CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 20th March, 2012

<u>9.30 am</u>

Darent Room, Sessions House, County Hall, Maidstone

AGENDA

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 20 March 2012 at 9.30 am
Darent Room, Sessions House, County Hall, Maidstone

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

Tea/Coffee will be available 15 minutes before the meeting

Membership (12)

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

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

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

Item No

A. COMMITTEE BUSINESS

A1   Introduction/Webcasting

A2   Substitutes

A3   Declaration of Interests by Members in items on the Agenda for this meeting.

A4   Minutes - 11 January 2012 (Pages 1 - 8)

B. ITEMS FOR CONSIDERATION

B1   Financial Monitoring 2011/12 (Pages 9 - 32)

B2   Budget Process 2013/14 (Pages 33 - 42)

B3   KCC Quarterly Performance Report, Quarter 3, 2011/12 (Pages 43 - 130)

B4   Update on health and safety management in KCC and commentary on national influences (Pages 131 - 138)

B5   Information & Communications Technology (ICT) Division Reorganisation (Pages 139 - 148)

B6   Enterprise Resource Planning Programme (Pages 149 - 154)

B7   Business Intelligence Activity (Pages 155 - 168)

B8   Ambition Boards (Pages 169 - 178)

C. SELECT COMMITTEE WORK

C1   Select Committees - update (Pages 179 - 180)

EXEMPT ITEMS

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

Peter Sass
Head of Democratic Services
 (01622) 694002

Monday, 12 March 2012

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

KENT COUNTY COUNCIL

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of a meeting of the Corporate Policy Overview and Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 11 January 2012.

PRESENT: Mr E E C Hotson (Chairman), Mrs T Dean (Vice-Chairman), Mr R W Bayford, Mr D L Brazier, Mr R E Brookbank, Mr J R Bullock, MBE, Mr S C Manion, Mr R J Parry, Mr J E Scholes and Mr M V Snelling

ALSO PRESENT: Ms S J Carey, Mr R W Gough, Mr R J Lees and Mr J D Simmonds

IN ATTENDANCE: Ms A Agyepong (Equalities and Diversity Manager), Mr P Bole (Head Of I C T Commissioning), Mr N Brown (Asset Development and Commissioning Manager), Mr D Cockburn (Corporate Director of Business and Support), Ms C Davis (Strategic Business Advisor), Ms D Fitch (Assistant Democratic Services Manager (Policy Overview)), Mr R Fitzgerald (Performance Manager), Ms J Hansen (Acting Finance Business Partner BSS), Mr M Lemon (Head of Policy), Ms R Spore (Director of Propety & Infrastructure Support), Mr D Shipton (Acting Head of Financial Strategy), Mr H Swan (Head of Procurement) and Mr A Wood (Corporate Director of Finance and Procurement)

UNRESTRICTED ITEMS

149. Minutes of the meeting on 3 November 2011
(Item A4)

(1)   The Chairman gave a verbal update on the meeting of the IMG on Business Strategy Restructuring which had been held on 18 November 2011(Minute number 145 refers). Members had expressed their concerns about the detail of the restructuring. Overall satisfactory responses and assurances had been given. This was an ongoing process and it was agreed that Members would be kept informed of progress with the restructuring. He reported that Mrs Dean had made it clear that she believed that the restructuring of the Business Strategy unit should not go ahead until all the questions raised by Members had be answered. It was recognised by the other Members of the IMG that the restructuring was necessary to achieve budget targets.

(2)   Mrs Dean stated that she was more comfortable with the restructuring since the IMG. Her main concern related to the importance of ensuring that the restructuring led to Members being kept better informed. She mentioned that the Member Information Group had not met recently and said that she would be less concerned about the restructuring proposals if the group had met and were able to be kept informed about the restructuring.

(3)   RESOLVED that the minutes of the meeting held on 3 November 2011 are correctly recorded and that they be signed by the Chairman as a correct record.

150. Financial Monitoring 2011/12
(Item B1)

(1)   Ms Hansen introduced the second quarter's budget monitoring report for 2011/12 as reported to Cabinet on 5th December 2011 and the latest exception report on 9th January 2012.

(2)   Mr Simmonds and Mr Shipton answered questions and noted comments from Members which included the following:-

- Mr Wood explained that as most of the savings in the Finance Team were dependant on the Enterprise Resource Planning system going live it had been necessary to borrow funds from the IT Asset Maintenance Reserve, it was intended to repay this in 2012/13.
- It was confirmed that the impact of the increase in oil prices was minimal for this Directorate.
- In relation to the unallocated savings, Mr Wood explained that the decision on these had been held back to see where the scope was for in-year action in each unit and an amicable allocation made.
- Regarding the Oracle system, Mr Wood stated since April 2011 work had been carried out to finalise what was needed and they were getting nearer to being able to implement something that would deliver savings on time. In order to do this it might be necessary to compromise in order to achieve the most cost effective solution.
- In relation to Property Enterprise Fund (PEF) 1 and 2 Mr Wood confirmed that the situation with the property market was being monitored. At the moment the authority could afford to retain property, see what happened with the market, and look to making the right decision in the medium term. The Chairman stated it would be important that Members had a role in this decision.

(3)   Mr Simmonds stated that it was a credit to Directors that they had brought in an underspent budget. Although there were still two or three difficult years ahead he was pleased with what had been achieved in 2011/12.

(4)   RESOLVED that the projected outturn for the Business Strategy and Support Directorate, the Financing Items for 2011/12 based on the second quarter's monitoring report to Cabinet and the changes in the exception report of 9th January 2012 as detailed in paragraph 2.3.1 (a –e) be noted.

151. KCC Quarterly Performance Report, Quarter 2, 2011/12 including mid year Business Plan monitoring
(Item B2)

(1)   Mr Gough and Mr Fitzgerald presented a quarterly report which informed Members about key areas of performance for the authority. The mid year Business Plan monitoring provided highlights of achievements to date for the divisions within the Business Strategy and Support Directorate.

(2)   Mr Gough and Mr Fitzgerald answered questions and noted comments from Members which included the following:-

- Regarding the response target for the Contact Centre, Mr Gough explained that the Contact Centre had had a number of services passed to them which had resulted in a large increase in call numbers leading to a reduction in agreed response times. Significant steps had been taken to address this.
- Mr Fitzgerald explained that although the number of calls to the Contact Centre relating to children's social services was only up by 3%, there had been an increase in referral rates via other routes.
- A Member commended the Contact Centre. When he had used them on a number of occasions recently he had found them very helpful and effective.
- In relation to the Contact Centre Mr Gough undertook to pass on to Mr Hill the previous suggestion from this Committee that there should be a low cost number for the public who wished to use a mobile phone to contact the Contact Centre.
- It was mentioned that Members did not see Officers responses to all consultations on behalf of the County Council. It was appreciated that often the timescale for a response was limited but it might be helpful to officers for Members to have an input where possible.
- Regarding the risk register, it was suggested that the training that was being provided for Cabinet Members should be rolled out to all Members. In addition it was important that as well as supplying Members with available information relating to risk that Members had an awareness of what the information indicated and were properly briefed.
- Reference was made to the large increase in calls relating to Speed Awareness courses, it was asked whether this indicated that more people were getting caught speeding, Mr Gough explained that some of these figures included more that one call from an individual.
- Regarding adoption Mr Narey (Ministerial Advisor for Adoption) had stated that the two indicators that Members should be monitoring were the number of children awaiting adoption and the number of parents approved to adopt, these figures did not appear in the report. Mr Gough agreed that it would be helpful to include these figures in future.
- Members emphasised the importance of the figures collected being relevant and the data acted upon in order to make a difference to the residents of Kent and aid effective decision making.

(3)   RESOLVED that the report and comments made by Members be noted.

152. Budget 2012/13 and Medium Term Financial Plan 2012/15
(Item B3)

(1)   Mr Simmonds, Mr Wood and Mr Shipton introduced a report which informed the Committee of the budget proposals for the Business Strategy & Support Directorate and Financing Items budgets within the Corporate Services portfolios, with reference to the draft KCC budget and Medium Term Financial Plan (MTFP) launched on 20th December 2011.

(2)   Members were invited to comment on the key issues on the proposed budget changes for the services provided by the Business Strategy & Support Directorate.

(3)   Mr Simmonds, Mr Wood and Mr Shipton answered questions and noted comments from Members which included the following:-

- The Cabinet Member and Officers confirmed that they had found the recommendations from the IMG on the Budget very helpful.
- Mr Shipton explained that the budget for "Total Management, Support Services and Overheads" which included costs previously within individual Directorates budgets had been centralised. He gave the example of the cost of managing County Council buildings, which used to be shown in the relevant service budgets, but had now been transferred to the Property and Infrastructure budget.
- A question was asked about how the Governments one off grant payment in respect of a zero Council Tax was shown in the MTFP, Mr Wood referred Members to Page 61 of the MTFP which showed the Council tax freeze grant of £14m for 2012/13 and zero for 2013/14. This demonstrated that its loss would be a pressure in 2013/14 as government funding to KCC would reduce
- It was suggested that some Local Authorities might choose to set a Council Tax level above zero to relieve the pressure on their budget in future years. Also a better way of looking at the Council Tax Freeze grant was that it was a grant to the people not the Council.
- Mr Wood explained that in last years budget £10m of savings from procurement efficiencies across four years had been identified. In order to deliver these the authority needed to invest in additional specialist capacity within the Procurement Team at a cost of £1m, this had been funded by increasing the efficiency saving by the same amount.
- Regarding the impact that recovering money from Icelandic Banks would have on reserves, Mr Wood stated that the money held in reserves for this would be released once the money was returned. The Budget had always assumed a high rate of return so therefore there would only be a potential small surplus to add to reserves.

(4)   Mr Simmonds paid tribute to all the work that officers had put into preparing the budget.

(5)   The Chairman suggested that the process of a small group of Members looking in detail at the budget for a specific Directorate had been very useful, both for Officers and the Members involved. He expressed the view that this process should continue in some form under the new governance arrangements.

(6)   RESOLVED that the comments by Members and the revenue and capital budget proposals for the Corporate Services portfolios be noted.

153. Procurement Practice
(Item B4)

(1)   Mr Simmonds and Mr Swan introduced a report which provided information for the Committee on the improvements that had commenced in Procurement and how these would be taken forward in the next year.

(2)   Mr Simmonds and Mr Swan answered questions and noted comments from Members which included the following:-

- Mr Swan confirmed that in his view the target of ensuring that 60% of procurement affected local businesses was achievable. He stated that what

needed to improve was pointing contractors in the direction of Kent suppliers. Also it was important to ensure that Kent businesses knew about the Kent Portal, and that where appropriate specific Kent business were contacted and made aware that there would be a tender that they might be interested in. Another aspect for Kent Businesses was consideration of whether tenders could be broken down into smaller lots to make them more attractive to them.

- In relation to timescale for the changes to procurement, Mr Swan stated that the saving targets started in 2012/13 and he was working on a 5 year plan of continued improvement.

- Regarding collaboration with other local authorities and public sector organisations, Mr Swan explained that the County Council was already doing a lot but consideration should be given to whether it could be more effective. It was important to ensure that any collaboration provided the right solution for the County Council.

- Mr Swan expressed the view that I-Procurement would make things easier for Kent small businesses.

- Mr Swan undertook to supply Members with an updated version of the structure chart on page 129 of the papers.

- In relation to a question on European Union (EU) legislative requirements for procurement, Mr Swan stated that there were advantages to these as well as disadvantages and that it was the responsibility of the procurement team to ensure that tenders complied with EU requirements. This should avoid these requirements causing any problems for service Directorates.

- In response to a question on whether there was a tendency to over specify in tenders which would have an impact on savings, Mr Swan explained that part of role of the procurement teams role was to challenge and ensure that consideration was given to doing things differently if appropriate.

- It was agreed that the outcome of the meeting on 11 January 2012 between Mr Simmonds, Mr Woods and Mr Swan to agree the savings that Mr Swan needed to achieve would be circulated to Members of the Committee.

- Mr Swan stated that in relation to engaging with Small and Medium Enterprises (SME's) in Kent his team was being as proactive as possible within their available resources, this included working though Chambers of Trade and similar organisations.

- In relation to where possible savings could be achieved in Social Care, Mr Swan replied that savings could be achieved by for example using a team of social care specialists to procure services for the needs of the child rather than this being done by individual social workers. The team would be better placed to monitor the timescale for placement. By having better contracts in place it would be possible to drive savings out of the market place.

- Mr Swan confirmed that a review of all elements of Commercial Services was currently being undertaken.

- Mr Swan stated that, although economies of scale were important, a lot could be delivered better by small businesses. Small businesses often had lower overheads, it was a case of knowing the market place.

- It was suggested that Members should receive an update report in about a years time.

(3)   RESOLVED that the improvements underway in Procurement be noted, the change that will be necessary to deliver better control of procurement be supported and the targets for the next year be endorsed.

154. Asset collaboration
(Item B5)

(1)   Mr Gough and Ms Spore presented a report which set out the current work being undertaken on asset collaboration amongst public agencies within Kent to drive service transformation and efficiencies from property assets.

(2)   Mr Gough, Ms Spore and Mr Brown answered questions and noted comments from Members which included the following:-

- The importance of contacting local Members as soon as there were plans for asset collaboration in their area was emphasised.
- It was suggested that a full set of maps showing public assets in each District be placed in the Information Point for Members reference.
- Ms Spore offered to meet with Members to go though the list of assets for their area.
- Another suggestion was that Locality Board arrangements could be used as a means of sharing information about plans within a certain area and seeking input.

(3)   RESOLVED that the report and comments made by Members on the asset collaboration work be noted.

155. ICT Strategy
(Item B6)

(1)   Mr Gough and Mr Bole presented the draft ICT Strategy and asked for comments and the Committees endorsement prior to it being submitted for formal Cabinet Member approval. This strategy was interdependent upon the Customer Services Strategy. These strategies had been produced to improve customer service and through considered application of technology would release financial benefits across all council services.

(2)   Mr Gough and Mr Bole answered questions and noted comments from Members which included the following:-

- In response to various comments about the importance of improving broadband provision across the County, Mr Gough referred to the Broadband Delivery UK (BDUK) programme, and work currently being undertaken to secure the necessary funding.
- Mr Bole explained that work was being carried out to profile standard equipment requirements for different staff depending upon the way that they needed to work.
- It was suggested that the responses to Freedom of Information requests should be posted to the website, to reduce duplicate requests. Mr Gough stated that this was in hand.

(3)   RESOLVED that the ICT strategy overview be endorsed and the comments from Members of the Committee be noted.

156. Information Security
(Item B7)

(1)   Mr Gough and Mr Bole introduced a report which set out the work being carried out to achieve a strategic approach to further developing the County Councils information assurance maturity to ensure an accurate awareness of significant, systemic enterprise wide information risks.

(2)   Mr Gough and Mr Bole answered questions and noted comments from Members which included the following:-

- Concern was expressed about the issues caused by papers going to the wrong person which might have been avoided if a IT method had been used.
- In response to a question on what equipment was supplied to Social Workers, Mr Bole explained that Care Managers and Social Workers were being prioritised for IT equipment especially those involved with the Children's Services Improvement programme. These staff would have mobile devises such as laptops or tablets.
- Mr Bole confirmed that when IT equipment was rolled out to Social Workers they were also given advice and guidance on information security.
- Regarding encryption of equipment, checks were being undertaken to ensure that appropriate equipment was encrypted, this was being carried out with Directorates.
- Mr Bole stated that the County Council kept good records in relation to data loss so that lessons could be learnt from any occurrences.
- In relation to ensuring that the County Council got best value from its mobile phone contracts, Mr Bole explained that ICT were in discussions with procurement. Currently there were two contracts, one for mobile phone and one data devise, due to changes in technology only one was required.

(3)   RESOLVED that the report and the comments made by Members be noted.

157. NHS and Public Health Reform
(Item B8)

(1)   Mr Gough, Ms Davis and Mr Lemon introduced a report which updated the Committee on the progress with the transition of public health to the local authority and the reforms to the NHS. Radical changes to commissioning of services and public accountability of services were becoming a reality. By April 2012 most of the new system should exist in shadow form ready to assume full responsibilities when the PCTs were abolished in April 2013. The report summarises the current position of the key elements of the reforms.

(2)   In response to a question about Member involvement, Mr Gough stated that the key element to this was the Locality Boards as a lot of public health delivery would be at the local level.

(3)   RESOLVED that the report be noted.

(Mr Manion declared a personal, non prejudicial interest as his wife is a GP)

158. Annual Equalities compliance report
(Item B9)

(1)   Ms Agyepong introduce a report which provided the Committee with an update on equalities and diversity in structure within KCC and the Equalities and Diversity Annual report for 2010/11

(2)   Ms Agyepong answered questions and noted comments from Members which included the following:-

- Ms Agyepong explained that this was not a tick box exercise, it was about addressing issues and identifying trends.   She gave the example of "worklessness", it was important to look at the trends behind this for example poor educational performance by white British boys leading to poor educational outcomes, this is what we should be seeking to address. Therefore performance monitoring data was crucial.
- Ms Agyepong confirmed that the Lead Officer for Equalities was Ms Peachey (Director of Public Health).
- Ms Agyepong stated that there were three officers in the diversity team, but equality and diversity was the responsibility of all officers and should be considered when new work areas or policies were planned.
- Ms Agyepong confirmed that the quality of data available varied across the authority, data from schools was of a good quality. Work was being undertaken with officers to improve data quality when necessary.

(3)   RESOLVED that the draft Annual Equalities & Diversity Report and the comments made by Members be noted.

159. Select Committees - update
(Item C1)

(1)   The Committee received an update on the current topic review programme and were invited to put forward suggestions for future Select Committee topic reviews.

(2)   RESOLVED that the Select Committee topic review update be noted and that Members advise the Democratic Services Officer of any items that they would like to suggest for inclusion in the Select Committee topic review programme

TO: **Corporate Policy Overview & Scrutiny Committee – 20th March 2012**

BY: **Paul Carter, Leader**
              Alex King, Deputy Leader
              John Simmonds, Cabinet Member for Finance and Business Support
              Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform
              David Cockburn, Corporate Director, Business Strategy and Support

SUBJECT: **Financial Monitoring 2011/12**

Classification: **Unrestricted**

Summary:

Members of the POSC are asked to note the third quarter's budget monitoring report for 2011/12 as reported to Cabinet on 19th March 2012.

FOR INFORMATION

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1.   **Introduction**

1.1   This is a regular report to this Committee on the forecast outturn for the Business Strategy & Support Directorate and Financing Items budgets within the Corporate Services portfolios.

2.   **Forecast Outturn**

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

2.2   The third quarter's monitoring report for 2011/12 was presented to Cabinet on 19th March 2012. Extracts from the annex for the Business Strategy & Support Directorate for the portfolios reporting to this POSC and the annex for Financing Items are attached as annexes 1 and 2.

2.3   Revenue Budget

Business Strategy & Support Directorate

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

    a.   The pressure on Finance & Procurement has risen to £484k, which is partially off-set by an underspend within the Audit team (-£107k) in the Democracy & Partnerships portfolio. The pressure is due to all the one-off actions (setting up a dedicated ERP

team; back-fills for vacancies and re-phasing of 11-12 savings) which support the complete restructure of the Finance & Procurement Division taking effect from 1st April 2012.

b. HR Business Operations (HRBO) have worked hard to reduce their pressures by -£250k this period, reducing their net overspend to +£238k. The Learning & Development team have generated more income (-£62k) and continued to reduce their expenditure (-£172k) as they adjust for the reduced demand experienced this year.
HR Non-Business Operations have increased their underspend by -£279k, taking it to an outturn forecast of -£768k. The budgeted spend in the Adult Learning Resource Team has been delayed until the new Director of Families and Social Care develops a training strategy and decides on future commissioning requirements. Other costs have been reduced by changes to training venues and catering requirements.
The forecast position for HR as a whole is therefore an underspend of -£530k.

c. Property & Infrastructure are forecasting a net underspend of -£496k this quarter due primarily to reduced activity whilst the centralisation of budgets for Corporate Landlord has taken place (-£584k). The Workplace Transformation Programme also has significant re-profiling (-£257k) due to the need to revise strategic priorities and align with the Capital programme. The Property & Infrastructure Group have been undergoing a complete restructure and this has contributed to these one-off delays in expenditure as well as generating reduced salary costs (-£250k) from the 1st tier management restructure. Gross underspends have been offset by some reduced income streams. Due to the expected backlog of maintenance requests resulting from the creation of the Corporate Landlord model, Property & Infrastructure will be requesting a roll-forward in order to meet the increased demand in the new financial year.

d. Information & Communication Technology (ICT) are reporting an underspend of -£343k which relates to the Kent Public Services Network (KPSN) contract. Although orders have been placed with the contract providers, long lead times have pushed delivery of some upgraded circuits to beyond 31st March 2012. A roll-forward of this money will therefore be required to meet the commitment in 2012-13.

2.3.2 The overall position for the Portfolios reporting to the Corporate Policy Overview & Scrutiny Committee is a forecasted underspend of -£1.674m. Revenue project re-phasing accounts for £0.652m, probable roll-forward requests for £0.239m, leaving -£783k currently 'uncommitted' underspend.

Financing Items

2.3.4 The Financing Items report for Quarter 3 moved to an underspend of -£10.1m. Members of the POSC are directed to Annex 2 to read the detailed explanations of this movement.

2.4 Capital

2.4.1 The capital forecast for Quarter 3 shows an underspend of -£4.0m due to significant re-phasing in the following projects:
- Modernisation of Assets (-£1.310m re-phasing). Understanding the budgets and requirements for all buildings centralised under Corporate Landlord has caused delays whilst needs and priorities have been assessed.
- Sustaining Kent – Maintaining the Infrastructure (-£1.253m re-phasing). Redesign of the delivery programme for Unified Communications in order to meet the Government Connects Code of Connection security requirements, has impacted

on the external technical resource availability, pushing delivery in to 2012-13 (-£0.655m).
A further (-£0.598m) re-phasing relates to other work streams within the overall programme, impacted by the delays to Unified Communications.

- Workplace Transformation (-£0.750m re-phasing). Strategic priorities for our Corporate Estate continue to be re-assessed, resulting in the need for further re-phasing.

3   Recommendations

3.1   Members of the POSC are asked to note:
the projected outturn for the Business Strategy and Support Directorate and Financing Items for 2011/12 based on the third quarter's monitoring report to Cabinet.

Background Documents:
   1) Cabinet 19th March 2012 – Revenue and Capital Budgets, Key Activity and Risk Monitoring

Officer Contact:
Jackie Hansen
Acting Finance Business Partner
(Business Strategy & Support)
Ext. 4054

BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY
JANUARY 2011-12 FULL MONITORING REPORT

1.   FINANCE

1.1   REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a virement of £0.070m from the Health Reform budget in the Business Strategy, Performance & Health Reform portfolio to the Public Health Management and Support budget within the Adult Social Care & Public Health portfolio for health inequalities and a number of other technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

1.1.2   **Table 1** below details the revenue position by A-Z budget line:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Adult Social Care & Public Health portfolio							
Public Health Management & Support	809	-430	379	31	-33	-2	£14k additional activity & income for Public Health Champions; £12k additional activity & income from C&C Directorate for Domestic Abuse Training
Public Health - Health Promotion	314	-221	93	-4	1	-3	
Public Health - Local Involvement Network (LINk)	0	0	0			0	
Total ASC&PH portfolio	**1,123**	**-651**	**472**	**27**	**-32**	**-5**	
Customer & Communities portfolio							
Public Health - Health Watch	78		78	2	0	2	
Total C&C portfolio	**78**	**0**	**78**	**2**	**0**	**2**	
Regeneration & Enterprise portfolio							
Directorate Management & Support	419		419	0	0	0	
Development Staff & Projects	4,421	-275	4,146	0	0	0	
Total R&E portfolio	**4,840**	**-275**	**4,565**	**0**	**0**	**0**	
Finance & Business Support portfolio							
Finance & Procurement	19,800	-7,102	12,698	290	194	484	Cost of back-fill for the dedicated Finance ERP team and short-term contracts to cover restructure of Unit; delays to delivery of savings in lieu of main restructure of whole Finance Function; reduced contracts with schools & academies

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
HR Business Operations	8,198	-5,810	2,388	-730	968	238	Under-delivery of increased income targets in SPS, partially offset by reduced staffing/ activity costs; overspend in ESC mainly on staffing; reduced activity in L&D offset by reduced income
Total F&BS portfolio	**27,998**	**-12,912**	**15,086**	**-440**	**1,162**	**722**	
Business Strategy, Performance & Health Reform portfolio							
Strategic Management & Directorate Support budgets	3,177	-5,153	-1,976	2	-11	-9	
Governance & Law	8,196	-9,647	-1,451	1,603	-2,036	-433	£863k disbursements costs & income; additional costs & income from trading activities
Business Strategy	3,462	-204	3,258	-54	-52	-106	U/spend on supplies & services across Unit; Interreg grant claim more than originally budgeted for
Property & Infrastructure	26,816	-6,787	20,029	-1,237	741	-496	U/spend on Corporate Landlord and Workplace Transformation - rephasing to 2012/13; savings from mgmt restructure & staff vacancies
Human Resources	12,668	-3,129	9,539	-592	-176	-768	-£328k Adult Learning Resource Team; -£209k Social Work Professional team
Information & Communication Technology (incl Schools ICT)	33,631	-14,070	19,561	2,178	-2,521	-343	IT pay as you go activity funded by income; KPSN renewals programme and project rephasing
Public Health - Local Involvement Network (LINk)	503	-30	473	-10	10	0	Reduced activity funded from Kent & Medway Network - receipt in advance set up for unspent money
Health Reform	180		180	-86	0	-86	Delays to planned Health Reform activity
Total BSP&HR portfolio	**88,633**	**-39,020**	**49,613**	**1,804**	**-4,045**	**-2,241**	
Democracy & Partnerships portfolio							
Finance - Audit	1,511	-701	810	-146	39	-107	-£65k u/spend on Insurance offset by reduced drawdown from Insurance Fund; -£68k delays in recruiting to vacancies/ -£27k additional income in Internal Audit

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Business Strategy - International, Partnerships & Cabinet Office	1,069	-269	800	-63	18	-45	General u/spend on activity across Unit resulting in reduced income, offset by £63k new income from Districts for Kent Forum support
Democratic & Member Services	3,935	-3	3,932	60	-60	0	£99k o/spend on staffing offset by underspend on transport; additional income from Academies for admission appeals & training
Local Democracy:							
- County Council Elections	505		505	0	0	0	
- District Grants	703		703	0	0	0	
Total D&P portfolio	**7,723**	**-973**	**6,750**	**-149**	**-3**	**-152**	
TOTAL CORPORATE POSC	**124,354**	**-52,905**	**71,449**	**1,215**	**-2,886**	**-1,671**	
Total BSS Controllable	**130,395**	**-53,831**	**76,564**	**1,244**	**-2,918**	**-1,674**	

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

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

Finance & Business Support Portfolio:

1.1.3.1 Finance & Procurement: Gross +£290k, Income +£194k, Net +£484k
The projected net pressure is due to the following main issues: the cost of back-fill for the dedicated Finance Enterprise Resource Planning (ERP) team and the cost of short-term contracts during the restructure of the Unit **(+£353k)**; and a delay in delivering 2011-12 savings which transferred in from 'old' Directorate Finance Terms in lieu of the main restructure of the whole Finance Function **(+£238k)**.
There has also been a reduction in income from contracts with schools and academies **(+£227k)**, which has been offset by a corresponding reduction in related gross staffing and activity costs **(-£227k)**.

1.1.3.2 Human Resources – Business Operations: Gross -£730k, Income +£968k, Net +£238k
Schools Personnel Service (SPS) was given an additional income target of £150k for 2011-12, but this was set without the knowledge that there would be a £300k loss of guaranteed income from ELS as a result of responsibility for undertaking CRB checks and other support being devolved to schools, meaning that income levels are now dependent on the amount of business secured with schools. Consequently SPS are forecasting an under-delivery of income of **+£453k**, but also a partially compensating underspend mainly on salaries of **-£260k.** The Learning & Development unit is experiencing significantly reduced take-up of training courses compared to previous years, causing under-delivery of income of **+£592k**, which is offset by reduced expenditure of **-£625k.** Employee Services are also forecasting a gross pressure of **+£186k**, mainly on staffing.

Business Strategy, Performance & Health Reform Portfolio:

1.1.3.3 <u>Strategic Management & Directorate Support budgets: Gross +£2k, Income -£11k, Net -£9k</u>
A variance of **+£408k** has arisen as a result of the development of the Enterprise Resource Planning (ERP) project. Cabinet agreed in December that this can be met by a temporary drawdown from the IT Asset Maintenance reserve in the current year. A drawdown of £950k was originally identified but £542k of this has now rephased to 2012-13. The 2012-13 cost will also need to be met by a temporary drawdown from the IT Asset Maintenance reserve and repayment of the full £950k funding back to the IT Asset Maintenance Reserve will occur in 2012-13, as reflected in the recently approved 2012-15 MTFP.

1.1.3.4 <u>Governance & Law – Legal Services: Gross +£1,603k, Income -£2,036k, Net -£433k</u>
Variances on gross spend **(+£740k)** and income **(-£1,173k)** reflect the additional work that the function has taken on over and above that budgeted for, responding to both internal and external demand. Variances of **+/-£863k** are due to increased costs & their recovery for Disbursements.

1.1.3.5 <u>Property & Infrastructure: Gross -£1,237k, Income +£741k, Net -£496k</u>
Some of the variance on gross spend **(-£584k)** relates to a reduction in Corporate Landlord activity; this is partially offset by a reduction in income of **+£315k** as a result of unachievable internal recharge and income targets inherited in the centralisation of Corporate Landlord budgets. The reduced activity relating to Corporate Landlord is one-off and has arisen as a result of the centralisation of budgets from 1 April 2011, which has caused some delays to activity. The centralisation of budgets occurred during a period of significant reorganisation within the Property & Infrastructure Group, and this has contributed to the one-off delays in expenditure both in Corporate Landlord, as well as the Workplace Transformation Programme **(-£257k)**.
A saving of **-£250k** has been realised from the first tier management restructure and vacancy management across Property & Infrastructure Group. There has also been a reduction in income from capital projects and the room booking unit of **+£305k**.

1.1.3.6 <u>Human Resources: Gross -£592k, Income -£176k, Net -£768k</u>
Much of the underspend on gross relates to a **-£328k** underspend in the Adult Learning Resource Team, mainly due to delays to planned activity such as developing new strategies for the Private & Voluntary sector. There is a further underspend on gross of **-£209k** which relates to a reduction in the cost of providing social work professional training due to a reduction in external commissioning and reduced venue costs.
The income variance is largely due to additional income in the Workforce & Professional Development Unit from trading services (-£72k) and savings resulting from greater take-up of salary sacrifice schemes recovered from directorates (-£71k).

1.1.3.7 <u>Information & Communication Technology (including Schools ICT): Gross +£2,178k, Income -£2,521k, Net -£343k</u>
Variances of **+£2,452k** and **-£2,452k** on gross and income respectively reflect the increased demand for additional IT Pay-as-you-go projects. Project demand is difficult to predict during budget setting.
A further underspend on gross of **-£309k** has arisen in Kent Public Services Network (KPSN) and is caused by a delay between orders being placed with our external provider and their anticipated completion due to delivery constraints, resulting in some orders not being completed before 31st March 2012.

1.1.3.8 <u>Health Reform: Gross -£86k, Income -£0k, Net -£86k</u>
The -£86k underspend is due to rephasing of the implementation of the Corporate Activities this money was identified to deliver. This underspend will be required to roll forward in order to fund the costs of implementing these activities in 2012-13.

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

Pressures (+)			Underspends (-)		
Portfolio		£000's	Portfolio		£000's
BSPHR	ICT: Information Systems costs of additional pay as you go activity	+2,452	BSPHR	ICT: Information Systems income from additional pay as you go activity	-2,452
BSPHR	Legal Services: increased costs of Disbursements	+863	BSPHR	Legal income resulting from additional work (partially offset by increased costs)	-1,173
BSPHR	Legal services cost of additional work (offset by increased income)	+740	BSPHR	Legal Services: increased income relating to Disbursements	-863
FBS	HR Business Ops: Learning & Development reduced income due to reduced take-up of training courses	+592	FBS	HR Business Ops: Learning & Development reduced expenditure in line with reduced take-up of training courses	-625
FBS	HR Business Ops: Schools Personnel Service under delivery of increased income target/loss of internal income.	+453	BSPHR	Property & Infrastructure: one-off reduced Corporate Landlord activity as result of centralisation of budgets and reorganisation of Unit	-584
BSPHR	Strat Mgt & Dir Support: Development of ERP project	+408	BSPHR	Strat Mgmt & Dir Support: temporary drawdown of reserves to fund ERP project, to be repaid in 2012-13	-408
FBS	Finance & Procurement: back-fill for dedicated Finance ERP Oracle Project team and short-term contracts to cover the restructure of the Unit	+353	BSPHR	HR: Delays to planned activity such as developing new strategies for the PV sector in the Adult Learning Resource Team	-328
BSPHR	Property & Infrastructure: reduction in internal recharging/income as a result of unachievable income targets inherited in the centralisation of budgets to Corporate Landlord	+315	BSPHR	ICT: Kent Public Services Network work ordered but not completed before 31st March 2012	-309
BSPHR	Property & Infrastructure: reduced income from capital projects and room booking unit	+305	FBS	HR Business Ops: Schools Personnel Service underspend mainly on salaries, partially off-setting under delivery of income target	-260
FBS	Finance & Procurement: delay to 2011/12 savings which transferred in from 'old' Directorate Finance Teams in lieu of main restructure of the whole of the Finance Function	+238	BSPHR	Property & Infrastructure: rephasing of Workplace Transformation Programme	-257
FBS	Finance & Procurement: Reduction in income from contracts with schools & academies.	+227	BSPHR	Property & Infrastructure: part-year saving from first tier management restructure and vacancy management	-250
FBS	HR Business Ops: pressure on Employee Services budget mainly on staffing	+186	BSPHR	Finance & Procurement: Reduced staff costs & related expenditure as result of reduction in income from contracts with schools & academies.	-227
			BSPHR	HR: Reduction in the cost of providing social work professional training.	-209
		+7,132			-7,945

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

eg Management Action achieved to date including vacancy freeze, changes to assessment criteria etc. This section should provide details of the management action already achieved, reflected in the net position reported in table 1.

1.1.4.1 Vacancy management is in place across all BSS units.

1.1.5 **Implications for MTFP**:

1.1.5.1 <u>Finance & Procurement (Finance & Business Support Portfolio)</u>
Delayed savings in 2011-12 will be delivered in 2012-13 as part of the Finance & Procurement reorganisation. These savings are reflected in the recently approved 2012-15 MTFP.

1.1.5.2 <u>Strategic Management & Directorate Support budgets (Business Strategy, Performance & Health Reform Portfolio)</u>
Repayment of the full £950k funding for ERP to the IT Asset Maintenance Reserve will occur in 2012-13, and this has been built into the 2012-15 MTFP.

1.1.5.3 <u>HR (Finance & Business Support Portfolio & (Business Strategy, Performance & Health Reform Portfolio)</u>
Within HR, the allocation of the 2011-12 savings targets has been re-visited as part of setting the 2012-13 budgets for individual units to ensure that achievable budgets are set across the function.

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

Business Strategy, Performance & Health Reform Portfolio

1.1.6.1 <u>Property & Infrastructure</u>
Workplace Transformation activity has been significantly re-phased as a result of the need to revise strategic priorities such as the shaping of One Council/Bold Steps for Kent. Roll forward of £257k will be required in order to fund this re-phasing into 2012-13.

1.1.6.2 <u>ICT</u>
Kent Public Services Network – Orders have been placed with the External Provider (£309k) but due to delivery constraints, will not be completed before 31st March 2012. Consequently, roll forward will be required to fund this commitment in 2012-13.

1.1.6.3 <u>Health Reform</u>
The -£86k underspend on Health Reform is due to re-phasing of the implementation of the Corporate Activities this money was identified to deliver. Roll forward of this underspend will be required in order to complete these activities in 2012-13.

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

This section should provide details of the management action outstanding, as reflected in the assumed management action figure reported in table 1 and details of alternative actions where savings targets are not being achieved.

1.1.7.1 <u>Property & Infrastructure</u>
The remaining forecast net underspend in the Property & Infrastructure Group (£239k) is largely due to one-off delays in budgeted activity during a time of significant change caused by the centralisation of property budgets to form the Corporate Landlord function and the reorganisation of the Unit. During 2011-12 a lot of time has been invested in understanding the budgets and requirements of the buildings inherited by Corporate Landlord from across the authority, which has caused delays in activity such as maintenance. It is likely that this underspend will be the subject of a roll-forward request in order to undertake some of the maintenance backlog.

1.1.7.2 Of the -£1,674k underspend, revenue project re-phasing accounts for +£652k (as detailed in section 1.1.6 above), leaving an underlying underspend of -£1,022k. Of this, there is likely to be a request to roll-forward £239k for property maintenance, leaving £783k "uncommitted".

1.2 CAPITAL

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

The capital cash limits have been adjusted to reflect the position in the 2012-15 MTFP as agreed by County Council on 9 February 2012, any further adjustments are detailed in section 4.1.

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

	Prev Yrs Exp £m	2011-12 £m	2012-13 £m	2013-14 £m	Future Yrs £m	TOTAL £m
Business Strategy, Performance & Health Reform						
Budget	11.489	11.309	13.291	6.701	4.245	47.035
Adjustments:						
Sustaining Kent-Maintaining the Infrastructure		0.598				0.598
						0.000
						0.000
Revised Budget	11.489	11.907	13.291	6.701	4.245	47.633
Variance		-4.063	3.944	0.000	0.000	-0.119
split:						
- real variance		-0.119	0.000	0.000	0.000	-0.119
- re-phasing		-3.944	3.944	0.000	0.000	0.000
Directorate Total						
Revised Budget	11.489	11.907	13.291	6.701	4.245	47.633
Variance	0.000	-4.063	3.944	0.000	0.000	-0.119
Real Variance	0.000	-0.119	0.000	0.000	0.000	-0.119
Re-phasing	0.000	-3.944	3.944	0.000	0.000	0.000

1.2.3 **Main Reasons for Variance**

Table 4 below, details all forecast capital variances over £250k in 2011-12 and identifies these between projects which are:
- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- Projects at preliminary stage.

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

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

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

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

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
			+0.000	**+0.000**	**+0.000**	**+0.000**
Underspends/Projects behind schedule						
BSPHR	Modernisation of Assets	phasing	-1.310			
BSPHR	Sustaining Kent - Maintaining the Infrastructure	phasing		-1.253		
BSPHR	Workplace Transformation Progran	phasing			-0.750	
BSPHR	Integrated childrens System	phasing			-0.502	
BSPHR	Energy Efficiency & Renewable Energy in the KCC Estate			-0.253		
			-1.310	**-1.506**	**-1.252**	**-0.000**
			-1.310	**-1.506**	**-1.252**	**+0.000**

1.2.4   Projects re-phasing by over £1m:

1.2.4.1 Modernisation of Assets re-phasing of -£1.310m (in 2011-12)

The reduced activity relating to Modernisation of Assets is largely due to delays to planned activity during a time of significant change caused by the centralisation of property budgets to form the Corporate Landlord function on 1 April 2012, and the reorganisation of the Unit. During 2011-12 a lot of time has been invested in understanding the budgets and requirements of the buildings inherited by Corporate Landlord, which has caused delays in activity. A plan to 'catch up' on this re-phased activity is in place for 2012-13.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£m	£m	£m	£m	£m	£m
BUDGET & FORECAST						
Budget		1.964	2.446	1.661	3.172	9.243
Forecast		0.654	3.756	1.661	3.172	9.243
Variance	0.000	-1.310	1.310	0.000	0.000	0.000
FUNDING						
Budget:						
prudential		1.653	1.885	1.261	2.772	7.571
revenue		0.061	0.061	0.000	0.000	0.122
grant		0.250	0.500	0.400	0.400	1.550
TOTAL	0.000	1.964	2.446	1.661	3.172	9.243
Forecast:						
prudential		0.493	3.045	1.261	2.772	7.571
revenue		0.061	0.061	0.000	0.000	0.122
grant		0.100	0.650	0.400	0.400	1.550
TOTAL	0.000	0.654	3.756	1.661	3.172	9.243
Variance	**0.000**	**-1.310**	**1.310**	**0.000**	**0.000**	**0.000**

1.2.4.2 **Sustaining Kent – Maintaining the Infrastructure re-phasing of -£1.253m** (in 2011-12)

£0.655m of this re-phasing relates to a delay in Unified Communications due to technical resource availability and a considerable amount of time spent on ensuring the technical design meets the Government Connects Code of Connection Security requirements. The remaining £0.598m re-phasing relates to other work-streams within the programme.

Revised phasing of the scheme is now as follows:

	Prior Years £m	2011-12 £m	2012-13 £m	2013-14 £m	future years £m	Total £m
BUDGET & FORECAST						
Budget	5.962	3.459	1.424			10.845
Forecast	5.962	2.206	2.677			10.845
Variance	0.000	-1.253	1.253	0.000	0.000	0.000
FUNDING						
Budget:						
prudential/revenue	5.815	2.861	1.424			10.100
revenue	0.147	0.213			0.000	0.360
prudential		0.292				0.292
external other		0.930				0.930
TOTAL	5.962	4.296	1.424	0.000	0.000	11.682
Forecast:						
prudential/revenue	5.815	1.608	2.677			10.100
revenue	0.147	0.213				0.360
prudential		0.292				0.292
external other		0.930				0.930
TOTAL	5.962	3.043	2.677	0.000	0.000	11.682
Variance	**0.000**	**-1.253**	**1.253**	**0.000**	**0.000**	**0.000**

1.2.5 **Projects with real variances, including resourcing implications:**

There is a real variance of -£0.119m in 2011-12.

Business Strategy, Performance & Health Reform portfolio:

Disposal Cost: -£0.126m (in 2011-12): The reorganisation of the Property & Infrastructure Group in 2011-12 has resulted in significant staff changes during the year. This has impacted on the disposals process, leading to a complete review of the disposals programme to ensure there is a strong link to the Workplace Transformation Programme.

Overall this leaves a residual balance of +£0.007m on a minor project.

1.2.6 **General Overview of capital programme**:

(a) Risks

N/A

(b) Details of action being taken to alleviate risks

N/A

1.2.7 **Project Re-phasing**

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

	#REF!	#REF!	#REF!	#REF!	Total
	£m	£m	£m	£m	£m
Modernisation of Assets (BSPHR)					
Amended total cash limits	1.964	2.446	1.611	3.172	9.193
re-phasing	-1.310	1.310	0.000	0.000	0.000
Revised project phasing	**0.654**	**3.756**	**1.611**	**3.172**	**9.193**
Sustaining Kent - Maintaining the Infrastructure (BSPHR)					
Amended total cash limits	3.459	1.424	0.000	0.000	4.883
re-phasing	-1.253	1.253	0.000	0.000	0.000
Revised project phasing	**2.206**	**2.677**	**0.000**	**0.000**	**4.883**
Energy Efficiency & Renewable Energy (BSPHR)					
Amended total cash limits	0.253	0.250	0.000	0.000	0.503
re-phasing	-0.253	0.253	0.000	0.000	0.000
Revised project phasing	**0.000**	**0.503**	**0.000**	**0.000**	**0.503**
Work Place Transformation (BSPHR)					
Amended total cash limits	0.750	3.320	4.250	0.000	8.320
re-phasing	-0.750	0.750	0.000	0.000	0.000
Revised project phasing	**0.000**	**4.070**	**4.250**	**0.000**	**8.320**
Enterprise Resource Programme (BSPHR)					
Amended total cash limits	0.648	0.750	0.000	0.000	1.398
re-phasing	0.126	-0.126	0.000	0.000	0.000
Revised project phasing	**0.774**	**0.624**	**0.000**	**0.000**	**1.398**
Integrated Children's System (BSPHR)					
Amended total cash limits	0.652	0.674	0.000	0.000	1.326
re-phasing	-0.502	0.502	0.000	0.000	0.000
Revised project phasing	**0.150**	**1.176**	**0.000**	**0.000**	**1.326**
Total re-phasing >£100k	**-3.942**	**3.942**	**0.000**	**0.000**	**0.000**
Other re-phased Projects below £100k	**-0.002**	**0.002**	**0.000**	**0.000**	**0.000**
TOTAL RE-PHASING	**-3.944**	**3.944**	**0.000**	**0.000**	**0.000**

2.   KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1   **Capital Receipts – actual receipts compared to budget profile**:

	2011-12			
	Budget funding assumption £000s	Cumulative Target Profile £000s	Cumulative Actual Receipts £000s	Cumulative Forecast receipts £000s
April - June		30	769	769
July - September		1,710	1,725	1,725
October - December		2,490	2,345	2,345
January - March		3,000		3,079
TOTAL	**6,102**	**3,000**	**1,725**	**3,079**

Budget funding assumption has been updated to reflect the 2012-15 MTFP agreed at County Council on 9th February.

The cumulative target profile shows the anticipated receipts at the start of the year totalled £3.0m. The difference between this and the budget funding assumption is mainly attributable to timing differences between when the receipts are anticipated to come in and when the spend in the capital programme will occur. There are banked receipts achieved in prior years which were not required to be used for funding until 2011-12.
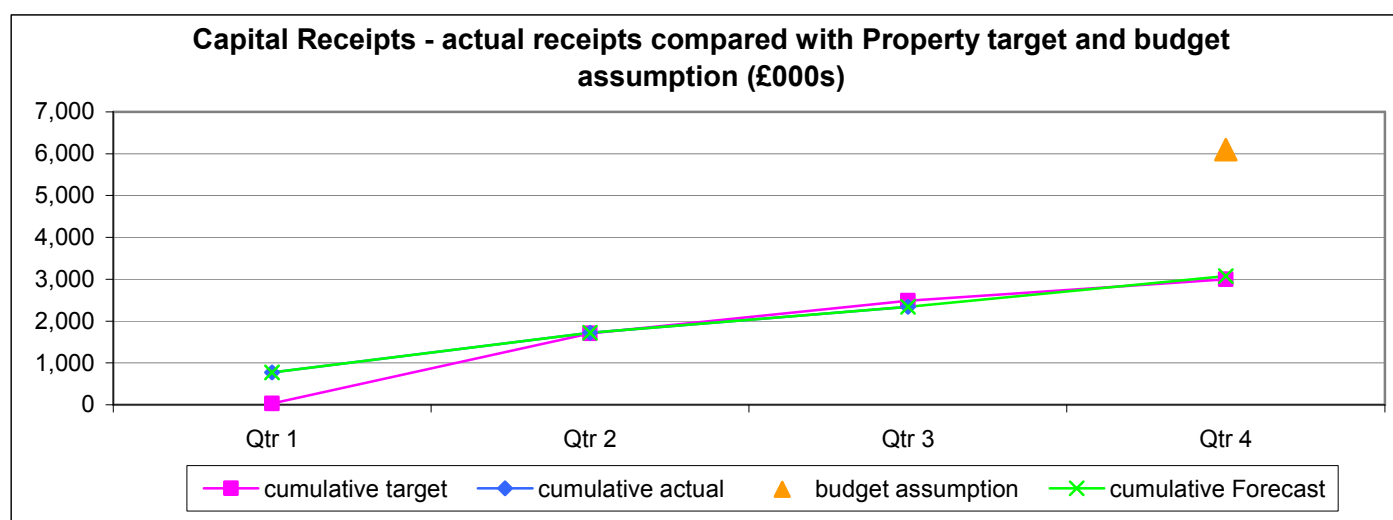
Comments:
- The table below compares the capital receipt funding required per the capital programme this year, with the expected receipts available to fund this.
- Property Group is actually forecasting a total of £2.993m to come in from capital receipts during the year. Taking into consideration the receipts banked in previous years and receipts from other sources there is a forecast a surplus of £2.082m in 2011-12. This is due to receipts being forecast to be achieved during 2011-12 which are held to fund spend in future years of the programme.

	2011-12 £'000
Capital receipt funding per revised 2012-15 MTFP	6,102
Property Groups' actual (forecast for 11-12) receipts	2,993
Receipts banked in previous years for use	3,735
Capital receipts from other sources	1,456
Potential Surplus Receipts	**2,082**

2.2 **Capital Receipts – Kent Property Enterprise Fund 1**:

	2011-12			
Kent Property Enterprise Fund Limit £m	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions (-) £m	Cumulative Net Acquisitions (-) & Disposals (+) £m
Balance b/f		12.342	12.342	-19.504	-7.162
April - June	*-10*	12.377	12.342	-19.504	-7.162
July - September	*-10*	14.862	12.393	-19.504	-7.111
October - December	*-10*	15.282	13.373	-19.504	-6.131
January - March	*-10*	15.638			0

Kent Property Enterprise Fund 1 and acquisitions and disposals (£m)
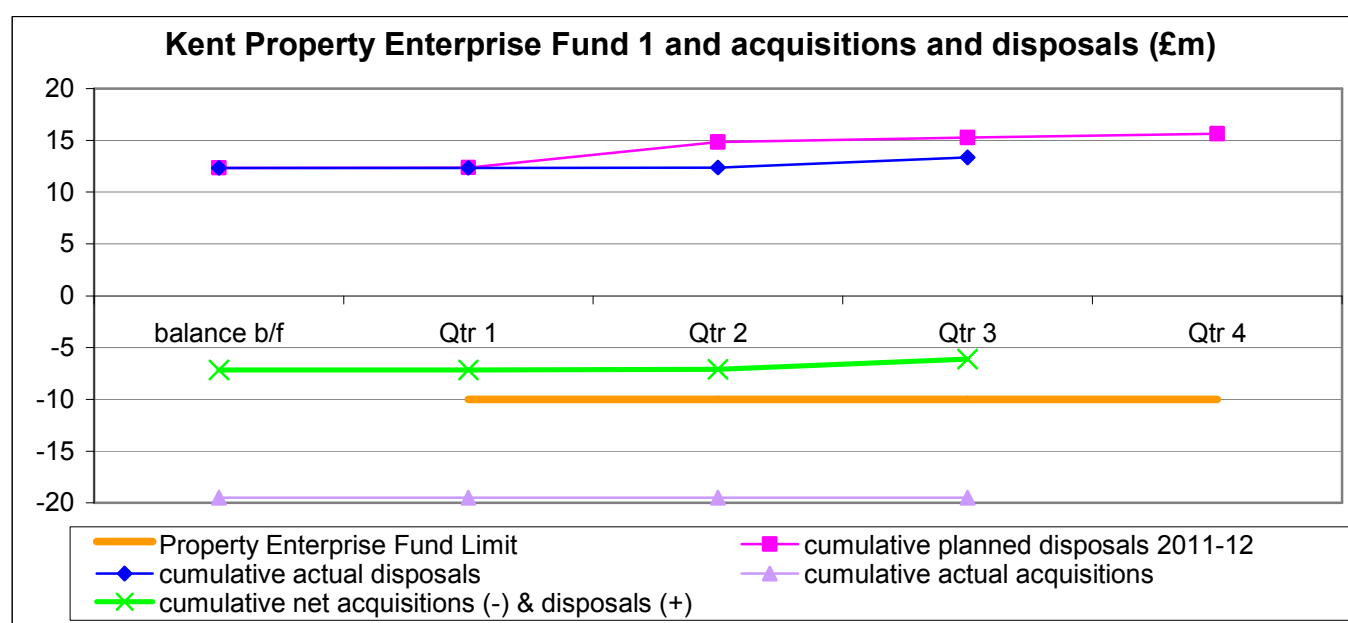
Background:

- County Council approved the establishment of the Property Enterprise Fund 1 (PEF1), with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
  - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
  - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

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

Comments:

The balance brought forward from 2010-11 on PEF1 was -**£7.162m**.

A value of **£1.909m** has been identified for disposal in 2011-12. This is the risk adjusted figure to take on board the potential difficulties in disposing some of the properties.

As at the 31 January 2012 there have been two disposals generating a receipt of £1.031m.

The fund has been earmarked to provide **£0.197m** for Gateways and **£0.300m** for improvements to Maidstone High Street in this financial year.

There has been a **£0.212m** repayment towards the £5.304m owed by East Kent Opportunities for the Spine Road, Manston.

At present there are no committed acquisitions to report, however forecast outturn for costs of disposals (staff and fees) is currently estimated at **£0.043m**..

Forecast Outturn

Taking all the above into consideration, the Fund is expected to be in a deficit position of £5.581m at the end of 2011-12.

Opening Balance – 01-04-11	-£7.162m
Planned Receipts (Risk adjusted)	£1.909m
Costs	-£0.043m
Acquisitions	-
Other Funding: - Gateways - Improvements to Maidstone High Street	 -£0.197m -£0.300m
Repayment of Spine Road, Manston	£0.212m
Closing Balance – 31-03-12	**-£5.581m**

Revenue Implications

In 2011-12 the fund is currently forecasting £0.022m of low value revenue receipts but, with the need to fund both costs of borrowing (£0.549m) against the overdraft facility and the cost of managing properties held for disposal (net £0.277m), the PEF1 is forecasting a £2.407m deficit on revenue which will be rolled forward to be met from future income streams.

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

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

Overall forecast position on the fund

	2011-12 Forecast
	£m
Capital:	
Opening balance	-22.209
Properties to be agreed into PEF2	-2.009
Forecast sale of PEF2 properties	12.771
Disposal costs	-0.511
Closing balance	-11.958
Revenue:	
Opening balance	-3.417
Interest on borrowing	-0.683
Holding costs	-0.407
Closing balance	-4.507
Overall closing balance	-16.465

The forecast closing balance for PEF2 is -£16.465m, this is within the overdraft limit of £85m.

The target receipts to be accepted into PEF2 during 2011-12 equate to the PEF2 funding requirement in the 2012-15 budget book, and achievement against this is shown below:

	2011-12	
	Cumulative target for year	Cumulative actuals
	£m	£m
Qtr 1	0.5	0
Qtr 2	1.0	0
Qtr 3	1.5	2.6
Qtr 4	2.0	

Comments:

- The above table shows a £2.0m target is required, this is a net figure based the PEF2 funding required of £4.766m as per the 2012-15 MTFP less £2.757m of PEF2 achieved in previous years by FSC and E&E that was not required until later years.
- To date one property has been transferred into PEF2

PEF2 target accepted into fund
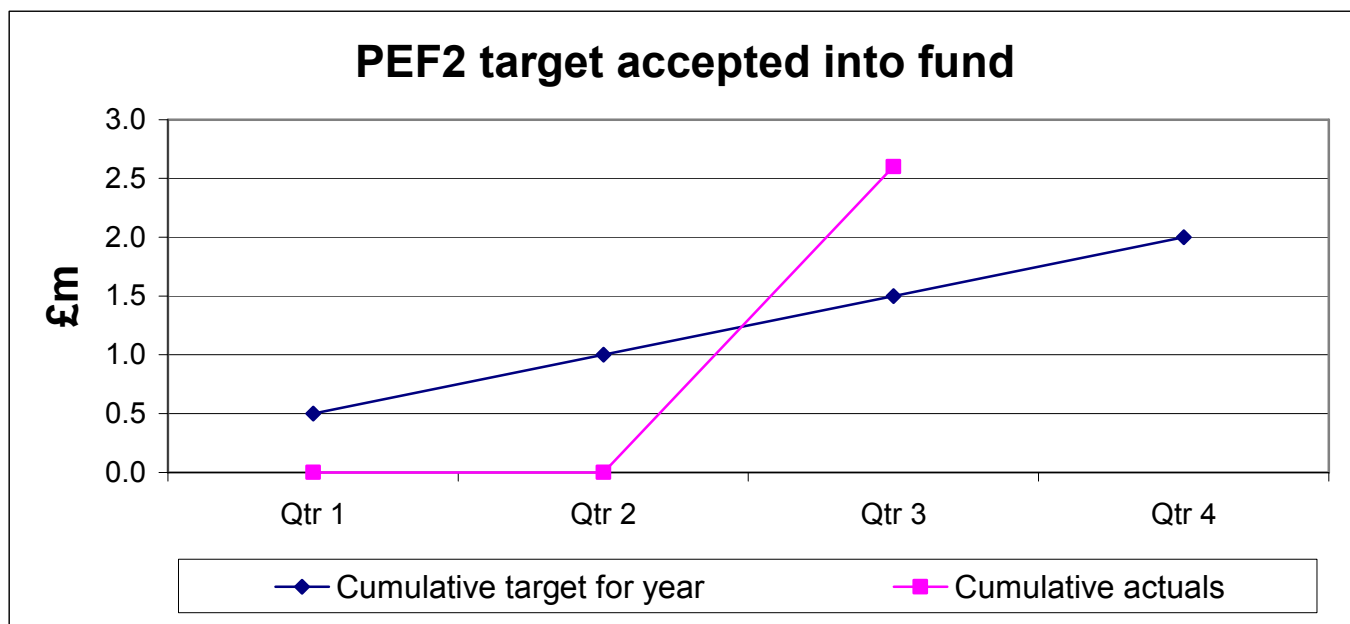
PEF2 Disposals

To date nine PEF2 properties have been sold and three are in the process of completing. The cumulative profit on disposal to date is £1.304m. Large profits or losses are not anticipated over the lifetime of the fund.

Interest costs

At the start of the year interest costs on the borrowing of the fund for 2011-12 were expected to total £0.878m.

Latest forecasts show interest costs of £0.683m, a decrease of £0.195m. This is due to a lower level of properties being required to transfer into PEF2 to fund the capital programme during 2011-12.

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

FINANCING ITEMS SUMMARY
JANUARY 2011-12 FULL MONITORING REPORT

1.   FINANCE

1.1   REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect:
    o the virement of £0.199m from the underspend on debt charges to reduce the budgeted contribution from Commercial Services within the Environment, Highways & Waste portfolio due to a reduction in the number of lease cars following the County Council decision to remove essential user status, as approved by Cabinet on 9 January;
    o the transfer of £3.150m contingency previously held within the Adult Social Care & Public Health portfolio against the ending of Social Care Reform Grant, following agreement to the use of the £16.226m NHS funding for Social Care
    o and a number of other technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

1.1.2   **Table 1** below details the revenue position by A-Z budget line:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Finance & Business Support Portfolio							
Carbon Reduction Commitment Levy	1,368		1,368	-1,088		-1,088	saving following recharge to schools
Contribution to/from Reserves	-11,245		-11,245	2,375		2,375	transfer of 11-12 write down of discount saving from 08-09 debt restructuring to reserves; transfer of MRP saving to reserves to fund potential impact in future years; drawdown of Insurance Reserve to cover pressure on Insurance Fund; contribution to reserves to support next years budget
Insurance Fund	3,479		3,479	1,590		1,590	increase in liability claims forecast to be paid & increase in provision for period of time claims
Modernisation of the Council	2,709		2,709			0	
Net Debt Charges (incl Investment Income)	123,231	-8,877	114,354	-7,795	1,180	-6,615	2011-12 write down of discount saving from 2008-09 debt restructuring; re-phasing of capital programme in 10-11 has provided savings on debt charges; saving on leasing costs; in year MRP reduction; savings as no new borrowing against current requirement

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Other	11,140	0	11,140	-6,267	0	-6,267	-£1.546m unexpected unringfenced grant increase held to offset pressures across Authority; -£1.5m release of EIG smoothing money; -£3.15m release of contingency held against the ending of SCRG; -£0.1m subscriptions; +£0.079m costs of Transformation Programme Manager for Change & related project costs
Total F&BS portfolio	**130,682**	**-8,877**	**121,805**	**-11,185**	**1,180**	**-10,005**	
Business Strategy, Performance & Health Reform portfolio							
Contribution to IT Asset Maintenance Reserve	**2,352**		**2,352**			**0**	
Democracy & Partnerships portfolio							
Audit Fees	**464**		**464**	**-100**		**-100**	rebate & cut in external audit fees
Total Controllable	**133,498**	**-8,877**	**124,621**	**-11,285**	**1,180**	**-10,105**	

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

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

Finance & Business Support portfolio:

1.1.3.1 Carbon Reduction Commitment Levy:

There is a £1.088m saving against the Carbon Reduction Commitment Levy reflecting the intention to charge schools for their share of this cost costs in line with a recent change in school finance legislation.

1.1.3.2 Insurance Fund
A forecast pressure on the Insurance Fund, currently estimated at £1.590m, will need to be met by a drawdown from the Insurance Reserve (see 1.1.3.4b below). This is due to an increase in liability claims forecast to be paid in year and an increase in the provision for period of time claims. These are claims which span a number of years and are distinguishable from claims resulting from a single incident on a particular date. With period of time claims, a number of successive annual insurance policies held by an authority are triggered/become active and this raises difficulties where there are varying terms across the policies and the interests of more than one insurer to consider. We are maintaining our provision for each of our registered period of time claims to reflect a worse case settlement position whilst consideration is being given to correspondence received in connection with interpretation of policy terms by relevant insurers.

1.1.3.3 Net Debt Charges (including Investment Income):
a) There is a saving of £4.129m as a result of:
   ▪ deferring borrowing in 2010-11 due to the re-phasing of the capital programme and also no new borrowing in the first ten months of 2011-12, other than the replacement of maturing debt.
   ▪ assumptions on the capital programme for 2011-12 and on cash flows generally.

b) The complex calculation to establish the Minimum Revenue Provision (MRP) saving resulting from the re-phasing of the capital programme in 2010-11 has now been completed and this has confirmed a saving of £1.599m this year. This is because fewer assets became operational than anticipated last year. As reported in 2010-11, we have adopted the asset life method of calculating MRP. 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". However, once these assets do become operational we will incur MRP in the following year, therefore we have transferred this £1.599m to reserves in order to fund the potential impact in future years of this re-phasing as approved by Cabinet in December (see 1.1.3.4c below).

c) There is a saving of £0.487m which relates to the write-down in 2011-12 of the £4.024m discount saving on debt restructuring undertaken at the end of 2008-09. (£3.378m was written down during the period 2008-11, therefore leaving a further £0.159m to be written in 2012-13) (see 1.1.3.4a below).

d) There is a saving on leasing costs of £0.4m.

1.1.3.4 <u>Contributions to/from reserves:</u>

a) As planned and as referred to in 1.1.3.3c above, the £0.487m write down of the discount saving earned from the debt restructuring in 2008-09, will be transferred to the Economic Downturn reserve to offset the Icelandic investments impairment cost incurred in 2010-11 (future interest receipts from the Icelandic investments will also go towards offsetting this impairment cost).

b) As referred to in 1.1.3.2 above, at year end there will be a draw down from the Insurance Reserve to cover the pressure on the Insurance Fund, currently estimated at £1.590m.

c) As referred to in 1.1.3.3b above, £1.599m will be transferred to reserves in order to fund the potential impact in future years of the current year saving on MRP.

d) £1.879m of the underspend within the Finance & Business Support portfolio has been transferred to reserves to support the 2012-13 budget as approved by County Council on 9 February 2012.

1.1.3.5 <u>Other Financing Items:</u>

a) After the budget had been set we received notification of an unexpected un-ringfenced grant increase of £1.546m for Extended Rights to Free Travel. In light of the pressures faced by the Authority in the current year, we are holding this funding increase within the Finance & Business Support portfolio to offset pressures elsewhere across the Authority.

b) Following the Government reduction of Early Intervention Grant in the 2011-12 budget, we held a one-off contingency to smooth the effects of this reduction in the short term. However, we have been successful in achieving the efficiencies required earlier than anticipated enabling £1.5m of this smoothing money to be released.

c) A contingency of £3.15m was held within the ASC&PH portfolio against the ending of the Social Care Reform Grant, but now that agreement has been reached on the use of the £16.226m NHS funding for Social Care, this contingency has been released to the Finance & Business Support portfolio.

d) There is a £0.1m saving on local authority subscriptions.

e) There is a pressure of £0.079m relating to the Council restructure for the costs of the Transformation Programme Manager for Change and related project costs. It was originally anticipated that this work would be completed by 31 March 2011 but it continued through the first quarter of 2011-12.

Democracy & Partnerships portfolio:

1.1.3.6 Audit Fee

A £0.1m underspend is forecast which includes a rebate on the current year fee from the Audit Commission and a cut in fees reflecting lower continuing audit costs after implementing International Financial Reporting Standards (IFRS) and a new approach to local VFM audit work.

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

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

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
F&BS	Contribution to reserves of in year MRP saving to cover potential impact in future years	+1,599	F&BS	treasury savings: assumptions on capital programme for 11-12 and on cash flows generally, together with savings on debt charges due to re-phasing of capital programme in 10-	-4,129
F&BS	Pressure on the Insurance Fund due to increase in liability claims forecast to be paid & increase in provision for period of time claims	+1,590	F&BS	release of contingency previously held within the ASC&PH portfolio against the ending of Social Care Reform Grant	-3,150
F&BS	contribution to reserves to support next years budget (as approved by County Council on 9 Feb 12)	+1,879	F&BS	In year Minimum Revenue Provision saving as a result of 2010-11 re-phasing of the capital programme	-1,599
F&BS	Contribution to economic downturn reserve of 2011-12 write down of discount saving from 2008-09 debt restructuring	+487	F&BS	drawdown from Insurance Reserve to cover pressure on the Insurance Fund	-1,590
			F&BS	unexpected un-ringfenced grant for Extended Rights to Free Travel to be used to offset pressures across Authority	-1,546
			F&BS	release of Early Intervention Grant smoothing money	-1,500
			F&BS	Carbon Reduction Commitment Levy saving following recharge to schools	-1,088
			F&BS	2011-12 write down of discount saving from 2008-09 debt	-487
			F&BS	savings on leasing costs	-400
			F&BS	local authority subscriptions	-100
			D&P	Rebate & cut in external audit fee	-100
		+5,555			**-15,689**

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

N/A

1.1.5 **Implications for MTFP**:

The 2012-15 MTFP reflects a £1.879m contribution to reserves in 2011-12 from the reported underspending to support the 2012-13 budget, which is reported in section 1.1.3.4.d above. In addition, the Carbon Reduction Commitment Levy budget has been reduced in the 2012-15 MTFP to reflect the impact of recharging to schools and additional funding has been put into the Insurance fund.

The £3.15m contingency against the ending of Social Care Reform Grant has also been removed from the MTFP and remains unallocated in the 2012-13 budget.

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

N/A

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

The underspending on the Financing Items budgets is largely offsetting the pressures reported within Specialist Children's Services.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

	Price per Barrel of Oil					
	2006-07	**2007-08**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
	$	$	$	$	$	$
April	69.44	63.98	112.58	49.65	84.29	109.53
May	70.84	63.45	125.40	59.03	73.74	100.90
June	70.95	67.49	133.88	69.64	75.34	96.26
July	74.41	74.12	133.37	64.15	76.32	97.30
August	73.04	72.36	116.67	71.05	76.60	86.33
September	63.80	79.91	104.11	69.41	75.24	85.52
October	58.89	85.80	76.61	75.72	81.89	86.32
November	59.08	94.77	57.31	77.99	84.25	97.16
December	61.96	91.69	41.12	74.47	89.15	98.56
January	54.51	92.97	41.71	78.33	89.17	100.27
February	59.28	95.39	39.09	76.39	88.58	
March	60.44	105.45	47.94	81.20	102.86	
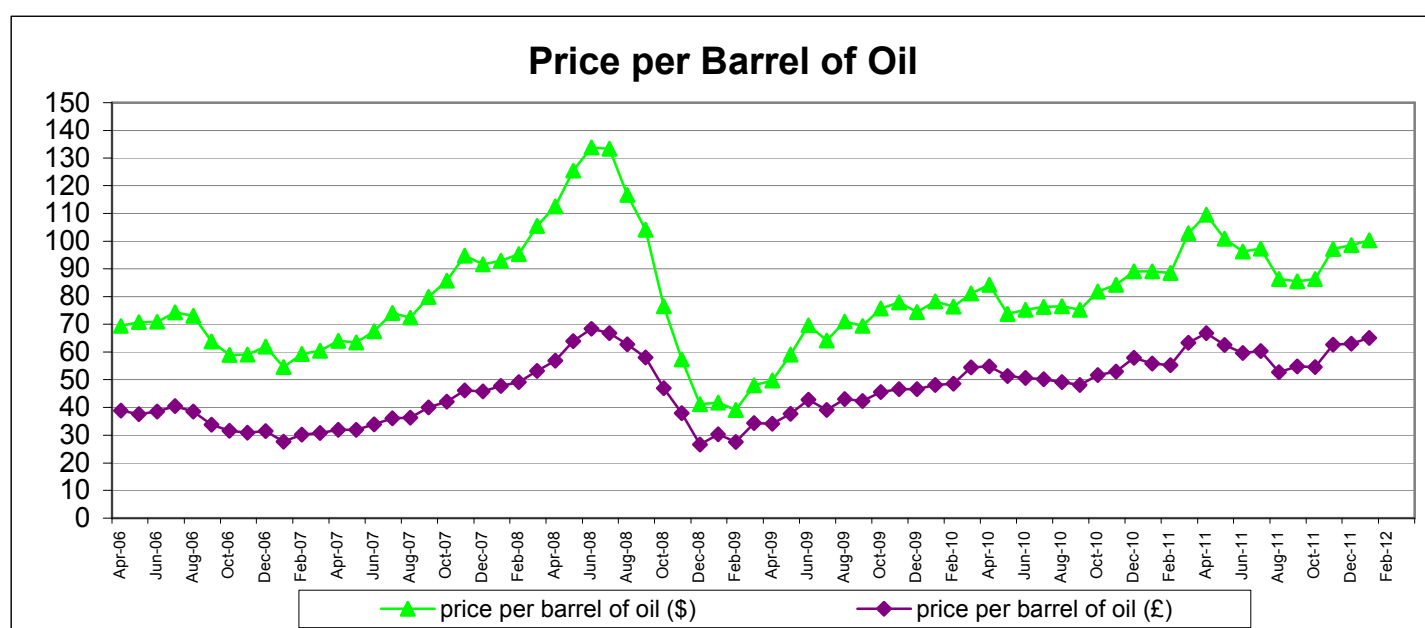
Comments:

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

- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC website.

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To: Corporate Policy Overview and Scrutiny Committee

From: John Simmonds, Cabinet Member for Finance and Business
            Support
            Andy Wood, Corporate Director of Finance and Procurement

Subject: Budget Process 2013/14

Summary: To advise on the options for the budget process
                  2013/14 including further improvements to the
                  presentation of budget information. This report
                  includes an update on the Local Government Finance
                  Bill and the potential implications for future year's
                  budgets.

                  FOR INFORMATION AND COMMENT

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1.   Introduction

1.1   The draft budget for 2012/13 was launched before Christmas and agreed by County Council on 9th February. This was earlier than we have been able to achieve in the past and gave district councils more time to consider their budget requirements and Council Tax levels with certainty over the precept from the County Council. At the time we embarked on this timetable it felt ambitious, particularly as we did not receive the provisional grant settlement from Government until 8th December.

1.2   In spite of launching the draft budget earlier than previous years the period for formal consultation could not be extended. However, informal consultation throughout the year had been much more extensive than previous years and each POSC established an Informal Member Group (IMG) to consider budget options for their portfolio responsibilities.

1.3   We have continued to evolve the presentation of capital/revenue budgets and the medium term financial plan to make information more meaningful and financial planning more transparent. Making these changes is not without risk and we need to ensure that we are moving at the right pace towards a clear objective.

1.4   The Local Government Finance Bill was published on 19th December and is progressing through the House of Commons. This will have a significant impact on the budget setting process from 2013/14 onwards and we need to keep Members informed, particularly if this impacts on our ability to factor in more time for formal consultation.

2.   Local Government Finance Bill

2.1   The Bill includes provisions for the retention of a share of business rates levied locally, localising Council Tax benefit and changes to Council Tax discounts/exemptions. Each of these issues is dealt with separately below.

2.2   The Bill is currently progressing through Parliament and is due to be passed in the summer. Much of the detail will only arise from secondary legislation passed via regulations under the Bill. These regulations are unlikely to be available until the autumn.

Business Rate Retention
Note – this section is particularly technical but is explained as simply as possible.

2.3   Under the proposals in the Bill the existing yield from business rates would still be redistributed as reflected in chart 1 below. This shows that at one extreme Surrey authorities (county/districts/ police/fire) receive in total approximately 40% of the business rates collected in the local area through the grant settlement (or put the other way they collect nearly 2½ times more in business rates than they receive in grant). At the other end of the spectrum the Merseyside authorities (met districts/police/fire) receive more than twice as much in grant compared to the business rates collected locally.

Chart 1
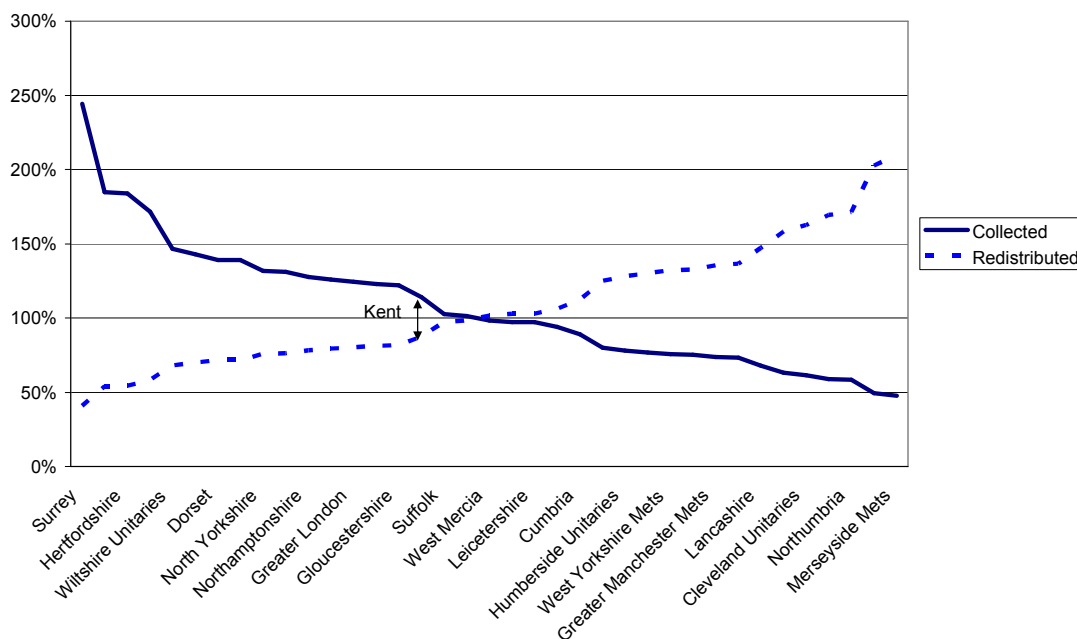
2.4   The principle of redistribution is widely accepted although the existing formula grant mechanism has been challenged both in terms of equity and transparency. We will continue to lobby that the redistribution should be based on a fair and transparent basis and that the current "Four Block Formula" is neither of these.

2.5   Under the proposals in the Bill each authority would be allocated a "Needs Baseline". This is proposed to be based on the 2012/13 damped Formula Grant allocation adjusted to the overall spending totals for local government in the Spending Review 2010. Each authority will also be allocated a "Non Domestic Rates (NDR) Baseline". This will be based on the anticipated business rate yield less a set aside adjustment (in effect reducing

rate income down to the SR2010 spending level) and an adjustment to fund New Homes Bonus.

2.6   Authorities where the needs baseline is less than the NDR baseline will pay a "tariff" to central government out of the rates collected locally. Authorities where the needs baseline exceeds the NDR baseline will receive a "top-up" from central government out of the tariffs collected from other authorities. In two tier areas the NDR baseline is proposed to be split 20/80 between the county and districts. This means all county authorities would receive a substantial top-up and districts would have to pay a substantial tariff.

2.7   Tariffs and top-ups will be uprated by RPI each year. This will be consistent with the annual uprating of the NDR multiplier. This means individual authorities will only be able to retain any excess income generated from an increase in the business rate tax base and changes in reliefs. The converse is that if the tax base declines a tariff authority would still have to pay the uprated tariff and thus could face declining income and a top-up authority would not see the full benefit of the inflationary uplift. Hypothetical examples how inflation and tax base changes would operate are included in appendix 1.

2.8   The proposals in the Bill also provide for a proportional levy on excess tax base increases. This levy would be used to fund a safety net to cushion authorities from excessive reductions. The proposals allow for the tariffs and top-ups to be reset to reflect changed circumstances (suggested every 10 years) and regulations would allow the Secretary of State to change an individual authority's baseline at any time to reflect exceptional circumstances.

2.9   Much of the detail around the calculation of baselines, operation of the levy/safety net, etc., will be included in the secondary legislation.

Council Tax Benefit Localisation
2.10   Council Tax benefit is currently funded by Department for Work and Pensions (DWP). This means it forms part "Annually Managed Expenditure" rather that "Departmental Expenditure Limits (DEL)" in the overall national budget. The proposal in the Bill is that 90% of the current spending is transferred from DWP to the Communities and Local Government (CLG) DEL.

2.11   CLG would provide an un-ring-fenced grant to local authorities who would be responsible for determining their own local schemes for Council Tax support for the most vulnerable. Nationally the current expenditure on Council Tax benefit is £4.1bn, the 10% reduction under the proposals would deliver £410m saving towards reducing the budget deficit and was factored into SR2010. The government has made it clear that if the saving isn't delivered from Council Tax benefit it will have to be found elsewhere.

2.12   Under the proposals the local billing authority (district councils in two tier areas) would be responsible for developing the local arrangements for Council Tax support for vulnerable groups. Districts can pool with other

authorities to develop a common scheme and share resources/risks over a wider area.

2.13   At this stage it is not clear if the grant will be paid solely to districts and they would have to meet the costs of local support for Council Tax. If this were the case they would benefit from the saving if they could keep the cost of Council Tax support to less than the grant. Even so, there could still be an impact on the County (and other precepting authorities) if the local scheme had an impact on Council Tax collection rates.

2.14   The Bill allows scope for the grant to be split in two tier areas opening the opportunity for local Council Tax support to be applied as a discount. If so, this would reduce the local tax base which could have a more significant impact on precepting authorities (subject to which vulnerable groups continue to receive support under individual local schemes). We are awaiting further consultation on the allocation of grant.

2.15   The current benefits for pensioners will be protected under the Bill. Around 40% of benefits are paid to pensioners nationally (42% in Kent). This means that the 10% reduction can only be achieved from the 60% of benefits paid to working age claimants.

2.16   Impact assessments which accompany the Bill identify a number of options for local schemes:
- Do nothing (i.e. the same benefits as present would be available) and local authorities would have to make compensating savings elsewhere
- Apply a pro rata reduction in benefits to all working age recipients (the protection for pensions means the reduction would have to be 16%/17% to cover the 10% reduction in grant)
- Increase the rate at which benefit is withdrawn from those earning above the level at which 100% benefit is available (currently such beneficiaries lose 20p in benefit for each £1 of income above the minimum level)
- Introduce a stepped scheme for all working age beneficiaries

2.17   There are other options available to fund the introduction of the scheme (including increasing the Council Tax yield under the new proposals outlined in paragraph 2.20). There will be a duty placed on district authorities to consult precepting authorities about their local schemes. Local schemes will have to be in place by January 2013. This does not leave long for schemes to be developed, agreed and implemented.

2.18   The total cost of Council Tax benefit in KCC area in 2010/11 was £112.2m. This equates to 14.1% of the overall Council Tax yield for all authorities in the County. If the grant and risk is shared in two tier areas the impact of the 10% reduction could amount to £7.5m to £8m for KCC if local schemes protected all existing benefits. This does not include the added risks of negative impact on collection rates and future increases for those becoming eligible for support under local schemes.

2.19   As with rates retention much of the detail will be in secondary legislation which is unlikely to be approved until the autumn.

Council Tax
2.20   The final proposals in the bill would allow local councils to vary the discounts for second homes and empty properties, abolish Council Tax exemption for repossessed properties, and allow Council Tax to be collected in 12 instalments (currently it is collected in 10 instalments). These changes are aimed at allowing councils to increase the Council Tax yield.

2.21   Other Council Tax exemptions, reliefs and discounts e.g. students, armed forces, single persons, etc., would remain as present.

2.22   The localisation of Council Tax benefit presents the biggest financial risk to this authority, and therefore will need carefully managing over the coming months.

3.   Budget Book Presentation
3.1   Over the last two years we have made significant changes to the presentation of capital/revenue budgets and the medium term financial plan (MTFP). In the past the presentation focussed entirely on the resources delegated to each portfolio. Individual portfolios tailored the presentation of their budgets to suit their own circumstances. This complemented the highly devolved nature of the council at the time, but led to criticisms that the budget presentation was introspective and inconsistent.

Revenue Budget
3.2   The revised presentation of the revenue budget started in 2011/12. For the first time the budget was presented as an A to Z of front line services with a clear separation of assessment costs and management/support/overhead costs. This was not presented in portfolio order and the aim was to focus on identifying significant budgets (spending over £1m) and not grouping separate service aspects under generic headings e.g. Highway Services. The aim was to ensure much more consistency in the treatment of costs between individual services matching the principles of "One Council".

3.3   In 2012/13 we sought to refine some of the A to Z headings to make them more meaningful and introduced individual variation statements for each line in the A to Z. The aim was to make year on year budget changes more transparent although as a consequence the Budget Book is much larger and is more of a reference document.

3.4   For the final version of the Budget Book (blue combed) we will include the budgets delegated to individual heads of service in a similar manner to 2011/12. We think it important that the budget approved by County Council focuses on the amounts proposed to be spent on particular services rather than authorising the delegation to managers.

Medium Term Financial Plan

3.5   For 2012/15 we also made changes to the presentation of the MTFP. The MTFP provides the overall context for the budget and medium term outlook. Unlike the Budget Book the main sections should be read as a comprehensive document (with appendices for reference). As with the revenue budget the aim is to make the document more meaningful for a wide audience and to be more appropriate for "One-Council".

3.6   We have presented a simpler 3 year spending plan identifying the likely resources available, anticipated additional spending demands and the consequential savings/income needed to balance the budget. The additional spending pressures and savings/income are identified under generic themes rather than detailed proposals. Inevitably a three-year plan has virtually limitless permutations and the second and third years need to be viewed as a broad indication of the likely budget situation rather than a definitive statement of policy.

3.7   Within the MTFP we have enhanced the presentation of the additional spending demands and savings/income requirements for the forthcoming year. In particular we have included a more detailed picture of the overall position for the whole council. In effect this is the equivalent of looking through the previous portfolio by portfolio presentation and adding up common amounts e.g. price increases. This presentation aims to provide a clearer picture of the overall budget changes between the current and forthcoming year.

3.8   We have retained the individual portfolio MTFP statements although these now only set out the detail for the first year of the plan. These are designed to provide more detail of the variations in the portfolio revenue budget summary in the Budget Book. We have removed the individual portfolio revenue and capital budget strategies as these are more appropriate to include in directorate plans.

3.9   For the final version of the MTFP we will include all the appendices including a new presentation of key fiscal indicators. These indicators will aim to be more meaningful measure of the Council's financial strength than the accounting ratios presented in previous plans.

Capital Budget

3.10   We have also made presentational changes to the capital medium term financial plan. Rather than showing the estimated costs year by year we have focussed on the total cost of projects and how the planned spending over the next 3 years is to be financed.

4.   Process for 2013/14 Budget and Consultation

4.1   We have already identified that although the draft budget was launched earlier than previous years this did not extend the time available for formal consultation. The main difficulty with launching draft budget earlier has been lack of certainty over Government grants. We improved informal consultation

as part of the process and in particular established IMGs for all POSCs building on the work with the Corporate POSC IMG.

4.2   Under the proposals in the Local Government Finance Bill we will be less reliant on grants in future as more funding will be raised locally and the top-up to business rates will be fixed with an RPI uplift. This should enable us to launch the draft budget earlier as the main uncertainty will be the local tax base and we can resolve this by modelling different scenarios.

4.3   We also need to consider the best way to engage with Kent residents to seek views about budget priorities. In the past we have opted for an in depth session with a small representative group of residents. This session has been run by independent market researches Ipsos MORI.

4.4   One of the budget savings for 2011/12 removed the corporate budget for public consultation and individual services had to make provision for consultations within their own budgets and business plans. In 2011/12 we were able to run a similar workshop session run by Ipsos MORI, with 40% less budget than in previous years. In order to achieve this we carried out the recruitment of volunteers through Community Engagement Managers, did not pay a fee to those taking part on the day and commissioned a scaled down report from MORI. One of the main criticisms of the 2011/12 exercise was that we recruited volunteers who are already engaged within their localities, with other public bodies or with KCC.

4.5   Options for future consultation on the budget will be developed in partnership with the Communications and Engagement Division, who will produce a full Consultation and Communications Plan to achieve the Council's objectives and key messages. The anticipated outcomes being:
- Members and senior officers are informed of Kent resident's priorities through early engagement with residents and key stake holder representatives before the development of formal budget proposals
- Kent residents feel informed about the budget and how priorities are set through consultation and communication
- Ensure legal requirements met through formal consultation

4.6   Due to the complexity of local government finance (which are unlikely to be made any less complex under the new arrangements) we have previously avoided on-line simulations on the grounds they can never be kept sufficiently succinct to keep participants engaged whilst covering topics in sufficient depth.

5.   Recommendations
5.1   Members of the POSC are asked to:
        (a)   Note the potential impact of the Local Government Finance Bill
        (b)   Comment on the presentation of budgets and consultation arrangements including further developments for 2013/14

Background Documents
1.   Cabinet 25th January 2012 – Budget 2012/13 and Medium Term
         Financial Plan 2012/15
2.   County Council 9th February 2012 – Budget 2012/13 and Medium term
         Financial Plan 2012/15 (including Council Tax setting 2012/13)

Dave Shipton
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Finance & Procurement
Business Strategy and Support
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Appendix 1

Hypothetical Examples

	County			District		
	Baseline £m	2013/14 £m	2014/15 £m	Baseline £m	2013/14 £m	2014/15 £m
NDR Baseline	84.0			28.0		
Top Up/Tariff	173.6			-22.5		
Top Up/Tariff Inflation Uplift (3%)		178.8	184.1		-23.1	-23.8
NDR Change (3% Inflation)						
2% Growth		88.2	92.6		29.4	30.9
No Growth/Decline		86.5	89.1		28.8	29.7
2% Decline		84.8	85.7		28.3	28.6
Resources with 2% Growth	257.6	267.0	276.7	5.5	6.3	7.0
		3.7%	3.7%		13.1%	12.4%
Resorces with no Growth/Decline	257.6	265.3	273.2	5.5	5.7	5.9
		3.0%	3.0%		3.0%	3.0%
Resources with 2% Decline	257.6	263.6	269.8	5.5	5.1	4.7
		2.3%	2.4%		-7.1%	-8.0%

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By :   Roger Gough, Cabinet Member Business Strategy, Performance
                        & Health Reform

                        David Cockburn, Corporate Director for Business Strategy and
                        Support

To: Corporate Policy Overview and Scrutiny Committee – 20 March
                        2012

Subject: KCC Quarterly Performance Report, Quarter 3, 2011/12

Classification: Unrestricted
_____

Summary

The purpose of the Quarterly Performance Report is to inform members about key areas of performance for the authority.

Members are also asked to NOTE this report.
_____

Introduction

1.   The KCC Quarterly Performance Report for Quarter 3, 2011/12 was presented to Cabinet on 19 March 2012.

2.   The Quarter 3 report is attached in Appendix 1.

3.   There are 30 Key Performance Indicators (KPIs) included in the Performance Report and a range of other key management information including complaints, consultations, a financial summary and staffing data.

4.   This process contributes to the management of the overall performance of the authority and the reports are published on the external web site as part of KCC's transparency agenda.

Quarter 3 Performance Report

5.   An executive summary of performance for quarter 3 is provided on pages 4 to 5 of Appendix 1.

6.   A visual summary dashboard of performance across the 30 Key Performance Indicators is shown on pages 8 to 9 of Appendix 1.

Recommendations

7.   Members are asked to NOTE this report.

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KCC Quarterly Performance Report
Quarter 3, 2011/12

March 2012

Foreword

Welcome to Kent County Council's Quarterly Performance Report for Quarter three of financial year 2011/12.

Within this report you will find information on our Key Performance Indicators (KPIs) and a range of other essential management information. This report should be read in conjunction with our financial monitoring report which includes information on service demand levels and related key activity indicators.

The council is committed to delivering its strategic objectives as outlined in our medium term plan **Bold Steps for Kent** and the suite of underlying strategies underpinning our Framework for Regeneration, 'Unlocking Kent's Potential'.

At the heart of Bold Steps for Kent are our three ambitions:

- To Help the Economy Grow
- To Tackle Disadvantage
- To Put the Citizen In Control

We are working in very challenging times, with significantly less funding from central government and increased demand for services. The need for a new approach to public services has never been more urgent given the pressures on public finance and the changes in the way that people want their services to be delivered. KCC must radically rethink its approach to the design and delivery of services whilst ensuring Kent remains one of the most attractive places to live and work. Our Bold Steps priorities will help us achieve this.

We hope you find this report useful and we welcome any feedback on how we can improve it.

Index

	Page Numbers
Executive Summary	4 – 5
Key to RAG ratings used for KPIs	6
Role of the Performance Assurance Team (PAT)	6
Summary of Key Performance Indicators (KPIs)	8 – 9
Summary Financial Performance	10 – 13
Resident contacts to our Contact Centre	14 – 15
Resident complaints	16 – 17
Key consultations	18 – 19
KCC Staff data	20 – 24
KCC Risk register	25 – 27
Detailed KPI reports	28 – 85

Executive Summary

Overall Summary of KPIs

	RED	AMBER	GREEN	TOTAL
Current ratings	6	8	16	30
Previous ratings	8	8	14	30
Change	-2	0	+2	

Highlights of results against our KPIs included in this report are as follows:

Children's Social Services:
- Key improvement plan targets are being maintained, including significant reductions in assessment backlogs and the number of cases which are left unallocated for too long.
- There has been a significant reduction in the number of children required child protection plans.
- More needs to be done to invest in preventative services to reduce the number of children who need to come into care.

Education:
- Pupils in Kent have done well this year at Key Stage 2, with the county average closing the gap to the national average. GCSE results remain ahead of the national average but our improvement this year has been less than the national improvement.
- Pupil attainment for too many schools in Kent however performs below the national floor targets and as a consequence too many schools in Kent become subject to special measures. We have introducing the Kent Challenge which aims to significantly turn this situation around over the next few years.

Skills:
- Our KCC apprenticeship scheme continues to outperform the targets we have set and we are actively promoting apprenticeships across the whole Kent economy.

Young people:
- Too many young people find it hard to obtain work or become disengaged from schools and education. Youth unemployment is too high and the number of young people aged 16 to 18 not in education, employment or training (NEET) is increasing. We continue to work hard to engage young people and help them achieve the skills they need to be ready for work.
- The number of disengaged young people in Kent who turn to crime continues to reduce.

Economic support:
- Due to the global economic downturn the level of inward investment by businesses into Kent has reduced in recent years but performance this year, after an initial slow start, is currently in line with the target we set.

Adult Social Care
- We continue to deliver improved personalisation of services and more choice and control for service users. We are achieving our current targets for allocating personal budgets and providing clients with assistive technology (telecare).
- We have not yet achieved our target for the number of clients accessing enablement services but expect to do by the end of the year.

Highway maintenance
- Our performance in delivering timely repairs to roads and pavements continues to be on target and complaints have reduced.

Waste management
- We continue to maintain good performance in relation to waste management and are achieving our current year targets.

Customer Services
- Earlier in the year our contact centre was overwhelmed with high call volumes, resulting in reduced performance in our call answering response rates. Action was taken to address this situation and response times for the quarter were very close to target.

Key to RAG (Red/Amber/Green) ratings applied to KPIs

GREEN	Target has been achieved or exceeded
AMBER	Performance is behind target but within acceptable limits
RED	Performance is significantly behind target and is below an acceptable pre-defined minimum *
⇧	Performance has improved relative to targets set
⇩	Performance has worsened relative to targets set

* In future, when annual business plan targets are set, we will also publish the minimum acceptable level of performance for each indicator which will cause the KPI to be assessed as Red when performance falls below this threshold.

Performance Assurance Team (PAT)

PAT's role is to consider and challenge the action plans for improving performance, including addressing constraints and barriers and to provide additional reassurances to elected members that the action plans and the information included within this report are robust.

PAT meets monthly and is chaired by the Deputy Managing Director. Membership includes a nominated director from each directorate. It also includes two non-executive directors (NEDs) who are staff from the grass roots of the organisation. This ensures PAT has cross-organisation membership from all levels to provide a 'whole organisation' approach to improvement.

Data quality note

All data included in this report for current financial year are provisional unaudited data and are categorised as management information. All results may be subject to later change.

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Summary of Performance for our KPIs

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel
Number of children's social care cases not allocated to a social worker for over 28 days	Children's Social Care	28	Green	Green	⇩
Number of initial assessments in progress and out of timescale	Children's Social Care	29	Green	Green	⇧
Number of children looked after per 10,000 children aged under 18	Children's Social Care	30	Red	Red	⇩
Percentage of children leaving care who are adopted	Children's Social Care	32	Red	Red	⇩
Number of children subject to a child protection plan per 10,000 children aged under 18	Children's Social Care	34	Amber	Red	⇧
Percentage of establishment caseholding posts filled by qualified social workers	Children's Social Care	36	Amber	Amber	⇧
Percentage of children subject to a child protection plan for two or more years	Children's Social Care	38	Red	Red	⇧
Percentage of pupils achieving level 4 and above in both English and Maths at Key Stage 2	Education	40	Amber	Red	⇧
Percentage of pupils achieving 5+ A*-C grades at Key Stage 4 including GCSE English and Maths	Education	42	Amber	Amber	⇧
Attainment gap for children with Free School Meals at Key Stage 4 including GCSE English and Maths	Education	44	Red	Red	⇧
Number of schools in category (special measures or with notice to improve)	Education	46	Red	Red	⇧
Number of starts on Kent Success Apprenticeship scheme	Skills	48	Green	Green	⇩
Number of starts in Kent on the National Apprenticeship Scheme	Skills	50	Green	Green	⇧
Percentage of pupils permanently excluded from school	Young People	52	Amber	Amber	⇔

8

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel
Percentage 16 to18 year-olds not in education, employment or training	Young People	54	Red	Amber	⇩
Number of first time entrants to youth justice system	Young People	56	Green	Green	⇧
Number of gross jobs created in Kent and Medway through inward investment	Economic Support	58	Green	Amber	⇧
Percentage of adult social care clients who receive a personal budget and/or a direct payment	Adult Social Care	60	Green	Green	⇧
Number of adult social care clients receiving a telecare service	Adult Social Care	62	Green	Green	⇧
Number of adult social care clients provided with an enablement service	Adult Social Care	64	Amber	Amber	⇧
Percentage of adult social care assessments completed within six weeks	Adult Social Care	66	Green	Green	⇔
Percentage of clients satisfied that desired outcomes have been achieved at their first review	Adult Social Care	68	Green	Green	⇧
Percentage of routine highway repairs completed within 28 days	Highways	70	Green	Green	⇔
Average number of days to repair potholes	Highways	72	Green	Green	⇧
Percentage of satisfied callers for Kent Highways 100 call back survey	Highways	74	Green	Green	⇩
Percentage of municipal waste recycled or converted to energy and not taken to landfill	Waste Management	76	Green	Amber	⇧
Kg of residual household waste collected per household	Waste Management	78	Green	Green	⇧
Percentage of waste recycled and composted at Household Waste Recycling Centres	Waste Management	80	Green	Green	⇧
Percentage of phone calls to KCC Contact Centre answered within 20 seconds	Customer Services	82	Amber	Red	⇧
Number of visits to KCC web site	Customer Services	84	Amber	Amber	⇧

9

Summary of Revenue budget monitoring position for financial year 2011/12			
Cabinet Member	John Simmonds	**Corporate Director**	Andy Wood
Portfolio	Finance and Business Support	**Division**	Finance and Procurement

Revenue Budget position by portfolio	Net Budget £ m	Forecast Variance £ m
Education, Learning & Skills (ELS)	55.4	-1.7
Specialist Children's Services (SCS)	110.8	+14.7
Adult Social Care & Public Health (ASC&PH)	314.4	-3.9
Environment, Highways & Waste (EH&W)	149.6	-4.9
Customer & Communities (C&C)	91.0	-5.0
Regeneration & Enterprise (R&E)	4.6	
Finance & Business Support (F&BS)	136.9	-9.3
Business Strategy, Performance & Health Reform (BSP&HR)	52.0	-2.2
Democracy & Partnerships (D&P)	7.2	-0.3
Total (excluding schools)	**921.9**	**-12.6**
Schools		+3.1
TOTAL	**921.9**	**-9.5**

Commentary
The latest forecast revenue position (excluding schools) is an underspend of £12.6m, which is an increased underspend of £9.1m since the 25 January Cabinet report. This is obviously a very significant movement. The most significant reasons for this are:

	£m
Final decision on the use of the Big Society Fund (C&C portfolio)	-4.0
Release of Social Care Reform Grant contingency (F&BS portfolio)	-3.2
Further underspending on Adult Social Care (ASC&PH portfolio)	-1.3
Carbon Reduction Commitment Levy recharge to schools (F&BS portfolio)	<u>-1.1</u>
	-9.6

Commentary
This reported position is after £1.879m from the underspending within the Finance & Business Support portfolio and £1.2m from the underspending within the ELS portfolio has been transferred to an earmarked reserve to support next year's budget, as approved at County Council on 9 February. Within Specialist Children's Services (SCS) the significant demand led pressures continue to increase, together with pressures on staffing, mainly agency social workers - these pressures now total £13.2m (excluding Asylum). Within this, the activity levels for Fostering and Residential Care are a particular cause for concern, together with the associated increase in legal fees, as they are very high compared to the affordable level despite additional funding being provided in the 2011-13 MTP. This has been addressed in the 2012-15 MTP. Also within the SCS portfolio, there is a £1.5m pressure on the Asylum budget, which is primarily due to the costs incurred in continuing to support young people over 18 years who are not eligible for funding under the UKBA's grant rules, mainly because they are Appeal Rights Exhausted or are naturalised but not able to claim benefits. Under the Leaving Care Act, we continue to have a duty of care to support these young people until the point of removal. Appeal Rights Exhausted Unacccompanied Asylum Seeking Children are Care Leavers as defined in Children Leaving Care Act and as such are entitled to support from KCC. Our current Legal advice, in common with many other Local Authorities, is that our obligations under current childcare legislation are not diminished by their immigration status. KCC therefore continues to incur costs supporting this group of young people with no recompense from the United Kingdom Borders Agency. We will continue to make representations to Government to resolve this unsatisfactory issue. Within Adult Social Care a forecast underspend of £3.9m is reported, as pressures on nursing and residential care for clients with a disability or mental health need, together with pressures on direct payments and supported accommodation for physically disabled clients, all of which are likely to be as a result of medical advances enabling people to live with more complex needs, are more than offset by underspending on direct payments for all other clients groups, domiciliary care, day care, and nursing and residential care for older people. In view of this overall forecast underspending position, work to establish the demographic pressures for adult social care anticipated over the medium term has been undertaken and reflected in the 2012-15 MTFP, although this is likely to need further refinement in the light of the latest numbers. Within Education, Learning & Skills the savings on Mainstream Home to School transport experienced in 2010-11 are continuing in 2011-12, with a £1m saving forecast. A similar saving has been reflected in the 2012-15 MTFP. Also, an additional £1.6m of special school and hospital recoupment income is forecast as a result of increased demand from other local authorities for places in our schools. This is a continuation of the trend experienced in 2010-11 and therefore an increase in the anticipated income has also been reflected in the 2012-15 MTFP.

11

Commentary

Schools reserves are forecast to reduce by £4.6m this year as a result of 41 more schools converting to new style academy status by 31 March 2012, which allows them to take their reserves with them; the remaining Kent Schools are expected to increase their reserves by £1.5m giving an overall expected movement in schools reserves of -£3.1m.

Within the Environment, Highways & Waste portfolio, the costs of the snow emergency in February are estimated at £0.7m and the savings on the waste budgets experienced last year, mainly due to lower than budgeted waste tonnage, are continuing in 2011-12, with a £3.7m saving forecast. A saving to reflect the trend of reduced tonnage levels has been included in the 2012-15 MTFP.
In addition, a £1.3m saving is forecast on concessionary fares following successful negotiations with major bus operators and reduced journey numbers. A saving to reflect the procurement efficiencies has been included in the 2012-15 MTFP but a continuation of reduced journey numbers is less certain and therefore this saving has not been reflected in the new MTFP. A £0.4m saving is also forecast for the Freedom Pass mainly due to the reduced take up following the price increase to £100 and an anticipated reduction in journey numbers.

Within the Customer & Communities portfolio a sum of £5m was established in the prior year's budget build process to create a Big Society Fund in order to encourage employment and to support social enterprise. During the current year, plans have been devised to support these two initiatives, with £2m set aside for the Youth Employment Programme and £3m to establish a loan fund. Kent Community Foundation (KCF), who are to administer the loan fund scheme on KCC's behalf, will receive an annual donation of £1m for 3 years (subject to annual review), with the first instalment made in the current year and the remaining £2m to be paid in 2012-13 and 2013-14 respectively. The Youth Employment Programme will be launched at the turn of the year with the majority of the £2m spend, concerning payments to employers to give those who have been long-term unemployed valuable work experience and employability skills, to be incurred in 2012-13. As such, £4m of the £5m set aside in the current year is to be re-phased into 2012-13.

Within the Finance & Business Support portfolio, £6.6m of savings are being made on the debt charges budget largely as a result of the re-phasing of the capital programme in 2010-11 and no new borrowing being taken in the first ten months of 2011-12 other than to replace maturing debt, and an unexpected un-ringfenced grant increase of £1.5m is being held to offset pressures elsewhere across the authority. A £1m saving against the Carbon Reduction Levy is also forecast reflecting the intention to charge schools for their share of the cost in line with a recent change in school finance legislation. This saving has also been reflected in the 2012-15 MTFP. In addition, a contingency of £3.2m was held within the ASC&PH portfolio against the ending of the Social Care Reform Grant, but now that agreement has been reached on the use of the £16.2m NHS funding for Social Care, this contingency has been released to the Finance & Business Support portfolio, where it has been declared as an underspend.

Summary of Capital budget monitoring position for financial year 2011/12			
Cabinet Member	John Simmonds	**Corporate Director**	Andy Wood
Portfolio	Finance and Business Support	**Division**	Finance and Procurement

Capital Budget position by portfolio	Budget £ m	Actual Spend Variance £m
Education, Learning & Skills	109.4	-0.3
Specialist Children's Services	14.4	
Adult Social Care & Public Health	5.5	
Environment, Highways & Waste	100.5	+1.5
Customer & Communities	17.9	+0.3
Regeneration & Enterprise	4.9	
Business Strategy, Performance & Health Reform	11.9	-0.1
Total (excluding schools)	**264.5**	**+1.4**
Schools	**24.7**	
TOTAL	**289.2**	**+1.4**

Commentary
Key headlines: **Highways Major Maintenance +£1.2m** is to be spent on urgent road repairs and street lighting column replacement to be funded by a revenue contribution as agreed by Cabinet on 25 January 2012. Further detail on all capital projects and related re-phasing and variances can be found in the full Financial Monitoring report.

Incoming calls received by KCC Contact Centre (Contact Kent) : top ten contact lines			
Cabinet Member	Mike Hill	**Director**	Des Crilley
Portfolio	Customer and Communities	**Division**	Customer Services

All figures rounded to nearest thousand and shown as thousands.

Contact Phone Line	Apr to Jun 2010	Jul to Sep 2010	Oct to Dec 2010	Jan to Mar 2011	Apr to Jun 2011	Jul to Sep 2011	Oct to Dec 2011	Change to last fin. year
247 main phone line	31	41	30	32	40	48	35	+18%
Highways and Transport	34	34	35	39	36	41	37	+11%
Office switchboards	37	32	45	52	40	31	27	-14%
Libraries and Archives	42	43	47	41	37	35	32	-20%
Registration Services	34	30	25	35	40	22	18	-10%
Adult Social Services	20	19	19	22	27	25	22	+28%
Education Line	11	13	15	18	26	31	17	+88%
Blue Badges	11	11	9	10	17	16	15	+56%
Adult Education	13	20	13	13	11	17	9	-19%
Children Social Services	10	9	9	8	10	9	11	+11%
Other lines	19	18	21	18	29	25	24	+35%
Total Calls (in thousands)	**261**	**270**	**269**	**287**	**314**	**301**	**246**	**+8%**

Commentary

Caller volumes to the Contact Centre reduced substantially in the quarter and the number of contacts was 9% less than the same time last year. This brings the financial year to date increase to 8% compared to last year (reported as a 16% increase at the end of quarter 2).

Some of the increase in call volumes seen this year was due to new phone lines moving into the Contact Centre such as Concessionary Fares, which was previously run by district councils. However a number of other services have also seen increased caller volumes this year.

The increase in calls during the first two quarters of the year had an adverse impact on the call answering response times achieved, as reported elsewhere in this report. With reduced volumes of calls in the most recent quarter, call answering times are now back to acceptable levels.

Detailed analysis of the call data shows the following movements to caller volumes:
- The 08458 247247 main line has this year become the most popular phone number for residents to contact KCC.
- The Library and Archives contact line previously had the highest caller volumes but the Highways and Transport contact line is now receiving more calls. This is a result of more library users choosing to renew library books online, reducing caller volumes for this service, and for Highways and Transport call volumes have increased mainly due to changes to processes for speed awareness courses. Applications for speed awareness courses are now moving on-line and this should reduce call volumes in the future.
- The Education line received significantly higher call volume earlier this year due to the change for the 'In year school admissions' process. Call volumes for this service are now returning to more usual levels.
- Call volumes for the Blue Badge service have increased due to the service being delivered differently, as instructed by the Department for Transport.
- Calls to the Registration Services line have reduced as certain calls are now going directly to Registration offices.
- Calls to Adult Education have reduced because of reduced demand and greater use of the internet for booking courses.
- Previously only the out of hours calls for Children Social Care came into the Contact Centre but from quarter 3 more calls are being routed into the Contact Centre during normal working hours, as part of the children's improvement plan and working with the Central Duty Team
- Other lines included an additional 2,400 calls in December on the KCC Campaign line, which was used for providing information to customers enquiring about the increase in the charge for Blue Badge applications.

Number of complaints received by Kent County Council – top ten service areas							
Cabinet Member	Mike Hill			**Director**		Matt Burrows	
Portfolio	Customer and Communities			**Division**		Communication and Engagement	

Complaints by Service area	Jul to Sep 2010	Oct to Dec 2010	Jan to Mar 2011	Apr to Jun 2011	Jul to Sep 2011	Oct to Dec 2011	12 month Totals
Highways and Transportation	532	646	247	261	288	183	**979**
Children's services *	104	125	128	(132)	(144)	(144)	**548**
-- Education services				14	15	6	
-- Children's social care				118	129	138	
Adult Social Services	126	123	135	126	82	112	**455**
Libraries & Archives	25	23	23	47	255	182	**507**
Insurance claims	49	51	220	56	15	18	**309**
Environment *	102	44	71	(93)	(113)	(50)	**317**
-- Waste management				68	58	39	
-- Countryside access				25	55	11	
Adult Education	49	38	32	33	36	27	**128**
Commercial Services	27	18	17	59	31	41	**148**
Gateways and Contact centre	48	10	3	10	25	9	**47**
Youth services	12	18	8	3	9	4	**24**
Other services	49	62	49	50	41	30	**181**
Total	**1,123**	**1,158**	**933**	**870**	**1,039**	**800**	**3,642**

* Breakdown of last year's data for children's services and environment into new organisational structures is not available.

Commentary

The number of complaints for the quarter were down 24% compared to last quarter and down 32% compared to the same time last year, thus continuing the trend for less complaints being recorded this year. Complaints received up to quarter 3 this year have been 21% less than last year (15% less at half year point). Services showing the largest reduction in complaints this quarter were Highways and Transportation, Libraries and Archives and Environment. All complaints are monitored to determine whether there are any emerging trends that can be addressed by the service areas.

Highways and Transportation: The majority of complaints received by KCC relate to highways and transportation. Complaints in this area are down 57% compared to the same time last year and much of this is down to the work undertaken to reduce the backlog of pothole repairs and other maintenance work which had resulted from previous harsh winter weather. This accounts for much of the reduction in complaints this year compared to last year.

Children's Social Services: There was a slight increase in complaints again this quarter although no specific trends have been identified. Compliments were paid for a number of areas including Social Work support through the adoption process and headteachers valuing social work support for school pupils.

Adult Social Services: In the third quarter 112 complaints were received, of which 6 related to Finance, 27 to Learning Disability services, 1 to Mental Health services, 62 to services for Older People and 16 to services for people with physical disabilities. The top three reasons for complaints were disputed decisions, communication with relatives/service users and delay in providing services.

Libraries & Archives: Complaints are recorded on comment cards and due to a noticeable reduction in the number of comment cards received last yea,r in comparison with previous years, managers were reminded to ensure that comment cards were clearly visible within libraries. As a result there has now been an increase in comment cards received in the last two quarters. The main issue for complaint are the new self-service counters which older people in particular are finding difficult to use and which give out information in a different format than they are used to.

Insurance Claims: The number of Insurance claim complaints are significantly down this year compared to last year, due to the reduction in the number of claims for pothole damage, leading to an improvement in the speed with which we deal with claims.

Environment: The number of complaints received regarding Country Parks reduced this quarter.

Result of key public consultation exercises			
Cabinet Member	Mike Hill	**Director**	Matt Burrows
Portfolio	Customer and Communities	**Division**	Communication and Engagement

Youth Service Transformation

A period of 90 day consultation of Youth Service Transformation concluded at the end of October 2011. A report has been written, presented to Cabinet Member and Corporate Director for Customer and Communities, and published on-line at www.kent.gov.uk/youth on 5 January 2012. A significant number of briefing sessions were held for staff, young people and other groups; the Cabinet member and Head of Integrated Youth Services also attended all Locality Boards of their local equivalent in the last weeks of 2011. More than 730 written responses were received from a wide range of individuals and groups; 6 petitions were also received, one of which triggered a full County Council debate in December 2011.

Responses from consultation indicated a roughly equal split between those who agreed with the concept of a new model of service delivery and those who preferred no change to the *status quo* or a minority who proposed a more radical model of total commissioning.

The key countywide themes were related to:
- The concept and location of proposed 'Youth Hubs';
- The proposed commissioning model;
- An outcomes framework which encompassed a range of 14 general priorities for young people to engage in challenging and fun activities to help them develop a wide range of skills and support their well-being and development.
- Buildings – the proposal that some of the current stock of youth centres would not be run by KCC.

On 12 January, Mr Hill took a formal decision to proceed with implementation of the overall model of delivery as described in the original proposal i.e. a core KCC offer of open access youth work in each district/borough alongside other local provision supported by a newly created commissioning fund.

The formal decision also requires officers from KCC and districts/boroughs to work with Locality Boards or equivalent, and young people, between January-March 2012 to define what youth work provision is required at local level. This work from the 12 districts/boroughs will inform a final Cabinet Member decision in April 2012, after which a period of implementation will commence and run through 2012. The new model of delivery will commence on 1 January 2013.

Consultations in Progress

Several consultations began in quarter 3 and ended in quarter 4. They include:

- KCC Budget 2012/13 – the budget was approved by County Council on 9th February 2012.

- Household Waste Recycling Centres - the aim of this review is to identify the right level of Household Waste Recycling Centre service for Kent residents at the right cost.

- A consultation on school admissions - In line with the School Admissions Code, the council is consulting admissions authorities, diocesan boards, parent groups and parent/guardians of children aged between two and 16 who live in Kent. They are being asked about the proposed admission arrangements for community and voluntary controlled schools in Kent for the 2013/14 school year.

- Plus 16 Bus Pass Trial - the results of the survey are being used to help inform policy decisions about bus travel for over 16s in Kent.

Details of results of these consultations will feature in the quarter 4 report.

Upcoming Consultations

There are several key consultations taking place in quarter 4 – these include:

- Learning Disability - looking at a new model for day services in Shepway

- Supporting Independence Service (SIS) specification – the Familes and Social Care directorate is going out to tender for a new contract in March 2012 for the Supporting Independence Service (SIS) replacing contracts for Community Support Services, Supported Accommodation and Supported Living. With this contract we intend to commission an outcome focused service based on independence and social inclusion principles. Views are invited about the proposed service model set out in the service specification.

- Consultation on the developer's Guide - Creating Quality Places – this sets out a framework by which KCC will work together with partners including Districts and the Development Industry to provide housing and deliver the necessary community infrastructure to support that growth.

Number of full time equivalent (FTE) staff employed by KCC (excludes schools)
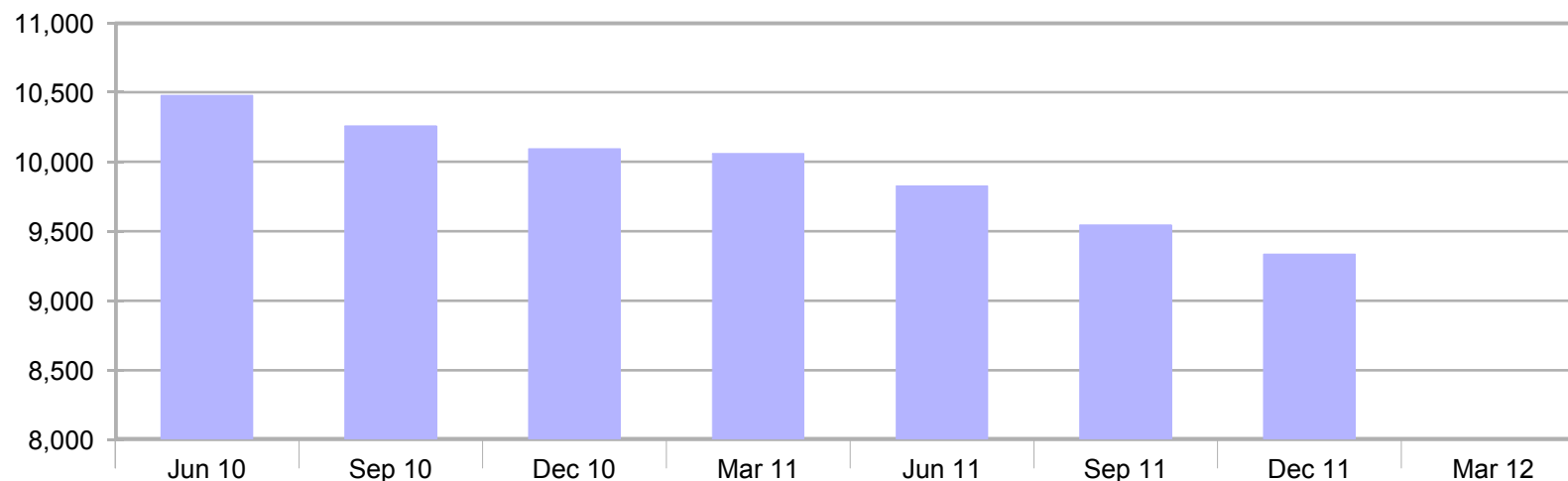
Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	10,477	10,259	10,094	10,061	9,826	9,545	9,336	

Commentary

KCC has reduced its FTE workforce by 7.5% in the last 12 months and further reductions will be achieved in the year ahead. Staff numbers reduced by 470 during financial year 2010/11 and have reduced by a further 725 in the first nine months of this financial year, making a total reduction of 1,195 (11%) since March 2010.

Data Notes
Unit of measure: Number of FTE
Data Source: Oracle Human Resources database
Data is reported as count at each quarter end

Average number of days of sickness per full time equivalent member of staff
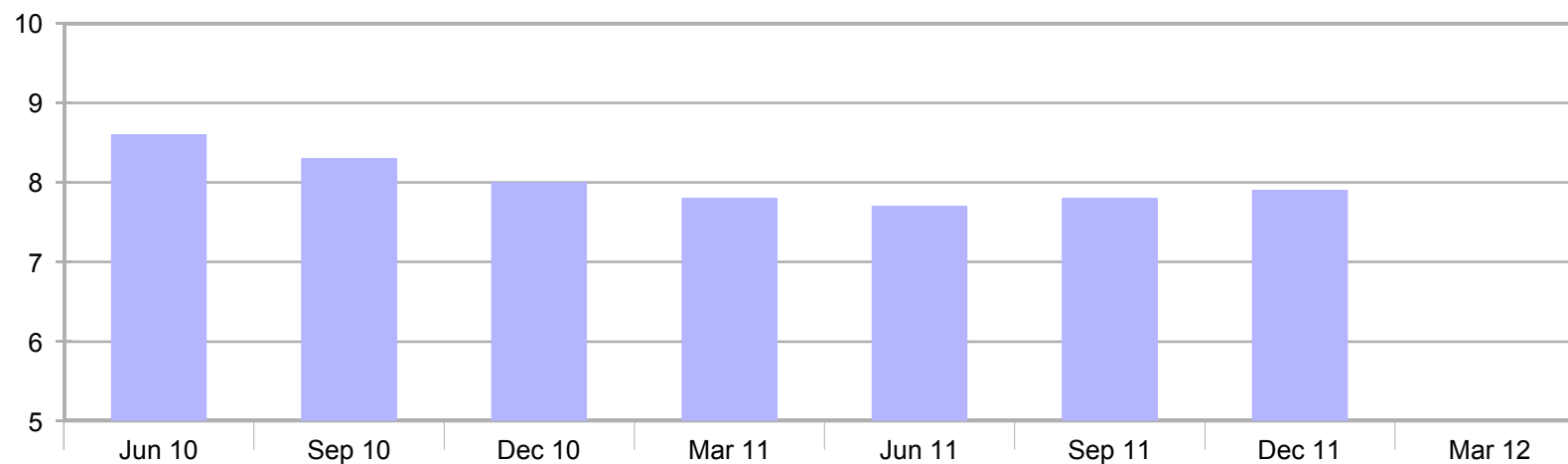
Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	8.6	8.3	8.0	7.8	7.7	7.8	7.9	

Commentary

Sickness has shown a slight increase in the quarter compared to the previous quarter but performance continues to be better than previous year.

Available comparative data for this indicator shows:
CIPFA benchmarking club, Other county councils, unitaries and police forces = 10.1 days
CIPFA benchmarking club, Other county councils and Medway = 8.9 days
CBI, Absence & Workplace Health Survey 2011, Public sector = 8.1 days
Civil service = 8.7 days

Data Notes
Unit of measure: Average number of days per FTE. Data is reported as totals for the 12 months ending each quarter.
Data Source: Oracle Human Resources database

Staff turnover - percentage of staff leaving as a percentage of headcount
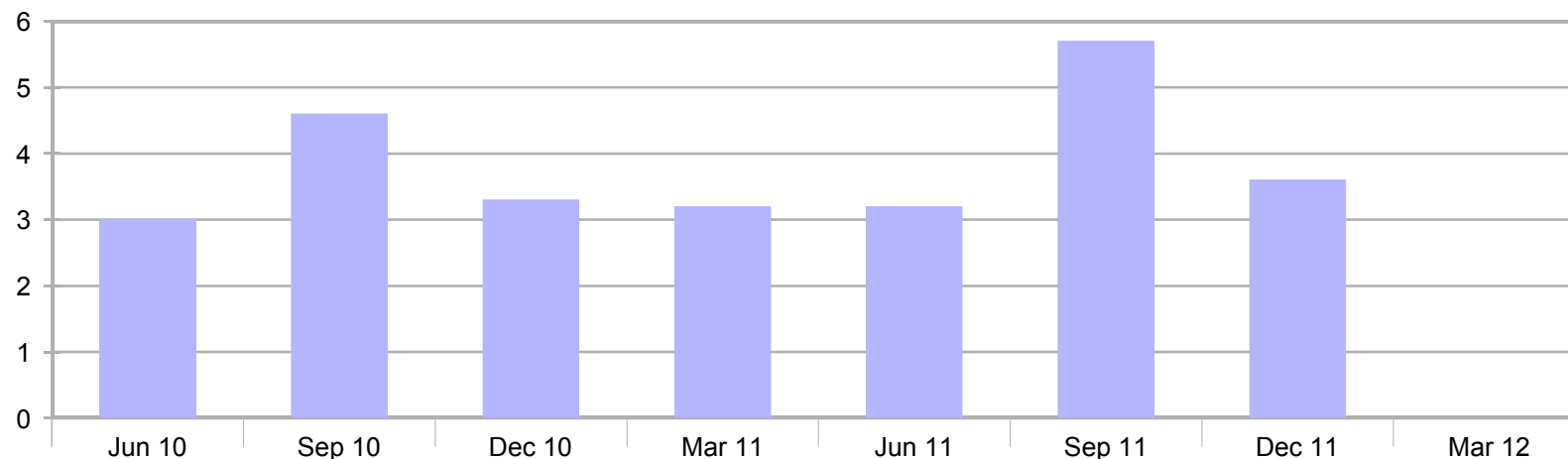
Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	3.0%	4.6%	3.3%	3.2%	3.2%	5.7%	3.6%	
12 month total	11.7%	12.9%	13.7%	14.1%	14.4%	15.3%	15.6%	

Commentary

Turnover for the quarter was higher than the same period last year. Turnover has shown a steady increase over the last 18 months but remains comparable to similar organisations. Turnover at this time is higher than in previous years due to the level of re-structuring the council is delivering, as it reduces the size of its workforce to deliver significant budget savings.

Available annual comparative data for this indicator shows :
CIPFA benchmarking club, Other county councils, unitaries and police forces = 14.7%
CIPFA benchmarking club, Other county councils and Medway = 14.7%
Xpert HR Survey 2011, Public sector average = 12.6%

Data Notes

Unit of measure: Number of staff leaving KCC expressed as a percentage of headcount, excluding casual relief, sessional or supply contracts. Figures do not include schools. Data is reported as percentage for each quarter but 12 month totals are also provided in the data table.
Data Source: Oracle Human Resources database

Disciplinaries, Grievances and Employment Tribunals

Case Type		Jun 2011	Sept 2011	Dec 2011	Mar 2012
Disciplinaries		94	48	44	
Grievances		12	6	14	
Harassment		10	5	6	

Performance & Capability
  - Performance
  - Ill Health
		19
		62
			23
			119
				18
				107	

Employment Tribunals		4	4	2	
TOTAL CASES		**201**	**205**	**191**	

Commentary
Disciplinaries have decreased during the year with the new Business Support team having been put in place by August 2011. This team has helped close down many outstanding cases. Ill Health Performance and Capability cases increased earlier in the year as the new Business Support team reinforced their formal procedures linked to 3 months sickness absence or more. Numbers have started to come down in the latest quarter. Grievances have shown an increase since last quarter 2 as Business Support and Managers have been tackling more performance and capability issues which has resulted in more employees raising more grievances.
Data Notes
The information reported in the current open cases being dealt with by the Business Support team.

Health and Safety Incidents

	Year to Mar 11	Apr-Jun 11	Jul-Sept 2011	Oct-Dec 2011	Jan-Mar 2012
Number of reported incidents	1,823	291	368	353	
Days lost due to accident/incident	1,472	424	351	140	

Commentary
Reported incidents for the last so far are significantly lower than the rate seen last year. Days lost are also running at lower rates than last year, reversing the position seen at the half-year point, due to low lost days in the last quarter.

	Year to Mar 11	Apr-Jun 11	Jul-Sept 2011	Oct-Dec 2011	Jan-Mar 2012
RIDDOR					
Major injury incidents	12	3	1	1	
Over 3 day injuries	54	3	8	15	

Commentary
We are legally required to report certain accidents and incidents to the Health and Safety Executive (HSE) under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR 1995).

Note that these figures include Schools and Academies.

KCC Risk Register

Risk management framework

The revised risk management framework is now set out in our latest Risk Management Policy which was approved by the Governance and Audit Committee in November 2011.

Work Programme

A work programme for the risk management team is underway. The joint CMT / Cabinet Member workshop held in November 2011 enabled the production of a draft Corporate Risk Register. Cabinet Members reviewed the Corporate Risk Register in early January 2012 and a short copy was issued for inclusion in the Medium Term Financial Plan. A further Cabinet / CMT risk workshop is scheduled for the late March. The aim of the workshop will be to review progress on the Corporate Risk Register, its alignment with the organisational Risk Framework and the reporting and reviewing of Risks within the new Governance structure
Risk Management and Performance officers are working with directorate management teams and their business planning partners during business planning to identify and capture operational and strategic risks.

Risk Level Assessment

The current proposals for taking forward the level of risk assessment is shown below.

Risk rating	Risk level
Red	Significant risk
Amber	High risk
Yellow	Moderate risk
Green	Low risk
Blue	Insignificant risk

KCC Risk Register

A summary of the KCC Corporate Risk Register is set out in the table below, showing a brief description of the risk, and the current and target risk levels.

	Target Risk level	Current Risk level
1. **Data and Information Management:** 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.	**Amber** Unlikely Significant	**Amber** Possible Significant
2. **Safeguarding;** KCC's 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.	**Amber** Possible Significant	**Amber** Likely Serious
3. **Economic Climate;** 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.	**Amber** Likely Significant	**Amber** Likely Significant
4. **Civil contingencies & Resilience:** KCC's 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.	**Amber** Possible Serious	**Amber** Possible Serious
5. **Organisational Transformation:** 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.	**Amber** Unlikely Serious	**Amber** Possible Serious
6. **Localism:** Unless this agenda is managed effectively, including relationships with partners and providers, key objectives will not be achieved.	**Amber** Possible Serious	**Amber** Possible Serious

	Target Risk level	Current Risk level
7. **Governance and Internal Control:** If the Council's Governance arrangements are deficient, ineffective or unresponsive then the Council may encounter financial loss, service / operational disruption and prosecution.	**Green** Unlikely Moderate	**Amber** Possible Significant
8. **Academies independence from KCC:** Although funding and control is passed to schools KCC remains accountable for educational performance for all state maintained schools including Academies.	**Amber** Likely Significant	**Red** Very Likely Serious
9. **Health Reform:** The Department of Health's time table for the transition to the new arrangements requires the majority of the activity and new organisations in place by April 2013. KCC is closely monitoring the progress of the Bill and its implications so that it is as prepared as it can be to implement the reforms once approved.	**Yellow** Possible Moderate	**Amber** Likely Significant
10. **Demand Management:** If the Council does not correctly assess, understand and deal with demand, changing demographics, customer expectations and delivery channels; and redesign and align its services and operations accordingly then it will find it increasingly difficult to fulfil its statutory duties and satisfy customer needs.	**Amber** Likely Serious	**Red** Very Likely Major
11. **Responsiveness to Emerging Government Reforms and Directives:** 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.	**Yellow** Possible Moderate	**Amber** Possible Significant

Number of children's social care cases not allocated to a social worker for over 28 days		Green ⇩
Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.
Tolerance: Lower values are better
Unit of measure: Number
Data Source: ICS

Data is reported as count at each month end.

The Improvement Plan phase 1 target was to reduce the number to 200 by August 2011 and Improvement Plan phase 2 changed this target to 100 to be achieved by April 2012.

Trend Data – month end	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11
KCC Result	9	35	39	1	9	5	15
Target	200	200	200	100	100	100	100
Rag Rating	Green	Green	Green	Green	Green	Green	Green
Commentary							

This target has been achieved and is being maintained.

Number of initial assessments in progress and out of timescale				Green ⇧
Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	**Bold Steps Ambition**	To tackle disadvantage	
Cabinet Member	Jenny Whittle	**Director**	Jean Imray	
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service	

Data Notes.
Tolerance: Lower values are better.
Unit of measure: Number
Data Source: ICS

Data is reported as count at each month end.

Trend Data – month end	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11
KCC Result	107	85	50	63	55	19	19
Target	200	200	200	100	200	200	100
Rag Rating	**Green**	**Green**	**Green**	**Green**	**Green**	**Green**	**Green**
Commentary							

This target has been achieved and performance continues to improve.

Number of looked after children (LAC) per 10,000 children aged under 18			Red ⇩
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.
Tolerance: Lower values are better
Unit of measure: Number per 10,000 children
Data Source: ICS for current year and DfE for previous year and statistical neighbours.

Data is reported as the position at each quarter end. Counts rounded to nearest 5.
Data shown in the graph includes unaccompanied asylum seeker children (UASC).
The citizen count (excluding UASC) is also shown below in the data table.

Trend Data – quarter end	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	46	47	54	56.0	56.4	56.7	
Target			47	47	47	47	47
Statistical neighbour	45	48	51				
Rag Rating	Amber	Green	Red	Red	Red	Red	
Total number of LAC	1,420	1,475	1,695	1,745	1,765	1,775	
Citizen LAC (non-UASC)	1,145	1,245	1,460	1,510	1,555	1,577	

Commentary

Numbers of looked after children (LAC) in Kent continue to increase, from 1,695 in March 2011 rising to 1,775 in December 2011. LAC targets by district are now agreed and have been incorporated into performance monitoring. The result includes unaccompanied asylum seeking children (UASC) which is a pressure in Kent. If this calculation was made excluding UASC it would be 50.4. Much of the immediate focus of the Children Social Services' Improvement Plan has been around tackling the backlog of cases (as anticipated, some of which will have resulted in children becoming looked after) and improving throughput and caseloads. Work is underway to develop a projected downwards trajectory in the light of the actions listed below.

Number of looked after children (LAC) per 10,000 children aged under 18	Red ⇩

What actions are we taking to improve performance (and drivers of performance)

Current actions include:
- Improving the percentage of children who are adopted (see specific actions against the next indicator)
- Identifying end dates for all LAC
- Robust gate-keeping of decisions to take children into care.
- Robust tracking of permanency planning

In the longer term, the following actions will impact on LAC numbers:
- Increased investment in a range of prevention and early intervention services, particularly in adolescent intervention services and in high-level family support
- Scoping out work needed for speedier responses to vulnerable adolescents, including an "invest to save" proposal on adolescent services

Risks and mitigating actions

Growing numbers of looked after children bring increased funding pressures, making it even more difficult to find the resources to invest in early intervention and preventative services. Despite the financial climate, ways are being found to invest in preventative services to reduce LAC numbers long-term, and this will be a key theme in the Phase 2 Improvement Plan.

Percentage of children leaving care who are adopted		Red ⇩

Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.
Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: ICS for current year and DfE for previous year and statistical neighbours.

Results are reported as year to date. Counts rounded to nearest 5.

The indicator is calculated as the number of children adopted as a percentage of the number of children who ceased to be looked after.

Trend Data – year to date	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	9.5%	9.1%	8.0%	15.1%	9.5%	8.1%	
Target			11%	11%	11%	11%	11%
Statistical neighbour	13%	14%	11%				
Rag Rating	**Red**	**Red**	**Red**	**Green**	**Red**	**Red**	
Number of adoptions	75	70	60	25	40	50	

Commentary

Analysis suggests the 11% target (as set in the Improvement Notice) is a very challenging one, and would require 91 adoptions in the year (this is a projected figure as the total number of care leavers will be unknown until the year end). The inclusion of unaccompanied asylum seeking children (UASC) impacts negatively upon Kent's performance.

In December 2011 there were 105 children living in their permanent homes. Fifty of these had court orders granted for Adoption in the year-to-date, the remaining 55 are living in their adoption placements awaiting the final adoption order to be granted by the Courts. There are a further 93 children for whom adoption is the plan, and Placement Orders have been granted. These children are awaiting adoption placements.

Percentage of children leaving care who are adopted	Red ⇩

What actions are we taking to improve performance (and drivers of performance)

Improving the percentage of children who are adopted by:

- A contract has been signed with Thomas Coram who will manage the Adoption Service on Kent's behalf. A contract manager is now in place.
- Robust system in place to ensure assessments are given priority - 61 assessments are scheduled for approval by March 2012
- Martin Narey has completed the review of adoption systems and processes to identify how adoption can be speeded up and the findings are being actioned
- District managers and adoption leads jointly monitoring the progress of all children requiring adoption
- Permanency policy and prompts have been agreed; workshops on permanency conducted; Permanency Plans now identified by the second looked after children review
- Performance reporting monitors the percentage of children adopted
- Tracking process established to follow children identified for adoption and ensure there is no drift in their planning.

Risks and mitigating actions

- Capacity to undertake sufficient assessments of prospective adopters.
- Delays in court processes.
- Recruitment delays.

Number of children subject to a child protection plan, per 10,000 children aged under 18		Amber ⇧
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.

Tolerance: Lower values are better
Unit of measure: Number per 10,000 children
Data Source: ICS for current year and DfE for previous year and statistical neighbours.

Data is reported as the position at each quarter end.

Trend Data – quarter end	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	32.1	39.9	52.1	53.8	51.6	40.2	
Target			39.9	39.9	39.9	39.9	39.9
Statistical neighbour	27.2	29.5	34.5				
Rag Rating	Amber	Red	Red	Red	Red	Amber	
Number of children	1,022	1,243	1,621	1,676	1,616	1,258	

Commentary

The numbers of children subject to a child protection plan has seen a noticeable decline during the last quarter, with the total reducing to 1,258 (December 2011).

Much of the immediate focus of the Improvement Plan has been around tackling the backlog of cases (some of which will have resulted in children becoming subject to a child protection plan) and improving throughput, which would impact adversely on this indicator and was anticipated. Actions in place as part of the improvement plan have already started to impact on this indicator.

Number of children subject to a child protection plan, per 10,000 children aged under 18	Amber ⇧

What actions are we taking to improve performance (and drivers of performance)

- Review and undertake change promotion work on current cases where children have been subject to a child protection plan for over 18 months;
- Amending current child protection procedures to reduce the number of children subject to parallel LAC and child protection plans;
- Strengthening child protection and conference processes, including assessments, reports and multi-agency working;
- Work to strengthen Kent Safeguarding Children's Board functions, including its scrutiny function to ensure that agencies are engaged effectively in multi-agency planning in respect of child protection;
- Training conference chairs in order to ensure more focussed, outcome-based planning;
- More rigorous gatekeeping of the child protection work;
- Review of section 47 processes;
- Increasing options for step down services;
- Strengthening of training, both internal and multi-agency, in respect of child protection conferences.

Risks and mitigating actions

A potential risk is the current drive to reduce looked after children, which will mean increased pressure to manage risk in the community.

Percentage of caseholding posts filled by permanent qualified social workers			Amber ⇧
Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.

Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: ICS

Data is reported as the position at each quarter end.

Posts held by agency staff are not included in the figures for this indicator.

Trend Data – quarter end	Previous Year			Current Year			
	Sep 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	81%	80%	83%	82%	87.4%	88.7%	
Target	90%	90%	90%	90%	90%	90%	90%
Rag Rating	Amber	Red	Amber	Amber	Amber	Amber	
Percentage agency staff	6.0%	8.8%	16.1%	23%	25%	13.5%	

Commentary
This target is about recruiting permanent staff, not about managing vacancies. When numbers of agency staff are taking into consideration, the division has been over establishment for qualified social workers all year (102% as at the end of December) – but the strategy is to reduce dependence on agency staff.

Percentage of caseholding posts filled by permanent qualified social workers	Amber ⇧

What actions are we taking to improve performance (and drivers of performance)

The robust workforce strategy and compelling offer was agreed by the Improvement Board and Cabinet in May and is being implemented.

4 separate campaigns have been delivered since March 2011 which have resulted in the appointment of

- 18 Experienced Social Workers
- 15 Principal Social Workers
- 7 Team Leaders

There is a continuing focus on the recruitment of experienced social workers to fill vacancies and reduce the requirement for agency staff.

We will continue to monitor the recruitment processes in terms of numbers of applications submitted, shortlisted, interviewed, offered and appointed.

Discussions will be held with Kent Top Temps with regard to the engagement and placement of agency staff in order to clarify rates, quality assurance and customer relationships.

Risks and mitigating actions

The division still has a high proportion of staff who are recently qualified. The workforce strategy is not only about exceeding the 90% target, but also improving the balance of experienced and newly qualified social workers, and actions to mitigate this are included in the strategy.

The review to ascertain whether the current establishment rates for Social Workers are appropriate may potentially result in an increase in the vacancy rates.

Percentage of children subject to a child protection plan for two or more years			Red ⇧
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Jenny Whittle	**Director**	Jean Imray
Portfolio	Specialist Children's Service	**Division**	Specialist Children's Service

Data Notes.

Tolerance: Lower values are better
Unit of measure: Percentage
Data Source: : ICS for current year and DfE for previous year and statistical neighbours.

Data is reported as financial year to date (i.e. Mar 11 is the result for 12 months to Mar 11, whereas Jun 11 is for the three months to Jun 11).

Trend Data – year to date	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	10%	12.7%	11.3%	11.2%	11.0%	8.9%	
Target			6%	6%	6%	6%	6%
Statistical neighbour	7.1%	6.4%	5.8%				
Rag Rating	**Red**	**Red**	**Red**	**Red**	**Red**	**Red**	
Number of children	85	100	126	46	93	136	
Commentary							

The indicator is calculated as the percentage of children ceasing to be subject to a child protection plan who had been subject to that plan for two or more years. There has been a move in performance in the last quarter, from 11.0% in September 2011 to 8.9% in December 2011.

Percentage of children subject to a child protection plan for two or more years	Red ⇧

What actions are we taking to improve performance (and drivers of performance)

Current actions being taken to improve performance include:

- Review and undertake change promotion work on current cases where children have been subject to a child protection plan for over 18 months to try to prevent them moving into the 2 year plus category;
- Review and take action to ensure timely decision making and progression of all child protection cases 2 years plus.
- Strengthening child protection and conference processes, reports and assessment work;
- Strengthening KSCB's scrutiny function to ensure effective multi-agency engagement in child protection planning;
- Training conference chairs on outcome-based planning;
- More rigorous gate-keeping of the child protection process;
- Increasing options for step down services;
- Strengthening of training, both internal and multi-agency, in respect of child protection conferences;
- Tracking planned case conferences of children who have been subject to a child protection plan for 18 months to ensure timely decision making and progression

Risks and mitigating actions

The current work underway to improve throughput and reduce drift in child protection planning will impact adversely on this indicator because it is measured by the number of children subject to a plan for 2 years or more when the child protection plan ends. This will inevitably lead to a percentage increase before work begins to have an impact and therefore a drop in performance is to be anticipated.

Percentage of pupils achieving level 4 and above in both English and Maths, Key Stage 2		Amber ⇧
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Rogers
Portfolio	Education, Learning and Skills	**Division**	Standards and Kent Challenge

Data Notes

Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: Department for Education
Academies: Included
National average: Maintained schools only
Data is reported as result for each year

Target is to achieve improvement relative to the national average and to achieve national average in the medium term.

Trend Data – annual data							
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
KCC Result	66%	67%	69%	68%	70%	72%	
Target = National Average	70%	71%	73%	72%	73%	74%	
Statistical neighbour average	70%	72%	73%	73%	74%	74%	
Rag Rating	**Red**	**Red**	**Red**	**Red**	**Red**	**Amber**	
Commentary							

Final results for 2011 show an encouraging movement towards the national average for Kent pupils which was also seen last year. Kent's results have increased by two percentage points for each of the last two years compared to a national rise of one percentage point each year.

Attainment for Kent pupils at Key Stage 2 has for many years been within the lower quartile for all local authority areas. The 2011 result places Kent pupils at the threshold of moving to a position above the lower quartile.

Percentage of pupils achieving level 4 and above in both English and Maths, Key Stage 2	Amber ⇧

What actions are we taking to improve performance (and what are the drivers of performance)

1. Formation of new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes in September
2. Development of bespoke leadership, teaching and learning strategies to focus on improvement in these areas
3. Working in partnership with Department for Education (DfE) to determine the most effective sustainable improvement strategy for each school.

The Kent Challenge will work with schools through a Specific Partnership Approach. This will involve a more accurate audit of need, a faster brokering of resources to support identified priorities and the effective chairing of regular schools improvement boards to monitor progress. There programme will also ensure the embedded use of performance data to track pupil progress, to steer intervention and to secure high quality teaching. In practice there will be a two year partnership with schools requiring support, with KCC providing a Kent Challenge Adviser, a mentor and a tailored package of intensive support aimed at raising standards and building capacity for sustained improvement. At the end of the two year partnership, the local authority role will reduce and local network partnerships will have a stronger role to play is sustaining the improvement.

Through the Kent Challenge we will have a clear appreciation of the significant challenges faced by some schools and there will be a determination to deliver a reduction in the socio-economic barriers to learning through the programme.

Risks and mitigating actions

As a significant number of schools become academies this impacts on the available budget within the council to support the remaining maintained schools.
There is also a risk that the local Authority and DfE will not immediately agree on the sustainable solution for some schools, which may delay the implementation of improvement measures.

Percentage of pupils achieving 5+ GCSE A* to C including English and maths		Amber ⇧
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Rogers
Portfolio	Education, Learning and Skills	**Division**	Standards and Kent Challenge

Data Notes
Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: Department for Education (DfE)

Data includes all pupils at state funded schools and alternative provision including academies. Independent schools are not included.

Data is reported as result for each year.

Trend Data – annual data	2006	2007	2008	2009	2010	2011	2012
KCC Result	46.8%	48.5%	50.0%	52.0%	56.8%	59.4%	
Target				56.0%	57.0%	60.1%	
Statistical neighbour average	44.1%	46.0%	48.2%	50.2%	54.3%	57.8%	
Rag Rating				Amber	Amber	Amber	

Commentary

Final 2011 GCSE data shows that Kent's results have continued to rise this year, and continue to be above both the national average and the statistical neighbour average. This is an indication of the success of Kent schools' inclusive approach to securing educational success for the majority of its young people. However the level of improvement in Kent this year was behind the level of improvement seen nationally.

The business plan target of 60.1% was an aggregation of school level targets excluding sponsored academies (as required by DfE) and is not directly comparable to the results shown – on a like for like basis the target was achieved. Future year targets will be set for all pupils in state schools regardless of the education provider.

Percentage of pupils achieving 5+ GCSE A* to C including English and maths	Amber ⇧

What actions are we taking to improve performance (and what are the drivers of performance)

1. Formation of new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes in September
2. Development of bespoke leadership, teaching and learning strategies to focus on improvement in these areas
3. Working in partnership with Department for Education (DfE) to determine the most effective sustainable improvement strategy for each school.

The Kent Challenge will work with schools through a Specific Partnership Approach. This will involve a more accurate audit of need, a faster brokering of resources to support identified priorities and the effective chairing of regular schools improvement boards to monitor progress. There programme will also ensure the embedded use of performance data to track pupil progress, to steer intervention and to secure high quality teaching. In practice there will be a two year partnership with schools requiring support, with KCC providing a Kent Challenge Adviser, a mentor and a tailored package of intensive support aimed at raising standards and building capacity for sustained improvement. At the end of the two year partnership, the local authority role will reduce and local network partnerships will have a stronger role to play is sustaining the improvement.

Through the Kent Challenge we will have a clear appreciation of the significant challenges faced by some schools and there will be a determination to deliver a reduction in the socio-economic barriers to learning through the programme.

Risks and mitigating actions

With significant numbers of schools becoming academies there is an adverse impact on the available budget to support the remaining maintained schools which the local authority works with.

Percentage of pupils achieving 5+ GCSE A* to C including English and maths – gap between those with Free Schools Meals (FSM) and other children		Red ⇧
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Rogers
Portfolio	Education, Learning and Skills	**Division**	Standards and Kent Challenge

Data Notes

Tolerance: Lower values are better
Unit of measure: Percentage
Data Source: Department for Education (DfE)

Data includes all pupils at state funded schools including academies. Independent schools are not included.
Measured as: percentage of pupils without free schools who achieve the standard minus the percentage of pupils with free school meals who achieved the standard.

Trend Data – annual data

	2006	2007	2008	2009	2010	2011	2012
KCC Result	33.5%	33.2%	32.3%	32.7%	35.3%	33.7%	
Target = National average	28.1%	27.9%	27.8%	27.8%	27.6%	27.5%	
Statistical neighbour average		30.7%	31.6%	31.6%	31.1%	31.6%	
Rag Rating	Red	Red	Red	Red	Red	Red	

Commentary

In the last five years, our FSM gap has grown by 0.5% overall, at a time when statistical neighbour average gap has grown by 0.9% and the National average gap has fallen by 0.4%. These small changes reflect the focus through National Challenge and other government policy initiatives which have driven a school focus on threshold performance rather than gap narrowing. They should be set against a total rise in GCSE results for all pupils over the same period of 10.9% for Kent and 11.8% for statistical neighbours. Hence FSM performance has improved broadly in line with increases in overall performance.

The sharp expansion of the gap in 2010 corresponded to the sharp increase in the Kent overall GCSE results in that year and reflects only the fact that FSM performance did not improve as dramatically.

Percentage of pupils achieving 5+ GCSE A* to C including English and maths – gap between those with Free Schools Meals (FSM) and other children	Red ⇧

What actions are we taking to improve performance (and what are the drivers of performance)

Previously

We have supported a number of projects aimed at improving performance of the FSM group.
- A small number of schools in engaged in the extended mile project run by the DCSF (as was),
- National Challenge also supported FSM progress through the Gifted and Talented project in National Challenge Schools, and through Youth at Risk charity delivering its coaching for success programme in a number of National Challenge schools.

In 13 schools supported by coaching for success, 11 had a smaller FSM attainment gap in 2011 than the county average and 7 had an attainment gap that had closed by more than the LA average. However, generally the impact of these projects has been difficult to disaggregate from other initiatives run by schools to raise attainment which will have affected target students.

Currently
- Learning Plus is compiling a bid for Education Endowment Funding for further more extended work to support higher attainment by FSM students, including consideration of the Achievement for All programme.
- SSI staff working in schools scrutinise each school's individual progress and strategies for gap narrowing, share good practice from around the county and ensure the profile of FSM attainment remains a key focus in school improvement planning.
- A Kent Hub of 22 schools has been supported in joining the PiXL club of around 200 secondary schools focussed on sharing in good practice in raising attainment for key groups of students.
- A Kent project has been established and is under evaluation to further develop Kagan techniques for co-operative learning. This will help address FSM underperformance by ensuring all students engage actively in learning, particularly the FSM cohort whose tendency to less ready engagement contributes to underachievement.

Key drivers
- HTs' and KCC officers' moral purpose around this issue
- Ofsted new framework, pupil premium, and performance table alignment on raising the profile of FSM performance
- Enhanced governor awareness of the gap narrowing agenda and issues
- One side effect of the pupil premium has been schools promoting and supporting FSM registration by all eligible parents/students, including groups which may for social reasons have eschewed this support. This may create a gap-narrowing effect for example if FSM registration increases in selective schools.

Risks and mitigating actions
- The Floor standard and other government targets still create perverse incentives for schools to prioritise students at the borderline of thresholds.

Mitigating actions
- Training/support/challenge from KCLAs to governors and SLTs to ensure balance of priorities within schools.

45

Number of schools in category (special measures or with notice to improve)						Red ⇧

Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Rogers
Portfolio	Education, Learning and Skills	**Division**	Standards and Kent Challenge

Data Notes

Tolerance: Lower values are better
Unit of measure: Number
Data Source: Ofsted
Data includes all maintained schools (nursery, primary, secondary, special schools and pupil referral units) but excludes academies and independent schools.

Data is reported as position at each term end.

Trend Data – end of term position	Previous Year			Current Year			
	Apr 10	**Jul 10**	**Dec 10**	**Apr 11**	**Jul 11**	**Dec 11**	**Apr 12**
KCC Result	14	16	18	18	17	15	
Target	10	10	10	10	10	10	10
Rag Rating	**Red**	**Red**	**Red**	**Red**	**Red**	**Red**	
Special Measures	9	9	10	11	11	11	

Commentary

At the end of December there were 11 schools in special measures and 4 with notices to improve.

In the autumn term 2 schools came out of special measures, and two came out of Notice to Improve with one new school in special measures and one new schools with a notice to improve. Richmond Primary slipped from Notice to Improve to Special Measures.

Latest available comparative data shows that as a percentage of state funded schools (slightly different indicator from the one shown above as all state schools includes academies) there were 3.2% of schools in category at the end of the Spring 2011 term in Kent, which compared to 2.3% average for statistical neighbour local authorities.

Number of schools in category (special measures or with notice to improve)	Red ⇧

What actions are we taking to improve performance (and drivers of performance)

The Formation of the new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes began in September 2011 and will deliver a new approach to this issue. Working in partnership with the Department for Education we will determine the most effective sustainable improvement strategy for each school. Staff are currently analysing attainment results to see where the vulnerable schools are, and as part of the Kent Challenge they will be looked at on the basis of the 4 issues that the new OFSTED framework is based on.

Actions relating to schools currently in special measures include:
- Bellwood and Oaktrees are a hard federation and are becoming a sponsored academy on April 1st
- Chantry is becoming a sponsored academy
- Christ Church Junior is under a headship arrangement with St. Peters in Thanet
- Dartford Technical College has a new headteacher in place in September 2011
- Downsview has a new team in place and is making good progress
- Morehall is linked to St. Mary's and this work is led by an experienced headteacher – good progress is expected
- Pilgrims way will become a sponsored academy under St. Stephens Academy
- Walmer Science College has an acting headteacher in place
- Dover Road has a statement of action in place
- Richmond Primary has and York Road junior are both newly in Special Measures with action plans to be developed

Risks and mitigating actions

The introduction of the new Ofsted inspection framework in January 2012 may affect the number of schools going into category. Currently the potential impact of this is unknown.

Number of starts on Kent Success Apprenticeship scheme			**Green** ⇩
Bold Steps Priority/Core Service Area	Shape education and skills provision around the needs of the Kent economy	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Dunn
Portfolio	Education, Learning and Skills	**Division**	Skills and Employability

Data Notes.

Tolerance: Higher values are better
Unit of measure: Number
Data Source: Supporting Independence Programme

Data is reported as rolling 12 month total.

No comparative data from other local authorities is currently available for this indicator.

Trend Data – rolling 12 month results	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result – 12 month	100	108	105	115	125	124	
Target	88	88	88	88	88	88	88
Rag Rating	Green	Green	Green	Green	Green	Green	
Actual starts in quarter	34	32	23	26	44	31	

Commentary

The number of apprentice starts within KCC remains above target and this is expected to continue. At the end of December the year to date total for the financial year was 101, greatly in excess of the target for the financial year.

Number of starts on Kent Success Apprenticeship scheme	Green ⇩

What actions are we taking to improve performance (and drivers of performance)

The Kent Success programme has been reviewed and processes and procedures streamlined to ensure that a fast and efficient service can be delivered to both managers within the council and to young people wishing to undertake an apprenticeship within the council. The KCC apprenticeship scheme provides a one-to-one support service to employers throughout the process, outlining the benefits of having an apprentice and making sure that the process is easy and straightforward.

In order to widen the offer of apprenticeships available within the council we are now working with additional training providers and will be promoting the Kent Success programme more widely to young people and managers to raise awareness of what is now available.

Risks and mitigating actions

Due to current uncertainties surrounding restructures there is a risk that some managers may be reluctant to take on supernumerary apprentices.

However, the actions mentioned above are helping to mitigate these risks, and at this point the risks above have not been realised and the number of apprenticeship starts is exceeding targets. This situation will be monitored closely in the coming months.

Number of starts in Kent on the National Apprenticeship Scheme — Green ⇧

Bold Steps Priority/Core Service Area	Shape education and skills provision around the needs of the Kent economy	**Bold Steps Ambition**	Help the economy to grow
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Dunn
Portfolio	Education, Learning and Skills	**Division**	Skills and Employability

Data Notes.

Tolerance: Higher values are better
Unit of measure: Number
Data Source: Data Service, Skills Funding Agency

Data is reported as academic year to date and includes all ages and all qualification levels

Target = previous year performance

Trend Data – academic year to date	Academic Year 2010/11				Academic Year 2011/12		
	Oct 10	**Jan 11**	**Apr 11**	**Jul 11**	**Oct 11**	**Jan 12**	**Apr 12**
KCC Result	2,410	4,210	6,420	9,040	3,090		
Target = previous year	1,780	2,700	3,860	5,020	2,410	4,210	6,420
Rag Rating	Green	Green	Green	Green	Green		
Annual increase	35%	56%	66%	80%	28%		

Commentary

The National Apprenticeship Service figures are based on academic rather than financial year. The figure for the 2010/11 academic year of 9,040 was a 80% increase on the previous academic year. The new academic year has started well with a 28% increase over the previous year for the first quarter.

Although Kent delivered a significant increase in the level of apprenticeships over the last year, Kent has the lowest level of apprenticeship starts within its statistical neighbour group. In 2010/11 and for young people aged under 24 Kent achieved 31.1 starts per 1,000 population (up from 23.5 in 2009/10), compared to the statistical neighbour average of 41.3 (up from 33.8 in 2009/10).

50

Number of starts in Kent on the National Apprenticeship Scheme	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

In June 2011, the Kent Apprenticeship Strategy 2011-2014 was agreed by Cabinet and we are now putting in place structures to deliver the action plan.

The *Kent Apprenticeships* partnership between KCC, the National Apprenticeship Service, the Kent Association of Training Organisations and the Kent Association of Further Education Colleges has been strengthened over the past 12 months and a robust and meaningful network has been developed.

We are focusing on the further development of the Employer Support Service that ensures the process of taking on an apprentice is simple and straightforward for businesses.

Kent Apprenticeships is delivering targeted campaigns to raise the profile of apprenticeships with employers and is challenging them to take on apprentices. The 100 in 100 campaigns are currently running in Swale and West Kent and a successful campaign was run in Canterbury earlier in the year. The campaign aims to get 100 apprentices in 100 new businesses.

There is close working with Jobcentre Plus, supporting them to increase their knowledge of apprenticeships and also working with them to ensure that those who are unemployed aged 18-24 and taking part in *Get Britain Working* initiatives are progressing into apprenticeships following their work experience.

Risks and mitigating actions

The current slow down in the economy means that employers are reluctant to take on new staff, however, apprenticeships offer a tailor made way for them to build their business and increase their productivity. From April 2012 there will also be a range of employers grants available, particularly for small and medium sized enterprises, and this should encourage more businesses to take on Apprentices.

Training contributions for employers looking to take on people aged over 19 years is also a disincentive although we are working with employers to ensure that they see the longer term benefits of their investment.

51

Percentage of pupils permanently excluded from maintained school		Amber ⇔

Bold Steps Priority/Core Service Area	Young people	Bold Steps Ambition	To tackle disadvantage
Cabinet Member	Mike Whiting	Director/Head of Service	Alex Gamby
Portfolio	Education, Learning and Skills	Division	Advocacy and Entitlement

Data Notes

Tolerance: Lower values are better
Unit of measure: Percentage
Data Source: Impulse database

Data includes pupils in maintained schools and academies, but excludes pupils in independent schools.

Data is reported as rolling 12 month total.

Trend Data – rolling 12 month results	Previous Year			Current Year			
	Jun 08	Jun 09	Jun 10	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	0.17%	0.12%	0.10%	0.12%	0.11%	0.11%	
Target			0.10%	0.10%	0.10%	0.10%	0.10%
Statistical neighbour	0.12%	0.10%	0.09%				
Rag Rating	Red	Amber	Green	Amber	Amber	Amber	
Number of pupils	370	260	210	248	245	228	

Commentary

The last two quarters have shown no change in the percentage of pupils permanently excluded from school. However, the underlying numbers have shown a reduction which would only be evident if the indicator was shown with a greater number of decimal places.

The latest published comparative data for academic year 2009/10 (to Jul 10) showed Kent with a rate of 0.08% compared to statistical neighbour authority average of 0.09%. However it should be noted that the source data from the Department for Education understates the real level of exclusions (by not counting exclusions in schools converting to academies) and for Kent the position is understated by up to 10%. National comparative data for the 2010-11 academic is due to be published in July 2012.

Percentage of pupils permanently excluded from maintained school	Amber ⇔

What actions are we taking to improve performance (and drivers of performance)

The ability of the local authority to challenge maintained schools over the use of pupil exclusion as a sanction for difficult challenging behaviour has in recent past years helped deliver a significant decrease in both permanent and fixed term exclusions. However the local authority does not have the same influence in relation to academies, and with more schools becoming academies it is not surprising that the levels of exclusions have more recently shown an increase.

Local authority officers continue to support and where necessary challenge schools to investigate creative and flexible alternatives to exclusion. It should be noted however that this is not made easy in the current climate which supports the progress of the majority by removing any "disruptive minority", as understandable as that approach may be.

A draft protocol has been developed for consultation with schools on ceasing the use of exclusion for looked after children, who have historically been over-represented proportionately

KCC has recently agreed to be part of a national DfE pilot, starting in 2012, which will see some schools finding and funding onward placement for pupils that the school would have otherwise excluded.

The imminent commissioning of an evaluation of the "Zero Tolerance of Permanent Exclusion" approach, introduced in Ashford some three to four years ago. This approach appears to have delivered very positive results, but it is important to determine exactly what delivered the improvement, what external factors influenced this, whether there have been any unintended consequences and whether the lessons learnt can be applied to other localities.

Risks and mitigating actions

The statutory obligation to ensure education provision for permanently excluded pupils from the 6th day of exclusion (1st day for looked after children) remains with the local authority. The availability of suitable alternative provision, and the arrangement of managed moves between mainstream schools, organised through appropriate In Year Fair Access procedures, are being put under pressure by rising numbers of exclusions. There is a serious risk that alternative provision in its current form will become a repository for permanently excluded pupils, with limited prospect of re-integration into mainstream education.

Percentage of 16 to 18 year-olds not in education, employment or training (NEET)		Red ⇩
Bold Steps Priority/Core Service Area	Young people	**Bold Steps Ambition**	To tackle disadvantage
Cabinet Member	Mike Whiting	**Director/Head of Service**	Sue Dunn
Portfolio	Education, Learning and Skills	**Division**	Skills and Employability

Data Notes

Tolerance: Lower values are better
Unit of measure: Percentage
Data Source: Connexions
Data is reported as average position for the three month ends included in the quarter. The indicator is based on young people aged 16 to 18 at the time of measurement but does not include those of statutory school age. This means the cohort size reduces during the year as young people become age 19 and then increases again in September.

Trend Data – average for each quarter	Previous Year			Current Year			
	Sep 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	5.4%	5.1%	4.9%	5.5%	6.1%	6.7%	
Target	4.6%	4.6%	4.6%	5.9%	5.9%	5.9%	5.9%
Rag Rating	Red	Red	Amber	Green	Amber	Red	
Number of NEETs	1,926	2,345	2,050	2,021	2,119	2,967	

Commentary

Figures for NEET have increased every quarter since March 2011 and for the current quarter are much higher than the same time last year. Increases have been higher in Thanet and Swale where previously a higher percentage of young people entered employment at 16. The withdrawal of the EMA could also be a contributory factor in these localities.

Statistical neighbour comparative data for December 2011 shows Kent to be above its neighbours for NEET, but to have the lowest percentage for 'Not Known' destinations. Other authorities' low NEET levels may simply be hidden within their high 'Not Known' levels.

| **Percentage of 16 to 18 year-olds not in education, employment or training (NEET)** | **Red ⇩** |

What actions are we taking to improve performance (and drivers of performance)

- Establish centres of excellence for technical and vocational programmes which share good practice through employers and specialist networks.
- Develop provision which is learner focused and flexible, and which offers appropriate choices up to 18, which take into account the Wolf Review outcomes.
- Ensure all learners have access to an appropriate apprenticeship programme.
- Continue to develop the Kent Vocational programme including Skill Force and Young Apprenticeships.
- Implement and review Careers Education, Information, Advice and Guidance (IAG) Curriculum Framework to develop career management skills.
- Display Post 16 education and employment with training opportunities in Kent through the Area Prospectus, on line application process, and the IAG Portal to develop the career management skills of young people.
- Plan and deliver the change from the present Connexions contract to the All Age Careers Service.
- Discussion of the increase in Ashford and Thanet at the next performance view meeting of the Connexions contract to determine causes and what action could be taken to further assist these areas.

Risks and mitigating actions

The economic downturn is resulting in less jobs available for young people. However so far this has to some degree been balanced by an increase in young people of this age range staying on at school.

Number of first time entrants to youth justice system				Green ⇧	
Bold Steps Priority/Core Service Area	Support families with complex needs		**Bold Steps Ambition**	To tackle disadvantage	
Cabinet Member	Mike Hill		**Director**	Angela Slaven	
Portfolio	Customer and Communities		**Division**	Service Improvement	

Data Notes.

Tolerance: Lower values are better
Unit of measure: Number
Data Source: Careworks case management system

Data is reported as rolling 12 month total.

Data rounded to nearest count of 10

Trend Data – rolling 12 month totals	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	1,680	1,540	1,430	1,420	1,340	1,230	
Target	2,325	2,325	2,325	1,500	1,500	1,500	1,500
Rag Rating	**Green**	**Green**	**Green**	**Green**	**Green**	**Green**	

Commentary

During 2010/11 the number of first time entrants fell each quarter and this trend has been sustained into 2011/12.

Between 2009/10 and 2010/11 there was a reduction in the total number of first time entrants of 25%. Although this is a very positive result, national data drawn from Police National Computer (PNC) shows that Kent has a higher rate of first time young offenders (14.2 per 1,000 young people aged 10-17) than the average of statistical neighbours (12.3 per 1,000 young people).

The incidence of new young offenders tends to be highest amongst districts in the east of the county where higher deprivation levels exist, with numbers being highest in Thanet and Swale.

56

Number of first time entrants to youth justice system	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

The actions being taken include:

- the integration of the Youth Inclusion Support Panel (YISP) staff into the three locality based teams of the Youth Offending Service (YOS) – this step will assist the targeting of siblings of known offenders whose risk of offending will be raised. It should be noted that the YISP staff will be put "at risk" this month due to the uncertainty of future funding from the Youth Justice Board

- joint working with Kent Police and offering support via the YISPs for their Restorative Solutions initiative, which is designed to divert children and young people from the youth justice system through the use of restorative justice and enabling access to services where the child / young person is seen to be at risk. Restorative justice processes bring those harmed by crime or conflict, and those responsible for the harm, into communication, enabling everyone affected by a particular incident to play a part in repairing the harm and finding a positive way forward.

Risks and mitigating actions

- A key factor in reducing the number of young people entering the youth justice system is the level of police commitment to diversionary measures. Therefore any change in policing strategy could present a risk to achieving the target. No change in strategy is currently expected.

- Young people's engagement in education, training and employment is a significant factor in reducing the risk of offending. The current economic climate and higher levels of youth unemployment in the county brings a risk that some of the 16-17 age group could become demoralised and more vulnerable to offending if other risk factors are also in place (e.g. poor family support).

- The education system nationally and in Kent is changing. It is important that the YOS establishes new relationships with academies to emphasise the importance of education in reducing risk of young people offending.

Number of gross jobs created in Kent and Medway through inward investment		Green ⇧
Bold Steps Priority/Core Service Area	Respond to key regeneration challenges working with our partners	**Bold Steps Ambition** Help the economy to grow
Cabinet Member	Kevin Lynes	**Director** Barbara Cooper
Portfolio	Regeneration and Enterprise	**Division** Economic Development

Data Notes.
Tolerance: Higher values are better
Unit of measure: Number of gross jobs
Data Source: Locate in Kent monthly monitoring

Data is reported as count for financial year to date (April to March) at each quarter end.

Gross jobs created includes jobs safeguarded and indirect jobs.

Trend Data – year to date	Previous Years			Current Year			
	Mar 10	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	3,786	2,611	2,588	418	1,462	2,754	
Target	3,158	2,973	3,100	775	1,550	2,325	3,100
Rag Rating	Green	Amber	Red	Red	Amber	Green	
Commentary							

Performance is above the pro-rata target. Looking at investment projects expected to convert in February and March, we are confident that the target will be met or possibly exceeded. The economic situation and the nature of investment projects coming forward continues to be difficult and projects are harder to convert and are taking longer to convert. However some of the projects that we have been trying to convert for many months/years have now had the confidence, with our help, to go ahead. Projects on average remain small in terms of job numbers, but it has been possible to convert one or two slightly larger projects, pushing up job numbers. No comparative data is currently available for this indicator.

Number of gross jobs created in Kent and Medway through inward investment	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

During the summer all staff worked particularly hard to improve the number of investments and jobs achieved and work was carried out on the website to increase hits, Discovery Park and the Enterprise Zone were promoted and a Memorandum of Understanding signed with UK Trade and Investment. A part time Investor Manager has been appointed to look after larger Kent companies, especially those with an overseas parent, and larger LiK successes. This is adding a number of projects into the pipeline. A half yearly review of the Locate in Kent (LiK) Business Plan was carried out and approved at the October 2011 Board meeting into the pipeline.

The pipeline, i.e. the number of projects that may become successful investments, is currently (29 January), very healthy, at 330, compared with 310 last year. Despite the recession, this pipeline is kept strong by a range of activities such as website work, business intelligence, the new aftercare project and working with partners, though leads from partners has significantly reduced compared with last year as a result of the loss of SEEDA, Business Link Kent etc. A new website is also under development and will be launched once the initial results of the marketing Kent work which is expected in the next few months.

Risks and mitigating actions

The main risk is the continuing poor economic outlook, and steps to deal with this are outlined above.
Another risk will be the difficulty of attracting other sources of funding to support the activities of Locate in Kent, particularly from the private sector which is still suffering from the effects of the recession. As income has been reduced over the past two years by the principal public sector funding sources (KCC, SEEDA and the district councils), LiK has developed a series of sponsorship and funding opportunities for businesses in Kent. Currently LiK has nearly 40 'local' principal or corporate funding partners. Many of these partners work with Locate in Kent on specific projects to 'win' the investment for the county and help to expand the core team of 10 people by offering specialist advice and expertise e.g. banks, lawyers, accountants, recruitment specialists, etc. Not only does this give LiK access to a range of professional disciplines outside its core staffing, it provides opportunities for the private sector partners to win additional business of their own. The ability to expand operations and achieve higher target outputs is limited by cashflow only.
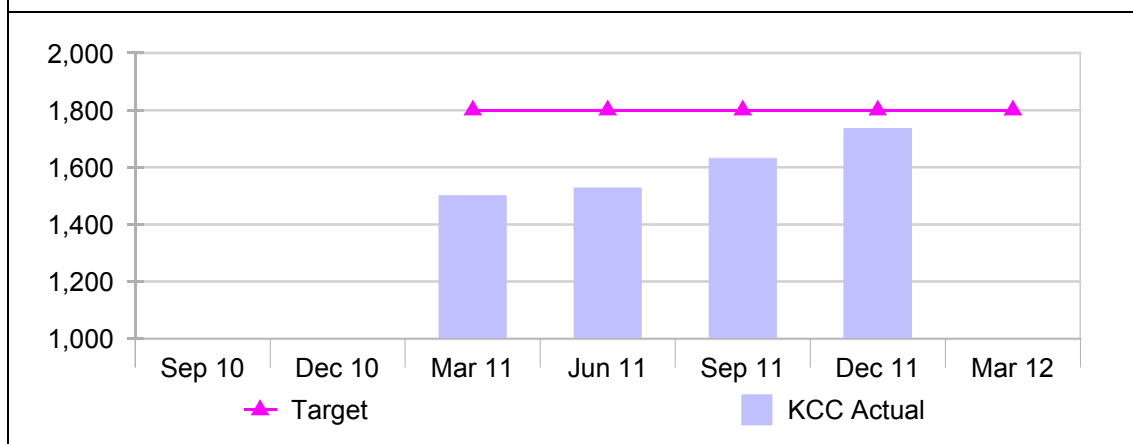
Percentage of adult social care clients with community based services who receive a personal budget and/or a direct payment		Green ⇧

Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	Bold Steps Ambition	Put the Citizen in Control
Cabinet Member	Graham Gibbens	Director	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	Division	Older People and Physical Disability

Data Notes.
Tolerance: Higher values are better.
Unit of measure: Percentage
Data Source: Adult Social Care Swift client system

Data is reported as the snapshot position of current clients at the quarter end.

NB This is different from the national indicator which is measured for all clients with a service during the year, including carers.

Trend Data – quarter end	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	20.8%	25.8%	32.0%	34.0%	37.0%	52.2%	
Target			30%	33%	37%	43%	50%
Client numbers	4,220	6,430	7,740	8,085	8,892	10,019	
Rag Rating			Green	Green	Green	Green	
Commentary							

Performance continues to improve and is currently ahead of target with the year end target already exceeded three months early. It should be noted that some clients will not be entitled to receive a personal budget, and every six months we refresh the count of eligible clients. There are increasing numbers of people in the assessment phase, where they are receiving enablement and are therefore not yet eligible for a personal budget. Part of increase in this indicator this quarter has been as a result of re-assessing the numbers of eligible clients.
This key indicator is monitored on a monthly basis by the Directorate Management Team and the indicator receives a high level of attention nationally as well as locally.

Percentage of adult social care clients with community based services who receive a personal budget and/or a direct payment	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

The approach to increasing take up of Personal budgets is threefold:
1. To ensure that all new clients are allocated a personal budget.
2. To ensure that all existing clients are allocated a personal budget at review.
3. To ensure that data quality issues are resolved as and when they arise.

Targets have been set across all the teams, and management information reports have been developed to allow the teams to manage and monitor their own performance with senior management oversight provided through Locality Action plans. These Action plans ensure that performance is owned by the operational teams, accountability is held at all levels, including setting individual targets and action plans, and training and knowledge gaps are identified, whether policy, practice or system based.

Training has already been provided for localities where this need has been highlighted and this will continue. Teams are targeted if data quality or practice issues arise, e.g where reviews have been undertaken and no personal budget is allocated.

The Locality Coordination Management meeting set up a Task and Finish group to achieve underlying organisational changes in order to get permanent improvement, with one head of service as the owner, reporting to Divisional Management Team.

Risks and mitigating actions

Key risks include:
1. Performance timelines not being met, due to aligned work not being managed such as the number of reviews not increasing as planned.
2. Organisational and cultural changes taking longer than planned.
3. Productivity targets are new for the service and may take longer than planned to develop.

Action taken:
1. Tight system of performance monitoring in place and escalation routes clarified.
2. Individual responsibilities, team and managers' responsibilities clearly set out with implementation monitored and addressed at supervision and action planning reviews.
3. Timelines clearly set out.

Number of adult social care clients receiving a Telecare service			Green ⇧
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Graham Gibbens	**Director**	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	**Division**	Older People and Physical Disability

Data Notes.
Tolerance: Higher values are better.
Unit of measure: Number
Data Source: Adult Social Care Swift client system

Data is reported as the position at the end of the quarter.

No comparative data from other local authorities is currently available for this indicator.

Trend Data – quarter end	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result			985	966	973	1,006	
Target			980	960	970	985	1,000
Rag Rating			Green	Green	Green	Green	
Commentary							

The number of clients with a telecare service has increased in the quarter performance is now ahead of the year-end target position.

The decrease in the actual and target numbers between March 2011 and June 2011 was primarily due to a review of all clients and a data quality update that was undertaken in preparation for mainstreaming the service within the operational teams. Some service users opted to finish their involvement when the Whole System Demonstrator finished in April. The data quality clean up was completed in June and the baseline starting point was re-set to 960.

Number of adult social care clients receiving a Telecare service	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

Telecare has now transferred to the operational teams as a mainstream service and is being promoted as a key mechanism for supporting people to live independently at home. This includes promoting telecare through hospitals and also as a service to provide continued support to people after a period of enablement.

The availability of new monitoring devices (for dementia for instance) is expected to increase the usage and benefits of Telecare, and a strategy and commissioning plan are being developed in relation to this.

In addition, the provision of telecare can now be included within Personal Budgets, where appropriate.

Targets have been set across all the teams, and are monitored and managed closely through Locality Action plans, which requires Heads of Services to report back on their performance, ensure targets are set at team and individual level and identify training needs within their teams.

Risks and mitigating actions

Key risks include:
1. Operational teams' not understanding SWIFT (our client database) in relation to Telecare resulting is low quality data.
2. Telecare equipment not meeting needs, client groups being missed out for use of Telecare.
3. Operational staff not identifying Telecare as a means of meeting assessed needs.

Action taken:
1. Telecare SWIFT training in place for staff and ongoing refresher training offered, including floor walking as well as additional support for data quality.
2. Equipment needs reviewed through Teletechnology Strategy group and strategy and commissioning plan being developed.
3. Telecare covered as an ongoing topic in individual supervision, Personal Action Planning, and managers meetings. Monthly performance monitoring management teams.

Number of adult social care clients provided with an enablement service		Amber ⇧
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Graham Gibbens	**Director**	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	**Division**	Older People and Physical Disability

Data Notes.
Tolerance: Higher values are better
Unit of measure: Number
Data Source: Adult Social Care Swift client system

Data is reported as number of clients accessing the service during the quarter.

No comparative data for other local authorities is available for this indicator.

Trend Data – number per quarter	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result			1,500	1,527	1,631	1,736	
Target per quarter			1,800	1,800	1,800	1,800	1,800
Rag Rating			Amber	Amber	Amber	Amber	

Commentary

Enablement has been in place for over a year to support new client referrals to Adult Social Care. Past performance has shown the expected increase in enablement during its early development phase, with continued increases. The last quarter would have exceeded the target, for the first time, had the service not experienced low demand through the Christmas period.

All the assessment and enablement teams now have enablement services available for their locality.

The target is for 600 people per month to received enablement. The monitoring shows the full quarter's performance.

Number of adult social care clients provided with an enablement service	Amber ⇧

What actions are we taking to improve performance (and drivers of performance)

Numbers are expected to increase in the future since more people are accessing enablement services as part of their assessments and people who are already receiving packages are now being referred to enablement services with the aim of increasing their independence.

In addition, reasons for <u>not </u>receiving enablement are examined carefully. About 60% of people who do not receive enablement need the provision of equipment to allow them to live independently. Some localities are participating in an Occupational Therapy project which targets existing people in receipt of homecare and hopes to make them more independent with the provision of equipment. This is another form of an enabling service.

Enablement is a key priority for the localities and teams and Targets have been set. This is monitored and managed closely by the Divisional and Directorate Management Teams through Locality Action plans, which requires Heads of Services to report back on their performance, ensure targets are set at team and individual level and identify training needs within their teams.

Based on some pilot work to date, DivMT's are also looking at the impact of providing equipment as another way of enabling people successfully, and they will measure its impact on the demand of the enablement service in the future. Externally commissioned enablement services including the Active Care service are within the figures. Kent Enablement at Home continues to work to increase its capacity to ensure that all demand is being met.

An enablement review has been carried out to examine why people are not being referred or accepted into enablement schemes. Actions will be put into place to address any issues where improvements can be made.

Risks and mitigating actions
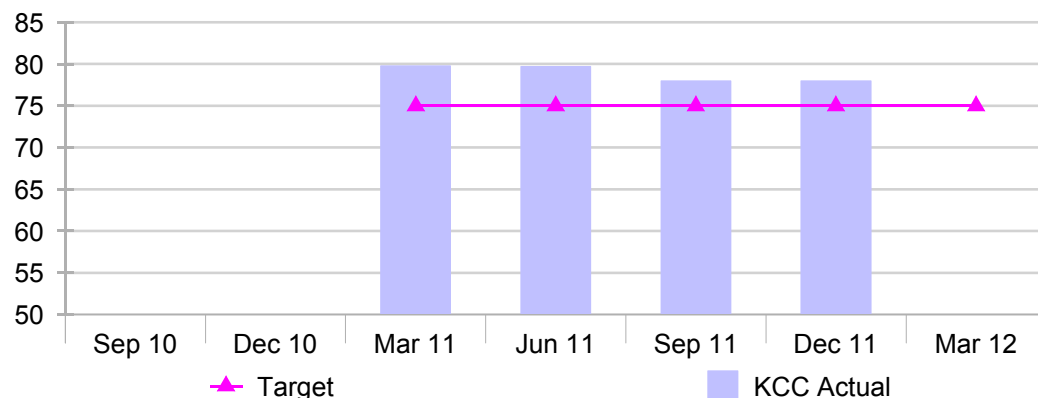
Enablement targets might not be met due to :
1. Staff not referring.
2. Lack of enablement capacity or specialism (dementia).
3. Other enabling type services may meet the demand for enablement in other ways, such as provision of equipment or intermediate care.

Action taken
1. Enablement review carried out, staff and teams monitored against target set.
2. Review of crisis services in East Kent carried out and new services proposed to be commissioned.
3. Careful monitoring of all other services to evidence its impact in terms of outcomes for people and the enablement service.
4. Review to identify changes in new cases and referral numbers and action to be taken from there.

65

Percentage of adult social care assessments completed within six weeks			Green ⇔
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Graham Gibbens	**Director**	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	**Division**	Older People and Physical Disability

Data Notes.
Tolerance: Neither too high nor too low
Unit of measure: Percentage
Data Source: Adult Social Care Swift client system

Data is reported as percentage rate achieved for each quarter.

No comparative data for other local authorities is currently available for this indicator.

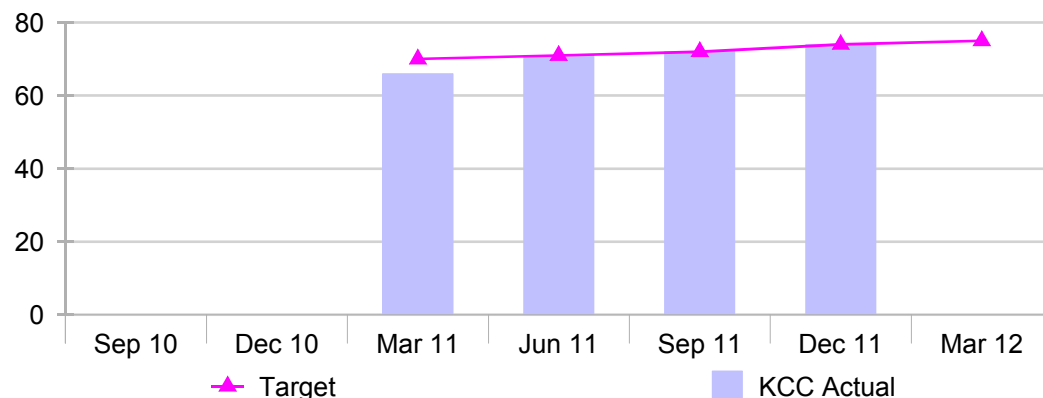| Trend Data – quarterly data	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result			79.8%	79.7%	78.0%	78.0%	
Target			75%	75%	75%	75%	75%
Rag Rating			**Green**	**Green**	**Green**	**Green**	

Commentary

Performance continues to be within good tolerance of the target level. The target level has been reviewed and now stands at 75% with the aim to ensure that people do not spend too much time in an enablement service or are assessed too quickly.

This indicator serves to ensure that we have the right balance between ensuring enablement is delivered effectively and ensuring the whole assessment process is timely. Factors affecting this indicator are linked to waiting lists for assessments, assessments not being carried out on allocation and some long standing delays in Occupational Therapy assessments. There are also appropriate delays due to people going through enablement as this process takes up to six weeks and the assessment can not be completed until the enablement process is completed

Percentage of adult social care assessments completed within six weeks	Green ⇔

What actions are we taking to improve performance (and drivers of performance)

A review of unallocated cases is taking place through a Task and Finish Group of assessment and enablement managers and good practice in some localities is being shared and implemented.

In addition to this, the support provided through enablement and the interaction with the staff providing the service, all contribute to the final assessment. The better the monitoring of the individual through this process, the more timely the assessment will be. Assessment completion dates are being reviewed and action proposed as directed by the outcome of the review.

Comparison to other local authorities is to be carried out in relation to enablement impacting on timelines for assessments. Future targets are to be defined based on enablement numbers, clinic work, AIG referrals, hospital team referrals and referrals not appropriate for enablement - these will be identified through the above Task and Finish Group.

This key indicator is monitored on a monthly basis by Divisional and Directorate Management Teams.

Risks and mitigating actions
1. Unallocated cases not addressed, delaying assessment completion.
2. Kent Contact and Assessment Services (KCAS) changes affecting AIG referrals completion.
3. Task and Finish Group review outcomes not being addressed through action planning.

Action taken :
1. Task and Finish Group in place.
2. Director for Older People and Physical Disability on the KCAS Project Group and a Service Level Agreement is being proposed.
3. Divisional Management Team, heads of service, assessment and enablement managers, and individual staff responsibilities identified and progress monitored.

Percentage of social care clients who are satisfied that desired outcomes have been achieved at their first review		Green ⇧
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Graham Gibbens	**Director**	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	**Division**	Older People and Physical Disability

Data Notes.
Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: Adult Social Care Swift client system

Data is reported as percentage for each quarter.

No comparative data is currently available for this indicator.

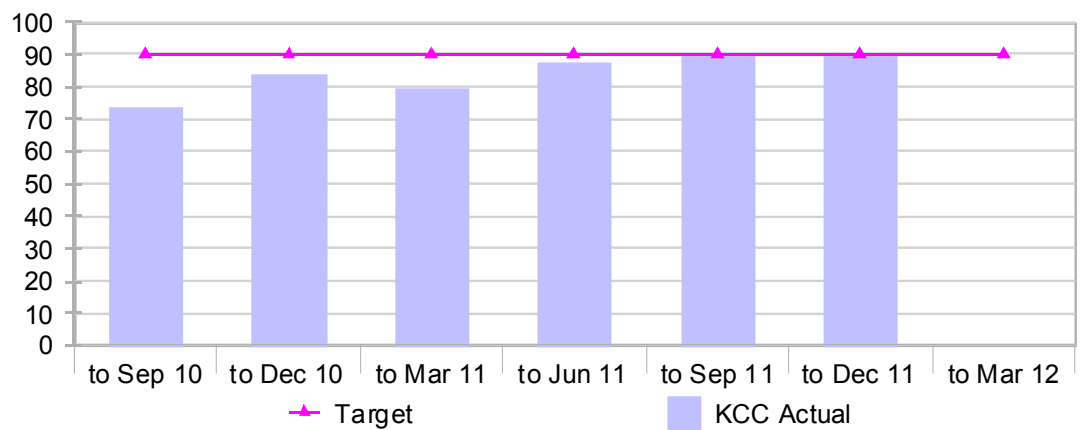| Trend Data – quarterly data	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result			66%	71%	72%	73.5%	
Target			70%	71%	72%	73.5%	75%
Rag Rating			Amber	Green	Green	Green	

Commentary

This indicator serves to ensure that we have the right balance between ensuring enablement is delivered effectively and ensuring the whole assessment process is timely. To this end we have reviewed the target and would expect 75% of assessments to be within 6 weeks, and would challenge teams who would be either allowing people to spend too much time in an enablement service, or who were pushing people through the assessment process too quickly.

Factors affecting this indicator are linked to waiting lists for assessments, assessments not being carried out on allocation and some long standing delays in Occupational Therapy assessments. There are also appropriate delays due to people going through enablement as this process takes up to six weeks and the assessment can not be completed until the enablement process is completed

Percentage of social care clients who are satisfied that desired outcomes have been achieved at their first review	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

A review of unallocated cases is taking place through a Task and Finish Group of assessment and enablement managers and good practice in some localities is being shared and implemented.

In addition to this, the support provided through enablement and the interaction with the staff providing the service, all contribute to the final assessment. The better the monitoring of the individual through this process, the more timely the assessment will be. Assessment completion dates are being reviewed and action proposed as directed by the outcome of the review.

Comparison to other local authorities to be carried out in relation to enablement impacting on timelines for assessments.

Regular monitoring of all contacts to Adult Social Care is undertaken, which identifies the outcomes for all these people, including how many are supported with AIG, how many are referred for enablement, how many are from the hospital, etc, to ensure that any areas of inconsistencies are identified.

This key indicator is monitored on a monthly basis by Divisional and Directorate Management Teams.

Risks and mitigating actions

1. Unallocated cases not addressed, delaying assessment completion.
2. Kent Contact and Assessment Services (KCAS) changes affecting AIG referrals completion.
3. Task and Finish Group review outcomes not being addressed through action planning.

Action taken :
1. Task and Finish Group in place.
2. Director for Older People and Physical Disability on the KCAS Project Group and a Service Level Agreement is being proposed.
3. Divisional Management Team, heads of service, assessment and enablement managers, and individual staff responsibilities identified and progress monitored.

Percentage of routine highway repairs completed within 28 days				Green ⇔
Bold Steps Priority/Core Service Area	Highways		**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland		**Director**	John Burr
Portfolio	Environment, Highways and Waste		**Division**	Highways and Transportation

Data Notes.
Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: KCC IT system (WAMS)

Data is reported as percentage achieved for each individual quarter. No comparative data is currently available for this indicator.
The indicator includes requests for repairs made by the public but not those identified by highway inspectors.

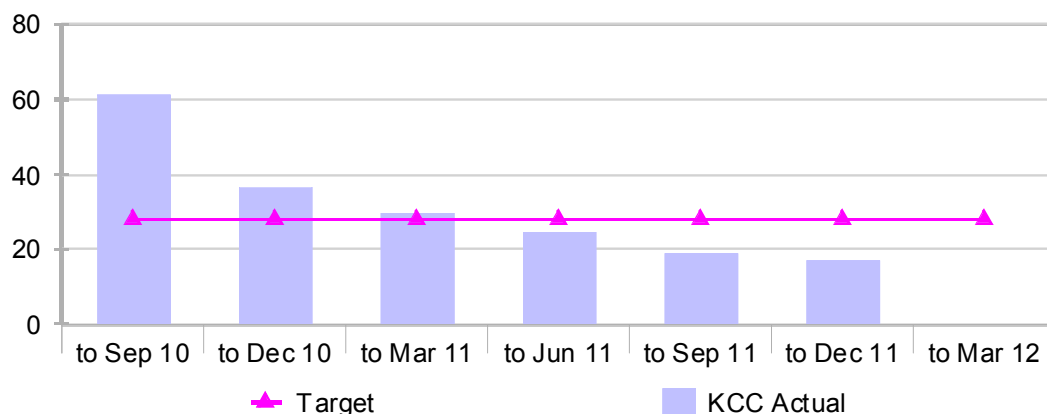| Trend Data – results by quarter	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	74%	84%	79%	87%	90%	90%	
Target	90%	90%	90%	90%	90%	90%	90%
Rag Rating	**Red**	**Amber**	**Red**	**Amber**	**Green**	**Green**	
Service requests	12,600	15,000	20,600	12,600	16,400	16,000	

Commentary

We have worked hard to achieve our target again this quarter and are continuing to make the most of the mild weather to clear the remaining backlog of enquiries extending beyond the 28 day target. It is interesting to compare performance to the end of the previous year (2010) when we had 524 enquiries over 60 days and 312 over 28 days old (those that should have been done in 28 days). We now have 31 enquiries over 60 days and 366 over 28 days. So, in summary, we have successfully focussed on the really old enquiries but an increase in demand around trees (in the heavy storms just before Christmas), drains and streetlights has kept the number slipping over 28 days at a similar level to last year (hence the "seasonal" element to the reactive work).

The mild weather has continued into January and we have achieved a 90% result again.

70

Percentage of routine highway repairs completed within 28 days	Green ⇔
What actions are we taking to improve performance (and drivers of performance)	
We are continuing to share resources across traditional team boundaries to help clear the backlog in the busier Districts. We are also using the performance indicators within the new contract with Enterprise to hold them to account and drive learning and improvements. Staff are applying their contract training well, making sure works orders are timely and accurate.	
Risks and mitigating actions	
The level of risk posed by the change of contract and related works ordering procedures to the speed of completing routine repairs is reducing significantly as staff become more familiar with the new procedures through training, mentoring and practice. The key risk remains being able to cope with increasing demand, if we do have a prolonged cold spell like last year. As mentioned in the last quarterly report, we have planned mitigation measures and have trained additional resources that can be brought in from other teams to cope with peaks in demand.	

Average number of days to repair potholes			Green ⇧
Bold Steps Priority/Core Service Area	Highways	**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland	**Director**	John Burr
Portfolio	Environment, Highways and Waste	**Division**	Highways and Transportation

Data Notes.
Tolerance: Lower values are better
Unit of measure: Days.
Data Source: KCC IT systems (WAMS)

Data is reported as percentage achieved for each individual quarter. No comparative data is currently available for this indicator.
The indicator looks at both requests for pothole repairs made by the public and those identified by highway stewards and inspectors.

Trend Data – quarterly results	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	61.4	36.6	29.5	24.4	18.6	16.8	
Target	28	28	28	28	28	28	28
Rag Rating	Red	Red	Amber	Green	Green	Green	
Service requests	7,180	4,350	8,640	5,130	2,820	1,335	

Commentary

Performance has continued to improve and the level of demand has decreased to all time lows for this time of year. The reduced demand is a combined result of the increased investment in recent years through the Find & Fix and surface dressing programmes and the mild weather conditions. It is interesting to note the fall in demand when compared to the same period last year:
October 2010 = 582 Contact Centre potholes calls. October 2011 = 349 Contact Centre potholes calls
November 2010= 630 Contact Centre potholes calls. November 2011 = 376 Contact Centre potholes calls
December 2010 = 616 Contact Centre potholes calls. December 2011 = 421 Contact Centre potholes calls

For January it's taken an average of 15 days to repair a pothole.

72

Average number of days to repair potholes	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

As previously mentioned, the new contract with Enterprise offers a more robust performance mechanism with financial penalties if the contractor does not meet agreed service standards. We are holding Enterprise to account through their performance measures and have emphasised that pothole repairs are a top service priority.

Weekly depot meetings between KCC and Enterprise staff continue to be held and weekly performance is monitored to ensure continual improvement.

Staff are applying their training well, making sure works orders are timely, accurate and completed first time to required standards.

Risks and mitigating actions

The key risk remains being able to cope with increasing demand, if we do have a prolonged cold spell like last year. As mentioned in the last quarterly report, we have planned mitigation measures and have trained additional resources that can be brought in from other teams to cope with peaks in demand.

Percentage of satisfied callers for Kent Highways 100 call back survey			**Green** ⇩
Bold Steps Priority/Core Service Area	Highways	**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland	**Director**	John Burr
Portfolio	Environment, Highways and Waste	**Division**	Highways and Transportation

Data Notes.
Tolerance: High values are better
Unit of measure: Percentage
Data Source: Contact Centre telephone survey

Data is reported as the percentage achieved for each individual quarter.
No comparative data is available for this indicator.
100 customers are asked each month:
'Overall were you satisfied with the response you received from Highways?'

Trend Data – quarterly results	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	61%	67%	72%	93%	90%	86%	
Target	75%	75%	75%	75%	75%	75%	75%
Rag Rating	**Red**	**Red**	**Amber**	**Green**	**Green**	**Green**	
Commentary							

Every month, 100 customers who have previously logged a highway enquiry with KCC are called back and asked "Overall were you satisfied with the response you received from Highways"? Over the last three months feedback from the 100 call backs has continued to show positive results although there has been a slight dip in the last quarter as demand on services has increased and we handle more enquires, particularly with drainage and street lighting. We have changed to a planned scheduled cleaning approach for gullies and it has taken a little time to explain this to customers and some have been unhappy with this approach. For January, 95% of customers are satisfied with our performance.

Percentage of satisfied callers for Kent Highways 100 call back survey	Green ⇩

What actions are we taking to improve performance (and drivers of performance)

The new Highway Management Centre (HMC) at our Aylesford Depot is now the focal point for all day to day operational activity on the highway, including handling any highway incidents such as responses to emergency situations or the Police. If customer calls cannot be answered by the KCC Contact Centre, routine repair enquiries are handled by the HMC who either place a work order direct to Enterprise (if the fault is clear and enough information is available to safely deploy a repair crew) or assign the incident to a Steward (to assess the fault on site and raise the repair work order). By working closely with the Contact Centre we are seeking to improve end to end customer satisfaction with our service.

We are improving information on the KCC website to ensure that expectations are better managed and customers are clear on the levels of service we can deliver within the available budgets. Over the coming month, this may lead to a dip in customer satisfaction with some services as these changes take place and we adapt to the available budgets for 2012/13. For example, the recent change to planned gully cleansing (with schedules published on the website) as opposed to reactive response cleansing has led to some customer concerns. By moving to schedules the crews are able to cleanse more gullies per day and unless the reported gully is causing flooding to property or creating a highway hazard, the planned cleansing date may be more than our usual 28 day standard.

Risks and mitigating actions

To date, apart from the odd few days of blustery or rainy weather, the winter weather has not been too severe. If the winter weather conditions worsen we will see an increase in customer enquiry demand and this will place extra pressure on our repair crews and staff. We are however able to track inbound enquires on a daily basis so can give an early warning to teams of the likely pressure and plan our resources accordingly.

Percentage of municipal waste recycled or converted to energy and not taken to landfill		Green ⇧
Bold Steps Priority/Core Service Area	Waste Management	**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland	**Director/Head of Service**	Caroline Arnold
Portfolio	Environment, Highways and Waste	**Division**	Waste Management

Data Notes.

Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: KCC Waste Management

Data is reported as rolling 12 month totals.

Municipal waste is the total waste collected by the local authority and includes household waste, street cleansing and beach waste.

Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	54.5%	69.8%	70.4%	70.8%	71.7%	74.9%	
Target			71.5%	71.4%	71.8%	72.0%	72.2%
South East	54.5%	62.1%	67.3%				
Rag Rating	Amber	Green	Amber	Amber	Amber	Green	
Total Tonnage Managed	760,000	735,000	739,000	725,000	722,000	727,000	

Commentary

The percentage of Kent's waste being diverted away from landfill continues to increase annually and is on track to deliver the current year target by March 2012, through improvements to how household waste is being managed via Kent's infrastructure.

In the year to March 2011 the national figure was 56.6% and for the south east it was 67.3%. Kent had achieved national upper quartile for this indicator in the year to March 2011 and currently continues to maintain this position.

Percentage of municipal waste recycled or converted to energy and not taken to landfill	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

Plans are in place to improve the capture of recyclables and organic waste from the residual waste stream through joint working with the district councils. This will be achieved by increasing the number of materials collected through new kerbside collection contracts e.g. weekly collection of food waste already introduced in Maidstone, Dover and Shepway areas.

A review of the composition of the residual waste streams being managed through the network of household waste recycling centres is being undertaken towards the end of 2011/12 to identify opportunities for the diversion of additional materials into either the recycling stream or to be used for energy recovery.

A step change in performance will be delivered when residual waste from Canterbury City Council is diverted away from landfill and used to create energy at the Allington Waste to Energy Plant. This change will happen from January 2013 and will result in less than 15% of Kent's municipal waste being sent to landfill.

Risks and mitigating actions

New kerbside collection services may not deliver the improvement in recycling that is expected. This risk can be managed by engaging with the residents when introducing new services, and through contract management of the Waste Collection Contractor.

Unforeseen operational circumstances at KCC's waste transfer stations and household waste recycling centres, along with the reprocessing plants operating at a lower than contracted capacity could reduce performance. Performance levels and operational activity are kept under regular review so that appropriate and swift action can be taken should such events occur.

The service provided by the network of household waste recycling centres are currently under review, and any changes resulting from this review could impact on the overall performance of the network.

Kg of residual household waste per household			Green ⇧
Bold Steps Priority/Core Service Area	Deliver the Environment Strategy	**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland	**Director/Head of Service**	Caroline Arnold
Portfolio	Environment, Highways and Waste	**Division**	Waste Management

Data Notes.
Tolerance: Lower values are better
Unit of measure: Kg per household
Data Source: KCC Waste Management

Data is reported as rolling 12 month total.

Residual waste is waste which is neither reused or recycled. e.g. waste which is taken to landfill or which is incinerated.

Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	699	673	666	648	641	633	
Target			669	658	658	658	658
South East	684	644	624				
Rag Rating	Amber	Amber	Green	Green	Green	Green	

Commentary

The amount of residual household waste per household being managed throughout Kent continues to fall due to improved recycling rates being delivered and because overall volumes of waste being produced by residents continues to reduce. Recycling improvements include the introduction of weekly food waste collections by district councils along with improvements in the amount of waste being captured through other kerbside recycling services.

The national result was 601 kg for 2010/11 and for the South East region 624kg was achieved, compared to a Kent result of 666kg.

Kg of residual household waste per household	Green ⇧

What actions are we taking to improve performance (and drivers of performance)

This indicator will continue to improve this year and over the next few years as new services enhancing the kerbside collection of recyclable materials (e.g. paper/card, and cans/glass/plastics) and organics for composting (including separately collected weekly food waste) are rolled out by district councils. Shepway and Dover District Councils have completed their roll out of new recycling services in 2011, and. Canterbury and Thanet plan to roll out new services from 2013/14 as part of the East Kent Joint Waste Collection and Processing Contract which commenced in January 2011.

Plans for improving the capture of recyclables and organic waste from kerbside collections in the three Mid Kent districts (Ashford, Maidstone and Swale) are progressing through a procurement process.

Other opportunities will be explored with the remaining district councils to improve the performance of collection services, along with improving recycling performance at KCC's network of household waste recycling centres.

Risks and mitigating actions

The planned level of diversion and capture from the residual waste stream into the recycling and organic waste streams does not materialise as planned, therefore reducing overall performance.

District councils fail to procure new collection services and fail to roll out new services as planned, however this risk is being managed by Inter-Authority Agreements between KCC and the districts, where all parties seek to work jointly to deliver improved performance and implement the most cost effective collection and disposal solutions.

Percentage of waste recycled and composted at Household Waste Recycling Centres		Green ⇧
Bold Steps Priority/Core Service Area	Waste Management	**Bold Steps Ambition**	N/a
Cabinet Member	Bryan Sweetland	**Director/Head of Service**	Caroline Arnold
Portfolio	Environment, Highways and Waste	**Division**	Waste Management

Data Notes.
Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: KCC Waste Management

Data is reported as rolling 12 month total.

No comparator data for other local authorities is currently available for this indicator.

Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 09	**Mar 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	65.7%	68.9%	69.9%	70.3%	70.7%	71.3%	
Target			69.7%	70.2%	70.4%	70.5%	70.6%
Rag Rating			Green	Green	Green	Green	
Tonnage handled	127,000	131,000	135,000	134,000	133,000	137,000	

Commentary

For the first nine months of 2011/12 approximately 73% of the waste received by our household waste recycling centres was recycled or composted. However performance is highly seasonal so the 12 month totals are shown above and this shows a result of 71.3% for the 12 months ending December 2011. The year end forecast is for performance to achieve target.

In May this year a new household waste recycling centre was opened at New Romney . Performance is over 75% for the new site.

Percentage of waste recycled and composted at Household Waste Recycling Centres	Green ⇧
What actions are we taking to improve performance (and drivers of performance)	
Further improvements are planned at household waste recycling centres (HWRCs) to make them easier for the public to use, and to ensure the quantity and quality of recycled material is maximised. To identify opportunities for the diversion of additional materials away from landfill or being processed via the waste to energy plant at reduced cost, a review of the composition of the residual waste streams being managed through the network of household waste recycling centres will be undertaken towards the end of 2011/12 to identify opportunities for the diversion of additional materials.	
Risks and mitigating actions	
The services provided by the network of household waste recycling centres are currently under review. Any changes resulting from this review could impact on the overall performance of the network. The impact of any service changes will be monitored.	

Percentage of calls to Contact Kent answered within 20 seconds		Amber ⇧
Bold Steps Priority/Core Service Area	Improve access to public services	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Mike Hill	**Director**	Des Crilley
Portfolio	Customer and Communities	**Division**	Customer Services

Data Notes.

Tolerance: Higher values are better
Unit of measure: Percentage
Data Source: Siemens Hipath telephone system

Data is reported as percentage achieved for each individual quarter.

No comparator data for other local authorities is currently available for this indicator.

Trend Data – results by quarter	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	85.3%	80.1%	75.9%	37.4%	66.3%	79.1%	
Target = previous year	80%	80%	80%	80%	80%	80%	80%
Rag Rating	Green	Green	Amber	Red	Red	Amber	
Calls received	270,000	269,000	287,000	314,000	301,000	246,000	

Commentary

Response times at the KCC Contact Centre were close to target for the quarter ending December 2011. The number of phone calls received was 9% lower than the same quarter in the previous year.

Percentage of calls to Contact Kent answered within 20 seconds	Amber ⇧

What actions are we taking to improve performance (and drivers of performance)

The Contact Kent is now resourced at the right level (mid December), with the recruitment campaign lasting four months (from permission to recruit authorisation to call taking). In addition to resources recruited so far, Contact Kent will be focusing on areas, such as the Kent Highways Speed Awareness Course service during the coming year, with the aim of moving more customer contact to the kent.gov.uk website.

This feeds into a longer term strategy of "channel shift" - the migration of customer contact towards more efficient and cost effective channels, which is a component of the emerging Customer Service Strategy.

A more comprehensive review of Contact Kent operations has been conducted and is being presented to senior management in February, ensuring that the business model is fit-for-purpose for the future.

Risks and mitigating actions

Call volumes have stabilised after the 20% increase experienced in Q1 2011, which had been changing outside of previous forecasts and projections, though individual services are still experiencing dramatic variances from previous years. We are expecting more calls to be generated in February and March, due any significant adverse weather conditions, which last year almost doubled the calls made to the Contact Centre.

Savings targets are currently being moved to the business units responsible for the service, as opposed to the Contact Centre. The This includes the Kent Contact and Assessment Service (KCAS), which has been impacted by the Central Duty Team and Central Referral Unit (set up to deliver The Children's Improvement Plan) and is also moving to cover the Single Points of Access, being set up to facilitate the Health and Social Care Integration Plan.

Number of visits to KCC web site			Amber ⇧
Bold Steps Priority/Core Service Area	Improve access to public services	**Bold Steps Ambition**	Put the Citizen in Control
Cabinet Member	Mike Hill	**Director**	Matt Burrows
Portfolio	Customer and Communities	**Division**	Communication and Engagement

Data Notes.

Tolerance: Higher values are better
Unit of measure: Number
Data Source: Google Analytics

Data is reported as number of visits made in each quarter.

No comparator data for other local authorities is currently available for this indicator.

Trend Data – visits by quarter	Previous Year			Current Year			
	Sept 10	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**	**Mar 12**
KCC Result	993,000	1,048,000	939,000	816,000	909,000	931,000	
Target = previous year	945,000	945,000	945,000	960,000	960,000	960,000	960,000
Rag Rating	**Green**	**Green**	**Amber**	**Red**	**Amber**	**Amber**	
Commentary							

Visits are higher than the last quarter due to people searching for rubbish collection and other service information during the Christmas period.

Social media was used to drive people to the website through daily ice alerts, road weather forecasts which encouraged visitors to look at the winter service page.

We also began to tweet KCC jobs adverts which also increased visits to the website.

Total visits are still lower than previous quarters in 2010 and this is primarily due to an historic issue of Kent library computers having a homepage from the KCC website, creating an artificially inflated picture. Also, severe weather disruption in December 2010 pushed visitors to Kent.gov to search for school closures, salting routes and service information.

Number of visits to KCC web site	Amber ⇧

What actions are we taking to improve performance (and drivers of performance)

- The winter service page (www.kent.gov.uk/winter) continues to be publicised on YouTube, Twitter, press releases, e-bulletin, KNet and K-Mail driving visitors to the website.

- The launch of the school closures database will direct more visits to the website when we begin phase 2 to include adult education and library closures as well as KCC building closures.

- We are beginning to track user journeys to monitor how successful and useful content and applications on the website are.

- We (and other customer service channels) are investigating the use of Gov Metric to provide customer satisfaction data and feedback.

- In the longer term, the migration of customer contact towards more efficient and cost effective channels will lead to more visits to the kent.gov.uk site.

- Calls for library services to the contact centre are decreasing – more investigation needed to find out if customers have shifted towards the website.

Risks and mitigating actions

There are more than 70 websites with KCC involvement that sit outside www.kent.gov.uk and which direct traffic away from the website (e.g. Kent Choices 4 U, Kent-Teach, Kent Adult Education). The Corporate Management Team has been asked to recommend which external sites move into kent.gov.uk.

A decline in visits may be causing additional calls to the contact centre, which is generally more expensive to serve than a web visit. Analysis on contact centre call volumes and web stats for our most-used services is underway as part of the Customer Services Strategy, which will provide recommendations for how to improve web content to encourage more people to use the website as their first point of contact.

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By: Roger Gough, Cabinet Member for Business Strategy, Performance & Health Reform
Amanda Beer, Corporate Director of Human Resources

To: Corporate Policy and Overview Scrutiny Committee 20 March 2012

Subject: Update on health and safety management in KCC and commentary on national influences

Classification: unrestricted

SUMMARY: To update Members on key activity for managing health and safety risks and comment on national developments that are influencing practice and enforcement issues.

FOR INFORMATION

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1. **Introduction**

i) There have been a number of organisational and national developments influencing the way health and safety services operate in KCC and these are summarised in this report. The centralisation of the health and safety team from April 2011 opened up great opportunities for increasing the level of impact possible across KCC services and progress is covered in s.2 of this report. Presentation of the annual report on key events and performance at Performance Assurance Team, 19 September 2011 stimulated interest in the forthcoming cost recovery intentions for enforcement action which will potentially affect KCC and businesses across Kent. Stimulated by discussion at CMM, 14 October 2011 and in separate meetings to follow up on detail, Members continue to engage in exchanges with the government minister responsible for the introduction of the latter scheme and s.4 covers the detail of what we currently know about the 'Fee for Intervention' scheme.

Other developments colouring the way health and safety practitioners operate and help the organisation to respond to legislation and standards proportionally are also referred to in the summary of national influences in s.4.

ii) KCC context
That said, throughout the last decade the objective of the health and safety team has been to assist managers to employ a balanced approach to the health and safety aspects associated with their services whether directly or through contracted or partnership arrangements. So the current campaign for 'keeping health and safety in perspective' is already well respected in KCC whilst being mindful of the myriad, legitimate considerations we must pay attention to. This was illustrated through KCC's hosting of the first collective county local authority signing up to the Health and Safety Executive (HSE) Sensible Risk Management campaign in 2008. That principle is enshrined in our practice so that services and arrangements take health and safety factors into account sufficiently to enhance the quality and reliability of what we deliver to the public and within the organisation.

2. **Centralisation of the Health and Safety Unit**
The decision to transform the health and safety function from its corporate and directorate settings into a centralised unit has already enabled more efficient spread of workload and flexible deployment of team members to better meet the needs of the council. Our focus throughout the first year has been to build on established cross-boundary working, merging former teams and creating a skills matrix to inform

selections for project work based on existing expertise or need for growth and experience. Through shadowing and exposure to unfamiliar settings advisers are expanding their talents whilst retaining expertise and contribution to familiar services. The new action plan for 2012-15 features prioritised projects, policies and activities and will be approved, formally, through Health and Safety Group on behalf of CMT. Items will be tackled through selected combinations of team members and collaborative service contacts with the bonus of securing on-going professional development which will be critical to sustaining the competence levels needed to deliver well with limited resources and legally required of KCC. The streamlining and quality of specialised processes such as audit systems and incident processing, statutory reporting and management has also been improved through closer collective working made possible by the new arrangement.

3. **Key Activities and Current Priorities**

Throughout the last year the Health and Safety Team continued to deliver, monitor and support strategic and operational aspects of health and safety management across the council. Practical input on issues including asbestos policy and arrangements, stress management, Gateways, relocations and organisational change, service priorities, delivery of management briefings and retention of partnership working with the HSE enabled good progress with action plan themes supporting the reputation and efficiency of KCC. Supporting teams through change management and business engineering has been a routine investment alongside focus on the immediate needs of stabilising and aligning our own team with the direction of the organisation and integration into the HR division.

Most significantly, the team began rolling out the risk profiling programme through a series of projects being undertaken in divisions/services right across the council. Managers are supported by Health and Safety Advisers and Technical Assistants to build up a template of ranked risks inherent in or arising, potentially, from their activities. The exercise draws out clear management and team responsibilities and accountabilities and the practical actions they can take to secure sensible compliance and manage their risks with confidence. Tested by audit, managers end up with a clear framework for on-going ownership and testing of their service risks with easy means for moderating the plan where changes dictate.

We are also working with colleagues involved in training provision to look at continuity and options available to satisfy the broad range of statutorily required specific training requirements e.g. asbestos awareness and management which were the subject of Improvement Notices issued by the HSE in 2010. This year's theme for European Week for Safety and Health is about 'Working together for risk prevention' so gives good scope for engaging with Members, managers, employees, trades unions and supply chain contacts. There are obvious links to the revised council policy statement soon to be signed off by collective CMT including the Leader and the Cabinet Member for Business Strategy, Performance and Health Reform.

The newly formed Health and Safety Group made up of senior managers from all directorates and chaired by the Corporate Director of Human Resources will monitor and direct health and safety activity, keeping management teams linked-in and responsive to health and safety priorities. Joint consultation arrangements are developing in line with a review by HR Employment Policy team looking at revised arrangements in the re-configured organisation. The central, Joint Health and Safety Committee will continue to benefit policy and procedures through strong engagement and relationships with trade union colleagues.

4. **National Influences and changes affecting the Health and Safety Executive**

i) Over the last 18 months there have been a number of government co-ordinated reviews of health and safety in the UK (see appendix for timeline of significant events). The focus has been on simplification, challenging bureaucracy and reducing perceived

burden on business. The KCC Health & Safety Unit has been proactively monitoring the national picture and has provided regular updates to senior management and Members to enable the authority to continue to adapt its approach where necessary to protect the safety of its staff and those affected by its work, whilst also assisting Kent business to thrive in changing and challenging times.

ii)   Good health and safety is vital to good business. Sensible and proportionate implementation of health and safety regulation can support economic growth by maintaining a healthy and productive workforce, both within KCC and in the communities it supports.

We will continue to extend our professional resources to support the local community by assisting businesses to deal with health and safety issues through specific projects such as the successful HSE/SE Region Stakeholder forum's national pilot of Estates Excellence.

iii)   Simplification & reduction of burden on business
The national developments present an opportunity to ensure we continue to work in an efficient way that benefits KCC and its customers; however we need to be ever mindful of misinterpretation of the emerging messages that may lead to a lowering of standards. For example, the thrust for simplification and reduction of legislative burden must not be wrongly translated as a need for less focus on health and safety requirements. The primary outcome of the Lofstedt Review was that the existing regulatory requirements are broadly right and, where interpreted appropriately play a role in preventing injury and ill health in the workplace.

iv)   Fee for Intervention (FFI)
One of the most tangible and advanced outcomes of the national reviews is the HSE's cost recovery scheme. Following the consultation which closed in October 2011, the HSE Board agreed to recommend details of the Health and Safety (Fees) Regulations 2012 to the Minister for Employment. Formal notification of the detailed guidance on the scheme and the exact date of commencement have been slow to emerge. Based on discussions with the local Principal Inspector for Health and Safety, and by attendance at a recent seminar which included Professor Lofstedt and Judith Hackett (Chair of HSE); the key points as we currently know them are:

- A "Material breach" is "when, in the opinion of the HSE inspector, there has been a contravention of health and safety law that requires written notification (e-mail, instant visit report, letter, notice or prosecution) of the contravention to the dutyholder".

- Costs will be recovered from the start of the intervention where the material breach was identified, up to the point where HSE's intervention in supporting businesses in putting matters right has concluded. If a prosecution follows, charging would end when the HSE initiate criminal proceedings (by the laying of an Information in the Magistrate's Court).

- The average hourly rate will be £124, charged at 6 minute intervals. Actual costs for non-HSE specialist support (e.g. Health & Safety Laboratory) would also be charged. Invoicing will be every 2 months, with 30 days given to pay.

- A disputes process will be put in place that has independent input in the form of a disputes panel consisting of senior HSE staff sitting alongside an external business representative.

5.   **Conclusions: commentary on topical issues**
- Health and safety standards are integral to successful business and organisational performance and through the growth of the risk profiling programme across KCC we

aim to see further improvements in self management and potential reduction in incident rates. This fits well with the council's business concepts and Bold Steps and is in line with the accreditation criteria in Kent Manager.

- KCC's approach and attitude to observing high standards of health and safety management in direct service provision or in partnership arrangements has, in the past, been influential in offsetting the need for enforcement action where our swift attention has resolved HSE concerns. It will be interesting to see how far this patient approach will apply in the context of Fee for Intervention whereby inspectors are obliged to seek recovery for time spent on material breaches. The mantra seems to be that if businesses comply with the law, they incur no cost. If they rectify breaches quickly, their costs will be lower as a result. So, focus on compliance and supporting managers to manage well will remain our intention along with attention to timely conformance should material breaches come to light.

- The Unit remains committed to supporting small businesses, in keeping with 'Backing Kent Business', by publicising details of the cost recovery scheme, making guidance available on the Kent website and connecting up through the local Estates Excellence community which we helped develop in partnership with other public services and the HSE. The Estates Excellence project involved visits to SMEs to conduct benchmarking visits to establish level of awareness and application of measures to manage/control sector risks and offer free training and occupational health services. The visits to selected Kent industrial estates had such outstanding results that Geoffrey Podger, Chief Executive of HSE, wrote to KCC last September with thanks for our contribution to the design and delivery of this now national programme. He also expressed appreciation for the Head of Health and Safety's continued dedication to the SE Stakeholders Forum comprising some of the largest employers in the region in support of local organisations and mutual networking/exchange.

- KCC advisers have worked as exemplars and mentors for other local authority peers including conducting a review of Swale Borough Council's health and safety arrangements and having strong influence through the Local Authority Health and Safety Group attended by all Kent authorities. Our partnership working with HSE will continue to be a worthwhile investment featuring joint working on seminars, investigations, and delivering local business training through IOSH S.E. branch.

- Changes in approaches to service provision such as shift to commissioning models or moving to alternative community provision will need careful consideration in respect of discharging, retaining or possibly sharing of duties under health and safety law. In the interests of community standards the health and safety team is preparing to increase their offer of services through EduKent as the number of academy schools grows across the county.

- The need for senior managers to be clear that the way they manage and organise health and safety constructively safeguards employees and others' lives has been heightened by the corporate manslaughter legislation and the first case outcome last year. The Members handbook includes reference to the Institution of Occupational Safety and Health (IOSH) publication 'Think about Health and Safety' which sets out responsibilities and awareness raising points which could be supported by direct briefings in-house. The revised policy statement on health, safety and welfare at work will set out the discrete and shared responsibilities between councillors and officers in the context of the new governance arrangements and create a new guiding framework of our organisation and arrangements for managing and monitoring health and safety standards in KCC.

The next few years are seen as important for establishing and maintaining the right standards for the new organisation. Sustaining the engagement and collaboration of colleagues, contracted parties and partners will put KCC in a good position for keeping

up with the demands presented by legislation at a time of diminishing resources and adaptations in the way we deliver.

Helen Bale, Head of Health and Safety
Extn: 7000 4273

Date	National Theme	Summary & Relevance to KCC
October 2010	"Common Sense Common Safety"	Lord Young of Graffham was asked by the Prime Minister to review the "compensation culture" and the current health & safety regime. The recommendations covered a wide range of issues including legislation, enforcement, the role of insurers and compensation claims procedures.
March 2011	"Good Health and Safety, Good for Everyone"	The Minister for Employment (the Rt Hon Chris Grayling MP) took forward some of Lord Young's recommendations, notably launching the Occupational Safety and Health Consultants Register (OSCHR), and also set out major changes to the enforcement regime, refocusing inspection activity on higher risk areas and away from lower risk businesses who manage their responsibilities effectively. The Minister also announced an independent review of health and safety regulation, to identify opportunities to simplify health and safety rules.
April 2011	Red Tape Challenge	Launched by the Prime Minister to look for opportunities to reduce the stock of regulations on the statute book. The scheme fed into the review by Professor Löfstedt who took account of the comments posted relating to health and safety regulations made on the Red Tape Challenge website.
July 2011	Consultation on the HSE proposals for extending cost recovery **(Now referred to as Fee For Intervention)**	The government and the Health and Safety Executive Board placed a duty on the HSE to recover costs where duty holders are found to be in material breach of the law. KCC Health & Safety Unit co-ordinated a response which was submitted before the October deadline. Main issues raised were that any fees imposed on KCC as a dutyholder would indirectly come from the taxpayer (the aims of the scheme were designed to reduce the burden on the taxpayer); and the threat to small businesses from potentially high fees being levied without going through a judicial process. In response to formal consultation it was decided not to include local authority enforced businesses in the scheme which effectively reduced the scale of potentially affected SMEs. Member Kevin Lynes wrote to the Minister of Employment urging consideration of a sliding scale to respect small business financial pressures. The scheme is scheduled to go 'live' in April 2012 and coincides with significant reduction in the inspectorate's inspection plans due to re-determination of priorities and cuts to core budget. KCC as a duty holder will remain subject to cost recovery by the HSE.
September 2011	Lofstedt Review	An independent review of health and safety legislation, commissioned by the Minister for Employment. The aim of the review was to consider the opportunities for reducing the burden of health and safety legislation on UK businesses whilst maintaining the progress made in improving health and safety outcomes.
April 2012	Changes to Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 95 RIDDOR & Proposed introduction of Fee For Intervention	Following the recommendation from the Lord Young Review, the period before an injury or accident needs to be reported to HSE will extend from 3 days to seven. The changes will be reflected in updated KCC internal guidance on SafetyNet, and staff will be informed via K-mail articles and staff groups. The start of the Fee For Intervention scheme is scheduled for April 2012 although we await confirmation. Once 'live' KCC may be re-charged at an averaged rate of £124 for every hour of HSE time taken for rectification of a breach to complete. KCC Health and Safety Unit is continuing to explore ways to update and support SMEs in the county that may also be affected.

Background Documents:
- Lord Young's "Common Sense, Common Safety" (hyper-linked in the appendix)
- Lofstedt Review (hyper-linked in appendix)
- Rt. Hon. Chris Grayling "Good Health and Safety, Good for Everyone" (hyper-linked in appendix)
- Red Tape Challenge (hyper-linked in appendix)
- Fee for Intervention – Consultation on the HSE proposals for extending cost recovery (hyper-linked in appendix)
- Letter from Geoffrey Podger, Chief Executive of the HSE thanking KCC Health and Safety Team for their contribution to the Estates Excellence Programme
- European Week for Safety and Health at Work 2012 – 'Working together for risk prevention'
- IOSH 'Think about health and safety - what elected members of local authorities need to know'

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By:	Roger Gough - Cabinet Member for Business Strategy, Performance and Health Reform
	John Simmonds - Cabinet Member for Finance and Business Support
	David Cockburn - Corporate Director Business Strategy and Support
To:	Corporate Policy Overview and Scrutiny Committee
Subject:	Information & Communications Technology (ICT) Division Reorganisation
Classification:	Unrestricted

FOR INFORMATION

Summary. This report sets out the proposals for the reorganisation of the ICT Division. The proposals are informed by the objectives of the ICT strategy and the medium term financial planning assumption of a £5M (30%) reduction in corporate ICT revenue costs between 2011/12 and 2014/15

1. Introduction

1.1 This report sets out the draft proposals for the reorganisation of the Information and Communications Technology Division.

1.2 The division is working to deliver a 30% cashable saving compared to the 2010/11 budget. The approach to realise these efficiency improvements has primarily been through partnership development and shared infrastructure solutions to reduce unit costs.

1.3 While the funding outlook requires a reduction in base budget, service strategies anticipate increased use of technology. A key objective of the proposed reorganisation is to reduce management overhead and increase operational delivery capacity.

2. Background

2.1 Implementation of the 'Change to Keep Succeeding' programme in April 2011 amalgamated directorate systems teams and the corporate Information Services Group into a single ICT division.

2.2 With the extent of the organisational change during 2011, much of it dependant on underlying changes to the information systems used across all directorates, in agreement with system owners immediate changes for staff working within ICT were confined to line management changes.

2.3 A review of ICT organisation was scheduled for the second half of 2011/12, to align with the completion of the work to review and update the ICT Strategy. The ICT strategy was presented to Corporate POSC on 11/01/12.

3. Drivers

3.1 While the ICT Strategy maps out the expectations and demands required of the ICT division for the future, other challenges, opportunities and constraints must also be addressed. Initial planning was informed by:

a). The requirement to move towards a structure better able to help deliver Bold Steps and the ICT strategy developed in support of this and related business strategies.

b). Successful delivery of the ICT savings strategy reported to Corporate POSC on 03/11/11.

c). Rationalisation of the discrete areas of ICT amalgamated as a consequence of the 'Change to Keep Succeeding Programme'.

d). Redesign areas of ICT activity where levels of service fail to meet the minimum service standards essential to deliver an appropriate return on investment.

e). High profile programmes, such as Enterprise Resource Planning (ERP); replacement for the Integrated Children's System; transfer of responsibility for delivery of technology within the Building Schools for the Future initiative, all currently being supported by ICT cannot be allowed to be put at risk through ICT reorganisation.

f). A number of functional areas have achieved recognition as achieving pan industry standards for best practice, we should build on this success not compromise it.

g). Change to arrangements in support of directorate business systems will in many instances only be viable at point of system renewal, so change will start with areas of duplication rather than whole scale aggregation of these teams.

3.2   The consolidation of ICT activity in a single division creates the opportunity to review and remove any duplication of management capacity arising from previous structures. The ability to release this capacity will be essential if the ICT division is to respond to the increased demand for ICT services while minimising any increase in cost.

3.3   Where efficiencies can be achieved through consolidating activity with other Business Strategy and Support functions this approach will be adopted to further reduce duplication.

3.4   Performance and cost benchmarks referenced in the Corporate POSC report of 03/11/11 indicate that the per capita spend for ICT for the council remains low. As all ICT structures incorporate a number of generic functions, which will be reflected in both current and future structures, the impact on ICT delivery teams in the immediate future is relatively low.

3.5   The proposed changes will be the catalyst for the change in how ICT is used in the delivery of public services. As this occurs, the demands and expectations around how ICT support services will be provided will continue to alter. The expectation is that these future requirements will require review of methods of delivery and associated team structures.

3.6   Within the current ICT structure over 89 fte's, 23% of current establishment, are employed in a business unit delivering ICT services to schools and other external agencies. This activity is funded entirely through income and not from base budget. Expansion of this activity is a key element of the ICT efficiency and savings strategy.

3.7   With the reduction in the total number of staff employed by the council, by the expansion of externally funded services, economies of scale, unit costs and service levels can continue to be maintained despite the reduction in corporate demand. This approach will also help minimise any additional cost such as redundancy payments. The current planning assumption is that the reduction in the total number of ICT staff will be relatively small; while at the same time there will be a significant shift from base funding to external funding.

4.   Proposal

4.1   Attached at appendix 1 is the proposed management structure for the ICT Division, which if approved will be due to take effect from May 2012.

4.2   The proposal reviews all management roles across the ICT division and team management with the exception of the teams working on the ERP and BSF programmes. This encompasses 48 posts in the structure at the commencement of the reorganisation. The posts in scope cover grades

in the range KR10 to KR16 but only those with management responsibilities.

4.3   The new structure, appendix 1, comprises 43 posts but only 34 of these are predominantly management or team management roles. The other 9 roles are professional ICT roles aimed at increasing the delivery capacity of the division in support of the ICT strategy.

4.4   The senior management team, responsible for delivery of the divisional business plan and associated targets is reduced from 15 to 5 reflecting the rationalisation of structure around core ICT functions.

4.5
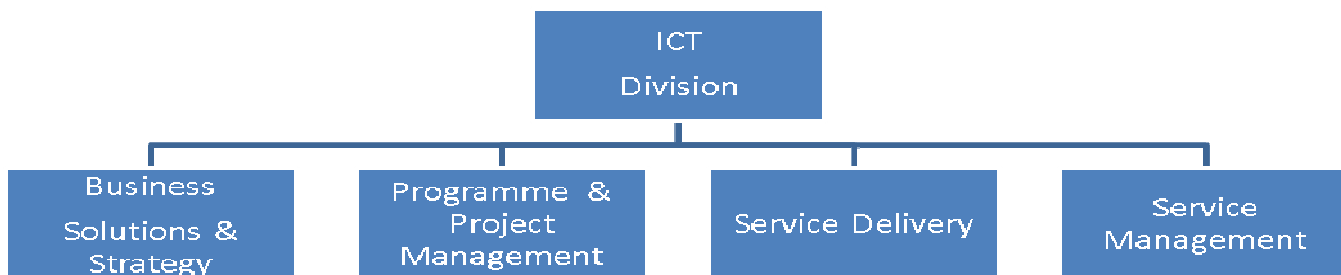
4.6   The structure does not require utilisation of the maximum number of tiers available within the organisation design principles. Due to the size of operational teams the span of control is slightly above the recommended maximum for some service desk teams.

4.7   The approach has been to minimise any potential disruption to current programmes or on-going support to service directorates, while increasing the capacity to respond to service demand through reassignment of key resources.

4.8   The number of direct reports to the Director of ICT will be the four senior management roles within the new structure plus one PA. With the emphasis on major change programmes associated with technology, the ICT leads for the most critical change programmes would also report to the Director for the duration of those programmes. E.g. ICS replacement; Customer Services 'digital by default programme'.

4.9 While establishment is reduced by 5 for higher graded posts, the extent of the change is most apparent in the roles and responsibilities of the posts in scope. To reshape ICT services to align with the objectives of the customer services strategy, the division must be structured to support a far higher pace of change in systems and technology.

4.10 In the medium term of 2 to 4 years there will be impact on support structures to reflect the shift in systems use from staff to more self-service directly by the public. Planning for these future changes for the division will be a key function of the new management team.

4.11 The savings strategy anticipates that the number of staff within the ICT division providing support to corporate functions will reduced by 40 plus fte's over a four year period. This assumes a reduction in the number of staff funded from KCC base budget. The impact on total establishment will be influenced by a number of factors:

a) Pace of expansion of externally funded services

b) Increased deployment of technology in support of service efficiencies and the customer services 'digital by default' approach

c) Partnership development where other agencies host services or conversely where we host on behalf of others

d) Market success of new sourcing models E.g. Cloud Computing and availability of secure cloud solutions across government

e) Shape of future public service delivery models for both ICT and functions supported by ICT

4.12 Planning assumptions for the medium term are that there is likely to be an even distribution between reductions in number of substantive ICT posts and those becoming externally funded.

5. Communications with Staff and Trade Union

5.1 Since May of 2011 information on the development of the ICT Strategy and the intention to use that to inform reorganisation of the division have been included in the regular communication with staff across the ICT division.

5.2 Between July and November 2011 the Director of ICT attended all individual team meetings on at least one occasion. This has been supplemented by visits to each of the main ICT operational bases for informal meetings on a monthly basis for open Q&A sessions.

5.3 Meetings for all staff across the division to launch the ICT strategy and map out the implications for future reorganisation were held over three sessions during December. Project documentation was introduced at these meetings and subsequently published and maintained on a dedicated online sharepoint site.

5.4 The divisional meetings have been followed up by Q&A sessions with each individual team by the Director and/or the programme lead for the reorganisation.

5.5 Management and staff workshops were held to help inform the draft proposals that are the subject of this report.

5.4 Unison have been briefed and provided with access to a proposals and related documentation and invited to staff briefings on this subject.

5.5 The proposal for consultation was made available at staff briefing on 7 March and published on the sharepoint site together with instructions how to engage and submit comment.

5.6 All proposals in this report are potentially subject to further change as a consequence of the formal consultation process.

6.   Risks

6.1 The extent of the change in roles and responsibilities across the most senior roles in the division carries a significant level of risk. This will require extensive planning around implementation.

6.2 Major programmes with significant dependencies on technology are currently being implemented. The scope of the restructuring has been primarily directed at management structures in recognition of this.

6.3 Public services and the use of technology in the delivery of those services are changing. If the ICT division is to successfully support this transition it must recognise and reflect those changes otherwise both service outcomes and efficiency will be compromised.

6.4 As part of the more extensive 'change to keep succeeding programme' the shift from responsive to proactive delivery of technology must be sustained. Any 'creep back' to a dispersed model of systems management and sourcing must be resisted.

6.5 Change in organisation is unsettling which impact on staff morale as the changes are implemented. Communication remains the key tool for mitigation of this risk.

7. Recommendations

Members are asked to note and comment of the contents of this report

8. Background Documents

Overview of Systems Investment – Corporate POSC 03/11/11

Information and Communications Strategy – Corporate POSC 11/01/12

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ICT Division Consultation Chart

Director of ICT

Personal Assistant

Business Solutions Manager
1 x fte

- ICT Portfolio Office Team Leader — 1 x fte
- Research & Design Team Leader — 1 x fte
- ICT Strategy & Policy Manager — 1 x fte
- Enterprise & Information Architect — 1 x fte
- Business Partner — 1 x fte
- Strategic Solutions — 6 x fte
- Business Development / Partnership Development — 5 x fte

Change Manager
1 x fte

- Technical Architects Team Leader — 1 x fte
- Programme & Project Management Team Leader — 1 x fte
- Project & Programme Office Team Leader — 1 x fte
- Business Analysts Team Leader — 1 x fte

Service Delivery Manager
1 x fte

- EIS Team Manager — 1 x fte
- Security & Infrastructure Team Manager — 1 x fte
  - Infrastructure Audit & Capacity & Asset Management Team Leader — 1 x fte
  - Server Team Leader — 1 x fte
  - DBA Team Leader — 1 x fte
  - Security & Network Team Leader — 1 x fte
  - Systems Team Leader — 1 x fte
- Application Team Manager — 1 x fte
  - Corporate Applications Team Leader — 1 x fte
  - Commercial/Partnership Applications Team Leader — 1 x fte

Shared Services Manager
1 x fte

- Service Requests Team Leader — 1 x fte
- Access Management Team Leader — 1 x fte
- Service Desk 1st Line Support Team Leader — 1 x fte
- 2nd Line Remote Support Team Leader — 1 x fte
- 2nd Line Area Support Team Leader — 1 x fte
- Service Management Team Leader — 1 x fte
- Change Management Team Leader — 1 x fte
- Testing Team Leader — 1 x fte
- Application Release Management Team Leader — 1 x fte

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By: Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform

                  John Simmonds, Cabinet Member for Finance and Business Support

                  Richard Hallett, Business Integration Manager

To: Corporate Policy Overview & Scrutiny Committee

Subject: Enterprise Resource Planning Programme

Classification: Unrestricted

Summary   This report provides an overview of the Enterprise Resource Planning (ERP) Programme, and an update on progress. It will be accompanied by a short presentation.

Recommendation: The Committee is asked to note and comment upon the progress on the ERP programme to date.

---

1.   Introduction

1.1   The Enterprise Resource Planning (ERP) Programme seeks to transform KCC's back-office processes in line with the "One Council" approach. It will enable the delivery of robust single-truth management information in support of more informed decision-making, with clear manager accountability. This will be supported by consistent, efficient processes and systems which are fit for purpose and flexible enough to provide an appropriate platform for the future.

2.   Programme Identification and Initiation

2.1   In early 2011, the Council's commitment to drive the majority of the necessary budget savings from the back and middle office focussed minds across the organisation on the need to collect, manage and make use of our data in ever more effective and resource-efficient ways. KCC has invested heavily in underlying systems over many years, much of this on products from Oracle Corporation – however, best use has yet to be made of these products.

2.2   At the same time, planned changes to staffing levels in support functions has led to a need for enhanced and extended self-service, adding to the existing functionality delivered by Human Resources over recent years.

2.3 A series of workshops facilitated by PWC in September 2011 led to an initial programme scope and phasing, and the Business Integration Manager (Senior Responsible Owner of the ERP Programme) took a report based on this work to Corporate Management Team in late October. Whilst PWC's involvement in the programme did not continue beyond that point, the substance of that work has subsequently been shaped into an internally-managed programme, led by a Programme Manager seconded from within KCC.

2.4 Governance is assured at the highest level by an ERP Sponsoring Group, consisting of the Corporate Directors of HR and of Finance & Procurement and the Director of ICT, along with the Business Integration Manager and the Programme Manager. This Group currently meets fortnightly.

2.5 A Programme Board has been constituted, consisting of the Project Executives for each of the current key projects, along with the Business Integration Manager and the Programme Manager. This Board meets monthly.

2.6 Each of the current key projects has an identified Project Manager, who is accountable to both the relevant Project Executive, and to the Programme Manager. The basis on which these Project Managers are made available to the ERP Programme varies depending upon the service from which they originate – but in each case, they are tasked with driving the day to day delivery of their Project, and acting as the conduit for communication between their function and the Programme. Project Manager meetings take place weekly, to ensure all are fully aware of the all aspects of the programme, and can work together in support of its coherent delivery.

2.7 The programme's scope includes the following high-level projects:
- Human Resources
- Oracle Business Intelligence Implementation
- Collaborative Planning Implementation
- Social Care Client Billing
- Procurement
- Management Information

Supported by underlying ICT, Communications and Training projects.

2.8 Four phases are currently envisaged:
- Phase 1a – activity under way, and running to April 2012
- Phase 1b – activity under way, and running to September 2012
- Phase 2 – activity to cover the period October 2012 to March 2013
- Future Phases – to be defined

2.9 The future phases of the programme, including the joining up of current activity described in 3. below, will be defined through a piece of work to be carried out this spring. The plan will be submitted through appropriate governance channels in summer 2012.

3. **Current key activity**

3.1 This section is not an exhaustive list of current workstreams, but focuses instead on those major pieces of work the impact of which will be felt in the next three to four months.

3.2 Oracle Business Intelligence Implementation

Licenses for Oracle Business Intelligence (OBI) have been ordered, and the necessary hardware has been delivered and is being set up. The system is initially targeted at providing on-line access to Finance and HR information and this will be followed by Procurement and Projects information. It is proposed that in phase 2 OBI will be developed to include the wider performance management information and activity data (subject to the appropriate business case).

3.3 Collaborative Planning Implementation

Collaborative Planning will provide a cost-effective systems-based solution for budget forecasting and planning. Contracts have been signed, and work will get under way during March, to enable the first budget managers to begin using the system in June. Whilst the solution is not provided by Oracle, it is fully compatible, and will draw on/feed into the same data sets – and the interface for budget managers is straightforward with a look and feel similar to existing spreadsheets (but in a controlled environment).

3.4 Social Care Client Billing

The ERP programme is working to deliver a more robust solution for the Social Care client billing process than is currently the case. At the time of writing, an expert from Oracle is working with colleagues in Families & Social Care to find appropriate solutions based around existing Oracle and SWIFT systems, to solve the various issues inherent in the current configuration.

3.5 HR Self Service Functionality

Human Resources continues to increase incrementally the functionality of Employee and Manager Self-Service, with a view to making Oracle Self Service the first point of call for as many HR processes as possible. An investigation is under way into the feasibility of remote access to Oracle systems to enable KCC staff without regular access to the KCC system, and other key partners, to interact with relevant parts of the system in a secure and appropriate manner.

3.6 Procurement

We are building on our existing limited roll-out of Oracle I-Procurement to develop a fully integrated purchase to pay solution where the focus is on controlling orders rather than invoices. New category management and

approval hierarchies are being developed and the wider roll-out of I-Procurement will commence in March and will continue throughout the next financial year. The ultimate aim will be to move to a policy that all invoices must be supported by a purchase order number or will not be paid.

4.   Consultation and communication

4.1   The ERP Programme has already engaged with Corporate Management Team, the former Delivery Assurance Team, as well as with Directorate Management Teams. Governance, covering all those functions upon which the Programme depends, has been constituted, and members of that structure will be expected to ensure appropriate communication within their functions, as well as the engagement of service directorate colleagues where relevant.

4.2   A Communications Project exists within the programme, reporting to the ERP Programme Board, with a view to keeping the organisation at large in the loop. Articles have already been included in KMag, and an ERP presentation was included in recent Finance awareness-raising sessions.

5.   Financial implications

5.1   Phase 1 of the ERP programme has a capital budget of £1.4m and a one-off revenue budget of £0.95m. The investment is crucial to the delivery of savings in Finance and HR in excess of £3m per annum.

5.2   Phase 2 of ERP will be subject to a further separate business case.

6.   Legal implications

6.1   No legal implications are currently anticipated.

7.   Equality Impact Assessments

7.1   The ERP Programme has ensured EIA scoping has been carried out on all projects within its scope, and these will be updated as the programme progresses.

8.   Alternatives and options

8.1   A range of requirements, process changes, and software/hardware options have been, and continue to be, considered, and taken through Programme governance prior to relevant decisions being made.

9.   Risk and business continuity management

9.1   The risks of not conducting this programme initially relate to the non-delivery of committed savings, and in the longer term would mean KCC would be unable to consolidate and work with existing and future data in a joined-up

fashion. A comprehensive risk register for the programme has been compiled, and is available upon request.

10. Conclusion

10.1 The ERP Programme has been established successfully based on a coherent collation of existing business requirements, and "one council" aspirations to improve data quality and accessibility. The key areas of activity were externally validated through our work with PWC in mid/late 2011.

10.2 The Programme is now under way, with contracts signed for the initial tranche of work to deliver Oracle Business Intelligence (for initial use in respect of budget monitoring, and subsequently for other aspects of Finance, Procurement and HR) and Collaborative Planning (for budget planning and forecasting).

10.3 The programme is also overseeing a range of other related projects, and will shortly begin a detailed exploration of the future joining-up of these and other sources of data, aiming to bring forward a plan for its subsequent phase by summer 2012.

11. Recommendations

The Committee is asked to **note and comment** upon the progress of the ERP Programme.

12. Background Documents

ERP Programme Plan and Risk Register (available upon request)

Previous reports to CMT and DAT (available upon request)

Contact details

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By:	Roger Gough, Cabinet Member for Business Strategy, performance and Health Reform
	Alex King, Deputy Leader
	David Cockburn, Corporate Director Business Strategy and Support
To:	Corporate Policy Overview and Scrutiny Committee
Date:	20th March 2012
Subject:	Business Intelligence Activity
Classification:	Unrestricted

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Summary: This report updates members of POSC on the current and planned activity to improve access to information, analysis and business intelligence.

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1.   Background

1.1   The 3 November 2011 report to POSC on the Business Strategy re-structure set out the purpose of the new Business Intelligence, Performance and Risk unit:

"The unit's activities will include reviewing trends, developing insights, supporting learning and enhanced performance, ensuring robust risk management, horizon scanning and scenario planning for the future. It will analyse, enhance and integrate an increasing wealth of data sources whilst improving accessibility to information" (Appendix one)

1.2   There are a number of drivers for KCC to move towards becoming a more "business intelligence" led organisation:

- ➢ Strengthening our evidence base for options appraisal, consultation, debate and decision making.
- ➢ Developing a strengthened platform of information to enable greater emphasis on analysis rather than data collection.
- ➢ Efficiency – bringing together a wide range of sources of information and intelligence e.g. customer journey, customer feedback, feedback from front-line providers and practitioners (including contracted and commissioned services), partner information, research reports and briefing

papers as well as data collected as part of service delivery and for monitoring and reporting requirements.

➤ Meeting the Transparency agenda and facilitating improved public access to information.

➤ Meeting the recommendations of the Informal Member group (IMG) on Member information, to include ensuring that members have access to up-to-date information and analysis to support their local member roles (including Locality Boards) and roles they may undertake, such as being a member of one of the Cabinet Committees from April 2012.

1.3 Achieving the intentions set out above is a work in progress and is closely linked with the work on Oracle Business Intelligence, locality developments and developments within Corporate Communications. It is intended that we will provide a further progress report to members in three to four months time.

1.4 All of the planned developments around our business intelligence are based on a fundamentally different approach to that which we have had in the past, namely that "information" is owned by the organisation rather than a team, unit or individual and there will be a single corporate view and ownership of all the information we hold as an authority.

2. Current Position

Re-structure

2.1 Recruitment to the new Business Strategy structure has completed. The post of Head of Business Intelligence, Performance and Risk is currently being covered by Richard Hallett, Business Integration Manager - providing a strengthened working relationship to and synergy with the Enterprise Resource Planning Programme.

2.2 Following the re-organisation of Business Strategy and the establishment of the two Research and Evaluation teams as part of the Business Intelligence, Performance and Risk function, the new teams are establishing themselves, covering both primary and secondary research functions[1], analysis and evaluation and will be working closely with the Risk and Performance functions, as well as the Strategic Business Advisers in the Policy and Strategic Relationships unit[2] in order to strengthen KCC's intelligence base for important decisions and ensure robust links back into the service directorates.

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[1] Primary research usually involves analysing information collected directly through instruments such as surveys, interviews, focus groups or direct observation. Secondary research utilises data and information collected and stored by others (databases, reports and studies etc). A combination of both is usual in research and analysis e.g. secondary research first and then following up with primary research to fill in any gaps.
[2] These posts have the lead role for Policy and Strategic Relationships in supporting ELS, FSC, Corporate and C&C.

2.3 The Programme Office function has been established as part of the Policy and Strategic Relationships unit and has commenced work on bringing together and providing a corporate overview of KCC wide programme and project activity. In particular it is concentrating on those programmes that are around major strategic priorities.

2.4 We are continuing to consult with our peer authorities around their approach and planned developments in response to the improved performance analysis, access to information and transparency agendas and will use this to inform further developments across KCC and, where relevant, partner agencies. Part of this will involve looking at how best to ensure a robust interface with the directorates and their Information teams.

Relationship-building

2.5 The new post of Head of Business Intelligence, Performance and Risk will provide the focal point of leadership for information strategy for KCC, working closely with the Information Point, Corporate Communications, Policy and Strategic Relationships and Legal and Democratic Services.

2.6 The Business Intelligence, Performance and Risk unit is already building a strong working relationship with the directorate based Management Information teams and the Strategic Business Advisers in Policy and Strategic Relationships. All parties are committed to developing a working protocol to cover data and information sharing as well as operational working interfaces between the various roles and teams.

2.7 Discussions have commenced with Information Point, the Communications and Engagement teams, Information Governance, Strategic Commissioning and Customer Relations teams in order to build strong working relationships and agree the delivery approach to priority areas of business.

Systems

2.8 We will be reviewing a number of the systems that currently support or hold information in order to improve access, bring them into line with the direction of travel and ensure stakeholder input into developments as we go forward.

2.9 BIPR teams will work closely with directorates and Democratic Services in order to ensure the work of the new Cabinet Committees is supported through appropriate, timely and robust information.

2.10 Planning for the second phase of the Enterprise Resource Planning programme has commenced with awareness raising taking place with

database owners as an initial step. The development of access to the Oracle Business Intelligence platform will bring in increased facility for Members to access information in this way. It is intended to ensure that Members will be able to put their views forward and play a full part in developing this platform.

2.11 A Sharepoint Governance Group has been established, with an agreed work plan to oversee and progress the development, delivery and use of Sharepoint as a more immediate technical solution for the efficient and secure exchange of and access to information.

Processes

2.12 The development of the KCC Performance Management Framework includes directorate development of Service Level Dashboards linked to KPIs set out within their Business Plans. These will be regularly updated, made available via the KCC website and will be suitable for reporting through the Cabinet Committee cycle.

2.13 It is intended that Service Level dashboards will, where possible, take a 'balanced scorecard' approach to include indicators of quality, customer satisfaction, financial health and staff development.

2.14 Development of district based information and performance profiles to enable Locality Board needs analysis, prioritisation and planning is taking place, working with KCC Community Engagement Officers. This includes capacity to facilitate discussions with their Locality Board members, in particular with the Co Chairs and KCC Senior Officers, around their early information needs and preferences for report content and styles. The work that is taking place is based on a four stage model as set out in appendix two.

2.15 "One page" summaries (example attached -appendix three) have been provided to two Locality Boards and feedback has been positive. As a result, summaries are being prepared for all Locality Boards.

2.16 As agreed as part of the Corporate POSC Informal Member group on the Business Strategy re-structure held on the 18th November 2011, Members will continue to have access to local Member briefings and briefings that they request on particular topics or in response to local issues. It is intended that Business Strategy will link closely with Corporate Communications in order to ensure that Member briefings reflect key developments within their local areas, including analysis of likely impact of national policy and strategy changes and proposals.

2.17 As part of the implementation of the Customer Services Strategy, the Customer Relationship team, working with stakeholders across KCC and supported by the work of the BIPR Research and Evaluation team around

theme 1 of the strategy (analysis to 'Understanding the Customer'), is developing a Master Data Strategy. It is intended that this will incorporate all data systems, processes, policies and procedures linked to the internal and external usage of client/customer data across the Authority.

3.   Next Steps

3.1   Development of a working protocol with BIPR, directorate Management Information teams and the Strategic Business Advisers in Policy and Strategic relationships.

3.2   As part of Phase Two planning for ERP**,** communicate intentions and requirements with database owners and service managers in order to move to agreement on databases and timeframes for inclusion in the business case for Phase two.

3.3   Engagement of members in developments around the Oracle Business Intelligence platform.

3.4   Performance reporting of service level dashboards via the KCC website and to Cabinet Committees to ensure transparency and "no surprises".

3.5   Continue development of the locality performance and information support with Locality Board Members, supported by the Community Engagement Officers in order to ensure that Locality Board Members are fully supported in carrying out their roles.

4.   Summary

4.1   As part of improving member access to information and strengthening the quality, relevance and timeliness of the performance information , research and analysis undertaken to support the business, information will be provided and reported to Members on a regular basis at the following levels:
  - Locality Boards
  - Cabinet Committees
  - Cabinet
  - Knet
  - County Council

4.2   Members will continue to have the opportunity to request specific information and briefings that we will respond to.

4.3 The work is still at an early stage and members will be fully involved in feeding back their views to ensure that developments meet their needs and the requirements of the business.

5. Recommendations:

Members of the POSC are asked to:
1. Note and comment on progress.

Officer Names and contact information

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Background Documents: none

KCC
performa
nce &
service

KCC
finance,
costings,
& HR

External
datasets

KCC
Audits

KCC
client &
public
'voice'

KCC
workforce
'voice' &
experienc

External
informatio
n &
research

**Analysis &
Interpretation
process**

R&E outputs/outcomes:
Business intelligence and
actionable insights
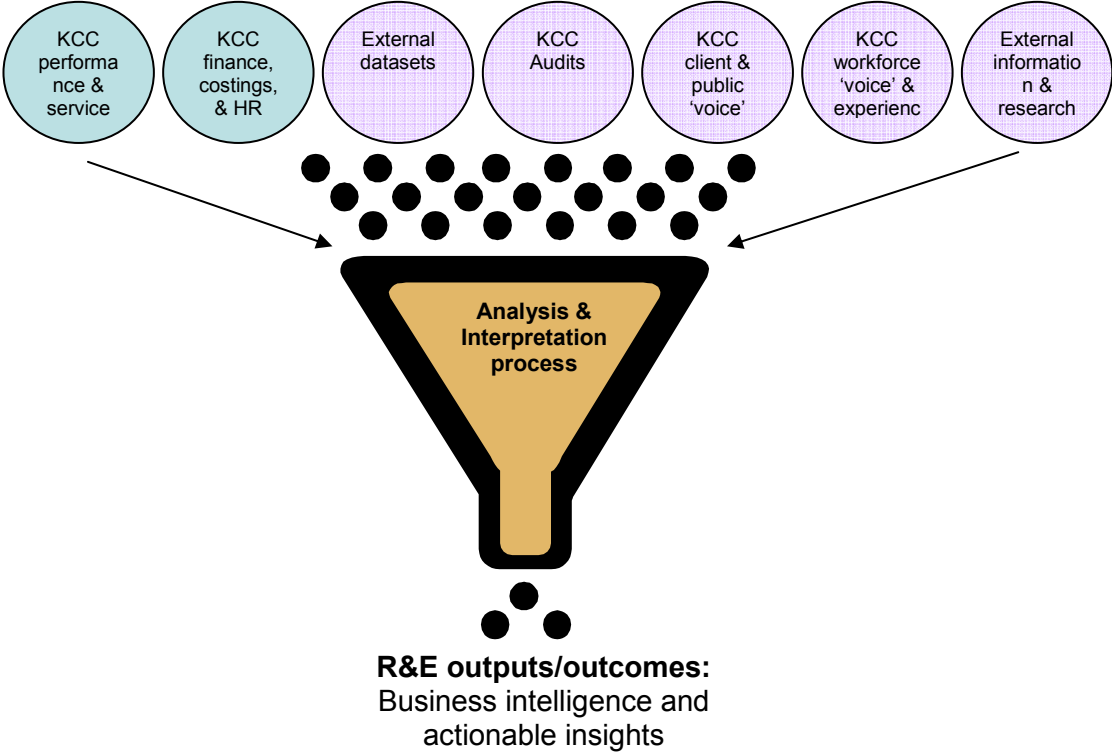
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Locality Board Four Stage Model

The kind of information	The question
District profile	***What do we know about our area and its people?*** e.g. District and Ward profiles, *population* outcome indicators, Mosaic interactive guide, housing & land use, Local Children's Trust indicators, short locality summary etc.. (KCC-BIPR) www.kent.gov.uk/your_council/kent_facts_and_figures.aspx
Performance Dashboard(s)	***How well are our services performing?*** e.g. *service* performance indicators, resources, RAG ratings o in the interim - list & charts of themed indicators (KCC BIPR) o in development - local 'cuts' of county dashboards (KCC BIPR) o to be determined - partners' local dashboards (Locality Boards)
Locality Facilitation & Prioritisation	***What do the profiles, performance dashboards and our local people tell us is important?*** e.g. Using/interpreting quantitative & qualitative evidence o Methods for prioritising / reaching decisions for action (KCC Communications & Engagement with BIPR capacity support)
Analysis & Insight	***Considering our priority areas - how can we best use our resources to make a difference?*** e.g. Bespoke: horizon-scanning, needs assessment, options, spatial, customer insight, forecasting, cost-effectiveness, etc. o 'Why, where, who, how and what' questions (Business Strategy & BIPR; and County-wide & District/local partners)

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Shepway – Draft Summary

This 'all on one page summary" seeks to draw out some of the key points in the Thanet District Profile prepared by KCC *(level (1) as referred to below.)* This is a first step in what will be an iterative process with District colleagues and Locality Board members to develop joint information, planning and performance resources for localities at three levels:

1) General background data to include performance data with a quick one page summary "capturing" key information. (2) A district dashboard to track the performance of key priority areas agreed by Locality Board members. (3) Bespoke analysis/in-depth reports commissioned by Locality Board members to inform planning and decisions in specific activity or performance areas.

POPULATION – *A population that will grow older than the Kent average and will see its working age population fall.*

The overall **population** of Shepway shows that there are a much higher number of the older generations than is the case for Kent (in all age groups above 55 years old). On the other hand, for all age bands below 49 years old, the Shepway figure is lower than the Kent average. The actual number of people exceeding the 'classic' retirement age of 65 will grow from 22,100 to 31,100 by 2026. Those of 'working age' will decrease from 60,300 in total to 58,900 by 2026.

HEALTH– *Distinct variations within the District on many health indicators and some evidence that the District performs at a lower than national average for a number of indicators relating to young people.*

Life expectancy in Shepway is broadly consistent with the Kent average and is generally higher than the UK average. The priorities in Shepway include work to increase the number of physically active children and adults, smoking in pregnancy and teenage pregnancy.

DEPRIVATION - *the second most relatively deprived District in Kent*

In the 2010 **Index of Multiple Deprivation** Shepway was the second most relatively deprived District in Kent and ranked 97 out of 326 local authority areas in England (the lower the rank the more relatively deprived). Previously Shepway was ranked 114th so has declined relatively 17 positions from 2007. Unsurprising, therefore, the number of **children living in poverty** is well above the Kent average and much closer to the average for Great Britain whilst the number of **lone parents claiming income support**(1.7%) is actually above the average for Great Britain (1.5%).

Many children in Shepway start out learning behind others in the county (ranking 10th for **early years** development score); this has been improving, but slower than other districts as its rank has fallen from 5th only two years ago.

Shepway has a higher percentage of people on **disability benefits** than the Kent average, about 10% of the population. This is the case for all age groups. Of these, by far the highest group is due to a physical disability, but within Shepway the percentage of those claiming due to a learning difficulty is higher than the Kent average.

HOUSING – *the lowest proportion of social sector housing stock in the County with some of the lowest private and social sector rents at £75 per week*
90% of Shepway's 49,322 houses is private sector stock with 10% social sector housing. 1% of Shepway's housing stock has been vacant for over 6 months. The average house price in Shepway is £195,348 which is 25% lower than the County average.

SAFETY – *generally a relatively safe District but with issues relating to safeguarding children*

Recorded crime per 1,000 of the population is lower than the Kent proportion in virtually all categories although violence against the person is a little higher than the Kent figure.

For young people there is a **high rate of referrals to Children Social Services** (768.4 per 10,000) and amongst Districts in Kent who are above target, but lower than the position last year. It is also above target for re-referrals (at 30.2%). It has the **second highest rate of Looked After Children per 10,000 in Kent** at 62.1 (128 children where KCC is the corporate parents), with 71.1% in KCC foster care.

EDUCATION AND SKILLS – *broadly average outcomes for young people and a lack of more highly qualified workers*

Shepway ranks 9th amongst Districts for pupils achieving a good standard by the end of **Primary** school (70.4%) but has improved since last year, and is 8th for pupils making expected levels of progress in English and in Maths. Although the percentage of pupils achieving **5+ A*- C grades at GCSE level** was higher than the Kent average, those achieving 5+ A*- C grades including English and Maths (56.4%) was lower than the Kent average.

The proportion of the Shepway working age population with **no qualifications** is lower in all age bands than the Kent average. However, the percentage with the highest **NVQ4/5** qualification is lower in all age groups (significantly in the 25-49 years group) except for the 50-64 years group.

ECONOMY – *A relatively small economy experiencing higher than average rates of unemployment with a noticeable rise in youth unemployment*

The Shepway **economy** has broadly a similar structure as the rest of Kent with the most important sectors being construction, professional, scientific and technical services and retail. Unsurprisingly, the importance of accommodation and food services is much higher than in the Kent and

Great Britain averages.

Not unexpectedly the number of those **unemployed** has risen over the last few years and, as is historically the case, local unemployment rates are above the Kent average. The average age and gender profile for those unemployed is broadly consistent with the overall picture for Kent. Claimant count unemployment is 4.3% with **youth unemployment** showing a sharp rise; young people make up a larger proportion of the unemployed than in Kent generally.

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By:	Alex King, Deputy Leader
To:	Corporate Policy Overview and Scrutiny Committee: 20 March 2012
Subject:	**Ambition Boards**
Classification:	Unrestricted

Summary:	**Explains the rationale, role and membership of the three Ambition Boards, summarises progress to date and informs Members that a light-touch review of Ambition Boards is underway.**

1.   Introduction

1.1   In March 2011 the Kent Forum agreed to establish Ambition Boards as part of the Kent Forum architecture, one for each of the three countywide ambitions that are at the core of both the Vision for Kent and Bold Steps for Kent. The original rationale behind establishing the Ambition Boards was:

- to have a relentless focus on delivering outcomes supporting the relevant ambition
- to support Locality Boards (when formed) in delivering local priorities
- to absorb, oversee or otherwise manage the work of existing partnerships, with the emphasis on testing the purposefulness of existing partnerships
- to improve efficiency by reducing the number, cost and bureaucracy associated with partnerships
- wherever possible, take forward any additional responsibilities (statutory or other), rather than create additional partnerships

1.2   The core membership of each Board was set at four District Council Leaders, two County Council Cabinet Members, three or four District Council Chief Executives and one County Council Corporate Management Team member, thus bringing together Leaders with senior officers on a cross-agency basis.

1.3   The diagram in Appendix 1 helps explain the relationship of Ambition Boards to the Kent Forum and Locality Boards. The diagram in Appendix 2 sets out the potential roles of Ambition Boards, and Appendix 3 lists their membership.

1.4   Ambition Board agenda, minutes and papers are publicly available on the Kent Forum website www.kentforum.org.uk.

2. **Progress to date**

2.1. The first meetings of Ambition Boards 2 (To Tackle Disadvantage) and Ambition Board 3 (To Put Citizens in Control) were held soon after the elections. Establishing Ambition Board 1 (To Grow the Economy) was delayed pending conversations on how best to align the Ambition Board with the existing Kent Economic Board. This has now been resolved and a combination of the Ambition Board and leading representatives from KEB have met and scoped out shared priorities.

2.2. Ambition Board 1 (To Grow the Economy) has met twice. At its first meeting there was much discussion about what the key areas of focus for the Board should be, recognising that there are many 'players' in driving forward economic growth: businesses clearly play the key role and LEP, KEB, KCC and district/borough authorities each progress initiatives and activities for their respective audiences.

2.3. It was then agreed that the second meeting would focus on an analysis of the key growth priorities for the different agencies represented on the Board (business, district and county authorities), and the following criteria were used to determine where the Board could have greatest impact:

- Is it a key stimulus for economic growth – do businesses view it as important?
- Is the Board sure it is not duplicating work being undertaken/delivered elsewhere?
- Will the Board add real value to the issue?
- Is it strategic?
- Are there real actions that can be delivered in the next year?
- Is there potential for new forms of joint working/new solutions?

2.4. The Board agreed that it should focus on positive actions which have a measurable impact, including:
- Planning – particularly the issues of consistency between authorities and how the growth levers of Community Infrastructure Levy, New Homes Bonus and Retained Business Rates can best be used to stimulate growth
- Ways in which Kent businesses can better access public sector procurement processes
- Development of a closer relationship with Higher Education
- Stimulating trade development
- Engaging with big businesses
- Facilitation of discussions around the progress of the aviation debate.

2.5. The first meetings of Ambition Boards 2 and 3 concentrated on giving Members an overview of the Ambition and the challenges ahead. Each Ambition Board decided to retain its core membership and to invite contributions from other partners on an ad hoc basis depending on the agenda.

2.6. Subsequent meetings of Ambition Board 2 and 3 have focused on each Board discussing how it can make the biggest impact on their ambition, and the approach they wish to take. The Boards' discussions have been informed by the feedback from the Vision for Kent consultation exercise. This has led to

both Boards identifying an overall theme for their ambition with a small number of supporting aims which will make a difference. Neither Board wishes to embark upon massive work programmes which will be difficult to resource or sustain. Both wish to be realistic and build confidence in this new style of operating.

2.7.   Ambition Board 2 (**To Tackle Disadvantage – To Create Opportunities**) has met five times. Disadvantage is a broad and complex issue with many of the causes and solutions to disadvantage spanning all three Ambition Boards. Within this context Ambition Board 2 has identified that its long-term aim should be **tackling family poverty**, and the Board will work with Ambition Boards 1 and 3 and other organisations to achieve this. It has identified actions where it can bring together key activity, fostering a shared understanding of the issues. It intends to act as a change agent and champion for the aims it has identified, taking a practical approach to identifying new actions and initiatives that it can lead to contribute to tackling family poverty. Its supporting aims are:

1. Create the conditions for families to change their own circumstances (developing actions based on the family poverty needs assessment)

2. Maximise the positive impact that Children's Centres have on Kent's children and families

3. Tackle fuel poverty and help reduce the burden of energy costs on Kent families

4. Encourage people to make healthy lifestyle choices and improve their resilience, in order to tackle health inequalities

5. Ensure that Kent's social housing needs are met in the future, so that disadvantaged and vulnerable people and families have access to housing that meets their needs

6. Maximise the positive effects and minimise the potential negative effects of welfare reform proposals on Kent, particularly on disadvantaged people and families

7. Minimise bureaucracy in delivering Ambition 2 across the county and maintain the benefits of partnership working

2.8.   Ambition Board 3 (**To Put the Citizen in Control**) has met three times. It has agreed a broad overarching theme: '**For power and influence to be in the hands of local people so they are able to take responsibility for themselves, their families and their communities**'. The Board has identified a small number of actions and deliverables which aim to balance a desire to make an impact with considerations around the resource available to support the Board. It intends to act as a think tank, change agent and champion for the ambition through understanding the issues and promoting best practice, supporting new ways of working and a collaborative approach, and resolving barriers faced by partners to putting citizens in control. Its supporting aims are:

1. Engagement – To give people an effective say in decisions and service development and delivery.

2. Empowerment – Empower Parish/Town Councils and the Voluntary and Community Sector to take responsibility and deliver certain services locally.

3. Personalisation and Responsible Citizenship – Encourage citizens to take responsibility to adopt lifestyle choices that reduce demand on public services and improves the quality of life for themselves and their communities. (This links closely with Ambition Board 2).

4. Partnership rationalisation – Minimise bureaucracy involved in delivering Ambition 3 across the county and maintain the benefits of partnership working.

Reporting to the Kent Forum

2.9.   Now that all the Boards are up and running each meeting of the Kent Forum is programmed to have a progress report from one of the Ambition Boards in turn – i.e. each Ambition Board reports to the Kent Forum twice a year. This gives the Kent Forum the opportunity to discuss progress towards the three countywide ambitions and to steer the work of the Ambition Boards accordingly.

3.   Next Steps

3.1   The support to the Kent Forum is changing as part of the restructuring of Business Strategy. Instead of a Kent Partnerships Team, support is now delivered from within the new Policy and Strategic Relationships Team, headed by David Whittle. Debra Exall will take the lead role within that team on supporting the Kent Forum, and as part of her induction to her new role she has been visiting District Leaders and Chief Executives to seek their views about how things are working in order to ensure that they are getting the support they need to make the system work effectively. Even though it is early days for Ambition Boards, there is an opportunity now to reflect on their role, operation and focus, so Debra has been commissioned to do a light touch review of the Ambition Boards, which will report to the Kent Forum in May.

3.2   Although at the time of writing this paper not all the District Leaders and Chief Executives had been interviewed, it is already apparent that there is considerable diversity of view about the role of Ambition Boards and not everyone agrees that the Ambition Boards should occupy all the territory set out in Appendix 2. It is also clear that each Ambition Board is operating in a unique way. Ambition Board 1 is only just getting going, but includes business representatives as well as Leaders and Chief Executives. Ambition Board 2 has had focussed discussions about health inequalities, the family poverty needs assessment, social housing, welfare reform and community budgets, but it is too early to evidence its impact. Ambition Board 3 is still struggling to identify how it can best add value beyond sharing experiences, good practice and understanding (e.g. in relation to the Localism Act, customer engagement, civic rights and responsibilities, and the Big Society).

3.3   District Leaders are, however, united in their view that the Ambition Boards must not be a vehicle for county strategies to be rubber stamped. They must genuinely provide the opportunity for different agencies to shape and develop future activity collectively, where it adds value to operate in this way.

3.4 For the County Council, the three Ambitions are at the heart of Bold Steps for Kent, and it is timely to consider whether, and if so how, the Ambition Boards are the best way to promote and champion the ambitions in the context of fast-evolving partnerships. The light-touch review will address this, and a report of the findings will be brought back to the new Policy & Resources Cabinet Committee.

Recommendations

Members of Corporate Policy Overview & Scrutiny Committee are asked to NOTE:

1. **The progress of Ambition Boards to date**
2. **That a review of Ambition Boards is underway.**

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Background Papers:

Paper to Kent Forum on 28 Jan 2011 on Ambition Boards

Appendix 1 – KENT FORUM ARCHITECTURE DIAGRAM

KENT FORUM

Roles:
Non decision making body that:
- Has overall responsibility for agreeing shared priorities and monitoring performance
- Sets the strategic priorities for Ambition Boards
- Monitors progress against strategies and delivery plans, ensuring efficient delivery
- Supports Locality Boards to shape local delivery
- Endorses Kent-wide strategies / delivery plans (e.g. Vision for Kent and 21st Century Kent)
- Encourages community leadership
- Responds to the needs and aspirations of local people, communities and businesses
- Encourages innovation

Locality Boards

Roles:
- Advisory Boards to County and District Councils on:
  - Locality service priorities
  - Locality service provision
- Deliver Countywide Ambitions and other priorities in locality, as relevant to locality
- Oversee performance of local govt services in locality, with appropriate links to local partnerships such as Local Children's Trust Boards
- Exercise community leadership to influence all other public services
- Improves local accountability

Joint Kent Chiefs

Roles:
- To facilitate decision making and performance management by Leaders in their roles on the Forum, as Chairs of Locality Boards and as Chairs or members of Ambition Boards
- To ensure the synergies and mutual reliance between Locality Boards and Ambition Boards deliver improved outcomes at county and locality level.
- Direct Task and Finish Groups on specific projects

Ambition Boards x3

Ambition 1 To grow the economy

Ambition 2 To tackle disadvantage

Ambition 3 To put citizens in control

Role of each Ambition Board is to:
- Operate strategically, for example, stimulate new ways of creative and innovative working, challenge barriers to improvement and cascade good practice
- Support and challenge Locality Boards to deliver Countywide Ambitions
- Absorb, oversee, or manage existing partnerships with an emphasis on reducing the number, cost and bureaucracy of partnerships
- Be home for any new responsibilities

Ambition Board Models

Model 1

Model 2

Model 3

CHANGE AGENT	CHAMPIONING (Common to both Model 2 and 3)	CHALLENGING
▪ Identify creative and innovative working such as pooling resources, shared commissioning, using alternative providers ▪ Pilot new ways of working, ▪ Implement cross-Kent approaches	▪ Champion ambition countywide and nationally ▪ Exchange best practice across Locality Boards ▪ Pooling ideas / resources ▪ Promote culture of collaboration ▪ Resolve barriers ▪ Align / absorb partnerships ▪ Influence other public service providers	▪ Test whether there is support from partner agencies is helping to deliver the ambition ▪ On behalf of Kent Forum, hold Locality Boards to account ▪ Scrutinise Locality Boards' (or other local arrangements') focus on the County-wide Ambitions ▪ Performance Review against agreed PIs/ project implementation

Ambition Boards Membership

Ambition Board 1:

Name	Position	Organisation
John Gilbey	Leader	Canterbury City Council
Paul Watkins	Leader	Dover District Council
John Burden	Leader	Gravesham Borough Council
Chris Garland	Leader	Maidstone Borough Council
Kevin Lynes (Chair)	Cabinet Member	Kent County Council
John Simmonds	Cabinet Member	Kent County Council
John Bunnett	Chief Executive	Ashford Borough Council
Graham Harris	Chief Executive	Dartford Borough Council
William Benson	Chief Executive	Tunbridge Wells Borough Council
David Cockburn	Chief Officer	Kent County Council
Barbara Cooper	Director of E.D.	Kent County Council
Geoff Miles	KEB Chairman	Maidstone Studios
Douglas Horner	Business rep	Trenport Investments Ltd
Paul Winter	Business rep	Wire Belt Company Ltd
Graham Brown	Business rep	Denne Construction Ltd
Stephen Gobbi	Business rep	Peel Ports
Jon Regan	Business rep	High Lowe Farms Ltd and Weald Granary Ltd

In addition, it has been agreed that members from the Forum's Steering Group on Planning will join Ambition Board 1 for discussions on planning. This will include Mark Worrall (Leader of Tonbridge & Malling Borough Council), Peter Wood (Leader of Ashford Borough Council) and Bryan Sweetland (KCC Cabinet Member).

Ambition Board 2:

Name	Position	Organisation
Peter Wood	Leader	Ashford Borough Council
Peter Fleming	Leader	Sevenoaks District Council
Clive Hart	Leader	Thanet District Council
Mark Worrall	Leader	Tonbridge & Malling Borough Council
Brian Cope	Chairman	Kent Fire and Rescue Authority
Graham Gibbens (Chair)	Cabinet Member	Kent County Council
Jenny Whittle	Cabinet Member	Kent County Council
Colin Carmichael	Chief Executive	Canterbury City Council
Nadeem Aziz	Chief Executive	Dover District Council
Alison Broom	Chief Executive	Maidstone Borough Council
Alistair Stewart	Chief Executive	Shepway District Council
Abdool Kara	Chief Executive	Swale Borough Council
Andrew Ireland	Chief Officer	Kent County Council

Ambition Board 3:

Name	Position	Organisation
Jeremy Kite	Leader	Dartford Borough Council
Robert Bliss	Leader	Shepway District Council
Andrew Bowles (Chair)	Leader	Swale Borough Council
Robert Atwood	Leader	Tunbridge Wells Borough Council
Mike Hill	Cabinet Member	Kent County Council
Bryan Sweetland	Cabinet Member	Kent County Council
David Hughes	Chief Executive	Gravesham Borough Council/ Tonbridge & Malling Borough Council
Sue McGonigal	Chief Executive	Thanet District Council
Robin Hales	Chief Executive	Sevenoaks District Council
Ann Millington	Chief Executive	Kent Fire and Rescue Service
Amanda Honey	Chief Officer	Kent County Council

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By: Peter Sass, Head of Democratic Services

To: Corporate Policy Overview and Scrutiny Committee
                     20 March 2012

Subject: **SELECT COMMITTEE - UPDATE**

Classification: Unrestricted

Summary: To update the Committee on the current topic review programme and to invite suggestions for future Select Committee topic reviews.

Select Committee Topic Review Work Programme

1.   (1)   There are currently no Select Committee topic reviews in the work programme which fall under the remit of this Policy Overview and Scrutiny Committee.

(2)   The Select Committee work programme consists of the following:-

- Educational Attainment at Key Stage 2– Chairman Mr C Wells – The Committee completed its evidence gathering sessions which included visiting a number of schools in October/November 2011. The Committee has agreed their draft report which is being shared with Mr Whiting and Mr Leeson on 2 April 2012 prior to submission to Cabinet in Mary 2012 and County Council in July 2012.
- The Student Journey – Chairman Mr Kit Smith – The Committee has completed its evidence gathering sessions with key stakeholders including representatives from business and education, and from young people. The Committee has agreed their draft report which is being shared with relevant Cabinet Members and Corporate Directors on 27 March 2012 prior to submission to Cabinet and to County Council in May 2012.
- Domestic Abuse – Chaired by Mr J Kirby - held its inaugural meeting on 23 February 2012 and is due to hold visits and evidence gathering sessions in May/June/July. The report will be submitted to Cabinet and County Council in December 2012.

Suggestions for Select Committee topic reviews

2.   There will be resources available to start two new Select Committee reviews in May 2012. If Members have any topics that they would like to put forward for consideration for inclusion in the future topic review programme, they should contact the Democratic Services Officer for this Committee.

3.   **Recommendation** Members are asked to note the Select Committee topic review update and to advise the Democratic Services Officer of any items that they would like to suggest for inclusion in the Select Committee topic review programme

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Background Information: *Nil*

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