



Summons to and
Agenda for a
Meeting on
**Thursday, 26th March,
2015**
at **10.00 am**



DEMOCRATIC SERVICES
SESSIONS HOUSE
MAIDSTONE

Wednesday, 18 March 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, 26 March 2015 at **10.00 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 meeting held on 12 February 2015 and, if in order, **(Pages 5 - 18)** to be approved as a correct record
4. Chairman's Announcements
5. Questions

6. Report by Leader of the Council (Oral)
7. Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement (2015-2020) **(Pages 19 - 52)**
8. Pay Policy Statement **(Pages 53 - 58)**
9. Treasury Management 6 Month review 2014/15 **(Pages 59 - 70)**
10. Local Pension Board **(Pages 71 - 76)**
11. Motion for Time Limited Debate

Reinvestment of fuel duty into road maintenance

Proposed by Mr R Parry, Seconded by Mr A Marsh

“This Council is asked to note that, according to a national poll, an overwhelming majority of residents agreed that the existing fuel duty should be reinvested back into local areas to help bring our crumbling roads back up to scratch. The national survey, carried out for the LGA, found that 83% of those polled back calls for the Government to inject a further £1bn a year into road maintenance by investing the equivalent of just two pence per litre of the existing fuel duty. This would allow Councils to improve the quality of our roads over the next decade.

Accordingly, this Council requests the Cabinet Member for Environment and Transport to lobby the government to implement this change as soon as possible in order to provide these much needed additional funds for our roads”.

12. Petition debate - Right to light **(Pages 77 - 80)**



Peter Sass
Head of Democratic Services

KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 12 February 2015.

PRESENT:

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

Mrs A D Allen, MBE, Mr M J Angell, Mr D Baker, 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 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, Mr P M Harman, Ms A Harrison, Mr M Heale, 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 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, Mrs E D Rowbotham, 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 N S Thandi, 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: Amanda Beer (Corporate Director Human Resources), David Cockburn (Corporate Director Strategic & Corporate Services), Andrew Ireland (Corporate Director Social Care, Health & Wellbeing), Patrick Leeson (Corporate Director Education & Young People Services), Andrew Scott-Clark (Interim Director Public Health), Dave Shipton (Head of Financial Strategy), Peter Sass (Head of Democratic Services) and Geoff Wild (Director of Governance and Law)

UNRESTRICTED ITEMS

57. Apologies for Absence

The Director of Governance and Law reported apologies from Mr I S Chittenden and Mr S C Manion.

58. Declarations of Disclosable Pecuniary Interests or Other Significant Interests

(1) Mrs J Whittle declared a Disclosable Pecuniary Interest in the debate on the Strategic and Corporate Services Directorate as her husband was an employee in that Directorate and she would be withdrawing from the meeting during consideration of this matter.

- (2) Mr G Cowan declared an interest in that both he and his wife were foster carers.
- (3) Mr G Koowaree declared an interest as he had a grandson in care supported by Kent County Council and a relation receiving a direct payment for home care.
- (4) Mr C Caller declared an interest as his wife was employed in a Kent County Council school as a teaching assistant and his son was employed by Kent County Council.
- (5) Mr T Maddison declared an other significant interest in any debate on salaries as his son was employed by Kent County Council.
- (6) Mr B Sweetland declared an interest as his wife was a specialist teacher at Ifield School.
- (7) Mrs P Brivio declared an other significant interest in any debate on salaries as her son was employed by Kent County Council.
- (8) Mr C Simkin declared an interest as his wife was employed in Goudhurst School.

59. Minutes of the meetings held on 11 December 2014 and, if in order, to be approved as a correct record

RESOLVED that the minutes of the meetings held on 11 December 2014 be approved as a correct record.

60. Chairman's Announcements

(a) New Year's Honours List

The Chairman stated that he would like to formally congratulate all those who received an Honour in the New Year Honours List 2015, especially those within the County. He particularly made mention of Thomas Winsor, HM Chief Inspector of Constabulary, who received a Knighthood for his dedicated public service and Miss Kate Lampard DL, for her outstanding work with the National Health Service, and particularly her involvement in the investigation into Jimmy Savile, and Ms Dorothy Weedon, who received an MBE for political service, particularly in Maidstone.

(b) Freedom of the City of Canterbury

The Chairman stated that he was pleased to announce that Canterbury City Council at its meeting on Thursday 15 January had awarded the Freedom of the City to Mrs Amanda Cottrell, OBE, Sir Graeme Odgers and Mr Paul Barrett. Mrs Cottrell was the first lady to be awarded this honour.

(c) Petition from residents in Cobham

The Chairman invited Mr Sweetland to come to the dais to present a petition signed by 170 residents of the village of Cobham in his division, asking the County Council to take action over the speed of vehicles driving through the village.

The Chairman then invited the Cabinet Member for Environment and Transport, Mr David Brazier, to come to the dais to accept the petition and to ensure it was properly investigated and responded to.

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

(1) The Chairman reminded all Members that any member of a local authority who was liable to pay Council Tax and who had any unpaid Council Tax amount overdue for at least two months, even if there was an arrangement to pay off the arrears, must declare the fact that they were in arrears and must not cast their vote on anything related to KCC's budget or Council Tax.

(2) He stated that all Members should have received a letter from the Head of Democratic Services, dated 4 February, setting out the process and order of the budget debate at today's meeting, together with the letter dated 10 February, which contained copies of two amended appendices relating to the Strategic and Corporate Services restructure.

(3) In addition, and in view of Mrs Whittle's Pecuniary Interest in the Strategic and Corporate Services restructure, the Chairman stated that he proposed to take the vote on recommendation (k) separately to the remainder of the recommendations on the budget report at the end of the debate on the Strategic and Corporate Services directorate and that he had consulted Group Leaders before making this decision. He added that Members would find on their desks a revised set of recommendations, which separated out recommendation (k) and also amended the figure for capital investment proposals in recommendation (d), so that it was now the same as the figure contained in paragraph 1.8 of the covering report.

(4) The Chairman moved, the Vice-Chairman seconded that:

- (a) Procedure Rule 1.12(2) be suspended in order that the meeting be extended to 5.00pm if necessary;
- (b) Procedure Rule 1.28 be suspended in order that the Leader be allowed to speak for a maximum of 12 minutes, the seconder of the original motion to speak for up to 5 minutes, the Leader of the UKIP, Labour, Liberal Democrat and Independents Groups for 10, 7, 5 and 3 minutes respectively, with the Leader being given a 5 minute right of reply and the Cabinet Members being allowed to speak for up to 4, 5 or 6 minutes each when introducing each Directorate debate; and
- (c) Procedure Rule 1.35 be suspended in order for the mover and seconder of the original motion to be permitted to speak on more than one occasion.

Agreed without a vote

(5) The Chairman then invited Mr Shipton, Head of Financial Strategy, to give a presentation and to comment on various issues relevant to the budget.

(6) Mr Carter moved, Mr Simmonds seconded the approval of the contents of the Budget 2015/16 and the Medium Term Financial Plan 2015 – 18 (including Council Tax setting for 2015/16) and to approve the following proposals:

- (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 £728.337m 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
- (l) 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
- (m) 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:

- (n) 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.

Amendment 1 - Targeting Health Inequalities

(7) Mr Birkby proposed, Mr Baldock seconded the following amendment:

“To take some money from certain parts of Social Care, Health & Wellbeing (Public Health) and place it into another area of SCHW (Public Health) Amounts to be determined following clarification of contractual commitments; for example:-

To take £5,000,000 from line 102 Drug and Alcohol services; £1,250,000 from line 103 Obesity and Physical Activity; £3,000,000 from line 108 Tobacco and Stop Smoking services.

Total money £9,250,000 would then be placed in line 107 Targeting Health Inequalities.”

(8) Following the debate the Chairman put to the vote the amendment set out in paragraph (7) above, when the voting was as follows:-

For (13)

Mr M Baldock, Mr H Birkby, Mr L Burgess, Mr J Elenor, Mrs M Elenor, Mr M Heale, Mr C Hoare, Mr R Latchford, Mr B MacDowall, Mr F McKenna, Mr B Neaves, Mr T Shonk, Mr A Terry.

Against (65)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr R Bird, Mr A Bowles, Mr D Brazier, Mrs P Brivio, Mr R Brookbank, Mr C Caller, Miss S Carey, Mr P Carter, Mr N Chard, Mr B Clark, Mrs P Cole, Mr G Cooke, Mr G Cowan, Mrs M Crabtree, Ms J Cribbon, Mrs V Dagger, Mr D Daley, Mr M Dance, Mr J Davies, Mrs T Dean, Dr M Eddy, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr P Harman, Ms A Harrison, Mr M Harrison, Mr M Hill, Mrs S Hohler, Mr S Holden, Mr P Homewood, Mr E Hotson, Ms S Howes, Mr A King, Mr J Kite, Mr R Long, Mr G Lymer, Mr T Maddison, Mr A Marsh, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr R Parry, Mr C Pearman, Mr L Ridings, Mrs E Rowbotham, Mr J Scholes, Mr W Scobie, Mr C Simkins, Mr J Simmonds, Mr C Smith, Mr D Smyth, Mrs P Stockell, Mr B Sweetland, Mr N Thandi, Mr R Truelove, Mr M Vye, Mr J Wedgbury, Mrs J Whittle, Mr M Whybrow, Mr A Wickham, Mrs Z Wiltshire.

Abstain (3)

Mr D Baker, Mr A Crowther, Mr G Koowaree.

Amendment lost

Amendment 2 - Apprenticeships

(9) Mrs Rowbotham proposed, Mr Cowan seconded the following amendment:

1.	Apprenticeships (to increase the budget for 14 to 25 year olds to encourage local businesses to take on more apprentices, funded by reducing the budget for the cost of the County Council staff restructures).	
		£'000
	Reduce – Modernisation of the Council (BB p65, line 149)	-500
	Add – 14 to 24 year olds (BB p50, line 50)	+500

(10) Following the debate the Chairman put to the vote the amendment set out in paragraph (9) above when the voting was as follows:-

For (30)

Mr M Baldock, Mr R Bird, Mr N Bond, Mrs P Brivio, Mr L Burgess, Mr C Caller, Mr B Clark, Mr G Cowan, Ms J Cribbon, Mr D Daley, Mrs T Dean, Dr M Eddy, Mrs M Elenor, Ms A Harrison, Mr M Heale, Mr C Hoare, Ms S Howes, Mr G Koowaree, Mr T Maddison, Mr B MacDowall, Mr F McKenna, Mr B Neaves, Mrs E Rowbotham, Mr W Scobie, Mr T Shonk, Mr D Smyth, Mr N Thandi, Mr R Truelove, Mr M Vye, Mr M Whybrow.

Against (47)

Mrs A Allen, Mr M Angell, Mr D Baker, Mr M Balfour, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mrs V Dagger, Mr M Dance, Mr J Davies, 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 R Long, Mr G Lymer, 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 A Terry, Mr J Wedgbury, Mrs J Whittle, Mr A Wickham, Mrs Z Wiltshire.

Abstain (5)

Mr H Birkby, Mr A Crowther, Mr J Elenor, Mr P Harman, Mr R Latchford.

Amendment lost.

Amendment 3 – Early intervention

(11) Mr Vye proposed, Mrs Dean seconded the following amendment:-

“Increase the budget for early Intervention and Prevention (p50 line 49) by £1.6 million

Reduce the budget for Contributions to/from reserves(p65 line 47) by £1.6million.”

(12) Following the debate the Chairman put to the vote the amendment set out in paragraph (11) above when the voting was as follows:-

For (29)

Mr M Baldock, Mr R Bird, Mr H Birkby, Mr N Bond, Mrs P Brivio, Mr L Burgess, Mr C Caller, Mr B Clark, Mr G Cowan, Ms J Cribbon, Mr D Daley, Mrs T Dean, Dr M Eddy, Ms A Harrison, Mr M Heale, Ms S Howes, Mr G Koowaree, Mr R Latchford, Mr B MacDowall, Mr F McKenna, Mr T Maddison, Mr B Neaves, Mrs E Rowbotham, Mr W Scobie, Mr D Smyth, Mr N Thandi, Mr R Truelove, Mr M Vye, Mr M Whybrow.

Against (50)

Mrs A Allen, Mr M Angell, Mr D Baker, Mr M Balfour, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs

M Crabtree, Mr A Crowther, Mrs V Dagger, Mr M Dance, Mr J Davies, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr P Harman, 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 Lymer, 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 T Shonk, Mr C Simkins, Mr J Simmonds, Mr C Smith, Mrs P Stockell, Mr B Sweetland, Mr A Terry, Mr J Wedgbury, Mrs J Whittle, Mr A Wickham, Mrs Z Wiltshire.

Abstain (2)

Mr J Elenor, Mr C Hoare.

Amendment lost.

Amendment 4 – Street Lighting

(13) Mr Caller proposed, Dr Eddy seconded the following amendment:-

Street Lighting (to turn on all lights that are currently turned off during the night time pending the move to change to LED lighting. The additional revenue costs for streetlight energy and Carbon Reduction Commitment payments to be funded by reduced debt charges on the capital programme from cancelling the Sevenoaks Grammar School Annex project and redirecting the proposed capital receipts financing this scheme to other capital schemes funded by borrowing – (BB p23, line 14).	
Reduce – Net debt costs (including investment income) (BB p65, line 150)	-1,000
Add – Carbon Reduction Commitment (BB p65, line 144)	+200
Add – Streetlight Energy (BB p56, line 84)	+800

(14) Following the debate the Chairman put to the vote the amendment set out in paragraph (13) above when the voting was as follows:-

For (11)

Mrs P Brivio, Mr C Caller, Mr G Cowan, Ms J Cribbon, Dr M Eddy, Ms S Howes, Mrs E Rowbotham, Mr W Scobie, Mr D Smyth, Mr N Thandi, Mr R Truelove.

Against (63)

Mrs A Allen, Mr M Angell, Mr D Baker, Mr M Balfour, Mr R Bird, Mr H Birkby, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Mr L Burgess, Miss S Carey, Mr P Carter, Mr N Chard, 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, Mrs T Dean, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr P Harman, Mr M Harrison, Mr M Hill, Mrs S Hohler, Mr S Holden, Mr P Homewood, Mr E Hotson, Mr A King, Mr G Koowaree, Mr R Latchford, Mr R Long, Mr G Lymer, Mr B MacDowall, Mr A Marsh, 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.

Abstain (2)

Mr C Hoare, Mr F McKenna.

Amendment lost.

Amendment 5 – Street Lighting

(15) Mr Clark proposed, Mr Bird seconded the following amendment:-

“Increase the budget for Streetlight Energy (p56 line 84) by £450k in 2015-16 (rising to £800k in 2016-17 and 2017-18)

Increase the budget for Carbon Reduction Commitment (p65 line 144) by £100k in 2015-16 (rising to £200k in 2016-17 and 2017-18)

Reduce the budget for Contributions to/from Reserves (p65 line 147) by £550k in 2015-16 (rising to £1,000k in 2016-17 and 2017-18).”

(16) Following the debate the Chairman put to the vote the amendment set out in paragraph (15) above when the voting was as follows:-

For (26)

Mr D Baker, Mr R Bird, Mrs P Brivio, Mr L Burgess, Mr C Caller, Mr B Clark, Mr G Cowan, Ms J Cribbon, Mr D Daley, Mrs T Dean, Dr M Eddy, Ms A Harrison, Mr C Hoare, Ms S Howes, Mr G Koowaree, Mr T Maddison, Mr B MacDowall, Mr F McKenna, Mr B Neaves, Mrs E Rowbotham, Mr W Scobie, Mr T Shonk, Mr D Smyth, Mr N Thandi, Mr R Truelove, Mr M Vye.

Against (52)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr H Birkby, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, Mr M Dance, Mr J Davies, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr P Harman, 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 R Latchford, Mr R Long, Mr G Lymer, 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 J Wedgbury, Mrs J Whittle, Mr M Whybrow, Mr A Wickham, Mrs Z Wiltshire.

Abstain (1)

Mr A Terry.

Amendment lost.

Amendment 6 – Highways

(17) Mr Truelove proposed, Mr Smyth seconded the following amendment:-

Highways (increase highway maintenance budget to help fund pothole repairs and pavement maintenance. The additional revenue costs to be funded by reduced debt charges on the capital programme from cancelling the Sevenoaks Grammar School Annex project and redirecting the proposed capital receipts financing this scheme to other capital schemes funded by borrowing – (BB p23, line 14).	
Reduce – Net debt costs (including investment income) (BB p65, line 150)	-600
Add – General maintenance and emergency response (BB p56, line 78)	+600

(18) Mr Carter stated that he was sympathetic to the subject matter of this amendment and that he intended to increase the budget for highways maintenance by £1m once he knew what the 2014/15 outturn figures were. On this basis Mr Truelove withdrew his amendment.

Amendment 7 - The new Strategic and Corporate Services Directorate

(19) Mr Smyth proposed, Mr Cowan seconded the following amendment:

The County Council agrees to defer consideration of the proposed operating framework and new Strategic and Corporate Services Directorate (Blue Book p43, recommendation k) and asks the cross-party Commissioning Advisory Board to examine the proposal set out in section 6 and Appendices B to D of this report and that the County Council reconsiders this matter at its next meeting on the 26th March 2016 with the advice of the Commissioning Advisory Board.

(20) Following the debate the Chairman put to the vote the amendment set out in paragraph (19) above when the voting was as follows:-

For (27)

Mr D Baker, Mr R Bird, Mrs P Brivio, Mr C Caller, Mr B Clark, Ms J Cribbon, Mr G Cowan, Mr D Daley, Mrs T Dean, Dr M Eddy, Mr J Elenor, Mrs M Elenor, Ms A Harrison, Mr C Hoare, Ms S Howes, Mr B Neaves, Mr T Maddison, Mr B MacDowall, Mr F McKenna, Mr G Koowaree, Mrs E Rowbotham, Mr W Scobie, Mr D Smyth, Mr A Terry, Mr N Thandi, Mr M Vye, Mr M Whybrow.

Against (48)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr H Birkby, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Mr L Burgess, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, Mr M Dance, Mr J Davies, 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 R Latchford, Mr R

Long, Mr G Lymer, 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 T Shonk, Mr C Simkins, Mr J Simmonds, Mr C Smith, Mrs P Stockell, Mr B Sweetland, Mr J Wedgbury, Mr A Wickham.

Abstain (1)

Mr P Harman.

Amendment lost

(21) The Chairman stated that Mr Carter had moved and Mr Simmonds had seconded the following motion earlier in the day:-

“(k) Approve the proposed operating framework and new Strategic and Corporate Services Directorate structure.”

(22) Following the debate the Chairman put to the vote the amendment set out in paragraph (21) above when the voting was as follows:-

For (51)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr H Birkby, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, 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 R Latchford, Mr R Long, Mr G Lymer, Mr A Marsh, 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 J Wedgbury, Mr A Wickham, Mrs Z Wiltshire.

Against (20)

Mr R Bird, Mrs P Brivio, Mr C Caller, Mr B Clark, Mr G Cowan, Ms J Cribbon, Mr D Daley, Mrs T Dean, Dr M Eddy, Ms A Harrison, Ms S Howes, Mr G Koowaree, Mr F McKenna, Mr T Maddison, Mrs E Rowbotham, Mr W Scobie, Mr D Smyth, Mr N Thandi, Mr M Vye, Mr M Whybrow.

Abstain (2)

Mr J Elenor, Mr P Harman.

Motion carried

(In accordance with her Disclosable Pecuniary Interest (see minute no 58 (1) above), Mrs Whittle withdrew from the meeting for the consideration of the amendment and motion relating to the restructuring of the Strategic and Corporate Services Directorate.)

Amendment 8 – Living Wage

(23) Mrs Dean proposed, Mr Whybrow seconded the following amendment:-

“Revise recommendation (i) for the County Council to agree:

The 2.5% pot to fund pay and reward package as outlined in the report, but within it include moving KR2 to a single value of £15,145, and start KR3 at a minimum of £15,146.”

(24) Following the debate the Chairman put to the vote the amendment set out in paragraph (23) above when the voting was as follows:-

For (28)

Mr D Baker, Mr R Bird, Mr H Birkby, Mrs P Brivio, Mr L Burgess, Mr B Clark, Mr G Cowan, Mr D Daley, Mrs T Dean, Dr M Eddy, Mr P Harman, Ms A Harrison, Mr C Hoare, Ms S Howes, Mr R Latchford, Mr B MacDowall, Mr F McKenna, Mr T Maddison, Mr G Koowaree, Mr B Neaves, Mrs E Rowbotham, Mr W Scobie, Mr D Smyth, Mr T Shonk, Mr A Terry, Mr N Thandi, Mr M Vye, Mr M Whybrow

Against (46)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, 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 R Long, Mr G Lymer, 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 J Wedgbury, Mr A Wickham, Mrs Z Wiltshire

Abstain (2)

Mr J Elenor, Ms J Cribbon.

Amendment lost

(Mrs Brivio, Mr Caller and Mr Maddison withdrew from the meeting for consideration of this amendment in accordance with their declarations on interest in minute no 58).

(25) As all of the amendments except the withdrawn amendment had been determined, the Chairman put to the vote the original Motion as set out in (5) above, with the exception of recommendation (k) which had already been agreed, when the voting was as follows:

For (48)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr A Bowles, Mr D Brazier, Mr R Brookbank, Miss S Carey, Mr P Carter, Mr N Chard, Mrs P Cole, Mr G Cooke, Mrs M Crabtree, Mr A Crowther, Mrs V Dagger, Mr M Dance, Mr J Davies, Mr J Elenor, Mrs M Elenor, Mr T Gates, Mr G Gibbens, Mr R Gough, Mr P Harman, 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

R Long, Mr G Lymer, 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, Mrs P Stockell, Mr B Sweetland, Mr J Wedgbury, Mrs J Whittle, Mr A Wickham, Mrs Z Wiltshire.

Against (29)

Mr D Baker, Mr R Bird, Mr H Birkby, Mrs P Brivio, Mr L Burgess, Mr C Caller, Mr B Clark, Mr G Cowan, Ms J Cribbon, Mr D Daley, Mrs T Dean, Dr M Eddy, Ms A Harrison, Mr C Hoare, Ms S Howes, Mr G Koowaree, Mr R Latchford, Mr B MacDowall, Mr T Maddison, Mr F McKenna, Mr B Neaves, Mrs E Rowbotham, Mr W Scobie, Mr T Shonk, Mr D Smyth, Mr A Terry, Mr N Thandi, Mr M Vye, Mr M Whybrow.

Abstain (0)

Motion carried

(26) RESOLVED that the County Council approve 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 £728.337m 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
- (l) 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
- (m) 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:

12 FEBRUARY 2015

(n) 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.

This page is intentionally left blank

- By:** Paul Carter, Leader of the Council
- To:** County Council – 26th March 2015
- Subject:** Increasing Opportunities, Improving Outcomes: Kent County Council’s Strategic Statement (2015-2020)
- Summary:** Following public consultation, this report seeks agreement to endorse “*Increasing Opportunities, Improving Outcomes*” as the five year strategic statement for the County Council, which sets the vision and outcomes we want to achieve for the residents, businesses and communities of Kent.

RECOMMENDATIONS:

County Council is asked to agree the following:

- To note the findings of the public consultation and subsequent changes to the draft strategic statement as set out in the report.
- Agree (subject to any changes by Cabinet on 23rd March) that they approve “*Increasing Opportunities, Improving Outcomes*” (Appendix 1) as the five year strategic statement for KCC.

1. INTRODUCTION

- 1.1 KCC has had a series of strategic statements which set out the administration’s ambitions and priorities for the medium term. This is a key part of our policy framework and guides the strategic and business planning process of the County Council. The previous strategic statement ‘*Bold Steps for Kent*’ was closed by County Council in May 2014, to ensure the focus was on delivering our transformation programme ‘*Facing the Challenge*’.
- 1.2 In December 2014, County Council agreed to launch a public consultation on a new draft strategic statement, which focused on the outcomes we want to achieve for the residents, businesses and communities of Kent.
- 1.3 In response to the feedback from the consultation provided by residents and staff, the strategic statement has been revised and updated. County Council is asked to approve ‘*Increasing Opportunities, Improving Outcomes*’ as KCC’s new strategic statement for the next five years.

2. APPROACH

- 2.1 ‘*Increasing Opportunities, Improving Outcomes*’ (Appendix 1) is a very different strategic statement to those which have come before, as it reflects the changes we need to make to become an outcome focused organisation.

We have received positive feedback that the document is shorter, simpler and more transparent about what we want to achieve. Outcomes help us focus on the end result we want to achieve for the people of Kent.

- 2.2 Our focus is on improving lives by ensuring that every pound spent in Kent is achieving better outcomes for Kent's residents, businesses and communities. As long as those outcomes are supported by the right services, at the right quality and right cost, they could be delivered by KCC, the public, private or voluntary and community sector.
- 2.3 With significant and sustained financial and service delivery challenges ahead, it is even more important we are outcome focused, so we can work with our partners and providers to innovate and radically redesign our services. The outcomes will help us focus on the issues that really matter by targeting limited resources where they will have the greatest impact.
- 2.4 This strategic statement deliberately does not set out the detail of **how** we will design and deliver services – this will be embedded in our strategies, policies, commissioning plans and business plans. This is the way we will put the strategic statement into practice by ensuring all our activity is focused on improving outcomes. This will help our staff, partners and providers to understand and be focused on the contribution they play towards achieving our vision.
- 2.5 We have developed a simple and clear structure for the strategic statement, which can be summarised in a diagram on a single page:
- **Our vision** – what we want to achieve as an organisation
 - **Our strategic outcomes** – what we want to achieve for the people of Kent
 - **Our supporting outcomes** – underpin the delivery of the strategic outcomes
 - **Our business plan priorities** – a number of strategic, cross cutting actions that will help deliver the supporting outcomes
 - **Our approach** – the way we want to work as a council to deliver these outcomes
- 2.6 The aim has been to not create additional layers of activity on top of our extensive transformation, so the outcomes align to the various National Outcome Frameworks and build on those we have already identified in our existing strategies, policies and transformation blueprints.

3. CONSULTATION PROCESS

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

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

- 3.2 The consultation closely followed the format of previous budget consultation exercises. A consultation questionnaire was placed online which received 56 responses to the online questionnaire, including 29 responses from individuals/residents and 16 from staff. Such a response rate was not unexpected given previous difficulties on attracting responses to previous strategic statements (such as Bold Steps for Kent) given the public respond pro-actively to specific service changes or issues and identify less with strategic documents. As such, a series of deliberative workshops with residents (and one workshop with KCC staff) were held across west, east and mid-Kent, with residents recruited to reflect a statistically accurate cross section of the Kent population.
- 3.3 The aim of the consultation was to gain insight into informed public opinion on KCC's vision and priorities for the future, as well as to provide feedback for recommendations to make the strategic statement simple, clear and accessible to a wider audience.
- 3.4 85 residents and 39 staff attended the workshops. Both staff and residents displayed many similarities in their feedback – both broadly supporting the content of the draft outcomes, but raising consistent issues about tone, wording and outcomes they thought should be strengthened or emphasised. Whilst the online questionnaire findings had a focus on individual circumstances and concerns, the feedback was broadly consistent with the deliberative sessions, agreeing that the right outcomes and supporting outcomes had been put forward.

4. CONSULTATION FINDINGS

4.1 *Awareness and Communication*

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

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

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

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

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

4.2 *Difficult Financial Challenges*

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

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

4.3 **Title & Vision**

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

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

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

You Said	We Did
<ul style="list-style-type: none"> • The title needed to reflect what the document was about. • That the vision needed to be clearer about what KCC will do differently. • That we needed to change the words “supporting independence” • That “opportunity” was strongly associated with business and education. • That we should call it a strategic statement rather than an outcomes framework. 	<ul style="list-style-type: none"> • The Leader has decided to change the title to: “Increasing Opportunities, Improving Outcomes: Kent County Council’s Strategic Statement 2015-2020”. • We have changed the vision statement to: “Our focus is on improving lives by ensuring that every pound spent in Kent is delivering better outcomes for Kent’s residents, businesses and communities”.

4.4 **Intention**

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

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

4.5 **Strategic Outcomes**

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

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

You Said	We Did
<ul style="list-style-type: none"> • Both children and young people are important. • That you agreed with the wording of this strategic outcome. 	<ul style="list-style-type: none"> • We have kept the wording for this strategic outcome unchanged.

The original wording of the second strategic outcome was “*Kent communities benefit from increasing prosperity by being in-work, health and enjoying a high quality of life*”. Whilst people agreed with the intention of the outcome, they strongly felt the wording needed to be changed to be more realistic and reflective of the economic challenges we face. Both residents and staff made specific comments about the phrases “increasing prosperity” and “high quality of life” – feeling a “good quality of life” was more appropriate. A perception

issue was raised, particularly in East Kent and by young people, about individuals not believing or feeling the benefits of growth, despite evidence to the contrary on both the national economic recovery and Kent economy.

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

You Said	We Did
<ul style="list-style-type: none"> • We needed to change the words “increasing prosperity” and “high quality of life”. • We needed to make the outcome more realistic. • That the current financial reality for some people is still very difficult and some people – especially young people - don’t always feel the benefits of growth. • That encouraging work and creating more jobs is important. 	<ul style="list-style-type: none"> • We have changed the wording of the strategic outcome to: “Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life”.

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

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

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

You Said	We Did
<ul style="list-style-type: none"> • You agreed it was important to support older and vulnerable 	<ul style="list-style-type: none"> • We have changed the wording of the strategic outcome to: “Older

<p>people.</p> <ul style="list-style-type: none"> • Choice is really important so people can make informed options about their level of independence and are not forced to be independent inappropriately. • We needed to change the phrase “live well”. 	<p>and vulnerable residents are safe and supported with choices to live independently”.</p> <ul style="list-style-type: none"> • We have changed the wording of supporting outcomes across the three strategic outcomes so it is clearer ‘vulnerable’ means all life stages.
--	--

4.6

Emphasis & Importance of the Supporting Outcomes

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

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

You Said	We Did
<ul style="list-style-type: none"> • Mental health is important across all life stages. • It is important we support families, carers and the wider community, as well as individuals. • Early assessment and treatment is important. 	<ul style="list-style-type: none"> • We agree that mental health is an important priority so we have changed the wording of the supporting outcomes across all three strategic outcomes to clarify it is a priority for every life stage. • We have added a new supporting outcome about supporting families and carers. • We have changed the emphasis of the supporting outcome to be about early assessment and treatment: “People with mental health issues and dementia are assessed and treated earlier and are supported to live well”.

Young people felt that many of the draft supporting outcomes excluded them by referencing children, but not young people. They wanted to see more outcomes that were relevant to their age group to help address young people’s needs – particularly around access to education, training and work opportunities. They felt more needs to be done to help raise awareness of the services and support we provide to help young people make the transition to working life, with more

opportunities for work experience, apprenticeships and placements. We have responded to this by changing the wording of many of the supporting outcomes to directly reference young people, and highlighting the issues they had identified as most important.

You Said	We Did
<ul style="list-style-type: none"> • We need to directly reference young people more in the supporting outcomes. • Choice and access to education, training and work opportunities is important. • We need to do more to raise awareness of services to support young people make the transition to adulthood. 	<ul style="list-style-type: none"> • We have included more specific references about young people, as well as children. • We have strengthened wording about choice and access to education, training and work opportunities in the supporting outcome, and ensured this issue is reflected in our business plan priorities. • We will consider how we can better communicate what we do and what support is available for young people.

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

You Said	We Did
<ul style="list-style-type: none"> • We needed to split the supporting outcome on growth so there is a specific outcome on lowering levels of deprivation. • We need to specify support for Kent business growth, as well as all communities feeling the benefits of economic growth. • We needed to combine outcomes on growth, skills and infrastructure as these issues are connected. • We needed to split the supporting outcome on quality of life so there is a specific outcome on the environment, and change the wording so it was more positive and ambitious. 	<ul style="list-style-type: none"> • We have created a new outcome about deprivation: “All Kent’s communities benefit from economic growth and lower levels of deprivation”. • We have changed the emphasis of the supporting outcomes to be clearer about supporting Kent business growth. • We have removed two supporting outcomes on skills and infrastructure, and combined them with the outcome on Kent business growth. • We have created a new outcome about the environment: “Kent’s physical and natural environment is protected, enhanced and enjoyed by residents and visitors”.

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

You Said	We Did
<ul style="list-style-type: none"> • We needed a new outcome which was about supporting families and carers. • A priority should be encouraging and enabling new technologies for the older and vulnerable. • A priority should be education of the Kent community on mental health and dementia. 	<ul style="list-style-type: none"> • We have created a new supporting outcome: “Families and carers of vulnerable and older people have access to the advice, information and support they need”. • We have introduced two new strategic business plan priorities to ensure these two issues are delivered through our business plans.

4.7 **Strategic Commissioning Authority**

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

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

5 KEY CHANGES TO THE SUPPORTING OUTCOMES

- 5.1 The consultation provided a number of constructive suggestions to help improve the wording of the supporting outcomes, to make them clearer, more relevant and more appropriate. People had strong associations and reactions to specific words and phrases, and we were open to making these changes to ensure the strategic statement is as meaningful and engaging as possible.
- 5.2 Wherever possible we have endeavoured to respond to the majority of issues raised with the supporting outcomes, however it is not always possible to respond to every suggestion. The consultation sometimes highlighted alternative or conflicting suggestions from different groups. In some cases we felt the wording needed to remain if it supported a particular need, issue or political priority (e.g. closing the attainment gap between disadvantaged young people and their peers). That said, almost all the supporting outcomes were strengthened as a direct result of the consultation feedback. The changes that have been made have helped to create a much improved strategic statement.
- 5.3 The new wording for each supporting outcome, and the rationale for the change is set out below, under each strategic outcome:
- 5.4 ***Children & young people in Kent get the best start in life***

New Supporting Outcome	Rationale for Change
Kent communities are resilient and provide strong and safe environments to successfully raise children and young people	Staff felt that it was important that wider communities were resilient, not just individual families and that this was more inclusive. Residents thought it was important this outcome specifically mentioned young people as well as children. There was some concern about the phrase 'resilient' but there was no agreement on an alternative.
We keep vulnerable families out of crisis and more children and young people out of KCC care	Residents felt this was a very important issue and staff felt it supported their work on early intervention and prevention. People thought it was important this outcome specifically mentioned young people as well as children. Not everyone agreed with the phrase 'vulnerable' but most of the alternative suggestions put forward continued to use this phrase.
The attainment gap between disadvantaged young people and their peers continues to close	People had an issue with the term 'vulnerable' and this was changed to 'disadvantaged' to reflect the need to close the gap in particular areas of deprivation and disadvantage across Kent. As a phrase 'attainment gap' was not well understood and some people disagreed that this should focus on a particular section of society. However this remains a key priority

	for the County Council, as we know if we improve educational attainment, we can improve disadvantaged young people's life chances in a whole range of ways. Alternative suggestions focused on improving life chances for all young people so they can achieve their potential, which has been picked up in other supporting outcomes.
All children, irrespective of background, are ready for school at age 5	People felt the outcome could be simplified so we have removed the phrase "so they fully benefit from the opportunities education provides". Some people disliked the phrase "irrespective of background" but this remains as we know we have a particular need to close the gap in school readiness for children from disadvantaged areas.
Children and young people have better physical and mental health	People agreed with the sentiment, but felt that young people should be specifically referenced as well as children. Mental health was identified as a particular priority for all life stages so this has been added here. The original wording referenced 'joined up care' but people felt this was a priority for how we deliver, rather than the end result we want to achieve, so this is reflected in the business plan priorities rather than the outcome.
All children and young people are engaged, thrive and achieve their potential through academic and vocational education	People didn't respond well to the original phrase "maximise their potential". People felt it was particularly important this outcome focused on vocational education, not just academic education. They felt that choice and access to opportunities was the critical issue which has been addressed by changing the following outcome. Residents suggested that engagement in education, supporting all children and young people to "thrive" and "achieve their potential" were all important, so we have reflected this in the revised wording.
Kent young people are confident and ambitious with choices and access to work, education and training opportunities	Residents said that one of the most critical issues for young people was choice and access to work, education and training opportunities. People felt this was important to support young people in their transition to adulthood and to help them get ready for working life. People didn't respond to the phrase "21 st century world of work" so this has been removed. Some people felt that not everyone could be "confident and ambitious" but it was felt that it was important to retain this to keep the outcome bold and

	aspirational, and this wording was supported in alternative suggestions from residents.
--	---

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

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

	whereas the original wording implied home ownership which feels unachievable for some people, particularly for young people in the current financial climate. We felt it was important that growth is well planned to create quality communities – not just about increasing housing numbers, so the wording has changed to reflect this.
Kent’s physical and natural environment is protected, enhanced and enjoyed by residents and visitors	Residents felt that the natural environment was important, that this had been overlooked in the draft document and should be separated from the broader outcome on quality of life. People felt it could be more ambitious and suggested this should be seen as an opportunity to ‘enhance’ and ‘enjoy’ the environment, not just protect it.

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

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

More people receive quality care at home avoiding unnecessary admissions to hospital and care homes	There was strong support for this outcome. People suggested removing the phrase “costly” as this could imply people are seen as a financial burden and this was about providing quality care, not just reducing costs.
The health and social care system works together to deliver high quality community services	People suggested removing the phrase “wrap around” and simplifying this. People suggested we use the term “working together” rather than “integrated”. People felt the quality of community health and social care services was important.
Residents have greater choice and control over the health and social care services they receive	This outcome remained unchanged as people felt that giving people greater choice was important rather than just offering standardised routes, although they questioned how we will deliver this in practice.

6 BUSINESS PLAN PRIORITIES AND APPROACH

- 6.1 With fewer resources, it is important that we focus on the issues that really matter. Our Cabinet Members have identified a number of cross cutting strategic business plan priorities, which will be areas of particular focus and improvement to help the council deliver our strategic and supporting outcomes.
- 6.2 A number of strategic business plan priorities are set out in “*Increasing Opportunities, Improving Outcomes*” (Appendix 1) and they will be reflected in our Directorate Business Plans by May 2015, so everyone in the council is clear on what they need to deliver and focused on their contribution towards improving outcomes.
- 6.3 We know that we can only improve outcomes if we have strong relationships with our service users, partners and providers, so the business plan priorities help to describe how we will work together and how KCC will work differently in the future. The detail of how we achieve this will be set out through our business planning framework.
- 6.4 The strategic statement sets out how we will change our approach and the way we work as a council in order to achieve the business plan priorities and improve outcomes.

7 MEASURING AND REPORTING OUR PROGRESS

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

Moving to an outcomes based approach means a stronger focus on evaluation, alongside performance and contract management. Therefore we need to use a broader evidence base to measure and report our progress, so we can evidence the impact we are making.

- 7.2 We want to create a more rounded narrative about the progress we are making. We will develop and regularly review a suggested basket of measures for each supporting outcome, so we can find appropriate and meaningful measures to help us understand whether we are making a difference. Wherever possible, we will draw on existing measures to reduce the reporting burden and compare our performance within Kent, against our statistical neighbours, the South East and Nationally.
- 7.3 Our staff, residents, partners and providers have helped to test our outcomes, and told us it is important they can continue to have an opportunity to share their views on whether we are an effective commissioner, partner and client. We will develop surveys to inform our reporting so we can listen and respond to their feedback and use this to improve the way we work.
- 7.4 We will balance this alongside contextual evidence to provide an annual report on our progress against the strategic statement to County Council.

8 NEXT STEPS

- 8.1 We will ensure that everyone who responded to the consultation understands how their views influenced the document, and the changes we made as a result.
- 8.2 We will undertake a benchmarking exercise so we can provide an evidence base of current progress against the outcomes. We will track our direction of travel against the measures, balanced against the resources expended and the impact achieved.
- 8.3 We will develop resident, partner and provider surveys to understand what we are doing well, and what we could do better.
- 8.4 We will consider how best to communicate the strategic statement to our staff, partners and residents, so everyone understands what we want to achieve.
- 8.5 We will provide an update on progress with an annual report to County Council in 2016.

9 BACKGROUND DOCUMENTS

Appendices:

Appendix 1: “Increasing Opportunities, Improving Outcomes: Kent County Council’s Strategic Statement (2015-2020)”

Background Documents:

- Facing the Challenge: Towards a Strategic Commissioning Authority, County Council, May 2014
- Facing the Challenge: Draft Corporate Outcomes Framework for KCC, County Council, 11th December 2014
- “Increasing Opportunities, Improving Outcomes”: Kent County Council’s Strategic Statement 2015-2020, Cabinet, 23rd March 2015
- Equalities Impact Assessment, March 2015
- Lake Market Research Consultation Report, March 2015

Report Author:

David Whittle, Head of Policy & Strategic Relationships

Email: david.whittle@kent.gov.uk

Phone: 03000 416833

This page is intentionally left blank



Increasing Opportunities, Improving Outcomes:

Kent County Council's Strategic Statement 2015 – 2020

Foreword:

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

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

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

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

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

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

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

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

Our strategic statement articulates the vision and priorities of the council into a single set of outcomes

which will act as a beacon, guiding the work of our commissioners, partners and services in a time of increasing complexity and financial challenge.

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

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

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

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



A handwritten signature in black ink, appearing to read 'Paul Carter', with a horizontal line underneath.

Paul Carter
Leader, Kent County Council

Introduction:

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

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

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

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

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

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

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

Why do we need a Strategic Statement?

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

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

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

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

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

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

Our Vision:

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

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

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

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

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

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

Our Outcomes:

What is an outcome?

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

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

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

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

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

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

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

Diagram 1: Summary of Strategic Statement:



Our Strategic Business Plan Priorities:

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

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

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

- Engage with central government and local planning authorities across Kent to **support Local Plans and the Growth & Infrastructure Plan to deliver well planned economic and housing growth, with the right physical and social infrastructure**. We will examine innovative funding solutions across the public and private sector to meet the challenge of funding infrastructure.
- **Building on Kent's Pioneer status** work with our NHS partners through the Kent Health and Wellbeing Board to **develop and rapidly deliver a shared vision for the integration and redesign of health and social care services across Kent**.
- We will focus on prevention through using our universal service offer (including schools, children's centres and health visitors) to **proactively identify vulnerable individuals and families at risk of needing intensive support**, and deliver intensive support to families in crisis to help turn their lives around as quickly as possible.
- Working across the public, private and voluntary sector, **agree a shared approach to developing the future health and social care workforce in Kent**, so we are all recruiting to a shared set of values, standards and skills underpinning good quality standards of care, and the health and social care sector is an attractive and rewarding career choice.
- Ensure **our social care teams and children's social services are linked to GP practices to deliver a better preventative model of care**, and more integrated health and social care services for residents.
- We must **ensure a zero tolerance approach to Child Sexual Exploitation (CSE) across Kent** and ensure the systems, procedures and intelligence across all agencies tackling CSE in Kent is joined up, effective and robust to pro-actively protect children and support victims.
- Working with all Kent businesses to **develop an innovative and independent sector based approach to vocational and technical careers advice** so Kent's young people have a clear understanding of the skills, opportunities and career path choices and options open to them post-16 that specific sectors of the Kent economy can provide.
- Ensure that KCC gets its fair share of national and local funding to ensure there are sufficient primary and secondary places of high quality, in the right locations, for all learners so **parents and young people have choice and access to good and outstanding schools and post 16 destinations** in their local community.
- Work with schools and teachers to identify and **support the professional development of the next generation of school leaders**, so that all schools in Kent can benefit from high quality leadership, and that we **continue to facilitate effective collaboration between local schools in Kent to continuously improve education standards** and pupil achievement.
- **Educate the wider Kent community on mental health and dementia** on how they can help and support individuals, families and carers in their

Our Approach:

community to feel socially included, and **promote and enable the use of new technologies amongst the older and vulnerable** to better access services and support.

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

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

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

- **Commission and design services with our partners:** KCC is one part of a much wider network of public service delivery across Kent, and if we are to meet the needs of our residents and communities within the resources available to Kent as a whole, then we must jointly commission, design and deliver services with our partners.
- **Maximise the value of the Kent tax pound:** It is vital that our services deliver value for money for the taxpayer. If the resources of the County Council can be used to deliver better outcomes and provide savings to the Kent taxpayer through our partners (e.g. NHS) rather than through KCC directly, then we should seek to do so.
- **Recognise that no one size fits all:** Kent is a socially and economically diverse county. Service delivery, commissioning and what constitutes success may be different and look different across parts of the county or for different groups of residents. One size fits all solutions are unlikely to be the most effective way to overcome the big challenges, and it is important that we tailor solutions to need.
- **Be a strong voice for Kent nationally and internationally:** We will be a strong voice for Kent ensuring the county receives its fair share of resources from central government and doesn't face a disproportionate hit in public spending reductions, as well as benefiting from devolution and maximising additional funding coming into the county.
- **Be business orientated and entrepreneurial:** By moving our back office services to new delivery arrangements which promote greater efficiency, increase commercial trading and generate new income, we can deliver quality back office services at the lowest possible cost and maximise the resources available for front line services.

Delivering These Outcomes:

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

We will ensure this through our strategic planning process by:

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

[Links to National Outcomes Frameworks and KCC Transformation](#)

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

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

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

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

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

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

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

Measuring and Reporting Our Progress:

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

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

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

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

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

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

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

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

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

Our Annual Report on Progress:



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

How we will track our progress:

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

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

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

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

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

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

Supporting Outcome	The suggested measures that we will develop to monitor progress
Kent's communities are resilient and provide strong and safe environments to successfully raise children and young people	<ul style="list-style-type: none"> • Reduce infant mortality • Reduce child road accident casualties • Reduce child poverty (develop a basket of measures) • Reduce hospital admissions for 0 to 14 year olds by unintentional and deliberate injuries
We keep vulnerable families out of crisis and more children and young people out of KCC care	<ul style="list-style-type: none"> • Substantially reduce the number of children in care • Increase the percentage of Team Around the Family (TAF) cases closed with outcomes achieved • Reduce referrals to children's social services • Reduce re-referrals to children's social services within 12 months
The attainment gap between disadvantaged young people and their peers continues to close	<ul style="list-style-type: none"> • Reduce attainment gaps for children with Free Schools Meals (FSM) at Key Stage 2 and Key Stage 4 • Reduce attainment gaps for children in care at Key Stage 2 and Key Stage 4 • Reduce attainment gaps for children in need at Key Stage 2 and Key Stage 4
All children, irrespective of background, are ready for school at age 5	<ul style="list-style-type: none"> • Increase the percentage of children with good level of development at Foundation Stage Profile (FSP) • Reduce achievement gaps at Foundation Stage Profile (FSP) for children with Free School Meals • Increase early years settings with good or outstanding Ofsted inspections
Children and young people have better physical and mental health	<ul style="list-style-type: none"> • Increase percentage of children with healthy weight • Reduce emergency hospital admissions for 0 to 17 year olds • Reduce average waiting time for routine assessment from referral to Child & Adolescent Mental Health Services (CAMHS) • Improve access to specialist treatment for mental health for children and young people
All children and young people are engaged, thrive and achieve their potential through academic and vocational education	<ul style="list-style-type: none"> • Increase the percentage of pupils achieving level 4 and above at Key Stage 2 in reading, writing and maths • Increase the percentage of pupils achieving 5+ A* to C GCSE including English and Maths • Reduce the percentage of schools below government floor targets • Reduce number of schools in the 'inadequate' and 'requires improvement' Ofsted category • Increase apprenticeships age 16 to 18 year olds • Increase number of young people age 16 to 19 year olds with Qualification and Credit Framework awards (vocational training)
Kent young people are confident and ambitious with choices and access to work, education and training opportunities	<ul style="list-style-type: none"> • Increase apprenticeships for 18 to 24 year olds • Decrease the proportion of all Job Seekers Allowance claimants who are aged 18 to 24 year olds • Increase young people with level 3 qualification at age 19 • Reduce inequality gaps at age 19 for level 3 qualification • Reduce young people not in education, employment or training age 16-18 (NEETs) • Increase percentage of young people aged 16 and 17 with September Guarantee met • Reduce first time entrants to the youth justice system

Table 2: Kent communities feel the benefit of economic growth by being in-work, healthy and enjoying a good quality of life

Supporting Outcome	The suggested measures that we will develop to monitor progress
Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing	<ul style="list-style-type: none"> • Reduce age standardised mortality for preventative causes for age 75 and under • Increase NHS health checks completed • Increase percentage of people quitting smoking • Increase percentage of physically active adults
Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure	<ul style="list-style-type: none"> • Increase business confidence • Reduce businesses who report skills shortages (develop a survey) • Increase percentage of working age people with level 3 qualifications • Increase percentage of working age people with level 4 qualifications • Increase working age people with vocational qualifications • Reduce number of broadband 'not spots'
All Kent's communities benefit from economic growth and lower levels of deprivation	<ul style="list-style-type: none"> • Increase employment rate • Reduce claimant count • Reduce out of work benefit counts • Increase business start-up rate • Increase gross median wage levels
Kent residents enjoy a good quality of life, and more people benefit from greater social, cultural and sporting opportunities	<ul style="list-style-type: none"> • Increase in residents who enjoy good quality of life (by resident survey) • Increase in residents satisfied with social, cultural and sporting opportunities in the county (by resident survey) • Increase in self-reported well being
We support well planned housing growth so Kent residents can live in the home of their choice	<ul style="list-style-type: none"> • Increase in housing completions • Improve housing affordability index (rental and ownership) • Increase number of extra care housing units • Increase in residents satisfaction with community facilities and amenities in new housing developments (develop basket of measures, including survey)
Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors	<ul style="list-style-type: none"> • Increase in residents who feel the environment is protected (by resident survey) • Increase housing development of previously used land

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

Supporting Outcome	The suggested measures that we will develop to monitor progress
Those with long-term conditions are supported to manage their conditions through access to good quality care and support	<ul style="list-style-type: none"> • Increase proportion of adult (aged 18 to 64) social care clients with community services • Reduce residential and nursing care admissions (aged 18 to 64) • Reduce gap in the employment rate between those with a long term health condition and the overall employment rate • Reduce gap in the employment rate between those with a learning disability and the overall employment rate
People with mental health issues and dementia are assessed and treated earlier and are supported to live well	<ul style="list-style-type: none"> • Increase in mental health service users who feel that they have seen mental health services often enough for their needs in the last 12 months (CQC annual survey) • Increase reported number of patients diagnosed with Dementia on GP registers as a percentage of estimated prevalence • Increase percentage of people waiting less than 4 weeks to access Memory Assessment Services
Families and carers of vulnerable and older people have access to the advice, information and support they need	<ul style="list-style-type: none"> • Increase the percentage of adult social care users and carers who find it easy to find information about support (by survey)
Older and vulnerable residents feel socially included	<ul style="list-style-type: none"> • Increase the percentage of adult social care users who have as much social contact as they would like (by survey)
More people receive quality care at home avoiding unnecessary admissions to hospital and care homes	<ul style="list-style-type: none"> • Increase proportion of older people (aged 65+) social care clients with community services • Reduce emergency hospital admissions for over 75s • Reduce residential and nursing care admissions (aged 65+)
The health and social care system works together to deliver high quality community services	<ul style="list-style-type: none"> • Increase in adult social users extremely or very satisfied with their care and support (by survey) • Increase in adult social care users whose service has made them feel safe (by survey) • Reduce delayed transfer of care
Residents have greater choice and control over the health and social care services they receive	<ul style="list-style-type: none"> • Increase the percentage of adult social care users who feel they have adequate or better control over daily life (by survey) • Increase social care users with self-directed support

Increasing Opportunities, Improving Outcomes:

Kent County Council's Strategic Statement 2015 – 2020

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

By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer – Corporate Director Human Resources

To: County Council – 26 March 2015

Subject: Localism Act: Openness and accountability in local pay

Classification: Unrestricted

Summary: This paper addresses the actions the Authority is required to make on pay as part of delivering its responsibilities under the Localism Act 2011.

1. Background

- 1.1 A requirement of the Localism Act is to publish the salaries of senior officials, enabling local people to better understand how public money is being spent in their area.
- 1.2 The Act requires a local authority pay policy to be openly approved by democratically elected councilors on an annual basis. The current statement was agreed by County Council on 27 March 2014. During the past year Government guidance was amended and now requires all salaries above £50,000 to be published rather than the previous threshold of £58,200. This adjustment was made and published accordingly on kent.gov.uk.

2. Pay Policy Statements

- 2.1 The Pay Policy Statement for 2015/16 is attached in Appendix 1. In addition to the change to the salary threshold in 1.2 above, the only other proposed change to the statement for the forthcoming year is to recognise the adjustments made to the pay ranges following the application of the pay award for 2015/16. As previously agreed by County Council, the statement relates to:-
- (a) the level and elements of remuneration for each chief officer
 - (b) remuneration of chief officers on recruitment
 - (c) increases and additions to remuneration for each chief officer
 - (d) the use of performance-related pay (PRP) for chief officers
 - (e) the use of bonuses for chief officers
 - (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority
 - (g) the publication of and access to information relating to remuneration of chief officers.

For the purpose of the Localism Act, a Chief Officer in KCC is defined as being at 'Director level'. This includes the County Council's Corporate Directors and Directors.

- 2.2 The provisions do not apply to the staff of local authority schools.

3. Pay Multiple

- 3.1 A pay multiple is calculated in order to measure the difference in pay between the norm and highest salary. The definition of pay multiple as defined in the 'Code of Recommended Practice for Local Authorities on Data Transparency' document is the ratio between the highest paid salary and the median average salary of the authority's workforce. KCC's current Pay Multiple figure is 8.0 : 1, excluding schools staff. This will be updated and published as soon as possible after all appraisal payments have been made in April 2015.

4. Guidance

- 4.1 The policy is compliant with expectations and guidance in the Code of Recommended Practice along with supplementary updates which have been received.

5. Recommendation

- 5.1 County Council endorses the attached Pay Policy Statement.

Colin Miller
Reward Manager
Ext 416483

Kent County Council Pay Policy Statement 2015-16

The Authority seeks to be able to recruit and retain staff in a way which is externally competitive and internally fair. The Kent Scheme pay policy applies in a consistent way from the lowest to the highest grade.

- The pay policy is influenced by a number of factors which include local pay bargaining, market information, market forces, economic climate, measures of inflation and budgetary position.
- The policy referred to in this Statement is relevant to Council employees generally. The scope of this Statement does not include all Terms and Conditions as some are set on a national basis. These include Teachers covered by the school teachers pay and conditions in (England and Wales) document, Soulbury Committee, Adult Education, National Joint Council (NJC), Joint National Council (JNC) and the National Health Service (NHS).
- The Kent scheme pay range consists of grades KR2 – KR20; details of which are at the bottom of the page.
- The details of the reward package for all Corporate Directors and Directors are published and updated on the County Council's web site. http://www.kent.gov.uk/data/assets/excel_doc/0014/13541/Director-salaries-and-expenses-201415.xls
- KCC will publish the number of people and job title by salary band. This is from £50,000 to £54,999 and then by pay bands of £5,000 thereafter. This will include elements made on a repeatable or predictable basis such as market premium payments. http://www.kent.gov.uk/data/assets/excel_doc/0015/11094/staff-salary-over-50000.xls
- The appropriate grade for a job is established through a job evaluation process which takes into account the required level of knowledge, skills and accountability required for the role.
- The lowest point of KCC's grading structure (bottom of grade KR2) is set such that the hourly rate is above the National Minimum Wage.
- Staff who are new to the organisation must be appointed at the minimum of the grade unless there are exceptional reasons to appoint higher. These must be based on a robust business case in relation to the level of knowledge, skills and experience offered by the candidate and consideration is given to the level of salaries of the existing staff to prevent pay inequality. For senior staff any such business case must be approved by the relevant Corporate Director.

- Council signs off the pay structure. The subsequent appointment of individuals, including those receiving salaries in excess of £100k, are in accordance with the pay structure and the principles outlined in the pay policy.
- Staff who are promoted should be appointed to the minimum of the grade. However their pay increase should equate to at least 2.5%.
- All progression within a grade is subject to performance as assessed through Total Contribution Pay (TCP) process and a percentage awarded for each appraisal level. This applies to all levels in the Authority and there are no additional bonus schemes for senior managers.
- The award for each appraisal rating is set annually following the outcome of the appraisal process.
- People at the top of their grade have the opportunity to receive a pay award which is consistent with others who have the same appraisal rating. This amount will be paid separately and not built into base pay.
- The 'Lowest' paid employees are defined as those employees on the lowest pay point of KCC's lowest grade, KR2. They receive relevant benefits and are remunerated in the same proportionate way as others.
- The entry level will increase to £13,937 which equates to £7.22 per hour.
- In order to establish the pay difference and the relative change in pay levels over time, a pay multiplier can be calculated. This is the base pay level of the highest paid employee shown as a multiple of the median Kent Scheme salary. This multiplier will be published on the County Council's website annually.
http://www.kent.gov.uk/_data/assets/pdf_file/0006/13578/Pay-Multiplier.pdf
- KCC recognises that managers need to be able to reward performance in a flexible and appropriate way to the particular circumstances.
- Should it be shown that there is specific recruitment and retention difficulties, the Market Premium Policy may be used to address these issues.
- The Council would not expect the re-engagement of an individual who has left the organisation with a redundancy, retirement or severance package.
- Managers have delegated powers to make cash awards and ex-gratia payments when necessary and where not covered by any other provision as defined in the Blue Book Kent Scheme Terms &

Conditions.

http://www.kent.gov.uk/_data/assets/pdf_file/0019/12574/Kent-Scheme.pdf

- Policies about termination payments and employer discretions under the Local Government Pension Scheme will be reviewed annually and published for all staff. These will be produced with the intention of only making additional payments when in the best interests of the Authority and maintaining consistency through all pay grades.

Kent Scheme Pay Scale 2015-16

£ (Minimum)		£ (Maximum)
£161,085	KR 20	£191,471
£138,089	KR 19	£159,212
£116,131	KR 18	£138,088
£92,718	KR 17	£110,200
£72,266	KR 16	£91,261
£63,563	KR 15	£72,265
£56,148	KR 14	£63,562
£50,108	KR 13	£56,147
£42,782	KR 12	£50,107
£37,176	KR 11	£42,781
£31,447	KR 10	£37,175
£27,495	KR 9	£31,446
£23,991	KR 8	£27,494
£21,086	KR 7	£23,990
£19,223	KR 6	£21,085
£17,476	KR 5	£19,222
£16,634	KR 4	£17,475
£14,952	KR 3	£16,633
£13,937	KR 2	£14,951

By: Deputy Leader and Cabinet Member for Finance and
Business Support

To: County Council - 26 March 2015

Subject: **TREASURY MANAGEMENT 6 MONTH REVIEW 2014/15**

Classification: Unrestricted

Summary: To present the Treasury Management 6 Month Review.

Introduction

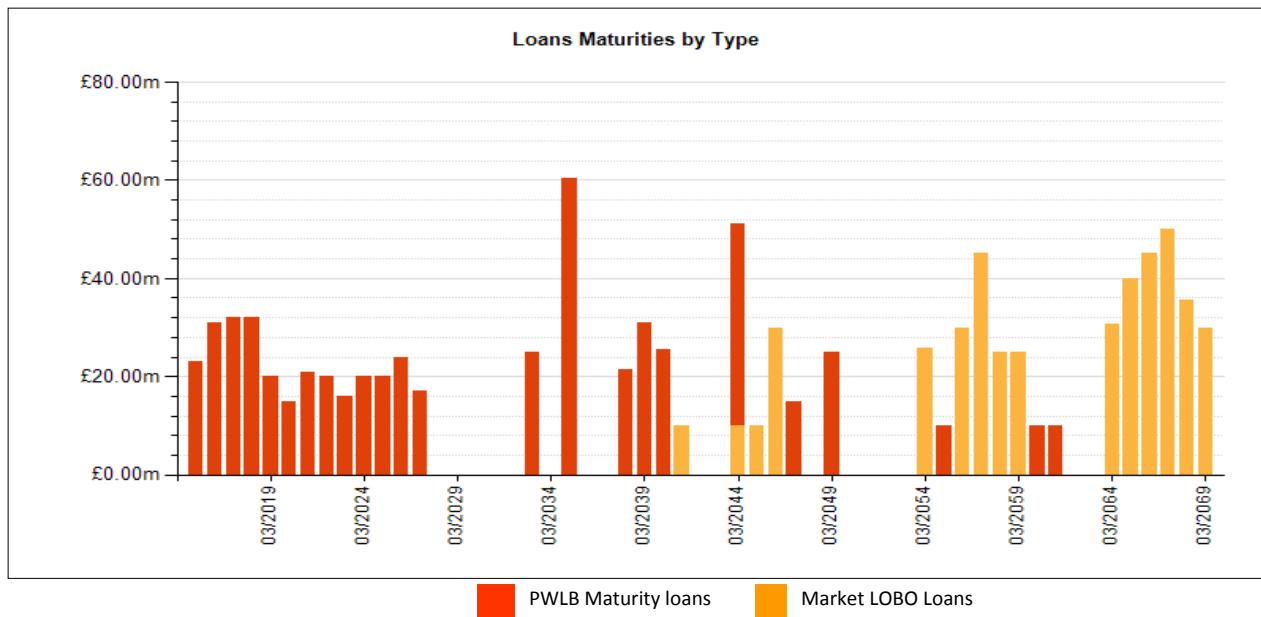
1. This is a 6 month update on treasury management issues.

Background

2. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end). This report therefore ensures this authority is embracing Best Practice in accordance with CIPFA's recommendations.
3. Treasury management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
4. The Council has both borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.
5. Although formally this report is to 30 September it covers developments in the period since up to the date of this report.
6. The report was agreed by Governance and Audit Committee on 29 January 2015.

Borrowing Strategy

7. As at 30 September the Council had long term borrowings of £1,007million with a maturity profile as follows:



7. Total external debt managed by KCC includes £40.6m pre-LGR debt managed by KCC on behalf of Medway Council and £2.5million for other bodies.
8. The Council does not expect to borrow in 2014/15. £23m of existing loans are due for repayment before 31 March 2015.
9. The Council’s chief objective when borrowing continues to be striking an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council’s long-term plans change being a secondary objective.
10. Affordability and the “cost of carry” remain important influences on the Council’s borrowing strategy alongside the consideration that, for any borrowing undertaken ahead of need, the proceeds would have to be invested in the money markets at rates of interest significantly lower than the cost of borrowing. As short-term interest rates have remained, and are likely to remain at least over the forthcoming two years, lower than long-term rates, the Council has determined it is more cost effective in the short-term to use internal resources instead.
11. The benefits of internal borrowing are monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. The Council’s Treasury Advisor, Arlingclose, assists it with this ‘cost of carry’ and breakeven analysis. This strategy has also lowered overall treasury risk by reducing both external debt and temporary investments.
12. The Council holds £441.8m of LOBO (Lender’s Option Borrower’s Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £55.7m of these LOBOS had options during the half year, none of which were exercised by the lender. As a further £75m of LOBOS have options during 2014/15, the Council acknowledges there is

an element of refinancing risk even though in the current interest rate environment lenders are unlikely to exercise their options.

Investment Activity

Counterparty Update

13. UK and European Governments have been working on options to avoid a repeat of the “bail out” of banks which we have seen since 2008. This has been replaced with the concept of “bail in” where classes of owners or depositors in the bank take the first tranches of any losses.
14. The European Parliament approved the EU Bank Recovery and Resolution Directive (BRRD) on April 15, 2014. Over the next 5 months the rating agencies changed their outlook for UK, European and Canadian banks from stable to negative citing the reduction of government support for systemic banks and the potential bail in risk now faced by investors as the reason.
15. In October the European Union legislated to pass the cost of failing banks onto a smaller number of creditors, including local authority and financial institution depositors.

Investment activity 2014/15

16. The Council holds significant invested funds averaging £421m year to date, representing income received in advance of expenditure plus balances and reserves held. Cash balances are expected to fall towards the end of the financial year.
17. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council’s aim is to achieve a yield commensurate with these principles. This has been maintained by following the Council’s counterparty policy as set out in its Treasury Management Strategy Statement (TMSS) for 2014/15.
18. In response to the likely impact of “bail in” on local authorities Cabinet on 2 June approved the following changes to the Treasury Management Strategy Statement for 2014/15.
 - a. Increase the Svenska Handelsbanken limit to £40m.
 - b. Increase the allocation to Covered Bonds to £100m in aggregate with a £20m limit by institution.
 - c. Increase the maximum investment in the CCLA LAMIT Property Fund to £10m.
 - d. Introduce Corporate Bonds with a maximum individual limit of £5m.

- e. Introduce Bond Funds with a maximum investment in any one fund of £5m within the investment portfolio aggregate limit of £75m
19. In August it was decided not to place any new deposits with Standard Chartered Bank as the result of concerns relating to their trading particularly in China and falling share price. To date no investments have been made in corporate bonds or bond funds.
20. Taking account of advice from Arlingclose maximum duration limits for deposits have been reduced. In September the Barclays limit was reduced to 6 months and in October limits with HSBC, Standard Chartered, Nationwide Building Society, Lloyds Bank, Bank of Scotland, Svenska Handelsbanken, Australian and Canadian banks were reduced to 6 months, Barclays was reduced to 100 days while the duration of deposits with Close Brothers and smaller building societies remained at 100 days.
21. A detailed list of investments held as at the end of December 2014 is at appendix 1. The types of investment held were as follows:

Type of Investment	Total	
Call Account	£114,700,000	33.13%
Certificate of Deposit	£35,000,000	10.11%
Fixed Deposit	£86,700,000	25.04%
T-Bill	£9,977,345	2.88%
Covered Bond	£74,212,764	21.44%
ISK held in Escrow	£3,278,427	0.95%
Icelandic Recoveries outstanding	£4,074,564	1.18%
Internally managed cash	£327,943,099	94.73%
External Investments	£15,559,751	4.50%
Equity	£2,681,260	0.77%
Total	£346,184,110	100.00%

22. The UK Bank Rate has been maintained at 0.5% since March 2009 and short-term money market rates have remained at relatively low levels. The purchase of covered bonds has beneficially impacted on the investment return, extended the maturity profile of the fund and reduced the risk. New internally managed investments were made at an average rate of 0.72%.

Iceland

23. Shortly before Christmas a large dividend was received from Landsbanki, the total received was £5.3m and it brings the recovery to date to £14.7m (86% of the principal sum) and total recoveries to £48m. Dividend payments to priority creditors from Landsbanki had been held up by issues involving the Central Bank of Iceland. The expected recovery from Landsbanki and Heritable is 100%, after receiving 100% of the Glitnir funds, and so a full recovery is anticipated.

Forecast outturn

24. The continued low interest rate on savings and investments, partially offset by the re-phasing of last year's capital programme, means that we are continuing to forecast a pressure of £0.4m.

Compliance with Prudential Indicators

25. The Council can confirm that it has complied with its Prudential Indicators for 2014/15 set as part of the Council's Treasury management Strategy Statement. Details can be found in Appendix 2.

Recommendation

26. Members are asked to note this report.

Alison Mings
Treasury and Investments Manager
Ext: 03000 416488

KCC Investments as at 31 December 2014

Internally Managed Investments

Instrument Type	Counterparty	Principal Amount	End Date	Interest Rate
Certificate of Deposit	Barclays Bank	£5,000,000	14/08/2015	0.99%
Same Day Call Deposit	Barclays Bank	£5,000,000	n/a	0.35%
Same Day Call Deposit	Barclays FIBCA	£30,000,000	n/a	0.50%
	Total Barclays	£40,000,000		
Fixed Deposit	Close Brothers Ltd	£5,000,000	23/01/2015	0.60%
	Total Close Brothers Ltd	£5,000,000		
Fixed Deposit	Bank of Scotland	£5,000,000	07/05/2015	0.70%
Fixed Deposit	Bank of Scotland	£5,000,000	22/01/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	06/05/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	19/05/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	19/02/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	23/02/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	22/04/2015	0.70%
Fixed Deposit	Lloyds Bank	£5,000,000	30/06/2015	0.70%
	Total Lloyds Group	£40,000,000		
Same Day Call Deposit	Santander UK	£39,700,000	n/a	0.40%
	Santander UK	£39,700,000		
Certificate of Deposit	Standard Chartered	£10,000,000	07/01/2015	0.56%
	Total Standard Chartered	£10,000,000		
Total UK Bank Deposits		£134,700,000		
Fixed Deposit	Nationwide Building Society	£3,700,000	11/05/2015	0.58%
Fixed Deposit	Nationwide Building Society	£6,400,000	21/01/2015	0.64%
Fixed Deposit	Nationwide Building Society	£5,600,000	11/02/2015	0.64%
Fixed Deposit	Nationwide Building Society	£5,000,000	05/01/2015	0.50%
Fixed Deposit	Nationwide Building Society	£5,000,000	03/02/2015	0.56%
Fixed Deposit	Nationwide Building Society	£5,000,000	02/04/2015	0.66%
	Total Nationwide Building Society	£30,700,000		
Fixed Deposit	Vernon Building Society	£1,000,000	30/01/2015	0.55%
	Total Vernon Building Society	£1,000,000		
Total UK Building Society Deposits		£31,700,000		

KCC Investments as at 31 December 2014

Fixed Deposit	Australia and New Zealand Banking Group	£10,000,000	07/01/2015	0.56%
	Total Australia and New Zealand Banking Group	£10,000,000		
Total Australian Bank Deposits		£10,000,000		
Certificate of Deposit	Bank of Montreal	£10,000,000	22/04/2015	0.53%
Certificate of Deposit	Bank of Montreal	£10,000,000	07/04/2015	0.56%
	Total Bank of Montreal	£20,000,000		
Total Canadian Bank Deposits		£20,000,000		
Same Day Call Deposit	Svenska Handelsbanken	£40,000,000	n/a	0.40%
	Total Svenska Handelsbanken	£40,000,000		
Total Swedish Bank Deposits		£40,000,000		
Treasury Bill	DMO	£4,987,689	26/01/2015	0.50%
Treasury Bill	DMO	£4,989,656	16/03/2015	0.47%
Total UK Govt. Deposits		£9,977,345		
Floating Rate Covered Bond	Abbey National Treasury	£2,486,016	05/04/2017	0.78%
Floating Rate Covered Bond	Abbey National Treasury	£1,405,637	05/04/2017	0.72%
Floating Rate Covered Bond	Abbey National Treasury	£5,769,320	20/01/2017	0.82%
Floating Rate Covered Bond	Abbey National Treasury	£3,009,901	20/01/2017	0.71%
Fixed Rate Covered Bond	Bank of Scotland	£2,140,610	08/11/2016	1.29%
Fixed Rate Covered Bond	Bank of Scotland	£3,079,599	08/11/2016	1.31%
Floating Rate Covered Bond	Barclays Bank	£5,008,422	15/09/2017	0.69%
Floating Rate Covered Bond	Barclays Bank	£3,005,338	15/09/2017	0.69%
Fixed Rate Covered Bond	Coventry Building Society	£3,308,211	19/04/2018	1.93%
Fixed Rate Covered Bond	Coventry Building Society	£5,495,025	19/04/2018	1.70%
Fixed Rate Covered Bond	Coventry Building Society	£2,208,806	19/04/2018	1.52%
Fixed Rate Covered Bond	Leeds Building Society	£2,168,991	17/12/2018	2.02%
Floating Rate Covered Bond	Leeds Building Society	£5,000,000	01/10/2019	0.97%
Floating Rate Covered Bond	Lloyds	£3,009,392	14/01/2017	0.81%
Floating Rate Covered Bond	Lloyds	£1,406,519	01/07/2019	0.76%
Floating Rate Covered Bond	National Australia Bank	£5,015,729	12/08/2016	0.65%
Floating Rate Covered Bond	Nationwide Building Society	£1,899,993	17/07/2017	0.76%

KCC Investments as at 31 December 2014

Floating Rate Covered Bond	Nationwide Building Society	£1,001,356	17/07/2017	0.75%
Floating Rate Covered Bond	Nationwide Building Society	£2,103,420	17/07/2017	0.70%
Floating Rate Covered Bond	Yorkshire Building Society	£3,049,357	23/03/2016	0.91%
Floating Rate Covered Bond	Yorkshire Building Society	£5,090,088	23/03/2016	0.91%
Fixed Rate Covered Bond	Yorkshire Building Society	£2,192,863	12/04/2018	1.98%
Floating Rate Covered Bond	Yorkshire Building Society	£2,037,331	23/03/2016	0.91%
Fixed Rate Covered Bond	Yorkshire Building Society	£3,320,841	12/04/2018	1.55%
Total Covered Bonds		£74,212,764		
Icelandic deposits	Recoveries outstanding	£4,074,564		
Icelandic deposits	ISK held in Escrow at Islandsbanki	£3,278,427		
Total Icelandic Deposits		£7,352,991		
Total Internally Managed Investments		£327,943,099		

Externally Managed Investments

Investment Fund	Book Cost	Market Value as at 31 December 2014	Total annualised return to 31 December 2014
CCLA LAMIT Property Fund	£10,000,000	£10,437,662	8.37%
Pyrford Global Total Return (Sterling) Fund	£5,000,000	£5,122,089	4.79%
Total Investment Funds		£15,559,751	
Equity	Book Cost	Market Value as at 31 December 2014	
Kent PFI (Holdings) Ltd	£2,681,260	£2,681,260	
Total Equity Investments		£2,681,260	
Total Externally Managed Investments		£18,241,011	
Total Investments		£346,184,110	

2014-15 Quarter 2 Monitoring of Prudential Indicators

1. Estimate of capital expenditure (excluding PFI)

Actuals 2013-14	£219.458m
Original estimate 2014-15	£270.967m
Revised estimate 2014-15	£320.878m

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

	2013-14	2014-15	2014-15	2015-16	2016-17
	Actual	Original Estimate	Forecast as at 30-09-14	Forecast as at 30-09-14	Forecast as at 30-09-14
	£m	£m	£m	£m	£m
Capital Financing requirement	1,435.263	1,437.960	1,398.508	1,379.677	1,321.485
Annual increase/reduction in underlying need to borrow	-29.697	-27.001	-36.755	-18.831	-58.192

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

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

Actuals 2013-14	14.55%
Original estimate 2014-15	13.42%
Revised estimate 2014-15	13.51%

4. Operational Boundary for External Debt

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

Operational boundary for debt relating to KCC assets and activities

	Prudential Indicator	Position as at 30.09.14
	£m	£m
Borrowing	993	966
Other Long Term Liabilities	261	254
	<u>1,254</u>	<u>1,220</u>

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

	Prudential Indicator	Position as at 30.09.14
	£m	£m
Borrowing	1,038	1,007
Other Long Term Liabilities	261	254
	<u>1,299</u>	<u>1,261</u>

5. Authorised Limit for external debt

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

	Authorised limit for debt relating to KCC assets and activities	Position as at 30.09.14	Authorised limit for total debt managed by KCC	Position as at 30.09.14
	£m	£m	£m	£m
Borrowing	1,033	966	1,078	1,010
Other long term liabilities	261	254	261	254
	<u>1,294</u>	<u>1,220</u>	<u>1,339</u>	<u>1,264</u>

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

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

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

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

Fixed interest rate exposure	100%
Variable rate exposure	40%

These limits have been complied with in 2014-15.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 30.09.14
	%	%	%
Upper 12 months	10	0	2.28
12 months and within 24 months	10	0	6.25
24 months and within 5 years	15	0	6.65
5 years and within 10 years	15	0	9.63
10 years and within 20 years	15	5	12.6
20 years and within 30 years	20	5	14.8
30 years and within 40 years	20	10	10.48
40 years and within 50 years	25	10	21.41
50 years and within 60 years	30	10	15.94

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

Indicator	£175.0m
Actual	£67.1m

This page is intentionally left blank

By: Chairman Superannuation Fund Committee
Corporate Director of Finance & Procurement

To: Council– 26 March 2015

Subject: **LOCAL PENSION BOARD**

Classification: Unrestricted

Summary: To receive the recommendations of the Superannuation Fund Committee on the establishment of a Pension Board.

FOR DECISION

INTRODUCTION

1. As part of the reforms of public sector pension schemes following Lord Hutton's 2010 review, major changes were proposed in the Public Services Pension Act 2013. The Act included a requirement for the Department for Communities and Local Government (DCLG) to make regulations establishing a National Scheme Advisory Board and requiring each Local Government Pension Scheme (LGPS) administering authority to establish a Local Pension Board. The Regulations were laid before Parliament on 28 January.
2. The committee has responded to a number of consultations from the DCLG in August and November 2014. Its responses have been fairly typical of those of administering authorities who have questioned the purpose and role of the new boards. In fact the consensus view would seem to be that for a locally administered scheme such as the LGPS they are wholly unnecessary and reflect fundamental misunderstandings about how the LGPS is currently governed. Notwithstanding this view the Council has to comply with the regulatory requirement.
3. The Superannuation Fund Committee received a report on 6 February which was approved with amendments and it then undertook a consultation with the 500 scheme employers. The results of this consultation were fed back to the Superannuation Fund Committee on 20 March. Given the need to progress setting up the Board it was necessary to bring the issue to this meeting of Council-an update will be given for any changes in the recommendations from the 20 March Superannuation Fund Committee meeting.

SECTION 101 COMMITTEE

4. Each administering authority is responsible for administering and managing the LGPS and is now referred to as the scheme manager. Under the Local Government Act 1972 decisions about pensions are delegated in accordance with Section 101 to “committees or sub committees made up of councillors from all of the political groups and will be politically balanced”. In Kent the Constitution delegates this responsibility to the Superannuation Fund Committee.
5. There are no proposals to change the remit of the committee. It is still the body responsible for the management of the Fund.

PENSIONS REGULATOR

6. The regulatory powers of the Regulator were extended under the 2013 Act to cover some aspects of public service pension schemes, including the LGPS. The Regulator is an existing body corporate established by the Pensions Act 2004 Act. Prior to 1 April 2015, the Regulator regulated occupational and personal pension schemes provided primarily through private sector employers.
7. The Regulator has a number of statutory objectives including to:
 - 1) Protect the benefits of pension scheme members,
 - 2) Promote, and improve understanding of, the good administration of work-based pension schemes; and
 - 3) Maximise compliance with the duties and safeguards of the Pensions Act 2008.

The 2013 Act introduces a framework for the regulatory oversight of aspects of the governance and administration of public service pension schemes by the Regulator from 1 April 2015, through expanding its current role.

8. To be absolutely clear the powers of the Regulator were not extended to cover areas such as the funding and investment of Funds.

CONSTITUTION AND MEMBERSHIP OF A LOCAL PENSION BOARD

9. Regulation 106 (1) states that the Pension Board will be responsible for assisting the administering authority:
 - (a) To secure compliance with:

- (i) These Regulations,
- (ii) Any other legislation relating to the governance and administration of the Scheme and any connected scheme, and
- (iii) Any requirements imposed by the Pensions Regulator in relation to the Scheme.

(b) To ensure the effective and efficient governance and administration of the Scheme.

10. Local Pension Boards must be established no later than 1 April 2015. Established in this context means that the administering authority must have approved the establishment of the Local Pension Board and the Local Pension Board's composition and also the terms of reference, in accordance with its constitution. It does not necessarily mean that the Local Pension Board has to be fully operational by this date. However it is anticipated that a Local Pension Board should be operational within a reasonably practicable period after 1 April 2015 (being no longer than 4 months).
11. The responsibility for establishing a Pension Board rests with the administering authority of each Fund. This is something the administering authority must do, it is not optional.
12. A Pension Board must include an equal number of employer and scheme member representatives with a minimum requirement of no less than four in total.
13. No officer or councillor of an administering authority who is responsible for the discharge of any function under the Regulations (apart from any function relating to Local Pension Boards or the Scheme Advisory Board) may be a member of a Local Pension Board.
14. The proposals for the Kent Fund Pension Board as recommended by the Superannuation Fund Committee are set out in Appendix 1.

RECOMMENDATION

15. The County Council is requested to establish a Local Pension Board with effect from 1 April 2015 based on the proposal set out in Appendix 1 to this report.

Nick Vickers
Head of Financial Services
03000 416797

PENSION BOARD PROPOSAL

1. Membership

Scheme member representation (4):

Staff- 2 representatives; 1 KCC and 1 non KCC.

Kent Active Retirement Fellowship- 1 representative.

Trade unions- 1 representative

Scheme employer (4):

KCC- 2 representatives (including Chair)-not members of the Superannuation Fund Committee

District Councils /Medway Council- 1 representative

Police/Fire- 1 representative

Total membership 8

Note:

Chairman- KCC county councillor NOT currently on the Superannuation Fund Committee.

Vice Chairman- to be agreed by board.

2. Selection of members

This will vary by the type of member:

Employee representatives will be asked to nominate themselves and a panel of Finance and HR officers from employers will advise the Board Chairman.

Pensioner- nominated by Kent Active Retirement Fellowship.

Trade unions- nominated by Unison.

Employer representatives- will be nominated by those employers and the Board Chairman will select.

3. Relevant Knowledge and Understanding of Representative Members

The Regulations require that individuals appointed have relevant knowledge and understanding.

Individuals must not have a conflict of interest but membership of the LGPS or the Fund will not constitute a conflict of interest.

4. Term of Office

Membership will be for 4 year renewable periods with a maximum of 8 years..

5. Termination

A member should cease their office where:

A member has a conflict of interest which cannot be managed in accordance with the Board's conflicts policy;

A member dies or becomes incapable of acting;

A member who is a councillor of the Administering Authority is appointed to a Superannuation Fund Committee;

A member is appointed to the role of an officer of the Administering Authority with responsibility for the discharge of functions under the Regulations;

A member resigns.

A representative member ceases to represent his constituency, for example if an employer representative leaves the employment of his employer and therefore ceases to have the capacity to represent the Fund's employers; and

A member fails to attend 2 consecutive meetings or otherwise comply with the requirements of being a Board member, for example fails to attend the necessary knowledge and understanding training.

6. Terms of Reference

The board will assist the Superannuation Fund Committee to secure compliance with the requirements of the LGPS Regulations and of the Pensions Regulator.

The board will receive regular reports on governance and compliance issues.

7. Officer Support

The KCC Corporate Director of Finance and Procurement will be responsible for providing professional advice to the board.

Meeting agendas will be prepared and published by KCC Democratic Services, papers will be available on the KCC website and KCC Democratic Services will minute meetings and publish the minutes on the KCC website.

8. Number of Meetings

The board will meet twice a year in Sessions House, Maidstone. Additional meetings will be called if the volume of business makes it necessary.

9. Quorum

A minimum of 4 members will need to be present for the board to be quorate.

10. Substitutes

Substitutes will not be allowed given the highly technical nature of the work undertaken.

11. Expenses

Members of the board will be paid travel expenses for attending the meeting.

Any expenditure the board proposes to incur will need to be agreed in advance by KCC's Head of Financial Services.

12. Data Protection

All members of the board will be required to comply with KCC's data protection and information security policies.

From: Gary Cooke, Cabinet Member for Corporate & Democratic Services
Peter Sass, Head of Democratic Services

To: County Council – 26 March 2015

Subject: Petition Scheme Debate

Classification: Unrestricted

Summary: Details of petition received which will be the subject of a debate in accordance with the County Council's Petition Scheme.

For Decision

1. Introduction

(1) In accordance with the Petition Scheme agreed at the County Council on 13 September 2012, any petition on a County Council matter that has more than 10,000 signatures will trigger a debate at County Council.

(2) The process for the debate on each petition is that the Lead Petitioner(s) will be invited to speak to the petition for up to 5 minutes. There will then be a debate of up to 35 minutes (with each Member speaking for up to 3 minutes) before the Cabinet Member for Environment & Transport is invited to respond for a maximum of 5 minutes at the end of the debate to advise the County Council how he intends to respond to the petitioners' concerns..

(3) As the subject matter of this petition relates to a matter that is the responsibility of the Council's Executive, the County Council may decide whether to make a recommendation to the relevant Cabinet Member to inform the decision-making process.

2. Petition –Right to Light

(1) A petition requesting “the council, following Kent County Council's decision to switch off 70,000 of Kent's street lights between the hours of 12am and 5:30 am, to reinstate our streetlights whilst more detailed consultation together with detailed risk assessments aided by professional bodies are carried out” has been received.

(2) The petition has attracted 11,065 signatures from Kent residents and therefore has triggered a County Council debate. A statement from the Lead Petitioner, Miss Tina Brooker is attached (**Appendix 1**). Miss Brooker will be attending the meeting and speaking to the petition.

3. Recommendation

The County Council is invited to respond to the Cabinet Member for Environment & Transport in respect of this petition, as appropriate.

Peter Sass
Head of Democratic Services
03000 416647

Background Documents: None

Petition wording

"We the undersigned petition the council to, following Kent County Council's decision to switch off 70,000 of Kent's street lights between the hours of 12am and 5:30 am, to reinstate our streetlights whilst more detailed consultation together with detailed risk assessments aided by professional bodies are carried out."

500 word statement from Miss Tina Brooker, Kent resident.

"Councillors

This journey started for me last April when I spoke to engineers as they fitted sensors to the streetlights in my road. Immediately concerned due to the isolated location and number of elderly, disabled and vulnerable people living here, I wrote to KCC including a signed petition asking them to return our street lighting. At the same time I set up a neighbourhood watch scheme to ease my neighbours concerns.

Around two weeks later, after lights out, one of my disabled neighbours had an attempted break in to her downstairs bedroom she was home alone and terrified she hid in her wardrobe for over three hours before she dare come out. Since that incident she has been taken to hospital by emergency ambulance on several occasions.

It was therefore a devastating blow to receive KCCs letter refusing our request and ending with "a minority will be a little inconvenienced". Feeling angry and let down for my neighbours I set up the Right to Light petition through my local council's website. It was around that time I became aware that the local Labour Party were also concerned about the impact this policy was having on people's lives so I enlisted their help.

I started door knocking and speaking to residents, various street stalls were set up in the town centre, which I attended. I was amazed at the strength of feeling over this issue and nearly every person wanted their streetlights restored, not one person was aware that it was going to happen.

The Right to Light petition accumulated 2,221 signatures, a local council debate was held at which I presented the people's petition. This was the first time I had carried out public speaking, I was terrified. When the motion was carried I was elated, I truly, believed my Town would now get its streetlights back.

To my dismay KCC again refused.

This led to me setting up the Right to Light Countywide petition. I worked tirelessly through social media. I gained the support of the Kent Messenger/Kentonline and the Suzy Lamplugh Trust. I also appeared on BBC Radio Kent on a couple of occasions to raise awareness of the campaign and the petition.

I have found myself talking to people throughout Kent, both online and over the telephone. It has been an amazing experience and I have learned so much. The most valuable lesson I have learned is how to listen to people and find out what matters to them in their lives, and unsurprisingly it appears their number 1 priority is their family's safety and wellbeing.

I hope this helps you to understand why I will be standing before you at the next council meeting and why this issue is so vitally important.

Please I ask that you be considerate to people's feelings, many will be watching this meeting via webcam. This is NOT a political football, this is about people's personal safety and wellbeing. What you think or feel is IRRELEVANT, please learn, like I did, to listen.

Real people's lives, real people's concerns, 11,065 reasons to listen.”

Miss Tina Brooker