AGENDA

CABINET

Monday, 23rd March, 2015, at 10.00 am		Ask for:	**Louise Whitaker**
Darent Room, Sessions House, County Hall, Maidstone		Telephone:	**Tel:(01622)694433,**
		e-mail:	**louise.whitaker@kent.gov.uk**

Tea/Coffee will be available 15 minutes before the meeting.

Webcasting Notice

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

1. Introduction/Webcasting

2. Declaration of Interests by Member in Items on the Agenda for this meeting

   To receive any declarations of interest from Members relating to items on the agenda.

3. Minutes of the Meeting held on 28 January 2015 (Pages 3 - 14)

   To agree the minutes of the previous meeting held on 28 January 2015, as a correct record.

4. Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement 2015-2020 (Pages 15 - 44)

   To consider and endorse, for agreement by County Council, the KCC Strategic Statement for 2015-2020.

5. Budget Monitoring - Quarter 3 - 2014/15 (Pages 45 - 212)

   To receive budget monitoring information for Quarter 3 of 2014/15, and agree necessary changes to the Capital Programme.

6. Performance Monitoring - Quarter 3 - 2014/15 (Pages 213 - 290)

   To consider and note performance monitoring information for quarter 3 of 2014/15

Peter Sass
Head of Democratic Services
Friday, 13 March 2015

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

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 28 January 2015.

PRESENT: Mr P B Carter, CBE (Chairman), Mr D L Brazier, Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr P J Oakford, Mr J D Simmonds, MBE and Mr B J Sweetland

UNRESTRICTED ITEMS

95. Apologies & Substitutions

(Item 2)

Cabinet Member for Economic Regeneration, Mr Mark Dance had sent apologies that he would arrive slightly late. He joined the meeting at 10:15am.

Apologies were also received from Andy Wood, Corporate Director of Finance and Procurement, who was substituted by Dave Shipton, head of Financial Strategy.

96. Declaration of Interests by Member in Items on the Agenda for this meeting

(Item 3)

None were received.

97. Minutes of the Meeting held on 1 December 2014

(Item 4)

The minutes of the meeting held on 1 December 2014 were agreed as a correct record and signed by the Chairman accordingly.

98. Revenue and Capital Budget Monitoring for 2014/15 - November

(Item 5 – Report of the Deputy Leader & Cabinet Member for Finance and Procurement, Mr John Simmonds and Andy Wood, Corporate Director for Finance and Procurement)

Cabinet received a report providing the budget monitoring position as at November 2014 for both the revenue and capital budgets.

The Deputy Leader & Cabinet Member for Finance and Procurement introduced the item.

He began with the revenue budget monitoring information and made particular reference to the following matters:

i. That an underspend of £959,000 was currently reported, before any planned management action had been taken.
ii. That it was expected, following the implementation of that planned management action, that the underspend would increase to £4.264million but within this £210,000 was legally committed to be rolled forward leaving approximately £4million underspend. A number of rollover requests of funds

into the 2015/16 budget to meet commitments for ongoing delivery, such as those within the Youth Employment Programme where commitments existed for placement provision that would need to be delivered in 2015/16, had been identified.

iii. It was also considered desirable to carry forward underspends to continue provision of the Troubled Families programme and the Social Fund. If all three rollovers were actioned it would total approximately £4.8million leaving a predicted overspend of £781,000. Corporate Directors were aware of the need to address this issue in time for the end of the financial year.

iv. The combination of forecast underspend and management action was good news, and represents an improvement of £1.8m on the previously reported position. Therefore the direction of travel should be considered as positive.

v. Details of the financial information from each Directorate were included within the report, from these, of particular note were the following:

- Specialist Children's Services continued to experience difficulties and currently reported a £4.2million overspend, with planned management action to address £1.2million of this, leaving a net overspend of £3million still outstanding. This relates primarily to the previously reported problems in achieving savings identified in the current budget. There were also forecast overspends on supporting unaccompanied minors seeking asylum and special operations.
- Adults Social Care had not yet delivered many of the transformation savings set out in the budget but as it had been expected that these would emerge later in the year members should be confident that they would be delivered. As a whole the directorate was reporting an underspend of £0.5million before management action which was forecast to deliver a further £2.1m. Pressures continued to exist, particularly in the area of direct payments but with the aid of the £4.4million drawdown form the 'Support for Social Care reserve' it was expected that an underspend would be achieved.
- Education and Young People's Services continued to experience pressures within the SEN Home to School Transport spend and currently predicted an overspend of £2.4million in this area, slightly offset by the income received for out of county children. Children's Centres, Youth Employment Programme and Home to School Transport all reported an underspend further helping to offset the overspend reported.
- Growth Environment and Transport Directorate had reported a predicted underspend of approximately £2million, however the waste tonnage figures continued to increase and investigations were underway to ascertain why and consequently whether it was likely to continue as an ongoing pressure.
- Commercial Services had reported a shortfall of 1.4million in the dividend, largely as a consequence of reorganisation and the closure of County Print.
- £983,000 had been received from the Belwyn Scheme to help cover the cost of emergency work undertaken as a result of the flooding experienced in 2013/14.

Mr Simmonds concluded by reminding members that currently, if all roll forwards were agreed, there was a predicted overspend of £781k forecast but was confident that Directors would be able to take necessary action to alleviate this.

In relation to the Capital budget, Mr Simmonds reported that the working total was currently £381million and of that £280million had been spent to date. The £101million variance was almost solely attributed to issues of timing of delivery. He referred members to the variances listed within the report for consideration and proposed the recommendations also therein for agreement.

The Leader, Mr Paul Carter, confirmed that the challenge to deliver a balanced budget would be difficult in light of the reported pressures but was hopeful that management action could achieve the desired outcome. He warned members that in the future it would become harder to balance the budget each year.

David Cockburn, Corporate Director of Strategic and Corporate Services reminded members that many of the areas in which pressures to the budget were evident were related to demand lead services and the ability of the council to influence those was limited. He offered assurances however that that although £3million of savings through implementation of management action, at this stage of the year, was a significant challenge everything would be done to achieve the target.

It was RESOLVED that:

CABINET **Financial Monitoring Report – Quarter 2** **28 January 2015**	
1.	That the report, including the latest monitoring position on both the revenue and capital budgets, be NOTED
2.	That the changes to the capital programme Cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 2, be AGREED.
REASON	
1.	In order that Cabinet can effectively carry out monitoring requirements.
2	In order that the budget accurately reflects the real time position and is fit for purpose enabling necessary actions to be taken.
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

99. Budget 2015/16 and Medium Term Financial Plan 2015/16
(Item 6 – Report of the Deputy Leader & Cabinet Member for Finance and Procurement, Mr John Simmonds and Andy Wood, Corporate Director for Finance and Procurement)

Cabinet received a report setting out the proposed budget for 2015/16, including a proposed council tax increase of 1.99% and the council's Medium Term Financial Plan 2015-18 for consideration and comment before it would be considered and agreed at County Council on 12 February 2015.

The Deputy Leader & Cabinet Member for Finance and Procurement introduced the item.

He began by congratulating officers for the timely production of a clear and detailed budget. He observed that the balancing of the 2014/15 budget would be extremely difficult as reported in the last item and that the setting of the 2015/16 budget had also presented significant challenges. The squeeze on local government finances would continue to present increasing problems in the future.

He went on to refer in particular to the following:

i. That the consultation had been able to be launched earlier this year and as a result draft budget papers were published in time for consideration at the last round of Cabinet Committees. The opportunity to have an input at that stage had been welcomed by members. However this approach had carried a reported risk that there may be some late amendments and this had indeed been the case. Proposed changes were set out in the report and related to the Kent Support and Assistance Services and the proposed allocation of contingency for pressures emerging later in the current year.
ii. Further changes may be required before the meeting of the County Council once information on the Council Tax collection fund balance and business rate taxbase had been received from the District Councils and the final settlement from Central Government.
iii. Some criticism of the consultation had been received but it was believed by the administration that the strategic approach continued to be the most appropriate. This year the overall strategy had been endorsed by the consultation. Work would continue to try to raise the number of respondents in future years and any suggestions from members as to how this work could be strengthened would be welcomed.
iv. The budget was necessarily a reflection of the further reduction in government funding this year; namely a £54million reduction to the Revenue Support Grant as part of overall £50million reduction to the Settlement Funding Assessment. The anticipated reductions in the 2015/16 settlement equated to 13% compared to 2014/15 settlement and as such were very significant.
v. In total the reduction in all un-ring fenced grants (including those outside the main settlement) was estimated to amount to £56million
vi. Proposals included a recommendation that the council tax be raised by 1.99%, which would raise £10.7million. This was more than the 'Freeze Grant' offered by Government and did not have the adverse effect of triggering a referendum; which would be costly to arrange and run. The tax base across Kent districts had increased and work was underway with them to establish whether this was as a result of additional households liable to pay Council Tax, changes in discounts and exemptions or improved collection. The final collection fund balance during the current year was expected shortly and would be included in the final draft to be considered by County Council
vii. In total the package of proposed savings for 2015/16 was £88million., approximately 10%, and in line with the forecast made in previous years.

viii. To illustrate the level of cuts and the need to make savings in order to produce a balanced budget again for 2015/16 Mr Simmonds explained that to compensate for the cuts by raising Council Tax would require an increase of between 15%– 20%, which would be wholly unacceptable.

The Leader, Mr Paul Carter, thanked Mr Simmonds for his comments and welcomed the proposed budget put forward for endorsement to Council. He reiterated the importance of working efficiently in order to manage the cuts in funding without the need for dramatic increases in council tax.

Dave Shipton, Head of Financial Strategy, confirmed that the budget book would be reprinted before the meeting of the County Council in order that all members were furnished with the very latest, clear and complete, information before making any decision on its adoption.

The Cabinet Member for Economic Regeneration, Mr Mark Dance spoke to the item to highlight the importance of continuing to pursue infrastructure improvements to support housing development and economic growth in the County.

The Leader agreed with the Cabinet Member and reiterated the importance of the Capital budget and of the infrastructure of the County needed to support the growth agenda.

It was RESOLVED that, taking into account proposed amendments from Cabinet Committees and any necessarily late changes to the draft budget and MTFP, the proposed budget, Council Tax precept and MTFP be endorsed to County Council for approval on 12 February 2015.

100. Elective Home Education Policy

(Item 7 – Report of the Cabinet Member for Education and Health Reform, Mr Roger Gough and Patrick Leeson, Corporate Director for Education and Young People's Services)

Cabinet received a report presenting for approval the revised Elective Home Education (EHE) Policy and proposed process of engagement.

The Cabinet Member for Education and Young People's Services, Mr Roger Gough, introduced the item. He reminded members that the report before them was a revised version of a report and policy previously received and deferred in July 2014. Further reflection had taken place since then including consideration by the Education and Young People's Cabinet Committee and was presented again for consideration and endorsement.

The policy was, in part, a response to the significant increase in EHE registrations and a change in the composition of those families represented on the register. Mr Gough described the difficulties that this variety of circumstances under one umbrella could create, further complicated by the unclear nature of the legislation and guidance in the area and the disjoin between the authorities obligations and powers.

He reported that KCC had a responsibility to support those parents schooling children at home, where that help was desired or where it was apparent that a child was not getting a proper education.

The policy responded to the latter of the circumstances described in paragraphs 4.2 and 4.3, which created a range of criteria designed to identify families or children experiencing difficulties. A visit would be offered to any family identified and where that offer was declined the authority would not feel able to state that a suitable education was being provided and as a result those children would be classed as ‘missing education’.

Mr Gough stressed that intervention powers would only be used in a last resort and that KCC was committed to working with parents who wished to educate their children at home to do so in the way that they desired. A process of engagement would follow any approval by Cabinet.

Patrick Leeson, Corporate Director for Education and Young People’s Services was invited to speak to the item to clarify for members the changes from the draft received in July 2015. In particular he referred to the following:

i. That the policy for consideration was a revision of the existing KCC policy which sought to encourage parents to register and following registration provide help and support and at the same time address the issue of whether the education being delivered was suitable. It attempted to balance the statutory duty of the Council to ensure children were suitably educated against a parent’s right to undertake home-schooling. However it became clear from monitoring work undertaken that approximately half of the children in the county receive education at home were not being visited, as numbers on the register grew and more children joined in adolescence who had experienced problems at school, this became a cause for concern.
ii. The revised policy, therefore sought to maintain the balance between the responsibility of the council and the rights of parents whilst ensuring that all children received a suitable education. The new policy recommended that where there was ‘a reason to believe’ identified by the criteria, highlighted previously by Mr Gough, that a suitable education was not being provided, the intention to meet with the parents would be stronger and if parents refused the invitation the child would be classed as ‘missing school’ and further action taken.

Mr Leeson concluded by assuring members that although this revised policy was necessary to protect those children at risk of receiving a poor education, the considerable majority of parents that chose to school their children at home provided a good standard of education.

The Leader asked for clarification regarding the engagement with families regarding the new policy; Mr Gough confirmed that in the weeks following the agreement of the revised policy, KCC would seek to engage as widely as possible with EHE families to receive feedback on the policy.

CABINET **Elective Home Education** **28 January 2015**	
1.	That the revised Elective Home Education Policy be

	AGREED.
2.	That a process of engagement with EHE families, be UNDERTAKEN.
REASON	
1.	In order that KCC's EHE Policy is robust and fit for purpose.
2	In order that the views of families that school their children at home are heard and concerns addressed.
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

101. 14/00127 KCC Community Wardens Service - Public Consultation Response
(Item 8 – Report of the Cabinet Member for Community Services, Mr Mike Hill and Barbara Cooper, Corporate Director for Growth, Environment and Transport)

Cabinet received a report seeking agreement of a redesign proposal for the Community Warden Service.

The Cabinet Member for Community Services introduced the item and in particular referred to the following:

i. That the 2014/15 budget as approved by County Council had included within it a 50% reduction in the Community Warden Service budget to be implemented before April 1 2015.
ii. A redesign proposal was considered and endorsed for the purposes of consultation by the relevant Cabinet Committee on 17 September 2014. The proposal was designed to achieve community warden cover for all areas of the county and to make the savings required by the budget.
iii. A consultation was launched and the council received 9 petitions and 1200 individual responses; including many from parish councils. The headlines included:
    - Community Wardens were greatly valued as a service, and as individuals.
    - The link between the Community Warden and the wider community was strong.
    - There was support for the concept of volunteer wardens and for the possibility that local communities could purchase parts of the service.
iv. As a result of the responses to the consultation, he had been concerned that the original proposal did not meet the needs of the local communities and his colleagues in the Cabinet had supported a new proposal which would meet the needs of the communities whilst also still delivering substantial, if reduced, savings.

The revised proposals had been considered and endorsed by the relevant Cabinet Committee and were recommended to Cabinet for approval.

Stuart Beaumont, Head of Community Safety and Emergency Planning, spoke to the item, he informed Cabinet Members that it would be possible under the new proposals to maintain the current level of wardens.

He also reported to members that a meeting between Kent Association of Local Councils, Kent Police and Kent County Council had discussed the possibility of having volunteer wardens. The proposal had been very well received by all parties present and a working group established to steer the project. Financial support would be requested toward uniforms and training from all three parties involved. It was hoped that a pilot project would be launched in 2015.

That payment by parishes for additional local community wardens had been suggested but the £25,000 cost was considered prohibitive at the present time. The possibility would continue to be explored, as would other innovative ideas, by the new working group.

The Cabinet Member for Corporate and Democratic Services spoke to the item to recommend that the working group look to reduce the cost of training volunteers by working alongside the police special constable programme.

It was RESOLVED that

CABINET KCC Community Wardens Service 28 January 2015	
1.	That the preferred option for future delivery of the Community Warden Service, as set out in 8.2 of the report, be AGREED
REASON	
1.	In order that KCC can continue to provide a service that meets the needs of local communities whilst also making essential savings.
ALTERNATIVE OPTIONS CONSIDERED	None.
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.

Cabinet thanked Stuart Beaumont, who would retire at the end of March 2015, for his hard work, dedication and success in the field of community safety and emergency response.

102. Development of the Wilderness Site in Sevenoaks to construct 2 new secondary school buildings - Sevenoaks Grammar Annexe and Trinity School

<u>Open minute</u>

(Item 9 – Report of the Cabinet Member for Corporate and Democratic Services, Mr Gary Cooke and the Cabinet Member for Education and Health Reform, Mr Roger Gough)

Cabinet received a report in two parts, one being open to the public and the other containing information exempt from publication under paragraph 3 of schedule 12a of the Local Government Act 1972.

The Leader introduced the item in public session. He explained to members that the decision was in two parts and related to the building of Trinity Free School and to the application to build a Grammar School annexe, both at the Wilderness Site in Sevenoaks.

It had been hoped, he reported, that a decision would have been forthcoming from the Secretary of State for Education on the legality of the Grammar school annexe by the time of the meeting, but that had not been the case and therefore various options for progression would be considered following the exclusion of the press and public owing to the commercial sensitivity, and financial nature, of the information to be discussed.

Motion to Exclude the Press and Public

It was RESOLVED 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.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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By: Paul Carter, Leader of the Council

To: Cabinet – 23rd March 2015

Subject: Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement (2015-2020)

Summary: Following public consultation, this report seeks agreement to endorse "*Increasing Opportunities, Improving Outcomes*" as the five year strategic statement for the County Council, which sets the vision and outcomes we want to achieve for the residents, businesses and communities of Kent.

RECOMMENDATIONS:

Cabinet is asked to agree the following:

- To note the findings of the public consultation and subsequent changes to the draft strategic statement as set out in the report.
- Agree to recommend to County Council that they approve "*Increasing Opportunities, Improving Outcomes*" (Appendix 1) as the five year strategic statement for KCC.

1. INTRODUCTION

1.1 KCC has had a series of strategic statements which set out the administration's ambitions and priorities for the medium term. This is a key part of our policy framework and guides the strategic and business planning process of the County Council. The previous strategic statement '*Bold Steps for Kent'* was closed by County Council in May 2014, to ensure the focus was on delivering our transformation programme '*Facing the Challenge'*.

1.2 In December 2014, County Council agreed to launch a public consultation on a new draft strategic statement, which focused on the outcomes we want to achieve for the residents, businesses and communities of Kent.

1.3 In response to the feedback from the consultation provided by residents and staff, the strategic statement has been revised and updated. Cabinet is asked to recommend that County Council approves '*Increasing Opportunities, Improving Outcomes'* as KCC's new strategic statement for the next five years.

2. APPROACH

2.1 '*Increasing Opportunities, Improving Outcomes'* (Appendix 1) is a very different strategic statement to those which have come before, as it reflects the changes we need to make to become an outcome focused organisation. We have received positive feedback that the document is shorter, simpler and more transparent about what we want to achieve. Outcomes help us focus on the end result we want to achieve for the people of Kent.

2.2 Our focus is on improving lives by ensuring that every pound spent in Kent is achieving better outcomes for Kent's residents, businesses and communities. As long as those outcomes are supported by the right services, at the right quality and right cost, they could be delivered by KCC, the public, private or voluntary and community sector.

2.3 With significant and sustained financial and service delivery challenges ahead, it is even more important we are outcome focused, so we can work with our partners and providers to innovate and radically redesign our services. The outcomes will help us focus on the issues that really matter by targeting limited resources where they will have the greatest impact.

2.4 This strategic statement deliberately does not set out the detail of **how** we will design and deliver services – this will be embedded in our strategies, policies, commissioning plans and business plans. This is the way we will put the strategic statement into practice by ensuring all our activity is focused on improving outcomes. This will help our staff, partners and providers to understand and be focused on the contribution they play towards achieving our vision.

2.5 We have developed a simple and clear structure for the strategic statement, which can be summarised in a diagram on a single page:

- **Our vision** – what we want to achieve as an organisation
- **Our strategic outcomes** – what we want to achieve for the people of Kent
- **Our supporting outcomes** – underpin the delivery of the strategic outcomes
- **Our business plan priorities** – a number of strategic, cross cutting actions that will help deliver the supporting outcomes
- **Our approach** – the way we want to work as a council to deliver these outcomes

2.6 The aim has been to not create additional layers of activity on top of our extensive transformation, so the outcomes align to the various National Outcome Frameworks and build on those we have already identified in our existing strategies, policies and transformation blueprints.

3. CONSULTATION PROCESS

3.1 Lake Market Research were commissioned to undertake the consultation on the draft strategic statement, which ran for five weeks from 21st January to 20th February 2015. The consultation consisted of three phases of research:

Residents Deliberative Workshops	Staff Deliberative Workshop	Online Questionnaire
An in-depth qualitative assessment of resident opinions via face to face deliberative workshops	An in-depth qualitative assessment of KCC staff opinions via deliberative workshops	The use of an online consultation questionnaire (also available in hard copy) hosted on the Consultation area of the KCC website

3.2 The consultation closely followed the format of previous budget consultation exercises. A consultation questionnaire was placed online which received 56 responses to the online questionnaire, including 29 responses from individuals/residents and 16 from staff. Such a response rate was not unexpected given previous difficulties on attracting responses to previous strategic statements (such as Bold Steps for Kent) given the public respond pro-actively to specific service changes or issues and identify less with strategic documents. As such, a series of deliberative workshops with residents (and one workshop with KCC staff) were held across west, east and mid-Kent, with residents recruited to reflect a statistically accurate cross section of the Kent population.

3.3 The aim of the consultation was to gain insight into informed public opinion on KCC's vision and priorities for the future, as well as to provide feedback for recommendations to make the strategic statement simple, clear and accessible to a wider audience.

3.4 85 residents and 39 staff attended the workshops. Both staff and residents displayed many similarities in their feedback – both broadly supporting the content of the draft outcomes, but raising consistent issues about tone, wording and outcomes they thought should be strengthened or emphasised. Whilst the online questionnaire findings had a focus on individual circumstances and concerns, the feedback was broadly consistent with the deliberative sessions, agreeing that the right outcomes and supporting outcomes had been put forward.

4. CONSULTATION FINDINGS

4.1 ***Awareness and Communication***

Residents were genuinely pleased to be in involved in a process that helps shape our future direction, and found it to be a positive learning experience about the role of the Council. They felt it was important that they find out how their views influenced the document, and that they had more opportunities to be involved and engaged to share their views in the future.

One early conclusion from the research was that awareness raising of the document and the future strategy of the council was key. Awareness about KCC's strategic direction was fairly low, and people considered the previous documents we have published to be onerous and difficult to understand. People were positive about the changes we have made to try and simplify the document, and made constructive comments to encourage further changes to shorten the strategic statement, to reduce jargon and change language that didn't resonate with them.

People felt it was important that we keep documents clear and simple so that they can be understood by a wider audience and in particular so staff understand how strategic documents make a difference, what they need to do as a result and their personal contribution to improving outcomes. As with residents, feedback about how staff views have helped to shape the document is very important, as some staff have been disenchanted about consultation in the past. Therefore we will provide all respondents with a follow-up report which clearly sets out “You said, we did” so they can see how their views helped influence the strategic statement.

Both residents and staff felt that the document needs to be different if it is to be widely communicated to all residents in Kent, particularly to engage young people. It will be important to consider mechanisms to ensure that the information is disseminated and understood by a wider audience than previous strategic statements.

The deliberative events highlighted that we need to do more to raise awareness of KCC’s role and the services deliver with our partners, that we do more to promote our successes and provide information so residents can tell if we are on track and making progress against our vision.

4.2 ***Difficult Financial Challenges***

People felt that the strategic statement should be realistic about the current financial climate and we should show that we recognise the changes in the economic landscape. They felt it was important that we are honest about the budget difficulties we face, and that the outcomes were rephrased to reflect this – for example suggesting that people aspire to a “good” rather than “high” quality of life, and removing the term “prosperity”.

There was an interesting perception issue, with residents and staff feeling that the economic situation in Kent was still very difficult within the communities they live in and for the service users they support, despite evidence that Kent business and the Kent economy is growing.

4.3 ***Title & Vision***

The consultation showed that the vast majority of people felt that the previous working title “*Supporting Independence and Opportunity*” needed to be changed. People strongly associated the term “independence” with a document purely about social care, disability or older people. Young people reported that they did not identify or feel engagement with the title. Some people directly associated the word “opportunity” with business or education.

Feedback from the deliberative events was to find a title that better explained the purpose of the document. They did not respond to the way we initially described it as an “outcomes framework” and felt that “strategic statement” helped them better understand that this was about KCC’s strategic direction and vision for the future. Residents and staff helped to provide alternative title suggestions.

The feedback on the vision was consistent with conversations about the title. The draft vision was “*Kent is a county which promotes independence and maximises opportunity for all residents, businesses and communities*”. People felt the vision should be updated, asked for the phrases ‘independence’ and ‘opportunity’ to be changed, and for the vision to set out a clearer intention statement about what KCC will do in the future.

You Said	We Did
• The title needed to reflect what the document was about. • That the vision needed to be clearer about what KCC will do differently. • That we needed to change the words "supporting independence" • That "opportunity" was strongly associated with business and education. • That we should call it a strategic statement rather than an outcomes framework.	• The Leader has decided to change the title to: "**Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement 2015-2020**". • We have changed the vision statement to: "**Our focus is on improving lives by ensuring that every pound spent in Kent is delivering better outcomes for Kent's residents, businesses and communities**".

4.4 ***Intention***

Residents supported bold statements about outcomes. They asked for a change to more strongly worded intent based statements that specifically referenced KCC's role (e.g. "*Kent County Council will…, Kent County Council aims to…").* Whilst we have responded to this feedback by changing and strengthening the language in the supporting outcomes to be bolder and more positive, it is difficult to limit them to KCC's individual role.

We know that improving outcomes cannot be delivered in isolation, and that to tackle financial and service delivery challenges such as prevention, demand management and integration effectively we need to work even closer together with our partners and providers across the public, private and voluntary sector. We want to appreciate and acknowledge the contribution that not only KCC but many others make towards improving outcomes in our reporting. As such, we have kept many of the supporting outcomes focused on "Kent" as a whole, and acknowledged our role in the future will sometimes be about supporting or enabling rather than direct delivery.

4.5 ***Strategic Outcomes***

People broadly supported the content of the three strategic outcomes and felt the intention was positive and they focused on the right issues. Some people questioned how we will deliver these outcomes in the current economic climate, particularly how they could be achieved in areas of deprivation and inequality. They felt that all three outcomes were positive in that they supported people at the start and end of their life, and every life stage.

People positively supported the first strategic outcome ***"Children and young people in Kent get the best start in life"***, which they felt was a priority for the County Council. Most people agreed with the wording, or something very similar, so this outcome remains unchanged.

You Said	We Did
• Both children and young people are important. • That you agreed with the wording of	• We have kept the wording for this strategic outcome unchanged.

this strategic outcome.	

The original wording of the second strategic outcome was "*Kent communities benefit from increasing prosperity by being in-work, health and enjoying a high quality of life*". Whilst people agreed with the intention of the outcome, they strongly felt the wording needed to be changed to be more realistic and reflective of the economic challenges we face. Both residents and staff made specific comments about the phrases "increasing prosperity" and "high quality of life" – feeling a "good quality of life" was more appropriate. A perception issue was raised, particularly in East Kent and by young people, about individuals not believing or feeling the benefits of growth, despite evidence to the contrary on both the national economic recovery and Kent economy.

There was some debate about the phrase "in-work" but the comments supported the fact employment is important and we know that statistically being in-work greatly improves people's life chances and reduces health inequalities in a number of ways (for example improving mental health and wellbeing).

You Said	**We Did**
• We needed to change the words "increasing prosperity" and "high quality of life". • We needed to make the outcome more realistic. • That the current financial reality for some people is still very difficult and some people – especially young people - don't always feel the benefits of growth. • That encouraging work and creating more jobs is important.	• We have changed the wording of the strategic outcome to: **"Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life".**

The original wording for the third strategic outcome was "*Older and vulnerable residents are safe, supported to live well and independently*". Most people understood the sentiment of the outcome and agreed with the intention behind the words. They felt that it was important that people did not feel they were forced to live independently inappropriately, and that they had more choice about their levels of independence. Young people felt it was important that "independence" didn't imply "alone or isolated" and that older people feel supported.

Some people did not understand what the phrase "live well" meant and how it could be assessed.

Others only directly associated the term "vulnerable" with older people, rather than all life stages (for example mental health), so we have strengthened the wording of the supporting outcomes across all three strategic outcomes to reflect this.

You Said	We Did
• You agreed it was important to support older and vulnerable people. • Choice is really important so people can make informed options about their level of independence and are not forced to be independent inappropriately. • We needed to change the phrase "live well".	• We have changed the wording of the strategic outcome to: **"Older and vulnerable residents are safe and supported with choices to live independently".** • We have changed the wording of supporting outcomes across the three strategic outcomes so it is clearer 'vulnerable' means all life stages.

4.6 ***Emphasis & Importance of the Supporting Outcomes***

The deliberative events in particular provided constructive and insightful feedback about the draft supporting outcomes. This was extremely helpful to identify areas that are particularly important for residents that we needed to strengthen and which issues we needed to emphasise. There were a number of comments about changing the phrasing and wording, which we address in **Section 5**.

One of the key areas which residents focused on was the issue of mental health – particularly education and raising awareness, supporting families and carers and ensuring people have early access to the assessment and treatment they need. They made it clear that this should not be targeted specifically at the elderly as mental health issues occur across all ages and the document should reflect this.

You Said	We Did
• Mental health is important across all life stages. • It is important we support families, carers and the wider community, as well as individuals. • Early assessment and treatment is important.	• We agree that mental health is an important priority so we have changed the wording of the supporting outcomes across all three strategic outcomes to clarify it is a priority for every life stage. • We have added a new supporting outcome about supporting families and carers. • We have changed the emphasis of the supporting outcome to be about early assessment and treatment: **"People with mental health issues and dementia are assessed and treated earlier and are supported to live well".**

Young people felt that many of the draft supporting outcomes excluded them by referencing children, but not young people. They wanted to see more outcomes that were relevant to their age group to help address young people's needs – particularly around access to education, training and work opportunities. They felt more needs to be done to help raise awareness of the services and support we provide to help young people make the transition to working life, with more opportunities for work experience, apprenticeships and placements. We have responded to this by changing the wording of many of the supporting outcomes to directly reference young people, and highlighting the issues they had identified as most important.

You Said	We Did
• We need to directly reference young people more in the supporting outcomes. • Choice and access to education, training and work opportunities is important. • We need to do more to raise awareness of services to support young people make the transition to adulthood.	• We have included more specific references about young people, as well as children. • We have strengthened wording about choice and access to education, training and work opportunities in the supporting outcome, and ensured this issue is reflected in our business plan priorities. • We will consider how we can better communicate what we do and what support is available for young people.

People made positive suggestions about combining or merging supporting outcomes together where they felt the issues were connected (for example bringing together skills, infrastructure and business growth), or identifying where supporting outcomes needed to be split to better highlight a particular issue (for example splitting the outcome on quality of life to create a specific outcome on the environment).

You Said	We Did
• We needed to split the supporting outcome on growth so there is a specific outcome on lowering levels of deprivation. • We need to specify support for Kent business growth, as well as all communities feeling the benefits of economic growth. • We needed to combine outcomes on growth, skills and infrastructure as these issues are connected. • We needed to split the supporting outcome on quality of life so there is a specific outcome on the environment, and change the wording so it was more positive and ambitious.	• We have created a new outcome about deprivation: **"All Kent's communities benefit from economic growth and lower levels of deprivation**". • We have changed the emphasis of the supporting outcomes to be clearer about supporting Kent business growth. • We have removed two supporting outcomes on skills and infrastructure, and combined them with the outcome on Kent business growth. • We have created a new outcome about the environment: **"Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors".**

The consultation has helped to identify issues that people felt were so important that they deserved a new supporting outcome, for example to recognise support needed for carers, family and the wider caring community for mental health and dementia sufferers. There were also constructive suggestions from residents about priorities for action for KCC that will help us to help deliver better outcomes for older and vulnerable people – specifically those with mental health issues and dementia. We will ensure these are reflected in our strategic Business Plan Priorities (see **Section 6**).

You Said	We Did
• We needed a new outcome which was about supporting families and carers. • A priority should be encouraging and enabling new technologies for the	• We have created a new supporting outcome: **"Families and carers of vulnerable and older people have access to the advice, information and support they need".**

older and vulnerable. • A priority should be education of the Kent community on mental health and dementia.	• We have introduced two new strategic business plan priorities to ensure these two issues are delivered through our business plans.

4.7 ***Strategic Commissioning Authority***

During the consultation workshops, the opportunity was taken to ask residents their views on KCC becoming a strategic commissioning authority, given the strategic statement is important to this approach. Whilst there was clear dislike of the phrase, which residents felt to be jargon, there was strong support across all groups for embedding the principles of good commissioning more widely across the council, which was simply seen as good-business practice. There were very few concerns raised about seeking alternative providers *if* they were the *best* provider to deliver the service and provide value for money.

However, there were three clear caveats to this strong support. Firstly, that KCC is strongly mindful about size of profit margin that providers, especially from the private sector, can earn from KCC contracts, and a clear preference for small-medium sized Kent businesses having greater opportunities to deliver services and not be squeezed out by national providers (which are largely associated with service failure). Secondly, that KCC should have the skills and ability to manage contracts effectively, drive value for money and ensure consistent service quality (there was quite a significant degree of scepticism from residents that such capability exists). Thirdly, that KCC should remain accountable for the services it provides and commissions, with members of the public being able to contact or raise issues about services with the council directly or through elected Members.

5 KEY CHANGES TO THE SUPPORTING OUTCOMES

5.1 The consultation provided a number of constructive suggestions to help improve the wording of the supporting outcomes, to make them clearer, more relevant and more appropriate. People had strong associations and reactions to specific words and phrases, and we were open to making these changes to ensure the strategic statement is as meaningful and engaging as possible.

5.2 Wherever possible we have endeavoured to respond to the majority of issues raised with the supporting outcomes, however it is not always possible to respond to every suggestion. The consultation sometimes highlighted alternative or conflicting suggestions from different groups. In some cases we felt the wording needed to remain if it supported a particular need, issue or political priority (e.g. closing the attainment gap between disadvantaged young people and their peers). That said, almost all the supporting outcomes were strengthened as a direct result of the consultation feedback. The changes that have been made have helped to create a much improved strategic statement.

5.3 The new wording for each supporting outcome, and the rationale for the change is set out below, under each strategic outcome:

5.4 ***Children & young people in Kent get the best start in life***

New Supporting Outcome	Rationale for Change
Kent communities are resilient and provide strong and safe environments to successfully raise children and young people	Staff felt that it was important that wider communities were resilient, not just individual families and that this was more inclusive. Residents thought it was important this outcome specifically mentioned young people as well as children. There was some concern about the phrase 'resilient' but there was no agreement on an alternative.
We keep vulnerable families out of crisis and more children and young people out of KCC care	Residents felt this was a very important issue and staff felt it supported their work on early intervention and prevention. People thought it was important this outcome specifically mentioned young people as well as children. Not everyone agreed with the phrase 'vulnerable' but most of the alternative suggestions put forward continued to use this phrase.
The attainment gap between disadvantaged young people and their peers continues to close	People had an issue with the term 'vulnerable' and this was changed to 'disadvantaged' to reflect the need to close the gap in particular areas of deprivation and disadvantage across Kent. As a phrase 'attainment gap' was not well understood and some people disagreed that this should focus on a particular section of society. However this remains a key priority for the County Council, as we know if we improve educational attainment, we can improve disadvantaged young people's life chances in a whole range of ways. Alternative suggestions focused on improving life chances for all young people so they can achieve their potential, which has been picked up in other supporting outcomes.
All children, irrespective of background, are ready for school at age 5	People felt the outcome could be simplified so we have removed the phrase "so they fully benefit from the opportunities education provides". Some people disliked the phrase "irrespective of background" but this remains as we know we have a particular need to close the gap in school readiness for children from disadvantaged areas.
Children and young people have better physical and mental health	People agreed with the sentiment, but felt that young people should be specifically referenced as well as children. Mental health was identified as a particular priority for all life stages so this has been added here. The original wording referenced 'joined up care' but people felt this was a priority for how we deliver, rather than the end result we want to achieve, so this is reflected in the business plan priorities rather than the outcome.
All children and young people are engaged, thrive and achieve their potential through academic and vocational education	People didn't respond well to the original phrase "maximise their potential". People felt it was particularly important this outcome focused on vocational education, not just academic education. They felt that choice and access to opportunities was the critical issue which has been addressed

	by changing the following outcome. Residents suggested that engagement in education, supporting all children and young people to “thrive” and “achieve their potential” were all important, so we have reflected this in the revised wording.
Kent young people are confident and ambitious with choices and access to work, education and training opportunities	Residents said that one of the most critical issues for young people was choice and access to work, education and training opportunities. People felt this was important to support young people in their transition to adulthood and to help them get ready for working life. People didn’t respond to the phrase “21st century world of work” so this has been removed. Some people felt that not everyone could be “confident and ambitious” but it was felt that it was important to retain this to keep the outcome bold and aspirational, and this wording was supported in alternative suggestions from residents.

5.5 ***Kent’s communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life***

New Supporting Outcome	**Rationale for Change**
Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing	Mental health was identified as a particular priority for all life stages so this has been added here. Residents wanted a more positive, intention based statement so we have changed this from “ill health is prevented” to “health is improved”. They also felt that poor health cannot always be prevented for people with particular conditions, so we have removed that phrase. People liked the message people should be focused on taking personal responsibility for their own health.
Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure	People felt supporting Kent businesses growth and bringing new business investment into Kent was specifically important, but felt that this wasn’t reflected in the original wording. They suggested reordering the outcome to put Kent business growth first, then merging the other outcomes on skills and infrastructure together as they felt the issues were connected. People didn’t understand the phrase “knowledge intensive sector” so this was removed.
All Kent’s communities benefit from economic growth and lower levels of deprivation	People felt that they didn’t always feel the benefits of growth in the communities where they live and work, and feel lowering deprivation is a key issue which justified its own supporting outcome. They felt that the economy could be very buoyant overall but there would still be areas with high levels of deprivation that we needed to tackle.
Kent residents enjoy a good quality of life, and more people benefit from greater social,	Residents had issues with the term “high quality of life” and wanted to change this to “good quality of life” to be more reflective of the current economic

cultural and sporting opportunities	climate. People felt that social, cultural and sporting opportunities should be included.
We support well planned housing growth so Kent residents can live in the home of their choice	People disliked the phrase “hard working families” and asked for this to be removed. They felt this was about giving all residents the opportunity to live in a home of their choice, including all forms of housing tenure, whereas the original wording implied home ownership which feels unachievable for some people, particularly for young people in the current financial climate. We felt it was important that growth is well planned to create quality communities – not just about increasing housing numbers, so the wording has changed to reflect this.
Kent’s physical and natural environment is protected, enhanced and enjoyed by residents and visitors	Residents felt that the natural environment was important, that this had been overlooked in the draft document and should be separated from the broader outcome on quality of life. People felt it could be more ambitious and suggested this should be seen as an opportunity to ‘enhance’ and ‘enjoy’ the environment, not just protect it.

5.6 ***Older and vulnerable residents are safe and supported with choices to live independently***

New Supporting Outcome	Rationale for Change
Those with long-term conditions are supported to manage their conditions through access to good quality care and support	People supported the intention of this outcome but felt it could be simplified by removing the phrase “high quality of life” which they found not to be reflective of the current financial climate.
People with mental health issues and dementia are assessed and treated earlier and are supported to live well	People felt mental health was an important issue across all life stages, and strongly supported having an outcome on this issue. They felt that early assessment and treatment was a particular issue. People wanted to remove the phrase “ill” mental health, which they felt was unnecessary.
Families and carers of vulnerable and older people have access to the advice, information and support they need	Residents and staff both strongly felt that supporting families and carers was very important, in addition to supporting individuals and that this justified a new outcome. People felt that knowing how to access the right information and who to go to for advice was also important.
Older and vulnerable residents feel socially included	People suggested that we remove the phrase “socially excluded”. Residents felt it was important that people feel valued, respected and part of their community and more could be done to promote opportunities to engage older and vulnerable people within their local community.
More people receive quality care at home avoiding unnecessary admissions to hospital and care homes	There was strong support for this outcome. People suggested removing the phrase “costly” as this could imply people are seen as a financial burden and this was about providing quality care, not just

	reducing costs.
The health and social care system works together to deliver high quality community services	People suggested removing the phrase "wrap around" and simplifying this. People suggested we use the term "working together" rather than "integrated". People felt the quality of community health and social care services was important.
Residents have greater choice and control over the health and social care services they receive	This outcome remained unchanged as people felt that giving people greater choice was important rather than just offering standardised routes, although they questioned how we will deliver this in practice.

6 BUSINESS PLAN PRIORITIES AND APPROACH

6.1 With fewer resources, it is important that we focus on the issues that really matter. Our Cabinet Members have identified a number of cross cutting strategic business plan priorities, which will be areas of particular focus and improvement to help the council deliver our strategic and supporting outcomes.

6.2 A number of strategic business plan priorities are set out in "*Increasing Opportunities, Improving Outcomes*" (Appendix 1) and they will be reflected in our Directorate Business Plans by May 2015, so everyone in the council is clear on what they need to deliver and focused on their contribution towards improving outcomes.

6.3 We know that we can only improve outcomes if we have strong relationships with our service users, partners and providers, so the business plan priorities help to describe how we will work together and how KCC will work differently in the future. The detail of how we achieve this will be set out through our business planning framework.

6.4 The strategic statement sets out how we will change our approach and the way we work as a council in order to achieve the business plan priorities and improve outcomes.

7 MEASURING AND REPORTING OUR PROGRESS

7.1 Having defined the outcomes and priorities we want to achieve, it is important that we measure our progress, to ensure we are on track to deliver our vision. Moving to an outcomes based approach means a stronger focus on evaluation, alongside performance and contract management. Therefore we need to use a broader evidence base to measure and report our progress, so we can evidence the impact we are making.

7.2 We want to create a more rounded narrative about the progress we are making. We will develop and regularly review a suggested basket of measures for each supporting outcome, so we can find appropriate and meaningful measures to help us understand whether we are making a difference. Wherever possible, we will draw on existing measures to reduce the reporting burden and compare our performance within Kent, against our statistical neighbours, the South East and Nationally.

7.3 Our staff, residents, partners and providers have helped to test our outcomes, and told us it is important they can continue to have an opportunity to share their views on whether we are an effective commissioner, partner and client. We will develop surveys to inform our reporting so we can listen and respond to their feedback and use this to improve the way we work.

7.4 We will balance this alongside contextual evidence to provide an annual report on our progress against the strategic statement to County Council.

8 NEXT STEPS

8.1 We will ensure that everyone who responded to the consultation understands how their views influenced the document, and the changes we made as a result.

8.2 We will undertake a benchmarking exercise so we can provide an evidence base of current progress against the outcomes. We will track our direction of travel against the measures, balanced against the resources expended and the impact achieved.

8.3 We will develop resident, partner and provider surveys to understand what we are doing well, and what we could do better.

8.4 We will consider how best to communicate the strategic statement to our staff, partners and residents, so everyone understands what we want to achieve.

8.5 We will provide an update on progress with an annual report to County Council in 2016.

9 BACKGROUND DOCUMENTS

Appendices:

Appendix 1: "Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement (2015-2020)"

Background Documents:

- Facing the Challenge: Towards a Strategic Commissioning Authority, County Council, May 2014
- Facing the Challenge: Draft Corporate Outcomes Framework for KCC, County Council, 11th December 2014
- Equalities Impact Assessment, March 2015
- Lake Market Research Consultation Report, March 2015

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Increasing Opportunities, Improving Outcomes:

Kent County Council's Strategic Statement 2015 – 2020

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Foreword:

Kent County Council (KCC) is widely considered to be one of the strongest member-led councils in the country.

Through documents such as 'The Next Five Years' 'Towards 2010' and 'Bold Steps for Kent' the elected members of the County Council have set out their ambitions for Kent and driven the strategic direction of the Council.

'***Increasing Opportunities, Improving Outcomes'*** replaces 'Bold Steps for Kent' as the Strategic Statement for KCC.

It is a very different Strategic Statement from those that have gone before. It reflects the need for KCC to become a very different type of council over the next five years.

If we are to remain ambitious for Kent, committed to securing high-quality services for our residents and supporting choices for people to live independently in our local communities wherever possible, then KCC's role must change.

Our focus will be on improving lives by ensuring that every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses.

Who delivers services to improve outcomes will depend on who is best placed to achieve them from across the public, private and voluntary sector.

Our elected members need to make difficult commissioning decisions, as the council continues to face the financial challenge ahead with at least another five years of austerity and budget reductions. Being clear on the outcomes we want to achieve means that we can focus on the issues that really matter to our residents.

Our strategic statement articulates the vision and priorities of the council into a single set of outcomes which will act as a beacon, guiding the work of our commissioners, partners and services in a time of increasing complexity and financial challenge.

It builds upon the transformation already being delivered through our Facing the Challenge programme to redesign and reshape our services around the principles of demand management, prevention and value for money.

Most importantly, our intention is to keep it as simple as possible to promote greater accountability and transparency.

This simplicity will drive accountability both within KCC, and of KCC, by our residents and our partners.

Most importantly, it provides the mandate for our commissioners and providers across the public, private and voluntary sectors to innovate and radically redesign what we do and how we do it, to meet these outcomes for Kent.

Paul Carter
Leader, Kent County Council

Introduction:

Over the past four years Kent County Council (KCC) has made £350m in savings whilst continuing to provide effective services for Kent's residents, businesses and communities.

Our finances will remain under significant pressure with a further £206m savings to deliver over the next three years alone, and additional savings likely to be required beyond the next three years.

Alongside the difficult financial challenge, the population is increasingly older, increasingly living with long-term health conditions. People have greater expectations about how to access services, and how services can be provided, which requires a radically different approach to how we deliver public services.

In order to face the scale of the challenges ahead, KCC needs to become a council that is increasingly leaner, more agile and adaptable to change.

We need more effective partnership working with the public, private and voluntary sector of Kent to reshape services to meet the changing needs of Kent residents, businesses and communities.

By being clear and ambitious on the outcomes we want to achieve for the people of Kent we will find the right provider, at the right quality, and right cost to meet people's needs.

We will remain accountable to the people of Kent and responsible for ensuring we achieve our vision, irrespective of whether those services are delivered by KCC, the public, private or voluntary sector.

Why do we need a Strategic Statement?

We want to be an outcome focused organisation. To do so we need a clear statement of the high-level outcomes that the County Council is seeking to achieve.

This Strategic Statement links the vision and priorities of the council to a series of strategic and supporting outcomes that will drive the commissioning and service delivery across KCC.

This will help KCC, the public, our providers and partners to:

- Be clear about what KCC is seeking to achieve as an organisation
- Determine where KCC should focus our effort
- Drive the commissioning and design of KCC's in-house and externally commissioned services

Unlike previous strategic statements, it does not attempt to set out the detail of how these outcomes will be delivered. This will be achieved through the discipline of embedding outcomes in the strategic commissioning and strategic planning process of the council.

Putting the outcomes at the heart of everything we do will help Corporate Directors and commissioners plan, with elected members, residents, service users and providers, how to design and deliver innovative new services to improve outcomes.

Our Vision:

Our focus is on improving lives by ensuring every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses.

It is critical that public services do not inadvertently trap people in dependency or promote a dependency culture.

The services commissioned and provided by KCC, either by ourselves or jointly with our partners, should focus on helping individuals, families and communities to be resilient and support themselves wherever possible.

We will ensure people who are less resilient and will always need some support, can make informed choices so they are well supported, safe, socially included and treated with dignity and respect.

We will ensure that Kent's young people have access to the education, work and skills opportunities necessary to support Kent businesses to grow and be increasingly competitive in the national and international economy.

By supporting Kent businesses to drive economic growth and deliver new jobs across the whole of Kent, and ensuring the physical, social, cultural and environmental infrastructure is protected, we can make Kent an attractive county in which to invest, live and work.

Our Outcomes:

What is an outcome?

Outcomes are aspirational. They focus on the end result we want to achieve for the people of Kent.

We are committed to achieving our vision through three **strategic outcomes** which provide a simple and effective focus for everything we do that is recognised by members, our staff, partners and the wider public.

- Children and young people in Kent get the best start in life
- Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life
- Older and vulnerable residents are safe and supported with choices to live independently

Our strategic outcomes are underpinned by a series of **supporting outcomes**.

These outcomes drive a number of cross-cutting strategic **business plan priorities** for delivery.

To improve outcomes, we know we need to make changes to our **approach** and the way we work as an organisation.

The vision, strategic and supporting outcomes, business plan priorities and approach are set out in the diagram below:

Diagram 1: Summary of Strategic Statement:

Our Vision:

Our focus is on improving lives by ensuring that every pound spent in Kent is delivering better outcomes for Kent's residents, communities and businesses

Strategic Outcome

Children and young people in Kent get the best start in life

Supporting Outcomes

- Kent's communities are resilient and provide strong and safe environments to successfully raise children and young people
- We keep vulnerable families out of crisis and more children and young people out of KCC care
- The attainment gap between disadvantaged young people and their peers continues to close
- All children, irrespective of background, are ready for school at age 5
- Children and young people have better physical and mental health
- All children and young people are engaged, thrive and achieve their potential through academic and vocational education
- Kent young people are confident and ambitious with choices and access to work, education and training opportunties

Strategic Outcome

Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life

Supporting Outcomes

- Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing
- Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure
- All Kent's communities benefit from economic growth and lower levels of deprivation
- Kent residents enjoy a good quality of life, and more people benefit from greater social, cultural and sporting opportunities
- We support well planned housing growth so Kent residents can live in the home of their choice
- Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors

Strategic Outcome

Older and vulnerable residents are safe and supported with choices to live independently

Supporting Outcomes

- Those with long-term conditions are supported to manage their conditions through access to good quality care and support
- People with mental health issues and dementia are assessed and treated earlier and are supported to live well
- Families and carers of vulnerable and older people have access to the advice, information and support they need
- Older and vulnerable residents feel socially included
- More people receive quality care at home avoiding unnecessary admissions to hospital and care homes
- The health and social care system works together to deliver high quality community services
- Residents have greater choice and control over the health and social care services they receive

Our Business Plan Priorities:

The cross cutting priorities that will help deliver the supporting outcomes

Our Approach:

The way we want to work as a council to deliver these outcomes

Our Strategic Business Plan Priorities:

Only through strong relationships between our service users, partners and providers can we deliver the outcomes we want to achieve within the resources that we have available. With fewer resources, it is important that we focus on the issues that really matter.

A number of cross-cutting strategic priorities have been identified by our Cabinet as areas of particular focus and improvement to help the council achieve its strategic and supporting outcomes.

They will be reflected in the council's Directorate Business Plans, so everyone in the council is clear on what they need to deliver and is focused on their contribution towards improving outcomes.

- Engage with central government and local planning authorities across Kent to **support Local Plans and the Growth & Infrastructure Plan to deliver well planned economic and housing growth, with the right physical and social infrastructure.** We will examine innovative funding solutions across the public and private sector to meet the challenge of funding infrastructure.

- **Building on Kent's Pioneer status** work with our NHS partners through the Kent Health and Wellbeing Board to **develop and rapidly deliver a shared vision for the integration and redesign of health and social care services across Kent.**

- We will focus on prevention through using our universal service offer (including schools, children's centres and health visitors) to **proactively identify vulnerable individuals and families at risk of needing intensive support**, and deliver intensive support to families in crisis to help turn their lives around as quickly as possible.

- Working across the public, private and voluntary sector, **agree a shared approach to developing the future health and social care workforce in Kent**, so we are all recruiting to a shared set of values, standards and skills underpinning good quality standards of care, and the health and social care sector is an attractive and rewarding career choice.

- Ensure **our social care teams and children's social services are linked to GP practices to deliver a better preventative model of care**, and more integrated health and social care services for residents.

- We must **ensure a zero tolerance approach to Child Sexual Exploitation (CSE) across Kent** and ensure the systems, procedures and intelligence across all agencies tackling CSE in Kent is joined up, effective and robust to pro-actively protect children and support victims.

- Working with all Kent businesses to **develop an innovative and independent sector based approach to vocational and technical careers advice** so Kent's young people have a clear understanding of the skills, opportunities and career path choices and options open to them post-16 that specific sectors of the Kent economy can provide.

- Ensure that KCC gets its fair share of national and local funding to ensure there are sufficient primary and secondary places of high quality, in the right locations, for all learners so **parents and young people have choice and access to good and outstanding schools and post 16 destinations** in their local community.

- Work with schools and teachers to identify and **support the professional development of the next generation of school leaders**, so that all schools in Kent can benefit from high quality leadership, and that we **continue to facilitate effective collaboration between local schools in Kent to continuously improve education standards** and pupil achievement.

- **Educate the wider Kent community on mental health and dementia** on how they can help and support individuals, families and carers in their community to feel socially included, and **promote and enable the use of new technologies amongst the older and vulnerable** to better access services and support.

- Working with our partners across the public, private and voluntary sectors, **ensure that supported living accommodation** such as new extra care housing for older people and supported accommodation for vulnerable young people (such as care leavers) **is a critical part of the county's housing growth**.
- **Develop a longer-term commissioning view for public health** which sets out how we will tackle the social causes of health inequality and poor health outcomes by imaginatively commissioning and partnering across the public, private and voluntary sector service to ensure the biggest return on investment for improving physical and mental health outcomes.
- Ensure that our commissioners and service providers engage, involve and consult with our service users on a regular basis to understand whether our services are meeting their needs, how they can be improved, and **ensure that the service user voice influences our future commissioning decisions**.

Our Approach:

To become an outcome focused organisation that can deliver our priorities, the way we work within KCC, and with our partners and providers, needs to change. Our approach will be to:

- **Promote personal and family responsibility:** The services we commission and provide must focus on promoting personal and family responsibility. Our aim is for individuals and families to be resilient and support themselves without the need for support from the council. Where support is needed, our services should be focused on pro-active interventions that allow individuals and families to become independent quickly, and not require long-term support from the council. For the most vulnerable in our communities, where long-term support is required, then our services should always enable people to live as independently as possible.
- **Focus on prevention and supporting independent living:** Prevention is always better than cure. KCC services, whether commissioned or provided in-house, should focus on prevention as the best way to support independent living, protect Kent's infrastructure and natural assets, and also protect the interests of the Kent taxpayer by avoiding the need for expensive service interventions once things have gone wrong.
- **Maximise social value from the services we commission:** KCC services have a social purpose and therefore KCC must become smarter at determining social value through the commissioning process, especially where the council is seeking to leverage social value through the commissioning of services from external providers (for example, in the form of requiring providers to take on apprentices).

- **Commission and design services with our partners:** KCC is one part of a much wider network of public service delivery across Kent, and if we are to meet the needs of our residents and communities within the resources available to Kent as a whole, then we must jointly commission, design and deliver services with our partners.

- **Maximise the value of the Kent tax pound:** It is vital that our services deliver value for money for the taxpayer. If the resources of the County Council can be used to deliver better outcomes and provide savings to the Kent taxpayer through our partners (e.g. NHS) rather than through KCC directly, then we should seek to do so.

- **Recognise that no one size fits all:** Kent is a socially and economically diverse county. Service delivery, commissioning and what constitutes success may be different and look different across parts of the county or for different groups of residents. One size fits all solutions are unlikely to be the most effective way to overcome the big challenges, and it is important that we tailor solutions to need.

- **Be a strong voice for Kent nationally and internationally:** We will be a strong voice for Kent ensuring the county receives its fair share of resources from central government and doesn't face a disproportionate hit in public spending reductions, as well as benefiting from devolution and maximising additional funding coming into the county.

- **Be business orientated and entrepreneurial:** By moving our back office services to new delivery arrangements which promote greater efficiency, increase commercial trading and generate new income, we can deliver quality back office services at the lowest possible cost and maxmise the resources available for front line services.

Delivering These Outcomes:

We need to ensure that the strategic and supporting outcomes drive the commissioning and service delivery of the authority, with a 'golden thread' running through our plans and strategies that directly links delivery to these outcomes.

We will ensure this through our strategic planning process by:

- Making this the 5 year strategic statement for KCC, agreed by County Council.
- Updating our **strategies and strategic plans** and our **transformation blueprints** to ensure they are aligned to the outcomes.
- Ensuring our **Medium Term Financial Plan (MTFP)** and annual budget setting process sets out the resources available to support the delivery of these outcomes.
- Continue to develop annual **Directorate Business Plans** which set how the services each KCC directorate commissions and provides support the delivery of these outcomes and priorities.
- **Service level commissioning and business plans** setting out how individual KCC services, whether provided in-house or externally, will contribute to the delivery of these outcomes.

Links to National Outcomes Frameworks and KCC Transformation

Our outcomes do not sit in isolation. The outcomes in this strategic statement are aligned to the national priorities which the council is committed to supporting, including:

- National Adult Social Care Outcomes Framework
- National Children's Outcomes Framework
- National Public Health Outcomes Framework

There is a significant amount of ongoing change and activity within KCC through the Facing the Challenge programme. Our aim is not to cut across or layer significant new activity or programmes on top of the existing and extensive transformation already being delivered.

Instead, this strategic statement brings together the broad range of outcomes that have already been identified across KCC services for local communities and client groups, within a single document.

Our outcomes are reflective of the council's existing strategies and service transformation blueprints (which set out how we are transforming our services under the Facing the Challenge programme), including:

- Joint Health and Wellbeing Strategy
- Kent and Medway Draft Growth Strategy
- Social Care Accommodation Strategy
- Kent Pioneer Programme and Better Care Fund Plan
- Child Poverty Strategy
- 0-25 Transformation Blueprint
- Growth, Environment and Transport Transformation Blueprint
- Adults Transformation Blueprint
- Preventative Services Prospectus

Where necessary, we will update these strategies and plans to ensure alignment to the outcomes.

Measuring and Reporting Our Progress:

Having defined the outcomes and priorities we want to achieve, it is important that we measure our progress, to ensure we are on track to deliver our vision.

Moving to an outcomes based approach will require us to have a stronger focus on evaluation, alongside performance and contract management.

We will use a broad evidence base when we report our progress, so we can evaluate and evidence the impact we are making.

Reporting progress against the supporting outcomes will focus on the overall direction of travel for the county, balanced against the resources expended and the impact achieved.

All the elements set out in the diagram on the next page will contribute to a more rounded narrative about the progress we are making against the strategic statement towards improving outcomes.

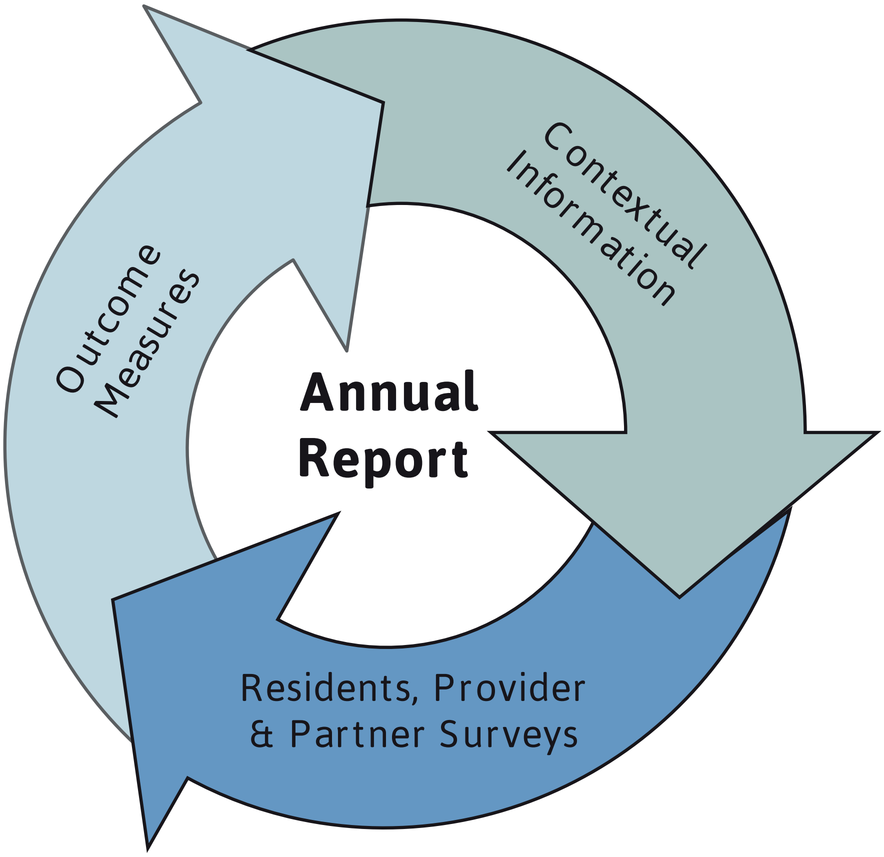
As we developed this strategic statement, we engaged staff, providers, partners and residents to help test our outcomes. They told us it was important that they continue to have an opportunity to give their views so they can hold us to account for delivery.

Therefore we will also develop resident, partner and provider surveys to help us continue to gauge the effectiveness of our approach as a commissioner, partner and client, so we can listen and respond to their feedback, and use this to improve the way we work.

A benchmarking exercise will be undertaken to provide an evidence base of current progress against the outcomes.

We will deliver an annual report on our progress to County Council.

Our Annual Report on Progress:



Outcomes Measures	We will base our annual report on the outcome measures identified in this statement, but where other performance or financial measures impact on our outcomes, we will include that information
Contextual Information	We will draw on reports from inspectors and regulators, surveys by other national and local organisations, and evaluations of our own services and programmes to set our progress in the wider context
Residents, Provider & Partner Surveys	We will regularly survey our residents, service providers and partners across the public, private and voluntary sectors to understand what we are doing well and what we could do better

How we will track our progress:

We will track our direction of travel by developing a basket of measures linked to each of the Supporting Outcomes. Using a range of measures will provide a more rounded view of the progress we are making.

However, we do not want to create additional reporting burdens so we have selected measures which are readily available and monitored regularly, so where possible we can compare our progress within Kent, against our Statistical Neighbours, the South East and Nationally.

The suggested measures will form an important part of tracking our progress, but we know that they sometimes tell only part of the story. We know that improving outcomes is influenced by a range of factors, not just the efforts of a single service provider.

In considering KCC's impact on these outcomes, it will be necessary to consider the measures that KCC can influence directly, as well as those that are relevant to the outcomes but may not be directly controllable by KCC services or commissioning.

We will regularly review this to ensure we develop the most relevant and appropriate measures, so we can take the opportunity to identify new measures if required.

Table 1: Children and young people in Kent get the best start in life

Supporting Outcome	The suggested measures that we will develop to monitor progress
Kent's communities are resilient and provide strong and safe environments to successfully raise children and young people	• Reduce infant mortality • Reduce child road accident casualties • Reduce child poverty (develop a basket of measures) • Reduce hospital admissions for 0 to 14 year olds by unintentional and deliberate injuries
We keep vulnerable families out of crisis and more children and young people out of KCC care	• Substantially reduce the number of children in care • Increase the percentage of Team Around the Family (TAF) cases closed with outcomes achieved • Reduce referrals to children's social services • Reduce re-referrals to children's social services within 12 months
The attainment gap between disadvantaged young people and their peers continues to close	• Reduce attainment gaps for children with Free Schools Meals (FSM) at Key Stage 2 and Key Stage 4 • Reduce attainment gaps for children in care at Key Stage 2 and Key Stage 4 • Reduce attainment gaps for children in need at Key Stage 2 and Key Stage 4
All children, irrespective of background, are ready for school at age 5	• Increase the percentage of children with good level of development at Foundation Stage Profile (FSP) • Reduce achievement gaps at Foundation Stage Profile (FSP) for children with Free School Meals • Increase early years settings with good or outstanding Ofsted inspections
Children and young people have better physical and mental health	• Increase percentage of children with healthy weight • Reduce emergency hospital admissions for 0 to 17 year olds • Reduce average waiting time for routine assessment from referral to Child & Adolescent Mental Health Services (CAMHS) • Improve access to specialist treatment for mental health for children and young people
All children and young people are engaged, thrive and achieve their potential through academic and vocational education	• Increase the percentage of pupils achieving level 4 and above at Key Stage 2 in reading, writing and maths • Increase the percentage of pupils achieving 5+ A* to C GCSE including English and Maths • Reduce the percentage of schools below government floor targets • Reduce number of schools in the 'inadequate' and 'requires improvement' Ofsted category • Increase apprenticeships age 16 to 18 year olds • Increase number of young people age 16 to 19 year olds with Qualification and Credit Framework awards (vocational training)
Kent young people are confident and ambitious with choices and access to work, education and training opportunities	• Increase apprenticeships for 18 to 24 year olds • Decrease the proportion of all Job Seekers Allowance claimants who are aged 18 to 24 year olds • Increase young people with level 3 qualification at age 19 • Reduce inequality gaps at age 19 for level 3 qualification • Reduce young people not in education, employment or training age 16-18 (NEETs) • Increase percentage of young people aged 16 and 17 with September Guarantee met • Reduce first time entrants to the youth justice system

Table 2: Kent communities feel the benefit of economic growth by being in-work, healthy and enjoying a good quality of life	
Supporting Outcome	**The suggested measures that we will develop to monitor progress**
Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing	• Reduce age standardised mortality for preventative causes for age 75 and under • Increase NHS health checks completed • Increase percentage of people quitting smoking • Increase percentage of physically active adults
Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure	• Increase business confidence • Reduce businesses who report skills shortages (develop a survey) • Increase percentage of working age people with level 3 qualifications • Increase percentage of working age people with level 4 qualifications • Increase working age people with vocational qualifications • Reduce number of broadband 'not spots'
All Kent's communities benefit from economic growth and lower levels of deprivation	• Increase employment rate • Reduce claimant count • Reduce out of work benefit counts • Increase business start-up rate • Increase gross median wage levels
Kent residents enjoy a good quality of life, and more people benefit from greater social, cultural and sporting opportunities	• Increase in residents who enjoy good quality of life (by resident survey) • Increase in residents satisfied with social, cultural and sporting opportunities in the county (by resident survey) • Increase in self-reported well being
We support well planned housing growth so Kent residents can live in the home of their choice	• Increase in housing completions • Improve housing affordability index (rental and ownership) • Increase number of extra care housing units • Increase in residents satisfaction with community facilities and amenities in new housing developments (develop basket of measures, including survey)
Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors	• Increase in residents who feel the environment is protected (by resident survey) • Increase housing development of previously used land

Table 3: Older and vulnerable residents are safe and supported with choices to live independently

Supporting Outcome	The suggested measures that we will develop to monitor progress
Those with long-term conditions are supported to manage their conditions through access to good quality care and support	• Increase proportion of adult (aged 18 to 64) social care clients with community services • Reduce residential and nursing care admissions (aged 18 to 64) • Reduce gap in the employment rate between those with a long term health condition and the overall employment rate • Reduce gap in the employment rate between those with a learning disability and the overall employment rate
People with mental health issues and dementia are assessed and treated earlier and are supported to live well	• Increase in mental health service users who feel that they have seen mental health services often enough for their needs in the last 12 months (CQC annual survey) • Increase reported number of patients diagnosed with Dementia on GP registers as a percentage of estimated prevalence • Increase percentage of people waiting less than 4 weeks to access Memory Assessment Services
Families and carers of vulnerable and older people have access to the advice, information and support they need	• Increase the percentage of adult social care users and carers who find it easy to find information about support (by survey)
Older and vulnerable residents feel socially included	• Increase the percentage of adult social care users who have as much social contact as they would like (by survey)
More people receive quality care at home avoiding unnecessary admissions to hospital and care homes	• Increase proportion of older people (aged 65+) social care clients with community services • Reduce emergency hospital admissions for over 75s • Reduce residential and nursing care admissions (aged 65+)
The health and social care system works together to deliver high quality community services	• Increase in adult social users extremely or very satisfied with their care and support (by survey) • Increase in adult social care users whose service has made them feel safe (by survey) • Reduce delayed transfer of care
Residents have greater choice and control over the health and social care services they receive	• Increase the percentage of adult social care users who feel they have adequate or better control over daily life (by survey) • Increase social care users with self-directed support

Increasing Opportunities, Improving Outcomes:

Kent County Council's Strategic Statement 2015 – 2020

This publication is available in other formats
and can be explained in a range of languages

From:	John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement Andy Wood, Corporate Director of Finance & Procurement Corporate Directors
To:	CABINET - 23 March 2015
Subject:	

(1) REVENUE AND CAPITAL BUDGET MONITORING FOR 2014-15 - QUARTER 3
(2) KEY ACTIVITY MONITORING FOR 2014-15 - QUARTER 3
(3) FINANCIAL HEALTH INDICATORS 2014-15 - QUARTER 3
(4) PRUDENTIAL INDICATORS 2014-15 - QUARTER 3
(5) SUMMARY OF PROPOSED OUTSTANDING MANAGEMENT ACTION 2014-15 - QUARTER 3
(6) IMPACT ON REVENUE RESERVES
(7) DIRECTORATE STAFFING LEVELS 2014-15 - QUARTER 3

Classification: **Unrestricted**

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1. SUMMARY

1.1 This report provides the budget monitoring position for December 2014-15 for both revenue and capital budgets, including an update on key activity data.

1.2 The format of this report is:

- An executive summary which provides a high level financial summary and highlights only the most significant issues
- Appendix 1 provides an update on our Financial Health indicators
- Appendix 2 provides an update on our Prudential indicators
- Appendix 3 provides a summary of the proposed capital programme cash limit changes
- There are seven annexes to this executive summary report, as detailed below:
  - **Annex 1** **Education & Young People's Services**
  - **Annex 2** **Social Care, Health & Wellbeing** - Specialist Children's Services
  - **Annex 3** **Social Care, Health & Wellbeing** - Adults
  - **Annex 4** **Social Care, Health & Wellbeing** - Public Health
  - **Annex 5** **Growth, Environment & Transport**

- **Annex 6** **Strategic & Corporate Services**
- **Annex 7** **Financing Items**

1.3 Other items likely to be of particular interest to Members are the impact of the current financial and activity monitoring position on our revenue reserves, as detailed in section 6, and the directorate staffing levels as at the end of December 2014 compared to 1 April 2014, 30 June 2014 and 30 September 2014, which are provided in section 7.

2. RECOMMENDATIONS

Cabinet is asked to:

i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.

ii) **Agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 3.

3. SUMMARISED REVENUE MONITORING POSITION

3.1 The net projected variance against the combined directorate revenue budgets is an underspend of £5.482m, before management action, but management action is expected to reduce this to an underspend of £6.071m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2015-16 to fulfil our legal obligations, detailed in section 3.6, therefore this changes the position to an underspend of £5.730m as shown in the headline table below. There is also some significant underspending within the forecast, detailed in section 3.7, which we would ideally like to roll forward in order to continue with these initiatives in 2015-16 but these will be subject to Cabinet approval in July, in view of the overall outturn position and the pressures facing the authority over the medium term. If we allow for this, then this changes the position to an **underlying underspend of £3.062m**. The annexes to this report provide the detail of the overall forecast position which is summarised in Table 1 below.

3.2 This report does not attempt to explain movements month on month, but explains why we have a forecast variance. However, we will report the headline movement, which for this month is an encouraging £1.807m reduction in the forecast position (excluding schools and before rollover requests), as shown in table 1. This is mainly due to:

E&YP - further underspending on Early Years, children's centres, early intervention & prevention and school improvement; further re-phasing against the Tackling Troubled Families programme, an improvement in the position on home to school transport, and additional recoupment income from other local authorities with pupils in Kent schools. This is partially offset by a reduction in the re-phasing of the Kent Youth Employment programme and increased property related costs within Community Learning & Skills.

SCH&W (SCS) - the position has improved this month, mainly on Children's Social Care staffing and Fostering staffing as a result of maximising the use of grant income and other funding streams.

SCH&W (Asylum) - an increase in the pressure reflecting the latest meeting with Home Office officials, where they strongly suggested that we cannot use the surplus grant in excess of actual costs incurred on Under 18s to offset the shortfall in grant on the 18 and Overs. We will continue discussions in an attempt to get the best possible outcome for this Authority.

SCH&W (Adults) - once again, although the overall position after management action has barely changed, there are some significant offsetting movements with the pressure on domiciliary care budgets increasing significantly to reflect current spending trends and a review of the expected timing of transformation savings, but this is offset by the release of funds held within other adult services relating to other older people and physical disability services. As previously reported, due to the uncertainty surrounding the domiciliary forecast, all other areas of older people and physical disability expenditure were being considered for efficiencies and re-phasing should they be required to mitigate the risk of this increase in the forecast, and as a result the increase in the domiciliary forecast has not resulted in an overall increase in the position for Adult Social Care. Investigations are continuing as to the full reasons for the pressures being experienced on domiciliary care. There has also been an increase in the saving on nursing and residential care this month, likely to be as a result of the effects of enablement and other preventative services implemented as part of the transformation agenda.

GE&T - a further increase in waste tonnage than profiled in the budget, but this has been offset by other waste related savings; an increase in the costs of highways management and an overspend is now forecast on the Freedom Pass/Young Person's Travel Pass (YPTP) budget largely due to journey numbers under both the old Freedom Pass scheme and the new YPTP scheme and lower levels of income for the new YPTP due to a different mix of full price, half price and free passes than assumed in the budget calculations. These increased costs are partially offset by further underspending within Libraries, Registration & Archives largely due to staff vacancy savings and because an anticipated contribution to reserves is no longer required. In addition there is some further underspending within Coroners, Country Parks and Environment Management which will be requested to roll forward (see section 3.7 below).

S&CS - a further improvement in the position mainly due to fewer than anticipated business cases requiring funding in Local Healthwatch & Complaints Advocacy and a general improvement position of Finance & Procurement, Business Strategy & Legal Services.

FI - increase in Government funding levels from £942.25m to £944m following the Autumn Budget Statement and more certainty around the number and timing of schools converting to academy status in year.

In addition, the requirement to roll forward has reduced this month by £2.036m (+£0.131m-£2.167m per the headlines table below), which is mainly due to the removal of the KSAS roll forward now that base funding has been provided in the 2015-16 budget (see section 3.8 below for further details). The position overall has therefore improved by £3.843m this month.

3.3 **HEADLINE POSITION (EXCL SCHOOLS) (£'000)**

	Cash Limit	Variance Before Mgmt Action	Management Action - already in place	Net Variance after Mgmt Action	Last Report	Movement
Directorate Totals	+953,886	-5,482	-589	-6,071	-4,264	-1,807
Adjustments: - Legally committed roll fwd *(see section 3.6 for detail)*		+341	-	+341	+210	+131
Underlying position (including legally committed roll fwd requirements only)	**+953,886**	**-5,141**	**-589**	**-5,730**	-4,054	-1,676
- Roll forward/ re-phasing required to continue/ complete existing initiatives *(see section 3.7 for detail)*		+2,668	-	+2,668	+4,835	-2,167
Underlying position (including ALL roll fwd requirements)	**+953,886**	**-2,473**	**-589**	**-3,062**	+781	-3,843

3.4 **Table 1** Directorate position - net revenue position **before and after** management action together with comparison to the last report

Annex	Directorate	Budget £'000	Net Variance (before mgmt action) £'000	Management Action already in place £'000	Net Variance (after mgmt action) £'000	Last Report £'000	Movement £'000
1	Education & Young People's Services	84,226.5	-5,950	-	-5,950	-3,956	-1,994
2	Social Care, Health & Wellbeing - Specialist Children's Services	127,517.0	+2,847	-420	+2,427	+3,040	-613
	Social Care, Health & Wellbeing - Asylum	280.0	+3,099	-	+3,099	+1,666	+1,433
	Social Care, Health & Wellbeing - Special Operations	-	+812	-	+812	+809	+3
	Sub Total SCH&W - Specialist Children's Services	*127,797.0*	*+6,758*	*-420*	*+6,338*	*+5,515*	*+823*
3	Social Care, Health & Wellbeing - Adults	345,049.2	-2,520	-169	-2,689	-2,610	-79
4	Social Care, Health & Wellbeing - Public Health	-	-	-	-	-	-
5	Growth, Environment & Transport	180,058.6	-415	-	-415	-2,050	+1,635
6	Strategic & Corporate Services	82,638.2	-1,097	-	-1,097	-675	-422
7	Financing Items	134,116.7	-2,258	-	-2,258	-488	-1,770
	TOTAL (excl Schools)	**953,886.2**	**-5,482**	**-589**	**-6,071**	**-4,264**	**-1,807**
1	*Schools (E&YP Directorate)*	-	+10,598	-	+10,598	+12,883	-2,285
	TOTAL	**953,886.2**	**+5,116**	**-589**	**+4,527**	**+8,619**	**-4,092**

3.5 The **Revenue** Budget Monitoring headlines are as follows:

a) The net position for Specialist Children's Services (exc. Asylum and Special Operations) has improved from the previous reported position by -£0.613m. However, the service continues to report a significant financial pressure for 2014-15 with a net overspend of £2.847m, which is partially offset by £0.420m of proposed management action, with the remaining pressure of £2.427m attributable to unachievable savings.

b) The position included in this report for Asylum is a pressure of £3.099m, and this reflects the impact of the May offer from the Home Office now that we no longer receive a Gateway Grant and the latest meeting with Home Office officials, where they strongly suggested that we cannot use the surplus grant in excess of actual costs incurred on Under 18s to offset the shortfall in grant on the 18 and Overs. It should also be noted that referrals are increasing and are at their highest level since 2009-10 and the number of children we are supporting is at its highest level since August 2011. We will continue discussions with the Home Office in an attempt to get the best possible outcome for this Authority.

c) The costs associated with Special Operations within Specialist Children's Services have been shown separately to the normal costs of running the service. These operations currently account for a pressure of £0.812m and these costs will be met from reserves if there is insufficient underspending within KCC overall at year end to offset them.

d) The underspend of -£2.520m before management action within Social Care, Health & Wellbeing - Adults is made up of a pressure on the Social Care budgets of £0.816m, with the main pressure areas being domiciliary care, direct payments and supported accommodation, offset by a combined underspend on the Commissioned Services budgets of Kent Support & Assistance Service (Social Fund), Supporting People and Drug & Alcohol Services of £3.336m. Further management action of £0.169m is expected to be delivered to offset the pressure on the social care budgets (see Annex 3 for further information). This position also reflects a planned drawdown from the NHS Support for Social Care reserve of £4.375m to fund investment in services to deliver the transformation savings. We are therefore currently forecasting to spend £5.191m (£0.816m + £4.375m) more than our base budget on adult social care, but this is expected to reduce to £5.022m after delivery of management action.

e) Within Adult social care, domiciliary care remains our main area of concern. Extensive investigations are continuing to fully understand the impact of the transformational changes and contract re-let on the domiciliary care expenditure incurred to date, and to establish the full reasons for the pressures being experienced on this service in order to determine whether there is underlying trend that is counteracting the impact of the transformation savings, as both client numbers and number of hours provided are showing an increase in December. The forecast for domiciliary care was increased last month to reflect the expectation that transformation savings will be realised over a longer time period than previously anticipated, however expenditure on this service has still not fallen in line with these revised expectations. Therefore, this month the forecast reflects a more cautious approach, only using current spending trends and not assuming delivery of any further savings until the outcome of these investigations is known. As previously reported, due to the uncertainty surrounding the domiciliary forecast, all other areas of older people and physical disability expenditure were being considered for efficiencies and re-phasing should they be required to mitigate the risk of this increase in the forecast, and as a result, the increase in the domiciliary forecast has not resulted in an overall increase in the position for Adult Social Care.

f) As a result of the domiciliary care contract re-let, the shift of clients from domiciliary care to direct payments resulting from some clients choosing to remain with their existing service providers, has slowed down but still continues. These direct payments are being paid at the new lower domiciliary care re-let rate.

g) Within Education & Young People's Services, the SEN Home to School Transport budget continues to experience pressure, albeit reduced this month, with a forecast overspend of +£2.150m. This is offset by recoupment income received from other local authorities whose pupils attend our special schools (-£0.480m); underspending on Home to College transport and the Kent 16+ Travel Card mainly due to increased income due to increased take up for the autumn & spring terms and reduction in demand for transport for SEN students (-£0.714m); and also a continuation from last year of the reduced demand for mainstream home to school transport as the secondary aged population is at its lowest for some years (-£1.476m). An underspend on Children's Centres of -£2.608m is largely linked to the service restructure and a savings target of £1.922m for Early Help & Prevention Services division held centrally within EY&P Directorate Management & Support is being offset by a number of smaller variances throughout the directorate. In addition, the Directorate is showing re-phasing of both the Kent Youth Employment programme and the Troubled Families programme, with the directorate as a whole forecasting a net underspend after management action and excluding schools of -£5.060m, of which £2.840m will be requested to roll forward (see sections 3.6 and 3.7 below).

h) The Early Years Education for 2 year olds budget is forecasting a significant underspend of £7.5m. This is a result of lower parental demand for two year old places than affordable levels. As this budget is entirely funded from DSG, any surplus at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset overspending elsewhere within the directorate budget, therefore this underspend will be transferred to the schools unallocated DSG reserve at year end.

i) The Growth, Environment and Transport Directorate is forecasting to underspend by £0.415m. The most significant services contributing to this position are Subsidised Bus Routes (-£0.681m); Highways budgets (-£0.587m) predominately from savings on streetlight energy and speed awareness courses; Community Services budgets (-£1.640m) mainly due to increased income within the Registration Service and staff vacancy savings; Regulatory Services budgets (-£0.346m) mainly due to lower than expected costs of long inquests; Concessionary Fares (-£0.226m) offset by a net pressure on the Young Person's Travel Pass/Freedom Pass budget (+£2.523m) and the waste budgets (+£0.697m) - see below for further details.

j) Forecast waste tonnage has increased again since the last report, with a forecast overspend of £2.979m currently reported. This is largely offset by savings predominately from contract changes, giving an overall net pressure on the waste budget of £0.697m. The tonnage for April to December was 33,800 tonnes above the affordable level for this period and the current forecast pressure on waste tonnage of £2.979m assumes 44,300 tonnes above the budgeted level of 675,000 tonnes for the full year. Waste tonnages for the last couple of months are below the affordable levels, which is encouraging and may suggest that the recent trend of increased waste volumes is starting to reverse and fall more in line with expectations, however waste volumes remain volatile. An additional £1m has been provided in the recently approved 2015-16 budget for increased waste volumes.

k) As indicated last month, a pressure of £2.5m is now reported on the Young Person's Travel Pass (YPTP)/Freedom Pass budget following completion of the reconciliations for the first three quarters of the year by our concessionary travel consultant, MCL Transport Services. Journey numbers are significantly above budgeted levels for both the new YPTP and the old Freedom Pass scheme, which ended in August. This is partly due to assumptions around the reduction in journeys resulting from the weekend and evening restrictions not being fully achieved, together with the budgeted reductions in additional capacity payments to bus operators have not been fully realised. Also, the bus operators have increased their fares between 2 and 5%, which has resulted in an increased cost of these passes. In addition, a shortfall in income is forecast as the number of passes is below expected levels and there is a different mix of full price, half price and free passes than assumed in the budget model, (students in receipt of free school meals pay half price and students in care, care leavers or young carers pay nothing).

l) The forecast for Public Health includes a drawdown from the KDAAT reserve of £1.2m to fund changes in contract values. The forecast against the Public Health grant is now breakeven, meaning there will be a zero balance in the Public Health reserve at the end of the financial year.

m) As has been reflected in previous reports, the revised dividend target set for Commercial Services by the Shareholder Board is £1.391m less than the originally budgeted dividend. This is currently being offset elsewhere within the Financing Items budget by underspending on Carbon Reduction, External Audit Fee and higher than expected Government funding levels including Business Rate compensation grant for the impact of measures introduced by the Government in the 2012 and 2013 Autumn Statements.

n) We have received £0.983m of funding through the Bellwin scheme in respect of the emergency costs incurred during the autumn and winter 2013-14 floods and storms, which has been transferred to the Emergency Conditions reserve.

o) School reserves are forecast to reduce by £6.1m in 2014-15, according to the schools 9 month monitoring returns. The impact on schools reserves of schools converting to academy status in year, together with the anticipated use of schools unallocated reserves to fund schools related pressures, is fully offset by the net effect of a transfer to reserves of the underspend on early years education and a drawdown from reserves to fund pressures on high needs education (see section 6.4 below).

p) We received a further dividend from Landsbanki in December of £5.28m. The total recovery to date from Icelandic banks including interest is now £47.45m. Details as follows:

- Heritable – dividends received are equal to 94p in the pound, £17.3m. Interest received £0.25m. The recovery is now predicted to be close to 100%.
- Landsbanki - 5 dividends received totalling £14m including Icelandic Krona in Escrow Account. Interest received £0.7m. The forecast recovery is 100%.
- Glitnir - paid in full in March 2012. Received £14.7m including Icelandic Krona in Escrow Account. Interest received £0.5m.

3.6 **Details of Committed Roll Forward/Re-phasing requirements**

The headline table on page 3 shows that within the current forecast revenue position there is a requirement to roll forward £0.341m to 2015-16, relating to initiatives where we have a legal obligation to provide the funding. This relates to:

▪ Kent Youth Employment programme - to fund existing placements that continue into 2015-16 (see annex 1)	+341 k
	+341 k

3.7 **Details of Roll Forward/Re-phasing required to complete existing initiatives, if the outturn position allows:**

In addition to the roll forward requirements that we are legally obliged to provide for, which are detailed above, there is some significant underspending within the forecast which we would ideally like to roll forward in order to continue with these initiatives in 2015-16. The Authority as a whole would need to achieve an underspending position at year end of at least -£3.009m in order to fund all of these (£2.668m as detailed below + £0.341m per section 3.6 above). We are currently forecasting a greater underspend than this, with an underspend of -£6.071m after management action currently being reported, -£3.062m in excess of this requirement. However, roll forward for these initiatives will be subject to Cabinet approval in July, in view of the overall outturn position and the pressures facing the authority over the medium term. These initiatives are:

▪ Kent Youth Employment programme (see annex 1)	+345 k
▪ re-phasing of Vulnerable Learners Assisted Apprenticeship placements in to 2015-16 (see annex 1)	+64 k
▪ Tackling Troubled Families (see annex 1)	+2,090 k
▪ Country Parks - funding required for additional marketing in order to deliver 2015-16 savings (annex 5)	+25 k
▪ Environment Management - re-phasing of highway drainage asset surveys due to issues with the third party undertaking the work (see annex 5)	+60 k
▪ Coroners - re-phasing of restructuring costs (see annex 5)	+70 k
▪ re-phasing of Health Reform (see annex 6)	+14 k
	+2,668 k

3.8 The announcement of the local government finance final settlement for 2015-16 on 3 February included an increase in RSG of £1.481m for Local Welfare Provision. Prior to this announcement, government funding for Local Welfare Provision (Social Fund) was expected to cease in 2015-16, and hence the monitoring reports throughout the year have highlighted the need to roll forward the current year underspend on the Kent Support & Assistance Service (KSAS) in order to continue with the service for another year. Following the announcement of the final settlement for 2015-16, the proposed budget for 2015-16 was amended to include this £1.481m for KSAS, and this was approved by County Council on 12 February. As a result, continuation of the service in 2015-16 is no longer dependent upon the 2014-15 underspend for KSAS and this has therefore been removed from the roll forward requirements listed above.

3.9 **Revenue budget virements/changes to budgets**

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process, including the inclusion of new 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set.
- Cash limits for the A-Z service analysis have been adjusted since the previous report to Cabinet to reflect a number of technical adjustments, including the further centralisation of budgets and to reflect where responsibility for providing services has moved between directorates.

The cash limit has also been amended this month to reflect additional Government funding levels following the Autumn Budget Statement and more certainty around the number and timing of schools converting to academy status in year.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2014-15 Capital Programme is £356.033m (£318.255m excluding PFI). The forecast outturn against this budget is £259.694m (£240.987m excluding PFI) giving a variance of -£96.339m (-£77.268m excluding PFI). The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Directorate capital position

Directorate	**3 Year Cash Limit £'000**	**2014-15 Working Budget £'000**	**2014-15 Variance £'000**	**Real Variance £'000**	**Re-phasing Variance £'000**	Annex
Education & Young People's Services	**227,510**	**143,987**	**-53,497**	585	-54,082	1
Social Care, Health & Wellbeing - Specialist Children's Services	**-**	**2,028**	**-1,029**	-	-1,029	2
Social Care, Health & Wellbeing - Adults	**82,918**	**51,754**	**-26,557**	884	-27,441	3
Social Care, Health & Wellbeing - Public Health	**-**	**-**	**-**	-	-	4
Growth, Environment & Transport	**259,191**	**128,500**	**-10,403**	1,872	-12,275	5
Strategic & Corporate Services	**28,806**	**29,764**	**-4,853**	360	-5,213	6
Financing Items	**-**	**-**	**-**			7
TOTAL	**598,425**	**356,033**	**-96,339**	3,701	-100,040	

4.3 The **Capital** Budget Monitoring headlines are as follows:

a) The majority of schemes are within budget and on time.

b) +£3.701m of the -£96.339m variance is due to **real** variances. These are categorised as follows:

i) **Real variances as a result of additional or revised funding are as follows:**

Information Technology Projects (SC,H&WB - Adults) +£0.865m. This relates to predicted expenditure on Telecare equipment to be legitimately capitalised at year end. This will be funded from available grant and developer contributions.

Integrated Transport Schemes (GET) +£0.948m. This reflects additional grant awarded by the DfT to deliver local sustainable transport schemes (+£0.903m) plus additional external funding of +£0.045m towards Coxheath traffic calming scheme.

No Use Empty - Rented Affordable Homes (GET) +0.795m. This relates to additional HCA funding which is expected to be received by March 2015 following full project spend.

Disposal Costs (S&CS) +£0.300m. This reflects the capitalisation of security costs to protect the value of KCC assets, to be funded from the capital proceeds of property disposals.

Priority Schools Build (EYP) +£0.890m. Reflects additional costs on the Priority School Build Programme at Meopham School to be funded from grant.

The remaining -£0.987m of real variances are made up of a number of real over and underspends on a number of projects across the capital programme. The annexes to this report provide the detail.

ii) **Real variances funded from within the capital programme which have a nil impact on the programme as a whole are as follows:**

St John's/Kingsmead Primary School, Canterbury (EYP) +£0.750m due to additional window and roof works. This is to be funded from the Annual Planned Enhancement Programme.

Astor of Hever (St Augustine's Academy) Maidstone (EYP) +£0.452m due to an asbestos claim. This is to be funded from a corresponding underspend on BSF Unit Costs.

Goat Lees Primary School (EYP) -£0.375m. The forecast underspend against this project will be used to part fund the pressure on the Basic Need programme in future years (please see section 4.3.d) below).

Annual Planned Enhancement Programme (EYP) +£0.250m due to additional works at Minster Primary. This is to be funded from a corresponding underspend on the Modernisation Programme - Future Years.

Rural Broadband Demonstration Project (GET) -£0.516m. The rural allocation was based on providing grants to local communities. Market review shows that response is likely to be insufficient to generate good value for money. The funding has been rolled into the Superfast Extension Programme which is due to start in 2016-17.

TS/HWRC - Swale (GET) -£0.250m to reflect revised scheme cost. This underspend will be used to fund +£0.150m on the Street light Timing - Invest to Save project due to higher than expected costs including a greater number of columns needing to be rewired to enable conversion and higher staff costs and +£0.100m on Weather Damage - Major Patching where additional works have had to be carried out.

Member Highway Fund (GET) -£0.196m. Of this real variance -£0.063m will be used to contribute towards the delivery of a member nominated resurfacing scheme and -£0.133m uncommitted member grant which will be used to settle increased final resurfacing accounts within the Highway Major Enhancement programme.

c) -£100.040m of the -£97.229m variance relates to **rephasing** on a number of projects. The main projects comprising the rephasing are as follows:

Basic Need Programme 2013-15 (EYP) -£15.419m rephasing due to extended planning periods on some schemes, particularly the new schools. The greatest spend during the lifecycle of projects is the construction costs which have now been forecast in 2015/16.

Special School Review Phase 2 (EYP) -£24.326m. Rephasing due to delays at the planning stage on a number of complicated projects. Redesign and reconfigurations have also been necessary due to budget pressures.

Sevenoaks Grammar School (EYP) -£3.740m and Trinity Free School, Sevenoaks (EYP) -£2.500m. Rephasing due to agreeing contract terms and documentation but the expected completion date remains unchanged.

Dover Christ Church (EYP) -£1.500m. Rephasing due to construction delays which have pushed back the completion of two main phases of work.

Modernisation Programme - Future Years (EYP) -£1.498m of the programme is being rephased. The programme will be finalised once funding allocations have been confirmed.

Devolved Formula Capital Grants for Pupil Referral Units (PRUs) (EYP) -£1.409m. Following the completion of a recent PRU review, works will now progress next financial year.

Annual Planned Enhancement Programme (EYP) -£1.000m of works are being rephased as a result of difficulties in accessing schools, tendering works and finalising briefs.

BSF Wave 3 Build Costs (EYP) -£0.723m. Rephasing as a result of outstanding ICT issues at schools which have yet to be resolved.

Nursery Provision for Two Year Olds (EYP) -£0.612m. Following delays in obtaining planning permission, several projects will now complete in 2015/16.

Integrated Youth Service -Youth Hub Reprovision (EYP) -£0.553m. Rephasing following resubmission of plans for approval as a result of changes to design and layout. Completion is now anticipated in June 2015.

Community Learning & Skills Service - Sittingbourne Reprovision (EYP) -£0.482m due to a lack of suitable alternative venues and sites coming forward.

PFI - Excellent Homes for All (SCH&W Adults) -£19.071m. Rephased as financial close on the PFI deal was reached later than anticipated as a result of various Central Government reviews.

OP Strategy - Transformation/Modernisation (SCH&W Adults) -£5.444m. Rephasing to 2015-16 to allow for formal procurement options to be explored as part of the business case development for the Older Persons Strategy.

Information Technology Projects (SCH&W Adults) -£1.958m rephased whilst reviewing the IT strategy as part of the budget process.

Lowfield Street (SCH&W Adults) -£0.968m rephasing due to delay in the development of the site, undergoing negotiations with the developer on how to proceed.

ContROCC -£0.378m and Early Help Module (SCH&W Children's) -£0.581m. Rephasing following outcome of initial functional testing impacting on go live dates.

TIGER (GET) +£5.478m. The fund is heavily committed and the rephasing relates to expected distributions of grants and loans during the year.

Regional Growth Fund - Expansion East Kent (GET) +£5.133m. This fund is heavily committed and the rephasing relates to expected distributions of grants and loans during the year.

Broadband (GET) -£4.950m. The infrastructure build is now moving into more complex areas and therefore some rephasing to 2015-16 is required.

Sittingbourne Northern Relief Road -£2.007m, East Kent Access Phase 2 -£1.669m and Rushenden Link Road -£0.584m - rephasing due to the retendering of the LCA Part 1 works.

LIVE Margate (GET) -£3.376m rephasing due to KCC endeavouring to acquire some key strategic sites, and it is taking longer than anticipated to finalise these acquisitions.

Thanet Parkway (GET) -£1.500m - rephasing due to delays in the procurement process and acquiring the necessary land. Negotiations are underway but are unlikely to be completed in this financial year.

North Farm Longfield Road, Tunbridge Wells (GET) -£1.283m. The predicted completion has slipped by a month to end of June 2015 as a result of unchartered utility services that require diversion or protection.

Kent Thameside Strategic Transport Programme (GET) -£1.179m. Rephasing whilst the overall programme is under review. In addition, Rathmore Road has a revised project profile as a result of a later than anticipated voluntary property acquisition.

Lorry Park (GET) -£1.055m - further options are being explored hence anticipated start date has been delayed.

Westwood Relief Strategy - Poorhole Lane Improvement (GET) -£1.033m - The scheme is now expected to complete in June 2015 following unchartered and shallow utility services requiring extra mitigation works. These costs have been absorbed within the overall budget.

Swale Transfer Station (GET) -£1.030m rephasing as only the bridge works will be carried out this year.

Library Modernisation Programme (GET) -£0.782m rephased following review through the programme through the budget process.

A28 Chart Road, Ashford (GET) +£0.660m. The scheme has now received planning consent. Spend has been brought forward to cover initial development works and engagement with utilities.

Empty Property Initiative (GET) -£0.482m rephasing following diversion of potential loans from this project to the new No Use Empty programme so that the product can be developed and tested.

Dartford Library Plus (GET) -£0.434m. Suggested changes from a public consultation have impacted on delivery times.

Escalate (GET) -£0.311m - the forecast has been adjusted according to current actual and pipeline cases in the year.

Marsh Million (GET) -£0.300m. The take up of funding this scheme has been slow but marketing activity has been ongoing to raise the profile of the fund.

Member Highway Fund (GET) -£0.165m. Rephasing consists of -£0.068m for schemes which have been ordered but where delivery has been delayed following scheme redesign as a result of public consultation and £0.097m for committed schemes yet to be designed.

Southborough Hub (GET) -£0.125m. A new enhanced scheme is currently being considered and the project has been reprofiled accordingly.

Modernisation of Assets (S&CS) -£3.500m. Rephasing due to awaiting outcome of environmental recommendations on two large building works.

Customer Journey Programme (S&CS) -£0.709m. The Customer Relationship Management System has been rephased until there is greater clarity around the shape and requirements of the Council following Facing The Challenge.

Swanley Gateway (S&CS) -£0.428m. The contractor has identified additional works to the roof which will extend the project by two months.

Replacement and Enhancement of Core Website (S&CS) -£0.320m rephasing as the first phase of the redevelopment has been extended, pushing the second phase in to next year. However, the overall completion date remains unaffected.

The remaining -£1.927m rephasing comprises minor rephasing on a number of projects across the capital programme. The annexes to this report provide the detail.

d) **Future years unfunded variances:**

Basic Need Programme 2013-15 (EYP) There is an overall pressure against the Basic Need Programme of £12.351m which includes a £2.360m pressure relating to construction inflation which was previously reported as a separate line. £0.381m of this pressure can be funded from underspends elsewhere in the programme and the remainder has been reviewed as part of the budget setting process.

Special Schools Review Phase 2 (EYP) Across the three year programme the total forecast pressure is £7.060m of which £6.940m is unfunded. This includes a £1.000m pressure relating to construction inflation which was previously reported as a separate line.

4.4 **Capital budget virements/changes to cash limits**

- Any cash limit changes due to virements are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.
- **Cabinet is asked to approve** further changes to the capital programme cash limits resulting from this round of monitoring, which are identified in the actions column in table 2 of the annex reports. For ease of reference these are all summarised in Appendix 3.

5. FINANCIAL HEALTH

5.1 The latest Financial Health indicators, including cash balances, our long term debt maturity, outstanding debt owed to KCC, the percentage of payments made within 20 days and the recent trend in inflation indices (RPI & CPI) are detailed in **Appendix 1**

5.2 The latest monitoring of Prudential Indicators is detailed in **Appendix 2**

6. REVENUE RESERVES

6.1 The table below reflects the projected impact of the current forecast spend and activity for 2014-15 on our revenue reserves:

Account	Balance at 31/3/14 £m	Projected Balance at 31/3/15 £m	Movement £m
General Fund balance	31.7	34.7	3.0
Earmarked Reserves	160.8	138.7	-22.1
Schools Reserves *	45.7	39.6	-6.1

* Both the table above and section 2.1 of annex 1 include delegated schools reserves and unallocated schools budget.

6.2 The £3m increase in general reserves reflects the transfer from the Economic Downturn reserve as detailed in section 5 of Appendix F of the recently approved 2015-18 MTFP.

6.3 The reduction of £22.1m in earmarked reserves includes:

	£m
Release of previously earmarked reserves (as approved in the 2014-17 MTFP)	-3.0
Budgeted contribution (incl. continuation of collaborative work with DCs to increase council tax yield)	+4.9
Budgeted drawdown of earmarked reserve to support 2014-15 budget	-4.0
Budgeted drawdown from Kingshill Smoothing reserve	-1.0
Use of rolling budget reserve (2013-14 underspend)	-9.9
Budgeted use of reserves to support essential expenditure following reduction in Adoption Reform grant	-1.2
Budgeted reinstatement of Emergency Conditions reserve	+1.0
Budgeted phased repayment of sums borrowed from long term reserves in 2011-12	+1.3
Budgeted transfer to rolling budget reserve to reflect anticipated revised phasing of Freedom Pass	+1.5
Planned drawdown of Dedicated Schools Grant reserve	-3.0
Planned drawdown of Corporate Restructure reserve, including costs of Facing the Challenge	-6.3
Transfer to Economic Downturn reserve of uncommitted 2013-14 rolled forward underspend	+4.8
Transfer from Economic Downturn reserve to General Reserve per Appendix F of 2015-18 MTFP	-3.0
Drawdown of 2013-14 underspend from Public Health reserve	-2.9
Forecast transfer to Public Health reserve of 2014-15 underspend	-
Forecast transfer to/from Dedicated Schools Grant reserve (unbudgeted)	+1.2
Forecast use of NHS Support for Social Care reserve	-4.4
Forecast transfer to Insurance reserve	+0.5
Forecast use of Flood Repairs reserve (severe weather funding)	-2.8
Forecast movement in Kent Drug & Alcohol Service reserve	-1.3
Planned movement in IT Asset Maintenance reserve	-1.3
Planned movement in Dilapidations reserve	-0.5
Transfer of Bellwin funds to the Emergency Conditions reserve (see annex 7)	+1.0
Transfer of MRP saving to MRP smoothing reserve within Prudential Equalisation reserve (see annex 7)	+1.5
Impact on rolling budget reserve of current forecast underspend	+6.1
Other forecast movements in earmarked reserves	-1.3
	-22.1

6.4 The reduction of £6.1m in the schools reserves is due to:

	£m
An assumed 34 schools converting to academy status this financial year and taking their accumulated reserves with them, together with 1 school closure (see annex 1)	-2.4
Remaining Kent Schools (based on schools 9 month monitoring returns) (see annex 1)	-6.1
Transfer to the schools unallocated DSG reserve of £7.920m underspending on Early Years Education as a result of lower than affordable parental demand, offset by £3.488m pressures on high needs education (see annex 1)	+4.4
The anticipated use of schools unallocated reserves to fund in year schools related pressures (annex 1)	-2.0
	-6.1

7. STAFFING LEVELS

7.1 The following table provides a snapshot of the staffing levels by directorate as at 31 December compared to the numbers as at 1 April, 30 June and 30 September for the new directorate structure, based on active assignments. However, due to the large number of movements of staff between directorates as a result of the council restructure, direct comparisons between old and new directorates are not possible, so staffing levels as at 31 March 2014 are only provided in total, together with a split of schools and non schools staff. The difference in the right hand columns of the table represent the movement in staffing numbers from 1 April to 31 December 2014, however there was also a movement between 31 March 2014 and 1 April 2014 of +57.3 FTEs, of which +99.75 were within schools and -42.45 in non school settings.

Between 1 April and 31 December 2014 there has been a reduction of 678.69 FTEs, of which 509.85 FTE were in schools and 168.84 FTEs were in non schools settings. The reduction in schools based staff is mainly as a result of schools converting to academies.

								Difference	
		31 Mar 14	1 Apr 14	30 Jun 14	30 Sep 14	31 Dec 14	31 Mar 15	Number	%
KCC	Assignment count	39,194	39,278	38,690	38,160	37,765		-1,513	-3.85%
	Headcount (inc. CRSS)	33,095	33,195	32,604	32,267	31,882		-1,313	-3.96%
	Headcount (excl. CRSS)	29,456	29,522	28,942	28,597	28,267		-1,255	-4.25%
	FTE	**21,769.82**	**21,827.12**	**21,416.29**	**21,277.98**	**21,148.43**		**-678.69**	**-3.11%**
KCC - Non Schools	Assignment count	11,995	11,904	11,920	11,789	11,663		-241	-2.02%
	Headcount (inc. CRSS)	11,061	10,994	10,969	10,881	10,776		-218	-1.98%
	Headcount (excl. CRSS)	9,574	9,512	9,498	9,363	9,285		-227	-2.39%
	FTE	**8,161.92**	**8,119.47**	**8,089.05**	**7,994.99**	**7,950.63**		**-168.84**	**-2.08%**
E&YP	Assignment count		2,971	2,974	2,924	2,890		-81	-2.73%
	Headcount (inc. CRSS)		2,738	2,707	2,678	2,662		-76	-2.78%
	Headcount (excl. CRSS)		1,927	1,921	1,884	1,877		-50	-2.59%
	FTE		**1,582.27**	**1,567.23**	**1,534.82**	**1,542.79**		**-39.48**	**-2.50%**
SCH&W	Assignment count		4,738	4,744	4,644	4,621		-117	-2.47%
	Headcount (inc. CRSS)		4,335	4,340	4,259	4,234		-101	-2.33%
	Headcount (excl. CRSS)		4,109	4,132	4,039	4,024		-85	-2.07%
	FTE		**3,509.59**	**3,527.59**	**3,459.22**	**3,448.15**		**-61.44**	**-1.75%**
GET	Assignment count		2,366	2,394	2,381	2,358		-8	-0.34%
	Headcount (inc. CRSS)		2,175	2,189	2,179	2,155		-20	-0.92%
	Headcount (excl. CRSS)		1,698	1,686	1,652	1,631		-67	-3.95%
	FTE		**1,369.11**	**1,356.50**	**1,339.74**	**1,324.90**		**-44.21**	**-3.23%**
S&CS	Assignment count		1,829	1,808	1,840	1,794		-35	-1.91%
	Headcount (inc. CRSS)		1,817	1,799	1,831	1,786		-31	-1.71%
	Headcount (excl. CRSS)		1,794	1,777	1,803	1,762		-32	-1.78%
	FTE		**1,658.50**	**1,637.73**	**1,661.21**	**1,634.79**		**-23.71**	**-1.43%**
Schools	Assignment count	27,199	27,374	26,770	26,371	26,102		-1,272	-4.65%
	Headcount (inc. CRSS)	22,135	22,301	21,727	21,462	21,177		-1,124	-5.04%
	Headcount (excl. CRSS)	19,928	20,056	19,488	19,270	19,015		-1,041	-5.19%
	FTE	**13,607.90**	**13,707.65**	**13,327.24**	**13,282.99**	**13,197.80**		**-509.85**	**-3.72%**

CRSS = Staff on Casual Relief, Sessional or Supply contracts

See note over page

Note: If a member of staff works in more than one directorate they will be counted in each. However, they will only be counted once in the Non Schools total and once in the KCC Total. If a member of staff works for both Schools and Non Schools they will be counted in both of the total figures. However they will only be counted once in the KCC Total.

8. CONCLUSIONS

The overall forecast position, after taking into account the requirements to roll forward, has reduced by £6.559m from +£4.086m to -£2.473m this month. However, management action of £0.589m (a reduction of £2.716m since last month) is proposed, which is expected to reduce this position to an underspend of £3.062m, an improvement of £3.843m since the last report. This improved position is very encouraging, especially taking into account that this forecast now reflects further estimated pressures relating to two of the previously reported main risk areas of Young Person's Travel Pass and delivery of the adult social care transformation savings. With regard to the third risk area of waste tonnage, waste volumes for November and December are below the affordable levels for the first time this financial year, which is an encouraging sign and may suggest that the trend is starting to fall more in line with expectations. However, waste volumes remain volatile and the delivery of the remaining proposed management action is by no means certain, therefore despite this further encouraging movement in the right direction this month, we must not be complacent. Considering the further substantial budget savings included in the recently approved 2015-16 budget and significant future funding cuts expected, it is essential that we enter 2015-16 with as big an underspend as is possible. We must therefore still ensure that pressure continues to be applied to resist spending wherever possible without compromising our customers or the services that they receive.

9. RECOMMENDATIONS

Cabinet is asked to:

i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.

ii) **Agree** the changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 3.

10. BACKGROUND DOCUMENTS

None

11. CONTACT DETAILS

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APPENDIX 1

FINANCIAL HEALTH INDICATORS

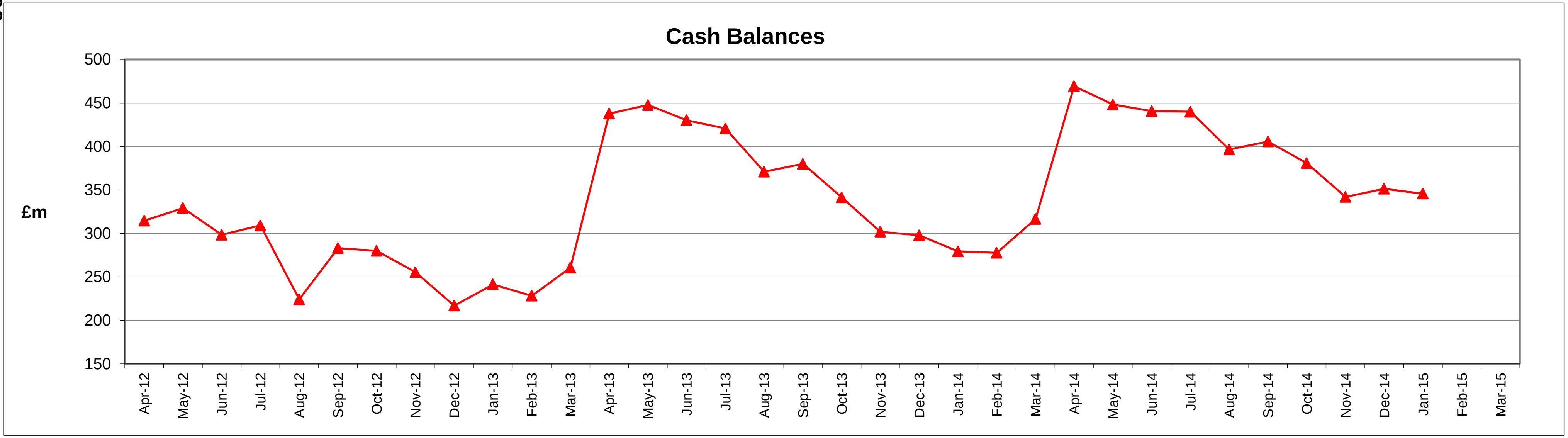
1. CASH BALANCES

The following graph represents the total cash balances under internal management by KCC at the end of each month in £m. This includes principal amounts currently at risk in Icelandic bank deposits (£7.353m), balances of schools in the corporate scheme (£55.15m), other reserves, and funds held in trust. KCC will have to honour calls on all held balances such as these, on demand. The remaining deposit balance represents KCC working capital created by differences in income and expenditure profiles.

The dip in cash balances in August 2012 reflects the repayment of £55m of maturing PWLB loan, with a further £20m repaid in November 2012.

Central Government Departments (particularly DCLG) are following a similar pattern to last year of front loading revenue grants for 2014-15, where receipts have been heavily weighted towards the beginning of the year (76%) leading to an early peak in managed cash levels. These cash levels are forecast to decline over the course of the year as grant income reduces.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2012-13	314.6	329.2	298.4	309.1	224.2	283.1	280.0	255.5	216.9	241.5	228.3	260.7
2013-14	437.8	447.6	430.1	420.7	371.0	380.1	341.3	301.9	297.9	279.3	277.7	316.7
2014-15	469.3	448.2	440.7	439.9	396.6	405.7	380.9	341.9	351.2	345.7		



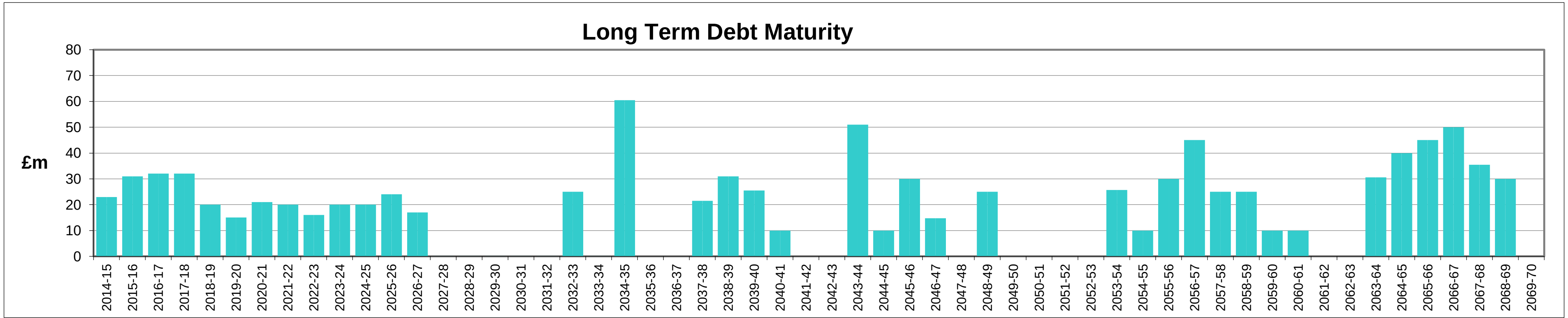
2. LONG TERM MATURITY

The following graph represents the total external debt managed by KCC, and the year in which this is due to mature. This includes £41.405m pre-Local Government Review debt managed on behalf of Medway Council. Also included is pre-1990 debt managed on behalf of the Further Education Funding council (£1.76m) and Magistrates Courts (£0.556m). These bodies make regular payments of principal and interest to KCC to service this debt.

The graph shows total principal repayments due in each financial year. Small maturities indicate repayment of principal for annuity or equal instalment of principal loans, where principal repayments are made at regular intervals over the life of the loan. The majority of loans have been taken on a maturity basis so that principal repayments are only made at the end of the life of the loan. These principal repayments will need to be funded using available cash balances (i.e. internalising the debt), by taking new external loans or by a combination of the available options.

The total debt principal to be repaid in 2014-15 is £26.193m, relating to £24.187m of maturity loans, (£2.187m was repaid in August and £22m is to be repaid in February), and £2.006m of equal instalment of principal loans (£0.006m was repaid in August, £1m was repaid in September and £1m is to be repaid in March). Following the repayment of debt in August and September, the remaining outstanding debt still to be repaid this financial year is £23m.

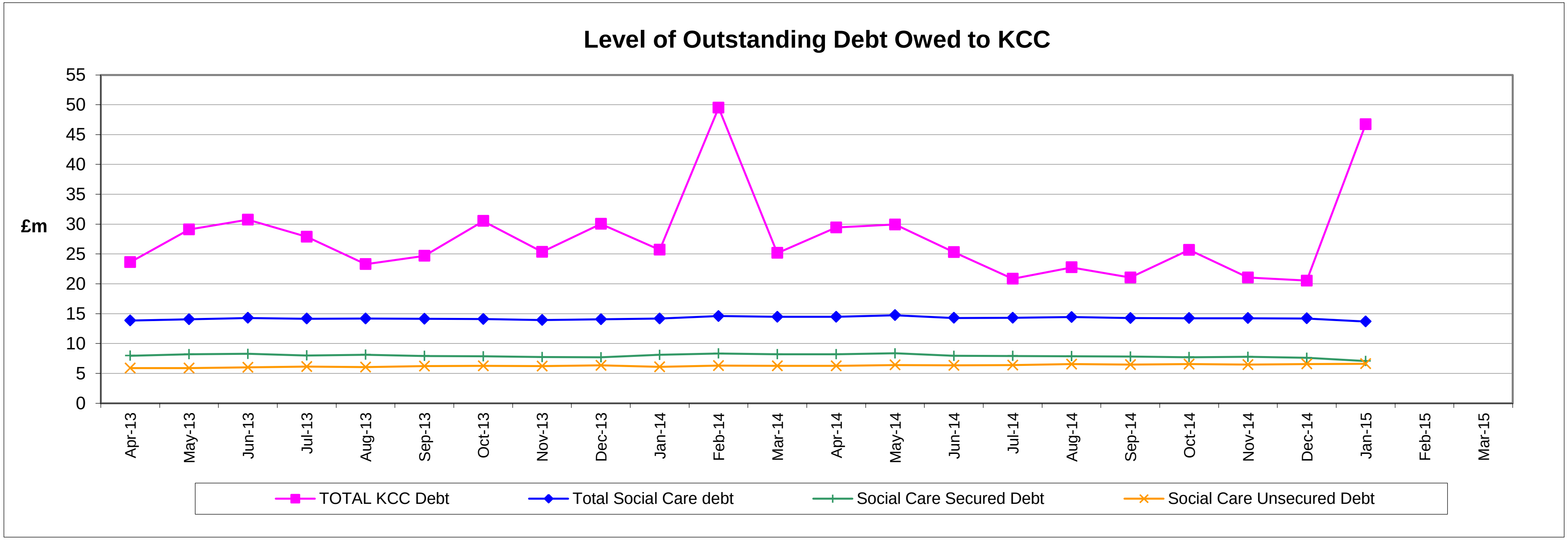
	£m	Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2014-15	23.000	*2024-25*	20.001	*2034-35*	60.470	*2044-45*	10.000	*2054-55*	10.000	*2064-65*	40.000
2015-16	31.001	*2025-26*	24.001	*2035-36*	0.000	*2045-46*	30.000	*2055-56*	30.000	*2065-66*	45.000
2016-17	32.001	*2026-27*	17.001	*2036-37*	0.000	*2046-47*	14.800	*2056-57*	45.000	*2066-67*	50.000
2017-18	32.001	*2027-28*	0.001	*2037-38*	21.500	*2047-48*	0.000	*2057-58*	25.000	*2067-68*	35.500
2018-19	20.001	*2028-29*	0.001	*2038-39*	31.000	*2048-49*	25.000	*2058-59*	25.000	*2068-69*	30.000
2019-20	15.001	*2029-30*	0.001	*2039-40*	25.500	*2049-50*	0.000	*2059-60*	10.000	*2069-70*	0.000
2020-21	21.001	*2030-31*	0.001	*2040-41*	10.000	*2050-51*	0.000	*2060-61*	10.000		
2021-22	20.001	*2031-32*	0.000	*2041-42*	0.000	*2051-52*	0.000	*2061-62*	0.000		
2022-23	16.001	*2032-33*	25.000	*2042-43*	0.000	*2052-53*	0.000	*2062-63*	0.000		
2023-24	20.001	*2033-34*	0.000	*2043-44*	51.000	*2053-54*	25.700	*2063-64*	30.600	**TOTAL**	**1,007.080**



3. OUTSTANDING DEBT OWED TO KCC

The following graph represents the level of outstanding debt due to the authority, which has exceeded its payment term of 30 days. The main element of this relates to Adult Social Services and this is also identified separately, together with a split of how much of the Social Care debt is secured (i.e. by a legal charge on the clients' property) and how much is unsecured.

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care Debt £m	SCH&W Sundry Debt £m	**TOTAL SCH&W Debt £m**	All other Directorates Debt £m	**TOTAL KCC Debt £m**
Apr 13	7.969	5.895	13.864	4.995	**18.859**	4.771	**23.630**
May 13	8.197	5.879	14.076	5.713	**19.789**	9.331	**29.120**
Jun 13	8.277	6.017	14.294	7.662	**21.956**	8.787	**30.743**
Jul 13	8.015	6.153	14.168	6.978	**21.146**	6.746	**27.892**
Aug 13	8.141	6.063	14.204	5.116	**19.320**	3.960	**23.280**
Sep 13	7.931	6.205	14.136	5.814	**19.950**	4.746	**24.696**
Oct 13	7.867	6.246	14.113	7.533	**21.646**	8.870	**30.516**
Nov 13	7.728	6.219	13.947	7.524	**21.471**	3.865	**25.336**
Dec 13	7.694	6.350	14.044	10.436	**24.480**	5.553	**30.033**
Jan 14	8.103	6.091	14.194	6.685	**20.879**	4.820	**25.699**
Feb 14	8.321	6.289	14.610	31.278	**45.888**	3.633	**49.521**
Mar 14	8.213	6.272	14.485	7.753	**22.238**	2.927	**25.165**
Apr 14	8.220	6.270	14.490	8.884	**23.374**	6.060	**29.434**
May 14	8.353	6.402	14.755	8.899	**23.654**	6.276	**29.930**
Jun 14	7.944	6.346	14.290	7.289	**21.579**	3.733	**25.312**
Jul 14	7.927	6.389	14.316	2.187	**16.503**	4.337	**20.840**
Aug 14	7.882	6.549	14.431	3.707	**18.138**	4.616	**22.754**
Sep 14	7.805	6.465	14.270	2.849	**17.119**	3.919	**21.038**
Oct 14	7.709	6.543	14.252	3.808	**18.060**	7.614	**25.674**
Nov 14	7.777	6.472	14.249	2.658	**16.907**	4.132	**21.039**
Dec 14	7.624	6.582	14.206	2.406	**16.612**	3.927	**20.539**
Jan 15	7.079	6.604	13.683	30.632	**44.315**	2.395	**46.710**
Feb 15			0.000		**0.000**		**0.000**
Mar 15			0.000		**0.000**		**0.000**



The large increase in sundry debt in January 2015 is entirely due to one large invoice to Health for £28.25m, which had only just become overdue at the end of January. This has now been paid and therefore will not appear as overdue in future reports.

4. PERCENTAGE OF PAYMENTS MADE WITHIN THE PAYMENT TERMS

The following graph represents the percentage of payments made within the payments terms – the national target for this is 30 days, however from January 2009, we have set a local target of 20 days in order to help assist the cash flow of local businesses during the recent tough economic conditions. We focus on paying local and small firms as a priority. The table below shows our performance against this 20 day payment target.

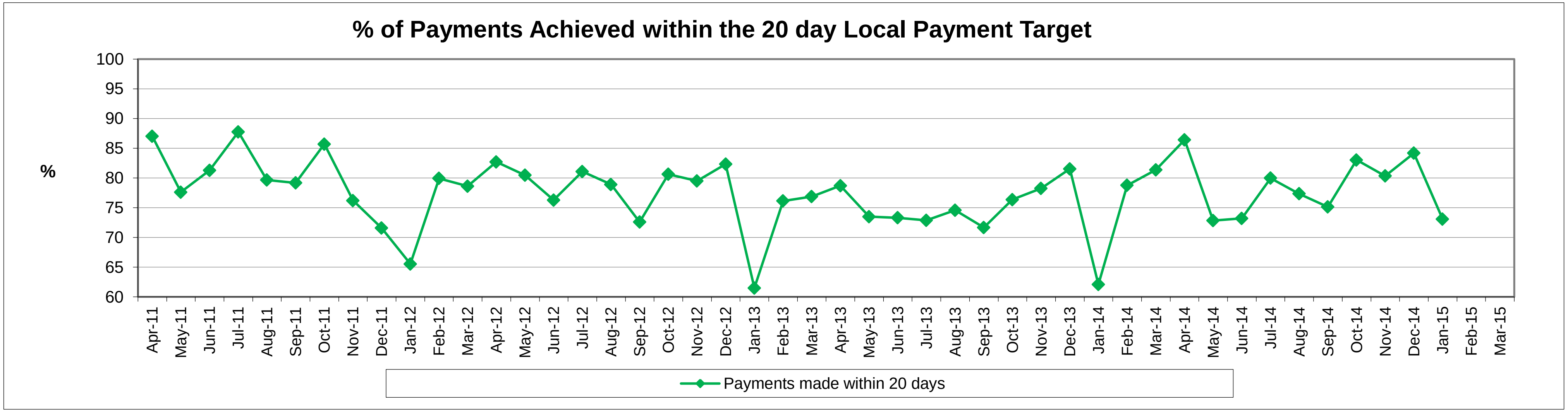
	2011-12 %	2012-13 %	2013-14 %	2014-15 %	
Apr	87.0	82.7	78.7	86.4	
May	77.6	80.5	73.5	72.9	*
Jun	81.3	76.3	73.3	73.2	*
Jul	87.7	81.1	72.9	80.0	
Aug	79.7	78.9	74.6	77.3	
Sep	79.2	72.6	71.7	75.1	
Oct	85.7	80.6	76.4	83.0	
Nov	76.2	79.5	78.2	80.3	
Dec	71.6	82.3	81.5	84.2	
Jan	65.5	61.5	62.1	73.1	
Feb	79.9	76.1	78.8		
Mar	78.6	76.9	81.4		

The percentages achieved for January each year are consistently lower than other months due to the Christmas/New Year break. This position was exacerbated in 2012-13 due to snow.

The 2014-15 year to date figure for invoices paid within 20 days is 78.7%. This compares to overall performance in previous years as follows:

	20 days %
2011-12	79.2
2012-13	77.3
2013-14	75.3
2014-15 to date	78.7

* The lower percentages in May/June 2014 were due to a higher than usual number of invoices arriving late into the payments team, impacting on their ability to pay to terms.

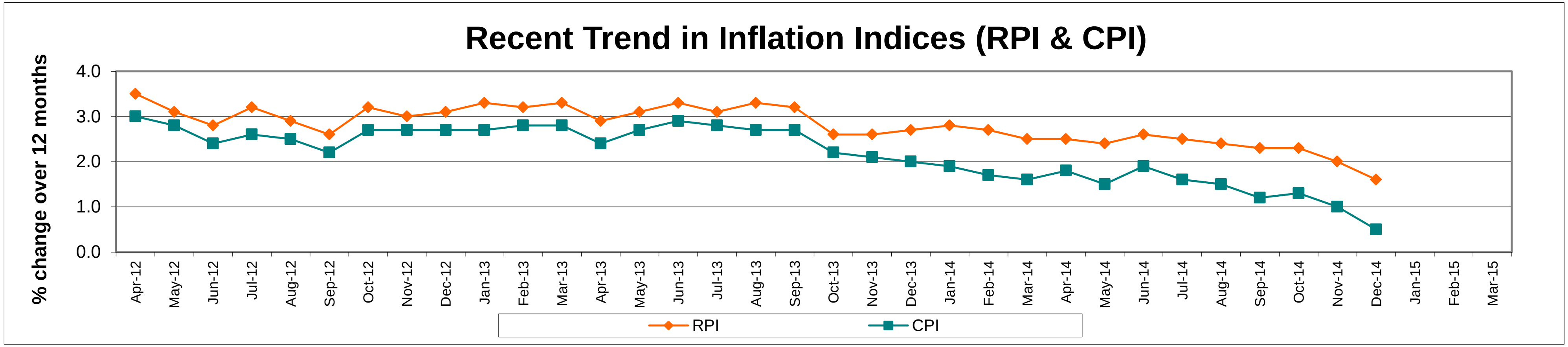


5. RECENT TREND IN INFLATION INDICIES (RPI & CPI)

In the UK, there has been two main measures of inflation – the Consumer Prices Index (CPI) and the Retail Prices Index (RPI). The Government's inflation target is based on the CPI. The RPI is the more familiar measure of inflation, which includes mortgage interest payments, but is now not deemed to be a formal measure. The CPI measures a wide range of prices. The indices represent the average change in prices across a wide range of consumer purchases. This is achieved by carefully recording the prices of a typical selection of products from month to month using a large sample of shops and other outlets throughout the UK. The recent trend in inflation indices is shown in the table and graph below.

Percentage Change over 12 months

	2012-13		2013-14		2014-15	
	RPI %	CPI %	RPI %	CPI %	RPI %	CPI %
Apr	3.5	3.0	2.9	2.4	2.5	1.8
May	3.1	2.8	3.1	2.7	2.4	1.5
Jun	2.8	2.4	3.3	2.9	2.6	1.9
Jul	3.2	2.6	3.1	2.8	2.5	1.6
Aug	2.9	2.5	3.3	2.7	2.4	1.5
Sep	2.6	2.2	3.2	2.7	2.3	1.2
Oct	3.2	2.7	2.6	2.2	2.3	1.3
Nov	3.0	2.7	2.6	2.1	2.0	1.0
Dec	3.1	2.7	2.7	2.0	1.6	0.5
Jan	3.3	2.7	2.8	1.9		
Feb	3.2	2.8	2.7	1.7		
Mar	3.3	2.8	2.5	1.6		



2014-15 QUARTER 3 MONITORING OF PRUDENTIAL INDICATORS

1. Estimate of Capital Expenditure (excluding PFI)

Actuals 2013-14	£219.458m
Original estimate 2014-15	£270.967m
Revised estimate 2014-15	£247.777m

2. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)

	2013-14	2014-15	2014-15	2015-16	2016-17
	Actual	Original Estimate	Forecast as at 31-12-14	Forecast as at 31-12-14	Forecast as at 31-12-14
	£m	£m	£m	£m	£m
Capital Financing requirement	1,435.263	1,437.960	1,389.327	1,377.926	1,319.859
Annual increase/reduction in underlying need to borrow	-29.697	-27.001	-45.936	-11.401	-58.067

In the light of current commitments and planned expenditure, forecast net borrowing by the Council will not exceed the Capital Financing Requirement.

3. Estimate of ratio of financing costs to net revenue stream

Actuals 2013-14	13.62%
Original estimate 2014-15	14.04%
Revised estimate 2014-15	13.48%

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management. The operational boundary for debt will not be exceeded in 2014-15.

a) Operational boundary for debt relating to KCC assets and activities

	Prudential Indicator	Position as at 31.12.14
	£m	£m
Borrowing	993	966
Other Long Term Liabilities	261	254
	1,254	1,220

b) Operational boundary for total debt managed by KCC including that relating to Medway Council etc (pre Local Government Reorganisation)

	Prudential Indicator	Position as at 31.12.14
	£m	£m
Borrowing	1,038	1,007
Other Long Term Liabilities	261	254
	1,299	1,261

5. Authorised Limit for External Debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2014-15 are:

	Authorised limit for debt relating to KCC assets and activities	Position as at 31.12.14	Authorised limit for total debt managed by KCC	Position as at 31.12.14
	£m	£m	£m	£m
Borrowing	1,033	966	1,078	1,007
Other long term liabilities	261	254	261	254
	1,294	1,220	1,339	1,261

6. Compliance with CIPFA Code of Practice for Treasury Management in the Public Sector

The Council has adopted the Code of Practice on Treasury Management and has adopted a Treasury Management Policy Statement. Compliance has been tested and validated by our independent professional treasury advisers.

7. Upper limits of fixed interest rate and variable rate exposures

The Council has determined the following upper limits for 2014-15

Fixed interest rate exposure	100%
Variable rate exposure	40%

These limits have been complied with in 2014-15

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 31.12.14
	%	%	%
Upper 12 months	10	0	2.28
12 months and within 24 months	10	0	6.25
24 months and within 5 years	15	0	6.65
5 years and within 10 years	15	0	9.63
10 years and within 20 years	20	5	12.56
20 years and within 30 years	20	5	14.80
30 years and within 40 years	25	10	10.48
40 years and within 50 years	25	10	21.41
50 years and within 60 years	30	10	15.94

9. Upper limit for principal sums invested for periods longer than 364 days

Indicator	£175.0m
Actual	£74.4m

2014-15 DECEMBER SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

Directorate	Project	2014-15 £'000	2015-16 £'000	2016-17 £'000	Funding	Description
Cash limit change due to revised external/grant funding availability/previous decisions:						
GET	Public Rights of Way	92			Other External Funding	Funding received towards additional schemes on the PROW network.
GET	Public Rights of Way	30			Developer Contributions	Funding received towards additional schemes on the PROW network.
GET	Street Light Timing - Invest to Save	100			Grant	Additional funding towards increased costs.
Cash limit change to cover overspends elsewhere in the capital programme:						
GET	Member Highway Fund	-63			Grant	Contribution to Highway Major Enhancement Programme towards a resurfacing scheme.
GET	Highway Major Enhancement Programme	63			Grant	Contribution from Member Highway Fund towards a resurfacing scheme.
GET	Carriage Collapse - Emergency works	-50			Grant	To fund urgent culvert works in the Highway Major Enhancement programme
GET	Highway Major Enhancement Programme	50			Grant	To be funded from Carriageway Collapse Emergency Works.
GET	TS/HWRC - Swale	-250			Prudential	To fund additional works in the Weather Damage - Major Patching programme and increased costs on the Street Light Timing - Invest to Save project.
GET	Weather Damage - Major Patching	100			Prudential	To be funded from underspend on TS/HWRC - Swale
GET	Street Light Timing - Invest to Save	150			Prudential	To be funded from underspend on TS/HWRC - Swale

APPENDIX 3

Directorate	Project	2014-15	2015-16	2016-17	Funding	Description
		£'000	£'000	£'000		
Cash limit change to cover overspends elsewhere in the capital programme:						
EYP	Academy Unit Costs	-73			Prudential	To fund non-contract spend incurred on the John Walls C of E Academy and Knowle Academy projects.
EYP	The John Wallis C of E Academy	32			Prudential	To be funded from Academy unit costs.
EYP	Knowle Academy, Sevenoaks	41			Prudential	To be funded from Academy unit costs.

Proposed change of directorate:

It is also proposed to move LIVE Margate from Growth, Environment and Transport to Strategic & Corporate Services.

EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (excl Schools) (£k)	+84,227	-5,950	-	-5,950
Schools (£k)	-	+10,598	-	+10,598
Directorate Total (£k)	**+84,227**	**+4,648**	**-**	**+4,648**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Education & Young People's Services							
Delegated Budget:							
Schools & Pupil Referral Units Delegated Budgets	693,524.3	-693,524.3	0.0	+10,598	+2,414	Drawdown from school reserves for 34 expected academy converters	
					+6,147	Expected drawdown of reserves for remaining Kent schools based on schools nine month monitoring	
					+2,037	Expected drawdown of reserves from the schools unallocated reserve to fund in year pressures	
TOTAL DELEGATED	693,524.3	-693,524.3	0.0	+10,598			
Non Delegated Budget:							
E&YP Strategic Management & directorate support budgets	6,124.1	-8,158.0	-2,033.9	+1,185	+1,922	Savings target relating to Early Help & Preventative Services Division was held here pending agreement on how this would be delivered; offsetting savings are now reflected in the Early Intervention & Prevention and Children's Centres A-Z lines below.	The offsetting savings are ongoing and therefore budget realignments between A-Z lines have been included in the 2015-18 MTFP
					+129	Additional Area Education staffing costs due to school closures *(includes a DSG variance of +£94k)*	

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-421	Underspend on legal fees	A saving has been reflected in the recently approved 2015-18 MTFP
					-185	*DSG variance - EYP directorate wide supplies & services*	
					-182	*DSG variance - lower than budgeted costs of feasibility studies for abortive capital projects*	
					-122	*DSG variance - non staffing underspend in relation to the Kent Test (mainly printing, software costs and specialist fees)*	
					+44	Other minor variances	
<u>Children's Services - Children in Need</u>							
- Children's Centres	14,550.0	-1,576.5	12,973.5	-2,608	-1,416	Savings from vacancies linked to the service restructure	A saving has been reflected in the recently approved 2015-18 MTFP
					-1,141	Underspend on non staffing budgets across the 17 children's centre hubs	
					-51	Other minor variances	
- Preventative Services	5,442.9	-1,331.0	4,111.9	+326	+333	Commissioned services contracts which were due to cease part way through the year to achieve savings targets but have been extended for a further six months	
					-7	Other minor variances	
	19,992.9	-2,907.5	17,085.4	-2,282			
<u>Children's Services - Education & Personal</u>							
- 14 - 19 year olds	3,937.1	-1,032.3	2,904.8	-755	-686	Kent Youth Employment programme placements: £341k of this underspend will need to roll forward to fund our legal obligation to continue with the current placements. If required, the remaining £345k of the underspend could be used to help towards achieving an overall balanced outturn position for the authority as a whole, but this would mean that no further placements can be made.	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-121	Underspend on reducing unemployment projects to partially offset the overspend on Kent Science Resource centre (see below)	
					+175	Kent Science Resource centre - due mainly to increased property costs as the centre moves buildings	
					-64	Assisted Apprenticeships - a roll forward will be requested for this to cover placements in 2015-16 for the most vulnerable of young people	
					-59	Other minor variances	
- Attendance & Behaviour	3,398.2	-2,620.9	777.3	-129	-240	Increased penalty notice income from pupils being absent from school *(includes a DSG variance of -£129k)*	This saving reflects the DfE changes to regulations, removing discretion from Headteachers to allow 10 days absence and has been reflected in the recently approved 2015-18 MTFP
					-207	*DSG variance - underspend on Individual Tuition*	
					+224	Kent Integrated Adolescent Support Service (KIASS) Education Welfare staffing pressure *(includes a DSG variance of +£165k)*	
					+94	Other minor variances	
- Early Intervention & Prevention	2,471.8	0.0	2,471.8	-520	-500	Planned underspend to contribute towards the savings target held in Strategic Management & Directorate support above	
					+40	ICT costs of single view technology to provide a platform to capture integrated children and families information from existing EYP systems and the new Early Help Module	
					-60	Other minor variances	

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Early Years & Childcare	6,725.2	-4,673.2	2,052.0	-53	+85	Staff vacancies and associated non staffing underspend for the Early Years restructured services offset by a one off staffing overspend for the pre restructured service *(includes a DSG variance of +£129k)*	
					+250	Under recovery of Early Years training income	
					-166	Underspend on Every Child a Talker project	
					-102	*DSG variance - Reduction in applications for training schemes*	
					-101	Underspend on collaboration work	
					-19	Other minor variances	
- Early Years Education	61,760.4	-61,760.4	0.0	-7,920	*-7,500*	*Schools Unallocated DSG variance - parental demand for two year old places less than affordable levels*	
					-420	*Schools Unallocated DSG variance - forecast parental demand for 3 & 4 year old places lower than affordable level*	
- Education Psychology Service	2,920.3	-600.0	2,320.3	-344	-235	Traded income from schools for non statutory psychology services	This additional income has been reflected in the recently approved 2015-18 MTFP
					-96	Underspend due to staff vacancies	
					-13	Other minor variances	
- Individual Learner Support	8,202.9	-7,335.1	867.8	-296	-186	Former Head of Service and support staffing underspend due to vacancies held pending the restructure and general non staffing underspend *(includes a DSG variance of -£124k)*	
					-85	Portage service non staffing underspend *(includes a DSG variance of -£59k)*	
					-25	Other minor variances	

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Statemented Pupils	5,370.3	-5,370.3	0.0	-15	*+427*	*DSG variance - Increase in Severe Complex Accessibility Funding (SCAF) agreements for nursery pupils due to increased responsibility for 1 to 1 support*	
					-483	*DSG variance - reduced demand for statemented support for pupils*	
					+41	Other minor variances	
- Youth Service	7,988.4	-2,455.8	5,532.6	+137	+137	Other minor variances all individually less than £100k in value	
- Youth Offending Service	5,463.3	-2,441.9	3,021.4	-383	-299	Underspend on KIASS district budgets due mainly to staff vacancies	
					-84	Other minor variances	
	108,237.9	-88,289.9	19,948.0	-10,278			
Children's Services - Other Children's Services							
- Safeguarding	507.5	-150.0	357.5	-34			
Community Services							
- Community Learning & Skills (CLS)	13,190.6	-14,319.3	-1,128.7	+213	+343	Property related costs	
					-130	Other minor variances each less than £100k in value	
- Supporting Employment	1,056.2	-335.0	721.2	-58			
- Troubled Families Programme	5,058.3	-4,700.4	357.9	-2,090	-2,090	Underspend due to projects supporting families spanning financial years. In addition, due to the payment by results element of the programme, the grant has increased in year and the projects associated with this increase do not begin until the income is received. A roll forward request will be submitted to continue supporting families as part of the Tackling Troubled Families government initiative.	
	19,305.1	-19,354.7	-49.6	-1,935			
Housing Related Support for Vulnerable People (Supporting People)							
- Young People	3,968.9	0.0	3,968.9	-241	-241	Contract variations and efficiencies	

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
School & High Needs Education Budgets							
- Exclusion Services	2,082.4	-2,082.4	0.0	-46			
- High Needs Further Education Colleges - Post 16 year olds	1,951.0	-1,951.0	0.0	+438	*+438*	*Schools Unallocated DSG variance - increased costs of high needs placements for post 16 students in colleges*	
- High Needs Independent Sector Providers - Post 16 year olds	3,155.0	-3,155.0	0.0	+1,437	*+1,437*	*Schools Unallocated DSG variance - increase in costs of independent sector places for post 16 students*	*This pressure has been reflected in the recently approved 2015-18 MTFP*
- High Needs Independent Special School placements	17,686.0	-17,686.0	0.0	+1,721	*+1,721*	*Schools Unallocated DSG variance - increase in costs of independent special school places*	*This pressure has been reflected in the recently approved 2015-18 MTFP*
- PFI Schools Scheme	23,810.0	-23,810.0	0.0	0			
	48,684.4	-48,684.4	0.0	+3,550			
Schools Services:							
- High Needs Pupils - Recoupment	905.9	-905.9	0.0	-108	*+595*	*Schools Unallocated DSG variance - increase in costs of Kent children with high needs receiving education in other local authority schools*	
					-703	*Schools Unallocated DSG variance - Additional income from other local authorities with pupils in Kent schools*	
- Other Schools Services	6,794.5	-6,900.7	-106.2	+391	+222	Work in excess of capital maintenance funding including asbestos +463k (due to changes in the methods of dealing with asbestos), planned maintenance +£32k (due to the phasing of work within the 3 year programme) and legionella, tree and condition surveys -£273k	
					+211	*DSG variance - Pressure on mobile classrooms budget to fulfil basic need*	
					-42	Other minor variances	
- Redundancy Costs	1,188.7	-1,188.7	0.0	-35			

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- School Improvement	10,566.7	-7,429.4	3,137.3	-207	+587	Shortfall against budgeted surplus for training & development	
					+143	Shortfall against budgeted surplus for governor training services	
					-492	Underspend on the Intervention Fund	
					-222	*DSG variance - Underspend on DSG school improvement collaboration programme which will continue into the summer term*	
					-147	Increased surplus for other traded services (Clerking and Improving Together Network)	
					-76	Other minor variances, each less than £100k in value	
- Schools Staff Services	2,644.0	-2,541.0	103.0	-89			
- Teachers & Education Staff Pension Costs	8,328.0	-2,684.0	5,644.0	-436	-436	Reduced annual capitalisation costs of pensions	
	30,427.8	-21,649.7	8,778.1	-484			
<u>Transport Services</u>							
- Home to College Transport & Kent 16+ Travel Card	3,913.7	-1,988.0	1,925.7	-714	-179	Reduction in demand for home to college transport for SEN students	
					-53	Reduced costs for the 16+ card due to reduced journey usage during the summer term offset by forecast increase cost of journeys for the autumn and spring terms	
					-494	Forecast increased income for the autumn and spring terms due to an increase in pass take up	
					+12	Other minor variances	
- Mainstream HTST	10,542.3	-20.0	10,522.3	-1,476	-1,476	Fewer than budgeted numbers of pupils travelling and cost per head reducing as more transport is arranged using public transport rather than hired vehicles	This saving has been reflected in the 2015-18 MTFP

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- SEN HTST	18,972.5	-425.0	18,547.5	+1,670	+1,900	Higher than budgeted numbers of pupils travelling with overall costs influenced by other factors such as distance and type of travel	This pressure has been reflected in the 2015-18 MTFP
					+94	Costs of the new Independent Travel Trainers service to enable some pupils currently in receipt of SEN transport to travel to school using public transport	These pressures are ongoing and a realignment of SEN HTST budget between transport costs, personal transport & independent travel trainers service has been reflected in the 2015-18 MTFP
					+156	Increased pressure on Personal Transport budgets awarded to pupils where the cost of this scheme is lower than providing transport	
					-480	Recoupment income for transport provided for other local authority pupils with special needs attending Kent schools	This saving has been reflected in the 2015-18 MTFP
	33,428.5	-2,433.0	30,995.5	-520			
Assessment Services							
- Assessment & Support of Children with Special Education Needs	9,834.0	-7,475.2	2,358.8	-97			
- Children's Social Care Staffing	6,094.4	-3,276.6	2,817.8	-466	-350	Early Intervention team staff vacancies *(includes a DSG variance of -£140k)*	
					-116	Other minor variances each less than £100k in value	
	15,928.4	-10,751.8	5,176.6	-563			
Support to Frontline Services - Human Resources	0.0	0.0	0.0	0			
TOTAL NON DELEGATED	286,605.5	-202,379.0	84,226.5	-11,602			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- *Transfer to(+)/from(-) DSG reserves*				*+5,652*	 *+7,920* *-3,488* *+929* *+291*	***Net transfer to the Schools Unallocated DSG reserve to offset:*** *DSG underspend of -£7,920k on Early Years Education* *DSG variances of +£3,488k on High Needs Education & Recoupment* ***Net transfer to the Central DSG reserve to offset:*** *DSG variances of -£929k explained above* *A number of other smaller DSG variances totalling -£291k*	
TOTAL NON DELEGATED after transfer to / from DSG reserve	286,605.5	-202,379.0	84,226.5	-5,950		Roll forward of £341k is required to fund the continuation of current placements under the Kent Youth Employment Programme, and requests will be made to roll forward the remaining £2,499k underspend against this programme, the Assisted Apprentices programme and the Troubled Families programme in order for these schemes to continue into 2015-16. The adjusted position for EYP after allowing for this roll forward is an underspend of -£3,110k.	
Total E&YPS	**980,129.8**	**-895,903.3**	**84,226.5**	**+4,648**			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of schools with deficit budgets compared with the total number of schools:

	2011-12	**2012-13**	**2013-14**	**2014-15**
	as at 31-3-12	as at 31-3-13	as at 31-3-14	projection
Total number of schools	497	463	449	412
Total value of school reserves	£59,088k	£48,124k	£45,730k	£39,564k
Number of deficit schools	7	8	18	12
Total value of deficits	£833k	£364k	£2,017k	£3,081k

Comments:

- The information on deficit schools for 2014-15 has been obtained from the schools nine month monitoring and show 12 schools predicting a deficit at the end of year 1. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. Schools' Financial Services have been working with these 12 schools to reduce the risk of a deficit in 2014-15 and with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- KCC has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.
- The total number of schools is based on the assumption that 34 schools (including 2 secondary schools and 32 primary schools) will convert to academies before the 31st March 2015. In addition, 4 schools are amalgamating to form 2 new schools and 1 school is closing.
- The value of schools reserves is forecast to reduce by £6,166k this financial year. This movement includes a net increase in the schools unallocated DSG reserve of £2,395k due to an underspend on the Early Years Education budget of £7,920k, a pressure on high needs education of £3,488k and a net drawdown from the schools unallocated reserve of £2,037k for schools related items. In addition, a drawdown of £8,561k is forecast against individual schools reserves. This assumes that 34 schools convert to academy status by 31 March with a consequential drawdown of £2,414k and that the remaining Kent schools drawdown £6,147k from their reserves based on the nine month monitoring returns.

2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2012-13				2013-14				2014-15			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr	3,993	4,055	17,342	16,757	3,934	4,145	14,667	14,119	3,808	4,051	12,493	11,400
May	3,993	4,064	17,342	16,788	3,934	4,172	14,667	14,119	3,808	4,056	12,493	11,436
Jun	3,993	4,099	17,342	16,741	3,934	4,206	14,667	14,106	3,808	4,073	12,493	11,468
Jul	3,993	4,106	17,342	16,695	3,934	4,167	14,667	14,093	3,808	4,041	12,493	11,307
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,993	3,975	17,342	13,698	3,934	3,761	14,667	10,300	3,808	3,725	12,493	8,969
Oct	3,993	4,009	17,342	13,844	3,934	3,981	14,667	11,258	3,808	3,785	12,493	9,123
Nov	3,993	4,068	17,342	13,925	3,934	4,010	14,667	11,267	3,808	3,826	12,493	9,237
Dec	3,993	4,107	17,342	13,960	3,934	4,021	14,667	11,296	3,808	3,816	12,493	9,220
Jan	3,993	4,139	17,342	13,985	3,934	4,037	14,667	11,314	3,808	3,853	12,493	9,258
Feb	3,993	4,146	17,342	14,029	3,934	4,086	14,667	11,368	3,808	0	12,493	0
Mar	3,993	4,157	17,342	14,051	3,934	4,041	14,667	11,375	3,808	0	12,493	0

Comments:

SEN HTST

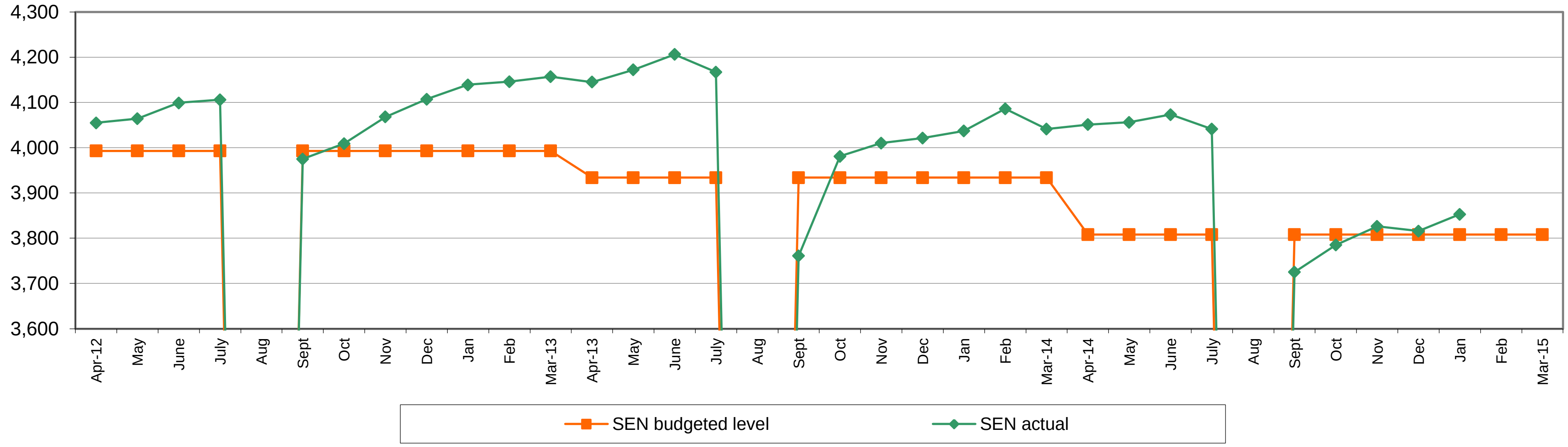
- The number of children travelling was higher than the budgeted level for the summer term and although numbers have reduced at the start of the autumn term they have increased as the term develops. There are a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel.
- Recent changes in the commissioning of SEN transport, where some special schools & PRUs are given an allocation to provide their own transport, mean that these journeys are not included within the numbers travelling from September 2014.
- A pressure of +£1,900k is therefore reported in table 1 relating to this activity, which is offset by £480k recoupment income from other Local Authorities for transport of their pupils to Kent schools.

Mainstream HTST

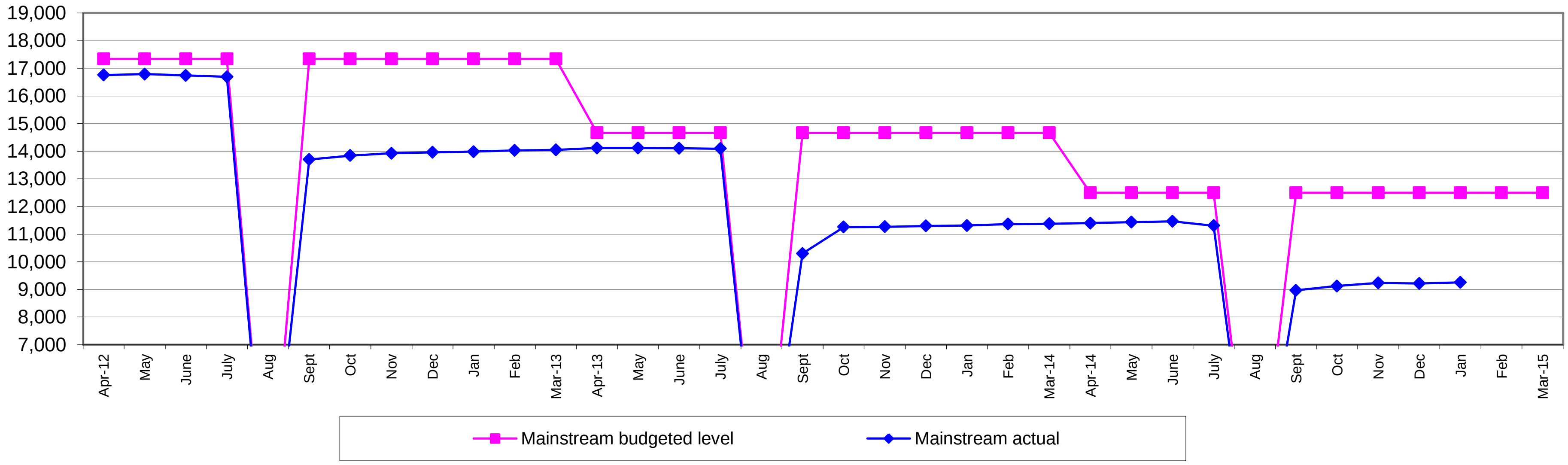
- The number of children receiving transport is lower than the budgeted level, therefore an underspend of -£1,476k is reported in table 1. During the 2014-15 academic year the secondary aged population is at its lowest and will begin to increase as the rise in the birth rate moves through the primary sector into the secondary sector in future years.

ANNEX 1

Number of children receiving assisted SEN transport to school



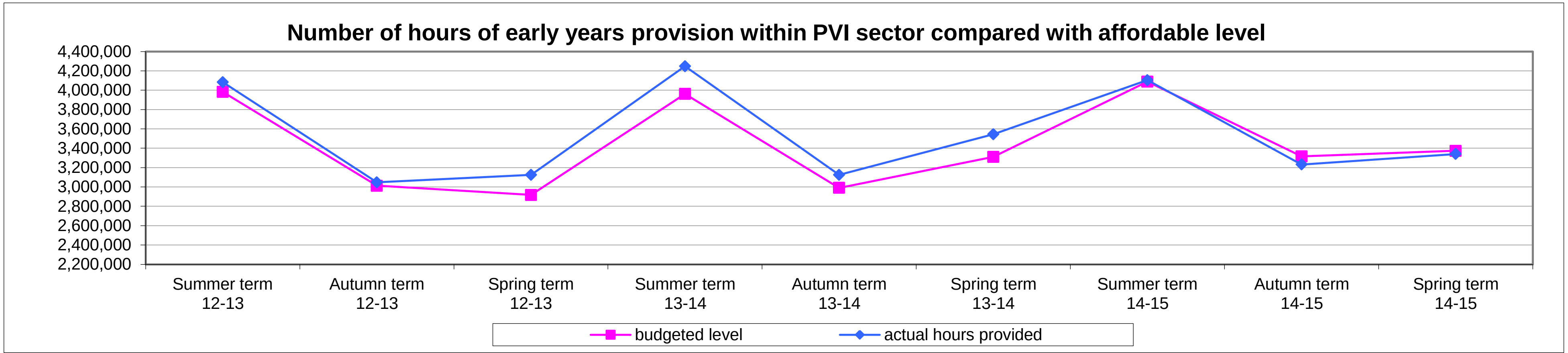
Number of children receiving assisted Mainstream transport to school



2.3 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:

	2012-13		2013-14		2014-15	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,982,605	4,082,870	3,961,155	4,247,461	4,087,898	4,104,172
Autumn term	3,012,602	3,048,035	2,990,107	3,126,084	3,315,075	3,232,085
Spring term	2,917,560	3,125,343	3,310,417	3,543,567	3,373,424	3,340,550
TOTAL	**9,912,767**	**10,256,248**	**10,261,679**	**10,917,112**	**10,776,397**	**10,676,807**

* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



Comments:

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks. The forecast number of hours of early years provision for 3 & 4 year olds is 10,676,807 which is over 99,000 hours less than budgeted.
- The Dedicated School Grant was adjusted in the quarter 2 report to reflect January 2014 pupil numbers and the affordable number of hours was uplifted accordingly. Actual hours are less than budgeted, hence an underspend of -£420k is forecast in table 1. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore any pressure or saving will be transferred to the schools unallocated DSG reserve at year end.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

3. CAPITAL

3.1 The Education and Young People's Services Directorate has a working budget (excluding schools) for 2014-15 of £143,987k. The forecast outturn against the 2014-15 budget is £90,490 giving a variance of -£53,497k.

3.2 **Table 2** below details the Education and Young People's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Annual Planned Enhancement Programme	24,000	12,073	-1,710	-960	Real underspend - grant	Underspend to be used to fund £750k additional costs at St Johns /Kingsmead and £210k on UIFSM.	Green		
				250	Real overspend - grant	Overspend relates to additional works at Minster Primary.			
				-1,000	Rephasing - grant	Difficulties in accessing schools, tendering works and finalising briefs has caused some delays.			
Devolved Formula Capital Grants for Pupil Referral Units (PRUs)	329	1,759	-1,409	-201	Rephasing - prudential	A recent review has been carried out of the PRUs.	Amber		
				-1,208	Rephasing - capital receipt	Works are to progress in the following financial year.			
Youth - Modernisation of Assets		34	13	47	Real - revenue contribution		Green		
				-34	Rephasing - prudential				

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Individual Projects									
Basic Need Schemes - to provide additional pupil places:									
Basic Need Programme 2013-15	70,037	51,077	-15,419	-15,419	Rephasing	Rephasing due to extended planning periods on some schemes, particularly the new schools. The greatest spend during the lifecycle of projects is the construction costs which have now been re-forecast in 2015/16. No delays to project completion dates.	Amber	There is an overall overspend of £12,351k which has been reviewed in detail during the budget setting process. £375k of this will be funded from the underspend on Goat Lees, £6k from the underspend on Unit Review. The overspend includes £2,360k pressure from construction inflation, which was previously reported separately.	
Basic Need Allocations 2015-16 and 2016-17	27,449	0	0				Amber	Significant pressures are being forecast against the future years Basic Need programme, this has been reviewed during the budget setting process.	

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Goat Lees Primary School, Ashford	13	711	-375	-375	Real - prudential	Underspend to be used to fund pressure on the Basic Need programme.	Green		
Repton Park Primary School, Ashford	0	139	0				Green		
Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms:									
Modernisation Programme - Future Years	4,000	1,969	-1,750	-252	Real - grant	£250k underspend to be used to fund additional costs on the Annual Planned Enhancement Programme. £2k to be used for Primary Improvement Programme.	Amber	Amber until programme finalised.	
				-1,498	Rephasing	£1,498k of rephasing includes £124k to be held for Basic Need. Programme to be finalised once funding allocations confirmed.			
St Johns / Kingsmead Primary School, Canterbury	1,112	1,349	750	750	Real - grant	Overspend due to additional window and roof works, to be funded from the Annual Planned Enhancement Programme.	Amber	£650k contribution due from Canterbury Diocese towards this project, not yet received.	
Special Schools Review - major projects supporting the special schools review:									
Special Schools Review phase 1	0	670	0				Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Special Schools Review phase 2	56,220	33,706	-24,326	-16,444	Rephasing - prudential	Rephasing is due to delays at the planning stage on a number of complicated projects. Redesign and reconfiguration has also been necessary due to budget pressures.	Amber	Across the three year programme, there is a total £7,060k forecast overspend, £120k (supported borrowing) to be funded from underspend on BSF Unit Costs in future years and £6,940k of which is unfunded and has been reviewed during the budget setting process. The overspend includes £1,000k relating to construction inflation, previously reported as a separate line.	
				-2,630	Rephasing - supported borrowing				
				-5,252	Rephasing - capital receipt				
The Wyvern School, Ashford (Buxford Site)	0	6	0				Green		
Academy Projects:									
Astor of Hever (St Augustine's Academy), Maidstone	1,286	1,691	452	452	Real - grant £336k & supported borrowing £116k	Asbestos claim to be funded from underspend on BSF Unit Costs.	Amber		
Dover Christ Church	9,619	7,425	-1,500	-1,500	Rephasing - grant	Construction delays on the project have pushed back the completion of two main phases of work. Negotiations are ongoing to bring project completion back on track.	Amber	There is no anticipated impact on the completion date.	
The Duke of York's Royal Military School	4,922	4,778	0				Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Isle of Sheppey Academy	200	0	0				Green		
The John Wallis C of E Academy	2,146	2,869	32	32	Real - prudential	Non contract spend to be funded from Academy Unit Costs.	Green		+£32k cash limit change in 2014-15
Knowle Academy Sevenoaks	2,767	3,860	41	41	Real - prudential	Non contract spend to be funded from Academy Unit Costs.	Green		+£41k cash limit change in 2014-15
Wilmington Enterprise College	376	430	0				Green		
Skinners Academy		0	265	265	Real - grant	Additional works in exchange for a piece of land from the school.	Amber		
Academy Unit Costs		511	-73	-73	Real - prudential	Funding of non contract spend on The John Wallis Academy and Knowle Academy.	Green		-£73k cash limit change in 2014-15
BSF Wave 3 Build Costs		834	-723	-723	Rephasing - capital receipt	Outstanding ICT issues at schools yet to be resolved.	Green		
BSF Unit Costs		623	-603	-452 -151	Real - grant -£336k & supported borrowing - £116k Rephasing	£452k underspend to be used to fund asbestos claim at Astor of Hever. £120k (supported borrowing) underspend to be used to fund costs within SSR in future years. £31k to be rephased.	Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Other Projects:									
Primary Improvement Programme		0	51	51	Real - £2k grant, £49k prudential	Overspend to be funded from Unit Review £49k and Modernisation £2k.	Amber		
Specialist Schools	185	325	0				Green		
Canterbury Family Centre	0	37	0				Green		
Community Learning and Skills Service - Sittingbourne Reprovision	482	482	-482	-482	Rephasing	Lack of suitable alternative venues and sites coming forward has led to delays in the reprovision despite best endeavours.	Green		
Community Learning and Skills Service - Sevenoaks Reprovision	1,000	50	-50	-50	Rephasing		Green		
Free School Meals Capital Money	2,777	2,777	210	210	Real - grant	Original planned kitchen works to be part funded from Annual Planned Enhancement.	Green		
Integrated Youth Service - Youth Hub Reprovision	948	1,081	-553	-553	Rephasing	Amendments to design and layout required resubmission of plans for approval. Completion is expected at the end of June which is rephased from earlier estimated timescales.	Amber	Revised completion date to the end of June 2015.	

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Nursery Provision for Two Year Olds	2,368	2,375	-612	-612	Rephasing	Delays in obtaining planning permission have led to some projects completing in the following year.	Amber	Remaining projects to complete early in 2015/16.	
One-off Schools Revenue to Capital		421	0				Green		
Platt CEPS		85	-85	-85	Rephasing		Green		
Schools Self Funded projects - Quarryfield /Aldington Eco Centre		11	0				Green		
Sevenoaks Grammar Schools	13,769	5,540	-3,740	-3,740	Rephasing	Rephasing due to agreeing contract terms and documentation but the expected completion date remains unchanged.	Green		
Tenterden Infant School		25	-25	-25	Real - developer contributions	School managed project funded from developer contributions. Spend to be incurred by the school, therefore excluded from the monitoring.	Green		
Trinity Free School, Sevenoaks		3,794	-2,500	-2,500	Rephasing	Rephasing due to agreeing contract terms and documentation but the expected completion date remains unchanged.	Amber	Full project cost expected to be £11.3m, to be funded from grant.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Unit Review	1,505	322	-312	-312	Real - prudential	£59k (£49k in 2014/15 and £10k in 2015/16) funding to be used for Primary Improvement Programme and £6k for Basic Need. £247k to be used elsewhere within the ELS programme.	Green		
Vocational Education Centre Programme		148	0				Green		
Website & Portal Development			30	30	Real - revenue	To be funded through an SLA with schools.	Green		
Ashford North Youth Centre			16	16	Real - developer contributions	Garage conversion.	Green		
Priority School Build Programme			890	890	Real - grant	Additional costs on the Priority School Build Programme at Meopham School.	Amber		
Total	**227,510**	**143,987**	**-53,497**	**-53,497**					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
SPECIALIST CHILDREN'S SERVICES
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total excl Asylum (£k)	+127,517	+2,847	-420	+2,427
Asylum (£k)	+280	+3,099	-	+3,099
Special Ops (£k)	-	+812	-	+812
Total (£k)	**+127,797**	**+6,758**	**-420**	**+6,338**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Specialist Children's Services							
Strategic Management & Directorate Support budgets	4,976.5	-175.0	4,801.5	-188	-417	Underspend on commissioning staffing budget	
					+153	Staffing pressure	
					+76	Other minor variances, each below £100k	
Children's Services - **Children in Care (Looked After)**							
- Fostering	33,373.5	-41.0	33,332.5	+678	-781	In House: Forecast -2,133 weeks below affordable level of 55,147	The overall pressure within Fostering has been addressed in the 2015-18 MTFP
					+341	In House: Forecast unit cost £6.19 above affordable level of £360.14	
					-316	In House: reduction in spend on 'other' costs such as personal expenses, specialist fees and client public transport following planned action to reduce costs	
					-49	In House: other minor variances	
					+1,000	In House: unachievable savings	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+1,062	Independent Sector (IFA): Forecast 1,129 weeks above affordable level of 8,788	
					-39	Independent Sector (IFA): Forecast unit cost -£4.46 below affordable level of £945.07	
					-72	Independent Sector (IFA): Other minor variances	
					+124	Financial allowances for permanency arrangements: unachievable saving	
					-268	Reduction in Related Fostering payments and other financial allowances for permanency arrangements	
					-306	Staffing saving on county fostering team	
					-18	Other minor variances	
- Legal Charges	7,411.9	0.0	7,411.9	-612	+300	Unachievable saving	
					-912	Reduction in legal fees and court charges	This saving has been reflected in the 2015-18 MTFP
- Residential Children's Services	15,886.8	-2,862.7	13,024.1	-34	-98	Independent Sector residential care: Forecast -31 weeks below affordable level of 2,509 weeks, partially due to young people becoming care leavers (see care leavers below)	A saving within Residential Children's Services has been reflected in the 2015-18 MTFP
					-229	Independent Sector residential care: Forecast unit cost -£91.34 below affordable level of £3,266.04	
					+400	Independent Sector residential care: unachievable saving	
					+20	Independent residential care: reduction in income as a result of activity being 31 weeks below affordable level	
					-353	Reduction in secure accommodation placements	

ANNEX 2

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+138	Additional activity within residential short breaks unit	
					+103	Staffing pressure	
					-119	Additional contributions from health in lieu of Preston Skreens health respite unit, which has now closed. These contributions are to enable KCC to provide the respite care ourselves.	
					+104	Other minor variances, each below £100k	
- Virtual School Kent	4,348.7	-2,953.3	1,395.4	-91			
	61,020.9	-5,857.0	55,163.9	-59			
Children's Services **- Children in Need**							
- Preventative Services	10,650.5	-1,327.6	9,322.9	-217	+243	Increase in direct payments	
					+26	Direct payments: unachievable saving	
					-217	Additional contributions from health for direct payments	
					+127	Pressure on Independent Sector day care budget for disabled children due to an increase in care packages and price increases from a number of providers	
					-137	Efficiencies on the recommissioning of a specialist service	
					-141	Additional income from health previously received by external provider	
					-78	Saving on section 17 payments due to reduced activity	
					-40	Other minor variances	
	10,650.5	-1,327.6	9,322.9	-217			

ANNEX 2

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Children's Services - **Other Social Services**							
- Adoption	10,788.5	-1,319.1	9,469.4	+627	-302	Reduction in adoption payments due to fewer children. This is mainly due to a high proportion of adoption payments relating to older children, who are no longer eligible for payments once they become 18+.	The overall pressure within Adoption has been addressed in the 2015-18 MTFP
					+257	Increase in costs of commissioned management service	
					+692	Increase in the number of guardianship payments, partly due to a reduction in financial allowances for permanency arrangements reported within Fostering above, together with a general increase in the number of guardianship payments	
					+600	Impact of increase in Financial Allowances for Adopters and Special Guardianship Orders	
					-600	Release of provision following a review of the balance sheet to offset increase in financial allowances	
					-20	Other minor variances	
- Asylum Seekers	11,883.3	-11,603.3	280.0	+3,099	-1,420	Underspend relating to under 18 Unaccompanied Asylum Seeking Children (UASC) due to costs less than grant receivable	
					+1,420	expected repayment to Home Office of surplus grant above actual costs incurred on under 18 UASC based on latest meeting with Home Office officials, where they strongly suggested that we cannot use this surplus to offset the shortfall in grant on the 18 and overs. We will continue discussions in an attempt to get the best possible outcome for this Authority.	

ANNEX 2

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+313	Pressure relating to under 18 UASC due to ineligibility	
					+864	Pressure relating to over 18's due to ineligibility, of which £462k relates to All Rights Exhausted (ARE) clients	In relation to the pressures on the over 18's UASC, we are reviewing levels of support to those aged over 21 who are continuing to be supported on the basis of their remaining in further or higher education.
					+1,922	Pressure relating to over 18's due to costs exceeding grant receivable (see activity section 2.6 below), including infrastructure costs	
- Leaving Care (formerly 16+)	5,296.9	0.0	5,296.9	+170	+461	Additional young people requiring this service in order to provide stability and continuity whilst they continue their education.	
					-265	Rebadging of existing eligible expenditure to 'Staying put' grant income from DfE	
					-26	Other minor variances	
- Safeguarding	4,979.4	-460.4	4,519.0	-213	-112	Underspend on Kent Safeguarding Children Board (KSCB) base budget	
					-152	Staffing saving	
					+51	Other minor variances	
	32,948.1	-13,382.8	19,565.3	+3,683			
Assessment Services							
- Children's social care staffing	40,573.7	-1,630.3	38,943.4	+2,727	+870	Pressure on staffing budgets due to appointment of agency staff	The overall pressure on Children's Social Care Staffing has been addressed in the recently approved 2015-18
					+1,500	Unachievable saving	
					+357	Recruitment & retention payments for children's social workers	
Total SCH&W (SCS)	**150,169.7**	**-22,372.7**	**127,797.0**	**+5,946**			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Assumed Mgmt Action				-420		The forecast position above is compiled in such a way that it only includes savings that have actually been achieved, and does not assume any to still be achieved. The £420k of management action, which affects a number of different service lines, represents the amount of savings the division is committed to achieving before the current financial year end. Once this management action is realised, the saving will transfer above the line against the relevant A to Z service line.	
Total SCH&W (SCS) Forecast <u>after</u> mgmt action	**150,169.7**	**-22,372.7**	**127,797.0**	**+5,526**			
<u>Memorandum</u> ***These costs are in addition to the position reported above***						The costs of this special operation will be met from reserves if there is insufficient underspending within KCC overall at year end to offset them.	
Special Operations				**+812**	+140	In house fostering: 395 weeks @ £354.68 per week	
					+130	Staffing	
					+40	IFA fostering: 39 weeks @ £1,024.19 per week	
					+230	Residential: 66 weeks @ £3,490.91 per week	
					+55	Interpreter costs	
					+217	Legal costs	

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

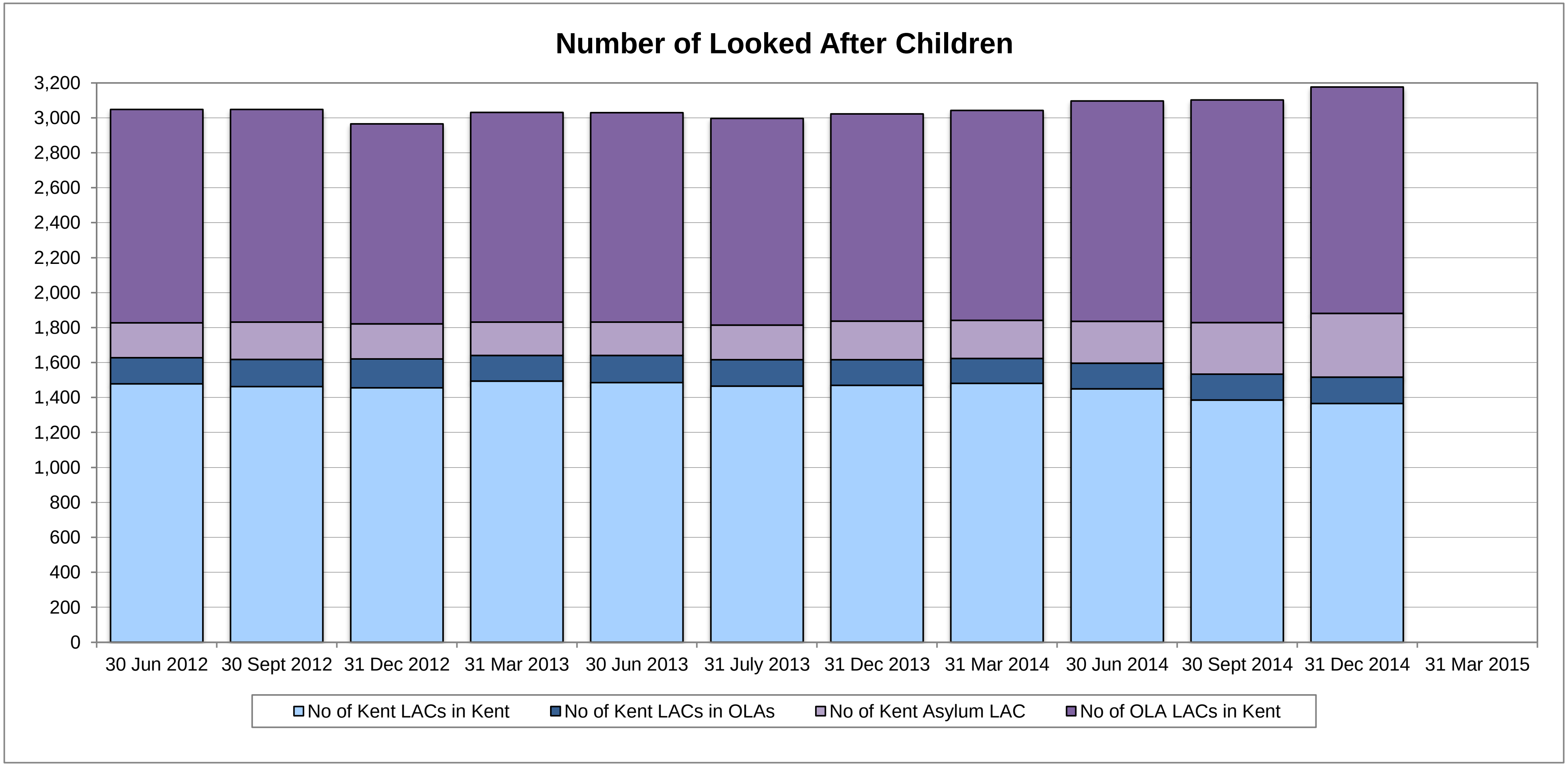
2.1 Number of Looked After Children (LAC) :

		No. of Kent LAC placed in Kent	No. of Kent LAC placed in OLAs	**TOTAL NO. OF KENT LAC (excluding Asylum)**	*No of Kent Asylum LAC*	**TOTAL NUMBER OF LAC IN KENT**	*No. of OLA LAC placed in Kent*	***TOTAL NUMBER OF LAC IN KENT***
2012-13	30-Jun	1,478	149	**1,627**	*200*	**1,827**	*1,221*	***3,048***
	30-Sep	1,463	155	**1,618**	*214*	**1,832**	*1,216*	***3,048***
	31-Dec	1,455	165	**1,620**	*202*	**1,822**	*1,144*	***2,966***
	31-Mar	1,494	147	**1,641**	*190*	**1,831**	*1,200*	***3,031***
2013-14	30-Jun	1,485	155	**1,640**	*192*	**1,832**	*1,197*	***3,029***
	30-Sep	1,465	152	**1,617**	*198*	**1,815**	*1,182*	***2,997***
	31-Dec	1,470	146	**1,616**	*221*	**1,837**	*1,185*	***3,022***
	31-Mar	1,481	143	**1,624**	*218*	**1,842**	*1,200*	***3,042***
2014-15	30-Jun	1,450	147	**1,597**	*238*	**1,835**	*1,261*	***3,096***
	30-Sep	1,385	148	**1,533**	*296*	**1,829**	*1,273*	***3,102***
	31-Dec	1,365	152	**1,517**	*364*	**1,881**	*1,296*	***3,177***
	31-Mar							

Comments:

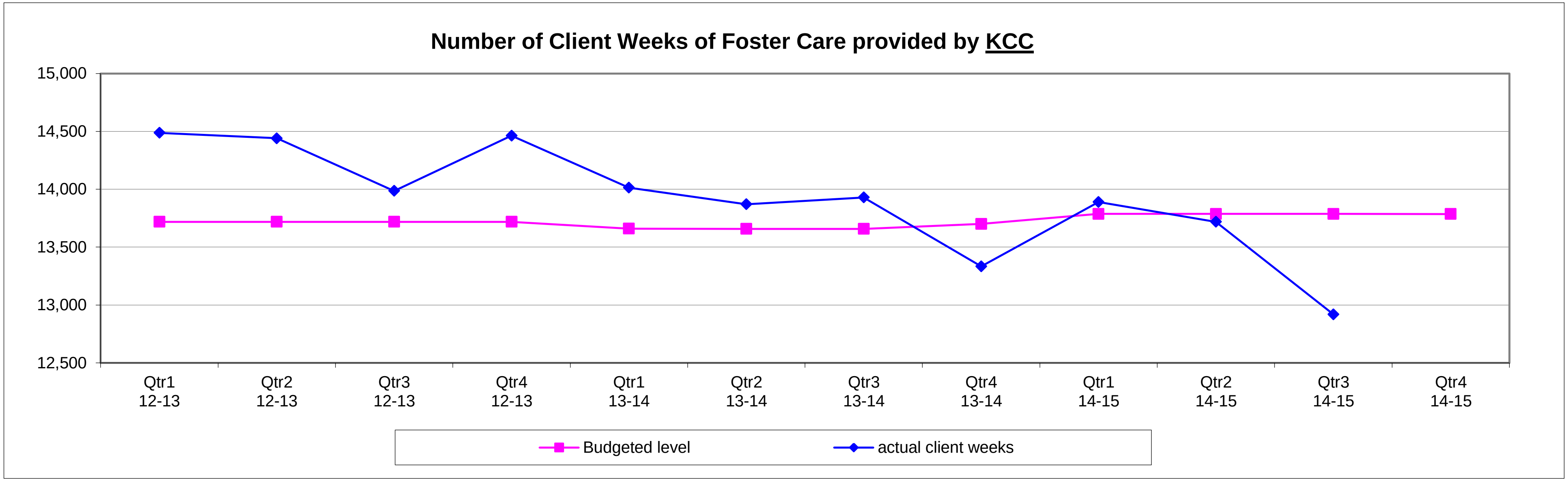
- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken.
- The figures represent a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore, although the number of Kent looked after children (excluding Asylum) has reduced by 16 since quarter 2, and by 107 this financial year, there could have been more (or less) during the period.
- Although there is a reduction in the number of LAC, there is still an overall pressure on the SCS budget. After taking into account management action and unachievable savings, this pressure primarily relates to non LAC headings such as staffing, leaving care and adoption.

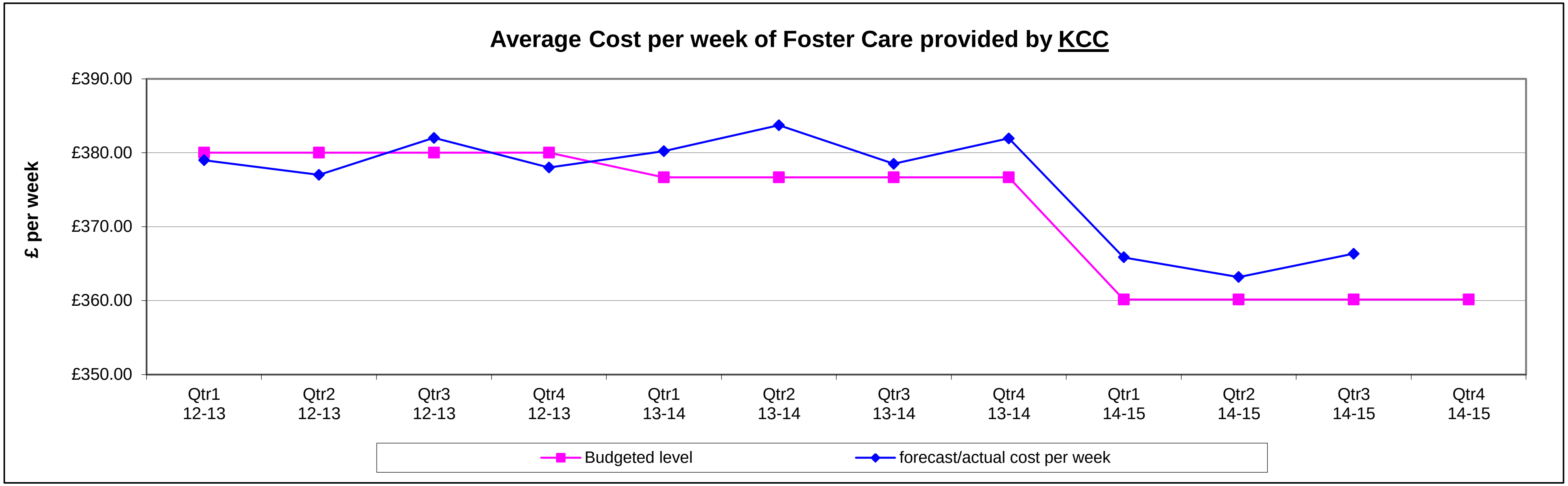
- The OLA LAC information has a confidence rating of 52% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.
- **These numbers include Looked After Children as a result of special operations**



2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	13,718	14,487	£380	£379	13,659	14,014	£376.67	£380.22	13,787	13,889	£360.14	£365.85
Jul to Sept	13,718	14,440	£380	£377	13,658	13,871	£376.67	£383.72	13,787	13,719	£360.14	£363.19
Oct to Dec	13,718	13,986	£380	£382	13,658	13,929	£376.67	£378.50	13,787	12,919	£360.14	£366.33
Jan to Mar	13,718	14,462	£380	£378	13,700	13,334	£376.67	£381.94	13,786		£360.14	
	54,872	**57,375**	**£380**	**£378**	**54,675**	**55,148**	**£376.67**	**£381.94**	**55,147**	**40,527**	**£360.14**	**£366.33**



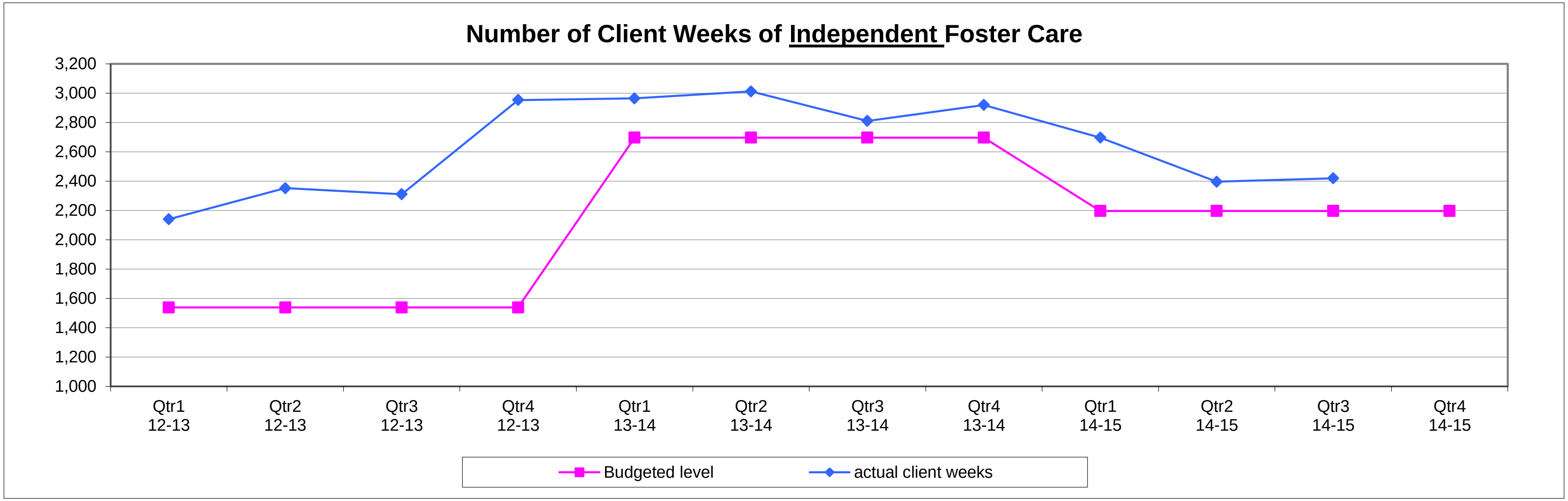


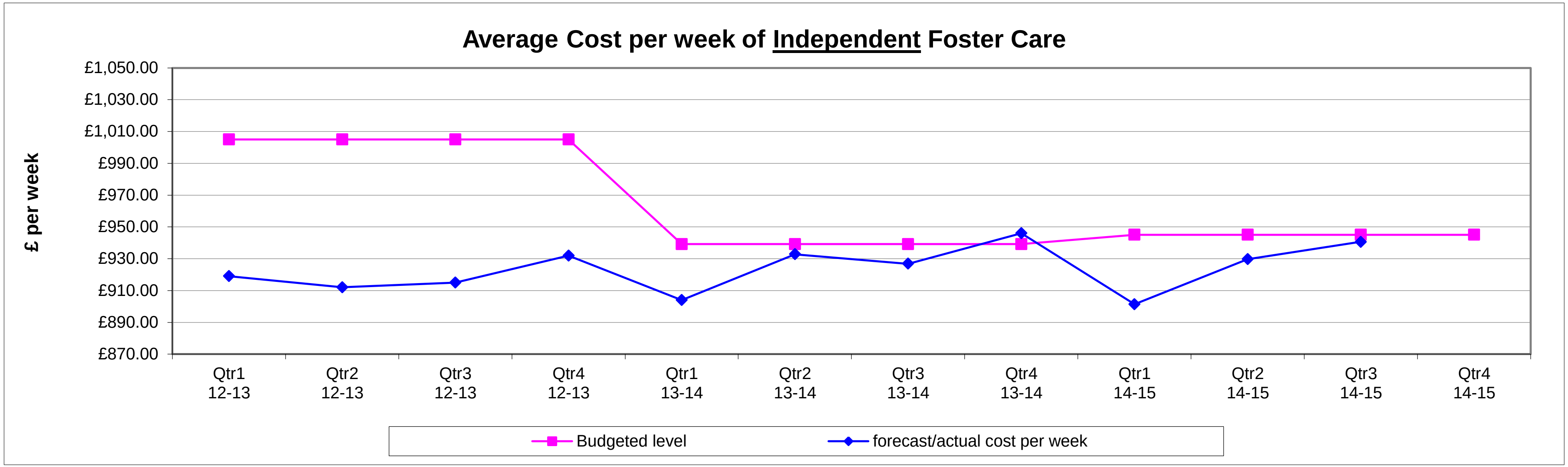
Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 53,014 (excluding asylum), which is 2,133 weeks below the affordable level. At the forecast unit cost of £366.33 per week, this increase in activity gives an underspend of -£781k, as shown in table 1. The year to date activity would suggest a higher level of activity for the year than currently forecast, this is because the service is expecting a number of placements to either end or transfer to the Leaving Care service before the end of the financial year.
- The forecast unit cost of £366.33 is +£6.19 above the budgeted level and when multiplied by the budgeted number of weeks, gives a pressure of +£341k, as shown in table 1.
- Overall therefore, the combined gross underspend on this service is -£440k (-£781k + £341k).
- **Special Operations forecast activity of 395 weeks at £354.68 per week is excluded from this activity indicator**

2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	1,538	2,141	£1,005	£919	2,697	2,964	£939.19	£904.01	2,197	2,697	£945.07	£901.37
Jul to Sept	1,538	2,352	£1,005	£912	2,697	3,012	£939.19	£932.83	2,197	2,396	£945.07	£929.73
Oct to Dec	1,538	2,310	£1,005	£915	2,696	2,810	£939.19	£926.83	2,197	2,419	£945.07	£940.61
Jan to Mar	1,538	2,953	£1,005	£932	2,696	2,919	£939.19	£946.08	2,197		£945.07	
	6,152	**9,756**	**£1,005**	**£932**	**10,786**	**11,705**	**£939.19**	**£946.08**	**8,788**	**7,512**	**£945.07**	**£940.61**





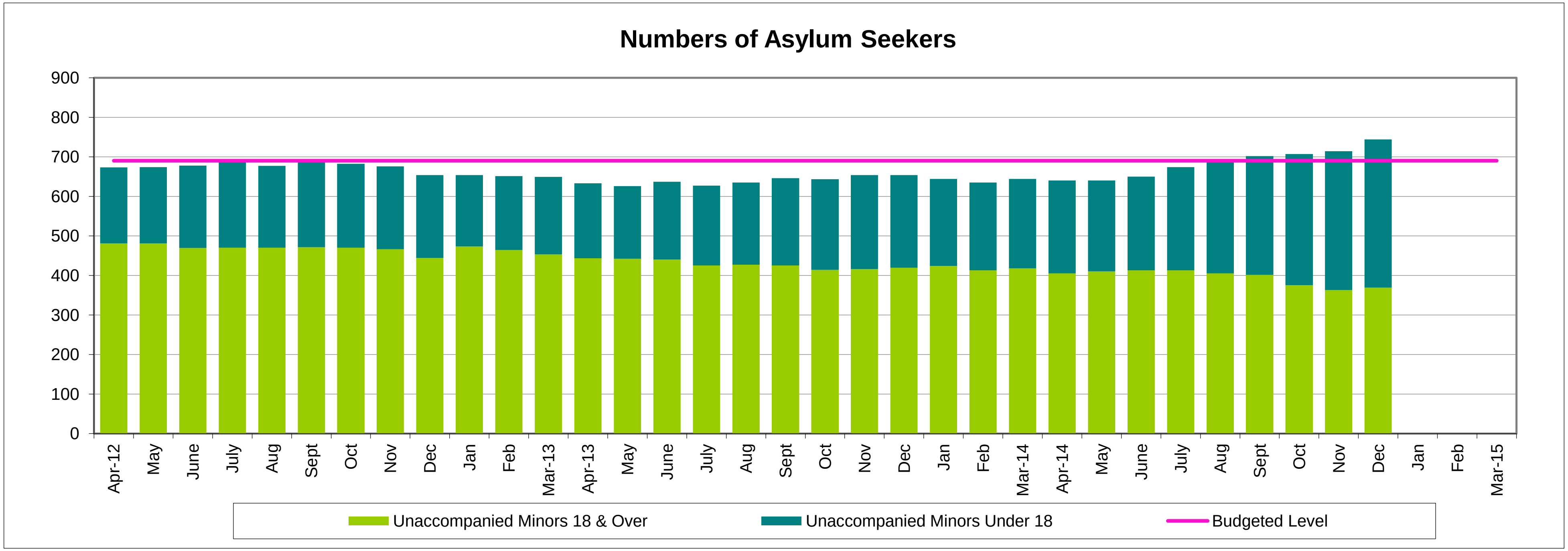
Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 9,917 (excluding asylum), which is 1,129 weeks above the affordable level. At the forecast unit cost of £940.61 per week, this increase in activity gives a pressure of £1,062k as shown in table 1.
- The forecast unit cost of £940.61 is £4.46 below the budgeted level and when multiplied by the budgeted number of weeks, gives a saving of £39k as shown in table 1.
- Overall therefore, the combined gross pressure on this service is £1,023k (£1,062k - £39k).
- The forecast average unit cost of £940.61 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- **Special Operations forecast activity of 39 weeks at £1,024.19 per week is excluded from this activity indicator.**

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	Under 18	18 & Over	**Total**	Under 18	18 & Over	**Total**	Under 18	18 & Over	**Total**
Apr	192	481	**673**	190	443	**633**	235	405	**640**
May	193	481	**674**	184	442	**626**	230	410	**640**
Jun	209	469	**678**	197	440	**637**	237	413	**650**
Jul	217	470	**687**	202	425	**627**	261	413	**674**
Aug	207	470	**677**	208	427	**635**	282	405	**687**
Sep	215	471	**686**	221	425	**646**	301	401	**702**
Oct	212	470	**682**	229	414	**643**	332	375	**707**
Nov	210	466	**676**	238	416	**654**	351	363	**714**
Dec	210	444	**654**	235	419	**654**	375	369	**744**
Jan	181	473	**654**	220	424	**644**			
Feb	187	464	**651**	222	413	**635**			
Mar	196	453	**649**	226	418	**644**			

Please also note: The 2014-15 figures have been revised from those shown in previous reports following a change in the methodology used. UASC are now only included when their Looked After Child (LAC) status has formally commenced.



Comments:

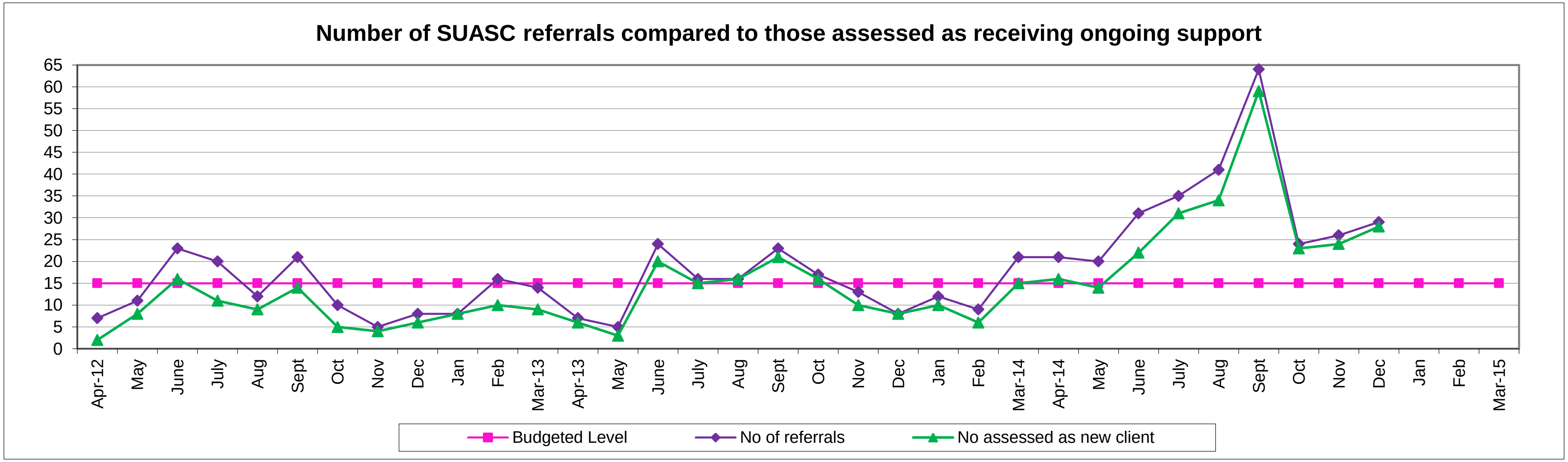
- The overall number of children is increasing, with numbers at the highest level they have been since August 2011. The current number of clients supported is above the budgeted level of 690.
- The budgeted number of referrals for 2014-15 is 15 per month, with 9 (60%) being assessed as under 18.
- Despite improved partnership working with the UKBA, the numbers of 18 & overs who are All Rights of appeal Exhausted (ARE) have not been removed as quickly as originally planned.
- In general, the age profile suggests the proportion of 18 & overs is decreasing slightly and, in addition, the age profile of the under 18 children is increasing.
- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim, but once their assessment has been completed, or when successfully appealed, their category may change.
- Referrals are increasing, (see section 2.5 below), and as a result the number of UASC is increasing. Currently this increase is within the under 18 category for whom we are fully funded, however as these children grow up, this is likely to lead to an increase in asylum seekers aged 18 and over for whom, under the current grant rules, we are underfunded. This could potentially lead to a funding problem in the future, unless the grant rules change.
- The number of Asylum LAC shown in table 2.1 above is different to the number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17 year old Care Leavers.

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%
Apr	7	2	29%	7	6	86%	21	16	76%
May	11	8	73%	5	3	60%	20	14	70%
Jun	23	16	70%	24	20	83%	31	22	71%
Jul	20	11	55%	16	15	94%	35	31	89%
Aug	12	9	75%	16	16	100%	41	34	83%
Sep	21	14	67%	23	21	91%	64	59	92%
Oct	10	5	50%	17	16	94%	24	23	96%
Nov	5	4	80%	13	10	77%	26	24	92%
Dec	8	6	75%	8	8	100%	29	28	97%
Jan	8	8	100%	12	10	83%			
Feb	16	10	63%	9	6	67%			
Mar	14	9	64%	21	15	71%			
	155	**102**	**66%**	**171**	**146**	**85%**	**291**	**251**	**86%**

Please note that recent UASC Referrals are assumed to be new clients until an assessment has been completed, which can take up to 6 weeks. Therefore the number of UASC assessed as new clients shown in the table above may change once the assessment has taken place.

Please also note: The 2014-15 figures have been revised from those shown in previous reports following a change in the methodology used. UASC are now only included when their Looked After Child (LAC) status has formally commenced.



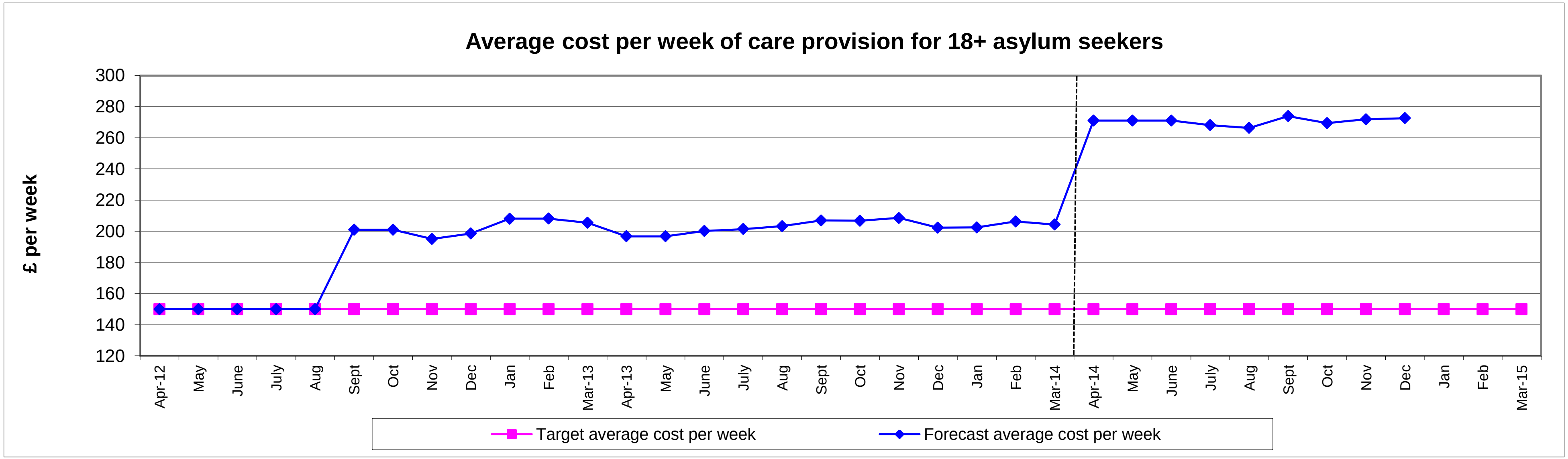
Comments:

- The average number of referrals per month is 32, which is above the budgeted number of 15 referrals per month.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average proportion assessed as new clients in 2014-15 is currently 86%.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is 28 i.e. a 211% increase.
- Where a young person has been referred but not assessed as a new client this would be due to them being re-united with their family, assessed as 18+ and returned to UKBA or because they have gone missing before an assessment has been completed.
- The information on numbers of Unaccompanied Asylum Seeking Children is provided by the Management Information unit within SCH&W directorate.
- Please note that due to the time taken to validate referrals on the database the number of new clients and number of referrals for any given month may change, therefore the activity data is refreshed in each report to provide the most up to date information.

2.6 Average monthly cost of Asylum Seekers Care Provision for 18+ Care Leavers:

	2012-13		2013-14		2014-15	
	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p
Apr	150	150.00	150	196.78	150	271.10
May	150	150.00	150	196.78	150	271.10
Jun	150	150.00	150	200.18	150	271.10
Jul	150	150.00	150	201.40	150	268.15
Aug	150	150.00	150	203.29	150	266.33
Sep	150	200.97	150	206.92	150	273.87
Oct	150	200.97	150	206.74	150	269.47
Nov	150	195.11	150	208.51	150	271.85
Dec	150	198.61	150	202.25	150	272.56
Jan	150	208.09	150	202.49	150	
Feb	150	208.16	150	206.24	150	
Mar	150	205.41	150	204.27	150	

The current forecast average weekly cost for 2014-15 is £272.56, £122.56 above the £150 claimable under the grant rules. This adds £2,202k to the forecast outturn position for which we have a cash limit of £280k, giving a variance of £1,922k. The weekly cost has increased significantly since 2013-14. Previously the average weekly cost was based on direct client costs only, as the gateway grant was used for staff and infrastructure costs. We no longer receive a Gateway Grant, so all staff and infrastructure costs have been allocated to age groups. Therefore the increased weekly cost for 2014-15 includes ALL costs associated with 18+.
A dotted line has therefore been added to the graph to show that the unit costs pre and post April 2014 are not directly comparable.



Comments:

- The local authority has agreed that the funding levels for the Unaccompanied Asylum Seeking Children's Service 18+ grant agreed with the Government rely on us achieving an average cost per week of £150, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The LA has continued to meet the cost of the care leavers in order that it can meet its' statutory obligations to those young people under the Leaving Care Act until the point of removal.
- As part of our partnership working with UKBA, most UASC in Kent are now required to report to UKBA offices on a regular basis, in most cases weekly. The aim is to ensure that UKBA have regular contact and can work with the young people to encourage them to make use of the voluntary methods of return rather than forced removal or deportation. As part of this arrangement any young person who does not report as required may have their Essential Living Allowance discontinued. As yet this has not resulted in an increase in the number of AREs being removed. The number of AREs supported has continued to remain steady, but high and a number of issues remain:
    - For various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs.
    - We are currently experiencing higher than anticipated level of voids, properties not being fully occupied. Following the incident in Folkestone in January 2011, teams are exercising a greater caution when making new placements into existing properties. This is currently being addressed by the Accommodation Team.
- As part of our strive to achieve a net unit cost of £150 or below, we will be insisting on take-up of state benefits for those entitled.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Children's Services has a working budget for 2014-15 of £2,028k. The forecast outturn against the 2014-15 budget is £999k giving a variance of -£1,029k.

3.2 **Table 2** below details the Children's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Individual Projects									
Transforming Short Breaks	0	431	-70	-70	Rephasing: grant		Green		
ConTROCC	0	759	-378	-378	Rephasing: capital receipt	Extended go live dates following outcome of initial functional testing. A staged project delivery plan has been produced based on software testing. The anticipated go live date is now June 2015.	Amber	Extended go live date for phase 1 is now June 2015.	
Early Help Module (EHM)	0	838	-581	-581	Rephasing: capital receipt	Extended go live dates following outcome of initial functional testing. A staged project delivery plan has been produced based on software testing. The anticipated go live date is now October 2015.	Amber	Extended go live date is now October 2015.	
Total	0	2,028	-1,029	-1,029					

1. Status:
Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 3

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
ADULTS SERVICES
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+345,049**	**-2,520**	**-169**	**-2,689**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Social Care, Health & Wellbeing - Adult Social Care							
Strategic Management & Directorate Support budgets	6,950.5	-373.5	6,577.0	-59	+215	Legal Charges for two exceptional cases and a greater frequency of Adult Safeguarding and Court of Protection cases	
					+71	Costs of support staff for Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets have been realigned in the recently approved 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive
					-138	Operational Support vacancy management and ongoing reviews of staffing structure	
					-158	Reduced demand for a number of support services (Occupational Health, No Recourse to Public Funds, Health & Safety)	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-107	Reduced demand for a number of office support services (including postage, printing and stationery)	
					+58	Other minor variances	
Support to Frontline Services:							
- Adults Social Care Commissioning & Performance Monitoring	4,050.1	-526.3	3,523.8	+42	+2,484	Newton Europe have been appointed to undertake Adults Social Care Transformation Phase 2 Design works in line with Cabinet Member decision 14/00120	
					-2,484	Drawdown from reserves to fund Transformation partner payments for Phase 2 design work above	
					+42	Other minor variances	
Adults & Older People:							
- Direct Payments							
- Learning Disability	16,927.6	-30.0	16,897.6	-99	+800	Forecast +2,922 weeks above affordable level of 61,245 weeks	Demographic pressures are expected to be ongoing and additional funding has been provided in the recently approved 2015-18 MTFP
					-165	Forecast average unit cost -£2.69 below affordable level of £276.39	
					+833	One-off direct payments	
					-1,586	Recovery of unspent funds from clients	
					+19	Other minor variances	
- Mental Health	1,208.3	0.0	1,208.3	-223	-460	Forecast -5,197 weeks below affordable level of 15,479 weeks	
					+162	Forecast average unit cost +£10.46 above affordable level of £78.06	
					+164	One-off direct payments	
					-89	Other minor variances	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Older People	6,767.3	0.0	6,767.3	+5,540	+5,665	Forecast +31,318 weeks above affordable level of 37,421 weeks. The majority of this variance is due to clients who previously received Domiciliary care transferring to Direct Payments during the Domiciliary contract re-let as described in Section 2.1 below.	Budgets have been realigned as part of the recently approved 2015-18 MTFP to reflect the transfer of clients previously receiving Domiciliary care transferring to Direct Payments due to the Domiciliary contract re-let.
					+10	Forecast average unit cost +£0.27 above affordable level of £180.62	
					+379	One-off direct payments	
					-585	Recovery of unspent funds from clients	
					+71	Other minor variances	
- Physical Disability	10,238.4	0.0	10,238.4	+2,212	+2,084	Forecast +10,668 weeks above affordable level of 53,511 weeks	Budgets have been realigned as part of the recently approved 2015-18 MTFP to reflect the transfer of clients previously receiving Domiciliary Care transferring to Direct Payments due to the Domiciliary contract re-let.
					+233	Forecast average unit cost +£4.36 above affordable level of £190.96	
					+626	One-off direct payments	
					-813	Recovery of unspent funds from clients	
					+82	Other minor variances	
Total Direct Payments	35,141.6	-30.0	35,111.6	+7,430			
- Domiciliary Care							
- Learning Disability	1,087.0	0.0	1,087.0	-584	-315	Forecast -23,369 hours below affordable level of 72,190 hours	Savings are expected to be ongoing & have been transferred, as part of the recently approved 2015-18 MTFP, to other Learning Disability services experiencing ongoing pressures.
					-9	Forecast average unit cost -£0.12 below affordable level of £13.61	
					-260	Release of unrealised creditors	

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	30,483.2	-2,252.3	28,230.9	+4,540	+3,621	Forecast +254,262 hours above affordable level of 1,582,330 hours	Investigations are ongoing as to the full reasons for the pressures being experienced on this service and additional funding has been provided in the recently approved 2015-18 MTFP
					+396	Forecast average unit cost +£0.25 above affordable level of £13.99	
					+483	Commissioning of block contract domiciliary services (predominately retainers for night-sitting services)	
					+155	Additional previous year costs relating to domiciliary care for which no creditor provision was raised in 2013-14	
					-114	Changes in year end accounting practices for staffing costs have resulted in a one-off underspend in the Kent Enablement at Home Service (KEAH)	
					-1	Other minor variances	
- Physical Disability	4,158.1	0.0	4,158.1	+2,050	+1,992	Forecast +152,178 hours above affordable level of 263,527 hours	The pressures currently being experienced are expected to be ongoing & additional funding has been provided through the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					-129	Forecast average unit cost -£0.49 below affordable level of £13.58	
					+244	Higher usage of KEAH than anticipated for Physical Disability clients	
					-57	Other minor variances	
Total Domiciliary Care	35,728.3	-2,252.3	33,476.0	+6,006			

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Non Residential Charging							
- Learning Disability	0.0	-2,900.2	-2,900.2	-117	-117	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other learning disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	This increased income has been reflected in the recently approved 2015-18 MTFP by realigning the community based services budgets.
- Older People	0.0	-8,999.4	-8,999.4	-253	-253	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other older people community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	This increased income has been reflected in the recently approved 2015-18 MTFP by realigning the community based services budgets.
- Physical Disability / Mental Health	0.0	-1,314.9	-1,314.9	-357	-357	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other physical disability/mental health community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	
Total Non Residential Charging Income	0.0	-13,214.5	-13,214.5	-727			
- Nursing & Residential Care							
- Learning Disability	77,267.8	-6,294.2	70,973.6	-939	-2,501	Forecast -2,135 weeks below affordable level of 67,697 weeks	
					+196	Leading to a shortfall in client contributions	

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+1,917	Forecast average unit cost +£28.31 above affordable level of £1,143.16	
					-232	Independent Sector: forecast average unit client contribution -£3.42 above affordable level of -£88.12	
					-458	Release of unrealised creditors	
					+123	Reduction in income expected from Medway due to fewer Medway clients	
					+16	Other minor variances	
- Mental Health	7,726.7	-993.0	6,733.7	+813	+748	Forecast +1,234 weeks above affordable level of 12,860 weeks	The demographic pressure is expected to continue and additional funding has been provided in the recently approved 2015-18 MTFP
					-46	Leading to an increase in client contributions	
					+71	Forecast average unit cost +£5.48 above affordable level of £600.27	
					+83	Independent Sector: forecast average unit client contribution +£6.46 below affordable level of -£43.52	
					-43	Other minor variances	
- Older People - Nursing	47,851.4	-24,784.6	23,066.8	-2,465	-2,610	Forecast -5,322 weeks below affordable level of 78,686 weeks	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					+1,057	Leading to a shortfall in client contributions	
					-102	Forecast average unit cost -£1.30 below affordable level of £491.75	
					-351	Independent Sector: forecast average unit client contribution -£4.46 above affordable level of -£194.20	
					-412	Release of unrealised creditors	
					-47	Other minor variances	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Older People - Residential	80,206.7	-33,009.1	47,197.6	-2,092	-2,348	Forecast -5,660 weeks below affordable level of 147,739 weeks	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					+1,099	Leading to a shortfall in client contributions	
					+848	Forecast average unit cost +£5.74 above affordable level of £409.12	
					-1,763	Independent Sector: forecast average unit client contribution -£11.93 above affordable level of -£182.29	
					+104	Costs of running the dementia ward at Kiln Court in-house unit. However, this is offset by underspends in other in-house units (see below).	
					-132	Lower than anticipated utility, security and equipment costs for in-house units	
					-138	Other minor variances across other in-house units	
					+313	Increase in the unitary charge for Gravesham Place	
					-75	Other minor variances	
- Physical Disability	11,344.4	-1,558.1	9,786.3	+1,570	+2,141	Forecast +2,560 weeks above affordable level of 13,003 weeks	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					-284	Leading to an increase in client contributions	
					-470	Forecast average unit cost -£36.12 below affordable level of £872.44	
					+84	Independent Sector: forecast average unit client contribution +£6.43 below affordable level of -£117.23	
					+99	Other minor variances	
Total Nursing & Residential Care	224,397.0	-66,639.0	157,758.0	-3,113			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Supported Accommodation							
- Learning Disability	36,397.3	-1,849.6	34,547.7	+745	+1,144	Forecast +138,102 hours above affordable level of 3,996,038 hours	These demographic pressures are expected to be ongoing & additional funding has been provided in the recently approved 2015-18 MTFP
					+1,119	Forecast average unit cost +£0.28 above affordable level of £8.00	
					-1,109	Net unrealised creditors and recovery of costs from other Local Authorities for Ordinary Residence clients relating to 2013-14	
					-327	In-house services and staffing levels have been reconfigured to reflect reductions in demand	
					-82	Other minor variances	
- Older People	4,575.4	-4,350.0	225.4	+161	+236	Forecast +27,653 hours above affordable level of 16,054 hours. The large increase in forecast hours compared to the affordable level is in part linked to an increase in Adult Placements recorded within the Older People client category rather than in the under 65 physical disability category, but also due to other changes to bring reporting into line	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					-89	Forecast average unit cost -£5.52 below affordable level of £14.04	
					+14	Other minor variances	
- Physical Disability / Mental Health	3,727.9	-269.4	3,458.5	+947	+401	Mental Health Forecast +35,887 hours above affordable level of 170,188 hours	
					+95	Mental Health Forecast average unit cost +£0.56 above affordable level of £10.62	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+786	Physical Disability Forecast +134,619 hours above affordable level of 232,101 hours	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					-346	Physical Disability Forecast average unit cost -£1.49 below affordable level of £7.33	
					+11	Other minor variances	
Total Supported Accommodation	44,700.6	-6,469.0	38,231.6	+1,853			
- Other Services for Adults & Older People							
- Community Support Services for Mental Health	3,916.1	-851.0	3,065.1	-233	-147	Various contracts have been reviewed, with the services previously provided by these contracts now provided via Supporting Independence Service (SIS), (reported within Supported Accommodation above), or Direct Payments, with a corresponding overall reduction in cost. Plans continue to develop in this area.	
					-86	Other minor variances	
- Day Care							
- Learning Disability	13,214.5	-127.7	13,086.8	+825	+264	Greater demand for in-house services due to increasing complexity of clients needs. In addition, there are increased costs relating to travel time and expenses of covering staff absence, emergency situations and unplanned changes now that staff resources are allocated over wider geographical areas.	These demographic pressures are expected to be ongoing & additional funding has been provided in the recently approved 2015-18 MTFP
					+561	Current demand for services provided by the independent sector including transport related costs	
- Mental Health	1,566.8	-30.2	1,536.6	-64			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	2,242.4	-45.0	2,197.4	-513	-495	Current demand for services provided by the independent sector	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					-18	Other minor variances	
- Physical Disability	937.5	0.0	937.5	+10			
Total Day Care	17,961.2	-202.9	17,758.3	+258			
- Other Adult Services	11,607.1	-20,357.6	-8,750.5	-9,094	-2,031	The budget assumes large increases in usage of Telecare as part of the Transformation Programme, although to date demand for Telecare and the forecast average unit cost have been lower than anticipated.	The savings are expected to continue & have been addressed in the recently approved 2015-18 MTFP by the realignment of savings assumptions with other community based services budgets
					-659	Capitalisation of Telecare programme of installations (where elements meet the criteria for capital spend). This is partly offset by the variance on drawdown from reserves below	
					-399	Lower than anticipated demand for occupational therapy equipment	
					-161	Capitalisation of Occupational Therapy equipment programme of installations (where elements meet the criteria for capital spend).	
					+453	Drawdown from reserves for 2014-15 lower than initially anticipated. This is offset by a higher than previously anticipated capitalisation of Telecare programme of installations.	

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+437	Greater demand for Integrated Community Equipment Store (ICES) than anticipated	
					-382	Forecast reduction in the level of bad debt provision required for social care debts	
					+370	Costs of staff who install Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets have been realigned in the recently approved 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					+149	Higher than budgeted unit cost for hot meals provided to older people	
					-27	Other minor variances each under £100k	
					-6,844	This budget line holds some of the NHS support for social care monies. Plans continue to be developed and implemented with the NHS to ensure that health outcomes are being met from these investments. Pressures are being shown against their respective service lines above and the compensating funding stream is reflected here.	In the recently approved 2015-18 MTFP, where spending plans for these funds are already in place, the funds have been moved to the relevant budget lines, so that spend and income are in alignment
- Safeguarding	1,160.5	-282.1	878.4	+111	+249	Safeguarding spend on Deprivation of Liberty Safeguards (DOLS) is greater than anticipated due to higher costs from an interim structure, including agency costs for assessments and admin support.	This pressure is expected to be ongoing & additional funding has been provided in the recently approved 2015-18 MTFP
					-138	Other minor variances each below £100k	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Social Support							
- Carers	13,173.9	-4,318.2	8,855.7	-571	-506	Lower than anticipated spend on supporting carers via external provision (including services provided by voluntary organisations)	The spend and income budgets require realignment and this has been reflected in the recently approved 2015-18 MTFP
					+351	Leading to lower than anticipated client income	
					-441	In-house closure of Doubleday Lodge unit as part of the Older People Modernisation Programme	The resulting savings have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the recently approved 2015-18 MTFP.
					+25	Other minor variances	
- Information & Early Intervention	4,780.6	-726.8	4,053.8	+413	+338	Expansion of care navigators programme, a service to explore options with older people to enable them to live independently within their community	These demographic pressures are expected to be ongoing & have been addressed additional funding has been provided in the recently approved 2015-18 MTFP
					+75	Other minor variances	
- Social Isolation	4,477.4	-2,076.3	2,401.1	+203	+133	Payments to voluntary organisations as a result of higher demand for this service	
					+70	Other minor variances	
Total Social Support	22,431.9	-7,121.3	15,310.6	+45			

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Support & Assistance Service (Social Fund)	5,140.2	-3,418.0	1,722.2	-2,743	-2,743	The budgeted level includes the roll-forward of funds from 2013-14 of £1,722k. The forecast underspend reflects the estimated full year impact of lower than anticipated demand and lower average unit cost than anticipated. The government funding for Local Welfare Provision (Social Fund) was expected to cease in 2015-16 and hence previous monitoring reports highlighted the need to roll forward the current year underspend on this service in order to continue with the service for another year. However, the final local government finance settlement for 2015-16 included an increase in RSG of £1.481m for Local Welfare Provision and therefore a 2015-16 budget for KSAS of £1.481m was approved by County Council on 12 February. As a result, the continuation of this service in 2015-16 is no longer dependent upon the roll forward of the 2014-15 underspend for KSAS.	Additional funding has been provided in the recently approved 2015-18 MTFP to secure the continuation of the service in future years.
Total Other Services for Adults & Older People	62,217.0	-32,232.9	29,984.1	-11,656			
Housing Related Support for Vulnerable People (Supporting People)							
- Administration	440.0	0.0	440.0	-54			
- Adults - Learning Difficulties	3,386.4	0.0	3,386.4	-34			
- Adults - Physical Difficulties	138.5	0.0	138.5	0			
- Adults - Mental Health	2,904.3	0.0	2,904.3	+12			
- Older People	4,199.3	0.0	4,199.3	-307	-307	Contract variations and efficiencies leading to lower overall cost without a reduction in service	Savings are expected to be ongoing & have been reflected in the recently approved 2015-18 MTFP

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Other Adults	7,508.6	0.0	7,508.6	-87			
Total Housing Related Support for Vulnerable People	18,577.1	0.0	18,577.1	-470			
Public Health							
- Drug & Alcohol Services	544.2	0.0	544.2	-123	-122	Local Area Single Assessment & Referral (LASAR) variance, primarily due to staffing vacancies and lower associated costs, with cover provided within the team.	Savings are expected to be ongoing & have been reflected in the recently approved 2015-18 MTFP
					-1	Other minor variances	
Assessment Services							
- Adult Social Care Staffing	38,724.0	-4,243.7	34,480.3	-1,703	-370	Costs of staff who install Assistive and Adaptive Technology (A&AT) are reflected in Other Adult Services (above). Only the costs of assessment staff should be reported here.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets has been realigned in the 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					-71	Costs of support staff for A&AT are reflected within Directorate Management and Support (above). Only the costs of assessment staff should be reported here.	
					-1,104	As part of the Transformation Programme, older people and physical disability assessment teams are being restructured. This restructuring has progressed more quickly than anticipated, providing greater savings.	Savings resulting from the restructure have been identified as part of the recently approved 2015-18 MTFP.
					-177	Delays in the recruitment to vacancies within the Mental Health assessment teams and the usage of locum/agency staff. This is partly due to recent staffing reviews along with general difficulties in recruiting to speciality mental health practitioners.	
					+19	Other minor variances	
Total SCH&W (Adults)	**471,030.4**	**-125,981.2**	**345,049.2**	**-2,520**			

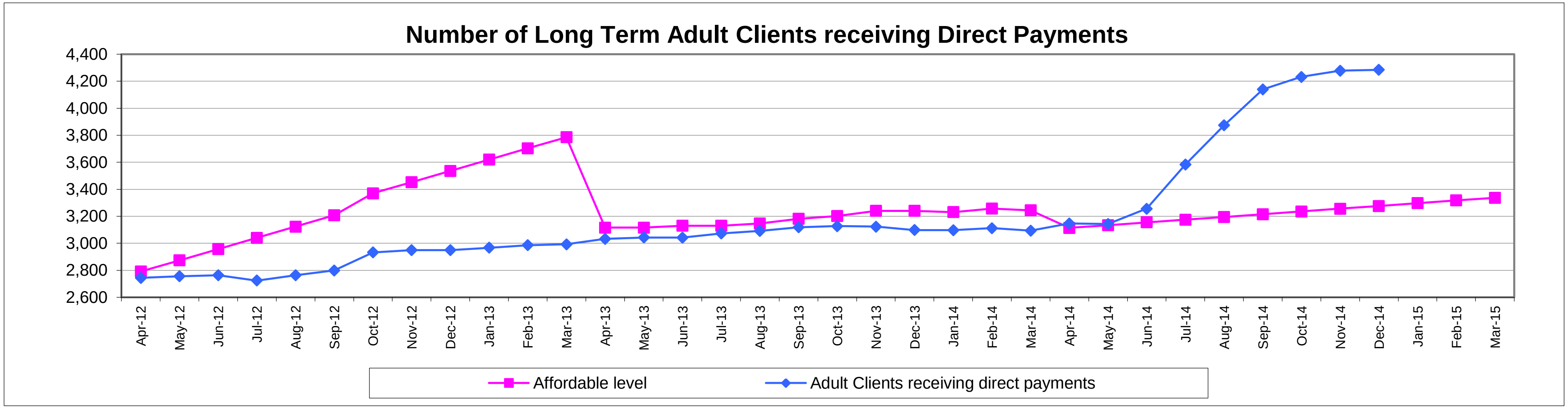
ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Assumed Mgmt Action				-169		In relation to LDMH services, management action of up to £169k will continue to be targeted at overspending teams and services in order to reduce the revenue position. All services will be subject to some review and residential and community based activity will be amended as appropriate. Provision of Direct Payments, Supported Living and Shared Lives care packages will be reduced where possible. Negotiation and agreement with other local authorities for their funding of Ordinary Residence clients is expected to result in further revenue reductions within Kent. Additional emerging pressures will also be managed.	
Total SCH&W (Adults) Forecast <u>after</u> mgmt action	**471,030.4**	**-125,981.2**	**345,049.2**	**-2,689**			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Direct Payments - Number of Adult Social Services Clients receiving Direct Payments:

	2012-13			2013-14			2014-15		
	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month
Apr	2,791	2,744	169	3,116	3,032	164	3,114	3,147	215
May	2,874	2,756	147	3,116	3,043	169	3,134	3,143	159
Jun	2,957	2,763	133	3,130	3,042	120	3,155	3,256	184
Jul	3,040	2,724	156	3,130	3,072	173	3,175	3,583	211
Aug	3,123	2,763	167	3,147	3,092	158	3,195	3,874	197
Sep	3,207	2,799	147	3,181	3,118	134	3,215	4,140	200
Oct	3,370	2,933	185	3,201	3,127	179	3,235	4,232	194
Nov	3,453	2,949	119	3,240	3,123	144	3,256	4,278	147
Dec	3,536	2,950	109	3,240	3,098	159	3,276	4,284	74
Jan	3,619	2,967	117	3,231	3,097	176	3,297		
Feb	3,702	2,986	127	3,257	3,112	135	3,317		
Mar	3,785	2,992	105	3,244	3,093	121	3,337		
			1,681			**1,832**			**1,581**

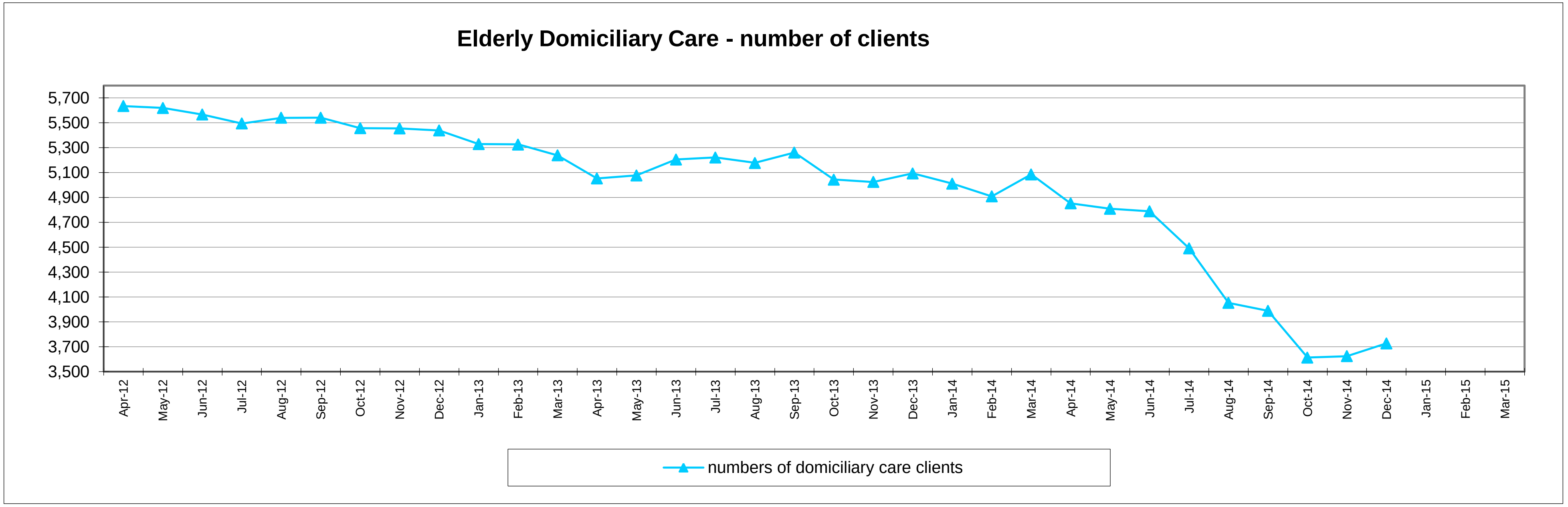


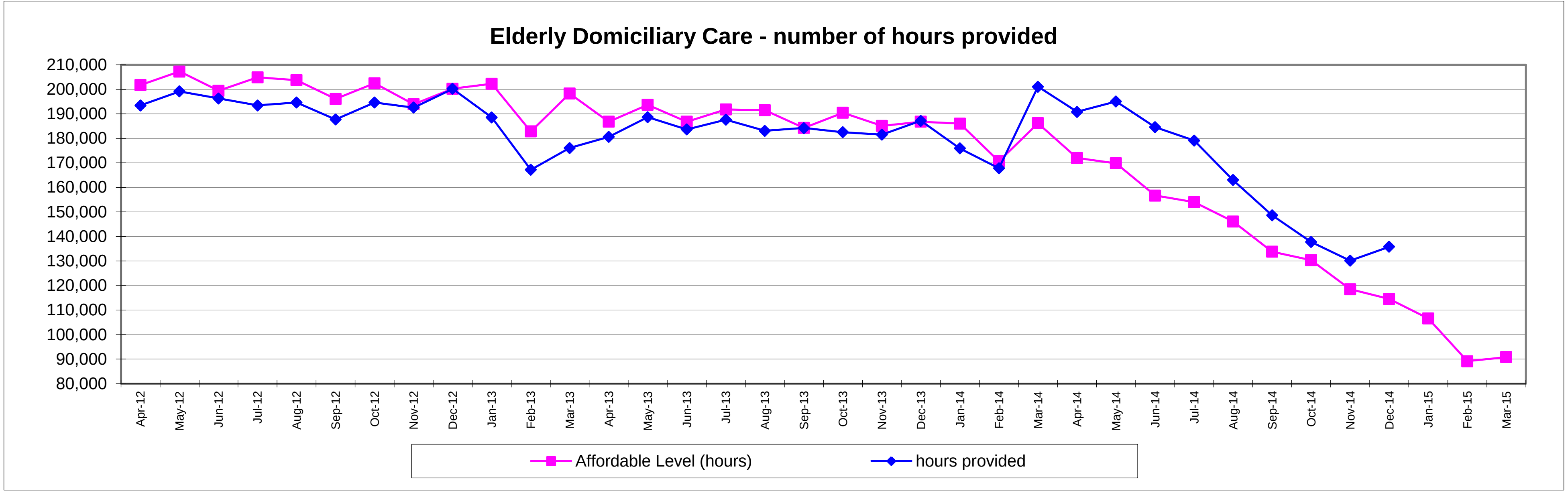
Comments:

- The presentation of activity being reported for direct payments changed in the 2012-13 Q2 report in order to separately identify long term clients in receipt of direct payments as at the end of the month plus the number of one-off payments made during the month. Please note a long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- Please note that due to the time taken to record changes in direct payments onto the client database the number of clients and one-off direct payments for any given month may change, therefore the current year to date activity data is refreshed in each report to provide the most up to date information.
- The increase in client numbers between June and December is predominately due to clients who previously received domiciliary care transferring to direct payments during the domiciliary contract re-let because they wanted to remain with their existing service provider (these direct payments are made at the new lower domiciliary care re-let rate). This process is ongoing, so it is expected that further clients will transfer from domiciliary care to direct payments.
- A pressure is forecast against the direct payments budget as a result of the significant increase in client numbers receiving long term direct payments and higher than budgeted unit costs. This position is being partially offset by recoveries of unspent funds from clients. The overall effect of these factors across individual client groups is reflected in table 1, which shows a forecast pressure of £7,430k against the overall direct payments budget.

2.2 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr	201,708	193,451	5,635	186,809	180,585	5,053	171,979	190,804	4,853
May	207,244	199,149	5,619	193,717	188,656	5,077	169,813	195,051	4,810
Jun	199,445	196,263	5,567	186,778	183,621	5,206	156,692	184,572	4,789
Jul	204,905	193,446	5,494	191,791	187,621	5,221	154,016	179,105	4,492
Aug	203,736	194,628	5,540	191,521	183,077	5,178	146,118	163,006	4,054
Sep	196,050	187,749	5,541	184,242	184,208	5,262	133,761	148,649	3,989
Oct	202,490	194,640	5,456	190,446	182,503	5,044	130,322	137,790	3,614
Nov	193,910	192,555	5,455	185,082	181,521	5,025	118,474	130,108	3,625
Dec	200,249	200,178	5,439	186,796	187,143	5,094	114,525	135,832	3,727
Jan	202,258	188,501	5,329	186,006	175,916	5,011	106,627		
Feb	182,820	167,163	5,326	170,695	167,774	4,909	89,174		
Mar	198,277	176,091	5,239	186,184	201,069	5,085	90,829		
	2,393,092	**2,283,814**		**2,240,067**	**2,203,694**		**1,582,330**	**1,464,916**	





Comments:

- Figures exclude services commissioned from the Kent Enablement At Home Service.
- Client numbers have reduced significantly between May and December. This reduction is offset by an increase in clients receiving Direct Payments (see section 2.1 above). This is predominately because following the domiciliary care contract re-let, some clients wanted to remain with their existing service providers, so have chosen to take a Direct Payment instead. This process is ongoing, so it is expected that further clients will transfer from domiciliary care to direct payments. The increase in client numbers in January is unexpected and is suggestive of other ongoing pressures this service may be facing. Extensive investigations are being undertaken to establish the full reasons for the pressures being experienced on this service.
- The current forecast is 1,836,592 hours of care against an affordable level of 1,582,330, a difference of +254,262 hours. Using the forecast unit cost of £14.24, this additional activity increases the forecast by +£3,621k, as shown in Table 1.

- To the end of December 1,464,916 hours of care have been delivered against an affordable level of 1,295,700, a difference of +169,216 hours. The budgeted level assumes a continual reduction in client numbers in line with transformation plans and previous years' trends. Current year to date activity suggests that the forecast should be lower on this service when compared to the budgeted profile, however activity between April and December shows that the number of hours provided is falling at a lower rate than originally budgeted and the forecast assumes activity will continue to fall at this lower rate for the remainder of the financial year. The budgeted level was based on the outcomes of the various savings streams within the Transformation Programme, however any fluctuations from the assumptions made within the profile of the affordable level are reflected in the profile of the actual numbers of hours provided. An example of this is that the transfer of domiciliary clients to a new contract is taking longer than initially planned, leading to a delay in delivery of budgeted savings on this service.

- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service. However, as a result of this, clients who are receiving domiciliary care are likely to have greater needs and require more intensive packages of care than historically provided - the 2010-2011 average hours per client per week was 7.8, whereas the average figure for 2012-13 was 8.0 and 8.3 for 2013-14. For 2014-15, the current actual average hours per client per week is 8.8 compared to 9.0 as at quarter 2, so as expected, we have now started to see the average hours per client per week slowly decline as certain transformation savings are reducing the package per client per week. For example, greater use of enablement services and installation of telecare should both reduce requirements for hours per client.

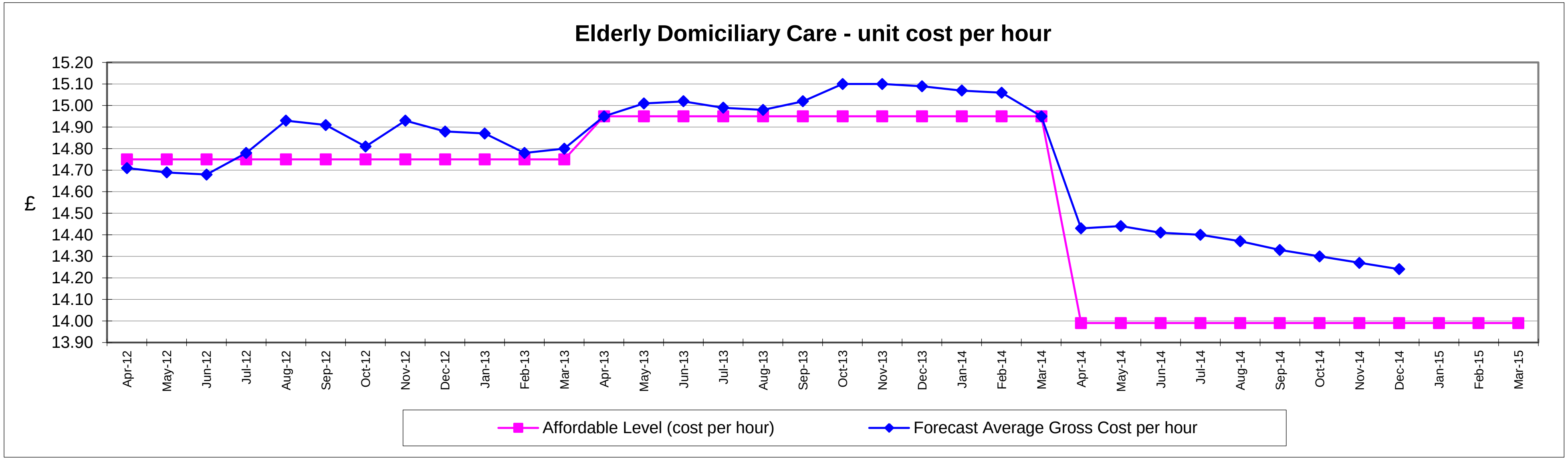
- The transformational changes which are affecting the domiciliary expenditure have created some uncertainty with the forecast. In the November Monitoring Report, reported to Cabinet in January, the forecast for domiciliary care had been increased to reflect the expectation that transformation savings would take longer to realise than previously forecast. However, expenditure on this service has still not fallen in line even with these revised expectations and extensive work is ongoing to understand the reasons for this, including explorative work to ascertain whether there are other possible pressure areas within this service which are counteracting the delivery of transformation savings, and which might explain the increase in client numbers in November & December. The forecast is now based on a more conservative approach, only using the spend to date as a guide to calculating the forecast and not assuming delivery of any further savings, until this investigative work is completed. Over recent months, due to the uncertainty with this forecast all other areas of expenditure within Older People and Physical Disability have been considered for efficiencies and re-phasing, to help mitigate against the possible risk of this increase in the forecast, and as a result of this, the increases in the older people domiciliary forecast over the last few months have not resulted in an overall increase in the pressure being reported for Adult Social Services.

2.3 Average gross cost per hour of older people domiciliary care compared with affordable level:

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr	14.75	14.71	14.95	14.95	13.99	14.43
May	14.75	14.69	14.95	15.01	13.99	14.44
Jun	14.75	14.68	14.95	15.02	13.99	14.41
Jul	14.75	14.78	14.95	14.99	13.99	14.40
Aug	14.75	14.93	14.95	14.98	13.99	14.37
Sep	14.75	14.91	14.95	15.02	13.99	14.33
Oct	14.75	14.81	14.95	15.10	13.99	14.30
Nov	14.75	14.93	14.95	15.10	13.99	14.27
Dec	14.75	14.88	14.95	15.09	13.99	14.24
Jan	14.75	14.87	14.95	15.07	13.99	
Feb	14.75	14.78	14.95	15.06	13.99	
Mar	14.75	14.80	14.95	14.95	13.99	

Comments:

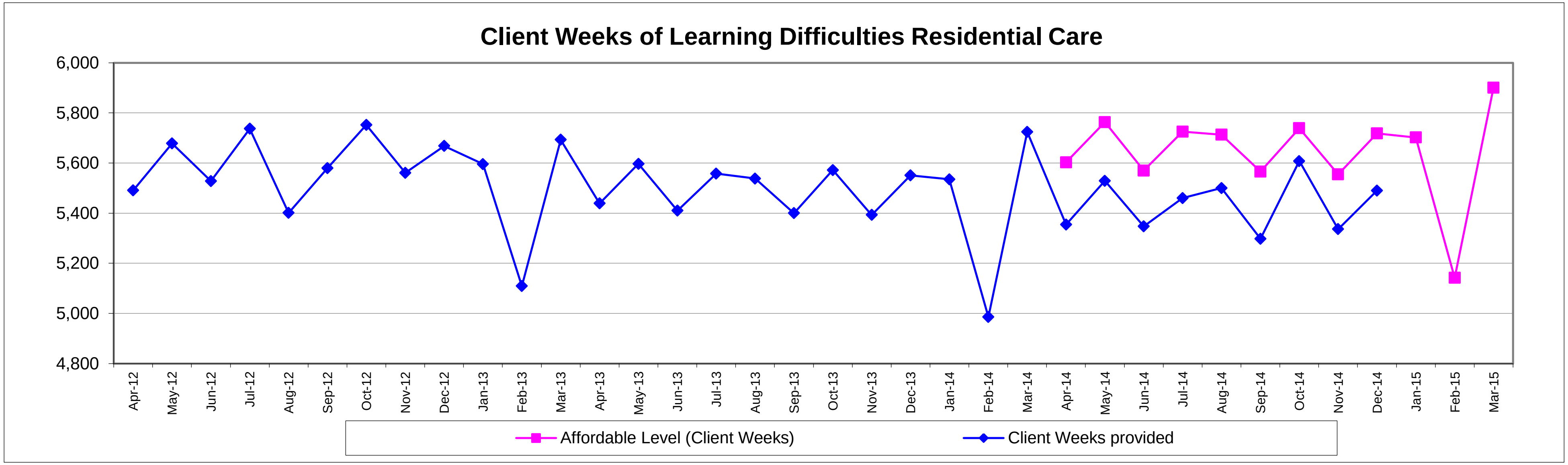
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£14.24 is higher than the affordable cost of +£13.99 and this difference of +£0.25 adds +£396k to the position when multiplied by the affordable hours, as shown in Table 1.
- The drop in affordable unit cost between March and April 2014 represents anticipated cost reductions from the domiciliary contract re-let as part of the Transformation Programme. This transfer of clients commenced in June 2014 and will continue in the coming months, so further reduction in the unit cost is anticipated as this progresses.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	5,491	5,439	5,603	5,354
May	5,678	5,597	5,763	5,529
Jun	5,528	5,410	5,570	5,347
Jul	5,737	5,558	5,725	5,460
Aug	5,401	5,538	5,713	5,500
Sep	5,580	5,400	5,566	5,298
Oct	5,752	5,572	5,739	5,608
Nov	5,561	5,393	5,555	5,336
Dec	5,668	5,551	5,718	5,490
Jan	5,596	5,535	5,702	
Feb	5,109	4,986	5,142	
Mar	5,693	5,724	5,901	
	66,794	**65,703**	**67,697**	**48,922**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



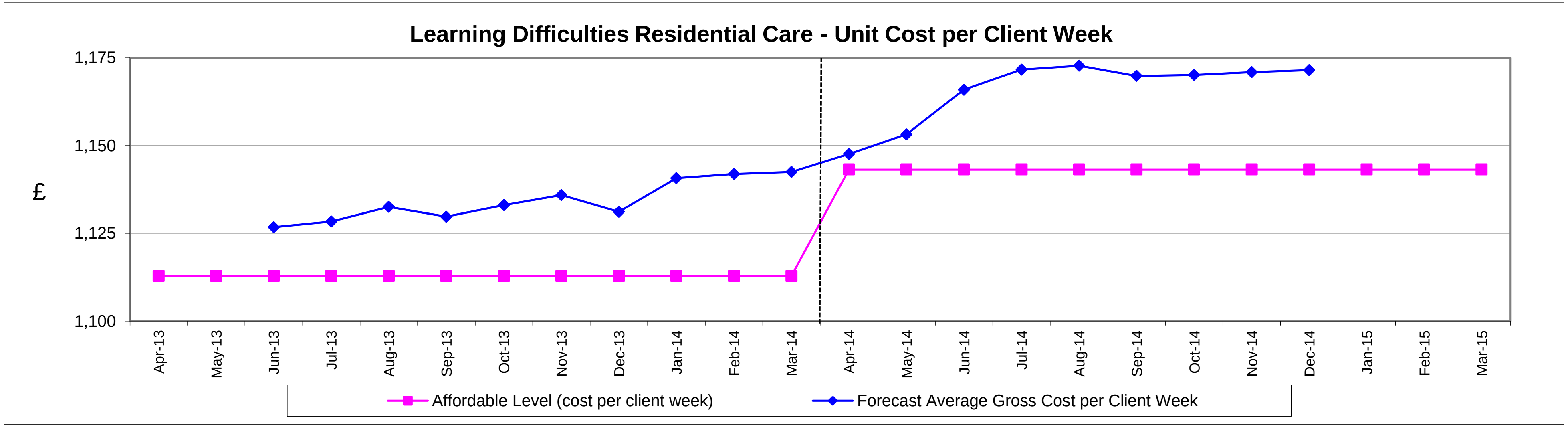
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care (including preserved rights clients) at the end of 2012-13 was 1,275, at the end of 2013-14 it was 1,254 and at the end of December 2014 it was 1,237. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 65,562 weeks of care against an affordable level of 67,697, a difference of -2,135 weeks. Using the forecast unit cost of £1,171.47, this reduced activity decreases the forecast by -£2,501k, as shown in Table 1.
- The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.
- To the end of December 48,922 weeks of care have been delivered against an affordable level of 50,952, a difference of -2,030 weeks. The year to date activity suggests a lower level of activity than currently forecast, however, the forecast assumes that some activity for transitional and provisional clients will, by necessity, need to be backdated due to bespoke contracts that have to be agreed individually with providers.

2.5 Average gross cost per client week of learning disability residential care compared with affordable level

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		1,112.86		1,143.16	1,147.62
May		1,112.86		1,143.16	1,153.21
Jun		1,112.86	1,126.76	1,143.16	1,165.91
Jul		1,112.86	1,128.39	1,143.16	1,171.61
Aug		1,112.86	1,132.54	1,143.16	1,172.74
Sep		1,112.86	1,129.75	1,143.16	1,169.82
Oct		1,112.86	1,133.04	1,143.16	1,170.10
Nov		1,112.86	1,135.86	1,143.16	1,170.90
Dec		1,112.86	1,131.13	1,143.16	1,171.47
Jan		1,112.86	1,140.70	1,143.16	
Feb		1,112.86	1,141.90	1,143.16	
Mar		1,112.86	1,142.45	1,143.16	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



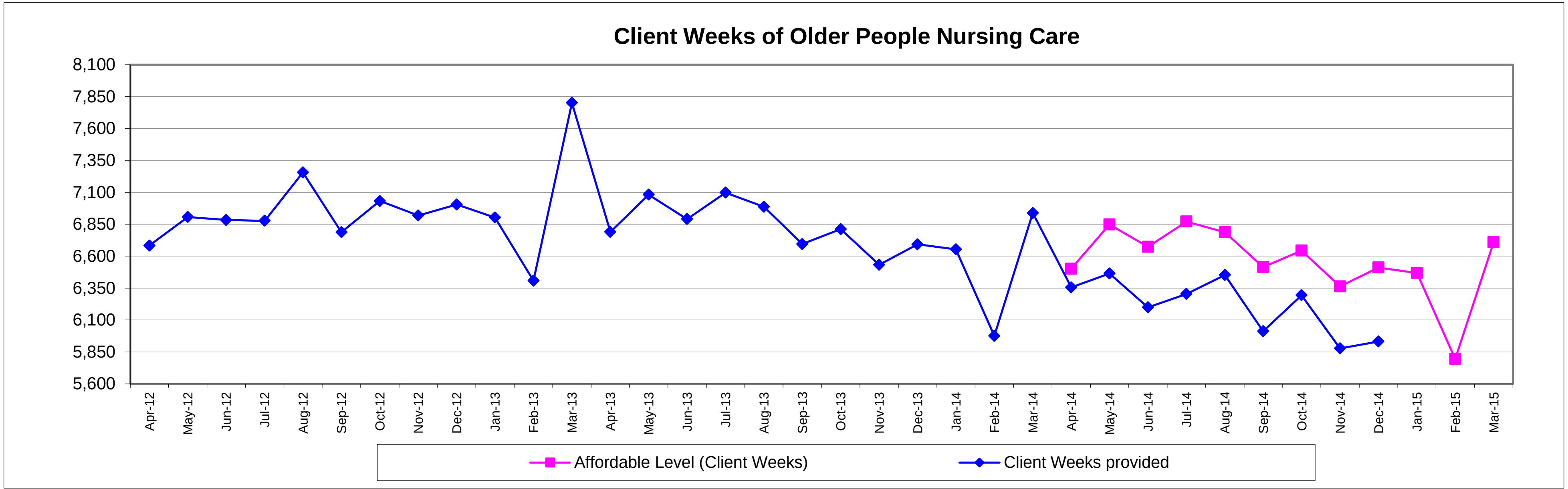
Comments:

- Clients being placed in residential care are those with very complex and individual needs which make it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,100 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high cost – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases.
- The forecast unit cost of +£1,171.47 is higher than the affordable cost of +£1,143.16 and this difference of +£28.31 adds +£1,917k to the position when multiplied by the affordable weeks, as shown in Table 1.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.

2.6 Number of client weeks of older people nursing care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	6,683	6,789	6,502	6,355
May	6,907	7,081	6,848	6,464
Jun	6,884	6,891	6,673	6,199
Jul	6,877	7,097	6,871	6,304
Aug	7,255	6,986	6,788	6,452
Sep	6,788	6,695	6,515	6,011
Oct	7,032	6,812	6,643	6,294
Nov	6,918	6,532	6,363	5,878
Dec	7,004	6,693	6,510	5,932
Jan	6,903	6,653	6,468	
Feb	6,408	5,975	5,795	
Mar	7,801	6,937	6,710	
	83,460	**81,141**	**78,686**	**55,889**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



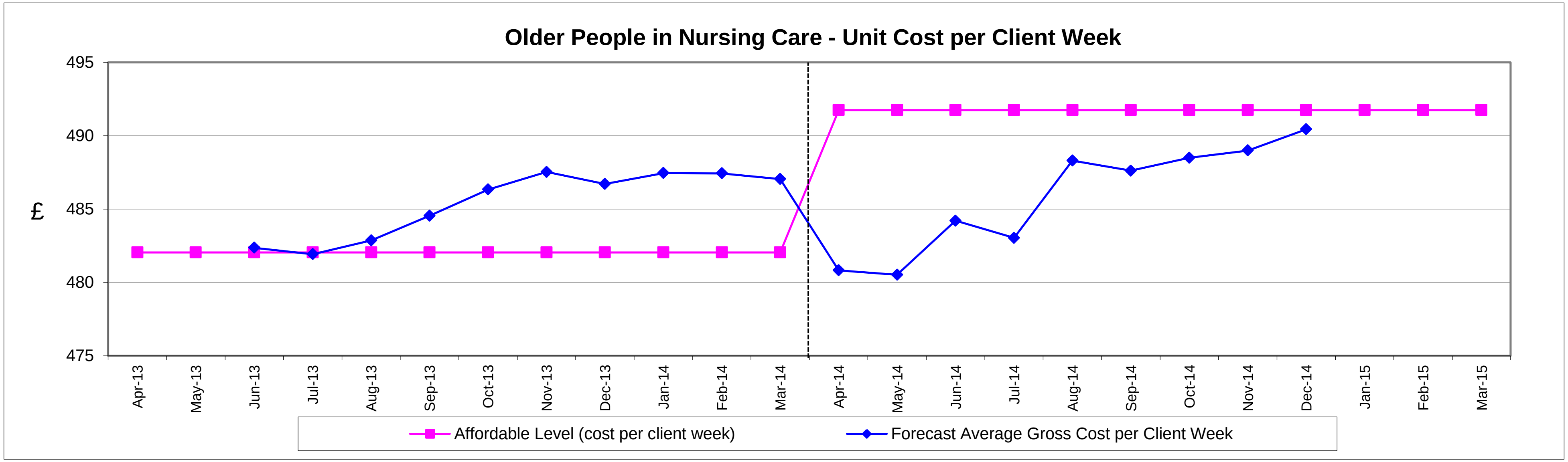
Comments:

- The graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2012-13 was 1,483, at the end of 2013-14 it was 1,423 and at the end of December 2014 it was 1,250.
- The current forecast is 73,364 weeks of care against an affordable level of 78,686, a difference of -5,322 weeks. Using the forecast unit cost of £490.45, this reduced activity decreases the forecast by -£2,610k, as shown in Table 1.
- To the end of December 55,889 weeks of care have been delivered against an affordable level of 59,713, a difference of -3,824 weeks. The year to date activity suggests a slightly higher level of activity than currently forecast, this apparent under forecast is the net effect of an underforecast of clients placed in permanent nursing care partially offset by a lower overforecast of short term nursing care placements. Since October 2014, the service has seen a slow down in the placement of clients requiring permanent nursing care, which is believed to be in part as a result of the effects of enablement and other preventative services implemented as part of the transformation agenda, and has resulted in a lower level of older people nursing care activity than had been budgeted. This is partially offset by lower levels of short term placements recorded to date, which is likely to be due to the late recording of non-permanent nursing care services on the activity database, meaning the year to date activity is understated.
- We are now making contributions under the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.7 Average gross cost per client week of older people nursing care compared with affordable level:

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		482.05		491.75	480.83
May		482.05		491.75	480.53
Jun		482.05	482.37	491.75	484.21
Jul		482.05	481.93	491.75	483.04
Aug		482.05	482.87	491.75	488.31
Sep		482.05	484.55	491.75	487.62
Oct		482.05	486.34	491.75	488.50
Nov		482.05	487.54	491.75	489.00
Dec		482.05	486.72	491.75	490.45
Jan		482.05	487.46	491.75	
Feb		482.05	487.44	491.75	
Mar		482.05	487.05	491.75	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



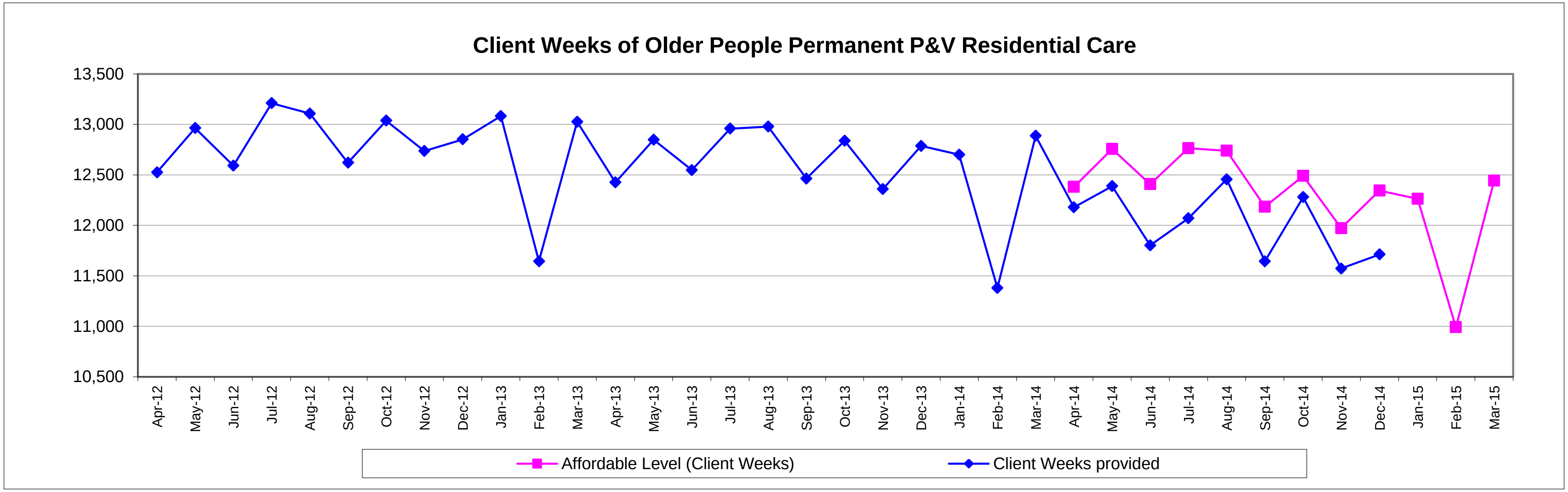
Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.
- The forecast unit cost of +£490.45 is lower than the affordable cost of +£491.75 and this difference of -£1.30 reduces the position by -£102k when multiplied by the affordable weeks, as shown in Table 1.
- The increase in the forecast unit cost in June 2014 is a result of a number of changes around savings adjustments, corrections and data cleansing following major changes to the coding structure with effect from 1 April 2014 in line with current guidance on financial and activity reporting requirements.

2.8 Number of client weeks of older people permanent P&V residential care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	12,525	12,427	12,381	12,179
May	12,963	12,849	12,757	12,388
Jun	12,592	12,547	12,409	11,802
Jul	13,210	12,959	12,764	12,071
Aug	13,107	12,978	12,739	12,456
Sep	12,620	12,463	12,184	11,644
Oct	13,037	12,839	12,490	12,279
Nov	12,737	12,360	11,972	11,573
Dec	12,852	12,787	12,345	11,712
Jan	13,082	12,701	12,264	
Feb	11,644	11,380	10,991	
Mar	13,026	12,887	12,443	
	153,395	**151,177**	**147,739**	**108,104**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2012-13 was 2,737, at the end of 2013-14 it was 2,704 and at the end of December 2014 it was 2,507. It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.

- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.

- The current forecast is 142,079 weeks of care against an affordable level of 147,739, a difference of -5,660 weeks. Using the forecast unit cost of £414.86, this reduced activity decreases the forecast by -£2,348k, as shown in Table 1.

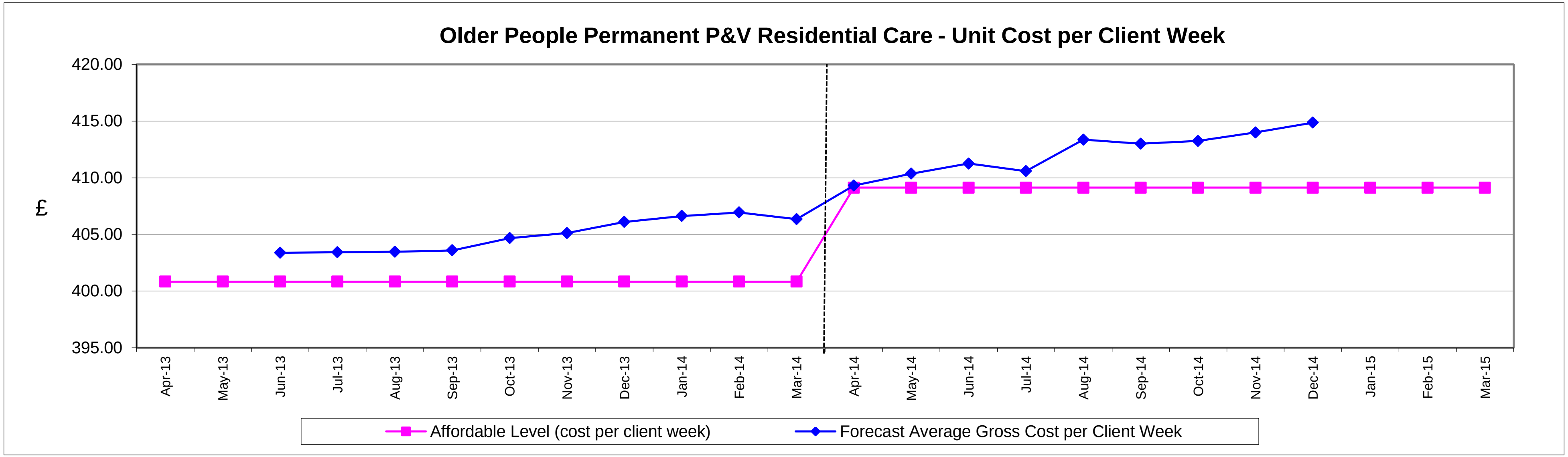
- To the end of December 108,104 weeks of care have been delivered against an affordable level of 112,041 a difference of -3,937 weeks. The year to date activity suggests a higher level of activity than currently forecast, this apparent under forecast is the net effect of an underforecast of clients placed in permanent residential care partially offset by a lower overforecast of short term residential care placements. Since October 2014, the service has seen a slow down in the placement of clients requiring residential care, which is believed to be in part as a result of the effects of enablement and other preventative services implemented as part of the transformation agenda, and has resulted in a lower level of older people residential care activity than had been budgeted. This is partially offset by lower levels of short term placements recorded to date, which is likely to be due to the late recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated.

- We are now making contributions to the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.9 Average gross cost per client week of older people permanent P&V residential care provided compared with affordable level:

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		400.83		409.12	409.31
May		400.83		409.12	410.36
Jun		400.83	403.38	409.12	411.25
Jul		400.83	403.43	409.12	410.59
Aug		400.83	403.46	409.12	413.36
Sep		400.83	403.59	409.12	413.00
Oct		400.83	404.67	409.12	413.25
Nov		400.83	405.12	409.12	413.99
Dec		400.83	406.10	409.12	414.86
Jan		400.83	406.62	409.12	
Feb		400.83	406.94	409.12	
Mar		400.83	406.35	409.12	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. The overall impact of this change has been to increase the overall number of clients whilst increasing the unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.

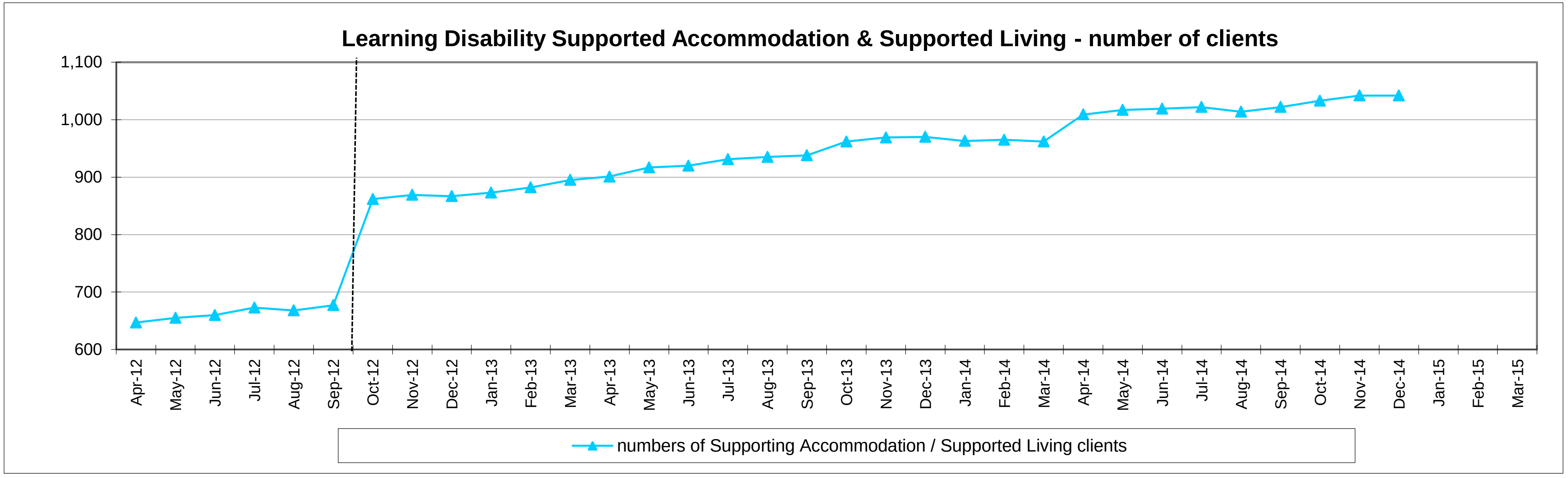


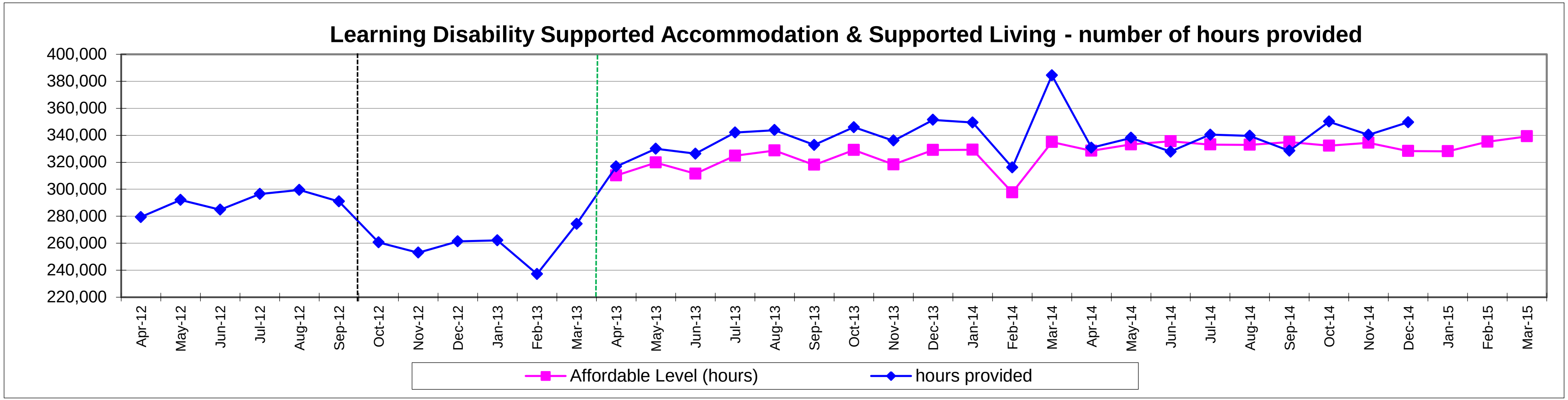
Comments:

- The forecast unit cost of +£414.86 is higher than the affordable cost of +£409.12 and this difference of +£5.74 adds +£848k to the position when multiplied by the affordable weeks, as shown in Table 1.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.
- This general increasing trend in average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above. New cases are likely to enter the service at higher unit costs, reflecting the fact that only those with higher needs are directed towards residential care, while those with lower needs are directed towards other forms of support.

2.10 Learning Disability Supported Accommodation/Supported Living – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr		279,365	647	310,234	316,882	901	328,492	330,760	1,009
May		292,122	655	319,790	330,055	917	333,241	338,125	1,017
Jun		284,835	660	311,563	326,381	920	335,519	327,879	1,019
Jul		296,532	673	324,853	342,117	931	333,140	340,451	1,022
Aug		299,521	668	328,693	343,856	935	332,930	339,621	1,014
Sep		290,914	677	318,098	332,862	938	335,006	328,528	1,022
Oct		260,574	862	329,037	346,001	962	332,260	350,146	1,033
Nov		252,932	869	318,371	336,051	969	334,509	340,394	1,042
Dec		261,257	867	329,160	351,431	970	328,357	349,629	1,042
Jan		262,070	873	329,252	349,416	963	328,115		
Feb		237,118	882	297,660	316,116	965	335,263		
Mar		274,334	895	334,943	384,428	962	339,206		
		3,291,574		**3,851,654**	**4,075,596**		**3,996,038**	**3,045,533**	





Comments:

- This indicator changed in 2013-14 to include the Supporting Independence Service contract. This measure now incorporates 3 different supported accommodation/living arrangements; the adult placement scheme, supported accommodation (mainly S256 clients) and Supporting Independence Service. The level of support required by individual clients can vary from a few hours a week to 24 hours a day therefore to better reflect the activity related to this indicator, the service is now recorded in hours rather than weeks. In addition, the details of the number of clients in receipt of these services is given on a monthly basis.
- The Supporting Independence Service Contract was introduced in October 2012-13 and involved the transfer of specific clients previously in receipt of services categorised as domiciliary care, extra care sheltered housing and supported accommodation to this new contract. As part of this transfer, some clients chose to receive a direct payment instead. The result of this transfer was an overall net increase in the total number of clients categorised as receiving a supported accommodation/living support service however the average number of hours provided per client reduced. **A black dotted line is shown on the graphs above to illustrate the introduction of the new Supporting Independence Service, and the consequent transfer of clients, as the data presented either side of the dotted line is not on a consistent basis and is therefore not directly comparable.**

- Services provided are recorded in terms of weeks, sessions or hours before all being converted into hours for this activity indicator. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but, in the July monitoring to Cabinet in October was revised upwards to 9 hours, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data were restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts. This has also impacted on the unit cost reported in 2.11 below.

- The spike in activity shown for March 2014 is due to backdated hours for transitional and provisional clients being recorded on the activity system but relating to activity undertaken throughout 2013-14.

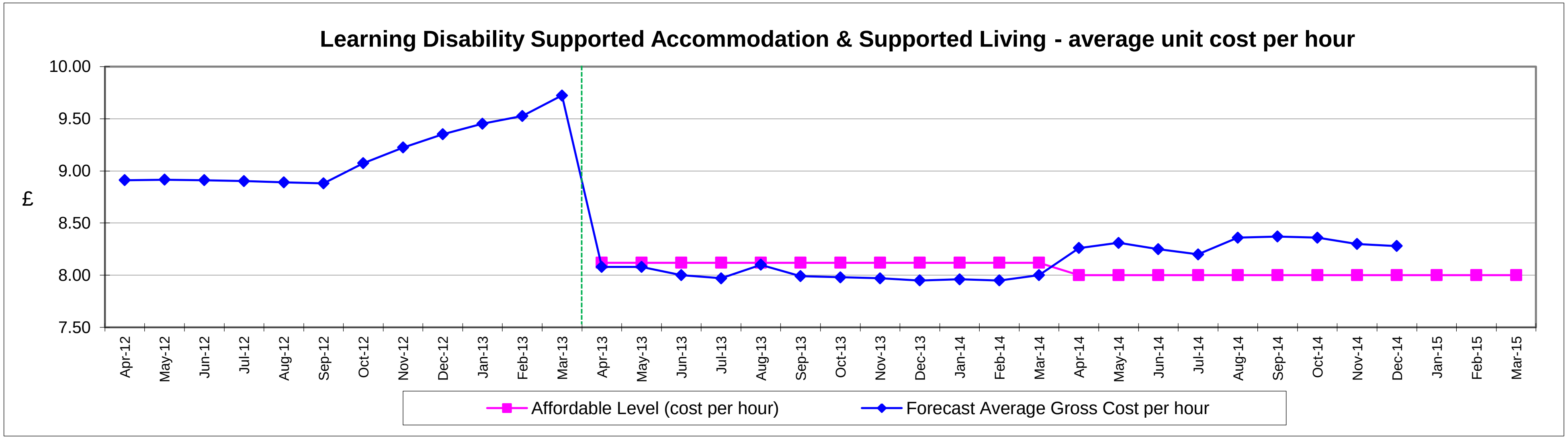
- Hours provided from April 2014 onwards were revised in the Quarter 2 report, reported to Cabinet in December, to remove hours relating to the Better Homes Active Lives PFI night support block contract, as the spend on this support should not be included in this activity indicator.

- The current forecast is 4,134,140 hours of care against an affordable level of 3,996,038, a difference of +138,102 hours. Using the forecast unit cost of £8.28, this additional activity increases the forecast by +£1,144k, as shown in Table 1.

- To the end of December 3,045,533 hours of care have been delivered against an affordable level of 2,993,454, a difference of +52,079 hours. The forecast number of hours reflects an increase in activity expected in future months which is also reflected in the profile of the budgeted level. The September year to date activity suggests a lower level of activity for the year than currently forecast. This is due to a delay in the recording of transitional and provisional clients on the activity database meaning that the year to date activity is currently understated. Delays in the recording of transitional and provisional clients on the activity database are intrinsic to this service as a result of the channels through which referrals take place, i.e. ordinary residence cases, where complex negotiations are involved to determine the point at which different local authorities have responsibility for clients, in addition to the number of bespoke contracts that have to be agreed individually with providers.

2.11 Average gross cost per hour of Supported Accommodation/Supported Living service compared with affordable level:

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr		8.91	8.12	8.08	8.00	8.26
May		8.92	8.12	8.08	8.00	8.31
Jun		8.91	8.12	8.00	8.00	8.25
Jul		8.90	8.12	7.97	8.00	8.20
Aug		8.89	8.12	8.10	8.00	8.36
Sep		8.88	8.12	7.99	8.00	8.37
Oct		9.07	8.12	7.98	8.00	8.36
Nov		9.22	8.12	7.97	8.00	8.30
Dec		9.35	8.12	7.95	8.00	8.28
Jan		9.45	8.12	7.96	8.00	
Feb		9.53	8.12	7.95	8.00	
Mar		9.72	8.12	8.00	8.00	



Comments:

- This measure comprises 3 distinct client groups and each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.
- The forecast unit cost of +£8.28 is higher than the affordable cost of +£8.00 and this difference of +£0.28 adds +£1,119k to the position when multiplied by the affordable hours, as shown in Table 1. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but this estimate was revised upwards to 9 hours in the July monitoring report to Cabinet in October, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data have been restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts.

2.12 SOCIAL CARE DEBT MONITORING

The outstanding debt as at the end of January was £44.315m compared with November's figure of £16.907m (reported to Cabinet in January) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £30.632m of sundry debt compared to £2.658m in November. This increase is entirely due to one large invoice to Health which had only just become overdue at the end of January, however this invoice has now been settled so will not show in the February outstanding debt figures. It is not uncommon for the amount of sundry debt to fluctuate for large invoices to Health. Also within the outstanding debt is £13.683m relating to Social Care (client) debt which is a reduction of £0.566m from the last reported position to Cabinet in January. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. The sundry debt figures are based on calendar months.

			Social Care Debt				
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
Apr-13	18,859	4,995	13,864	10,037	3,827	7,969	5,895
May-13	19,789	5,713	14,076	10,106	3,970	8,197	5,879
Jun-13	21,956	7,662	14,294	10,183	4,111	8,277	6,017
Jul-13	21,146	6,978	14,168	10,005	4,163	8,015	6,153
Aug-13	19,320	5,116	14,204	9,950	4,254	8,141	6,063
Sep-13	19,950	5,814	14,136	9,943	4,193	7,931	6,205
Oct-13	21,646	7,533	14,113	9,896	4,217	7,867	6,246
Nov-13	21,471	7,524	13,947	9,830	4,117	7,728	6,219
Dec-13	24,480	10,436	14,044	10,026	4,018	7,694	6,350
Jan-14	20,879	6,685	14,194	10,060	4,134	8,103	6,091
Feb-14	45,888	31,278	14,610	10,380	4,230	8,321	6,289
Mar-14	22,238	7,753	14,485	10,226	4,259	8,213	6,272
Apr-14	23,374	8,884	14,490	10,288	4,202	8,220	6,270
May-14	23,654	8,899	14,755	10,342	4,413	8,353	6,402
Jun-14	21,579	7,289	14,290	10,071	4,219	7,944	6,346
Jul-14	16,503	2,187	14,316	10,108	4,208	7,927	6,389

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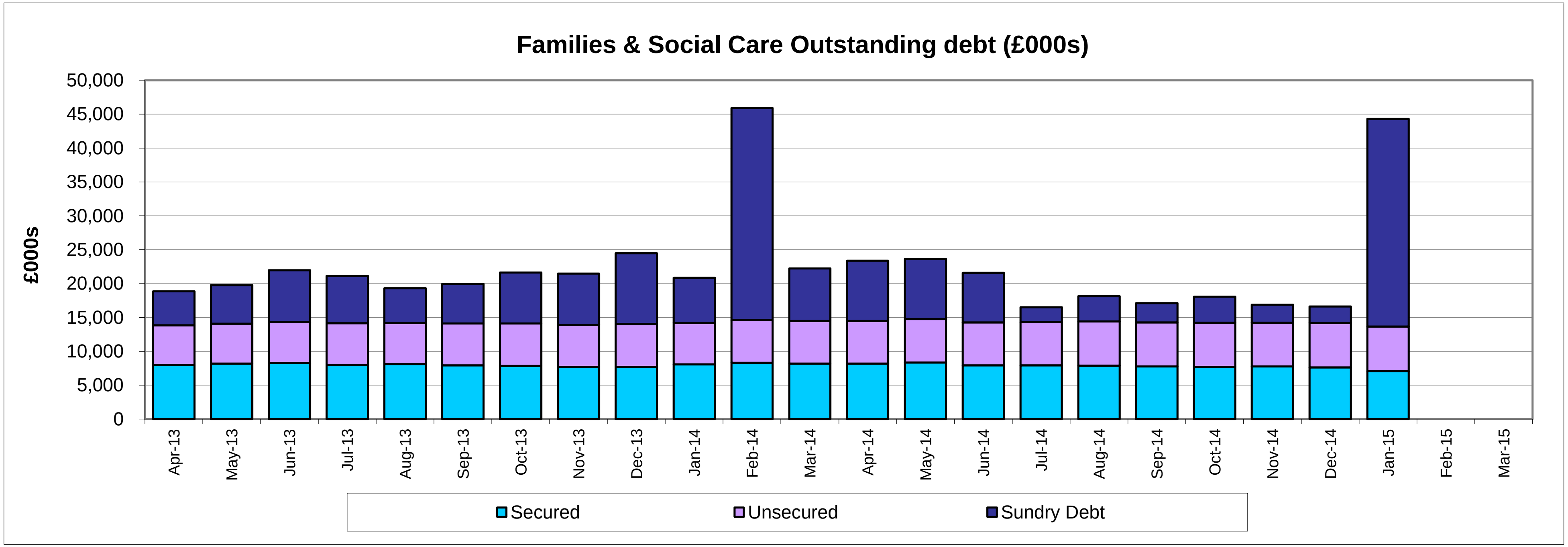
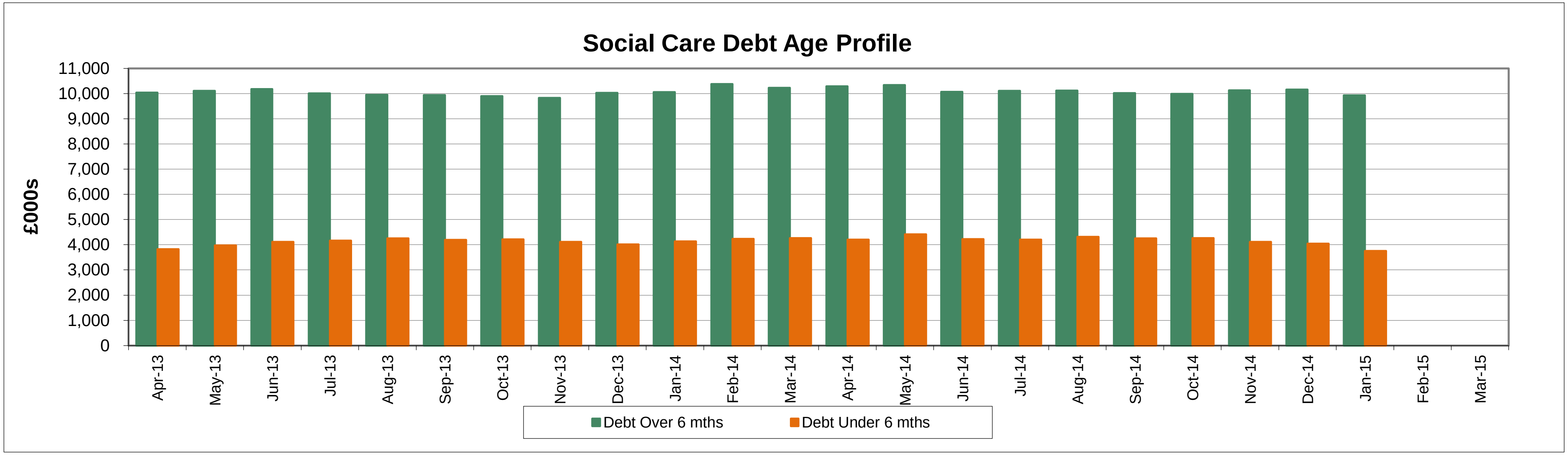
	Total Due Debt (Social Care & Sundry Debt)	Sundry Debt	Social Care Debt: Total Social Care Due Debt	Social Care Debt: Debt Over 6 months	Social Care Debt: Debt Under 6 months	Social Care Debt: Secured	Social Care Debt: Unsecured
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Aug-14	18,138	3,707	14,431	10,122	4,309	7,882	6,549
Sep-14	17,119	2,849	14,270	10,015	4,255	7,805	6,465
Oct-14	18,060	3,808	14,252	9,992	4,260	7,709	6,543
Nov-14	16,907	2,658	14,249	10,131	4,118	7,777	6,472
Dec-14	16,612	2,406	14,206	10,160	4,046	7,624	6,582
Jan-15	44,315	30,632	13,683	9,926	3,757	7,079	6,604
Feb-15							
Mar-15							





With regard to Social Care debt, the tables below show the current breakdown and movement since the last report to Cabinet in December of secured, unsecured and health debt, together with a breakdown of unsecured debt by client group.

Social Care debt by Customer Credit Status	**November** £000s	**January** £000s	**Movement** £000s
Secured	7,777	7,079	-698
Unsecured - Deceased/Terminated Service	1,818	1,947	129
Unsecured - Ongoing	4,606	4,595	-11
Caution/Restriction (Unsecured)	45	59	14
Health (Unsecured)	3	3	0
TOTAL	14,249	13,683	-566

Unsecured debt by Client Group	**November** £000s	**January** £000s	**Movement** £000s
Older People/Physical Disability	6,048	6,152	104
Learning Disability	315	341	26
Mental Health	109	111	2
TOTAL	6,472	6,604	132

2.13 Number and Value of Social Fund awards made

Year	Month	(a) * Affordable number of awards (at budgeted average award rate)	(b) Actual number of applications received	(c) Actual number of awards made	(d) * Affordable profile of awards (£)	(e) Value of awards made (£)	(d) / (a) Budgeted average award (£)	(e) / (c) Actual average award (£)
2013-14	Apr	2,591	673	368	235,800	42,620	91	116
	May	2,296	704	520	208,900	65,907	91	127
	Jun	2,887	655	494	262,700	68,201	91	138
	Jul	3,031	818	828	275,800	114,188	91	138
	Aug	2,518	704	869	229,100	115,811	91	133
	Sep	2,666	766	939	242,600	108,237	91	115
	Oct	2,443	783	1,025	222,300	115,778	91	113
	Nov	2,813	861	1,015	256,000	138,738	91	137
	Dec	2,369	738	1,054	215,600	137,748	91	131
	Jan	2,813	1,050	1,453	256,000	183,774	91	126
	Feb	2,296	918	1,278	208,900	143,813	91	113
	Mar	2,739	930	1,460	249,300	175,416	91	120
		31,462	**9,600**	**11,303**	**2,863,000**	**1,410,231**	**91**	**125**
2014-15	Apr	3,021	880	1,496	377,600	145,043	125	97
	May	2,677	1,003	1,644	334,600	160,674	125	98
	Jun	3,366	891	1,541	420,700	151,071	125	98
	Jul	3,534	1,001	1,520	441,700	145,708	125	96
	Aug	2,935	911	1,261	366,900	132,206	125	105
	Sep	3,108	1,018	1,701	388,500	166,819	125	98
	Oct	2,848	994	1,826	356,000	184,200	125	101
	Nov	3,280	996	1,436	410,000	125,165	125	87
	Dec	2,762	988	1,474	345,300	137,907	125	94
	Jan	3,280			410,000		125	
	Feb	2,677			334,600		125	
	Mar	3,194			399,300		125	
		36,682	**8,682**	**13,899**	**4,585,200**	**1,348,793**	**125**	**97**

* Columns (a) and (d) are based on available funding which has been profiled by month and type of award (excluding cash awards) in the same ratio as the previous DWP scheme. As the criteria and awards for this pilot scheme differ to the DWP scheme, this does not represent the anticipated demand for the pilot scheme, but represents the maximum affordable level should sufficient applications be received which meet the criteria. (As the data for 2013-14, the first year of our pilot scheme, includes increasing levels of activity as the service commenced, it will not represent a typical year and therefore has not been used to profile the 2014-15 budget in column d of the table)

One application may result in more than one award, e.g. an award for food & clothing and an award for utilities, hence the number of awards in column (c) may exceed the number of applications in column (b).

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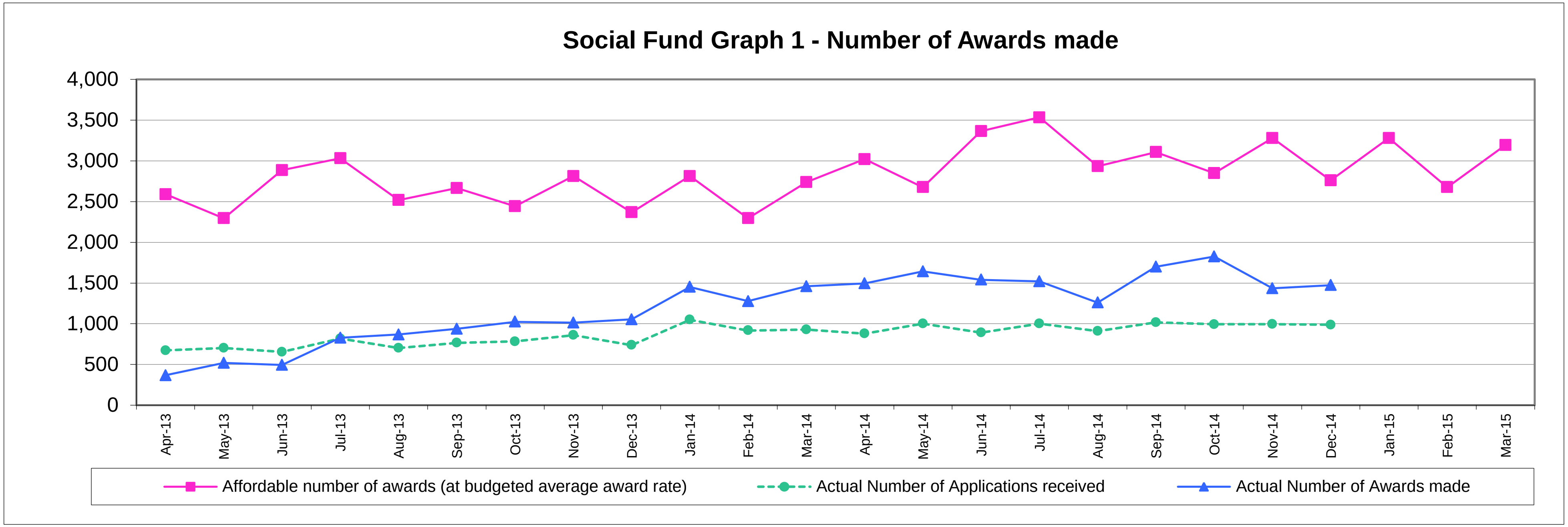

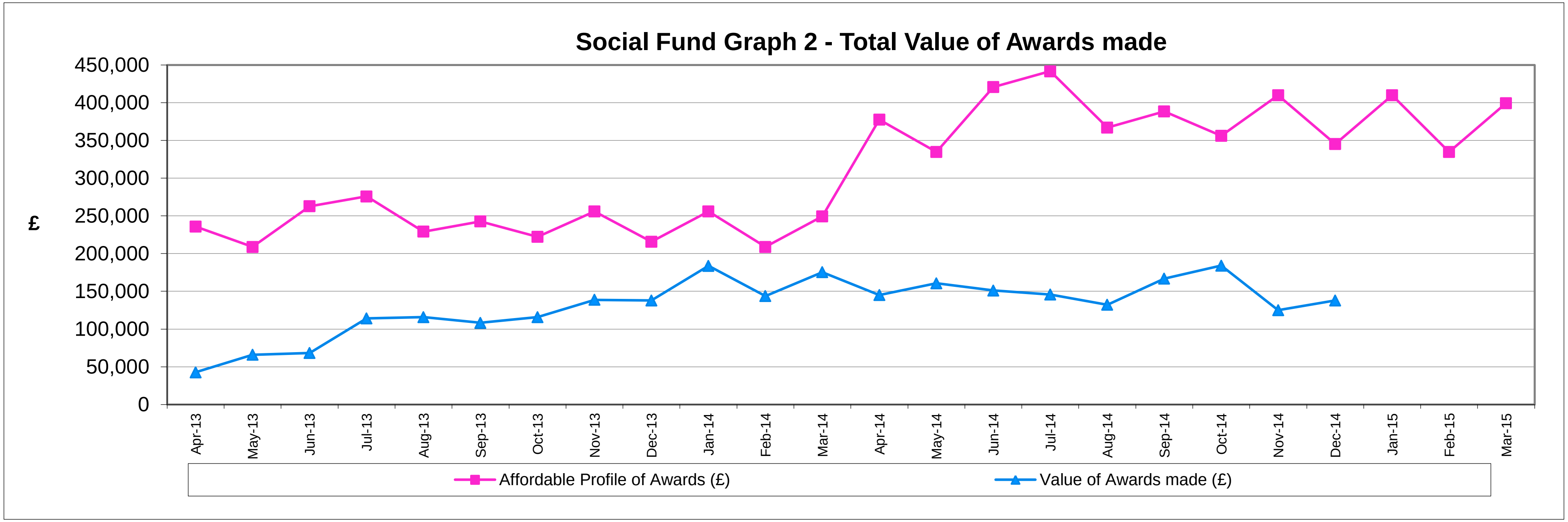

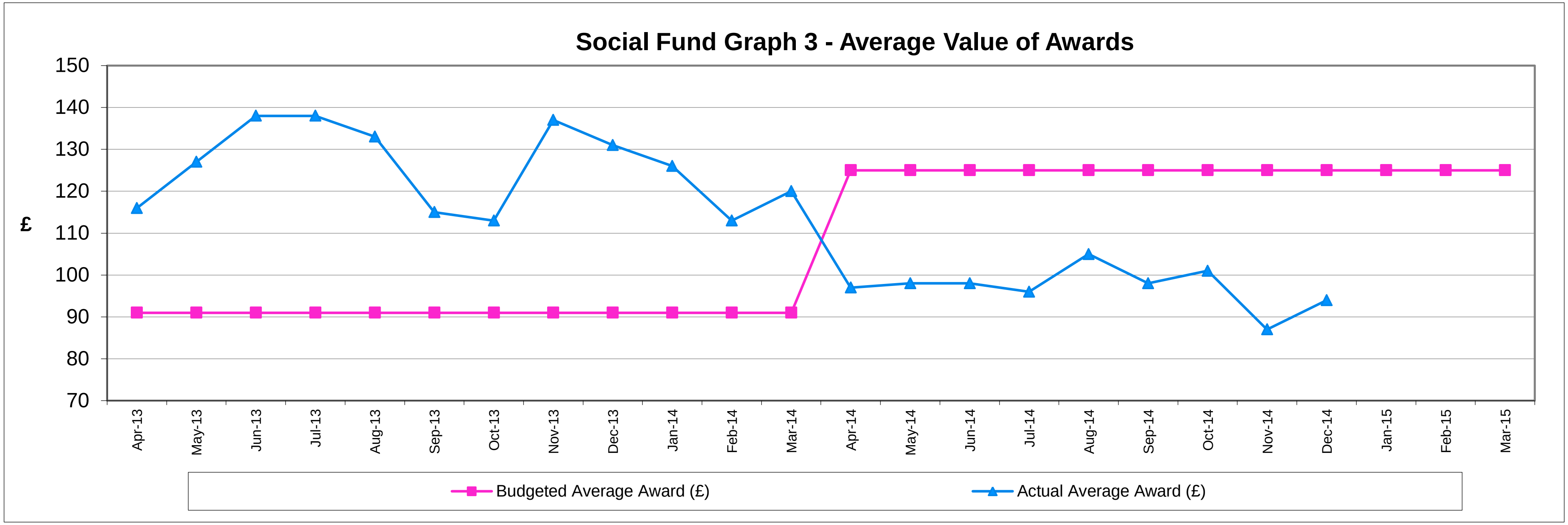

Comments:

- This is a pilot scheme that commenced in Kent on 1 April 2013 and differs from the Social Fund scheme, previously administered by DWP, in that cash awards are only given in very extreme circumstances e.g. where an individual may be at risk. This scheme offers 4 types of award including food & clothing, white goods, energy vouchers and furniture & equipment and more importantly signposts the individual, whether an award is given or not, to the appropriate service so that they can receive ongoing support. This is an emergency fund to help support the most vulnerable in society. The figures provided in the table and represented in the graphs above reflect a combined average of these 4 types of award.
- Applications are immediately prioritised with the intention that high priority applications should receive the award within 24 hours. However, approval of awards for lower priority cases e.g. applications for furniture from low risk households may be slower. Therefore, actual awards made in any month can exceed the number of applications for the month, either due to the processing of low priority cases from previous months, or as a result of individual applications resulting in multiple awards being granted, as referred to above.

- **Graph 1** above represents the number of individual awards granted, (there could be multiple awards arising from an individual application), compared to (i) the number of applications received and (ii) the affordable number of awards, as calculated using the budgeted average award rate, which is the maximum number of awards that can be afforded, not the anticipated level of demand.
  In the early months of 2013-14 the number of applications received was higher than the number of awards made, which predominately reflected that applications for cash awards were being received in line with the old DWP scheme, but this type of award is not generally offered as part of this pilot scheme. Initially there were also a number of inappropriate referrals being made whereby the applicant did not qualify. However, the number of awards made is now higher than the number of applications received illustrating that some applications result in more than one award e.g. an award for food and clothing and an award for energy vouchers. There is an admin cost involved in assessing the applications received, irrespective of whether they result in an award being made. The gross budget for this service, as shown in Table 1 is £5.140m, with £0.555m being the cost of administering the scheme including signposting applicants to alternative appropriate services, and £4.585m available to award where appropriate (column d in the table above).
  Because of the uncertainty at the time about both future levels of demand and government funding, the funding for awards in 2013-14 was ring-fenced and rolled forward to 2014-15 to provide some stability to the service. **This roll forward of £1,722.2k was approved by Cabinet in July and is reflected in the cash limits and the affordable level for this indicator.** *(The table above shows an underspend of £1,452.8k in 2013-14 (column d - column e), which is based on the number of awards approved during the financial year. Although awards are approved for individuals in dire need, these awards are not always taken up for a variety of reasons. During 2013-14 £269.4k of approved awards, mainly for furniture and equipment, were not taken up by clients. Therefore the financial underspend as a consequence of the value of awards actually paid (taken up) in 2013-14 was £1,722.2k).*

- **Graph 2** represents the value of awards made against the maximum profiled funding available.
  The number and value of awards made is significantly lower than the affordable level and reflects the current take up of this scheme being low in comparison to the old DWP scheme (which is what the funding, and affordable level, is based upon). The graph illustrates that the value of awards made is generally showing a steadily increasing trend since the inception of this pilot scheme, reflecting the increasing communication about what the scheme provides. However, if applicants are successfully signposted to alternative appropriate services to receive sustained support, and an award is not made, then this will be beneficial to the applicant and would result in an underspend against this scheme, which is still a positive outcome for the pilot.

- **Graph 3** compares the budgeted average award value, based on the anticipated mix and value of awards, to the actual average award. Using DWP data, and excluding cash awards, it was anticipated that the majority of awards for this pilot would be for food & clothing, high volume & low value, and therefore the budgeted average award for 2013-14 was set with this in mind at £91. The affordable average award value was revised for 2014-15 to match the actual average award value for 2013-14 of £125. This increase in the budgeted average award value from £91 to £125 reflects a higher than expected number of awards in 2013-14 for furniture & equipment which have a higher award value.

  To the end of December, on average, award values in 2014-15 have been lower with an average of £97 currently reported. In the first nine months of 2014-15, 38% of the number of awards have been for food & clothing, compared to 49% for 2013-14. Furniture & equipment (incl white goods) accounts for 37% of the number of awards but 54% of the value of awards (the percentages were 19% and 54% respectively for 2013-14, indicating an increasing number falling into this category, but also a shift to lower value items of furniture and equipment). As a result, the actual average award is lower than budgeted due to the apportionment of the award types being different to what was anticipated.

  The awards figures for December 2013-14 include the impact of both energy and food awards being issued for 14 days rather than the normal 7 days to cover the Christmas period. Also, there was a higher number (and value) of cash awards made in January 2014, which included emergency payments to households evacuated because of the flooding.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Adult Services has a working budget for 2014-15 of £51,754k (£13,976k excluding PFI). The forecast outturn against the 2014-15 budget is £25,197k (£6,490k excluding PFI) giving a variance of -£26,557k (-£7,486k excluding PFI).

3.2 **Table 2** below details the Adults Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Home Support Fund	6,600	2,200	865	865	Real: £760k grant and £105k developer contributions	Predicted expenditure on Telecare equipment to be legitimately capitalised at year end.	Green		
Individual Projects									
Kent Strategy for Services for Older People (OP):									
Community Care Centre - Ebbsfleet	0	0	0				Green		
Community Care Centre - Thameside Eastern Quarry	0	0	0				Green		
Think Autism	0	0	19	19	Real: grant		Green		
OP Strategy - Transformation / Modernisation	6,978	6,089	-5,444	-5,444	Rephasing: -£5,388k capital receipts and -£56k developer contributions	Rephasing to 15/16 to allow for formal procurement options to be explored as part of the business case developments for the Older Persons Strategy.	Green		

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities:									
Learning Disability Good Day Programme- Community Hubs	2,182	1,580	0	0			Green		
Learning Disability Good Day Programme- Community Initiatives	679	622	0	0			Green		
Active Care / Active Lives Strategy:									
PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent	63,000	37,778	-19,071	-19,071	Rephasing: PFI	Rephased as financial close on the PFI deal was reached later than anticipated as a result of various Central Government reviews.	Green		
Developing Innovative and Modernising Services:									
Information Technology Projects	2,507	2,507	-1,958	-1,958	Rephasing: grant	Rephased following review of the IT Strategy as part of the budget process.	Green		
Lowfield St (formerly Trinity Centre, Dartford)	972	978	-968	-968	Rephasing: -£727k capital receipt and -£241k developer contributions	Development of site not progressed, in further negotiations with developer on how to proceed. Budget rephased to 15/16.	Green		
Total	82,918	51,754	-26,557	-26,557					

1. Status: Green – on time & within budget;
Amber – either delayed completion date or over budget;
Red – both delayed completion & over budget.

ANNEX 4

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
PUBLIC HEALTH
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before transfer to Public Health Reserve	Transfer to Public Health Reserve	Net Variance after transfer to Public Health Reserve
Total (£k)	-	-	-	-

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Social Care, Health & Wellbeing - Public Health							
Strategic Management & Directorate Support Budgets	170.1	-170.1	0.0	+32	*+32*	*Public health grant variance: Other minor variances*	
Public Health:							
- Children's Public Health Programmes	5,924.5	-5,924.5	0.0	+40	*+40*	*Public health grant variance: Other minor variances*	
- Drug & Alcohol Services	18,555.7	-18,555.7	0.0	+32	+1,642	Contracts have been varied to increase service delivery in a number of targeted areas (to be funded from the Kent Drug and Alcohol reserve - see below). These contract arrangements will continue into 2015-16 and the service will be looking at ways to manage this within available resources.	
					-213	Young persons contract cost is less than originally anticipated	
					-342	Saving on staffing costs within the KDAAT team	
					+120	Reduction in income as no contribution from probation service this year	
					+44	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-1,251	Draw down from KDAAT reserve to fund overall net pressures on the KDAAT service detailed above	
					+32	*Public health grant variance: Other minor variances*	
- Obesity & Physical Activity	2,794.8	-2,794.8	0.0	+162	*+162*	*Public health grant variance: due to increased activity levels across several programmes which cover obesity (tier 3 morbidly obese)*	
- Public Health - Mental Health Adults	912.1	-912.1	0.0	-34	*-34*	*Public health grant variance: Other minor variances*	
- Public Health Staffing, Advice & Monitoring	4,897.4	-4,897.4	0.0	-1,249	*-1,249*	*Public health grant variance: Staffing underspend due to vacancies being held during restructure and appointment of Director of Public Health*	
- Sexual Health Services	11,996.7	-11,996.7	0.0	+1,044	*+605*	*Public Health grant variance: Pressure on sexual health testing and treatment of STIs*	
					+253	*Public health grant variance: Pressure relating to contraception costs, in particular Long Acting Reversible Contraception (LARC) costs*	
					+186	*Public health grant variance: one-off pressure due to GP training*	
- Targeting Health Inequalities	6,116.1	-6,116.1	0.0	+66	*+830*	*Public health grant variance: Pressure relating to health inequalities*	
					-225	*Public health grant variance: Lower expenditure overall on health checks and invites, with a reduction in the number attending a health check but an increase in the number of invites sent*	
					-175	*Public health grant variance: Lower expenditure than expected on outreach activity*	

ANNEX 4

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-357	*Public health grant variance: Reduced costs of Health Trainers and Healthy Living Pharmacies*	
					-7	*Public health grant variance: Other minor variances*	
- Tobacco Control & Stop Smoking Services	4,013.4	-4,013.4	0.0	-93	*-93*	*Public health grant variance: Other minor variances*	
	55,380.8	-55,380.8	0.0	0			
- tfr to(+)/from(-) Public Health reserve				***0***			
Total SCH&W (Public Health)	**55,380.8**	**-55,380.8**	**0.0**	**0**			

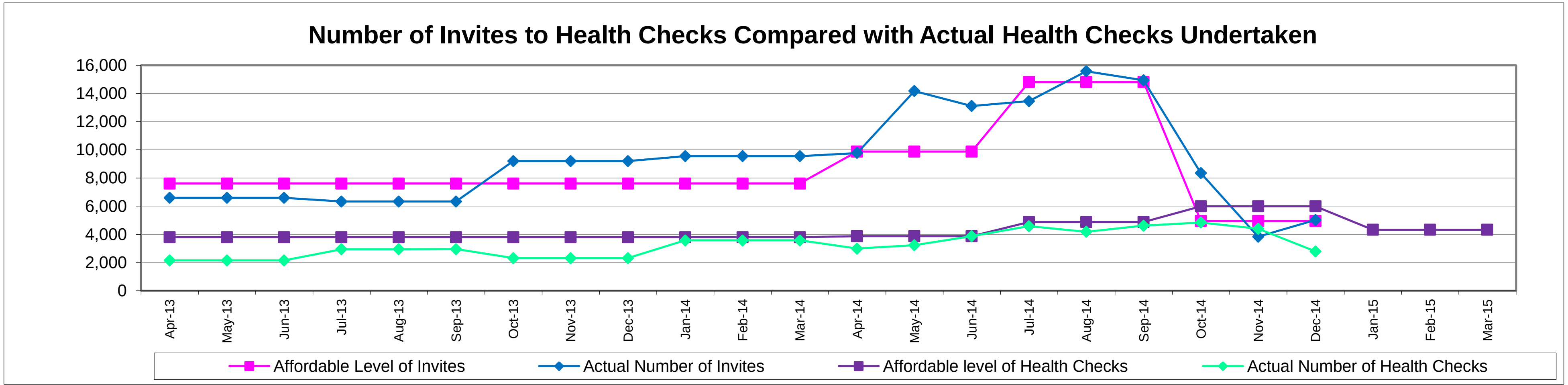
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Health Check invites compared to number of Health Checks undertaken

	2013-14				2014-15			
	Invites		Checks		Invites		Checks	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr					9,877	9,776	3,860	2,984
May	22,810	19,761	11,405	6,455	9,877	14,169	3,860	3,225
Jun					9,878	13,108	3,862	3,865
Jul					14,816	13,457	4,874	4,572
Aug	22,810	18,996	11,405	8,836	14,816	15,577	4,875	4,179
Sep					14,816	14,933	4,876	4,613
Oct					4,939	8,345	5,987	4,837
Nov	22,810	27,608	11,405	6,924	4,939	3,831	5,988	4,389
Dec					4,938	5,014	5,989	2,782
Jan					0		4,324	
Feb	22,811	28,639	11,406	10,709	0		4,325	
Mar					0		4,325	
TOTAL	91,241	95,004	45,621	32,924	88,896	98,210	57,145	35,446

Comments:

- As can be seen from the difference in total budgeted activity for invites and checks, not all people invited for a health check attend a check and there is often a delay between the invite and the health check taking place.
- The invites planned activity is weighted towards the early part of the year to give time for the follow-up process to maximise the number of people attending a health check.
- The planned number of invites is based on 20% of eligible population (as it is a 5 year programme) and was based on DoH estimates, but more recent GP data shows an increase in the eligible population. This activity is therefore anticipated to be above budget for the year.



ANNEX 4

2.2 Cost of Health Check invites and Health Checks undertaken compared to budget

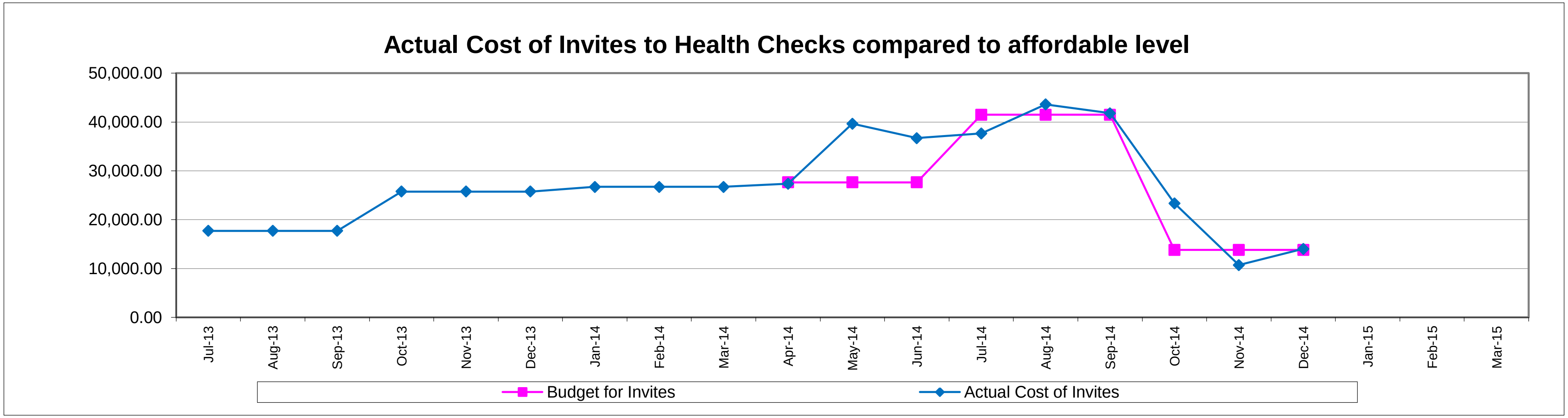
	2013-14 *		2014-15			
	Invites	Checks	Invites ~		Checks #	
	actual cost (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)
Apr			27,656	27,373	92,700	77,081
May	0	0	27,656	39,673	92,700	79,696
Jun			27,658	36,702	92,748	95,130
Jul			41,485	37,680	117,052	112,119
Aug	53,189	210,746	41,485	43,616	117,076	104,137
Sep			41,485	41,812	117,100	113,424
Oct			13,829	23,366	143,781	116,768
Nov	77,302	175,920	13,829	10,727	143,805	110,779
Dec			13,826	14,039	143,829	66,666
Jan			0		103,843	
Feb	80,189	266,524	0		103,869	
Mar			0		103,869	
TOTAL	210,680	653,190	248,909	274,988	1,372,372	875,800

* In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.

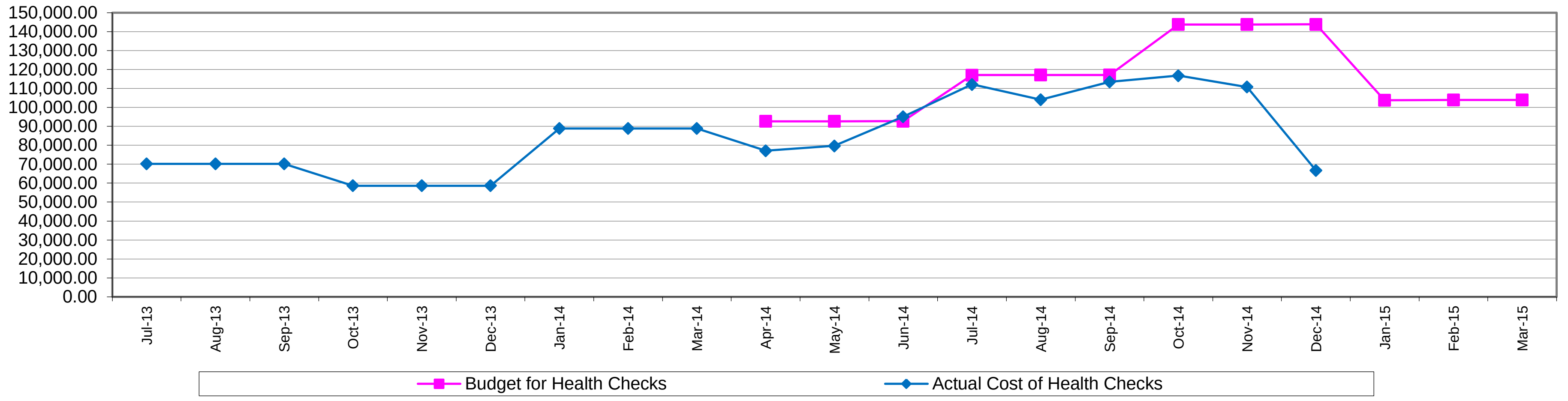
\# Health check activity for the first nine months of 2014-15 is below budget and is expected to remain below budgeted levels this financial year.

~ The health check invites activity for the first nine months of 2014-15 is above budget. We are expecting some further invite costs in the last three months of the year as not all practices had submitted their data by the end of December.

As a result of # and ~ above, a net £225k underspend is forecast on health checks & invites, as reflected against Targeting Health Inequalities in table 1 of section 1.2 above.



Actual Cost of Health Checks undertaken compared to affordable level



Comments:

- The NHS Health Checks programme is monitored closely with a focus on performance and contract management. The targets for 2014-15 are more stretching, providers are expected to deliver significantly more checks during the year. The target for invites is weighted towards the first part of the year to give time for the follow-up process to maximise the number of health checks that are delivered in year.
- The budget for Health Checks is made up of a fixed cost element £465,756 and a performance element £1,621,281. The performance element is shown in the activity data above, with a budget of £248,909 for invites and £1,372,372 for health checks (totalling £1,621,281).
- The budgeted activity level for invites is based on the eligible population. The budgeted activity level for health checks is higher in 2014-15 as the provider is expected to make up for the underperformance in the previous year. It is now anticipated that the number of health check invites will be greater than budgeted due to an increase in eligible population. Any pressure as a result of this will be offset by a saving on checks.

ANNEX 5

GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Directorate Total (£k)	**+180,059**	**-415**	**-**	**-415**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Growth, Environment & Transport							
Strategic Management & Directorate Support budgets	4,794.9	-93.6	4,701.3	+9	+415	Savings held centrally but being more than achieved through underspends within other budget headings (primarily in Community Wardens, Sports Development, and Development Planning within Highways Management).	This pressure is expected to be on-going and realignment of budgets has been reflected in the 2015-18 MTFP
					-212	This results from a number of vacancies as well as some staffing costs being covered by the Facing the Challenge budget (see annex 6).	Part of this saving is expected to be ongoing and has been reflected in the 2015-18 MTFP
					-194	Other minor variances	
Children's Services - Education & Personal							
- 14 - 19 year olds	111.9	-59.3	52.6	0			
Community Services:							
- Arts Development (incl. grant to Turner Contemporary)	2,435.8	-300.7	2,135.1	-55			
- Community Safety	443.3	-61.2	382.1	-28			
- Community Wardens	2,689.8	0.0	2,689.8	-221	-316	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is expected to be on-going and realignment of budgets has been reflected in the 2015-18 MTFP
					+95	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Gypsies & Travellers	666.1	-430.0	236.1	-66			
- Libraries, Registration & Archives (LRA)	18,526.2	-5,256.7	13,269.5	-1,134	-471	Increased Registration Service income primarily from ceremonies and nationality checking service	This additional income is expected to be on-going and has been reflected in the 2015-18 MTFP
					-470	Staffing vacancies	
					-139	Increased Libraries & Archives income primarily from audio visual hire, fines and sale of old stock	
					-100	Rebate received in respect of costs incurred in prior years related to the cash management system.	
					+46	Other minor variances	
- Sports Development	2,725.5	-1,925.3	800.2	-136	-120	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is on-going and realignment of budgets between these A to Z lines has been reflected in the 2015-18 MTFP
					-16	Other minor variances	
	27,486.7	-7,973.9	19,512.8	-1,640			
<u>Environment:</u>							
- Country Parks	1,532.9	-1,023.7	509.2	-32		£25k of this underspend will be requested as a roll-forward to support additional marketing required to enable the service to deliver its savings target in 2015-16.	
- Countryside Access (incl. Public Rights of Way)	2,646.9	-885.1	1,761.8	-17			
- Environment Management	4,752.7	-2,414.6	2,338.1	-174	-60	A number of highway drainage asset surveys scheduled to take place have been delayed until next year because of issues with the third party undertaking the work. As a result a committed roll-forward will be requested.	
					-114	Other minor variances	
	8,932.5	-4,323.4	4,609.1	-223			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Highways:							
- Highways Maintenance							
- Adverse Weather	3,214.9	0.0	3,214.9	0			
- Bridges & Other Structures	2,242.3	-221.9	2,020.4	-124			
- General maintenance & emergency response	12,397.0	-475.8	11,921.2	+450	+154	Traffic management costs at junctions on high speed roads where additional grass cutting and weed control has been required as a result of the favourable growing conditions (mild & moist) and high water table.	
					+201	Additional safety critical maintenance work	
					+95	Other minor variances	
- Highway drainage	2,962.4	0.0	2,962.4	+220	+107	Late billing of storm damage costs from 2013-14 for which no creditor provision was set up in last year's accounts.	
					+60	Increased soakaway cleansing costs	
					+53	Other minor variances	
- Streetlight maintenance	3,831.5	-154.0	3,677.5	-66			
	24,648.1	-851.7	23,796.4	+480			
- Highways Management:							
- Development Planning	2,117.5	-2,135.2	-17.7	-44	-167	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is on-going and realignment of budgets between these A to Z lines has been reflected in the 2015-18 MTFP
					+123	Other minor variances, each below £100k	
- Highways Improvements	1,596.7	-33.3	1,563.4	-109	-109	A number of minor variances, each below £100k, including some staffing vacancies.	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Road Safety	3,059.8	-2,146.4	913.4	-436	-384	Lower than budgeted average cost per attendee for Speed Awareness courses	This net saving is expected to be on-going and has been reflected in the 2015-18 MTFP
					-19	Reduced costs of Speed Awareness courses due to lower than budgeted number of attendees	
					+47	Reduced income for Speed Awareness courses due to fewer attendees	
					-80	Other minor variances	
- Streetlight energy	5,689.5	0.0	5,689.5	-301	-144	Greater than budgeted savings achieved from part night switch-off energy saving initiative, partially offset by costs of additional streetlights at new developments.	This saving is expected to be on-going and has been reflected in the 2015-18 MTFP
					-157	Lower than budgeted impact of electricity price increase	
- Traffic management	5,304.7	-3,363.2	1,941.5	-114	-145	Increased permit scheme income	
					+31	Other minor variances	
- Tree maintenance, grass cutting & weed control	3,361.5	0.0	3,361.5	-63	+150	Additional weed treatment. The budget only provides for one treatment but two treatments have been undertaken this year due to the mild and moist conditions leading to favourable growing conditions.	
					-115	Procurement saving on grass cutting	This saving is expected to be on-going and has been reflected in the 2015-18 MTFP
					-84	Underspend within High Speed Roads due to termination of works to offset High Speed Roads traffic management pressures reported within the General Maintenance & Emergency Response A-Z budget line above.	
					-14	Other minor variances	
	21,129.7	-7,678.1	13,451.6	-1,067			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Planning & Transport Strategy:							
- Planning & Transport Policy	1,121.7	-60.0	1,061.7	-9			
- Planning Applications	1,094.4	-600.0	494.4	0			
	2,216.1	-660.0	1,556.1	-9			
Regeneration & Economic							
- Regeneration & Economic Development Services	5,739.3	-1,777.8	3,961.5	-24			
Regulatory Services							
- Coroners	3,664.4	-1,032.7	2,631.7	-256	-157	Long Inquest costs lower than expected	
					-87	Fixtures, fittings and IT costs of setting up the coroners offices in KCC accommodation are considerably less than expected	
					-70	This underspend has arisen because the implementation of the new structure has been delayed until the new financial year. The service is therefore requesting roll-forward to cover the re-phasing of the expected costs of restructuring.	
					+58	Other minor variances	
- Emergency Planning	761.8	-169.0	592.8	-86			
- Trading Standards (incl. Kent Scientific Services)	3,812.8	-945.6	2,867.2	-4			
	8,239.0	-2,147.3	6,091.7	-346			
Schools Services							
- Other Schools Services	445.4	0.0	445.4	0			

ANNEX 5

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
Transport Services:	£'000	£'000	£'000	£'000	£'000		
- Concessionary Fares	17,006.0	-27.0	16,979.0	-226	-376	The budget to fund the bulk renewal of the bus passes, which happens every five years, is £376k; this was last done in 2012-13 meaning that aside from passes for new applicants, this budget will remain underspent this year.	
					+150	It has been agreed that it is now more appropriate to set up a smoothing reserve with a fixed annual contribution, which is then fully drawn down every five years to fund the bulk renewal of passes. The annual contribution to reserves required is £75k and the renewal takes place in four years time. For this year only a £150k transfer to reserves is required, representing a two year contribution for 2013-14 and 2014-15.	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Freedom Pass / Young Person's Travel Pass	13,301.5	-4,596.0	8,705.5	+2,523	+2,285	The Young Person's Travel Pass (YPTP) is a new scheme and a number of assumptions were made when setting the 2014-15 budget around the number of passes as well as the usage, both in terms of number of journeys and distance travelled. Reconciliations have now been provided by our concessionary travel consultant, MCL Transport Services, for the first three quarters of the year, and as can be seen from the activity table in 2.3, journey numbers are significantly above budgeted levels. Both the old Freedom Pass scheme and the new YPTP scheme have experienced higher journey numbers, which in part is due to some of the assumptions around the reductions expected from the weekend and evening restrictions not being fully achieved. In addition, the full impact from reductions in additional capacity bus payments has not been realised and bus operators have increased their fares between 2-5%, which is recognised in the reimbursement method of calculating the payments to bus operators – to ensure they are no better or worse off – and hence has added to the pressure on this budget.	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+238	As at Quarter 3 a shortfall in income is projected because the number of passes issued for the new scheme is below expected levels and also there is a different mix of full price, half price and free passes than assumed in the budget model (students in receipt of free school meals pay half price, and students in care, care leavers or young carers pay nothing).	
- Subsidised Bus Routes	10,093.8	-2,185.7	7,908.1	-681	-640	Additional savings from negotiation of lower than budgeted prices and greater contract efficiencies	This saving is expected to be on-going and has been reflected in the 2015-18 MTFP
					-41	Other minor variances	
- Transport Operations	1,271.4	-214.5	1,056.9	+87			
- Transport Planning	562.8	-228.0	334.8	+5			
	42,235.5	-7,251.2	34,984.3	+1,708			
<u>Waste Management</u>							
- Waste Commissioning & Contract Management	1,353.9	0.0	1,353.9	-65			
- Recycling & Diversion from Landfill:							
- Household Waste Recycling Centres	7,897.2	-1,982.0	5,915.2	-55	-246	Underspend due to contract changes at household waste recycling centres	
					-181	The amounts to be paid in recycling bonuses to contractors are expected to be lower than budget primarily as a result of a change of contractor at two sites, where under the terms of the new contract no bonuses are payable.	
					+102	Reduced income primarily resulting from reduced volumes of recyclable metals.	
					+193	Reduction in income primarily in relation to the sale of recycled textiles	
					+77	Other minor variances	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Partnership & development	500.7	-168.0	332.7	-17			
- Payments to Waste Collection Authorities (DCs)	6,241.0	-102.0	6,139.0	+209	+193	The Church Marshes Waste Transfer Station is currently not able to take food waste, meaning that Swale Borough Council's contractor must dispose of this at a different site and is incurring additional costs in doing so. KCC has agreed to reimburse these costs until problems at the site are resolved, which should be by the end of the financial year.	
					+150	Additional tipping away payments for Canterbury City Council following the end of a temporary arrangement to tip dry recyclable material within the council's boundary; the material is now tipped outside of the Canterbury area.	
					-108	Underspend on lease costs of Refuse Collection Vehicles in Shepway, net of reduced recharge to Shepway District Council.	
					+29	Increased recycling credit payments to Waste Collection Authorities and third party recyclers resulting from the higher volume of waste (+400 tonnes).	
					-55	Other minor variances	
- Recycling Contracts & Composting	8,111.0	-992.0	7,119.0	-582	+547	Forecast increase of +20,500 tonnes of hardcore, wood, garden and food waste, and other materials; the higher volume of waste has generated a small amount of additional income which is also included within this variance.	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.
					-1,038	Savings resulting from the new Materials Recycling Facilities contract	The full year effect of savings from new waste contracts has been reflected in the 2015-18 MTFP
					-102	Actual price of in-vessel composting is lower than budgeted	

ANNEX 5

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+11	Other minor variances	
	22,749.9	-3,244.0	19,505.9	-445			
- Waste Disposal:							
- Closed Landfill Sites & Abandoned Vehicles	568.0	-30.0	538.0	-29	+158	Insufficient creditor provision set up for Southern Water charges in 2013-14, plus an increase in the metered water charges at North Farm	Approx. £90k of this pressure is expected to be ongoing and has been addressed in the 2015-18 MTFP
					-125	Small underspends within Pollution Control Schemes.	
					-62	Other minor variances	
- Disposal Contracts	31,131.0	-156.0	30,975.0	+1,016	+945	Additional +8,400 tonnes of residual waste to be sent to the Allington Waste to Energy plant	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.
					+347	Forecast increased tonnage of residual waste to be sent to landfill (+15,000 tonnes) following re-direction of waste due to down time at the Allington Waste to Energy Plant	
					-342	Income from Trade Waste at North Farm and Dunbrik	This is expected to be ongoing and has been reflected in the 2015-18 MTFP
					+66	Other minor variances	

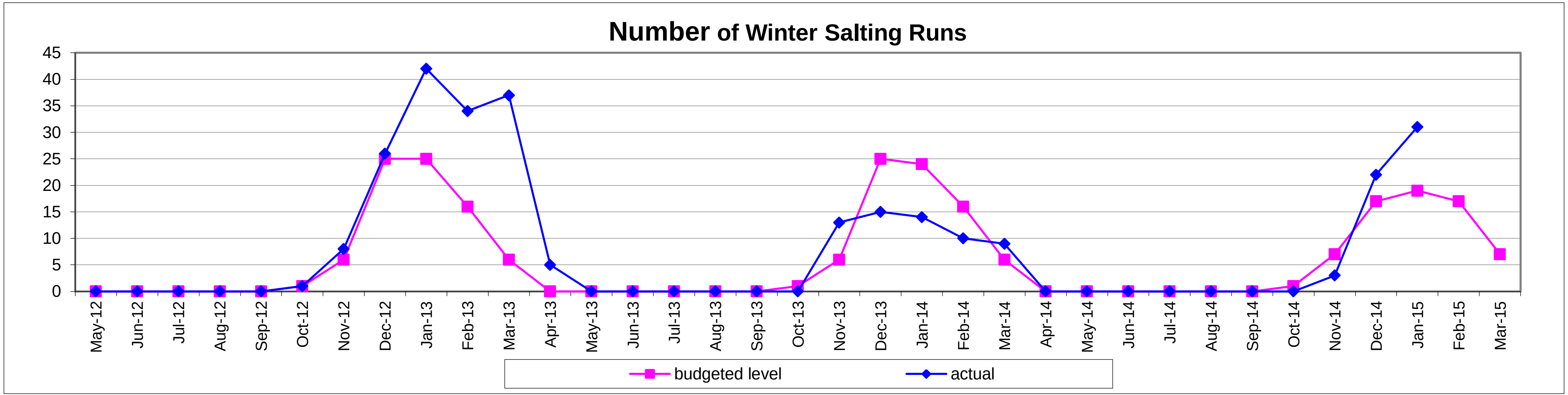
Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Haulage & Transfer Stations	9,947.0	-75.0	9,872.0	-1,009	-869	Underspend due to contract changes at transfer stations	
					-220	Reduced volume of waste at certain sites that are outside of the new contracts has resulted in an underspend. With the advent of the new contracts some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore a corresponding increase in volume at the sites which are included in the new contracts, has not attracted an offsetting additional cost.	
					+80	Other minor variances	
- Landfill Tax	4,651.0	0.0	4,651.0	+1,229	+1,229	Forecast increase in the volume of waste sent to landfill due to an overall increase in residual waste and unplanned maintenance at the Allington Waste to Energy plant (+15,000 tonnes)	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.
	46,297.0	-261.0	46,036.0	+1,207			
Total GE&T	**216,379.9**	**-36,321.3**	**180,058.6**	**-415**			
Assumed Mgmt Action							
Total Forecast <u>after</u> mgmt action	**216,379.9**	**-36,321.3**	**180,058.6**	**-415**			

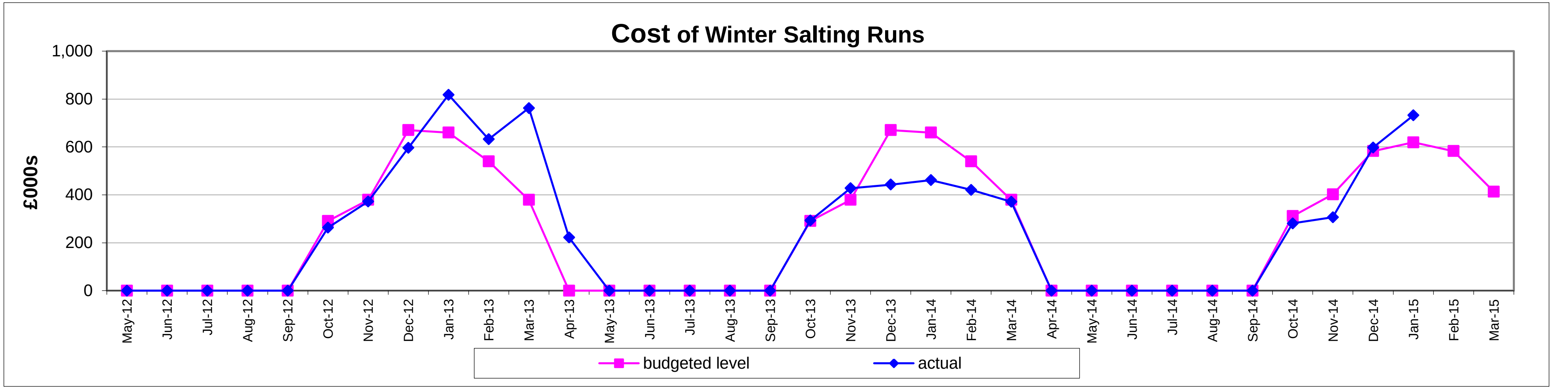
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

	2012-13				2013-14				2014-15			
	No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs	
	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000
Apr	-	1	-	12	-	5	-	222	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-
Oct	1	1	291	263	1	-	291	293	1	-	311	281
Nov	6	8	379	372	6	13	379	428	7	3	402	306
Dec	25	26	670	596	25	15	670	443	17	22	583	597
Jan	25	42	660	817	24	14	660	462	19	31	619	732
Feb	16	34	540	632	16	10	540	421	17		583	
Mar	6	37	379	762	6	9	379	371	7		414	
	79	**149**	**2,919**	**3,454**	**78**	**66**	**2,919**	**2,639**	**68**	**56**	**2,911**	**1,917**

The budgeted number of salting runs assumes county wide coverage but in some cases, the actual number includes salting runs for which only part county coverage was required.





Comments:

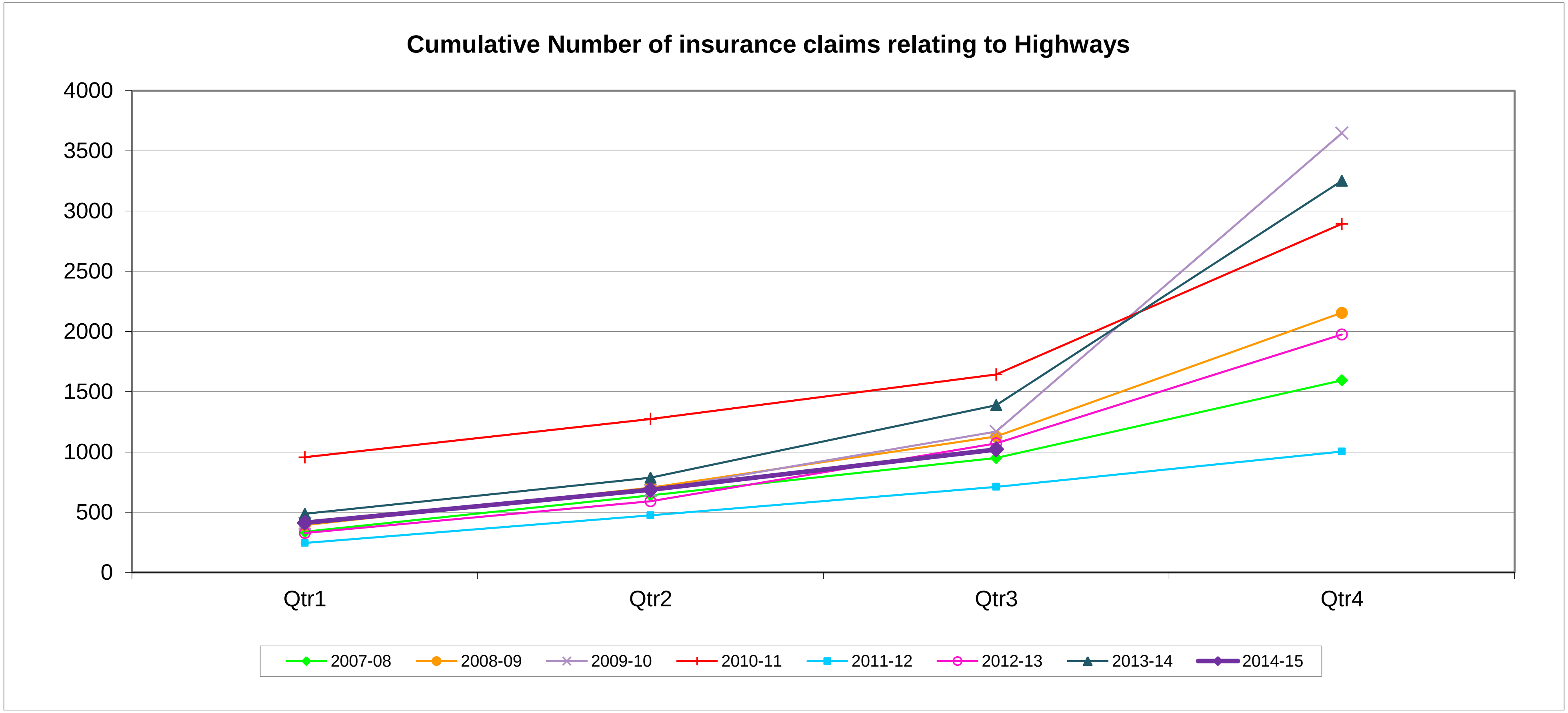
- As a result of the prolonged hard winter which extended into April 2013, unbudgeted salting runs were required at the start of last financial year resulting in additional expenditure of £222k. However the actual number of salting runs was below budgeted levels due to the mild winter of 2013-14. Overall there was a net underspend of -£176k on the adverse weather budget in 2013-14 which was due to an underspend of -£280k on winter salting runs (as shown in the table above), an overspend of £146k due to insufficient provision being made for 2012-13 salting costs and an underspend of £42k of other costs associated with adverse weather, not directly attributed to salting runs. The 2014-15 budgeted level of runs is lower than either of the last two years as the contract has changed with a greater proportion of the total cost per run now being fixed, resulting in fewer overall runs being affordable.

- The actual number of salting runs in 2012-13 was above the budgeted levels, however, the budgeted cost of salting runs was calculated using the worst case scenario in terms of the rate of spread of salt. As the actual spread of salt was at a lower rate than assumed, this resulted in the costs of salting runs not being as high as the number of salting runs may suggest. Overall there was a net overspend of £1.669m on the adverse weather budget in 2012-13, which was due to an overspend of £0.535m on winter salting runs (as shown in the table above) and an overspend of £1.134m of other costs associated with adverse weather, not directly attributed to salting runs, such as costs of snow clearance, maintenance costs of farmers' ploughs, salt bins & weather stations.

- 2014-15 year to date activity is 12 salting runs above the affordable level but only £3k above budget as at January. Many of the runs have required a lower spread of salt than assumed in the budget and also on a number of occasions the whole county has not been treated, which again results in reduced costs. Together, this has resulted in the costs of salting runs not being as high as the number of runs may suggest. This small variance does not show in Table 1 of section 1.2 as it is offset by other minor variances.

2.2 Number of insurance claims arising related to Highways

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
Apr to Jun	337	393	408	956	245	327	486	412
Jul to Sep	640	704	680	1,273	473	590	786	686
Oct to Dec	950	1,128	1,170	1,643	710	1,072	1,388	1,021
Jan to Mar	1,595	2,155	3,647	2,893	1,003	1,975	3,251	



Comments:

- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have three years to pursue an injury claim and six years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 31 December 2014.
- Claims were high in each of the years 2008-09 to 2010-11 largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. These claim numbers may increase further as more claims are received for incidents which occurred during the period of the bad weather.
- Claims were lower in 2011-12 which could have been due to many factors including: an improved state of the highway following the find and fix programmes of repair, an increased rejection rate on claims, and a mild winter. However, claim numbers increased again in 2012-13, which was likely to be due to the prolonged hard winter and the consequent damage to the highway, but claim numbers did not increase to the levels experienced during 2008-09 to 2010-11, probably due to the continuation of the find and fix programmes of repair. Claim numbers were again high in 2013-14, probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. However, additional funding has been made available to address this.
- Claim numbers for 2011-12, 2012-13 and 2013-14 have increased since the September monitoring report presented to Cabinet on 1 December 2014 as new claims have been received relating to incidents occurring during these years, as explained above.
- The Insurance section continues to work closely with Highways to try to reduce the number of claims and currently the Authority is managing to achieve a rejection rate on claims received over the past 12 months where it is considered that we do not have any liability, of just over 90%.

2.3 Young Persons Travel Pass (formerly Freedom Pass)

	2012-13				2013-14				2014-15			
	Passes		Journeys travelled		Passes		Journeys travelled		Passes		Journeys travelled	
	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)
Qtr 1	26,800	25,668	2,108	2,136	26,970	27,571	2,263	2,361	29,500	29,966 ^	2,210	2,407 #
Qtr 2	24,703	26,051	1,333	1,621	27,260	28,227	1,719	1,832	25,430 *	24,223	1,512	1,705
Qtr 3	25,877	27,141	2,137	2,464	28,420	29,272	2,534	2,627	25,430 *	24,747	1,789	2,076
Qtr 4	26,500	27,711	2,498	2,431	29,000	29,972	2,534	2,765	25,430 *	23,618 ~	1,922	
			8,076	**8,652**			**9,050**	**9,585**			**7,433**	**6,188**

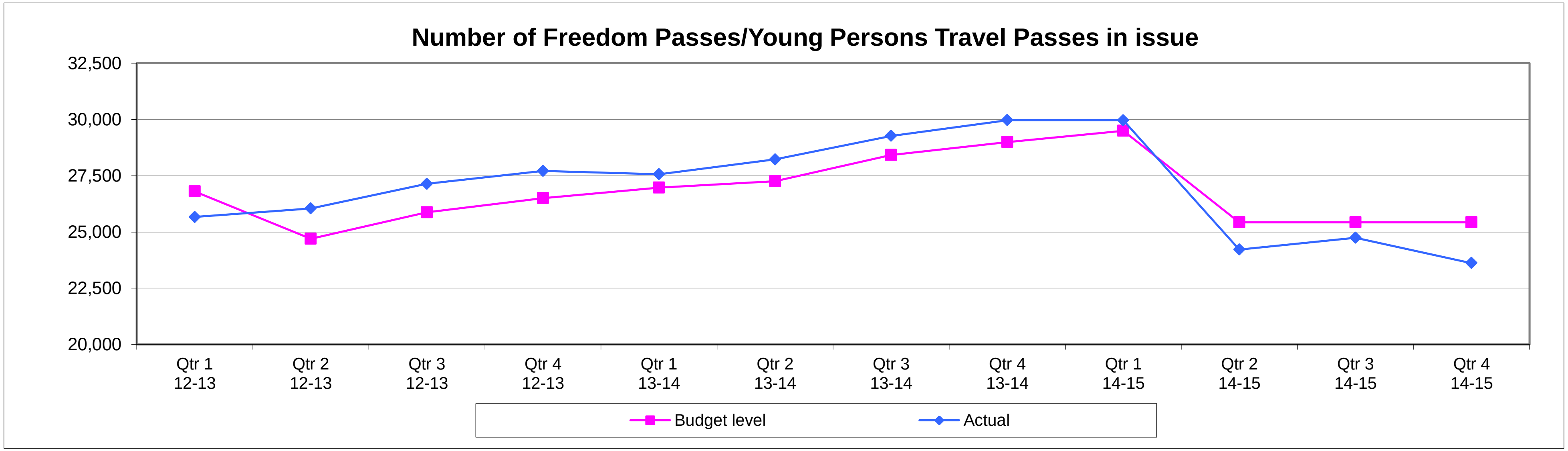
The data for this activity indicator is only provided on a quarterly basis from our concessionary travel consultant, MCL Transport Services.

* 2014-15 budget costings have been reviewed and the affordable number of passes for YPTP has changed as a result.

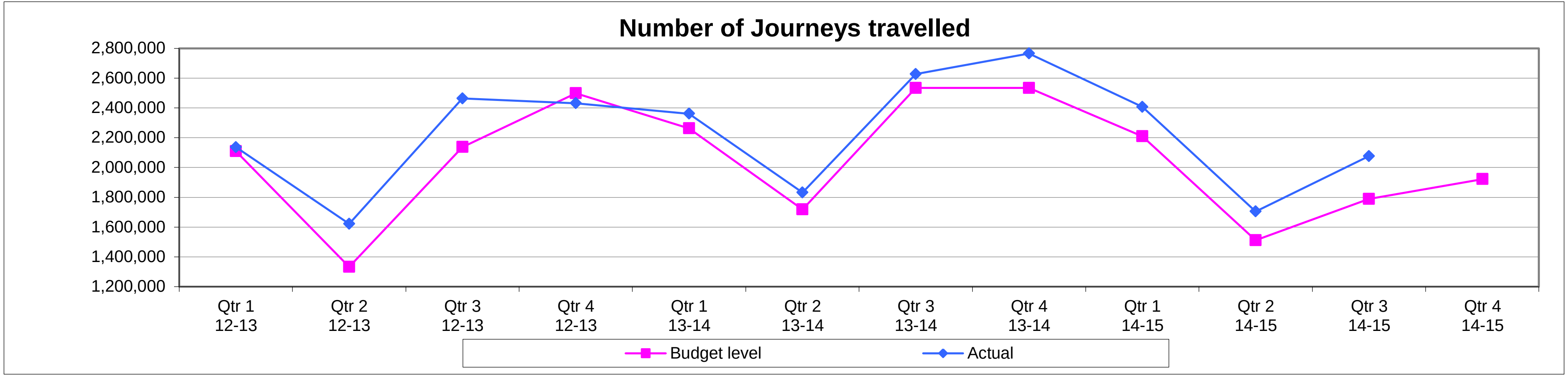
^ The number of Q1 Freedom Passes has been revised as it previously excluded, in error, young people who had upgraded from a Home to School Transport pass.

~ This reflects the known number of valid passes for Mar 15, as at mid February. Further applications are still being received, so this figure will be updated in future reports to provide the snapshot of passes as at 31 March 2015.

The Q1 actual journeys has been revised following reconciliation by our concessionary travel consultant, MCL Transport Services.



ANNEX 5



Comments:

- Freedom Pass applications steadily increased from quarter one of 2012-13 to when the old scheme ceased in Quarter 1 2014-15, due in part to changes in education transport policy, and the continued popularity of the scheme, resulting in a pressure on this budget in 2012-13, hence Cabinet, at the 15 July 2013 meeting, agreed to allocate £800k of rolled forward 2012-13 underspending to support this budget in 2013-14. Despite this, there was still a pressure on this budget in 2013-14 also.
- The figures for actual journeys travelled are regularly reviewed and updated as further information is received from the bus companies, so may be subject to change.
- The above figures do not include journeys travelled relating to free home to school transport as these costs are met from the Education & Young People Directorate budget and not from the Young Persons Travel Pass budget.
- The reduction in the budgeted number of journeys for 2014-15 is as a result of the introduction of a new scheme, agreed by County Council in February 2014, restricting travel to between the hours of 6am and 7pm, Monday to Friday, between 1 September and 31 July, meaning the pass is no longer valid during the school summer holidays or at weekends. As a result of these changes it was anticipated that the number of passes in issue will reduce and this is reflected in the 2014-15 budgeted number of passes shown in the table above.
- The above figures show that the number of passes for the old scheme in issue in Quarter 1 was above the budgeted number, as were the number of journeys being travelled. Following implementation of the changes to the scheme, YPTP pass numbers remain short of budgeted levels: 24,223 new passes were issued as at 30 September 2014 for the new academic year; this increased to 24,747 as at 31 December 2014, although the figure has dropped to 23,618 as at mid February. This reduction is as a result of a number of half year passes not yet being renewed for the second half of the academic year (applications were due by early January, although a number of requests for renewals are continuing to come in).

2.4 Waste Tonnage

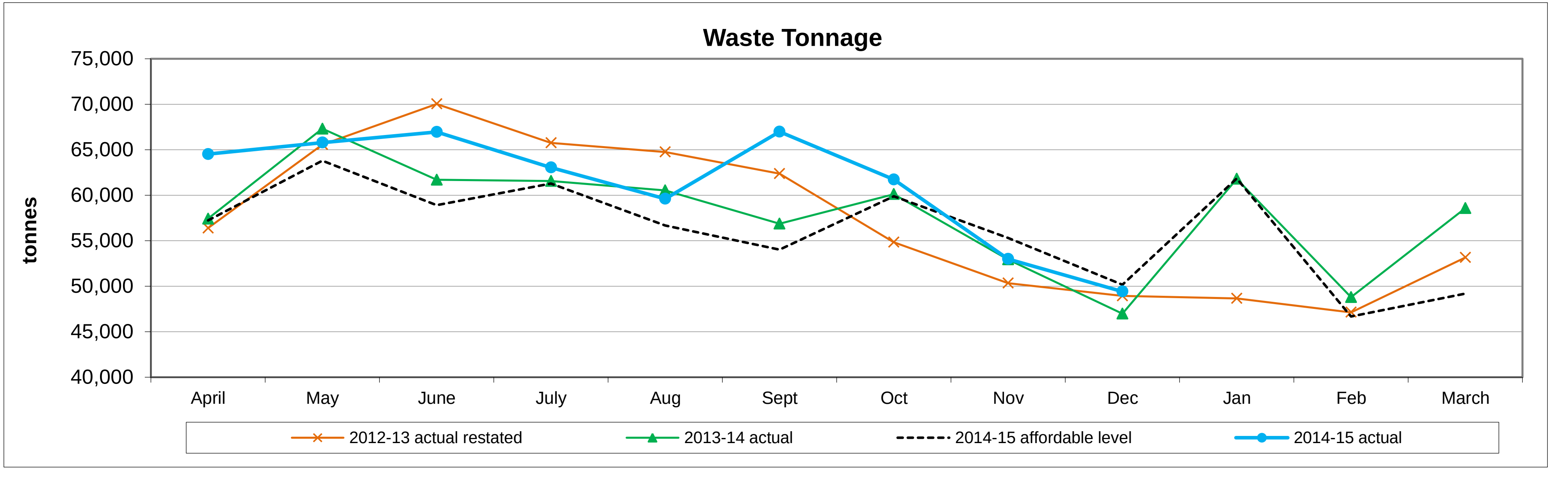
	# 2012-13 restated	2013-14 restated	2014-15	
	Waste Tonnage	Waste Tonnage	Affordable Level ^	* Waste Tonnage
Apr	56,390	57,423	57,246	64,522
May	65,562	67,314	63,802	65,789
Jun	70,033	61,701	58,899	66,948
Jul	65,764	61,563	61,282	63,048
Aug	64,760	60,519	56,684	59,617
Sep	62,377	56,884	54,032	66,984
Oct	54,837	60,127	59,881	61,734
Nov	50,344	52,934	55,294	52,990
Dec	48,925	46,979	50,167	49,418
Jan	48,668	61,791	61,844	
Feb	47,135	48,801	46,682	
Mar	53,150	58,583	49,187	
	687,945	**694,619**	**675,000**	**551,050**

^ Historically contracts with service providers have been on the basis of a four/four/five week cycle of accounting periods (with weeks ending on a Sunday), rather than on calendar months, and reported waste tonnages have reflected this. From April 2013, due to changes in managing waste contracts, all service providers have transferred on to a calendar month basis .

The 2012-13 actual waste tonnage data has been restated on a calendar month basis to ease comparison with 2013-14.

* Note: waste tonnages are subject to slight variations between reports as figures are refined and confirmed with Districts.

These waste tonnage figures include residual waste processed either through Allington Waste to Energy plant or landfill, recycled waste and composting.



Comments:

- From 2013-14 Waste tonnage data is based on waste outputs from transfer stations rather than waste inputs to our facilities. This is necessary due to the changes in how waste is being presented to KCC by the waste collection authorities, where several material streams are now being collected by one refuse collection vehicle utilising split body compaction. These vehicles are only weighed in once at our facilities, where they tip all of the various waste streams into the separate bays, and then the vehicle is weighed out when empty. The separate waste streams are stored separately at our transfer stations, where these materials are bulked up for onward transfer to various processing plants/facilities. The bulked loads are weighed out, providing data for haulage fees and then are weighed in at the relevant processing plant, providing data for processing fees. All the data presented in the table above has been restated on this output basis in order to enable comparison.
- The overall volume of waste managed in 2013-14 was 694,619 tonnes, which was 20,381 tonnes below the affordable level and equated to a saving of £2.155m. However this saving on waste volumes was offset by other pressures within the service, giving an overall saving against the waste management budget of £0.778m last year.
- The actual tonnage in 2013-14 of 694,619 tonnes was far higher than the forecast figure of 676,900 tonnes based on actuals to January and reported to Cabinet in April. This unexpected increase in volume in the final quarter of 2013-14 has continued into 2014-15, with cumulative tonnage activity for the first nine months of the year approximately 33,800 tonnes more than the affordable level for the same period; the 2014-15 affordable level is based on the actual activity of the first three quarters of 2013-14. This increase in waste tonnage is reflected in the current financial forecast in table 1 of this annex.
- Based on the actual waste tonnage for April to December, and forecasts for January to March, the overall volume of waste to be managed this financial year is expected to be approximately 719,300 tonnes, which is 44,300 tonnes above the affordable level and equates to a pressure of £2.979m. However with the advent of the new contracts some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore an increase in waste tonnage may not always result in an increased pressure on the waste budget. The pressure on waste volumes is mostly offset by other savings within the service, as detailed in table 1, giving an overall net pressure against the waste management budget of +£0.697m. The service believes that the increase in waste tonnage experienced over the last twelve months can be mostly explained by two separate issues. Firstly, climatic: the extraordinarily mild and moist winter of 2013-14 and spring 2014, as well as a markedly high water table, led to a very favourable and advanced growing season, leading to high levels of organic waste. In addition, large volumes of broken fence panels etc were evident in the early part of the financial year as a result of repairs to winter storm damage. Secondly, the growth in the UK economy has led to increased waste arising across the UK, but particularly in the south east, where economic activity is greatest, in particular in house purchases and renovations.
- The figures in Table 1 of section 1.2 are based on actual activity for April to December, with estimates for the remaining three months. Overall waste volumes are currently 4.9% higher for the first nine months of the year when compared with the same period for last year. The current forecast of 719,300 tonnes is only 3.6% higher than actual tonnage for 2013-14 and assumes that the unusually high tonnage in January last year resulting from the floods and storms will not be repeated this year. Waste tonnages for November & December are below the affordable levels, which is encouraging and may suggest that the recent trend of increased waste volumes is starting to reverse and fall more in line with expectations, however waste volumes remain volatile.

3. CAPITAL

3.1 The Growth, Environment and Transport Directorate has a working budget for 2014-15 of £128,500k. The forecast outturn against the 2014-15 budget is £118,097k giving a variance of -£10,403k.

3.2 **Table 2** below details the Growth, Environment and Transport directorate Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Country Parks Access and Development	180	77	-2	-2	Rephasing: capital receipt		Green		
Library Modernisation Programme	1,095	782	-782	-782	Rephasing: prudential	Rephased following review through the budget process.	Green		
Management and Modernisation of Assets - Vehicles	430	166	0	0			Green		
Public Rights of Way	2,505	1,368	42	42	Rephasing: -£80k grant Real: +£92k external other and +£30k developer contributions		Green		Increase 14-15 cash limit by £92k external other and £30k developer contributions
Public Sports Facilities Improvement - Capital Grant	300	100	0	0			Green		

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Village Halls and Community Centres - Capital Grants	725	325	-60	-60	Rephasing: prudential		Green		
Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening	83,582	39,719	-48	-48	Rephasing: -£339k external other Real: +£246k grant, +£20k external other and +£25k revenue	Real variance comprises: +£63k contribution from MHF towards the delivery of a resurfacing scheme. +£133k uncommitted member grant to fund increased costs relating to final account for resurfacing contracts. +£50k from Carriageway Collapse scheme to fund some urgent culvert works. +£20k external contribution towards tourism signs and footway repairs. +£25k for weather station enhancements to be funded from a renewals reserve. Rephasing of -£339k following a recent review of the resurfacing schemes delivery. Also, several barrier replacement schemes now require detailed design and public consultation.	Green		Increase 14-15 cash limit by +£113k grant

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Integrated Transport Schemes under £1 million	11,346	5,039	648	648	Rephasing: -£32k grant and -£268k developer contributions Real: +£903k grant and +£45k external other	+£903k reflects additional grant awarded by the DfT to deliver local sustainable transport schemes. More works are now being scheduled to maximise the grant allocation. An additional +£45k external contribution towards Coxheath traffic calming scheme. -£300k rephasing comprises a number of schemes reprofiled across the Integrated Transport programme.	Green		

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Member Highway Fund		1,132	-361	-361	Real: -£196k grant Rephasing:-£165k grant	Real variance of -£196k consists of: -£63k to contribute towards the delivery of a member nominated resurfacing scheme and -£133k uncommitted member grant which will be used to settle increased final resurfacing accounts within the Highway Major Enhancement programme. Rephasing of -£165k consists of: -£68k for schemes which have been ordered but where delivery has been delayed following scheme redesign as a result of public consultation and £97k for committed schemes yet to be designed.	Green		Decrease 14-15 cash limit by -£63k grant

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Land compensation and Part 1 claims arising from completed projects	1,213	261	-222	-222	Rephasing: -£21k developer contributions and -£201k prudential	Rephasing due to significant delays in mobilising new valuation service tender to the new provider. The forecast has been adjusted to reflect actual completion within the financial year.	Green		
Major Schemes - Preliminary Design Fees	450	680	0	0			Green		
Individual Projects									
Dartford Library Plus	434	434	-434	-434	Rephasing: -£125k capital receipt, -£120k prudential, -£180k developer contributions and -£9k external other.	Following public consultation suggested changes have impacted on delivery times and hence rephasing to 15/16.	Amber	Will remain amber status until new completion date agreed.	
Kent History & Library Centre	0	104	-94	-94	Rephasing: -£94k PEF2		Green	There has been no impact on the completion date.	
New Community Facilities at Edenbridge	0	43	0	0			Green		
Southborough Hub	250	125	-125	-125	Rephasing: -£122k capital receipts and -£3k developer contributions.	A new enhanced scheme is currently being considered and the project has been reprofiled accordingly.	Amber	Will remain amber status until revised scheme completion date agreed.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Tunbridge Wells Library	0	10	0	0			Green		
Broadband	21,850	12,955	-4,950	-4,950	Rephasing: +£837k grant and -£5,787k prudential	As a result of the in-life contract management controls, KCC has been working with BDUK to identify potential savings and deployment efficiencies within the broadband programme work. Whilst good progress is being made, and the project deployment remains on track, given that the infrastructure build is now moving into more complex areas, some re-phasing is required.	Green	There has been no impact on the completion date.	
Cyclopark	0	35	0	0			Green	The revised completion date of 30/06/2015 has been previously reported	
Empty Property Initiative	7,500	2,972	-472	-472	Rephasing: -£482k external other Real: +£10k revenue	Potential loans from this project have been diverted to develop the new NUE (No Use Empty) programme so the product can be developed and tested.	Green	There has been no impact on the completion date.	

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Eurokent Road (East Kent)	69	71	-62	-62	Rephasing: external other		Green	There has been no impact on the completion date.	
Folkestone Heritage Quarter	300	402	310	310	Real: external other	Successful HLF funding claim (total of £1.3m) for regeneration of heritage quarter and harbour area in Folkestone of which £1.063m is available for capital use (£0.310m in 2014-15 and balance in future years).	Green		
Incubator Development	0	401	-17	-17	Rephasing: prudential		Green	There has been no impact on the completion date.	
LIVE Margate	2,656	5,076	-3,376	-3,376	Rephasing: prudential	KCC has endeavoured to acquire some key strategic sites and it is taking longer to finalise these acquisitions.	Green	There has been no impact on the completion date.	It is proposed to move this project to S&CS.
Marsh Million	200	433	-300	-300	Rephasing: -£200k capital receipt and -£100k external other	The take-up of funding for this scheme has been slow. Marketing activity has been ongoing to raise the profile of the fund.	Green	There has been no impact on the completion date.	
No Use Empty - Rented Affordable Homes	250	563	795	795	Real: external funding	Following full project spend the HCA funding is now available and reflected in the forecast.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Old Town Hall, Gravesend	58	15	33	33	Rephasing: +£5k prudential and +£28k capital receipts		Green		
Payers Park	0	500	0	0			Green		
Regeneration Fund Projects	2,006	2,902	0	0			Green		
Regional Growth Fund - Expansion East Kent	21,000	9,867	5,133	5,133	Rephasing: grant	The fund is heavily committed, and hence currently quite a lot of the spend will be defrayed (according to current actual and pipeline cases) in current year.	Green		
Regional Growth Fund - Journey Time Improvement (JTI)	4,556	330	23	23	Rephasing: grant		Green		
Rural Broadband Demonstration Project	1,315	675	-516	-516	Real: -£100k prudential and -£416k prudential revenue	The rural allocation was based on providing grants to local communities. On review of the market, the response is likely to be insufficient to generate good value for money for KCC. The funding has been rolled into the Superfast Extension Programme to enable more rural areas to be covered. This scheme is due to start in 2016-17.	Green	There has been no impact on the completion date.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Swale Parklands	0	48	-25	-25	Real: prudential	Underspend to fund Tram Road/Tontine Street.	Green	The revised completion date of 31/03/2015 has been previously reported	
Tram Road/Tontine Street Road Works	0	13	25	25	Real: prudential	To be funded from Swale Parklands.	Amber	A change in contractor has caused additional works to be carried out, but overspend will be funded from Swale Parklands.	
TIGER	16,000	4,796	5,478	5,478	Rephasing: grant	The fund is heavily committed, and hence currently quite a lot of the spend will be defrayed (according to current actual and pipeline cases) in current year.	Green	There has been no impact on the completion date.	
Escalate	5,400	5,500	-311	-311	Rephasing: grant	The forecast has been adjusted according to current actual and pipeline cases in current year.	Green	There has been no impact on the completion date.	
Energy and Water Efficiency Investment Fund - External	431	235	-10	-10	Rephasing: revenue		Green	There has been no impact on the completion date.	
Energy Reduction and Water Efficiency Investment - KCC	292	172	-64	-64	Rephasing: revenue		Green	There has been no impact on the completion date.	
Sandwich Sea Defences	1,875	1,515	-75	-75	Rephasing: prudential		Green	There has been no impact on the completion date.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Coldharbour Gypsy site		41	34	34	Real: -£41k external other and +£75k capital receipt.		Amber	Increased cost following agreement of final account with the contractor. This is to be funded by capital receipt.	
Archaeological Heritage Findings			19	19	Real: grant		Green		
Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs):									
HWRC - Tonbridge and Malling	300		0	0			Green		
HWRC-West Kent	600	0	0	0					
Richborough Closed Landfill site-Emergency Works	0	200	0	0			Green		
Sturry Road Closed Landfill site-Emergency Works	0	49	0	0			Green		
TS/HWRC - Ashford	50	50	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
TS/HWRC - Swale	3,380	1,880	-1,280	-1,280	Rephasing: -£1,030k prudential Real: -£250k prudential	Bridge works only to be carried out in this financial year. The revised scheme is showing an overall underspend of £250k and this will used to fund the over spend reported in weather damage (£100k) and Street Lighting Timing (150k).	Green	There has been no impact on the completion date.	Decrease cash limit in 14-15 by -£250k Prudential
Kent Highway Services									
Weather Damage - Major Patching	0	1,516	105	105	Real: +£100k prudential and +£5k external other	Additional works had been carried out. The overspend is to be funded by £100k underspend shown against the Swale Transfer station, and additional external funding of £5k.	Amber		Increase cash Limit in 14-15 by +£100k Prudential
Carriageway Collapse-Emergency works	0	1,119	-50	-50	Real: grant	Works nearly completed. £50k budget no longer required and will be transferred to Highway Major Enhancement to fund some urgent culvert works.	Green		Decrease Cash limit in 14-15 by -£50k Grant

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Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
A228 Colts Hill Strategic Link - Major Road Scheme	0	0	0	0					
East Kent Access Phase 2 - Major Road Scheme	3,447	2,011	-1,669	-1,669	Rephasing: grant	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Growth without Gridlock initiatives	350	0	0	0					
Kent Thameside Strategic Transport Programme	11,526	1,479	-1,179	-1,179	Rephasing: -£872k grant and -£307k developer contributions	The overall programme is still under review. Rathmore Road link within the programme has now been given planning consent in October 2014 to go ahead. The earlier profile anticipated the voluntary acquisition of a property and this is unlikely to happen in this financial year due to slow progress on negotiation to agree terms with the owner's agent.	Green	There has been no impact on the completion date.	
Lorry Park	14,620	1,080	-1,055	-1,055	Rephasing: prudential	Further options are being explored hence the start date has been delayed.	Green	The revised completion date has been previously reported.	

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
North Farm Longfield Road, Tunbridge Wells	4,275	6,054	-1,283	-1,283	Rephasing: developer contributions	Predicted completion now June 2015 as a result of unchartered utility services that require diversion or protection.	Green	The revised completion date of June 2015 has been previously reported	
Rushenden Link (Sheppey) - major road scheme	749	694	-584	-584	Rephasing: prudential	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Sandwich Highways Depot	3,000	0	0	0			Green		
Sittingbourne Northern Relief Road - major road scheme	2,722	2,395	-2,007	-2,007	Rephasing: developer contributions	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Street Lighting Column - Replacement Scheme	2,500	1,804	0	0			Green		
Street Lighting Timing - Invest to Save	1,817	1,512	250	250	Real: +£150k prudential and +£100k grant.	Increased cost is mainly due to a higher than expected number of columns needing to be rewired to enable conversion and higher staff cost than originally estimated. The overspend is to be funded from the Swale Transfer station and old residual grant balances.	Amber		Increase cash Limit in 14-15 by +£150k Prudential and Grant +£100k

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Thanet Park Way	2,600	1,642	-1,500	-1,500	Rephasing: prudential	The rephasing is due to delays in the procurement process and the delay in acquiring the land in this financial year. The negotiations are under way, but unlikely to be completed in this financial year.	Green	The revised completion date reported in June 2014 Monitoring.	
Westwood Relief Strategy - Poorhole Lane Improvement	1,727	4,386	-1,033	-1,033	Rephasing: +£155k grant, -£1033k prudential and -£155k developer contributions	Scheme is expected to be completed in June 2015. The delay is due to unchartered and shallow utility services needing some extra mitigation works. These costs have been absorbed within the overall budget.	Amber	Revised completion date June 2015.	
Ashford Schemes									
A28 Chart Road, Ashford	16,600	0	660	660	Rephasing: developer contributions	The scheme has received planning consent. The anticipated spend is now being brought forward to cover initial development works and engagement with utilities.	Green	The overall scheme cost has increased and this will be funded from the anticipated LEP grant and developer contributions.	
Victoria Way	468	505	0	0			Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Drovers Roundabout junction	192	242	-12	-12	Rephasing		Green	There has been no impact on the completion date.	
Total	**259,191**	**128,500**	**-10,403**	**-10,403**					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 6

STRATEGIC & CORPORATE SERVICES DIRECTORATE
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+82,638**	**-1,097**	**-**	**-1,097**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Strategic & Corporate							
Strategic Management & Directorate Support Budgets	3,535.1	-5,089.3	-1,554.2	-172	-167	Staff vacancies, mainly due to secondments to the Facing the Challenge team	
					-5	Other minor variances	
Community Services							
- Contact Centre & Citizens Advice Help Line	3,569.4	-1,524.1	2,045.3	+507	+165	In the current year there has been an increase in the number and duration of calls to the Contact Centre, resulting in a need to increase staffing levels to maintain performance.	Management action has been taken which has improved performance to target whilst delivering some efficiencies and keeping additional staff to a minimum.
					+269	The service transferred to S&CS with a previous year saving of -£573k and a further -£213k saving for 2014-15 in the base budget. Delivery was focussed on reducing staffing levels but has not been entirely possible because of the unanticipated effect on performance/ outputs, as described above.	Management action underway to address the savings targets by reviewing the way these can be delivered. Future strategy is focussed on moving customer contact to a web based solution which will yield further efficiencies.
					+73	Other minor variances	
- Gateways & Customer Relationship	2,940.6	-113.3	2,827.3	-165	-165	Other minor variances each below £100k	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Local Healthwatch & NHS Complaints Advocacy	1,281.5	-706.0	575.5	-276	-213	Reduction in estimated number of Healthwatch business cases which will require funding in 2014-15	
					-63	Other minor variances	
	7,791.5	-2,343.4	5,448.1	+66			
Local Democracy							
- Community Engagement	415.3	0.0	415.3	+185	+277	The service transferred to S&CS with an existing saving of £327k based on an anticipated service review which should have happened in the previous financial year. The review of this service has now been completed and a revised structure is subject to consultation.	
					-92	Other minor variances, each below £100k, including savings from a moratorium on non critical spend to offset the pressure on this service.	
- County Council Elections	570.0	0.0	570.0	0			
- Local Member Grants	2,120.5	0.0	2,120.5	0			
- Partnership arrangements with District Councils	2,463.2	0.0	2,463.2	-40			
	5,569.0	0.0	5,569.0	+145			
Support to Frontline Services							
- Business Strategy	3,365.5	-82.0	3,283.5	-277	-311	Staff vacancies & maternity leave. A committed roll forward of £14k will be requested for Health Reform monies which is due to be spent in April & May 2015.	
					+34	Other minor variances	
- Business Strategy (Facing the Challenge & Corporate Portfolio Office)	504.2	0.0	504.2	0	+4,027	Facing the Challenge costs in excess of the gross budget of £484.1k which was rolled forward from 2013-14	
					-4,027	Drawdown from reserves to meet Facing the Challenge costs in excess of cash limit	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+792	Corporate Portfolio Office costs in excess of the gross budget of £20.1k which was rolled forward from 2013-14	
					-792	Drawdown from reserves to meet Corporate Portfolio Office costs in excess of cash limit	
					+252	Corporate/Customer Services Transformation Assessment works	Service transformation costs have been held here as a holding position this year and it is anticipated that these transformation costs, together with the matching drawdown from reserves, will be transferred to the relevant services before the end of the financial year.
					+341	Adult Social Care Transformation Phase 2 Assessment works	
					+113	0-25 Children's Services Transformation Assessment works	
					+1,000	0-25 Children's Services Transformation Design works - in accordance with Cabinet Member decision 14/00086	
					-1,706	Drawdown from reserves to fund Transformation works detailed above	
- Communications & Consultation	2,805.4	-131.0	2,674.4	-343	-136	Staff vacancies	
					-42	Income from Public Health to fund costs of Press Campaign Officer	
					-165	Other minor variances each below £100k	
- Democratic & Members	3,835.1	-128.7	3,706.4	-66			
- Finance & Procurement	19,644.4	-7,761.9	11,882.5	-335	+240	Delay in reduction in Support Services and related activities pending the outcome of Facing the Challenge review	
					-187	Staffing vacancies	
					-208	Reduction in specialist fees within Financial Management	
					-180	Other minor variances each below £100k	

ANNEX 6

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Human Resources	15,635.2	-6,464.8	9,170.4	-531	-61	Staffing vacancies	
					-365	Revision to the training budget following finalisation of workforce development plans	The training budget was reviewed as part of the 2015-18 MTFP process and a revised budget set for 2015-16.
					-149	Additional income for recruitment services provided to schools & academies	
					+44	Other minor variances	
- Information, Communications &	34,954.1	-17,351.3	17,602.8	-7	-7		
- Legal Services & Information Governance	9,574.3	-11,725.9	-2,151.6	+180	+136	Reduction in income resulting from market conditions	
					+44	Other minor variances	
- Property & Infrastructure Support	32,913.9	-6,411.2	26,502.7	+243	+243	Property Group budget for 2014-15 has a £300k savings target which depends on service changes and reviews taking place in other parts of the Authority in order to enable the overall property portfolio to reduce. The service reviews are outside the control of Property Group.	Action is being taken to address this through on-going work with service directorates to identify opportunities. The 2015-18 MTFP includes further savings to be delivered from asset rationalisation.
	123,232.1	-50,056.8	73,175.3	-1,136			
Total S&CS	**140,127.7**	**-57,489.5**	**82,638.2**	**-1,097**			
Assumed Management Action							
Total S&CS Forecast after mgmt action	**140,127.7**	**-57,489.5**	**82,638.2**	**-1,097**			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts

The total forecast receipts expected to be banked during 2014-15 is £11.963m. With the imminent closure of PEF1 and PEF2 all receipts achieved will now go towards funding the capital programme. Finance and Property colleagues are continuing discussions to resolve any ongoing implications from the closure of the two funds.

2.2 Capital Receipts Funding Capital Programme

	2014-15
	£'000
Capital receipt funding required for capital programme	28,956
Banked in previous years and available for use	31,449
Receipts from other sources*	2,571
Requiring to be sold this year	-5,064
Forecast receipts for 2014-15	11,963
Potential Surplus/(Deficit)	17,027

2.2.1 The total capital receipt funding required to fund projects in the capital programme per the latest forecasts for 2014-15 totals £28.956m. Taking into account receipts banked in previous years which are available for use, receipts from other sources, and on the assumption the forecast receipts are achieved in 2014-15, there is a forecast "surplus" of capital receipt funding by the end of the year. It should be noted that any surplus would be a result of timing differences between when the receipts are achieved and when the spend is incurred in the capital programme. Any surplus receipts would therefore be required to fund future capital expenditure.

2.2.2 PEF1 and PEF2 have served their original purpose and work is underway to close these two funds as mentioned in paragraph 2.1 above.

3. CAPITAL

3.1 The Strategic and Corporate Services Directorate has a working budget for 2014-15 of £29,764k. The forecast outturn against the 2014-15 budget is £24,911k, giving a variance of -£4,853k.

3.2 **Table 2** below details the Strategic and Corporate Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Corporate Property Strategic Capital	5,300	2,650	0				Green		
Disposal Costs	750	250	300	300	Real: capital receipts	Increased forecast reflects the capitalisation of security costs to protect the value of KCC assets.	Amber	Amber status reflects increased forecast.	
Modernisation of Assets	5,626	6,793	-3,500	-3,500	Rephasing: prudential	Mainly due to hiring an environmental consultant to decide most economical way forward on two large building works.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Individual Projects									
Connecting with Kent	282	651	0				Green		
Customer Journey Programme (Facing the Challenge)	990	709	-709	-709	Rephasing: prudential	Project presently on hold until further clarity on requirements following Facing the Challenge.	Amber	Amber until completion date agreed.	
Enterprise Resource Programme	0	209	10	10	Rephasing: -£50k prudential Real: +£60k revenue		Green	The revised completion date of 30/06/2015 has been previously reported.	
Gateways (Programme Rollout)	296	296	-146	-146	Rephasing: prudential	Enhanced design work and additional value engineering.	Green	There has been no impact on the completion date.	
HR System Development	160	160	-60	-60	Rephasing: prudential		Green	There has been no impact on the completion date.	
Innovative Schemes Fund	2,000	926	0				Green		

ANNEX 6

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
New Ways of Working	12,400	14,238	0				Green		
Property Asset Management System	0	90	0				Green	The revised completion date of 31/03/2015 has been previously reported.	
Replacement and Enhancement of Core Website (Facing the Challenge)	412	560	-320	-320	Rephasing: -£266k prudential and -£54k capital receipts	First phase of the redevelopment has been extended, pushing second phase in to next year. Overall completion date unaffected.	Green	There has been no impact on the completion date.	
Swanley Gateway (Programme Rollout)	490	1,078	-428	-428	Rephasing: -£398k developer contributions and -£30k external other	Contractor has identified additional works and is seeking extension of time.	Green	The revised completion date of 30/06/2015 has been previously reported.	
Sustaining Kent - Maintaining the Infrastructure	0	1,054	0				Green	The revised completion date of 31/01/2015 has been previously reported.	
Winter Gardens Rendezvous site	100	100	0				Green		
S&CS Directorate Total	**28,806**	**29,764**	**-4,853**	**-4,853**					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 7

FINANCING ITEMS
DECEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+134,117**	**-2,258**	**-**	**-2,258**

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

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Financing Items							
Audit Fees	314.0	0.0	314.0	-141	-141	Forecast based on anticipated fees as notified by our external auditors which includes rebates relating to prior years	
Carbon Reduction Commitment Levy	1,000.0	0.0	1,000.0	-200	-200	Anticipated underspend based on current purchase of allowances for estimated carbon emissions	
Commercial Services (net contribution)	0.0	-7,691.0	-7,691.0	+1,391	+1,391	The revised dividend target set for Commercial Services by the Shareholder Board is £1.391m less than the originally budgeted dividend. Commercial Services remain on track to meet this revised dividend target.	
Contribution to IT Asset Maintenance Reserve	2,352.0	0.0	2,352.0	0			
Contribution to/from Reserves	10,020.2	0.0	10,020.2	+2,056	+539	Transfer to Insurance reserve of surplus on Insurance Fund (see below)	
					+1,517	Transfer to the Minimum Revenue Provision (MRP) smoothing reserve of in year saving on MRP to cover potential impact in future years, in line with usual practice (see net debt charges below).	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Insurance Fund	4,679.0	0.0	4,679.0	-539	-539	Forecast surplus on Insurance Fund following negotiations concerning long term exposure/Period of Time claims during RSA insurance policy years 1996-2001, which has achieved a significant reduction in liabilities.	
Modernisation of the Council	3,258.5	0.0	3,258.5	0			
Net Debt Charges (incl Investment Income)	128,012.5	-8,514.0	119,498.5	-1,117	+400	Impact of continued low interest rates on our cash balances and investments	
					-1,517	In year saving on MRP as a result of re-phasing of the 2013-14 capital programme, resulting in fewer assets becoming operational last year. As we have adopted the asset life method of calculating MRP, MRP does not become payable until assets become operational, therefore resulting in an "MRP holiday" this year.	
Other	939.0	-36.0	903.0	0			
Unallocated	3,782.5	0.0	3,782.5	-3,708	-1,905	Additional Business Rate compensation grant, above the budgeted level, for reimbursement of impact of measures introduced in the 2012 and 2013 Autumn Statements	
					-1,770	Increase in Government funding levels from £942.251m to £944.021m following Autumn Budget Statement and more certainty around the number and timing of schools converting to academy status in year.	
					-983	Bellwin funds received in respect of emergency costs incurred as a result of the 2013-14 autumn and winter storms & flooding	
					+983	Transfer of Bellwin funds to the Emergency Conditions reserve	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000 -33	Business Rates flood relief grant	
Underspend rolled forward from previous years	-4,000.0	0.0	-4,000.0	0			
Total Financing Items	**150,357.7**	**-16,241.0**	**134,116.7**	**-2,258**			
Assumed Management Action							
Total Fin Items Forecast <u>after</u> mgmt action	**150,357.7**	**-16,241.0**	**134,116.7**	**-2,258**			

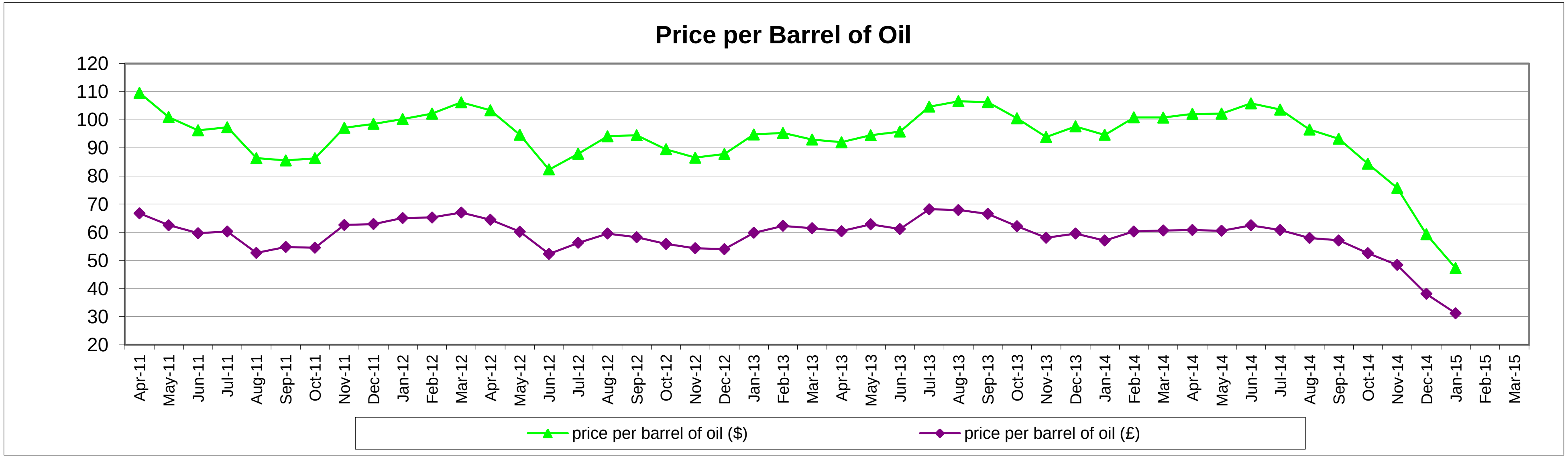
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil - average monthly price in dollars:

	Price per Barrel of Oil		
	2012-13 $	**2013-14** $	**2014-15** $
Apr	103.32	92.02	102.07
May	94.65	94.51	102.18
Jun	82.30	95.77	105.79
Jul	87.90	104.67	103.59
Aug	94.13	106.57	96.54
Sep	94.51	106.29	93.21
Oct	89.49	100.54	84.40
Nov	86.53	93.86	75.79
Dec	87.86	97.63	59.29
Jan	94.76	94.62	47.22
Feb	95.31	100.82	
Mar	92.94	100.80	

Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.
- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC UK trade info website.
- Fluctuations in oil prices affect many other costs such as heating, travel, and therefore transportation costs of all food, goods and services, and this will have an impact on all services provided by the Council.



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

David Cockburn, Corporate Director, Strategic and Corporate Services

To: Corporate Board – 9 March 2015

Decision No: N/a

Subject: **Quarterly Performance Report, Quarter 3, 2014/15**

Classification: Confidential

Past Pathway of Paper: Executive Summary to CMT 3 March

Future Pathway of Paper: Cabinet 23 March

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

Recommendation(s):

Corporate Board is asked to note the Quarter 3 Performance Report.

1. Introduction

1.1. The draft KCC Quarterly Performance Report for Quarter 3, 2014/15 is attached at Appendix 1.

1.2. The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council.

1.3. The QPR includes forty-one (41) Key Performance Indicators (KPIs) where results are assessed against Targets set out in Strategic Priority Statements at the start of the year.

2. Quarter 3 Performance

2.1. Results against Target for KPIs are assessed using a Red/Amber/Green (RAG) status.

2.2. Of the 41 Key Performance Indicators included in the report, the latest RAG status are as follows:

- 23 are rated Green - target achieved or exceeded.
- 17 are rated Amber – acceptable results, often ahead of last year or above national average.
- 1 is rated Red - performance below pre-defined Floor Standards.

2.3. There were thirteen changes of RAG status, four of which were positive movements improving from Amber to Green and nine of which were negative movements reducing from Green to Amber. Where performance has slipped below Target, actions are in place to address this.

2.4. Despite the changes in RAG ratings the net Direction of Travel was positive with seventeen (17) indicators improving and thirteen (13) showing a fall in performance.

2.5. There is currently only one indicator where the RAG rating is Red:

- Promoting Independence Reviews

3. Recommendation(s)

Recommendation(s): **Corporate Board** is asked to note the Quarter 3 Performance Report.

4. Contact details

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Kent County Council

Quarterly Performance Report

Quarter 3

2014/15

Produced by: KCC Business Intelligence
E-mail: performance@kent.gov.uk
Phone: 01622 221985

Table of Contents

Key to KPI Ratings used

This report includes 41 Key Performance Indicators (KPIs), where progress is assessed against Targets which are set at the start of the financial year through the Council's Strategic Priority Statements. Progress against Target is assessed by RAG (Red/Amber/Green) ratings. Progress is also assessed in terms of Direction of Travel (DoT) through use of arrows.

GREEN	Target has been achieved or exceeded
AMBER	Performance at acceptable level, below Target but above Floor
RED	Performance is below a pre-defined Floor Standard *
⇧	Performance has improved relative to targets set
⇩	Performance has worsened relative to targets set
⬄	Performance has remained the same relative to targets set
N/A	Not available

* Floor Standards represent the minimum level of acceptable performance.

Key to Activity Indicator Graphs

Alongside the Key Performance Indicators this report includes a number of Activity Indicators which present demand levels for services or other contextual information.

Graphs for activity indicators are shown either with national benchmarks or in many cases with Upper and Lower Thresholds which represent the range we expect activity to fall within. Thresholds are based on past trends and other benchmark information.

If activity falls outside of the Thresholds, this is an indication that demand has risen above or below expectations and this may have consequences for the council in terms of additional or reduced costs.

Activity is closely monitored as part of the overall management information to ensure the council reacts appropriately to changing levels of demand.

Data quality note

All data included in this report for the current financial year is provisional unaudited data and is categorised as management information. All current in-year results may therefore be subject to later revision.

Executive Summary (1)

Customer Services and Contact

KPI Summary	GREEN	AMBER	RED
Customer Services and Contact	4		
TOTAL	**4**		

Performance for the percentage of calls answered by Contact Point (KCC's call centre) improved significantly during the quarter, with the 90% target exceeded and caller satisfaction with Contact Point advisors remained at a high level. Performance for complaints handled in timescale improved, and also achieved target. The resident survey produced the same result as in the last quarter it was held, meeting the target.

Call volumes were down in the quarter, reflecting the lower number of contacts expected during the Christmas break but this was slightly higher than the same time last year. Overall in 2014 call volumes and other contacts to Contact Point were down compared to 2013. However average call length was higher in 2014, although the previous steady increase in call handling times now seems to have stabilised around the 3 minute 45 second level.

Top three Services for contacts to Contact Point

Figures in thousands of telephone calls	3 months to Dec 2014	12 Months to Dec 2014
Adult Social Care	37	157
Highway Services	30	113
Specialist Children's Services	26	106

Top three Transactions completed online

	Transactions to date	Online/Digital Oct-Dec 14
Renew a library book (count of books renewed)	570,999	97%
Report a Highways Fault	81,594	31%
Book a Speed Awareness Course	27,256	66%

Executive Summary (2)

Growth, Environment and Transport

KPI Summary	GREEN	AMBER	RED
Economic Development	3		
Environment, Planning and Enforcement	1		
Highways and Transportation	2	2	
Waste Management	1	1	
Libraries, Registration and Archives	1	1	
TOTAL	**8**	**4**	

Economic Development: Cumulative committed job creation from Regional Growth Fund and other schemes has moved further ahead of target. The combined Regional Growth Fund funds for Expansion East Kent, TIGER and Escalate were nearly fully committed at the end of December. Background economic indicators for the county continue to show good improvement.

Environment, Planning and Enforcement: The Division continues to deliver on a wide range of projects, and much of the Division's work is not easily measurable by indicators. Projects in the quarter included submission of the Waste and Mineral's Plan, the re-location of the County Emergency Centre and consultation on the future of the Community Warden's Service. Included in this report is the indicator for Business mileage for all KCC staff which has remained on target, although it should be noted that the provisional figure is always adjusted up at the year end, due to late submission of expense claims.

Highways and Transportation: Performance for repairs completed in 28 days and for resident satisfaction with schemes both fell below target in the quarter. There was been some temporary disruption due to business changes being implemented by the contractor and they have implemented an improvement plan to remedy this.

Waste Management: Performance for diversion of waste from landfill continues to be above target, but performance for recycling and composting at Household Waste Recycling Centres fell slightly below target in the quarter. Waste tonnage levels continue to increase, but at a slower rate of increase than previously.

Libraries, Registration and Archives: Satisfaction survey results have improved for Libraries and Archives but fallen for Registrations. Visitor numbers and book issues were low in the quarter with some disruption during implementation of new operating systems on Public PCs, resulting in PCs not being available for public use.

Executive Summary (3)

Education and Young People's Services

KPI Summary	GREEN	AMBER	RED
Education Quality and Standards	1	3	
Education Planning and Access		1	
Early Help and Preventative Services	1	3	
TOTAL	**2**	**7**	

Education Quality and Standards: The percentage of schools which are Good or Outstanding continues to improve ahead of target. Performance for the percentage of Early Years settings which are Good or Outstanding has reduced slighting to below target but performance remains well above national average. The number of 16-18 year old NEETs was lower this January compared to last January but behind the target set, and the number of Apprenticeship starts for 16-18 year olds in the last academic year was the same as the previous academic year. The percentage of young people aged 18 to 24 claiming Job Seekers Allowance was at 2.9% at the end of December, down from the peak of 7.5% in 2012.

Education Planning and Access: The percentage of Statements of Special Educational Need (SEN) issued within 26 weeks showed a further reduction in the last quarter and this was partly due to a rise in demand prior to the introduction of Education, Health and Care Plans (EHCPs) in September 2014, which replace Statements of SEN. There continues to be annual increases in the number of Reception year children (trend since 2007/08) and the Year 7 admissions are now set to increase as this previous trend at Primary starts to move into Secondary stage education.

Early Help and Preventative Services: The percentage of Team Around the Family cases (TAFs) which are closed with either outcomes achieved or to single agency support fell below target in the quarter. However, the number of open TAFs showed a significant increase in the quarter with more families receiving co-ordinated support. The Common Assessment Framework has been replaced by the new Kent Family Support Framework and future reports will show trend data for the new Framework. The percentage of Children in Need cases stepped down to preventative services was maintained at the target level of 20%. New registrations at Children's Centres continue to be lower this year compared to previous years. Permanent exclusions for pupils was unchanged this quarter, resulting in a drop in RAG rating due to an increased target for the new academic year. The number of first time entrants to the youth justice system showed a good reduction in the latest figures.

Executive Summary (4)

Social Care, Health and Well Being

KPI Summary	GREEN	AMBER	RED
Children's Safeguarding	1	2	
Corporate Parenting	3		
Adult Social Care	3	2	1
Public Health	2	2	
TOTAL	**9**	**6**	**1**

Children's Safeguarding: The percentage of case holding social worker posts held by permanent qualified social workers has risen slightly in the quarter to 76.3%. Children becoming subject to a child protection plan for the second or subsequent time continues to be within the banding set for optimum performance. Performance for Case File Audits improved in the quarter but audit standards have increased and the Adequate judgement has been replaced with Requiring Improvement, and the indicator will be revised in the next report to reflect this change. The number of referrals in the last quarter was 1,087 lower than the previous quarter, which was just below the expected range. The number of Children in Need cases decreased by 344 and remains within the expected range. There were 1,243 children with Child Protection Plans at the end of the quarter, which was a slight decrease on the previous quarter.

Corporate Parenting: The level of adoptions so far this year has been significantly ahead of target. Children in care who have been in the same placement for the last two years improved significantly at the end of December, and was ahead of target. The percentage of children in KCC Foster Care remains above target. The number of Kent Children in Care reduced for the third quarter running to 1,517 and there has been a continued reduction in use of Independent Foster Agencies.

Adult Social Care: All but one of the indicators improved in the quarter. Referrals to enablement, clients with a Telecare service and the admissions to residential or nursing care have been ahead of target all year and have shown significant improvement. Contacts resolved at first point of contact and Promoting Independence Reviews both continue to be behind the target levels set, but have also shown a good level of improvement over the year. The Number of Promoting Independence Reviews completed is expected to increase further next quarter as this new approach becomes further embedded. The results for clients still independent after enablement shows some volatility each quarter and performance continues to be close to target.

Public Health: Performance for NHS Health Checks was behind target in the quarter but remains on target on a year to date basis. Performance for 4-week smoking quit rates continues to be slightly below the target. Timeliness of appointments for clients accessing GUM remains at optimal performance of 100%. Kent performs relatively well on drug treatment outcomes compared to the national average, although performance reduced slightly in the quarter.

Corporate Risks

The table below shows the number of Corporate Risks in each risk level (based on the risk score). The Target risk level is the expected risk level following management action.

	Low Risk	Medium Risk	High Risk
Current risk level	2	9	3
Target risk level	4	10	0

Two risks have reduced to a low risk level in the last quarter, these being the delivery of 2014/15 savings and the Public Network security standards compliance. One new risk has been added which is for the **Banking Reform Act**: From July 2015, local authority depositors with unsecured deposits in a bank would be exposed to a higher proportional loss should that bank fail. KCC has unsecured deposits with various banks, in accordance with its Treasury Strategy and this is currently being reviewed.

A summary of mitigating actions for current High Risk areas is provided below with further details of progress against mitigating actions for all corporate risks provided later in this report.

Management of Adult Social Care demand: Adult Social Care services across the country are facing growing pressures, particularly with factors such as increasing numbers of young adults with long-term complex needs, increases in Deprivation of Liberty Safeguards Assessments and likely implications of the Care Act on demand for services. The Adult Social Care transformation programme aims to respond to these challenges and the design stage of Phase 2 of the Programme is currently in progress.

Management of demand on Specialist Children's Services: A programme to deliver integrated Early Help and Preventative Services for 0-25 year olds and their families is underway. A one-year plan for Early Help and Preventative Services has been produced, setting out priorities for service development and change. Diagnostic work has been conducted with the aid of an efficiency partner, aiming to ensure an improved and measurable impact of Early Help Services on Specialist Children's Services demand. A 'sandbox' approach has been used to provide an opportunity to test out new and innovative service design concepts.

Future operating and financial environment for local government: Local authorities nationally are facing increasing pressures as public sector austerity measures will continue well into the next parliament. KCC's response is its 'Facing the Challenge' Transformation Programme, with progress updates regularly reported to County Council. Recent developments include approval by County Council of a KCC Commissioning Framework, with an implementation plan in place to put the framework's principles into practice, in addition to the development of a new strategic outcomes framework, which has been subject to public consultation.

Customer Service and Contact - Overview	
Cabinet Member	Bryan Sweetland
Director	Angela Slaven

Performance for the percentage of calls answered by Contact Point (KCC's call centre) improved significantly during the quarter, and the 90% target was exceeded and caller satisfaction with Contact Point advisors remains good. Performance for complaints handled in timescale improved, and achieved target. The resident survey produced the same result as in the last quarter it was held, meeting the target.

Indicator Description	Previous Status	Current Status	DOT
Percentage of phone calls to Contact Point which were answered	AMBER	GREEN	⇧
Caller satisfaction with Contact Point advisors	GREEN	GREEN	⇔
Percentage of complaints responded to within timescale	AMBER	GREEN	⇧
Percentage of residents who feel informed about council services	GREEN	GREEN	⇔

Call volumes were down in the quarter, reflecting the lower number of contacts expected during the Christmas break but this was slightly higher than the same time last year. Overall in 2014 call volumes and other contacts to Contact Point were down compared to 2013. However average call length was higher in 2014, although the previous steady increase in call handling times now seems to have stabilised around the 3 minute 45 second level.

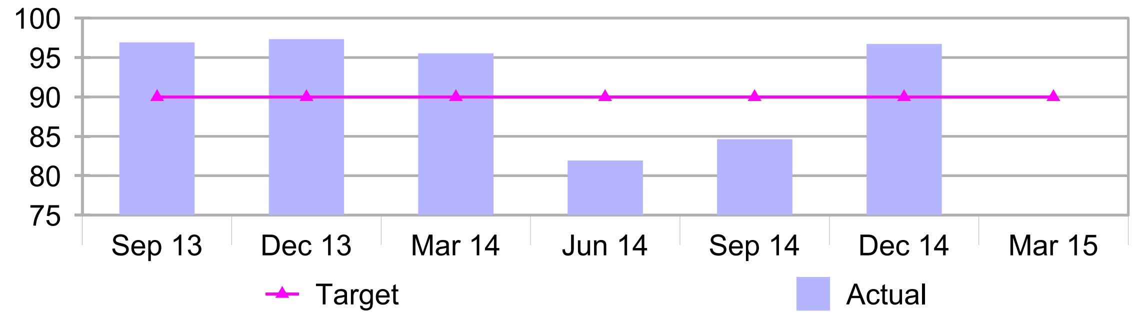
The new Cloud telephony system for Contact Point is due to go live by the middle of March 2015 and this will improve caller experience, call quality and the resilience of the service, including increasing the potential for flexible home working for staff.

Visits to the KCC web-site have been lower during 2014 than in 2013 and below original expectations. There is evidence that the introduction of the new web-site in April 2014 has made the site easier to use and easier for visitors to find the information they want first time, reducing the need for repeat visits. User feedback is being used to make continuous improvement in usability of the web-site, and there is more work to do.

Contact Point and Digital Services together form Lot 3 of a Notice for Competitive Dialogue, placed in the Official Journal of the European Union (OJEU). The Competitive Dialogue process is currently on-going.

Customer Service and Contact – KPIs

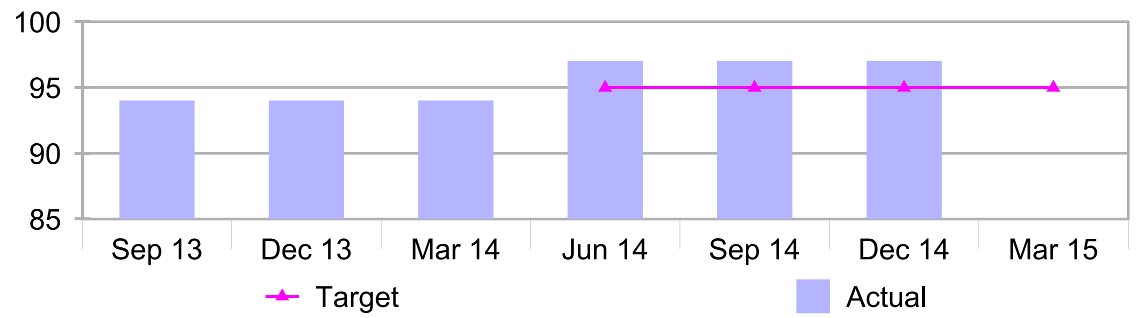
Percentage of phone calls to Contact Point which were answered — GREEN ⇧



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	97%	97%	96%	82%	85%	97%	
Target	90%	90%	90%	90%	90%	90%	90%

Performance in call answering at Contact Point improved in the quarter and the target was exceeded. This was a result of the new staff being recruited and trained over the preceding months. There is continuing high demand for services such as adult and children's social services with higher volumes of calls this year relating to transformation and consultation exercises.

Percentage of callers to Contact Point who rated the advisor who dealt with their call as good *** — GREEN ⇔



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	94%	94%	94%	97%	97%	97%	
Target				95%	95%	95%	95%

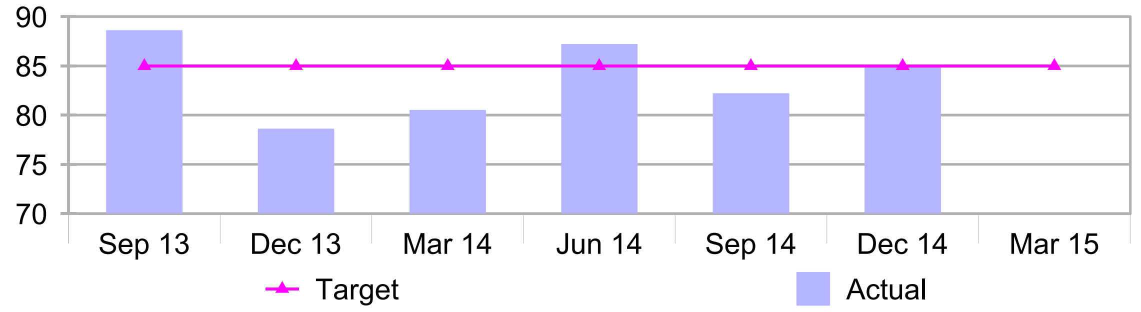
Customer satisfaction with Contact Point Advisors remains very high. There has been a great deal of feedback relating to the excellence of the Advisors for their customer service skills and knowledge of Council services.

*** Note that the indicator definition has changed this year. Last year callers were asked about the overall service delivered, but for this year the question is specifically about the Contact Point advisor.

Customer Service and Contact - KPIs

Percentage of complaints responded to within timescale

GREEN ⇧

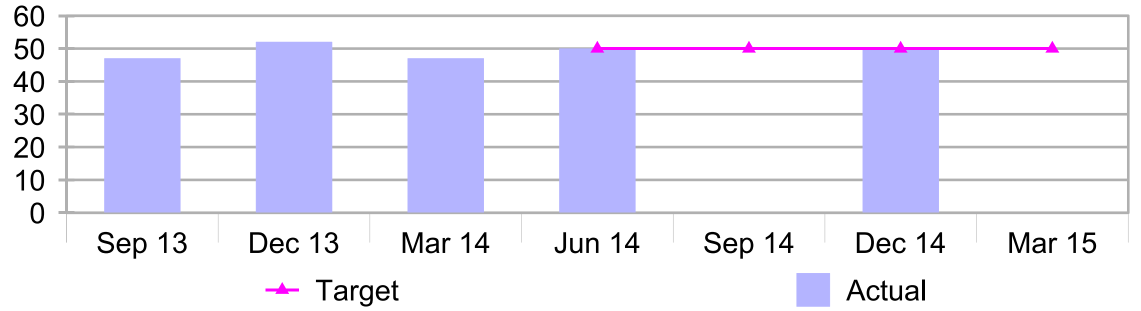


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	89%	79%	81%	87%	82%	85%	
Target	85%	85%	85%	85%	85%	85%	85%

The performance of the County Council in providing complaint responses within agreed timescale has improved during this quarter. Tighter monitoring of live complaints and the collaboration of front line staff has contributed to this improvement.

Percentage of residents who feel informed about council services

GREEN ⇔



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	47%	52%	47%	50%		50%	
Target	55%	55%	55%	50%	50%	50%	50%

The percentage of residents who feel informed remains at target level. There was no survey in the September 2014 quarter.

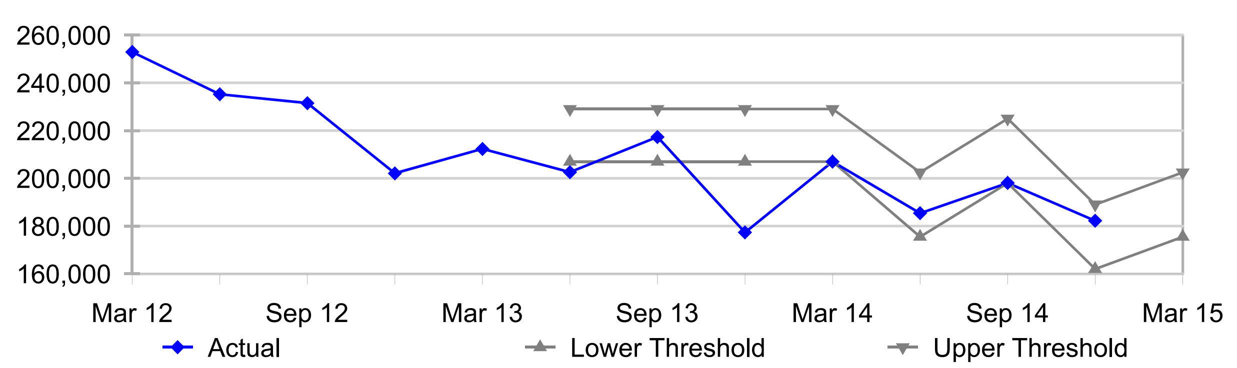
Results are from a telephone tracker survey with a sample size of 600 residents each quarter. Data is weighted by demographic information.

Customer Service and Contact – Contact Activity

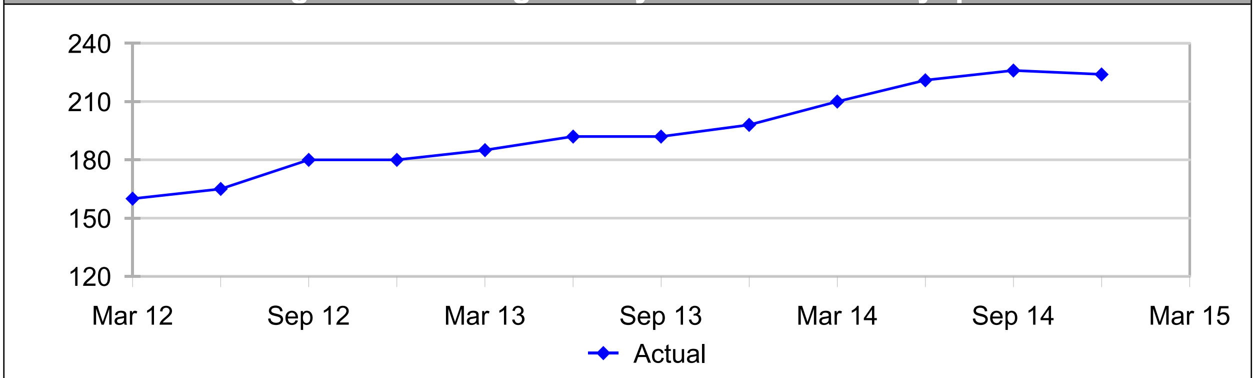
Call volumes handled by Contact Point showed the usual seasonal reduction in the third quarter but were 3.4% higher than the same time last year. Overall call volumes and total contacts in 2014 were 4% lower than in 2013. The average call handling time, which has been increasing steadily for some time now, appears to have stabilised around the 225 seconds point (3 minutes 45 seconds).

The number of visits to the KCC web-site has been lower this year, than last year, which is a result of the new web-site being launched in April 2014. People can now find the information that want more quickly and easily, reducing the need for repeat visits. We constantly gather user experience feedback which allows us to quickly identify navigation and usability issues so that we can make continuous improvements to the website. People using mobile devices to our web-site now account for 45% of all visits and this has been supported by the new web-site which uses responsive design techniques to automatically work for mobile devices

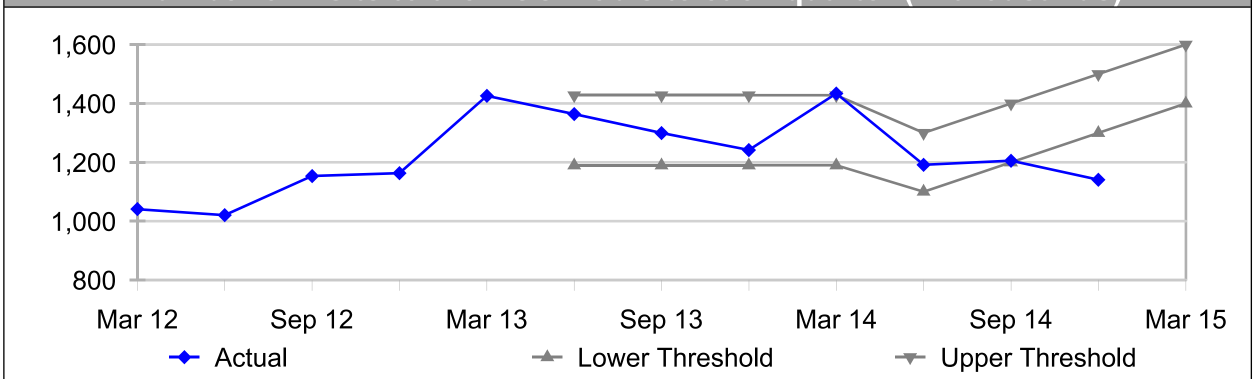
Number of phone calls responded to by Contact Point - by quarter



Average call handling time by Contact Point - by quarter



Number of visits to the KCC web-site each quarter (in thousands)



Customer Service and Contact – Contact Activity

Number of phone calls and e-mails responded to by Contact Point (thousands)

Contact Point dealt with 8% less enquiries than the previous quarter which is in line with the expected seasonal reduction due to the Christmas break. However this was 3% higher than the same time last year. The full year to December 2014 saw 4% less contacts than the year to December 2013.

Whilst many services are experiencing reduced telephone volumes year on year, there are major exceptions. Adult Social Care, Specialist Children's Services and Highways all show an increase in volume and duration of calls, reflecting service areas where the digital offer is currently limited or does not meet customer expectation, therefore generating phone calls.

Service area	Jan - Mar	Apr - Jun	Jul - Sep	Oct – Dec	Yr to Dec 14	Yr to Dec 13
Adult Social Care	37	42	41	37	**157**	121
Highways	39	28	28	30	**124**	113
Specialist Children's Services	27	27	26	26	**106**	67
Schools and Early Years	14	15	15	13	**57**	70
Main Enquiry Line	17	12	12	12	**53**	76
Registrations	15	11	11	10	**48**	65
Libraries and Archives	12	10	11	10	**43**	73
Blue Badges	9	9	12	11	**41**	40
Transport Services	7	6	15	7	**35**	53
Other Services	9	7	8	9	**34**	51
Speed Awareness	9	9	7	8	**32**	29
Adult Education	7	5	10	7	**29**	35
Waste and Recycling	4	4	3	3	**14**	19
Total Calls (thousands)	**207**	**185**	**199**	**183**	**774**	**810**
e-mails handled	29	19	17	17	**82**	81
Postal applications	11	10	11	10	**42**	44
Total Contacts (thousands)	**247**	**215**	**228**	**209**	**898**	**934**

Numbers will not add exactly due to rounding.
Phone calls for the Social Fund (KSAS) are not included in the above figures.
Out of hours calls are allocated 75% to Specialist Children Services, 15% for Highways and 10% Other.
Postal volumes mainly relate to Blue Badges and Concessionary Fares correspondence.

Customer Service and Contact – Digital Take-up

The table below shows the digital/online transaction completions for Key Service Areas so far this financial year.

During the quarter to December 2014, our new web-site satisfaction survey had 3,504 respondents of whom 60% were satisfied with the web-site.

Transaction type	Online Apr 14 – Jun 14	Online Jul 14 – Sep 14	Online Oct 14 – Dec 14	Transactions to date
Renew a library book *	95%	96%	97%	570,999
Report a Highways Fault	31%	27%	31%	81,594
Book a Speed Awareness Course	74%	72%	66%	27,256
Apply for a Young Person's Travel Pass	77%	65%	77%	26,492
Book a Birth/Death Registration appointment	50%	52%	48%	26,245
Apply for or renew a Blue Badge	27%	19%	16%	23,336
Apply for a Concessionary Bus Pass	8%	9%	10%	16,139
Report a Public Right of Way Fault	55%	50%	35%	5,718
Highways Licence applications	60%	80%	48%	3,135
Apply for a HWRC recycling voucher	85%	87%	90%	2,289

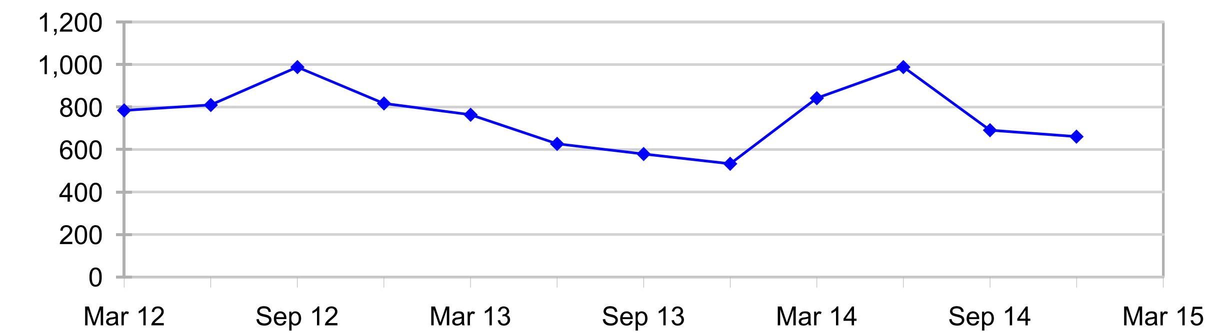
* Library issue renewals transaction data is based on individual loan items and not count of borrowers.

Customer Service and Contact – Complaints monitoring

The number of complaints received in the quarter showed a decrease of 4% on the previous quarter, but was higher than the corresponding quarter last year.

The most significant decrease in the quarter came in Highways and Transportation, with a 12% reduction in complaints received.

Number of complaints received each quarter



On a rolling 12 month basis, for the year to December 2014 the number of complaints showed a 27% increase on the year to December 2013. This was due to the high volume of complaints earlier in the year due to the damage to the highway network following the flooding and from winter weather.

Service	12 mths to Dec 13	12 mths to Dec 14	Quarter to Sept 14	Quarter to Dec 14
Highways and Transportation	960	1,358	299	263
Adult Social Services	379	540	131	135
Libraries, Registrations and Archives	213	224	52	69
Specialist Children's Services	369	240	51	64
Finance and Procurement	50	290	59	53
Adult Education	112	70	17	22
Education Services	29	56	23	18
Other Services	118	90	27	17
Waste Management	205	202	8	12
Country parks	23	47	19	6
KSAS	10	25	0	2
Gateways and Contact Point	35	39	5	0
Total Complaints	**2,503**	**3,181**	**691**	**661**

Customer Service and Contact – Complaints monitoring

Complaints analysis by service area

Highways & Transportation – Complaints reduced by 12% on the previous period. The highest number of complaints was regarding Street Lighting and Drainage. The service also received 98 compliments.

Adult Social Services – The number of complaints received were comparable to the previous quarter but remain high compared to the previous year, which is due to the re-commissioning of contracted home-care services, which meant changes in services for some clients. In the last quarter the main reason for complaints related to disputed decisions. 105 compliments were received in the quarter.

Libraries and Archives – There were slightly more complaints this quarter than last, half of the complaints received related to an upgrade to the computer operating system. Libraries and Archives also received 110 compliments during this period.

Specialist Children's Services – The number of complaints this quarter was slightly higher than the previous quarter, but below levels received last year. The majority were disagreements with decisions or policies made. There were 26 compliments.

Finance and Procurement – There was a slight decrease in complaints received during this quarter. Complaints largely related to disagreement with decisions on insurance claims, and delays in pensions' correspondence. 32 compliments were received.

Economic Development - Overview	
Cabinet Member	Mark Dance
Director	David Smith

Committed job creation which will result from Regional Growth Fund (RGF) and other schemes is now at 9,792 jobs created or safeguarded since April 2013, with most of the RGF jobs to be delivered by March 2016. Locate In Kent have a pipeline of 289 projects with Life Sciences being the biggest sector. At the end of December the Expansion East Kent scheme was fully committed, except for Small Business Boost and Equity shares. The TIGER and Escalate Schemes had committed £19.7m out of the available £20m fund which represents 98.4% of the total value of the Fund.

Indicator Description	Previous Status	Current Status	DOT
Jobs committed to be created and safeguarded by Regional Growth Fund and other funds	GREEN	GREEN	⇧
Percentage of Expansion East Kent funds committed at Board approval stage	GREEN	GREEN	⇧
Percentage of Tiger and Escalate loan funds committed at Board approval stage	GREEN	GREEN	⇧

Discovery Park Enterprise Zone continued to be successful in attracting new investment, with over 1,900 jobs now located on the site. During the quarter, the South East LEP Board agreed to allocate up to £4.6m to the Enterprise Zone from the Growing Places Fund to support further capital investment within the zone boundaries, subject to a full application coming forward.

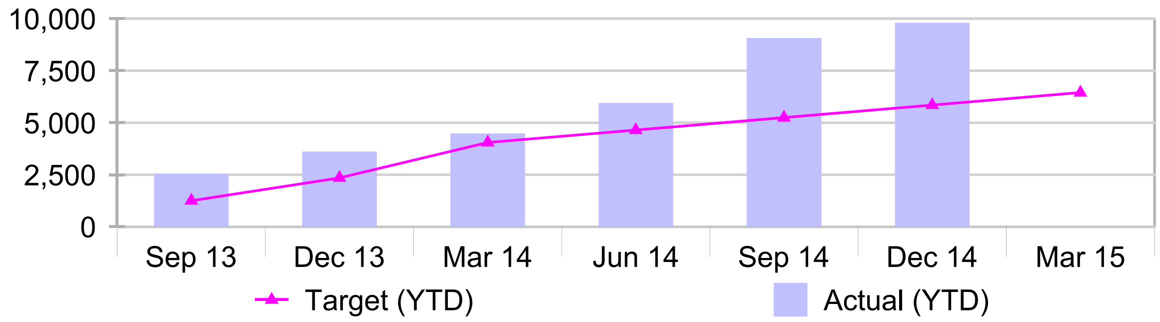
In October, the Government launched a second round of capital funding from the Local Government Fund and The Kent and Medway Economic Partnership submitted a bid in December with a total value of £46m supporting 17 projects. A recent announcement confirmed that the following Kent projects to boost the local economy will receive funding:

- **Dover Western Docks Revival -** £5million to open up major port expansion, via junction capacity improvement works to the A20,
- **Westenhanger Lorry Park -** £3million to help manage the economic cost of rising freight by delivering a new commercially operated lorry park off the M20 corridor, relieving some of the pressures arising from Operation Stack and inappropriate overnight lorry parking in Kent,
- **Ashford International Rail Connectivity -** £2million to secure further international rail services through delivery of a modern European rail signalling system at the Ashford International Station,
- **Folkestone Seafront -** £5million to support the development of homes, leisure and jobs in Folkestone, supporting coastal regeneration, providing flood defence works through beach works, and access improvements to Marine Parade.

In addition, Medway have received £4.4m funding for a project at **Rochester Airport** which will provide a boost to advanced manufacturing in North Kent.

Economic Development - KPIs

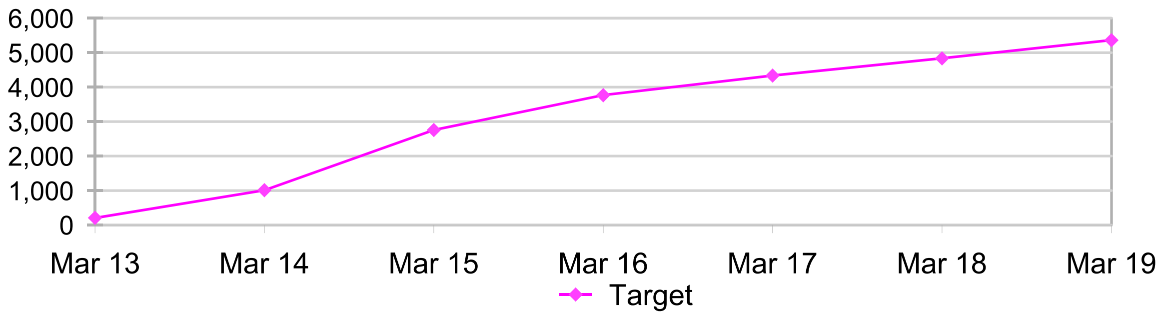
Committed jobs to be created or safeguarded through Regional Growth Fund and other schemes (cumulative since April 2013)	GREEN ⇧



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	2,532	3,603	4,477	5,938	9,057	9,792	
Target	1,250	2,350	4,050	4,650	5,250	5,850	6,450

Committed jobs, including pipeline projects will convert to actual jobs for RGF once funds are released and utilised by the businesses who receive the loan. The RGF committed jobs from initial Government Funding will be realised between 2013 and 2019, with the majority delivered by March 2016. Regional Growth Fund includes Expansion East Kent, TIGER and Escalate. Other schemes include Marsh Million, Locate in Kent and High Growth Kent.

Profile of expected dates for jobs to be created/safeguarded for RGF funds which have reached full contract stage



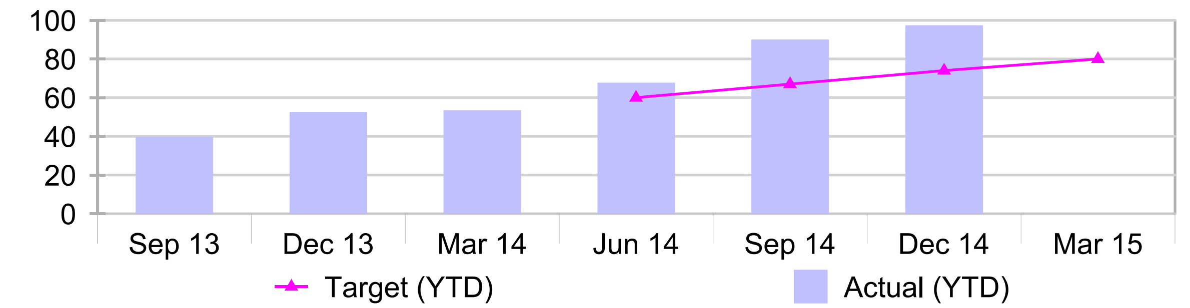
	Mar 13	Mar 14	Mar 15	Mar 16	Mar 17	Mar 18	Mar 19
Total	205	1,010	2,757	3,769	4,336	4,837	5,364
Annual	205	805	1,747	1,012	567	500	528

The number of jobs to be created and safeguarded through Regional Growth Funds is now 5,364, excluding pipeline projects, up from 2,413 at the end of June. Total loans to date of £53.7m have been approved to create/safeguard these jobs. At the end of December 2014, there has been confirmation of 1,208 actual jobs created/safeguarded since the start of the schemes. Further jobs will have been created but not yet confirmed.

Economic Development - KPIs

Percentage of Expansion East Kent funds with Board approval to progress to Contract Stage (cumulative since start of the scheme)

GREEN ⇧

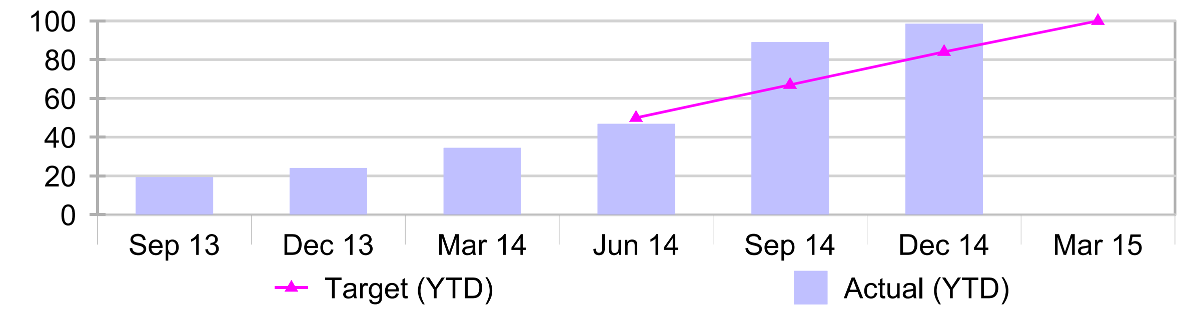


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	40%	53%	54%	68%	90%	97%	
Target				60%	67%	74%	80%

The amount of loans approved for the scheme is ahead of target expectations. At the end of December just over £34m out of the available £35m fund had reached Board approval stage with 3,209 jobs committed to be created/safeguarded. To date £18.1m of the agreed loans had been released. Direct private sector investment leverage of £52.6m has also been generated to date.

Percentage of Tiger/Escalate loan funds with Board approval to progress to Contract Stage (cumulative since start of the scheme)

GREEN ⇧



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	19%	24%	34%	47%	89%	98%	
Target				50%	67%	84%	100%

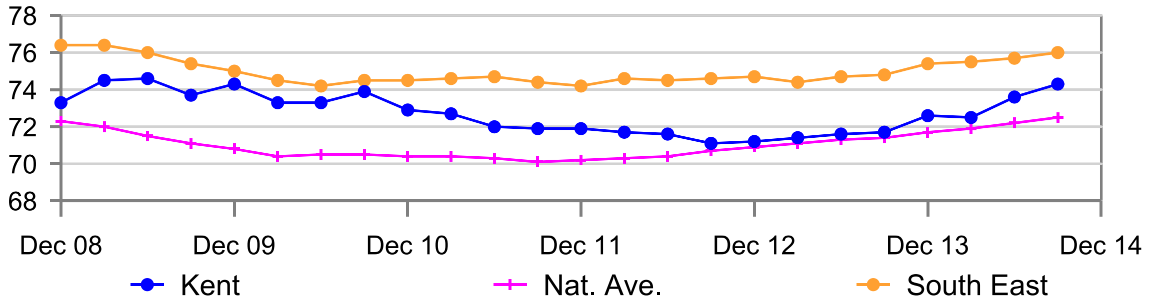
The amount of loans approved continues to exceed target expectations. At the end of December 2014, £19.7m out of the available £20m fund had reached Board approval stage with 2,155 jobs committed to be created/safeguarded. To date £11.6m of the agreed loans have been released. Direct private sector investment leverage of £30m has also been generated to date.

Economic Development – Activity Indicators

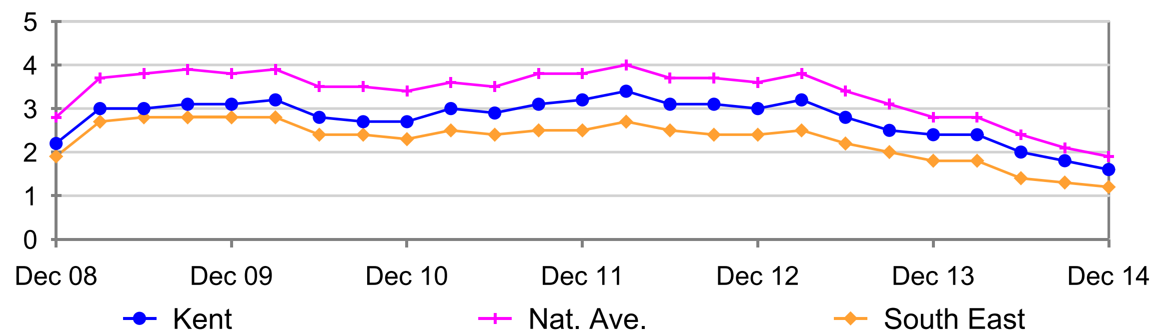
The following indicators provide information on the general state of the Kent economy in comparison to the regional and national averages.

Employment rates continue to show an encouraging increase both nationally and in Kent after a number of years of decline and stagnation during the global recession. Employment rates in Kent remain above the national average but below the South-East regional average. Similarly JSA claimant counts have shown significant reduction over the last 18 months and have now returned to levels not seen since 2008. There was strong growth in 2013 for new business start-ups.

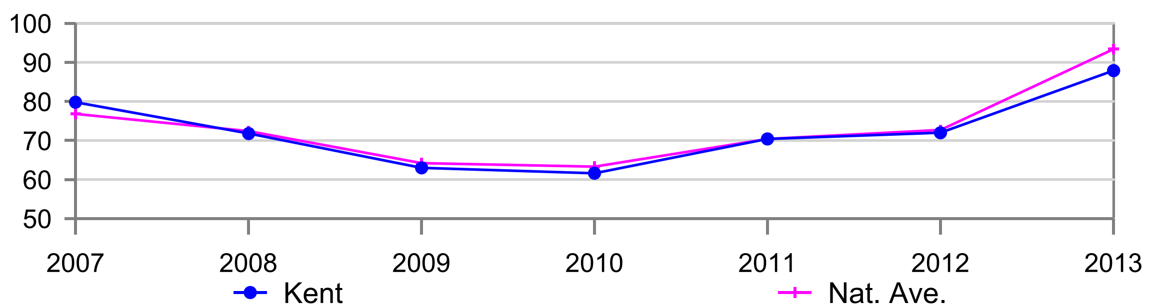
Percentage of population aged 16 to 64 in employment



Percentage of population aged 16 to 64 claiming JSA



Business Start-Ups per 10,000 population aged 18 to 64



Environment, Planning and Enforcement - Overview	
Cabinet Member	Matthew Balfour
Director	Paul Crick

Kent's Minerals and Waste Local Plan was submitted to the Secretary of State in November 2014 and the Examination in Public has been set for 13th April 2015.

The County Emergency Centre was relocated to a new dedicated room in Invicta House and this has proved to be an excellent facility to date with training delivered to over 500 senior officers and Members responsible for leading KCC's response to emergencies which affect the county.

AECOM have been commissioned to prepare the first part of a Growth and Infrastructure Framework for Kent and Medway, which will assemble an evidence base, setting out the county's infrastructure requirements to 2031 to support growth across Kent.

Work has been commissioned from the Environment Agency to prepare a flood alleviation scheme for the Leigh and lower Beult area as part of the Winter Floods action plan.

The public consultation on the future shape of the Community Wardens scheme resulted in a change to the proposed reorganisation of the Wardens service and the service will be restructured to make more savings from the back office function and the uneven distribution of the wardens will be addressed.

Trading Standards continued to remove dangerous and counterfeit goods from circulation with more than 158,000 dangerous products seized or removed from sale. Kent Scientific Services retained a contract with Suffolk County Council in partnership with colleagues in Hampshire Scientific Services and income raised at Country Parks is ahead of target.

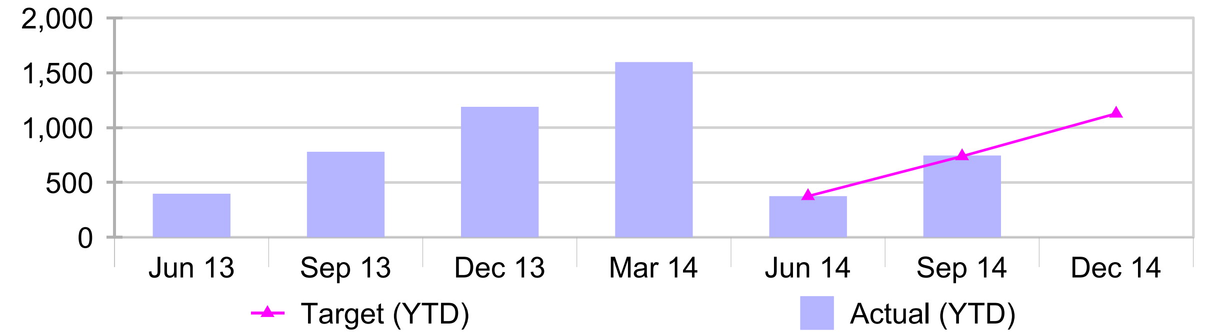
We continue to commission work to increase the energy and water efficiency of Kent housing to save money for residents, tackle fuel poverty, improve health and generate economic opportunities for Kent businesses.

Indicator Description	Previous Status	Current Status	DOT
Business Mileage per member of staff (FTE basis)	GREEN	GREEN	⇔

The Business Mileage indicator is a KCC-wide indicator and the provisional year to date position at the half year point of 2014/15 was a decrease of 5% compared with the same time the previous year. Continued scrutiny of travel is in place across all KCC services, with travel being the main focus of environmental improvement plans for the coming year. This aims to ensure annual reductions continue, including a continued increase in usage of tele/videoconference following the roll out of the new Unified Communications solution, which provides access to conference technology to a wider group of staff.

Environment, Planning and Enforcement - KPIs

Business mileage per member of KCC staff (full time equivalent basis) per quarter	**GREEN ⇔**



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	400	780	1,190	1,590	370	740	
Target					370	740	1,130

The annual target is for a 5% reduction in business mileage and this was being achieved as at the half year point with claims made so far this year in line with the target level (rounded to nearest 10 miles). However this result is provisional and is likely to be revised upwards at year end due to late expense claims not yet received.

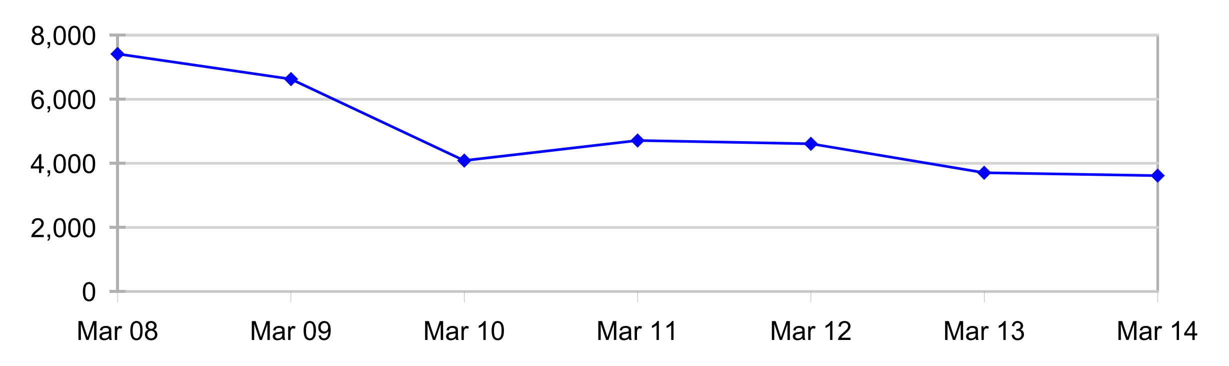
Environment, Planning and Enforcement – Activity Indicators

The following indicators provide information on some of the external context and factors within which the Division operates.

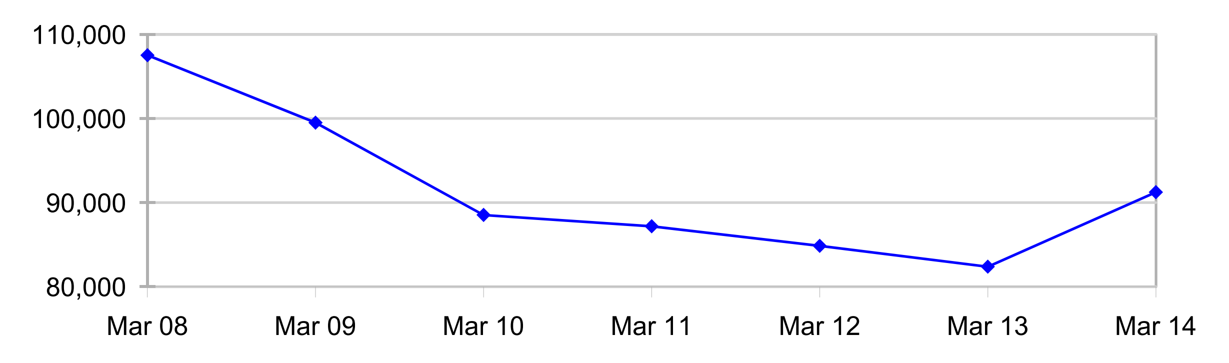
The number of annual Housing completions remains below the pre-recession levels with annual figures around the 4,000 level. The number of completions was 3,616 in 2013/14. However there is evidence that housing starts are increasing which should result in more completions for the current year.

Total incidents of recorded crime have been on a downward trajectory for several years but showed an increase in the last year for the first time since the year to March 2007. A large part of the increase is considered to be due to changes in recording practice following guidance issued by HMIC.

Net Housing Completions by year



Total incidents of recorded crime by year



Highways and Transportation – Overview	
Cabinet Member	Matthew Balfour
Director	John Burr

Performance fell to below target on two of our four key measures in the quarter. An action plan has been put in place by Amey our term maintenance contractor to address the shortfall in their performance for completion of routine highway faults within 28 days. The lower figure for scheme satisfaction reflected concerns from residents about the information and advance notification of the repairs, and expectations of what the final works will look like.

Customer demand for highway services is at the top end of our expectations with 28,770 enquiries raised for action by staff in the last quarter. Our current open and un-resolved work in progress has risen to 10,135 from 7,653 over the last quarter which puts it above our expected levels of open work for this time of year. We are working hard with Amey to get this back on track.

Indicator Description	Previous Status	Current Status	DOT
Percentage of routine potholes repaired in 28 days	GREEN	GREEN	⇩
Percentage of routine highway repairs reported by residents completed within 28 days	GREEN	AMBER	⇩
Percentage of satisfied callers for Kent Highways 100 call back survey	GREEN	GREEN	⇧
Resident satisfaction with completed Highways schemes (survey)	GREEN	AMBER	⇩

We delivered eleven of our 2014/15 Strategic Priority Statement (SPS) priorities in this quarter including the review and readiness for our winter service, approval of the project to convert our entire stock of streetlights to LED, successful delivery of the Young Persons Travel Pass including the process to deal with the half yearly renewal. We implemented a new organisational structure for our Public Transport team and continue to work on the SEN and Home to School/College Transport Phase 2 Facing the Challenge service reviews.

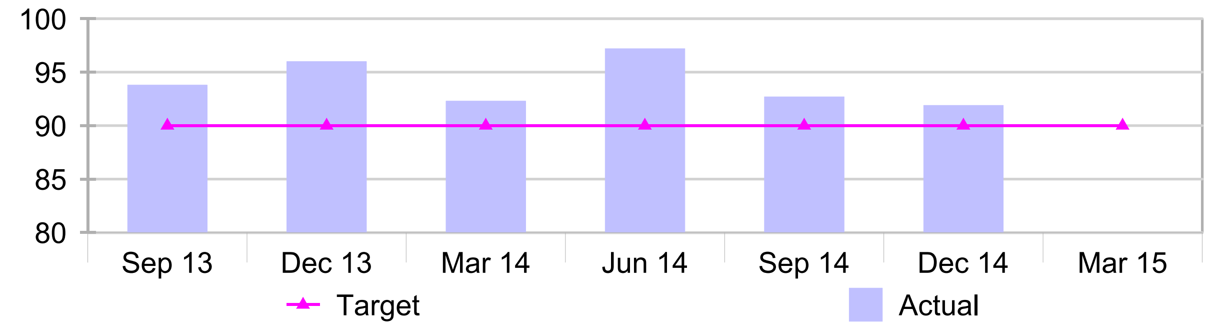
Construction of the two Local Pinch Point funded schemes, Longfield Road, North Farm, Tunbridge Wells and Poorhole Lane, Westwood, Thanet is progressing well. The design of Maidstone Gyratory, Rathmore Road, Gravesend and M20 J4 Eastern Overbridge is on schedule with procurement of the construction of these schemes to be carried out in 2015. A further tranche of schemes are in the early planning and design stages such as A28 Chart Road Widening, Sturry Link Road, Canterbury and London Road/St. Clements Way, Dartford. The Business Cases for the release of the Local Enterprise Partnership funding have been developed and submitted.

Key initiatives for the next quarter include ensuring we are ready to deal with any winter damage of roads and footways, developing detailed proposals for service re-design, completion of our programme of crash remedial measures and small schemes, and commencement of re-procuring the traffic signal maintenance contract. We have also submitted two bids (one for LED street lighting, the other for undertaking an extensive programme of carriageway and footway resurfacing/asset management) for a share of the Local Highways Maintenance Challenge Fund.

Highways and Transportation – KPIs

Percentage of routine pothole repairs within 28 days

GREEN ⇩

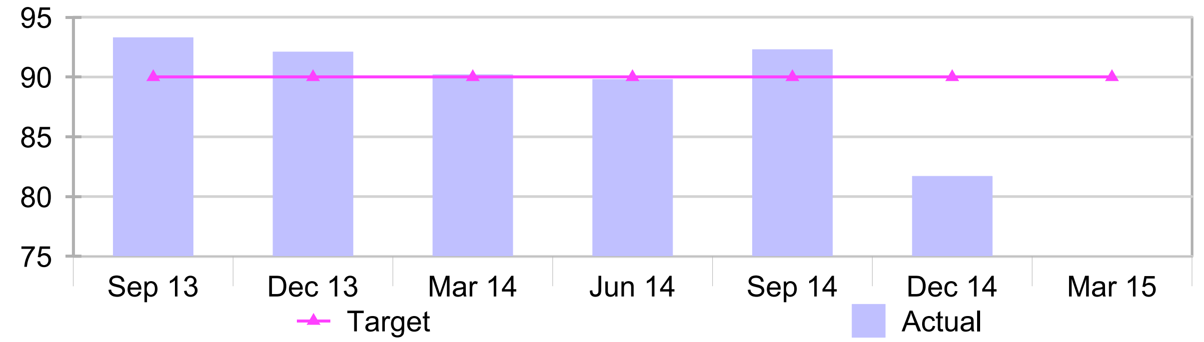


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	94%	96%	92%	97%	93%	92%	
Target	90%	90%	90%	90%	90%	90%	90%

Performance remains above target. Additional government grant funding continues to be utilised with a number of larger resurfacing schemes to be delivered in the early spring. Repairs to potholes continue to be delivered with a focus on quality first time permanent repairs. The better weather conditions so far this year coupled with the additional maintenance undertaken has reduced the numbers of new potholes forming. We are prepared to increase resources as required to deal with any additional demand should weather conditions change.

Percentage of routine highway repairs reported by residents completed within 28 days

AMBER ⇩



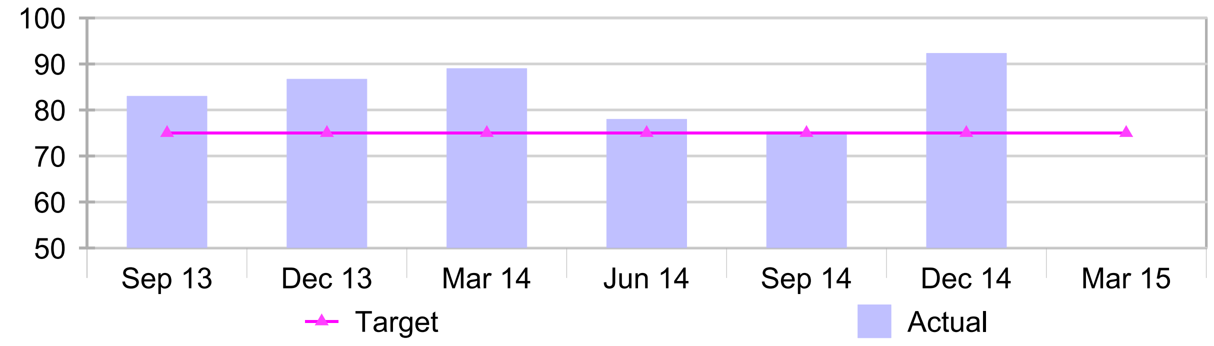
	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	93%	92%	90%	90%	92%	82%	
Target	90%	90%	90%	90%	90%	90%	90%

Performance dipped substantially in the quarter. The introduction of the new Standard Operating Model and staff structure by our contractor Amey has caused some disruption to smooth operations in the short term. This is being addressed with Amey implementing a recovery plan, including additional resource to support this. Performance is expected to return to above target for the next quarter with the full benefits of the system being realised.

Highways and Transportation – KPIs

Percentage of satisfied callers for Kent Highways and Transportation, 100 call back survey

GREEN ⇧

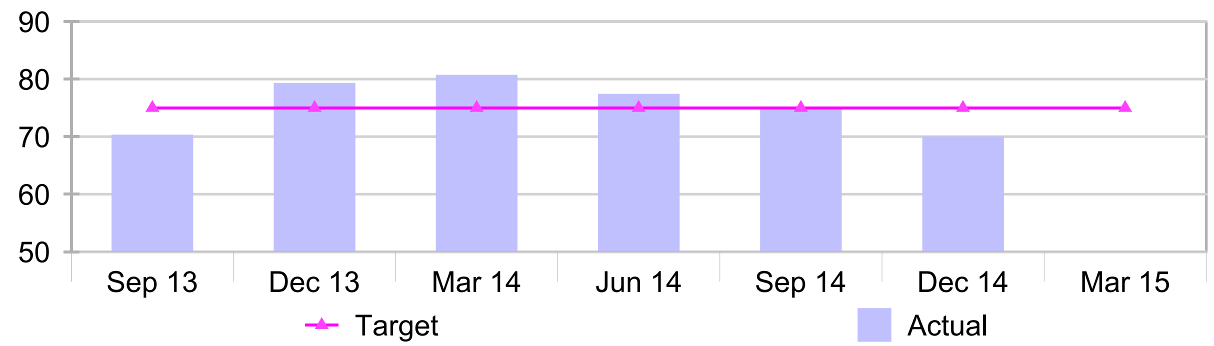


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	83%	87%	89%	78%	75%	92%	
Target	75%	75%	75%	75%	75%	75%	75%

Performance improved significantly in the quarter, although with high work in progress levels and the currently reduced response times for repairs we expect satisfaction from the 100 call back survey to reduce again in the short term. The 100 call back survey provides useful customer insight on how we can improve our service.

Resident satisfaction with completed Highways schemes (survey)

AMBER ⇩



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	70%	79%	81%	77%	75%	70%	
Responses	61	518	373	53	1,321	610	

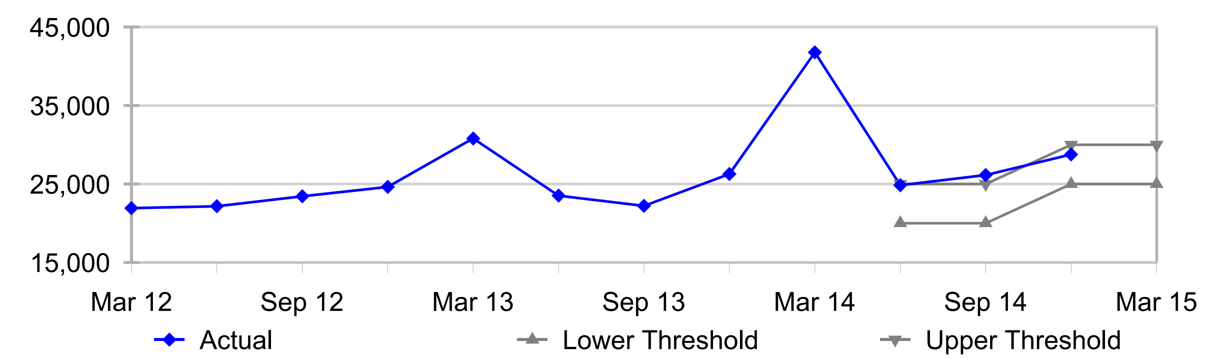
Satisfaction was below target level in the quarter. Some residents felt we could do more to advise them of works planned in their road, others felt more costly maintenance processes would give a nicer appearance to the finished works. Whilst letter drops are made prior to works, a key mechanism to communicate when works will occur and what can be expected in terms of the type of work to be completed is now being delivered digitally through our web-site.

Highways and Transportation – Activity Indicators

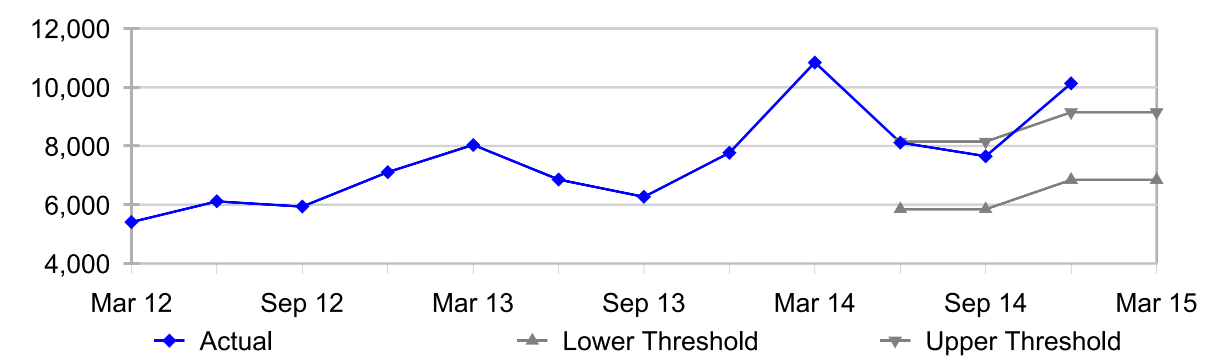
Customer demand in the quarter was at the higher end of expectations with 28,770 new enquiries raised for action and this is up on the previous quarter. Current enquiry demand is mainly due to seasonal street-lighting, pothole and drainage issues. As we move further into the winter season the level of enquiries are expected to increase and if weather conditions deteriorate we will be working as hard as we can to maintain demand within expected ranges.

We continue to work hard to reduce the number of outstanding and unresolved customer enquiries but with increased demand and the traditional construction industry Christmas break, work in progress increased to 10,135 from 7,653 jobs over the last quarter, which is above our expected level for this time of year. We will continue to focus on reducing the work in progress levels over the coming months to bring this back into line with the expected level.

Number of enquiries raised for action - by quarter



Open enquiries work in progress (Routine and Programmed works)



Waste Management - Overview	
Cabinet Member	Matthew Balfour
Director	John Burr

Performance for diversion of waste from landfill continues to be above target, but recycling performance at Household Waste Recycling Centres (HWRC) dropped slightly below target in the quarter. The fall in HWRC recycling performance is primarily a result of seasonal variation and we expect improvement in the next quarter.

Total waste tonnage collected continues to increase but at a slower rate than previously seen.

Indicator Description	Previous Status	Current Status	DOT
Percentage of municipal waste recycled or converted to energy and not taken to landfill	GREEN	GREEN	⇔
Percentage of waste recycled and composted at Household Waste Recycling Centres	GREEN	AMBER	⇩

The trend for reducing waste to landfill suggests that we are on target to achieve no more than 5% of household waste going to landfill by 2020.

The new contract for Transfer Stations and Household Waste Recycling Centres was successfully mobilised across twelve sites during the quarter. This contract will deliver a more effective and efficient service at lower overall cost. The contract also transfers much of the risk associated with fluctuations in tonnage and materials prices to the provider. This is particularly important, as the value of recyclable material has fallen sharply in recent months due to the falling demand in developing economies.

We have introduced “mystery shopper” surveys across our network of sites and this is showing a largely positive picture, and also provides invaluable insight into areas for further improvement, which can then be planned and implemented by our site providers, with progress tracked.

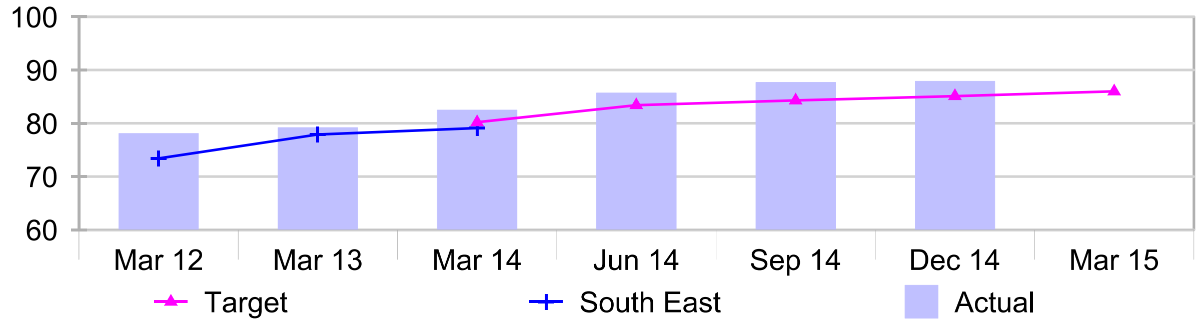
A number of other re-commissioning exercises are currently in progress. These include large scale high value commissioning for the provision of processing and disposal facilities for residual waste which is unsuitable for recycling or the Allington energy from waste plant, and also some relatively small scale contracts for textiles and clinical waste. These commissioning projects will be carried out in line with the council’s new Strategic Commissioning Framework, with opportunities for including Social Value provisions explored during the process. Work will begin with a detailed market engagement process in February to inform the requirements.

A commissioning exercise to deliver customer satisfaction surveys is also in progress, which will enable us to gain a better insight into the impact and perceptions of our services in local communities.

Waste Management – KPIs

Percentage of municipal waste recycled or converted to energy and not taken to landfill - Rolling 12 months

GREEN ⇔

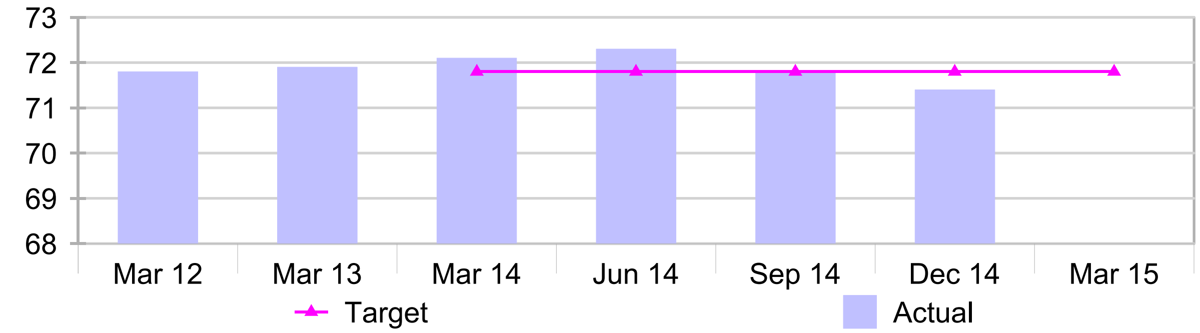


	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	78%	79%	83%	86%	88%	88%	
Target			80%	83%	84%	85%	86%

District Council recycling collections, including those in East and Mid Kent, which benefit from recycling support funding from KCC, continue to perform well. The higher than usual levels of garden waste have contributed to a significant rise in composting levels. The overall picture is of a positive trend, with performance expected to be comfortably above target by the end of the financial year.

Percentage of waste recycled and composted at Household Waste Recycling Centres (HWRC) – Rolling 12 months

AMBER ⇩



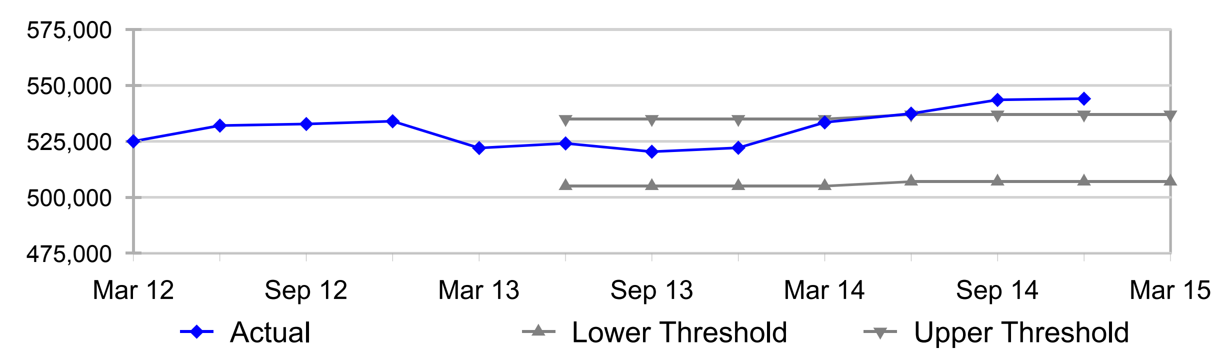
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	71.8%	71.9%	72.1%	72.3%	71.8%	71.4%	
Target			71.8%	71.8%	71.8%	71.8%	71.8%

Waste at HWRCs represents 24% of the overall waste dealt with by KCC as waste disposal authority. There has been some slight unexpected seasonal variation resulting in lower performance for the latest quarter but as we move into spring we expect to see an improvement in the figures back in line with target.

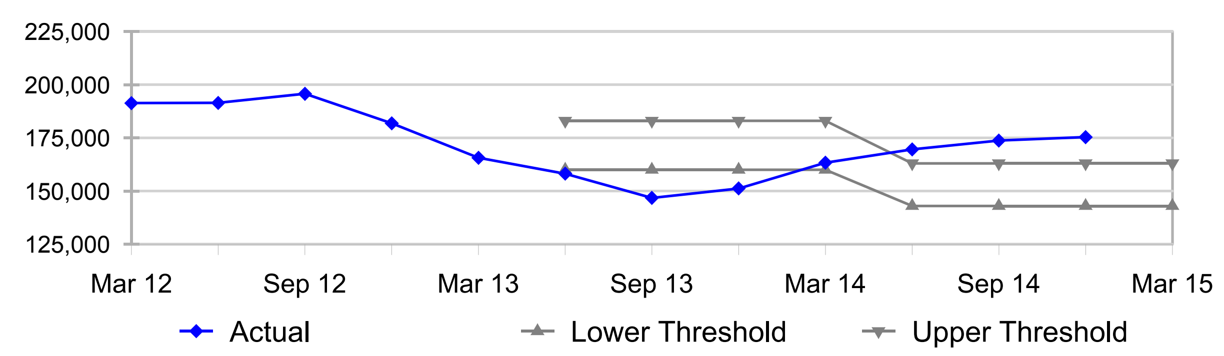
Waste Management – Activity Indicators

The increase in waste tonnage has continued, due to both climatic and economic factors. Total municipal tonnage increased to 719,000 tonnes in the 12 months to December 2014, up from 673,000 in the 12 months to December 2013. However, lower contract prices procured by the Waste Management service have reduced the overall budgetary overspend, with total costs expected to be no more than those in 2013/14.

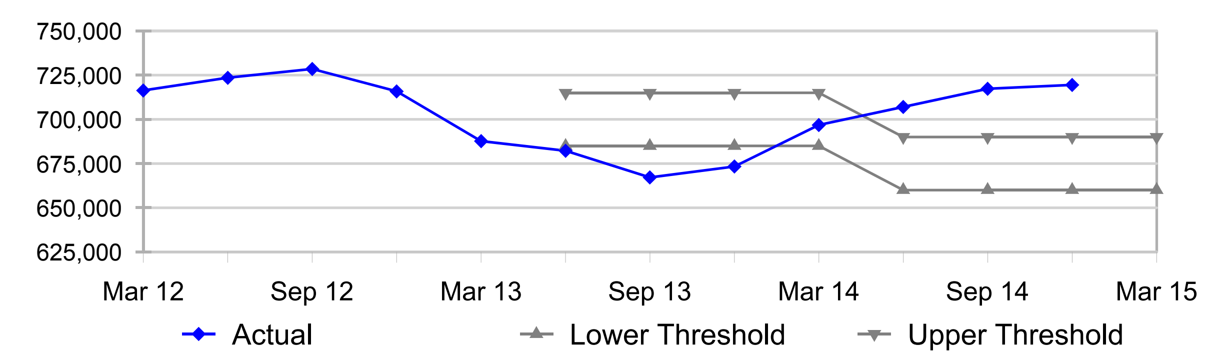
Tonnage collected by districts (rolling 12 month)



Tonnage managed through HWRC (rolling 12 month)



Total municipal waste tonnage collected (rolling 12 month)



Libraries, Registrations and Archives - Overview	
Cabinet Member	Mike Hill
Head of Service	Angela Slaven

Service satisfaction has improved for Libraries and Archives and has reduced for Registrations, although it should be noted that sample sizes are not consistent for each quarter.

Indicator Description	Previous Status	Current Status	DOT
Satisfaction with Libraries and Archives	AMBER	GREEN	⇧
Satisfaction with Birth and Death registrations	GREEN	AMBER	⇩

The satisfaction rates by quarter were as follows:

Customer Satisfaction				
	Jun 14	Sep 14	Dec 14	Target
Libraries and Archives	91.7%	N/a	94.8%	93%
Birth and Death Registration	97.0%	97.3%	92.3%	95%
Ceremonies	100.0%	98.3%	99.4%	98%

We are analysing the Birth and Death registration results to find ways we can improve the service for our customers.

The slow but relatively steady transfer from traditional library usage (physical visits and issues) to use of our online services continues.

CIPFA has recently published a report that shows that the decline in our figures over time is not out of line with the national trend. In the quarter our visitor and issue numbers were adversely affected by an IT issue. Following the upgrade of Public Library PCs to Windows 7 in November a major fault occurred and many of our customers were unable to log into our computers. Fixes have been applied and the majority of customers now have access. Those still experiencing problems are being given Guest tickets in the interim. Our suppliers and internal support teams are still working to find the root problem to ensure it does not happen again.

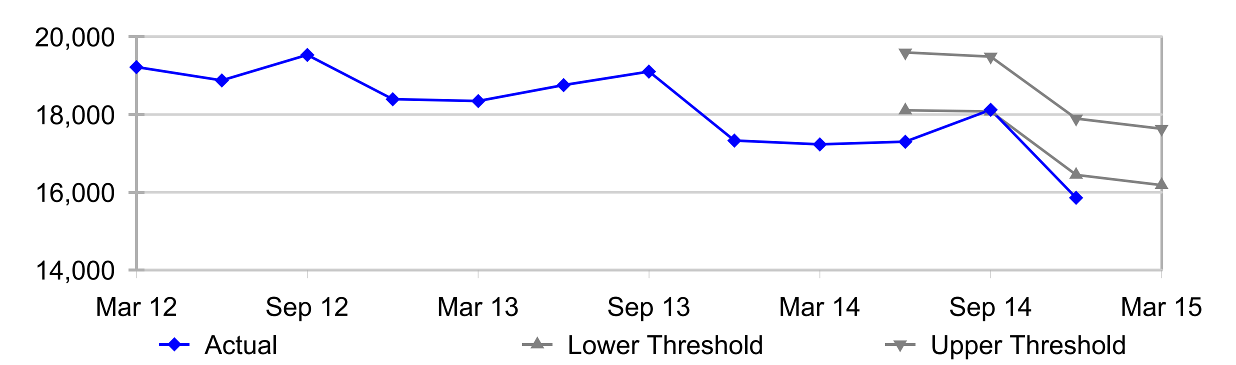
Work has continued to review Library, Registration and Archive services, with particular focus on ensuring that services deliver what our customers want as efficiently as possible. Following the Facing the Challenge service review a public consultation has been launched on a proposal for establishing a Charitable Trust to deliver services in the future. Consultation runs to 8 April. Major pieces of work that also support this include a review of systems to deliver digital access for customers, better integration with other KCC systems, and a separate review of Registration Services.

Libraries, Registrations and Archives – Activity Indicators

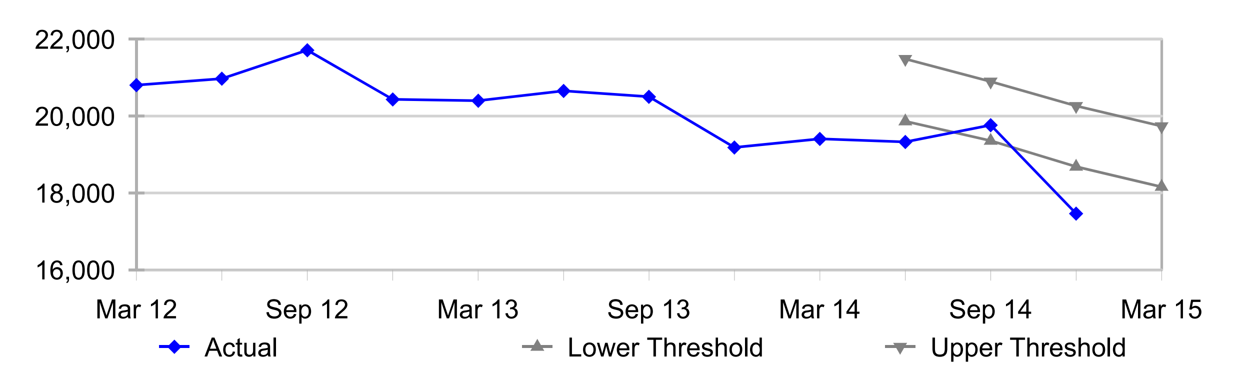
We anticipated a continued decrease in issues and visits (the latter as our digital offer improves) this year, as shown by the threshold lines on the graphs. There was a significant drop in numbers in the last quarter as a result of the problems with PC access mentioned above, and numbers should return to the expected range between the threshold levels for the next quarter.

The number of ceremonies conducted this year have so far been slightly higher than the previous year.

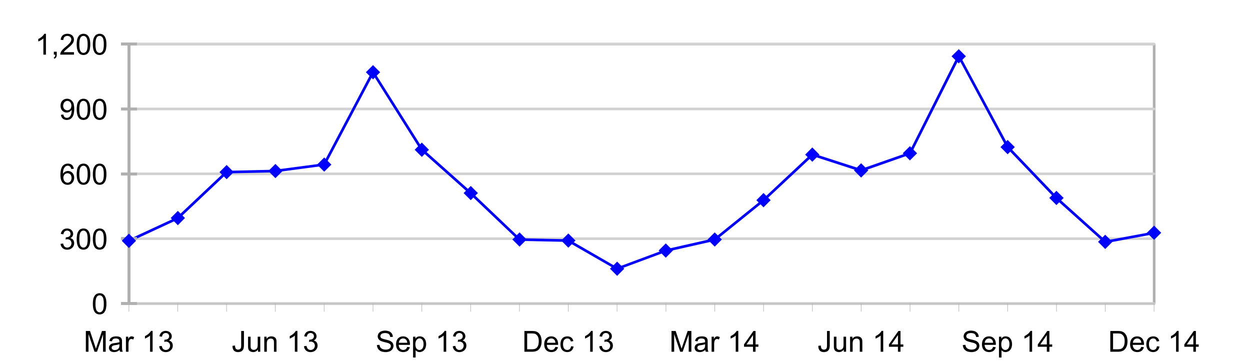
Average number of book issues from Kent libraries per day



Average number of visits to Kent libraries per day



Number of ceremonies conducted (monthly counts)



Education Quality and Standards - Overview	
Cabinet Member	Roger Gough
Director	Patrick Leeson

The percentage of schools which are Good or Outstanding continues to improve, and is now up to 77% which is on target. The percentage of Early Years settings which are Good or Outstanding at 90% is slightly below the ambitious target of 91.5%. The percentage of 16-18 year olds who are NEET has decreased year-on-year although the target of 4% has not been achieved and apprenticeship starts for 16-18 year olds were unchanged in the last academic year. The percentage of young people aged 18 to 24 claiming Job Seekers Allowance was at 2.9% at the end of December, down considerably from the peak of 7.5% in 2012.

Indicator Description	Previous Status	Current Status	DOT
Percentage of all schools with Good or Outstanding Ofsted inspection judgements	GREEN	GREEN	⇧
Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements	GREEN	AMBER	⇩
Percentage of 16-18 years olds not in education, employment or training (NEETs)	AMBER	AMBER	⇧
Apprenticeship starts for 16-18 year olds	AMBER	AMBER	⇔

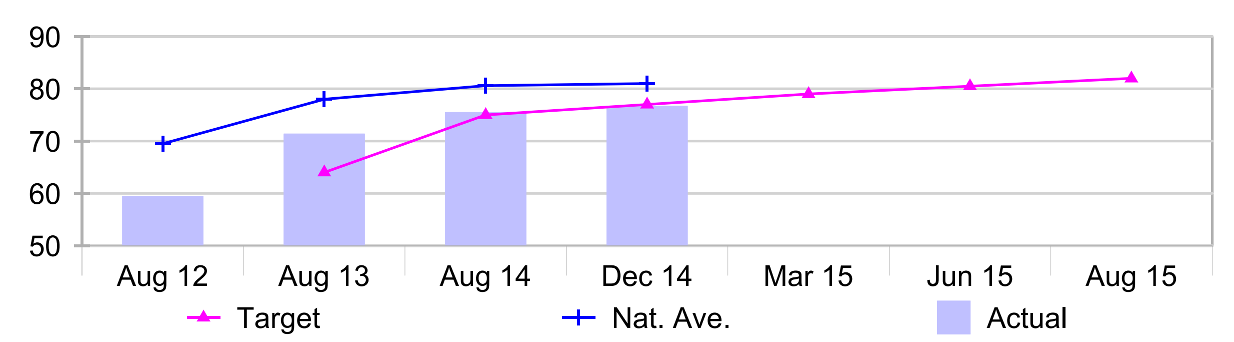
The School Improvement Service continues to focus on Narrowing the Gap for Kent's most vulnerable groups, especially those in receipt of Pupil Premium funding, as well as encouraging the development of collaborative groups of schools to have more impact on the rate of improvement. Priority continues to be given to improving the number of schools rated outstanding and good, reducing the number of schools in an Ofsted category of concern, and raising attainment at all key stages.

The key priorities for the Early Years and Childcare Service are ensuring the availability of high quality free Early Education places for eligible two years olds, supporting as many providers as possible to be good or outstanding, improving outcomes for all children and narrowing achievement gaps, and supporting the establishment of collaborations of Early Years providers.

The Skills and Employability Service continues to give priority to increasing participation for all young people to age 18, through apprenticeships, and the expansion of vocational and technical education provision. Joint work with Early Help and Preventative Services continues to reduce the NEET and Not Known levels in Kent.

Education Quality and Standards - KPIs

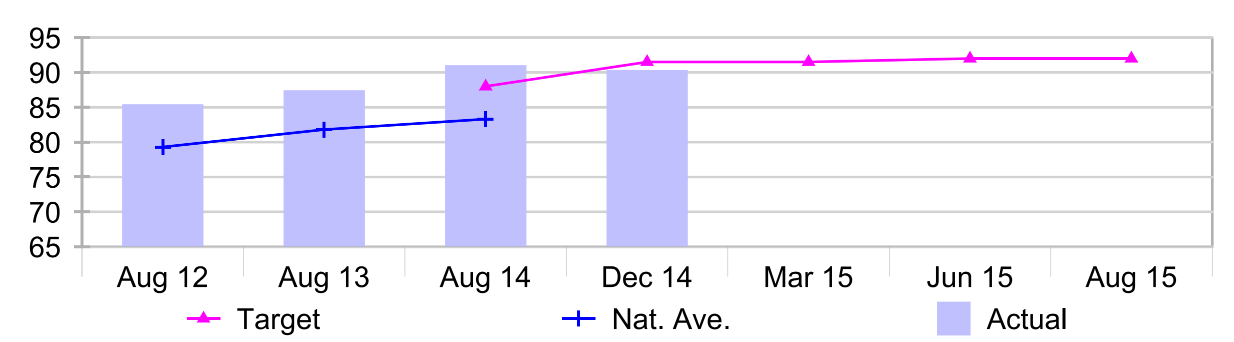
Percentage of all schools with Good or Outstanding Ofsted inspection judgements — GREEN ⇧



	Aug 12	Aug 13	Aug 14	Dec 14	Mar 15	Jun 15	Aug 15
Actual	60%	71%	76%	77%			
Target		64%	75%	77%	79%	80.5%	82%

Performance in this area continues to improve at a good rate in line with the target. At the end of December there were 424 schools that were Good or Outstanding and the number Requiring Improvement had reduced to 106 schools. There were 30 schools without a current inspection judgement. There were 24 schools (20 Primary and 4 Secondary) that were judged as Inadequate by Ofsted, which is being addressed by who are working to a Local Authority Statement of Action and we are working closely with these schools with reviews of progress against plan completed every six weeks.

Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises) — AMBER ⇩



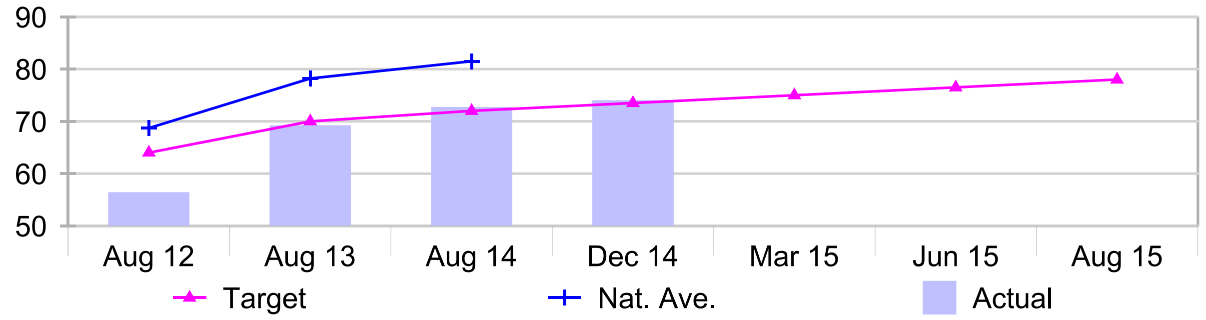
	Aug 12	Aug 13	Aug 14	Dec 14	Mar 15	Jun 15	Aug 15
Actual	85%	87%	91%	90%			
Target			88%	91.5%	91.5%	92%	92%

The December position for the percentage of Early Years settings which are judged Good or Outstanding was slightly down the from the August position and slightly behind the challenging target. There was steady improvement over the last academic year and current performance is high and well above the national average. Collaborations of Early Years providers have been established to support continuous improvement and the narrowing of achievement gaps and the introduction of the Early Years Pupil Premium in April 2015 will give providers additional resources to support this agenda.

Education Quality and Standards - KPIs

This page shows a breakdown of the previous indicator for Ofsted inspections for all schools and shows results separately for Primary and Secondary schools.

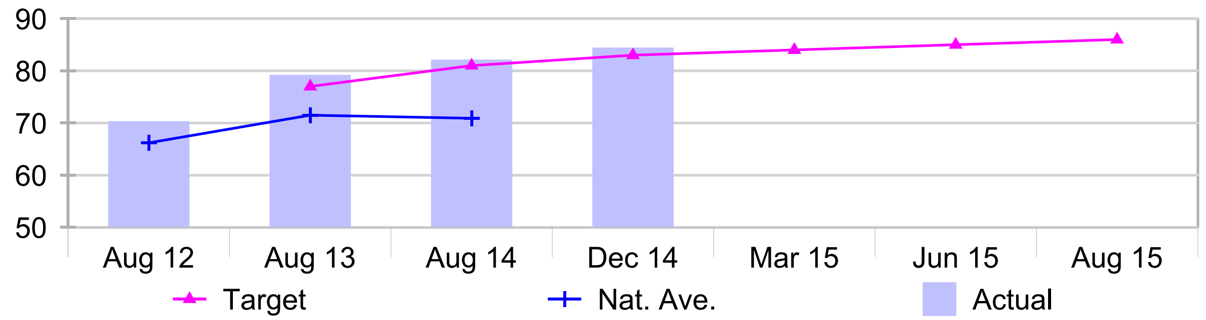
Percentage of Primary schools with Good or Outstanding Ofsted inspection judgements — **GREEN ⇧**



	Aug 12	Aug 13	Aug 14	Dec 14	Mar 15	Jun 15	Aug 15
Actual	56%	69%	73%	74%			
Target		70%	72%	73.5%	75%	76.5%	78%

There has been significant improvement in the inspection judgements for Primary schools since 2012 and results continue to improve each quarter. Although the result in Kent is behind the national average, the gap to national average has reduced by 5 percentage points in the last two years.

Percentage of Secondary schools with Good or Outstanding Ofsted inspection judgements — **GREEN ⇧**



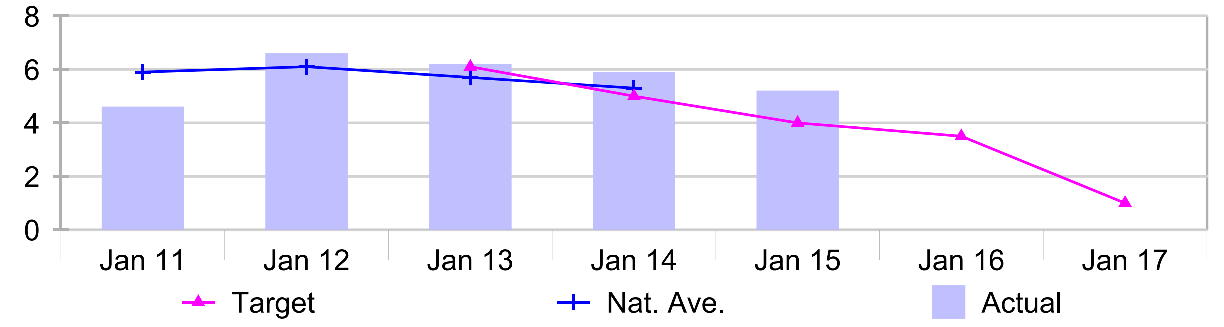
	Aug 12	Aug 13	Aug 14	Dec 14	Mar 15	Jun 15	Aug 15
Actual	70%	79%	82%	84%			
Target		77%	81%	83%	84%	85%	86%

Secondary schools in Kent continue to significantly out-perform the national average for Ofsted inspections. Results are improving each year ahead of target.

Education Quality and Standards – KPIs

Percentage of 16-18 years olds not in education, employment or training (NEETs)

AMBER ⇧

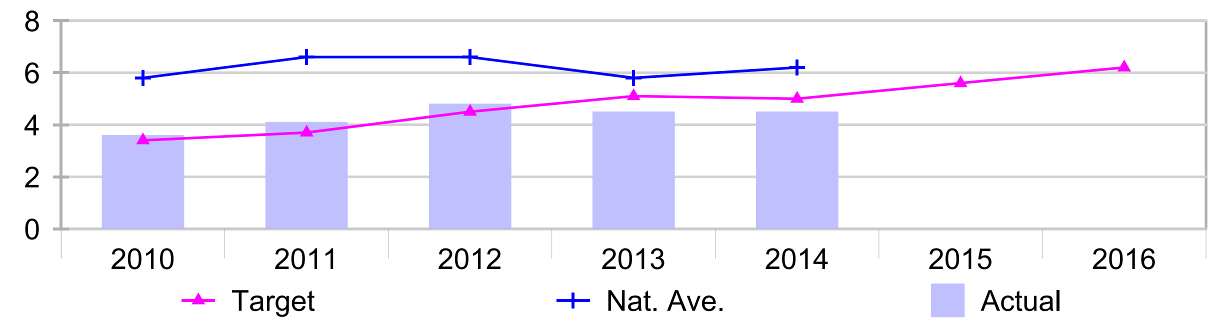


	Jan 11	Jan 12	Jan 13	Jan 14	Jan 15	Jan 16	Jan 17
Actual	4.6%	6.6%	6.2%	5.9%	5.2%		
Target			6.1%	5.0%	4.0%	3.5%	1.0%

The percentage of 16-18 year olds who are NEET has decreased year-on-year over the last three years. NEET figures are low (2.30%) for 16 year olds, are slightly higher for 17 year olds (5.07%) and are considerably higher for 18 year olds (8.79%). The systems and processes for tracking young people have been managed within KCC since April 2014 and have been through significant review and streamlining. Participation rates are high however, and it is anticipated that the NEET figure will reach 4% by the end of March.

Percentage of 16-18 years old who start an apprenticeship

AMBER ⇔



	2010	2011	2012	2013	2014	2015	2016
Actual	3.6%	4.1%	4.8%	4.5%	4.5%		
Target			4.5%	5.1%	5.0%	5.6%	6.2%

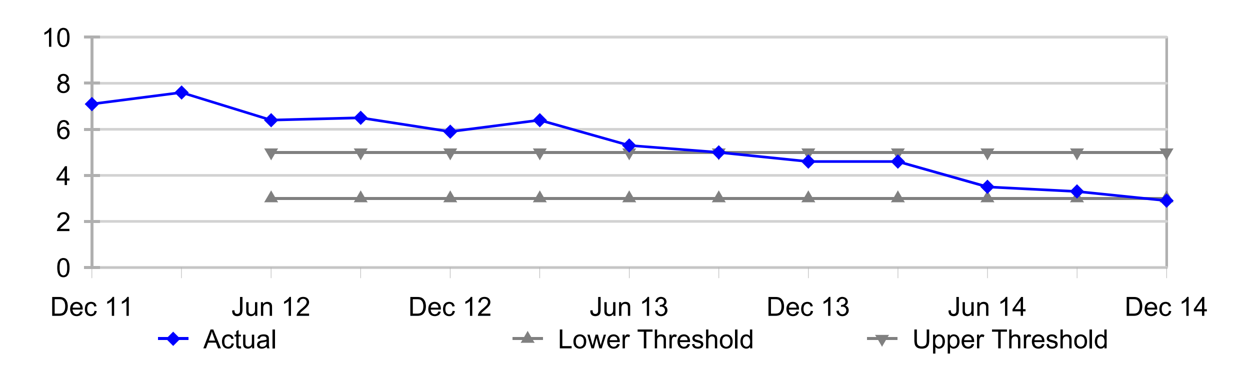
Apprenticeship starts for the last academic year were the same as the previous year. The figures show significant variation by district, and by occupational sectors. The withdrawal of subcontracts by the Further Education sector to smaller providers has reduced the number of opportunities available to young people. A major campaign to recruit 3,000 16-18 apprentices is underway and the Further Education sector is key to delivering this target by the end of July 2015.

Education Quality and Standards – Activity Indicators

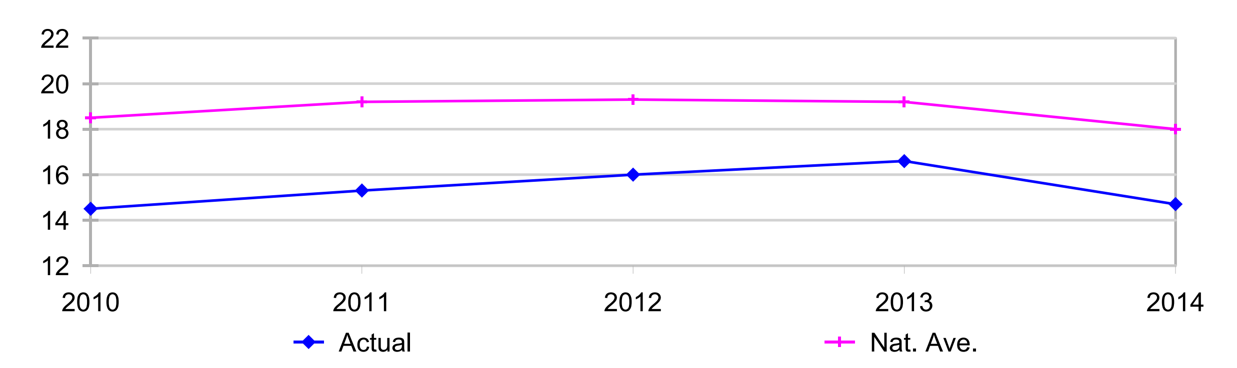
The percentage of young people aged 18 to 24 claiming Job Seekers Allowance has shown a good reduction, now at 2.9% compared to the peak of 7.5% seen in March 2012.

Primary schools in Kent now have 14.7% of pupils eligible for Free School Meals, down from 16.6% last year and below the national average of 18.0%. At secondary school level 12.1% of pupils in Kent are eligible for Free School Meals, down from 13.5% last year and below the national average of 15.7%.

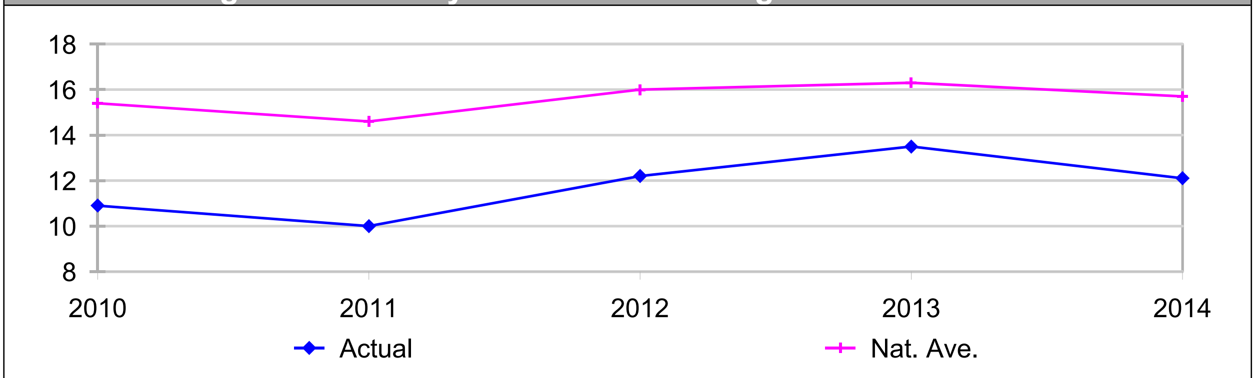
Percentage of young people aged 18 to 24 claiming JSA



Percentage of primary school children eligible for Free School Meals



Percentage of secondary school children eligible for Free School Meals



Education Planning and Access - Overview	
Cabinet Member	Roger Gough
Director	Kevin Shovelton

The percentage of Statements of Special Educational Need (SEN) issued within 26 weeks was down by 3% to 88% which is 4% below target and this was partly due to a rise in demand prior to the introduction of Education, Health and Care Plans (EHCPs) in September 2014, which replace Statements of SEN.

There are currently 141 children from other local authorities placed in Kent special schools, down from 152 in June.

Indicator Description	Previous Status	Current Status	DOT
Percentage of SEN statements issued within 26 weeks (excluding exceptions to the rule)	AMBER	AMBER	⇩

The number of Reception Year pupils within Kent schools increased by 8.1% to 17,362 children in the three years to January 2014. For Year 7, pupil numbers were decreasing up to 2012/13 but have now started to increase, and we expect they will continue to do so as the previous years of primary stage increases now start to move into secondary schools, and total secondary school numbers will start to increase from 2016.

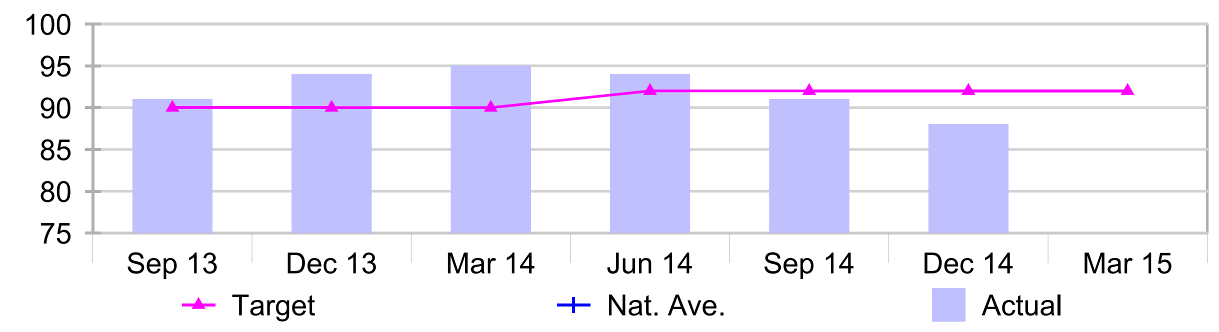
The Area Education Officers and the Fair Access team are working together to ensure that every Kent child is offered a school place for September 2015. The challenging context is that unprecedented levels of inward migration into Kent since September 2013 have been higher than forecast and have reduced the surplus of school places to below the recognised operating surplus of 5% in seven of the twelve Kent Districts for Reception Year admissions. Additional school places were created for September 2014 to ensure that there are sufficient places. Revised forecasts and District Plans for new school places have been devised and set out in a revised Education Commissioning Plan.

SEN Services and the Educational Psychology Service (KEPS) are engaged with the implementation of the most significant legislative SEND (Special Education Needs and Disability) changes for 30 years which came into effect in September 2014. New Education, Health and Care Plans, have been introduced which replace previous Statements of SEN, and the provision of a ‘Local Offer’ will commence in September. The SEN Assessment and Placement Service was also restructured during 2014 to enable us to deliver the new changes and to provide 4 area teams which align with other Education and Young People’s services locally.

KEPS, the SEN Service and the Fair Access teams have all been involved in Transformation Reviews as part of ‘Facing the Challenge’. KEPS are involved in both Phase 1 (as part of the EduKent suite of Services), while SEN and Fair Access are involved in Phase 2 Reviews which are focussed on SEN, SEN Transport and School Admissions.

Education Planning and Access - KPIs

Percentage of SEN statements issued within 26 weeks (excluding exceptions to the rule)	**AMBER ⇩**



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	91%	94%	95%	94%	91%	88%	
Target	90%	90%	90%	92%	92%	92%	92%

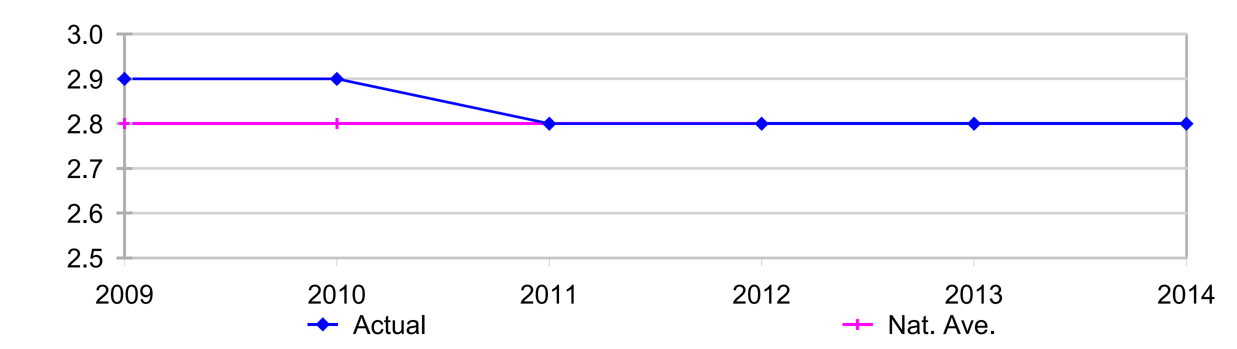
Performance in the quarter to December fell to 88% and this was partly due to a rise in demand prior to the introduction of Education, Health and Care Plans (EHCPs) in September 2014, which replace Statements of SEN. The last six months saw 49 more assessments completed than the same time last year. The new EHCPs have a timescale of 20 weeks which will be reflected in future reporting.

Education Planning and Access – Activity Indicators

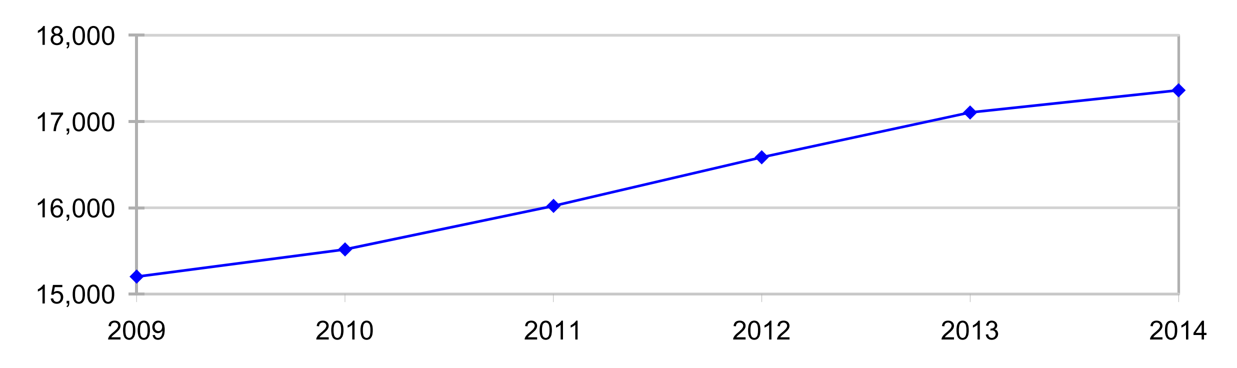
Kent schools have the same proportion of pupils with statements of SEN as the national average, which has been a consistent 2.8% for several years. There are currently 141 children from other local authorities placed in Kent special schools, down from 160 last March.

The number of Reception Year pupils has been on a steady increase since 2007, with 17,362 pupils in January 2014, a 8.1% increase since 2011. The number of Year 7 pupils has been decreasing, with 15,719 pupils in January 2014, a 2.9% reduction since 2011. The number of Year 7 pupils increased slightly between 2013 and 2014 and larger increases are expected in future years as the previous trend of increases in primary starts to move into the secondary stage and total secondary school numbers are forecast to begin increasing in 2016.

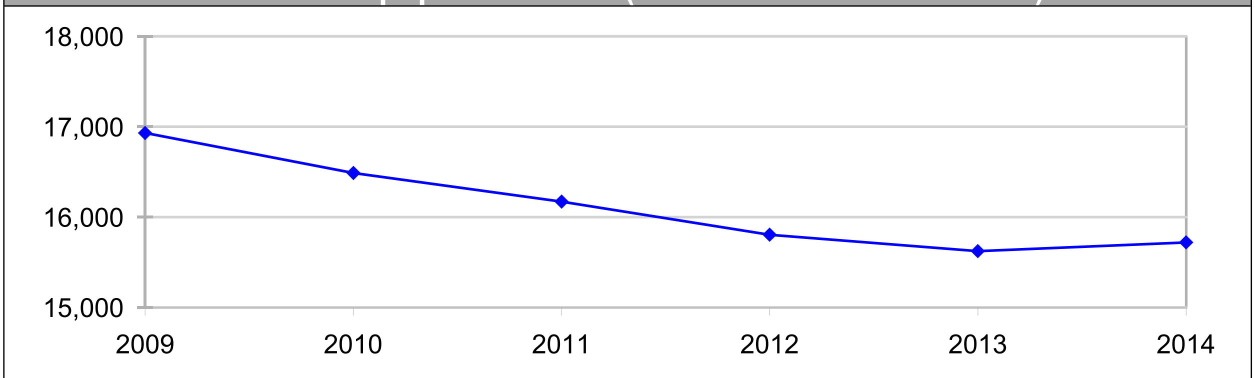
Percentage of pupils in Kent schools with SEN Statements



Number of pupils in Reception year (Kent state funded schools)



Number of pupils in Year 7 (Kent state funded schools)



Early Help and Preventative Services - Overview	
Cabinet Member	Peter Oakford/Mike Hill
Director	Florence Kroll

The percentage of Team Around the Family cases (TAFs) closed with either outcomes achieved or single agency support fell slightly in the last quarter to below target. Step down of Children in Need cases to Preventative Services was unchanged at 20%, in line with the target. Permanent exclusions in the last 12 months were similar to previous results but slightly behind the new target for this year. The number of first time entrants to the youth justice system over the same period reduced with the result now much closer to target.

The number of open TAFs increased significantly in the quarter. The Common Assessment Framework has been replaced by the new Kent Family Support Framework which will be tracked in future reports. New registrations at Children's Centres continue to be lower this year compared to last year.

Indicator Description	Previous Status	Current Status	DOT
Percentage of TAFs closed with outcomes achieved or to single agency support	GREEN	AMBER	⇩
Percentage of children in need cases stepped down to preventative services	GREEN	GREEN	⇔
Percentage of pupils permanently excluded from school	GREEN	AMBER	⇔
Number of first time entrants to youth justice system	AMBER	AMBER	⇧

The Early Help & Preventative Services (EHPS) Division was established in April 2014 to provide services to vulnerable children, young people and families. An Early Help and Preventative Services Prospectus has been published setting out the vision and rationale for change, in order to achieve better outcomes, and a One Year Early Help Plan (2014/15) has been developed to provide focus and measure positive outcomes for children, young people and families, setting out the key priorities, targets and actions for the new Division.

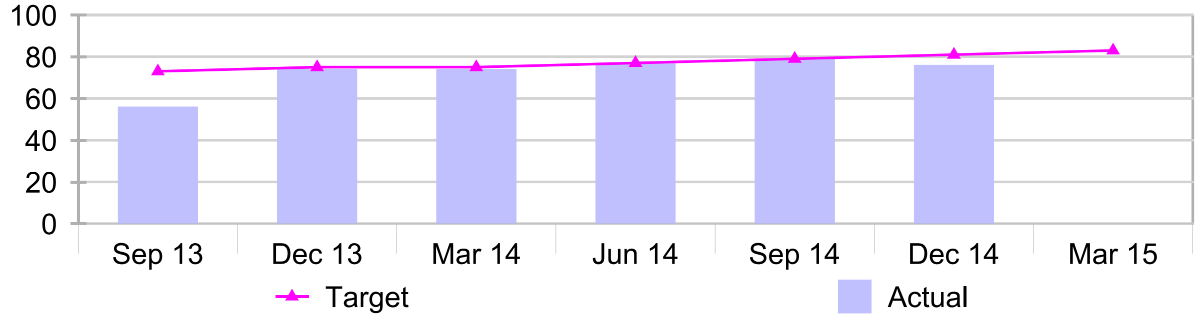
In July a decision was taken to work with Newton Europe on a Service Redesign of the Division. Staff have been actively engaged in the design, and formal consultation is currently taking place for the new EHPS structure. The service re-design will improve the effectiveness of the service which will help reduce demand for Specialist Children's Services.

Work is progressing on reviewing three interrelated processes to help improve identification of families and young people in need of support, and to improve the support provided:

- The step-up/step-down protocol between Early Help and Specialist Children's Services
- Missing Children procedures
- The Early Help Notification and Assessment processes.

Early Help and Preventative Services - KPIs

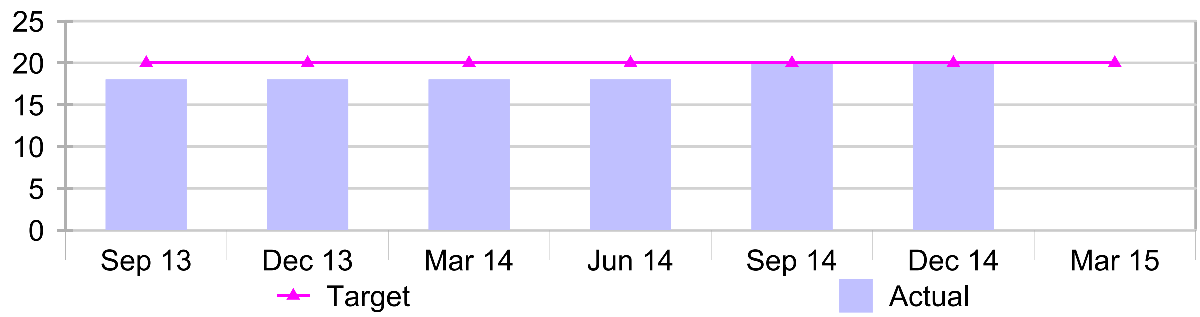
Percentage of TAFs closed with outcomes achieved or to single agency support — AMBER ⇩



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	56%	74%	74%	77%	79%	76%	
Target	73%	75%	75%	77%	79%	81%	83%

Results fell in the quarter, partly due to staff in the districts currently managing case recording across multiple systems. This will change later in 2015 when the Early Help Module (EHM) is implemented. The new Kent Family Support Framework, launched in September, has replaced the Common Assessment Framework (CAF) and is providing children and families with targeted support in a more efficient and less cumbersome way.

Percentage of children in need cases stepped down to Early Help & Preventative Services — GREEN ⇔

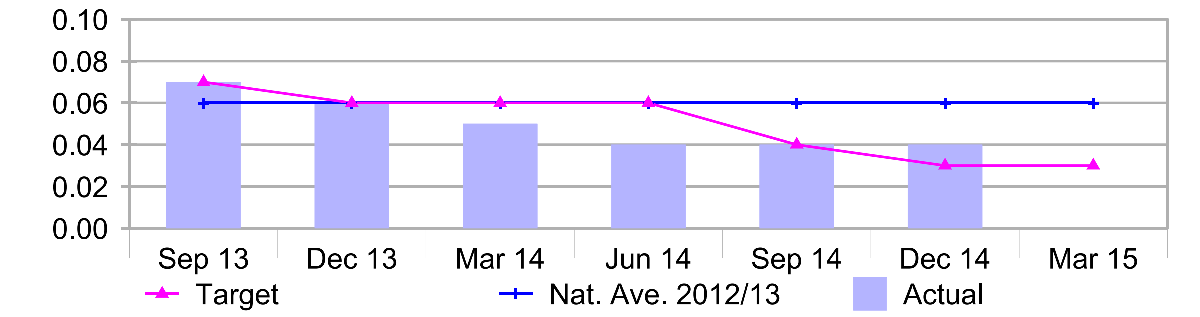


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	18%	18%	18%	18%	20%	20%	
Target	20%	20%	20%	20%	20%	20%	20%

The percentage of cases closed in Specialist Children's Services that are stepped down to Early Help and Preventative Services remains on target. Following the restructure of Early Help and Preventative Services to a new model of working for targeted support, alongside a strong open-access offer for all children and young people, this figure is targeted to rise over the next year.

Early Help and Preventative Services - KPIs

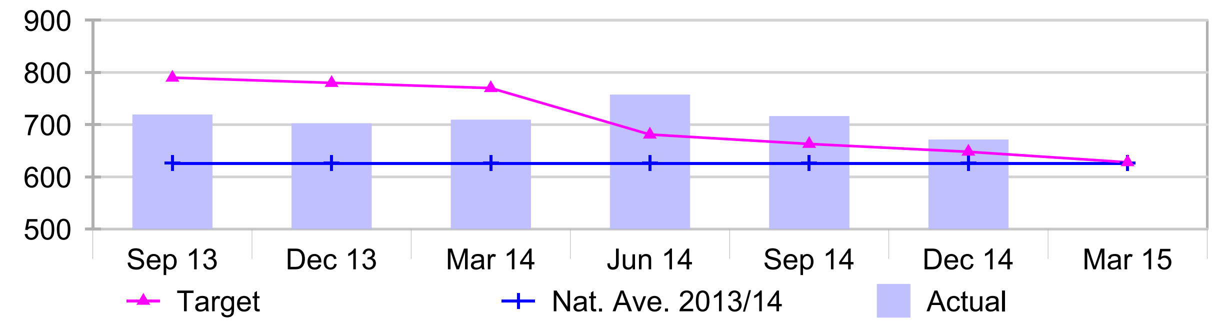
Percentage of pupils permanently excluded from school (rolling 12 month total) — AMBER ⇔



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	0.07%	0.06%	0.05%	0.04%	0.04%	0.04%	
Target	0.07%	0.06%	0.06%	0.06%	0.04%	0.03%	0.03%

There were 92 permanent exclusions in the last 12 months with 33 of these in primary schools, and 59 in secondary schools. This is in line with previous results but behind the increased target for this year. Exclusion rates continue to fall in secondary schools but have shown a rise in primary schools. In the latest quarter Thanet was the highest overall excluding district. Primary exclusions range from 13 in Thanet to none in Ashford, Dartford and Gravesham. Secondary exclusions range from 16 in Maidstone to none in Ashford and Canterbury.

Number of first time entrants to youth justice system (rolling 12 month total) — AMBER ⇧



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	719	702	709	757	716	671	
Target	790	780	770	681	663	648	628

The provisional figure for the last 12 months for the number of first time entrants shows a good reduction on previous figures. Kent Police have maintained their commitment to the diversion of children and young people from the youth justice system and this is supported by the triage process in each of the four youth offending teams. The triage process screens those cases diverted from the youth justice system by the Police, to ensure that appropriate assessment and a preventative intervention is put in place where risks of offending are highlighted. Results for the last quarter are subject to change due to the delay in notifications from the Police.

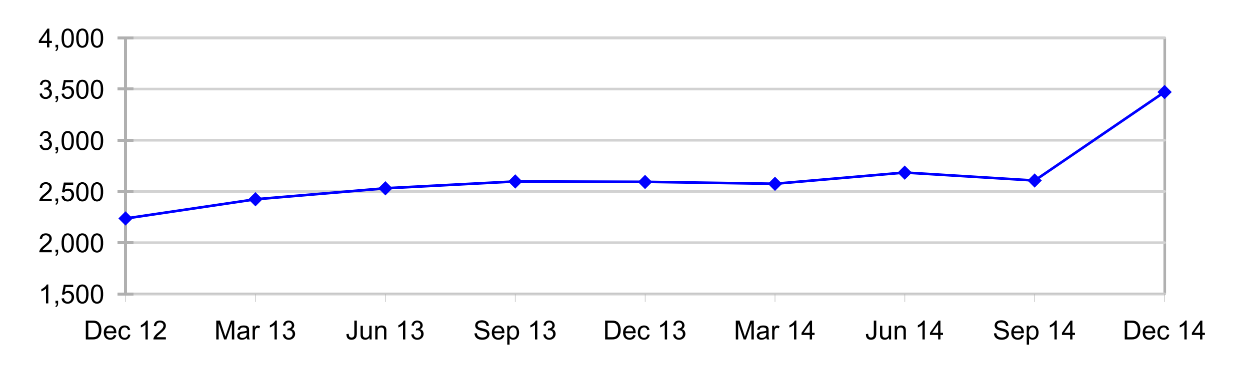
Early Help and Preventative Services – Activity Indicators

The number of cases with a current open Team Around the Family increased significantly to 3,472 at the end of December.

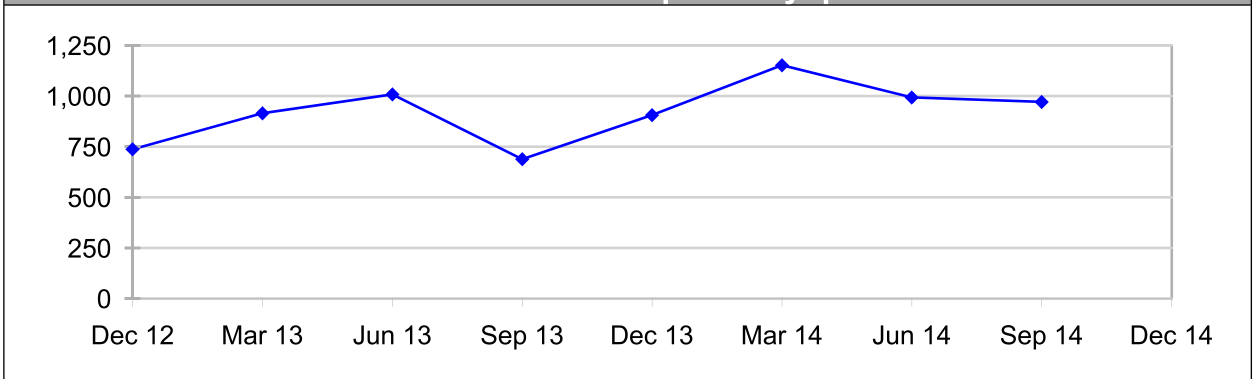
The Kent Family Support Framework (KFSF) launched in September and replaced the Common Assessment Framework (CAF) and in the quarter to December 2014 there were 2,478 notifications received. Future reports will show trend data for the new Framework.

The number of new registrations at Children's Centres has been lower in the last year compared to previous number, with figures impacted by closures and moves to hub models. There were 2,527 registrations in the quarter to December 2014, down from 4,888 in the quarter to September 2012.

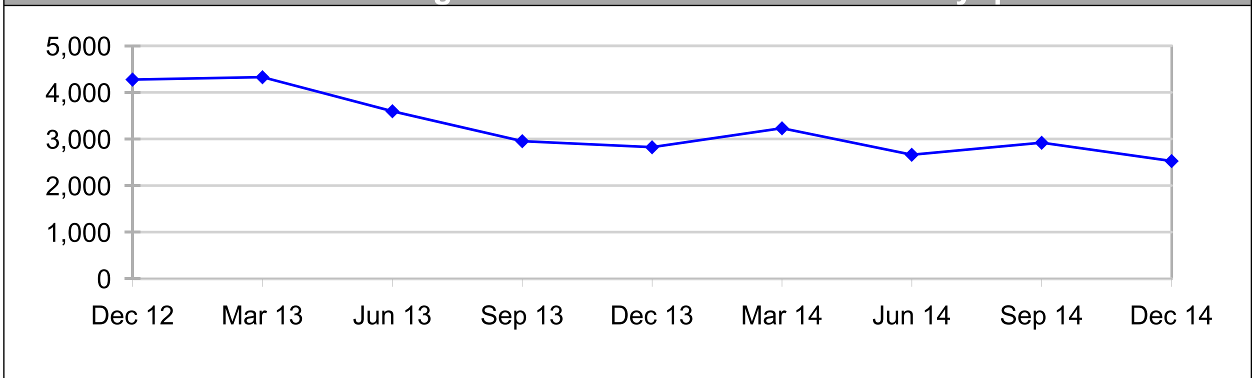
Number of cases with a current open Team Around the Family (TAF)



Number of CAFs completed by quarter



Number of new registrations at Children's Centres by quarter



Children's Safeguarding - Overview	
Cabinet Member	Peter Oakford
Director	Philip Segurola

The percentage of case holding social worker posts held by permanent qualified social workers has risen slightly in the quarter to December 2014 to 76.3%, with 18.3% of the vacancies being filled by Agency staff. The percentage of children becoming subject to a child protection plan for the second or subsequent time continues to be within the banding set for optimum performance. The percentage of on-line Case File Audits judged as Adequate or above has increased by 2.0% this quarter but the Adequate judgement is now being replaced by Requiring Improvement and in the future we will monitor the higher standard of audits judged as Good or Above.

At 3,584, the number of referrals in the last quarter was 1,087 lower than the previous quarter and is just below the expected range. The number of Children in Need cases decreased by 344 and remained within the expected range. There were 1,243 children with Child Protection Plans at the end of December 2014, which was a slight decrease on the previous quarter and numbers were at the higher end of the expected range.

Indicator Description	Previous Status	Current Status	DOT
Case holding posts filled by permanent qualified social workers	AMBER	AMBER	⇔
Children subject to a child protection plan for the second or subsequent time within 24 months	GREEN	GREEN	⇩
Percentage of on-line Case File Audits judged as Adequate or better	AMBER	AMBER	⇧

Transformation work within Specialist Children's Services has continued to progress over the last three months. The leaving care service has transferred back in house from Catch 22 and the service for unaccompanied asylum seeking children (UASC) has been incorporated into the new area teams as part of the creation of an Integrated Children in Care Service.

The design phase work with Newton Europe in the Weald is coming to a completion with evidence of a positive impact upon caseloads and improved practice in the transfer of cases to Early Help. Following on from evaluation of the design phase outcomes we are now moving on to implementation sequentially across the county. As part of this process staff will be trained on Signs of Safety to provide a theoretical framework in our work with families. One of the benefits of the transformation work is the consolidation of staffing numbers in line with reduced workloads and this has allowed for a reduction from five to four social work teams in the Weald. This impact will start to be reflected in staffing figures from February onwards and combined with the implementation of the enhanced recruitment and retention package we expect to see further improvement in the percentage of case holding posts filled by qualified social workers.

A peer review of the Safeguarding Board led by Windsor and Maidenhead in December provided welcome challenge to the work of the Board. In addition an external diagnostic exercise led by the former Corporate Director Malcolm Newsam was completed in January. The diagnostic has put forward a number of recommendations whilst noting that was demonstrable progress since the Ofsted inspections in 2012 and 2013.

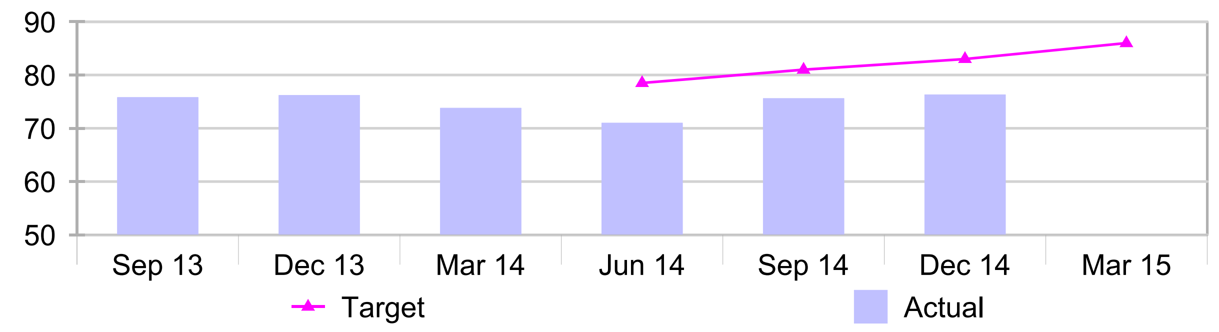
Children’s Safeguarding - Overview

Action Plan Update for the Recruitment and Retention of Qualified Social Workers

Action	Dates	Expected Outcome
Recruiting Newly Qualified Social Workers (NQSWs), through advertising on recruitment micro-site, competency based application and assessment process and cross area panel interviews.	Round 1 - April/May/June 2014 Round 2 - October/ November 2014	Good quality graduates appointed across the teams. 52 NQSW appointed in 2014.
Launch of new branding for 6 month recruitment campaign to recruit Team Managers, Qualified Social Workers, and Senior Practitioners.	November 2014 to April 2015	High quality candidates appointed to fill underlying vacancies: 4 experienced Social workers, 8 Senior Practitioners, 5 Team Managers between 1 November 2014 and 30 January 2015 Ongoing monitoring of the campaign.
Targeted Executive Search campaign for Team Managers	October 2014 to February 2015	Peridot engaged to target Team Manager recruitment.
Review of market premium payments for frontline staff	From January 2015	Service related market premium payments and car market premium payments implemented from January 2015.

Children's Safeguarding - KPIs

Percentage of case holding posts filled by permanent qualified social workers *** — AMBER ⇔

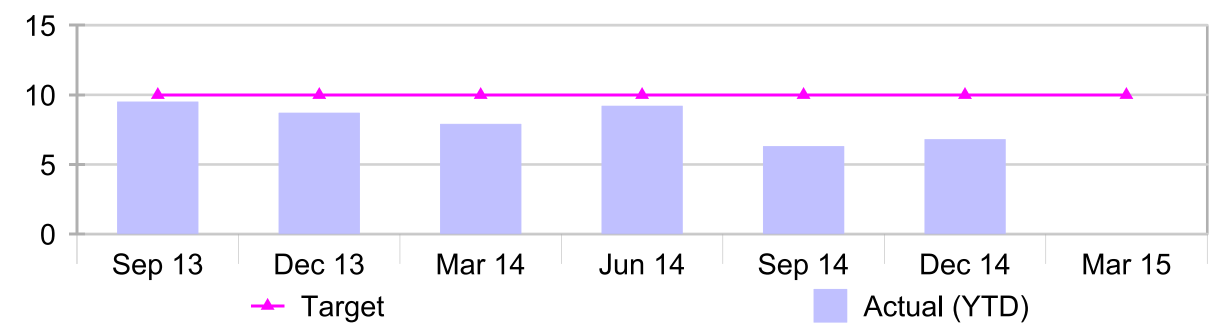


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	75.8%	76%	73.8%	71.0%	75.6%	76.3%	
Target	-	-	-	78.5%	81.0%	83.5%	86.0%

The increase in case-holding staff in the last two quarters was a result of the appointment of newly qualified staff and other permanent appointments. Recruitment activity for experienced staff through the new media campaign including radio advertising and focused information on geographical areas continues and the results are being monitored. See action plan for appointment figures. Further improvement is expected in the quarter to March 2015.

*** The definition and source for this indicator changed from April 2014, so latest figures are not directly comparable with previous year's figures.

Percentage of children becoming subject to a child protection plan for the second or subsequent time within 24 months — GREEN ⇩

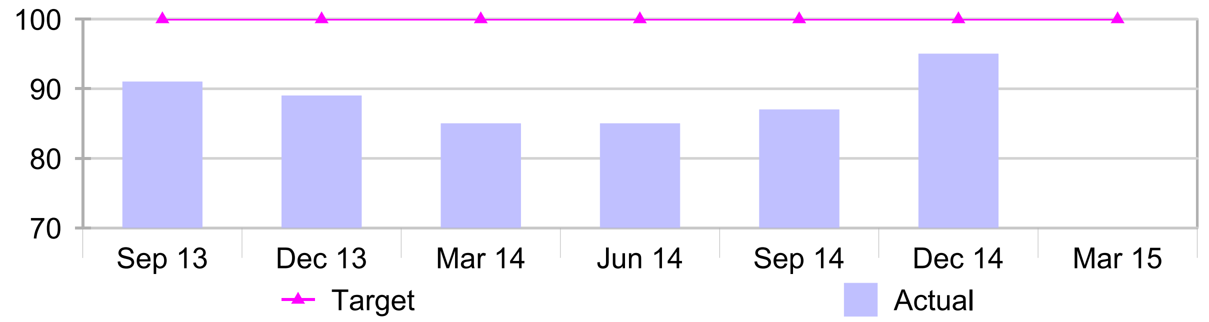


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	9.7%	8.6%	8.0%	9.2%	6.3%	6.8%	
Target	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Performance for this measure remains within the optimum range set. Between April and December 2014, 1,179 children became subject to a Child Protection Plan and 80 of these had been subject to a Child Protection Plan within the previous 24 months.

Children's Safeguarding - KPIs

Percentage of on-line Case File Audits judged as Adequate or better ***	AMBER ⇧



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	91%	89%	85%	85%	87%	95%	
Target	100%	100%	100%	100%	100%	100%	100%

Performance has shown continual improvement over the last nine months, following the drop in performance last year which was a result of work undertaken to improve the consistency of grading, bringing together the findings from separate auditing processes. Work continues to enhance the audit system, allowing for suggested actions from the auditor to be tracked. For the future we will be monitoring the higher standard of Good or better as our key measure in this area.

*** The Adequate judgement for case-file audits is now being changed to Requiring Improvement and future reports will monitor the higher standard of Good or better.

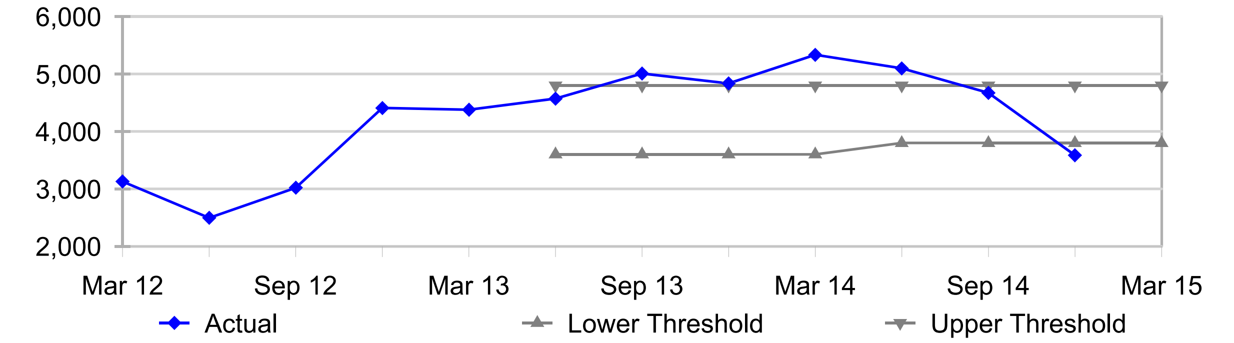
Children's Safeguarding – Activity Indicators

The number of referrals decreased in the last quarter, from 4,671 to 3,584. The decreasing number of referrals is related to a change in practice within the Central Duty Team which has led to a reduction in the number of referrals recorded.

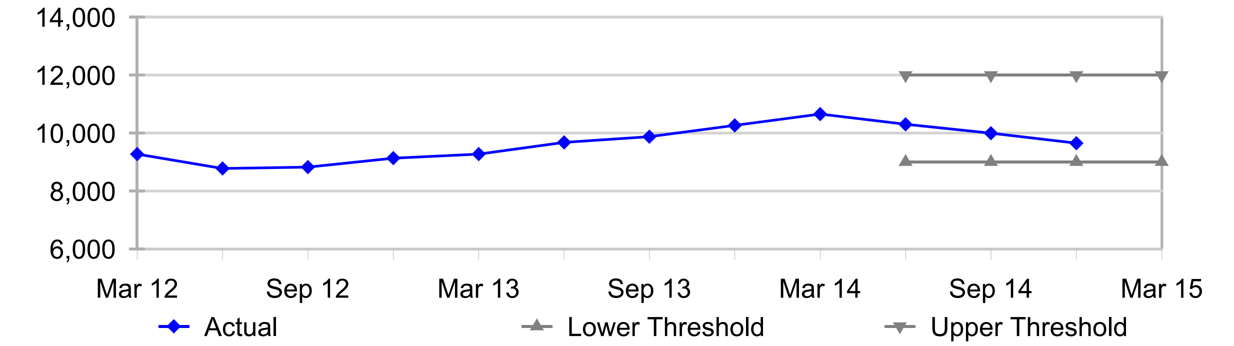
The Number of Children in Need has continued to decrease and was 9,653 at the end of December. This figure includes Care Leavers who are over the age of 18 who have been included in the figure to match the definitions used by the DfE in their publication of national data. They are included here so that comparative rates can be used as the guide. Kent's current rate has remained within the guide range.

The number of children with Child Protection Plans decreased to 1,243 at the end of December. The guide range was increased for 2014/15 to reflect national increases in the numbers of children subject to a Child Protection Plan.

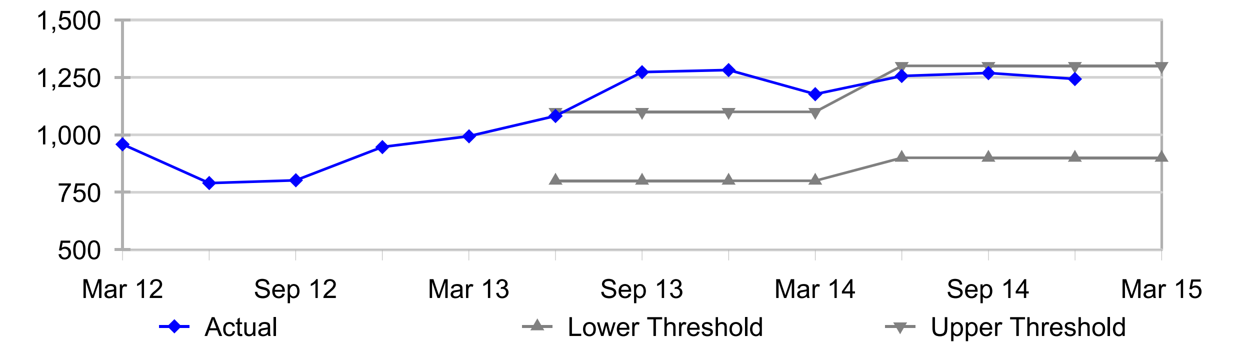
Quarterly number of Referrals



Number of Children in Need (quarter-end count)



Number of children with Child Protection Plans (quarter-end count)



Corporate Parenting - Overview	
Cabinet Member	Peter Oakford
Director	Philip Segurola

The percentage of children leaving care who were adopted has been 20.9% (142 children) so far this year which is significantly ahead of target. The percentage of children in care who have been in the same placement for the last two years was 72.7% at the end of December, improving on performance from the previous quarter. At 64.2%, the percentage of our looked after children in KCC Foster Care remains above target.

The number of indigenous Children in Care has continued to reduce and at the end of December there were 1,517, which is a decrease of 107 children from the March 2014 position of 1,624. The number of these children placed with Independent Fostering Agencies has continued to reduce and was down to 251 at the end of December. The number of Children in Care placed in Kent by other Local Authorities continues to be higher than last year and at the end of December 2014 was 1,296.

Indicator Description	Previous Status	Current Status	DOT
Percentage of children leaving care who are adopted	GREEN	GREEN	⇔
Children in Care in same placement for the last 2 last years	AMBER	GREEN	⇧
Percentage of Kent children in care in KCC foster care	GREEN	GREEN	⇔

Listening to the views of children and young people in care is at the centre of the Council's agenda and details of how this is being achieved can be found on the next page of this report.

During June and July 2014 an external review was undertaken to determine the progress made by KCC since the Improvement Notice was lifted. This included a review by Jonathan Pearce (previous Chair of the Adoption Sub-Group) which focussed on the Adoption Service's improvement journey. The progress report asserted that 'there continues to be a strong drive, aspiration and ambition among the leaders, managers and staff to keep the service on a course of continuous improvement, and to achieve successful outcomes for the children, parents and families that are affected by the service's work.' More recently an external diagnostic exercise led by the former Corporate Director Malcolm Newsam was completed in January. The diagnostic has put forward a number of recommendations whilst noting that there was evidence of demonstrable progress since the Ofsted inspections in 2012 and 2013.

The partnership, and relationship between both the Member-led Corporate Parenting Panel, and the multi-agency officer led Kent Corporate Parenting Group continues to improve and develop, ensuring a shared agenda of priorities. The Council's positive focus and active approach to its Corporate Parenting responsibilities was recently exemplified by the number of elected Council Members signing up to Kent's Care Leavers Charter and the Kent Pledge for Children in Care.

Corporate Parenting – Views of children and young people

Children and young people's views

Listening to the views of children and young people in care is at the centre of the Council's agenda. A Care Leaver Participation Apprentice within the Virtual School Kent (VSK) sits on the Kent Corporate Parenting Panel and plans are in place for Members to meet with other children in care and care leavers both on a formal and informal basis. Kent's Children in Care Council continues to go from strength to strength and work is underway to ensure it appeals to a wider range of children in care and the focus is on how this group can make meaningful links with the significant number of children in care who do not attend these meetings.

A report on this matter, supported by a Children in Care DVD and the outcomes of the 'Your Voice Matters' survey was presented to County Council in July 2014. The paper was written by one of KCC's Apprentice Participation Workers with the Virtual School Kent (herself a care leaver). The evidence presented demonstrated that there have been a number of positive impacts from the recent service Improvement Programme, whilst also indicating some areas for development.

A response for young people to the Your Voice Matters survey has been written for young people which summarises for them the key findings of the survey and informs them what actions have or will be taken to address the issues raised, including an undertaking to work with young people to find other ways of hearing their views in place of surveys.

Since July 2014 the film, 'Never Stop Listening', has been shared with relevant officers within KCC, and with partner agencies, to ensure that these views are heard and that appropriate actions are being taken to improve young people's experiences.

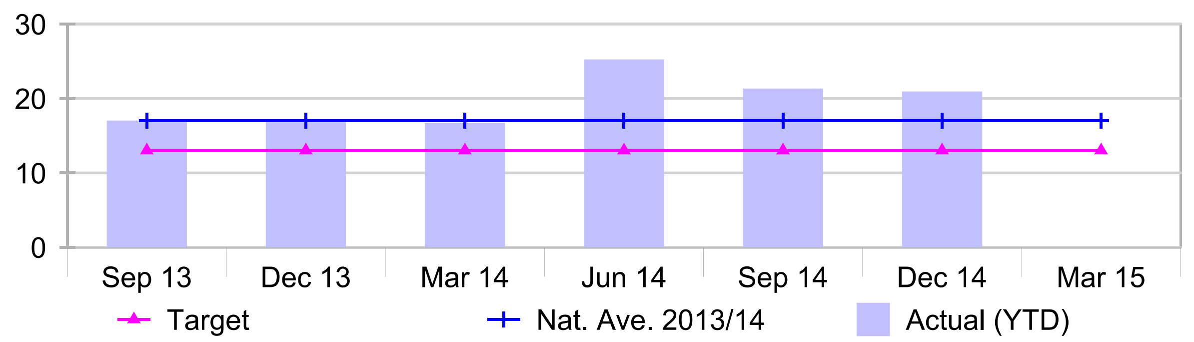
During September 2014 the Leading Improvements for Looked After Children (LILAC) Assessment took place in Kent. This assessment has been developed by 'A National Voice', a charity run by young people with experience of care, as a way of involving young people with experience of the care system to carry out an assessment of how well services delivered by the local authority are enabling children in care and care leavers to participate, both at an individual level, and in the development of policies and services that support them. The assessment focuses on shared values, style of leadership, structures, staff, recruitment and selection, care planning and review, complaints and advocacy. A successful assessment is rewarded with an appropriate LILAC Mark, which indicates the level of compliance. KCC has been awarded four of the seven LILAC marks and work is taking place to address those standards not achieved. An Interim Assistant Director for Corporate Parenting has recently been appointed within Specialist children's Services who holds the Strategic Lead for Participation and Engagement, and the responsibility for driving through further improvements and developments.

The views of children and young people are also gathered from a variety of other sources including during visits by social workers, through the completion of a Personal Education Plan, and during LAC reviews which are Chaired by Independent Reviewing Officers (IRO). This feedback is then captured in the IRO Manager's Annual Report. The report for the period 2013/14 was presented to the Corporate Parenting Panel in October 2014.

Corporate Parenting - KPIs

Percentage of children leaving care who are adopted

GREEN ⇔

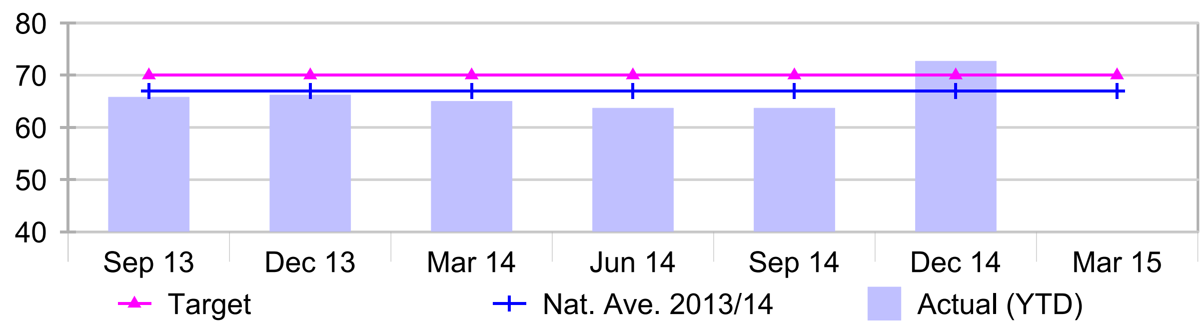


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	17%	17%	17%	25%	21%	21%	
Target	13%	13%	13%	13%	13%	13%	13%

High performance on adoption continues to be maintained with 142 children being adopted between April and December 2014. This compares to 106 for the same period in 2013/14, and 77 in 2012/13. Work continues to focus on the recruitment of sufficient adopters, and with partners to improve the timeliness of adoptions by reducing delays in the process.

Children in Care in same placement for the last 2 last years (for those in care for 2 and half years or more)

GREEN ⇧

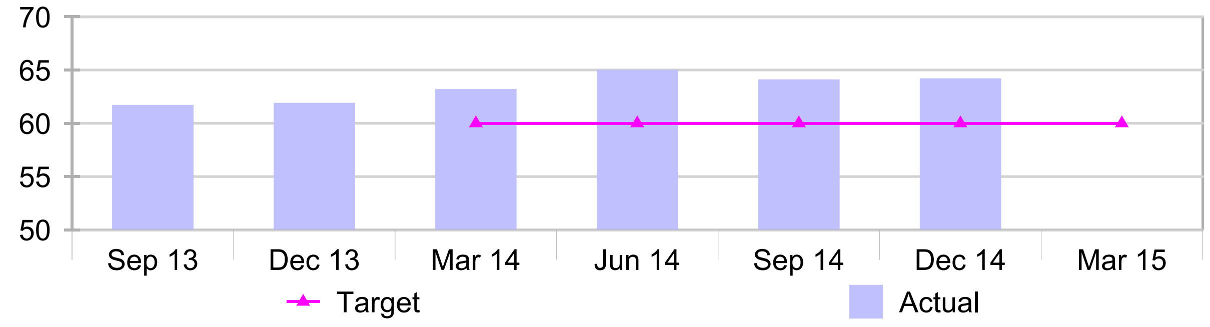


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	66%	66%	65%	64%	64%	73%	
Target	70%	70%	70%	70%	70%	70%	70%

This indicator is a measure of placement stability for those that have been in care for at least two and a half years, and have been in the same placement for at least two years. Placement stability has increased over the last quarter, rising to 73% which is above the target of 70%. The highest range of stability is in the 9-12 age group, and stability decreases slightly for those aged 13 and above.

Corporate Parenting - KPIs

Percentage Kent children in care in KCC foster care placements (excluding UASC)	GREEN ⇔



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	62%	62%	63%	65%	64%	64%	
Target	-	-	60%	60%	60%	60%	60%

One of the strategic priorities for Specialist Children's Services is to find permanence and stability for children in care via in-house foster care.

Performance for the third quarter of 2014/15 has remained at the same rate as quarter two and is above the target. Work continues to focus on the recruitment of KCC Foster Carers who are willing to provide long term placements for children.

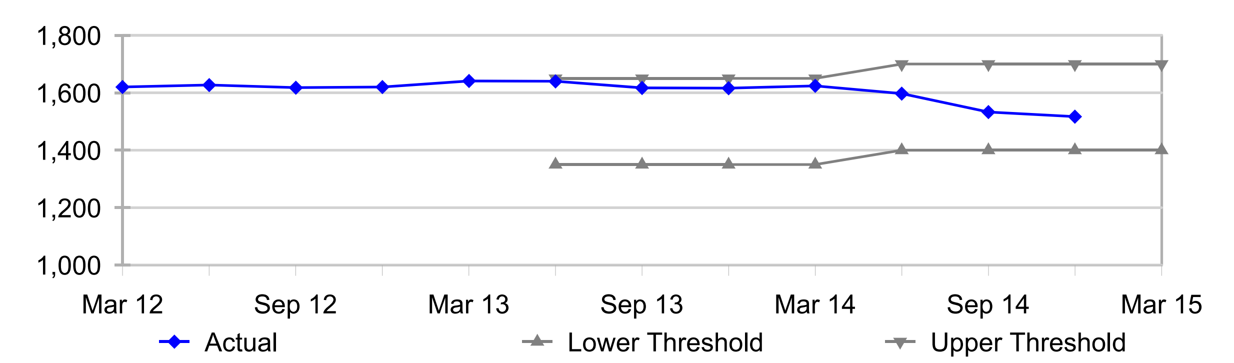
Corporate Parenting – Activity Indicators

The number of indigenous Children in Care has decreased in the last quarter to 1,517. This is the lowest number since February 2012.

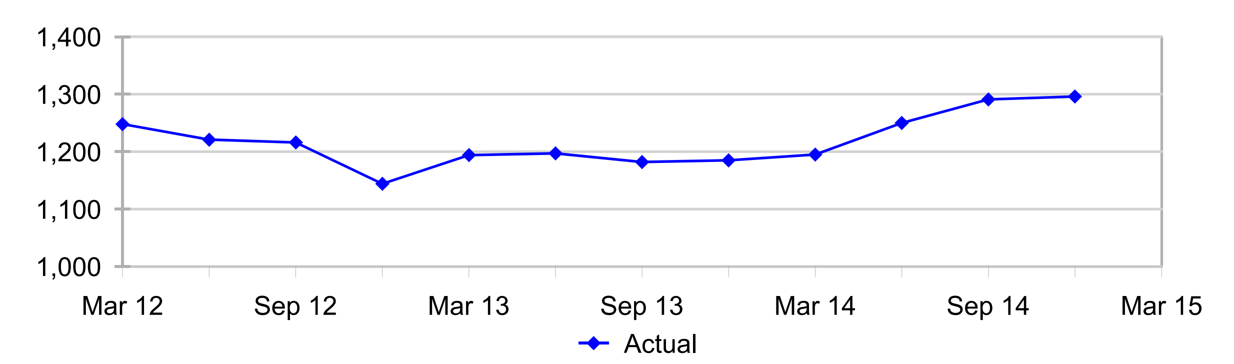
The number of Children in Care placed in Kent by other Local Authorities continues to be higher than last year, following the increase seen earlier in the year.

The number of children placed with Independent Fostering Agencies continues to decrease. There were 251 children placed with Independent Fostering Agencies as at the end of December 2014.

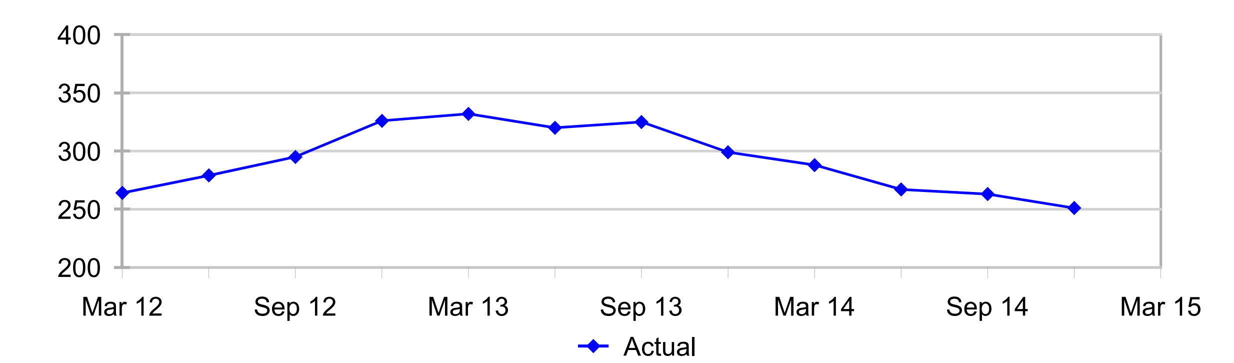
Number of indigenous Children in Care (quarter-end count)



Number of other local authority children in care placed into Kent



Number of children in independent fostering agency placements



Adult Social Care - Overview	
Cabinet Member	Graham Gibbens
Corporate Director	Andrew Ireland

Performance improved in the quarter for all but one of the indicators. Referrals to enablement, clients with a Telecare service and the admissions to residential or nursing care have been ahead of target all year and have shown significant improvement. Contacts resolved at first point of contact and Promoting Independence Reviews both continue to be behind the target levels set but have also shown a good level of improvement over the year. The Number of Promoting Independence Reviews completed is expected to increase further next quarter as this new approach becomes further embedded. The results for clients still independent after enablement shows some volatility each quarter and performance continues to be close to target.

Indicator Description	Previous Status	Current Status	DOT
Percentage of contacts resolved at first point of contact	AMBER	AMBER	⇧
Number of new clients referred to an enablement service	GREEN	GREEN	⇧
Number of clients receiving a Telecare service	GREEN	GREEN	⇧
Number of Promoting Independence Reviews completed	RED	RED	⇧
Number of admissions to permanent residential or nursing care for older people	GREEN	GREEN	⇧
Clients still independent after enablement	GREEN	AMBER	⇩

Phase 1 of the Adult Transformation Programme, which started in 2012 with an initial assessment, has passed through the Design and Implementation stages supported by our external partner Newton Europe and is now nearing completion.

The Phase 1 Programme was mainly focused on the Older People Physical Disability division and successfully focussed on making better use of existing systems and embedding the culture of promoting service user independence, whilst establishing the foundations for future transformation. The work of the KCC and Newton Europe partnership on the ‘sandbox optimisation project’ was highly commended for ‘Innovation in Social Care’ at the 2014 Municipal Journal awards.

Ongoing activity such as Health and Social Care Integration has continued and new legislation has meant the need for a new Care Act programme to comply with the new legislation.

For Phase 2 of Transformation Newton Europe were commissioned to carry out a 6 week assessment starting in June, focusing on Health and Social Care integration and clients with a Learning Disability. The assessment has informed a design and planning stage, including working with Clinical Commissioning Groups to identify ways to deliver service user benefits and savings through joint working. Implementation will follow in due course.

Adult Social Care – Service User Feedback

All local authorities carry out a survey with their adult social care services users on an annual basis, as set out by Department of Health guidance.

A sample of service users are chosen from all ages, all client groups and all services. The last survey in 2013/14 had responses from over 600 service users.

The results of some of the key areas are found below. **National averages are shown in brackets.**

	2011/12	**2012/13**	**2013/14**
Service users who are extremely or very satisfied with their care and support	58% (63%)	67% (64%)	66% (65%)
Service users who have adequate or better control over their daily life	76% (75%)	79% (76%)	78% (77%)
Service users who find it easy to find information about services	73% (74%)	76% (74%)	70% (75%)
Service users who say they feel safe as they want	62% (64%)	65% (65%)	65% (66%)
Service users who say that the services they receive help them feel safe and secure	75% (76%)	79% (78%)	76% (79%)

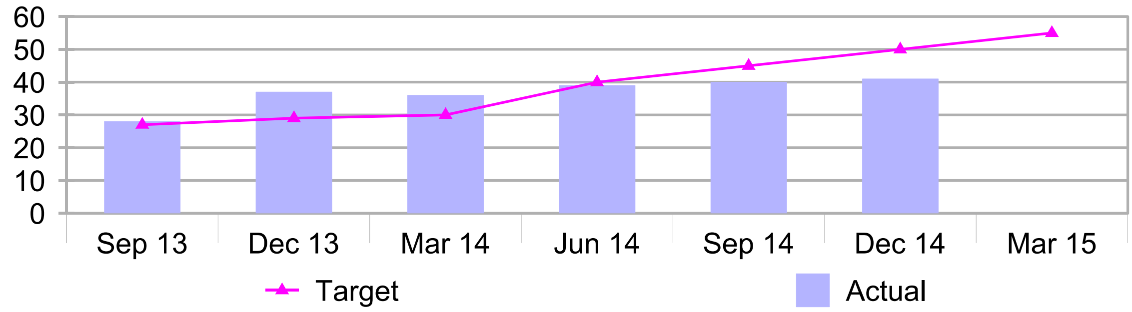
The Directorate Management Team have considered the results and the information gathered from the survey is being used together with further feedback from people that have volunteered to take part in additional surveys to understand how we can make improvements to the services we deliver.

In 2013/14 Kent remains in line with the national average for most indicators, except for service users who find it easy to find information about services which dropped to 5% below national average.

Adult Social Care - KPIs

Percentage of contacts resolved at point of contact

AMBER ⇧

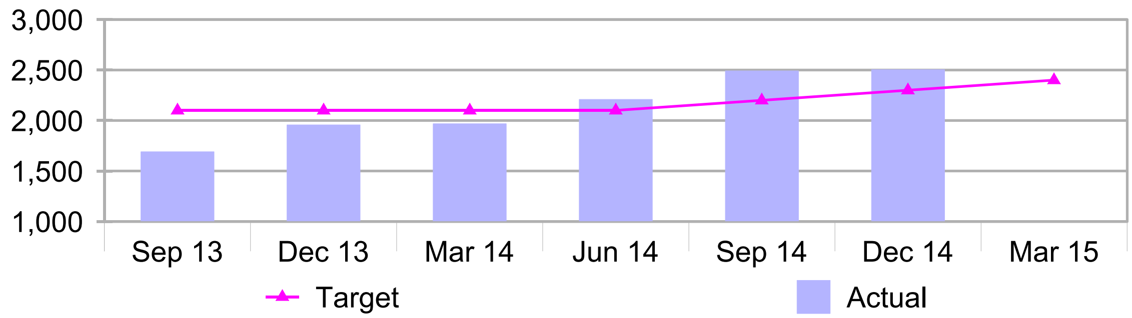


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	28%	37%	36%	39%	40%	41%	
Target	27%	29%	30%	40%	45%	50%	55%

Performance has improved each quarter so far this year and is significantly ahead of the position eighteen months ago. However this improvement is lower than the stretching target level set. It is a key priority for Adult Social Care to respond to more people's needs at the point of contact, through better information, advice and guidance, or provision of equipment where appropriate.

Number of new clients referred to an enablement service

GREEN ⇧



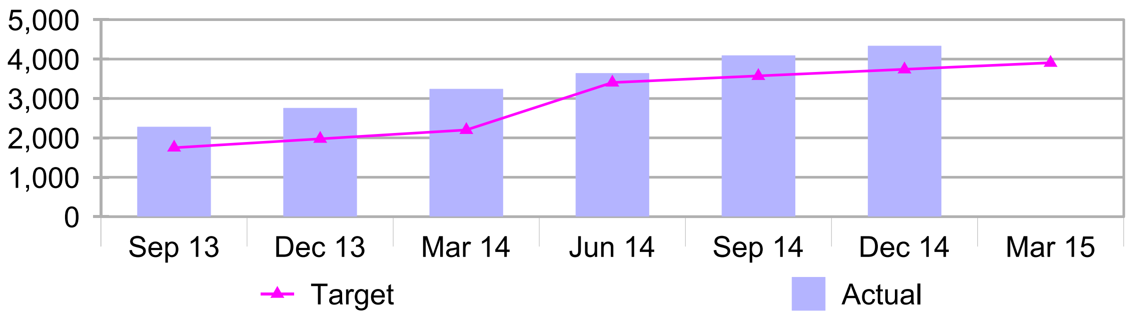
	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
YTD	1,691	1,957	1,968	2,209	2,492	2,504	
Target	2,100	2,100	2,100	2,100	2,200	2,300	2,400

The number of new clients referred to enablement continues to increase ahead of the targeted rate of increase and in the last quarter we achieved our highest level to date. More clients are now expected to receive an enablement service, with a stronger focus on short term interventions, to reduce the need to provide long term care packages.

Adult Social Care - KPIs

Number of clients receiving a Telecare service

GREEN ⇧

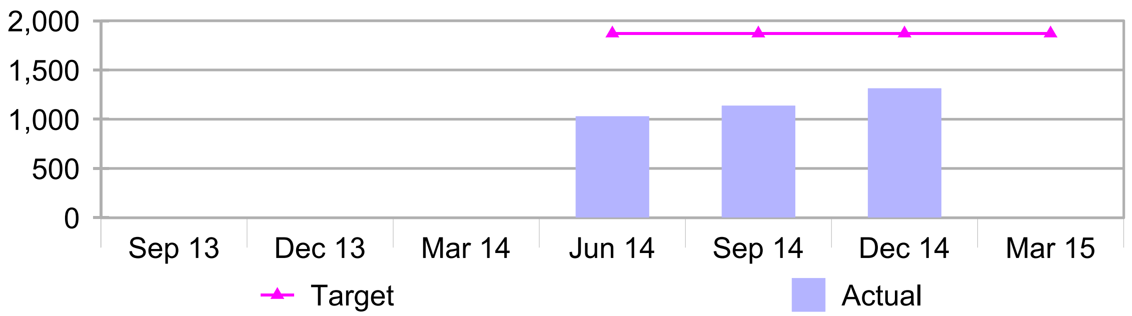


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	2,276	2,754	3,238	3,637	4,088	4,332	
Target	1,750	1,975	2,200	3,405	3,573	3,740	3,907

The number of people in receipt of a Telecare service continues to increase ahead of the target rate of increase. Telecare is being promoted as a key mechanism for supporting people to live independently at home, including within Personal Budgets. The availability of new monitoring devices (for dementia for instance) is expected to increase the usage and benefits of Telecare. Awareness training continues to be delivered to staff to ensure we optimise the opportunities for supporting people with more complex and enabling teletechnology solutions.

Number of Promoting Independence Reviews completed

RED ⇧



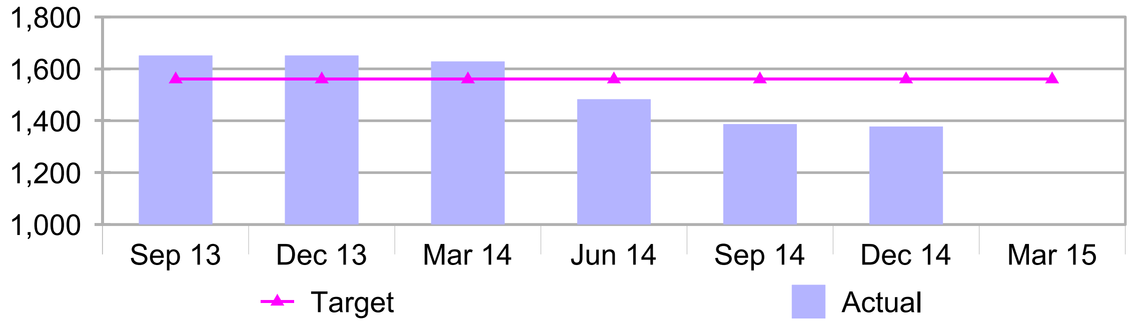
	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual				1,028	1,136	1,312	
Target				1,872	1,872	1,872	1,872

The number of Promoting Independence Reviews completed increased again this quarter but remains below the target level set. The previous stages of the Transformation programme involving the staffing consultation, mobilisation of the new home care contracts and staff reduction impacted on the timescales for delivery of rolling out the Promoting Independence Reviews and performance is now improved. Management continue to monitor progress on a regular basis to ensure that any operational issues are identified and resolved and further progress is expected by the end of the year.

Adult Social Care - KPIs

Number of admissions to permanent residential and nursing care for older people (rolling 12 month totals)

GREEN ⇧

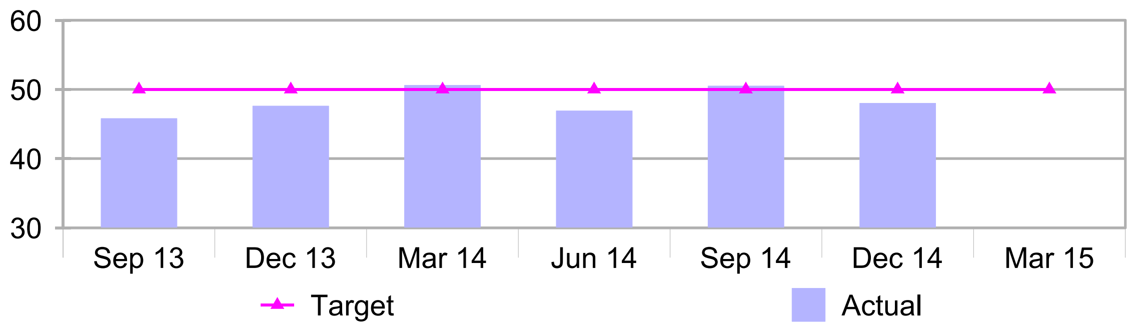


	Sep 13	Dec 13	Mar 14	Jun14	Sep 14	Dec 14	Mar 15
Actual	1,651	1,651	1,628	1,482	1,386	1,377	
Target	1,560	1,560	1,560	1,560	1,560	1,560	1,560

The number of new admissions to residential or nursing care for people aged 65+ showed further reduction in the quarter, with the number now significantly lower than the previous year and below the target level set. This helps demonstrate the success of improving advice and guidance (contacts resolved as first point of contact) and the increased use of enablement services (helping people stay independent and living in their own home).

Clients still independent after receiving an enablement service

AMBER ⇩



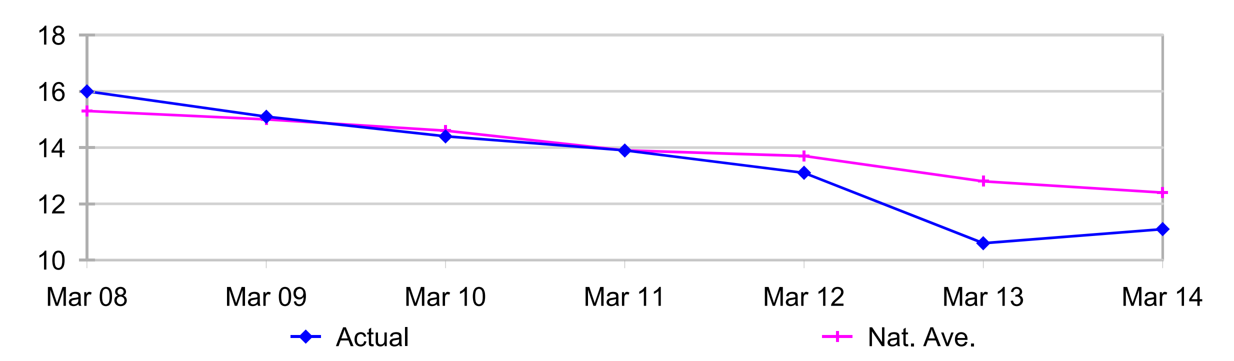
	Sep 13	Dec 13	Mar 14	Jun14	Sep 14	Dec 14	Mar 15
Actual	46%	48%	51%	47%	51%	48%	
Target	50%	50%	50%	50%	50%	50%	50%

Performance in the latest quarter was just below target level. This indicator supports the evaluation of the effectiveness of the Enablement service in supporting independence, by preventing or reducing the need for more expensive services in the future.

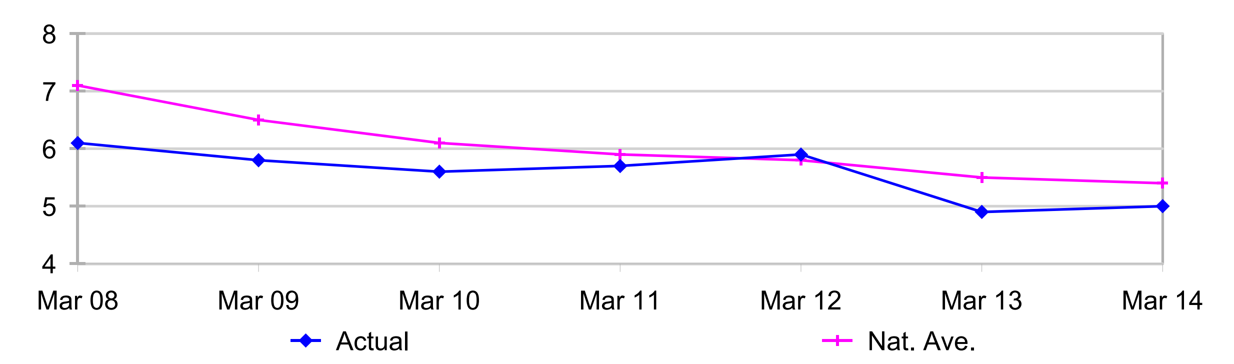
Adult Social Care – Activity Indicators

The general trend over the last 6 years both nationally and locally has been for reduced levels of local authority funded residential and nursing care placements. Continuing to reduce the number of these placements is a priority and will be achieved by supporting more people to live independently through use of enablement services and independence reviews. At March 2014 the number of residential and nursing care placements funded by KCC was slightly higher per head of population than at March 2013, but still lower than 2012. The data for the financial year so far shows further reductions to the level of residential and nursing care placements, and the forecast is that this will be maintained at the financial year end date.

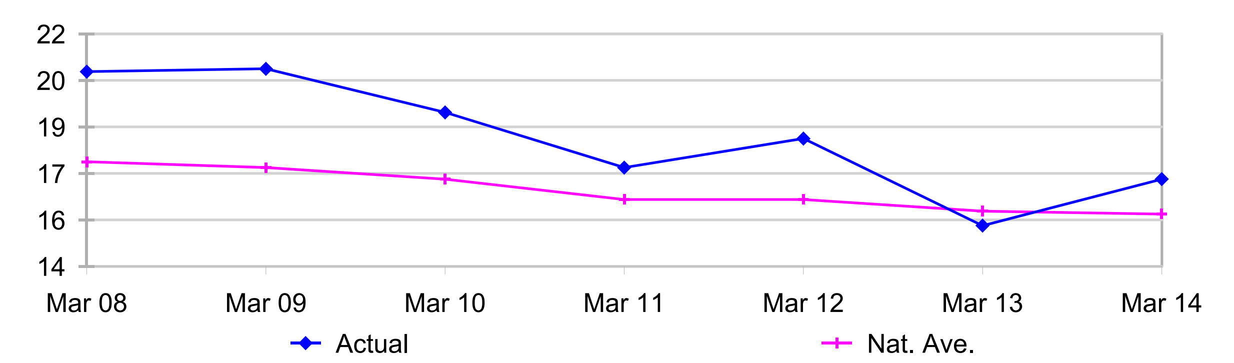
Residential care placements per 1,000 older people



Nursing care placements per 1,000 older people



Residential and nursing care per 10,000 adults (age 18 to 64)



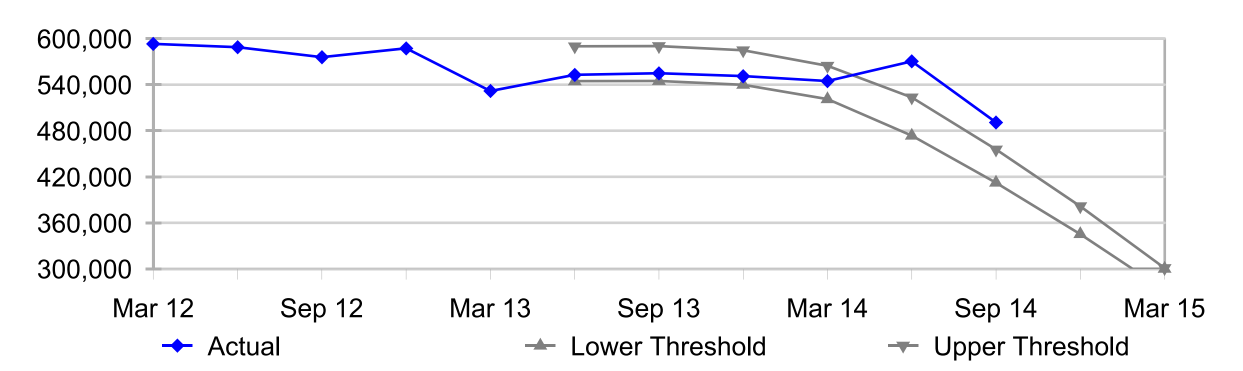
Adult Social Care – Activity Indicators

The number of hours of domiciliary care provided has reduced over time, although during last financial year the hours of domiciliary care provided was relatively stable around the 540,000 level every quarter.

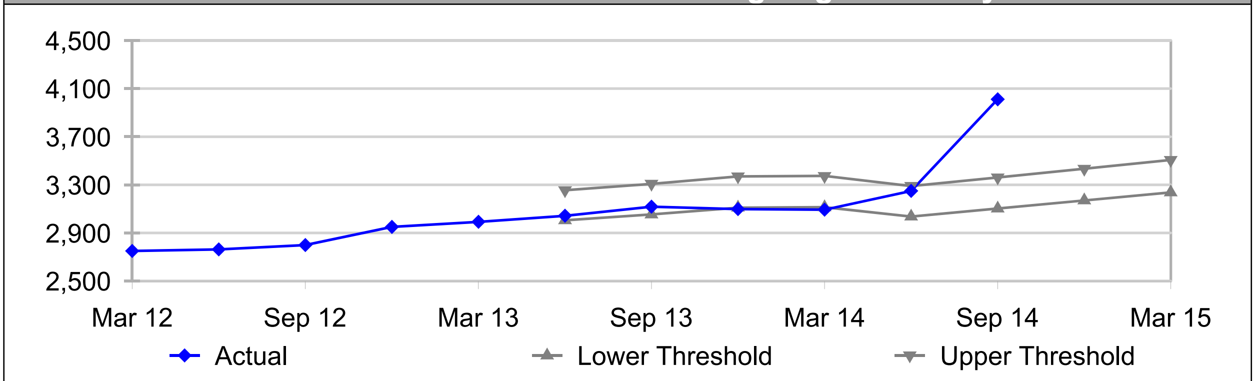
Provision of enablement services, promoting independence reviews and Telecare services are helping to reduce the demand levels for domiciliary care and the target trajectory is to see a substantial reduction in direct provision of domiciliary care.

The domiciliary services contracts were re-let at the end of last financial year and subsequent to this we have seen a significant reduction in domiciliary hours provided with a related increase in people choosing to take a direct payment.

Hours of domiciliary care provided for older people (by quarter)



Number of clients who receive an on-going Direct Payment



Public Health - Overview	
Cabinet Member	Graham Gibbens
Director	Andrew Scott-Clark (Interim)

Performance for NHS Health Checks was behind target in the quarter but remains on target on a year to date basis, with the programme on track to reach the overall target for the year. Performance of the Stop Smoking Service continues to be slightly below target, while access to Gum services continues to achieve the 100% target. A new indicator for drug treatment has been added this quarter and results are ahead of national average.

Indicator Description	Previous Status	Current Status	DOT
Percentage completion of NHS health checks for target population aged 40 to 74	GREEN	AMBER	⇩
Number of smokers successfully quitting, having set a quit date	AMBER	AMBER	⇩
Proportion of clients accessing GUM offered an appointment to be seen within 48 hours	GREEN	GREEN	⇔
Opiate users in treatment who left treatment and did not return to treatment within 6 months	GREEN	GREEN	⇩

New contracts for community sexual health services were awarded in the quarter following a competitive tendering process. New services will begin operating from 1st April 2015 and will continue to be contracted to meet the 48 hour target for access to Genitourinary medicine (GUM) service.

The new Community Infant Feeding Service starting operating on 1st October following a consultation, market engagement and competitive tendering processes conducted earlier in the year. The service will aim to improve breastfeeding rates across the county by supporting new mothers through specialist advice and peer support.

Public Health took over responsibility for Kent Drug and Alcohol Action team (KDAAT) in October 2014 and implemented an action plan to take forward the recommendations of an internal audit of KDAAT's contracting and governance processes.

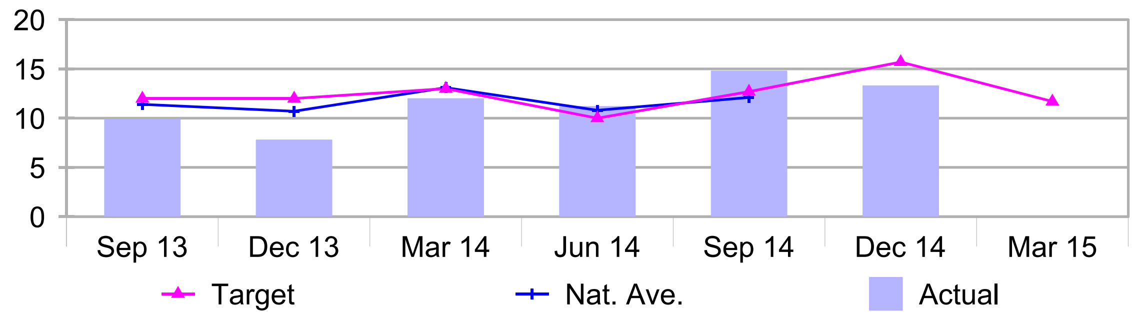
We have also been working closely with NHS England to prepare for the transfer of commissioning responsibility for Health Visiting and Family Nurse Partnership services in October 2015. This has included analysing the critical performance data and developing an outline service specification that will apply to the services from October onwards.

Public Health delivered two major campaigns in the year to December. The flu campaign ran from January to September, targeting pregnant women, over 65s, people with long term conditions, and 2-4 year olds. Early data indicates that levels of vaccination amongst pregnant women has increased from 32% to 44%, whilst 50% more under 5s were vaccinated this season. The HIV – 'Know Your Status' campaign aimed to increase the number of people being tested for HIV and initial results suggest that there has been a 50% increase in test requests.

Public Health – KPIs

Percentage of annual target population with completed NHS Health checks each quarter

AMBER ⇩

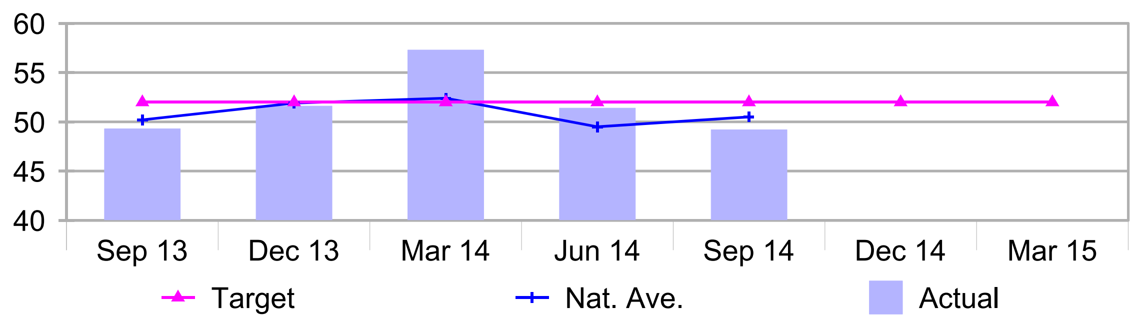


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	9.9%	7.8%	12.0%	11.2%	14.8%	13.3%	
Target	12%	12%	13%	10%	13%	16%	12%

In the quarter to December 17,190 invites were sent and the number of checks delivered was 12,008. Although the number of checks delivered was behind target in the quarter, the year to date performance of 35,446 health checks (39.3% of the eligible population) is on target and the provider is on track to deliver the full year target. The full year target of 50% of the eligible population was split across the year based on planned activity for invites.

Percentage of smokers, who set a quit date, who successfully quit

AMBER ⇩



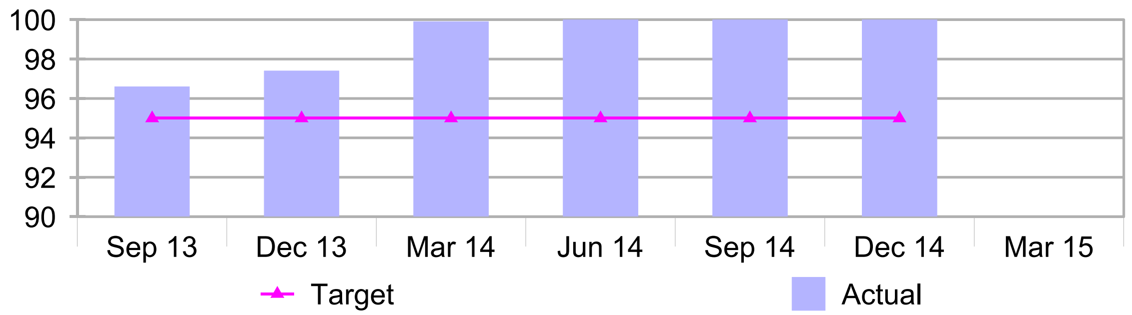
	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	49%	52%	57%	51%	49%		
Target	52%	52%	52%	52%	52%	52%	52%

Performance fell slightly in the last quarter and continues to be below target. In the quarter there were 1,753 Kent residents who set a quit date, of which 856 had a successful 4-week quit including 18 pregnant women and 198 people in routine and manual occupations.

Public Health – KPIs

Percentage of clients accessing GUM offered an appointment to be seen within 48 hours

GREEN ⇔

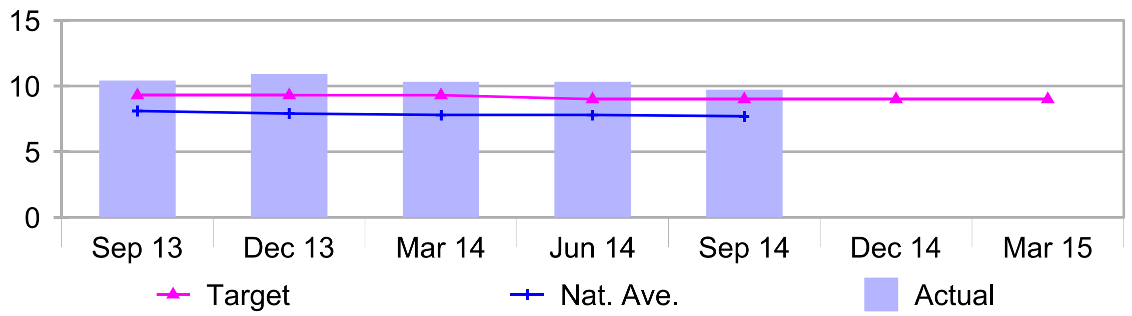


	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	96.6%	97.4%	99.9%	100%	100%	100%	
Target	95%	95%	95%	95%	95%	95%	95%

The community sexual health services continue to maintain the highest levels of accessibility across the County and all 7,071 people contacting the service in the quarter to December were offered an appointment within 48 hours. Of those offered an appointment, 98% accepted the appointment of which 99% then attended their appointment.

Percentage of opiate users successfully completely treatment and who did not return within 6 months (rolling 12 month figures)

GREEN ⇩



	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	10.4%	10.9%	10.3%	10.3%	9.7%		
Target	9.3%	9.3%	9.3%	9.0%	9.0%	9.0%	9.0%

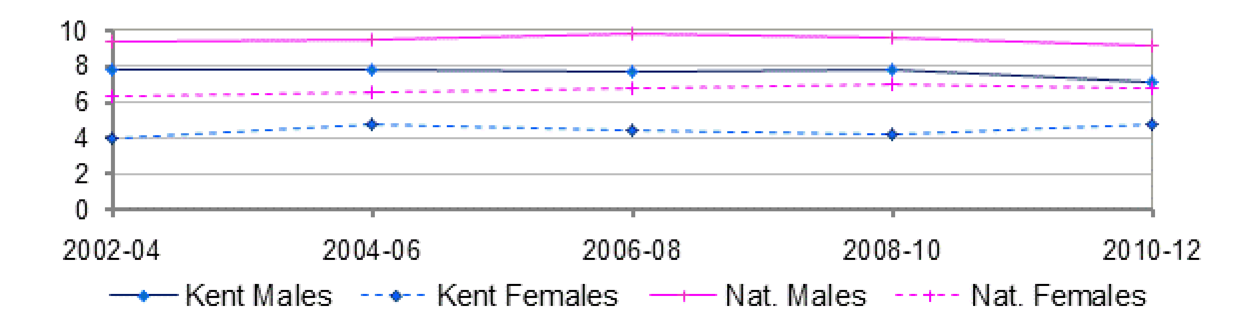
There has been a slight decrease in performance in the last quarter but Kent's performance continues to be above the national average and ahead of target.

Note this indicator is calculated as a percentage of all users in treatment and not as a percentage of those leaving treatment.

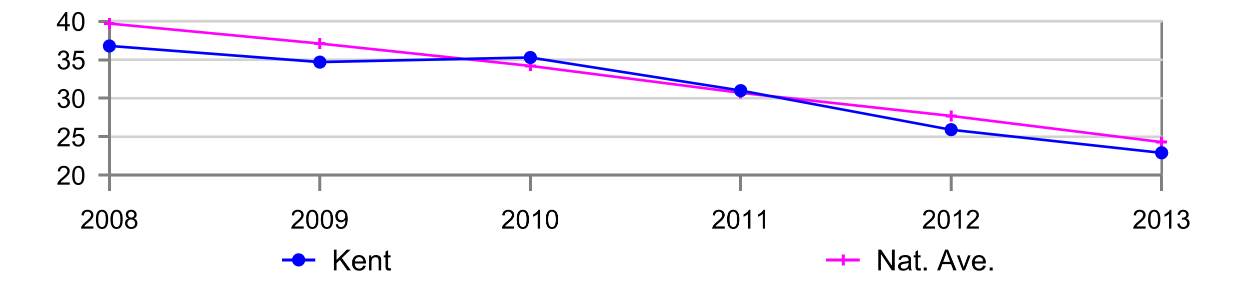
Public Health – Activity Indicators

Up to 2012 there has been no significant change in difference in life expectancy between the most affluent and more deprived wards in the county. The under-18 year old conception rate has been decreasing over time and the proportion of children within the healthy weight range (both Reception and Year 6) is higher in Kent than nationally.

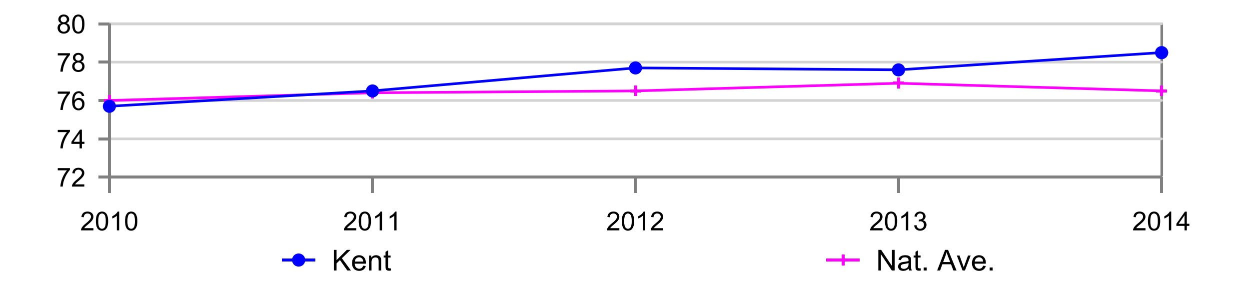
Life expectancy gap between 10% least and 10% most deprived wards



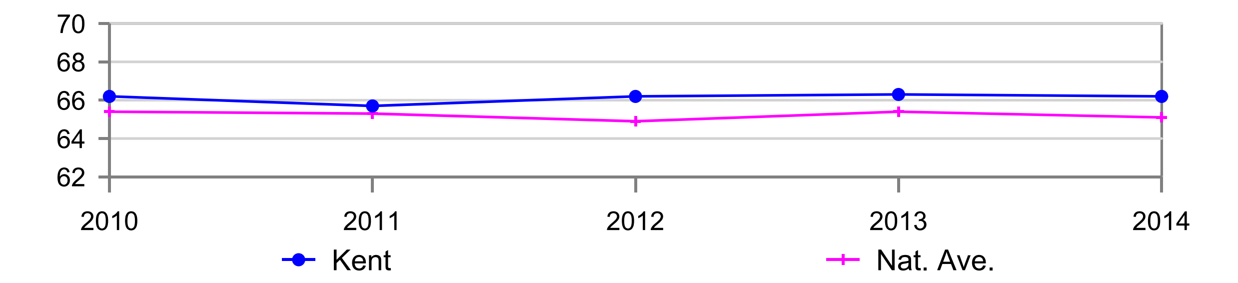
Conceptions per 1,000 females aged 15 to 17



Percentage of children with healthy weight - reception year



Percentage of children with healthy weight – year 6



Corporate Risk Register - Overview

The annual refresh of the Corporate Risk Register has been undertaken, in consultation with the Corporate Management Team and Cabinet Members. Since the last report two risks have reduced in severity (CRR 13 – Delivery of Savings 2014/15 and CRR 18 – Public Services Network – Implications of compliance with Code of Conduct Security Standards). A new risk relating to requirements of the Banking Reform Act has been added to the register.

Risk No.	Risk Title	Current Rating	Change in current level	Target 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 9	Better Care Fund (Health & Social Care integration)	12		9
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	4	Decrease	2
CRR 14	Development of strategic commissioning authority governance arrangements	12		8
CRR 17	Future operating and financial environment for local government	20		10
CRR 18	Public Services Network – Implications of compliance with Code of Connection security standards	6	Decrease	4
CRR 19	Implications of the Care Act 2014	15		6
CRR 20	Banking Reform Act	8	New Risk	4

Low Risk	Medium Risk	High Risk
Rating = 1 to 6	Rating = 8 to 15	Rating = 16 to 25

Corporate Risk Register – Mitigating Actions (1)

Updates have been provided for 17 actions listed to mitigate elements of Corporate Risks that were due for completion or review up to the end of December 2014, together with updates for 9 actions due for completion or review by March 2015. Another 2 updates have been received for actions due for review by April 2015.

Due Date for Completion	**Actions Completed**	**Actions Closed**	**Actions Outstanding**	**Regular Review**
December 2014	11	0	2	4
March 2015	5	1	0	3
April 2015	0	0	0	2

CRR1 - Data and Information Management
Closed: A large proportion of staff have now completed the mandatory Information Governance e-learning training. Advice is being sought from HR Learning and Development on how best to target those staff that have yet to complete any kind of Information Governance training and a new action has been raised to reflect this.

CRR2 – Safeguarding
Completed: The findings from the 'Annex A' peer review have been discussed by the Specialist Children's Services Divisional Management Team and recommendations are being progressed through the Safeguarding Unit
Regular Review: A successful recruitment campaign has resulted in the appointment of 50 newly qualified social workers and an increase in the number of permanent Team Managers. As at December 2014, 76.3% of case-holding posts were filled by permanent members of staff.
Outstanding: The 'Making Safeguarding Personal' initiative, a key element of the Care Act, was launched in December 2014, and the date for completion of actions has therefore been moved to April. Work is progressing towards the completion of The Development Training Framework and the Policy, Protocols and Guidance document with the Multi-Agency Safeguarding Adults Board leading on much of the work on the safeguarding aspects of the Care Act.

CRR3 – Access to resources to aid economic growth and enabling infrastructure
Completed: A bidding document for the second round of the Local Growth Fund 2 monies was submitted in December 2014. Government has recently announced that KCC will receive £15 million from the Fund as support for a number of projects: Dover Western Docks Revival, Westenhanger Lorry Park, Ashford International Rail Connectivity and Folkestone Seafront.

Corporate Risk Register – Mitigating Actions (2)

Summary of progress against mitigating actions (continued).

CRR4 - Civil Contingencies and Resilience
Completed: The senior management on-call rota was devised, agreed and distributed in both hard copy and electronically prior to Christmas 2014.
Completed: A programme of strategic, tactical and operational emergency planning training has been developed and delivered to KCC personnel during the period November to December 2014. This is supported by the mandatory Resilience and Emergencies e-learning package, which staff are due to complete by March 2015.
Regular Review: The Severe Weather Resilience Group and Pan Kent Flood Group continue to progress outstanding actions from the 'lessons learnt' report. Targeted training and exercising and community engagement is progressing well. Government funding has been received to replenish 'Emergency Conditions' reserve.
Regular Review: Elements of the roll-out of the new CLOUD telephony system to Contact Point are currently undergoing user acceptance testing. Training for staff is being delivered covering configuration, reporting and analysis. In parallel, the Workforce Module is being configured with user acceptance testing planned during February.
Regular Review: Recruitment of additional emergency reservists to aid emergency responses is taking place. Corporate Directors and senior managers are receiving strategic and tactical training in emergency response and community wardens, together with some highways staff have received training for Incident Liaison.

CRR10a - Management of Adult Social Care Demand
Regular Review: A project group has been set up in response to the impact of Deprivation of Liberty Assessments. A triage system has been put in place to identify the high priority cases. KCC has seen an 8 fold increase in Deprivation of Liberty applications and resources have been identified to meet this major increase in activity.

CRR10b - Management of Demand – Specialist Children's Services
Completed: New and innovative concepts have been tested in Sandbox. Although Sandbox monitoring closed in December, Sandbox will remain operational until the implementation phase in February 2015.
Regular Review: There is a continued focus on the recruitment of high quality Foster Carers. Weekly management information reports track key children in care milestones.

Corporate Risk Register – Mitigating Actions (3)

Summary of progress against mitigating actions (continued).

CRR12 - Welfare Reform Changes
Completed: An options paper relating to the future of the Kent Support & Assistance Service was taken to Adult Social Care Cabinet Committee. Agreement was given to explore the option of a future commissioning plan that would use the existing underspend in the first instance to commission a model that would become gradually self-sustaining over the next four years.
Completed: An update on the potential impacts of welfare reform changes was presented to Policy & Resources Cabinet Committee on 16th January 2015. It concluded that specific welfare reforms at this stage do not appear to have had a significant impact on demand for the services that KCC provides.

CRR13 – Delivery of 2014/15 Savings
Completed: The overall budget is broadly balanced. There are some specific savings plans that will not be delivered but compensating savings will be found.

CRR14 – Development of strategic commissioning authority governance arrangements
Completed: The Outcomes Framework has been developed and was submitted to County Council for consultation in December 2014
Completed: The procurement and commissioning review has been completed and two follow up pieces of work will be undertaken.
Outstanding: Decision making guidance has now been developed and is awaiting publication on KNet.

CRR17 - Future Operating & Financial Environment for Local Government
Completed: A Commissioning Framework has been developed for KCC as part of the move towards a strategic commissioning authority. This was submitted to County Council in December 2014.
Completed: Interventions to improve professional capacity and capability of project and programme delivery have been developed. Corporate Membership has been accepted for the Association of Project Management registration. A workforce development plan and strategy for building capacity and capability has been produced to ensure consistency in methodology and language going forward.

Corporate Risk Register – Mitigating Actions (4)

Summary of progress against mitigating actions (continued).

CRR18 – Public Sector Network – Implications of compliance with Code of Connection Security Standards
Regular review: Government targets continue to be updated on a year by year basis. KCC will continue to respond accordingly.

CRR19 – Implications of the Care Act 2014
Completed Projects: Workforce capacity, planning and training: The Workforce Development Plan has been agreed and a programme of training, webinars and e-learning has commenced. Phase 2 of the Workforce Development Plan will commence in March 2015. Commissioning: As part of the Care Act Programme additional capacity has been put in place to manage predicted demand on carers' assessments and independent advocacy services. The information on the website will be updated to include signposting to independent financial advice and local information. Financial assessment and charging: Plans are in place to ensure accurate information is communicated effectively in relation to Universal Deferred Payments. The increase in the residential means test threshold will be introduced in April 2016. KCC will exercise its power to charge under section 14 of the Care Act 2014. Safeguarding: The Safeguarding Adults Board is fully established and is ensuring that policies and training materials are Care Act compliant.
Regular review: The Care Act communications plan has been prepared and shared with Officers, Members and the Care Act Programme Steering Group. KCC's local PR activity has commenced with the latest information published on the dedicated page on the website. Further activity and local extension of the national campaign will take place during February and into March with both public and partner/provider audiences.
Regular Review: Northgate Public Services (which includes the division that supports KCC SWIFT/AIS IT Systems) has been sold to a Venture Capital Company. KCC are not expecting an immediate impact but discussions will be taking place between senior managers from KCC and Northgate to clarify the situation.

Organisational Development	
Cabinet Member	Gary Cooke
Director	Amanda Beer

The number of employees fell slightly this quarter and now stands at 7,951 (full-time equivalent). Within the Non-Schools workforce the proportion of staff aged 25 or under continues to rise and is now at 7.7%, significantly ahead of the position in 2012.

Staff sickness levels have increased slightly during the year to an average of 7.2 days per full-time employee but this continues to be lower than levels seen during 2012 and 2013. Turnover also increased in the last quarter to 15.1% and results here also continue to be below levels seen in 2012 and 2013.

Organisational Change and Delivering Services Differently

A KCC approach to how services are designed has been developed that provides a rigorous, consistent and comprehensive approach to managing change. Information for managers about this new approach and how to apply it is available on KCC's intranet with additional professional support for managers available from the Human Resources Division.

There continues to be a significant level of change across Services with the Human Resources Division supporting over 100 projects of varying size and complexity. Major on-going service reviews include the Adult Transformation and the 0-25 Transformation Programmes, the New Ways of Working Programme, and work on implementing the Care Act. There is ongoing work to prepare and support managers to deliver the transformation and self-sufficiency agendas. The impact of this work is evident as Services begin to be delivered in different ways including through different service delivery models.

Workforce Planning

Central to delivering services differently is planning for the workforce KCC requires in the future so that they have the right skills to deliver services in the right way for service users.

Targeted interventions in Services have continued. Tools developed to support managers identify critical roles, people and skills required to deliver future services and support transformation are being used in these areas. These managers are now in a better position to understand, as a minimum, the roles critical to their business, the capabilities of their staff and have better quality conversations on planning for the future to address any gaps. Managers, particularly at Head of Service level and above, have identified critical roles and people who could fill these roles in the future (succession planning).

Workforce planning, including succession planning and talent management, continues to be integrated with organisation design and other change projects. Training has also been commissioned to enable managers to undertake scenario planning when designing services and workforce planning. These courses will run in the next quarter targeting Directors, Heads of Service and senior managers involved in phase 2 of the 'Facing the Challenge' transformation programme. As a consequence managers will be in a stronger position to plan for the future.

Further work has been undertaken with Services to support workforce planning by identifying gaps and challenging where apprentices could further enhance services, such as with Higher Level Apprenticeships in technically skilled areas.

Changing the Way We Do Things

The Human Resources Division continues to work with the Business Service Centre, Early Help, Preventative Services, Older People and Physical Disability and the Corporate Portfolio Office to change behaviour and practice in ways that improve outcomes for the end users.

Work has been undertaken to enable relocations in east Kent including new ways of working to deliver services in more agile ways.

The Kent Manager Standard

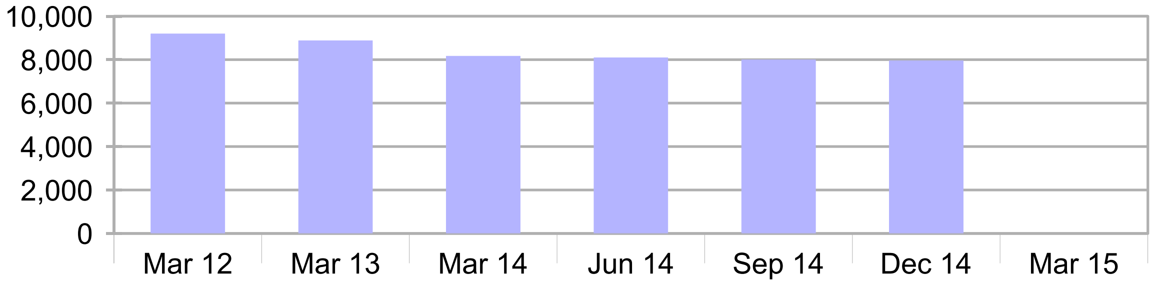
Kent Manager is an accredited programme to enable all KCC managers to achieve consistent management standards. There are a total of 1,587 managers eligible to complete the Kent Manager standard with a further 36 opting to undertake the programme for developmental purposes. 631 managers successfully completed the standard during the first phase (up until 8 January 2015). By achieving the standard managers are recognised as having the capability to manage people, money, resources and projects to improve services to customers.

Future Managers

Directorate Management Teams nominated 100 delegates to participate in the Future Manager Programme. A bespoke accredited 12 month development programme has been designed to provide talented staff with the skills, knowledge and capability to apply for management roles in the future. The first Future Manager programme was launched on 11 December 2014. The programme will ensure KCC has skilled managers able to deliver services in the future.

Organisational Development - Indicators

Number of full time equivalent (FTE) staff employed

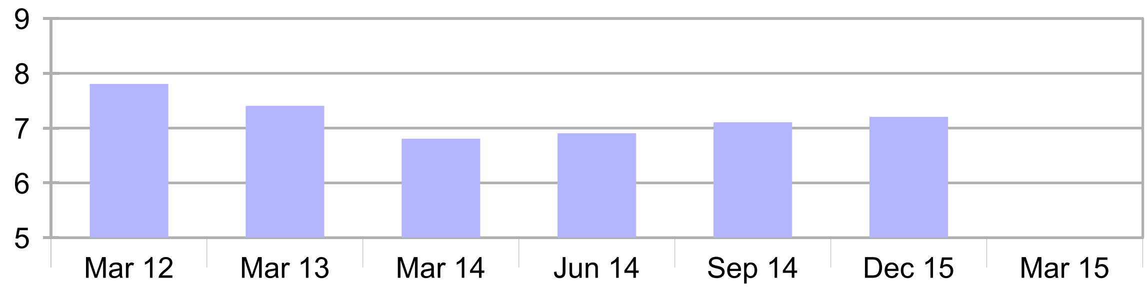


	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	9,187	8,875	8,162	8,089	7,995	7,951	

FTE staffing levels showed a further decrease in the last quarter, standing 1,236 FTE lower than in March 2012, a reduction of around 13.5%.

Data is reported as a count at each quarter end. Casual Relief, Sessional and Supply (CRSS) staff are not included. Schools staff are not included.

Average number of days of sickness per FTE (rolling 12 month figures)



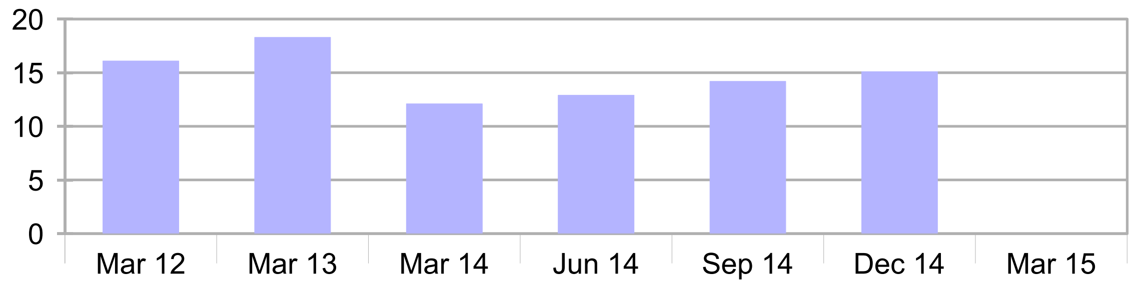
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	7.8	7.4	6.8	6.9	7.1	7.2	

This year has seen a slight increase in the 12 month rolling sickness level each quarter, but it remains lower than in previous years.

Data is reported as average days sick per FTE for the past 12 months. Sickness relating to CRSS staff is included in the count of days lost.

Organisational Development - Indicators

Turnover - percentage of staff leaving as a percentage of headcount

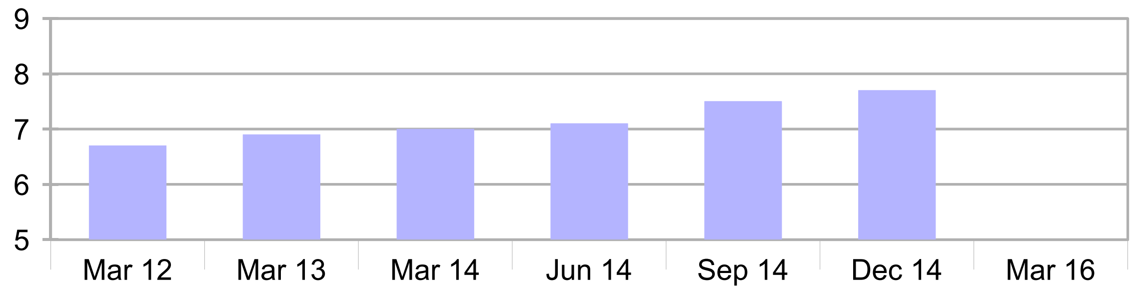


	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	16.1%	18.3%	12.1%	12.9%	14.2%	15.1%	

Following a decline during 2013/14, turnover increased steadily over the first three quarters of 2014/15 but remains below 2011/12 and 2012/13.

Data is reported as a rolling 12 month rate. Casual Relief, Sessional and Supply (CRSS) staff, and school staff are not included..

Percentage of staff (headcount basis) aged 25 or under



	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Actual	6.7	6.9	7.0	7.1	7.5	7.7	

The percentage of staff aged 25 or under continues to increase and is now significantly higher than the March 2012 position.

Organisational Development - Indicators

Disciplinaries, Grievances and Employment Tribunals (currently active)

Trend Data – snapshot	Dec 13	Mar 14	Jun 14	Sept 14	Dec 14
Disciplinaries	35	24	31	28	29
Grievances	5	3	10	8	8
Harassment	2	1	3	4	4
Performance & Capability					
- Performance	15	24	18	13	7
- Ill Health	66	69	72	44	35
Employment Tribunals	5	6	9	8	4
TOTAL CASES	**128**	**127**	**143**	**105**	**87**

Data Notes: Data is reported as the number of open cases being dealt with at quarter end.

Health and Safety Incidents

Trend Data	Previous Years			Current Financial Year			
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Incidents reported	1,350	1,620	1,591	323	233	125	
Days lost	1,027	943	676	72	103	55	

Data Notes: Schools staff are included. Data is reported as quarter totals for current year and full year counts for previous year.

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)

Trend Data	Previous Years			Current Financial Year			
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Specified injury incidents	6	5	3	1	1	2	
Over 7 day injuries	N/A	25	24	4	9	3	

Data Notes: Data is reported as quarter totals for current year and full year counts for previous year. The requirement to report to the Health and Safety Executive injury incidents resulting in over 3 days lost time/unable to perform normal duties, has changed to over 7 days.