POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 11th July, 2012

<u>9.30 am</u>

Darent Room, Sessions House, County Hall, Maidstone





AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 11 July 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 start of the meeting

Membership (15)

- Conservative (13): Mr E E C Hotson (Chairman), Mr R W Bayford, Mr A H T Bowles, Mr J R Bullock, MBE, Ms S J Carey, Mr M J Jarvis, Mr S C Manion, Mr R J Parry, Mr K H Pugh, Mr L B Ridings, MBE, Mr M V Snelling, Mrs P A V Stockell and Mr J N Wedgbury
- Liberal Democrat (1): Mrs T Dean
- Labour (1) Mr G Cowan

UNRESTRICTED ITEMS

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

Webcasting Notice

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A - Committee Business

- A1 Introduction/Webcast announcement
- A2 Membership

To note that Mr L B Ridings, MBE has replaced Mr M C Dance as a member of this Committee.

- A3 Substitutes
- A4 Election of Vice Chairman
- A5 Declarations of Interest by Members in items on the Agenda
- A6 Minutes of the Meeting held on 29 March 2012 (Pages 1 2)
- A7 Meeting dates 2012 & 2013

To note the meeting date for this Committee in 2012 and 2013 as set out below.

Thursday 27 September 2012 Thursday 22 November 2012 Tuesday 8 January 2013 Thursday 25 April 2013 Thursday 20 June 2013 Wednesday 25 September 2013 Thursday 21 November 2013

All meetings will start at 10.00am unless otherwise advised.

B - Key or significant Cabinet Member Decision(s) for recommendation or endorsement

- B1 Facilities Management Review Decision 12/01838 (Pages 3 10)
- B2 Kings Hill Land transactions (to follow)
 - a) MOD Boundary Rationalisation
 - b) Gas Governor Installation
 - c) <u>Redevelopment of Toilet Block Central Area</u>
 - d) <u>Area 64 boundary rationalisation</u>

C - Monitoring of Performance

- C1 Business Strategy & Support performance dashboard (Pages 11 22)
- C2 Business Plan outturn monitoring 2011/12 (Pages 23 30)
- C3 Business Strategy & Support Directorate Financial Outturn 2011/12 (Pages 31 38)
- C4 Budget Consultation (Pages 39 42)

D - other items for comment/recommendation to the Leader/Cabinet Member/Cabinet or officers

- D1 Establishing Kent Local Healthwatch (Pages 43 50)
- D2 Kent County Council Equality Objectives (Pages 51 62)

Motion to exclude the Press and Public

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

E - Key or significant Cabinet Member Decision(s) for recommendation or endorsement

- E1 Sittingbourne Community facility Decision 11/01794 (Pages 63 74)
- E2 Finalising the Procurement of External Services in the Day to Day Management of Oakwood House -Decision 12/1836 (Pages 75 78)
- E3 Margate Housing Initiative Decision 12/01910 (Pages 79 84)
- E4 Kent County Council / Kier Initiative Decision 12/01911 (Pages 85 98)
- E5 Kings Hill Ransom Strip Serving Area F1 (to follow)
- E6 To agree to the disposal of a miscellanea of premises known as Wrens Cross, Maidstone (to follow)

F - other items for comment/recommendation to the Leader/Cabinet Member/Cabinet or officers

F1 District approach to re-provision of capital projects linked to disposals - Decision 12/01837 (Pages 99 - 102)

Peter Sass Head of Democratic Services (01622) 694002

Tuesday, 3 July 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.

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POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the on Thursday, 29 March 2012.

PRESENT: Mr R W Bayford, Mr A H T Bowles, Mr J R Bullock, MBE, Ms S J Carey, Mr N J Collor (Substitute for Mr S C Manion), Mr G Cowan, Mr M C Dance, Mrs T Dean, Mr E E C Hotson, Mr M J Jarvis, Mr R J Parry, Mr K H Pugh, Mr M V Snelling, Mrs P A V Stockell and Mr J N Wedgbury

IN ATTENDANCE: Mr P Sass (Head of Democratic Services)

UNRESTRICTED ITEMS

1. Membership

(Item 1)

The Committee noted its Membership as set out on the agenda.

2. Election of Chairman

(Item 3)

Mr K Pugh proposed and Mr R J Parry seconded that Mr E E C Hotson be elected Chairman.

Carried

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Ву:	Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform
	Rebecca Spore, Director of Property & Infrastructure Support.
То:	Policy and Resources Cabinet Committee – 11 th July 2012
Subject:	Facilities Management Review - Decision 12/01838

Classification: Unrestricted

Summary. As part of the Council's Medium Term Plan £10 million of revenue savings have been allocated against the delivery of 'Total Place' over the next three years. Part of the strategy to deliver the saving was the implementation of the Corporate Landlord model and the centralised management of property. One workstream being progressed as part of the centralisation of property services is a review of Facilities Management (FM) provision. Current FM delivery across the KCC estate is fragmented, varies in consistency and quality and delivers varying degrees of value for money. This report outlines the present works taking place in developing a clear FM strategy across the Council's property portfolio (Phase 1).

Once Phase 1 has been completed, the Director for Property and Infrastructure Support will seek a decision by the Cabinet Member for Business Strategy, Performance and Health Reform to progress to Phase 2 (implementation).

1 Background to the Facilities Management Review

- 1.1 KCC has adopted the corporate landlord model in respect of the delivery of property services. P&IS has full responsibility for the management of KCC's land and property portfolio including budget responsibility. This involves strategic asset management across the estate. There are approximately six hundred buildings spread across three geographical areas, West, Mid & East Kent. A small proportion of these buildings are serviced directly by seventy eight FM staff, providing reception facilities, porter service, post room, caretaker, cleaning, car parking, meeting room management and basic maintenance.
- 1.2 The remainder of the buildings are serviced via the following
 - Kent Facilities Management (part of Commercial Services)
 - Third Party Contracts

- TFM (Total Facilities Management) through external suppliers
- Bundled Services through external suppliers
- Single services through specialist external suppliers

2 Need for Change of Use

- 2.1 The value of spend in this category is approximately £30m (taken from invoices paid 2010-11). The key objective is to deliver high quality, consistent and cost effective FM services across the portfolio.
- 2.2 The current fragmented delivery model is inefficient, with the Council not benefiting from economies of scale across its portfolio. It is anticipated that through adopting a different delivery model, significant savings can be achieved. Savings of 10% against current spend have been targeted as part of this review.
- 2.3 The following FM options are being considered as part of the review
 - Do nothing and remain with a fragmented service not considered viable
 - Kent Facilities Management
 - Other internal options within KCC (existing internal employees)
 - Total Facilities Management
 - Bundled soft services
 - Bundled hard services
 - Bundled hard and soft services
 - Single service providers
 - "Hybrid" combination of options
- 2.4 The current position suggests there is a strong case for a new sourcing strategy for FM that targets rationalisation and competitive market testing which will achieve savings and value-add benefits. The scope of services being considered as part of the review is:

Managed Services:-

- Health and Safety Management
- Authorised Persons and Permits to Work
- Special Needs Services
- Risk Management
- Environmental Management
- Business Continuity Management

Hard Services

- Planned Preventative and Reactive Maintenance
- Fabric Maintenance

- Re-Lamping
- Fire Detection Systems
- Lifts, Hoists and Conveyance Systems
- Security, Access and Intruder Systems and Safety Film
- Standby Power Systems
- AV Equipment Maintenance
- Television Cabling
- Hard Landscaping Maintenance
- Soft Landscaping Maintenance
- Control of Asbestos
- Water Hygiene
- Statutory Inspections
- Portable Appliance Testing
- Building Management Systems
- Locksmith Services

- Clocks
- Furniture Management System
- Signage

Soft Services

- Catering
- Room Bookings
- Cleaning
- Pest Control
- Waste Management
- Reception Services

3 Current status

- Security Services

- Mail Services
- Reprographic Services

Additional Services

- Space Management
- Statutory/Compliance Surveys
- Change Management
- Best Practice Guidance
- Move Management
- 3.1 A FM services review is being undertaken by a Steering Group with a target of implementing a new approved FM strategy from August 2012 with completion by April 2013.
- 3.2 The review has been divided into two parts: Phase 1, which is to review the current situation and then develop a FM Strategy in line with best practice and value for money, and Phase 2 that involves the implementation of the final strategy.
- 3.3 To help support the review, KCC ran a small competition to source a suitably experienced FM consultant, and Mace Macro was selected. The consultant has been appointed to provide the below Phase 1 support works, and KCC has the option to employ the consultant for Phase 2 depending on the agreed FM Strategy and support requirements:

Phase 1 (Consultant's requirements)

- 1. A report that sets out the current baseline position, considers the options for future service delivery and recommends a strategy that will deliver against the Council's key objectives.
- 2. Produce a Project Definition Document for approval by the Steering Group.
- 3. Produce a report that includes intelligence on the current market for our requirement and benchmarking against other local authorities and private sector organisations.
- 4. Develop a target-operating model, implementation plan (with timeline), change strategy and procurement plan options (with savings targets) for approval by Steering Group.

5. Produce specifications for use in the procurement process. **Phase 2 (Strategy Implementation)**

- 1. Support the procurement process.
- 2. Support supplier selection process.
- 3. Support mobilisation process.

Key project milestones:

Milestones	Finish
Phase 1, April 2012 – FM site Data	June/July 2012
collection	-
Phase 1, April 2012 – Source and	May 2012
appoint FM consultant	
Phase 1, May 2012 – Consultant's	July 2012
review data, investigate opportunities	
for improvement, produce proposed	
FM Strategy.	46
Presentation on option appraisal	11 th July 2012
and key findings to the Steering	
Group	
Phase 1, July 2012 – Steering Group	August 2012
review FM Strategy and propose way	
forward with Senior Management.	
Recommendation to Cabinet	Mid August 2012
Member for Business Strategy,	
Performance and Health Reform	
Phase 2, August/Sept 2012	March/April 2013
Commence and Implement FM	
Strategy.	

The Steering Group:

- 3.4 The Steering Group is led by Rebecca Spore, the Director of Property and Infrastructure Support and meets bi-weekly. The Steering Group supports the Director by progressing and managing the works under Phase 1. This includes reviewing the present services, and producing and agreeing a FM strategy with our FM consultant for implementation during Phase 2.
- 3.5 At this stage of the FM review, the principal members of the Group are:

Name	Organisation/Team	Role
Rebecca Spore	KCC	Director of Property and
		Infrastructure Support
Terry Whitlock	KCC	Head of Operational
		Services
Edward Baldwin	KCC	Procurement Manager
Anne Fido	KCC	FM Contracts Manager
Bev Palmer	KCC	FM Contracts Manager
Justin Hills	KCC	FM Contract Manager
Tom Micklewright	KCC	PFI and FM Contracts
		Team Manager
Vikram Bhatia	Mace Macro	FM Consultant

Please note – Vikram Bhatia is supporting KCC during this work, but is not a member of the Steering Group

4 Relevant priority outcomes

4.1 The key objective is to deliver high quality and cost effective FM services across the portfolio. There is an expectation that this will be delivered through rationalisation and the introduction of cost effective contracts and partnerships taking into consideration current delivery mechanisms through Commercial Services, external providers and in-house services. The objective will also respond to Bold Steps for Kent, environmental targets, operational risk management, diversity and ensuring any outcomes meet the needs of all Kent residents.

5 Consultation and Communication

5.1 At this stage of the FM review, limited consultation has been made, but once Phase 1 is complete and the consultant's proposed FM strategy is available. this will be shared with senior management and principle members and a full communication strategy implemented

6 Financial Implications

6.1 Delivery of a proportion of the £10 million savings is dependent on this review. It is likely that TUPE will apply to any option that is progressed other than maintaining the status quo.

7 Risk

7.1 The following risks have been identified.

Strategy Risks

- 1. Outsourcing undesirable functions versus the ones that provide the greatest competitive advantage.
- 2. Not clearly defining goals and objectives before starting the outsourcing process.
- 3. Not establishing an effective internal baseline against which providers are measured, including costs, service and value adds.
- 4. Inadequate business case development for the outsourcing decision.
- 5. Making the decision to outsource without complete information on internal costs and processes.
- 6. Not considering the impact of outsourcing on other functions and ignoring areas of risk such as environmental and regulatory factors.
- 7. Failure to understand human relations and employment law requirements for an outsourcing initiative.
- 8. Announcing outsourcing before sufficient detail has been finalised, creating morale issues.
- 9. Lack of risk analysis and risk assessment planning.

Implementation Risks

- 1. Initiating an agreement with a service provider that limits flexibility in the future.
- 2. Having an unrealistic timeline for any of the steps of implementation.
- 3. Not fully defining an employee transition plan.
- 4. Not getting the operational issues resolved in the service agreement before moving into the legal aspects of the agreement.
- 5. Inadequate planning concerning information systems and interfacing with the service provider.
- 6. Insufficient technology development.

8 Equality Impact Assessments

8.1 The Steering Group and potential future KCC Contracts Management Team will ensure the needs of stakeholders who use FM services across the estate are considered as and when future service providers implement a new policy, or when they make a change to a current policy or service. An equality impact assessment will be undertaken as part of the final decision report.

9 Sustainability Implications

9.1 The final FM Strategy will include a strong commitment to sustainability, in line with KCC's policies.

10 Conclusion

- 10.1 The Steering Group is moving towards the end of Phase 1, where the FM Consultant will present the proposed FM Strategy to the Group on the 11th July 2012.
- 10.2 Following the presentation and questions to the consultants, the Group will further review the Strategy to ensure it includes all the required elements and is workable. Once this is complete and the Group are satisfied that the FM Strategy offers the best way forward for KCC, the Strategy will be presented to Senior Management and Principle members. A decision report will be prepared for the Cabinet Member for Business Strategy, Performance and Health Reform to proceed into the implementation stage. The Director of Property & Infrastructure will provide further updates on progress to the committee

11 Direction Required: None

11.1 The P&R Committee are asked to endorse the principles of the FM review and that following the completion of Phase 1 a decision is taken by the Cabinet Member for Business Strategy, Performance and Health Reform to move forward into the implementation stage.

12 Background Documents

None.

Contact details -

Terry Whitlock, Operational Services Manager, 01622 694348

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From:	Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform
	David Cockburn, Corporate Director for Business Strategy and Support
То:	Policy and Resources Cabinet Committee
Date:	11 July 2012
Subject:	Business Strategy & Support performance dashboard
Classificatio	on: Unrestricted

Summary: The Business Strategy & Support performance dashboard provides members with progress against targets set in the current financial year's business plans for key performance and activity indicators.

Recommendation: Members are asked to REVIEW the Business Strategy & Support performance dashboard, including reviewing the appropriateness and relevance of the indicators currently included in the dashboard.

Introduction

1. Appendix 2 Part 4 of the Kent County Council Constitution states that:

"Cabinet Committees shall review the performance of the functions of the Council that fall within the remit of the Cabinet Committee in relation to its policy objectives, performance targets and the customer experience."

2. To this end, each Cabinet Committee is receiving a performance dashboard.

Performance Review

- 3. There are two main elements of the Performance Review which members are asked to consider:
 - Reviewing progress against the targets set in the current year business plans, as shown in the attached dashboard,
 - Reviewing the appropriateness and relevance of the indicators currently included in the dashboard.
- 4. In particular members are asked to consider what are the key high priority indicators they would wish to see included in future dashboard reports and how the selection of indicators could be improved to cover qualitative aspects of service delivery.

5. As an outcome of their Performance Review, members may make reports and recommendations to the Leader, Cabinet Members, the Cabinet or officers.

Business Strategy & Support performance dashboard

- 6. The Business Strategy & Support performance dashboard, attached at Appendix 1, includes latest available results for the key performance and activity indicators included in this year's business plans for the following divisions: Finance & Procurement; Governance & Law; Human Resources; ICT; Property & Infrastructure Support and the International Affairs Group.
- 7. Cabinet Committees have a role to help shape the selection of indicators included in future year business plans, improving the focus on strategic issues and qualitative outcomes, and this will be a key element of their first review of the dashboard.
- 8. Where frequent data is available for indicators the results in the dashboard are shown either with the latest available month (May unless stated otherwise) and a year to date figure.
- 9. Performance results are assigned an alert on the following basis:

Green: Current target achieved or exceeded

Red: Performance is below a pre-defined minimum floor standard

Amber: Performance is below current target but above minimum floor standard.

- 10. It should be noted that for some indicators where improvement is expected to be delivered steadily over the course of the year, this has been reflected in phased targets. Year End Targets are shown in the dashboards but full details of the phasing of targets can be found in the Cabinet approved business plans.
- 11. Where data is only available annually, a forecast is provided and the result is assigned a similar alert to other indicators, by comparison of the Forecast with the Year End Target.

Performance Indicators Commentary

12. To assist members with the performance review, commentaries are provided below (see next page) for those indicators which are showing as Red within the dashboard.

Indicator	Commentary
Percentage of Freedom of Information Act requests completed within 20 working days	An action plan is in place and has been agreed at Corporate Board. Sustained improvement is being delivered in response times and performance is expected to be above the floor standard for the full year result. The Cabinet member for Business Strategy, Performance and Health Reform and Corporate Board receive regular reports on progress. A Signed Undertaking was made by the Cabinet member in January stating that the council will ensure sufficient resources are allocated to request handling and that the council will endeavour to provide responses within timescale.
Percentage of Data Protection Act requests completed within 40 calendar days	Covered by same action plan relating to Freedom of Information requests and handled by same team, with a similar process in place.
Percentage of Local Government Ombudsman complaints responded to within 28 days	Responsibility for responding within timescale lies with service directorates, where it was devolved part way through last financial year. Most complaints relate to adult and children social care. Performance results have shown some deterioration since responsibility was devolved to services and in response the responsibility for Ombudsman complaints will in future be co- ordinated by the central complaints team in the Customer and Communities directorate.
Percentage of rent due which was recovered	Results are not as expected and the measurement methodology and indicator definition are under investigation to ensure appropriate and accurate reporting is in place for future reports. The option to report an alternative indicator relating to overdue rent and aging of debt is being considered.
Percentage of employees registered on Kent Rewards	The recent drop in performance on this indicator was a result of a data quality exercise. Action is being taken to bring performance back to previous levels by the end of the year.

Recommendations

13. Members are asked to REVIEW the Business Strategy & Support performance dashboard.

Contact Information

Name: Richard Fitzgerald Title: Performance Manager Tel No: 01622 221985 Email: <u>Richard.fitzgerald@kent.gov.uk</u> This page is intentionally left blank

Business Strategy & Support Performance Dashboard

May 2012

Produced by Business Intelligence, Business Strategy

Publication Date: 20 June 2012



Guidance Notes

RAG RATINGS

GREEN	Performance has met or exceeded the current target
AMBER	Performance is below the target but above the floor standard
RED	Performance is below the floor standard

Floor standards are pre-defined minimum standards set in Business Plans and represent levels of performance where management action should be taken.

DOT (Direction of Travel)

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	仓	Performance has improved in the latest month
J	Û	Performance has fallen in the latest month
	\Leftrightarrow	Performance is unchanged this month

Divisions

HR	Human Resources
P&I	Property & Infrastructure Support
F&P	Finance & Procurement
G&L	Governance & Law
ICT	Information & Communications Technology
IAG	International Affairs Group

Please note:

For some indicators where improvement is expected to be delivered steadily over the course of the year, this has been reflected in phased targets. Year End Targets are shown in this dashboard but full details of the phasing of targets where appropriate can be found in the Cabinet approved business plans.

Where data is only available annually, a forecast is provided and the result is assigned a similar alert to other indicators by comparison of the forecast with the year end target.

Indicators which show the comment "Snapshot data" under Year To Date Result show results which are a snapshot position at the month-end. For such indicators a Year To Date Result is not applicable, as results do not accumulate through continuous measurement.

Glossary

N/A Not applicable TBC To be confirmed

Indicators with monthly data available

Indicator	Divi sion	Latest Month Result	Month RAG	DOT	Year to Date Result	Year to Date RAG	Year End Target	Floor Standard	Previous Year
Supporting strategic objectives									
Percentage of graduates appointed through GradsKent who are placed outside KCC	HR	87.5%	GREEN	仓	80%	GREEN	65%	60%	65.2%
Percentage of KCC staff headcount aged 25 and under (excludes casual contact staff)	HR	6.8%	AMBER	\Leftrightarrow	Snapsł	not data	7%	6.8%	6.8%
Percentage reduction in temporary school classrooms	P&I			Indicat	tor under d	levelopmen	t		New Indicator
Meeting timescales (internal process)									
Percentage of pension correspondence dealt with within 15 working days	F&P	98%	GREEN	ţ	98.5%	GREEN	95%	90%	98%
Percentage of retirement benefits paid within 20 working days of all paperwork received	F&P	99%	GREEN	仓	98.5%	GREEN	95%	90%	99%
Percentage of invoices paid within 20 days	F&P	80%	AMBER	Û	81.5%	AMBER	90%	80%	85.4%
Percentage of Council and Committee papers published at least five clear days before meetings	G&L	100%	GREEN	Û	100%	GREEN	100%	100%	100%
Percentage of Freedom of Information Act requests completed within 20 working days	G&L	,	calendar o 22 June	仓	82%	RED	100%	85%	77%
Percentage of Data Protection Act completed within 40 calendar days	G&L		calendar to 7 June	仓	74%	RED	100%	100%	79%
Percentage of Local Government Ombudsman complaints responded to within 28 calendar days	G&L	Data up t	o 22 June	Û	27%	RED	100%	100%	48%
Percentage of people management cases (excluding ill-health) resolved within 3 months	HR	72.7%	AMBER	仓	68%	AMBER	100%	60%	63%
Percentage of call out requests responded to with specified timescales	P&I	D	ata availat	ole from September			90%	85%	New Indicator

Indicator	Divi sion	Latest Month Result	Month RAG	DOT	Year to Date Result	Year to Date RAG	Year End Target	Floor Standard	Previous Year
Financial control and efficiency (see also annual indicators below)									
Percentage of sundry debt outstanding under 60 days old	F&P	80%	GREEN	仓	Snapsh	not data	75%	57%	57%
Percentage of sundry debt outstanding over 6 months old	F&P	11%	GREEN	仓	Snapsh	not data	18%	28%	28%
Percentage of rent due which was recovered	P&I	47%	RED	仓	46%	RED	95%	90%	New Indicator
Developing and supporting staff									
Percentage of expense claims made through self-service	HR	77%	GREEN	仓	77%	GREEN	76%	75%	76%
Percentage of sickness notification transactions by self-service	HR	53%	GREEN	仓	53%	GREEN	46%	46%	46%
Percentage of staff redeployed through Priority Connect	HR	33.3%	AMBER	Û	38%	AMBER	90%	30%	34.2%
Percentage of employees registered on Kent Rewards	HR	39%	RED	Û	39%	RED	60%	52%	63%
ICT help desk – percentage of incidents resolved at first point of contact	ICT	66.4%	AMBER	Û	67.8%	AMBER	70%	65%	68.6%
Oracle systems availability	ICT	100%	GREEN	\Leftrightarrow	100%	GREEN	99.95%	99.95%	100%
Feedback and satisfaction									
Percentage of training events with overall satisfaction rating of 4 (satisfactory) or higher	HR	100%	GREEN	N/A	100%	GREEN	75%	75%	New Indicator
Percentage satisfaction with the ICT help desk	ICT	98.9%	GREEN	仓	98.6%	GREEN	98%	95%	98.1%
Percentage of end users satisfied with service from Property and Infrastructure division	P&I	Indicator under development				New Indicator			

Annual Indicators

Indicator	Division	Forecast	Forecast RAG	Year End Target	Floor Standard	Previous Year
Supporting strategic objectives						
Reduction in CO ₂ Emissions of Non-School Estate	P&I	2%	GREEN	2%	1%	TBC
Number of up-skilling opportunities per £m of contracts let (including apprenticeships and other workplace training)	P&I	2	GREEN	2	1.8	New Indicator
Financial control and efficiency						
External income generated by legal services	G&L	£1,582k	GREEN	£1,582k	£1,234k	£1,508k
External legal costs paid by KCC	G&L		New indica	ator under de	velopment	
Core HR cost per employee	HR	£180	GREEN	£180	£199	£199
Core HR staff per 1,000 employees	HR	6.5	GREEN	6.5	6.8	6.8
Percentage of annual income target generated	HR	100%	GREEN	100%	90%	97%
Workstations supported per support specialist	ICT	355	GREEN	355	346	351
Percentage of net capital receipts target of £17.6 million achieved	P&I	98%	GREEN	98%	80%	New Indicator
Increase in estates income	P&I	7%	GREEN	7%	4%	New Indicator
Reduction in property running costs per m ² of non- school estate	P&I	3%	GREEN	3%	2%	New Indicator
Average office floor space per member of staff in office based teams	P&I	6m ²	GREEN	6m ²	8m ²	New Indicator
Percentage of capital buildings projects where the actual cost is within +/- 5% of the budget	P&I	100%	GREEN	100%	98%	New Indicator
Value of funding successfully bid for by Kent based organisations supported by KCC	IAG	€1m	GREEN	€1m	€1m	€3.3m
Project draw down in to Kent facilitated	IAG	€1.5m	GREEN	€1.5m	€1.5m	New Indicator

Indicator	Division	Forecast	Forecast RAG	Year end Target	Floor Standard	Previous Year
Developing and supporting staff						
Average percentage completion of Kent Manager Programme by KR9 and above	P&I	50%	GREEN	50%	40%	New Indicator
Percentage of eligible managers in HR completing at least 1 module of Kent Manager	HR	100%	GREEN	100%	90%	New Indicator

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From:	Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform
	David Cockburn, Corporate Director for Business Strategy and Support
То:	Policy and Resources Cabinet Committee
Date:	11 July 2012
Subject:	Business Plan outturn monitoring 2011/12
Classificatio	on: Unrestricted

Summary: The 2011/12 Business Plan outturn monitoring provides highlights of the achievements in the year for the Business Strategy and Support Directorate.

Recommendation: Members are also asked to NOTE this report.

Introduction

1. A full Business Plan monitoring exercise was conducted at the end of the financial year, with the aim of identifying achievements and also areas where tasks were not completed.

Business plan outturn monitoring

- 2. A summary report of the findings of the Business Plan outturn monitoring for the Business Strategy and Support Directorate is attached at Appendix 1.
- 3. Significant achievements during the year are highlighted within the report.
- 4. The majority of projects, developments and activities included within the Business Plans have been completed and where projects have not been completed this is shown within the report on an exception basis.

Recommendations

5. Members are asked to NOTE this report.

Contact Information

Name: Richard Fitzgerald Title: Performance Manager Tel No: 01622 221985 Email: <u>Richard.fitzgerald@kent.gov.uk</u> This page is intentionally left blank

2011/12 Business Plan Monitoring: Business Strategy and Support

Achievements

1 Highlights of achievements for the year are shown below by Division.

2 Business Strategy:

- 2.1 New centralised business strategy division established, bringing together strategic policy and analyst resources from across the council.
- 2.2 Ongoing policy support to directorates delivered through new working relationships.
- 2.3 Good foundations to prepare the local authority for a new role in relation to the NHS reforms has been delivering, including the establishment of the shadow Health and Wellbeing board.
- 2.4 Strategic priorities for KCC were refined with member involvement through Bold Steps workshops with POSC members with the "Delivering Bold Steps" document was approved by County Council in July.
- 2.5 Performance management arrangement improved, including a new Quarterly Performance Reporting for Cabinet and the Performance Assurance Team (PAT) was established in June (now evolved to become the Performance and Evaluation Board).
- 2.6 Formal consultation on the draft Vision for Kent took place from June to August 2011 with nearly 800 responses received and the Vision was subsequently approved at County Council in December.
- 2.7 The three county Ambition Boards were successfully established.
- 2.8 Provided research and analysis to the council to support strategy and policy development and to inform decision making, including the Children's Services Improvement Plan, the Customer Service Strategy, Youth Transformation programme and Libraries modernisation programme.
- 2.9 The Community Budgets and Big Society Fund projects were established and operations transferred to Customer & Communities directorate for delivery.
- 2.10 Successfully delivered support, advice, research and analysis to Members and Democratic Services including research support to Select committees for the Dementia review and the Student Journey and Attainment review.

3 Governance and Law:

- 3.1 Legal Services have continued to provide extensive, timely and pro-active advice and representation in response to the dramatic increase in care proceedings for children and young people.
- 3.2 Continued to provide effective support to the business in relation to the following major areas: Building Schools for the Future, conversion of schools to New Academies (60 converted and 30+ currently in the pipeline).
- 3.3 Continued providing satisfactory advice to other KCC departments to help deliver their strategic priorities.
- 3.4 External income increased by 24% on previous year.
- 3.5 Delivered a number of high profile seminars for the public sector, with over 300 delegates and two full day conferences on Judicial Review and Employment Law. The seminars provide accredited Continuing Professional Development points, at minimal or no cost, supporting councils to deliver professional development for their staff.

- 3.6 Revised Governance Arrangements for the council were consulted on and designed with introduction in April 2012.
- 3.7 The new Information Resilience & Transparency Team was set up in April 2011.
- 4 Human Resources (HR):
- 4.1 Coordination of restructuring activity has been delivered on a consistent basis across KCC, with support provided for over 200 restructures and other changes.
- 4.2 The division re-structured to align delivery to the service structure, while achieving savings of £1.955m.
- 4.3 KCC's Organisation Development and People Plan was approved and is being delivered.
- 4.4 A workforce strategy and compelling offer for Specialist Children's Services has been developed and implementation has commenced to support the Children's Services Improvement Plan.
- 4.5 CRB Broker Status was achieved (one of only 3 providers and the only one in the public sector), with provision of an e-bulk CRB solution to Buckinghamshire County Council and with 73 new CRB customers using the on-line CRB service.
- 4.6 Decision Making Accountability, an internationally recognised organisational design tool was implemented and is being used for all re-structuring exercises to ensure appropriate spans and tiers of management.
- 4.7 The Coaching and Mentoring network, a partnership project ked by KCC, has expanded to become the South East Coaching and Mentoring Network, with over 200 qualified coaches.
- 4.8 The Kent Manager, an externally accredited management scheme, linked to our leadership competencies and behaviours framework, was launched for KCC staff in September 2011.
- 4.9 New Total Contribution Process (TCP) arrangements were implemented with the transfer to Kent Range Grades on Oracle for 12,000 schools support staff.
- 4.10 New self-service functionality has been implemented for HR Oracle databases to improve efficiently in the delivery of HR supported functions sickness recording, expense claims etc.
- 4.11 Payroll services to other customers was expanded, including East Kent Housing and 61 schools.
- 4.12 The Priority Connect System to match staff re-deployees to vacancies went live in April 2011, improving the levels of successful redeployment in KCC.
- 4.13 The Health and Safety Team supported partners engaged with local businesses and provided guidance for SMEs on Kent.gov.
- 5 Information and Communication Technology:
- 5.1 Improvements were delivered to the Sessions House data centre, providing increased resilience to the council's core ICT systems.
- 5.2 The move out of the Pipex third party data centre to the two regional data centres (Medway and Maidstone) was completed with performance improvements delivered.
- 5.3 The Local Area Network (LAN) refresh to improve reliability and enable the unified communications project was mostly completed. Some additional sites

have been added to the scope with the work expected to be complete by September.

- 5.4 A range of projects to support business change were delivered including providing ICT facilities for the new Ashford gateway Plus, the Sheerness Gateway and the Maidstone Library and History Centre and movement of the traffic management centre from Miller House to Doubleday House.
- 5.5 A new Integrated Children System (ICS) has been procured and implementation is underway.
- 5.6 A new overarching Adult Integrated System module for the adult social care Swift software application has been implemented for about half of the user base, with the roll out continuing to go to plan.
- 5.7 Telephone communication between major KCC sites is now being routed over the Kent Public Service Network (KPSN), delivering financial savings and laying the ground for the Unified Communications project.
- 5.8 We achieved accreditation for the KPSN to be attached to the government Public Sector Network.
- 5.9 KPSN has expanded with the addition of Kent Fire and Rescue and Tertiary Education as partners. Successful migration of sites in both sectors to KPSN has resulted in lower network costs for all partners.
- 5.10 All file stores, previously distributed at 147 different sites, have been migrated to resilient mass storage housed in the regional data centres, providing cost and energy savings.
- 5.11 Use of Windows 7 and Office 2010 is being piloted in advance of county wide roll out with associated training being identified to facilitate greater business efficiency. The upgrade from Exchange 2003 to Exchange 2010 has been planned and will be delivered by September.
- 5.12 Rural Broadband grants have been made to Kingston, Yalding, Eythorne, Rolverden and Sandgate. The evaluation for Chilham has taken longer than expected, so a grant award will not take place until 2012/13.
- 5.13 The Kent Connects Managed Marketplace pilot was successfully launched. This will provide a space to enable the sharing, procuring and selling of IT services, products, processes and expertise between Kent public sector partners.

6 Finance and Procurement

- 6.1 Enhanced budget monitoring arrangements were put in place, building on the PID savings process and regular reports were provided to the various Committees on progress against the £95m savings.
- 6.2 The 2012/13 Budget and Medium Term plan proposals were produced on time and to an earlier deadline than previous years.
- 6.3 The 2010/11 Accounts were signed off unqualified before any other County Council.
- 6.4 The Budget Programme Board was established and has helped to make significant progress in producing a draft budget for 2013/14.
- 6.5 The Finance and Procurement restructure was delivered and made a saving of 30% which equates to £3.1m per annum.
- 6.6 Short term improvements to Oracle Financials have been implemented to assist budget managers and finance staff, prior to the wider Oracle ERP improvements. A longer term Oracle solution has been developed to enable budget managers to become more self-supporting.

- 6.7 A new accounting code structure was implemented in time to retain strong financial control throughout 2011/12.
- 6.8 The Head of Procurement has been recruited and there is now a full procurement team, which is developing procurement strategies for approval by the Procurement Board.
- 6.9 The Superannuation Fund investment strategy has been implemented.
- 6.10 The capital programme processes continue to be reviewed as part of the restructures in both finance and property, particularly in the light of corporate landlord changes.
- 6.11 The Audit Plan was largely delivered and the new structure is fully working with a strong interim Head of Audit.
- 6.12 Engagement is taking place with district council colleagues to develop a response to the localisation of council tax benefit.
- 6.13 40 schools were supported in their transfer to academy status.
- 6.14 The EduKent model continues to be developed as a more commercial and focused means of supporting schools.

7 Property and Infrastructure:

- 7.1 The restructure of the Division was completed and took effect in January 2012, with the £2.54m savings target met.
- 7.2 Supported the successful judicial review claim against DfE, concerning the unsound decision for the cancellation of the Building Schools for the Future Wave 4 Programme.
- 7.3 Kent has been accepted as one of the11 local authorities under the Local Government Group Capital and Assets Programme (CAP) wave 2 path followers. This provides access to support and expertise to drive forward asset collaboration projects with partner agencies across Kent.
- 7.4 Delivered various successful building projects for the council:
 - The Kent History and Library Centre,
 - The Ashford Gateway Plus,
 - Transformation of Gravesend Library,
 - Handover of the Turner Contemporary building to the Turner Contemporary Trust,
 - Property elements of the Good Day Programme for Maidstone and Canterbury were delivered.
- 7.5 Progressing various school building programmes:
 - Handover of Beaver Green and Warden Bay schools,
 - Construction of The Spires Academy, Skinners Kent Academy and Isle of Sheppey Academy underway,
 - Construction of Repton Park school commenced,
 - The feasibility sign off achieved for Knole Academy, The John Wallis and St Augustine Academies,
 - Wilmington Academy and Goat Lees School have achieved Planning Permission,
 - The handover of Cornwallis, Marsh and Longfield Academies have been completed.
- 7.6 Achieved target for KCC buildings to remain open for 98% of the time.
- 7.7 Rental income from the estate increased by £43.6k or 8.4% (5% target).
- 7.8 Work on the identification of leasehold properties for potential vacation was undertaken and is being used in conjunction with service reviews to influence the rationalisation of the estate.

7.9 Capital receipts of £15.2m were achieved against a target of £8.8m.

Delayed and Halted Projects

8 The majority of projects outlined in the business plans were achieved by the end of the year. Due to movements in areas of responsibility during the year, some projects were finally delivered within other directorates. Projects and targets which have been delayed, halted or not achieved are shown below.

9 Business Strategy

9.1 The Statements of Recommended Practice (SORP) programme was agreed and four SORPs delivered in 2011/12 (Finance & Business Planning, Performance Management, Risk Management, Project & Programme Management). However, the full SORP programme was paused in February 2012 to reflect on whether the SORP product was fit for purpose. Subsequent proposals to turn SORPs into light touch, management guides were agreed by Governance & Audit Committee in April 2012.

10 Governance and Law:

- 10.1 Compliance for responding to Freedom of Information requests within timescale was behind target (77% for calendar year 2011), due to staff vacancies and implementation of the new team structure.
- 10.2 The average time to response to Ombudsman complaints was 29.96 days, behind the target of 28 days.

11 Human Resources:

- 11.1 The implementation of the Independent Safeguarding Authority Vetting and Barring Scheme for schools was halted by the government, with revised arrangements expected following the Protection of Freedoms Bill becoming law.
- 11.2 The roll out of the on-line learning management system was not completed in the year and is now scheduled for June 2012.
- 11.3 The launch of an Emerging Leaders Talent Pool has been delayed until 2012 due to organisation transformation and restructures.
- 11.4 Development of a new approach to out of hours and weekend working has been delayed as Personnel Committee decided this should be taken forward as part of a wider terms and conditions review in 2012/13. The scope of the review will also include employee policies and benefits.
- 11.5 A review of the employer position and policy in the light of changes to the Local Government Pension Scheme is delayed until changes to the scheme are announced by government.
- 11.6 A new recruitment management system and improvements to HR Connect (KCC recuitment centre) has not yet been delivered due to problems with the software supplier and a new project will be delivered in 2012/13.

12 <u>ICT:</u>

12.1 The Unified Communications project that will replace KCC's telephone systems and provide many new features, has been delayed. This is due to

some supporting projects taking longer than expected; they are now complete or nearing completion. There was also a shortage of the right technical skills available; these are now in place. It is planned that the core technology will be installed during the summer, with offices starting to get their new phones from October.

13 Property and Infrastructure:

- 13.1 The development of a strategy for future delivery of Facilities Management services is slightly behind programme, with the the strategy to be progressed during the 2012/2013 year.
- 13.2 The implementation of the corporate landlord model took longer to establish than expected due to the complexity of establishing the financial baselines and inclusion of property types. Ongoing refinement will occur in 2012/2013.
- 13.3 The procurement of a contractor's framework was temporarily paused during the James review and central government's review of procurement for new capital projects. The local investment plan is currently on hold pending the outcome of a number of national reviews and a procurement review in property.
- 13.4 The delivery of the new Property Asset Strategy is due in the summer 2012.
- 13.5 The Dartford and Herne Bay Gateways are on hold, pending a programme review.
- 13.6 Due to a change in scope, the programme for the transformation of Oakwood House into A commercial training hotel has seen some delay. Discussions are underway with bidders on options.
- 13.7 Ratings appeals of the KCC property portfolio have been re programmed for the 2012/13.

TO:	Policy & Resources Cabinet Committee – 11th July 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 of Business Strategy and Support
SUBJECT:	Business Strategy & Support Directorate Financial Outturn 2011/12
Classification:	Unrestricted

Summary:

This report summarises the 2011/12 financial outturn for each of the A-Z budget lines within the Business Strategy and Support Directorate.

FOR INFORMATION

1. Introduction:

- 1.1 This is the first round of financial performance reports to the new Cabinet Committees following the introduction of the new governance arrangements with effect from 1 April 2012.
- 1.2 It is important that committees receive timely information on actual costs in advance of considering options for future years' budgets during the autumn. This report therefore includes the final outturn for 2011/12 for each of the A-Z budget lines within the Business Strategy and Support Directorate in the same format as reported throughout the year in monitoring reports, together with an explanation of significant variances from the final cash limit.

2. Business Strategy and Support Directorate 2011/12 Financial Outturn-Revenue

2.1 The provisional revenue outturn was reported to Cabinet on 9th July together with recommendations on rollover for committed projects and contributions to reserves for uncommitted under spends. The overall position for the Business Strategy and Support Directorate was an under spend of £2.237m. In addition, Commercial Services, which is part of the Enterprise and Environment Directorate, over-recovered by £268k.

2.2 Table 1 sets out the original budget, final approved cash limit and spending for each A-Z budget line within the Business Strategy and Support Directorate. The changes between the original budget and final approved cash limit are all within KCC's "virement" rules as set out in Financial Regulations.

Service Unit	Original Budget £000s (Net)	Approved Cash Limit £000s (Net)	Final Outturn £000s (Net)	Variance from Cash Limit £000s (net)
Finance & Business Support				
Finance & Procurement	14,862.0	13,179.0	13,388.6	209.6
HR Business Operations	3,174.0		2,539.4	170.4
Portfolio Total	18,036.0		15,928.0	380.0
Business Strategy, Performance & He	alth Reform	n		
Strategic Management & Directorate Support Budgets	-7,667.0	-1,991.1	-2,013.8	-22.7
Governance & Law	-1,042.0	-1,423.9	-1,852.5	-428.6
Business Strategy	4,209.0	3,388.9	3,179.9	-209.0
Property & Infrasructure	20,730.0	20,221.2	20,132.7	-88.5
Human Resources (exc Business Operations)	9,065.0	9,713.8	8,928.7	-785.1
Information & Communication Technology	19,705.0	19,579.6	18,942.9	-636.7
Health Reform	0.0	180.0	33.8	-146.2
Portfolio Total	45,000.0	49,668.5	47,351.7	-2,316.8
Democracy & Partnerships Portfolio				
Audit & Risk	760.0	852.7	682.0	-170.7
International & Partnerships	1,114.0	835.7	803.0	-32.7
Democratic & Member Services	3,828.0	3,936.1	3,838.9	-97.2
County Council Elections	255.0	505.0	505.0	0.0
District Grants	0.0	703.0	703.0	0.0
Portfolio Total	5,957.0	6,832.5	6,531.9	-300.6
TOTAL Policy & Resources Cabinet Committee	68,993.0	72,049.0	69,811.6	-2,237.4

An extract from the Enterprise and Environment Table 1 showing the outturn position for Commercial Services is included below:

Service Unit	Original	Approved	Final	Variance
	Budget	Cash Limit	Outturn	from Cash
	£000s	£000s	£000s	Limit
	(Net)	(Net)	(Net)	£000s
				(net)
Environment, Highways and Waste				
<u>Portfolio</u>				
Commercial Services (net contribution)	-7,261.0	-6,932.0	-7,200.0	-268.0
Extract Total	-7,261.0	-6,932.0	-7,200.0	-268.0

- 2.3 The significant variations from the approved cash limits are as follows:
 - Finance and Procurement: +£210k. Pressure was due to the creation of a project team to work on the delivery of the Enterprise Resource Planning programme, together with a postponement in the delivery of restructure savings for a Directorate Finance team which transferred to BSS as part of the centralisation of support functions. This saving will now be delivered as part of the restructure of the whole Finance Function.
 - 2. Human Resources Business Operations: +£170k. Schools Personnel Service were given an increased income target of £150k for 2011-12. However, this was without the knowledge that there was going to be a £300k loss of income from ELS as the responsibility for undertaking CRB checks and other support was delegated to Schools. The unit worked hard to sell CRB checks directly to Schools and ended the year only £105k short of its target.

Employee Services has had to postpone some savings from staff reductions until the introduction of Enterprise Resource Planning enables this to happen.

- 3. Governance and Law Legal Services: -£429k. Throughout the year Legal Services experienced additional demand both internally and externally and were therefore able to generate income above that budgeted.
- 4. Business Strategy: -£209k. Staff turnover and reduced activity resulting from the unit restructure and interim arrangements in place for this area, together with additional income for work funded by the European Regional Development Fund.
- 5. Human Resources (non-Business Operations): -£785k. Much of the underspend happened in the Adult Learning Resource Team, mainly due to delays to planned activities such as developing new training strategies and future planned commissioning requirements. Further underspends on providing social work professional training due to a reduction in external commissioning and reduced venue costs. The Social Work Professional team also benefited from these savings. The Workforce Professional Development team also secured additional income.
- 6. Information and Communication Technology: -£637k. The majority of this underspend is the result of projects needing re-phasing (£570k) to 2012/13. ICT runs the Kent Public Services Network and placed orders with the External Provider for large circuit upgrades which, due to delivery

constraints, could not be completed before 31st March 2012. ICT also contains Education iT Services (EiS) who have taken over the contract for providing IT services to BSF schools. The contract start date was rephased until early 2012-13 and is therefore part of the roll-forward requests to Cabinet.

- 7. Audit and Risk: -£171k. Underspend on salaries due to delayed recruitment in order to help mitigate overspend elsewhere within the Finance function. Also work commissioned from external provider will not be completed until 2012-13.
- 8. Commercial Services: -£268k. Trading generated a greater than forecasted contribution following better than expected demand in the final quarter of the year.
- 2.4 The approved budget for 2012/13 was set on the basis of known/forecast activity as at December 2011. All of the above variations from the 2011/12 approved cash limit, relate to one-off issues for 2011/12 and should not impact on the 2012/13 budget. The impact of any ongoing variations into 2012/13 will be reported as part of the in-year budget monitoring together with progress on delivering the savings needed to balance the budget.
- 2.5 The first exception report for 2012/13 budget monitoring was also reported to Cabinet on 9th July. That report shows that there are no revenue issues coming out of the 2011/12 outturn which are expected to impact in 2012/13 and hence no revenue variance is currently reported for the Business Strategy and Support Directorate. However the report does show a forecasted capital overspend of £115k. This is simply a technical timing adjustment where we have received additional external income to fund the expenditure but this cannot be reflected in cash limit adjustments until agreed by Cabinet at the meeting.
- 2.6 The full monitoring as at the first quarter is scheduled to be reported to Cabinet on 17th September. The timing of this Cabinet means reports to the September round of Cabinet Committees may have to be dispatched late in order to include the latest position considered by Cabinet, in a similar way to the papers for this July round of Cabinet Committee meetings have had to be (in some cases).
- 2.7 The under spend for 2011/12 includes a number of areas of committed expenditure which Cabinet agreed to roll forward into 2012/13 as per table 2 below.

Table 2	Amount
Reason for Rollover	£000s
Business Strategy, Performance and Health Reform	
Governance & Law - County Returning Officer Review Part of the 2011-12 underspend in Legal relates to net income received as a result of the County Returning Officer (CRO) Review. A further £20k worth of work is necessary to complete the Review in 2012-13 and this amount is therefore required to be rolled-forward to meet these commitments.	20
Property & Infrastructure - Workplace Transformation 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 £297k is required in order to fund this re-phasing into 2012-13.	297
<i>HR - East Kent Partnership Payroll Project</i> £92k is required to fund the Project Manager post for the East Kent Partnership Payroll project which has re-phased to 2012-13	92
- <i>HR</i> - <i>CPD Programme</i> Early Years funding was received for CPD programmes running over the academic year, many of which are ongoing and will complete by August 2012. Of the £97k received, £40k (5/12ths) is to fund activity already planned for the summer terms and therefore needs to be carried forward to fund those commitments.	40
BSP&HR portfolio - ICT - KPSN Orders have been placed with the External Provider, but due to delivery constraints, these were not completed before 31st March 2012. Consequently, a roll forward is required to fund this commitment in 2012-13.	378
ICT - EiS Delay in release date of Microsoft System Centre	16
<i>ICT - EiS</i> Centrally managed IT solution contract agreed but installation not completed by 31 March 2012	49
<i>ICT - EiS</i> Re-phasing of implementation of the contract to take over the IT services for BSF schools. This was due to complete in February 12 but has been postponed until the start of 2012-13 due to legal complications. One-off funding for the set up costs of this contract was available in 2011-12 and needs to roll forward to 2012-13 to fund this re-phasing.	127

Health Reform Of the original £180k Health Reform budget, £146k has re-phased into 2012-13. In order to implement the corporate activities this funding was identified to deliver, roll forward is required to implement the second phase of the Kent Health Commission; support the establishment of HOUSE projects in Districts across the County and work with mental health issues in communities.	146
Democracy and Partnerships	
Internal Audit To fund remainder of contract with external consultants (Deloitte & Touche Public Sector) to deliver the work in the 2011-12 audit plan, which has re-phased to 2012-13	60

2.8 The balance of the uncommitted under spend (£5.316m) for the County Council will be transferred to the Economic Downturn reserve in accordance with the recommendation to be agreed by Cabinet on 9 July 2012.

3. Business Strategy and Support Directorate 2011/12 Financial Outturn – Capital

3.1 Table 3 identifies the planned and actual spend on all capital projects in 2011/12 and the total approved and forecast spending over the lifetime of these projects.

	2011/12 Expenditure				Total Scheme Cost			
Table 3	Original Budget £000	Approved Cash Limit £000	Final Outturn £000	Variance from Cash Limit £000	Approved Cash Limit £000	Forecast Spending £000	Variance from Cash Limit £000	
Rolling Programmes								
Modernisation of Assets	1811	335	468	133	9243	9248	5	
Disposal Costs	250	120	120	0	1120	1120	0	
Corporate Property Strategic Capital	0	2653	2452	-201	5303	5303	0	
Subtotal	2061	3108	3040	-68	15666	15671	5	
Schemes with Approval to Spend								
Connecting Kent		4	4	0	1212	1212	0	
Connecting with Kent	247	472	499	27	2413	2413	0	
Oracle Release 12	300	394	184	-210	1733	1733	0	
Oracle Self Service Development	125	119	117	-2	633	633	0	
Property Asset Management System	94	35	14	-21	324	324	0	
Sustaining Kent - Maintaining the Infrastructure (incl Energy Efficiency & Energy Reduction Investment Fund vired from E&E in 2011/12)	2926	2206	1913	-293	10845	10845	0	
Better Workplaces / Work Place Transformation		24	0	-24	1054	1054	0	
Connecting Kent	270	270	255	-15	1129	1244	115	
Enterprise Resource Programme (PHASE 1)		774	164	-610	1398	1398	0	
Integrated Childrens System		150	12	-138	1326	1326	0	
Subtotal	3962	4448	3163	-1285	22067	22182	115	
Schemes with Approval to Plan								
Better Workplaces / Work Place Transformation	4000	0	0	0	8807	8807	0	
Subtotal	4000	0	0	0	8807	8807	0	
BSS Total	10023	7556	6202	-1354	46540	46661	121	

3.2 The movements from the original budget and the approved cash limit have been reported in monitoring during the year and the cash limits were changed when the capital programme in the 2012/15 Medium Term Financial Plan was approved in February. The variance from approved cash limit represents the final actual spending for 2011/12 (and forecast spending for future years) since the capital programme was published and includes the following significant issues:

1. Variances from cash limits in 2011/12 are as a result of final quarter rephasing of projects in to 2012/13, hence there are no funding issues for total final scheme projections. The most significant variance, Enterprise Resource Programme -£610k was primarily due to the purchase of Oracle Business Intelligence licences. These licences were planned to be procured in 2011/12 but because of a last minute change to the purchasing route, which improved KCC's cash flow, the formal contract date moved to 1st April 2012.

2. Connecting Kent received some additional funding triggered by an agreement with BT relating to use of Broadband. This will enable additional Broadband connectivity grants to be made to 'not-spots' in future years.

3.3 Re-phasings from 2011/12 will be included in the budget monitoring reports to Cabinet in July and September together with any other issues affecting capital projects which have arisen during 2012/13 so far.

4. Recommendations

4.1 Members of the Policy and Resources Cabinet Committee are asked to note the revenue and capital financial outturn for 2011/12 including rollovers for committed projects and changes to the capital programme due to re-phasings.

Jackie Hansen Business Strategy and Support Finance Business Partner Tel 01622 69(4054) Email Jackie.hansen@kent.gov.uk To: Policy and Resources Cabinet Committee – 11th July 2012

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

Subject: Budget Consultation

Summary: This paper sets out the proposed consultation and communication strategy for the 2013/14 Budget. We are proposing to carry out formal consultation much earlier than in previous years allowing longer to engage with Kent residents and more time for Cabinet and Cabinet Committees to consider the responses.

1. Introduction

1.1 In previous years we have devoted the majority of the budget timetable to informal consultation. Formal consultation has not normally been launched until January (for 2012/13 we were able to launch the formal consultation before Christmas). For the last six years informal consultation has included a discussion with a representative group of local residents facilitated by Ipsos MORI to gauge public opinion about what KCC's priorities should be. Informal consultation has also involved Cabinet Members and member groups, trade unions, senior officers and Policy Overview and Scrutiny Committees.

1.2 This informal process was generally well received but if repeated now runs the risk that the Authority will not comply with statutory guidelines on consultation and could be left open to challenge.

1.3 It must be borne in mind that allowing more time for formal consultation on the forthcoming budget is no substitute for detailed consultation on individual aspects. Consultation on the budget seeks views on the overall priorities/strategy for the County Council and the level of Council Tax. Cabinet Members and Corporate Directors will need to plan for detailed consultation prior to implementing proposals in the budget.

2. Financial Outlook

2.1 We had previously estimated that the Authority would need to make savings in the order of £340m in real terms over the period from 2011 to 2015. The announcements in Spending Review 2010 and subsequent budget statements by the Chancellor of the Exchequer have not materially altered this estimate. The 2011/12 budget included savings of £95m and 2012/13 £100m. The 2012/15 Medium Term Financial Plan (MTFP) estimated further savings of £70m to £80m in each of the subsequent two years, although at the time £78m was still to have specific proposals indentified.

2.2 The need for savings of this magnitude arises from a combination of additional spending demands, reduced government funding and keeping Council Tax as low as possible. We intend to meet the savings requirement through a combination of resisting spending demands, identifying alternative sources of income, driving out efficiency savings which enables the authority to do the same

for less, and embarking upon service transformation with the aim of improving outcomes at less cost to tax payers.

2.3 Early planning for this situation has meant that the authority has not had to resort to "slash and burn" tactics or make drastic in- year changes. The budget continues to be managed responsibly and in spite of the funding reductions and savings requirements we have continued to deliver in-year under spends and been able to put money into reserves to help manage a smooth transition and mitigate the additional risks. We have also been able to borrow from long-term reserves in order to support the budget in short term while transformation savings are developed, this remains a sound tactic.

2.4 It is essential the savings we have put in place and plan to develop for the future are sustainable and result in year on year reductions in our spending requirements. Savings of this magnitude over such a long period are unprecedented. It is more than likely that the need for savings will continue well beyond 2015 if the government is to achieve its target to eliminate the budget deficit. Some are predicting reductions could stretch into a 10 year period.

2.5 We will have a clearer picture of the challenge we are facing when we come to launch the consultation. It is envisaged the consultation will seek views on both the latest proposals in the updated MTFP and to close any gaps which remain.

3. Communication and Consultation Strategy

3.1 We are proposing that we should not only consult much earlier than we have done before, but the consultation should be in much greater depth. Where previously we have informed people of the proposed budget and invited comments, we are proposing to conduct a more proactive communication campaign.

3.2 We are proposing to launch the budget consultation in September. This launch will involve restating the current year's budget in a simple and understandable way. We will set out the challenge facing us over the medium term as outlined in this report i.e. additional spending demands, reduced Government funding and keeping Council Tax as low as possible, leaving us having to find significant (and unprecedented) year on year savings.

3.3 It is inevitable that an early launch would have to be based on the estimated position (including estimates of government funding as its unlikely we will have indicative grant figures). We will then set out how KCC proposes to meet this challenge. Throughout the initial communication we will take a proactive approach making it clear that through a combination of service transformation and efficiencies we believe we should be able to deliver better services for Kent residents and businesses at lower cost.

3.4 We propose to engage with residents, service users, businesses and staff through a combination of local members and locality boards; focus groups looking at the budget issues in greater depth; and face to face meetings/specific activities with particular groups (such as groups representing service providers). We are proposing that we should engage an independent research firm to oversee the in-depth deliberative events with residents. 3.5 The consultation will run for 8 weeks from September through to October. The intention is that we would report the comments/views expressed in the consultation to Cabinet Committees in the November cycle of meetings. This would replace the initial budget reports which were previously presented to POSCs in November. The consultation responses will also be reported to Cabinet in November/December

3.6 An initial Equality Impact Assessment (EqIA) will be undertaken before the consultation starts. We will take account of the results of the EqIA before finalising consultation plans.

3.7 Each Cabinet Committee will be invited to set-up its own Budget IMG, similar to how the POSCs operated last year. This will enable cross-party Membership involvement in the budget from an early stage. This has proved to be a valuable part of the budget process over the past two years and Members are encouraged to continue with this approach.

4. Responding to issues raised in the Consultation

4.1 We are proposing that following Cabinet Committees a formal paper is presented to Cabinet in December. This paper will set out the proposed response to the consultation for agreement by Cabinet and a revised draft budget. This revised draft budget would not only include any changes arising from consultation but would also include the latest on the government settlement (we would hope to have provisional grant settlements in time for the report and initial calculation of the tax base from districts).

4.2 It is proposed that any revisions to the draft budget presented to Cabinet in December would not be subject to further full consultation. Individual Cabinet Committees would have the opportunity to debate changes in the January round of meetings before the budget is finally agreed by County Council in February.

4.3 We will continue on the route we have taken in recent years to make the budget presentation more meaningful to residents, service users, businesses and others outside KCC.

5. Recommendations

5.1 Policy and Resources Committee is asked to:

- a) APPROVE the Communication and Consultation strategy outlined in section 3
- b) COMMENT on the proposal to present a formal response to Cabinet in December

Dave Shipton Head of Financial Strategy Finance & Procurement Business Strategy & Support Directorate Tel (01622) 69459 This page is intentionally left blank

By:	Roger Gough, Cabinet Member for Business Strategy, Performance & Health Reform
То:	Policy and Resources Cabinet Committee – 11 th July 2012
Subject:	Establishing Kent Local Healthwatch
Classification:	Unrestricted

Summary

This paper outlines the progress to date on the programme of work being undertaken to ensure the successful establishment of Kent Local Healthwatch (LHW) by April 2013. It sets out the strategic approach to developing the model and outlines the key stages in ensuring successful delivery of the new requirements.

Earlier iterations of the proposed approach were submitted to the Corporate Board Meeting on 16th April 2012 and the Cabinet Members Meeting on14th May 2012 and suggested changes made accordingly.

The Policy and Resources Committee is asked to note the work currently underway and agree the proposed way forward.

It is proposed that the final proposal be submitted to the Policy and Resources Cabinet Committee in September for formal decision.

Introduction

The Health and Social Care Act 2012 is part of the Government's vision to modernise the NHS so that it is built around patients, led by clinicians and focused on delivering world-class health care outcomes. The vision is for health and social care to be focused on and give more voice to users of services and one of the main ways of strengthening the user's voice is the creation of a new consumer champion – Healthwatch.

Local Involvement Networks (LINks), which currently represent the public voice on health and social care services, are to be abolished end of March 2013. They will formally be replaced by Local Healthwatch (LHW) Organisations which will also take on additional responsibilities including signposting to services, possibly providing advocacy support and participating in decision-making via membership on the Health and Wellbeing Board. Local authorities will have flexibility and choice over the organisational form for local Healthwatch so they can determine the most appropriate way to meet the needs of their communities.

The key requirements are that LHW organisations must be:

- corporate bodies carrying out statutory functions
- not-for-profit organisations
- able to employ staff and (if they choose) be able to sub-contract statutory functions.

LHW will be able to raise concerns about the quality of services with local CQC staff and will be able to request special reviews via Healthwatch England (HWE). HWE will be a statutory committee of the Care Quality Commission (CQC), with a Chair who will be a non-executive director of CQC. HWE will have its own identity within CQC, but will be supported by CQC's infrastructure and will have access to CQC's expertise. HWE will be able to escalate concerns about health and social care services raised by local HealthWatch to CQC.

Kent LHW will be commissioned by and accountable to but operate independently to Kent County Council. The role of KCC is therefore complex as it will:

- fund and hold Kent LHW to account for its efficiency and effectiveness, in conjunction with Healthwatch England, where necessary
- have increasingly important influence on the health and wellbeing of its population
- continue to commission and provide services about which Kent LHW may wish to comment/challenge

Financial Implications

The government currently allocates £27 million each year to local authorities for LINks, through the local government Formula Grant. For this financial year in Kent this amounts to £440,000 being paid to KMN, the host organisation, for the work of Kent LINk.

In 2012/13 an additional £3.2 million will be made available to support start-up costs for local Healthwatch (through the DH Learning Disability and NHS Reform Grant).¹

In 2013/14, the current £27 million funding for LINks will become funding for local Healthwatch organisations, each year – however, unlike the current situation with LINks, the money will no longer be ring-fenced. Additional funding will be made available to local authorities from 2013/14 to support both the information function that local Healthwatch will have and also for commissioning NHS complaints advocacy.

¹Local Healthwatch: A strong voice for people – *the policy explained*, Department of Health, March 2012

Information about funding allocations will be made available in the routine notifications to local authorities later this year.

Developing Kent Local Healthwatch

1. Developing supplier side and potential delivery models of future LHW services

Kent County Council is committed to developing a LHW model that will ensure it provides an effective and credible voice for Kent citizens, as evidenced in the detailed work carried out by KCC and the Centre for Public Scrutiny in 2011, which began to draw out the characteristics and operating model for the future Kent LHW.

This work has continued in 2012 with a programme of work conducted with local third sector organisations, to ensure continued engagement in the discussion and development of the model.

Developing the model with third sector organisations

Mutual Ventures - a social enterprise founded specifically to support the delivery of public services by independent socially focused organisations – were commissioned in February 2012 to work with KCC and voluntary organisations in progressing the previous development work, as outlined below.

1. An initial event was held on 30th March, attended by 35 people from a range of third sector organisations, LINk members and the LINk host organisation, to explore the role and functions of a LHW and discuss possible delivery models.

Key themes from the event were:

- Any single organisation is unlikely to be able to deliver the entire remit due to breadth of service, customer and geographical remit. The organisations were keen to look at ways in which they could collaborate to overcome these challenges
- There was a strong feeling that Healthwatch should utilise existing capability and not reinvent the wheel, whilst ensuring a diverse range of interests, geographies and communities were included
- There was broad support for a form of coordinating body to both channel collective efforts and to meet the 'corporate body' requirement. The body should be representative.
- 2. All participants were then invited to complete an online questionnaire exploring individual organisations' interest in contributing to/delivering the services ten organisations completed the survey.

Key themes from the survey:

- All respondents were keen to be included in the Local Heathwatch delivery chain, although it is becoming apparent that no one organisation will have the capability or capacity to deliver all the requirements
- There is a willingness to collaborate with other organisations
- Any delivery requirements will need to be properly resourced
- A small number of organisations are emerging as possible lead organisations
- 3. In-depth interviews were conducted with a smaller number of potential key providers/leads based on the event and survey feedback. Meetings were also held with Kent County Council key leads to discuss the emerging themes from the above and consider potential options.
- 4. Survey respondents and interviewed groups were invited to a second event, held on 11th May, to share the feedback from the survey and interviews, share and discuss the emerging delivery model and agree next steps in developing the model.

The key areas that emerged from the above programme of work were:

Operating model

From the work conducted so far the emerging preferred delivery model is a newindependent central organisation that is not controlled directly by a limited groupof delivery partners but which acts as an independent coordinating body whichcommissions local providers. One or more existing organisations couldestablish this new organisation, providing the governance requirements are met.

Governance structure

The emerging preferred option is a one tier governance structure with the organisation controlled by a representative and independently appointed Board of Directors. The Board would work with a number of advisory/stakeholder groups to ensure the views of the broader community are heard.

Legal form

The current preferred legal form and the most appropriate for the currently preferred governance structure is a Community Interest Company

As a result of this work four voluntary organisations, who had been part of the above process, expressed their particular commitment to forming a group to take forward the next stage of development, as already successful and established organisations with a wealth of insight and experience of working with both people and organisations across the county.

KCC then withdrew from the development work to focus on the procurement process.

The four Kent based organisations - Voluntary Action westKent, Kent and Medway Networks Ltd (Kent LINk host organisation), Kent And Medway Citizens Advice and Activmob - met and agreed to work together to co-design a potential model.

It was not intended for this group to be exclusive - other organisations could become involved, if they considered it appropriate. Voluntary organisations involved in the process were asked to share the information with other groupsand information was put on KCC website inviting others to take part.

The group furtherconsidered and developed the three areas above – the operating model, governance structure and legal form - and how these could operate at a practical level in Kent.

The Development Group submitted its report at the beginning of July outlining its recommended strategic direction. It should be noted, however, that whilst there was much agreement in the ideas outlined within the paper there was also some divergence of views which will need to be taken into account in the next stage of creating the strategic direction.

Feedback from the group included that the majority of potential partners involved in the consultation welcome KCC's role in supporting the market in coming together and would want to see the Council bring people together in a logical and tidy arrangement.

Some issues the group highlighted:

- There was concern expressed that there will be opportunity for open dialogue and negotiation about the service and how it should be developed.
- There will need to be an orderly transition from LINk to HealthWatch, passing on what has been learned and not wasting the investment in volunteers, training and technical expertise.
- The wish that the Council should not define the model so tightly that there is no room for development, innovation and flexibility.
- Concern about contract length Local Healthwatch would need to be a longer term commitment in order to allow the service to bed in and deliver. "Not here today, gone tomorrow."

Conclusions from the group:

Operating model

The conclusions from the development work to date suggest that a new independent co-ordinating organisation is the current preferred delivery model option by many. This may be most likely to ensure an inclusive

approach, bringing together a wide diversity of delivery partners who will be well placed to deliver the full range of Healthwatch services, capitalising on the goodwill and significant expertise and experience in the market, particularly in terms of providing information and advice. However one group's view remains that the best option would be for KCC to contract with an umbrella organisation that would either deliver some of the functions itself or commission other providers to do this.

Governance structure

The group supported the consultation feedback to date that suggested that a one-tier governance structure with the organisation "owned" and controlled by an independently appointed Board of Directors would be the preferred model for the LHW, with a number of advisory or stakeholder groups (perhaps enshrined in the Company's Articles of Association) to ensure the views of the broader community could adequately influence the running of the new organisation.

The Board would be held accountable through its contract with the local authority (but independent to it); by the advisory stakeholder groups; to the public through its work; and to any other regulatory body.

Legal form

The group endorsed the consultation feedback so far - and experience from elsewhere - that a Community Interest Company may be the most most straightforward and appropriate form for the LHW to take with regard to the preferred governance structure. This is compared to an Industrial and Provident Society, for example, which could pose more significant challenges in terms of identifying a clear target membership group and the practical challenges of maintaining the active involvement of members. However one organisation's view is that, whilst this organisation would need to be a social enterprise, it would not need to be a new Community Interest Company and there may be benefits to an existing organization holding the contract.

The Development Group will be holding a small number of workshops in July to test the recommended strategic direction with other voluntary organisations across Kent, toincrease involvement, test recommendations more widely and further capture insights and experience in order toshape the potential model.

All development work is being published on the KCC website – and the Shadow Healthwatch website once established – and will be freely accessible to Kent citizens and to all partners who might be interested in contributing to or tendering for the service(s).

Establishing an interim Shadow Local Healthwatch

Alongside the co-production and development of the future model it was agreed that Kent County Council would set up and recruit to an interim Shadow LHW

Board from September 2012 to run for 6-8 months - until the formal LHW organisation establishes its own governance structure - to test and begin to embed the emerging model, for effective handover to the formal LHW, as it becomes established in April 2013.

The interim Shadow LHW Board will work closely with LINk during the transition period to build on the LINk legacy and begin to create the developing model in practice, to ensure that the new requirements of a Local Healthwatch can be successfully met in Kent. It will also work with LINk to ensure that the commitment of existing LINk volunteers is sustained and that their contribution is shown to be highly valued.

Its key functions therefore will be to:

- manage in and develop both the future organisation and the relationship with KCC
- prepare for and manage the transition from Kent LINk
- start to develop the operating procedures and practices that will be used by the formal LHW from April 2013
- start to model the desired approach to LHW that will best meet the interests of the Kent population, to have a positive impact on local health and social care services

The interim Shadow LHW Board will be a member-led organisation, comprising up to 12 core members, with a larger number of associate members who can be called upon to assist with agreed projects. The Chairman of Kent LINk Governors Group will ex officio become a member of the Shadow Board, as transition from LINk is a key function.

The recruitment pack and application forms were distributed and published on KCC website at the end of June 2012. Applications are invited from existing LINk members, voluntary organisations, community sector and people using or potentially in need of health and/or social care services in Kent. Shortlisting and recruitment will take place at the end of July, with the inaugural meeting of the Board planned to take place early September.

Procurement

Discussions are underway with the procurement team to ensure all relevant procurement issues are addressed so that the LHW Organisation can be appointed by April 2013.

The initial draft specification is currently being written – bearing in mind that national guidance is still being developed - with the intention of advertising in October.

Key milestones

The following table shows the key milestones that will need to be met to ensure the successful establishment of the formal Local Healthwatch Organisation (LHWO) in March 2013.

July	Aug	Sep	Oct	No	Dec	Jan	Feb	Mar	Apr 13
		•		v					
Decision-maki	ng process								
P&RCC for		CMM for							
agreement		update							
re strategic									
direction		SOB for							
		informatio							
Commissionin		n							
g &									
Procurement		P&RCC for							
Board		formal							
		decision							
Key activities	1	I			1				
Appoint to		Inaugural							
interim		meeting							
shadow LHW		of interim							
		Shadow							
		LHW							
Procurement	Procuremen					Awa			Kent LHW
specification	t process					rd			establishe
developed	begins								d
Key Departme	nt of nealth Da		1.11.47	1	A a h i a				
-		Secondary	HW		Actua				
regulations due		legislation	Englan		I buda				
uue			d		budg et				
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					n	1			1

Recommendations

The Policy and Resources Cabinet Committee is asked to:

- Note the work currently underway and agree the proposed strategic direction
- Note and agree the proposal the final strategic approach be submitted to the Policy and Resources Cabinet Committee in September for formal decision

Contact detailsJulie Van Ruyckevelt, Interim Head of Citizen Engagement for Health, KCC07799472930

By:Mike Hill, Cabinet Member, Customer & Communities
Amanda Honey, Corporate Director, Customer & CommunitiesTo:Policy & Resources Cabinet CommitteeDate:11 July 2012Subject:Kent County Council - Equality ObjectivesClassification:Unrestricted

1. Summary

- 1.1 In April 2010 the Equality Act replaced previous anti-discrimination laws with a single act to make the law simpler. The act covers nine protected characteristics. The Protected Characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, marriage and civil partnership sex and sexual orientation. Every person has one or more of the protected characteristics, so the act protects everyone against unfair treatment.
- 1.2 The Public Sector Equality Duty ('The Duty' Section 149 of the Equality Act 2010) came into force in April 2011. It requires public bodies to have 'due regard' to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
 - Advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - Foster good relations between people who share a protected characteristic and those who do not.
- 1.3 In October 2011 the Government Equality Office (GEO) issued guidance on what public bodies are expected to publish in order to show how they meet the Duty. The guidance states that public bodies:
 - Must publish their first equality objectives by 6 April 2012, with subsequent objectives published at least every four years
 - Must decide how many equality objectives it should set and what they should be

 Objectives should take into account evidence of equality issues across all of the authority's functions, consider issues affecting people sharing each protected characteristic, and take into account the three aims of the Duty.

2. **Proposed Equality Policy and Objectives**

- 2.1 The proposed equality objectives have been developed drawing on the council's current priorities, combined with analysis of the equality data and the duty referred to in 1.2 above. As such the objectives correspond with existing council priorities and known areas of national concern in relation to equality have also been built in.
- 2.2 The revised draft policy statement and objectives are in Appendix 1.

3. Risks

- 3.1 KCC is required to set Equality Objectives that are specific and measurable and which will enable the council to show progress on equality. They must be consistent with the Equality Act. This duty came into force on 6 April 2012. In order to mitigate this risk, KCC's previous equality strategy has been carried over until the revised policy and objectives are agreed.
- 3.2 Duties under previous legalisation were focused on race, gender and disability as noted in paragraph 1.1, the Equality Act covers a broader range of protected characteristics. Consequently, the organisation is at risk of failing to meet duties in relation to the other protected characteristics which could result in the Equality and Human Rights Commission taking action including issuing a formal 'compliance notice' and possible court action. Further this presents a risk of judicial review for the organisation which could impact on organisational changes, savings targets and the reputation of the organisation.

4. Consultation

- 4.1 The draft objectives in appendix 1 demonstrate a combined approach to presenting them in relation to the services the Authority provides and its responsibilities as an employer. It has also been agreed that a paper be sent to the Policy and Resources Committee in July 2012.
- 4.2 Consultations will be held internally and externally. It is proposed that consultation start in May 2012 and finish at the end of July 2012. Analysis and evaluation of consultation responses are to be undertaken between 1/08/2012- 29/08/2012. Directorate Management Teams, employees and staff groups will be consulted. In addition to this internal communications channels and briefings will be prepared for key stakeholders.

4.3 The council is required to carry out public consultation to ensure no information or key issue has been missed. This will be done primarily through the Kent County Council's Web page.

5. Equality Impact Assessment

5.1 Initial screening of the objectives has indicated that the revised policy and objectives will have a positive impact on all the protected characteristics. This proposition will be tested as part of the consultation process. The initial impact assessment will also be published as part of the consultation process. See Appendix 2.

6. Conclusion

6.1 It is critical that KCC develops its equality objectives, so that it is able to manage the legal and reputational risk that may occur in not doing so. The objectives will enable transparency and accountability in relation to defining what the equality issues are in the business priorities for Kent as a County and its administrative body. They will also enable Kent County Council to demonstrate compliance and to have a focused and integrated approach towards equality across the organisation.

7. Recommendations

Corporate Board is asked to:

- 1. Comment on the proposed equality policy statement and objectives.
- 2. Note the consultation process in order to meet the legislative requirements and to mitigate the risk of not meeting the requirement of the specific duties.
- 3. Agree to receive the objectives following consultation in September 2012.

Background Documents : None

<u>Contact Details</u> Akua Agyepong : Corporate Lead Equality & Diversity Tel : 01622 696112 Email : akua.agyepong@kent.gov.uk

Appendix 1

Equalities and Diversity policy statement for 2012-2016

Kent County Council believes and recognises that the diversity of Kent's community and workforce is one of its greatest strengths and assets.

As a major employer and provider of a wide range of services, KCC is committed to challenging inequality, discrimination and disadvantage for everyone who lives in, works in and visits Kent.

Working closely with its statutory partners, social enterprise, business and the voluntary sector, KCC is also committed to achieving the most appropriate standard of service delivery and employment practice.

The council strongly believes that Kent's community and workforce should not face discrimination, or receive less favourable treatment, on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The council will promote equality in employment and service delivery by:

- Working with partners to address areas of inequality
- Promoting fair employment practices and creating an organisation that is aware of equality and diversity and able to deliver its Public Sector Equality Duty
- Improving the way KCC listens to and engages with its employees, communities and partners to develop policy and services
- Improving the collection monitoring and use of data to inform service design delivery and policy decisions.
- Providing inclusive and responsive customer services.
- Understanding and responding to the equality impacts when carrying out duties and taking decisions.

KENT COUNTY COUNCIL

EQUALITY IMPACT ASSESSMENT

Please read the EqIA GUIDANCE and the EqIA flow chart available on KNet.

Directorate: Customer and Communities

Name of policy, procedure, project or service KCC Equality Objectives

What is being assessed? Strategic Objectives

Responsible Owner/ Senior Officer Matt Burrows

Date of Initial Screening February 2012



Appendix 2

Screening Grid

Characteristic	Could this policy, procedure, project or service affect this group less favourably than others in Kent? YES/NO	Assessment of potential impact HIGH/MEDIUM LOW/NONE UNKNOWN		Provide details: a) Is internal action required? If yes what? b) Is further assessment required? If yes, why?	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO - Explain how good practice can promote equal opportunities
	If yes how?	Positive	Negative		·
Age	No	High	Low	Yes- Consultation- The consultation process will enable the organisation to ensure that it has	Yes- the Equality objectives are a specific duty created by the Equality
Disability	No	High	Low	identified the correct equality objectives. Further, legalisation requires public sector	Act 2012- Each objective has been developed with the three core
Gender	No	High	Low	authorities to consult with those who will be impacted by the policies and services that are	obligations of the PSED in mind
Gen d er ideæity	No	High	Low	implemented by KCC. The equality objectives will impact on all in the County as all have protected characteristics.	
Race	No	High	Low	Yes – Assumptions concerning the impact and	
Religion or belief	No	High	Low	purpose of the objectives have been made in research and designed. Some of these assumptions will be tested to ensure that the	
Sexual orientation	No	High	Low	impacts that are anticipated do not adversely impact on any groups in the county on the basis of their Protected Characteristics.	
Pregnancy and maternity	No	High	Low		
Marriage and Civil Partnerships	No	High	Low		

Part 1: INITIAL SCREENING

Context

In April 2010 the Equality Act replaced previous anti-discrimination laws with a single act to make the law simpler. The act covers nine protected characteristics.

Every person has one or more of the protected characteristics, so the act protects everyone against unfair treatment.

The Public Sector Equality Duty (Section 149 of the Equality Act 2010) came into force in April 2011. It requires public bodies to have 'due regard' to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
- Advance equality of opportunity between people who share a protected characteristic and those who do not; and
- Foster good relations between people who share a protected characteristic and those who do not.

Aims and Objectives

In October 2011 the Government Equality Office (GEO) published guidance on what public bodies are expected to publish in order to show how they meet the Duty. The guidance states that public bodies:

- Must publish their first equality objectives by 6 April 2012, with subsequent objectives published at least every four years
- Must decide how many equality objectives it should set and what they should be
- Objectives should take into account evidence of equality issues across all its functions, consider issues affecting people sharing each protected characteristics and take into account about the three aims of the Duty.

The purpose therefore of setting objectives is to strengthen performance against the requirements of the Equality Duty. Through the analysis of our performance to date, a set of proposed equality objectives have been established to provide a framework for the

council to underpin the priority action necessary to achieve its obligation to meet its public sector general duty. To gain assurance that the proposed Equality Objectives are meaningful and reflective of the priority action required of the Council, the following objectives have been proposed for consultation:

The council will promote equality in employment and service delivery by:

- Working with partners to address areas of inequality
- Promoting fair employment practices and creating an organisation that is aware of equality and diversity and able to deliver its Public Sector Equality Duty
- Improving the way KCC listens to and engages with its employees, communities and partners to develop policy and services
- Improving the collection monitoring and use of data to inform service design delivery and policy decisions.
- Providing inclusive and responsive customer services.
- Understanding and responding to the equality impacts when carrying out duties and taking decisions.

Beneficiaries

The following beneficiaries have been identified:

- Kent County Council- Members and Officers
- Residents
- Service users
- Strategic Partners
- Voluntary and Community Sector

• Visitors to the County

Consultation and data

To find out more about the population profile of the County, please click here.

https://shareweb.kent.gov.uk/Documents/facts-and-figures/Equalities%20and%20diversity/kcc-edprofile-apr2012.pdf

The profile of the County in addition to its close proximity with London and international borders means that the equality objectives will cut across all protected characteristics. As such consultation will be focused at all 9 characteristics and key beneficiaries.

Potential Impact

Adverse Impact:

No adverse impacts have been identified in relation to groups with protected characteristics in the proposed equality objectives. It is envisaged that the adoption of the equality objectives will result in services that have paid due regard to protected characteristics in relation t the design and delivery of services.

Positive Impact:

The objectives will enable the organisation to achieve the outcomes of its plans and at the same time will be able to deliver against its public Sector equality duties.

JUDGEMENT

Option 1 – Screening Sufficient NO

Following this initial screening our judgement is that no further action is required.

Justification:

Option 2 – Internal Action Required NO

There is potential for adverse impact on particular groups and we have found scope to improve the proposal

Option 3 – Full Impact Assessment YES

A full impact assessment will need to be undertaken as the objectives will impact on all aspects of the work of Kent County Council. The objectives will potentially affect a large number of residents of Kent and will impact on all of the listed groups/ individuals with particular characteristics.

Equality and Diversity Team Comments

Sign Off

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

Senior Officer

Appendix 2

Signed:	Name: Steve Charman
Job Title:	Date:
DMT Member	
Signed:	Name: Matt Burrows
Job Title:	Date:

Equality Impact Assessment Action Plan

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
ALL	Assumptions made that the objectives identified will respond to the needs of the different PC Groups under the Equality Act	Consultation to test assumptions made in the development of the Equality Objectives	Better understanding of the impacts on groups with PC	Steve Charman	May- July 2012	On-cost- part of core delivery.

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