending limits as per SR2010 we are concerned about the risks of further slow recovery and even a return to recession. We are pursuing a number of initiatives to support the local economy (these are set out in the next section as part of the revenue strategy) but we cannot insulate ourselves from the national economic picture.

Inflation also continues at a much higher rate than expected and we still have potential demand pressures over and above what is reflected in this draft budget as a result of the difficult financial situation families and businesses face. Finally we have still to agree the full programme of investment in health and social care prevention that has been funded by government grant. As a consequence we are proposing to set aside an additional £9.5m into two new reserves; to equalise the impact of one-off funding to support the Council Tax freeze, and invest to save initiatives to deliver substantial savings in future years budgets.

## Public Expenditure

2.14 The outcome of the SR2010 was published on 20th October 2010. This set out the total departmental spending plans for 2011/12 to 2014/15. The SR2010 announcement for the Department for Communities and Local Government (CLG) showed some of the largest reductions for any government department, and that reductions in Formula Grant for local authorities would be front loaded with the biggest reductions in 2011/12. Table 2 below shows the spending review totals (note the 2010/11 baseline has been adjusted for the Area Based and Specific Grants transferring into the formula in 2011/12).

<b>Table 2</b>						
	2010/11 Baseline £bn	2011/12 £bn	Annual Change %	2012/13 £bn	2013/14 £bn	2014/15 £bn
CLG Total Resource	28.5	26.1	-8.4	24.4	24.2	22.9
Formula Grant funding	28.0	25.0	-10.8	23.4	23.2	21.9

2.15 As already indicated the Chancellor has confirmed that he will stick with the SR2010 spending plans even though economic growth (and tax receipts) is lower than forecast when these plans were set. The Chancellor's Autumn Budget Statement confirmed a 1% pay cap for public sector pay in each of 2013/14 and 2014/15 and that the spending totals would be adjusted accordingly (presumably downwards) although we have no details at this stage.

2.16 The Autumn Budget Statement also included the overall public expenditure totals for 2015/16 and 2016/17. These showed cash increases of £10bn and £13bn respectively. It was stated that these represent a reduction of 0.9% per annum in real terms. The overall spending change is not dissimilar to the changes from 2011/12 to 2014/15 covered by SR2010 but we do not have any detail of the departmental totals to assess the potential impact for local government.

- 2.17 The overall picture for Formula Grant shows a reduction of an average 21.8% in cash terms over the four year horizon. Within the 2011/12 Formula Grant settlement, £19bn was funded from redistributed business rates and the remainder from Revenue Support Grant (RSG). It is anticipated that during the four year spending review period the annual yield from business rates will exceed the amount identified for Formula Grant. Since all business rates must be returned to local authorities by law it is anticipated the surplus will be used to replace other government grants rather than be available to supplement the Formula Grant settlement. The future of Formula Grant and business rates is considered at more length later in this report.
- 2.18 In addition to Formula Grant the CLG resource also includes funding for the Council Tax Freeze Grant, New Homes Bonus (NHB) Grant and Transitional Grant. The Council Tax Freeze Grant is fixed for four years to compensate Councils for not increasing Council Tax between 2010/11 and 2011/12 and has now been moved into Formula Grant.
- 2.19 Initially it was planned that there would be no extra grant to fund further freezes beyond 2011/12 although the Chancellor has subsequently announced that there will be a one-off grant in 2012/13 to fund a second year of a freeze. The implications of a further freeze are considered later in this section. Transitional Grant was available to a limited number of authorities facing the largest reductions in grants between 2010/11 and 2011/12 (KCC did not qualify for transitional support). NHB grant is allocated to reward new house building and is considered further in paragraph 2.24 below.
- 2.20 The Council also receives a number of specific grants and un-ringenced grants from other departments which will also be influenced by spending reductions within departmental totals as a result of SR2010. Unlike CLG grants the totals for these grants have not been separately identified over the four year period and thus it is more difficult to predict likely funding levels beyond the 2012/13 provisional settlement.
- 2.21 The Autumn Budget Statement included the announcement of funding for an additional 130,000 childcare placements for the most deprived two year olds and incentives to support youth employment. We have identified the additional spending proposals for 2012/13 and we have received an increase in Early Intervention Grant to cover this spending. We do not have indicative allocations of EIG for 2013/14 or beyond and we are still quantifying how much we will need to roll out the policy for 2 year olds.
- 2.22 The Autumn Budget Statement included £4.96bn of additional infrastructure expenditure on schools, green deal incentives, housing, economic growth, rail and roads & transport. At this stage we have not

got details of additional capital grants from the spending departments to include in the proposed capital programme.

### Provisional Local Government Finance Settlement

2.23 The provisional Local Government Finance settlement for 2012/13 was announced on 8th December 2011. This provides details of the grant allocations for individual authorities. The Formula Grant is the same as the provisional grant announced as part of the final grant settlement for 2011/12 but now also incorporates the 2011/12 Council Tax Freeze grant as a permanent addition. The final grant allocations for 2011/12 and the provisional allocations for 2012/13 are set out in Table 3 below. Indicative allocations for 2013/14 and 2014/15 have not been announced.

<b>Table 3</b>			
Grant Name	Government Department	2011/12 Final £m	2012/13 Provisional £m
<b>Un-Ringfenced Grants</b>			
Formula Grant	DCLG	315.987	303.446
Council Tax Freeze Grant	DCLG	14.342	14.446
New Homes Bonus	DCLG	1.379	2.839
Other un-ring-fenced grants			
Extended Rights to Travel	DfE	1.546	1.918
Inshore Fisheries	DEFRA	0.138	0.138
Lead Local Flood Authorities	DEFRA	0.260	0.750
Community Safety Fund	HO	1.246	0.631
Sub Totals		<b>334.898</b>	<b>324.168</b>
Early Intervention Grant	DfE	50.286	54.883
Learning Disability & Health Reform Grant	DH	34.768	35.627
<b>Specific Grants</b>			
Dedicated School Grant	DfE	877.142	
Pupil Premium Grant	DfE	11.976	
Standards Fund	DfE	0.816	
PFI	DfE	16.859	
Environmental	DEFRA	1.205	
Drugs Strategy	DH	2.272	
Asylum	HO	15.111	

2.24 KCC's NHB grant was used in 2011/12 to support the overall budget rather than for any specific purpose. Although the provisional grant has grown significantly for 2012/13, this is part of a planned 6 year roll-out the majority of which has been funded at the expense of Formula Grant. Therefore we are proposing that the grant once again be used

to support the core budget as in effect most of the increase has been funded at the expense of Formula Grant.

- 2.25 The increases in Learning Disability and Health Reform Grant and Lead Local Flood Authorities were already factored into the income projections in the existing Medium Term Financial Plan (MTFP) and at this juncture we are estimating that these grants will continue at the same levels in 2012/13 in real terms for 2013/14 and 2014/15. Most of the increase in the Early Intervention Grant was included in the existing MTFP although we have included the new responsibility for free entitlement for 2 year olds into the revised budget and MTFP. We will need to closely monitor EIG as it is feasible that further cuts could be applied in 2013/14 or 2014/15 together with a further round of transitional damping and additional funding for 2 year olds.
- 2.26 Overall the authority is facing a reduction in Formula Grant of £26.9m (8.5%) for 2012/13 (excluding the transfer of the 2011/12 Council Tax Freeze grant). Based on the SR2010 total we can expect a further reduction in Formula Grant in 2013/14 and 2014/15 (estimated £9m and £22m respectively) as well as potential reductions in other grants. The net reduction in grants which count towards KCC overall funding (excluding those grants referred to in paragraph 2.25 which are treated as service income) i.e. Formula Grant, New Homes Bonus and Council Tax Freeze is £9.5m.
- 2.27 We will continue with the existing strategy that where there are reductions in specific grants we will have to reduce spending on a like for like basis as the authority cannot afford to substitute discretionary funding to replace lost specific grants.

### **Education Funding and Dedicated Schools Grant (DSG)**

- 2.28 The Dedicated Schools Grant (DSG) is funded 100% by government with no funding from local taxation (Council Tax or business rates). The grant is specific and has to be spent on schools (although local authorities are able to provide a top-up from Council Tax or other local sources). The grant is determined as a guaranteed unit of funding (GUF) per pupil with an overall cash floor.
- 2.29 The GUF for 2012/13 is the same as for 2011/12 i.e. £4,885.37. Schools have a Minimum Funding Guarantee (MFG) which ensures their overall grant cannot reduce by more than 1.5% per pupil. An overall grant which is the same cash per pupil and MFG of -1.5% per pupil allows some headroom for local variations in the distribution of grant to individual schools.
- 2.30 The local authority is responsible for determining the formula used to allocate funding to individual schools. The budgets for the majority of schools are still determined by the formula although the existence of

MFG makes it difficult to make any significant changes or correct previous inequities (particularly in relation to the allocation of former Standards Fund (determined by government and not the local authority). The formula is agreed by the local authority following consultation with schools and the Schools' Funding Forum.

- 2.31 The proposed budget for 2012/13 includes the delegation of an additional £11.4m to schools within the DSG. This delegation goes some way to ensuring that the budgets for KCC maintained schools are similar to the budgets for academies.
- 2.32 A separate Pupil Premium was introduced in 2011/12. This grant is passed on in full to schools and for 2012/13 equates to £600 per child eligible for a free school meal or looked after by the authority and £250 per child from armed service families. The number of children eligible for the Pupil Premium has been extended.

### **Possible Changes to the Local Government and School Funding arrangements from 2013/14**

- 2.33 During the summer the Government launched three significant consultations affecting local authority and school funding. The deadlines for responses to all three consultations were all in October. The consultations cover the following issues:
- Business Rates Retention
  - School Funding
  - Localising Council Tax Benefit

#### *Business Rates*

- 2.34 The consultation on business rates retention proposed in effect to cement the existing national redistribution of business rates (as per the 2012/13 damped Formula Grant allocations) through setting each authority a baseline. Local authorities would be allowed to keep any additional business rates growth in future over and above the level assumed in the baseline. Under the proposals businesses would still pay the same rate of local tax which would continue to include the nationally set multiplier, valuations and reliefs. The Localism Bill may allow local authorities some further discretion to apply discounts but the impact would have to be funded out of a council's overall resources and would not attract central government funding.
- 2.35 Under the proposals the overall resources available for local government would still be constrained to the level set out in SR2010 (as above). This means the baseline would have to be scaled down from the 2012/13 levels and is likely to mean that in total the assumed level of the business rates within the baseline would be less than the business rates yield. The likely outcome is that for 2013/14 and 2014/15 the excess business rates would be used to fund other grants to local government rather than be available to supplement local



government spending. Furthermore, the consultation suggested that from 2015/16 onwards the responsibilities of central and local government will need to be adjusted to reflect the level of business rates yield (this is likely to mean additional responsibilities for local government but these would have to be funded from business rate income rather than government grant). One of the crucial factors in the proposed new system will be the assumed level of business rates within these calculations.

- 2.36 The consultation proposals mean that individual local authorities would face potential volatility due to changes in business rates. As it stands the government is suggesting that the tariffs and top-ups would be adjusted for the impact of the annual changes to the national multiplier and mandatory reliefs, and the five yearly impact of the review of rateable values. If implemented, individual local authorities would only benefit/suffer from changes in the tax base. The consultation also suggested the introduction of a “shock pot” to help authorities that faced an unmanageable reduction in the tax base and/or low growth combined with significant additional spending needs. This shock pot would be funded either by a levy on all authorities or only from those with excessive increases in the business rate tax base.
- 2.37 The draft Local Government Finance Bill was introduced on 19<sup>th</sup> December following the conclusion of the consultation. The Bill provides for many of the aspects included in the consultation but will not come into effect until April 2013. At this stage the MTFP is based on our best estimate of the impact and at this stage much of the detail is still to be finalised.

#### *Schools Funding*

- 2.38 The Government has conducted a two stage consultation about reform of school funding. The consultation took place amid the backdrop of talk of a possible National Funding Formula. It now seems that the government is favouring a national framework with the ability for local variations (with the possibility of an expanded role for the Schools’ Funding Forum). The proposals also include a clearer and fairer approach to setting academy budgets.
- 2.39 The Department for Education have proposed that the current DSG system (which essentially provides a single amount per pupil) be replaced by a grant containing four blocks (schools, high needs pupils, early years and central services).
- 2.40 The schools’ block would presume full delegation to schools and academies although some defined services may be retained locally for maintained schools if approved by the Schools’ Funding Forum. The schools’ block would either be built up based on a simple national “shadow” formula for each school or determined in a similar way to the current system as an amount per pupil. The actual budget for each school could still be determined by a local formula although the number

of factors would be limited and set nationally and the government is considering setting a national ratio for secondary to primary school funding with limited scope for local variation.

- 2.41 The high needs' block would provide additional funding for high cost special needs pupils including those in special schools, out county placements and alternative education. The government is considering a simple flat rate with top-ups according to need type. The early years block would cover payments for free entitlement for 3 and 4 year olds. The central services' block would cover those services funded out of DSG but not delegated to schools.
- 2.42 The outcome of this consultation is not expected until at least March 2012 with implementation from April 2013 which will include a long transitional period.

#### *Localising Council Tax Benefit*

- 2.43 The proposals in this consultation are likely to have a much greater impact on district councils than the County Council but need to be considered in setting out the budget strategy. Currently district councils assess eligibility for Council Tax benefit and claim the full cost of both the administration and the impact on their Council Tax collection funds. In effect this means the full cost of Council Tax benefit is funded by HM Treasury.
- 2.44 Under the consultation proposals lower tier authorities would receive a single grant equivalent to current spending on Council Tax benefit in their locality less 10%. The districts would be responsible for determining their own criteria for eligibility for Council Tax benefit. The Government has proposed that the benefit for older people and other vulnerable adults would be protected.
- 2.45 The main benefits and risks will fall on district councils although in two tier areas the Government has suggested districts may wish to work in partnership with the upper tier authority to develop joint schemes. The main risk to local authorities stems from the grant being capped but Council Tax benefit remaining demand led. It is understood the government is considering allowing greater discretion on Council Tax discounts which could increase the tax base and go a long way to addressing concerns. Any changes to Council Tax benefit would not be implemented until April 2013.

# **KCC Medium Term Financial Plan**

# **SECTION 3**

## **Revenue Strategy**

## REVENUE STRATEGY

### *Introduction*

- 3.1 We began this journey as far back as April 2010, when we started considering the implications of the predicted significant reductions in Government Grant combined with additional spending demands. As part of this early planning we predicted that the County Council would need to make budget savings/income generation of £340m over the next 4 years in real terms (i.e. after allowing for the effects of additional spending pressures and reductions in government funding).
- 3.2 Our net loss of funding (grants and Council Tax) for 2012/13 is £4.7m, with further predicted losses of £24m in 2013/14 (including the loss of one-off support for Council tax freeze) and £19m for 2014/15. Details of the individual grants for 2012/13 are included in section 2, paragraph 2.23 in Table 3 and in the draft budget book.
- 3.3 We are planning for additional spending demands of £95.2m in 2012/13 and £58m to £52m in each of the following two years, the vast majority of which is unavoidable. The £95.2m for 2012/13 is significantly more than the £35m included in the previous MTFP. The main reasons are as follows:
- £15m is presentational as in the published MTFP we offset the reversal of one-off savings for 2011/12 against those savings whereas in 2012/13 we are showing this as a pressure.
  - £11m is presentational as in the published MTFP we had the removal of one-off funding from previous years shown as a negative pressure which has now been moved to savings.
  - £23m is pressures on children's services which we could not have foreseen at the time we set the last MTFP, relating to the full year effect of addressing issues arising from the OfSTED inspection. This includes additional placements for children as we have cleared the backlog of cases, the recruitment of a full team of children's social workers and the new workforce strategy for children's social care on top of the one-off actions needed to the social care improvement plan which was funded in the 2011/12 budget.
  - £15m of spending funded by health monies which are to be used for the medium and long term benefit on health and social care budgets.
  - £9.5m contribution to new reserves for Council Tax Equalisation and Invest to Save
- 3.4 The impact of the net loss of funding of £4.7m and the £95.2m of additional spending demands means that we need to make £99.9m of savings/income generation in 2012/13 in order to balance the budget. This represents a substantial challenge and a savings/income target of a similar magnitude to the savings we had to make in 2011/12. The

additional spending demands on children's services are the main reason why the savings target is greater than it otherwise would have been.

- 3.5 We have £62.9m of savings already identified in the current MTFP. £21.4m of these represent the full year effect of savings already made in 2011/12 and require no additional effort to achieve. Plans are well developed to deliver the remaining £41.5m of savings identified in the current MTFP (these represent savings which would not start to be delivered until 2012/13) and we are on schedule to meet this target. The proposals for the remaining £37m are set out in Appendix A of this document and are flagged as new savings in individual portfolio plans.
- 3.6 We have made some changes to the presentation of the budget and MTFP to make it more transparent and to focus on the significant issues. We made some presentational changes in 2011/12 to make the budget more understandable through the introduction of an A to Z of services rather than analysing spending by cabinet portfolio. By and large these changes have been well received and we have built on this for 2012/13 so that Council Members, the residents of Kent and other interested parties have a clearer picture of the proposed budget and how it has evolved from the current year.
- 3.7 We have published a high level strategic 3 year plan together with the draft budgets for 2012/13. This plan sets out our best estimates of the financial challenge summarised in this introduction and our overall strategy to deal with it, whilst recognising that the second and third year estimates could be volatile. Unlike previous plans we are not proposing to break this down into individual portfolios. Setting individual 3 year plans for portfolios at a time when spending was rising made sense, but a time of budget reductions we think it more important to set out a plan which clearly identifies the overall challenge and our intended direction of travel with more detail about the proposed response set out in the annual budget, where estimates of both funding and additional spending demands are more robust.
- 3.8 Within the high level strategic plan there are £54m of savings/income for 2013/14 and £21m for 2014/15 with specific actions identified. These arise either from the full year effect of 2012/13 proposed savings or are the extension of actions already agreed in the existing MTFP. The remaining savings (£28m for 2013/14 and £50m for 2014/15) still need the final details to be agreed. The proposed budget strategy sets a target to deliver these savings under the themes of reducing demand, personalisation of services, localism and incentivisation. These targets may need to be flexible as detailed proposals are put forward for consideration prior to the finalisation of each year's budget but in agreeing the MTFP the County Council is asked to agree that the overall target must be achieved.

- 3.9 The three year plan demonstrates the impact on savings/income requirement if we continue to freeze Council Tax with no support from government grant. This is one of a number of possible scenarios and decisions on future levels of Council Tax will be taken by County Council when it considers and agrees future years' budgets.

### ***Response to the 2012/13 Provisional Settlement***

- 3.10 The County Council responded to the provisional settlement on 16<sup>th</sup> January. In this response we welcomed that government had not made any changes from previous indicative allocations and that the 2011/12 Council Tax freeze grant has been embedded into the Formula Grant for 2012/13 and beyond. Both are a benefit to financial planning.
- 3.11 We re-iterated our concerns about the current Formula Grant model particularly as it is proposed to be used as the baseline for the new funding arrangements under the draft Local Government Finance Bill. In particular we have continued to raise our concerns about the disparity in grant allocations between shire and urban areas which would become crystallised into the new arrangements. We have asked ministers to reconsider a more equitable redistribution of the business rates as part of the new arrangements. We also expressed concerns, that if the existing Formula is to be used for the baseline, that we have no indicative allocations for 2013/14 on which to base financial models.
- 3.12 We also re-iterated our concerns about top-slicing funds from Formula Grant to fund New Homes Bonus grant and the 80/20 split of this between lower and upper tier authorities.

### ***Strategy for Resource Allocation***

- 3.13 Our strategy for balancing the Budget has been based on the following principles:
- Freezing Council Tax for 2012/13 at the same level as 2011/12.
  - Reduce to an absolute minimum additional cost increases on service delivery by resisting as far as possible price increases for bought-in services.
  - At the same time we have to accept that in many cases additional spending demands are unavoidable and need to be adequately planned and funded.
  - Continuing to drive out efficiency savings through more effective commissioning and procurement, eradicating duplication, ceasing non essential expenditure and delivering a lean organisation which continues to work effectively and as one organisation.

- Maximising income potential and determining which services we can provide for others at a viable price, which services we should continue to provide ourselves from tax revenues, and which services can be bought in or provided by other organisations.
- Undertaking an ongoing review of our level of reserves (see Appendix F)
- As a last resort, we have had to make some difficult policy decisions relating to some of our service provision.

Appendix A(iii) sets out how this overall strategy is translated into individual Portfolio plans for 2012/13 and Appendix A(ii) provides a detailed summary for the whole Council.

- 3.14 We are also committed to maintaining our ambitious capital programme wherever possible, which will see investment of £692m over the next three years. Section 4 sets out the Authority's Capital Strategy.
- 3.15 Our process ensures that, even in the current climate, our resources reflect our local priorities. We have frozen Council Tax for a second year, meaning that residents will not have to pay any more Council Tax for the services they receive from Kent County Council. Although this freeze has been supported by government grant for 2012/13 this is only a one-off and we will need to identify compensating savings for 2013/14 and beyond in order to avoid coming back and asking residents to pay more in the future to cover this year's freeze. Through driving out as many efficiency savings as possible by improving the way we do things, and maximising income potential across the Authority, we have protected as many services as possible from cuts.
- 3.16 In addition to the formal consultation on the specific budget proposals we also engage in a range of informal consultations on the budget with Kent residents, the Kent Youth County Council, trade union representatives, business organisations, and elected Members of the County Council, to help inform spending priorities.

### **Strategies to Support the Local Economy**

- 3.17 Within the proposed budget and MTFP we have embarked on a number of initiatives to support the local economy to help Kent to be well placed to recover from the economic recession. These initiatives are summarised in Table 4 over the page which shows the amounts included in KCC budgets, the value of other funds anticipated to be levered in and the potential benefits to Kent.

<b>Table 4</b>				
<b>Initiatives to support economic growth</b>	<b>Capital £000s</b>	<b>Annual Revenue £000s</b>	<b>Funds Levered in £000s</b>	<b>Estimated Benefits</b>
Expansion East Kent		687	350,000 <sup>(1)</sup>	5,000 jobs
No Use Empty properties	11,900	360		1,540 houses
Margate Housing Intervention	10,000		10,000	300 houses, 450 jobs
Kent and Medway Investment Fund	2,000	250	200,000 <sup>(2)</sup>	3,000 jobs <sup>(3)</sup>
Growth Without Gridlock	10,000	500	Unknown	Easing congestion
Broadband Infrastructure	10,000	231	33,000	
Comprehensive 18-24 work package		2,000		660 jobs
Local Authority Mortgage Scheme (LAMS)	12,000	25		800 mortgages

<sup>1</sup> Funds levered £350m, of which £40m direct leverage through the Government's Regional Growth Fund. The remaining leverage funding reflects the target private sector investment that the RGF programme aims to unlock. This is based on experience of private sector leverage ratios in other business grant assistance schemes.

<sup>2</sup> Kent and Medway Investment Fund - Funds Levered £200m (\*) Based on 1:10 leverage ratio achieved under the 'Evergreen' Fund in the North West. This total sum includes District Councils' contributions.

<sup>3</sup> Kent and Medway Investment Fund – Estimated Benefits 3,000 jobs (\*) Based on experience under the 'Evergreen' Fund in the North West.



**Budget 2012/13, 2013/14 and 2014/15**

3.18 Table 5 below shows the estimated budget position resulting from our forecast available resources over the next two years.

<b>Table 5</b>				
<b>Estimated budget position over the next 3 years</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>Cumulative Total £m</b>
Base Budget Requirement	909	904	880	909
Estimated Funding Change	-5	-24	-19	-48
Affordable Budget	904	880	861	861
Base Budget Spending	909	904	880	909
Additional Spending Demands	95	58	52	205
Savings Requirement	-100	-82	-71	-253
Proposed Budget Requirement	904	880	861	861

3.19 Table 6 below shows the cash limit by Portfolio for 2011/12 and proposed budget for 2012/13.

<b>Table 6 - Estimated Budget Position 2011/13</b>		
	<b>2011/12 Revised Base Budget £'000</b>	<b>2012/13 Proposed Budget £'000</b>
Adult Social Care & Public Health	348,162	335,639
Business Strategy, Performance and Health Reform	55,537	52,447
Customer and Communities	91,498	79,496
Democracy and Partnerships	6,856	7,193
Education, Learning and Skills	69,978	59,395
Environment, Highways and Waste	148,738	149,307
Finance and Business Support	48,725	64,201
Regeneration & Enterprise	4,560	3,643
Specialist Children's Services	135,000	153,000
<b>TOTAL CASH LIMITS</b>	<b>909,054</b>	<b>904,321</b>

3.20 Table 7 shows the proposed gross and net budget position for 2012/13 for each Portfolio.

<b>Table 7 - Estimated Gross Expenditure and Income 2012/13</b>					
	<b>Gross £'000</b>	<b>Service Income £'000</b>	<b>Net Expenditure £'000</b>	<b>Government Grants £'000</b>	<b>Net Cost £'000</b>
Adult Social Care & Public Health	451,839	-116,200	335,639	0	335,639
Business Strategy, Performance and Health Reform	89,670	-31,739	57,931	-5,484	52,447
Customer and Communities	130,816	-49,772	81,044	-1,548	79,496
Democracy and Partnerships	7,453	-260	7,193	0	7,193
Education, Learning and Skills	920,037	-148,154	771,883	-712,488	59,395
Environment, Highways and Waste	176,606	-26,052	150,554	-1,247	149,307
Finance and Business Support	178,098	-20,999	157,099	-92,898	64,201
Regeneration & Enterprise	5,145	-1,502	3,643	0	3,643
Specialist Children's Services	217,526	-5,745	211,781	-58,781	153,000
<b>TOTAL BUDGET REQUIREMENT</b>	<b>2,177,190</b>	<b>-400,423</b>	<b>1,776,767</b>	<b>-872,446</b>	<b>904,321</b>

See Draft Budget Book 2012/13 for detailed proposed revenue budgets for each service.

3.21 Our draft budget provides for the following major new investments for 2012/13:

- Fully funding the demographic pressures in Adult Services (£6.7m), resulting from the ageing population and more adults with increasingly complex needs, meaning that we continue to be able to provide the same high level of care, despite the increased service demand and cost.
- Additional funding of £14m in response to the increased demand in Looked After Children within Children's Social Services.
- Investment of £3.5m in Children's Social Care recruitment to social worker posts.
- £2.8m investment in Children's Social Care Prevention strategy.

- Investment in schemes which will help achieve Growth without Gridlock as part of our commitment to regeneration and economic development that has attracted £40m of funding from the Regional Growth Fund.
  - Financing the Capital Programme to ensure we continue to deliver new facilities and improved infrastructure for our residents, businesses and visitors.
- 3.22 Our draft budgets include the following major areas for savings in 2012/13:
- Continued savings from staffing efficiencies, restructuring and rationalisation of premises £9.4m
  - Changes to procurement of contracts £8.2m
  - Demand management £6.2m
- 3.23 The previous paragraphs have set out where we have changed the Budget to reflect our strategies and plans next year. What can often be overlooked are those services we have been able to protect and these include (but not exclusively):
- Eligibility criteria for Adult Social Services (the point at which we intervene to provide help and support) at the moderate level, which is more generous compared to most other authorities in Adult Services, meaning we support more people at the earlier preventative stages of help and support;
  - Entitlement to the Freedom Pass; an innovative and popular initiative;
  - Community Wardens;
  - Community Grants;
  - Library services;
  - The Gateways Programme.
- 3.24 Our Budget reflects:
- A freeze in Council Tax for the second consecutive year
  - A decrease in the net budget requirement of 0.5%
  - A decrease in Government Formula Grant of 8.5%, offset for one year only to 3.8% as a result of the one off Council Tax Freeze Grant.
  - An increase in the Council Tax base of 0.74%.

### ***Resource Management***

- 3.25 Our staff will have to continue to be at their innovative and creative best to deliver the required level of savings while maintaining and improving service outcomes. Our financial and asset management will need to continue to deliver excellence to ensure we make best use of our resources.

- 3.26 Our Commercial Services Team and our Companies generate significant annual income to support the Revenue Budget. As well as the proposed £7.8m surplus generated by Commercial Services (which is the equivalent of 1.4% on Council Tax), we have a number of services that we provide to other Councils, at their request, which deliver further net income to KCC and value for money for the purchaser.

### ***Sensitivity Analysis***

- 3.27 Our budgets are constructed using sound and prudent assumptions over spending, inflationary pressures and our ability to realise additional income generation and efficiencies. We are confident that the cash limits set can and will be adhered to.
- 3.28 We are fully aware of the high risk budgets within the Council, which are largely those over which we have limited or no control over in the short term. In 2011/12 we increased the totality of general reserves to 3% of gross expenditure to cover unforeseen circumstances and increased the general contingency within this to £31.725m. This is considered a reasonable level of reserves to manage risk.
- 3.29 We are proposing to drawdown a further £5m from reserves in addition to the £14m borrowed to balance the 2011/12 budget. As a general rule we would not recommend using such reserves to balance the budget and we have started planning to repay the £14m of reserves from future year's budgets.

### ***Conclusion***

- 3.30 The Government has set us a massive challenge to lead the way in making public expenditure reductions. In our draft budget, we have followed our revenue strategy, minimising price pressures and cost increases and driving out all possible efficiency savings across the organisation. To help smooth the impact of the front-loading of the Government Grant reductions, we have also undertaken a thorough review of our level of reserves. It has been a real challenge, but our draft budget reflects the structural changes which will ensure we have a lean and efficient organisation, fit for the economic climate we face. Our proposed savings will impact on the least possible number of services and will ensure we continue to look after the vulnerable young and old in our care. Our proposed budget includes a number of significant investments to help meet the aims set out in Bold Steps and in particular to help foster business growth in the County as the economy strives to recover.

# **KCC Medium Term Financial Plan**

# **SECTION 4**

## **Capital Strategy**

# CAPITAL STRATEGY

## INTRODUCTION

- 4.1 Kent County Council's (KCC's) capital strategy is based on the key principle that the Council's capital investment should be deployed where it can make the most impact for the benefit of the people of Kent and deliver improvements in essential services.
- 4.2 Capital investment shapes the future. This strategy is therefore a key element of KCC's medium and longer term planning process. It sets out the strategic direction for the council's capital investment plans and its approach to managing the Council's asset.
- 4.3 The capital strategy forms an integral part of the strategic financial and service planning that is part of the annual budget setting process and supports decisions on capital investment under the prudential system. KCC's budget planning processes are robust and integrate its capital and revenue budget planning processes so that coherent decision making can take place on a level of borrowing that is prudent, affordable and sustainable for the authority.

## STRATEGIC FRAMEWORK

- 4.4 The current national economic situation, outlined in Section 2 of this MTFP, applies equally to the capital finance environment and means that the level of resources available for the capital programme over the medium term is uncertain. However, the Capital Strategy is set within the overall context of KCC's strategic plans, that are set out in:
  - *"Bold Steps for Kent"*
  - *"Vision for Kent"*
- 4.5 "Bold Steps for Kent" is Kent County Council's medium term strategic plan, and sets out the vision for how KCC will deliver services over the next four years, whilst meeting the challenge of delivering substantial budget savings. The plan is focused on three key ambitions:
  - *Helping the Kent economy to grow*
  - *Putting the citizen in control*
  - *Tackling Disadvantage*

- 4.6 The “Vision for Kent” is the countywide strategy for the social, economic and environmental wellbeing of Kent’s communities. This sets out a 10-year vision centred on the same three ambitions for the County. KCC’s capital investment is driven towards supporting these ambitions, whilst seeking to rationalise and co-locate our assets with partner agencies where possible and appropriate. The draft Vision for Kent 2011/21 was open for consultation during Summer 2011 and the feedback will be used to inform the final version of the vision – Vision for Kent 2012/22 - which will be agreed in February 2012.
- 4.7 All new bids to the Capital Programme must indicate how they align with the ambitions set out in Bold Steps for Kent & Vision for Kent.
- 4.8 The capital strategy links the themes in the Council’s strategic plans with those reflected in its service and functionally based strategies and plans. As such it provides the framework in which the key strategic objectives of KCC are linked with the investment needs reflected in documents such as the local transport plan. The linking together of these strategies and plans provides a framework within which informed decisions are taken on the Council’s programme of capital investment.

### ***Asset Management***

- 4.9 There are linkages between the capital strategy and the corporate Asset Management Plan (AMP). The capital strategy sets the corporate framework within which the corporate AMP provides supporting information on the asset portfolio and its performance in meeting service objectives. Information on assets has been used to determine budget allocations for capital modernisation expenditure on existing assets. Asset Management Plans are used to determine the priority areas of investment.

#### *Corporate Landlord*

- 4.10 Since 1 April 2011, property resources and expenditure are managed through a ‘corporate landlord’. This means that most properties and property budgets are held centrally instead of by the service directorates. This enables the Council to manage and prioritise across the organisation and direct property resources and expenditure to where they are needed most, as well as aligning the portfolio to corporate objectives such as “Bold Steps for Kent”.

#### *Workplace Transformation*

- 4.11 KCC has embarked upon a programme of workplace transformation which aims to maximise the use of the County Office estate, bringing together strategic issues around the location, size and format of KCC’s offices in the 21st Century, whilst generating net revenue savings on rent, running and related costs.

## ***The Growth Agenda***

- 4.12 Kent has significant potential for growth. Recent years have seen major investment in the county's transport infrastructure, the expansion of Ashford and the Thames Gateway and the start of a renaissance in our coastal towns.
- 4.13 Delivering Bold Steps sets out how KCC will work with our partners to unlock the county's potential by creating the conditions for growth in the long term and acting now to support jobs and businesses in difficult economic conditions. Major commitments and new opportunities include:

## ***Investing in Infrastructure***

- 4.14 In December 2010, KCC published its transport delivery plan for Kent, **Growth Without Gridlock**. We have committed £10m towards this in the 2012/15 MTFP. The Department for Transport has committed to pay for a feasibility study for an additional lower Thames crossing. In addition, we are working to maximise the benefits of High Speed One, improving the speed of rail connections to East Kent.
- 4.15 KCC is committing £10m - matching funding from Government - to transform Kent's **broadband infrastructure** and attract additional private sector investment.
- 4.16 The Government has recently announced the creation of the £500 million **Growing Places Fund** to deliver new homes and jobs by unlocking stalled sites. The Growing Places Fund will be allocated from January 2012 to deliver infrastructure upfront and recycle the investment locally. The South East Local Enterprise Partnership (SELEP) has secured £32.5 million through the fund which KCC will be working with our partners to invest.

## ***Investing in Business***

- 4.17 KCC has secured £40 million investment in East Kent through the Government's £1.4 billion **Regional Growth Fund**. This will deliver Expansion East Kent, a programme of grant support to business which aims to create 5,000 jobs to unlock private sector finance.
- 4.18 We are supporting the development of **key growth sectors** through a series of sector conversations with business. In particular, our major focus on the future of Discovery Park at Sandwich has so far secured over 650 jobs mainly in the life sciences sector and we are working to build job opportunities at all levels in the county's offshore wind industry.



### ***Investing in Homes***

- 4.19 Changes in the planning system have provided an opportunity for local authorities to work together to set out a clear vision for the county's growth, building on the success of the **Kent Forum Housing Strategy**.
- 4.20 We are also seeking to improve access to the housing market through initiatives such as the Local Authority Mortgage Scheme, aimed at helping first time buyers who can afford mortgage repayments, but not the large deposits that the market currently demands.
- 4.21 All of these funds and schemes will aid KCC in achieving its top priorities as set out in Bold Steps for Kent, and as schemes come to fruition, will form part of the capital programme.

### ***CAPITAL INVESTMENT PLAN***

- 4.22 Table 8 summarises by Portfolio the capital investment plan. Details of the projects and schemes included in the plan are shown in the budget pages at Section 3.

<b>Table 8 – Total Affordable Capital Investment Plan 3 Year Programme 2012/13 – 2014/15</b>	
<b>Portfolio</b>	<b>Capital Resources £'000</b>
Adult Social Care & Public Health	89,165
Business Strategy, Performance & Health Reform	34,476
Customer & Communities	15,697
Education, Learning & Skills	295,945
Environment, Highways & Waste	167,795
Regeneration & Enterprise	89,170
Specialist Children's Services	221
<b>Total</b>	<b>692,469</b>

- 4.23 Despite continuing challenges in light of the economic situation, we have retained an ambitious capital investment programme, and this reflects our commitment to delivering real improvements to schools, roads and social care facilities as well as making investment in libraries, adult education, arts, community facilities and projects encouraging regeneration and income generation to the County. More specifically, we are investing in the following over the next three years:
- £125 million in general school improvement and modernisation,
  - £141 million in Highways related projects,
  - £105 million in Regeneration and Communities projects, including the Margate Housing project.
  - £5 million in IT Capability and Infrastructure.

- 4.24 The preparation of the medium term investment plan includes an assessment of both capital financing costs and the impact on running costs of individual projects. The resultant data is used to inform the decision making in the development of the medium term financial plan. Through this process the affordability of the revenue implications of capital investment is considered in the context of forward financial forecasts for revenue expenditure and competing demands for resources.

## **FUNDING**

### ***Government Support***

- 4.25 The Government supports local authority capital investment by providing capital grants or by increasing revenue grants which can then be used to underpin increased borrowing costs where capital expenditure is financed from loans. However, the increase in revenue grant does not fully reflect the additional costs of the borrowing, although it is impossible to say precisely how much is truly 'supported'. For 2012/13 all government support is grant funded, for future years this is not certain due to the potential changes in Local Government funding, although support is expected to be all grant funded within the spending review period.

### ***Capital Resources***

- 4.26 The Government issued details of its capital directions in December 2011. Table 9 shows details of these.
- 4.27 The capital resources for Environment, Highways and Waste are known for 2012/13, the 2013/14 and 2014/15 figures are indicative at this time. For Adult Social Care and Education only 2012/13 allocations are known. Indications from the Government suggest that funding for schools maintenance will continue to be in line with previous years allocations, however, there is a risk that these may reduce as more schools transfer to Academy status. Our strategy is to spend what we are allocated and no more.

<b>Table 9 – Government Capital Directions</b>				
		<b>Grant 2012/13 £000</b>	<b>Grant 2013/14 £000</b>	<b>Grant 2014/15 £000</b>
<b>Education and Early Years</b>	Basic Need	14,278	Awaiting allocations <sup>1</sup>	
	Capital Maintenance	18,053		
	Devolved Formula Capital	4,006		
	<b>Total Education and Early Years</b>	<b>36,337</b>		
<b>Environment, Highways and Waste</b>	Integrated Transport	8,746	8,746	12,299
	Highways Capital Maintenance	23,986	22,473	21,328
	<b>Total Environment, Highways and Waste</b>	<b>32,732</b>	<b>31,219</b>	<b>33,627</b>
<b>Social Care</b>	Adult Services	3,186	Awaiting allocations <sup>1</sup>	
	<b>Total Social Care</b>	<b>3,186</b>		
	<b>Total</b>	<b>72,255</b>		

- 4.28 Demand for capital investment exceeds amounts provided by Government and other sources. With available capital resources continuing to be constrained, we will make additional use of prudential borrowing in the 2012/15 plan in order to accelerate improvements in facilities as well as to continue to address backlog maintenance issues in roads and buildings.
- 4.29 Over the next 3 years we currently estimate that around 66% of our capital investments will be largely determined by national directions (supported borrowing, grants – CLG, DfE, DfT, and PFI funding). However, within this we continue to do all we can to ensure that the needs and priorities for local people are achieved.

<sup>1</sup> See paragraph 4.30

- 4.30 Detailed in Table 10 is a summary of the current estimates of resources that are included in our Plan. The capital planning process that KCC has in place ensures that schemes do not progress unless all the required resources are in place. If the expected funding is not in place there is then the opportunity to abandon, reprioritise or reconfigure the scheme or project.

<b>Table 10 – Investment Plans to 2012/15 Summary of Resources 3 Year Programme 2012/13 – 2014/15</b>	
	<b>Capital Resources £'000</b>
Borrowing	167,363
PEF2	7,924
Grants	374,230
Developer Contributions	8,978
Other External Funding	5,858
Revenue & Renewals	35,920
Capital Receipts	21,776
PFI Funding	70,420
<b>Total</b>	<b>692,469</b>

### ***Borrowing***

- 4.31 As shown in the table above the level of borrowing requirement calculated for the 3 year period 2012/13 – 2014/15 is £167 million. This is a combination of prudential borrowing to be met from additional provision in the proposed revenue budget, and prudential borrowing which is to be serviced from reprioritising existing revenue budgets, principally for Workplace Transformation and Sustaining the IT infrastructure.
- 4.32 Decisions to take on additional (prudential) borrowing flow from an analysis of the strategic assessment of the authority's present asset base, identification of investment needs, prioritisation of those needs set within the context of available capital resources including capital receipts, capital grant and revenue contributions. These decisions form the basis on which medium term investment plans are developed.
- 4.33 Resource forecasts have regard to predicted levels of borrowing capacity and grants, forecast capital receipts, developer contributions, other external funding and revenue finance. Affordability of the costs of borrowing within medium term planning for the revenue budget will become an increasingly important factor in the determination of the size of the forward programme, particularly in periods of rapid population growth and Government Grant reduction.

- 4.34 We are also guided by one of our fiscal indicators which states that borrowing costs, excluding PFI finance costs, will be no more than 15% of our net revenue budget. Table 11 below shows the impact of our 3 year capital programme on this indicator which remains within the 15% limit:

<b>Table 11 – Fiscal Indicator: Borrowing costs excl. PFI finance costs as % of net revenue budget</b>	
10/11 actual	10.32%
2011/12 estimate	11.59%
2012/13 estimate	11.62%
2013/14 estimate	12.46%
2014/15 estimate	13.01%

- 4.35 Section 5 of this report sets out the Treasury Strategy that supports our estimated borrowing in the medium term, and Appendix B details the prudential indicators for capital expenditure and treasury management.

### ***Capital Receipts***

- 4.36 Facilities can be improved or replaced by using capital receipts arising from sale of associated property or land. The 2012/15 capital plan includes £22million of earmarked receipts being used in this way. Schemes which are still proposed to be financed from earmarked receipts are dependent on the relevant disposal taking place as identified within the plan. Because of the fall in expected and realisable capital receipts, PEF2 was established in 2008, which is effectively temporary borrowing pending the disposal of our assets, at the right time and right price for Kent.

### ***Property Enterprise Fund (PEF) 1 & 2***

- 4.37 Property Enterprise Fund 1 (PEF1) generates capital receipts from selling non-operational and surplus land and buildings. This creates a funding stream which is used for the strategic acquisition of land and property to add value to the Council's property portfolio, aid the achievement of economic and regeneration objectives and the generation of income.
- 4.38 Property Enterprise Fund 2 (PEF2) was an initiative approved in September 2008 which was established to ease the effects of the downturn in the property market on the delivery of the capital programme. By having an agreed overdraft limit of £85 million, this allows £85 million worth of capital schemes to continue going ahead that would otherwise have had to be cut.

- 4.39 This short term borrowing is taken against land/properties which were anticipated to be sold to fund the capital programme, but in reality will now not be sold until land values recover.
- 4.40 With the property market taking longer than expected to recover, and holding costs & interest on the fund continuing to mount, we may need to review the strategy whether we hold on for the recovery or opt for a more aggressive disposal strategy now; recognising that this could result in some losses compared to forecast amounts. We must also consider how we can utilise our assets in the most effective way to support the Council's priorities.

### ***Government Grants, Developer and Other External Funding***

- 4.41 HM Treasury provides resources such as grant (or supported borrowing) and the final allocation of grant or support for borrowing is made by the various Government departments and the exact form of allocation provided can vary from one year to another. KCC's funding assumptions beyond what has been announced for projects in future years could therefore be subject to change in line with the actual form of support provided.
- 4.42 During 2012/15, 56% of the capital programme (£389m) is expected to be financed from grants (£374 million), other external funding (£6 million) and developer contributions (£9 million).
- 4.43 The Government directs an element of Government grant for specific purposes, e.g. in 2012/15 £12 million is for devolved capital which is passported directly to the schools
- 4.44 Developer contributions are a source of external funding. These are included where there are expectations that new housing developments will need to contribute to the cost of roads infrastructure or will generate demand for new school places and community facilities. The current housing market is dictating the speed of the new housing developments, and the infrastructure and financial contributions from developers are negotiated to be incurred/ paid at particular stages of a development. The precise timing of the expenditure and funding is therefore still subject to the prevailing economic conditions. The level of budgeted developer contributions has fallen significantly from £28m in 2011/14 to £9m for 2012/15.
- 4.45 Funding from external organisations is a valuable source of capital finance for KCC and we will continue to attempt to maximise the amount of external income available. However this is not always easily predictable into the future and the council realises that this is a source that cannot be depended on. This funding source has also reduced from £11 million in 2011/14 to £6 million for 2012/15.

## **Revenue & Renewals**

4.46 A proportion of the capital plan is funded from revenue and renewals, in the 2012/15 plan this amounts to £36 million or 5% of the total funding.

## **Private Finance Initiative (PFI)**

4.47 PFI is back on the agenda, with the Government looking to deliver new schools through PFI. KCC has expressed an interest in securing PFI funding in respect of 59 schools – a combination of new builds and major refurbishments. At this stage this has not been factored into our capital plans.

4.48 Over this MTP period 2012-15, £70 million expenditure will be funded by PFI funding. The funding is for the Excellent Homes for All scheme.

## **RISK**

4.49 There are some key risks in the capital investment plan. These are mainly around schemes which, for various reasons, are dependent on large volumes of external funding, developer contributions, substantial capital receipts, or for which Government approval to support the capital spending has yet to be announced. There is also some risk around PEF2 with the property market likely to take several years to recover. To mitigate this risk a maximum and minimum range has been set for the value that will be applied to each property going into PEF2 and the position on the fund will be closely monitored.

## **LINKS TO PARTNERS**

4.50 KCC has a huge property portfolio with most communities having at least one KCC building. KCC will work together with private and other public sector agencies to:

- rationalise existing capacity;
- identify opportunities to share premises to provide multiple services, and
- ensure greater partnership working across authorities to increase sharing of assets and associated facilities management services.

## **SUMMARY**

- 4.51 Despite the current economic climate we are continuing to undertake significant capital investment. The Council will continue to prioritise its capital spending in line with Council objectives. In order to do this most effectively the Council will continue to develop partnerships with the private sector and other public sector agencies.



# **KCC Medium Term Financial Plan**

# **SECTION 5**

## **Treasury Strategy**

## **INTRODUCTION**

- 5.1 The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement and Prudential Indicators on an annual basis. Prudential Indicators are reported to Cabinet and Council as part of the Medium Term Plan.
- 5.2 CIPFA define Treasury Management as:
- “The management of the organisation's cashflows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 5.3 All treasury activity will comply with relevant statute, guidance and accounting standards.

## **KCC GOVERNANCE**

- 5.4 The Corporate Director of Finance & Procurement is responsible for the Council's treasury management operations, day to day responsibility is delegated to the Head of Financial Services and Treasury and Investments Manager. The detailed responsibilities are set out in the Council's Treasury Management Practices.
- 5.5 A sub-committee of Cabinet has been established to work with the Officers on treasury management issues – the Treasury Advisory Group (TAG). The group consists of the Cabinet Member for Finance & Business Support, Deputy Cabinet Member for Finance & Business Support, Deputy Leader, Chairman Corporate Policy Overview and Scrutiny Committee, Chairman Superannuation Fund Committee, Liberal Democrat Finance spokesman and Leader Labour Group. The agreed terms of reference are “The Treasury Advisory Group will be responsible for advising the Cabinet and Corporate Director of Finance & Procurement on treasury management policy within KCC's overarching Treasury Management Policy”. TAG meets the requirement in the CIPFA Treasury Management Code for a member body focussing specifically on treasury management. TAG meets quarterly and members of the group receive detailed information on a weekly and monthly basis.
- 5.6 Whilst Council will agree the overall Treasury Management Strategy all amendments to the strategy during the year will be agreed by Cabinet. The strategy needs to remain dynamic and reflect changing circumstances.

- 5.7 Governance & Audit Committee previously received an annual review in accordance with the requirements of the CIPFA Treasury Management Code- it now receives quarterly reports which goes beyond the mid-year review proposed by CIPFA.
- 5.8 A revised Treasury Management Policy Statement is attached in Appendix 1 to reflect new requirements of the CIPFA Code published in November 2011.
- 5.9 The Authority's banker is the National Westminster Bank. At the current time it does not meet our minimum credit requirement of A+ (or equivalent) long term. Despite the credit rating being below the Authority's minimum criteria it will continue to be used for short term liquidity and ongoing day to day business.

## **BORROWING REQUIREMENT AND STRATEGY**

### 5.10 Borrowing

- (1) The underlying need to borrow for capital purposes, as measured by the Capital Financing Requirement (CFR), together with balances and reserves, are the core drivers of treasury management activity.
- (2) As at 31 December 2011 long term borrowing was £1,091m including £48m attributable to Medway Council.

### 5.11 Interest Rate Forecast

- (1) The economic and interest rate forecast provided by the Authority's treasury management advisor, Arlingclose, is attached at Appendix 2. The Authority will reappraise its strategies from time to time in response to evolving economic, political and financial events.
- (2) There are a number of interest rate issues which have a major impact on strategy decisions:
  - Arlingclose in common with most forecasters now expect short term interest rates to stay at their low levels for longer – their central forecast is that the official Bank Rate will remain at 0.5% to the end of 2014. The implication of this is that rates we can obtain for deposits will stay low for longer.
  - In October 2010 the Chancellor added around 1% to Public Works Loan Board across all duration periods. In late November 2010 50 year PWLB maturity loans had a rate of 5.25% compared with 4.07% in late November 2011. Whether through the effect of Quantitative Easing

or the flight from the Euro Zone long term borrowing rates do currently look relatively low. Long term rates have much more scope for volatility and increases than short term rates.

#### 5.12 Borrowing Strategy

(1) Capital expenditure levels, market conditions and interest rates levels will be monitored to minimise borrowing costs over the medium to longer term and maintain stability. The differential between debt costs and returns on deposits, the so called “cost of carry”, remains acute and this is expected to remain a feature in the short term. The Council has therefore been actively trying to reduce its cash holdings by deferring long term borrowing. The use of internal cash resources in lieu of borrowing is likely to continue to be the most cost effective way of financing capital expenditure.

(2) In light of this our principles for borrowing over the period will be:

- Affordability of new borrowing in light of the Council’s overall finances.
- Maturity of existing debt.
- Continue where possible to defer borrowing and fund from internal resources.
- Use the Public Works Loan Board (PWLB) as the main source of funding.
- Consider use of market loans and Lender Option Borrower Option (LOBO) loans. Currently there is very little interest from banks in this market.
- The Council has historically borrowed at fixed rates. This gives certainty over debt financing costs and can be seen as reducing interest rate risk. Fixed rate borrowing will remain a core part of the strategy with the Council seeking to borrow at advantageous points in interest rate cycles.
- Consideration will also be given to borrowing at variable rates – the Council currently has no variable rate borrowing.
- Borrowing short term for cash flow reasons if necessary.

### 5.13 Borrowing Requirement

- (1) In 2012/13 the Council has £77m of borrowing to refinance and new borrowing as set out elsewhere in the budget report.
- (2) The Authority's debt portfolio can be restructured by prematurely repaying loans and refinancing them on similar or different terms to achieve a reduction in risk and/or savings in interest costs.
- (3) The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has adversely affected the scope to undertake meaningful debt restructuring although occasional opportunities arise. The rationale for undertaking any debt rescheduling would be one or more of the following:
  - Savings in risk adjusted interest costs.
  - Rebalancing the interest rate structure of the debt portfolio.
  - Changing the maturity profile of the debt portfolio.
- (4) Borrowing and rescheduling activity will be reported to the Treasury Advisory Group and Governance & Audit Committee in the regular treasury management reports.

## **INVESTMENT STRATEGY**

### 5.14 Principles

- (1) In accordance with Investment Guidance issued by the CLG and best practice this Authority's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yields earned on investments is important but are secondary considerations.
- (2) Credit markets remain in a state of distress as a result of the excessive and poor performing debt within the financial markets. In some instances, Greece and Italy being the most notable examples, the extent and implications of the debt it has built up have led to a sovereign debt crisis and a banking crisis with the outcome still largely unknown. It is against this backdrop of uncertainty that the Authority's investment strategy is framed.

- (3) Investments are categorised as “Specified” or “Non-Specified” within the investment guidance issued by the CLG.
- Specified investments are sterling denominated investments with a maximum maturity of one year. They also meet the “high credit quality” as determined by the Authority and are not deemed capital expenditure investments under Statute.
  - Non-Specified investments are, effectively, everything else.
- (4) Officers will continue to work with our treasury advisers to appraise investment options. Any changes to the approach set out will be subject to report to Cabinet for decision following detailed consideration by the Treasury Advisory Group

#### 5.15 Criteria for Counterparty Selection

The criteria for the selection of counterparties are:

- A strong likelihood of Government intervention in the event of liquidity issues based on the systemic importance to the UK economy.
- Publicised credit ratings for institutions (excluding the DMO).
- Other financial information e.g. Credit Default Swaps, share price, corporate developments, news, articles, market sentiment, momentum.
- Country exposure e.g. Sovereign support mechanisms, GDP, net debt as a percentage of GDP.
- Exposure to other parts of the same banking group.
- Reputational issues.

The Corporate Director of Finance & Procurement in consultation with the Cabinet Member for Finance & Business Support can suspend a counter party at any time.

## 5.16 Current Counterparties

The current approved counterparties are:

- Debt Management Office – Debt Management Account Deposit Facility or Treasury Bills.
- Barclays
- HSBC
- Lloyds Banking Group
- Royal Bank of Scotland
- Santander UK
- Nationwide
- Standard Chartered
- Clydesdale

The actual position is as follows:

- Santander UK have been suspended since April 2010 due to concerns over the relationship with Banco Santander.
- Clydesdale have never been used due to concerns over its parent National Australia Bank – and then due to credit downgrades.
- Standard Chartered will not take local authority deposits.
- RBS, Lloyds and Nationwide have all been suspended since October due to credit rating downgrade.
- Barclays was suspended in December.
- On Arlingclose's recommendation the maximum duration for deposits is 3 months.

## 5.17 Counterparty Proposals

- (1) The permitted deposits will be:
  - Call accounts.
  - Term deposits
  - Certificates of deposit
- (2) TAG considered options at its meeting on 7 December based upon options provided by Arlingclose. The proposed changes to counterparties are as follows:
  - Arlingclose are now recommending a minimum long term rating of A- or equivalent for UK banks. This is lower than the A+ minimum adopted in 2011/12 and is in response to downgrades in credit ratings to many institutions considered to be systematically important to the financial system.
  - The basis of the reduction to A- for UK banks is:
    - The rating is reduced but so is the maximum duration of deposits.
    - This is a return to the normal pre 2008 credit requirement.
    - Only applying to banks which are systematically important.
    - All the other risk metrics still apply.
  - Applying the A- rating to UK banks would give a counterparty list of:
    - Barclays
    - HSBC
    - Santander UK
    - Bank of Scotland
    - Lloyds TSB
    - National Westminster
    - Nationwide
    - Royal Bank of Scotland
    - Standard Chartered



- TAG recommends that all these counter parties should be available to the Council – but parameters would be applied to their use in-particular in-relation to duration of deposits. A decision on whether to use a particular counterparty will be made by the Corporate Director of Finance & Procurement and the Cabinet Member for Finance & Business Support after consultation with TAG and these decisions will be reported to Governance & Audit Committee in the quarterly reports.
- Arlingclose have a range of overseas banks (5 Canadian, 4 Australian and 1 US Banks) which meet their counterparty requirements. TAG recommends that the Authority does not recommence the use of overseas banks. Any proposal to do so would need to be agreed by Cabinet at a later date.

#### 5.18 Counterparty Limits

The Counterparty Limits proposed are:

- DMO £450m
- Banks/Building Societies £50m.
- A group limit of £75m would be applied for Nat West / RBS and Bank of Scotland / Lloyds could not have more than £75m each.

#### 5.19 Duration of Deposits

Arlingclose recommend a maximum duration currently of 3 months. It is recommended that the Corporate Director of Finance & Procurement in consultation with the Cabinet Member for Finance & Business Support is able to increase duration up to a maximum of 12 months in line with Arlingclose recommendations. To go beyond this would require a report to Cabinet.

### **ICELAND**

- 5.20 On 28 October the Icelandic Supreme Court confirmed the 1 April District Court decision that UK local authority deposits did count as deposits under Icelandic law and we are therefore preferred creditors. This also applies in the cases concerning the UK Financial Services Compensation Scheme, the Dutch National bank (on behalf of retail depositors) and Dutch local authorities.

5.21 The position on the two banks is as follows:

- Glitnir – KCC had £15m deposited with Glitnir and 100% of this will be recovered. Negotiations with the Winding Up Board to ensure prompt payment have commenced.
- Landisbanki – KCC has £17m deposited with Landsbanki and 98% of this will be recovered. A first dividend of £5.5m has been paid.

5.22 The Heritable administration continues to proceed well and we are confident of a final return of at least 85%. To date 65p in the £ has been paid totalling £11.9m.

5.23 The [www.kent.gov.uk](http://www.kent.gov.uk) website is regularly updated for news on developments in Iceland.

### **TREASURY ADVISERS**

5.24 Since March 2011 Arlingclose have been the Council's sole treasury adviser.

### **TRAINING**

5.25 Training is provided by Arlingclose and a treasury management training module is included in the Financial Management Training Programme for members and senior officers.

**TREASURY MANAGEMENT POLICY STATEMENT**

**1. INTRODUCTION AND BACKGROUND**

- 1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.
- 1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-
- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
  - Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 1.3 The Council (i.e. full Council) will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
- 1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Cabinet and for the execution and administration of treasury management decisions to the Corporate Director of Finance & Procurement, who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 The Council nominates Treasury Advisory Group and Governance & Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

## **2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES**

2.1 The Council defines its treasury management activities as:

“The management of the Council’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”

2.4 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

2.5 The Council’s primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority’s investments followed by the yield earned on investments remain important but are secondary considerations.

**Section 5**  
**Appendix 2**

**Economic Interest Rate table**

	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14
<b>Official Bank Rate</b>													
<b>Upside risk</b>						0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Downside risk</b>													
<b>1-yr LIBID</b>													
<b>Upside risk</b>	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	1.75	1.75	1.75	1.75	1.75	1.80	1.85	1.95	2.00	2.10	2.20	2.30	2.40
<b>Downside risk</b>	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
<b>5-yr gilt</b>													
<b>Upside risk</b>	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	1.25	1.30	1.35	1.40	1.50	1.60	1.70	1.80	2.00	2.10	2.30	2.40	2.50
<b>Downside risk</b>	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
<b>10-yr gilt</b>													
<b>Upside risk</b>	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	2.20	2.30	2.40	2.45	2.50	2.55	2.60	2.70	2.75	2.80	2.85	2.90	3.00
<b>Downside risk</b>	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
<b>20-yr gilt</b>													
<b>Upside risk</b>	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	3.00	3.05	3.05	3.10	3.20	3.25	3.30	3.35	3.40	3.45	3.50	3.60	3.75
<b>Downside risk</b>	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
<b>50-yr gilt</b>													
<b>Upside risk</b>	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Central case</b>	3.25	3.40	3.50	3.60	3.70	3.80	3.90	4.00	4.00	4.00	4.10	4.20	4.25
<b>Downside risk</b>	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25



## **KCC Medium Term Financial Plan**

# **SECTION 6**

## **Risk Strategy**

# RISK MANAGEMENT STRATEGY

## Introduction

- 6.1 As an organisation concerned with service provision and the social and economic development of the County it is essential that the risks to achieving our objectives are managed so that we create an environment without surprises.
- 6.2 By implementing sound management of our risks and the threats and opportunities which flow from them we will be in a stronger position to deliver our business objectives, provide improved services to the community and achieve better value for money.
- 6.3 Risk management is therefore to be at the heart of our management practice. The Council's approach to risk management aims to be forward looking, and enable decisions to be based on properly assessed risks, ensuring that the right actions are taken at the right time, supporting a culture which encourages continuous improvement and development.
- 6.4 The requirement for an effective approach to risk management will be driven by the objectives of the Council, and ultimately designed to enable the achievement of the aims set out in Bold Steps for Kent, our Medium Term Plan to 2014/15. The risk assessment process informs the business planning and performance management processes with budget and resource allocation following.
- 6.5 We have based our approach to managing risk on the Office of Government Commerce's (OGC) best practice guidance: Management of Risk: Guidance for Practitioners which is aligned with BS ISO: 31000 and the HM Treasury Orange Book.
- 6.6 The following 8 principles adopted from OGC best practice guidance will form the basis for effective risk management in KCC. Risk:
- Aligns with objectives;
  - Fits the context of the organisation;
  - Engages stakeholders;
  - Provides clear guidance;
  - Informs decision making
  - Facilitates continual improvement;
  - Creates a supportive culture;
  - Achieves measurable value.
- 6.7 Underpinning this approach is a risk management policy that aims to allow the authority to:
- manage risks in line with its risk appetite, and thereby enable us to achieve our objectives more effectively;



- apply recognised best practice to manage risk using a balanced, practical and effective approach (Office of Government Commerce publication Management of Risk: Guidance for Practitioners)
- embed effective risk management into the culture of the Council;
- integrate the identification and management of risk into policy and operational decisions;
- eliminate or reduce the impact, disruption and loss from current and emerging events, consequently reducing the cost of threat;
- harness risk management to identify opportunities that current and emerging events may present and maximise benefits and outcomes;
- anticipate and respond in a proactive and timely way to all social, environmental and legislative changes and directives that may impact delivery of our objectives;
- harmonise risk management disciplines across all Council activities;
- benefit from consolidating ongoing learning and experience through the collation and sharing of risk knowledge; and
- demonstrate increasing confidence in our ability to deal effectively with the uncertainty that internal and external pressures present.
- maintain a hierarchy of risk registers within the organisation, headed by a single corporate risk register.

6.8 The policy is reviewed annually to ensure that it reflects the organisation's business needs, continues to add measurable value and remains challenging and responsive to Government direction and requirements.

### **Roles and responsibilities**

6.9 Responsibility for risk management runs throughout the Council. And everyone has a role to play. However, for risk management to be successful there has to be a clear identification of roles and responsibilities at management level. Whilst organisational structures are currently changing, these key roles and responsibilities are currently under review and will be formally approved by the Governance and Audit Committee before the commencement of the new financial year.

### **Embedding of Risk Management**

6.10 The Governance and Audit Committee reviews and approves the Council's Risk Management Policy at least annually. Its implementation is endorsed by the Council's Cabinet and Corporate Management Team. Refreshed guidelines for managers including a Statement of Required Practice (SORP) are currently under development, in

consultation with managers, to aid effective implementation of the policy.

## **Partnerships**

6.11 The risks to the Council in achieving its objectives can be increased or reduced by involvement in the activities of external groups; particularly where they can influence the achievement of our objectives and where the Council adopts a leading role. Risk management will therefore be a key consideration by our senior officers in the way the Council works together with other organisations, partners, contractors etc.

## **Risk Management Key Activities**

6.12 Over the period of this medium term financial plan, the risk management aims will be achieved by:

- Determining and maintaining clear roles, responsibilities and reporting lines throughout the Council based on the organisational design principles set out in “*Change to Keep Succeeding (2010)*”.
- Exploiting the common link between business planning, performance and risk management to enable information on generic or significant risks, highlighted in divisional business plans, to flow freely throughout the risk register hierarchy.
- Ensuring that the focus of risk management is on meeting our significant objectives and establishing an environment of ‘no surprises’.
- Integrating effective risk management practices into the Council’s management, decision making and planning processes.
- Exploiting available business technology to store and share risk information and providing the business with access to a repository of risk knowledge and learning.
- Increasing the regularity and effectiveness of monitoring of key risks in line with the internal control management framework.
- Developing the role of the Kent Managers in relation to Risk Management.
- Providing risk management training and awareness sessions.
- Maintaining links between audit planning and risk management processes to enable assurance on the effectiveness of risk management across the Council.
- Subjecting KCC’s risk management framework and practice to annual review to determine the effectiveness of arrangements and level of risk maturity.

## Appendix A (i)

### High Level 3 Year MTFP Summary

2011/12 (restated)		2012/13 (revised)		2013/14		2014/15		Comparative 4 Year Totals	
£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
	948,686		909,054		904,321		880,000		
<b>Base</b>									
Pay & Prices	6,189	15,934	11,067	11,181	44,371				
Legislative	27,049	11,621	2,504	3,049	44,223				
Demand/Demographic	16,493	22,670	7,556	7,548	54,267				
Services Strategies & Improvements	16,558	29,288	12,870	10,201	68,917				
Change in grant treatment	28,391	260	0	0	0				
Reversal of One-Off Savings	3,070	15,431	23,512	0	20,000				
Emerging Pressures		0	0	0	0				
<b>Total Additional Spending</b>	<b>97,750</b>	<b>95,204</b>	<b>57,509</b>	<b>51,979</b>	<b>231,778</b>				
<b>Income &amp; Savings</b>									
Grant Increases	-33,528	-5,456	0	0	0				
Income Generation	-5,996	-24,699	-3,740	-1,990	-36,425				
Removal of Time Limited Amounts	-2,907	-11,363	-9,706	-200	-24,176				
<u>Efficiency Savings</u>									
Staffing	-16,203	-7,925	-4,223	-5,279	-33,630				
Contracts / Procurement	-8,892	-9,984	-7,213	-4,190	-30,279				
Premises	-2,689	-1,270	-2,140	-4,300	-10,399				
Capital	-4,100	0	0	0	-4,100				
Employer's Pension Contribution	-5,107	0	0	0	-5,107				
Demand Management	0	-6,228	-5,262	-2,575	-14,065				
Other	-5,054	-2,210	-332	-39	-7,635				
<u>Policy Savings</u>	<b>-42,045</b>	<b>-27,617</b>	<b>-19,170</b>	<b>-16,383</b>	<b>-106,425</b>				
Area Based Grants	-10,632	0	0	0	-10,632				
Early Intervention Grant	-11,520	0	0	0	-11,520				
Staffing	-1,805	-9,749	-6,167	0	-17,721				
Contracts	-5,012	-3,730	-1,252	-1,090	-11,084				
Service Reforms	-4,842	-8,145	-1,476	-828	-15,291				
Service Reductions		-1,144	-200	0	-1,344				
Reduction in Demography from NHS		0	-3,000	0	-3,000				
Other	-3,664	-722	-1,487	-382	-6,255				
<u>Savings still to be identified</u>	<b>-37,476</b>	<b>-23,490</b>	<b>-13,582</b>	<b>-2,300</b>	<b>-53,358</b>				
Demand Management			-18,286	-32,569	-50,855				
Incentivisation			-5,626	-10,021	-15,648				
Localism			-2,813	-5,011	-7,824				
Personalisation			-1,407	-2,505	-3,912				
One-Off Savings	-15,431	-7,312	-28,132	-50,106	-100,901				
<b>Total Savings &amp; Income</b>	<b>-137,382</b>	<b>-99,937</b>	<b>-81,830</b>	<b>-70,979</b>	<b>-320,901</b>				
<b>Proposed Annual Budget</b>	<b>909,054</b>	<b>904,321</b>	<b>880,000</b>	<b>861,000</b>	<b>880,000</b>				
<u>Funded by</u>									
Formula Grant	315,987	303,446	294,521	272,866	1,266,820				
Council Tax Freeze Grant	14,325	14,446	0	0	28,776				
New Homes Bonus Grant	1,400	2,839	4,200	5,600	14,039				
Other Un-Ring-Fenced Grant	1,663	3,437	888	888	6,876				
Council Tax Collection Fund	1,991	2,239	580,391	581,646	1,163,267				
Council Tax Yield	573,688	577,914	580,391	581,646	2,313,725				
<b>Total Funding</b>	<b>909,054</b>	<b>904,321</b>	<b>880,000</b>	<b>861,000</b>	<b>880,000</b>				



## Appendix A (ii)

NEW LOOK MTP SUMMARY - ONE YEAR		
<b>Dark blue text represents full years effect of previous years</b>		
Portfolios		2012/13 £'000
<b>Base Budget Requirement</b>		<b>909,054</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>		
<b>Employment Costs:</b>		
All	Kent Scheme Pay Award	3,000
F&BS	Pay Progression	2,000
All	Staff Travel	551
F&BS	Employers National Insurance increase	500
		<b>6,051</b>
<b>Prices:</b>		
SCS, C&C	Social Care	3,593
ELS, EHW, C&C, SCS, ASC&HR	Transport	1,642
EHW, BSP&HR	Gas & Electricity	1,370
EHW	Waste Contracts	1,858
EHW	Highways Maintenance Contracts	955
Various	Other	465
		<b>9,883</b>
<b>Sub Total for Employment Costs and Prices</b>		<b>15,934</b>
<b>Unavoidable Government/Legislative Pressures:</b>		
EHW	Waste Landfill Tax	1,705
ASC&HR	Spending from Social Care Grants	5,406
BSP&HR	Expenditure which can no longer be funded from Capital Programme	1,036
SCS	Asylum	800
SCS	Increase in Early Years Education for 2 year	860
Various	Other	1,814
		<b>11,621</b>
<b>Demand/Demographic Led:</b>		
EHW	Concessionary Fares and Freedom Pass Take-up	406
F&BS	Insurance	1,250
<b>Adult Social Care</b>		
ASC&PH	Older People	-287
ASC&PH	Learning Disability - Residential Placements	1,082
ASC&PH	Learning Disability - Community Services	2,989
ASC&PH	Physical Disability - Residential Placements	311
ASC&PH	Physical Disability - Community Services	2,021
ASC&PH	Mental Health	559
<b>Children's Social Care</b>		
SCS	Residential Placements	2,568
SCS	Fostering Placements	4,091
SCS	Legal Services	1,621
SCS	Assessment	2,960
SCS	Other Services	2,509
SCS	Safeguarding	298

## Appendix A (ii)

NEW LOOK MTP SUMMARY - ONE YEAR		
<b>Dark blue text represents full years effect of previous years</b>		
Portfolios		2012/13 £'000
Various	Other	292
		<b>22,670</b>
<b>Service Strategies &amp; Improvements:</b>		
SCS	Children's Social Care workforce strategy & recruitment to social worker posts	3,547
SCS	Investment in Children's Social Care Prevention Strategy	2,750
F&BS, BSP&HR	Financing the Capital programme	5,739
BSP&HR	One-off contribution for ERP Investment	950
EHW	Growth without Gridlock	500
F&BS	Initiatives to boost the economy	1,000
C&C	Invest to save measures in Customer & Community Services	660
F&BS	Investment in Procurement	1,000
F&BS	Contribution to Council Tax Equalisation Reserve	7,500
F&BS	Contribution to Invest to Save Reserve	2,000
Various	Other	3,642
		<b>29,288</b>
<b>Change in Grant treatment</b>		<b>260</b>
<b>Reversal of one off savings</b>		
F&BS	Moratorium in 2010/11 to increase underspend	1,000
F&BS	Roll forward of 2010/11 projected underspend	4,711
F&BS	Release of reserves	9,033
C&C	Other	687
		<b>15,431</b>
<b>Total Pressures</b>		<b>95,204</b>
<b><u>SAVINGS AND INCOME:</u></b>		
<b>Grant increases (non DSG)</b>		
F&BS	Early Intervention Grant	-4,597
F&BS	Learning Disability Health Reform Grant	-859
		<b>-5,456</b>
<b>Income Generation</b>		
EHW	Increased contribution from Commercial Services	-500
EHW	Full Year Effect of Parental Contributions for Freedom Pass	-500
ASC&PH	Increase in Social Care charges in line with benefits uplift	-2,854
ASC&PH	Full Year effect of introduction of new charges	-1,477
ASC&PH	PCT contribution to Social Care Improvement (one-off)	-15,656

## Appendix A (ii)

NEW LOOK MTP SUMMARY - ONE YEAR		
<b>Dark blue text represents full years effect of previous years</b>		
Portfolios		2012/13
		£'000
F&BS	Increased investment income	-1,200
ELS, BSP&HR	Increased income from Schools and Academies	-498
BSP&HR	Increased income for ICT Services	-500
BSP&HR	Increased income for Legal Services	-804
Various	Other	-710
		<b>-24,699</b>
<b>Savings and Mitigations:</b>		
<b>Removal of one-off funding</b>		
C&C	Big Society Fund	-5,000
C&C, ELS, SCS	EIG short term loan	-3,092
F&BS	Children's Social Care Improvement Plan	-2,491
C&C, BSP&HR, F&BS	Other	-780
		<b>-11,363</b>
<b>Efficiency savings</b>		
All	Full Year Effect of non frontline staffing & management restructure from previous years	-1,804
All	Full Year Effect of non staffing efficiencies from previous years	-1,278
BSP&HR	Premises rationalisation	-1,270
All	Management structures and non front line staff	-4,810
C&C	Full Year Effect of Contact Centre/Communication	-225
ASC&PH, SCS	Access & Assessment	-290
	<u>Demand Management</u>	
SCS	Reduction in children's placements through enhanced prevention (LAC strategy)	-3,117
ELS	Home to School Transport	-900
EHW	Waste tonnage reduction	-2,211
	<u>Procurement efficiencies</u>	
ASC&PH, SCS, BSP&HR, ELS	Procurement of contracts	-2,432
ASC&PH	Reductions in prices paid to LD providers	-3,393
EHW	Waste contract renewals and partnership arrangements	-425
EHW	Transport Procurement	-956
F&BS	Added value from the Procurement team	-1,000
BSP&HR	Multi Agency ICT provision	-500
F&BS	Carbon Reduction Levy	-968
Various	Other - Staffing	-796
Various	Other - Non Staffing	-1,242
		<b>-27,617</b>
<b>Service Reforms</b>		
EHW	Waste Management Services	-730

## Appendix A (ii)

NEW LOOK MTP SUMMARY - ONE YEAR		
<b>Dark blue text represents full years effect of previous years</b>		
Portfolios		2012/13 £'000
C&C	Supporting People	-4,000
C&C	Libraries self service implementation and other efficiencies	-1,450
C&C	Youth Services	-394
EHW	Highways Maintenance reduction in capacity (one-off)	-544
ELS	ELS staff restructuring including Kent Challenge	-5,730
ELS	Reduction in Connexions contract	-3,000
ASC&PH	<b>In house services for older people</b>	<b>-1,350</b>
ASC&PH	In house services for vulnerable Adults	-575
ASC&PH	Stringent application of good practice guidelines and review of support for former self funders	-750
R&E	Alternative funding for Regeneration projects	-855
C&C	More robust funding criteria for Arts	-300
R&E	Cease Community Events fund	-300
BSP&HR	Deletion of Managing Director	0
SCS	Early Years and Childcare	-1,145
Various	Other - Staffing	-250
Various	Other - Service Reforms	-1,395
Various	Other	-722
		<b>-23,490</b>
	<b>One-off savings</b>	
F&BS	One -off savings - Drawdown from Reserves	-5,000
F&BS & C&C	Roll-forward of 2011-12 projected underspend	-2,312
		<b>-7,312</b>
<b>Total Savings and Mitigations</b>		<b>-69,782</b>
<b>Total Savings and Income</b>		<b>-99,937</b>
<b>PROPOSED NET BUDGET REQUIREMENT</b>		<b>904,321</b>
<b><u>Funded By</u></b>		
<b>Un-ring-fenced Grants</b>		
Government Funding - Other un-ring-fenced Grants		3,437
Formula Grant		303,446
Council Tax Freeze Grant		14,446
New Homes Bonus		2,839
Council Tax Collection Fund		2,239
<b>Council Tax</b>		<b>577,914</b>
<b>TOTALS</b>		<b>904,321</b>



## Appendix A (iii)

<b>Adult Social Care and Public Health Portfolio Revenue Budget</b>			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>317,434</b>
<b>Base Budget Adjustments - Internal</b>			<b>-4,040</b>
Transfer of Learning Disability and Health Reform Grant to be held centrally			34,768
<b>Base Budget Adjustments- External</b>			<b>34,768</b>
<b>Total Base Adjustments</b>			<b>30,728</b>
<b>Revised Base Budget</b>			<b>348,162</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	160
All	Employers National Insurance increase	N	115
All	Kent Scheme Pay Award	N	725
			<b>1,000</b>
<b>Prices:</b>			
All	Transport	E	55
All	Social Care Provision	N	3,091
All	Other	E	61
			<b>3,207</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
Various	Learning Disability Transfer and Health Reform Grant - increase in expenditure	E	859
Various	Net pressures funded from NHS support for Social Care grant	N	5,406
			<b>6,265</b>
<b>Demand/Demographic Led:</b>			
Older Persons	Older People	E	-287
Learning Disability	Learning Disability - Residential	E	1,082
Learning Disability	Learning Disability - Community Services	E	2,989
Physical Disability	Physical Disability - Residential	E	311
Physical Disability	Physical Disability - Community Services	E	2,021
Mental Health	Mental Health	E	559
			<b>6,675</b>
<b>Total Pressures</b>			<b>17,147</b>
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Income Generation:</b>			
All	Income increase in-line with Benefits Uplift	E	-2,854
	Increase in Blue Badge charges	N	-170
All	NHS support for Social Care	N	-15,656
All	FYE of Increase Charging - non residential	E	-1,477

## Appendix A (iii)

<b>Adult Social Care and Public Health Portfolio Revenue Budget</b>			
		New / Existing	2012/13 £'000
			<b>-20,157</b>
<b><u>Savings and Mitigations:</u></b>			
<b>Identified in published 2010/13 MTP:</b>			
	Fall out of early Retirement Costs	E	-19
	Streamline back office support functions	E	-452
			<b>-471</b>
<b>Efficiency Savings:</b>			
All	Essential/Lease user	E	-21
<b><u>Procurement</u></b>			
All	Review of Community Service Procurement	E	-2,132
<b><u>Management Structures</u></b>			
	Support Services	E	-121
Learning Disability	Day Services Review - LD	E	-88
<b><u>Access &amp; Assessment</u></b>			
	Hospital Team Review	E	-75
Mental Health	Mental Health Management	E	-50
	Co-ordination Managers	E	-50
Various	Agency Staff	E	-115
Learning Disability & Physical Disability	Review of LD and PD Residential and Supported Accommodation procurement	E	-3,393
			<b>-6,045</b>
<b>Service Reforms:</b>			
Older Persons	Consistent application of fair access to Care Services policy	E	-500
Older Persons	Encouraging Self Funders of Residential Care to seek independent financial advice	E	-250
Older Persons	Older Persons Strategy	E	-1,200
Older Persons	Review of In-house services - OP	E	-150
Learning Disability	Review of In-house services - LD	E	-550
Physical Disability	Review of In-house services - PD	E	-25
Public Health	Rationalise Healthwatch Programme	E	-32
All	Consistent application of client transport policy	E	-290
			<b>-2,997</b>
<b>Total Savings and Mitigations</b>			<b>-9,513</b>
<b>Total Savings and Income</b>			<b>-29,670</b>
<b>Budget controlled by this portfolio</b>			<b>335,639</b>

## Appendix A (iii)

<b>Business Strategy, Performance and Health Reform Portfolio Revenue Budget</b>			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>47,352</b>
<b>Base Budget Adjustments - Internal</b>			<b>7,433</b>
Transfer EIG income budget and hold centrally			752
<b>Base Budget Adjustments- External</b>			<b>752</b>
<b>Total Base Adjustments</b>			<b>8,185</b>
<b>Revised Base Budget</b>			<b>55,537</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	37
All	Employers National Insurance increase	N	61
All	Kent Scheme Pay Award	N	359
			<b>457</b>
<b>Prices:</b>			
Property	Gas & Electricity	E	550
Property	Rent	E	17
Property	Rates	E	124
			<b>691</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
Property	Change of accounting treatment for some staff in the Property division previously funded from capital	N	786
			<b>786</b>
<b>Demand/Demographic Led:</b>			
Property	Dilapidations	E	-88
			<b>-88</b>
<b>Service Strategies &amp; Improvements:</b>			
CMB	Tapering of PFI Grant	E	581
Various	Prudential borrowing costs for Portfolio Capital Programmes	E	328
Property	The Bridge Resource Centre	E	2
Property	Libraries Modernisation programme	E	134
Business Strategy	Analysis and dissemination of 2011 Census	E	25
			<b>2,020</b>
<b>Total Pressures</b>			<b>3,866</b>
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Income Generation:</b>			
Property	On-selling of approved list, advice & access to Framework Agreements	E	-35
Legal	Increased Income levels	E	-804
ICT	Multi Agency (Network) ICT Unification	E	-500

## Appendix A (iii)

### Business Strategy, Performance and Health Reform Portfolio Revenue Budget

		New / Existing	2012/13 £'000
HR	Workforce & professional development - moving to a trading basis	E	-498
			<b>-1,837</b>
<b>Savings and Mitigations:</b>			
<b>Efficiency Savings:</b>			
ICT	Smarter/Collaborative Procurement	E	-200
Property	Centralise Maintenance budgets	E	-70
Property	Restructure KCC Property function (Corporate Landlord)	E	-175
Property	Efficiencies to be delivered by the restructure of Property and Infrastructure	E	-133
ICT	Multi Agency (Network) ICT Unification	E	-500
	Total Place	E	-1,270
ICT	Internal efficiency & Demand reduction	E	-621
HR	Restructure of HR function - Non Business Operations	E	-1,106
Strategic Management	Impact of deletion of Managing Director post	N	-350
Property	Business Support & Client Services - staffing	E	-200
Business Strategy	Planning, Policy and Performance efficiencies	E	-291
Strategic Management	Reduction in Early Retirement Added Years	E	-93
			<b>-5,009</b>
<b>Service Reforms:</b>			
Property	Staff Housing (Schools)	E	-110
			<b>-110</b>
<b>Total Savings and Mitigations</b>			<b>-5,119</b>
<b>Total Savings and Income</b>			<b>-6,956</b>
<b>Budget controlled by this portfolio</b>			<b>52,447</b>

## Appendix A (iii)

<b>Customer &amp; Communities Portfolio Revenue Budget</b>			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>90,469</b>
<b>Base Budget Adjustments - Internal</b>			<b>477</b>
Transfer EIG income budget and hold centrally			552
<b>Base Budget Adjustments- External</b>			<b>552</b>
<b>Total Base Adjustments</b>			<b>1,029</b>
<b>Revised Base Budget</b>			<b>91,498</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All		Staff Travel	92
All		Employers National Insurance increase	95
All		Kent Scheme Pay Award	515
			<b>702</b>
<b>Prices:</b>			
All		Transport	10
All		Other	39
Libraries		Civica Contract inflation	6
			<b>55</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
Strat. Mngt		Property Maintenance Agreements	250
Youth		Loss of zero rates for youth centres	150
			<b>400</b>
<b>Demand/Demographic Led:</b>			
Coroners		Increase cost of post mortem provision	50
KSS		Reduced Demand for analytical testing, income target reversal	80
			<b>130</b>
<b>Service Strategies &amp; Improvements:</b>			
SDU		Gateways - continued roll out of the programme	300
Strat. Mngt		Replace one-off savings on in year management action	57
Youth		Review of service provision - Creation of commissioning budget	210
Libraries		Implementation of RFID self service project	450
Local		Decision to revise Community Engagement structure in light of	275
Democracy		Localism agenda	
Archives		Prudential Borrowing Costs - Kent History Centre	57
Comms		Unachievable income target	250
			<b>1,599</b>
<b>Repayment of one-off funding in 2011/12</b>			
		One off reduction in Book Fund	300
		One off underspend - to be rolled forward as a commitment within CMY	387
			<b>687</b>
<b>Total Pressures</b>			<b>3,573</b>

## Appendix A (iii)

Customer & Communities Portfolio Revenue Budget			
		New / Existing	2012/13 £'000
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Income Generation:</b>			
C. Parks	Country Parks (increase % income to 68%)	E	-50
C. Access	Countryside access	E	-30
Registration	Fee generation target - inflationary uplift	N	-50
			<b>-130</b>
<b><u>Savings and Mitigations:</u></b>			
<b>Removal of one-off funding</b>			
B. Society	Big Society Fund	E	-5,000
Sports	2012 Olympic & Paralympic Games	E	-200
Sports	Open Golf at Sandwich	E	-80
Contact Centre	Removal of EIG Transitional protection	E	-120
			<b>-5,400</b>
<b>Current published 2010/13 MTP:</b>			
All	Review of back office, management and support	E	-857
Youth/Yos	Management review of integrated service	E	-400
Various	Stream line of back office	E	-26
			<b>-1,283</b>
<b>Efficiency Savings:</b>			
Various	Management reductions	E	-242
CLS	Hosting charge for use of properties	E	-200
Comms	Communications staffing	N	-225
All	Essential/Lease User	E	-13
			<b>-680</b>
<b>Service Reforms:</b>			
All	Review strategic external funding activities	E	-92
Sup. People	Review of service provision	E	-4,000
Libraries	Management and other efficiencies	E	-500
Libraries	Implementation of RFID and other efficiency linked proposals	E	-950
Youth	Review of service provision - commissioning model staff impact	E	-394
Youth	Review of Service Provision -hybrid model property impact	E	-15
Trading Std	Review of service provision and management approach	E	-250
C. Parks	Staffing review	E	-30
PROW	PROW network maintenance	E	-75
Public Health	Rationalise Healthwatch Programme	E	-78
C. Access	Review of service priorities	E	-71
Comm. Safety	Reduction in HO Community Safety LSSG (2011/12)	E	-279
Comm. Safety	Reduction in HO Community Safety LSSG (2012/13)	E	-615
Arts	More robust funding criteria	N	-300
			<b>-7,649</b>
<b>One-off savings</b>			
All	Roll-forward of 2011/12 projected underspend	N	-433
			<b>-433</b>
<b>Total Savings and Mitigations</b>			<b>-15,445</b>
<b>Total Savings and Income</b>			<b>-15,575</b>
<b>Budget controlled by this portfolio</b>			<b>79,496</b>

## Appendix A (iii)

Democracy and Partnerships Portfolio Revenue Budget			
		New / Existing	2012/13 £'000
<b>Base Budget</b>			<b>6,421</b>
<b>Base Budget Adjustments - Internal</b>			<b>435</b>
<b>Base Budget Adjustments- External</b>			<b>0</b>
<b>Total Base Adjustments</b>			<b>435</b>
<b>Revised Base Budget</b>			<b>6,856</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	20
All	Employers National Insurance increase	N	5
All	Kent Scheme Pay Award	N	32
			<b>57</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
	Increased contribution to reserves for County Council elections	E	315
			<b>315</b>
<b>Service Strategies &amp; Improvements:</b>			
	Support staff	N	30
			<b>30</b>
<b>Total Pressures</b>			<b>402</b>
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Efficiency Savings:</b>			
F&P & Demo Services	Management Structures	E	-48
Business Strategy	Planning, Policy and Performance Efficiencies	E	-7
			<b>-55</b>
<b>Service Reforms:</b>			
Demo Services	15% reduction to Member pool car budget	N	-10
			<b>-10</b>
<b>Total Savings and Mitigations</b>			<b>-65</b>
<b>Total Savings and Income</b>			<b>-65</b>
<b>Budget controlled by this portfolio</b>			<b>7,193</b>

## Appendix A (iii)

### Education, Learning & Skills Portfolio Revenue Budget

	New / Existing	2012/13 £'000
<b>Base Budget</b>		<b>57,336</b>
<b>Base Budget Adjustments - Internal</b>		<b>107</b>
Transfer EIG income budget and hold centrally		12,535
<b>Base Budget Adjustments- External</b>		<b>12,535</b>
<b>Total Base Adjustments</b>		<b>12,642</b>
<b>Revised Base Budget</b>		<b>69,978</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>		
<b>Pay:</b>		
All Staff Travel	N	135
All Employers National Insurance increase	N	50
All Kent Scheme Pay Award	N	233
		<b>418</b>
<b>Prices:</b>		
Fair Access Transport	E	467
Strat Mgmt Pensions	N	200
		<b>667</b>
<b>Demand/Demographic Led:</b>		
School Resources Legal Services	N	250
		<b>250</b>
<b>Total Pressures</b>		<b>1,335</b>
<b><u>SAVINGS AND INCOME:</u></b>		
<b>Income Generation:</b>		
Fair Access Introduction of a parental contribution for denominational and selective transport for pupils	E	-200
		<b>-200</b>
<b><u>Savings and Mitigations:</u></b>		
<b>Removal of one-off funding</b>		
All Removal of EIG Transitional protection	E	-2,079
		<b>-2,079</b>
<b>New Efficiency Savings:</b>		
All Reduction in staff travel	E	-9
Fair Access Reduction in demand for Mainstream Home to School transport	E	-900
		<b>-909</b>
<b>Service Reforms:</b>		
Skills and Employability Connexions	E	-3,000
All ELS restructure	E	-5,730
		<b>-8,730</b>
<b>Total Savings and Mitigations</b>		<b>-11,718</b>
<b>Total Savings and Income</b>		<b>-11,918</b>
<b>Budget controlled by this portfolio</b>		<b>59,395</b>



## Appendix A (iii)

Environment, Highways & Waste Portfolio Revenue Budget			
		New / Existing	2012/13 £'000
<b>Base Budget</b>			<b>148,971</b>
<b>Base Budget Adjustments - Internal</b>			<b>-233</b>
<b>Base Budget Adjustments- External</b>			<b>0</b>
<b>Total Base Adjustments</b>			<b>-233</b>
<b>Revised Base Budget</b>			<b>148,738</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	26
All	Employers National Insurance increase	N	29
All	Kent Scheme Pay Award	N	185
			<b>240</b>
<b>Prices:</b>			
Highways	Transport	E	1,063
Highways	Gas & Electricity	E	820
Waste	Waste Contracts	E	1,858
Highways	Maintenance contracts	E	955
			<b>4,696</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
Waste	Landfill Tax escalator (+£8 per tonne)	E	1,705
Environment	Flood risk management responsibilities	E	490
			<b>2,195</b>
<b>Demand/Demographic Led:</b>			
Highways	Freedom Pass	N	128
Highways	Concessionary fares	N	278
			<b>406</b>
<b>Service Strategies &amp; Improvements:</b>			
Waste	Disposal Costs	N	103
Waste	Site Maintenance	N	250
Highways	Traffic Management Centre	E	50
Planning	Growth without Gridlock	N	500
Highways	Prudential Borrowing Costs - Street lighting	N	14
Strategic Mgmt	Prudential Borrowing Costs - Gypsy Sites	N	9
			<b>926</b>
<b>Change in Grant treatment</b>			
Environment	Flood Defence Grant	N	260
			<b>260</b>
<b>Total Pressures</b>			<b>8,723</b>

## Appendix A (iii)

<b>Environment, Highways &amp; Waste Portfolio Revenue Budget</b>			
		New / Existing	2012/13 £'000
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Income Generation:</b>			
Comm Serv	Increased Contribution from Commercial Services	E	-500
Strategic Mgmt	Increased rental income	N	-9
Planning	Planning applications	E	-50
Transport	Freedom Pass	E	-500
<b>Total Income Generation</b>			<b>-1,059</b>
<b><u>Savings and Mitigations:</u></b>			
<b>Identified in published 2011/13 MTP:</b>			
Highways	Overhead efficiencies through de-layering and streamlining	E	-469
Highways	Highways maintenance	E	-859
			<b>-1,328</b>
<b>New Efficiency Savings:</b>			
All	Management reductions	E	-530
Waste	Contract renewals	E	-334
Waste	East Kent Joint Waste contract	E	-91
Directorate Support	Access & Assessment Agency Staff	E	-1
Waste	Reduction of 30,000 tonnes in Budgeted Waste Tonnage	N	-2,211
Transport	Procurement efficiencies	N	-956
			<b>-4,123</b>
<b>Service Reforms:</b>			
Waste	Review of Household Waste Recycling Centres	E	-630
Waste	Reduced work on Partnerships and Waste Co-ordination	E	-100
Transport	Remove support for the least added value socially necessary but uneconomic bus routes	E	-211
Environment	Other environment service reductions	E	-120
Planning	Reduce planning capacity	E	-39
Highways	Highway maintenance (one year only)	N	-544
			<b>-1,644</b>
<b>Total Savings and Mitigations</b>			<b>-7,095</b>
<b>Total Savings and Income</b>			<b>-8,154</b>
<b>Budget controlled by this portfolio</b>			<b>149,307</b>

## Appendix A (iii)

Finance and Business Support Revenue Portfolio			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>134,636</b>
<b>Base Budget Adjustments - Internal</b>			<b>-857</b>
Transfer Learning Disability and Health Reform Grant and hold centrally			-34,768
Transfer EIG income budget and hold centrally			-50,286
<b>Base Budget Adjustments- External</b>			<b>-85,054</b>
<b>Total Base Adjustments</b>			<b>-85,911</b>
<b>Revised Base Budget</b>			<b>48,725</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
Fin Items	TCP	N	2,000
F&P & HRBO	Staff Travel	N	3
F&P & HRBO	Employers National Insurance increase	N	37
F&P, HRBO & Fin Items	Kent Scheme Pay Award	N	338
			<b>2,378</b>
<b>Demand/Demographic Led:</b>			
Fin. Items	Insurance	N	1,250
			<b>1,250</b>
<b>Service Strategies &amp; Improvements:</b>			
Fin. Items	Drawdown from Prudential Equalisation Reserve	E	808
Fin. Items	Financing the Capital Programme	E	4,031
Fin. Items	CSR Impact: 1% increase in borrowing cost	E	1,300
Fin Items	Initiatives to boost the economy	N	1,000
Fin Items	Contribution to Council Tax Equalisation Reserve	N	7,500
Fin Items	Contribution to Invest to Save Reserve (one year only)	N	2,000
Fin Items	Contribution to Reserves (one year only)	N	350
HRBO	Revenue Implications of ICS replacement	N	207
F&P	Expansion of Procurement Team	N	1,000
			<b>18,196</b>
<b>Repayment of one-off funding</b>			
Fin. Items	Moratorium in 2010/11 to increase underspend	E	1,000
Fin. Items	Roll forward of 2010/11 projected underspend	E	4,711
Fin. Items	Release of reserves	E	9,033
			<b>14,744</b>
<b>Total Pressures</b>			<b>36,568</b>

## Appendix A (iii)

Finance and Business Support Revenue Portfolio			
		New / Existing	2012/13 £'000
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Grant Increases:</b>			
Fin. Items	Early Intervention Grant	N	-4,597
Fin. Items	Learning Disability Health Reform Grant	E	-859
			<b>-5,456</b>
<b>Income Generation:</b>			
Fin. Items	Increased investment income	N	-1,200
HRBO	Restructure of HR function - Business Operations	E	-116
			<b>-1,316</b>
<b><u>Savings and Mitigations:</u></b>			
<b>Removal of one-off funding</b>			
Fin. Items	Children's Social Care Improvement Plan	E	-2,491
Fin. Items	Modernisation of the Council	E	-500
			<b>-2,991</b>
<b>Efficiency Savings:</b>			
F&P	Restructure of Finance Function	E	-1,205
HRBO	Restructure of HR function - Business Operations	E	-419
Fin. Items	Borrowing costs PEF2	E	-808
Fin. Items	Carbon Reduction Levy	N	-968
Fin. Items	Procurement Efficiencies	N	-1,000
			<b>-4,400</b>
<b>Service Reforms:</b>			
F&P	Removal of support from Benefits Partnership	E	-50
			<b>-50</b>
<b>One-off savings</b>			
All	Drawdown from Reserves	N	-5,000
Fin. Items	Roll-forward of 2011/12 projected underspend	N	-1,879
			<b>-6,879</b>
<b>Total Savings and Mitigations</b>			<b>-14,320</b>
<b>Total Savings and Income</b>			<b>-21,092</b>
<b>Budget controlled by this portfolio</b>			<b>64,201</b>

## Appendix A (iii)

<b>Regeneration &amp; Enterprise Portfolio Revenue Budget</b>			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>4,137</b>
<b>Base Budget Adjustments - Internal</b>			<b>423</b>
<b>Base Budget Adjustments- External</b>			<b>0</b>
<b>Total Base Adjustments</b>			<b>423</b>
<b>Revised Base Budget</b>			<b>4,560</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	3
All	Employers National Insurance increase	N	5
All	Kent Scheme Pay Award	N	24
			<b>32</b>
<b>Prices:</b>			
Regen	Other	E	10
			<b>10</b>
<b>Service Strategies &amp; Improvements:</b>			
Regen	Cyclopark	E	220
			<b>220</b>
<b>Total Pressures</b>			<b>262</b>
<b><u>SAVINGS AND INCOME:</u></b>			
<b>Efficiency Savings:</b>			
Regen	Central Costs	E	-12
Regen	Pensions	E	-12
			<b>-24</b>
<b>Service Reforms:</b>			
Regen	Regeneration Projects	E	-855
Regen	Cease Community Events grant	N	-300
			<b>-1,155</b>
<b>Total Savings and Mitigations</b>			<b>-1,179</b>
<b>Total Savings and Income</b>			<b>-1,179</b>
<b>Budget controlled by this portfolio</b>			<b>3,643</b>

## Appendix A (iii)

<b>Specialist Children's Services Portfolio Revenue Budget</b>			
	New / Existing		2012/13 £'000
<b>Base Budget</b>			<b>102,298</b>
<b>Base Budget Adjustments - Internal</b>			<b>-3,745</b>
Transfer EIG income budget and hold centrally			36,447
<b>Base Budget Adjustments- External</b>			<b>36,447</b>
<b>Total Base Adjustments</b>			<b>32,702</b>
<b>Revised Base Budget</b>			<b>135,000</b>
<b><u>ADDITIONAL SPENDING PRESSURES</u></b>			
<b>Pay:</b>			
All	Staff Travel	N	75
All	Employers National Insurance increase	N	103
All	Kent Scheme Pay Award	N	589
			<b>767</b>
<b>Prices:</b>			
All	Transport	E	47
SCS	Social Care Provision	E	502
C&P	Other (inc Legal)	E	8
			<b>557</b>
<b>Unavoidable Government/Legislative Pressures:</b>			
Asylum	Asylum	N	800
Early Years	Increase Early Years education for 2 year old	N	860
			<b>1,660</b>
<b>Demand/Demographic Led:</b>			
Legal	Legal Services	N	1,621
Residential	Residential Care	N	2,568
Fostering	Fostering	N	4,091
Leaving Care	Leaving Care	N	829
Adoption	Adoption	N	1,050
Fostering and Support Services	Kinship & FGC	N	630
Social Care Staffing	Social Care Staffing	N	2,960
Safeguarding	Safeguarding	N	298
			<b>14,047</b>
<b>Service Strategies &amp; Improvements:</b>			
Social Care Staffing	Workforce Strategy	N	2,284
Social Care Staffing	Social Care staffing - additional posts	N	1,263
Preventative Services	Investment in Prevention (LAC) Strategy	N	2,750
			<b>6,297</b>
<b>Total Pressures</b>			<b>23,328</b>

## Appendix A (iii)

<b>Specialist Children's Services Portfolio Revenue Budget</b>			
		New / Existing	2012/13 £'000
<b><u>SAVINGS AND INCOME:</u></b>			
<b><u>Savings and Mitigations:</u></b>			
<b>Removal of one-off funding</b>			
Children's Centres	Review of Early Years and Childcare/EIG Transitional protection	E	-893
			<b>-893</b>
<b>New Efficiency Savings:</b>			
All	Reduction in staff travel	E	-3
All	Management Structures	E	-48
Preventative Services	Social care procurement	E	-100
Residential and Fostering	Savings from investment in Prevention services (LAC Strategy)	E	-3,117
Directorate Mgmt and Support	Commissioning (staffing)	E	-22
			<b>-3,290</b>
<b>Service Reforms:</b>			
Early Years	Review of Early Years and Childcare	N	-1,145
			<b>-1,145</b>
<b>Total Savings and Mitigations</b>			<b>-5,328</b>
<b>Total Savings and Income</b>			<b>-5,328</b>
<b>Budget controlled by this portfolio</b>			<b>153,000</b>





## Appendix B - Prudential Indicators

### 1. Estimate of capital expenditure (including PFI)

Actual	2010/11	£381.9m
Estimate	2011/12	£290.6m
	2012/13	£272.3m
	2013/14	£267.5m
	2014/15	£182.8m

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

Capital financing requirement at 31 March

	<b>2011/12 Forecast £000</b>	<b>2012/13 Estimate £000</b>	<b>2013/14 Estimate £000</b>	<b>2014/15 Estimate £000</b>
Capital Financing Requirement	1,291,118	1,320,157	1,332,319	1,311,159
Annual increase (decrease) in underlying need to borrow		29,039	12,162	-21,160

In the light of current commitments and plans reflected in the budget forecast net borrowing by the Council is not envisaged to exceed the Capital Financing Requirement.

### 3. Estimates of ratio of financing costs to net revenue stream

Actual	2010/11	12.85%
Estimate	2011/12	14.46%
	2012/13	14.60%
	2013/14	15.71%
	2014/15	16.17%

### 4. Notional estimates of the incremental impact of capital investment decisions on the Council Tax (over and above capital investment decisions taken in previous years)

	<b>2012/13 £</b>	<b>2013/14 £</b>	<b>2014/15 £</b>
Notional Impact on Band D – cumulative	0.20	1.26	2.81

### 5. Adoption of the CIPFA Treasury Management Code:

Kent County Council has adopted the CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes

## 6. Authorised Limit and Operational Boundary for External Debt:

The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet. It has been set on the estimate of the most likely, prudent scenario with sufficient headroom over and above this to allow for unusual cash movements.

The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

### Authorised Limit for External Debt relating to KCC assets and activities

	2011/12 Approved £m	2011/12 Revised £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Borrowing	1,198	1,198	1,195	1,209	1,211
Other Long Term Liabilities	0	0	0	0	0
Total	1,198	1,198	1,195	1,209	1,211

### Authorised Limit for External Debt managed by KCC including that relating to Medway Council (pre Local government reorganisation)

	2011/12 Approved £m	2011/12 Revised £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Borrowing	1,244	1,244	1,238	1,251	1,251
Other Long Term Liabilities	0	0	0	0	0
Total	1,244	1,244	1,238	1,251	1,251

The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent scenario but without the additional headroom included within the Authorised Limit.

### Operational Boundary for External Debt relating to KCC assets and activities

	2011/12 Approved £m	2011/12 Revised £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Borrowing	1,158	1,158	1,154	1,169	1,172
Other Long Term Liabilities	0	0	0	0	0
Total	1,158	1,158	1,154	1,169	1,172

**Operational Boundary for total debt managed by KCC including that relating to Medway Council etc**

	<b>2011/12 Approved £m</b>	<b>2011/12 Revised £m</b>	<b>2012/13 Estimate £m</b>	<b>2013/14 Estimate £m</b>	<b>2014/15 Estimate £m</b>
Borrowing	1,204	1,204	1,198	1,211	1,211
Other Long Term Liabilities	0	0	0	0	0
<b>Total</b>	<b>1,204</b>	<b>1,204</b>	<b>1,198</b>	<b>1,211</b>	<b>1,211</b>

**7. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:**

These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on net principal outstanding amounts.

The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the Revenue Budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments

The limits provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

	<b>2011/12 Approved %</b>	<b>2011/12 Revised %</b>	<b>2012/13 Estimate %</b>	<b>2013/14 Estimate %</b>	<b>2014/15 Estimate %</b>
<b>Upper limit for Fixed interest rate exposure</b>	100	100	100	100	100
<b>Upper limit for Variable rate exposure</b>	30	30	50	50	50

**8. Maturity Structure of Fixed Rate borrowing:**

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

<b>Maturity structure of fixed rate borrowing</b>	<b>Lower Limit %</b>	<b>Upper Limit %</b>
under 12 months	0	10
12 months and within 24 months	0	25
24 months and within 5 years	0	40
5 years and within 10 years	0	30
10 years and within 20 years	10	30
20 years and within 30 years	5	30
30 years and within 40 years	5	30
40 years and within 50 years	10	40
50 years and within 60 years	10	40

**9. Upper limit for total principal invested over 364 days:**

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

<b>Upper limit for total principal invested over 364 days</b>	<b>2011/12 Approved £m</b>	<b>2011/12 Revised £m</b>	<b>2012/13 Estimate £m</b>	<b>2013/14 Estimate £m</b>	<b>2014/15 Estimate £m</b>
	50	50	50	50	50

## Appendix C - Annual Minimum Revenue Provision (MRP) Statement

Local authorities are under a statutory requirement to make an annual calculation of an amount of MRP that they consider prudent to offset against borrowings. We are using the asset life as the basis for this provision.

Authorities are asked to submit a statement on their policy of making MRP to full Council or similar. Any revision to the original statement must also be issued.

For 2012/13 and the Medium Term Financial Plan we have adopted the asset life method. This method provides authorities with the option of applying MRP over the life of the asset once it is in operation, so for assets that are not yet operational and still under construction we effectively have an “MRP holiday”.

In order to establish MRP for the MTFP we have based the asset life principle on all capital expenditure funded by both supported and prudential borrowing in 2008/09, 2009/10 and 2010/11. This has resulted in the following projected MRP percentages on 2008/09 capital expenditure of £138m, 2009/10 capital expenditure of £113m and 2010/11 capital expenditure of with assumptions on completion dates:

Year	2012/13	2013/14	2014/15	2015/16
Based on revised completed projects within 2008/09 actual spend of £138m	3.9%	4.6%	4.4%	4.2%
Based on revised completed projects within 2009/10 actual spend of £113m	5.5%	5.5%	5.5%	4.6%
Based on revised completed projects within 2010/11 actual spend of £93m	6.0%	6.0%	6.0%	6.0%
% of 2011/12 projected completed capital spend	3.8%	6.0%	6.0%	6.0%
% of 2012/13 projected completed capital spend		3.8%	6.0%	6.0%
% of 2013/14 projected completed capital spend			3.8%	6.0%
% of 2014/15 projected completed capital spend				3.8%

In addition to this will be MRP at 4% on our capital financing requirement less actual capital expenditure in 2008/09, 2009/10 and 2010/11 and projected capital expenditure in subsequent years, i.e. this will be on a reducing balance as each year additional capital spend will be deducted from the recalculated capital financing requirement.

Each year the percentages will change and MRP for the MTP will be calculated on the previous year's capital expenditure and will depend on the type of asset the spend is on, its life and whether it is completed or not.

Each year a new MRP statement will be presented.

## Appendix E - Corporate Risk Register (December 2011)

Risk ID	1	Risk Title	Data and Information Management		
<b>Description</b> The Council is reliant on accurate and timely data and information to determine sound decisions and plans, conduct operations and deliver services. It is also required by the Data Protection Act to maintain confidentiality, integrity and proper use of the data. With the Government's 'Open' agenda, increased flexible working patterns of staff, and increased partnership working and use of multiple information repositories, controls on data management and security have become complex and important. The corruption, misuse, misplacement, loss or theft of the data and information could disrupt the council's ability to function effectively and result in unwelcome adverse publicity or legal action.	<b>Threat</b> Poor decision making due to ineffective use of or insufficient availability of data and information sharing. Loss, misrepresentation or unauthorised disclosure of sensitive data. Malicious attacks and sabotage	<b>Implication</b> Under performance. Breach of Data Protection Act leading to legal actions, fines, adverse publicity, and additional remedial and data protection costs. Disablement of critical/vital services leading to failure to meet duties and to protect people, finances and assets	<b>Risk Owner</b> On behalf of CMT: Director Governance & Law  <b>Responsible Cabinet Member(s):</b> Business Strategy, Performance & Health Reform  Finance & Business Support	<b>Current Probability</b> Possible	<b>Current Impact</b> Significant

Risk ID	2	Risk Title	Safeguarding	Current Probability	Current Impact
<b>Description</b> The Council must fulfil its statutory obligations to effectively safeguard vulnerable adults and children. Its ability to fulfil this obligation could be affected by the adequacy of its controls, management and operational practices or if demand for its services exceeded its capacity and capability.	<b>Threat</b> Insufficiently robust management grip, performance management or quality assurance Incident of serious harm or death of a vulnerable adult or child	<b>Implication</b> Insufficient rigor in maintaining threshold application/inconsistency Increase in referrals and service demand resulting in unmanageable caseloads/workloads for social workers Serious impact on vulnerable people Decline in performance and effective service delivery leading to critical inspection findings and reputational damage Serious impact on ability to recruit the quality of staff critical to service delivery. Serious operational and financial consequences Attract possible intervention from a national regulator for failure to discharge corporate and executive responsibilities	<b>Risk Owner</b> Corporate Director Families & Social Care  <b>Responsible Cabinet Member(s):</b> Specialist Children's Services Adult Social Care & Public Health	<b>Current Probability</b> Likely	<b>Current Impact</b> Serious

## Appendix E - Corporate Risk Register (December 2011)

Risk ID	3	Risk Title	Economic Climate	Threat	Implication	Risk Owner	Current Probability	Current Impact
<b>Description</b>		The Council carries significant responsibility for encouraging and enabling growth in the County's economy. Our aim to 'grow the economy' is becoming increasingly challenging in the current economic climate. Our programme of work includes ambitious plans to assist local businesses; to ensure local people have the right skills as well as delivering enabling infrastructure.		Prolonged adverse, uneven or worse than anticipated economic situation leads to reduced income, business exodus, unplanned increase in costs, and demand for Council services beyond capacity to deliver  Our ability to deliver an enabling infrastructure becomes constrained	Stalled/low economic and jobs growth  The Council finds it increasingly difficult to meet growing demand for services and support, putting vulnerable people at greater risk  Reduced S106 contributions  Increased levels of unemployment which could cause social tensions  Kent becomes a less viable place for inward investment and business	Corporate Director Business Strategy & Support & Head of Paid Service  (Corporate Director Enterprise & Environment)	Likely	Significant
		The Council has already anticipated and adapted its plans to provide for the current economic scenario. If the current economic climate continues or worsens or other regions re-stimulate their economies more quickly than Kent, then the Council's ability to deliver its plans for economic growth will be constrained. Without growth the county residents will have less disposable income, face increased levels of unemployment and deprivation which could lead to heightened social and community tensions				<b>Responsible Cabinet Member(s):</b>  Regeneration & Enterprise  Environment, Highways & Waste		

Risk ID	4	Risk Title	Civil Contingencies and Resilience	Threat	Implication	Risk Owner	Current Probability	Current Impact
<b>Description</b>		The Council, along with other Category 1 Responders in the County have a legal duty to establish and deliver containment actions and contingency plans to reduce the likelihood, and impact, of high impact incidents and emergencies and severe / extreme weather conditions. Their ability to effectively manage incidents and maintain critical services could be undermined if they are unprepared or have ineffective emergency and business continuity plans and associated activities.		Rise in civil emergency and high impact incidents and failure to deliver suitable planning measures, respond to and manage these events when they occur.	Potential increased loss of life if response is not effective.  Serious threat to delivery of critical services.  Increased financial cost in terms of damage control and insurance costs.  Adverse effect on local businesses and the Kent economy.  Possible public unrest and significant reputational damage  Legal actions and intervention for failure to fulfill KCC's obligations under the Civil Contingencies Act or other associated legislation.	Corporate Director Customer & Communities  <b>Responsible Cabinet Member(s):</b>  Customer & Communities	Possible	Serious



## Appendix E - Corporate Risk Register (December 2011)

Organisational Transformation					
Risk ID	Risk Title	Threat	Implication	Current Probability	Current Impact
5	<b>Risk Title</b>	<b>Threat</b>	<b>Implication</b>	<b>Current Probability</b>	<b>Current Impact</b>
<p><b>Description</b></p> <p>The Council is undergoing rapid change in order to deliver Bold Steps for Kent. A programme of major structural, operational and cultural transformation is underway. Staff reductions are being made because of budget pressures. The move towards more strategic commissioning and other changes to ways of working requires new skill sets and the changing environment for local government requires new behaviours from all staff. A "one council" approach to workforce planning is essential to ensure we have the right numbers of suitably skilled staff in the right places. The combination of losing experienced staff, recruiting new staff, and ensuring existing staff have the right skills and behaviours is a major challenge, and if not managed successfully could result in failure to deliver expected outcomes and benefits, and critical services may be impeded.</p>	<p>Failure to manage the transformation process through adequate planning and resources</p> <p>Lack of appropriate skills and capacity to move to alternative delivery process</p> <p>Loss of excellent staff due to scale of changes</p>	<p>Failure to deliver key services, to maintain quality of services provided and to achieve financial savings required, leading to reputational damage and further pressure on services.</p>	<p>Possible</p>	<p>Serious</p>	
	<p><b>Risk Owner</b></p> <p>On behalf of CMT: Corporate Director Human Resources</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Business Strategy, Performance &amp; Health Reform</p> <p>Democracy &amp; Partnerships</p> <p>Customer &amp; Communities</p>				
<p><b>Risk ID</b></p> <p>6</p>	<p><b>Risk Title</b></p> <p>Bold Steps for Kent envisages place-based commissioning for some KCC services, pooling budgets into a single commissioning pot for each district. It also identifies considerable opportunity for a more joined-up approach and greater efficiencies if there is a single district-based commissioning plan that is shared by KCC Members and District Councillors. In addition, the Localism Bill paves the way for the Right to Buy public assets, the Right to Challenge the provision of public services and the Right to Bid to provide services, all of which potentially bring still greater complexity into the way in which services are commissioned and delivered. But unless this agenda is managed effectively, including relationships with partners and providers, key objectives will not be achieved.</p>	<p>Failure to establish and maintain locality based arrangements within required timescales</p>	<p>Delay in decision making due to complexity of this agenda</p> <p>Failure to deliver required transformation fast enough.</p> <p>Failure of devolved services, leading to reputational damage for KCC and the need to take back responsibility for the service.</p> <p>Loss of economies of scale for service delivery and failure to deliver required budget savings.</p> <p>Breakdown in critical relationships</p>	<p>Possible</p>	<p>Serious</p>
	<p><b>Risk Owner</b></p> <p>Corporate Director Customer &amp; Communities</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Democracy &amp; Partnerships</p> <p>Customer &amp; Communities</p>				

## Appendix E - Corporate Risk Register (December 2011)

Risk ID 7	Risk Title	Governance and Internal Control	Implication	Risk Owner	Current Probability	Current Impact
<b>Description</b> The Council has legal responsibilities to ensure that adequate governance arrangements are in place to help the Council achieve its statutory responsibilities and to protect the Council's assets and finances. In the increasingly complex multi agency working environment and the current economic climate with increased budgetary cuts and organisational change - organisations need to update their governance arrangements and internal controls to successfully implement change programmes, achieve organisational objectives and safeguard their assets and reputation. If the Council's Governance arrangements are deficient, ineffective or unresponsive then the Council may encounter financial loss, service / operational disruption and prosecution.	<b>Threat</b> Major governance and internal control failure within the Council and / or its key suppliers	Major reputational damage and financial loss Fail external inspection/audit Loss of confidence in the Council and possible government intervention.	Corporate Director Finance and Procurement  (Director Governance and Law Business Strategy and Support)  <b>Responsible Cabinet Member(s):</b>  Democracy & Partnerships  Finance & Business Support	Possible	Significant	
Risk ID 8	Risk Title	Academies independence from KCC	Implication	Risk Owner	Current Probability	Current Impact
<b>Description</b> The Academies Act 2010 enabled schools to become independent from KCC. Academies will get separate funding some of which will be taken away from the Council resulting in reduced funds being available for the support of the remaining local authority schools. Although funding and control is passed to schools KCC remains accountable for educational performance for all state maintained schools including Academies	<b>Threat</b> Insufficient funding remains available to support remaining Local Authority schools to perform effectively  Provisions of the Education Act 2011 substantially limit local authorities' ability to monitor and intervene effectively in all categories of schools. This constrains KCC's duty to secure high standards for all pupils	Budgetary pressure on KCC to maintain adequate support to remaining Local Authority  Discontent among Local Authority Schools for lack of support.  Poor performance among all Schools due to lack of ability to influence Academies or resource Local Authority schools effectively  KCC will retain the overall responsibility for the educational standards of the pupils in the County - Reputational damage as people perceive KCC to be responsible	Corporate Director Education, Learning and Skills  <b>Responsible Cabinet Member(s):</b>  Education, Learning & Skills	Very Likely	Serious	

## Appendix E - Corporate Risk Register (December 2011)

Risk ID	Risk Title	Health Reform	Threat	Implication	Risk Owner	Current Probability	Current Impact
9	Risk Title	Health Reform	<p><b>Threat</b></p> <p>Reform funding and deliverability are more challenging than anticipated and we fail to prepare for worst case scenario and to take an influential role in the co-ordination and implementation of local arrangements.</p> <p>Following successful delivery / implementation the predefined outcomes and benefits are unachievable.</p> <p>Not enough Public Health resource to cover services</p>	<p><b>Implication</b></p> <p>Existing arrangements are undermined by changes to health structures during and after implementation leading to additional costs particularly in adult social services (cost shunting).</p> <p>Existing arrangements for health and social care deteriorate whilst waiting for new arrangements to get underway leading to ineffective health and social care provision for citizens of Kent – potentially damaging lives and Council reputation.</p> <p>Major financial and legal backlash / repercussions from Central Government.</p> <p>Cuts in Public Health Services</p>	<p><b>Risk Owner</b></p> <p>Corporate Director Families and Social Care (Director of Public Health)</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Business Strategy, Performance &amp; Health Reform</p> <p>Adult Social Care &amp; Public Health</p>	Likely	Significant

Risk ID	Risk Title	Demand Management	Threat	Implication	Risk Owner	Current Probability	Current Impact
10	Risk Title	Demand Management	<p><b>Threat</b></p> <p>Council fails to determine, manage and resource to future demand and its services are then unable to meet future customer requirements.</p>	<p><b>Implication</b></p> <p>Customer dissatisfaction with service provision, increased and unplanned pressure on resources and cycle of decline in performance.</p> <p>Fulfilling statutory obligations and duties become increasing difficult against rising expectations</p> <p>Increase the need to provide minimum appropriate services which may be interpreted by the public as reduction or withdrawal of services.</p> <p>May have unintended consequences on some of the Council's strategic objectives.</p> <p>Individual or class action legal challenge resulting in adverse reputational damage to the image of the Council.</p>	<p><b>Risk Owner</b></p> <p>Corporate Director Families and Social Care</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Adult Social Care &amp; Public Health Specialist Children's Services Customer &amp; Communities</p>	Very Likely	Major

## Appendix E - Corporate Risk Register (December 2011)

Risk ID	Risk Title	Responsiveness to Emerging Government Reforms and Directives	Risk Owner	Current Probability	Current Impact
<b>Risk ID 11</b>  <b>Description</b> KCC must remain responsive to and be prepared for Government Reforms and Directives and endeavour to implement them efficiently and effectively. The scope, scale and frequency of reforms and directives could become overwhelming and KCC may not have sufficient financial resources or ability to implement or accommodate the required changes on time and within cost to meet Government expectations	<b>Risk Title</b> Responsiveness to Emerging Government Reforms and Directives	<b>Threat</b> Fail to effectively monitor Central Government activity (Horizon Scanning)  Inability to predict / forecast implications on KCC strategic priorities, and business plans and finances.  Fail to take advantage of new initiatives and opportunities  Fail to establish reasonable contingent actions to minimise impact	<b>Implication</b> KCC falls behind other regions in its development impacting national reputation, economy and future opportunities.  KCC unable to implement changes effectively and realise predicted benefits attracting undesirable government attention, penalties or intervention and reputational damage.  Existing services malfunction as resources are drawn to government priorities and KCC goes into operational 'melt down'.	<b>Risk Owner</b> Corporate Director Business Strategy & Support and Head of Paid Service  <b>Responsible Cabinet Member(s):</b> Business Strategy, Performance & Health Reform	<b>Current Probability</b> Possible  <b>Current Impact</b> Significant

## **Appendix F - Assessment of Level of Reserves**

### **INTRODUCTION**

Every year, we thoroughly review the reserves we hold for the Council. It is important that this review is balanced and reasonable, and reflects future known spending commitments as well as the general risk environment we are operating in, and the more specific risk assessment that the following year's budget presents.

### **BACKGROUND**

The Chartered Institute of Public Finance and Accountancy (CIPFA) recommend that the following factors should be taken into account when considering the level of reserves and balances:

- Assumptions regarding inflation and interest rates
- Estimates of the level and timing of capital receipts
- The capacity to manage in-year demand led pressures
- Ability to activate contingency plans if planned savings cannot be delivered
- Risks inherent in any new partnerships
- Financial standing of the authority (level of borrowing, debt outstanding etc.)
- The authority's record of budget management and ability to manage in year budget pressures
- Virement and year-end procedures in relation to under and overspends
- The general financial climate
- The adequacy of insurance arrangements

It should be made clear that the assessment of the adequacy of reserves is very subjective. There is no 'right' answer as to the precise level of reserves to be held. There is also no formula approach to calculating the correct level; it is a matter of judgement, responsibility for which lies with the S151 officer.

### **RESERVES POSITION**

Our general and earmarked reserves can be broadly split into five categories:

- those for which we know we will have, or expect to have, a financial commitment in future years
- those for which we want to smooth the impact of expenditure over the medium term, which would otherwise manifest itself in 'boom and bust' style spending patterns
- those to cover financial risks
- reserves likely to be used in the next twelve months; and
- schools and other reserves which cannot reasonably be used for any other purpose, even in the short term. For ease of reference, these can be categorised as 'untouchable'

Our Statement of Accounts for 2010/11 shows that at 31 March 2011, we had earmarked reserves of £111m, general reserves of £27m, and ‘untouchable’ reserves of £62m; a total of £200m. We expect this figure to reduce to £191m by 31 March 2012.

#### **a) Category 1 – Known Commitment in Future Years**

We had a predicted balance of £34m as at 31 March 2011, with an expected draw-down in the next four years of £6m. The strategy we adopted last year is to use 50% of the balance (£28m) that is required beyond 2015 and pay it back over, say, the next 10 years, in this case at £1.4m per annum.

Since the current year’s budget and strategy was approved, the balance of these reserves has increased, mainly due to;

1. £4.5m DSG was contributed to the schools PFI reserves in respect of BSF wave 4 as approved by the Schools’ Funding Forum. It was assumed in the earlier exercise that this would not happen because Wave 4 had been stopped by the Government; however the Schools’ Funding Forum agreed that this could be retained as a one-off in 2010/11 to contribute towards a predicted shortfall in the PFI reserve over the longer term.
2. £4m lower drawdown than expected from the “projects previously classified as capital” reserve mainly due to lower spend than expected on the Member Highway Fund and a change in the order of use of funding sources to fund the KPSN project, where schools funding was used before revenue support from this reserve, as the schools funding (Standards Fund) was time limited.

The £4.5m increase in PFI is potentially available for short-term use. Sticking with our 50% rule set last year, this would give us a one-off saving of £2.25m

#### **b) Category 2 – Smoothing Expenditure**

The significant change to this category is the proposal to create the Council Tax Equalisation Reserve in the 2012/13 budget. That proposal will enable the Council to avoid the “cliff-edge” of the one-off nature of the DCLG’s Council Tax Freeze Grant.

#### **c) Category 3 – To manage risk**

We had a predicted balance at 1 April 2011 of £37m. The actual balance at 1 April 2011 was £48m. The £11m increase is mostly due to a £9m increase in the Economic Downturn reserve due to £6.8m BSF development costs which we anticipated would be written back to revenue in 2010/11 following the Government announcement that this programme had been stopped. However as we are still awaiting the final outcome of the judicial review, this was transferred to reserves. In addition, we have accounted for £2.2m of accrued interest on our Icelandic deposits. This has been transferred to the Economic Downturn reserve to reduce the impact of the impairment, as per accounting regulations.

We also budgeted to increase this reserve by £5m in 2011/12 in recognition of the unprecedented savings needed to be delivered this year, at the same time as an organisation-wide restructure was being implemented.

Our combined risk around BSF, Iceland and budget savings has reduced somewhat over the past year, and we could reasonably reduce this reserve by £1m-£2m.

At the December 2011 Cabinet meeting it was agreed to transfer £1.2m of one-off underspending on the Early Years and Childcare Quality and Outcomes team budget to support the 2012/13 budget. This can therefore be released for that purpose.

**d) Category 4 – Expected to be used during 2011/12 (or within 1 year)**

As these reserves are likely to be exhausted during 2011/12, no further release is possible. However, the draft budget proposes to set aside £2m to be used on invest to save projects that will help deliver budget savings in future years, by transforming the way we provide services. This £2m may or may not be used in full during 2012/13.

**e) Category 5 – School / Trading (untouchable)**

None of this is available for our use as it is reserved specifically for schools and other 'organisations'.

Financial Risks

Our Gross expenditure excluding schools is around £1.5bn. Our level of General Reserves to cover financial risk is 2% of this figure.

Within the Background section of this appendix, we set out the factors to be considered when setting an appropriate level of reserves. All of those factors have been carefully considered, as well as the level of change happening within the Authority over the coming year.

Over-arching this assessment of reserves is the ability of the organisation to understand, manage and control risk. This in itself is a sub-set of the wider governance and control framework operating within the organisation.

Section 6 of the MTP details our risk strategy and Appendix E provides the list of our major strategic risks. This, of course, is a major influence on our level of reserves.

**SUMMARY**

The outcome of this review of reserves is a recommendation that we can release £5m of reserves to support the 2012/13 budget. This is a one-off solution.





## Appendix G – Glossary of Abbreviations

A to Z of Services	New presentation of KCC's annual budget according to services provided
AMP	Asset Management Plan
ASC&PH	Adult Social Care and Public Health Portfolio
Autumn Budget Statement	Annual mid year update to national budget - replaced pre Budget Report
BoE	Bank of England
Bold Steps	Bold Steps for Kent - The Council's strategic vision document
BSF	Building Schools for the Future
BSP&HR	Business Strategy Performance and Health Reform
BSS	Business Strategy and Support Directorate
Budget	Annual spending plan for 2012/13
Business Rates (NNDR)	Local property tax levied on businesses, currently proceeds are pooled and redistributed as grant
Capital Budget	Investment programme on infrastructure improvements
C&C	Customer and Communities Directorate/ Portfolio
CFR	Capital Financing Requirement
CIPFA	Chartered Institute of Public Finance & Accountancy
CLG	Government Department for Communities & Local Government
CPI	Consumer Price Index - Government measure of inflation
CRB	Criminal Records Bureau
DEFRA	Government Department for Environment, Food & Rural Affairs
D&P	Democracy and Partnership Portfolio
DfE	Government Department for Education
DfT	Government Department for Transport
DH	Government Department for Health
DMO	Debt Management Office
DSG	Dedicated Schools Grant - 100% funded government grant from national taxation to fund schools

E&E	Enterprise and Environment Directorate
ELS	Education, Learning and Skills Directorate/ Portfolio
EHW	Environment, Highways and Waste Portfolio
EIG	Early Intervention Grant - DfE grant replacing grants such as Surestart
EU	European Union
F&BS	Finance and Business Support Portfolio
Formula Grant	Main grant to local government comprising RSG and redistributed business rates
FSC	Families and Social Care Directorate
FTE	Full Time Equivalent - standard used to assess equivalent number of full time and part time employees
FYE	Impact in a full financial year of an initiative that has been implemented part way through the year
GAC	Governance & Audit Committee
Gateway	Customer contact points for all local councils' services
GDP	Gross Domestic Product - Government measure for the overall health of the economy
GP	General Practitioner
GUF	Guaranteed Unit of Funding - mechanism used to determine DSG for each local authority
HO	Home Office
HWRC	Household Waste Recycling Centre
KCC	Kent County Council
KCS	Kent Commercial Services
LAC	Looked After Children - children placed into care by the local authority
LAMS	Local Authority Mortgage Scheme
LDF	Local Development Framework
LEP	Local Enterprise Partnership - regional grouping of local authorities to promote economic prosperity
LGA	Local Government Association
LIBID	London Interbank Bid Rate

LOBO	Lender Option Borrower Option – lender has the option to call in loan at pre-determined future date
LSSG	Local Service Support Grant - new grant introduced in 2011 to summarise a number of small grants
MFG	Minimum Funding Guarantee - guaranteed level of funding for individual schools
MRP	Minimum Revenue Provision - prudent amount needed to cover the revenue consequences of capital investment
MTFP	Medium Term Financial Plan
OBR	Office for Budget Responsibility - independent body advising the chancellor on economic forecasts
OfSTED	Office for Standards in Education, Children's Services and Skills
OGC	Office of Government Commerce
PCT	Primary Care Trust
PEF(2)	Property Enterprise Fund - scheme established by the council to maximise benefit from property holding at a time property values are depressed
PER	Prudential Equalisation Reserve
PFI	Private Finance Initiative
PROW	Public Right of Way
PWLB	Public Works Loan Board
R&E	Regeneration and Enterprise Portfolio
Revenue Budget	Annual recurring expenditure on staff, buildings, contracts, supplies, etc.
RPI	Retail Price Index - alternative measure of inflation
RSB	Revenue Support Grant - grant to local government funded from national taxation
Schools' Funding Forum	Statutory body representing views of schools in relation to a number of financial matters
SCS	Specialist Children's Services Portfolio
SIP	Supporting Independence Programme
SORP	Statement of Required Practice - new KCC risk management tool
SR2010	Spending Review 2010

TAG	Treasury Advisory Group
TCP	Total Contribution Pay - performance reward payments to staff
TM	Treasury Management
VAT	Value Added Tax



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