POLICY AND RESOURCES CABINET COMMITTEE

Thursday, 10th July, 2014

10.00 am

Darent Room, Sessions House, County Hall, Maidstone

Kent
County
Council
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AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Thursday, 10 July 2014, at 10.00 am
Darent Room, Sessions House, County Hall, Maidstone

Ask for: **Ann Hunter**
Telephone: **01622 694703**

Tea/Coffee will be available 15 minutes before the start of the meeting

Membership (14)

Conservative (8):   Mr A J King, MBE (Chairman), Miss S J Carey, Mr N J D Chard, Mr J A Davies,   Mr R L H Long, TD,   Mr S C Manion, Mr L B Ridings, MBE and Mrs P A V Stockell

UKIP (3)   Mr J Elenor, Mr C P D Hoare and Mr R A Latchford, OBE

Labour (2)   Mr D Smyth and Mr N S Thandi

Liberal Democrat (1):   Mrs T Dean, MBE

Webcasting Notice

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

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<u>UNRESTRICTED ITEMS</u>
(During these items the meeting is likely to be open to the public)

A - Committee Business

A1   Introduction/Webcast announcement

A2   Apologies and Substitutes

       To receive apologies for absence and notification of any substitutes present

A3   Declarations of Interest by Members in items on the Agenda

In accordance with the Members' Code of Conduct, Members are requested to declare any interests at the start of the meeting. Members are reminded to specify the agenda item number to which it refers and the nature of the interest being declared

A4   Minutes of the meeting held on 23 April 2014 (Pages 7 - 12)

To consider and approve the minutes as a correct record

A5   Minutes of the meeting of the Property Sub-Committee (Pages 13 - 16)

To note the minutes of the Property Sub-Committee held on 23 June 2014.

B - Facing the Challenge - Transformation

B1   Transformation Agenda - Verbal Update

B2   Total Facilities Management (Pages 17 - 24)

To consider and endorse, or make recommendations to the Cabinet Member as to the level of oversight that the committee wishes to have in the monitoring of performance of the Total Facilities Management Contracts and, in particular, whether the Policy and Resources Cabinet Committee wishes to delegate to the Property Sub Committee a biannual review of performance against key contract outcomes

B3   Performance of Kent Gov Website and Contact Point (Pages 25 - 32)

To note the proposed actions to improve current and future performance of both the website and the contact point

C - Monitoring of Performance

C1   Strategic and Corporate Services Directorate Dashboard (Pages 33 - 46)

To note the report

C2   Financial Outturn Report for 2014-15 (Pages 47 - 50)

To note the provisional revenue and capital outturn for the Council for 2013-2014

C3   Risk Management -Strategic Register (Pages 51 - 82)

To consider and comment on the strategic and corporate risks outlined in Appendix 1 and Appendix 2 of the report

C4   Legal Services - Evolution, Efficiency, Enterprise Project Annual Report - 2013-2014 (Pages 83 - 86)

To note the report

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

D1   Budget Consultation 2015-2016 (Pages 87 - 96)

To consider and endorse the proposed consultation arrangements, and to make recommendations to the Cabinet Member for Finance & Procurement on any changes or enhancements

Motion to Exclude the Press and Public

That under Section 100A of the Local Government Act 1972 the press and 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   Facing the Challenge - Property Review Update (Pages 97 - 104)

To consider and note the current proposals in respect of the Property Facing the Challenge Review

Peter Sass
Head of Democratic Services
(01622) 694002

Wednesday, 2 July 2014

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KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 23 April 2014

PRESENT: Mr A J King, MBE   (Chairman),   Miss S J Carey   (Vice-Chairman), Mr H Birkby (Substitute for Mr C P D Hoare), Mrs T Dean, Mr J Elenor, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr S C Manion, Mr R J Parry (Substitute for Mr N J D Chard), Mr L B Ridings, MBE, Mrs P A V Stockell, Mr D Smyth and Mr N S Thandi

ALSO PRESENT: Mr G Cooke, Mr P B Carter, CBE, Mr J D Simmonds, MBE and Mr B J Sweetland

IN ATTENDANCE: Mr E Austin (Process Change Programme Manager), Mrs A Beer (Corporate Director Human Resources), Mr P Bole (Director Information & Communication Technology), Mr J Burr (Director Highways, Transportation & Waste and Principal Director of Transformation), Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr R Fitzgerald (Performance Manager), Ms J Hansen (Finance Business Partner (Strategic & Corporate Services), Mr P McCallum (Head of Corporate Portfolio Office), Mr G Wild (Director of Governance and Law), Mr D Whittle (Head of Policy and Strategic Relationships), Mr A Wood (Corporate Director of Finance and Procurement) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

55. Apologies
(Item A1)

Apologies for absence were received from Mr Chard and Mr Hoare.

56. Declarations of Interest by Members in items on the Agenda
(Item A2)

There were no declarations of interest.

57. Minutes of the meeting held on 17 January 2014
(Item A3)

Resolved that the minutes of the meeting held on 17 January 2014 are correctly recorded and that they be signed by the Chairman.

58. Performance Dashboard
(Item C1)

(1)   Richard Fitzgerald introduced the report and said it included data to the end of February 2014. He said it was a positive report and all indicators

were either ahead of target or at an acceptable level above the floor standard for the year to date. He drew Members' attention to the improvement in the performance relating to Freedom of Information Act Requests (GL02).

(2)   Mr Fitzgerald also said that the Dashboard now contained indicators for the Customer Relationship team and Communication and Engagement team that had transferred to Strategic and Corporate Services directorate with effect from 1 April 2014.

(3)   Two indicators (User satisfaction with the KCC website and Percentage of calls to the contact centre answered within 20 seconds) had received a Red RAG rating for February 2014. These indicators had been negatively impacted by the aftermath of flooding and related events and resulted in increased demand and volume of phone calls and enquiries. Many of the additional enquiries related to Highways issues and special funding had been awarded by government to deal with these issues.

(4)   Concerns were raised about the level of satisfaction with the website (CE03) and views were expressed that targets should be higher, the website should be user friendly and benchmarked against appropriate private sector websites and not just local authority ones.

(5)   It was confirmed that the method for calculating the payment of invoices within 20 days (FP03) had changed and that invoices were being paid promptly to creditors.

(6)   Questions were raised about the ability of the Contact Centre to respond to increased demand during incidents such as the recent flooding. A further report on the Contact Centre and on the work being done to improve the usability of the website is to be considered by the Committee at its meeting on 10 July 2014.

(7)   Ed Austin (Process Change Programme Manager) answered questions relating to the work being done to increase the number of contacts from customers on-line, thereby enabling the Contract Centre to respond to emergency calls. He also provided more information about the statistics used to calculate CR02 (Percentage of customers using Gateway who rated the experience good).

(8)   Members drew attention to the excellent performance of ICT, the improvement in dealing with Freedom of Information Act requests and the associated reduction in the cost of responding.

(9)   Members requested that, in future reports, it be made clear which cabinet member was responsible for each indicator and where appropriate to include actual figures as well as percentages.

(10)   Resolved that the Performance Dashboard be noted.

59. Financial Monitoring
(Item C2)

(1)   Jackie Hansen (Strategic and Corporate Services Directorate Finance Business Partner) introduced the report which set out the third quarter's full budget monitoring report for 2013-14 as reported to Cabinet on 24 March 2014. She said that a small overspend had been predicted for the Business Strategy and Support Directorate at the end of quarter 2 but a net underspend of £249K was predicted for the end of the year.

(2)   In response to questions, she said:
- it was anticipated that the projects that had been re-phased would be delivered within the three-year lifespan of the Medium Term Financial Plan
- the non-ring-fenced DfE capital grant to fund revenue expenditure had to be spent on activities related to education
- the under-recovery of income from schools related to stretching targets set for income generation at the beginning of the year and the Schools Financial Services had been unable to generate the last £120k of the target.

(3)   It was also confirmed that: the Capital Programme budget would roll over to 2014-15 and not used to balance the budget; the roll out of local health and wellbeing boards was on target; and the roll forward of funding was for a pre-existing, two-year secondment to support the boards.

(4)   A question was raised about the rollout of rural broadband and it was agreed that a briefing on the status of the project be provided to members of the committee.

(5)   Resolved that the revenue and capital forecast variances from budget for 2013-14 that are within the remit of this Cabinet Committee, based on the third quarter's full monitoring report to Cabinet, be noted.

60.   Strategic and Corporate Directorate Business Plan
(Item C3)

(1)   David Whittle (Head of Policy and Strategic Relationships) introduced the report which presented the draft business plan for the Strategic and Corporate Services Directorate. The report also set out the rationale for the new approach as agreed by this committee at its meeting in September 2013. Mr Whittle said that the final version of the Strategic Priority Statements would be produced on A4 paper and the font would be larger.

(2)   In response to a question, about the risk associated with removing the requirement that divisional or business unit plans use a corporate template, he said the drafts received to date had used last year's corporate template and did not give rise to concerns. The business planning process was kept under review and any issues would be addressed.

(3)   Concerns were raised about the health of the workforce especially given the rate of change and uncertainty. Mrs Beer (Corporate Director Human

Resources) and Mr Whittle agreed to bring back some corporate indicators to enable the committee to satisfy itself that staff wellbeing was under control.

(4) Mr Whittle said that the strategic priority statements and business plans would be approved by cabinet members in May and members would be advised by email when the documents were available on the website.

(5) The Committee thanked the staff who had been involved in developing the strategic priority statements which were considered to be well laid out and user-friendly.

(6) Resolved that the draft 2014-15 directorate business plan (Strategic Priority Statement) for the Strategic and Corporate Services Directorate be endorsed for approval by the cabinet member and corporate director.

61. Legal Services' Evolution Efficiency Enterprise Update for Quarter 3 2013-2014
(Item C4)

(1) Mr Sweetland (Cabinet Member for Traded Services) and Geoff Wild (Director of Governance and Law) introduced the report which provided an update on work continuing within Legal Services, as the Evolution, Efficiency, Enterprise project moved towards the end of its second year.

(2) Mr Wild confirmed that the end of year report would contain "hard" data and figures quantifying the results of activity and input.

(3) The Committee congratulated Mr Wild and his staff on their achievements.

(4) Resolved that the report be noted.

62. Transformation Agenda (verbal update)
(Item D1)

(1) Mr Carter (Leader of the Council) said that the Transformation Programme was on target and a report would be considered at the next meeting of the County Council on 15 May 2014.

(2) John Burr (Principal Director of Transformation) outlined some of the activities that had taken place to ensure staff were engaged in the process including workshops, challenger events, his blog, recent sessions with 200 top managers who wished to get more involved, mystery shopping to ensure messages were getting through to staff and the transformation project pages on the intranet which now accounted for 50% of all intranet hits. All of the Phase 1 projects were on target for completion by the end of April and the next steps would be to develop detailed business cases and take them through the formal decision making process.

(3)   Mr Burr said Phase 2 would start imminently. This phase would review existing services and consider how they might be delivered more efficiently by the service.   He also said the top-tier re-alignment with effect from 1 April had been smooth because of the extensive work done by HR, ICT and Finance behind the scenes. The challenge now was to build on the synergies created as a result of the re-alignment.

(4)   Paul McCallum (Head of the Corporate Portfolio Office) outlined the role of the Corporate Portfolio Office in developing oversight and assurance on initiatives identified as part of the Transformation Programme. This included reviewing programmes against their lifecycle; reinforcing accountability; standardising approaches; sharing learning; and filling gaps in information that enabled the organisation to understand progress and blockages as well as providing assurance that programmes could be delivered.

(5)   Resolved that the update be noted

63. Exclusion of the Press and Public

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

64. Kent Public Services Network
(Item E1)

(1)   Mr Cooke (Cabinet Member for Corporate and Democratic Services) and Peter Bole (Director of Information and Communication Technology) introduced the report which provided information about the Kent Public Services Network and the progress of the project to procure a replacement service. Since the report had been published, strong bids had been received from suppliers.

(2)   Mr Bole answered members' questions relating to the savings expected, competition within the market, the relationship between scale and costs and collaboration with the NHS commissioning body.

(3)   Resolved that the report be noted.

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PROPERTY SUB-COMMITTEE

MINUTES of a meeting of the Property Sub-Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 23 June 2014.

PRESENT: Mr A J King, MBE (Chairman), Miss S J Carey, Mrs T Dean, MBE, Mr R A Latchford, OBE, Mr L B Ridings, MBE, Mr D Smyth and Mrs P A V Stockell

ALSO PRESENT: Mr G Cooke

IN ATTENDANCE: Mr K Hollidge (Surveyor), Mr R Jones (Surveyor), Mr R Lemerle (Disposals Surveyor), Ms R Spore (Director Property & Infrastructure Support) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

14. Apologies and Substitutes
(Item A1)

There were no apologies or substitutes.

15. Declarations of Interest
(Item A2)

Mr Ridings made a declaration in Item B4 – Disposal of Land at Langton Lane, Canterbury as his grandson attended the Simon Langton School for Boys.

16. Minutes of the meeting held on 13 November 2013
(Item A3)

RESOLVED that the minutes of the meeting held on 13 November 2013 are a correct record and that they be signed by the Chairman.

17. Exclusion of the Public

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

18. Disposal of Gatland House, Gatland Lane, Maidstone
(Item B1)

(1) Roderick Le Merle (Surveyor) introduced the report which asked the Property Sub-Committee to consider and either endorse or make recommendations on the Cabinet Member's proposed decision to sell Gatland House on the terms outlined and to delegate authority to the Director of Property and Infrastructure Support to adjust the final terms of the proposed sale, if necessary, to conclude the transaction.

(2)   Questions were raised about the future demand for school places, other options for disposal of the site and the ownership of the sports field and pavilion. Mr Le Merle undertook to confirm the ownership of the sports field and pavilion.

(3)   RESOLVED that the Cabinet Member's proposed decision to sell the property on the terms outlined be endorsed and that authority be delegated to the Director of Property and Infrastructure Support to adjust the final terms of the proposed sale, if necessary, to conclude the transaction.

(Voting: For 6; Against 1; Abstentions 0)

19.   Disposal of 15a Shipbourne Road, Tonbridge
(Item B2)

(1)   Richard Jones (Disposals Manager) introduced the report which asked the Property Sub-Committee to consider and either endorse or make recommendations on the Cabinet Member's proposed decision to sell 15A Shipbourne Road on the terms outlined and to delegate authority to the Director of Property and Infrastructure Support to adjust the final terms of the proposed sale, if necessary, to conclude the transaction.

(2)   RESOLVED:

(a)   That the Cabinet Member's proposed decision to sell the property on the terms outlined be endorsed and that authority be delegated to the Director of Property and Infrastructure Support to adjust the final terms of the proposed sale, if necessary, to conclude the transaction.

(b)   That a further report be received by the Property Sub-Committee with detailed information about the completed sale and use of the land.

20.   Funding approval for the construction of Sevenoaks Grammar School Annexe
(Item B3)

(1)   Rebecca Spore (Director of Property and Infrastructure Support) introduced the report which asked the Property Sub-Committee to consider and either endorse or make recommendations to the Cabinet Member for Corporate and Democratic Services on his proposed decision to begin construction of the Sevenoaks Grammar School Annexe and Trinity Free School.

(2)   Questions were raised about risk, the funding arrangements for both schools and the costs of proceeding with one building project without the other.

(3)   It was proposed by Mr Smyth, and seconded by Mrs Dean, that the Property Sub-Committee re-considers the matter before a decision is made to proceed with the Grammar School Annexe without explicit authority where required by the Secretary of State. Upon being put to the vote the motion fell.

(Voting: For 2; Against 5; Abstentions 0)

(4) RESOLVED

        (a)   That the proposed decision to begin construction of the Sevenoaks Grammar School Annexe and the Trinity Free School be endorsed;

        (b)   That the Chairman, Vice-Chairman and Group Spokesmen be consulted by email at the point of the decision being made.

(Voting: For 5; Against 2; Abstentions 0)

21. Disposal of land at Langton Lane, Canterbury
(Item B4)

(1)   Keith Hollidge (Surveyor) introduced the report which considered the proposed disposal of land at Langton Lane, Canterbury. In response to questions it was confirmed that the developer would bear the costs of any planning application.

(2)   RESOLVED that the Cabinet Member's proposed decision to sell the land on the terms outlined be endorsed and that authority be delegated to the Director of Property and Infrastructure Support to adjust the final terms of the proposed sale, if necessary, to conclude the transaction.

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From: **Gary Cooke, Cabinet Member for Corporate and Democratic Services**

To: Policy and Resources Cabinet Committee – 10 July 2014

Subject: **Total Facilities Management**

Classification: **Unrestricted**

Past Pathway of Paper: Policy and Resources Committee 27th September 2012

Future Pathway of Paper:

Electoral Division: All

Summary: This report seeks to update the Policy and Resources Cabinet Committee on the implementation of a Total Facilities Management Solution.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member as to the level of oversight that the committee wishes to have in the monitoring of performance of the Total Facilities Management Contracts and, in particular, whether the Policy and Resources Cabinet Committee wishes to delegate to the Property Sub Committee a biannual review of performance against key contract outcomes.

1. Introduction

1.1 On the 27th September 2012, the Policy and Resources Cabinet Committee considered a review which had been undertaken to consider how Facilities Management Services are delivered across the County. The report set out a range of options which had been considered to deliver services to the 600 buildings and it was proposed that we implement a Total Facilities Management solution across the council's estate. Following discussion, the Cabinet Member responsible for this portfolio took a decision on the 11th January 2013 (Decision No. 12/01838) to proceed with the implementation of a Total Facilities Management solution. A competitive procurement process has been undertaken and we intend to award the contract to the successful tenderers with a contract start date at the end of August 2014. This report is intended to update members and to consider the role that the Policy and Resources Cabinet Committee may wish to have in long term monitoring of contract outcomes.

2. Financial Implications

2.1 A proportion of the property services savings identified in the MTP was dependent on the consolidation of Facilities Management Support across the building stock. This is the equivalent of £1 million revenue savings.

3. Bold Steps for Kent and Policy Framework

3.1 The implementation of a Total Facilities Management solution directly relates to the delivery of the benefits from implementing a corporate landlord model as part of the change to keep succeeding plans, ensuring that our buildings are able to support front line service delivery and the delivery of the financial position as set out in the medium term financial plan.

4. The Report

4.1 As outlined in section 1.1, a service review was undertaken by Mace Macro to consider the way that Facilities Management Services are currently delivered and future delivery options. As part of this, a report which outlined the options was considered by the Policy and Resources Cabinet Committee on the 27th September 2012. This included consideration of:

- Do nothing and continue with fragmented service delivery
- In house service delivery
- Blended service delivery
- Managed Services Contracts
- Total Facilities Management solution

4.2 The scope of the service includes building support services to all council properties currently within the property corporate landlord portfolio. Building support services include the full range of soft and hard services. Following discussion at the Policy and Resources Cabinet Committee, a formal decision was taken and a competitive dialogue procurement process has been undertaken to select three total facilities management providers (mid, east and west). The Cabinet Member for Corporate and Democratic Services oversaw with the Director of Property the procurement process and the final evaluation of the tenders received to provide assurance to the executive. These contracts are in the process of being awarded and will be live from the end of August 2014.

4.3 The principles behind the contracts are:

- They are based on the delivery of outcomes. The authority's requirements are set out in the Output Specification. Bidders have then provided solutions which they intend to implement to deliver the outcomes required by the council. Bidders take the risk on how they deliver the required outcomes.
- Performance in the delivery of outcomes is measured against a set of key performance indicators. This is supported by a performance regime where deduction penalties are made for poor performance. The KPI's against which performance is monitored is included in Appendix 1.
- The contracts are for 5 years with an option to extend for 2 years and are designed to foster a partnering relationship.

4.4 As with all substantial contracts (approximately £10 million spend per annum) there is a need to ensure that there is a robust client function and contract management process in place to manage performance. On a day to day basis, Property have put in place a number of contract managers who will

monitor activity. This will be supported by monthly performance review meetings with the Director of Property and a quarterly review with the Cabinet Member for Corporate and Democratic Services.

4.5 In order to ensure that members have oversight as to the ongoing performance of this contract, it is recommended that a biannual performance review is considered by the Property Sub Committee on behalf of the Policy and Resources Cabinet Committee. This approach is in line with the commissioning cycle principles as set out in the County Council Paper on the 15th May 2014 titled Facing the Challenge: Towards a Strategic Commissioning Authority, with a view to providing wider scrutiny of the contract performance.

5. Conclusions

5.1 This is a substantial contract to provide facilities management services to the Council's property portfolio. Whilst robust contract management processes have been put in place within Property and Infrastructure Support with reporting and oversight feeding through to Cabinet, it is also appropriate that the Policy and Resources Cabinet Committee consider what role it and the Property Sub Committee wish to have in providing wider assurance as to the performance of these contracts against the key outcomes set.

5.2 It is recommended that in the first instance a briefing session is held for the Property Sub Committee members, with an overview of the three successful bidders' approach.

6. Recommendation(s)

Recommendation(s): (select relevant wording from below)

The Policy and Resources Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member as to level of oversight that the committee wishes to have in the monitoring of performance of the Total Facilities Management Contracts and in particular whether the Policy and Resources Cabinet Committee wishes to delegate to the Property Sub Committee a biannual review of performance against key contract outcomes.

7. Background Documents

7.1 Policy and Resources Cabinet Committee Report 27th September 2012

7.2 Record of Decision No: 12/01838

8. Contact details

- Rebecca Spore
- Director of Property and Infrastructure Support
- 01622 221151
- Rebecca.spore@kent.gov.uk

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Appendix 1 sample contract KPI's

		MANAGEMENT PERFORMANCE MEASURES		
Service		**Performance Measures**	**Measured by**	**Calculation**
Staff	Staff lists	Monthly report to include a full list of Contractor staff on site staff showing Name, Job Descriptions, Work location, DBS status, and SIA licence details as required.	Inaccuracies in staffing list	One failure deduction for each inaccuracy
Records	Updating record documentation	All records to be updated within five working days of any change being carried out.	KCC Complaint / Audit	One failure deduction per individual document per day late. Start date is completion date of work plus 5 working days.
External Certification or Accreditation	Compliance	No failure by the Contractor to comply with the requirements of external certifications or accreditations.	When Internal (KCC) or External (awarding body) auditor reports on the compliance with requirements there is to be no failure of the requirements due to the Contractor. % reduction for each minor failure to comply. 100% reduction for loss of certification or accreditation.	One failure deduction per failure, loss of accreditation =20 Failures
Health and Safety	Statutory maintenance and inspections	No failure to identify and carry out all relevant statutory inspections and maintenance including Public Health, Hygiene, Fire Inspections in Contract scope.	KCC Health and Safety Reports, PPM timetable, Audit	One failure deduction per failure. Failure leading to external warning or enforcement to Contractor = 40 failures
	Lost time due to accidents in operations	Lost time resulting from work accidents per hour worked	As recorded on CAFM System monthly Report	One failure deduction per incidence of agreed lost time threshold being exceeded
	Lift Entrapment	All lift entrapments to be released within 30 minutes of the entrapment occurring	Helpdesk reports	Eight failure deductions per failure
	Regulations	No instances of contravention of health & safety regulations applying to Contract scope	RIDDOR, Health and Safety Reports, KCC Complaints, Failure to prepare a safe method of work statement, Contractors staff not correctly following the safe method of work, Audit	One Failure deduction for each breach of Health and Safety Regulations applying to Contract scope
Service Improvement	Management of Complaints	Satisfactory response and action to complaint within agreed timescale.	Logged on CAFM System	One deduction per failure
	Sustainability	Compliance with agreed sustainability targets	As recorded on CAFM System monthly Report	One deduction per failure

	Corporate Community Involvement	Delivery of recruitment of local employees as agreed with KCC	As recorded on CAFM System monthly Report	One deduction per failure
	Dialogue with customers and stakeholders	Engagement with customers and stakeholders relating to opportunities and barriers to service improvement.	Provide evidence in monthly report of proactive discussions and actions taking place in order to improve service delivery.	One deduction if no evidence provided
	Reporting of Failures	Encouraging building users to report service failures.	Provide evidence in monthly report of actions taken to promote reporting of service failures.	One deduction if no evidence provided
	Environmental Impact	Reduction in the environmental impact of Council Operations.	Provide evidence in monthly report of initiatives undertaken to reduce environmental impact of Council operations.	One deduction if no evidence provided
	Energy and water consumption	Reduction of energy and water consumption.	Provide evidence in monthly report of initiatives undertaken to reduce energy and water consumption of Council operations.	One deduction if no evidence provided
	Repeat failures	No occurrence of a failing KPI appearing in the following months KPI report	KCC can compare current report and last report	One Failure deduction for each KPI repeat failure
Monthly Report	Provision of complete and accurate report	No failure by the Contractor to provide an accurate monthly report to KCC. Report is not to miss any information that would lead to an incorrect reporting of performance.	Monthly report is to contain the information required in the specification	Report to be provided 3 working days before monthly meeting. Report 3 days before = 0 failure deduction Report 2 days before = 1 failure deduction Report 1 day before = 2 failures deduction Report on meeting day = 3 failure deduction Each day report is late = 1 failure deduction Failure to provide any report = maximum contract value at risk Each error in the report = 1 failure deduction
Monthly Meeting	Attendance by key personnel	No instances of failure to attend monthly meeting or by use of conference call by all Contractor key personnel (or leave /sickness cover agreed with KCC).	Monthly meeting is attended by all key Contractor personnel or deputies with sufficient knowledge of the contract and core competencies to represent the Contractor adequately.	One failure deduction for each personnel who fails to attend the monthly meeting. 10 failure deductions if none of the Contractor key personnel attend the monthly meeting.
Helpdesk	Response times	Meet all Category A requests within contract response and	Monthly report	One Failure deduction per failure

		rectification times.		
		Meet all Category B requests within contract response and rectification times.	Monthly report	One Failure deduction per failure
		Meet all Category C-I requests within contract response and rectification times.	Monthly report	One Failure deduction per failure
	Repeat requests	No instances of repeat requests as a result of incomplete or ineffective response	Monthly report, KCC complaints	One Failure deduction per failure
	Customer Service	Communication with helpdesk users handled professionally.	Quarterly score from customer feedback. Failure is score less than 7 out of 10.	One Failure deduction per failure
	Accurate Helpdesk Report	All data in monthly report relating to performance mechanism to be accurate.	Monthly report to be complete and accurate.	One Failure deduction per inaccuracy
	Telephone response	All telephone calls to the helpdesk be answered within 1 minute	Included in Monthly report	One Failure deduction per failure
	Accurate recording	All helpdesk calls logged onto the system correctly and accurately	KCC Complaint / Audit	One Failure deduction per failure

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From: David Cockburn, Corporate Director – Strategic and Corporate Services

                  Policy and Resources Committee – 10th July 2014

Report: **Performance of Kent .gov website and Contact Point**

Classification: **Unrestricted**

Past Pathway of Paper: SCS DMT; CMT;

Future Pathway of Paper: P&R Committee

Electoral Division: All

Summary: Following the P&R Cabinet Committee 23rd April, Members requested a report outlining issues contributing to the recent performance indicators for the Kent.gov. Web Site and Contact Point. This report will highlight the key issues impacting on the 'percentage of calls to the Contact centre answered in 20 seconds' and the perception of 'user satisfaction with the KCC website' and identify improvement activities.

Recommendation:

The Policy and Resources Cabinet Committee is asked to Note the proposed actions to improve current and future performance of both the web site and Contact Point.

Introduction

1.1   The report will set out the challenges and drivers that have influenced customer behaviour evidenced by current performance statistics for the web and the telephone service. The report will also discuss how customer service levels can be protected during service transformation and outline actions already being taken to improve performance now and into the future.

Digital Services

2.   Development 2012 to 2014

2.1   In 2013, Digital Services started a 2 year capital-funded programme to improve the usability of the website and support the Council's digital by design approach advocated through the customer service strategy.

2.2   Phase one focused on the design and build of the website based on a new technical platform that makes the most commonly requested information and services simpler and quicker to find and use, especially if using a mobile or tablet device to access the internet. The new website was launched in March 2014.

2.3   A good example of this approach is the new school admissions pages. We had feedback that parents struggled to find what they needed to be able to

apply for a primary school place for their child. This meant that there were a large number of late applications; the terminology used made it unnecessarily difficult for parents to understand, and this resulted in high volumes of contacts from parents received by Contact Point.

2.4   Throughout the project, Digital Services conducted regular user testing and used current customer feedback to inform how the website was being designed and built. The most popular 'top 20 tasks' that people come to the site to do were tested on both the old site and the new website, and the beta (trial) site was launched in January.

2.5   This is industry best practice and follows the approach to the launch of the single government domain for accessing and using all government digital services on GOV.uk.

2.6   When the new website was launched at the end of March, feedback was received from regular users of the site commenting about the change in style and content. Mostly, this was a reaction to the scale of change implemented and was to be expected.

2.7   **Appendix 1** shows how we have used GovMetric feedback to resolve problems highlighted by web site users. A new 'usability' exit survey and evaluation has been designed to ensure that improvements continue to respond to and match customer expectations ongoing.

2.8   Customer satisfaction of the KCC website is currently measured through GovMetric. Around 0.16% of visitors use this method to leave feedback, but provide helpful insight to improvements that can be easily made. An exit survey has been designed to more accurately measure customer satisfaction with the usability or outcome achieved during their web visit.

2.9   The second phase of the development of the website will include:-

- a more visually engaging look and feel to parts of the website
- new searchable database of activities for parents with children that have special needs (Local Offer)
- a new searchable directory of childcare providers
- improved information and guidance for adult social care
- improvements to the usability of key transactions, such as reporting problems to the council
- an online appointments booking system for public health
- new online forms software

Industry recognition – Kent.gov

2.10   Kent's approach to designing a customer-focused website has been singled out for praise by Gerry McGovern, founder and CEO of Customer Carewords (worldwide authority on increasing web satisfaction), Martin Greenwood, Programme Manager of SoCITM Insight and by DCLG.

Contact Point

3.0   Development 2012 to 2014

3.1   Contact Point is the primary public facing telephone channel for KCC. On average 74,000 contacts (calls/email) are handled each month. In May this year, Contact Point recorded 76,600 calls and volumes are increasing.

3.2   Since 2012, positive management action and process improvements have realised **£2m in saving** across the Customer Relationship budget line. For example, customers making a Blue Badge application now experience a quicker turn-round (5-10 days) and have the added convenience of an electronic payment option. **25% of all applications** (circa 7,500pa) are now **paid electronically**.

3.3   Critically, this and other management initiatives since 2012, were designed to deliver a both a **reduction in headcount of Advisors (30 fte)** and an increase in available resources during peak times of day.   This was achieved through attrition and increased utilisation of staff.

3.4   Between June 2013 and November 2013 the monthly **reduction in call volumes was approximately 18%** in comparison to 12 months earlier.

3.5   As a result of our management actions, Contact Point performance dramatically improved from October 2012, when the **performance target** was achieved and then **sustained well above target level for 16 months** - end of January 2014.

Service Level Achieved

3.6   The trend of increasing call volumes coupled with the extended time spent on calls outstripped the utilisation capacity at Contact Point through the period December to March 2014, with a peak in January of 77,000 contacts.

3.7   The table at **Appendix 2** presents the level of contacts for the top 20 services received at Contact Point between April/May 2014 and April/May 2013. It is clear to see that the call volumes show an increase of 3.4% but the significant concern is the increase in overall **time on calls** including wrap, which **has increased by 2549 hours.** At the present time indications are that June 2014 contact volumes will be about 14% higher than June 2013.

3.8   The compound effect of ongoing issues - local and domestic flooding, fallen trees and damage to roads - resulted in **higher call volumes of longer duration and complexity**. This led to a 10% reduction in performance between Dec/Jan alone.

KCC Contact Point
Calls Received & Call Duration

Chart showing Volume Received (bars) and Call Duration (average) (line) from Apr-13 to May-14.

Bar values (Volume Received): Apr-13 74,156; May-13 68,333; Jun-13 66,883; Jul-13 79,176; Aug-13 68,241; Sep-13 78,677; Oct-13 72,960; Nov-13 60,066; Dec-13 50,555; Jan-14 77,074; Feb-14 68,119; Mar-14 73,946; Apr-14 71,434; May-14 76,666

Call Duration values: 03:13, 03:12, 03:11, 03:13, 03:13, 03:11, 03:14, 03:18, 03:22, 03:26, 03:34, 03:31, 03:36, 03:45

3.9   The average after-call work has also increased. Time is lost in transferring callers to officers and voicemail. If the client refuses this option, an e-mail is written to the officer asking them to return the call to the client. This after-call task can add 3 minutes on each occasion.

3.10   Contact Point target time to answer is now 40 seconds. The industry standard is gradually extending toward 60 seconds on the basis that a) customers will wait to be answered by a competent person who then resolves the enquiry at the first point of contact; b) answering the phone less quickly is an effective driver for channel shift toward web where the experience is customer centric and well designed.

Contact Point – Planned Improvements

3.11   Contact Point has a number of improvements planned to stabilise performance and improve customer experience including hardware replacement, process design improvements and efficiencies, closer alignment with transformation projects and resources.

a)   **Telephony Hardware**

3.12   The telephony hardware is **overdue for replacement**, and has failed on a number of occasions. When the switch fails, calls can be lost, the call routing can fail and the engaged tone can be presented to callers. A business case and funding model for the replacement of the technical infrastructure for Contact Point and HQ was approved earlier this year and **procurement of CLOUD technology** is underway and contract award will follow in early July and will be supported by an aggressive implementation phase.

b)   **Additional Resources**

3.13   Authority has been given to recruit **12 additional Advisors** which will increase Contact Point salary costs by £141,000. Improved technology and greater coherence with transformation and service design will reduce call

volumes which will enable the budget to be brought back into line during the year.

c) **Service transformation**

3.14 Transformation is at the heart of KCC's current agenda with a number of programmes being undertaken across all Directorates and change portfolios. The levels of change and the drive to achieve outcomes at pace leads to increased risk that **interdependencies** are not always fully understood and communicated.

    i)   A **Customer Service Policy** will set the objectives, standards and measures for direct and external providers and their supply chain. Managers and Commissioners will be supported through implementation by a framework of standards and management guidance.

    ii)   A fundamental principle of **digital by design appropriate to client needs** designed to ensure that the public appetite and expectation for self-service is met by positive and fulfilling digital access

    iii)   Contact Point continues to be vulnerable to unprecedented levels of customer contact whilst KCC conducts service reviews, transformation and change. There must be a robust alignment between customer service, communications and ICT in order to maximise KCC's full resource and capability, and to mitigate customer concerns

    iv)   A **proactive and integrated approach** to channel alignment will be developed to resolve ineffective customer service processes. The communications, digital, telephone and face to face teams will coalesce and act as customer advocates to ensure **end to end processes** are designed to support the customer and digital self service.

    v)   New directorate structures planning changes to service areas will be assessed for **any potential customer impact.** This must be considered from a whole organisation perspective.

    vi)   Single service or multiple service messages generate service user or public reaction (anticipated or otherwise). Effective and coherent channel management will ensure that KCC receives and responds to customer feedback, avoiding other services being directly compromised.

e) **New technology**

3.15 The implementation and use of new technology and business tools such as follow-me numbers and voice-mail (Unified Communication) will be **maximised to drive improvement in customer service** delivery.

3.16 However, poor use of voicemail can have a significant impact on both the customer experience and create pressure on Contact Point (refer to **Appendix 2** for call statistics).

3.17 Consideration is also being given to the introduction of a full CRM system. This will be **essential to deliver digital self-service and** is crucial to KCC to be effective as a commissioning authority of primary providers and subsequent supply-chains.

4. Conclusions

4.1 KCC has invested in the modernisation of the web site, and work to date has made the website simpler and quicker to use. The new design and customer focused approach has been acknowledged by government and peer organisations. Whilst the change has been significant, the website will continue to adapt in response to user needs and will meet public expectation for effective digital access to services.

4.2 The Contact Point has been reshaped, improved and effective in reducing its own operating budget and achieving sustained performance. The pace and scale of change across KCC is increasing customer contact and the complexity of calls. A more rigorous, planned approach is being adopted with immediate effect on all future change implementation.

4.3 To ensure both corporate directorates and service teams better understand customer dependencies and their impact, a review has been commissioned to define the 'end to end' customer experience. The findings of the review will be available by late autumn.

5. Recommendation(s)

> **The Policy and Resources Cabinet Committee is asked to Note the proposed actions to improve current and future performance of both the web site and Contact Point.**

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Appendix 1 – Digital: Web fixes driven by Customer feedback

- One off fixes such as adding keywords to the search engine, fixing broken links, adding missing information.
- Home page – next iterations of design take into account comments about the page looking incomplete or not legitimate
- Fixes to ensure pages display better in older browsers (this issue is almost entirely limited to staff)
- Implementation of 'super keywords' to give us greater control over internal search listings
- We redesigned the 'you can / can't get rid of' layout on tips pages as it was confusing members of the public. It's now a concertina rather than tabbed.
- Print CSS now works much better
- Restructured the direct payments content
- Restructured the social care professionals content
- New more attractive layout for Shared Lives hosts
- Created a more prominent link to library catalogue
- Country parks - changes to the structure of content to resolve drop in traffic - the stats have now returned to the levels they were at on the old site.
- Team building and venue hire - We have improved the team building and venue hire pages. Following the work we did, the country parks team received a booking for more than £2k.
- Accessibility - adding skip to content link, improving screen reader experience for certain elements
- Replies removed from embedded Twitter feed

	Call Type	Apr/May 2014	Apr/May 2013	Difference between 2014 and 2013	% difference	Average call/wrap time per call 2014	Average call/wrap time per call 2013	Total time calls 2014	Total time calls 2013
1	Adult Social services	19571	17353	2218	12.8%	0:07:37	0:04:01	2484:25:47	1161:41:13
2	Kent Highway Services	19213	17479	1734	9.9%	0:07:56	0:08:05	2540:23:08	2354:48:35
3	Golden Number	11426	22875	-11449	-50.1%	0:02:08	0:01:55	406:15:28	730:43:45
4	Children's Social Services	11217	2546	8671	340.6%	0:04:48	0:02:27	897:21:36	103:57:42
5	Education	10076	13520	-3444	-25.5%	0:04:16	0:03:45	716:30:56	845:00:00
6	Social Services Client Billing	9271	3510	5761	164.1%	0:02:27	0:02:20	378:33:57	136:30:00
7	Registrations	9135	11099	-1964	-17.7%	0:05:16	0:04:13	801:51:00	780:00:47
8	Libraries and Archives	8516	13864	-5348	-38.6%	0:01:52	0:01:42	264:56:32	392:48:48
9	Emergency OOH	8461	6846	1615	23.6%	0:06:23	0:07:42	900:09:23	878:34:12
10	Speed Awareness	7095	5075	2020	39.8%	0:06:09	0:05:31	727:14:15	466:37:05
11	Blue Badges	6439	6773	-334	-4.9%	0:05:15	0:08:12	563:24:45	925:38:36
12	Adult Education	5787	4690	1097	23.4%	0:05:08	0:04:17	495:06:36	334:48:50
13	KCC Campaign Lines	5362	0	5362		0:04:28		399:10:16	0:00:00
14	Waste & Recycling	3375	3744	-369	-9.9%	0:04:50	0:05:27	271:52:30	340:04:48
15	Concessionary Fares	2877	5327	-2450	-46.0%	0:06:11	0:05:13	296:29:27	463:09:11
16	KCC Property Services	2330	2410	-80	-3.3%	0:07:55	0:07:20	307:25:50	294:33:20
17	Social services Appropriate Adults	1861	841	1020	121.3%	0:20:05	0:13:23	622:55:05	187:35:23
18	Kent Freedom Pass	1837	2181	-344	-15.8%	0:02:27	0:02:09	75:00:39	78:09:09
19	CFIS	941	1191	-250	-21.0%	0:04:50	0:11:26	75:48:10	226:57:06
20	Pensions Campaign	889	500	389	77.8%	0:02:33	0:01:25	37:46:57	11:48:20
	Other Calls	2410	1327	1083	81.6%				
	Total Calls	**148089**	**143151**	**4938**	**3.4%**			**13262:42:17**	**10713:26:50**

From: Gary Cooke, Cabinet Member for Corporate and Democratic Services

John Simmonds, Cabinet Member for Finance and Procurement

Bryan Sweetland, Cabinet Member for Commercial and Traded Services

David Cockburn, Corporate Director for Strategic and Corporate Services

To: Policy and Resources Cabinet Committee – 10 July 2014

Subject: Strategic and Corporate Services Directorate Dashboard

Classification: Unrestricted

Summary:
The Strategic and Corporate Services Directorate Dashboard shows progress made against targets set for Key Performance Indicators.

Recommendation(s):
The Policy and Resources Cabinet Committee is asked to NOTE the report.

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1.   Introduction

1.1. Part of the role of the Committee is to review the performance of services which the Committee has oversight of.

1.2. Performance Dashboards are regularly reported to the Cabinet Committee throughout the year, and the current report includes data up to the end of May 2014.

2.   Directorate Dashboard

2.1. The Strategic and Corporate Services Performance Dashboard is attached at Appendix 1.

2.2. The Dashboard includes results up to the end of May 2014 for the Key Performance Indicators (KPIs) included in this year's Strategic Priority Statement.

2.3. The Dashboard includes twenty-eight (28) KPIs.

2.4. The Dashboard also includes a range of activity indicators which help give context to the Key Performance Indicators.

2.5. Key Performance Indicators are presented with RAG (Red/Amber/Green) alerts to show progress against targets. Details of how the alerts are generated are outlined in the Guidance Notes, included with the Dashboard in Appendix 1.

2.6. Within the report, of the 28 KPIs included, current performance is Green for seventeen indicators, Amber for three indicators and Red for eight indicators.

2.7. Commentary is provided within the Dashboard for indicators which are currently showing as Red.

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3. Recommendation(s):

The Policy and Resources Cabinet Committee is asked to Note this report.

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4. **Background Documents**

The Strategic and Corporate Services Strategic Priority Statement

http://www.kent.gov.uk/about-the-council/strategies-and-policies/corporate-policies/strategic-priority-statements

5. **Contact details**

Report Author: Richard Fitzgerald, Performance Manager, Business Intelligence
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Strategic and Corporate Services Performance Dashboard

Financial Year 2014/15

Data up to May 2014

Produced by Business Intelligence

Publication Date: 30 June 2014

Kent County Council
kent.gov.uk

Guidance Notes

Key Performance Indicators

All Key Performance Indicators are provided with RAG (Red/Amber/Green) ratings and Direction of Travel Alerts.

RAG ratings are based on Targets and Floor Standards set out at the start of the year in the Strategic Priority Statements.

<table>
<tr><td colspan="2">RAG Ratings</td><td colspan="2">DoT (Direction of Travel) Alerts</td></tr>
<tr><td>GREEN</td><td>Performance has met or exceeded the current target</td><td>⇧</td><td>Performance has improved in the latest month</td></tr>
<tr><td>AMBER</td><td>Performance at acceptable levels, below the target but above the floor standard</td><td>⇩</td><td>Performance has fallen in the latest month</td></tr>
<tr><td>RED</td><td>Performance is below the floor standard</td><td>⇔</td><td>Performance is unchanged this month</td></tr>
</table>

Activity Indicators

Activity Indicators representing demand levels are also included in the report. They are not given a RAG rating or Direction of Travel alert. Instead they are tracked within an expected range represented by Upper and Lower Thresholds. The Alert provided for Activity Indicators is whether results are in expected range or not. Results can either be in expected range (**Yes**) or they could be **High** or **Low**. Expected activity Thresholds are based on previous year trends.

Most Activity Indicators did not have expected levels stated in the Strategic Priority Statements, and are shown in the report to provide context for the Key Performance Indicators.

Service Area	Director	Cabinet Member
Customer Service and Contact	**Barbara Cooper (interim)**	**Bryan Sweetland**

We are responsible for the quality and consistency of essential customer contact functions, providing a key interface with our residents and service users.

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CR01	Percentage of callers who rate the advisors in Contact Point as good	97%	**GREEN**	⇔	97%	**GREEN**	95%	90%	New Indicator
CR02	Percentage of callers who rate their overall experience with KCC as good	70%	**AMBER**	⇩	72%	**AMBER**	80%	70%	New Indicator
CR03	Percentage of customers using Gateway who rated the experience as good	72%	**GREEN**	⇩	73%	**GREEN**	70%	65%	68%
CR04	Percentage of calls to Contact Point answered	78%	**RED**	⇩	83%	**RED**	90%	85%	96%
CR05	Percentage of calls to Contact Point answered in 40 seconds	40%	**RED**	⇩	51%	**RED**	80%	70%	New Indicator

The CR02 measure of the 'percentage of customers who rate their overall experience with KCC as good' is a reflection of customer feedback in relation to overall service quality provided by KCC. This is distinctly separate from CR01 which measures satisfaction with the quality of the Contact Point staff.

Calls answered has been behind target so far this year. Call volumes have been higher than the same time last year, and call handling time has increased significantly. Following efficiencies delivered in Contact Point last year and reduced call volumes in the year, a 30fte reduction in staffing was taken. There has since been an increased workload with both volume and duration of calls increased and this has impacted on the performance levels achieved. Additional new staff have been recruited and are currently being trained.

A more detailed paper is on the agenda for the Committee which addresses the performance issues currently being experienced by Contact Point.

Service Area	Director	Cabinet Member
Customer Service and Contact	**Barbara Cooper (interim)**	**Bryan Sweetland**

Ref	Indicator description	Year to date	In expected range?	Expected Activity Upper	Expected Activity Lower	Prev. yr YTD
CR08	Number of calls to Contact Point (000s)	148	Yes	150	130	143
CR09	Average call handling time (in seconds)	222	**HIGH**	222	190	193

Number of calls to Contact Point (monthly)

Average call handling time in seconds (monthly)
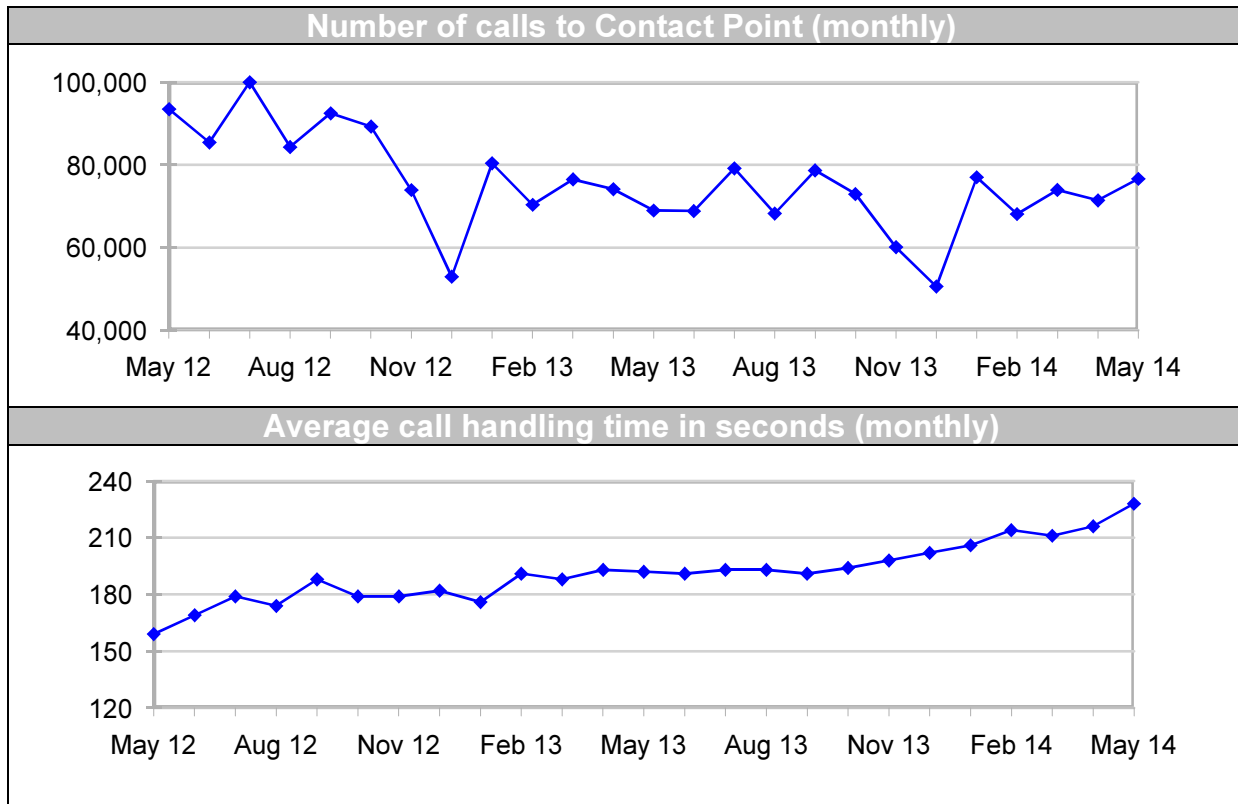
Division	Director	Cabinet Member
Finance	**Andy Wood**	**John Simmonds**

We ensure the robust and effective management of the authority's and partners financial resources (including schools), in accordance with the council's financial regulations and have statutory responsibilities to produce the financial accounts and administer the Superannuation Fund.

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
FP01	Pension correspondence processed within 15 working days	87%	RED	⇩	94%	RED	98%	95%	98%
FP02	Retirement benefits paid within 20 working days of all paperwork received	98%	GREEN	⇩	99%	GREEN	98%	95%	99%
FP03	Invoices received by Accounts Payable within 20 days of KCC received date	78%	RED	⇩	82%	AMBER	90%	80%	82%
FP04	Invoices received on time by Accounts Payable processed within 20 days	89%	GREEN	⇩	93%	GREEN	85%	75%	91%
FP05	Percentage of sundry debt due to KCC outstanding under 60 days old	73%	AMBER	⇧	Snapshot data		75%	57%	77%
FP06	Percentage of sundry debt due to KCC outstanding over 6 months old	19%	RED	⇩	Snapshot data		10%	15%	9%

FP01 - Pension correspondence delayed by late provision of regulations and guidance from DCLG on changes to Local Government Pension Scheme.

FP03 – Year end, Easter and Bank Holidays have caused delays in invoices being authorised and sent to Accounts Payable.

FP06 - Outstanding debt includes six Home Office invoices totalling over £3.7 million in relation to claims for expenditure incurred for Unaccompanied Asylum Seeker Children, which accounts for 74% of the debt over 6 months old.

Division	Director	Cabinet Member
Finance	**Andy Wood**	**John Simmonds**

Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Pension correspondence processed	227	173
	Retirement benefits paid	232	326
	Number of invoices paid by KCC	27,222	27,454
	Value of debt due to KCC	£26.2m	£20.1m

Division	Director	Cabinet Member
Governance and Law	**Geoff Wild**	**Gary Cooke**

We are responsible for Democratic Services, supporting the Council's decision-making and overview and scrutiny processes, together with key administrative support to 84 elected Members including member induction and development, and managing elections.

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
GL01	Council and Committee papers published at least five clear days before meetings	100%	**GREEN**	⇔	100%	**GREEN**	100%	96%	98%
GL02	Freedom of Information Act requests completed within 20 working days	92%	**GREEN**	⇩	94%	**GREEN**	90%	85%	96%
GL03	Data Protection Act Subject Access requests completed within 40 calendar days	79%	**RED**	⇩	81%	**RED**	90%	85%	76%

Targets for Data Protection Act Subject Requests have been increased this year to be in line with Freedom of Information Requests. There is some work to do to bring performance up to the new target level which requires significant improvement on past performance. Performance is already showing good improvement compared to last year.

Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Committee meetings	23	10
	Freedom of Information requests	328	345
	Data Protection Act Subject Access requests	68	40

Last financial year, KCC processed 2,021 Freedom of Information Requests.

Division	Director	Cabinet Member
Human Resources	Amanda Beer	Gary Cooke

We are responsible for the delivery of the strategic HR function for the authority.

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
HR01	Satisfaction with the resolution of people-management cases rated Good or above	100%	GREEN	⇔	100%	GREEN	90%	80%	95%
HR03	Overall satisfaction with HR Connect rated as Good or above	94%	GREEN	⇩	97%	GREEN	75%	65%	New Indicator
HR04	Satisfaction with the response to H&S Advice Line enquiries rated Good or above	100%	GREEN	⇔	100%	GREEN	80%	70%	New Indicator
HR07	Satisfaction that Support Line counselling helped 'somewhat' or 'a great deal'	97%	GREEN	⇩	98%	GREEN	80%	75%	New Indicator

Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Feedback responses provided on people management cases	71	81
	Feedback responses provided on HR Connect	60	N/a
	Feedback responses provided for Health and Safety advice line	88	N/a
	Feedback responses provided on Support Line	80	N/a

Division	Director	Cabinet Member
ICT	**Peter Bole**	**Gary Cooke**

We work to maximise the value of investments in information and technology through the efficient management of resources to deliver the best outcomes for the communities and citizens of Kent.

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
ICT01	Calls to ICT Help Desk resolved at the First point of contact	72%	GREEN	⇧	70%	GREEN	70%	65%	72.3%
ICT02	Positive feedback rating with the ICT help desk	98%	GREEN	⇩	98%	GREEN	95%	90%	98.4%
ICT03	Working hours where Kent Public Sector Network is available to staff	100%	GREEN	⇔	100%	GREEN	99.8%	99%	100%
ICT04	Working hours where ICT Service available to staff	99.7%	GREEN	⇩	99.8%	GREEN	99%	98%	99.7%
ICT05	Working hours where Email are available to staff	100%	GREEN	⇔	100%	GREEN	99%	98%	100%

Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Calls to ICT Help Desk	12,584	13,323
	Feedback responses provided for ICT Help Desk	1,529	1,812

Service Area	Director	Cabinet Member
Media and Public Relations	**Barbara Cooper (interim)**	**Bryan Sweetland**

We provide a single, consistent voice for all KCC services to the public – ensuring messages have maximum impact and are communicated in the most cost-effective way.

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CE01	Average Govmetric positive smiley index score per KCC website pages	33%	**RED**	⇧	32%	**RED**	55%	51%	55%
CE02	The percentage of regional media coverage which is positive or neutral	90%	**GREEN**	⇧	88%	**GREEN**	80%	70%	85%

Govmetric is a tool used to gather customer feedback about our services through the external web-site. The results from Govmetric in part reflect the quality of the information available on the web-site and in part reflect resident views on the quality of council services and council policies, with Govmetric results driven mostly by resident view on the services rather than the quality of web-site. The Govmetric indicator is therefore not a measure of overall satisfaction with the KCC. Only 1% of visitors to the web-site choose to leave feedback through the Govmetric tool. During April and May the areas which received the most Govmetric feedback included street lighting, Young Person's travel pass and the Homecare Tender, with much of the feedback being negative.

Activity Indicators

Ref	Indicator description	Year to date	In Tolerance	Expected Activity		Prev. yr YTD
				Upper	Lower	
CE03	Positive mentions in the national media reflecting KCC priorities	235	**HIGH**	87	77	120
CE04	Number of visits to the KCC website, kent.gov (000s)	790	**LOW**	967	833	933

Page 44

Division	Director	Cabinet Member
Property and Infrastructure Support	**Rebecca Spore**	**Gary Cooke**

We are responsible for acting as KCC's 'Corporate Landlord', managing KCC's diverse land and property portfolio.

Data for this Division is for April and May data was not available as time of printing papers.

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
PI01	Percentage of rent due to KCC outstanding at 60 days	3%	GREEN	⇩	Snapshot data		5%	15%	0.3%
PI02	Property Service Desk call out requests responded to within specified timescales	55%	RED	⇩	55%	RED	95%	90%	98%

The way in which PI02 is calculated has recently changed to resolve an identified 'gap' in the data where information from suppliers was missing and therefore not included in the calculations. In the short term this has had an impact on the results and management action has been implemented to counter this. This change provides more accurate understanding of the performance of the Contractors.

Annual Indicators - The measure below is provided a forecast rather than a year to date figure.

Ref	Indicator	Current Forecast	Forecast RAG	Target	Floor Standard
PI03	Percentage of annual net capital receipts target achieved	91%	AMBER	100%	90%

Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Total rent outstanding	£1.3m	£99k
	Number of service desk requests responded to	139	105

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From:	Paul Carter, Leader

From: Paul Carter, Leader
John Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement

To: Policy and Resources Cabinet Committee – 10 July 2014

Subject: Financial outturn report for 2013/14

Classification: Unrestricted

Summary:
The Cabinet Committee is asked to note the draft financial outturn for 2013-14

Recommendation:
The Policy and Resources Cabinet Committee is asked to note the provisional revenue and capital outturn for the Council for 2013/14.

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1. Introduction

1.1 The provisional revenue and capital outturn was reported to Cabinet on 7 July, together with recommendations on rollover for committed projects, contributions to reserves for uncommitted underspends and the addition of the 2013-14 capital rephasing into 2014-15 and later years capital budgets.

1.2 For the 14th consecutive year the Council is able to demonstrate sound financial management by containing its revenue expenditure within the budgeted level (excluding schools). In the context of a savings requirement of around £95m and on the back of delivering £175m of revenue savings in the previous two years, together with continued high demand for services such as Specialist Children's Services, SEN Home to School Transport, school improvement and intervention and the unbudgeted Find and Fix repair of potholes even prior to the winter flooding, this has been a massive challenge and is a considerable achievement.

2. Provisional Capital and Revenue Outturn 2013-14

2.1 The provisional revenue outturn against the combined directorate revenue budgets is an underspend of -£9.865m (excluding schools). This is after £4m has been transferred to reserves to support the 2014-15 budget, as agreed by County Council in February, and before any committed rollovers. There may be minor variations to the figures during the final stage of the year-end process and the external audit.

2.2 The provisional capital outturn is a variance of -£53.038m. This is represented by re-phasing of -£53.337m and real overspends of £0.3m.

3. Outturn by Directorate

3.1 The following paragraphs give a very brief description of each directorate's outturn. The full report can be found using the following link:
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=115&MId=5548&Ver=4

3.2 *Education, Learning and Skills*:

Revenue Underspend £1,828k

This underspend has been achieved over and above the overall savings required as part of the agreed MTFP. This is at the same time as absorbing the financial pressures arising from increased demand on activity around school improvement and intervention, the closure of two schools, pressure on Home to School Transport, as well as the set-up costs incurred on behalf of the whole authority with the establishment of the Kent Integrated Adolescent Support Service (KIASS). This was achieved by running a number of vacancies (where appropriate) and delivering higher levels of income from schools trading than initially planned, particularly within the Educational Psychology Service, School Improvement and Governor Services.

Capital Rephasing £22,596k, underspend £2,506k

The rephasing is largely around the Basic Need programmes - £9m, the Annual Planned Enhancement Programme £5m, Phase 2 of the Special Schools Review £2.5m and Academies £1.8m.

3.3 *Families and Social Care – Specialist Children's Services*:

Revenue Pressure £2,992k

Although specialist children's services has had a challenging year, and ended with an underlying pressure of £2,992k, significant progress has been made to stabilise the financial position of the division, following the improvement journey the service has been on since 2010. The children in care numbers have reduced steadily during the year and an overall reduction has been seen, which will contribute to lower costs going forward.

Capital Rephasing £468k, underspend £1,113k

Main variance is in relation to Transforming Short Breaks.

3.4 *Families and Social Care – Asylum:*

Revenue Pressure £2,132k

The Asylum budget outturn position was discussed at Cabinet on 2 June 2014. A corresponding -£2,132k underspend is within the Financing Items underspend.

3.5 *Families and Social Care – Adult Social Care*:

Revenue Underspend £466k

This underspend has been achieved over and above the overall savings required as part of the agreed MTFP, which included £18,115k for Adults Transformation Programme. The optimisation part of the Transformation Programme has looked at the staffing structure of the OP/PD service, leading to a new model of working being in place. Alongside this, the Directorate has used £22,064k of NHS monies for Social Care funding to invest in a number of initiatives to help achieve the Directorate's strategic objectives and in particular increased joint working with Health.

Capital Rephasing £948k, overspend £139k

Variances across the Older Persons strategy and IT projects.

3.6 *Enterprise and Environment:*

Revenue Pressure £3,330k

Through effective management action with all managers in the Highways and Transportation division working together, underspends on other budgets have been achieved to offset a significant proportion of the pressures which were largely as a result of the Find & Fix pothole repair programme and the additional costs in relation to the emergency response required as a result of the autumn and winter storms and floods.

Capital Rephasing £6,406k, underspend £349k

This variance is due to the rephasing of a large number of projects.

3.7 *Customer and Communities:*

Revenue Underspend £6,318k

This has largely been achieved through extending vacancy management, generating one-off additional income, varying contracts, delivering 2014-15 savings ahead of schedule and ensuring that only core activities/spend were taken forward in the second half of the year.

Capital Rephasing £1,407k, overspend £15k

This variance is due to a number of projects rephasing.

3.8 *Business Strategy and Support:*

Revenue Underspend £3,500k

This underspend has been achieved through strong management action. This includes; savings through good contract management within Public Health, maximising income where possible, in particular in the areas of teacher recruitment in HR, and schools appeals in Democratic Services. Legal Services generated additional external income for the Council whilst their Evolution programme reduced costs internally. The move to a new building at Kings Hill, designed to implement the New Ways of Working standards and reduce overall accommodation costs. Finance actively managed vacancies and reduced use of specialist services to deliver an underspend. Within ICT, the move to a system of unified communications led to reductions in telephony costs. Economic Development has attracted significant investment from external sources, i.e. £55m of Regional Growth Funding for interest free loans to growing businesses across Kent and over £16m in S106 agreements for schools and community facilities across the county.

Capital Rephasing £21,512k, overspend £4,113k

The big projects rephasing are the Regional Growth Fund £4,301k, £3,488k Modernisation of Assets, £3,076k LIVE Margate, and £2,300 TIGER.
The overspend is across a number of projects.

3.9 *Financing Items:*

Revenue Underspend £6,207k

This has been achieved through a reduction in drawdowns from reserves and a reduction in debt charges due to the rephasing of capital in previous years.

4. Recommendation(s):

The Policy and Resources Cabinet Committee is asked to note the provisional revenue and capital outturn for 2013/14.

5. Contact details

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From: **Paul Carter, Leader and Cabinet Member for Business Strategy, Audit & Transformation**

                     John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement

                     Gary Cooke, Cabinet Member for Corporate & Democratic Services

                     Bryan Sweetland, Cabinet Member for Commercial & Traded Services

                     David Cockburn, Corporate Director of Strategic & Corporate Services

To: **Policy & Resources Cabinet Committee – 10th July 2014**

Subject: **Risk Management – strategic risk register**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This paper presents the strategic risks of relevance to the Policy & Resources Committee, in addition to the risks featuring on the Corporate Risk Register for which a Strategic and Corporate Services Director is the designated 'risk owner'. The paper also explains the management process for review of key risks.

Recommendation(s):

The Policy & Resources Cabinet Committee is asked to consider and comment on the strategic and corporate risks outlined in appendices 1 and 2.

1. Introduction

1.1 Directorate business plans (known as Strategic Priorities Statements) were reported to Cabinet Committees in March / April as part of the new business planning process introduced for 2014/15. The Strategic Priorities Statement included a high-level section relating to key directorate risks. These risks are set out in more detail in this paper.

1.2 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that

potential risks that may prevent the Authority from achieving its objectives are identified and controlled. The process of developing the registers is therefore important in underpinning business planning, performance management and service procedures. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.

1.3 Directorate risk registers are reported to Cabinet Committees annually, and contain strategic or cross-cutting risks that potentially affect several functions across the Strategic & Corporate Services directorate, and often have wider potential interdependencies with other services across the Council and external parties.

1.4 Strategic and Corporate Services Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Directors in the Strategic & Corporate Services directorate are designated 'Risk Owners' for several corporate risks, which are presented to the Committee for comment in appendix 1.

1.5 For information and awareness, the corporate risk profile as at June 2014 is outlined below:

	Low = 1-6	Medium = 8-15	High =16-25		
Risk No. [1]*	Risk Title			Current Risk Rating	Target Risk Rating
CRR 1	Data and Information Management			9	9
CRR 2	Safeguarding			15	10
CRR 3	Access to resources to aid economic growth and enabling infrastructure			12	8
CRR 4	Civil Contingencies and Resilience			12	8
CRR 7	Governance & Internal Control			12	8
CRR 9	Health & Social Care integration (Better Care Fund)			12	8
CRR 10(a)	Management of Adult Social Care Demand			20	12
CRR 10(b)	Management of Demand – Specialist Children's Services			20	12
CRR 12	Welfare Reform changes			12	9
CRR 13	Delivery of 2014/15 savings			12	4
CRR 14	Procurement			9	6
CRR 17	Future operating environment for local government			20	10
CRR 18	PSN – Non-compliance with Code of Connection			8	4
CRR 19	Implementation of the Care Act 2014			15	6

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[1] *Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore there will be some 'gaps' between risk IDs.

1.5   A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact.   Firstly the current level of risk is assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced with the aim of reducing the risk to a tolerable and realistic level.

1.6   The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies can be found in the risk management guide on the KNet intranet site.

2.   Financial Implications

2.1   Many of the strategic risks outlined have financial consequences, which highlight the importance of effective identification, assessment, evaluation and management of risk to ensure optimum value for money.

3.   Strategic Priorities and Policy Framework

3.1   Risks highlighted in the risk registers relate to strategic priorities of the *Facing the Challenge* KCC transformation agenda, as well as the delivery of statutory responsibilities.

3.2   The presentation of risk registers to Cabinet Committees is a requirement of the County Council's Risk Management Policy.

4.   Risks relating to the Strategic & Corporate Services directorate

4.1   There are currently 5 strategic risks featured on the Strategic & Corporate Services risk register (appendix 2). One, relating to the Contact Centre telephony infrastructure, is rated as 'high' risk with the remaining 4 rated as 'medium' risk. Mitigation is in place to manage them. Members will be familiar with a number of these risks as part of regular items presented to the Committee.

4.2   It is likely that the risk profile will continue to evolve during the coming months as KCC's transformation agenda progresses.

4.3   Inclusion of risks on this register does not necessarily mean there is a problem.   On the contrary, it can give reassurance that they have been properly identified and are being managed proactively.

4.4   Monitoring & Review – risk registers should be regarded as 'living' documents to reflect the dynamic nature of risk management. Directorate Management Teams formally review their risks, including progress against mitigating actions, on a quarterly basis as a minimum, although individual risks can be identified and added to the register at any time. Key questions to be asked when reviewing risks are:

- Are the key risks still relevant?

- Has anything occurred which could impact upon them?
- Have the risk appetite or tolerance levels changed?
- Are any related performance / early warning indicators appropriate?
- Are the controls in place effective?
- Has the current risk level changed and if so is it decreasing or increasing?
- Has the "target" level of risk been achieved?
- If risk profiles are increasing what further actions might be needed?
- If risk profiles are decreasing can controls be relaxed?
- Are there risks that need to be discussed with or communicated to other functions across the Council or with other stakeholders?

5.   Recommendation

Recommendation:

The Policy & Resources Cabinet Committee is asked to consider and comment on the strategic and corporate risks outlined in appendices 1 and 2.

6.   Background Documents

6.1   KCC Risk Management Policy on KNet intranet site.

7.   Contact details

Report Author

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Relevant Director:

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KCC Corporate Risk Register

CORPORATE RISKS LED BY OFFICERS IN THE STRATEGIC & CORPORATE SERVICES DIRECTORATE

Corporate Risks led by Officers in the Strategic & Corporate Services Directorate
Summary Risk Profile

Low = 1-6	Medium = 8-15	High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
CRR 1	Data and Information Management	9	9
CRR 7	Governance & Internal Control	12	8
CRR 13	Delivery of 2014/15 savings	12	4
CRR 14	Procurement	9	6
CRR 17	Future operating environment for local government	20	10
CRR 18	PSN – Non-compliance with Code of Connection	8	4

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*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales				
Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID CRR 1		Risk Title	Data and Information Management			
Source / Cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The Council is reliant on vast amounts of good quality data and information to determine sound decisions and plans, conduct operations and deliver services. It is also required by the Data Protection Act and Government's Code of Connection (CoCo) to maintain confidentiality, integrity and proper use of the data. With the Government's 'Open' agenda, increased flexible working patterns of staff, and increased partnership working and use of multiple information repositories, controls on data management and security have become complex and important.	Poor decision making due to ineffective use of or insufficient availability of data and information sharing. Loss, misrepresentation or unauthorised disclosure of sensitive data. KCC falls victim to cyber attacks or sabotage	Under performance. Breach of Data Protection Act leading to legal actions, fines, adverse publicity, and additional remedial and data protection costs. Significant interruption of vital services leading to failure to meet duties and to protect people, finances and assets Potential damage to KCC's reputation	On behalf of CMT: Geoff Wild, Director Governance & Law **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services	Possible (3) **Target Residual Likelihood** Possible (3)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Senior Information Risk Officer in place. Revised SIRO action plan and risk register in place and regularly reviewed	David Cockburn, Corporate Director Strategic & Corporate Services
Information Security Policy in place	Geoff Wild, Director Governance & Law
Centralised resilience and transparency team in place.	Caroline Dodge, Team Leader-Information Resilience & Transparency team
ICT Security and Service Transition Team in place	Peter Bole, Director ICT
Corporate Director SCHWB nominated as KCC Caldicott Guardian, protecting confidentiality of service user information and enabling appropriate information sharing	Andrew Ireland, Corporate Director SCHWB
Coherent county wide strategy and protocols on sharing information between agencies. Kent & Medway Information Governance Programme Board's Information sharing agreement in place.	Charlie Beaumont, Integrated Youth Services Effective Practice & Performance Manager

Risk ID CRR 1	Risk Title Data and Information Management contd	
ICT Strategy in place.		Peter Bole, Director ICT
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place		Peter Bole, Director ICT
Information Governance e-Learning package available to all staff		Geoff Wild, Director Governance & Law
Discussions in place with Government regarding requirements of the Code of Connection (cross reference to CRR 18)		Peter Bole, Director ICT
Information Asset Register established including identification of information asset owners		Geoff Wild, Director Governance & Law
Information Security & Information Risk Management supporting procedures and processes are monitored to ensure realisation of benefits		Andrew Ireland, Corporate Director SCHWB/ Geoff Wild, Director Governance & Law / Peter Bole, Director ICT
Action Title	**Action Owner**	**Planned Completion Date**
All staff to complete Information Governance e-learning training	Geoff Wild, Director Governance & Law	July 2014

Risk ID CRR 7		Risk Title Governance and Internal Control			
Source / cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Council has legal responsibilities to ensure that adequate governance arrangements are in place to help the Council achieve its statutory responsibilities and to protect the Council's assets and finances. This is particularly important during the current period of significant change.	Major governance and internal control failure within the Council and / or its key suppliers e.g.: Appropriate decision making processes not followed. Significant fraud activity undetected Governance models do not keep pace with changes to operating models	Reputational damage and financial loss Fail external inspection/audit Loss of confidence in the Council and possible government intervention.	Andy Wood, Corporate Director Finance & Procurement (Geoff Wild, Director Governance & Law) **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services John Simmonds, Finance & Procurement	Possible (3) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
KCC Constitution Incorporating: Articles of the Constitution; Statement of Executive Arrangements; Allocation and Delegation of Functions and Responsibilities; Policy Framework; Procedure Rules; Resource Management Responsibilities Statement; Ethical Behavior Codes and Protocols; Members' Allowances Scheme; Management Structure; Member Details and Code of Corporate Governance	Geoff Wild, Director Governance & Law
Code of Corporate Governance in place in line with CIPFA/SOLACE guidelines. References evidence of KCC operating controls, procedures, practices, policies, rules, regulatory rules, schemes, systems of internal control, plans, strategies, etc.	Geoff Wild, Director Governance & Law
Blue Book – Kent Scheme manual sets out the detail of Kent Scheme terms and conditions of employment, legal references and other relevant links for all staff.	Amanda Beer, Corporate Director Human Resources

Risk ID CRR 7	Risk Title Governance and Internal Control contd.
Kent Manager - defines managers' role clearly, setting out exactly what is required of KCC managers	Amanda Beer, Corporate Director Human Resources
Governance and Audit Committee & Internal Audit roles	Andy Wood, Corporate Director Finance & Procurement
Standards Committee, Scrutiny Committee & Cabinet Committee roles	Geoff Wild, Director Governance & Law
Scheme of delegation to officers approved by Cabinet.	Geoff Wild, Director Governance & Law
Counter Fraud Team – anti-fraud strategy in place	Andy Wood, Corporate Director Finance & Procurement
Annual Governance Statement Process	Geoff Wild, Director Governance & Law
Management guide for Alternative Service Delivery Models produced	Neeta Major, Head of Internal Audit
Joint Accountability protocol revised to take into account the top tier realignment	Kent Integrated Children's Board (KICSB)
	Geoff Wild, Director Governance & Law

Action Title	Action Owner	Planned Completion Date
Additional training on decision making processes where required	Geoff Wild, Director Governance & Law	May 2014 (review)
Managers to seek guidance from Democratic Services officers at an early stage to ascertain the appropriate route for decisions.	Relevant Managers	May 2014 (review)
Develop decision making guidance and publish on KNet	Louise Whitaker, Democratic Services Manager (Executive)	May 2014

Risk ID   CRR 13   **Risk Title**   **Delivery of 2014/15 savings**

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The ongoing difficult economic climate has led to significant reductions in funding to the public sector and Local Government in particular. KCC has already made significant cost savings and still needs to make ongoing year-on-year savings in order to "balance its books."	The required savings from key programmes or efficiency initiatives are not achieved.	Urgent alternative savings need to be found which could have an adverse impact on service users and/or residents of Kent Potential adverse impact on whole-council transformation plans. Reputational damage to the council.	On behalf of CMT: Andy Wood, Corporate Director Finance & Procurement **Responsible Cabinet Member(s):** John Simmonds, Finance & Procurement	Possible (3) **Target Residual Likelihood** Very unlikely (1)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process	Andy Wood, Corporate Director Finance & Procurement
Process for monitoring delivery of savings is in place, including a Budget Programme Board to scrutinise progress.	Andy Wood, Corporate Director Finance & Procurement
Robust monitoring and forecasting of arrangements in place relating to the KCC budget as a whole	Andy Wood, Corporate Director Finance & Procurement
Corporate Portfolio Office in place providing independent assurance of significant transformational programme and project management across KCC to ensure appropriate benefits realisation, including delivery of savings. Reports to Corporate Board and Budget Programme Board as appropriate.	Paul McCallum, Head of Corporate Portfolio Office
Procedures for appropriate consultation in place (including Equality Impact Assessments) when decisions relating to changes in services are being considered	Steve Charman, Head of Consultation & Engagement
Arrangements for localisation of council tax agreed with District Councils (cross reference to Risk 12 Welfare Reform)	Dave Shipton, Head of Financial Strategy

Risk ID CRR 13	Risk Title Delivery of 2014/15 savings cont.	
Re-introduction of savings PIDS to ensure personal accountability for delivery of savings		Andy Wood, Corporate Director Finance & Procurement
Controls and mechanisms remain robust		Andy Wood, Corporate Director Finance & Procurement
Action Title	**Action Owner**	**Planned Completion Date**
Risk is to be mitigated to target level via existing controls outlined above		
Management action plan being devised to address potential 2014/15 budget issues in children's services	Mairead McNeil, Director Specialist Children's Services	August 2014

Risk ID CRR 14		Risk Title Procurement			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
As part of KCC's whole-council transformation programme the Authority is moving towards more strategic commissioning arrangements. This will put even greater emphasis on the importance of robust procurement and commissioning arrangements and contract management.	Commercial or contractual failure of suppliers A procurement process is challenged because it is considered to be discriminatory or to have failed to adhere to procedures set out in procurement law. Potential conflict between best price and *Bold Steps for Kent* objectives Non-delivery of procurement savings Ineffective contract management – KCC fails to act as a strong enough 'client'. Procurement and commissioning functions not appropriately aligned.	Providers fail to deliver expected benefits. Service users / residents of Kent suffer – potential legal, financial and reputational implications. Procurement processes may have to be halted / restarted, which has service and financial implications Failure to secure optimum value for money from service providers.	On behalf of CMT: David Cockburn, Corporate Director Strategy & Corporate Services Andy Wood, Corporate Director Finance & Procurement **Responsible Cabinet Member(s):** Paul Carter, Business Strategy, Audit, Transformation John Simmonds, Finance & Procurement	Possible (3) **Target Residual Likelihood** Unlikely (2)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	**Control Owner**
KCC Procurement Strategy sets out the strategic approach to procurement across the Authority	Henry Swan, Head of Procurement
Spending the Council's Money – Code of Practice setting out how strategic approach to procurement is to be achieved at operational level.	Henry Swan, Head of Procurement

Procurement Board in place, establishing clear agreed relationships, support, information flow, governance structures and accountability between different levels of commissioning and procurement.	Henry Swan, Head of Procurement

Risk ID CRR 14	Risk Title	Procurement	cont.	

iProcurement rolled out, as an online way of making and managing requisitions and purchases	Henry Swan, Head of Procurement
Procurement training for KCC managers, as part of the Kent Manager standard, in place	Henry Swan, Head of Procurement
Category Management approach established	Henry Swan, Head of Procurement
Procedures for appropriate consultation in place (including Equality Impact Assessments) where procurement and commissioning decisions are being considered	Steve Charman, Head of Consultation & Engagement
Procurement and Legal Services joint protocol in place to clarify the respective responsibilities of these two functions and service managers	Henry Swan, Head of Procurement/Geoff Wild, Director Governance & Law

Action Title	Action Owner	Planned Completion Date
Review of commissioning and procurement arrangements in KCC to ensure appropriate alignment	Andy Wood, Corporate Director Finance & Procurement/Andrew Ireland, Corporate Director SCHWB	June 2014

Risk ID CRR 17		Risk Title Future operating environment for local government			

Source / Cause of Risk	Risk Event	Consequence	Risk Owner(s)	Current Likelihood	Current Impact
The extension of public sector austerity beyond the current Parliament, the continuing growth in pressures and a radical public service reform agenda being pursued by the Coalition Government means that KCC, like many local authorities, is faced with significant uncertainty and enormous challenges.	Failure to respond appropriately to the challenges faced and to be able to shape a new resilient and financially sustainable fit-for-purpose Authority in the timescales required.	Services of insufficient quality to support the needs of the people of Kent.

Unsustainable financial overspend.

Reduction in resident satisfaction and reputational damage. | Corporate Directors

Responsible Cabinet Member(s):

Paul Carter, Business Strategy, Audit & Transformation | Likely (4)

Target Residual Likelihood

Unlikely (2) | Major (5)

Target Residual Impact

Major (5) |

Control Title	Control Owner
"Facing the Challenge: Whole-Council Transformation" paper approved at County Council – sets out how the Authority will position itself to meet the anticipated financial challenges, outlines a future vision for the Council and a whole-council transformation approach	Leader of the Council
Version 1 of Transformation Plan (Facing the Challenge: Delivering Better Outcomes) presented to County Council outlining a phased roadmap for transformation	Leader of the Council/Transformation Advisory Group
Corporate Directors are providing managerial leadership for the transformation agenda and ensuring resources for delivering transformation are adequate and appropriate to ensure successful delivery, alongside maintaining focus on 'business as usual' activity, and meeting regularly to ensure effective oversight of programme management	Corporate Directors
Director of Transformation appointed to support delivery of the transformation agenda	Leader of the Council
Corporate Directors meet regularly to ensure effective coordination of officer level programme coordination	Corporate Directors
Effective operation of Transformation Board in order to gain wider engagement of political groups	Leader of the Council/ Transformation Advisory Group
Effective operation of Transformation Advisory Group as the vehicle through which strategic management and oversight of delivery takes place.	Leader of the Council

Resources plan developed to ensure sufficiency of apparatus to deliver Facing the Challenge agenda	John Burr, Director Transformation

Risk ID CRR 17	Risk Title	Future operating environment for local government	cont.

Framework for engagement developed to support the transformation agenda.	Diane Trollope, Change/Engagement Manager
Corporate Portfolio Office in place charged with identifying and managing dependencies across all programmes and projects	Paul McCallum, Head of Corporate Portfolio Office
Service Review model developed to flexibly deliver both in-depth reviews challenging fundamental assumptions about how and why we deliver services and provide a 'troubleshooting' function for the Leader.	John Burr, Director Transformation
Communications and Engagement plan for *Facing the Challenge* developed	Diane Trollope, Change/Engagement Manager
Change Portfolio arrangements established	Portfolio Senior Responsible Officers (SROs)
Top-tier posts realigned to support transformation	Leader of the Council
Agreed approach with Democratic Services on decision making, governance and approval routes for *Facing the Challenge* programme	John Burr, Director Transformation/Portfolio Senior Responsible Officers (SROs)

Action Title	Action Owner	Planned Completion Date
Development of interventions to improve professional capacity and capability of project and programme delivery as a distinct skill set within KCC	Janet Hawkes, Professional Development Adviser	July 2014 (review)
Establishment of Staff development and Leadership & Management Frameworks to further develop key skills across the organization as an essential enabler of transformation, including commercial acumen and contract management	Amanda Beer, Corporate Director Human Resources	June 2014
Further financial modelling required ascertaining savings attributable to change portfolios once Blueprints have been established – 3 year spending plan being devised.	Andy Wood, Corporate Director Finance & Procurement	June 2014 (review)
Further development of Change Portfolio arrangements	Portfolio Senior Responsible Officers (SROs)	July 2014 (review)

Risk ID CRR 18		Risk Title	Public Services Network - Compliance with Code of Connection			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Public Services Network is the successor to the Government Connect Secure Extranet (GCSx) and Government Secure Intranet (GSi). The PSN is a UK government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. The customer Code of Connection (CoCo) provides a minimum set of security standards that organisations must adhere to when joining the PSN.

Due to the Government's zero-tolerance approach a number of local authorities need to make changes to current policies/ways of working that requires additional investment.

Ongoing compliance with the standard will have a number of potential impacts on KCC | Short Term: KCC judged to be non-compliant with Government's Code of Connection

Longer Term: Additional investment in technology required to meet standards without commensurate increase in productivity. | Short Term: Reputational damage

Longer Term:

Impact on "Doing things Differently" objectives – less technology choices available.

Financial implications | David Cockburn, Corporate Director Strategy & Corporate Services

Peter Bole, Director ICT

Responsible Cabinet Member(s):

Gary Cooke, Corporate & Democratic Services | Unlikely (2)

Target Residual Likelihood

V. Unlikely (1) | Serious (4)

Target Residual Impact

Serious (4) |

Control Title	**Control Owner**
Thorough analysis of potential impacts of satisfying the CoCo compliance conducted	Peter Bole, Director ICT
Impact analysis conducted for adoption of Baseline Personnel Security Standards (BPSS)	Peter Bole, Director ICT/Amanda Beer, Corporate Director HR
CMT commitment to comply communicated to Public Services Network Authority (PSNA)	Corporate Management Team
Project plan devised to achieve compliance	Peter Bole, Director ICT
KCC compliant with current Code of Connections standards	Peter Bole, Director ICT

Risk ID CRR 18	Risk Title	Public Services Network - Compliance with Code of Connection	cont.
Action Title		**Action Owner**	**Planned Completion Date**
CMT to reconsider options on conclusion of LGA/Cabinet Office discussions		Corporate Management Team	Complete
Action plan to meet requirements for compliance in April 2015		Peter Bole, Director of ICT	September 2014 (review)

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Strategic and Corporate Services Risk Register

JUNE 2014

Strategic & Corporate Services Directorate
Summary Risk Profile

Low = 1-6	Medium = 8-15	High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
STCS 03	Maintain a healthy and effective workforce across STCS through significant change	8	8
STCS 04	Utilisation of Enterprise Resource Planning (ERP) and other transactional systems	9	6
STCS 05	Collaboration of corporate support services to support implementation of New Ways of Working	6	4
STCS 07	Capacity and capability challenges relating to corporate support functions	9	6
STCS 08	Failure of Contact Centre telephony system	16	3

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales

Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID: STCS 03	Risk Title: Maintain a healthy and effective workforce across STCS through significant change				
Source / Cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The STCS workforce plays a vital role in supporting the organisation to run effectively and efficiently. The staff across the directorate need to be healthy, motivated and have the right skills to help the organisation develop.	Low morale or stress related to organisational change or other factors. Increased sickness levels. Failure to develop the right skills in staff. Lack of depth/resilience in key staff. Ineffective workforce/succession planning.	Negative impact on organisational effectiveness and service levels.	Amanda Beer, Corporate Director Human Resources	Unlikely (2) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Arrangements in place for active monitoring and response to absence	Paul Royel, Head of Employment Strategy
Attendance policy and practice reviewed, updated and communicated. Ongoing review as required	Paul Royel, Head of Employment Strategy
Coaching and mentoring network in place	Jackie Turner-Robinson, Head of HR Business Centre
Directorate Organisational Development Group established	Nigel Fairburn, Organisation Effectiveness Manager
Suite of KPIs being monitored as early warning indicators e.g. retention, absence	Amanda Beer, Corporate Director Human Resources
Employee Engagement Strategy	Paul Royel, Head of Employment Strategy
iResilience Tools	Amanda Beer, Corporate Director Human Resources
KCC Staff Health and Wellbeing Group in place	Nigel Fairburn, Organisation Effectiveness Manager
Managing Stress at Work Policy	Helen Bale, Head of Health & Safety

Risk ID: STCS 03 Risk Title: Maintain a healthy and effective workforce across STCS through significant change contd.,	
Public Health supporting and advising on the commissioning of Mental Health First Aid training.	Andrew Scott-Clark, Interim Director Public Health
Attendance management policies and training for managers in place	Paul Royel, Head of Employment Strategy
Staff Care services	Helen Bale, Head of Health & Safety
Directorate feeds in to KCC Training Plan	Nigel Fairburn, Organisation Effectiveness Manager
Wellbeing initiatives and health promotions for staff	Paul Royel, Head of Employment Strategy

Action Title	Action Owner	Planned Completion Date
Support the development and implementation of the "Because of You" staff engagement campaign	Nigel Fairburn, Organisation Effectiveness Manager	Completed
Extension of the Employment Value Proposition (EVP) survey as part of the staff engagement programme	Paul Royel, Head of Employment Strategy	Completed

Risk ID: STCS 04	Risk Title:	Utilisation of Enterprise Resource Planning (ERP) and other transactional systems			

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
KCC is dependent on the ongoing development and use of systems, such as those on the Oracle platform, to maximise the efficiencies to be achieved from moving away from manual or less efficient processes and to aid the concept of the 'self-sufficient manager' in KCC	Key stakeholders do not engage with the processes supported by those systems and therefore systems are not utilised. ERP solutions do not meet service requirements.	Development will cease/be reduced which will limit opportunities to replace manual and other less efficient systems. This will result in more manual processes across the organisation limiting the potential to achieve efficiencies. The availability and reliability of the data used for business intelligence purposes could be compromised. KCC fails to improve efficiency of intelligence and makes poor decisions.	Amanda Beer, Corporate Director HR; Peter Bole, Director ICT; Richard Hallett, Head of Business Intelligence; Andy Wood, Corporate Director Finance & Procurement	Possible (3)	Significant (3)
				Target Residual Likelihood	**Target Residual Impact**
				Unlikely (2)	Significant (3)

Control Title	Control Owner
Business Intelligence Competency Centre (BICC) established	Richard Fitzgerald, Performance Manager
Communications and training functions represented on ERP Sponsoring Group. Joined up communications plan as part of "Doing things Differently" campaign. K-mail article produced and staff engagement manager assisting the work.	Richard Hallett, Head of Business Intelligence
Exalytics box purchased to improve performance of Oracle Business Intelligence (OBI) and to support future mobile working	Richard Hallett, Head of Business Intelligence
Framework contract in place to provide ad hoc technological support for OBI development	Richard Hallett, Head of Business Intelligence
Revenue and Capital funding available for Phase 2 development	Richard Hallett, Head of Business Intelligence
8,600 HR self-service users, 1,500 i-procurement users, 330 budget managers using Collaborative Planning, 900 managers with access to Oracle Business Intelligence and 8,000 e-learning registered users, already in place	Richard Hallett, Head of Business Intelligence/Andy Wood, Corporate Director Finance & Procurement/Amanda Beer, Corporate Director HR

Risk ID: STCS 04 Risk Title: Utilisation of Enterprise Resource Planning (ERP) and other transactional systems contd.,		
Programme Manager and Project Management Capacity in place		Richard Hallett, Head of Business Intelligence
Refreshed training programme in place		Natasha Stonestreet, ERP Programme Manager
Action Title	**Action Owner**	**Planned Completion Date**
OBI roadmap update to be agreed by the BICC	Richard Hallett, Head of Business Intelligence	11/07/2014
Highways finance, Ofsted, Contact Point and HR dashboards to be ready for Managers	Richard Hallett, Head of Business Intelligence	30/09/2014
Further roll-out of Collaborative Planning to achieve full coverage	Andy Wood, Corporate Director Finance & Procurement	March 2016
Further roll-out of i-procurement to achieve appropriate coverage	Andy Wood, Corporate Director Finance & Procurement	March 2016
(Note: Collaborative Planning and iprocurement actions will be reviewed at regular intervals until planned completion date achieved)		

Risk ID: STCS 05   Risk Title: Collaboration of corporate support services to support implementation of New Ways of Working

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The New Ways of Working Progamme sets out to deliver refreshed office environments and smarter ways of working across the organisation, acting as an enabler to change. The programme also has significant savings attached.	The key interfaces across corporate support services are not identified or coherently brought together, which would make implementation across the Authority more challenging or prevent successful programme delivery. Interdependencies with other change programmes not identified and managed.	The organisation fails to engage with the programme. Programme objectives including asset rationalisation and allocated savings not met, or not met on time.	Amanda Beer, Corporate Director HR; Peter Bole, Director ICT; Barbara Cooper, Director Economic & Spatial Development; Rebecca Spore, Director Property & Infrastructure Support	Possible (3) **Target Residual Likelihood** Unlikely (2)	Moderate (2) **Target Residual Impact** Moderate (2)

Control Title	Control Owner
Ongoing engagement and communication work with KCC staff on the programme and its impact	Rebecca Spore, Director Property & Infrastructure Support
Management of the implications in place of any new governance arrangements required by the programme.	Rebecca Spore, Director Property & Infrastructure Support
Independent assurance being gained from monitoring Budget Programme Board	Andy Wood, Corporate Director Finance & Procurement
Appropriate arrangements across the Strategic and Corporate Services directorate in place for the roll out of the programme, including interconnection to HR and ICT work streams	Rebecca Spore, Director Property & Infrastructure Support
Interdependencies with other programmes being mapped	Bob Appleby, New Ways of Working Programme Manager
Portfolio Management arrangements established to identify and manage organisation wide interdependencies	Paul McCallum, Head of Corporate Portfolio Office
Robust programme management mechanisms – Programme Board and dedicated Programme Manager in place	Rebecca Spore, Director Property & Infrastructure Support
Vision for New Ways of Working developed	Rebecca Spore, Director Property & Infrastructure Support
Suite of interventions introduced by HR function to support the programme	Nigel Fairburn, Organisation

Risk ID: STCS 05	Risk Title: Collaboration of corporate support services to support implementation of New Ways of Working contd.,	
Action Title	**Action Owner**	**Planned Completion Date**
Lead the 'People Management' work streams of the programme, including communication/consultation, staff forecasting, change management, training for managers and staff and terms & conditions issues	Rob Semens, HR Business Partner	30/062014
Following initial implementations carry out a review to address lessons learnt as part of future programme roll-out/implementations.	Rebecca Spore, Director Property & Infrastructure Support	01/09/2014
Update communications plan to support programme	Amanda Beer, Corporate Director, HR	01/09/2014
Review and revise integration and engagement plan including ICT and Contact Point	Mark Cheverton, Head of Estate Management and Disposals	30/07/2014

Risk ID: STCS 07	Risk Title: Capacity and capability challenges relating to corporate support functions				
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
Support services across the directorate are facing the challenge of achieving budget savings for 2014/15, maintaining day-to-day operations and playing a key role in helping the organisation through significant change. At the same time these services are subject to service review and market testing.	Insufficient capacity to maintain day-to-day delivery on top of 'Facing the Challenge' support. Lack of appropriate skills and competencies as the Directorate moves forward as part of the transformation agenda.	Levels of service drop or support for Facing the Challenge cannot be given in timescales.	Strategic & Corporate Services Directorate Management Team	Possible (3) **Target Residual Likelihood** Unlikely (2)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Impacts of transformation being monitored.	Strategic & Corporate Services Directorate Management Team
Bids put forward to transformation budget for additional resource.	Strategic & Corporate Services Directorate Management Team
Project based approaches being adopted and resource mapping in place where required	Strategic & Corporate Services Directorate Management Team

Action Title	Action Owner	Planned Completion Date
Review resource requirements regularly in light of projected workload and Facing the Challenge, reprioritising business activities as appropriate and bringing in dedicated resources to manage Facing the Challenge activity.	Strategic & Corporate Services Directorate Management Team	30/09/2014 (review)
Establish a Property Transformation Group to ensure that wider staff group are involved in plans as they develop	Rebecca Spore, Director Property & Infrastructure/Property Senior Management Team	01/09/2014
Development of appropriate skills and competencies for change once requirements are clear.	Strategic & Corporate Services Directorate Management Team	30/09/2014

Risk ID: STCS 08			Risk Title: Failure of Contact Centre telephony infrastructure		
Source / cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
Existing local telephony infrastructure difficult to maintain with increasing likelihood for failure	There is a risk that the telephony system will fail and our ability to repair any failure in the equipment is going to be increasingly compromised due to the age of the equipment concerned.	Increased risk of telephony outage resulting in poor customer experience and reputational loss.	Barbara Cooper, Director Economic & Spatial Development Peter Bole, Director ICT	Likely (4) **Target Residual Likelihood** Very Unlikely (1)	Serious (4) **Target Residual Impact** Significant (3)

Control Title			Control Owner		
Close liaison with ICT telephony team to ensure that all advisable maintenance takes place to maximize durability of the existing Siemens telephony infrastructure			Christopher Smith, Operations Manager, Contact Point		
KCC wide move to Cloud Telephony system being pursued by Procurement Team after recent sign off by the Transformation Advisory Group (TAG)			Christopher Smith, Operations Manager, Contact Point		
Daily reports from Delivery Managers on status of equipment			Christopher Smith, Operations Manager, Contact Point		
Roll-out of Unified Comms provides more resilience for frontline services			Peter Bole, Director ICT		

Action Title	Action Owner	Planned Completion Date
Further roll out of Unified Comms will provide resilience for further frontline services	Peter Bole, Director ICT	30/09/2014 (review)
A new business continuity plan will be devised subject to the new CLOUD provider	Christopher Smith, Operations Manager, Contact Point	30/09/2014
Contingency site at Ashford Highways being explored for PBX failure scenario in consultation with ICT	Christopher Smith, Operations Manager, Contact Point	30/06/2014
Identify and procure alternative "Cloud" telephony system	Peter Bole, Director ICT	30/06/2014
Installation of new "Cloud" telephony system	Peter Bole, Director ICT	30/09/2014
Minimise the effect of outside impact on current infrastructure	Christopher Smith, Operations Manager, Contact Point	30/06/2014

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From: **Bryan Sweetland, Cabinet Member Commercial & Traded Services**

                Geoff Wild - Director of Governance & Law

To: **Policy and Resources Cabinet Committee – 10 July 2014**

Subject: **Legal Services'** *Evolution, Efficiency, Enterprise* **Project Annual Report – 2013/14**

Classification: **Unrestricted**

Summary: This report provides an update on progress of the Legal Services *Evolution, Efficiency, Enterprise* Project. 2013/14 was the second year of this three year project, which is in response to a climate of growing legal need at a time of significant budget restraint and considerable change within the legal market.

Key highlights include:

1. Generating a **£2.4m trading surplus** for the council in 2013/14.

2. Generating additional **£1.18m of cash efficiency savings** during the year.

3. Delivering a further **£229k of non-cash savings and efficiencies** in 2013/14.

4. **Holding prices for the 7th successive year**, absorbing inflationary and pay award increases by introducing efficiencies and improving performance.

5. **Delivering internal conferences and training for KCC staff**, thereby reducing risk, improving resilience and saving KCC thousands of pounds.

Details of these savings are set out in the **Appendix** to this report.

Recommendations: The Committee is asked to note the report.

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1.   **Introduction**

a)   Kent Legal Services (KLS) is designed and managed to run as a fully traded business along private sector lines, whilst retaining a strong public sector ethos.

b)   It was one of the first services to be reviewed under *Facing the Challenge*, which started in September 2013. Whilst that review is underway, it is essential that improvements to the service continue. The *Evolution, Efficiency, Enterprise* Project is designed to do just that, by providing a focus on managing the council's legal risk, whilst suppressing demand and spend on legal services, at the same time as delivering efficiencies, improved performance and new ways of working.

2. Efficiency

a) KLS contributed a £2.4m trading surplus to the Council in 2013/14.

b) KLS has not increased its prices to the Council for 7 years. Prudent financial management, coupled with efficiency measures and greater reliance on technology has allowed the unit to absorb the impact of inflationary pressures, price rises and increased demand. In addition to that, over the same period KLS has absorbed additional pressures relating to unfunded pay awards for its legal staff. This represents a significant saving to the council. If KLS had increased its prices by just 1% each year for the past 7 years, the additional cost to the KCC of its legal services would have been £408k and £83k in 2013/14 alone.

c) Salary costs for legal staff have reduced by £199.1k (4% reduction) and, taking into account the unfunded pay awards of £93.6k, this amounts to an efficiency saving on salaries of £292.7k.

d) Staffing numbers have decreased in the past year by 17 FTE. This has been achieved in part by extracting efficiencies from the Iken case management system, which was introduced last year, including the use of computerized workflows to reduce the time taken by senior staff to perform routine tasks. This has enabled the deployment of more junior staff working under supervision, instead of having to recruit staff on more senior grades.

e) KLS has carried out a number of recruitment drives during the year to employ lawyers, trainees and apprentices to replace, and reduce the cost of, agency staff.

f) Over the past two years, KLS' advocacy drive has resulted in a reduction in spend on external counsel of £1.6m, with £800k savings on counsel fees and disbursements in this financial year. KLS lawyers now represent the council at a range of hearings in the family courts, civil courts and employment tribunal. The majority of this saving has been achieved through the reduction of the use of external counsel in cases for Specialist Children Services.

g) A 20% reduction in spend on supplies and services (including printing, stationery and postage) has delivered savings of £72k.

h) Transport costs have been reduced by 23%, creating a saving of £12.9k.

3. Demand Management

KLS has continued working across the council to reduce the money KCC spends on legal services. Measures include:

a) Closer integrated support and partnership working with KCC clients, giving them more effective control over, and greater information about, their legal costs.

b) Efficient gate-keeping processes and regular budgetary meetings, enabling Directorates to closely monitor their legal spend.

c) Producing templates, precedents and guidance notes to empower directorate officers to undertake basic legal processes themselves, thus

reducing their legal spend but in the knowledge that there is specialist in-house legal support available if needed.

d) Reducing the average timescale (and therefore cost) of child care proceedings from 64 weeks to 35 weeks.

e) Delivering bespoke training programmes, workshops, conferences, mock employment tribunals and legal updates to give clients the tools to reduce their legal risk and also provide low cost, high value training to KCC staff.

4. "Let our knowledge help you transform people's lives"

What matters is not how good we are as lawyers, so much as how our skills are put to practical use to really benefit the people of Kent. Highlights over the past year include:

a) Recovering £120,000 in an ordinary residence dispute with a London Borough, where the legal prospects of success were weak and KCC itself faced a counter claim.

b) Supporting Specialist Children Services in a number of complex cases with international aspects involving the Brussels II Convention and dealing with a number of complex jurisdictional cases involving Eastern European families.

c) Obtaining an order for £590,000 in costs and interest in a civil fraud case.

d) Advising on complex governance arrangements for the council's commercial companies.

e) Supporting the Expansion East Kent project by delivering several loan agreements worth more than £2m.

f) Launching a Charities Legal Scheme offering fixed price, low cost legal services to Kent-based charitable organisations.

g) With grant funding from the LGA, completing a unique and exhaustive cataloguing of all local authority legal powers and duties, which now provides a searchable resource for the sector nationwide, as well as having generated external income for KCC.

h) Connections with University of Kent and Canterbury Christchurch University have been forged by judging at their mock trials and attending student events.

5. Recommendation

Recommendation: The Committee is asked to note the report.

6. Report Author Contact details

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Evolution Efficiency Enterprise Account 2013/14

Cash Savings	
Reduction of Counsel Fees and other Disbursements	£800.0k
Reduction in salary bill for legal staff	£199.1k
Unfunded pay award for legal staff	£93.6k
Reduction in transport costs	£12.9k
Reduction in expenditure for supplies and services	£72.0k
Total	**£1,177.6k**
Non Cashable savings and efficiencies	
Advice on projects which would in the past have required external advisers to be retained. Estimated savings against external firm rates	£184k
Bespoke Training courses carried out for KCC by KLS. Estimated savings against cost of using external trainers	£45k
Total	**£229k**

From: **John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement**

                      Bryan Sweetland, Cabinet Member for Commercial & Traded Services

                      Andy Wood, Corporate Director for Finance & Procurement

                      Barbara Cooper, Director of Economic and Spatial Development

To: **Policy & Resources Cabinet Committee 10th July 2014**

Subject: **Budget Consultation 2015/16**

Classification: **Unrestricted**

Summary:
This report sets out the preferred approach to consultation on the 2015/16 budget, building on and developing the most successful aspects of last year's consultation. The report focuses on the aims of the consultation, the key strategies and process. The report is not seeking agreement to the content for consultation which will evolve over the summer.

Recommendation(s):
The Policy & Resources Cabinet Committee is asked to consider and endorse the proposed consultation arrangements, and to make recommendations to the Cabinet Member for Finance & Procurement on any changes or enhancements.

1. **Introduction**

1.1 We have undertaken consultation on the budget for a number of years and have found it extremely valuable in helping to set the council's budget priorities. A robust consultation mechanism which gives members confidence that the views expressed represent those of Kent residents and businesses will be invaluable as the challenge to balance the conflict between reduced funding and additional spending demands gets ever more difficult.

1.2 Last year we made some significant changes to the consultation and engagement strategy with the aim of engaging with many more respondents. This was viewed as a success as we received over 3,000 responses. The strategy was based on "2 minutes 2 questions" campaign which aimed for a much higher level engagement through asking only two simple questions. This was backed up by on-line information and budget modelling tool, workshop sessions with a sample of Kent residents, e-mail survey of residents and a separate staff consultation process.

1.3 It should be noted that consultation on the overall budget relates to the strategic direction of travel and key priorities. It is not a consultation about

specific proposals and these will be subject to separate consultation prior to implementation. The final presentation of consultation findings for the 2014/15 budget to County Council on 13th February 2014 is attached appendix 1 of this report.

2. Financial Implications

2.1 The provisional settlement for 2015/16 was included in the Medium Term Financial Plan presented to County Council on 13th February. This shows a substantial reduction in Revenue Support Grant (RSG) of £54m (over 25%). A reduction of this magnitude was anticipated when we reported the medium term financial outlook to Cabinet Committees last September (after it had become clear that the spending round (SR2013) announcement for 2015/16 would result in a larger reduction in our main settlement in order to fund specific initiatives such as extension of Troubled Families, new burdens under the Social Care Act, etc.).

2.2 The MTFP also included a prediction on funding for 2016/17 and spending demands for 2015/16 and 2016/17. These are best estimates at this stage and following the next spending round announcement (not expected until after the General Election) this could be better or worse than predicted. Inevitably spending demand pressures are an estimate at this stage and will need to be updated in light of performance in the current year.

2.3 The combination of funding reductions and spending demands leaves estimated savings of £88m to be found for 2015/16 and £62m for 2016/17. Of these identified actions of £29m for 2015/16 and £14m for 2016/17 were indicated in the plan (with no specific detail) leaving around £44m per annum still to be identified. The consultation will need to include proposals on how the budget is to be balanced for each year together with further estimates for spending demands, funding reductions and consequential savings for 2017/18.

2.4 There is no specific budget for public consultation (this was taken as a saving in 2011/12) but we have been able to use flexibility within the overall Finance and Procurement budget to find £50k towards the cost of conducting specific consultation on the budget (excluding staff time). This has to cover the cost of consultancy, printed materials and advertising.

3. Policy Framework

3.1 Facing the Challenge Programme has been established as the main vehicle to address the budget requirements over the medium term. This approach was supported in last year's consultation.

3.2 KCC's Financial Strategy is set out in the Medium Term Financial Plan for both revenue and capital spending. The plan also includes the Treasury Management and Risk Strategies. Consultation will seek a steer how Kent residents, businesses and KCC staff think these strategies should be evolved in light of continuing financial restraint.

4. Consultation Strategy & Process

4.1 As outlined in the introduction to this report the consultation strategy and process for 2014/15 was a considerable improvement on previous years. We set out to engage with many more residents and get a clearer steer on key budget priorities. The objective agreed at Corporate Board was 'to make the public aware of the challenges we face as a council and to get a sense of whether residents are in favour of raising council tax as a means of making council services more sustainable. It's not about high response rates – it's about raising awareness.' Inevitably this meant that we did not ask detailed questions about specific budget proposals although information was available on the web-site at varying levels of detail for those interested. The strategy was based on:

- A headline campaign under the banner "2 minutes 2 questions" – this was deliberately targeted to increase engagement by asking only two questions; the approach KCC should take in order to deliver the savings required and levels of Council Tax. The consultation was supported by a media campaign to encourage engagement

- On-line budget modelling tool which enabled respondents to identify their priorities for the Council's spending. This model was well received as it was easy to use and provided a unique insight of residents' "revealed" values

- Information on KCC's website summarising the current budget and 3 year financial plan. This was presented in such a way that gave a high level summary and enabled users to drill down to obtain more information.

- Consultation programme run by independent consultants including 2 whole day workshops with a selected sample of 60 residents and a survey with a representative sample of residents seeking responses to the on-line tool

- A similar programme for staff with 1 workshop and use of the on-line tool

4.2 We propose to adopt a similar strategy for consultation on the 2015/16 budget and 2015/18 medium term financial plan with some minor improvements to the process. In particular we will continue to ask a very limited number of questions utilising on-line engagement. The main changes we are considering are:

- Better wording of the question about how KCC should make the savings needed to balance the budget. This may mean splitting this into 2 or 3 separate questions as it was generally felt the question asked last year did not allow sufficient scope for alternative views

- A more comprehensive staff engagement programme and better identification of responses between staff and residents

- A specific programme to better engage with businesses and the voluntary sector. We think business engagement is particularly relevant in light of the changes to business rates announced in the Chancellor's Autumn Statement

- Targeted consultation work with residents who may be more significantly impacted by the Budget.

4.3 We are planning to conduct the consultation for a 7 to 8 week period in October and November. This not only allows more time for people to respond

but also means more time to evaluate the responses before reporting the outcome in January (in advance of publication of final budget proposals for County Council in February). We intend to provide an update report to the December Policy and Resources Cabinet Committee on the approach outlined in paragraph 4.2 (and any other changes following Committee recommendations).

4.4 Evidence from last year's consultation showed that we got very similar responses from the "2 minutes 2 questions" to the control mechanisms to validate these responses. (The workshops and budget tool were undertaken with representative samples and asked equality and diversity questions). A short survey is therefore an effective addition to the consultation process that enables the wider community to participate. We are confident that the strategy outlined above, with the minor changes proposed, will result in a reasonable level of engagement and results which can be relied upon.

5. Conclusions

5.1 It is essential that budget decisions are informed by residents' views and engagement with key stakeholders. It is also essential that members can be confident that responses represent the wider views of Kent residents and businesses.

6. Recommendation(s)

Recommendation(s):
The Policy & Resources Cabinet Committee is asked to consider and endorse the proposed consultation arrangements, and to make recommendations to the Cabinet Member for Finance & Procurement on any changes or enhancements.

7. Background Documents

7.1 Reports to County Council on Facing the Challenge.

7.2. Report to County Council on 13th February 2014 on 2014/15 Budget and 2014/17 Medium Term Financial Plan.

7.3 Report to Policy and Resources Cabinet Committee on 17th January 2014 on Budget Consultation and Provisional Local Government Settlement.

8. Contact details

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Budget Consultation 2014/15

Dawn Hands, Managing Director
BMG Research

bmg

Kent County Council

Today's overview

- Findings from:
    - '2 minutes, 2 questions' (2,693 responses)
    - Staff workshop (35 responses), and web (487)
    - Residents' workshops (60), web (487) and representative survey (1,034)

- A very comprehensive and robust programme of independently facilitated consultation

- Budget tool has provided unique insight in to residents' views, and has 'revealed' rather than analysed 'stated' priorities

Kent County Council

Key Messages from '2 minutes, 2 questions'

- Good levels of participation delivering robust results

- We can rely on findings as they are consistent with representative sample work done by BMG Research

- Responses indicate that a referendum to raise tax above 2% would most likely fail although over 70% supported a modest Council Tax increase in order to protect front line services

- The least popular options are to "provide only a basic minimum level of service" or "restrict access to services to only the most needy"

bmg research

Kent County Council

Findings from BMG's consultation programme

Key Messages

- Findings are similar across all audiences and all methods
- Residents generally have little understanding of how Local Government financing and services work and therefore do not understand how council tax operates in this context
- Residents had noticed little change as a result of cuts already implemented, and believe scope remains to find further efficiencies
    - Staff agree to an extent, but also believe eligibility criteria will have to be reviewed for certain services
- Residents are most likely to protect those services on which vulnerable adults and children are dependent
- Residents (and staff) are least likely to protect services for which users could find alternative provision
- Preferences are influenced by the services the respondent or their family currently use
    - People are more likely to vote to protect services they benefit from

Residents Workshop

In the first voting session, three in five (60%) of residents agreed KCC provide value for money. This rose to seven in ten (70%) during the final voting session

	Voting session - midday	Voting session - end of day
Strongly agree	2%	8%
Tend to agree	58%	62%
Neither agree nor disagree	15%	8%
Tend to disagree	20%	17%
Strongly disagree	5%	5%
Not provided	0%	2%

Residents Workshop

Over three fifths of respondents at the beginning of the day said Council tax is too high, but opinion changed throughout the day
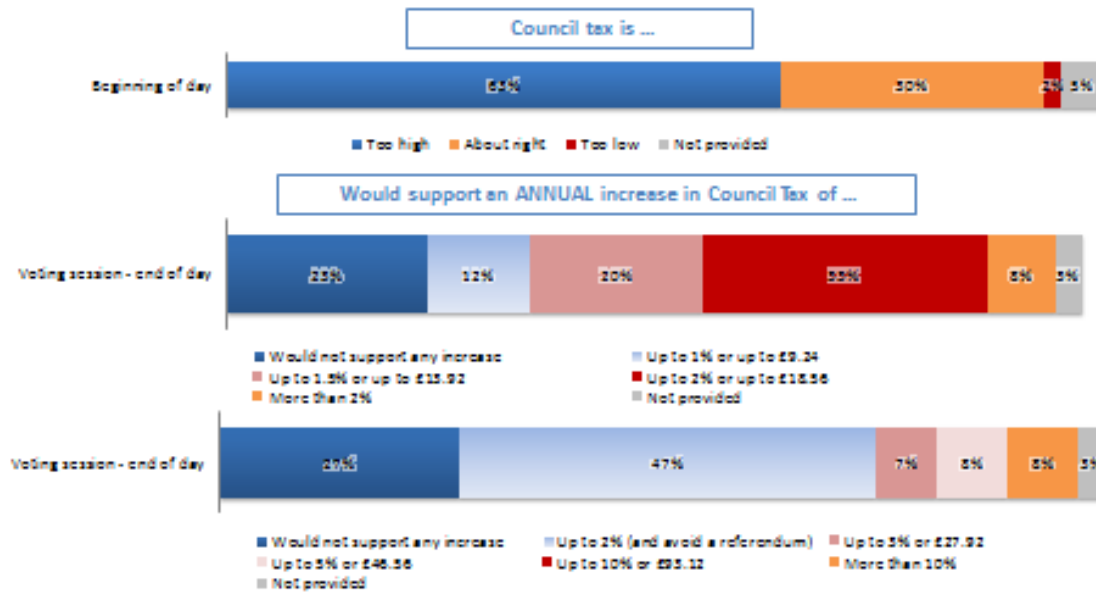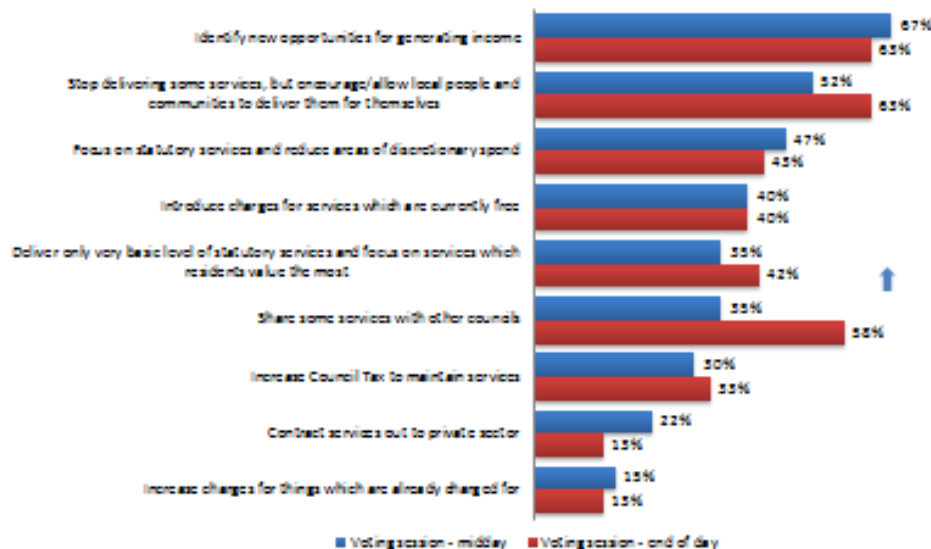
Council tax is ...

Beginning of day: Too high 64% | About right 30% | Too low 2% | Not provided 5%

■ Too high ■ About right ■ Too low ■ Not provided

Would support an ANNUAL increase in Council Tax of ...

Voting session - end of day: 23% | 12% | 20% | 33% | 6% | 5%

■ Would not support any increase   ■ Up to 1% or up to £9.24
■ Up to 1.5% or up to £13.92   ■ Up to 2% or up to £18.56
■ More than 2%   ■ Not provided

Voting session - end of day: 24% | 47% | 7% | 8% | 6% | 3%

■ Would not support any increase   ■ Up to 2% (and avoid a referendum)   ■ Up to 5% or £27.92
■ Up to 5% or £46.56   ■ Up to 10% or £93.12   ■ More than 10%
■ Not provided

Residents Workshop

Views changed between the voting sessions on how KCC should bridge the budget gap

	Midday	End of day
Identify new opportunities for generating income	67%	65%
Stop delivering some services, but encourage/allow local people and communities to deliver them for themselves	52%	65%
Focus on statutory services and reduce areas of discretionary spend	47%	43%
Introduce charges for services which are currently free	40%	40%
Deliver only very basic level of statutory services and focus on services which residents value the most	35%	42%
Share some services with other councils	35%	55%
Increase Council Tax to maintain services	30%	33%
Contract services out to private sector	22%	13%
Increase charges for things which are already charged for	15%	13%

■ Voting session - midday ■ Voting session - end of day

Most important/valued services are consistent across all four surveys

Level/amount of service that can be delivered for £1,000	Resident survey (1084)	Resident web (487)	Resident workshop (80)	Staff Web (487)	Staff Workshop (36)
2 ½ weeks of residential care for one older person	1	2	2	3	2
67 hours of home care for an older person	2	3	3	4	4
2 weeks of residential nursing home care for one older person	3	1	1	2	1
100 miles of road gritted in bad weather, or 2 miles of road gritted 50 times	4	6	6	6	6
Just over 2 weeks of foster care for a child, provided in house by KCC	5	4	4	1	3
One week of foster care for one child provided by an organisation independent of KCC	6	5	5	5	5
25 square metres of potholes repaired	7	8	9	9	9
4 days of residential care for one adult with learning disabilities	8	7	7	7	7
Approximately four weeks of Learning Disability Direct Payments	9	9	10	8	8
One child with Special Educational Needs transported by taxi to and from school for 9 weeks.	10	13	12	13	12

Least important/valued services are more varied, although still high levels of agreement

Level/amount of service that can be delivered for £1,000	Resident survey (1084)	Resident web (487)	Resident workshop (80)	Staff Web (487)	Staff Workshop (36)
25 street lights lit for a full year, OR 22 faulty street lights investigated and repaired	11	15	15	16	14
14.5 tonnes of waste recycled, or enough to support 26 average Kent Households	12	10	8	10	11
4 children given free transport to and from their nearest secondary school for one term	13	17	13	18	19
62 attendances at their local youth centre or interactions with a youth worker	14	12	16	11	13
10 tonnes of waste disposed of, or enough to support 17 average Kent Households	15	11	11	12	10
Approximately 500 fare paying journeys on subsidised bus routes	16	16	18	15	15
Two annual bus passes for young people aged 11 - 15	17	19	17	19	20
425 visits to a household waste recycling centre	18	14	14	14	16
430 separate library visits or enough visits for 16 regular library users over a year	19	18	19	17	18
280 email or telephone calls to the KCC Contact Centre	20	20	20	20	17

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