



Summons to and  
Agenda for a  
Meeting on  
**Thursday, 12th  
February, 2015  
at 9.30 am**





DEMOCRATIC SERVICES  
SESSIONS HOUSE  
MAIDSTONE

Wednesday, 4 February 2015

To: All Members of the County Council

Please attend the meeting of the County Council in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 12 February 2015 at **9.30 am** to deal with the following business. **The meeting is scheduled to end by 4.30 pm.**

### **Webcasting Notice**

Please note: this meeting may be filmed for the live or subsequent broadcast via the Council's internet site or by any member of the public or press present.

By entering into this room you are consenting to being filmed. If you do not wish to have your image captured please let the Clerk know immediately.

### **Voting at County Council Meetings**

Before a vote is taken the Chairman will announce that a vote is to be taken and the division bell shall be rung for 60 seconds unless the Chairman is satisfied that all Members are present in the Chamber.

**20 seconds** are allowed for electronic voting to take place and the Chairman will announce that the vote has closed and the result.

## **A G E N D A**

1. Apologies for Absence
2. Declarations of Disclosable Pecuniary Interests or Other Significant Interests
3. Minutes of the meetings held on 11 December 2014 and, if in **(Pages 5 - 26)** order, to be approved as a correct record
4. Chairman's Announcements

5. Budget 2015-16 and Medium Term Financial Plan 2015-18 **(Pages 27 - 86)**  
(including Council Tax setting 2015-16)

A handwritten signature in black ink, appearing to read 'Peter Sass', is positioned above the printed name.

Peter Sass  
Head of Democratic Services

## KENT COUNTY COUNCIL

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MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 11 December 2014.

### PRESENT:

Mr P J Homewood (Chairman)  
Mr M J Harrison (Vice-Chairman)

Mrs A D Allen, MBE, Mr M J Angell, Mr M Baldock, Mr M A C Balfour, Mr R H Bird, Mr H Birkby, Mr N J Bond, Mr A H T Bowles, Mr D L Brazier, Mrs P Brivio, Mr R E Brookbank, Mr L Burgess, Mr C W Caller, Miss S J Carey, Mr P B Carter, CBE, Mr N J D Chard, Mr I S Chittenden, Mr B E Clark, Mrs P T Cole, Mr G Cooke, Mr G Cowan, Mrs M E Crabtree, Ms C J Cribbon, Mr A D Crowther, Mrs V J Dagger, Mr D S Daley, Mr M C Dance, Mr J A Davies, Mrs T Dean, MBE, Dr M R Eddy, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Ms A Harrison, Mr P M Hill, OBE, Mr C P D Hoare, Mrs S V Hohler, Mr S Holden, Mr E E C Hotson, Mrs S Howes, Mr A J King, MBE, Mr J A Kite, MBE, Mr S J G Koowaree, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr G Lymer, Mr B E MacDowall, Mr T A Maddison, Mr S C Manion, Mr R A Marsh, Mr F McKenna, Mr B Neaves, Mr M J Northey, Mr P J Oakford, Mr J M Ozog, Mr R J Parry, Mr C R Pearman, Mr L B Ridings, MBE, Mr J E Scholes, Mr W Scobie, Mr T L Shonk, Mr C Simkins, Mr J D Simmonds, MBE, Mr C P Smith, Mr D Smyth, Mrs P A V Stockell, Mr B J Sweetland, Mr A Terry, Mr R Truelove, Mr M J Vye, Mr J N Wedgbury, Mrs J Whittle, Mr M E Whybrow, Mr M A Wickham and Mrs Z Wiltshire

IN ATTENDANCE: David Cockburn (Corporate Director Strategic & Corporate Services), Peter Sass (Head of Democratic Services) and Denise Fitch (Democratic Services Manager (Council))

### UNRESTRICTED ITEMS

#### **45. Apologies for Absence**

The Head of Democratic Services reported apologies from Mr D Baker, Mr P Harman, Mr M Heale, Mrs E Rowbotham and Mr N Thandi.

#### **46. Declarations of Disclosable Pecuniary Interests or Other Significant Interests**

(1) Mr G Cowan declared an interest in that both he and his wife were foster carers for Kent County Council.

(2) Mr M Baldock declared that he had recently purchased 10 Wises Lane, Sittingbourne and would amend his recorded Disclosable Pecuniary Interests accordingly.

**47. Minutes of the meeting held on 23 October 2014 and, if in order, to be approved as a correct record**

RESOLVED that the Minutes of the meeting held on 23 October 2014 be approved as a correct record.

**48. Chairman's Announcements**

**(a) Reduction in the voting age**

The Chairman informed the Council that he had received an acknowledgement on behalf of the Prime Minister to his letter setting out the motion passed at the last County Council meeting on reducing the voting age. He undertook to inform Members when he received a full response.

**(b) Office Visits**

The Chairman stated that following the refurbishment to the first floor of Invicta House he and the Vice-Chairman had visited the teams. They both enjoyed the visit immensely and were now planning to visit many teams and offices across the County.

Ms Birch, the Registration and Nationality Manager, had shown them around Archbishop's Palace and he had been surprised to see so many different teams working within the building. Ms Birch would also be showing him around the register repository in Tunbridge Wells in January. The Vice-Chairman had also visited Brenchley House with Mr Gibbens at the beginning of this week, to see the work being carried out by the social care teams.

The Chairman had found these visits interesting and informative and planned many more for the New Year. He encouraged as many Members as possible to visit the different teams and various staff working across the County to see the fantastic services and frontline support that the County Council was delivering.

**(c) Royal Mail's Delivery Office Visit**

The Chairman stated that he had visited Royal Mail's Delivery Office in Maidstone to pass on Christmas wishes and encouragement during their busiest time of the year. He had been shown around the office by Delivery Office Manager, Steve Nelson. He had been pleased to meet many of the post office staff who went out in all weathers, and to see first-hand the effort put into delivering for the people and businesses of Kent during the run-up to Christmas.

**(d) Royal Visits**

The Chairman made the Council aware that there had been the following 10 Royal Visits to the County in the last six months:

HRH Duke of Kent – 3  
HRH The Princess Royal – 2  
HRH Duchess of Cornwall – 1

HRH Prince Henry of Wales– 1  
HRH Duke of Gloucester – 2  
HRH The Countess of Wessex – 1

**(e) Variation of order of agenda items**

The Chairman stated that in order to facilitate the more effective conduct of today's business he proposed to swap the order of items 7 & 8 on the agenda and he drew Members' attention to the version of the Outcomes Framework circulated separately.

**(f) Eynsford Concert Band**

The Chairman was pleased to announce that the Eynsford Concert Band had won the 2014 National Concert Band Symposium in a competition featuring some of the finest wind ensembles in the country. The band was celebrating forty years since its foundation. It attracted players from all over the south east, worked to support instrumental music particularly amongst Kent young people, and raised substantial funds for charity each year.

He had attended a spectacular concert at the Pamoja Hall, Sevenoaks staged by the band with the band of the Grenadier Guards.

**(g) Honorary Alderman**

The Chairman reminded Members that the additional meeting for the Honorary Aldermen would take place at 12.30pm or on the rising of the County Council whichever was the later.

**(h) Carols**

The Chairman invited all Members to join him for lunch with carols in the Atrium, Invicta House at 1.00 pm.

**49. Questions**

In accordance with Procedure Rule 1.17(4), eight questions were asked and replies given, these are attached as an appendix to the minutes. Questions 9 and 10 were not asked because the time limit for this item had been reached.

**50. Report by Leader of the Council (Oral)**

(1) The Leader updated the County Council on events since the previous meeting.

(2) Mr Carter referred to the announcement in the Autumn Statement that the government would commit £17m of capital funding for flood defences around Tonbridge and Yalding. He stated that he had always made it absolutely clear that Kent County Council would underwrite the match funding from government, and had been consistent in expressing the expectation that this would include support through parish councils, borough councils, European funding and local enterprise partnerships (LEPs). A Flood Funding Forum had been established to work with

partners at parish and borough level, and with the business communities to help fund the £17m.

(3) Mr Carter confirmed that there had also been plans for a LEP Round 2 Growth Fund bid for an additional £2.4m to help support the flood defence funding shortfall. In addition the Environment Agency was pursuing the next European funding round to see whether it was possible to attract, with partners in Europe, a substantial sum of money for these flood defences.

(4) Mr Carter expressed disappointment that, in the Autumn Statement, the government had postponed the LEP Round 2 Growth Fund. A significant amount of work had been carried out by business colleagues, officers and district and borough colleagues to produce a package of schemes for the LEP Growth Fund Round 2. He had written to Greg Clark MP expressing disappointment about this delay. He referred to the £15bn capital that had been passported to the Highways Agency to build tunnels under Stonehenge. He expressed the view that this funding could have been used to empower localism through local government and significant business partners.

(5) Mr Carter referred to the good progress being made in delivering “Facing the Challenge” and in producing the medium term financial plan which set out creative and innovative ways of making £12m of saving without impeding delivery or cutting any front line service. The medium term financial plan would be shared through the cabinet committees in January 2015.

(6) Mr Carter referred to the identification of £400-500k to retain around 70 community wardens. He also mentioned the work of Newton Europe on their risk and reward contract on re-engineering adult social services and on their work to deliver greater efficiencies in children’s and preventative children’s services’.

(7) Mr Carter stated that he had met with potential providers of back office functions. In the New Year there would important decisions to be taken on commissioning these services. He referred to the valuable work being undertaken by the Commissioning Advisory Board to ensure that the very best providers either in-house or external were commissioned.

(8) Mr Latchford, the Leader of the Opposition, expressed disappointment at Thanet District and Kent County Council’s decisions regarding Manston Airport and the impact on job opportunities in Kent.

(9) Mr Latchford congratulated the Cabinet Member for Community Services on his decision regarding community wardens following the public consultation and referred to the motion for time limited debate later in the meeting.

(10) Regarding the Commissioning Strategy, Mr Latchford expressed his appreciation for the opportunity for his group to be party to the document. Although his group had very strong reservations about this strategy, they recognised the importance of ensuring that all outsourcing had the appropriate safeguards. He congratulated Mr Hotson, as Chairman of the Commissioning Advisory Board, on the work to progress this complex issue.



(11) Mr Latchford referred to the £17m from the government for flood defences which required match funding and the assurance given by the Leader. He mentioned the £600m the UK spent on overseas aid for flood defences.

(12) Mr Latchford expressed disappointment about the announcement relating to the LEP, a lot of hard work had gone into an excellent round 2 bid and he hoped that this work would not be wasted.

(13) Mr Cowan, Leader of the Labour Group, referred to the £17m match funding required for flood defence works in Tonbridge and Yalding. He questioned whether, as the County Council was planning increase its Council tax by 1.99% in 2015-16, it could legally ask parish councils in the area for additional Council Tax funding.

(14) In relation to funding referred to on the South East LEP website, Mr Carter addressed the Council on a point of explanation. He stated that this was round 1 funding. There had been an expectation that there would be an invitation to submit bids for round 2 which would have delivered another £55m into Kent.

(15) Mr Cowan expressed disappointment that the proposed dualling of the A2 from Lydden to Whitfield in Dover would not be going forward. He asked the Leader to inform the Council of the process by which the Kent priorities for LEP bids were established including the level of consultation with local members, district councils and MPs. He suggested that there should be a more open process for determining the allocation of local funds from regional growth fund money.

(16) Mr Cowan referred to the decision regarding the community wardens following the six-week consultation and thanked Mr Hill. He compared this to the consultation on the commissioning of the Youth Service and the response concerns raised about switching off street lights at night.

(17) Mrs Dean, Leader of the Liberal Democrat Group, welcomed the reversal on community wardens and reminded Members that just over a year ago the community warden service had been reconfigured and now covered a larger geographical area. She referred to the possible use of other “uniform” services, such as country park wardens, police community support officers and parking enforcement officers from the borough councils to see if by working together, they could enhance the community warden service.

(18) Mrs Dean referred to the Commissioning Advisory Board and stated that, although Members had been given a great deal of information, they did not have any control over or detail of the process. Decisions would be made on the Kent Library Trust after Christmas and she set out the level of detail that she hoped would be considered at the next meeting of the Advisory Board.

(19) Regarding the LEP regional growth fund she asked Mr Carter when he had heard about the withdrawal of round 2 funding. She also referred to the possible need to increase the robustness of the governance and decision making process of the South East LEP and the possibility that with some of the larger projects local authorities may be required to fund them up front and to be reimbursed by government on a quarterly or half-yearly basis.

(20) Mrs Dean referred to the issue of flooding and stated that neither Maidstone nor Tunbridge & Malling Borough Councils had been asked at the time of Mr Carter's statement about contributing to a precept.

(21) Mr Whybrow, Leader of the Independents Group, stated that he was delighted to see community wardens get a reprieve and expressed concern about how the savings for this would be found.

(22) Mr Whybrow referred to the Outcomes Framework and the budget situation and stated that he would like to see some of the Office for Budget Responsibility statements and the LGA's "graph of doom" featuring in the County Council's information to the public.

(23) Mr Whybrow queried why the County Council had to match fund £17m for flood defences when there was clear evidence that £34m was needed in total.

(24) Regarding the Transformation Programme, Mr Whybrow expressed unease about KCC's increasing involvement in the corporate world. He stated that his concerns had been heightened by events over the past week as well as by a draft external auditor's report. He questioned whether the County Council had the necessary corporate skills or expertise.

(25) In replying to the other group leaders' responses, Mr Carter stated that on the funding for flood amelioration, prior to the events last Christmas the Yalding scheme was low on the priority order and the chances of funding were minimal. He explained that only a very small number of schemes achieved 100% funding. He had worked very closely with Sir John Stanley to make sure that the Yalding scheme was placed higher on the list and in order to do so had to commit to finding 50% match funding. He reiterated that he had consistently stated that contributions would be needed towards the £17m match funding. He pointed out that other areas of the county would also like flood defence funding so it was unfair to expect all Kent Council Tax payers to match fund the Yalding works.

(26) Regarding the delay in the round 2 LEP funding and the comments made on the governance arrangements. Mr Carter stated that, despite the lack of clarity at national level on the governance process for LEPs, he had been as open as possible. Mr Carter stated that he considered KCC and the administration to be exceedingly open. In relation to the Commissioning Advisory Board although procurement had to be a long protracted process, the aim was to be as open and transparent and share what was sensible and intelligent at the appropriate times with Members in order to make well informed decisions.

## **51. Facing the Challenge: Draft Corporate Outcomes Framework for KCC**

(1) Mr Carter moved and Mr Simmonds seconded the following recommendation as set out on page 53 in the report:

"The County Council is asked to agree the following:

- The draft Corporate Outcomes Framework at Appendix 1 is approved for consultation."

(2) Following a debate the Chairman put the motion set out in paragraph (1) above to the vote and the votes cast were as follows:

For (67)

Mrs A Allen, Mr M Angell, Mr M Baldock, Mr M Balfour, Mr R Bird, Mr H Birkby, Mr N Bond, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Mr L Burgess, Miss S Carey, Mr P Carter, Mr N Chard, Mr I Chittenden, Mr B Clark, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, Mr D Daley, Mr M Dance, Mr J Davies, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr M Hill, Mr C Hoare, Mrs S Hohler, Mr S Holden, Mr P Homewood, Mr E Hotson, Mr A King, Mr J Kite, Mr G Koowaree, Mr R Latchford, Mr R Long, Mr G Lymer, Mr B MacDowall, Mr S Manion, Mr A Marsh, Mr F McKenna, Mr B Neaves, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr R Parry, Mr C Pearman, Mr L Ridings, Mr J Scholes, Mr T Shonk, Mr C Simkins, Mr J Simmonds, Mr C Smith, Mrs P Stockell, Mr B Sweetland, Mr A Terry, Mr M Vye, Mr J Wedgbury, Mrs J Whittle, Mr M Whybrow, Mr A Wickham, Mrs Z Wiltshire.

Against (11)

Mrs P Brivio, Mr C Caller, Mr G Cowan, Ms J Cribbon, Dr M Eddy, Ms A Harrison, Ms S Howes, Mr T Maddison, Mr W Scobie, Mr D Smyth, Mr R Truelove.

Abstain (0)

Motion carried

(3) RESOLVED that the draft Corporate Outcomes Framework at Appendix 1 to the report be approved for consultation.

## **52. Facing the Challenge: Commissioning Framework**

(1) Mr Carter moved and Mr Simmonds seconded the following recommendations as set out on page 27 of the report:

“The County Council is asked to agree the following:

- The Commissioning Framework in Appendix 1 is adopted by the County Council and becomes part of the Council’s Policy Framework;
- The principles proposed within the Framework are taken forward and embedded across KCC by Directorates and Change Portfolios as appropriate.”

(2) Following a debate the Chairman put the motion set out in paragraph (1) above to the vote and the votes cast were as follows:

For (51)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr A Bowles, Mr D Brazier, Miss S Carey, Mr P Carter, Mr N Chard, Mr I Chittenden, Mr B Clark, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mrs V Dagger, Mr D Daley, Mr M Dance, Mr J Davies, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr M Harrison, Mr M Hill, Mrs S Hohler, Mr S Holden, Mr P Homewood, Mr E Hotson, Mr A King, Mr J Kite, Mr G Koowaree, Mr R

Long, Mr G Lymer, Mr S Manion, Mr A Marsh, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr R Parry, Mr C Pearman, Mr L Ridings, Mr J Scholes, Mr C Simkins, Mr J Simmonds, Mr C Smith, Mrs P Stockell, Mr B Sweetland, Mr M Vye, Mr J Wedgbury, Mrs J Whittle, Mr A Wickham, Mrs Z Wiltshire.

Against (17)

Mr M Baldock, Mr N Bond, Mrs P Brivio, Mr L Burgess, Mr C Caller, Mr G Cowan, Ms J Cribbon, Dr M Eddy, Ms A Harrison, Ms S Howes, Mr B MacDowall, Mr F McKenna, Mr T Maddison, Mr W Scobie, Mr T Shonk, Mr D Smyth, Mr R Truelove.

Abstain (7)

Mr H Birkby, Mr A Crowther, Mr J Elenor, Mr C Hoare, Mr R Latchford, Mr B Neaves, Mr A Terry,

Motion carried

(3) RESOLVED that:

- a) the Commissioning Framework in Appendix 1 be adopted by the County Council and becomes part of the Council's Policy Framework;
- b) the principles proposed within the Framework be taken forward and embedded across KCC by Directorates and Change Portfolios as appropriate.

### **53. Motion for Time Limited Debate**

(1) Mr Baldock moved and Mr Burgess seconded the following motion:

"This Council applauds the sterling work of our community wardens, and recognises the huge benefits that they bring to the communities that they serve. This Council further acknowledges that the social value they bring to those communities far outweighs the financial costs to the County Council. Consequently, we believe Kent County Council should continue to champion this scheme, publicise its achievements, and consider ways of promoting the concept to other councils.

To this end, this Council pledges its full support to our team of community wardens, and will ensure that they continue to be able to provide such a constructive role in our communities."

(2) Mr Hill moved and Mrs Hohler seconded the followed amended motion.

"This Council applauds the sterling work of our community wardens, and recognises the huge benefits that they bring to the communities that they serve. This Council further acknowledges that the social value they bring to those communities far outweighs the financial costs to the County Council. Consequently, we believe Kent County Council should continue to champion this scheme, publicise its achievements, and consider ways of promoting the concept to other councils.

To this end, this Council pledges its full support to our team of community wardens, and **welcomes the Administration's proposals which** will ensure that they continue to be able to provide such a constructive role in our communities."

(3) The amendment was accepted by the proposer and seconder of the original motion without the need for a vote, and the County Council then debated the substantive motion as set out in paragraph (2) above.

(4) The procedural motion "that the question be put" was moved and duly seconded by Members who had not spoken in the debate. This procedural motion was agreed without a recorded vote.

(5) The Chairman put the substantive motion as set out in paragraph 2 above which was agreed without a recorded vote.

(6) RESOLVED that this Council applauds the sterling work of our Community Wardens, and recognises the huge benefits that they bring to the communities that they serve. This Council further acknowledges that the social value they bring to those communities far outweighs the financial costs to the County Council. Consequently, we believe Kent County Council should continue to champion this scheme, publicise its achievements, and consider ways of promoting the concept to other councils.

To this end, this Council pledges its full support to our team of community wardens, and welcomes the Administration's proposals, which will ensure that they continue to be able to provide such a constructive role in our communities.

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**COUNTY COUNCIL**

**Thursday 11 December 2014**

**Question 1**

**Question by Mike Eddy to  
David Brazier, Cabinet Member for Environment and Transport**

At the Dover Joint Transportation Board of 11 September 2014 members were informed that the sewerage system of Deal and Sholden was at capacity. In view of the number of houses being planned and built in the area, what representations has the Cabinet Member for Environment and Transport made to Ofwat and the privatised water companies to increase the sewerage capacity in and around Deal, and has this council advised the local planning authority of the situation?

**Answer**

Water Companies prepare five-year asset management plans that are agreed with OfWat, which set out the infrastructure investment they will undertake over that period and the charges they can make to their customers to fund it. Southern Water should review local growth projections when developing its five-year investment plan. The next five-year investment period will commence next April, so Southern Water should be appraised of the projected growth in Deal and planning accordingly. KCC has recently set up regular liaison meetings with main Kent water companies. At the last meeting the issue of sewer flooding in East Kent, including Deal, was raised and it was agreed that a representative from the wastewater side of the Southern Water business will attend future meetings to discuss their plans.

Southern Water is a statutory consultee for any development that proposes to connect to the public sewer. If an increase in capacity is required there is an opportunity for the sewerage undertaker to negotiate with the developer an appropriate S106 agreement at the application stage. However, it should be noted that new development has an automatic right to connect to the public sewer, which the water companies cannot refuse.

Any new development is required by the NPPF to maintain the existing discharge of surface water from the site and is encouraged to reduce it. We understand that Dover District Council is aware of the wastewater capacity in Deal and are proposing to adopt the sustainable drainage measures for proposed development in Deal.

## **Question 2**

### **Question by Roger Latchford to Paul Carter, Leader of the Council**

Manston Airport:

What steps has KCC taken to demonstrate support for the motion passed with unanimous support on the 17th July , and what resources has it or is it willing to give to support Thanet District Council and partners pursuing a CPO?

### **Answer**

Thank you Roger for providing me with the opportunity to update members on Manston.

If Members cast their minds back they will recall this Council unanimously agreed the following motion on 17<sup>th</sup> July:

*“That Kent County Council supports the actions taken so far by Thanet District Council to retain Manston as a regional airport. We recognise the value that a regional airport brings to East Kent and are disappointed at its closure. Kent County Council will explore with Thanet District Council ways in which it can support proposals to retain Manston as an airport.”*

As I made clear during the debate, Kent County Council would consider how best it could support any compulsory purchase order by Thanet District Council subject to a viable business case being presented by a commercial partner.

Thanet District Council's Cabinet received legal advice on 31<sup>st</sup> July which concurred with this stance that in order to demonstrate the case for a CPO is “*compelling*”, “*the Council should identify a CPO indemnity partner capable of delivering a 20 year business plan*” for the site.

Eager to support any sensible proposition, Kent County Council has been in contact with Thanet District Council to request copies of any expressions of interests received from any prospective indemnity partners so we could determine how best to support any viable business plan.

Thanet District Council has made us aware of only one company that made a substantive proposal. Naturally we have requested copies of this party's business plan, but due to a confidentiality agreement between Thanet District Council and this company, Thanet is prevented from disclosing the information provided by the company to Kent County Council.



I had already asked RiverOak - which I believe is the company that has been in discussions with Thanet District Council - if I could see their business case and they have refused to share it with me.

Thanet District Council's Cabinet will tonight receive a report that the company that has approached them *"does not demonstrate that it has the appropriate financial status or has committed investors to:*

- 1) enable it - if required - to acquire the site by private treaty prior to a CPO process being commenced*
- 2) fund the preparation of a robust case for CPO acquisition*
- 3) meet the expected compensation costs, and*
- 4) to develop the airport and operate it viably in the long-term"*

In the absence of a viable proposition from a possible airport operator, KCC has worked with the new owners of Manston who are promising a very exciting redevelopment of Manston – including 4,000 new jobs and £1 billion new investment in Thanet.

### **Question 3**

#### **Question by Zita Wiltshire to Peter Oakford, Cabinet Member for Specialist Children's Services**

Thanet has again seen rising complaints regarding Children's Homes and private foster carers who draw disruptive children from other local authorities into Thanet. This includes enhanced payments to foster carers, undermining the ethos of care, and replacing it with business incentive.

How does KCC control such activity, considering the blight on resident lives and the impacts on education, hospitals and other services, whose own public service ethos unwillingly subsidises this activity?

#### **Answer**

Thank you for the question. As Members will know, both the previous Cabinet Member for Specialist Children's Services and I have proactively campaigned for other Local Authorities to not place their children in care in Thanet, and other districts in Kent, due to the strain on resources including education, police and CAMHS.

For these reasons the Council's own policy is to not place non-Thanet children in care in Thanet. However the Council is unable to prevent the independent sector recruiting in Kent, or other Local Authorities placing in Kent when that placement meets the needs of the individual, and the placement does not impact on the resources available for our children in care.

I would like to point out that not all children placed in Thanet or elsewhere in Kent will be disruptive. These are children who have often not had the best start in life.

Financial incentives for the recruitment of foster carers are becoming a national issue and the Council has raised its concerns with the Fostering Networks National Steering Group, with this item being tabled for discussion at the next meeting.

Additionally, in part due to the campaign this council has carried out, this year has seen amendments come into force to the Care Planning, Placement and Case Review Regulations 2010 (the “Care Planning Regulations”), and a new amendment to Regulation 31 of the Children’s Homes Regulations. These amendments should see an impact in the reduction of other Local Authority children in care placed in Kent. I am happy to provide further details of the amendments outside of this meeting.

#### **Question 4**

##### **Question by Martin Vye to Mark Dance, Cabinet Member for Economic Development**

Given the outstanding A level results achieved by students at both Simon Langton Grammar Schools, Girls’ and Boys’, in Canterbury, and their ongoing success at university, will the Cabinet Member for Economic Development say what he plans to do to attract high tech physics-based companies to East Kent, to build on and develop this undoubted local strength?

#### **Answer**

All of us in the County should be very proud of the extraordinary success of the Simon Langton Grammar Schools enabling young people to work on authentic science research at the school, with many of them continuing with science and engineering at University. I particularly welcome their success in encouraging more girls to engage with science and engineering at school and continuing at University. We are working with the Head Teacher and his staff to promote the Langton Star Centre to become the basis of a National Centre for Science Research in Schools whose aim would be to extend national research collaborations for students and train and support the science training profession to embrace this model. This would link with the activity of Locate in Kent to bring together a science-based cluster of innovative companies in Kent.

## **Question 5**

### **Question by Martin Whybrow to Gary Cooke, Cabinet Member for Corporate & Democratic Services**

*Why do the summary records for members' attendance at meetings no longer appear on the KCC website? Was this an oversight, in which case when will they be put back? Was it a deliberate decision, in which case, what were the reasons for this loss of transparency for residents, why were members not informed of the change, and should the matter not have gone through the Selection and Member Services Committee for approval?*

### **Answer**

The information on the Council's website relating to Members' attendance at formal Council, Cabinet and Committee meetings is produced via a reporting facility on the Council's Committee Management System known as modern.gov. The statistics are generated automatically when the minutes of the various meetings are uploaded to the system, which confirms the names of those Members who were present as expected and those who for whatever reason were absent and had to send a substitute. It is a statistical snapshot about just one of the many responsibilities that elected Members perform in terms of representing the communities they serve and gives no information about the genuine reasons why individual Members cannot attend all of the meetings they are invited to.

Following representations from a number of Members, I formed the view that these statistics, whilst accurate, could lead to an entirely misleading impression being given about how hard Members work for their communities, which goes way beyond attending formal meetings. I consulted the Head of Democratic Services, who confirmed that there is no requirement to publish these summary statistics of meeting attendance in addition to publishing the minutes themselves, which is a legal requirement and I, therefore, took the decision to remove them from the website. The statistics remain available for any Member or member of the public who may wish to see them. In fact, officers have recently responded to a Freedom of Information request about the attendance at formal meetings by Members of the UKIP group on KCC.

As far as I am aware, the Selection and Member Services Committee was not asked to sanction the purchase or deployment of the modern.gov system some 7 years ago or agree to the use of the automatic meeting attendance function, which is just one part of that system's functionality. This, together with the fact that it is not a requirement to publish these statistical summaries led me to conclude that the Committee did not need to be asked to approve this measure.

However, I have asked for a report to be prepared for the Selection and Member Services Committee to consider early in the New Year, which will look at innovative and creative ways each individual Member can demonstrate to the communities they

serve the total contribution that they make to the Council on their behalf and I look forward to that discussion with colleagues from all political parties.

### **Question 6**

#### **Question by Rob Bird to Roger Gough, Cabinet Member for Education and Health Reform**

Energy bills can be a significant expense for our schools. In recent years a number of schools across the country have arranged for solar energy companies to install panels on their premises. Thus the schools have significantly reduced their electricity bills and significantly reduced their carbon footprint for zero capital outlay, a true win win.

Accordingly, would the Cabinet Member for Education and Health Reform advise how many KCC controlled schools have installed equipment for generating renewable energy, what the value of the savings has been and what encouragement and advice KCC is providing to those schools that haven't?

#### **Answer**

The Authority is aware of 29 Kent schools (both maintained and non-maintained) that have solar panels. This is not a definitive list, but is informed by Officer knowledge as well as data from LASER.

We are able to estimate the electricity savings for 16 of these 29 schools, and the collective figure is £13,436.70. We have no data on any schools receiving the government's feed in tariff payments.

KCC do not currently provide finance for, or actively promote the various finance offers from, the private sector to install solar panels in schools, due to a number of risks identified, but officers do provide information and advice to schools that request it. KCC does provide support to schools directed at energy efficiency projects, as these type of projects still provide more significant energy savings than solar panels. We also offer interest free invest-to-save financing and just recently we held a successful campaign to promote the benefits of this finance scheme and also LED lighting in partnership with the schools finance team. As a result we have 40 school enquiries, these schools will receive a free survey and quote for LED lighting or any other energy saving project they are keen to explore. Unfortunately, this finance is not available for solar panels, as to qualify projects must pay back within 7 years or less.

## **Question 7**

### **Question by Brian Clark to Peter Oakford, Cabinet Member for Specialist Children's Services**

With the backdrop of the Child Sex Scandal in Rotherham and the release of Ofsted's report "The sexual exploitation of children: it couldn't happen here could it", Debbie Jones, Ofsted's National Director for Social Care, said it "cannot be acceptable that local authorities and partners are still failing to grasp and deal with abuse effectively". She stated, "We are calling on all local authorities and their partners to ensure that they have a comprehensive multi-agency strategy and action plan in place to tackle child sexual exploitation,"

In light of these comments and recent events, can the Cabinet Member for Specialist Children's Services say what steps is KCC taking to ensure it is not an authority considered to be failing to face up to its responsibilities in preventing child sexual exploitation.

### **Answer**

Thank you for your question and I would like to assure Members that this authority takes child sexual exploitation very seriously. As Members may know, following the well documented exploitation of children in Rochdale and elsewhere, Ofsted undertook a Child Sexual Exploitation thematic inspection which included Kent. Although not an assessed inspection, this has confirmed both our areas of good practice and those that make sense to strengthen further.

Ofsted described the recent major multi-agency operation in Kent as a highly impressive child focussed piece of work, that was well resourced and with strong cross agency information sharing. The quality of the Kent and Medway multi-agency Child Sexual Exploitation Strategy was also recognised.

However I, the officers and our partners are not complacent. We are continuing to raise standards by ensuring return interviews for children who go missing are of consistently high quality and that trends are carefully analysed across agencies. The Kent Children's Safeguarding Board has also raised the priority of dealing with Child Sexual Exploitation. Additionally the multi-agency training on exploitation is now mandatory for all our staff who work directly with children and young people.

## **Question 8**

### **Question by Andrew Bowles to Mark Dance, Cabinet Member for Economic Development**

*"Could I first congratulate the Cabinet Member and his department for progress so far in enabling our residents to access high speed Broadband. I am sure he is able to access more up to date figures than I but the latest figures I possess for October 2014 show high speed fibre Broadband is available to in excess of 610,00 homes in Kent.*

*Much of my division is scheduled to go live during the current phase, October 2014 to October 2015. My concern is the small number of communities, many in my division, who are outside the areas where coverage is currently scheduled. There are communities along the North Downs such as Throwley and Stalisfield that have no clear information as to what level of service upgrade they may expect or when. May I add that I know this also applies to some communities in the Borough of Maidstone.*

*Can the Cabinet Member update the County Council on the matters raised in my question?"*

### **Answer**

KCC has made significant progress in delivering the Broadband Delivery UK (BDUK) Phase 1 project across the County, since it began in March 2013, and the project remains on track.

The project is bringing superfast broadband to over 120,000 properties by the end of 2015 in areas that will not benefit from commercial upgrade programmes. The project also aims to ensure that all properties in the intervention area have access to a standard broadband service of at least 2 mbps. Further details on the project and the deployment plan – including a 7 digit postcode checker and an interactive map are publically available on [www.kent.gov.uk/broadband](http://www.kent.gov.uk/broadband).

Over 60,000 homes and businesses have so far benefited from the Kent and Medway BDUK Phase 1 Project who would otherwise have been left with no or slow broadband. We are currently procuring a Phase 2 project. This is part of BDUK's national superfast extension programme which is seeking to ensure that at least 95% of properties across the UK can access superfast broadband. At a local level, our overriding intention is to get as much superfast and fibre-based broadband to as many premises as possible in Kent.

We are also working with BDUK as a pilot location for their 'Innovation Market Testing' Scheme. This initiative involves 8 small-scale field trials across the UK of new technological approaches for delivering superfast broadband services in 'final 5% areas' – of which the Swale-based pilot specifically targeting communities on the North Downs is one. We understand that the findings of this work will be used by BDUK to inform the

development of a new national BDUK Phase 3 Programme to bring faster broadband to communities that will not benefit from Phase 1 or Phase 2 project work.

I have noted what Mr Bowles has said about the communities he mentioned in his question. It should be stressed that delivering to 'final 5%' locations is challenging. However, KCC remains committed to working with local partners and BDUK to realise our longstanding ambition of wanting all rural communities to have access to superfast broadband services.

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# KENT COUNTY COUNCIL

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MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 11 December 2014.

## PRESENT:

Mr P J Homewood (Chairman)  
Mr M J Harrison (Vice-Chairman)

Mrs A D Allen, MBE, Mr M J Angell, Mr M Baldock, Mr M A C Balfour, Mr R H Bird, Mr H Birkby, Mr N J Bond, Mr A H T Bowles, Mr D L Brazier, Mrs P Brivio, Mr R E Brookbank, Mr L Burgess, Mr C W Caller, Miss S J Carey, Mr P B Carter, CBE, Mr N J D Chard, Mr I S Chittenden, Mr B E Clark, Mrs P T Cole, Mr G Cooke, Mr G Cowan, Mrs M E Crabtree, Ms C J Cribbon, Mr A D Crowther, Mrs V J Dagger, Mr D S Daley, Mr M C Dance, Mr J A Davies, Mrs T Dean, MBE, Dr M R Eddy, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G K Gibbens, Mr R W Gough, Ms A Harrison, Mr P M Hill, OBE, Mr C P D Hoare, Mrs S V Hohler, Mr S Holden, Mr E E C Hotson, Mrs S Howes, Mr A J King, MBE, Mr J A Kite, MBE, Mr S J G Koowaree, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr G Lymer, Mr B E MacDowall, Mr T A Maddison, Mr S C Manion, Mr R A Marsh, Mr F McKenna, Mr B Neaves, Mr M J Northey, Mr P J Oakford, Mr J M Ozog, Mr R J Parry, Mr C R Pearman, Mr L B Ridings, MBE, Mr J E Scholes, Mr W Scobie, Mr T L Shonk, Mr C Simkins, Mr J D Simmonds, MBE, Mr C P Smith, Mr D Smyth, Mrs P A V Stockell, Mr B J Sweetland, Mr A Terry, Mr R Truelove, Mr M J Vye, Mr J N Wedgbury, Mrs J Whittle, Mr M E Whybrow, Mr M A Wickham and Mrs Z Wiltshire

IN ATTENDANCE: Peter Sass (Head of Democratic Services) and Denise Fitch (Democratic Services Manager (Council))

## UNRESTRICTED ITEMS

### **54. Apologies for Absence**

The Head of Democratic Services reported apologies from Mr D Baker, Mr P Harman, Mr M Heale, Mrs E Rowbotham and Mr N Thandi.

### **55. Declarations of Disclosable Pecuniary Interests or Other Significant Interests**

None

### **56. Appointment of Honorary Aldermen**

(1) The Chairman offered a very warm welcome to the meeting to the nominees and their guests:

Mr Bryan Cope and Mrs Sheila Cope  
Mr Mark Fittock and Mrs Gillian Fittock  
Mr Tom Mason

Dr Tony Robinson; and  
Mr Roland Tolputt and Mrs Hilary Tolputt.

(2) The Chairman announced that all five nominees had been regarded by Group Leaders as having given eminent service both to Kent County Council and the people of Kent.

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

Mr Bryan Cope  
Mr Mark Fittock  
Mr Tom Mason  
Dr Tony Robinson  
Mr Roland Tolputt

(4) The Chairman then presented the newly appointed Honorary Aldermen with their Honorary Aldermen badges and their scrolls.

(5) Dr Robinson responded in suitable terms on behalf of the newly appointed Honorary Aldermen and expressed his thanks for the honours bestowed upon them by the County Council.

From: Paul Carter, Leader of the Council  
John Simmonds, Cabinet Member for Finance & Procurement and Deputy Leader

To: County Council – 12<sup>th</sup> February 2015

Subject: Budget 2015-16 and Medium Term Financial Plan 2015-18 (including Council Tax setting 2015-16)

Classification: Unrestricted

**Summary:** This report is a summary of the proposed budget for 2015-16 and Medium Term Financial Plan 2015-18 and a guide to the draft budget documents. The County Council has a statutory duty to set an annual budget and the amount to be levied by Council Tax. In approving the budget the County Council is not only agreeing the total amount to be spent but is also delegating authority to manage the budget in compliance with the authority's financial regulations.

Members are asked to bring to this meeting the revised draft 2015-16 Budget Book and 2015-18 Medium Term Financial Plan documents (blue cover, white combed) which were published on 3<sup>rd</sup> February 2015.

Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to matters relating to, or which might affect, the calculation of Council Tax. Any Member of a local authority who is liable to pay Council Tax and who has any unpaid Council Tax amount overdue for at least two months, even if there is an arrangement to pay off the arrears, must declare the fact that they are in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

## 1. Introduction

- 1.1 The Local Government Finance Act 1992 requires the Council to formally consult on and ultimately set a budget and Council Tax for the next financial year, 2015-16. The accompanying draft Budget Book and Medium Term Financial Plan (MTFP) set out the detailed calculations. The proposed Budget 2015-16 and MTFP enable the Corporate Director of Finance & Procurement to satisfy Section 25 of the Local Government Act 2003, which requires him to give an opinion on the robustness of the budget estimates and the level of reserves held by the Council.
- 1.2 A draft revenue budget was published for consultation on 9<sup>th</sup> October 2014. This consultation closed on 28<sup>th</sup> November and elicited 1,979 responses to the 3 questions posed and 853 responses via the budget modelling tool (excluding responses from specific market research). This is fewer responses to the questions than last year but more responses via the on-line tool. We have recognised that we need to improve communication about KCC's budget and the financial challenge in order to improve engagement. Nonetheless evidence from market research gives reassurance that the outcomes are statistically valid and representative of views generally.
- 1.3 A draft of the revised budget and MTFP proposals following the consultation, the announcement of the provisional local government finance settlement and notification of

provisional Council Tax base was published on 12<sup>th</sup> January 2015. This allowed time for the drafts to be considered by Cabinet Committees in the January round of meetings, endorsed by Cabinet (and subject to scrutiny), as well as allowing a short period for final comment prior to the County Council meeting. We recognised that publishing the draft budget early to facilitate this process (and so soon after the provisional funding announcements) carried the risk that further changes would be necessary.

- 1.4 It has transpired that there have been some material changes (including confirmation of the Council Tax collection fund balances for the current year, which is always a late changes). These changes warrant republishing the drafts. The revised drafts were published on 3<sup>rd</sup> February with blue covers and white binders to distinguish them from earlier drafts. We had not received final notification of Business Rate tax base/collection funds or the final Local Government Finance settlement in time for the print deadlines for the republished draft. The material changes in the republished draft are covered in section 5 of this report, the republished draft also provides the opportunity to make other marginal changes to ensure the budget reflects the very latest forecast activity for the coming year.
- 1.5 The draft budget published on 12<sup>th</sup> January showed a net revenue budget of £905.6m for 2015-16. This was more than the £896m we anticipated at the time of the consultation, largely due to a higher than expected Council Tax base. This additional income was fully allocated in the original published draft and shown in revised spending and savings plans compared to those included in the consultation. The provisional settlement was much as we had anticipated, although it did include some technical changes switching funds between individual grants.
- 1.6 The original draft budget comprised of a reduction in un-ring-fenced Government grants (including funding Revenue Support Grant (RSG) from the provisional settlement) of £55.7m (15.3%) and £50.7m of additional spending demands (excluding impact of spending from ring-fenced grants). These were offset by an additional £18.9m raised through Council Tax and the local share of Business Rates and £87.5m of proposed savings and other income generation (excluding ring-fenced grant income). The budget and MTFP has to incorporate changes in spending and income from ring-fenced grants (these grants must be spent in the prescribed manner and it is County Council policy not to-top-up ring-fenced grants), but it is essential that the impact of ring-fenced grants changes does not blur impact of other funding, spending and savings decisions which are needed.
- 1.7 The republished draft on 3<sup>rd</sup> February shows a net revenue budget of £912.9m including an extra £7.3m income for final Council Tax base collection fund balances notified by district councils. The republished draft has an increased reduction in total un-ring-fenced grants to £56.9m as we have had no announcement of Adoption Reform Grant from DfE which we were anticipating would continue, and a revised £55.8m of additional spending demands (excluding the £23.2m arising from spending additional ring fenced grants and removal of £3.4m DWP grant for Social Fund and £1.3m DfE grant for Adoption Reform which are included in the grant reductions). The additional Council Tax/Business Rates is £24.9m (including £7.1m one-off collection fund balance) and savings have been reduced to £87.8m (excluding ring-fenced grant income). The main changes in spending and savings plans between the original draft and republished draft are set out in section 5 of this report.
- 1.8 The proposed capital programme for 2015-18 is £728.3m. This includes a Schools' Basic Need programme (£154.5m over the 3 years 2015-18). Just under half of the funding for

this schools programme is anticipated to be raised through developer contributions, capital receipts and borrowing rather than the Government's basic need grant.

- 1.9 The capital programme has not been the subject of formal consultation and is subject to separate governance arrangements granting approval to plan and approval to spend. The capital strategy is set out in section 4 of the MTFP and focuses on achieving maximum effect from capital investment, with a sharper focus on the Council's strategic priorities and to obtain maximum value from our assets. This strategy reinforces the commitment to a fiscal indicator, which limits the cost of borrowing to 15% of net revenue budget. The proposed capital programme includes £106m of borrowing, which will count against this indicator (even though we are more than likely to cover this from short-term cash deposits rather than new loans).
- 1.10 Any unavoidable late changes to the proposed budget after this report has been published will be reported separately to the County Council meeting.

## **2. Financial Implications**

- 2.1 Setting the annual budget is one of the most significant decisions the County Council takes each year. It sets the County Council's share of Council Tax and the overall resource framework in which the Council operates. It also gives delegated authority to manage the budget to Corporate Directors and Directors within the parameters set out in the Council's Constitution and Financial Regulations. Corporate Directors and Directors will be held to account for spending decisions within delegated powers via the budget monitoring arrangements throughout the year.
- 2.2 The budget proposes a Council Tax increase up to the limit which would not require a referendum (currently 1.99%). Consultation has indicated that around 75% of residents would accept a small increase if this goes towards protecting front line services, which it does. The funding arrangements for local government (which include substantial amounts allocated via un-ring-fenced grants) make it impossible to identify precisely which services have been protected. The 1.99% Council Tax increase yields £10.7m which would otherwise have to be found from additional savings/income or reduced spending (although some compensation would also be available via the Government's Council Tax Freeze grant). The impact of 1.99% increase in each Council Tax band is set out in table 1 (equating to an additional 36p per week for a band C tax payer).

Table 1	2014-15	2015-16
Band A	£712.44	£726.66
Band B	£831.18	£847.77
Band C	£949.92	£968.88
Band D	£1,068.66	£1,089.99
Band E	£1,306.14	£1,332.21
Band F	£1,543.62	£1,574.43
Band G	£1,781.10	£1,816.65
Band H	£2,137.32	£2,179.98

- 2.3 The full financial implications for the overall resource framework and delegations to Corporate Directors and Directors are set out in the Budget Book and MTFP (as republished on 3<sup>rd</sup> February 2015). We have not detailed all the changes since

consultation in either the original draft Budget Book and MTFP published on 12<sup>th</sup> January or the republished drafts on 3<sup>rd</sup> February in order to keep presentation simple, although a full reconciliation is available on request. A number of these changes reflect feedback from the consultation e.g. the saving on Community Wardens has been reduced, other changes reflect the latest forecast activity for 2015-16 taking into account of the latest budget monitoring and the impact of funding announcements since the consultation was launched.

### **3. The Budget Proposals**

- 3.1 The baseline for the draft budget has been set based on the November budget monitoring reported to Cabinet on 28<sup>th</sup> January 2015. The draft budget includes “right-sizing” for a number of services, particularly increases in children’s social care, special needs transport and waste disposal/recycling in response to latest forecast activity and delivery of savings planned in the 2014-15 budget. The draft budget also includes savings where in-year activity has been lower than anticipated when this year’s budget was set, e.g. mainstream home to school transport.
- 3.2 The draft budget includes an additional contribution towards the pay and reward package for Kent Scheme staff. The pay and reward package is managed within an overall pot equivalent to 2.5% of pay. This pot is derived from the additional funding identified in the budget and headroom within staffing budgets as a result of new appointments being made at the bottom of pay grades and one-off payments for staff on the top of the grade. This arrangement was introduced in 2014-15 and means staff receive a single reward assessment for those judged to be achieving, achieving above, or outstanding. The value of reward payments for these different levels of performance is determined within the overall cash limited pot according to the number and current salaries of staff assessed at each level. The reward payment either increases an individual’s salary via progression through the pay grade, or is a non-consolidated lump sum payment for staff on the top of the grade.
- 3.3 There is no separate “cost-of living” award. The top and bottom of pay grades are recalibrated each year to ensure they remain competitive (although this recalibration only applies to new appointments as pay progression for existing staff is subject to the performance assessments described in paragraph 3.2). This recalibration is generally at least 50% of the “achieving” reward %, subject to this being affordable within the overall budget. In 2014-15 the “achieving” reward provided a 2% increase in pay with a minimum full time equivalent amount of £350 for staff on the lowest grades. The bottom of KR2 was also increased by £350 (the top and bottom of all other grades by 1%).
- 3.4 It is proposed that a similar arrangement is made in 2015-16 within the overall 2.5% pot for pay and reward, with a minimum full time reward of £400 and the bottom of KR2 range increased by the same amount. This minimum payment recognises the Council’s pledge to make further progress towards paying the Living Wage and would mean the bottom of KR2 would increase to £7.23 an hour (currently the Living Wage outside London is £7.85). This minimum payment will have an impact on the value of reward payments for staff on higher pay grades as it would be funded within the overall 2.5% pot. By agreeing the proposed budget County Council would be approving the 2.5% overall pot and the minimum £400 reward, the distribution of reward payments for staff not qualifying for the minimum reward and recalibration of grades other than the bottom of KR2 would be managed within this overall pot. This adjustment to grades will be published in an updated Pay Policy Statement for 2015/16 and will be the only change to the statement for this year.

- 3.5 The draft budget includes provision for specific contractual price increases. In the main, these are index-linked and summarised on page 85 of the MTFP document. We have also included provision for non-specific increases in negotiated contracts. We have not made any provision for general inflation on goods and services procured by the council and managers will be expected to cover the impact of any inflation within their overall budget.
- 3.6 The draft budget includes the impact of additional spending imposed by legislation and government. Principally, this relates to additional spending from grants in relation to public health and preparation for/implementation of provisions in The Social Care Act. The budget also includes estimated additional demand arising during the year, particularly in relation to adults with learning disabilities, and spending on local choices, e.g. financing the capital programme. A summary of all the additional spending proposals is set out on pages 85 to 87 of the MTFP. We have included additional narrative to provide more explanation
- 3.7 The 2014-15 budget was balanced by £12.557m one-off use of underspends and reserves. These need to be replaced in 2014-15 and are shown within the £55.8m of additional spending demands.
- 3.8 The draft budget proposals include £10.7m of savings from the draw down from reserves in 2015-16 (mainly the Economic Downturn Reserve) with further £4.4m draw down in future years. The Economic Downturn Reserve will be closed down through these draw downs and the transfer of £3m in general reserves and £11m into a new reserve to support new transformation activity. This means we would start 2015-16 with £34.7m in general reserves plus a further £3.7m from Council Tax collection funds. This would increase this general contingency to just over 4% of net revenue budget, reflecting the additional risk inherent in the budget and uncertainty over funding and spending plans beyond 2015-16.
- 3.9 The draft budget proposals also include reduced contributions to a number of reserves and further savings on the cost of financing debt by re-phasing the provision for debt repayment in line with the policy for annual Minimum Revenue Provision (MRP). The MRP guidance requires the Authority to make prudent provision within the revenue budget for repayment of debt accrued on capital projects and to present a statement setting out the MRP policy to the full council. KCC's MRP statement is set out in appendix C to the MTFP.
- 3.10 The budget consultation included £7.4m of unidentified savings in order to balance the budget. The draft budget has now identified how this gap can be closed through the work we have been doing with districts to increase the Council Tax base, reduced additional spending demands (particularly prices) and further savings (including £2m of procurement savings which have yet to be finally allocated pending contract negotiation). The draft budget also includes the revised proposal on the warden service agreed by Cabinet on 28<sup>th</sup> January and changes to the funding for Kent Support and Assistance Service outlined in the budget report to Cabinet.
- 3.11 All of the savings and income proposals in the draft budget are summarised on pages 88 to 91 of the MTFP document. Most are as proposed in the consultation although some have been modified. Savings are divided between transformation savings, income generation, ring-fenced grant increases, efficiency savings and policy savings as well as the financing savings outlined in paragraph 3.7. Inevitably these categories can never be

precise but have been developed to help identify where we plan to do things differently as compared to doing less.

- 3.12 Detailed consultation and equality impact assessments of specific proposals within each directorate will be undertaken once the budget has been approved and prior to implementation. Approval of the budget includes granting delegated power to Cabinet Members to make changes to the proposals in light of detailed consultation and equality impact assessments. Any changes will be reflected in the monthly monitoring reports to Cabinet.
- 3.13 The MTFP includes indicative plans for 2016-17 and 2017-18, although inevitably these are less well developed than 2015-16 and are liable to change. In particular, not all of the savings necessary to balance 2016-17 and 2017-18 have been identified and will be developed during the year as the Facing the Challenge and other transformation programmes evolve.

#### **4. Navigating the Budget Book and Medium Term Financial Plan Documents**

- 4.1 Last year the report to County Council included a section aimed at helping members to navigate the Budget Book and MTFP publications. We have repeated this section this year as some members may still be unfamiliar with these documents. As in 2014-15, the capital and revenue budgets have been presented to align with directorate structures rather than Cabinet Member portfolio responsibilities. This presentation better reflects budget management and reporting arrangements.
- 4.2 Section 3 of the Budget Book sets out the proposed capital investment plan for the following 3 years. Capital spending is for the purchase and enhancement of assets. For each directorate capital spending is split between rolling programmes (usually related to the on-going enhancement of assets) and individual projects. There are two templates for each directorate, the first sets out a brief description of each programme/project and the planned spending for each year of the MTFP, with a summary of how the overall directorate plan is funded. A number of projects will only proceed when specific funding has been secured. The second template combines the three years of the capital programme and sets out in more detail the funding sources for each programme/project.
- 4.3 Sections 4 to 8 of the Budget Book set out the proposed revenue budget for 2015-16. Revenue spending is that spent on the day-to-day provision of council services. Section 4 provides a high level summary for each directorate. Gross expenditure is split between staffing (salaries and employer's costs for national insurance and pension contributions) and other costs. Service income from charges and contributions is deducted to derive net cost (this net cost is often the quoted figure in government returns and used for comparative purposes). For 2015-16 service income has been split between internal and external income (this was principally following the establishment business service centre which has to recharge activity to services, although internal income also includes trading activity with KCC maintained schools in a number of other services). Income from specific government grants is shown separately to derive the net expenditure attributable to KCC. The net expenditure is used in the MTFP and a comparison with the revised net expenditure for 2014-15 is included in the revenue budget book sections. Section 4 shows how the net expenditure is funded either from Council Tax, the local share of business rates, or un-ring-fenced government grants.



4.4 Section 5 provides more detail of planned spending on individual services. This section is designed in an A to Z format and shows services according to how they are delivered and received by residents, rather than how the Council is organised. This is a conscious effort to provide a more outward facing presentation of the Council's spending. The A to Z is organised according to principal areas of front-line activity:

- Adults and Older People
- Children's Services
- Community Services
- Environment
- Highways
- Housing Related Support for Vulnerable People
- Local Democracy
- Planning and Transport Strategy
- Public Health
- Public Protection
- Regeneration and Economic Development
- Regulatory Services
- Schools
- Services for Schools
- Transport Services
- Waste Management

These principal activity areas are consistent with central Government returns. Non frontline services; financing items, assessment services and management, support and overheads are identified separately.

4.5 Within each of the broad categories above, spending has been subdivided into individual areas of activity (based on the principle that any distinct area of activity with spending in excess of £1m should be separately identified). The table also includes a brief description of activities which can be afforded within the budget. Inevitably, this section is a compromise between providing an appropriate level of detail to describe how the Council spends public money and keeping the analysis to a manageable size. The individual entries are kept under review both to reflect changes in the way services are delivered and to ensure we adhere to the principle of transparency without undue complexity.

4.6 Section 6 provides a detailed variation statement for each line in the A to Z service analysis showing how the budget has changed between 2014-15 and 2015-16. This provides a direct reconciliation between the Budget Book and MTFP. Inevitably, this is a large document and is the last piece of the budget jigsaw and can only be published in later versions of the Budget Book.

4.7 Section 7 provides a graphical representation of the Council's funding and spending. It also includes a high level subjective analysis which presents information on the type of spending, rather than how the services are provided. The subjective analysis for 2015-16 can only be produced once budgets have been allocated by individual managers, thus for the versions of the Budget Book published on 12<sup>th</sup> January and 3<sup>rd</sup> February we could only show the subjective analysis for the revised 2014-15 base budget derived from in-year monitoring.

- 4.8 Section 8 sets out the total budget under the control of each directorate. This is generally presented at the third tier, i.e. the amounts delegated to the managers reporting to each director (often referred to as service units). Only in exceptional circumstances would budgets be identified below third tier, even though delegation and budget management takes place at lower levels in the organisation. Financing items are notionally shown under Strategic and Corporate Services although these are non-directorate specific costs often arising out of previous decisions or decisions outside of the county council's direct control. As such these costs cannot be attributed to any individual manager and are all under the control of the Corporate Director of Finance & Procurement.
- 4.9 Appendix A is a re-presentation of the A to Z entries in section 5 grouped for each directorate. Appendix B is drawn from the second quarter's budget monitoring report showing the forecasts for 2014-15. These appendices are produced as background information and are not part of the approved budget.
- 4.10 The MTFP provides a description of the Council's overall financial vision and key strategies. It is designed as a reference document, providing background information to set the budget in a wider and longer term context. The main document includes a short executive summary, together with an appraisal of the national financial and economic context as it affects local government and the Council's capital, revenue, treasury management and risk strategies. These strategies will continue to evolve to reflect progress on the key themes arising from Facing the Challenge and the council's overall strategic objectives. The Treasury Strategy in section 5 of the MTFP has been updated to include revisions to the borrowing and investment strategies, as well as updating approved counterparties and deposit limits as part of the council's limited risk approach to treasury management. The revised strategy is presented for full council approval.
- 4.11 The appendices to the MTFP set out the key financial information. Appendix A includes a high level 3 year plan and detailed plans for each directorate summarising the additional proposed spending, income and savings in 2015-16 compared to the 2014-15 approved budget. The entries in appendix A(ii) use the same headings as the A to Z variation statements described in paragraph 4.6. This enables a direct comparison of the overall strategic plan with the more detailed individual budget plans. Appendices B (Prudential Indicators) and C (MRP Statement) are presented to full Council for approval.

## **5. Changes in the re-published Draft Budget and MTFP**

- 5.1 Rather than including a comprehensive description of all the changes since the original draft Budget Book and MTFP were published on 12<sup>th</sup> January we have decided to re-publish these documents for County Council approval. Many of the entries are unchanged and most of the changes are not material as they simply relate to updated activity based on the latest monitoring returns (and therefore would otherwise have been reflected in the first quarter's budget monitoring report during the year). This section provides a brief description of the material changes.
- 5.2 We always have an issue with the balances on Council Tax collection funds. These need to be included in the budget as they represent the over/under collection on the budgeted tax base for the current year. District councils are required to notify us of these balances by 31<sup>st</sup> January, and often notification is close to the wire. The balances for 2014-15 show a net surplus of £7.1m. District councils must also notify the final tax base calculation for the coming year by 31<sup>st</sup> January, which shows a small increase of £0.2m on the provisional figure included in the original draft published on 12<sup>th</sup> January. Overall the final

notification of collection fund balances and tax base has increased net funding from £905.648m to £912.920m. .

- 5.3 The collection fund balances are in effect one-off since the on-going impact is already built into the revised tax base assumption for 2015-16. As a consequence in previous years we have added these balances to reserves rather than factor them in to spending plans for the forthcoming year. However, for 2015/16 we have had three emerging issues since the original draft budget was published which impact on spending demands/savings and would change the net budget requirement. Rather than pay all the collection fund balances into reserves and make other changes to spending and savings plans to compensate for these late issues we are proposing they are funded from the collection fund balances. This increases the unidentified savings gap in 2016-17 until such time as compensating action or alternative funding can be identified. The balance of the collection fund surpluses after addressing these issues £3.662m and is proposed to be added to general reserve, increasing it from the £34.7m originally proposed to £38.4m i.e. 4.2% of net revenue budget.
- 5.4 The first of these issues relates to Government decisions on the Social Fund following a consultation late last year. We had identified that the separate grant provided by Department for Work and Pensions (DWP) was removed from the indicative settlement for 2015-16 published as part of the 2014-15 settlement. Consequently we had planned that we could only sustain the service from any underspend on the 2013-14 and 2014-15 DWP grants that could be rolled forward into 2015-16 at the end of the year (although this could not be confirmed until the outturn is approved).
- 5.5 In the provisional settlement for 2015-16 (announced on 18<sup>th</sup> December) the government has identified an amount for welfare provision within the un-ring-fenced RSG to replace the Social Fund (although this has been created by reducing other elements of RSG rather than transferring any money into the grant). In light of this we now propose to leave KSAS with a net budget of £1.25m (by reducing proposed saving from £3.418m to £2.168m). We still need to show the pressure from losing the £3.418m DWP grant (which we managed as if ring-fenced) in the same way we show loss of other ring-fenced grants.
- 5.6 £1.25m is a realistic assessment of likely demand taking account of the options outlined in the paper to the Adult Social Care and Health Cabinet Committee on 4<sup>th</sup> December i.e. before we knew the outcome of the Government's decision on funding. Decisions on rollover of unspent grant from previous years (which would provide a reserve to help manage fluctuations in demand) will still need to await the final outturn position for 2014-15.
- 5.7 The second issue relates to the dividend from Commercial Services. The shareholder board has been aware since early in the year that Commercial Services would not be able to achieve the £7.8m dividend in the 2014-15 budget. That budgeted dividend was based on an earlier iteration of 5 year plan for Commercial Services. What was less clear is how that would impact on future year's dividends. However, for the re-published budget we propose it is prudent to include a right sizing of the 2014-15 base from £7.7m to £6.3m (reflecting the current forecast dividend for the year) and to reduce the growth assumption from £1m to £0.4m. This would leave KCC planning to receive £6.7m income through the dividend in 2015-16. This revised income projection has been reflected in the re-published draft, although negotiations through the shareholder board are still continuing and therefore should not be taken as a final figure.

- 5.8 The third issue relates to Adoption Reform Grant. In 2014-15 we received £1.258m from DfE via an un-ring-fenced grant. As grant was un-ring-fenced it was used to support the base budget for children's services rather than any specific activity. Since the funding for this grant was top-sliced from the Early Intervention Grant previously paid to local authorities, and a commitment was made that DfE would return this money to local authorities, we had been assuming the grant would continue. There has been no announcement from DfE and therefore it is prudent to support the children's base budget *pro tempore* pending any announcements from DfE. Should the grant continue we would reverse this contribution, should it be removed we will consider how we respond as part of 2016-17 budget.
- 5.9 Other than the collection fund balances/tax base and these three issues the re-published draft is as reported to Cabinet on 28<sup>th</sup> January. As also reported to Cabinet it may be necessary to make some technical changes to the published draft Budget Book presented to County Council in the final Budget Book published in March. In particular at the time we published these documents we hadn't received the final Local Government finance settlement (and there is always the slight risk that this could change from provisional settlement) and we may receive some other late grant announcements. At the time of publication we had also not received notification of the County Council's share of the business rate tax base/collection fund balances from all district councils.

## **6. Restructure**

- 6.1 The Strategic and Corporate Services Directorate was established as part of the new operational framework agreed by the County Council in December 2013 which was implemented from 1 April 2014.
- 6.2 The December 2013 paper recognised that the level of service review and market engagement underway in the new Directorate made any senior level restructure inappropriate and impractical at that time.
- 6.3 In order to achieve the significant budget reductions in services across this Directorate it is now appropriate to implement a new senior management structure with effect from 1 April 2015.

### **6.4. Objectives**

- 6.4.1 As well as ensuring the required budget saving are achieved, the objectives for the new structure include the following:
- Rationalise and reduce management posts and costs
  - Group together services to provide a coherent offer for support to internal and, as appropriate, external customers
  - Provide a flexible structure which can adapt to the changing (and shrinking) organisation
  - Put the emphasis on and right level of resources into the functions and strategies which align to the Facing the Challenge agenda
  - Take and learn from best practice in commissioning models of other local authorities
  - Strengthen the role of the Head of Paid Service, taking account of the significant level of change across the Authority.
  - Ensure the responsibilities of the senior roles in the Directorate are appropriate for KCC's operating model.

6.4.2 The Corporate Director of Strategic and Corporate Services is designated as the statutory Head of Paid Service and as such is the most senior postholder in the Authority. The Council has a statutory obligation to ensure the postholder has the necessary resources to discharge the increasing responsibilities of this role which is becoming more critical and demanding as the organisation continues to transform. This is an important factor in the restructure of this Directorate and also provides an opportunity to ensure the current wider governance arrangements in place for the Head of Paid Service are appropriate and robust.

## **6.5. Proposal**

6.5.1 The full details of the proposal are contained in Appendix B, which includes outline job descriptions.

6.5.2 Section 4 of Appendix B shows the posts that would be deleted and the new posts that would replace them.

6.5.3 The role of Director of Governance and Law will only be deleted from the structure if an alternative service delivery model is agreed for Legal Services. If this happens, the Director post will be replaced by a General Counsel role, details of which have been included in the consultation document attached at Appendix B.

## **6.6 Consultation Outcomes**

6.6.1 The operational framework outlined has been the subject of consultation and was reported to the Personnel Committee last month.

6.6.2 The minimum requirement for a formal consultation with the Directors and Corporate Directors directly impacted by the proposals was supplemented by a much wider consultation process. Given the impact on all Directorate staff and the critical role they play in all the functions, they were also consulted informally.

## **6.7 Responses from the consultation.**

6.7.1 The overall response to the proposals from both impacted and other staff was positive and supportive of the general direction. All those directly impacted made comments and 18 individual members of staff or teams responded to the informal consultation.

6.7.2 Some of the comments that related to very specific items of clarification and which did not impact on the overall structure proposals have not been included in this feedback, although individual responses are being sent to all respondents covering all the points raised.

6.7.3 The following amendments to the original proposal shown in Appendix B have been made as a result of the feedback received:

- The Risk management function will sit alongside the corporate assurance function reporting to the Director of Strategy, Policy, Relationships and Corporate Assurance.

- The job description for the General Counsel role has been amended to include reference to the responsibilities of County Returning Officer and Senior Information Risk Officer.
- Line management of the Contact Point to be retained by the current line manager reporting to the Corporate Director of Engagement, Organisation Design and Development until the outcome of the current competitive dialogue process is known.
- Responsibility for the council's equality and diversity service strategy and practice will rest with the Director of Strategy, Policy, Relationships and Corporate Assurance.

6.7.4 Other changes to terminology have been incorporated in the functional descriptions below as a result of requests for clarification received in consultation feedback.

## **6.8 The Proposed Directorate structure**

6.8.1 As a result of the consultation process, relatively minor changes have been made to the original proposal and some functions have moved within the new operating framework. However, the main outcome of the process has been to validate and endorse the changes to the Directorate structure.

6.8.2 The overall structure proposal is shown at Appendix C.

6.8.3 An outline job description for each role is included at Appendix D. In addition each of these senior managers will be expected to meet the corporate responsibilities already defined. Some changes have been made to the job descriptions both as a result of the consultation responses. The titles for the roles will be kept under review and may be changed at a later date.

6.8.4 The proposed functional responsibilities for each post are summarised in the table below.

**Corporate Director Strategic & Corporate Services  
(Head of Paid Service)**

<b>Corporate Director Finance and Procurement</b>	<b>Corporate Director Engagement, Organisational Design and Development</b>	<b>Director Infrastructure</b>	<b>General Counsel</b>	<b>Director Strategy Policy Relationships and Corporate Assurance</b>	<b>Director Strategic Business Development and Intelligence</b>
<p>Audit</p> <p>Financial Strategy and intelligent client</p> <p>Financial Policy</p> <p>Finance Business Partners</p> <p>Financial Management</p> <p>Treasury and Investment</p> <p>Procurement</p> <p>(Business Service centre: commissioned service)</p>	<p>Organisation Design HR Strategy and Operation</p> <p>Health and Safety</p> <p>HR Business Partners (Commissioners)</p> <p>Engagement and Customer Strategy</p> <p>Organisation Development</p> <p>Divisional Performance monitoring (Client)</p> <p>(Business Service centre: commissioned service)</p>	<p>Property Strategy, Commissioning and Client</p> <p>ICT Strategy, Commissioning and Client</p> <p>Business Service centre</p> <p>(Property LATCo (commissioned Service))</p>	<p>Monitoring Officer</p> <p>SIRO</p> <p>County Returning Officer</p> <p>Deputy lord Lieutenant</p> <p>Democratic services</p> <p>Information Resilience and Transparency</p> <p>Legal Commissioning Intelligent Client</p> <p>Legal Services (Commissioned service)</p>	<p>Strategic Policy</p> <p>Corporate assurance and outcomes assessment</p> <p>Strategic relationships</p> <p>Strategic Business Advisors</p>	<p>Business Analysis</p> <p>Contract management</p> <p>Strategic Commissioning Framework and Evaluation</p>

## **6.9 Timeline and next steps**

- 6.9.1 Once the Directorate structure has been agreed by the County Council, formal confirmation will be given to the senior managers impacted on whether they are at risk of redundancy or “slotted” to a post. At this stage, any applications for voluntary redundancy which are agreed will be confirmed
- 6.9.2 Decisions about whether individual senior managers are “slotted” (i.e. automatically placed) to the proposed posts in the structure will be done following the Kent scheme terms and conditions of employment. An individual may be slotted if all the following criteria are met:
- The job must be the same grade as before the re-organisation
  - There must be the same number of jobs (or more) as job holders
  - The job is deemed to be around 75% the same type of work in terms of job accountabilities, activities and broad objectives.
- 6.9.3 Following the slotting process, any remaining vacant posts will be filled by Member appointment panels in the normal way. It will be critical to the stability of the organisation and its ability to deliver transformation that any senior posts left vacant are filled as soon as possible and it is intended to hold the initial selection process during March 2015.

## **7. Changes since the Re-published Draft Budget Book and MTFP**

- 7.1 We took the decision to republish the budget book to ensure it was available a day before the release of County Council papers, allowing members as much time as possible to consider the implications, particularly of collection fund balances. At the time, and as outlined in this report, we had not received the final Local Government finance settlement or the Business Rate notification from all district councils. We had no indication when the settlement would be announced or when we could expect the final business rate notification. Usually there is no change in the settlement between provisional and final, and the differences on Business rates are usually marginal.
- 7.2 The final settlement was announced very late on 3<sup>rd</sup> February (long after we had printed the republished budget books). Unusually, it included a change to the RSG. The change was in response to concerns about the outcome on the Social Fund in the provisional settlement and subsequent consultation responses, and the Government announced an additional £74m in RSG for upper tier councils. KCC’s share is just under £1.5m. This announcement impacts on our earlier proposal to make £1.25m available out of the Council Tax collection fund balance to re-establish a working budget for KSAS (as outlined in paragraph 5.5). Therefore we need to make a change to the republished budget book to increase the 2015-16 RSG (BB page 41 line 13) to £161,005.1k and revise the proposed budget for KSAS (BB page 49 line 40) to £1,481.5k. This will release an additional £1,250k from the Council Tax collection fund balance to contribute to reserves (see paragraph 7.5 below).
- 7.3 The final Business Rate tax base returns have now been received and confirmed from all districts. These show that KCC’s share of the overall tax base for 2015-16 is £49,227k. This is £1,626.1k more than baseline included in the published draft Budget Book. We have previously explained the difference between the baseline in the Local Government finance settlement and the local share based on district council returns. We had anticipated these would be broadly similar and thus the additional tax base is a welcome



bonus. At this stage we need to do more work to identify how much is due to genuine growth and how much relates to the outcome of outstanding appeals against the business rate revaluation from April 2010. The tax base returns also confirm the County's share of collection fund balances on 2014-15 as £450.6k, although as with Council Tax collections funds this is effectively one-off money as it is already factored into the £49.2m base for 2015-16.

- 7.4 These amounts from Business Rates need to be included in the approved budget, Business Rate Base (BB page 41 line 11) increase from £47,660.9k to £49,227k and Business Rate Collection Fund (BB page 41 line 12) from £0k to £450.6k. Overall the net budget will increase from £912,920.3k in the republished draft to £916,478.5k as a result of the additional RSG and business rates.
- 7.5 The impact of the last minute issues means there is an additional £1,700.6k one-off funding (the £1.250k from Council Tax collection fund not now needed for KSAS and £450.6k from Business Rate collection funds), and £1,626.1k of additional base budget. There has been very little time to consider how best this additional funding should be used. The 2015-16 budget and MTFP has been the most challenging we have ever faced, and whilst these late developments are a welcome move in the right direction, it would be inappropriate to make hasty changes to plans which have been evolved over several months.
- 7.6 As part of meeting this challenge we had planned to draw down £10.7m from earmarked reserves (MTFP page 91). This was a very difficult decision which we were forced to make earlier in the budget process than ever before. In light of the additional flexibility we now propose to reduce this drawdown by £4.5m. This extra balance in reserves will enable to us to consider appropriate business cases for invest to save proposals in areas such as strengthening management capacity within children's services, find and fix pot hole repairs, responding to the financial challenges of the Social Care Act, and investing in additional capacity in Commercial Services to increase the dividend for KCC.
- 7.7 This revised proposal for earmarked reserves means we will have less than the £3.662m identified in the republished Budget Book and MTFP (as outlined in paragraph 5.3) above, and we can now only add an additional £2,488.3k into general reserve. This provides us with the best compromise to deal with some of the most pressing issues for 2015-16 (through having funds in earmarked reserve) as well as increasing our resilience to unknown risks in future years through general reserves. It also means the only change to the republished budget book (other than the funding changes to section 4 of the Budget Book outlined in this report, and KSAS budget line referred to in 6.2 above) is to Contributions to/from Reserves (BB page 65 line 147) which will change from -£1,139.3k to +£2,187.4k.
- 7.8 These late changes are unfortunate and have thwarted our intention to keep the budget proposals clear and provide members with full information as early as possible. Nonetheless we have endeavoured to keep the impact as simple as possible and rather than reprinting all the Budget Book and MTFP again we have reproduced section 4 of the Budget Book and appendices A(i) and A(ii) of the MTFP as part of this report. There will also need to be the consequential changes to the two lines in section 5 of the Budget Book referred to above (page 49 line 40 and page 65 line 147). There will also need to be consequential changes to the tables in section 2 and section 3 of the MTFP document which will be reflected in the final version published in March.

## **8. Conclusions**

- 8.1 The Corporate Director of Finance & Procurement (S151 officer) is satisfied with the robustness of the budget estimates included in the 2015-16 draft budget proposals and that the Authority has adequate reserves, as required by the Local Government Act 2003. The proposed budget has been formulated following a robust process of internal challenge with Cabinet Members and Corporate Directors, public consultation and scrutiny by Members of all political groups.

## 9. Recommendations

### **Recommendations:**

The County Council is asked to agree the following:

- (a) Revised Revenue budget requirement of £916.479m for 2015-16
- (b) The revised revenue budget for KSAS (BB page 49 line 40) to £1,481.5k
- (c) The revised revenue budget for Contributions to/from Reserves (BB page 65 line 147) to £2,187.4k
- (d) Capital investment proposals of £727.262m over three years from 2015-16 to 2017-18 together with the necessary funding and subject to approval to spend arrangements
- (e) The Treasury Management Strategy as per section 5 of the Medium Term Financial Plan
- (f) Prudential Indicators as set out in Appendix B to the Medium Term Financial Plan
- (g) The Revised Minimum Revenue Provision (MRP) Statement as set out in Appendix C to the Medium Term Financial Plan including the revised policy regarding debt repayment
- (h) The directorate revenue and capital budget proposals as set out in draft Budget Book (amended as per (a) to (c) above) and delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations
- (i) The 2.5% pot to fund pay and reward package outlined in paragraphs 3.2 to 3.4, including £400 minimum full time equivalent reward payment
- (j) Delegate authority to the Cabinet Member for Corporate and Democratic Services to agree the reward thresholds for staff assessed as achieving, achieving above, and outstanding and to set the recalibration of the pay ranges (other than £400 increase to the bottom of KR2), within the 2.5% funding approved in the budget
- (k) Approve the proposed operating framework and new Strategic and Corporate Services Directorate structure
- (k) Delegate authority to the Corporate Director of Finance & Procurement (in consultation with the Deputy Leader/Cabinet Member for Finance & Procurement and other group leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement
- (l) The total Council Tax requirement of £539,034,002 to be raised through precepts on districts and the Council Tax rates set out in paragraph 2.2 (band D £1,089.99)

In addition:

- (m) The County Council is asked to note the financial outlook for 2016-17 and 2017-18 with further anticipated funding reductions and spending demands necessitating additional savings under the Facing the Challenge and other transformation programmes

## 9. Background Documents

- 9.1 Budget Consultation launched 9<sup>th</sup> October 2014:
- 9.2 Outcome from Budget Consultation as reported to Cabinet Committees in January
- 9.3 Final report on Budget Consultation from Lake Market Research
- 9.4 Final notes from other KCC consultation activity including business sector, voluntary sector and staff workshops

9.5 Draft Budget Book and MTFP published 12<sup>th</sup> January 2014 (white cover, blank binding) and as re-published on 3<sup>rd</sup> February 2015 (blue cover white binding):

9.6 Response to Provisional Local Government Finance Settlement dated 15<sup>th</sup> January 2015

9.7 Minutes of Cabinet Scrutiny Committee 21<sup>st</sup> January 2015:

9.8 Cabinet Report 28<sup>th</sup> January 2015:

## **10. Contact details**

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## Appendix A (i) - High Level 2015-18 Budget Summary

2014-15 (revised) £000s      £000s		2015-16 £000s      £000s		2016-17 £000s      £000s		2017-18 £000s      £000s	
<b>954,304</b>		<b>940,313</b>		<b>916,479</b>		<b>891,005</b>	
<b>Revised Base Budget</b>							
<b>Additional Spending Pressures</b>							
11,472	Pay & Prices	11,363		20,121		16,365	
10,487	Demand & Demographic	9,600		9,800		15,200	
14,369	Government & Legislative	26,813		10,785		0	
0	Base Budget pressures from previous year	9,210		195		0	
20,215	Service Strategies and Improvements	8,275		3,076		3,798	
0	Reduction in grants used for specific purposes	4,676		0		0	
<b>56,543</b>		<b>69,936</b>		<b>43,976</b>		<b>35,363</b>	
24,870	<b>Total Additional Spending</b>	12,557		12,379		2,700	
<b>81,413</b>		<b>82,493</b>		<b>56,355</b>		<b>38,063</b>	
<b>Total Pressures</b>							
<b>Savings &amp; Income</b>							
<u>Transformation Savings</u>							
-13,050	Adults Transformation Programme	-14,725		-9,194		-5,088	
-10,622	Children's Transformation Programmes	-5,583		-11,700		-7,600	
-12,708	Other Transformation Programmes	-6,990		-3,922		-3,311	
-5,217	Income Generation	-4,216		-3,865		-3,631	
-14,001	Increases in Grants & Contributions	-23,235		-10,785		0	
<u>Efficiency Savings</u>							
-9,800	Staffing	-9,512		-2,607		-1,030	
-422	Premises	-2,522		-956		-1,056	
-13,102	Contracts & Procurement	-16,316		-2,565		-4,040	
-3,000	Other	-1,004		-7,010		-50	
-8,861	Financing Savings	-17,440		-2,700		-1,700	
-4,621	Policy Savings	-4,785		-3,765		-4,535	
<b>-95,404</b>		<b>-106,327</b>		<b>-59,069</b>		<b>-32,041</b>	
<b>Total Savings &amp; Income</b>							
0	Unidentified	0		-22,760		-22,699	
<b>940,313</b>		<b>916,479</b>		<b>891,005</b>		<b>874,328</b>	
<b>Net Budget Requirement</b>							
<u>Funded by</u>							
529,125	Council Tax Yield	549,034		562,805		576,928	
4,018	Council Tax Collection Fund	7,079		0		0	
46,924	Local Share of Retained Business Rates	49,227		50,400		51,600	
-1,236	Business Rate Collection Fund	451		0		0	
<u>Un-ring-fenced Grants</u>							
213,092	Revenue Support Grant	161,005		130,000		95,000	
120,634	Business Rate Top-Up Grant	122,939		126,000		129,000	
27,756	Other Un-Ring-Fenced Grant	26,744		21,800		21,800	
<b>940,313</b>		<b>916,479</b>		<b>891,005</b>		<b>874,328</b>	
<b>Total Funding</b>							

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**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s		
2014-15 Base	Approved budget by County Council on 13th February 2014	92,686.8	466,735.5	170,909.8	81,209.9	128,770.6	0.0	940,312.6		
Base Adjustments (internal)	Approved changes to budgets which have nil overall affect on net budget requirement.	-10,377.1	5,254.4	8,509.4	-931.5	-2,455.2	0.0	0.0		
Base Adjustments (external)	Approved changes to budgets from external factors e.g. grant changes and may affect net budget requirement.	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Revised 2014-15 Base		82,309.7	471,989.9	179,419.2	80,278.4	126,315.4	0.0	940,312.6	940,312.6	
Additional Spending Pressures										
Pay and Prices										
Pay and Reward	Additional contribution to performance reward pot and impact on base budget of uplifting pay grades in accordance with single pay reward scheme.	0.0	0.0	0.0	0.0	0.0	4,000.0	4,000.0	11,362.8	
Specific Price Increases:										
Business Rates	Index linked uplift in NNDR multiplier for KCC premises	0.0	0.0	0.0	116.3	0.0		116.3		
Energy	Price increases on energy contracts as notified by Commercial Services	0.0	0.0	618.2	213.7	0.0		831.9		
Highway Contracts	Index linked increases on maintenance, technical services and traffic management	0.0	0.0	545.5	0.0	0.0		545.5		
Waste Contracts	Index linked increases to composting, haulage & transfer stations, household waste recycling centres, landfill, landfill tax, recycling and waste to energy contracts	0.0	0.0	1,644.1	0.0	0.0		1,644.1		
Non specific price provision	Non specific provision for inflation on other negotiated contracts without indexation clauses	100.0	4,000.0	25.0	100.0	0.0		4,225.0		
Demography										
Additional spending associated with increasing population and demographic composition of the population										
Adults with Learning Disabilities & Mental Health	Additional client numbers arising from children progressing into adulthood (transitions) and older adults previously cared for by families (provisionals).	0.0	7,200.0	0.0	0.0	0.0		7,200.0	9,600.0	
Specialist Children's Services	Impact on children's services of current year placements of children in care	0.0	1,400.0	0.0	0.0	0.0		1,400.0		
Waste Tonnage	Impact on base budget (up to 14,000 tonnes) of additional waste anticipated due to rise in tonnage in 2014-15 excluding one-off factors in that year	0.0	0.0	1,000.0	0.0	0.0		1,000.0		

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Government &amp; Legislative</b>									
<b>Funded by Grants and Contributions</b>									
Public Health	Transfer of 0-5 children's public health commissioning from Health to Local Authorities from 1 October 2015	0.0	10,816.0	0.0	0.0	0.0		10,816.0	26,812.5
Care Act Implementation	New costs associated with the implementation of provisions in the Care Act in relation to carers and prisoners which come into force during 2015-16. Funded by new grant income from DCLG and DoH.	0.0	1,904.6	0.0	0.0	0.0		1,904.6	
Care Act Preparation	New costs associated with additional assessment activity in advance of provisions in the Care Act in relation to cap on care costs and universal deferred payments which come into force in 2016-17. Funded by new grant income from DCLG.	0.0	6,947.9	0.0	0.0	0.0		6,947.9	
Better Care Fund (BCF)	Additional support for carers, advocacy and related activity funded out of KCC's element of the BCF pool for Social Care Act	0.0	3,566.0	0.0	0.0	0.0		3,566.0	
Other									
Deprivation of Liberty Safeguards	Estimated additional assessment costs following Supreme Court judgement in March 2014 in relation to the Mental Capacity Act 2005 or Mental Health Act 1983	0.0	1,300.0	0.0	0.0	0.0		1,300.0	
Adoption and Special Guardianship Fees	Revised financial allowances for the provision of support for children, their families and carers as they relate to Child Arrangements Orders, Special Guardianship Orders and Adoption Orders.	0.0	1,000.0	0.0	0.0	0.0		1,000.0	
Transfer of equipment costs to revenue due to capital grant funding changes	Increase in revenue costs due to general capital funding for adult social care being reduced requiring a revenue contibution to capital to fund minor occupational therapy equipment.	0.0	1,028.0	0.0	0.0	0.0		1,028.0	
Growth and Infrastructure Plan	New responsibilities aimed at speeding up the planning process in order stimulate major infrastructure developments and increase housing approvals	0.0	0.0	250.0	0.0	0.0		250.0	
<b>Removal of Grants</b>									
Welfare Provision	Removal of specific DWP grant used to fund Kent Support and Assistance Service	0.0	3,418.0	0.0	0.0	0.0		3,418.0	4,675.8
Adoption Reform Grant	Removal of specific Adoption Reform Grant income on the assumption that it will not continue in the absence of any announcement from the DfE	0.0	1,257.8	0.0	0.0	0.0		1,257.8	



**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Budget Realignment</b>	<i>Necessary adjustments to reflect current and forecast activity levels from in-year monitoring reports</i>								
SEN Transport	Higher than budgeted number of pupils travelling and higher overall costs as a result of other factors such as distance and type of travel.	1,800.0	0.0	0.0	0.0	0.0		1,800.0	9,209.6
Specialist Children's Services	Unachievable prior year savings	0.0	3,350.0	0.0	0.0	0.0		3,350.0	
Early Retirement enhancements	Additional costs from restructuring within OPPD Division and Double Day Lodge residential care home.	0.0	238.6	0.0	0.0	0.0		238.6	
Insurance Premium and Excess	Increased costs of running the Kent insurance fund	0.0	0.0	0.0	0.0	320.0		320.0	
Waste income	Loss of income from sale of textile waste	0.0	0.0	150.0	0.0	0.0		150.0	
Domiciliary Care	Realisation of transformation savings now profiled over a longer time period	0.0	800.0	0.0	0.0	0.0		800.0	
Young Person's Travel Pass	Estimate of potential impact of higher than antipated usage of the new pass introduced from September 2014 (evaluation of usage pattern is still ongoing)	0.0	0.0	1,000.0	0.0	0.0		1,000.0	
Commercial Services dividend	Impact of reduced dividend in 2014-15	0.0	0.0	0.0	0.0	1,391.0		1,391.0	
Other	Unachievable prior year savings	0.0	0.0	160.0	0.0	0.0		160.0	
<b>Service Strategies &amp; Improvements</b>									
Capital Financing	Additional borrowing necessary for new/revised projects identified in capital investment programme. Overall revenue cost of financing borrowing to fund capital programme is limited to 15% of net revenue budget	0.0	0.0	0.0	0.0	5,280.0		5,280.0	8,275.3
Coroners Officers	Cost of supporting transfer of Coroners Officers from Police	0.0	0.0	147.0	0.0	0.0		147.0	
Implementation of transformation projects	Revenue investment necessary to deliver transformation projects and savings	0.0	0.0	210.0	0.0	0.0		210.0	
Contribution to general reserve	Balance of KCC share of net surplus from District collection funds after funding final changes in re-published draft budget	0.0	0.0	0.0	0.0	2,488.3		2,488.3	
Waste site	Revenue implications of investment in Church Marshes site	0.0	0.0	150.0	0.0	0.0		150.0	
<b>Replace use of one-offs</b>	Impact of not being able to repeat one-off use of reserves and underspends in approved budget for 2014-15	0.0	3,696.0	0.0	0.0	8,861.1		12,557.1	12,557.1
<b>Total Additional Spending Demands</b>		<b>1,900.0</b>	<b>51,922.9</b>	<b>5,899.8</b>	<b>430.0</b>	<b>18,340.4</b>	<b>4,000.0</b>	<b>82,493.1</b>	

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b><u>Savings and Income</u></b>									
<b><u>Transformation Savings</u></b>									
Adults Phase 1 OP	Continued rollout of phase 1 transformation including improved assessment, care placement decisions and improved contract management	0.0	-9,527.6	0.0	0.0	0.0		-9,527.6	-14,725.3
Adults Phase 2 OP/PD	New initiatives aimed at promoting better integration with health services including better range of support services for clients leaving hospital	0.0	-4,347.7	0.0	0.0	0.0		-4,347.7	
Adults Phase 2 LD/MH	New initiatives aimed at reducing dependence on care services for vulnerable adults	0.0	-850.0	0.0	0.0	0.0		-850.0	
Specialist Children's Services	Reduction in the number and length of time children are in care following improved targeting of preventative services including reduction and improvement in assessment activity	0.0	-2,400.0	0.0	0.0	0.0		-2,400.0	-5,583.0
Children's Preventative Programme	Range of initiatives across children's preventative services to ensure activities are better focussed including children's centres, youth services, supporting people and troubled families	-3,183.0	0.0	0.0	0.0	0.0		-3,183.0	
Libraries, Registration and Archives	Service re-design/transformation prior to transfer to proposed Trust model in future years. The majority of the saving will come from primarily a reduction in staffing, along with the full year effect of a reduction to the book fund.	0.0	0.0	-1,010.0	0.0	0.0		-1,010.0	-6,989.9
Street lighting	Commencement of project to convert streetlight network to more efficient LED technology and to implement a central monitoring system. Savings will also be made by reviewing existing maintenance arrangements.	0.0	0.0	-660.0	0.0	0.0		-660.0	
Waste recycling	Range of initiatives to convert existing recycling costs into income streams	0.0	0.0	-1,000.0	0.0	0.0		-1,000.0	
SEN Transport	Savings from initiatives aimed at increasing independence including developing independent travel training, direct payments to parents and delegation to schools. Savings also arising from review of specialist provision to provide more local places	-1,475.0	0.0	0.0	0.0	0.0		-1,475.0	
Support Services	Transfer of back-office support functions into integrated business service centre and planned Property LATCO	0.0	-143.0	0.0	-2,162.9	0.0		-2,305.9	
Integration of services with Police & Fire	Joint working on community safety and emergency planning	0.0	0.0	-250.0	0.0	0.0		-250.0	
Full year effect of previous savings		-289.0	0.0	0.0	0.0	0.0		-289.0	

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**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Income</b>									
Trading	Increased income from trading with schools, academies and other local authorities & public bodies	-455.0	0.0	0.0	-676.0	0.0		-1,131.0	-4,215.6
Client Charges	Uplift in social care client contributions in line with benefit uplifts for 2015-16 and charges for other activity led services	0.0	-1,454.3	-450.0	-128.7	0.0		-2,033.0	
Enforcement Income	Increased contribution from penalty notices and proceeds of crime	-200.0	0.0	-75.0	0.0	0.0		-275.0	
Property Rental	Review of charges for renting space in KCC buildings to ensure where appropriate external tenants pay a market rent	0.0	0.0	0.0	-376.6	0.0		-376.6	
Commercial Services	Increased contribution from Commercial Services following business restructuring	0.0	0.0	0.0	0.0	-400.0		-400.0	
<b>Increases in Grants &amp; Contributions</b>									
Public Health	Transfer of 0-5 children's public health commissioning from Health to Local Authorities from 1 October 2015	0.0	-10,816.0	0.0	0.0	0.0		-10,816.0	-23,234.5
Care Act	Grants from DCLG and DoH for aspects of preparation and implementation of provisions in the Care Act 2014	0.0	-8,852.5	0.0	0.0	0.0		-8,852.5	
Better Care Fund (BCF)	Contribution from the BCF pool towards KCC's additional costs with the implementation of the Social Care Act	0.0	-3,566.0	0.0	0.0	0.0		-3,566.0	
<b>Efficiency Savings</b>									
<b>Staffing</b>									
Staff restructures	As a result of service re-design, integration of services and more efficient ways of working that there would be a reduction of staff costs that equates to the equivalent of approx. 250 to 400 fte. The delivery of which would be with appropriate and detailed consultations.	-3,129.0	0.0	-1,321.0	-3,017.0	0.0		-7,467.0	-9,512.0
Staff training	Adjustment to staff training budget to align with strategic training priorities	0.0	0.0	0.0	-655.0	0.0		-655.0	
Alternative funding sources	Identification of specific posts to be funded from specific grants and capital programme rather than base budget	-1,390.0	0.0	0.0	0.0	0.0		-1,390.0	
<b>Property</b>									
Established Programmes	Existing savings plans arising from rationalisation of office accommodation (New Ways of Working),facilities management, utility contracts, asset rationalisation and dilapidations	0.0	0.0	0.0	-2,522.0	0.0		-2,522.0	-2,522.0

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<u>Contracts &amp; Procurement</u>									
Non front-line non staffing	Savings across a range of non staffing budgets including consultants, ICT infrastructure and contracts and other procured activities	0.0	-62.0	-474.0	-1,976.0	0.0		-2,512.0	-16,316.4
Coroners	Removal of one-off funding in 2014-15	0.0	0.0	-70.0	0.0	0.0		-70.0	
Savings from current year activity	Reduced in year spending on home to school transport, road safety, street lighting contracts and carbon reduction payments due to lower than anticipated activity and/or over delivery of savings	-700.0	0.0	-550.0	0.0	-200.0		-1,450.0	
Procurement efficiencies on contracts	Savings from the re-letting of highways, transport and waste contracts	0.0	0.0	-4,220.0	0.0	0.0		-4,220.0	
Concessionary Fares	Estimated reduction in the number of journeys being reimbursed. Efficiency saving from a four year programme for renewal of passes.	0.0	0.0	-800.0	0.0	0.0		-800.0	
Commissioning activity/income	Savings on commissioned activity under budgets managed by Director of Strategic Commissioning in Adult Social Care	0.0	-859.0	0.0	0.0	0.0		-859.0	
Public Health	Efficiency savings on activities commissioned through the public health team. Savings will enable Public Health Grant to be redirected to existing public health improvement programmes	0.0	-1,476.4	0.0	0.0	0.0		-1,476.4	
Highway maintenance	Renegotiation of highways maintenance contracts limiting remedial work to safety critical issues only and utilising available capital funding for long life permanent highway surface	0.0	0.0	-2,500.0	0.0	0.0		-2,500.0	
Procurement and commissioning	Detail still to be confirmed	0.0	0.0	0.0	-2,000.0	0.0		-2,000.0	
Supporting People	Efficiency savings on activities for vulnerable adults and older people through the Supporting People Commissioning Body	0.0	-429.0	0.0	0.0	0.0		-429.0	

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Other									
Partnership with Parents	Revisions to the support and advice/guidance for parents accessing education services	-144.0	0.0	0.0	0.0	0.0		-144.0	-1,004.0
Turner Contemporary Academy conversions	Reduced support to Turner Contemporary Trust	0.0	0.0	-100.0	0.0	0.0		-100.0	
	Reduced support from legal services	-200.0	0.0	0.0	0.0	0.0		-200.0	
Economic Development	Review of contributions to external organisations	0.0	0.0	-110.0	0.0	0.0		-110.0	
Gateways	Review of contributions to Borough & District Councils for Gateway services	0.0	0.0	0.0	-150.0	0.0		-150.0	
Council Tax initiatives	Reduced activity as scope to increase Council Tax base is fully delivered with individual districts and underwriting of Council Tax Support schemes is unnecessary	0.0	0.0	0.0	-300.0	0.0		-300.0	
Financing Savings									
Drawdown reserves	Net reduction in earmarked reserves including Economic Downturn Reserves, directorate specific reserves and establishment of new reserve to invest to save initiatives	0.0	0.0	0.0	0.0	-6,200.0		-6,200.0	-17,440.0
Reductions in contributions to reserves	Removal of one-off contribution to reserves from 2013-14 Council Tax Collection Fund surplus plus reductions in contributions to reserves for workforce reduction, Regeneration Fund and Council Tax Support	0.0	0.0	0.0	0.0	-7,491.1		-7,491.1	
Revisions to MRP	Revised calculation of amount needed to repay prudential borrowing due to slippage in delivering capital programme and policy changes in MRP as outlined in appendix C of MTFP	0.0	0.0	0.0	0.0	-3,748.9		-3,748.9	
Policy Savings									
Full year effect of previous savings	Impact of previous decisions to remove discretions on home to school transport policy and Young Persons Travel pass	-398.0	0.0	-917.0	0.0	-833.0		-2,148.0	-4,784.5
Community Wardens	Outcome following consultation on the future provision of community warden service	0.0	0.0	-700.0	0.0	0.0		-700.0	
Kent Support and Assistance Service	Net effect of removal of specific DWP funding and creation of a new base budget from increased RSG	0.0	-1,936.5	0.0	0.0	0.0		-1,936.5	
Total savings and Income		-11,563.0	-46,720.0	-15,207.0	-13,964.2	-18,873.0	0.0	-106,327.2	
Proposed Budget		72,646.7	477,192.8	170,112.0	66,744.2	125,782.8	4,000.0	916,478.5	916,478.5

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Funding</b>									
<b>Provisional Settlement</b>	<i>Notification of funding from central government</i>								
Revenue Support Grant	Comprises share of previous Formula Grant, Early Intervention Grant, Learning Disability Grant, Council Tax Freeze Grant, etc. allocated as revenue support grant including impact of overall reductions in local government settlement							161,005.1	
Business Rate Top-up	Top-up derived by comparing local share of business rate according to historical average and business rate baseline share of previous grants including annual uplift in line with business rate multiplier							122,939.1	
Business Rate Baseline	Local share of business rates based on historical average with annual uplift in line with business rate multiplier							47,600.9	
Business Rate Compensation	Compensation for additional reliefs on business rates for small businesses, retail premises and reduction in multiplier paid as un-ring-fenced grant by DCLG							3,341.7	
Education Services Grant	DfE un-ring-fenced grant allocated on per pupil basis to local authorities and academies for central functions							13,750.0	
New Homes Bonus Grant	DCLG un-ring-fenced grant allocated according to increase in tax base							7,325.3	
New Homes Bonus Adjustment Grant	Balance of overall funds available for New Homes Bonus within settlement allocated according to overall baseline assessment							560.9	
<b>Other Grants</b>									
Extension of Free School Travel	DfE un-ring-fenced grant							1,301.4	
Inshore Sea Fisheries	DCLG un-ring-fenced grant							137.9	
Lead Local Flood Authority	DCLG un-ring-fenced grant for element not transferred into baseline							327.0	

**Appendix A (ii)**  
**Detailed 2015-16 Budget Plan by Directorate**

Heading	Description	E&YP	SCH&W	GET	S&CS	FI	U	Total	Total In Three Year Summary £000s
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Local Taxation</b>									
Council Tax Base	KCC band D equivalent tax base as notified by district councils based on 2014-15 Council Tax							538,290.0	
Council Tax Increase	Impact of 1.99% increase in Council Tax							10,744.0	
Council Tax Collection Fund	KCC estimated share of surpluses and deficits on Council Tax collection in 2014-15							7,078.5	
Business Rate Local Share	KCC 9% share of local tax base as notified by district councils less baseline share identified above							1,626.1	
Business Rate Collection Fund	KCC share of surpluses and deficits on business rate collection in 2014-15							450.6	
<b>Total Funding</b>								<b><u>916,478.5</u></b>	

**Key:**

E&YP	Education & Young People's Services
SCH&W	Social Care, Health & Wellbeing
GET	Growth, Environment & Transport
S&CS	Strategic & Corporate Services
FI	Financing Items
U	Unallocated

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## Section 4 - Directorate Revenue Budget Summary

### WHO IS RESPONSIBLE FOR THE BUDGET?

#### REVENUE SPENDING

Row ref	2014-15 Adjusted Approved Budget (Net Cost) £000s	Directorate	2015-16 Proposed Budget							
			Staffing	Non staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost	Net Change
			£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
1	82,309.7	Education and Young People's Services (excluding delegated budgets)	64,329.6	202,954.3	267,283.9	-15,618.8	-26,895.5	-152,122.9	72,646.7	-9,663.0
2	0.0	Education and Young People's Services - delegated budgets for schools and pupil referral units	507,163.6	168,367.1	675,530.7	0.0	-48,749.3	-626,781.4	0.0	0.0
3	179,419.2	Growth, Environment and Transport	48,098.6	157,352.2	205,450.8	-1,753.3	-30,472.1	-3,113.4	170,112.0	-9,307.2
4	471,989.9	Social Care, Health and Wellbeing	136,131.7	557,479.0	693,610.7	-4,662.9	-119,686.9	-92,068.1	477,192.8	5,202.9
5	80,278.4	Strategic and Corporate Services	67,514.6	77,517.0	145,031.6	-55,802.2	-15,305.0	-7,180.2	66,744.2	-13,534.2
6	126,315.4	Financing Items	4,000.0	140,611.8	144,611.8	0.0	-14,793.0	-36.0	129,782.8	3,467.4
7	<b>940,312.6</b>	<b>BUDGET REQUIREMENT</b>	<b>827,238.1</b>	<b>1,304,281.4</b>	<b>2,131,519.5</b>	<b>-77,837.2</b>	<b>-255,901.8</b>	<b>-881,302.0</b>	<b>916,478.5</b>	<b>-23,834.1</b>
8	<i>940,312.6</i>	<i>BUDGET REQUIREMENT (excl Schools Budgets)</i>	<i>320,074.5</i>	<i>1,135,914.3</i>	<i>1,455,988.8</i>	<i>-77,837.2</i>	<i>-207,152.5</i>	<i>-254,520.6</i>	<i>916,478.5</i>	<i>-23,834.1</i>
		<b>Funded by:</b>								
9	-529,125.1	Council Tax Yield							-549,034.0	-19,908.9
10	-4,017.5	Council Tax Collection Fund							-7,078.5	-3,061.0
11	-46,923.8	Business Rate Baseline							-49,227.0	-2,303.2
12	1,235.5	Business Rates Collection Fund							-450.6	-1,686.1
		<u>Un-ringfenced Grants</u>								
13	-213,091.8	Revenue Support Grant						-161,005.1	-161,005.1	52,086.7
14	-120,633.9	Business Rate Top-Up						-122,939.1	-122,939.1	-2,305.2
15	-2,000.0	Business Rate Compensation Grant						-3,341.7	-3,341.7	-1,341.7
16	-17,000.0	Education Services Grant						-13,750.0	-13,750.0	3,250.0
17	-6,043.0	New Homes Bonus Grant						-7,325.3	-7,325.3	-1,282.3
18	-567.0	New Homes Bonus Adjustment						-560.9	-560.9	6.1
19	-2,146.0	Other Un-ringfenced Grant						-1,766.3	-1,766.3	379.7
20	<b>0.0</b>	<b>TOTAL</b>	<b>827,238.1</b>	<b>1,304,281.4</b>	<b>2,131,519.5</b>	<b>-77,837.2</b>	<b>-255,901.8</b>	<b>-1,191,990.4</b>	<b>0.0</b>	<b>0.0</b>

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**Strategic and Corporate Services Directorate**  
**New Structure**



## **CONTENTS**

- 1 Introduction
- 2 Background and context
- 3 The Proposal
- 4 Impacted Staff
- 5 Equality Impact Assessment
- 6 Mitigation to Avoid Dismissals on the Grounds of Redundancies
- 7 Timescales
- 8 Communication & Consultation
- 9 Support Available for Staff

## **1 Introduction**

- 1.1 This document outlines the proposal to consult upon changes to the Senior Management structure within Strategic and Corporate Services Directorate.
- 1.2 The consultation process will run from 18 December 2014 to 23 January 2015 during which time staff will have the opportunity to provide comments/feedback and/or alternative proposals. A final position will be confirmed once the consultation process has ended and all input has been duly considered.

## **2 Background and context**

- 2.1 The new operational framework for the Authority described in the Facing the Challenge County Council paper in December 2013 brought additional whole council support services into a new Strategic and Corporate Services (ST) Directorate to sit alongside the support and professional services previously part of the Business and Strategic Services Directorate (BSS). The functions in the new Directorate are:

- Business Intelligence
- Consultation and Engagement
- Corporate Assurance
- Customer Services (including Contact Point\*, Gateways, channel shift, customer service strategy)
- Democratic services
- External Communications, including digital services\*
- Finance\*
- HR\*
- ICT\*
- Internal Communications\*
- Legal Services\*
- Policy and Strategic Relationships
- Procurement
- Property\*
- Strategic Commissioning

Some or all of the services marked \* are subject of the Phase 1 service and market engagement reviews.

- 2.2 The December 2013 Facing the Challenge County Council paper recognised that the level of review underway in the Directorate made any senior level restructure for 1 April 2014 impractical and inappropriate. Interim management arrangements for the services transferring into the new Directorate from Customer and Communities were therefore finalised and implemented.
- 2.3 Decisions on the start of formal consultation for the new Directorate needed to align with the results of the service review and market engagement processes and Member decisions on the overall commissioning model. There is now

sufficient clarity to begin conversations about the new shape of the Directorate.

### **3     The Proposal**

- 3.1     The proposed approach and structure described below is intended to deliver these objectives. It is providing a new shape for the Directorate, but it should be noted that this proposal covers only senior roles in the Directorate and will be the focus of this formal consultation. Please also note that working titles have been used for the new roles, and these are likely to change before implementation. Please do feel free to suggest alternative titles if you wish.

#### **3.2     Commissioning Model**

How KCC implements and manages the move to a Commissioning Authority is of particular relevance to this Directorate. As with all other Directorates, the role of commissioners and managers who specify services and service strategy (whatever the delivery model), act as the “intelligent client” and oversee management of the contract or SLA must all be clearly defined. In addition, new responsibilities for corporate oversight of the Authority’s commissioning framework have to be built into new roles and clearly defined.

The approaches adopted by other Authorities is being used to inform both the shape of the ST Directorate and the broader approach to Commissioning.

#### **3.3     The role of Head of Paid Service**

The Corporate Director Strategic and Corporate Services is designated Head of Paid Service (HoPS) and as such is the most senior postholder in the Authority.

The role of the HoPS is evolving as the organisation transforms and is becoming more critical and demanding. As well as taking responsibility for all aspects of the running of and service delivery in his Directorate, the CD ST also has organisation wide responsibilities and the Council has a statutory obligation to ensure he has the necessary resources to discharge these increasing responsibilities. This is an important factor in the restructure of this Directorate and also provides an opportunity to ensure the wider governance arrangements in place for the Head of Paid Service are appropriate and robust.

The proposed structure for the Directorate aims to ensure the role is supported effectively. It:

- Reduces the number of direct reports
- Groups services and responsibilities in such a way to allow the CD ST to expect his senior officers to provide more integrated advice and thinking.
- Introduces a role which will provide a single point of expert advice on the definition and implementation of the “commissioning authority”

- Formalises responsibility for a deputy to deal with any directorate related issues as and when needed.

### **3.4 Overall Shape of the Directorate**

Broadly, it is proposed to organise the Directorate to undertake three distinct roles:

- Corporate Strategy – Providing Members and Chief Officers with support and information to set the overall strategic direction for the Council and to assure that the organisation is meeting its strategic priorities through ownership of the corporate policy, risk and performance frameworks
- Specialist commissioning support – Providing decision-makers and commissioners at the strategic and operational level with support which requires specialist skills or call off arrangements not embedded in commissioning officers (e.g. procurement, business analytics)
- Corporate services – The corporate support services required for KCC to “open the shop” as a council, either through in-house teams or via an intelligent client function, with services delivered through alternative delivery vehicles or outsourced partnerships.

The suggested roles and proposed overall Directorate structure is shown at **Appendix 1**.

Currently, the Corporate Director Strategic and Corporate Services (CD ST) has 5 Corporate/Director reports, plus two senior Heads of Service; the interim lead manager for the CPO and one temporary additional Director who is managing the Communication, Consultation and Engagement Division on an interim basis. The suggested structure sees these nine posts reduce to six.

### **3.5 Finance and Procurement**

**Appendix 2** shows the suggested structure for Finance and Procurement.

The role of Section 151 officer remains critically important for the Authority and the Corporate Director Finance and Procurement post will remain largely unaltered in recognition of the very significant workload at this time of unprecedented financial pressure and change. One change will be that the Section 151 officer will though have a greater and more explicit role in relation to project and programme assurance.

The only proposed change in staffing is the transfer of the Risk team into this Division in recognition of the close links to Audit, Insurance and Financial Assurance and inevitability of all risks having potential financial impact. Also one or two additional financial assurance roles may be added to the Division.

The procurement function is part of the Phase 2 service reviews. The Payments, Assessment & Income and Insurance teams are currently part of

the back office procurement activity and the first two will transfer into the Business Services Centre. These services will be commissioned from within Finance, hence the reference to the Intelligent Client Function which will be provided for both Finance and Procurement delivery activities.

### **3.6 Strategy, Policy, Relationships and Corporate Assurance**

In the first phase of transformation it has been appropriate to separate programme assurance and business performance evaluation from strategic policy support. However, as the principles and concepts behind assurance and evaluation are now established and embedded, it is the right time to recognise the undeniable synergy between these functions and the overall strategic direction of the Authority. The Authority's "Analyse, Plan, Do, Review" cycle will benefit from pulling together the support for defining and articulating strategic policy with the team providing the assurance on the effectiveness of the delivery of the strategy and the people evaluating the performance of the business. The corporate assurance function will be part of the Division and this function will have a significant role in providing constructive challenge and support in relation to performance against key and agreed change and transformation programmes.

The need to ensure that strategic relationships are maintained to support delivery of the Authority's priorities remains important and valid and therefore this function remains a key role for this new Division.

This Division will need to establish close working relationships with not just service Directorates but also other Divisions in ST, most notably Strategic Business Support in relation to their responsibility for business analysis and the engagement and customer strategy team in Engagement, Organisational Design & Development Division.

The shape of this new division is shown at **Appendix 3**.

### **3.7 Infrastructure**

The focus for this Division will be the development of the overarching strategy and service specification for two of the key support services, Property Infrastructure and ICT, which are increasingly interrelated and on which the future success of the Authority is heavily dependent. It is intended that the Director is Head of Profession for one of these two services and will be supported by a senior Head of Profession for the other. The Director will recommend, define and implement the strategic direction for Property Infrastructure and ICT, ensuring it aligns to and supports corporate strategy and objectives. The Division will provide Intelligent Client functions to manage service delivery of ICT and Property Infrastructure services through contract arrangements with whichever delivery vehicles are agreed.

The Director of Infrastructure will also have responsibility from April 2015 for the Business Service Centre which will provide transactional HR, ICT and Finance services and traded services to external customers in these



professions, and Contact Point. If the BSC and Contact Point are moved to a new service delivery model later in 2015/16, the direct management responsibility will cease, but commissioning Property and ICT services will remain the responsibility of this post.

The shape of the Division is shown at **Appendix 4**.

### **3.8 Strategic Business Development & Intelligence**

This is a new Division. It brings together activities which will be critical to enabling the County Council to move towards its goal of becoming a commissioning Authority and a range of services which will support effective commissioning. It will also lead on effective contract management, although the intelligent client function will rest with the Heads of Profession for each commissioned service, both in ST and the other service Directorates.

The Division will include the following functions:

- Research and evaluation
- Data analysis
- Customer Intelligence
- Market Intelligence
- Specialist Contract Support
- Traded Services support

The proposed organisation structure for the Division at **Appendix 5** shows how these functions could be grouped into three distinct teams covering business analysis, Strategic commissioning framework and evaluation, and contract management.

The Facing the Challenge objective to move KCC towards being a commissioning Authority requires a strong corporate focus on planning what type and level of services are required. The need to have a strategic approach to our commissioning framework was agreed by County Council last year and therefore a professional corporate team will be established to embed the necessary arrangements, including a framework to ensure robust internal challenge and contestability within KCC. It will recommend how we can improve our capacity to undertake market development and market shaping activities, define the skills required for staff engaged in commissioning activity, identify opportunities for joint commissioning across the Authority (and with partner organisations), and develop a mechanism to monitor the effectiveness of our commissioning activity, signing off devolved commissioning arrangements.

The corporate team will also ensure the strong client model outlined in Facing the Challenge through developing a best in sector commissioning and procurement approach that has the capacity to effectively decommission and re-provision services as the need arises, adopts a commercial approach to contract management across all service provision, whether internal or

external, and has the ability to shape markets and undertake market development to encourage new providers to create new markets.

In addition the unit will consider how to build capacity in terms of contract management and be involved in the monitoring of compliance and the mechanisms for the collection of data on service outcomes. It will ensure the effective and robust management of the Council's contracts for major outsourced services.

The Director of the unit will be the client for and manage the Authority's Strategic Partnership contract.

This new unit will also pull together business and customer information to provide corporate oversight in relation to both directly delivered and commissioned services and inform effective scrutiny of business performance across the Authority, which will be undertaken in the Policy, Relationships and Corporate Assurance Division. It will also provide support to the business in the effective analysis of business and customer data and be the source of market intelligence.

The need to improve the level of skill in effective analysis of "data" is seen as crucially important to achievement of the FtC objectives across the Authority. The improvements in this area will be led by this unit who will specify and commission models for data analysis, skills development interventions and the resource to carry out data analysis in the interim. The unit will provide the corporate research facility for the Authority. A further critical change and improvement will be to integrate the data from customers and the market into the business intelligence and monitoring cycle. The resident survey will be commissioned by this function and data from complaints and other customer feedback, including Healthwatch, will be analysed here.

As the organisation moves to a more flexible model of service delivery with potentially a number of services becoming arm's length but wholly owned trading entities, there is a need for this senior post to have oversight of the transition process and the corporate governance of these entities. The role could, over time, take responsibility for market engagement reviews.

### **3.9 Engagement, Organisation Design & Development**

The role of the head of profession for HR will continue to be critically important to the Authority even as the directly employed workforce shrinks. A role at Corporate Director level with responsibility for employment practice and policy, strategic organisation and workforce development and organisation design is therefore retained in this new structure. However, the nature of the role will change as the directly employed workforce shrinks and there is more emphasis on how the Authority, both as a commissioner of services and a community leader, exercises influence in employment practices and skills development across different sectors and a wide range of contingent workforces.

There is an opportunity to take a more integrated approach to engagement with Kent residents and external stakeholders and through this a more holistic approach to organisation development and design, ensuring that the customer is systematically put at the heart of our service delivery models.

It is therefore proposed that a new role of Corporate Director Engagement, Organisation Design & Development is introduced into the structure with responsibility for HR, including organisation design and support for service redesign; Health and Safety; Organisation Development, including for contingent and commissioned workforces; and Engagement, including the customer service strategy and internal communications, and delivered through external communications, and the consultation and equalities teams. This grouping of services will allow sharing of best practice across different strands of engagement activity, both internal and external; retain the strategic and practical delivery elements of the Authority's customer service approach in one Division; enable benefit to be achieved through a much closer alignment between direct customer experience and the organisation development of the staff delivering those services. All organisation design support activity will sit in this Division.

The responsibility for commissioning HR services and the "intelligent client" responsibilities will rest with this post.

The postholder will be expected to operate as the deputy to the Corporate Director Strategic and Corporate Services.

The proposed structure for the Division is shown at **Appendix 6**

### **3.10 Director of Governance and Law or General Counsel**

Facing the Challenge necessitates a rigorous and corporate approach to governance and compliance. The impact of this will be felt and enacted across all parts of the council and throughout the Directorate, but will have a particularly significant impact in two areas of the new structure. The first is in Commissioning support and Strategic Policy and the second is in areas which come under the remit of Director responsible for governance and legal services.

The exact nature of this role will be dependent on the outcome of the current procurement process for Legal Services. If for any reason the joint venture outcome is not achieved, the current Director of Governance and Law role will continue unchanged. If the probable outsourcing of the delivery of Legal Services does happen, a new role of General Counsel will be established. The role will include becoming the Authority's senior lawyer and will commission KCC's legal services providing the intelligent client function.

The General Counsel will encompass Monitoring Officer responsibilities and logically therefore the Democratic Services function. Similarly, it makes sense for this role to be the SIRO and therefore manage the Information Resilience and Transparency team.

A structure chart which shows the Division if the changes to the Legal Services delivery model are agreed later in the year is shown at **Appendix 7**.

It will be important for the Director of Governance and Law/General Counsel to be a substantive member of CMT and Corporate Board.

#### **4      Impacted Staff**

- 4.1      The following current posts are impacted by these proposals as there are changes to the current roles and responsibilities.

Post title	Grade	Existing number of posts (FTE)	Impact of Proposal
<b>Corporate Director Finance &amp; Procurement</b>	KR18	1	Post deleted
<b>Corporate Director Human Resources</b>	KR18	1	Post deleted
<b>Director Governance &amp; Law</b>	KR18	1	Post deleted if Legal joint venture goes ahead Post unaffected if Legal remains in KCC
<b>Director ICT</b>	KR17	1	Post deleted
<b>Director Property &amp; Infrastructure</b>	KR17	1	Post deleted
<b>Head of Policy &amp; Strategic Relationships</b>	KR16	1	Post deleted
<b>Head of Business Intelligence, Performance &amp; Risk</b>	KR16	1	Post deleted

- 4.2 It is proposed the following new/amended posts will be created in the new structure

New Post title	Grade	Number of posts (FTE)
Corporate Director Finance and Procurement	KR18	1
Corporate Director Engagement, Organisational Design & Development	KR18	1
General Counsel	KR16	1
Director Infrastructure	KR17	1
Director Strategy, Policy, Relationships and Corporate Assurance	KR17	1
Director Strategic Business Development & Intelligence	KR17	1

**Appendix 8** outlines the proposed job descriptions.

- 4.3 The date it is intended that the proposed changes will take effect from will be 1 April 2015

## **5 Equalities Impact Assessment**

- 5.1 An initial screening of this document has been undertaken to inform an Equalities Impact Assessment.
- 5.2 A copy of the initial screening can be found in **Appendix 9**.

## **6 Mitigation to avoid dismissals on the grounds of redundancy**

- 6.1 The approaches being used as part of the restructure are:
- Slotting** - If a post is largely unchanged in the new structure it can be considered as a possible 'slot' for the post holder if the following three conditions are met:
- the job must be the same grade as before the reorganisation,
  - there are the same number of jobs (or more) as job holders
  - the job is deemed 75% the same type of work in terms of job accountabilities, activities and broad objectives.

**Ring-Fence recruitment** - posts that have been created in the new structure will be 'ring-fenced' in the first instance to those staff who have not been slotted.

**At Risk** - Any employees who are not slotted or appointed to a new post following the ring fenced exercise will receive 'at risk' status.

## **7 Timescales**

- 7.1 The timetable below provides a guide to the key dates in the process. Please notes these dates may be subject to change

<b>Event</b>	<b>Date</b>
Start of formal consultation period	18 December 2014
End of Consultation	23 January 2015
Feedback and Final proposal announced	From 24 January 2015 to 2 February 2015
Staff notified of personal status	By 16 February 2015
Start of Recruitment and selection into new posts	From end February 2015
Implementation of new structure	1 April 2015

## **8 Communication & Consultation**

- 8.1 We invite staff directly affected by this consultation to give feedback and questions on the proposal or any counter-proposals you may have in writing to David Cockburn via Kerena Hunter, HR Manager email: [Kerena.hunter@kent.gov.uk](mailto:Kerena.hunter@kent.gov.uk) by 23 January 2015. Feedback can be given on the whole Proposal, or just particular aspects of it.

The relevant trade unions have also been given the opportunity to give feedback. Non directly affected staff within Strategic and Corporate Services Directorate are welcome to submit any feedback via the [HRATChange@kent.gov.uk](mailto:HRATChange@kent.gov.uk) email box or through trade unions if preferred.

- 8.2 Once the consultation process has ended all feedback and input will be duly considered. This may mean that the proposal changes to reflect the feedback received. The final structure will be communicated to staff and the trade unions after this consideration has taken place and will be presented to County Council on 12 February 2015.

- 8.3 Information regarding the proposal will be available on Knet for staff to view via the link below:

<http://knet/Change/Pages/Strategic-and-Corporate-restructure.aspx>

## **9 Support available for staff**

- 9.1 We recognise that any change process can cause uncertainty and be unsettling for staff. To help staff through the process the following support is available.

Support Line – this is a free service offered by KCC allowing staff up to a maximum of seven free sessions of counselling a year. It is totally confidential and to make an appointment please contact Support Line as follows:

- Tel: 01732 526910
- Email: [supportline@kent.gov.uk](mailto:supportline@kent.gov.uk)

- 9.2 If you are a member of a trade union they are able to offer support. We recommend you contact them direct if you require additional support.

- 9.3 Further information regarding managing change is available on KNet. This can be found at: <http://knet/ManagingatKCC/Pages/changes-in-your-team.aspx>

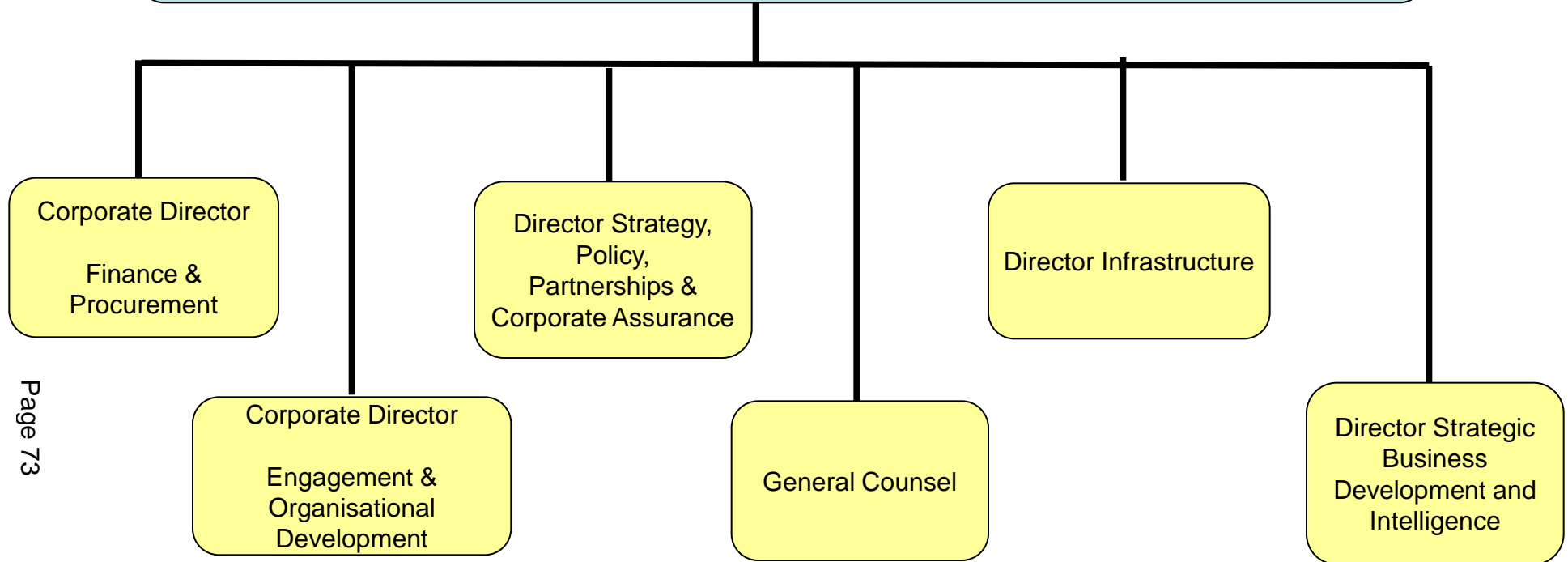
This page contains links to the following pages and documents which may be of interest to you:

- I-resilience – an online tool to help you identify and improve how you manage pressure, particularly during periods of change
- Redundancy – Frequently asked questions
- Redeployment – Frequently asked Questions
- Blue Book – Section I
- Redundancy and Redeployment Guidance

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## Head of Paid Service



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## Kent County Council

## Job Description:

**Corporate Director – Engagement, Organisational Design & Development**

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**Directorate:** Strategic and Corporate Services

**Grade:** KR18

**Responsible to:** Head of Paid Service

**Job Purpose:**

Lead, develop and commission Engagement strategies, services and resources for the council to ensure that the customer is at the heart of everything we do.

Lead and develop the Council's Human Resources strategy to support delivery of the Council's objectives and goals and commission any required Human Resources services ensuring cost effectiveness, efficiency and responsiveness.

**Accountabilities**

Corporate Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of the Corporate Management Team and working closely with Cabinet Members, Corporate Directors will work together to enable corporate responsiveness to elected members; secure the best approach to resource stewardship for the council's budget and finances; ensure that overall management attention, effort and controls are commensurate to risk and opportunity across the council's functions and activities; and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

Lead and direct the external communications function for the council, to ensure the Council has a strong and consistent voice externally at all levels, locally to Kent residents, regionally and nationally.

Ensure effective engagement of Kent residents and external stakeholders and use this to inform organisation development and design processes and activities across the council.

Lead and direct all internal communications for the council, ensuring that all messages are 'fit-for-purpose' and delivered proactively through the most effective channels.

Lead and develop the customer services strategy for the council including overall management and direction for Contact Point, and ensure close alignment between customer experience and organisation and staff development and organisation design.

Lead, commission and direct strategies designed to ensure the public consultation function for the council is relevant, timely and effective and ensure that responses are used to inform county council strategies and policies and that this is a positive experience for residents.

Direct, lead and guide the Human Resources function to ensure the improvement and implementation of human resources standards across the Council and partner organisations.

Lead the development and implementation of the Council's Organisation Development and Change programme, Organisation design framework and Human Resources strategy to support the delivery of transformation.

Provide the means for the proper recruitment, retention and performance appraisal of highly skilled staff able to contribute significantly and deliver good quality and cost effective services for the people of Kent.

Act as expert adviser on all Human Resource issues supporting Members and senior officers on complex/high level matters, leadership of corporate consultation and negotiation to maintain an effective employment relations climate and advising the Head of Paid Service to ensure the organisational culture and structure of the Authority meets changes in service requirements, statutory obligations and funding regimes.

Lead and direct council wide learning and development activity to council officers and partner organisations to ensure wider sector workforce development.

Lead the commissioning of HR and Engagement services for the council and act as Client for all commissioned services in these areas.

Act as Deputy for the Corporate Director Strategic and Corporate Services as required.

*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director and Director roles.*

## Job Description:

### Corporate Director – Finance and Procurement Development

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**Directorate:** Strategic and Corporate Services

**Grade:** KR18

**Responsible to:** Head of Paid Service

#### **Job Purpose:**

Corporate responsibility for the management and administration of the Council's finances and the continuous improvement of the efficient use of financial resources across the Council to ensure the effective control of the Council's revenue budget and its capital programme in order to enhance the overall value for money to customers, citizens and taxpayers. Commission any required financial services ensuring cost effectiveness, efficiency and responsiveness

#### **Accountabilities**

Corporate Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of the Corporate Management Team and working closely with Cabinet Members, Corporate Directors will work together to enable corporate responsiveness to elected members; secure the best approach to resource stewardship for the council's budget and finances; ensure that overall management attention, effort and controls are commensurate to risk and opportunity across the council's functions and activities; and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

Create options and strategies to develop the corporate financial framework to enable the Council to prioritise and utilise its financial resources to the greatest effect and ensure activity and process comply with Government regulations and legislation.

Provide expert advice to the Pensions Committee and ensure the delivery of an effective fund management service/function to the Pensions Authority.

Ensure the Council has effective arrangements for its internal financial controls and a coherent plan for the management of risk and its audit function.

Act as Section 151 officer on behalf of the Council and Head of Profession to provide direction, leadership and guidance to staff in the Finance function and ensure the

improvement and implementation of Finance standards across the Council and partner organisations.

Lead the development and implementation of the Council's corporate procurement strategy for ensuring that procurement processes and procedures obtain value for money and are delivered to the optimal quality and that efficiency is driven across all Council procurement activity.

Actively review all services provided by this post to identify the 'right source' for their future delivery including consideration of outsourcing, co-sourcing or in-sourcing to ensure the most effective and efficient delivery methods are employed.

Actively monitor and challenge the financial implications in all projects and programmes operating within the council.

Lead and develop any commissioning of finance services for the council and act as Client for all commissioned services in these areas.

Act as Client for all commissioned finance services.

*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director and Director roles.*

# Kent County Council

## Job Description:

### Director – Infrastructure

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**Directorate:** Strategic and Corporate Services

**Grade:** KR17

**Responsible to:** Head of Paid Service

#### **Job Purpose:**

Lead and develop the Council corporate strategy for Property Infrastructure & ICT and commission the required services to ensure cost effectiveness, efficiency and responsiveness. Lead and direct the Business Services Centre (BSC) for the Council ensuring that the BSC is competitive, efficient and effective.

#### **Accountabilities**

Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of Extended Corporate Management Team, Directors and Corporate Directors will work together to make strategic decisions on the most effective use of the Council's agreed budget, resources and policies and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

Develop and deliver the ICT strategy for the Council, engaging Members, Service Directorates and other stakeholders as required.

Develop and deliver the Property Infrastructure strategy for the Council, engaging Members, Service Directorates and other stakeholders as required.

Lead and develop, for the council, the commissioning of Property and ICT services, plans and solutions within an agreed budget and policy framework and act as Client for commissioned services in these areas.

Act as Head of Profession for either ICT or Property Infrastructure and ensure that there is suitable expertise within the team in order to enable the provision of strategic guidance and support to service providers for the other activity. Give expert advice to Cabinet and senior officers on complex/high level matters.

Provide overall management and direction for the Business Services Centre, ensuring the effective management of resources, service delivery to agreed standards, service

development and continuous improvement, and that any concerns from service directorates or external customers are addressed effectively and efficiently.

Develop and direct strategies for the maximum realisation of the Council's capital assets and the optimisation of the Council's estate to support office transformation.

Develop strategies to create opportunities for local partnerships to support a range of Property Infrastructure and ICT initiatives.

*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director and Director roles.*



## Job Description:

### **Director – Strategic Business Development & Intelligence**

---

**Directorate:** Strategic and Corporate Services

**Grade:** KR17

**Responsible to:** Head of Paid Service

#### **Job Purpose**

Lead and develop an effective strategic and service commissioning across the Council. bringing together business, customer and market intelligence and using this to challenge and support the commissioning process. Lead on effective contract management for the council.

#### **Accountabilities**

Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of Extended Corporate Management Team, Directors and Corporate Directors will work together to make strategic decisions on the most effective use of the Council's agreed budget, resources and policies and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

Lead, develop and review the commissioning framework for the Council to ensure robust internal challenge and contestability within KCC, and to maintain high commissioning standards across the council.

Lead the identification of and develop opportunities for joint commissioning across services, monitor the effectiveness of commissioning activity, and support/challenge devolved commissioning activity as necessary.

Lead the development of a strong client model across the council, ensuring through a commercial approach that the council has the capacity to decommission and reprovision services, and the ability to shape markets and undertake market development.

Ensure the development of a commercial approach to contract management across the council, and lead a dedicated team to ensure the effective management of the Council's contracts for major outsourced services.

Act as client for the council's Strategic Partnership contract.

Develop and devise strategies which enable the bringing together of business and customer information in order to provide corporate oversight for all council services (directly delivered and commissioned) and facilitate scrutiny of business performance.

Provide effective analysis of market and customer data for the council including commissioned resident surveys, complaints data and other customer feedback and integrate this data into the business intelligence and monitoring cycle; a corporate research facility and a corporate market intelligence facility.

Provide expert guidance across the council on the effective analysis of business and customer data; develop data analysis models and skills development interventions to ensure that capacity and skill levels within the council are continuously improved.

Provide the means for corporate oversight of the transition process and governance support for services becoming LATCOs, Trusts and other wholly/jointly owned arrangements.

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*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director and Director roles.*

# Kent County Council

## Job Description:

### **Director – Strategy, Policy, Relationships and Corporate Assurance**

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**Directorate:** Strategic and Corporate Services

**Grade:** KR17

**Responsible to:** Head of Paid Service

#### **Job Purpose**

Lead and direct the provision of strategic advice and policy development to the Cabinet and CMT which enables them to set the overall direction for Kent County Council. Provide corporate assurance on the development and delivery of key change and transformation strategies/programmes. Ensure that key strategic relationships are developed and maintained to support delivery of the Council's priorities

#### **Accountabilities**

Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of Extended Corporate Management Team, Directors and Corporate Directors will work together to make strategic decisions on the most effective use of the Council's agreed budget, resources and policies and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

Provide a framework for strategy on all Council services to deliver forward thinking, innovative policies in response to internal, national and international stimuli which support both transformation and other council plans and frameworks and KCC's brand and influence as a leading local government authority whilst delivering high quality value for money services to its customers.

Lead on the provision of briefings and policy advice on issues of national or local importance; impact assessments and options appraisal for high priority corporate consultations and legislative changes which enable Cabinet and CMT to make decisions.

Oversee the stakeholder management framework for the council and lead and manage key stakeholder partnerships, networks and relationships which enable the delivery of the Council's ambitions.

Lead and deliver, in collaboration with appropriate sources outside and across the organisation, the overarching strategic framework for KCC.

Direct strategic policy development across KCC, informed by external benchmarking and in accordance with the council's key, developing key policy documents and specifying the overarching policy framework for the Council.

Take forward agreed national policy agendas within KCC to deliver the best possible outcomes and ensure that Kent County Council's voice influences the development of the wider policy agenda (national, regional, local)

Ensure the development and effective operation of the policy, stakeholder and internal management controls frameworks to ensure effective and efficient operation of the council.

Provide a corporate Quality Assurance Framework to monitor the delivery/performance of key strategic programmes and report on progress to CMT and Cabinet.

Develop and devise strategies to ensure there is both constructive challenge and support to service directorates on the development and delivery of key strategic programmes.

Lead and develop the wider corporate risk strategy for the council, ensuring that all parts of the council are managing risk effectively, and that this is monitored and reported regularly

Lead and develop the council's equality and diversity service strategy and practice.

*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director and Director roles.*

# Kent County Council

## Job Description:

### General Counsel

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**Directorate:** Strategic and Corporate Services

**Grade:** KR16 (tbc)

**Responsible to:** Head of Paid Service

#### **Job Purpose:**

Discharge the statutory duties of the Monitoring Officer for Kent County Council in line with KCC's Constitution to ensure the Council fulfils its lawful obligations, statutory duties and performs its functions and activities in accordance with the law. Commission any required legal services ensuring cost effectiveness, efficiency and responsiveness.

#### **Accountabilities**

Directors will work within the KCC Corporate Responsibilities for Senior Officers. In addition, as members of Extended Corporate Management Team, Directors and Corporate Directors will work together to make strategic decisions on the most effective use of the Council's agreed budget, resources and policies and enhance the reputation of Kent as a place as well as Kent County Council as the democratic agent of change in the region.

As Chief professional adviser, direct and oversee the provision of high quality legal and procedural advice at all stages of the Council's decision making, to ensure a strong corporate governance culture is achieved with decision making by members, which attains the highest standards of ethical and corporate governance.

Lead the commissioning of legal services on behalf of the council, monitor the delivery of these services and act as Client for all legal commissioned services.

Create a robust and proactive officer governance culture with sound practice and systems to support member decision making through the development of the corporate framework to ensure the maintenance of probity, sound governance and the enforcement and review of policies within the democratic process.

Lead the Council's strategic response to ensuring that it meets current and future requirements to publish data on its activities, taking a proactive approach to the development of systems to achieve the optimum transparency in relation to the Council's activities, underpinned by robust, accurate and resilient Information.

Deliver appropriate high quality, professional and cost effective support to Council Members and the democratic process.

Lead and direct the implementation of Council elections in close partnership with District and Borough Councils.

This post is also responsible for discharging the duties of the following roles:

- Senior Information Risk Owner
- Clerk to the Lord Lieutenant of Kent
- County Returning Officer

*This job description sets out the accountabilities specific to the role. These should be read in conjunction with the Corporate Responsibilities that apply to the Corporate Director, Director and Head of Service roles.*