

**POLICY AND RESOURCES CABINET COMMITTEE**

**Wednesday, 22nd April, 2015**

**10.00 am**

**Darent Room, Sessions House, County Hall, Maidstone**







## AGENDA

### POLICY AND RESOURCES CABINET COMMITTEE

**Wednesday, 22 April 2015, at 10.00 am**  
**Darent Room, Sessions House, County**  
**Hall, Maidstone**

Ask for: **Ann Hunter**  
Telephone: **03000 416287**

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

#### **Membership (14)**

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

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

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

Liberal Democrat (1): Mrs T Dean, MBE

#### **Webcasting Notice**

Please note: this meeting may be filmed for the live or subsequent broadcast via the Council's internet site or by any member of the public or press present. The Chairman will confirm if all or part of the meeting is to be filmed by the Council.

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

#### **UNRESTRICTED ITEMS**

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

#### **A - Committee Business**

A1 Introduction/Webcast announcement

- A2 Apologies and Substitutes  
To receive apologies for absence and notification of any substitutes present
- A3 Declarations of Interest by Members in items on the Agenda  
To receive any declarations of interest made by Members in relation to any matter on the agenda. Members are reminded to specify the agenda item number to which it refers and the nature of the interest being declared.
- A4 Minutes of the meeting held on 16 January 2015 (Pages 7 - 14)  
To consider and approve the minutes as a correct record.
- A5 Work Programme (Pages 15 - 18)  
To consider and agree the work programme for 2015

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

- B1 Renewal Of Microsoft Enterprise Agreements (Pages 19 - 22)  
To consider and endorse or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision to delegate to the Director of Infrastructure, the renewal of the Microsoft Enterprise Agreements, including the necessary contractual negotiations and enter into any subsequent necessary legal agreements

**C - Monitoring of Performance**

- C1 Performance Dashboard (Pages 23 - 36)  
To receive a report showing progress made against targets set for Key Performance Indicators
- C2 Financial Monitoring 2014-2015 (Pages 37 - 40)  
To receive a report setting out the third quarter's full budget monitoring report for 2014-15 reported to Cabinet on 23 March 2015 and short update for current monitoring position to be reported to Cabinet on 27 April 2015
- C3 Transformation Update - Verbal Update  
To receive a verbal update from the Director of Transformation and Commercial Services

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

- D1 Strategic and Corporate Services Directorate Business Plan (2015-2016) (Pages 41 - 118)  
To receive a report that outlines the draft Strategic and Corporate Services Directorate Business Plan (2015-16) for consideration and comment prior to publication online in May 2015

- D2 Risk Management - Strategic Risk Register (Pages 119 - 146)  
To receive a report that presents the strategic risks relating to the Strategic and Corporate Services Directorate, in addition to the risks featuring on the corporate risk register for which a Strategic and Corporate Services' Director is the designated 'Risk Owner'. The paper also explains the management process for review of key risks
- D3 Commercial Services Update (Pages 147 - 152)  
To receive a report outlining the changes to the governance and management structure of Commercial Services and its performance
- D4 Total Facilities Management - Contract Monitoring (Pages 153 - 158)  
To receive a report from the Cabinet Member for Corporate and Democratic Services on the Contract Management of the Total Facilities Management (TFM) Solution following the signing of the Mid Kent Contract with Amey, the West Kent Contract with Skanska, and the recent East Kent Contract with Kier
- D5 Legal Services' Evolution Efficiency Enterprise Update for Quarter 3 - 2014/15 (Pages 159 - 162)  
To receive a report that provides a further update on the extensive work continuing within Legal Services, as the *Evolution, Efficiency, Enterprise* project moves towards the end of its third and final year
- D6 Update on the Kent and Medway Armed Forces Community Covenant (Pages 163 - 184)  
To receive a report that provides an update on Community Covenant activity since the last report to the Committee in January 2014, including the implications for Kent of the Government's strategic changes to the armed forces and examples of initiatives undertaken to date

### **EXEMPT ITEMS**

*(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)*

Peter Sass  
Head of Democratic Services  
(01622) 694002

**Tuesday, 14 April 2015**

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## KENT COUNTY COUNCIL

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### POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Friday, 16 January 2015

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

ALSO PRESENT: Mr P B Carter, CBE, Mr G Cooke, Mr M C Dance, Mr R W Gough, Mr J D Simmonds, MBE and Mr B J Sweetland

IN ATTENDANCE: Mr P Bole (Director Information & Communication Technology), Mr J Burr (Director Highways, Transportation & Waste and Principal Director of Transformation), Ms O Crill (Transformation Manager), Mrs J Doherty (Business Transformation and Programme Manager), Mr D Farquharson (Interim Director of Property and Infrastructure Support), Mr R Hallett (Head of Business Intelligence), Mrs E Harrison (Economic Development Manager), Mrs Kendal (Head of Customer Services), Mr D Shipton (Head of Financial Strategy), Ms S Swaffer (FtC Property Programme Lead), Mr H Swan (Head of Procurement), Mr D Whittle (Head of Policy and Strategic Relationships), Mr A Wood (Corporate Director Finance and Procurement) and Mrs A Hunter (Principal Democratic Services Officer)

### UNRESTRICTED ITEMS

**111. Apologies and Substitutes**  
(Item A2)

Apologies for absence were received from Miss Carey and Mr Davies. Mrs Crabtree and Mr Balfour attended as substitutes.

**112. Declarations of Interest by Members in items on the Agenda**  
(Item A3)

There were no declarations of interest.

**113. Minutes of the meeting held on 12 December 2014**  
(Item A4)

Resolved that the minutes of the meeting held on 12 December 2014 be approved as a correct record and signed by the Chairman.

**114. Minutes of the meeting of the Property Sub-Committee held on 10 December 2014**  
(Item A5)

Resolved that the minutes of the Property Sub-Committee held on 10 December 2014 be noted subject to an amendment to the list of attendees to include the name "Peter" before the word "Smith".

**115. Work Programme 2015**  
*(Item A6)*

- (1) The report set out details of the proposed work programme for 2015 and asked the Cabinet Committee to consider and agree the programme.
- (2) Resolved that the work programme for 2015 be agreed.

**116. Facing the Challenge Update Report on back office procurement and Legal Services Phase 1 reviews**  
*(Item B1)*

- (1) Mr Carter (Leader of the Council) introduced the report which provided information about the current direction of travel and followed information previously provided to the committee on Phase 1 reviews. He said that dialogue was underway with potential providers and this would ultimately lead to a decision to outsource or retain the services in-house.
- (2) John Burr (Director of Transformation) said the development and implementation of a strong intelligent client/ commissioning function was essential and was continuing. He also outlined the timeframes, key milestones and the points at which Members would be involved in the process.
- (3) In response to questions he confirmed that the nature of the vehicle to deliver back office services was still being discussed and urged Members to attend a training session about business models, partnerships and delivery vehicles on Tuesday 20 January.
- (4) Mr Carter said that a compelling business case would be set out and presented to Members when a decision was required and the decision arrived at would be in the best interests of the Council and of council tax payers.
- (5) Resolved that the project update in respect of individual service reviews be noted.

**117. Facing the Challenge - Property Future Service Delivery Model**  
*(Item B2)*

Following the Chairman's suggestion it was resolved that full consideration of the decision be deferred to Part 2 of the meeting.

**118. Appointment of a Strategic Transformation Partner**  
*(Item B3)*

- (1) Mr Carter (Leader of the Council) introduced the report which explained the rationale for appointing a Strategic Efficiency Transformation Partner, outlined the procurement approach and sought approval for appointing a provider. The



report asked the committee to consider and endorse, or make recommendations to Cabinet on the proposed decision.

- (2) Mrs O Crill (Transformation Manager) said that: partners would only be used where capacity and skills were not available in-house; and as part of the appointment process, bidders would be expected to demonstrate how the skills and abilities of KCC staff would be developed to reduce the need for external help in the future and to demonstrate how they would work on a risk and reward basis.
- (3) In response to questions she said that the exact price or programme to be delivered was not yet known and any work commissioned would be in proportion to the savings anticipated.
- (4) Mr Carter said that stages 2 and 3 of the transformation programme were already being considered and that real savings had already been made in Adult Social Care.
- (5) Resolved that the proposed decision be endorsed.

#### **119. Broadband Delivery UK Phase 2 Project**

*(Item B4)*

- (1) Mr Dance (Cabinet Member for Economic Development) and Mr Gough (Cabinet Member for Education and Health Reform) introduced the report which set out information about progress of the Broadband Delivery UK (BDUK) Phase 1 project across the county since it began in March 2013.
- (2) Mr Gough said it was essential to have a contract in place before the State Aid notification expired on 30 June 2015 and there was no guarantee the funding would be available following parliamentary elections in May 2015.
- (3) The report also asked the committee to consider and endorse, or make recommendations to the Cabinet Members on a proposed decision to enter into a contract to deliver the Kent and Medway BDUK Phase 2 project and to enter into a grant agreement with BDUK to draw down £5.6 million government funding, subject to Council approving match funding as part of the 2015-18 Capital Programme on 12 February 2015.
- (4) During the discussion that followed, it was suggested that KCC's role in providing broadband be publicised and questions were raised about the particular challenges relating to exchange only lines.
- (5) Mrs Dean said she was still waiting for a report on the Community Broadband Grant Scheme. Mrs Harrison (Economic Development Manager) undertook to follow this up.
- (6) Resolved that the decision be endorsed.

#### **120. Budget 2015/16 and Medium Term Financial Plan**

*(Item D1)*

- (1) Mr Simmonds, (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report. He said the effective reductions in the provisional settlement amounted to around 13% for 2015/16 and the outlook for the following years continued to look challenging. He said a Council Tax increase of 1.99% was essential to maintain services and that work would continue with district councils to maximise the tax base. He also said that for the first time the Council needed to use reserves at this early stage in the budget process and planned to draw down £10.7m. Using reserves would only delay the need for savings into subsequent years and was not a permanent solution.
- (2) Mr Simmonds referred to the overspend projected at the end of the first quarter of the current year, acknowledged the continuing pressures from the increase in waste tonnage and the higher than unexpected use of the young person's travel pass. He also said every effort had been made to preserve frontline services and to invest in early intervention, particularly in adults and children's services.
- (3) In response to questions about the deflationary impact of reductions in utility costs, Mr Shipton (Head of Financial Strategy) said the Medium Term Financial Plan set out where contracts were tied to specific indexation increases and these were shown separately from non-specific provision for prices on negotiated contracts. He also said that no inflationary increases had been allowed for transport contracts.
- (4) In response to a question about the use of agency staff, Mr Carter said he was pleased that The Times had published his letter which said that local government ought to be congratulated rather than condemned as it had experienced real cuts of 37% in funding since 2010/11 and had been innovative in order to balance the books and continue to deliver services. He said the newspaper had quoted figures from Essex, Birmingham and Kent and had amalgamated the figures for all years from 2010/11 onwards. He confirmed that the Council now employed fewer permanent staff and used agency staff appropriately to manage peaks in demand. He also acknowledged the particular issues relating to the use of agency staff in social services and said his letter was being circulated to Members.
- (5) In response to questions it was confirmed that: Cabinet would consider the impact of the reduction in inflation and the cost of oil and, if appropriate, the budget would be adjusted accordingly; some capital projects might be re-considered if the anticipated funding was not forthcoming; and an intelligent and conciliatory approach to rental charges for third sector organisations was in place.
- (6) Resolved that the draft Budget and MTFP (including responses to consultation and government announcements) be endorsed.

## **121. Welfare Reform Update**

*(Item D2)*

- (1) Mr Carter (Leader of the Council) introduced the report which provided an update on the indicators detailed in a report received by the Policy and

Resources Cabinet Committee on 17 January 2014 as well as the additional information that had been requested at that time.

- (2) Mr Carter said welfare reform had not resulted in significant migration from London to Kent and the economic recession had not been as deep as anticipated. He said disposable income had shrunk which made it more difficult for those living at or below poverty level. He said a number of possible reasons for the increase in the use of food banks (including delays to welfare payments) were set out in the report.
- (3) The report was welcomed by the committee and during discussion comments were made about the impact of delays in the payment of benefits as a result of the move from Disability Living Allowance to Personal Independence Payments which was resulting in hardship for claimants including those who were terminally ill. It was suggested that a letter be sent urging the government to expedite assessments and payments.
- (4) Members commented about the growth of food banks, the impact the benefits cap was having on families, particularly larger families, and the long term impact on the educational achievement, health, development of skills and the future employment of children living in poverty.
- (5) In response to comments about the impact of benefits reform on Thanet, Mr Carter said that over the last 10 years the Council had been supporting the regeneration of Thanet and this was now bearing fruit.
- (6) Mr Carter also confirmed that efforts were being made to encourage the parents of eligible children to register for free school meals and to encourage schools to use the pupil premium payments to benefit the most disadvantaged.
- (7) It was also confirmed that charges for telephone calls to the Council were no longer made.
- (8) Reference was made to the All-Party Parliamentary Inquiry's report into hunger in the UK published on 14 December 2014 and it was suggested that the Council should put arrangements in place to pay the living wage and to ensure this was built into procurement policies.
- (9) A question was also asked about the All-Party Parliamentary Inquiry's recommendation that a yellow card warning system before the imposition of sanctions on claimants be introduced.
- (10) Resolved that:
  - (a) The report be noted;
  - (b) An annual report on the impact of welfare reform be produced
  - (c) A letter be written urging the government to expedite assessments and payments relating to Personal Independence Payments.

**122. Draft KCC VCS Policy for Consultation**  
(Item D3)

- (1) David Whittle (Head of Policy and Strategic Relationships) said that Mr Hill, (Cabinet Member for Community Services) was unable to attend to present the report.
- (2) Mr Whittle and Judy Doherty (Business Transformation Programme Manager) introduced the report and said that the LGA Peer Challenge had recommended that KCC develop a voluntary and community sector (VCS) policy or strategy. The important role of the VCS was recognised and the draft policy aimed to describe its relationship with the Council and recognise the diversity of the sector. Subject to agreement of the committee a period of formal public consultation on the policy would begin.
- (3) In response to questions, officers said that the intention was to deepen the Council's understanding of the sector and, in particular, its finances and long term sustainability.
- (4) The importance of building a new relationship with the sector was recognised especially in light of the perception that the Council was only interested in a commissioning relationship and no grant funding would ever be available.
- (5) Resolved that the proposed public consultation on the draft policy be endorsed.

**123. KCC Customer Services Policy**  
*(Item D4)*

- (1) Mr Sweetland (Cabinet Member for Commercial and Traded Services) introduced the report which provided an update on the development of a Customer Services Policy, aligned to the development of KCC as a strategic commissioning authority. He encouraged Members to comment and make suggestions.
- (2) David Whittle (Head of Policy and Strategic Relationships) said it was important to have a statement of the standard approach to customer services to enable practices to be developed that met the standard while taking the varying needs of customers into account.
- (3) In response to questions, Mrs Kendal (Head of Customer Services) said the policy encouraged directorates to design services that met the needs of their customers and that increasing the opportunities to self-serve meant that resources could be re-directed to those customers who were not able to do so. She also said that disaster recovery plans were in place for face to face contact, telephony, ICT and other systems.
- (4) Resolved that the developments around the Customer Services Policy be noted.

**124. Information and Communications Technology Strategy**  
*(Item D5)*

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which included a strategy for the future use of technology

in support of council services, the proposed technology roadmap and a sourcing approach to achieve maximum return on investment. He said the strategy would deliver savings by using updated and readily available technology.

- (2) In response to a question, Mr Cooke gave assurances that this was an information strategy designed to support directorates to manage information and provide the services expected by residents.
- (3) Resolved that the proposed 2015-2018 Technology Strategy be endorsed.

## **125. Exclusion of the Press and Public**

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

## **126. Facing the Challenge - Property Future Service Delivery Model**

*(Item E1)*

*(Sara Waller, Director of Cornerstone Assets, who had been retained by Property and Infrastructure Support to advise on transformation and the development of the financial model for the local authority trading company, was in attendance for this item)*

- (1) Mr Cooke (Cabinet Member for Corporate and Democratic Services) introduced the report which set out details of a proposed decision to implement a Local Authority Trading Company (LATC) for the delivery of Property Services. He referred to an excellent presentation given by the Director of Property and Infrastructure Support to a meeting of the Policy and Resources Cabinet Committee on 10 July 2014 in which she had outlined much of the information contained within the report.
- (2) Mr Cooke said the proposal to establish a LATC for the delivery of property services had been developed following a structured review and analysis which concluded that this was the most viable option to deliver the required savings.
- (3) During discussion, questions were raised about governance arrangements, the nature of business opportunities to be pursued, the reasons for the establishment of a LATC, the possible establishment of subsidiary companies, the recruitment and retention of staff and the percentage of the LATC's activities undertaken for KCC.
- (4) Resolved to endorse the proposed decision to be taken by Cabinet that:
  - (a) In consultation with the S151 Officer, Monitoring Officer and subject to the comments of the Trading Activities Sub Committee (Governance and Audit) the County Council establishes a wholly owned Local Authority Trading Company to deliver its property service based on the principles outlined in the report. The Local Authority Trading Company to be established as soon as possible but trading would not commence

until the necessary resources, approvals and commissioning functions for KCC were in place.

- (b) Subject to the proposed decision set out in recommendation (a) being taken, authority be delegated to the Director of Property and Infrastructure Support, in discussion with the Cabinet Member, to put in place the necessary arrangements to facilitate the establishment of the Local Authority Trading Company.

From: Peter Sass, Head of Democratic Services  
To: Policy and Resources Cabinet Committee –22 April 2015  
Subject: **Work Programme 2015**

Classification: **Unrestricted**

**Past Pathway of Paper:** None

**Future Pathway of Paper:** Standard item

**Summary:** This report gives details of the proposed work programme for the Policy and Resources Cabinet Committee

**Recommendation:** The Policy and Resources Cabinet Committee is asked to consider and agree its work programme for 2015.

## **1. Introduction**

- 1.1 The proposed Work Programme has been compiled from items on the Forthcoming Executive Decision List; from actions arising from previous meetings, and from topics identified at agenda setting meetings, held 6 weeks before each Cabinet Committee meeting in accordance with the Constitution and attended by the Chairman, Vice-Chairman and group spokesmen.
- 1.2 Whilst the Chairman, in consultation with the Cabinet Members, is responsible for the final selection of items for the agenda, this item gives all Members of the Cabinet Committee the opportunity to suggest amendments and additional agenda items where appropriate.

## **2. Terms of Reference**

- 2.1 At its meeting held on 27 March 2014, the County Council agreed the following terms of reference for the Policy and Resources Cabinet Committee “To be responsible for those functions that fall within the Strategic and Corporate Services Directorate”.
- 2.2 Further terms of reference can be found in the Constitution at Appendix 2 Part 4 paragraph 21 and these should also inform the suggestions made by Members for appropriate matters for consideration.

## **3. Work Programme 2015**

- 3.1 An agenda setting meeting was held on 13 March at which items for this meeting’s agenda were agreed. The Cabinet Committee is requested to consider and note the items within the proposed Work Programme, set out in appendix A to this report, and to suggest any additional topics that they wish to considered for inclusion on the agenda of future meetings.

3.3 When selecting future items the Cabinet Committee should give consideration to the contents of performance monitoring reports. Any 'for information' or briefing items will be sent to Members of the Cabinet Committee separately to the agenda or separate member briefings will be arranged where appropriate.

#### 4. Conclusion

4.1 It is important for the Cabinet Committee process that the Committee takes ownership of its work programme to help the Cabinet Members to deliver informed and considered decisions. A regular report will be submitted to each meeting of the Cabinet Committee to give updates on requested topics and to seek suggestions for future items to be considered. This does not preclude Members making requests to the Chairman or the Democratic Services Officer between meetings for consideration.

5. **Recommendation:** The Policy and Resources Cabinet Committee is asked to consider and agree its work programme for 2015.

#### 6. Background Documents

None.

#### 7. Contact details

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**WORK PROGRAMME –2015**  
**Policy and Resources Cabinet Committee**

<b>Agenda Section</b>	<b>Items</b>
<b>1 July 2015</b>	
<b>A- Committee Business</b>	<ul style="list-style-type: none"> <li>• <b>Work Programme</b></li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	<ul style="list-style-type: none"> <li>• Transformation update</li> <li>• <b>Customer Services Policy (including consultation results and feedback prior to decision)</b></li> </ul>
<b>C - Performance Monitoring</b>	<ul style="list-style-type: none"> <li>• Performance Dashboards</li> <li>• Financial Monitoring</li> <li>• Evolution Efficiency Enterprise – End of Project report</li> <li>• Update on delivery of Managed Print Services contract (6-monthly updated requested at P&amp;R Cabinet Committee on 19 Sept 2014 and deferred from April meeting due to pressure on agenda)</li> </ul>
<b>D - Other Items for comment/ recommendation</b>	<ul style="list-style-type: none"> <li>• Spending Review/Emergency Budget for 2016/17 (depends on date of Government announcement and therefore this item may be put back to September)</li> <li>• Partnership Policy</li> </ul>
<b>10 September 2015</b>	
<b>A- Committee Business</b>	<ul style="list-style-type: none"> <li>• <b>Work Programme</b></li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	<ul style="list-style-type: none"> <li>• Transformation update</li> <li>• <b>Voluntary and Community Sector Policy – results of consultation</b></li> </ul>
<b>C - Performance Monitoring</b>	<ul style="list-style-type: none"> <li>• Performance Dashboards</li> <li>• Financial Monitoring</li> <li>• <b>Work programme</b></li> </ul>
<b>D - Other Items for comment/ recommendation</b>	
<b>11 December 2015</b>	
<b>A Committee Business</b>	<ul style="list-style-type: none"> <li>• <b>Work programme</b></li> </ul>
<b>B - Key or Significant Decisions for Recommendation or Endorsement</b>	<ul style="list-style-type: none"> <li>• Transformation update</li> </ul>
<b>C - Performance Monitoring</b>	<ul style="list-style-type: none"> <li>• Performance Dashboards</li> <li>• Financial Monitoring</li> <li>• Facilities Management Contract Monitoring</li> <li>• Annual Equalities Report</li> </ul>
<b>D - Other Items for comment/ recommendation</b>	<ul style="list-style-type: none"> <li>• <b>Business Planning 2016/15</b></li> </ul>

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From: **David Cockburn, Corporate Director, Strategic & Corporate Services and Head of Paid Service**

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

To: **Policy and Resources Cabinet Committee**

**22 April 2015**

Subject: **Renewal Of Microsoft Enterprise Agreements**

Classification: **Unrestricted**

**Past Pathway of Paper:** None

**Future Pathway of Paper:** Cabinet Member Key Decision

**Electoral Division:** Not applicable

Summary: This paper explains the context for the renewal of the Microsoft Enterprise Agreements which will allow the Council to continue to deliver its current services.

### **Recommendation**

The **Policy & Resources Cabinet Committee** is asked to consider and endorse or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision to delegate to the Director of Infrastructure, the renewal of the Microsoft Enterprise Agreements, including the necessary contractual negotiations and enter into any subsequent necessary legal agreements.

## **1. Introduction**

1.1 This report outlines the context for the renewal of the Microsoft Enterprise Agreements, including the expected financial implications.

## **2. Financial Implications**

2.1 The decision to renew the Microsoft Enterprise Agreement commits the Council to spend approximately £1million per year for 3 years on Microsoft licences.

2.2 The payments in years 2 and 3 are variable depending on Council usage of the Microsoft products at the end of years 1 and 2 respectively.

### **3. Bold Steps for Kent and Policy Framework**

3.1 This renewal allows the Council to continue to deliver its current services. Should the Council not renew this contract then there would be very significant disruption to the delivery of ICT services, and hence services to our Citizens would be severely affected.

### **4. The Report**

4.1 The Council uses a large amount of Microsoft technology, and KCC uses many Microsoft products to deliver key services to the Council staff and Members. The Council does not own these products nor have perpetual licences to use them, rather KCC pays an annual subscription fee for them based on number of users, number of devices or other relevant parameters appropriate for the software being licensed. The existing contract expires on 30<sup>th</sup> June 2015; hence a new contract is required from 1<sup>st</sup> July 2015 to allow continued use of the software.

Among the software covered by this agreement are: Microsoft Office (Word, Excel, Powerpoint etc.), Exchange and Outlook that provide our email service, right to use Windows software on our desktops and laptops including encryption and other software. The licenses cover about 11,000 staff and 10,000 plus user devices (laptops and desktops).

The Council subscribes to Microsoft products via a 3 year contract known as an Enterprise Agreement. This contract is purchased within the context of an agreement between Central Government and Microsoft; from 1st July 2015 this will be the Cloud Transition Agreement. The Contract is purchased via a competitive tender process from a Large Account Reseller, (LAR). To obtain the likely cost of the new agreement indicative prices have been provided by Bytes Software , who hold the current Enterprise Agreement contract, and SCC who hold another Microsoft contract with us.

It should be noted that the public sector enjoys a substantial discount, relative to the private sector, when purchasing Microsoft software. Although this is referred to as a single agreement it is in fact 2 agreements jointly procured. Staff deemed to support educational activities are entitled to a separate and greatly reduced pricing structure compared to other staff, hence we hold one agreement for educational based pricing and one for other Council staff.

The new Enterprise Agreement contract will be for 3 years and involves an annual payment based on product usage. At the start of the contract the Council specifies its expected use for year 1 and makes the appropriate payment, at the end of year 1 we “true up/down” and make a payment for year 2 and so on for year 3.

4.2 Costs: In order to determine the cost of the new contract KCC approached two LARs who hold existing contracts with KCC for the provision of Microsoft products. We asked for indicative pricing, based on the new Cloud Transition

Agreement for the products we currently use, at our current level of usage. There has been an increase in price for the various products since the last contract was let in 2012. On a pure like for like basis the costs have increased from about £735k per year to about an anticipated £814k per year. As the Council has also moved to push some of its services from in house to cloud provision this has increased the project cost to £1,031k per year, balanced against capital savings for in house service provision.

4.3 Use of Microsoft software is deeply embedded in the Council and for the purpose of this renewal no other options were considered. It would be possible to migrate away from Microsoft to another vendor such as Google for some elements of our software usage. This would be a substantial undertaking and would have to be addressed as a major change initiative.

4.4 There are no legal or equalities implications

4.5 There are no property implications in renewing the Microsoft Enterprise Agreement

## 5. Conclusions

The Council makes significant use of Microsoft software for the efficient delivery of many of its services. The existing contract for supply of this software expires on 30<sup>th</sup> June 2015. This software is most economically replaced via a new Enterprise Agreement contract in the context of the Microsoft/Central Government Cloud Transition Agreement.

## 6. Recommendation(s)

### Recommendation(s):

The **Policy & Resources Cabinet Committee** is asked to consider and endorse or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision to delegate to the Director of Infrastructure, the renewal of the Microsoft Enterprise Agreements, including the necessary contractual negotiations and enter into any subsequent necessary legal agreements.

## 7. Background Documents

7.1 There are no further background documents

## 8. Contact details

Report Author

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Relevant Directors:

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- Rebecca Spore, Director of Infrastructure
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- Rebecca.spore@kent.gov.uk

From: Gary Cooke, Cabinet Member for Corporate and Democratic Services  
John Simmonds, Cabinet Member for Finance and Procurement  
Bryan Sweetland, Cabinet Member for Commercial and Traded Services  
David Cockburn, Corporate Director for Strategic and Corporate Services

To: Policy and Resources Cabinet Committee – 22 April 2015

Subject: Strategic and Corporate Services Directorate Dashboard

Classification: Unrestricted

**Summary:**

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

**Recommendation(s):**

The Policy and Resources Cabinet Committee is asked to NOTE the report.

**1. Introduction**

- 1.1. Part of the role of Cabinet Committees is to review the performance of the functions of the Council that fall within the remit of the Committee.
- 1.2. To support this role Performance Dashboards are regularly reported to each Cabinet Committee throughout the year.

**2. Directorate Dashboard**

- 2.1. The Strategic and Corporate Services Performance Dashboard is attached at Appendix 1.
- 2.2. The Dashboard includes results up to the end of February 2015 (unless otherwise stated) for the Key Performance Indicators (KPIs) included in this year's Strategic Priority Statement.
- 2.3. The Dashboard includes thirty (30) KPIs.
- 2.4. The Dashboard also includes a range of activity indicators which help give context to the Key Performance Indicators.

- 2.5. Key Performance Indicators are presented with RAG (Red/Amber/Green) alerts to show progress against targets. Details of how the alerts are generated are outlined in the Guidance Notes, included with the Dashboard in Appendix 1.
- 2.6. Within the report, of the 30 KPIs included, current performance is Green for twenty-three indicators, Amber for six indicators and Red for one indicator.
- 2.7. Commentary is provided within the Dashboard for indicators where appropriate.
- 2.8. The net Direction of Travel for the latest results was positive for fourteen KPIs, stable for ten (with six of these at 100%) and there were six indicators showing lower results.
- 2.9. There are three indicators which are showing Red on a year to date basis, but all have shown improvement and are Green or Amber for current performance, demonstrating that management action has been effective in these areas.

### **3. Recommendation(s):**

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

## **4. Background Documents**

The Strategic and Corporate Services Strategic Priority Statement

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

## **5. Contact details**

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# **Strategic and Corporate Services Performance Dashboard**

## **Financial Year 2014/15**

### **Results up to February 2015**

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**Produced by Business Intelligence**

**Publication Date: 1 April 2015**



## Guidance Notes

### Key Performance Indicators

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

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

### RAG Ratings

<b>GREEN</b>	Performance has met or exceeded the current target
<b>AMBER</b>	Performance at acceptable levels, below the target but above the floor standard
<b>RED</b>	Performance is below the floor standard

### DoT (Direction of Travel) Alerts

↑	Performance has improved in the latest month
↓	Performance has fallen in the latest month
↔	Performance is unchanged this month

### Activity Indicators

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

Many Activity Indicators did not have expected levels stated in the Strategic Priority Statements, and are shown in the report to provide context for the Key Performance Indicators. In such cases the activity indicators are simply shown with comparison to activity for the previous year.

Service Area	Director	Cabinet Member
Customer Service and Contact	Amanda Beer	Bryan Sweetland

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

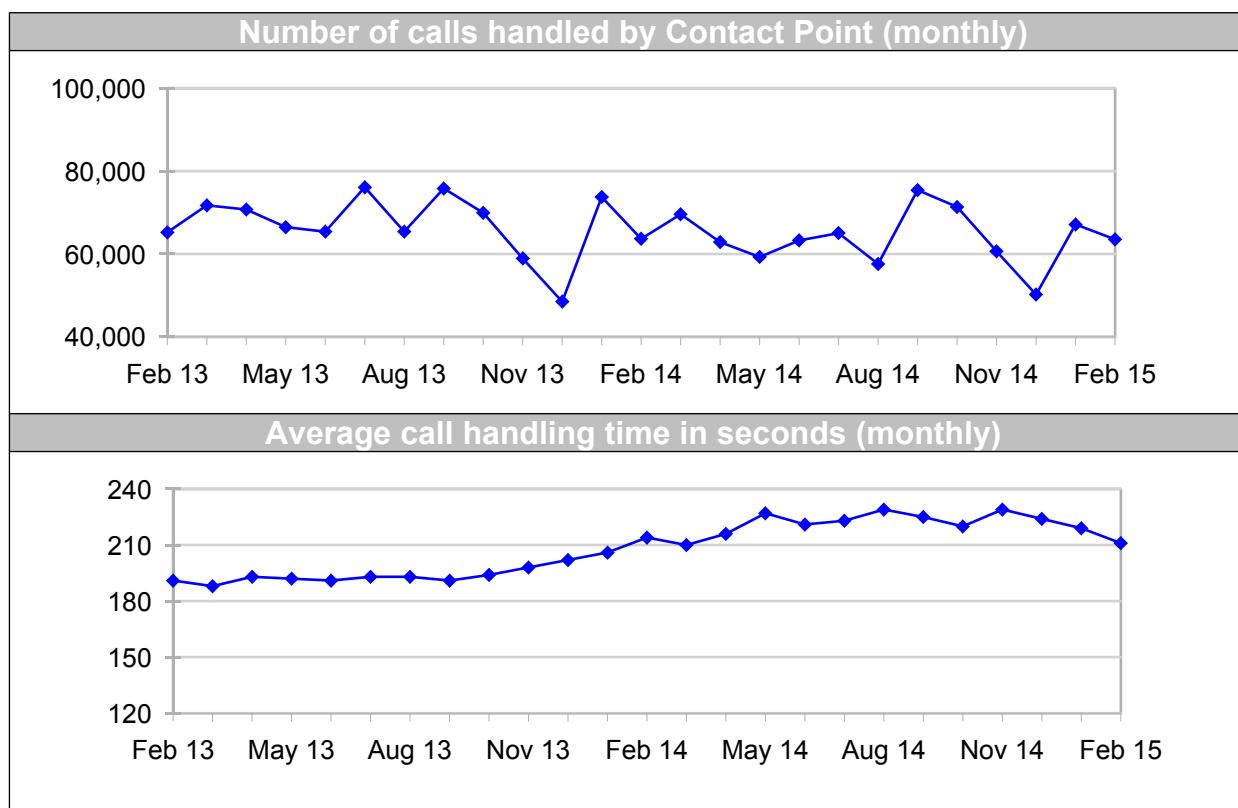
Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CR01	Percentage of callers who rate the advisors in Contact Point as good	97%	GREEN	↔	97%	GREEN	95%	90%	New Indicator
CR02	Percentage of callers who rate their overall experience with KCC as good	74%	AMBER	↑	72%	AMBER	80%	70%	New Indicator
CR03	Percentage of customers using Gateway who rated the experience as good	76%	GREEN	↔	75%	GREEN	70%	65%	68%
CR04	Percentage of calls to Contact Point answered	97%	GREEN	↔	89%	AMBER	90%	85%	97%
CR05	Percentage of calls to Contact Point answered in 40 seconds	88%	GREEN	↑	66%	RED	80%	70%	New Indicator

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With new staff recruited and trained earlier in the year, performance for call answering within Contact Point is now much improved.

Service Area	Director	Cabinet Member
Customer Service and Contact	Amanda Beer	Bryan Sweetland

Ref	Indicator description	Year to date	In expected range	Expected Activity		Prev. yr YTD
				Upper	Lower	
CR08	Number of calls handled by Contact Point (000s)	696	Yes	751	652	735
CR09	Average call handling time (in seconds)	222	Yes	222	190	197



Service Area	Director	Cabinet Member
Media and Public Relations	Amanda Beer	Bryan Sweetland

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

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CE02	The percentage of regional media coverage which is positive or neutral	67%	RED	↓	89%	GREEN	80%	70%	85%

February was the first month of the year where media coverage had less positive content than we would like to see. Issues included the Budget, Streetlights, Potholes, Adult Social Care client contributions, school closures and Operation Stack.

Page 29 The new exit survey for the web-site has been deployed which focuses on whether customers achieved the aim of their visit for key tasks, and how satisfied they were. There were 1,186 responses to the survey in February and the results show that 78% achieved the aim of their visit, 62% said they found the site easy to use, 64% were satisfied with their visit, with 73% confirming they would positively use the site again.

### Activity Indicators

Ref	Indicator description	Year to date	In expected range	Expected Activity		Prev. Yr YTD
				Upper	Lower	
CE03	Positive mentions in the national media reflecting KCC priorities	1,010		This indicator now includes closer monitoring of social media, so results are not directly comparable with past trend.		
CE04	Number of visits to the KCC website, kent.gov (000s)	4,251	Low	5,266	4,534	4,751

The number of web site visits this year are below last year and below our original expectations. This is a result of introducing the new web-site platform and design in April 2014, which is proving to be easier to use for residents, including finding the information they are looking for first time, meaning they do not need to make repeat visits and repeat searches for the same inquiry.

Service Area	Director	Cabinet Member
Customer Service and Contact	Amanda Beer	Bryan Sweetland

Results up to December 2014

Complaints are responded to by each service Division of the Council directly and the figures presented here are for the overall responses across the Council. Figures are reported by quarter.

Ref	Indicator description	Latest Quarter	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CR06	Percentage of complaints acknowledged within timescale	98%	GREEN	↑	92%	GREEN	90%	85%	97%
CR07	Percentage of complaints responded to within timescales	85%	GREEN	↑	84%	AMBER	85%	80%	83%

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### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Number of complaints responded to	2,334	1,769

Of the complaints received in the quarter, 263 (40% of total) were for Highways and Transportation, although this was less than the previous two quarters. There was an overall reduction across the council.

Division	Director	Cabinet Member
Finance	Andy Wood	John Simmonds

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

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
FP01	Pension correspondence processed within 15 working days	99%	GREEN	↔	98%	GREEN	98%	95%	98%
FP02	Retirement benefits paid within 20 working days of all paperwork received	99%	GREEN	↓	99%	GREEN	98%	95%	100%
FP03	Invoices received by Accounts Payable within 20 days of KCC received date	80%	AMBER	↑	82%	AMBER	90%	80%	82%
FP04	Invoices received on time by Accounts Payable processed within 20 days	98%	GREEN	↑	95%	GREEN	85%	75%	91%
FP05	Percentage of sundry debt due to KCC outstanding under 60 days old	82%	GREEN	↓	Snapshot data		75%	57%	77%
FP06	Percentage of sundry debt due to KCC outstanding over 6 months old	6%	GREEN	↓	Snapshot data		10%	15%	9%

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### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Pension correspondence processed	3,098	1,340
	Retirement benefits paid	1,784	1,843
	Number of invoices paid by KCC	147,780	165,625
	Value of debt due to KCC	£16.4m	£46.4m

Division	Director	Cabinet Member
Governance and Law	Geoff Wild	Gary Cooke

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

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
GL01	Council and Committee papers published at least five clear days before meetings	100%	GREEN	↔	100%	GREEN	100%	96%	98%
GL02	Freedom of Information Act requests completed within 20 working days	93%	GREEN	↑	91%	GREEN	90%	85%	96%
GL03	Data Protection Act Subject Access requests completed within 40 calendar days	86%	AMBER	↑	79%	RED	90%	85%	76%

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GL03 – Performance so far this year is ahead of last year and this is being driven by a challenging target.

### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Committee meetings	129	123
	Freedom of Information requests	2,083	1,905
	Data Protection Act Subject Access requests	285	247

Last financial year, KCC processed 2,115 Freedom of Information Requests.



<b>Division</b>	<b>Director</b>	<b>Cabinet Member</b>
<b>Human Resources</b>	<b>Amanda Beer</b>	<b>Gary Cooke</b>

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

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
HR01	Satisfaction with the resolution of people-management cases rated Good or above	100%	GREEN	↔	99%	GREEN	90%	80%	95%
HR02	Manager satisfaction with learning outcomes rated 4 or above	88%	AMBER	↑	86%	AMBER	90%	80%	New Indicator
HR03	Overall satisfaction with HR Connect rated as Good or above	97%	GREEN	↓	96%	GREEN	75%	65%	New Indicator
HR04	Satisfaction with the response to H&S Advice Line enquiries rated Good or above	100%	GREEN	↔	100%	GREEN	80%	70%	New Indicator
HR07	Satisfaction that Support Line counselling helped 'somewhat' or 'a great deal'	100%	GREEN	↔	98%	GREEN	80%	75%	New Indicator

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HR02 - Data is up to October only for this indicator.

### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Feedback responses provided on people management cases	205	215
	Feedback responses provided by managers on training	1,349	N/a
	Feedback responses provided on HR Connect	2,267	N/a
	Feedback responses provided for Health and Safety advice line	580	N/a
	Feedback responses provided on Support Line	244	N/a

Division	Director	Cabinet Member
ICT	Rebecca Spore	Gary Cooke

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

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
ICT01	Calls to ICT Help Desk resolved at the First point of contact	75%	GREEN	↑	72%	GREEN	70%	65%	72%
ICT02	Positive feedback rating with the ICT help desk	99%	GREEN	↑	99%	GREEN	95%	90%	98%
ICT03	Working hours where Kent Public Sector Network is available to staff	100%	GREEN	↔	99.9%	GREEN	99.8%	99%	100%
ICT04	Working hours where ICT Service available to staff	98%	AMBER	↓	99.6%	GREEN	99%	98%	99.7%
ICT05	Working hours where Email are available to staff	100%	GREEN	↔	100%	GREEN	99%	98%	100%

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### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Calls to ICT Help Desk	66,896	71,232
	Feedback responses provided for ICT Help Desk	7,085	8,986

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

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

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
PI01	Percentage of rent due to KCC outstanding at 60 days	10%	AMBER	↑	Snapshot data		5%	15%	0.3%
PI02	Property Service Desk call out requests responded to within specified timescales	98%	GREEN	↑	80%	RED	95%	90%	98%

PI01 - Additional resource has been made available for debt recovery following the return of a member of staff from secondment.

PI02 - Data is up to December 2014 and currently only includes calls logged through Contact Point. The new FM Helpdesk from Amey and Skanska are not currently included.

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### Annual Indicators

Ref	Indicator	Year End	RAG	DoT	Target	Floor Standard	Previous Forecast
PI03	Percentage of annual net capital receipts target achieved	138%	GREEN	↑	100%	90%	91%

PI03 – The original budget book requirement was £32m but this has been reduced to £14.6m following re-phasing of various projects, with £6.9m so far banked and £13.2m with contracts exchanged (as at and of March).

### Activity Indicators

Ref	Indicator description	Year to date	Prev. yr YTD
	Total rent outstanding	£314k	£1,802k
	Number of service desk requests responded to	2,266	1,844

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From: **John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement**  
**Gary Cooke, Cabinet Member for Corporate & Democratic Services**  
**Bryan Sweetland, Cabinet Member for Commercial & Traded Services**  
**David Cockburn, Corporate Director for Strategic & Corporate Services**

To: **Policy & Resources Cabinet Committee – 22 April 2015**

Subject: **Financial Monitoring 2014-15**

Classification: **Unrestricted**

Past Pathway: **Cabinet 23 March 2015**

**Summary:**

The Cabinet Committee is asked to note the third quarter's full budget monitoring report for 2014-15 reported to Cabinet on 23 March 2015 and short update for current monitoring position to be reported to Cabinet on 27<sup>th</sup> April 2015.

**Recommendation(s):**

**The Policy & Resources Cabinet Committee** is asked to note the revenue and capital forecast variances from budget for 2014-15 that are within the remit of this Cabinet Committee, based on the third quarter's full monitoring to Cabinet.

**1. Introduction:**

1.1 This is a regular report to this Committee on the forecast outturn.

**2. Background:**

2.1 A detailed quarterly monitoring report is presented to Cabinet, usually in September, December and March and a draft final outturn report in either June or July. These reports outline the full financial position for each directorate together with key activity indicators and will be reported to Cabinet Committees after they have been considered by Cabinet. These quarterly reports also include financial health indicators, prudential indicators, the impact on revenue reserves of the current monitoring position and staffing numbers by directorate. In the intervening months a shorter report is made to Cabinet outlining the financial position for each directorate. To view the third quarter's monitoring report for 2014-15, select the link below and then click item 5 on the agenda, scrolling down to Annex 6:

<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=115&MId=5794&Ver=4>

*(Please press down the control button and click on the link above, which will open the report)*

- 2.2 Although the full Cabinet report is provided, each Cabinet Committee only needs to consider the items that are within its remit. For Policy & Resources Cabinet Committee, these items are contained within annex 6 of the Cabinet report.
- 2.4 The 3<sup>rd</sup> Quarter's report is the last one to be reported to Cabinet prior to this Cabinet Committee and continues to show an improving position for the Strategic & Corporate Services Directorate in comparison to the Quarter 2 figures reported to this Committee's meeting on 12<sup>th</sup> December 2014. The Directorate now forecasts a -£1.1m underspend for Quarter 3.

Annex 6 shows the underlying pressures within the Contact Centre and Community Engagement Service, remain. Legal Services and the Asset Rationalisation savings shown against Property Group are showing small improvements this quarter. The overall Directorate position and forecast outturn for all other Divisions within the Directorate, shows improvement. Gateways Delivery, Policy and Business Intelligence have increased underspends of up to -£100k whilst Finance and Procurement improved their underspend by -£200k primarily due to taking management action to reduce spending on specialist fees. Local Healthwatch & NHS Complaints Advocacy are now reporting an underspend of -£276k due to a reduction in the number of Healthwatch business cases presented to KCC for funding in the current year.

The very latest January position which will go to Cabinet on 27<sup>th</sup> April 2015 suggests a further improvement in position following continuing management action and also highlights the roll-forward requests which will be presented to Members at outturn. A copy of Annex 6 of the the January report will be provided to Members of this Committee after the release of papers to Cabinet on 17<sup>th</sup> April.

- 2.5 As the Policy & Resources Cabinet Committee has overview of the whole Authority, Members of the Committee are asked to note the improving overall revenue position in comparison to the Quarter 2 figures reported to this Committee's meeting on 12<sup>th</sup> December 2014. The net projected variance against the combined directorate revenue budgets is an underspend of -£5.482m, before management action, but management action is expected to better the position to an underspend of -£6.071m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2015-16 to fulfil our legal obligations, which changes the position to an underspend of -£5.730m. There is also some significant underspending within the forecast, which we would ideally like to roll forward in order to continue with these initiatives in 2015-16 but these will be subject to Cabinet approval in July, in view of the overall outturn position and the pressures facing the authority over the medium term. If we allow for this, then this changes the position to an underlying underspend of -£3.062m.

- 2.6 This improved position is very encouraging, especially taking into account that this forecast now reflects further estimated pressures relating to two of the previously reported main risk areas of Young Person's Travel Pass and delivery of the adult social care transformation savings. With regard to the third risk area of waste tonnage, waste volumes for November and December are below the affordable levels for the first time this financial year, which is an encouraging sign and may suggest that the trend is starting to fall more in line with expectations. However, waste volumes remain volatile and the delivery of the

remaining proposed management action is by no means certain, therefore despite this further movement in the right direction this month, we must not be complacent. Considering the further substantial budget savings included in the recently approved 2015-16 budget and significant future funding cuts expected, it is essential that we enter 2015-16 with as big an underspend as is possible. We must therefore still ensure that pressure continues to be applied to resist spending wherever possible without compromising our customers or the services that they receive.

- 2.7 Please note that the latest monitoring report which will be reported to Cabinet on 27<sup>th</sup> April suggests that there has been a continued improvement to the Council's overall position.

### 3. Recommendation(s):

**The Policy & Resources Cabinet Committee** is asked to note the revenue and capital forecast variances from budget for 2014-15 that are within the remit of this Cabinet Committee, together with the overall forecast overspending position for the authority, based on the third quarter's full monitoring to Cabinet.

### 4. Contact details

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**From:** Paul Carter, Leader of the Council

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

Gary Cooke, Cabinet Member, Corporate & Democratic Services

Bryan Sweetland, Cabinet Member, Commercial & Traded Services

David Cockburn, Corporate Director, Strategic and Corporate Services

**To:** Policy & Resources Cabinet Committee – 22<sup>nd</sup> April 2015

**Subject:** Strategic & Corporate Services Directorate Business Plan (2015-16)

**Classification:** Unrestricted

**Summary:** This report outlines the draft Strategic & Corporate Services Directorate Business Plan (2015-16) for consideration and comment, prior to publication online in May 2015.

**Recommendations:**

The Cabinet Committee is asked to:

- (1) **Consider and comment** on the draft Strategic & Corporate Services Directorate Business Plan (2015-16).
- (2) **Note** the final Directorate Business Plan will be published online in May 2015.

**1. Introduction**

- 1.1 The Strategy, Policy, Relationships & Corporate Assurance division is responsible for coordinating the annual business planning process. In December 2014, the Policy & Resources Cabinet Committee agreed the business planning approach for 2015-16, which focused on developing Directorate Business Plans.
- 1.2 Directorate Business Plans play an important part in reflecting how each directorate will support the achievement of the County Council's new five year Strategic Statement "*Increasing Opportunities, Improving Outcomes*".
- 1.3 Cabinet Members, Corporate Directors and Directorate Management teams have taken strong ownership of the development of draft Directorate Business Plans, with appropriate support from the policy team.

1.4 The Policy & Resources Cabinet Committee is asked to consider and comment on the draft Strategic & Corporate Services Directorate Business Plan set out in **Appendix 1**. Wherever possible, this feedback will be used to help inform the final version of the Directorate Business Plan, which will be published online in May 2015.

## **2. Business Planning Process 2015-16**

- 2.1 The focus on Directorate Business Plans has freed up capacity and allowed the organisation to focus on creating more strategic business plans which reflect the County Council's new Strategic Statement "*Increasing Opportunities, Improving Outcomes*" and set the context for transformational change in each directorate as a result of the 'Facing the Challenge' programme.
- 2.2 Below directorate level, there is no prescriptive corporate approach for business planning, which gives services the freedom to design business plans in a way which best suits the needs of their business. However, all business plans and individual action plans should have a 'golden thread' to the Strategic Statement, and reflect how each part of the organisation is contributing to improving outcomes.
- 2.3 Kent County Council is moving towards becoming a strategic commissioning authority, and the business plans increasingly need to reflect this change. To support this, the Policy & Resources Cabinet Committee agreed a series of additional information to be included in the 2015-16 plans.
- 2.4 This was designed to encourage the organisation to become more forward looking (beyond the annual business planning cycle), and to support the Commissioning Advisory Board and Cabinet Committees to inform their agenda setting and pre-scrutiny role, by highlighting major forthcoming expected activity they may wish to explore in more detail.
- 2.5 The additional information includes:
- **a directorate commitment on social value** – a priority identified by members in KCC's '*Commissioning Framework*'.
  - **which services in the directorate are delivered internally (in-house) or externally** (commissioned services over £1m, including details of the external provider, contract length and contract value).
  - **major expected forthcoming activity** (service redesign and commissioning activity over £1m that requires a key decision, as far as can be anticipated over the next three years).
  - **identification of where any Directorate is putting in place a Service Level Agreement (SLA) with new KCC delivery vehicles such as a Local Authority Trading Company** (which will have their own business planning process appropriate to the needs of the business, as is currently the case with Commercial Services).

### 3. Strategic & Corporate Services Directorate Business Plan

- 3.1 The draft Strategic & Corporate Services Directorate Business Plan is set out in **Appendix 1**.
- 3.2 Whilst it is a forward looking document, it reflects the current position of significant change within the directorate. Particularly as a result of the ongoing procurement processes for the services included as part of Phase 1 of the 'Facing the Challenge' reviews, and the changing shape of our services following Strategic & Corporate Services Directorate Restructure, approved by County Council in February 2015.
- 3.3 To ensure the business plan remains relevant and keeps pace with the level of change in the organisation, we will consider whether we need to update the content to reflect major service transformation decisions, once they are approved.
- 3.4 We welcome the opportunity for the Cabinet Committee to consider and comment on the draft content, and wherever possible we will reflect this feedback in the final version of the document.

### 4. Next Steps

- 4.1 The draft business plan will be updated and all four Directorate Business Plans will be shared at Cabinet Members Meeting in May 2015, prior to being published online on Kent.gov.
- 4.2 As with last year's process, divisional business plans will be made accessible in a single area of KNet. This allows sharing of good practice and provides members with the opportunity to see the detail of service delivery in areas of particular interest.
- 4.3 The Strategy, Policy, Relationships & Corporate Assurance division will then review the effectiveness of this year's business planning approach, in order to make iterative improvements for next year's process.

### 5. Recommendations

5.1 The Cabinet Committee is asked to:

(1) **Consider and comment** on the draft Strategic & Corporate Services Directorate Business Plan (2015-16).

(2) **Note** the final Directorate Business Plan will be published online in May 2015.

#### Appendices:

Appendix 1: Draft Strategic & Corporate Services Directorate Business Plan (2015-16)

**Background Documents:** None

**Author:**

David Whittle

Director of Strategy, Policy, Relationships & Corporate Assurance

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A large, stylized, light blue horse logo is positioned in the upper right quadrant of the page. The horse is depicted in profile, facing left, with its front legs raised in a rearing posture. The logo is composed of solid blue shapes, giving it a modern, graphic appearance. The background of the entire page is a solid, medium blue color.

# Strategic and Corporate Services Directorate

2015-2016  
Directorate Business Plan

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## Corporate Director's foreword

My role combines both responsibilities for the management and service delivery of the directorate, with organisation wide responsibilities to ensure we use our resources to best effect and discharge our duties to respond to changing needs, demands and pressures. This is becoming more critical and demanding with the significant level of transformation across the organisation.

*The core purpose of the directorate is supporting the political and managerial leadership to set the strategic direction for the organisation, as we become a Strategic Commissioning Authority.*

*Our focus is supporting our services, partners and providers to transform the way we deliver services, to improve outcomes for our customers, residents and communities.*

The challenges ahead are significant – sustained and increasing financial pressures, changing customer needs and demand, and substantial policy changes which have a direct impact on the services we provide to our customers.

We are reviewing many of our services as part of the Facing the Challenge programme, identifying options that could transform the way we deliver services to our customers. Despite unprecedented change, our core purpose and value remains, irrespective of our future delivery model.

Our 'Commissioning Framework' sets out how we will change the way we work to improve the consistency and quality of commissioning. Our 'Customer Service Policy' will put the customer at the heart of commissioning and service delivery. Our customer insight, intelligence and engagement functions will support this by improving the standard of commissioning across the organisation.

We need to evolve our business performance, intelligence and evaluation functions so they provide support and challenge to services on the impact of their commissioning processes. This is critical for delivering innovative service redesign, effective decision making and robust contract management.

A priority for the year ahead is to define our intelligent client functions so they can set the service strategy, specify what we want to deliver and robustly manage the relationship with our providers to support effective commissioning. This will enable our elected members to hold providers to account for improving outcomes for the people of Kent.

We are now in a position to accelerate the progress we have already made to transform the way we work. We are moving to an integrated approach, with a new shape for the directorate that is flexible and agile enough to respond to the rapidly changing needs of the organisation. The year ahead will be an exciting, fast moving and challenging time for the directorate as we play a leading role in transforming the way we deliver our business with pace and urgency.



David Cockburn, Corporate Director, Strategic & Corporate Services and Head of Paid Service

# Strategic & Corporate Services: At a Glance

The Strategic & Corporate Services Directorate role is to support the organisation to deliver frontline services effectively to Kent's 630,000 households and 1.5 million residents.

## Our Role

We undertake three distinct roles, which we deliver on behalf of the organisation:

- **Corporate Strategy** – providing Members and Chief Officers with support and information to set the overall strategic direction for the Council and to assure that the organisation is meeting its strategic priorities through ownership of the corporate policy, risk and performance frameworks.
- **Specialist commissioning support** – providing decision-makers and commissioners at the strategic and operational level with support which requires specialist skills or call off arrangements not embedded in commissioning (e.g. procurement, business analytics)
- **Corporate services** – providing quality corporate services to support the business needs of frontline services across the council, including:
  - Statutory responsibilities for the organisation
  - Internal control frameworks that support the effective running of the business
  - Performance management on behalf of the authority



## Engagement, Organisation Design & Development

### Corporate Director, Amanda Beer

We are responsible for employment practice and policy, organisational design and workforce development. We deliver the communications, customer and engagement functions for the authority.

Resources	
Customer Engagement:	£5,371,200
HR	£7,840,600
Net Cost 2015-16:	£13,211,800
FTE:	276.6

Divisional Priorities
Implementing the Customer Service Policy to raise standards across the authority and engage customers throughout the commissioning of services to better meet their changing needs
Continuing to improve performance in call handling and customer satisfaction in the Contact Centre
Delivering a more focused engagement approach to support staff through significant change

- We support 32,600 employees, of which 21,400 are part time/ sessional workers and 22,000 are managed by schools.
- We are working with around 1870 staff to support culture change to the way we do things.
- HR Connect receives 33,247 calls and 23,798 email enquiries a year, ensuring 68,984 contracts are paid through all payrolls.
- 83% of people are satisfied with their experience of using our website - 41% of people visit Kent.gov on their mobile phone or tablet – it is our most used customer channel.
- We manage over 1.1m calls to the Contact Centre and around 150,000 emails every year.

Did you know

## Finance & Procurement

### Corporate Director, Andy Wood

We manage the authority's financial resources in accordance with the council's financial regulations, setting a balanced budget and delivering the Medium Term Financial Plan savings.

Resources	
Net Cost 2015-16:	£10,219,500
FTE:	427.9

Divisional Priorities
Developing a balanced budget for 2016-17, which reflects the national Comprehensive Spending Review and Local Government Finance Settlement
Supporting budget managers to ensuring the Medium Term Financial Plan savings are delivered, providing regular Financial Monitoring reports to Cabinet Committees
Responding to the EU Procurement Directive changes to reduce burdens and maximise opportunities for local small and medium sized businesses and the voluntary sector in our procurement processes

- We manage the finances for the largest county council in England, with a revenue spend of around £1.8bn (including schools), and a capital spend of around £0.7bn over 3 years.
- We currently support 450 budget managers to manage the revenue budget of £916m.
- Our procurement team support 1777 I-procurement users, ensuring we keep an overview of our £1.1bn external expenditure.
- Each year £600m (55%) of KCC's external expenditure is spent with Kent based small and medium sized enterprises, of which approximately £100m (16%) is with the Voluntary Community and Social Enterprise (VCSE) sector.

Did you know

## Governance & Law

### Director, Geoff Wild

We provide high quality legal and procedural advice for the authority and are responsible for providing Democratic Services support to 84 elected Members. We ensure KCC meets its requirements on information governance and transparency.

Resources	
Net Cost 2015-16:	£4,442,400
FTE:	171.3

Divisional Priorities
Respond to the outcomes of the Facing the Challenge review for Kent Legal Services.
Continue to develop training and skills for staff to minimise legal risk and reduce costs to KCC, whilst encouraging innovation and efficiency
Supporting any changes in executive and non-executive governance and decision making as a result of KCC working towards becoming a strategic commissioning authority
Maximise awareness and compliance with information governance requirements across the authority

- We manage 2,357 Freedom of Information requests, responding to 92% within the 20 day statutory time scale.
- We provide constitutional and administrative support to more than 350 formal Member level meetings, 100 individual Cabinet Member decisions and 2,500 school admissions, exclusion and transport appeals.
- Our 'Evolution, Enterprise, Efficiency' training sessions for staff and external clients have saved KCC an estimated £15,000.

Did you know

## Infrastructure

### Director, Rebecca Spore

We provide strategic Property and ICT services, developing asset, information and technology solutions to support new ways of working, both within KCC and with our partners. We manage the delivery of transactional HR, Finance and ICT services through the Business Services Centre at zero net cost to the authority.

Resources	
ICT	£14,902,800
Property:	£23,265,100
Net Cost 2015-16:	£38,167,900
FTE:	449.8

Divisional Priorities
Developing the Business Services Centre to deliver quality integrated transactional back office services at zero net cost in order to maximise trading potential and deliver 25% savings for the authority
Establishing the Property Services LATCo, focusing on developing the necessary commissioning, project and contract management skills to ensure the new delivery model is a success
Defining clear and robust intelligent client functions, to enable effective contract management, governance and stakeholder management for our commissioned services
Ensuring we have the right skills, processes and technology in place to maintain and improve KCC's ICT Security

- Every month KCC manages 350,000-400,000 calls, with 9,000 unified communications users.
- On an average month, there are over 8 million incoming emails, of which only 20% are allowed through our spam and antivirus screening, and over 1 million emails are sent out from KCC.
- Our ICT service desk takes over 6,000 calls from 11,000 users a month.
- We supply and support over 6,700 blackberries and mobile phones, and over 10,000 desktop PC's and laptops.
- Our New Ways of Working programme is expected to deliver £25.5m savings over 12 years.
- KCC's property portfolio includes 1775 premises - 70% (1239) are freehold.
- 65% are operational premises delivering frontline services, including 460 primary schools, 116 secondary schools, 84 playing fields and 63 children's centres.

Did you know

## Strategic Business Intelligence & Development

### Lead Officer, Richard Hallett

We bring together business, customer and market research, intelligence and evaluation to challenge and support the commissioning process, facilitating the scrutiny of the organisation's performance. We lead on the Commissioning Framework and effective contract management for the council.

Resources	
Net Cost 2015-16:	£1,272,200
FTE:	23.6

Divisional Priorities
Developing our customer intelligence approach, working with services and provides to collect, analyse and evaluate a range of data and information to inform better commissioning
Delivering the Quarterly Performance Report to Cabinet and Performance Dashboard Monitoring to Cabinet Committees
Supporting the organisation to successfully deliver the Commissioning Framework Implementation Plan
Managing the contract for the Strategic Efficiency Partner to ensure our transformation programmes are effectively delivered and we transfer skills and knowledge to our workforce

- We provide Quarterly Performance Reports and Performance Dashboards, so our elected members have the monitoring information they need to hold officers to account for delivery.
- We produce regular analysis for our website on population forecasting and Census, the economy and labour market, deprivation and benefits, including District & Area profiles.
- We provide advice and expertise on social and market research techniques, including modelling of customer and population data, surveys and resident led co-design models.
- We design robust impact and economic evaluations, so we can evidence whether we have made a difference towards achieving outcomes and better understand 'what works'.
- We manage the contract for the Strategic Efficiency Partner for transformation.

Did you know

## Strategy, Policy, Relationships & Corporate Assurance

### Director, David Whittle

We help prepare KCC to meet the future agenda through strategic medium term planning and policy development, building strategic relationships with our partners nationally and locally. We lead the council's equality and corporate risk strategy and provide corporate assurance on the organisation's transformation activity.

Resources	
Net Cost 2015-16:	£1,624,900
FTE:	26.1

Divisional Priorities
Maintaining our national lead on the Care Act policy response to ensure the organisation has the operational policies, procedures, training and awareness in place to prepare for legislative changes in 2015-16
Development and implementation of the Voluntary & Community Sector Policy
Developing a Strategic Assessment product to bring together horizon scanning intelligence about forthcoming national and local policy issues
Developing benchmarking and surveys to assess our progress towards the outcomes in the Strategic Statement

- We provide strategic policy advice on major legislative change, including ensuring KCC is prepared to meet its duties and respond to the additional demand likely as a result of the Care Act.
- We work closely with Kent's 12 District Councils, including supporting the Kent Leaders and Kent Joint Chiefs.
- We lead strategic policy advice on health reform, supporting the Health & Wellbeing Board and working with partners on the Better Care Fund to integrate health and social care services.
- We provide strategic and corporate risk advice, to support KCC to manage risk effectively.

Did you know

## Resources

The resource figures are taken from the agreed Budget Book (2015-16) which is based on the former directorate structure budget lines. Our resources information is subject to change over time as the new shape and structure of the directorate evolves as a result of significant transformation.

The FTE numbers reflect actual numbers in post as at the end of February 2015 (for 2015-16) and exclude agency staff and vacancies, as these are not recorded in the HR system.

## Transformation

The directorate is undertaking unprecedented transformation and change, to ensure we can respond to the challenges we face and prepare to become a strategic commissioning authority.

Several services are under review as part of Phase 1 of the Facing the Challenge transformation programme. We are also undertaking significant transformation programmes and projects in the Business Capability Change Portfolio to support changes to frontline services.

We are moving to a new shape for the Directorate to help respond to this transformation and ensure we are flexible and agile to changes to the organisation in the future. You can find our new structure chart on page X

## Commissioning & Procurement

We are responsible for the procurement function for the authority, overseeing KCC's £1.1bn external annual spend. We have a range of both internal and externally commissioned services across the directorate, supported by new 'Intelligent Client' functions.

The "Divisions: Who We Are, What We Do" section sets out how our services are delivered, and highlights our major forthcoming commissioning activity.

## KCC's Strategic Statement

As a strongly member-led authority, Kent County Council sets out our ambition and political direction with a medium term Strategic Statement. In March 2015, the County Council approved 'Increasing Opportunities, Improving Outcomes' - a vision for what the organisation wants to achieve over the next 5 years.

It is a very different type of statement to those we have had before. We know we are facing tough financial and service delivery challenges. We need to face them by focusing limited resources on the issues that really matter to the people of Kent.

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

We have tested the vision and outcomes we want to achieve with our residents and staff to make sure they are clear, meaningful and simple. We want to focus on the end result we want to achieve, rather than the detail of how services are designed and delivered.

Our directorate needs to support the organisation to put the vision into practice, by ensuring all our frontline activity is focused on the outcomes we want to achieve. We need to ensure the outcomes are reflected in our strategic policy, business planing and commissioning frameworks.

The strategic statement sets out a number of cross-cutting, strategic **business plan priorities**, which have been identified by our Cabinet as areas of particular focus and improvement to help the council achieve its strategic and supporting outcomes.

It also sets out how our **approach** to the way we work within KCC, and with our partners and providers, will change. The Strategic and Corporate Services Directorate is particularly focused on these aspects, so our service directorates can focus on being outward looking and directly improving outcomes for our customers, businesses and communities.

Our directorate needs to support the organisation to put the vision into practice, by ensuring all our frontline activity is focused on the outcomes we want to achieve. We need to ensure the outcomes are reflected in our strategic policy, business planning and commissioning frameworks.





## Our Strategic Business Plan Priorities

These are key cross-cutting priorities for the directorate that will underpin the delivery of our supporting outcomes:

**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.**

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.

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.

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.**

Use the opportunity of the new Public Contracts Directive, which aims to make it easier for public authorities to commission and procure lower value goods and services, **to further support the diversification of KCC's provider base**, and encourage small businesses, the voluntary sector, social enterprises and public service mutuals across Kent to tender for delivering goods and services to the council.

## Our Approach

These are the key priorities for the directorate that will transform the way we work with commissioners, services, partners and providers:

**Maximise social value from the services we commission** – becoming smarter at determining social value through the commissioning and procurement process, especially our leverage from external providers (for example taking on apprenticeships)

**Commission and design services with our partners** – meeting the needs of our residents and communities within the resources available to Kent as a whole

**Maximise the value of the Kent tax pound** – delivering value for money and using our, and our partners, resources to secure savings for the Kent taxpayer

**Recognise that no one size fits all** – using our business and customer intelligence to tailor solutions according to need across a diverse county

**Be a strong voice for Kent nationally and internationally** – making the best endeavours to ensure the county receives its fair share of resources, does not face disproportionate spending reductions, and benefits from devolution and maximise additional funding

**Be business orientated and entrepreneurial** – by promoting greater efficiency, increasing commercial trading and generating income to deliver quality services at the lowest possible cost to maximise resources to the front line.

# How Our Directorate Supports KCC's Strategic Statement

## Strategic Business Plan Priorities

Cross cutting, strategic business plan priorities in our Strategic Statement, that the directorate supports the whole organisation to work towards achieving to improve outcomes.



- Develop and rapidly deliver a shared vision for the integration and redesign of health and social care services across Kent.
- Agree a shared approach to developing the future health and social care workforce in Kent.
- Ensure a zero tolerance approach to Child Sexual Exploitation (CSE) across Kent.
- Ensure that the service user voice influences our future commissioning decisions.
- Further support the diversification of KCC's provider base.

<p><b>Our Approach</b></p> <p>How we will transform the way we work to improve outcomes</p>	<p><b>Our Directorate Focus</b></p> <p>Activity we will focus on within the directorate to support the Strategic Business Plan Priorities and Approach in the Strategic Statement.</p>
<ul style="list-style-type: none"> <li>• Maximise the value of the Kent tax pound.</li> <li>• Be a strong voice for Kent nationally and internationally.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivering a balanced budget, to work towards every pound spent in Kent improving outcomes for our taxpayers and residents.</li> <li>• Interpreting the impact for Kent of the next Copenhensive Spending Review.</li> </ul>
<ul style="list-style-type: none"> <li>• Maximise social value from the services we commission.</li> <li>• Commission and design services with our partners.</li> <li>• Recognise that no one size fits all.</li> </ul>	<ul style="list-style-type: none"> <li>• Maximising opportunities of the EU Public Contracts Directive and Social Value Act review to reduce burdens for SMEs and the VCS sector to deliver services.</li> <li>• Ensuring the outcomes in our Strategic Statement are embedded in our business planning &amp; commissioning processes.</li> <li>• Implementing the Commissioning Framework so all commissioners are working to the same high standard.</li> <li>• Delivering the VCS and Grants Policy to transform our engagement with the sector so they can deliver innovative service solutions.</li> <li>• Implementing the Customer Services Policy to deliver the core customer service principles for the organisation.</li> <li>• Defining our customer intelligence function, working with services and providers to inform better commissioning.</li> <li>• Developing a robust approach to customer engagement, so customers are involved in all stages of the commissioning cycle.</li> <li>• Continuing to improve performance in call handling and customer satisfaction in the Contact Centre.</li> <li>• Transforming the Contact Centre and Digital Services offer to our customers.</li> <li>• Developing a resident, provider &amp; partner survey to inform commissioning and service redesign.</li> </ul>
<ul style="list-style-type: none"> <li>• Be business orientated and entrepreneurial.</li> </ul>	<ul style="list-style-type: none"> <li>• Successfully delivering Phase 1 &amp; 2 of the Facing the Challenge transformation programme.</li> <li>• Defining a robust governance model for any new delivery models.</li> <li>• Defining the role of the new Intelligent Client functions within the directorate.</li> <li>• Managing the transition to a new directorate structure, clearly defining and communicating how we will work differently.</li> <li>• Delivering the Business Capability portfolio programmes, so the organisation has the right business processes, tools, systems and people in place to support transformation.</li> <li>• Embedding an organisational design approach, ensuring we have the right skills, people, processes and structure to deliver successfully.</li> <li>• Delivering a focused engagement approach to support staff through a period of significant change.</li> </ul>

# Delivering Transformational Change

Our Facing the Challenge transformation programme is continuing to drive radical service redesign, bringing innovative, fresh thinking about how to improve outcomes.

## Facing the Challenge Programme – Key Principles

- Integration of services around client groups or functions
- Single council approach to projects, programmes and review
- Active engagement of the market for solutions
- Creating viable businesses from traded services
- Embedding commissioning authority arrangements

## Organisational Design - Delivering Successful Organisational Performance

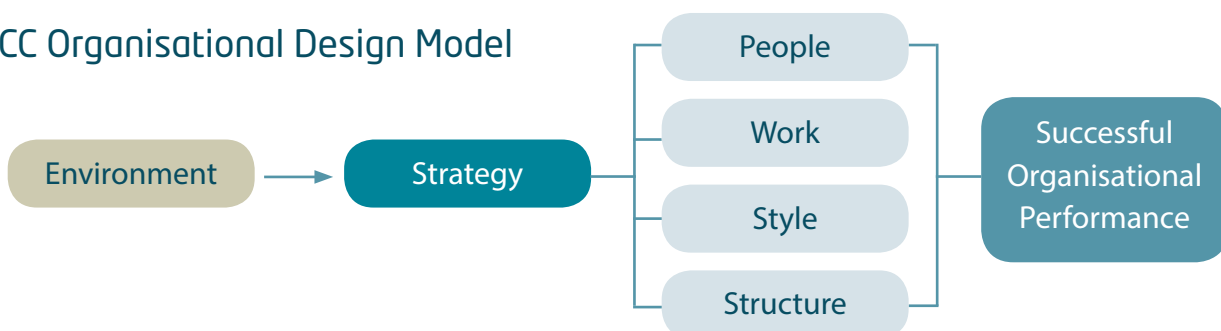
To support KCC through the challenges ahead we need a clear, consistent and holistic approach for the way we design our teams and services. Good design turns business strategy into successful performance.

The KCC **Organisational Design** Model will help to shape the look and feel of services in line with the strategic vision of the organisation and the outcomes we want to achieve. Our directorate is championing this approach, and it will shape the way we deliver all our Facing the Challenge transformation activity.

The model, with supporting tools and guidance, considers and aligns the Environment we operate in, our Organisational and Service Strategy with four key components:

- *People* | *Work* | *Style and Culture* | *Structure*

### KCC Organisational Design Model



## The organisational design approach:

Puts our customers and outcomes at the heart of design, with decisions made as close to the customer as possible

Helps develop the culture of the organisation, service or team

Encourages consideration of alternative ways of delivering our services

Identifies how and where resources need to be focussed

Enables resources to be re-configured when priorities change

Ensures overall team performance is maximised by looking at all factors, not just structures

Means we design from the front line upwards (operationally) and from the top down (strategically), with clear and distinct management responsibilities and accountabilities

Provides a structured way of analysing our business, reducing duplication and repetition

Our directorate will put this approach into practice. We will support services across KCC to use the organisational design principles to become a more flexible and agile organisation, able to deliver a focussed, effective and efficient service to all our customers.

## The Facing the Challenge Team

We have a small team led by the Director of Transformation which brings together both internal expertise and external capacity to deliver the Facing the Challenge programme. The team undertake reviews that take a detailed look at the services we offer, the difference they make, and whether there is a better way of doing things. They look at all the possible options by engaging the market to develop transformation solutions that ensure the optimum balance between cost and outcomes achieved. The team are currently undertaking the market engagement, procurement and decision making processes for Phase 1 and Phase 2 Reviews. This activity will continue to be a top priority for the organisation during 2015-16.

### Phase 1 Reviews

- Community Learning and Skills
- Kent Scientific Services
- Libraries, Registration and Archives
- Residential Care Homes (Older People)
- Contact Centre
- EduKent Services
- Legal Services
- HR, ICT and Finance
- Property
- External and Internal Communications

## Phase 2 Reviews

- SEN Assessment, Support and Transport
- Home to School/College Transport
- Adoption, Fostering and Leaving Care
- Community Safety and Regulatory Service
- Procurement
- Countryside Access

## Change Portfolios

Facing the Challenge created four change portfolios, aligned to our directorates. All our transformation programmes and projects are grouped within these portfolios. Having a clear and single view of the

entire change activity taking place across the council helps us stay on track, make informed decisions, and work more closely together.

0-25  
Transformation  
Change Portfolio

Adults  
Transformation  
Change Portfolio

Growth, Environment  
and Transport  
Transformation  
Change Portfolio

Business  
Capability  
Transformation  
Change Portfolio

**0-25 Change Portfolio** - focuses on transforming the way we deliver services for children, young people and their families.

**Adults Change Portfolio** - focuses on transforming the way we deliver services for vulnerable adults and older people, with our health, voluntary and community partners.

**Growth, Environment and Transport Change Portfolio (previously Place)** - transformation activity that brings together our universal services which touch the everyday lives of Kent's communities.

**Business Capability Change Portfolio** - corporate change programmes that create new capability to support the delivery of frontline service transformation.

## The Business Capability Portfolio

This portfolio is the critical one for our directorate, as it brings together all the programmes that transform the way we deliver support to frontline services. This includes:

The **New Ways of Working** programme which promotes a more flexible and agile way of working by transforming the property estate, technology and people's workstyles.

The **Enterprise Resource Planning** programme which pulls together our data sources to simplify and improve consistency in our business processes and provides better business intelligence to support decision making.

The **Customer Access** programme delivers channel shift and improves customer satisfaction by integrating transactions online, over the phone and face to face.

**Integrated Commissioning** will improve our capacity to undertake market development and market shaping activity to ensure we have the right skills for commissioning.

The **Back Office Procurement Project** explores more efficient and effective ways to support our transactional business activity.

## Transformation Assurance

We need to make sure that we continue to manage our transformation activity in a way that delivers the best results for the organisation and for our customers.

The **Corporate Portfolio Office** was initially developed to provide assurance on the Change Portfolios, to ensure we were delivering transformation effectively and managing dependencies between similar programmes and projects.

This year, we will make changes to the way we deliver assurance, whilst ensuring the Change Portfolios continue to be robustly supported. Corporate Directors will establish dedicated capacity embedded within directorates to support each of the Change Portfolios. The **Senior Responsible Owner** role (Corporate Director level) retains the responsibility for effective delivery within their directorate, balanced with a responsibility to provide corporate assurance.

To support this change, a small **Corporate Assurance** function will be created in the Strategy, Policy, Relationships & Corporate Assurance division, providing effective management support to the Transformation Advisory Group. They will also be responsible for reporting to Cabinet and the Policy & Resources Cabinet Committee so elected members can be assured we are managing transformation risks appropriately and that transformation delivery remains on track.



## Facing the Challenge – Phase 1 Reviews

A number of services across the directorate are currently under review:

### **Strategic Efficiency & Transformation Partner**

KCC has undertaken a procurement process to appoint a Strategic Efficiency & Transformation partner to bring in expertise and additional capacity to deliver our transformation programme effectively and realise the necessary financial savings. An important benefit of a strategic partner is not only improved value for money, but the knowledge and skills transfer throughout our workforce.

**Back Office Procurement Project** The Back Office Procurement Project is about identifying a potential solution for delivering quality back office services in a way that is more efficient, cost effective and profitable. It includes transactional HR, ICT, Finance services, Contact Point, EduKent (services for schools) and Digital Communications services.

It became very clear early on in the market engagement exercise that greater value could be derived by considering transactional services (Finance, HR & ICT), in a single back office “offer”. Using a competitive dialogue procurement approach has allowed us to challenge the market to provide flexible solutions and consider those solutions in light of KCC’s current and future challenges, such as reducing our corporate overheads. It is important that we validate the process by benchmarking other providers against an internal cost comparator – the Business Services Centre.

## Business Services Centre

The integration of the Finance, HR and ICT transactional functions has already begun with the three services involved establishing the ‘Business Services Centre’. This includes traded services such as Schools’ Personnel Service, Schools’ Financial Service and Edukent which enables them to be marketed together to maximise income. We have now restructured our services accordingly with the new model going live from April 2015.

The integrated approach taken by the Business Services Centre will be applied irrespective of the delivery model recommended by the Back Office Procurement Project.

No decision has yet been taken, as the competitive dialogue process and internal comparator work continues, with the current preferred option to move to an integrated service offer with a Joint Venture partnership. The evaluation of final bids is expected in June 2015, with a key decision and any potential contract award in July 2015.

### **The Business Service Centre brings together our transactional services so we can:**

Provide better customer service, with a sharper focus on the services we need to deliver and how we help our customers to serve themselves.

Work as efficiently as we can by making best use of our technology, systems and processes to remove duplication, and save time and effort.

Be in a better position to maximise our external income.

Deliver the 25% savings target in the Medium Term Financial Plan (MTFP).

Optimise best practice.

## Kent Legal Services

In response to significant budget restraints, growing demand and considerable change within the legal market, a review is being undertaken to find the best possible option for delivering Kent Legal Services. The service already has a strong tradition of successful public service delivery, generating a trading surplus and delivering significant efficiency savings for the County Council by reducing risk and improving resilience. KCC has a reputation as a leading innovator in the field of legal services and the “brand” has attracted considerable market interest from potential partners and clients.

The preferred option has been to seek a commercial partner to form a joint venture and then apply for a licence to operate a legal practice under the Alternative Business Structure arrangements. The intention would be to undertake KCC’s legal work, whilst benefiting from work supplied by the partner and trading in the wider market, as KCC is not currently permitted to trade beyond a limited number of public sector bodies. This option carries a number of risks to KCC, and would be a major step change from the current delivery model, however it could bring opportunities for sustainable growth, increased income streams and recurring savings on the cost of KCC’s annual legal spend.

The competitive dialogue procurement process commenced in February 2015, but no decision has yet been made. If any contract award is required, it is expected this would be made by June 2015, with any new model being fully operational from late 2015 (subject to the licence application process – approximately 6 months).

## Property Services

A review is being undertaken for Property Services to explore the best model to meet the needs of the council and deliver financial savings, whilst maximising the income generation and investment opportunities developing in the wider market sector.

Significant market engagement has been undertaken to test a range of options, which has informed the development of a detailed business case to ensure any future model is viable. The intention is now to move towards developing a local authority trading company (LATCo) to deliver Property Services in the county.

The LATCo will offer strategic estate management, operating building management and project services. It will be wholly-owned by Kent County Council, with appropriate governance arrangements to ensure members continue to have oversight of performance and retain control of setting the management policy for KCC property. The same level of service will be maintained for KCC, using planned budgets and additional income generated. The LATCo will retain a strong emphasis on social value, and focus on delivering a return on investment back to Kent County Council.

It will be a priority for the year ahead to establish the LATCo with trading commencing once the necessary resources, approvals, governance and commissioning functions are in place.

## Service Level Agreement with the LATCO for Property Services

The LATCo will contract with KCC's Property Strategy, Commissioning & Client function through a Service Level Agreement (SLA) to:

Establish an arms-length Property service to take forward KCC's property delivery functions

Define a mechanism for commissioning property work linking suitable reward for the LATCo with suitable performance and governance assurance arrangements.

Support KCC decision making through the provision of professional advice

Provide professional property, project and contract management services

Deliver KCC's Asset Management plan, capital programme, and other initiatives

Drive greater value from the property supply chain

Improve the efficiency and effectiveness of the portfolio including increasing income returns and cost reductions.

## What Else Drives Our Activity?

### Becoming a Strategic Commissioning Authority

Kent County Council is moving towards becoming a Strategic Commissioning Authority. This means that we want to focus all our activity and resources on the outcomes we want to achieve for the people of Kent. To do so, we need to develop a strong understanding of our customer's needs and a true understanding of our costs. We will use a range of providers from the public, private and voluntary sectors to deliver innovative service solutions that will improve outcomes.

This is more than just becoming a strong and intelligent client; it is also about being a trusted partner. We need to listen more to our residents, providers and partners, to benefit from the expertise, capacity and resources that each can bring.

We have already come a long way towards this goal, but a change this significant will not happen overnight – it will remain a key priority for many years to come.

For our directorate, the challenge is now to support the whole organisation to transform the way it works. We need to change culture and behaviours, as well as improve commissioning processes.

Our role is to help ensure that the characteristics and capabilities of an effective strategic commissioning authority are increasingly in place. Our services will play a key role in supporting our elected members, commissioners, partners and local providers to adapt to our new approach.

### Tackling the Financial Challenge - Managing With Less

As central government continues to tackle the national debt and reduce the deficit, KCC remains under significant, sustained and increasing pressure to further reduce the costs of delivering services to our residents whilst dealing with rising demand.

£440m savings have already been achieved since 2008 and this pressure will continue over the medium term with at least an additional £207m savings required by 2017-18.

Setting a balanced budget and sustainable three year Medium Term Financial Plan remains one of the most important and challenging strategic decisions that the County Council has to make. The 2015-16 budget strives to find the right balance between the conflicting impacts of reduced funding from central government, rising demand and costs of services, and a desire to keep council tax increases low for Kent residents.

We also need to respond to fundamental changes in responsibility passed down from central government and changes in the way local authorities are funded. The provisional Local Government Finance Settlement confirmed we will receive anticipated 25% reductions in the Revenue Support Grant (RSG) for 2015-16 (13% within overall settlement). The outlook beyond 2015-16 continues to present stark choices for local government, and it remains highly likely - whatever form of government is in place

– that there will be a need to continue to deliver public spending reductions in order to reduce the national deficit.

In Kent this means we will have to continue to make unprecedented levels of year on year savings in order to balance the budget. This will require us to take tough decisions, balanced with our responsibilities for looking after Kent’s people and places. Our residents told us in our budget consultation that they support our mixed solution of transformation, efficiency savings and stopping/ reducing lesser valued services to achieve this.

Given the scale of the financial challenge, KCC needs to become a council that is increasingly agile and adaptable to change, with the ability to reshape the services to meet the changing needs of Kent residents, business and communities.

## Our Commissioning Framework - A Consistent Approach

In December 2014, the County Council approved the ‘*Commissioning Framework*’ – providing a clear picture about how we will improve the way we commission to have more impact and improve outcomes for the people of Kent. It sets out 10 principles which will change the way we work. A key priority for the directorate this year will be to deliver an implementation plan to ensure that the ‘*Commissioning Framework*’ is well communicated, understood and embedded with our staff, partners and providers.

Although we want to make improvements to the way we work throughout the whole commissioning cycle, our directorate is particularly focussed on supporting the ‘**analyse**’ and ‘**review**’ stages of the cycle.

We want to ensure there is clarity on the outcomes we are seeking to achieve, that these outcomes are evidence based and informed by a strong understanding of our customers, and that we review whether we are making a difference.

We will use our customer intelligence and evaluation evidence to help our elected members hold providers, both internal and external, to account for achievement of these outcomes.



## A consistent approach

Our focus as a directorate is ensuring the organisation has the right commissioning skills and capabilities in place to deliver a more consistent and effective commissioning approach. This includes:

Providing absolute clarity on strategic outcomes

Defining clear roles and responsibilities

Delivering effective commissioning support services

Commissioning for outcomes, rather than outputs

Taking robust and tough decisions

Seeking to commission alongside partners

Investing time and effort in evaluation and review

Creating a true understanding of service cost

Developing analytical capability

Developing customer insight and engagement

## The New EU Public Contracts Directives

The UK's government regulations on the new EU Public Contracts Directives came into effect on 26th February 2015. The new regulations are a significant piece of legislation and of particular interest for the directorate, given our responsibilities for Procurement and the Commissioning Framework.

The regulations offer genuine opportunities to create more innovative commissioning and a more streamlined and flexible approach to public procurement. Whilst we have some positive local examples of innovative commissioning, the regulations offer greater opportunities to remove barriers such as disproportionate processes, the inconsistency of inclusive pre-market engagement and the size of contracts for the Voluntary & Community Sector, and Small & Medium Sized Businesses.

## Directorate Commitment to Social Value

KCC's 'Commissioning Framework' sets out our commitment to maximise social value as one of 10 fundamental principles. Our directorate will focus on the social value priorities that are most relevant to KCC, depending on the nature of the specific commissioning exercise, including:

Local Employment: creation of local employment and training opportunities

Buy Kent First: buying locally where possible to reduce unemployment and raise local skills (within the funding available and whilst minimising risk to KCC)

Community development: development of resilient local community and community support organisations, especially in those areas and communities with the greatest need

Good Employer: support for staff development and welfare within providers' own organisations and within their supply chain

Green and Sustainable: protecting the environment, minimising waste and energy consumption and using other resources efficiently, within providers' own organisations and within their supply chain

There is already good practice in place across the directorate to embed these priorities in our existing commissioning and procurement practice, including:

- Finance & Procurement supporting apprenticeships through our contract management with suppliers.
- Wherever possible, encouraging property contractors to use Kent based suppliers.
- Maximising opportunities for Kent Businesses in the supply chain, with Finance & Procurement working towards a target to award 60% of KCC's 1st tier and 2nd tier business to Kent Businesses.
- Providing HR input and advice to maximise local employment opportunities and initiatives that support specific groups such as young people through apprenticeship schemes.
- Building upskilling and apprenticeships into the procurement process for our Capital Programme.
- Encouraging the council's technology suppliers to sponsor additional apprenticeships with Kent technology companies.
- Working in partnership with care providers and technology suppliers to develop assistive technologies to support people to live independently in the community.

## Maximising social value in the future

We will continue to look for innovative ways to promote social value within all our commissioning, both within the core contract and seeking to secure additional social value. The new EU regulations and the findings of Lord Young's review of social value offer further opportunities to maximise social value within the commissioning and procurement process and we will look for ways to build on this. Through high quality pre- market engagement we will develop our understanding of what the market can deliver, enabling us to consider social value within the pre procurement stage and within the specification of all services, whilst allowing the market to define the innovative ways to improve outcomes.



## A New Shape for the Directorate

In order to respond to significant challenges, the Strategic & Corporate Services directorate is developing a new shape, building on best practice commissioning models in other local authorities. This will provide a flexible structure which can adapt to the changing (and shrinking) organisation, integrating services to provide a coherent offer of support to our customers.

The new shape builds on our core purpose and role, irrespective of how our delivery models may evolve and change in the future.

### Our Core Functions

Our core purpose is to support the organisation to deliver frontline services effectively. We provide a number of important functions on behalf of the authority, including:

**Statutory responsibilities for the organisation** - for example, the Section 151 Finance Officer, Monitoring Officer, County Returning Officer and Senior Information Risk Officer roles, health & safety, information governance and employment policy

**Internal control frameworks that support the effective running of the business** – managing KCC’s corporate risk, policy and performance management frameworks

**Performance management on behalf of the authority** – managing performance indicators we co-ordinate and own on behalf of the authority but which we are not directly responsible for delivering, such as organisational health indicators like sickness rates

**Corporate responsibilities for changes in approach, values and behaviours of our workforce**

**Traded services** - we have a strong track record in creating viable businesses from traded services, operating as a commercial provider where we can use our scale and expertise to generate significant income for the County Council.

## The “Intelligent Client” Role

To respond to changing priorities and needs across the authority, we are developing a number of intelligent client functions within the following divisions in the directorate to manage commissioned services:

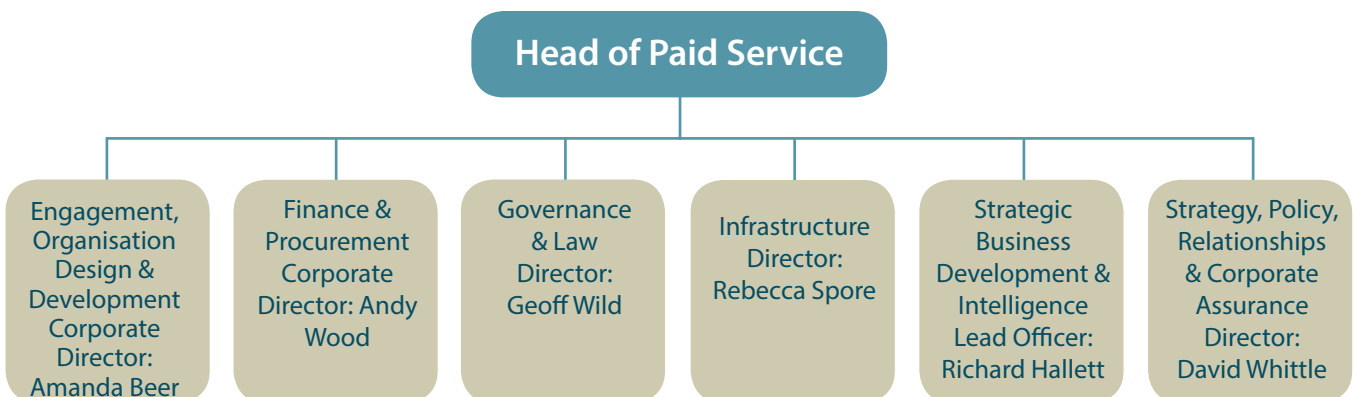
- *Engagement & Organisational Development*
- *Finance & Procurement*
- *Infrastructure*

The purpose of the Intelligent Client functions is to specify the development of services and define the service strategy, taking a long term view to balance needs, priorities and resources. The intelligent client functions are responsible for clearly defining the contract or SLA specification, governance and contract management. The core role is to oversee and effectively manage the relationship and communication with providers and stakeholders (whether internal or external).

It will be a particularly important and ongoing priority for the directorate to define, evolve and clearly communicate how the intelligent client functions will work, especially as we transition to new delivery models for corporate services. It will be important that their role is clearly understood by members, commissioners, partners and providers, both within KCC and beyond.

## Our New Shape

There are 6 divisions within the directorate:



# Our Divisions: Role and Function

## Engagement, Organisation Design & Development

We are responsible for employment practice and policy, strategic organisation and workforce development. We play an important advisory role to ensure that KCC meets its statutory responsibilities for health and safety, employment law and equality legislation in relation to employment.

We are responsible for ensuring KCC has a high performing and improving workforce and culture. We lead Organisational Design, ensuring that we manage change successfully and support self-sufficient managers, creating flexible and effective Organisational Development tools, training and development that support the changing needs of the business.

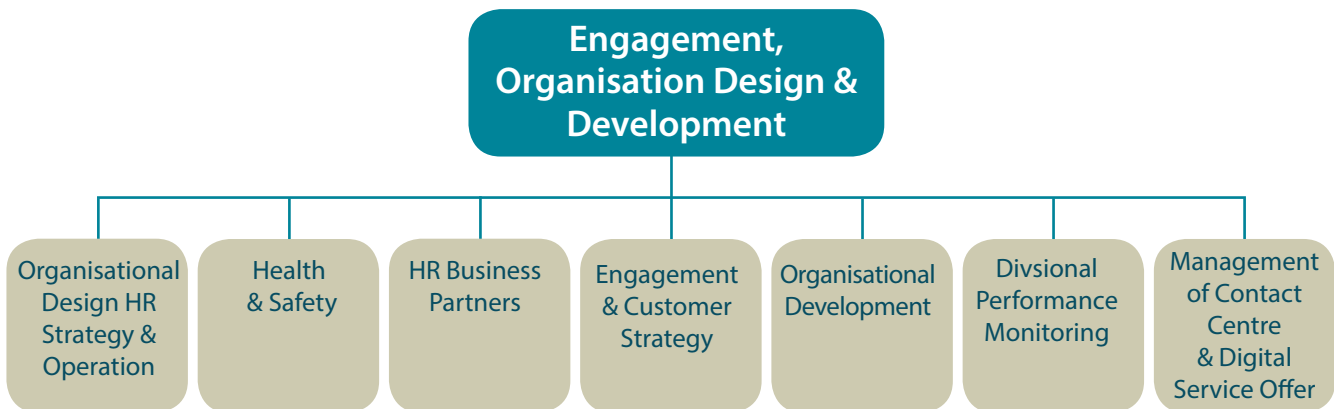
The role of Head of Profession for HR will continue to be critically important, even as the directly employed workforce shrinks. In a strategic commissioning authority role, the division acts both as a commissioner of services and community leader, influencing employment practices and skills across different sectors and workforces.

The division brings together responsibilities for internal communications, staff engagement, community engagement, consultation, and external communications (including campaigns, marketing, design and media to ensure KCC has a strong and consistent voice) with the Customer Services Policy. This provides the opportunity to create an integrated engagement approach with our residents, partners and providers, so we can put the customer at the heart of our service delivery models. This allows us to share best practice across different strands of engagement activity, bringing much closer alignment between the direct customer experience and the organisational development of staff delivering those services.

Until the outcome of the Back Office Procurement Project is defined, we retain the responsibility for the overall management and direction of the Contact Centre and Digital Services offer for our customers.

Our intelligent client function will have links to the transactional HR services delivered through the Business Services Centre, the commissioning role of HR Business Partners and divisional performance monitoring.

# Engagement, Organisation Design & Development Functions:



## Service Delivery: Internal and External

Engagement, Organisation Design & Development		
Service	Description	Internal or External
Health and Safety	Advice on health and safety management, support for investigations and risk profiling	In-House Delivery
Staff Care Services	Occupational Health, counselling, mediation and coaching services	In-House Delivery
Organisation Development	Organisational effectiveness and workforce development for KCC	In-House Delivery
Internal Communications and engagement	Manager and staff engagement especially related to transformation. Management of corporate communication channels including KNet and KCC branding.	In-House Delivery
HR Business Partners	Strategic support to Directorate Management Teams	In-House Delivery
Employment Strategy	HR Advice Team (change and case management), business systems development, reward and wellbeing and employment policy	In-House Delivery

HR Business Centre	Employee Services and HR Connect, recruitment, payroll, Schools Personnel Service, Learning and Development, Kent Teach and Kent Graduate Programme.	Part of Business Services Centre from 01/04/15 with decision about in-house or commissioned service in July 2015
Customer Relationships including Contact Centre	Delivery of customer service strategy and policy	In-House Delivery Contact Point subject to outcome of service review with preferred option Joint Venture
Consultation and Engagement	Public consultation and community engagement	In-House Delivery
External communication	Press office, campaigns and marketing	Subject to outcome of service review with preferred option Joint Venture

## Forthcoming Major Expected Activity:

Engagement, Organisation Design & Development		
Activity	Description	Indicative Start date External
Service redesign	Implementation of Business Services Centre will incorporate HR traded services (formerly comprising HR Business Centre).	April 2015
Service redesign	Outcome of review of back office procurement project impacting Business Services Centre. Design to be taken on whether to remain in-house or be delivered through an alternative model for example Joint Venture.	July 2015

## Case Study: Change and Engagement

Case Study

Over the last year has focused on ensuring that timely and accurate information is available for our managers. Since the publication of 'Facing the Challenge' we have prioritised support to brief managers on change, both face to face and through our internal communication channels. We have supported over 40 team level meetings, briefing staff at different levels in the organisation.

In addition to the large events such as Challenger and Management Briefings, we have held smaller workshops and communities of practice to build action and advocacy amongst specialist groups of staff. This has been particularly effective for those leading transformation projects and programmes. Working across engagement and workforce development we now have a successful network of 70 programme and project managers sharing effective practice and innovations across transformation activity.

## Finance & Procurement

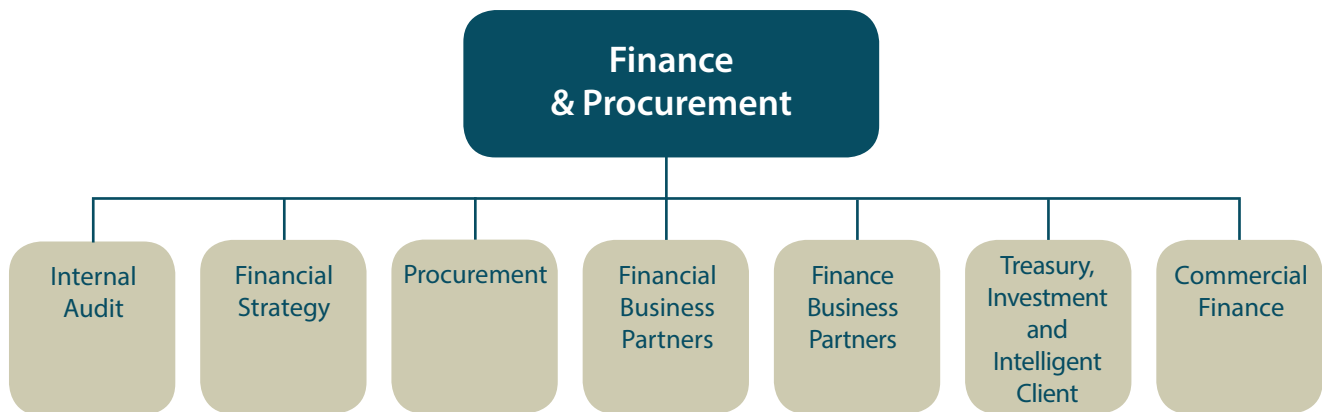
We ensure the robust and effective management of the authority's and partners financial resources (including schools), in accordance with the council's financial regulations and have statutory responsibilities to produce the financial accounts and administer the Superannuation Fund.

The role of the Section 151 officer remains critically important for the organisation at a time of unprecedented financial pressure and change. This role is critical to setting a balanced budget and delivering the Medium Term Financial Plan savings, and will have a greater and more explicit role in relation to project and programme assurance. We develop the corporate financial framework so the council can prioritise and utilise its financial resources to the greatest effect, within the Government's regulations and legislation.

We ensure the council has effective internal control systems and processes that support good governance by carrying out internal audits and provide the counter fraud function for the organisation. We provide strategic procurement advice through a category management approach to support Kent businesses, manage risk effectively and generate savings through delivering major procurement improvements to KCC's £1.1bn external annual expenditure.

We are creating an intelligent client function to provide links to both the Business Services Centre (which provides transactional finance service delivery such as Payments, Assessments & Income) and any further functions identified by the Back Office Procurement Project or Phase 2 Facing the Challenge Reviews (e.g. Procurement).

## Finance & Procurement Functions:



## Service Delivery: Internal and External

Finance & Procurement		
Service	Description	Internal
<b>Corporate Director</b>		
Corporate Director of Finance & Procurement (and Support to Corporate Director)	Fulfilment of statutory s151 role. Provision of advice on the scope of powers and authority to take decisions to all Members and officers. Professional lead for the F&P Division and contributor to corporate management of the Authority. Provision of financial information about the Council to its Members, the media and the public.	In-House Delivery
<b>Finance Business Partners</b>		
Academies Conversion	Programme management of the process of Kent schools' conversion to academy status.	In-House Delivery
Business Partners Support & Projects	Support to Finance Business Partners and a wide range of major projects throughout the Authority.	In-House Delivery
EduKent	Marketing, development, training and support of educational support services to schools and academies in Kent and beyond.	In-House Delivery
Finance Business Partners	Provision of strategic financial advice to Corporate Directors and Cabinet Portfolio Holders.	In-House Delivery
Schools Financial Services	Statutory monitoring and discretionary financial services, including financial training, for schools and academies in Kent, Medway and beyond.	

Finance & Procurement		
Service	Description	Internal
<b>Financial Management</b>		
Capital Finance	Capital budget setting, monitoring & reporting	In-House Delivery
Chief Accountant	Compliance with accounting and reporting standards. Monitoring of internal controls and financial regulations. Taxation advice. Financial monitoring of EU funded projects and grant claims.	In-House Delivery
Financial Systems and Support	Development and maintenance of financial systems and support (including systems training).	In-House Delivery
Revenue Finance	Revenue budget setting, monitoring & reporting.	In-House Delivery
<b>Finance Services</b>		
Assessment	Completion of residential and non-residential adult social care financial assessments. Processing of free school meals applications.	In-House Delivery
Benefits	Provision of benefits advice to social care clients and staff.	In-House Delivery
Cashiers	Receipting and centralised banking of income for the Authority.	In-House Delivery
Client Financial Affairs	Management of the financial affairs of social care clients who have no-one to act for them.	In-House Delivery
Data Quality & Control	Administration and development of the financial aspects of social care information systems.	In-House Delivery
Debt Recovery	Administration of the Authority-wide process for the collection of sundry and social care debt.	In-House Delivery



Finance & Procurement		
Service	Description	Internal or External
<b>Financial Services</b>		
Insurance	Management of the Kent Insurance Fund, insurance programmes and policy, risk management. Processing and administration of claims for KCC and other clients.	In-House Delivery
Payments	Administration and processing of the Authority's invoice payments for Accounts Payable, Adult's and Children's Services and Foster Parents.	In-House Delivery
Pensions Administration	Administration of the Local Government Pension Scheme in Kent and the Kent Police and Kent Firefighters Schemes.	In-House Delivery
Treasury and Investments	Accounting, monitoring and reporting services for the Kent Pension Fund. Treasury management of the Authority's borrowings and investments.	In-House Delivery
<b>Finance Strategy</b>		
Financial Strategy	Strategic advice, financial modelling and economic research, statistical analysis and forward financial planning for the Authority.	In-House Delivery
<b>Internal Audit</b>		
Internal Audit	Core, financial, risk-based and advisory assurance for KCC. Fraud investigation and preventative work. Audits of parishes, fire authority and sundry organisations.	In-House Delivery
<b>Strategic Sourcing &amp; Procurement</b>		
Strategic Sourcing & Procurement	Strategic procurement across all KCC Directorates. Responsibility for procurement processes and governance.	In-House Delivery

## Forthcoming Major Expected Activity:

Finance & Procurement		
Activity	Description	Indicative Start date
Back Office Procurement Project	KCC transactional finance functions (including payment of invoices, all aspects of income and debt, administration of the pension and insurance funds)  Discretionary financial services for schools	April-May 2015

### Case Study: Developing Commercial Expertise

Case Study

With its increasing focus on strategic outcomes, the Council's requirements for support services are changing, and Finance and Procurement are at the forefront of this. In response, we are developing a group of Finance Champions who are able to look at things differently, display commercial acumen and appreciate the full range of opportunities and risks presented, so they can give a balanced view when asked for support.

Beginning in November 2014, a pilot group of 14 volunteers from across the Division were engaged in the Developing Commercial Expertise staff development programme that spanned twelve weeks. This was an in-house programme, delivered at very low cost.

These pilot Finance Champions have developed an understanding of the mechanics of a commercial business and what it takes to succeed. They took part in a competitive two day business simulation and studied a range of different commercial organisations. Following evaluation, this pilot will form the basis of our strategy to equip staff with the skills they need for their new role.

## Governance & Law

We provide the statutory roles of the Monitoring Officer, County Returning Officer and Senior Information Risk Officer for the authority, in line with KCC’s Constitution to ensure we fulfil our lawful obligations, statutory duties, functions and activities in accordance with the law.

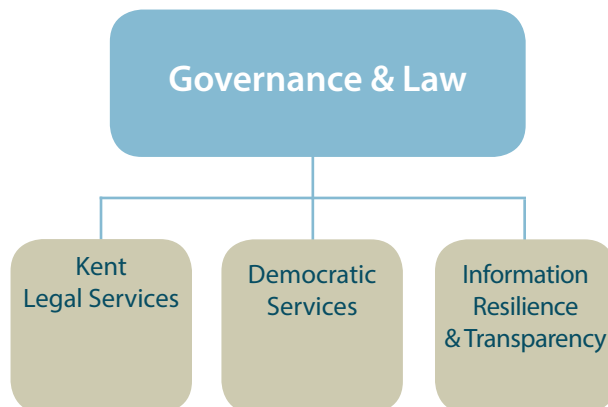
We provide high quality legal and procedural advice at all stages of the Council’s decision making, overview & scrutiny processes, to ensure a strong governance culture which meets the highest standards of ethical and corporate governance.

No decision has yet been made on the future delivery model for Kent Legal Services, whilst the ‘Facing the Challenge’ review is undertaken.

We are responsible for Democratic Services, providing key administrative support to 84 elected Members including member induction and development, and managing elections in close partnership with District Councils. We also provide support to the Lord Lieutenant of Kent.

We ensure the authority meets current and future compliance requirements on information governance, taking a proactive approach to develop transparent systems underpinned by robust, accurate and resilient information. This includes dealing with all Freedom of Information, Data Protection and Environmental Information requests.

## Governance & Law Functions:



## Service Delivery: Internal and External

Governance & Law		
Service	Description	Internal or External
Kent Legal Services	Providing legal advice and services to Kent County Council and other public sector bodies, including specialist advice on Litigation & Social Welfare and Commercial & Environment legal matters.	In-House Delivery
Democratic Services	Supporting the Council's decision-making and overview and scrutiny processes, together with providing key administrative support to elected Members in their various roles.	In-House Delivery
Information Resilience & Transparency	Co-ordinating and maintaining the Council's compliance with Information Governance requirements, including dealing with all Freedom of Information, Data Protection and Environmental Information requests.	In-House Delivery

## Forthcoming Major Expected Activity:

Governance & Law		
Service	Description	Internal or External
'Facing the Challenge' review of Kent Legal Services	The procurement process and decision making process to identify a potential future delivery model for Kent Legal Services, following the 'Facing the Challenge' review.	June 2015 (if contract award required) – implementation of any new delivery model from late 2015.

## Case Study: Member and Democratic Services

Democratic Services proactively led some bespoke training for all elected Members in the Autumn of 2014 to raise the awareness of the changing role of an elected Member as the Council transforms into a Strategic Commissioning Authority. This was well received and provided Members with a firm foundation of how all members can contribute to the commissioning process and hold service providers to account. This has led to a programme of member development for all elected Members including an opportunity to learn about the various service delivery models with plans for future events to include a 'master-class' on procurement and a session on performance management.

At the same time, the Leader established a Commissioning Advisory Board. This cross party group of non-executive members established for a year is meeting on a two weekly cycle and is providing Members with the opportunity to contribute to the commissioning process in advance of decisions of new models for service delivery being taken as part of the transformation of the Council. The dialogue with Cabinet Members and officers has been productive. The Board has also met on a number of occasions with an Officer Working Group and this teamwork has also been extremely valuable.

## Infrastructure

We bring together the overarching strategic direction and service specification for Property and ICT services, which are increasingly interdependent as we redesign our services and require new solutions to successfully move to new ways of working. We maximise the value of investments in information, technology and assets through the efficient management of resources to improve outcomes for the people of Kent.

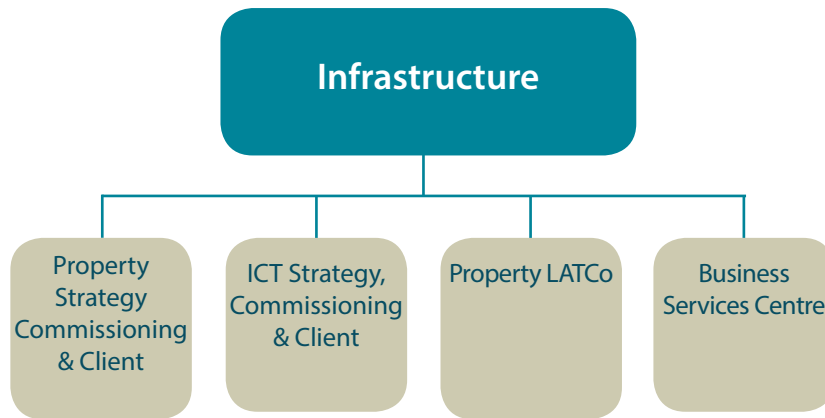
We ensure there is suitable, professional expertise to provide strategic guidance and support to Cabinet, Senior Officers and service providers on complex, high level matters. We are responsible for the maximum realisation of the council's capital assets, and optimising the office estate to support transformation. We create opportunities for local partnerships across the public, private and voluntary sectors to deliver innovative Property and ICT technology solutions that support the strategic vision of the council. We influence government policy formation through active involvement in the Cabinet Office and South East Seven networks.

From April 2015, the division will have management responsibility for the Business Services Centre which delivers integrated ICT, HR and Finance transactional services and traded services to external customers, ensuring this is competitive, effective and efficient.

The intelligent client functions in the division will manage the service delivery of Property Services through the Local Authority Trading Company (LATCo) arrangements. The intelligent client function will continue to commission ICT services through contract arrangements for any future delivery solutions, pending the outcome of the Back Office Procurement Project.

The new Property Services LATCo will provide strategic asset management and the provision of professional property services to manage and maintain the council's diverse property estate to support the delivery of services to our customers. This includes dealing with land ownership and lease issues, maximising rental income, disposal of surplus property and rationalisation of lease properties. It will be responsible for the management of maintenance and minor works, ensuring the completion of statutory testing and asbestos management and managing the Total Facilities Management Contract. It will also provide effective delivery of the council's Capital Build programme, including school and academy building programmes, asset modernisation and building fit outs.

## Infrastructure Functions:



## Service Delivery: Internal and External

Infrastructure		
Service	Description	Internal or External
<b>ICT Services</b>		
Kent Public Services Network (KPSN)	Wide area network for Kent Connects partners, internet access plus other value add service. Provider: DUCL Contract Period: 2014-2020 Contract Value: £24.5m	In-House Delivery
Access to Networks (LAN)	Management of data/voice networking within buildings	In-House Delivery
Security	Application and maintenance of policies and firewalls; investigation of security breaches and supporting HR initiated management investigations	

Infrastructure		
Service	Description	Internal or External
Data centre	Control, support and maintenance of the Maidstone data centre, management of the KCC area in the Medway data centre	In-House Delivery
Hosting	Provision of a data centre hosting service for other agencies	In-House Delivery
Database administration	Maintenance and support of databases under ICT management, management of application storage	In-House Delivery
Storage	Electronic storage of application and document data, with backup and archiving	In-House Delivery
Service Desk	Telephone and self-service support for end users providing advice and fault resolution	In-House Delivery
Devices – Desktops & Laptops	Supply and support of PCs	In-House Delivery
Microsoft Office	Installation and provision of software licences with on-going support	In-House Delivery
Voice	Unified communications solution delivered to 350 KCC sites, c 9,000 users Provider: Unify Contract Period: 2010-2015 Contract Value: N/A	External Provider
Cloud Contact	Provision of ACD, call recording and workforce management for the contact centre style functions Provider: BT Contract Period: 2014-2016 Contract Value: £290.5k	External Provider



Infrastructure		
Service	Description	Internal or External
Remote Access	Provision of secure access from non-KCC networks	In-House Delivery
Wireless Guest Access	Temporary guest wireless accounts provided for non-KCC staff providing internet access	In-House Delivery
Email	Resilient Exchange email service. Partly In-house, partly Microsoft.	In-House Delivery
Antivirus	Filtering of all incoming and outgoing emails for viruses, Trojans etc.	In-House Delivery
Web filtering	Restriction of access to sites that have caused security concerns	In-House Delivery
Secure Email	Egress provides secure email for communication with other organisations, who do not need any special software, Partly In-house, partly Egress.	In-House Delivery
Blackberry	Provision of devices and calls/data allowance with remote management for security purposes	In-House Delivery
Mobile Phone/iPad/iPhone/3G Dongle	Provision and support for these devices including call/data allowance. Partly In-house, partly O2.	External Provider
Line of business software	Hosting, support and maintenance of software applications including the ket.gov.uk and KNet sites	External Provider

<b>Infrastructure</b>		
Service	Description	Internal or External
Line of business software	Access and where required migration services	In-House Delivery
Schools	Network provision, hardware and software support, provision of telephony and hosted services	In-House Delivery
Change control	Reviewing current business practice and identifying opportunities for service improvement	In-House Delivery
Project Management	Installations, moves, adds and changes, as required	In-House Delivery
<b>Business Services Centre</b>		
Business Services Centre	Delivering integrated transactional HR, ICT and Finance services	In-House Delivery
<b>Property Services</b>		
Capital Programme Delivery	In-house client project management services around feasibility, programme delivery, initial advice and outline costing. Technical design and build delivery services are commissioned out.	In-House Delivery
Quantity surveying and employer agent services	Proposed to bring these services in-house under the LATCo arrangements.	In-House Delivery
Mobile Phone/iPad/iPhone/3G Dongle	Provision and support for these devices including call/data allowance. Partly In-house, partly O2.	External Provider
Government strategies	Development and implementation of government strategies including building information modelling, government soft landings and carbon zero within construction projects	External Provider

Infrastructure		
Service	Description	Internal or External
Asset Management Plan	To monitor and manage the KCC Asset Management Plan. Ensure that the action plans and corporate saving targets, as set out in the medium term plan, are incorporated in all business as usual work that Property carries out.	In-House Delivery
Asset Reviews Programme	To develop, manage, monitor and progress the asset review programme that needs to be carried out across the property portfolio as a continuous activity.	In-House Delivery
Service liaison and support on service reviews and change programmes and business as usual	Provide a point of contact to all services within KCC. This entails meeting with all service leads on a regular basis to understand what their property needs and requirements are. Ensure the portfolio is fit for purpose but also balance this with the need to rationalise the portfolio in order to fund the corporate finance programme. Once support requirements are understood, share these with delivery teams within Property in order to carry out any necessary actions.	In-House Delivery
Engagement with all Transformation programme	To provide lead contact for property to all transformation programme managers across KCC including all programmes within facing the challenge, GET portfolio, 0-25 portfolio, Business capability portfolio and Adult portfolio. To establish what property support is required and plan the necessary resources in order to provide the support. To help identify key dependencies within the programme on Property as a service and other transformation programmes Property are involved in.	In-House Delivery

Infrastructure		
Service	Description	Internal or External
Education strategy	To work with Education colleagues, AEOs, and regeneration colleagues to identify the education requirements over a 5 year period that KCC have. To plan these and develop education strategy that ensure these requirements will be met. Attend SEEDOG, EBDOG to ensure that KCC are a key part of national and regional Education partnerships. To plan Basic Need, Priority School Build Programme, S106 and major site development educational needs and to incorporate in the education strategy.	In-House Delivery
School premises review	Identifying issues at schools with regard to condition suitability and capacity needs. Source any funding that may be available within the various funding streams KCC have. Establish the condition surveys that are required and the remit they are to cover.	In-House Delivery
Fire Liaison Works	To lead and steer a property wide group that has a responsibility to ensure that all buildings within the portfolio meet fire safety standards. To lead on key liaison with Kent Fire.	In-House Delivery
School Liaison	To be the liaison and lead contact with Schools regarding their sites. To oversee and liaise with Estates and Schools regarding private leases and licences for third parties on the school site. Liaise and negotiate with neighbours of schools regarding boundary issues such as fences and trees.	In-House Delivery
Schools Annual maintenance programme	Working out responsibility in terms of landlord tenant remit and liaising with schools to agree this.	In-House Delivery

Infrastructure		
Service	Description	Internal or External
School condition surveys/ Net Capacity	Commission the conditions surveys for schools; enter the data on to the property data management system. Work with schools to identify the use accommodation to then calculate what their net capacity is which inform PAN for the school. This service is also sold to Academies.	In-House Delivery
Local planning and regeneration	Lead contact for property with Economic development team in KCC and district councils to ensure that Property is an integral part of the local planning process. Ensure that property explore opportunities and identify sites suitable for development as part of the local planning exercise. Ensure that property feed into call for sites, major sites work and S106 agreements and expenditure. Live Margate regeneration scheme, Property work in partnership with Thanet district council, Homes & community agency, Thanet heritage Lottery fund, University of Kent and the local community to Live Margate provides a focused approach to the housing market in the intervention area, by acquiring problematic and undeveloped sites and creating quality family homes (through restoration and rebuild).	In-House Delivery
Protecting the environment	Lead for property in ensuring that Property is meeting the Corporate carbon emissions targets. Developing strategy for property to deliver to enable them to meet the action plans as set out in the Asset management plan. To lead on identifying projects and cost saving exercises which enable Property to meet their financial savings as set out in the medium term plan.	In-House Delivery

Infrastructure		
Service	Description	Internal or External
Asset collaboration with external partners	Provide the front face service of property to all our district and public agency partners (including NHS and Health commissioners and providers). To work with them in partnership identifying collaboration projects that provide opportunities to rationalise the public estate.	In-House Delivery
Localism Act – Right to Bids and Community Asset Transfer	Provide the lead expertise in Property with regards to the Localism Act. Provide the point of contact for all district councils when registering a new right to bid. To manage the process that KCC has to go through when a right to bid is proposed to ensure that KCC meet all requirements under the legislation. To provide and manage the community asset transfer process.	In-House Delivery
Facilities Management Services	Facilities Management for Mid, East and West Kent Corporate Landlord premises (three TFM contracts) Provider: Amey for Mid Kent, Skanska for West Kent, and Kier for East Kent Contract Length: 5 years Contract Value: Approx. £9.5m/annum	Commissioned Service - External Provider
Schools PFI Contract Management	PFI Schools – 3 contracts Provider: New Schools Swanscombe Ltd (2 schools), Kent Education Partnership (6 schools), and Gravesham Wave 4 BSF Kier/Amber (3 schools) Contract Length: Swanscombe - 25 years, KEP - 28 years, BSF - 25 years Contract Value: Approx. £23m/annum	Commissioned Service - External Provider

Infrastructure		
Service	Description	Internal or External
Acquisition of Assets	From taking KCC's property requirement and considering options resulting in an identified need or opportunity to acquire through to the consideration of an appropriate business case, asset holding strategy, valuations and other professional work. Then the negotiations required to acquire and management of the acquisition through to completion.	In-house with appropriate specialist professional advice from consultants where required.
Disposal of surplus assets	From considering disposal options, due diligence and asset value improvement work. Through to marketing, evaluating offers and taking the transaction through to completion. Use of local and national agents in respect of marketing	In-house with appropriate specialist professional advice from consultants where required.
Management of Disposals Programme	Reviewing the portfolio to identify a pipeline of property disposals. Determining risk, resource requirement and delivery plan and assembly of a 5 year programme of asset disposals.	In-house with specialist advice where required to help prioritise and determine value.
Strategic realignment of Operational and non-operational portfolio	Undertaking high level strategic assessments, to determine the opportunity cost options for portfolio assets to improve the effective running of KCC's estate.	In-house with specialist advice obtained as necessary.
Consultancy over property implications relating to service proposals	Where KCC has identified the need for property advice in respect of Non-KCC estate assets where the impact or some complex options / recommendations need to be determined and that property implications might be a component.	In-house with specialist advice obtained as necessary.

Infrastructure		
Service	Description	Internal or External
Management of vacant assets	Ensuring that vacant assets are held safe and secure prior to disposal.	In-house with specialist advice where required to help prioritise and determine value.
Advice and delivery of Local Authority Backed Vehicle's and Specialist Property Vehicle's where identified	Setting up LABV's and SPV's are a procurement route that contain property assets that KCC wish to consider from time to time in order to deliver financial and/or non-financial objectives.	In-house with specialist advice obtained as necessary.
Building Maintenance & Statutory Services	Statutory testing of: 5 Year fixed electrical; Boiler, oil & gas testing; lifts; water hygiene; gas kitchen catering; fire alarms; asbestos. Planned & Reactive service desk function for schools sites Provider: Currently provided by Aecom, NPS, Mouchel, and framework of service desk contractors. The commissioned work will very shortly transfer to Amey, Skanska and Kier (revenue funded, capital works will follow in 2016). Asbestos services framework shortly to be procured. Contract Value: Revenue £2.8m, Capital £9.0m	Partly In-house, Partly Commissioned Service.

## Forthcoming Major Expected Activity:

Infrastructure		
Service	Description	Internal or External
ICT Services	No major expected major commissioning activity or key decisions.	N/A
Business Services Centre – Potential Service Redesign	Developing an integrated service to deliver transactional back office support, potentially influenced by any decision relating to the Back Office Procurement Project.	N/A
New Ways of Working – Acquisition	Acquisition of an East Kent Hub as part of the New Ways of Working Programme.	Underway
New Ways of Working – Redevelopment	Redevelopment of St Peter's House as part of the New Ways of Working Programme.	Autumn 2015
Gateways - Development	Continue the development of the Herne Bay and Swanley Gateways on behalf of the Growth, Environment & Transport directorate.	Underway



Infrastructure		
Service	Description	Internal or External
Basic Need Programme 2015-16 – projects over £1m	In 2015-16 the Infrastructure division will support the Education & Young People's Services Directorate to deliver the following projects within the Basic Need Programme. The details of the property solutions for each area will be developed for each individual decision.	Entering into contracts in 2015-16



New Kings Hill Primary School (Targeted Basic Need) – Tonbridge & Malling
New East Folkestone Primary School (Targeted Basic Need) - Shepway
White Cliffs Primary School Expansion (Targeted Basic Need) - Dover
Dartford East - Primary School Expansion - Dartford
Dartford North - Primary School Expansion - Dartford
Dartford West - Primary School Expansion - Dartford
Hextable Primary School Expansion - Sevenoaks
Seal Primary School Expansion - Sevenoaks
Maidstone North - Primary School Expansion - Maidstone
Rose Street Primary School Expansion (Phase 2) - Swale
Joy Lane Primary School Expansion(Phase 2) - Canterbury
Bromstone Primary School Expansion - Thanet
Knockhall Primary School Expansion(Phase 2) - Dartford
Dartford East - Primary School Expansion - Dartford
Dartford North - Primary School Expansion - Dartford
Dartford West - Primary School Expansion - Dartford
Churchill Primary School Expansion - Sevenoaks
Dunton Green Primary School Expansion - Sevenoaks
New Langley Park Primary School - Maidstone

South Borough Primary School Expansion - Maidstone
The Judd School (Secondary) Expansion – Tonbridge & Malling
New Finberry Primary School - Ashford
St George’s Foundation - Expansion to create ‘all through school’ - Thanet
Birchington Primary School Expansion - Thanet
Bysing Wood Primary School Expansion - Swale
Sittingbourne Secondary School Expansion - Swale
Canterbury Secondary School Expansion - Canterbury

## Case Study: Strategic Partnership and Microsoft

Case Study

Kent has a strategic partnership with Microsoft that has been focussing on new solutions, specifically in Health and Social Care. Traditional solutions have focused on integrating data from multiple systems in order to create a coherent record for an individual; these have failed to deliver service transformation. Working with Microsoft, Kent is looking at a different model which has the potential to transform what it means to deliver Patient Centred Services. Cloud services and consumer technologies have stimulated new service delivery models developed around the individual owning and sharing their own personal health records, thus supporting autonomy, independence and choice.

There is now the opportunity to look at new models that are built around the individual using low-cost consumer devices such as digital bathroom scales and wearables that connect directly to their personal care record via the internet. This provides an opportunity for radical transformation – moving towards person centred services. It is an opportunity to create a “digital first” service from self-funded self-care, through supported care to managed care.

Working with Meritum Independent Living, an existing Kent home care provider, a trial has been undertaken which is now being extended to a pilot to assess delivering the solution on a wider scale.

This focusses on the digitisation of the core record for home care that normally resides in the client’s home – the day book. We have named the project “eDayBook” with the basic aim to replace the shared paper day book record with a digital version enabling the individual, their family and informal care network to be more closely involved.

## Case Study: Basic Need Programme

Property Services are working closely with the Education & Young People's Services directorate to deliver the Basic Need Programme – the largest capital programme in the county council worth around £190m over 4 years. We are helping to develop the right solutions to increase school capacity by building and temporarily expanding primary, secondary and special schools. This will help to ensure we can accommodate the education needs of children in their local communities.

The programme has to be flexible and responsive to the continually changing demographics in Kent with increasing demand for school places throughout the county. We work closely with elected members, schools, education colleagues, parish councils and contractors to find the right design solution for each individual school, balancing the need to provide quality facilities and an improved learning environment for children with challenging national funding issues.

In 2015-16, we are delivering 38 projects – including 30 expansions on existing school sites, 2 expansions and relocations on new sites and 6 brand new primary schools. We are also delivering the Special Schools Programme, developing 10 projects to keep pace with the changing needs and demands for children with special educational needs.

# Strategic Business Development & Intelligence

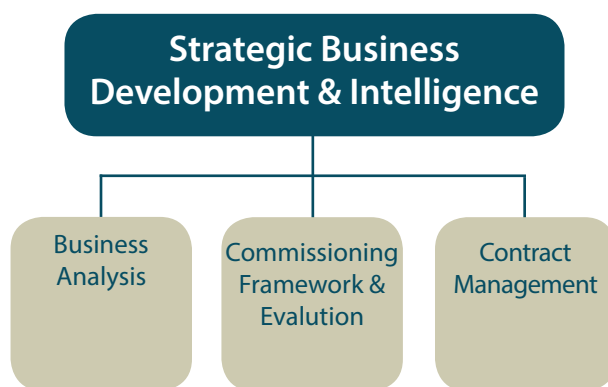
We are responsible for the Commissioning Framework for the council, to ensure robust internal challenge and contestability within KCC and maintain high commissioning standards across the organisation. We bring together business, customer and market intelligence to challenge and support the commissioning process, facilitating the scrutiny of business performance. We develop opportunities for joint commissioning and monitor the effectiveness of commissioning activity through evaluation. These activities are critical to help the organisation become an effective Strategic Commissioning Authority.

We provide analysis of market and customer data, including commissioned residents surveys, complaints data and customer feedback (including Health Watch), providing a corporate research and market intelligence survey with expert guidance and skills development on data analysis and evaluation. We provide the corporate performance function

for the organisation, supporting elected members to monitor and scrutinise performance on key indicators.

We lead on effective contract management for the council, developing strong client models and a commercial approach to ensure we have the capacity to decommission and reprovision services, and that we have the skills to shape markets and undertake market development. We are involved in the monitoring of compliance and data collection on improving outcomes, so we can hold our providers to account effectively.

We will manage the contract with the Strategic Efficiency Partner for transformation. We provide the oversight of the transition process and governance support for services transitioning to new models of service delivery as a result of the 'Facing the Challenge' programme.



## Service Delivery: Internal and External

Strategic Business Development & Intelligence		
Service	Description	Internal or External
Research and Evaluation (Business Analysis)	<p>Leading the Research and Evaluation function across the authority to provide evidence for decision making. Providing Evaluation advice and guidance on using evaluation frameworks and modelling, to determine service merit, worth and significance, using criteria governed by a set of standards or measurable outcomes. To help the authority in decision-making; or to ascertain the degree of achievement or value in regard to the aim and objectives and results of any such action that has been completed. Gaining insight into prior or existing initiatives or policy or strategic priorities is to assist in the identification of future change.</p>	In-house Delivery
Data Analysis (Business Analysis)	<p>Formulating and providing the analytical function for the authority's key analytics and statistics through the inspecting, cleaning, transforming, and modelling data with the goal of discovering useful information, suggesting conclusions, and supporting decision-making. Focusing on providing key business information such as population demographics, economy data, housing data, all base forecasts for districts and across services such as economic development and education. Using Census data, ONS and national data sets to provide predictive forecasting or classification, and structural techniques to extract and classify information from textual sources, a species of unstructured data.</p>	In-house Delivery

Strategic Business Development & Intelligence		
Service	Description	Internal or External
Customer Intelligence (Business Analysis)	Applying and leading on the process of gathering and analysing information regarding customers; their details and their activities, in order to build deeper and more effective customer relationships and improve strategic decision making. By drawing across existing and new intelligence to understand the customer. Aligned to the Customer Services Strategy and fundamental in the relationship with customers, through consultations, surveys and using data to understand our customers and key influencing factors. Also providing feedback and satisfaction through measurable indicators and outcomes, to learn lessons and apply best practice consistently.	In-house Delivery
Strategic Commissioning framework and Evaluation	To lead the strategic embedding of the overarching commissioning framework to deliver a council-wide approach to commissioning. The framework will be aligned to an ongoing evaluation framework that will focus on commissioning for outcomes and ongoing measuring of these outcomes by working in partnership with our customers. Where we will drive delivery of services that provides excellent value for money. Our customers will focus the ongoing evaluation by measuring the outcomes through their experiences and opinions, gathering both qualitative and quantitative data. The purpose of the framework will be to guide Officers in an Authority-wide approach to achieve consistent best practice and value for money.	In-house Delivery

Strategic Business Development & Intelligence		
Service	Description	Internal or External
Market Intelligence (Contract Management)	<p>To lead the Authority's function of gathering and analysing the information relevant to the authority's markets, for the purpose of accurate and confident decision-making in determining strategy in areas such as market opportunity, market penetration strategy, and market development</p> <p>Market intelligence includes gathering of data from the company's external environment. The purpose is to incorporate Market Information or intelligence into the Business Intelligence process to provide decision makers with a more "complete picture" of ongoing corporate performance in a set of given market conditions.</p>	TBA
Specialist Contract support (Contract Management)	Ensure the development of a commercial approach to contract management across the council, and lead a dedicated team to ensure the effective management of the Council's contracts for major outsourced services. Act as client for the council's Strategic Partnership contract.	TBA
Traded Services Support (Contract Management)	Provide the means for corporate oversight of the transition process and governance support for services becoming LATCOs, Trusts and other wholly/jointly owned arrangements.	TBA

## Forthcoming Major Expected Activity:

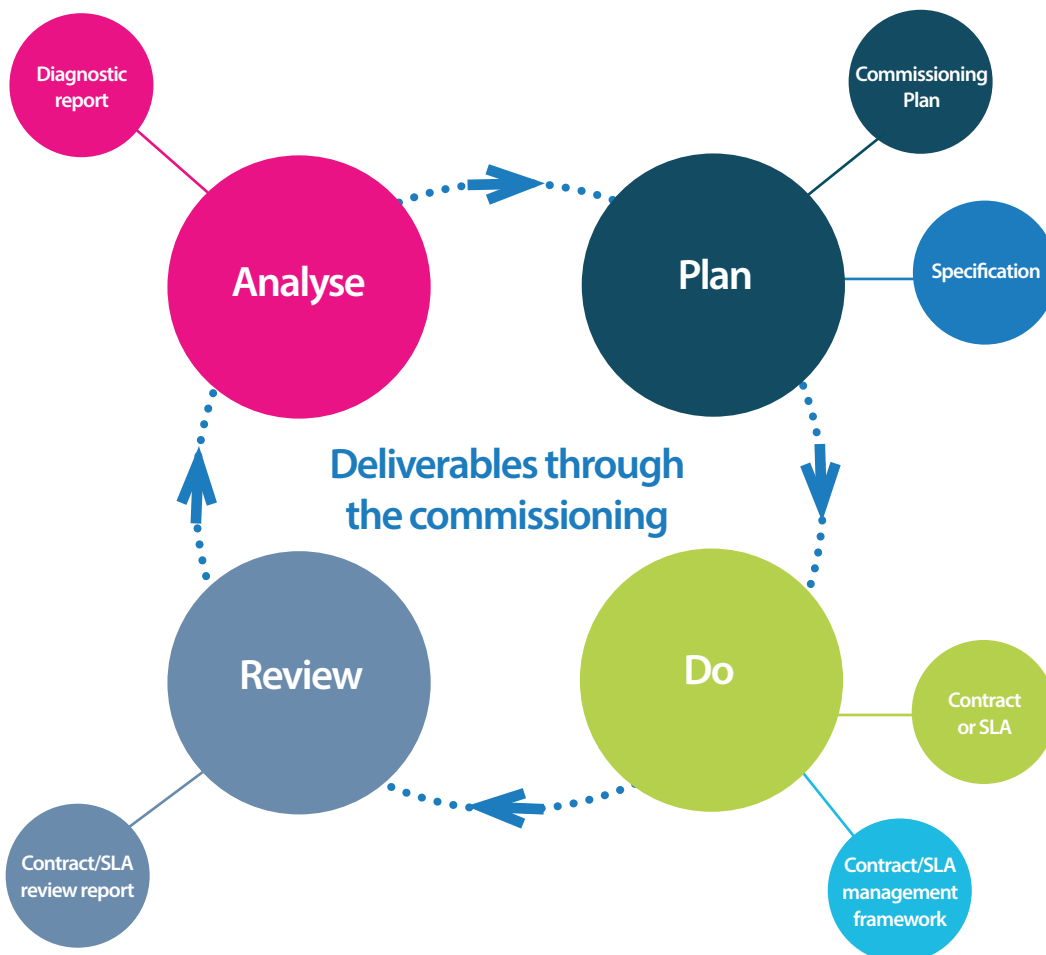
Strategic Business Development & Intelligence		
Service	Description	Internal or External
All Services	No major expected major commissioning activity or key decisions	N/A

## Case Study: Informing Commissioning

Case Study

To support improvements and inform commissioning, the Research & Evaluation Team plays an important role in providing 'high quality, robust evidence', drawing on practical expertise in quantitative and qualitative analysis (social and market research techniques).

The team can help to inform commissioning by addressing key questions in the Commissioning Cycle, including:





## Analyse

- What are the needs of our residents and/or service users and how are these likely to change?
- What are practitioners and service users telling us?
- What other resources are being used to tackle similar issues and outcomes?
- What is driving demand for these services and what is our evidence for this?
- How is demand for these services likely to change, and what will be the impact?
- How effective are the services currently being delivered and what is the current cost?
- How can we join up resources and activities with other partners to maximise our impact?
- What are the outcomes we are seeking to achieve through this new commissioning exercise?
- What will success look like?

## Plan

- What options are available to us for how we could improve these outcomes?
- What are the advantages and disadvantages of each option...?
- How can our commissioning approach help to manage demand for these services?
- What are the outcomes that we need to see achieved/improved?
- Who is the service for/not for?
- What short, medium and long term indicators will we use to track impact?

## Do

- What are the short, medium and long term indicators KCC will use to measure service impact?
- What combination of indicators will be used to measure impact on outcomes, financial performance/impact, and output/process/activity measures?

## Review

- Has the service delivered what we expected (outputs and outcomes)? If not, why not?
- What do service users tell us about the impact of the service(s) commissioned?
- What were the results of the formal evaluation?
- What do we now know about how needs and demand are changing?

# Strategy, Policy, Relationships & Corporate Assurance

We help prepare KCC to meet the future agenda through strategic, medium term planning and policy development, and provide assurance around delivering key priorities arising from key national legislation and initiatives, such as the Care Act. We provide strategic advice to elected members to develop the political direction for the authority's Strategic Statement, focusing on reporting our progress towards delivering better outcomes for Kent's residents to County Council. To support this, we benchmark and gather intelligence from a resident, partner and provider survey to assess our progress so we can provide assurance and evaluation on the effectiveness of our delivery. We also develop the strategic framework for transformation.

We provide the framework for strategy and policy development to deliver forward thinking, innovative policies in response to national, international and internal stimuli, which support our strategic

transformation, policy, business planning and risk frameworks. We lead the council's equality and diversity service strategy and practice.

We are focused externally as well as internally to develop an understanding of what is going on beyond the boundaries of Kent and build strategic relationships, providing corporate support to key partnerships including the Health & Wellbeing Board and District Councils. We take forward national policy agendas to ensure that KCC's voice influences the development of the wider policy agenda (national, regional and local). We lead cross-cutting policy development on issues that need a collective response such as Health and Welfare Reform.

We have responsibility for corporate assurance, providing constructive challenge and support in relation to performance, development and delivery of key change and transformation programmes. We lead the wider Corporate Risk Policy and Strategy for the authority, ensuring that all parts of the council are managing risk effectively, ensuring this is monitored and reported regularly.

## Strategy, Policy, Relationships & Corporate Assurance Functions:



## Service Delivery: Internal and External

Strategy, Policy, Relationships and Corporate Assurance		
Service	Description	Internal or External
Strategic Policy	Strategic policy development to support the organisation's medium term strategic planning framework and providing advice on international, national and internal policy developments.	In-house Delivery
Corporate Assurance	Providing corporate assurance on the effective delivery of the transformation activity in directorate change portfolios, and support to the Transformation Advisory Board.	In-house Delivery
Outcomes Assessment	Developing benchmarking and an annual report on progress against the outcomes in KCC's strategic statement.	In-house Delivery
Strategic Relationships	Developing and maintaining KCC's strategic relationships nationally and locally with key partners including Health, District Councils and the Voluntary & Community Sector.	In-house Delivery
Risk Strategy	Developing the Corporate Risk Policy and Strategy for the authority, ensuring that all parts of the council are managing risk effectively.	In-house Delivery
Equalities Strategy	Leading the council's equality and diversity service strategy and practice.	In-house Delivery
Strategic Business Advisors	Providing strategic policy advice to the executive and managerial leadership and supporting the business planning framework for the authority.	

## Forthcoming Major Expected Activity:

Engagement & Organisational Development		
Service	Description	Internal or External
VCS Policy	Developing the Voluntary & Community Sector (VCS) Policy for KCC and following consultation seeking Cabinet approval with a key decision.	October 2015
Customer Services Policy	Developing the Customer Services Policy for KCC and following consultation seeking Cabinet approval with a key decision.	July 2015
Partnerships Policy	Developing the Partnerships Policy for KCC and seeking possible Cabinet approval with a key decision.	In-house Delivery
Care Act – Self Assessment	Providing strategic policy advice on a possible key decision if the decision is made to contract out Self Assessment.	In-house Delivery
Care Act – Charging Policy for Adult Social Care	Providing strategic policy advice on the key decision for the revised charging policy for adult social care, following public consultation.	In-house Delivery

## Case Study: The Care Act

The Care Act 2014 is the most significant change to adult social care since 1948 and introduces wide ranging reforms including a new legal framework and additional duties on local authorities.

To ensure Kent County Council is able to meet these duties and respond to the additional demand likely as a result of the Care Act, a dedicated programme has led the changes required, working to the Adults Portfolio Board. This programme has been driven by the Policy and Strategic Relationships team, working closely with colleagues from Social Care, Health and Wellbeing.

### **Strategic policy support has included:**

- Providing clear leadership and direction for the programme.
- Maintaining the interface with Members, including through the Adult Social Care and Health Cabinet Committee, with senior officers, and with other stakeholders, such as presenting at local government, partner, and public engagement events across the County.
- Leading the development of the Council's modelling work to better understand and plan for the predicted increase in demand and cost as a consequence of the Care Act.
- Maintaining an ongoing relationship with Department of Health, ADASS, and the County Councils Network and responding to a number of Government consultations on various aspects of the Care Act.
- Acting in an advisory capacity for all workstream leads to ensure the programme continues to meet the requirements of the Care Act.
- Providing assurance to the Adults Portfolio Board.

## Directorate Resources

The Strategic & Corporate Service directorate has 1,612.3 FTE (as of end Feb 2015).

### Financial Resources

The resource figures are taken from the agreed Budget Book (2015-16) which is based on the former directorate structure budget lines. Our resources information is subject to change over time as the new shape and structure of the directorate evolves as a result of significant transformation.

The FTE numbers reflect actual numbers in post as at the end of February 2015 (for 2015-16) and exclude agency staff and vacancies, as these are not recorded in the HR system.

Division	Staffing	Non Staffing	Gross Expenditure	Internal Income	External Income	Grants	Net Cost
Strategic Management & Directorate Budgets	536.3	2,437.4	2,973.7	-648.2	-648.2	-4,388.0	-2,194.5
Business Intelligence, Performance & Risk	1,185.3	126.9	1,312.2	-40.0	0.0	0.0	1,272.2
Policy & Strategic Relationships	1,445.3	221.6	1,666.9	0.0	-42.0	0.0	1,624.9
Transformation (Facing the Challenge)	395.5	-395.5	0.0	0.0	0.0	0.0	0.0
Strategic Management & Directorate Budgets Total	3,562.4	2,390.4	5,952.8	-688.2	-174.0	-4,388.0	702.6
Customer Engagement Total	4,694.0	1,630.5	6,324.5	-826.3	-38.0	-89.0	5,371.2
Finance & Procurement Total	13,528.6	4,319.0	17,847.6	-1,959.5	-3,446.1	-2,222.5	10,219.5
Human Resources Total	4,357.0	4,785.5	9,142.5	-790.6	-511.3	0.0	7,840.6
Governance & Law Total	8,421.8	8,038.9	16,460.7	-11,006.3	-862.5	-149.5	4,442.4
Information Communication & Technology Total	1,412.6	14,933.8	16,346.4	-10.6	-1,288.8	-144.2	14,902.8
Property & Infrastructure Support Total	6,563.5	23,601.8	30,165.3	-3,694.4	-3,018.8	-187.0	23,256.1
Business Services Centre Total	24,238.2	17,529.5	41,767.7	-36,826.3	-4,941.4	0.0	0.0
<b>Strategic &amp; Corporate Services Directorate Sub Total</b>	<b>66,778.1</b>	<b>77,229.4</b>	<b>144,007.5</b>	<b>-55,802.2</b>	<b>-14,280.9</b>	<b>-7,180.2</b>	<b>66,744.2</b>

## Directorate Organisational Development Priorities

Our Organisational Development (OD) priorities need to reflect the outcomes in our Strategic Statement. We will need outstanding financial, operational and delivery skills so that we can exploit new ways of working through best use of technology to improve outcomes for the people of Kent.

The authority's workforce and organisational development priorities for 2015-16 are set out in the **Organisation Development Plan**. This helps us to plan and develop a workforce that is flexible, adaptable to change and has the mindset, knowledge, skills, behaviours, competencies and capacity to deliver transformation through the 'Facing the Challenge' programme.

We want our workforce to become more business-like, more dynamic, more decisive and more resilient. We will increase the challenge to our services to continue to improve their processes and better demonstrate the impact of their work. We are committed to leading a flexible workforce that is flexible both in its skills and in the way and location in which it works.

We need to plan ahead for the workforce KCC requires in the future, so we deliver services in the right way for our customers. Our workforce strategies support our staff to ensure that they have the ability to work across and outside the Council, sharing expertise and skills, with our resources directed to where they are needed most.

### Strategic Priorities 2015-16 in the Organisation Development Plan:

The strategic priorities have been designed by the Directorate OD Groups (ODG's), the Directors' OD Group and the Corporate Management Team to support the delivery of the Council's transformation plans. The strategic priorities budget will be used to fund our statutory and mandatory training requirements, Induction and Member Development.

#### The strategic priorities for KCC as a whole are:

- |    |   |
|----|---|
| 1  | Becoming a Strategic Commissioning Authority.                                 |
| 2  | Leadership and Management Development.  |
| 3  | Resourcing, Resilience and Retention – right people, right place, right time. |
| 4  | Organisation Design and Culture.  |
| 5  | Knowledge transfer / management.  |
| 6  | Strategic Development Frameworks.   |
| 7  | Young People (including apprenticeships and graduate recruitment programmes). |
| 8  | Self Sufficiency.   |
| 9  | Member Development.   |
| 10 | Information Governance.   |
| 11 | KCC e-induction.  |

These priorities are supported by an Action Plan that details key Directorate strategic workforce priorities and OD activities that are being undertaken to ensure that each Directorate has a highly skilled workforce that is flexible, responsive and effective in meeting changing needs.

<b>Action Plan Priorities include:</b>	
<b>1</b>	Commissioning – incorporating customer service, integration and analytical skills.
<b>2</b>	Contract and procurement – part of commissioning discussion but requiring a specific focus.
<b>3</b>	Programme management skills – Implementation of a KCC competency framework.
<b>4</b>	Project management skills – part of programme management discussion but requiring a specific focus.
<b>5</b>	Commercial acumen – defining the skills and developing a private sector mindset.
<b>6</b>	Leadership and Management Development - Increasing our leadership and management capability. Using evaluation data to inform future decisions, e.g. skills gaps, resourcing priorities, behavioural change.
<b>7.</b>	Apprenticeships and Graduates - KCC's strategy for the future incorporating a review of current practice.



## Strategic & Corporate Services Directorate Priorities

The following organisational development priorities have been identified for the directorate.

Strategic and Corporate Services Directorate
Develop the key skill sets we need in the future and make sure they are applied and then evaluated.
Appropriate development for different workforce demographics, opportunities for young people and re-skilling for existing staff.
How the directorate supports and facilitates change in the organisation.
Business Capabilities Portfolio Board
Cultural management training (The Way We Do Things to transform)
Contract management
Commissioning
Project management

*In addition, the implementation of 'Facing the Challenge' within the Directorate will need to be supported by:*

- Facilitated sessions and support for new teams coming together to form new services and in doing things differently.
- Knowledge and implementation of Organisation Design methodologies and exploring new service delivery models.
- Developing self-sufficient managers and workforce through cultural change (The Way We Do Things to transform) and building skills, confidence and flexibility.

## Directorate Risks

The key directorate risks for the coming year are likely to relate to:

The challenge of maintaining a healthy, engaged and effective workforce through a time of significant change, recognising that our people are our most important organisational asset;

Ensuring that as potential alternative service delivery models are explored and implemented, focus is not lost on directing / supporting key organisational change programmes;

Dealing with management capacity and capability issues as services are required to support change and business as usual activity across the Authority, while being subject to potential changes themselves that are likely to require different skill sets.

Making sure that the right business information systems are available that meet stakeholder needs to enable managers across the organisation to utilise them and realise their benefits;

Ensuring that appropriate 'client-side' arrangements are in place across the directorate to provide effective oversight and management of any potential alternative service delivery models introduced.

The directorate is also instrumental in the management of several corporate risks including those relating to delivery of both annual and medium term financial plan savings; development of effective 'client-side' governance arrangements for a strategic commissioning authority; fit-for-purpose corporate governance mechanisms; and KCC's response to the challenging future operating environment for local government.

**Further details of these risks and their mitigations are contained in the directorate and corporate risk registers.**

## Key Performance & Activity Indicators

Each Directorate produces a regular performance report of progress made against targets set for Key Performance Indicators and monitoring of activity against expected Upper and Lower thresholds. A selection of the Key Performance and Activity Indicators are also reported each quarter to a Council wide Performance Report. The Directorate Key Performance Indicators and Activity Thresholds for 2015-16 are outlined below.

### Key Performance Indicators

Ref	Indicator Description	2014-15 Forecast	2015-16 Floor	2015-16 Target
FP01	Pension correspondence dealt with within 15 working days	98%	95%	98%
FP02	Retirement benefits paid within 20 working days of all paperwork received	99%	95%	98%
FP03	Invoices received by Accounts Payable within 20 days of KCC received date	82%	80%	85%
FP04	Invoices received on time and entered onto Accounts Payable systems within 20 days	95%	83%	90%
FP05	Percentage of sundry debt outstanding under 60 days old	82%	57%	75%
FP06	Percentage of sundry debt outstanding over 6 months old	6%	15%	10%
HR01	Satisfaction with the resolution of people management cases rated Good or above	99%	80%	90%
HR02	Manager satisfaction with learning effectiveness outcomes rated 4 or above	86%	80%	90%
HR03	Overall satisfaction with HR Connect rated Good or above	96%	65%	75%
HR04	Satisfaction with the response to H&S Advice Line enquiries rated Good or above	100%	70%	80%
HR05	Percentage of staff who feel informed	65%	59%	60%

Ref	Indicator Description	2014-15 Forecast	2015-16 Floor	2015-16 Target
HR07	Satisfaction that Support Line counselling helped 'somewhat' or 'a great deal'	98%	75%	80%
ICT01	Calls to ICT Help Desk resolved at the first point of contact	72%	65%	70%
ICT02	Positive feedback rating with ICT help desk	99%	90%	95%
ICT03	Working hours where Kent Public Sector Network available to staff	99.9%	99.0%	99.8%
ICT04	Working hours where ICT Service available to staff	99.7%	98%	99%
ICT05	Working hours where email are available to staff	100%	98%	99%
GL01	Council and Committee papers published at least five clear days before meetings	100%	96%	100%
GL02	Freedom of Information Act requests completed within 20 working days	91%	85%	90%
GL03	Data Protection Act Subject Access requests, completed within 40 calendar days	79%	85%	90%
PI01	Percentage of rent due to KCC outstanding at 60 days	10%	15%	5%
PI02	Property Service Desk call out requests responded to within specified timescales	80%	90%	95%
PI03	Percentage of annual net capital receipts target achieved	37%	100%	100%
CS01	Percentage of callers who rate the advisors in Contact Point as good	97%	90%	95%
CS02	Percentage of callers who rate their overall experience with KCC as good	72%	70%	75%
CS03	Percentage of customers using Gateway who rated the experience as good	75%	70%	75%
CS04	Percentage of calls to the Contact Centre answered	89%	85%	90%
CS05	Percentage of calls to the Contact Centre answered in 40 seconds	66%	70%	80%

Ref	Indicator Description	2014-15 Forecast	2015-16 Floor	2015-16 Target
CS06	Complaints to KCC acknowledged in timescale	92%	85%	90%
CS07	Complaints to KCC responded to in timescale	84%	80%	85%
CE02	The percentage of regional media coverage which is positive or neutral	89%	70%	80%
CE03	Positive mentions in the national media reflecting KCC priorities	1,010	1,000	900
CE05	Percentage of users satisfied with the KCC website (NEW) *	64%	65%	75%

\* Targets are phased by quarter across the year and increase from previous years result to the final targets by equal stages each quarter

### Activity Indicators

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2015-16 Expected
CS08	Number of calls handled by Contact Point (000s)	Upper	200	210	195	205	810
		Lower	175	185	170	180	710
		Upper	228	228	228	228	
CS09	Average call handling time (currently 199 seconds)	Lower	206	206	206	206	
		Upper	1,300	1,300	1,300	1,200	5,100
CE04	Number of visits to the KCC website (000s)	Lower	1,100	1,100	1,100	1,000	4,300

Strategic and Corporate Services

# Directorate Business Plan 2015-2016

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

Call: 03000 41 41 41

Text Relay: 18001 03000 41 41 41

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

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

Gary Cooke, Cabinet Member for Corporate and Democratic Services

Bryan Sweetland, Cabinet Member for Commercial and Traded Services

David Cockburn, Corporate Director for Strategic and Corporate Services

To: Policy & Resources Cabinet Committee – 22<sup>nd</sup> April 2015

Subject: **Risk Management - Strategic Risk Register**

Classification: **Unrestricted**

**Past Pathway of Paper:** None

**Future Pathway of Paper:** None

**Electoral Division:** All

**Summary:** This paper presents the strategic risks relating to the Strategic and Corporate Services directorate, in addition to the risks featuring on the corporate risk register for which a Strategic and Corporate Services Director is the designated 'Risk Owner'. The paper also explains the management process for review of key risks.

**Recommendation(s):**

The Cabinet Committee is asked to consider and comment on the risks presented.

## **1. Introduction**

- 1.1 Directorate business plans are reported to Cabinet Committees each March / April as part of the Authority's business planning process. The plans include a high-level section relating to key directorate risks, which are set out in more detail in this paper.
- 1.2 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are

identified and controlled. The process of developing the registers is therefore important in underpinning business planning, performance management and service procedures. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.

- 1.3 Directorate risk registers are reported to Cabinet Committees annually, and contain strategic or cross-cutting risks that potentially affect several functions across the Strategic & Corporate Services directorate, and often have wider potential interdependencies with other services across the Council and external parties.
- 1.4 Strategic and Corporate Services Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Directors in the Strategic and Corporate Services directorate are designated 'Risk Owners' for several corporate risks, which are presented to the Committee for comment in appendix 1.
- 1.5 For information and awareness, the corporate risk profile as at end of March 2015 is outlined below:

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

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
CRR 1	Data and Information Management	9	9
CRR 2	Safeguarding	15	10
CRR 3	Access to resources to aid economic growth and enabling infrastructure	12	8
CRR 4	Civil Contingencies and Resilience	12	8
CRR 9	Better Care Fund (Health & Social Care Integration)	12	9
CRR 10(a)	Management of Adult Social Care Demand	20	12
CRR 10(b)	Management of Demand – Specialist Children's Services	20	12
CRR 12	Welfare Reform changes	12	9
CRR 14	Development of strategic commissioning authority governance arrangements	12	8
CRR 17	Future operating & financial environment for local government	20	10
CRR 18	PSN – Implications of compliance with Code of Connection security standards	6	4
CRR 19	Implications of the Care Act 2014	15	6
CRR 20	Banking Reform Act	8	4
CRR 21	Delivery of 2015/16 savings	12	2

- 1.6 A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact. Firstly the current level of risk is



assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced with the aim of reducing the risk to a tolerable and realistic level.

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

## **2. Financial Implications**

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

## **3. Strategic Priorities and Policy Framework**

- 3.1 Risks highlighted in the risk registers relate to strategic priorities of the *Facing the Challenge* KCC transformation agenda, achievement of outcomes in KCC's Strategic Statement, as well as the delivery of statutory responsibilities.
- 3.2 The presentation of risk registers to Cabinet Committees is a requirement of the County Council's Risk Management Policy.

## **4. Risks relating to the Strategic and Corporate Services directorate**

- 4.1 There are currently four directorate risks featured on the Strategic and Corporate Services directorate risk register (appendix 2), none of which are rated as 'High', three are rated as 'Medium' risk and one is rated as 'Low' risk. Many of the risks highlighted on the register are discussed implicitly as part of regular items to Cabinet Committees.
- 4.2 Bearing in mind the potential establishment of several alternative service delivery models that would require appropriate client-side arrangements, a risk relating to development of these arrangements is to be included on the directorate risk register. Ensuring 'intelligent client' governance is important whether providers are internal or external.
- 4.3 Since last reported to Committee in July 2014, one risk has been closed (STCS 08 – failure of Contact Centre telephony system). The new cloud-based telephony system was 'switched on' in March, replacing the previous ageing system. The other risks listed have remained at the same risk level.
- 4.4 Inclusion of risks on this register does not necessarily mean there is a problem. On the contrary, it can give reassurance that they have been properly identified and are being managed proactively.
- 4.5 Monitoring & Review – risk registers should be regarded as 'living' documents to reflect the dynamic nature of risk management. Directorate Management

Teams formally review their risk registers, including progress against mitigating actions, on a quarterly basis as a minimum, although individual risks can be identified and added to the register at any time. Key questions to be asked when reviewing risks are:

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

## 5. Recommendation

### **Recommendation:**

**The Policy & Resources Cabinet Committee** is asked to consider and comment on the directorate risk register and relevant corporate risks outlined in appendices 1 and 2.

## 6. Background Documents

6.1 KCC Risk Management Policy on KNet intranet site.

## 7. Contact details

Report Author:

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- Mark.scrivener@kent.gov.uk

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# KCC Corporate Risk Register

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

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

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

Risk No.*	Risk Title	Current Risk Rating	Change to Current Risk Rating since July 2014	Target Risk Rating
CRR 1	Data and Information Management	9 (Medium)	↔	9 (Medium)
CRR 7	Governance & Internal Control	Risk closed		
CRR 13	Delivery of 2014/15 savings	Risk closed		
CRR 14	Development of strategic commissioning authority arrangements (formerly a narrower procurement-related risk)	12 (Medium)	Revised risk	8 (Medium)
CRR 17	Future operating & financial environment for local government	20 (High)	↔	10 (Medium)
CRR 18	PSN – Implications of compliance with Code of Connection security standards	6 (Low)	↓	4 (Low)
CRR 20	Banking Reform Act	8 (Medium)	New risk	4 (Low)
CRR 21	Delivery of 2015/16 Savings	12 (Medium)	New risk	2 (Low)

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

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

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

Risk ID	CRR1	Risk Title	Data and Information Management			
<b>Source / Cause of risk</b>		<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>
The Council is reliant on vast amounts of good quality data and information to determine sound decisions and plans, conduct operations and deliver services. It is also required by the Data Protection Act and Government's Code of Connection (CoCo) to maintain confidentiality, integrity and proper use of the data. With the Government's 'Open' agenda, increased flexible working patterns of staff, and increased partnership working and use of multiple information repositories, controls on data management and security have become complex and important.		Information security incidents resulting in loss of personal data or breach of privacy/confidentiality Data Subject complaint upheld by Information Commissioners Office (ICO) Failure to achieve either annual PSN or NHS Information Governance certification	ICO sanction (eg undertaking, assessment, improvement, enforcement or monetary penalty notice) issued against the Authority. Reputational damage. Damages claims. Cost of remediation. Access to PSN and/or NHS connected services revoked or restricted resulting in significant interruption to services.	On behalf of CMT:  Geoff Wild, Director Governance & Law  Rebecca Spore, Director Infrastructure  <b>Responsible Cabinet Member(s):</b>  Gary Cooke, Corporate & Democratic Services	Possible (3)	Significant (3)
<b>Control Title</b>					<b>Control Owner</b>	
Senior Information Risk Officer supported by Information Governance cross-directorate group.					David Cockburn, Corporate Director Strategic and Corporate Services	
SIRO IG Action Plan and Information Risk Register in place and regularly reviewed					Geoff Wild, Director Governance & Law	
Information Governance policies and procedures in place and monitored.					Geoff Wild, Director Governance & Law	
Information Governance Management Framework in place					Geoff Wild, Director Governance & Law	
Information Resilience and Transparency team providing business information governance support					Caroline Dodge, Team Leader-Information Resilience & Transparency team	
Information Assurance maturity monitoring procedure in place.					Geoff Wild, Director Governance	

		& Law/Director Infrastructure
Contractor information assurance procedure in place		Mark Lobban, Director Commissioning SCHWB
Corporate Director Social Care Health & Wellbeing is KCC Caldicott Guardian, protecting confidentiality of service user information and enabling appropriate information sharing. Caldicott Guardian Support Officers nominated in relevant services		Andrew Ireland, Corporate Director SCHWB
County wide protocols in place for information sharing between agencies and governed by Kent & Medway Information Governance Partnership Board. Information Sharing Designated Officers nominated in relevant services.		Charlie Beaumont, Education & Young People Services
ICT Security and Service Transition Team operational.		Paul Day, Interim Head of Profession for ICT
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place		Paul Day, Interim Head of Profession for ICT
Information Governance training completed by employees, contractors and temporary staff. Specialist training needs identified and training plan in place. Information Governance training plan in place and monitored.		Geoff Wild, Director Governance & Law
Discussions in place with Government regarding requirements of the Code of Connection (cross reference to CRR 18)		Paul Day, Interim Head of Profession for ICT
Corporate Information Asset Register established and risk assessments in progress.		Geoff Wild, Director Governance & Law
Information risk assessments completed for systems processing personal data and for new/change projects		Geoff Wild, Director Governance & Law
Information Security & Information Risk Management supporting procedures and processes are monitored to ensure realisation of benefits		Andrew Ireland, Corporate Director SCHWB/Geoff Wild, Director Governance & Law/ Director Infrastructure
Public Service Network (PSN) code of compliance information security standard achieved		Paul Day, Interim Head of Profession for ICT
NHS Information Governance Toolkit 'satisfactory' rating achieved		Paul Day, Interim Head of Profession for ICT
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Targeting of those staff yet to complete Information Governance Training	Geoff Wild, Director Governance & Law	September 2015

Risk ID	CRR14	Risk Title	Development of strategic commissioning authority arrangements			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
As part of KCC's whole-council transformation programme the Authority is moving towards more strategic commissioning arrangements. This will put even greater emphasis on the importance of effective procurement, commissioning and contract management arrangements and may also involve establishment of alternative service delivery models, for which KCC would need appropriate levels of oversight.	Lack of understanding of what a commissioning authority is and how it should operate Too much or too little KCC oversight of any alternative delivery models introduced. Ineffective contract management – KCC fails to act as an 'intelligent client'. Lack of appropriate skills to facilitate a commissioning approach	Failure to secure optimum value for money from service providers and/or failure to secure achievement of desired outcomes. Loss of confidence in the Council and/or financial loss.	All Corporate Directors  <b>Responsible Cabinet Member(s):</b>  Paul Carter, Business Strategy, Audit, Transformation	Possible (3)  <b>Target Residual Likelihood</b> Unlikely (2)	Serious (4)  <b>Target Residual Impact</b> Serious (4)	
<b>Control Title</b>				<b>Control Owner</b>		
KCC Procurement Strategy sets out the strategic approach to procurement across the Authority and Spending the Council's money – Code of Practice, sets out how strategic approach to procurement is to be achieved at operational level.				Henry Swan, Head of Procurement		
Commissioning & Procurement Board in place, establishing clear agreed relationships, support, information flow, governance structures and accountability between different levels of commissioning and procurement.				Henry Swan, Head of Procurement		
Procurement training for KCC managers, as part of the Kent Manager standard, in place				Henry Swan, Head of Procurement		
Procedures for appropriate consultation in place (including Equality Impact Assessments) where procurement and commissioning decisions are being considered				Steve Charman, Head of Consultation & Engagement		
Governance & Audit Committee (inc. Trading Activities sub-group) and Internal Audit roles				Andy Wood, Corporate Director Finance & Procurement		
Management Guide for Alternative Service Delivery Models produced				Neeta Major, Strategic Financial Advisor		
Procurement and Legal Services joint protocol in place to clarify the respective responsibilities of these two functions and service managers				Henry Swan, Head of Procurement/Geoff Wild, Director Governance & Law		

Protocol relating to companies in which KCC has an interest in place – establishes processes and provides additional controls to ensure such companies are run according to rules of good governance	Geoff Wild, Director Governance & Law/Andy Wood, Corporate Director Finance & Procurement	
“Guidance on Local Authority Companies” available to assist anyone with the Council wishing to set up a company	Andy Wood, Corporate Director Finance & Procurement/ Geoff Wild, Director Governance & Law	
Cross-directorate Commissioning Support Working Group meets regularly to move the agenda forward	Olivia Crill, Transformation Manager	
Commissioning Network established, drawing on expertise from across the Authority and facilitating sharing of best practice and learning.	Olivia Crill, Transformation Manager	
KCC Commissioning Framework developed and approved by County Council in December 2014	David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance	
Member working group established to build understanding of the role of elected Members in a commissioning authority, with Commissioning Advisory Board in place	Councillor Hotson	
Strategic Statement for KCC developed that has coherence with existing statutory outcomes frameworks – approved by County Council March 2015	David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance	
Procurement & Commissioning review undertaken	Andy Wood, Corporate Director Finance & Procurement	
Contract Management training being rolled out to those involved in managing contracts across the Council	Henry Swan, Head of Procurement	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Launch of commissioning toolkit – a single repository for commissioning related tools, guidance and best practice	Olivia Crill, Transformation Manager	April 2015
Review the Council’s Leadership & Management Framework to ensure leadership of effective commissioning becomes an integral part	Amanda Beer, Corporate Director Corporate Director Engagement, Organisational Design & Development	March 2015
Ensure key governance & control mechanisms (e.g. KCC constitution) are refreshed and communicated as required if new operating models are introduced	Geoff Wild, Director Governance & Law/All of Corporate Management Team	June 2015 (review)
Develop decision making guidance and publish on KNet, promoting utilization of	Louise Whitaker, Democratic	March 2015



existing formal decision making mechanisms	Services Manager (Executive)	
Opportunities for potential savings from improved commissioning & procurement practice being explored	Andy Wood, Corporate Director Finance & Procurement	April 2015
Ensure implications of new 'Public Contracts Regulations 2015' are understood and communicated appropriately	Henry Swan, Head of Procurement/Lucinda MacKenzie- Ingle, Contracts & Procurement Team Leader, Legal Services	March 2015
Customer Service Policy is being consulted on, setting out the approach to our customers as we become a strategic commissioning authority	Jane Kendal, Head of Service, Customer Relationships	July 2015

Risk ID	CRR17	Risk Title	Future operating & financial environment for local government			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner(s)</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
The extension of public sector austerity beyond the current Parliament, the continuing growth in pressures and a radical public service reform agenda being pursued by the Coalition Government means that KCC, like many local authorities, is faced with significant uncertainty and enormous challenges.	Failure to respond appropriately to the challenges faced and to be able to shape a new resilient and financially sustainable fit-for-purpose Authority in the timescales required.	Unsustainable financial situation. Reduction in resident satisfaction and reputational damage. Potential implications for staff wellbeing morale and engagement.	Corporate Directors	Likely (4)	Major (5)	
It is estimated that on top of significant savings already delivered, another £206m are required between 2015/16 and 2017/18. There is uncertainty for Local Government over the next spending round.	Quality of services suffers as financial situation continues to worsen. Financial settlement from Government is less than anticipated for 2015 onwards. Strain on management capacity and/or managers not being 'equipped' to meet the different demands of their roles in the new environment.		<b>Responsible Cabinet Member(s):</b> Paul Carter, Business Strategy, Audit & Transformation	<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Major (5)	
<b>Control Title</b>			<b>Control Owner</b>			
"Facing the Challenge: Whole-Council Transformation" paper approved at County Council – sets out how the Authority will position itself to meet the anticipated financial challenges, outlines a future vision for the Council and a whole-council transformation approach			Paul Leader, Leader of the Council			
Version 1 of Transformation Plan (Facing the Challenge: Delivering Better Outcomes) presented to County Council outlining a phased roadmap for transformation			Paul Carter, Leader of the Council/Transformation Advisory Group			
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process			Andy Wood, Corporate Director Finance & Procurement			
Processes in place for monitoring delivery of savings and budget as a whole, including Budget Programme Board to scrutinise progress			Andy Wood, Corporate Director Finance & Procurement			
Corporate Directors are providing managerial leadership for the transformation agenda and ensuring resources for delivering transformation are adequate and appropriate to ensure successful delivery, alongside maintaining focus on 'business as usual' activity, and meeting regularly to ensure effective oversight and co-ordination of officer level programme management			Corporate Directors			
Effective operation of Cross-party Advisory Board in order to gain wider engagement of political groups			Paul Carter, Leader of the			

		Council/Transformation Advisory Group
Effective operation of Transformation Advisory Group as the vehicle through which strategic management and oversight of delivery takes place.		Paul Carter, Leader of the Council
Corporate Portfolio Office in place charged with identifying and managing dependencies across all programmes and projects		Elizabeth Beadle, Head of Corporate Portfolio Office
Communications and Engagement Strategy for <i>Facing the Challenge</i> developed		Diane Trollope, Change/Engagement Manager
Change Portfolio arrangements established		Portfolio Senior Responsible Officers (SROs)
Top-tier posts realigned to support transformation		Paul Carter, Leader of the Council
Agreed approach with Democratic Services on decision making, governance and approval routes for <i>Facing the Challenge</i> programme		John Burr, Director Transformation/ Portfolio Senior Responsible Officers (SROs)
Staff development and Leadership & Management frameworks established to further develop key skills, including commercial acumen, project management and contract management, across the organisation as an essential enabler of transformation		Amanda Beer, Corporate Director Engagement, Organisational Design & Development
A range of support is available to all staff including an online tool to assess and increase resilience; training on how to recognize people showing signs of mental health issues; a Health Promotion Strategy that supports physical and mental wellbeing.		Amanda Beer, Corporate Director Engagement, Organisational Design & Development
A suite of performance information is regularly reviewed and monitored to identify potential issues regarding staff retention		Amanda Beer, Corporate Director Engagement, Organisational Design & Development
Three year cash limits allocated across the organisation to aid planning		Andy Wood, Corporate Director Finance and Procurement
Commissioning Framework for KCC developed and approved by County Council in December 2014		Olivia Crill, Transformation Manager
Strategic Statement for KCC developed that has coherence with existing statutory outcomes frameworks – approved by County Council March 2015		David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Roll out of Project & Programme Management training	Julie Cudmore, Workforce Development Manager	April 2015 (review)
Launch of commissioning toolkit – a single repository for commissioning related tools, guidance and best practice	Olivia Crill, Transformation Manager	April 2015

Risk ID	CRR 18	Risk Title	Public Sector Network – Implications of Compliance with Code of Connection Security Standards			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
The Public Services Network is a UK government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. The customer Code of Connection (CoCo) provides a minimum set of security standards that organisations must adhere to when joining PSN. Due to the Government's zero-tolerance approach a number of local authorities need to make changes to current policies / ways of working that requires additional investment. Ongoing compliance with the standard will have a number of potential impacts on KCC objectives.	Additional investment in technology required to meet standards without commensurate increase in productivity.	Impact on "Doing things Differently" objectives – less technology choices available. Financial implications	David Cockburn, Corporate Director Strategic & Corporate Services  Rebecca Spore, Director Infrastructure  <b>Responsible Cabinet Member(s):</b>  Gary Cooke, Corporate & Democratic Services	Unlikely (2)	Significant (3)	
				<b>Target Residual Likelihood</b>	<b>Target Residual Impact</b>	
				Unlikely (2)	Moderate (2)	
<b>Control Title</b>			<b>Control Owner</b>			
Thorough analysis of potential impacts of satisfying the CoCo compliance conducted			Paul Day, Interim Head of Profession for ICT			
Impact analysis conducted for adoption of Baseline Personnel Security Standards (BPSS)			Paul Day, Interim Head of Profession for ICT /Amanda Beer, Corporate Director Engagement, Organisational Design & Development			
CMT commitment to comply communicated to Public Services Network Authority (PSNA)			Corporate Management Team			
Project plan devised to achieve compliance			Paul Day, Interim Head of Profession for ICT			
KCC compliant with current Code of Connection standards			Paul Day, Interim Head of Profession for ICT			

<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Action plan to meet requirements for compliance in September 2015	Paul Day, Interim Head of Profession for ICT	April 2015 (review)
Continuing liaison with Government on evolving security standards to encourage risk-based, proportionate approach	Paul Day, Interim Head of Profession for ICT	April 2015 (review)

Risk ID	CRR 20	Risk Title	Banking Reform Act			
<b>Source / Cause of risk</b>		<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>
Bail in risk stemming from the enactment of the following legislation: - Banking Reform Act 2013 - Bank Recovery and Resolution Directive 2015 - Deposit Guarantee Scheme Directive 2015 Unsecured investments in a bank that fails are not protected. KCC may make unsecured deposits with various banks in accordance with its Treasury Strategy		KCC making an unsecured deposit is a financial risk. The Council losing a significant proportion of its unsecured deposits in the event of a bank failing is both a financial risk and reputational risk.	The immediate consequence for KCC of a bank failing could be illiquidity and KCC perhaps unable to pay its bills. It could borrow short term to cover its liquidity requirements but would be subject to interest rate exposure. This is a financing risk. The Council in due course could suffer a significant financial loss and possible reduction in its reserves. Potential impact on service delivery. Reputational damage.	Andy Wood, Corporate Director Finance & Procurement  <b>Responsible Cabinet Member(s):</b>  John Simmonds, Finance & Procurement	Unlikely (2)	Serious (4)
					<b>Target Residual Likelihood</b>	<b>Target Residual Impact</b>
					Unlikely (2)	Moderate (2)
<b>Control Title</b>				<b>Control Owner</b>		
KCC receives expert advice from Arlingclose about banks' stability and viability and they will advise accordingly. The Council also takes account of credit ratings and other risk metrics.				Alison Mings, Treasury & Investments Manager		
The Treasury Management Strategy provides for diversification into tradable assets, many of which are secured and therefore not subject to bail in, which may be sold to realise cash. The TMS also sets limits for unsecured deposits with a single bank, as well as group, sector and country limits.				Alison Mings, Treasury & Investments Manager		
KCC has a Treasury Management Advisory Group to oversee the Treasury Strategy. The issue of Bail in has been on the agenda and plans agreed to mitigate the risks				Nick Vickers, Head of Financial Services		
<b>Action Title</b>			<b>Action Owner</b>	<b>Planned Completion Date</b>		
Treasury Strategy to be revised to limit the exposure to the Council.			Nick Vickers, Head of Financial Services	31 March 2015		

Risk ID	CRR21	Risk Title	Delivery of 2015/16 savings			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
The ongoing difficult economic climate has led to significant reductions in funding to the public sector and Local Government in particular. KCC has already made significant cost savings and still needs to make ongoing year-on-year savings in order to "balance its books."	The required savings from key programmes or efficiency initiatives are not achieved.	Urgent alternative savings need to be found which could have an adverse impact on service users and/or residents of Kent  Potential adverse impact on whole-council transformation plans.  Reputational damage to the council.	On behalf of CMT:  Andy Wood, Corporate Director Finance & Procurement  Responsible Cabinet Member(s):  John Simmonds, Finance & Procurement	Possible (3)  <b>Target Residual Likelihood</b> Very unlikely (1)	Serious (4)  <b>Target Residual Impact</b> Moderate (2)	
<b>Control Title</b>				<b>Control Owner</b>		
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process				Andy Wood, Corporate Director (Finance & Procurement)		
Process for monitoring delivery of savings is in place, including a Budget Programme Board to scrutinise progress.				Andy Wood, Corporate Director (Finance & Procurement)		
Robust monitoring and forecasting of arrangements in place relating to the KCC budget as a whole				Andy Wood, Corporate Director (Finance & Procurement)		
Corporate Portfolio Office in place providing independent assurance of significant transformational programme and project management across KCC to ensure appropriate benefits realisation, including delivery of savings. Reports to Corporate Board and Budget Programme Board as appropriate.				Elizabeth Beadle, Head of Corporate Portfolio Office		
Procedures for appropriate consultation in place (including Equality Impact Assessments) when decisions relating to changes in services are being considered				Steve Charman, Head of Consultation & Engagement		
Arrangements for localisation of council tax agreed with District Councils (cross reference to Risk 12 Welfare Reform)				Dave Shipton, Head of Financial Strategy		
Savings PIDS are used to ensure personal accountability for delivery of savings				Andy Wood, Corporate Director Finance & Procurement		
Controls and mechanisms remain robust				Andy Wood, Corporate Director		

		Finance & Procurement
Action Title	Action Owner	Planned Completion Date
Savings plans being devised and agreed.	Corporate Directors and Director Group.	April 2015





**STRATEGIC AND CORPORATE SERVICES RISK REGISTER**

**MARCH 2015**

## Summary Risk Profile

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

Risk No.*	Risk Title	Current Risk Rating	Changes to Current Risk Level	Target Risk Rating
STCS 03	Maintain a healthy and effective workforce across STCS through significant change	8 (Medium)	↔	8 (Medium)
STCS 04	Full utilisation of transactional and reporting systems	9 (Medium)	↔	6 (Low)
STCS 05	Collaboration of corporate support services to support implementation of New Ways of Working	6 (Low)	↔	4 (Low)
STCS 07	Capacity and capability challenges relating to corporate support functions	9 (Medium)	↔	6 (Low)
STCS 08	Failure of Contact Centre telephony infrastructure	Risk closed		

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

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

<b>Likelihood &amp; Impact Scales</b>					
<b>Likelihood</b>	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
<b>Impact</b>	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

<b>Risk ID STCS 03</b>	<b>Risk Title Maintain a healthy and effective workforce across STCS through significant change</b>				
<b>Source / Cause of risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>
The STCS workforce plays a vital role in supporting the organisation to run effectively and efficiently. The staff across the directorate need to be healthy, motivated and have the right skills to help the organisation develop.	Low morale or stress related to organisational change or other factors. Increased sickness levels. Failure to develop the right skills in staff. Lack of depth/resilience in key staff. Ineffective workforce/succession planning.	Negative impact on organisational effectiveness and service levels.	Amanda Beer, Corporate Director Engagement, Organisational Design & Development	Unlikely (2)	Serious (4)
				<b>Target Residual Likelihood</b> Unlikely (2)	<b>Target Residual Impact</b> Serious (4)
<b>Control Title</b>			<b>Control Owner</b>		
Attendance management policies and training for managers in place.			Paul Royel, Head of Employment Strategy		
Wellbeing initiatives and health promotions for staff			Paul Royel, Head of Employment Strategy		
Employee Engagement Strategy			Paul Royel, Head of Employment Strategy		
Staff Care Services			Helen Bale, Head of Health & Safety		
Coaching and mentoring network in place			Jackie Turner-Robinson, Interim Head of Business Services Centre		
Managing Stress at Work Policy			Helen Bale, Head of Health & Safety		
Suite of KPIs being monitored as early warning indicators eg retention, absence			Amanda Beer, Corporate Director Engagement, Organisational Design & Development		
iResilience tools			Amanda Beer, Corporate Director Engagement, Organisational Design & Development		
Arrangements in place for active monitoring and response to absence			Paul Royel, Head of Employment Strategy		

Directorate Organisational Development Group established	Nigel Fairburn, Organisation Effectiveness Manager
Directorate feeds in to KCC Training Plan	Nigel Fairburn, Organisation Effectiveness Manager
KCC Staff Health and Wellbeing Group in place	Nigel Fairburn, Organisation Effectiveness Manager
Public Health supporting and advising on the commissioning of Mental Health First Aid training.	Andrew Scott-Clark, Director Public Health
Attendance policy and practice reviewed, updated and communicated. Ongoing review as required	Paul Royel, Head of Employment Strategy
<b>Action Title</b>	<b>Action Owner</b>
	<b>Planned Completion Date</b>

Risk ID STCS 04	Risk Title Full Utilisation of transactional and reporting systems				
<p><b>Source / Cause of risk</b></p> <p>KCC is dependent on the ongoing development and use of systems, such as those on the Oracle platform, to maximise the efficiencies to be achieved from moving away from manual or less efficient processes and to aid the concept of the 'self-sufficient manager' in KCC. Effective systems are also necessary to extract and report on data for the purposes of making better, more informed decisions.</p>	<p><b>Risk Event</b></p> <p>Key stakeholders do not engage with the processes supported by those systems and therefore the systems are not utilised.</p>	<p><b>Consequence</b></p> <p>Development will cease/be reduced which will limit opportunities to replace manual and other less efficient systems. This will result in more manual processes across the organisation limiting the potential to achieve efficiencies. The availability and reliability of the data used for business intelligence purposes could be compromised. KCC fails to improve efficiency of intelligence and makes poor decisions.</p>	<p><b>Risk Owner</b></p> <p>Amanda Beer, Corporate Director Engagement, Organisational Design &amp; Development</p> <p>Rebecca Spore, Director Infrastructure</p> <p>Director Strategic Business Development &amp; Intelligence</p> <p>Andy Wood, Corporate Director Finance &amp; Procurement</p>	<p><b>Current Likelihood</b></p> <p>Possible (3)</p> <p><b>Target Residual Likelihood</b></p> <p>Unlikely (2)</p>	<p><b>Current Impact</b></p> <p>Significant (3)</p> <p><b>Target Residual Impact</b></p> <p>Significant (3)</p>
<b>Control Title</b>			<b>Control Owner</b>		
Refreshed training programme in place for OBI.			Natasha Walton, Programme Manager – BSC & ERP		
Exalytics box purchased to improve performance of OBI and to support future mobile working.			Director Strategic Business Development & Intelligence		
Framework contract in place to provide ad hoc technological support for OBI development.			Director Strategic Business Development & Intelligence		
OBI 'enterprise' licences in place to allow county wide roll-out			Director Strategic Business Development & Intelligence		

8905 HR self-service users, 1687 i-procurement users, 408 budget managers using Collaborative Planning, 900 managers with access to Oracle Business Intelligence and 8000 e-learning users, already in place	Amanda Beer, Corporate Director Engagement, Organisational Design & Development/ Director Strategic Business Development & Intelligence/ Andy Wood, Corporate Director Finance & Procurement	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Further roll-out of i-procurement to achieve appropriate coverage	Andy Wood, Corporate Director Finance & Procurement	31 <sup>st</sup> March 2016
Further roll-out of Collaborative Planning to achieve full coverage	Andy Wood, Corporate Director Finance & Procurement	31 <sup>st</sup> March 2016
Executive Director Dashboards being developed via Oracle Business Intelligence	Natasha Walton, Programme Manager – BSC & ERP	30 <sup>th</sup> May 2015

Risk ID STCS 05	Risk Title Collaboration of corporate support services to support implementation of New Ways of Working				
<b>Source / Cause of risk</b> The New Ways of Working Programme sets out to deliver refreshed office environments and smarter ways of working across the organisation, acting as an enabler to change. The programme also has significant savings attached.	<b>Risk Event</b> The key interfaces across corporate support services are not identified or coherently brought together, which would make implementation across the Authority more challenging or prevent successful programme delivery. Interdependencies with other change programmes not identified and managed.	<b>Consequence</b> The organisation fails to engage with the programme. Programme objectives including asset rationalisation and allocated savings not met, or not met on time.	<b>Risk Owner</b> Amanda Beer, Corporate Director Engagement, Organisational Design & Development  Rebecca Spore, Director Infrastructure	<b>Current Likelihood</b> Possible (3)  <b>Target Residual Likelihood</b> Unlikely (2)	<b>Current Impact</b> Moderate (2)  <b>Target Residual Impact</b> Moderate (2)
<b>Control Title</b>			<b>Control Owner</b>		
Robust programme management mechanisms - Programme Board and dedicated Programme Manager in place.			Rebecca Spore, Director Infrastructure		
Independent assurance being gained from monitoring Budget Programme Board.			Andy Wood, Corporate Director Finance & Procurement		
Interdependencies with other programmes being mapped.			Bob Appleby, Programme Manager NWoW		
Vision for New Ways of Working developed			Rebecca Spore, Director Infrastructure		
Appropriate arrangements across the Strategy & Corporate Services directorate in place for the roll out of the programme, including interconnections to HR and ICT workstreams.			Rebecca Spore, Director Infrastructure		
Ongoing engagement and communication work with KCC staff on the programme and its impact			Rebecca Spore, Director Infrastructure/Diane Trollope, Change/Engagement Manager		
Management of the implications in place of any new governance arrangements required by the programme.			Rebecca Spore, Director Infrastructure		
Portfolio Management arrangements established to identify and manage organisation wide interdependencies			Elizabeth Beadle, Portfolio Management Office		
Suite of interventions introduced by HR function to support the programme			Nigel Fairburn, Organisation Effectiveness Manager		

People Management workstream in place and reviewed monthly		Robert Semens, HR Business Partner
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Following initial implementations carry out a review to address lessons learnt as part of future programme roll-out/implementations	Rebecca Spore, Director Infrastructure	31 <sup>st</sup> March 2015
Review and revise integration and engagement plan including ICT and Contact Point	Bob Appleby, Programme Manager NWoW	31 <sup>st</sup> August 2015



<b>Risk ID STCS 07</b>						
<b>Risk Title Capacity and capability challenges relating to corporate support functions</b>						
<b>Source / Cause of risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
Support services across the directorate are facing the challenge of achieving budget savings for 2014/15, maintaining day-to-day operations and playing a key role in helping the organisation through significant change. At the same time these services are subject to service review and market testing.	Insufficient capacity to maintain day-to-day delivery on top of 'Facing the Challenge' support. Lack of appropriate skills and competencies as the Directorate moves forward as part of the transformation agenda.	Levels of service drop or support for Facing the Challenge cannot be given in timescales.	STCS Directorate Management Team	Possible (3)	Significant (3)	
				<b>Target Residual Likelihood</b>	<b>Target Residual Impact</b>	
				Unlikely (2)	Significant (3)	
<b>Control Title</b>			<b>Control Owner</b>			
Impacts of transformation being monitored.			STCS Directorate Management Team			
Bids put forward to transformation budget for additional resource			STCS Directorate Management Team			
Project based approaches being adopted and resource mapping in place where required.			STCS Directorate Management Team			
Property Transformation Group established			Rebecca Spore, Director Infrastructure			
Resource requirements reviewed regularly in light of projected workload and Facing the Challenge			STCS Directorate Management Team			
<b>Action Title</b>		<b>Action Owner</b>	<b>Planned Completion Date</b>			
Development of appropriate skills and competencies for new strategic commissioning arrangements once requirements are clear		STCS Directorate Management Team	August 2015			

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**From:** Bryan Sweetland, Cabinet Member for Commercial and Traded services  
 David Cockburn, Corporate Director of Strategic  Corporate Services  
 John Burr, Director of Transformation & Commercial Services

**To:** Policy and Resources Cabinet Committee, 22<sup>nd</sup> April 2015

**Subject:** Commercial Services update

**Classification:** Unrestricted

**Summary:** This report details progress since the previous report. A number of changes have been made to the Governance, management, company structure and performance of Commercial Services.

**Recommendation(s):** The Policy and Resources Cabinet Committee is asked to note the progress made following the recent changes and subsequent improvements.

## 1. Introduction

- 1.1 This report highlights implemented changes and the businesses' progress, since the previous report.
- 1.2 Commercial Services has simplified its operating model, from managing 5 limited companies to two specific company structures. One of these is a 'Teckal' compliant company, essentially a company that is owned, controlled and employed by the County Council, which trades exclusively with the County Council, and the other a "Section 95" company, a company trading under the powers in Section 95 of the Local Government Act 2003, under which Commercial Services trades with the wider public and private sectors. This allows for greater financial clarity and transparency of Commercial Services activities, pre-emptively addressing potential future changes to public sector trading regulations, and places Commercial Services on a more appropriate platform for future business growth and income.

All affected staff transferred under TUPE regulations and retained all accrued employment rights and existing terms and conditions including any membership of the Local Government Pension Scheme".

- 1.3 The transformation programme reconfigured the 26 disparate business units into 4 client-facing divisions (Education Supplies, Energy, Recruitment and Direct Services) within 2 companies – Commercial Services Kent Ltd (the Teckal Company) and Commercial Services Trading Ltd (the Section 95 Company)

1.4 The Lumina and Connect 2 Staff brands were created to exploit the expertise and credibility of the LASER and Connect 2 Kent businesses, in the private sector.

## **2. Financial Implications**

2.1 Commercial Services has returned over £60m in profits/dividends to KCC in the last 15 years. Year on year growth of dividend to KCC is forecast, ie. £6.7m in 2015/16 and £8.7m in 2016/17

## **3. Bold Steps for Kent and Policy Framework**

3.1 Commercial Services has bold steps for Kent at its very heart.

- To help the Kent economy grow. The business employs circa 600 Kent residents. Plus numerous more in its local supply chain. Each year it returns significant dividends to KCC, which help towards delivery of other key KCC services. This is from a platform of a demonstrable level playing field with the private sector.
- To put the citizen in control. The service is shaped by what its customers need/want now and are likely to need/want in the future. The strategic direction is set by the KCC shareholder board, who puts the Citizen at the heart of its objectives.
- To tackle disadvantage. The service is an equal opportunities employer and provides many services aimed at the disadvantaged. The service also supports local charities and donates several thousand pounds each year collected from fund raising activities.

## **4. Progress**

4.1 Energy – The Lumina brand provides an energy comparison and switching service for SME businesses, predominately in Kent. It has a current customer base of 2,892 meters and is making a positive contribution to dividend.

4.2 Recruitment – The Connect 2 Staff brand provides temporary and permanent staff to the private and public sectors, mainly in Kent and the South East. The business will turnover c £5m in 2014/15 and makes a positive contribution to dividend.

4.3 Education Supplies – The business moved to a purpose built warehouse in New Hythe in December 2013. The consumables business has outperformed its private sector competitors during the last 12 months, in what has become a highly competitive and increasingly price sensitive market.

4.4 Direct Services – The division has undergone a major transformation during the last 18 months. Passenger Services/Kent Top Travel and County Print and Design were closed Q3/Q4 2013/14. Three waste sites were passed to the private sector in Q2 2014/15 and two new sites moved to CS management. The Facilities Management contract was transferred to the private sector during Q2/Q3 2014/15. The CCES business moved to a new warehouse in Aylesford. The CTS business successfully extended the contract with KFRS. Landscape Services started re-tendering after a two year pause and successfully won the Tonbridge and Malling Borough Council contract.

4.5 The two companies employ 631 staff, 309 of whom are on KCC terms and conditions.

## 5. Governance and Control

5.1 Two Commercial Services Boards have been created, one for each company – with the following statutory directors:

Executive Chairman	Guy Parsons
Independent NED	Richard Martin
Independent NED	Craig McCoy
(KCC Appointed) NED	Neeta Major
(KCC Appointed) NED	John Burr
Chief Financial Officer	Rob Pimenta
Director (MD Recruitment)	Simon Heywood
Company Secretary	Karen Short

The Boards meet 11 times per year.

5.2 An Audit Committee and Remuneration have been created with members/attendees as follows:

	Audit Committee	Remco
Chair:	Richard Martin	Craig McCoy
Members:	Neeta Major	Neeta Major
	John Burr	John Burr
	Craig McCoy	Richard Martin
Attendees:	Executive Chairman	Executive Chairman
	Chief Financial Officer	Human Resources Director
	Company Secretary	
	KCC Internal Audit	

The ToR for each committee is reviewed annually and approved by the KCC legal department. Each committee meets 4 times per year.

5.3 The council, as 100% shareholder, continues to exercise its shareholder authority through the Shareholder Board.

5.4 Until the beginning of 2015, the role of internal audit was undertaken by an in-house team, with oversight provided by the KCC Head of Internal Audit. Going forward internal audit will be undertaken by the KCC I.A. team under an SLA. Internal Audit undertook 11 substantive pieces of work during 2014/15 and nine follow ups. 36% of these have a “limited” assurance rating and are being worked on as a matter of urgency by the Commercial Services Executive Team.

5.5 A Commercial Services Executive Committee meets on a monthly basis to ensure the delivery of the strategic plan and annual business plan/budget. There are two sub-committees: An Investment Board responsible for the approval (within delegated limits) of capex/manex; A Change Bond responsible for management of approved projects.

5.6 A Health and Safety Manager with significant private sector experience was recruited during 2014. A company wide Health and Safety Steering Group Meets on a monthly basis and a report is discussed by Executive Committee as a standing agenda item.

## **6. Future Plus**

6.1 There are a number of governance and commercial contracts that need to be finalised over the next 12 months, to regularise the commercial arrangements between KCC and Commercial Services and the governance/oversight that the council has over the businesses.

6.2 The Commercial Services Executive Team is tasked with growing the business and to maximise the benefit to KCC (and therefore its customers). The objective is to exploit the current infrastructure and expertise and is not reliant on M+A activity. Key strategies in the plan include:

- Education Supplies e Commercialisation of the business to exploit opportunities on a UK-wide basis, in the private and public sector.
- Recruitment Further growth of the Connect 2 Staff brand (into London and Ashford) and winning of new public sector contracts, to complement Connect 2 Kent Business.
- Energy Grow Lumina’s SME market share on a national basis and enter the I+C market. Expand the LASER business into new geographical and market segments.
- Direct Services Grow the Landscapes, CTS, CCES, Waste and Inspection Services businesses by actively tendering for business.

6.3 Commercial Services will be forecast to generate dividend payments of £6.7m in 2015/16 and £8.7m in 2016/17.

## **7. Conclusion**

7.1 The establishment of the two new limited companies has met the aims of “Bold Steps for Kent” and protected KCC from the impact of anticipated legislation. A new governance framework is in place enabling Commercial Services to operate more effectively, efficiently and transparently. The Commercial Services brands

are growing and the business will continue to make a positive contribution to KCC's annual budget and Medium Term Financial Plan.

## **8. Recommendation(s)**

### **Recommendation(s):**

The Policy and Resource Cabinet Committee is asked to note the progress made in the management, governance and performance of Commercial Services

## **9. Contact details**

Report Author & Relevant Director

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From: Gary Cooke, Cabinet Member for Corporate and Democratic Services  
Rebecca Spore, Director of Infrastructure

To: The Policy and Resources Cabinet Committee

Subject: **Total Facilities Management – Contract Management**

Classification: **Unrestricted**

**Past Pathway of Paper:** Policy and Resources Cabinet Committee - 27  
September 2012

**Future Pathway of Paper:**

**Electoral Division:** All

**Summary:** This report seeks to update the Policy and Resources Cabinet Committee on the Contract Management of the Total Facilities Management (TFM) Solution following the signing of the Mid Kent Contract with Amey, the West Kent Contract with Skanska, and the recent East Kent Contract with Kier.

This report includes the issues encountered by KCC services, and the KCC contract management in place which has helped resolve these issues with the contractors.

KCC Members have recognised the importance of having effective contract management in place across the Authority's portfolio of contracts. The Policy and Resources Cabinet Committee wish to be regularly informed of the contract management in place for the TFM contracts, and the contractor's performance, so biannual reports are to be provided to the Property Subcommittee. This approach is in line with the commissioning cycle principles as set out in the County Council Paper on the 15<sup>th</sup> May 2014 titled Facing the Challenge: Towards a Strategic Commissioning Authority, with a view to providing wider scrutiny of the contracts performance.

**Recommendation(s):** The Policy and Resources Cabinet Committee is asked to:

- (1) Note the existing KCC contract governance in place to manage and monitor the performance of the Total Facilities Management Contracts.
- (2) Note the issues which have occurred and actions to resolve these items during the 12 week bedding in period.

## **1. Introduction**

- 1.1 On the 27 September 2012, the Policy and Resources Cabinet Committee considered a review which had been undertaken to consider how Facilities Management Services are delivered across the County. The report set out a range of options which had been considered to deliver services to KCC's Corporate Landlord buildings and it was proposed that KCC implement a Total Facilities Management solution across the council's estate. Following discussion, the Cabinet Member responsible for this portfolio took a decision on the 11 January 2013 (Decision No. 12/01838) to proceed with the implementation of a Total Facilities Management solution. A competitive procurement process has been undertaken and contracts have now been signed as follows –

### **Mid Kent**

Contractor - Amey

Contract Signature - 29<sup>th</sup> August 2014

Contract Start Date – 31<sup>st</sup> October 2014

### **West Kent**

Contractor – Skanska

Contract Signature – 1<sup>st</sup> September 2014

Contract Start Date – 31<sup>st</sup> October 2014

### **East Kent**

Contractor – Kier

Contract Signature – 1<sup>st</sup> December 2014

Contract Start Date – 21<sup>st</sup> January 2015

This report intends to provide members with assurance that contract management and monitoring of the three TFM contracts is in place.

## **2. Financial Implications**

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

## **3. Bold Steps for Kent and Policy Framework**

- 3.1 The implementation of a Total Facilities Management solution directly relates to the delivery of the benefits from implementing a corporate landlord model

as part of the change to keep succeeding plans, ensuring that our buildings are able to support front line service delivery and the delivery of the financial position as set out in the medium term financial plan.

#### **4. The Report – Contract Management**

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

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

4.2 The scope of the Facilities Management service includes building support services to all council properties currently within the property corporate landlord portfolio. Building support services include the full range of soft and hard services. Following discussion at the Policy and Resources Cabinet Committee, a formal decision was taken and a competitive dialogue procurement process has been undertaken to select three total facilities management providers (mid, east and west). The Cabinet Member for Corporate and Democratic Services oversaw with the Director of Property and Infrastructure Support the procurement process and the final evaluation of the tenders received to provide assurance to the executive. The Mid Kent and West Kent contracts were awarded and signed, and commenced on the 31st October 2014.

With respect to the East Kent contract, the preferred bidder Interserve, withdrew from the procurement process at short notice. KCC then appointed Kier as the new preferred bidder. The East Kent contract was signed on the 1<sup>st</sup> December 2014, and commenced on the 21<sup>st</sup> January 2015.

4.3 The principles behind the contracts are:

- The delivery of outcomes. The authority's requirements are set out in the Output Specification. Bidders have then provided solutions which they intend to implement to deliver the outcomes required by the council. Bidders take the risk on how they deliver the required outcomes.
- Performance in the delivery of outcomes is measured against a set of key performance indicators (KPIs). This is supported by a performance regime where deduction penalties are made for poor performance. The contracts are for 5 years with an option to extend for 2 years and are designed to foster a partnering relationship.
- The contracts are self-monitoring, so ensuring the contractors scrutinise and report on any performance issues and failures. If the contractors fail to self-monitor correctly, this is a KPI failure and performance deductions are applied accordingly.

- 4.4 As with all substantial contracts (approximately £10 million spend per annum across the three contracts) there is a need to ensure that there is a robust client function and contract management process in place to manage performance. On a day to day basis, Property has put in place a number of contract managers and support officers who will manage and monitor activity. This will be supported by monthly performance review meetings with the Director of Infrastructure and a quarterly review with the Cabinet Member for Corporate and Democratic Services.
- 4.5 KCC Members have recognised the importance of having effective contract management in place across all of the Authority's portfolio of contracts, and in order to ensure that members have oversight as to the ongoing performance of these contracts and the KCC contract management that is in place, it has been agreed that a biannual performance review is undertaken by the Property Sub-Committee on behalf of the Policy and Resources Cabinet Committee of the TFM contracts. This approach is in line with the commissioning cycle principles set out in the County Council Paper on the 15 May 2014 titled Facing the Challenge: Towards a Strategic Commissioning Authority, with a view to providing wider scrutiny of the contracts performance.
- 4.6 The first biannual performance review was on the 27<sup>th</sup> March 2015, following the submission of a briefing paper by the Interim Director of Property and Infrastructure Support. It was suggested that at future biannual reviews the three TFM contractors could attend the committee to provide a presentation and answer member's questions. Further briefing papers and reviews are then to be planned for every October and March.
- 4.7 Biannual reviews will form part of the following contract governance in place, managed by the contract management team within Property and Infrastructure Support –
- Daily monitoring of contractors' performance through discussions with contractors and stakeholders
  - Daily monitoring of Helpdesk performance through scrutiny of the contractors CAFM system (computer aided facilities management)
  - Site visits and discussions with stakeholders
  - Regular planned Stake holder meetings
  - Weekly, monthly and ad hoc contractors meetings
  - Monthly contract review meetings
  - Review of contractors' monthly reports against KPIs
  - Review of contractors' annual plans against KPIs
  - Review of monthly invoices.
  - Budget management

## **5. Issues Encountered During Bedding in Period**

- 5.1 During this bedding in period (12 weeks from contract go live date) all contractors have encountered examples of the following service issues –
- Late delivery of some consumable supplies.
  - Some delay in response to repair requests within the contractual timescales.

- In some instances the Helpdesks not following up with requests when parts have been ordered.
- Cleaning below the required standard in some instances.
- Some issues with bins not being delivered to site
- Planned Preventative Maintenance delayed in some areas.
- Some confusion on who is responsible for providing caretaking and handyman services at certain sites, as not all KCC caretakers and handyman staff transferred to the contractors and were retained by the services.

5.2 The contract management teams of both KCC Property and the TFM contractors have worked hard to resolve the above issues. Actions have included –

- Meetings arranged and attended with area managers and stakeholders from the services that have raised concern with the new service. These meetings are also used to explain the TFM services and service matrix.
- The KCC Property team being the point of escalation for service users if a request has not been actioned or is unresolved.
- Daily clarification to site users at meetings, by phone and email, on the scope of individual works.
- Identification of incorrect contractual services items and resultant changes within the individual site matrix for those sites.
- Daily contact between both teams to resolve items which require contractual clarification.
- Continuation of specialist sub-suppliers to some locations to maintain consistency of service i.e. care homes.
- As per item 4.7 weekly meetings with contractors to review issues and services and management and monitoring of the contracts.

## 6. Conclusions

6.1 During the 12 week bedding in period the three TFM contractors have faced many challenges in providing the services, which have now generally been actioned and resolved, but the services provided by the contractors are below their own high expected standards, and the standards expected by the Property team and KCC's stakeholders.

These three TFM contracts are very new to KCC, and taking into account there are over 300 sites to be managed by the three contractors across the three areas of Kent, and the transfer of a large number of staff (both KCC and third party) to their new companies occurred within a short mobilisation timescale, and the cancellation of many small contracts which were in place before corporate landlord, KCC did expect there to be issues with the new services provided, and generally the three TFM contractors have managed to provide a reasonable service to most of the Corporate Landlord estate and tree surveys to schools.

There are still many issues to be resolved by the TFM contractors to raise the standard of the services, but working in partnership with the Property contract management team we will continue to drive up performance for our

stakeholders, improve communication of TFM across KCC, and drive through the improvements in quality, consistency in service, efficiency and value for money which was the foundation of implementing a TFM solution.

- 6.2 The three TFM contractors are to be invited to the next planned biannual contract performance review at the Property Subcommittee in October to present to members an update on their performance, and answer any member's questions.

## 7. Recommendation(s)

### **Recommendation(s):**

**The Policy and Resources Committee** is asked to:

- (1) Note the existing KCC contract governance in place to manage and monitor the performance of the Total Facilities Management Contracts.
- (2) Note the issues which have occurred and actions to resolve these items during the 12 week bedding in period.

## 8. Background Documents

- 8.1 Policy and Resources Cabinet Committee Report 27 September 2012
- 8.2 Record of Decision No: 12/01838

## 9. Contact details

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- Director of Infrastructure
- 03000 416716

**From:** Bryan Sweetland, Cabinet Member Commercial & Traded Services  
Geoff Wild - Director of Governance & Law

**To:** Policy and Resources Cabinet Committee – 22 April 2015

**Subject:** Legal Services' *Evolution Efficiency Enterprise* Update for Quarter 3 – 2014/15

**Classification:** Unrestricted

**Summary:** This report provides a further update on the extensive work that is continuing within Legal Services, as the *Evolution, Efficiency, Enterprise* project moves towards the end of its third and final year

**Recommendation:** The Committee is asked to note the report.

## 1. Introduction

- 1.1 At various of its meetings over the past three years, the Policy and Resources Cabinet Committee has received reports that provide an overview of the Legal Services *Evolution, Efficiency, Enterprise* project. The project was developed in response to a growing need for legal services at a time of significant budget restraint.
- 1.2 This report provides a further update on progress on the project. An end-of-year - and end-of-project - summary report will follow in July.
- 1.3 Detailed information about the achievements and progress of the project in the last quarter are set out at Appendix 1 to this report.

## 2. Recommendation

**Recommendation:** The Committee is asked to note the report.

## 3. Contact details

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## KENT LEGAL SERVICES



### *Evolution, Efficiency, Enterprise* Quarter 3 Update Report – 2014/15

#### Introduction

As we reach the final stages of the final year of Legal Services' *Evolution Efficiency Enterprise* project, this report provides an update on activity in Quarter 3.

During this quarter, we restructured our Litigation, Employment and Education team to better align it to the needs of our clients. As a result, we have retained and promoted existing talent and reduced reliance on external support in key areas such as child sexual exploitation, asylum and adult social care. These changes have been made in readiness for taking over the council's insurance legal work in late 2015 and are due to provide savings in future years that are anticipated to exceed **£500,000**.

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**Through siting our Canterbury staff next to the court building, KLS has saved over £200,000 through reduced travelling time, greater availability for court and reduced use of counsel**

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Using the County Hall Lecture Theatre, KLS delivered a number of profitable seminars and conferences in the past quarter. These seminars are designed not only to generate an income stream but to also improve KCC service delivery, helping train both lawyers and staff across the council. Highlights from the KLS Training Programme include:

- Record attendance at the annual Community Care Conference, which drew outstanding feedback, and included attendees from over 200 miles away and contributed a profit of **£3,000**.
- Training for procurement staff on the highly litigious subject of evaluation criteria. The training will reduce both future legal spend and the future risk of litigation (estimated saving **£10,000**).
- A sell-out multi-agency Family Law Conference made a profit of **£3,264**. The conference provided another first, as the entire event was streamed live across the county. Lawyers came together at Maidstone and Canterbury to take part and social workers and other attendees were able to gain valuable training without leaving their offices.
- KLS now delivers 60% of its own training. In this quarter alone, savings on external training amounted to **£15,000**.

KLS developed a ground-breaking resource with the Local Government Association and ESD-toolkit which, for the very first time, catalogued the entirety of local government legal powers and



duties. In return for this nationally-valuable work, KLS received **£19,000** with more to follow by the end of the year.

KLS worked with Specialist Children's Services to reduce the costs of legal processes required to bring children into care. The partnership is on track to deliver over **£1 million** of savings through a combination of a reduction in court fees, improved information sharing, more advocacy being undertaken by KLS lawyers, and process improvements.

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**KLS and Trading Standards were the first to successfully prosecute a company where horsemeat was found in a food item. The case resulted in a significant fine and positive publicity for KCC from the BBC and Daily Telegraph**

**KLS protected Kent residents by successfully prosecuting two people illegally selling fireworks on Facebook**

**KLS and Clean Kent worked with borough council colleagues to successfully prosecute an individual for illegally dumping tyres across Dartford**

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KLS continued its commitment to Kent Jobs for Kent Young People by adding two further trainee solicitors, creating permanent jobs for 10 legal assistants and adding more apprentices. Many of these are from educational institutions across Kent, including the University of Kent. Our work experience programme continues to provide opportunities for young people interested in a legal career in local government. A key part of *Evolution* has been the replacement of external locum staff with junior, developing lawyers as part of a "right person, right job" methodology (**saving £150,000 per year**).

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### **New External Clients**

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In Quarter 3 there were 10 new clients bringing the total this financial year to 42 new external clients trading with KLS, generating to date **£52,316** of new income.

An Academies Seminar was held for Brighton and Hove Council and this has generated a number of leads which are being followed up.

We continue to expand our bespoke Legal Schemes for Parish Councils, Schools, Charities and Empty Homes, providing much needed and cost effective advice to sectors of the community who desperately need good quality, affordable legal advice.

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### **Major Work**

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A key part of *Evolution* has been to extend the nature and scope of work that KLS does, in order to reduce KCC's reliance on external law firms. Over the past quarter the following activity has led to savings of over **£75,000**:

- Loan agreements for the Expansion East Kent project (giving loans to SMEs on the Pfizer site at Sandwich)
- Major complex litigation against the council

- A complex conditional land swap agreement involving KCC and EKO LLP to provide for the relocation of the Laleham Gap SEN school to new build, state of the art educational facilities
- Significant victories in major judicial review challenges to the council's decision-making on age assessments of unaccompanied asylum seekers
- Procurement, litigation and governance issues involving KDAAT contracting
- Human rights assessments, securing concessions from the Home Office to protect KCC
- Acquisition of numerous strategic residential and commercial sites as part of the Live Margate project to help deliver the long-term regeneration of the town

**Geoff Wild**

Director of Governance & Law

February 2015

**From:** Leyland Ridings, KCC's Armed Forces Champion  
David Cockburn, Corporate Director of Business Strategy & Support

**To:** Policy & Resources Cabinet Committee 22 April 2015

**Subject:** Update on the Kent and Medway Armed Forces Community Covenant

**Classification:** Unrestricted

**Summary:** This report provides an update on Community Covenant activity since the last report to the Committee in January 2014, including the implications for Kent of the Government's strategic changes to the armed forces and examples of initiatives undertaken to date.

**Recommendation**

The Cabinet Committee is asked to note progress and comment on the priorities for future activity.

## 1. Introduction

1.1 As Members will recall, the Armed Forces Community Covenant is a voluntary statement of mutual support between a civilian community and its local Armed Forces Community. It is intended to complement the Armed Forces Covenant, which outlines the moral obligation between the Nation, the Government and the Armed Forces, at the local level. Kent County Council was one of the first authorities to sign a Community Covenant, back in September 2011. The purpose of the Covenant is to encourage support for the Armed Forces Community working and residing in Kent and to recognise and remember the sacrifices made by members of this Armed Forces Community. The Kent & Medway Civilian Military Partnership Board oversees the implementation of the Covenant, and its current members are listed at Annex 1. It now meets three times a year, with work being undertaken by sub-groups across the key Covenant themes of:

- Health and wellbeing
- Integration (this includes support for service children, and promoting stronger, safer communities)
- Housing
- Employment, Economy and skills, and
- Recognise and Remember

1.2 This report sets out the context in which the Covenant now operates, including the implementation of the government's plans to re-base the armed forces, and proposed changes to the Community Covenant Grant scheme, then provides a summary of the key issues that came out of the January 2015 Conference, and outlines some of the successes achieved to date against each of the Covenant themes, and the priorities for the future.

## **2. Update on the impact of national changes in Kent**

2.1 Considerable progress has been made nationally in implementing the Government's *Strategic Defence and Security Review*. In Kent, 2 (SE) Brigade has now been stood down, and the new 11 Brigade established with Brigadier Andrew Hughes as the Commander, based in Aldershot. Annex 2 shows the total area covered by 11 Brigade and the lead Regiment Commanding Officers for community engagement across the different parts of Kent. The County and District councils have worked closely with the army to support the redundant soldiers into civilian life, and the final tranche of redundancies impacting on Kent takes effect this summer (June 2015). Even when all the redundancies have been implemented, there is still likely to be an ongoing churn of several hundred soldiers a year in Kent leaving the army and wanting to move into other employment. Kent remains a popular destination for service leavers.

2.2 Another key element of the army transformation is the expansion of the Reservists. Reservists are no longer to be used sporadically for national emergencies, but to be used more frequently and predictably as part of a seamless army. This will require significant and ambitious recruitment, training and public relations work, placing a greater stress on individuals, their families and their employers. Currently, there are 412 Reservists in Kent (compared to 2,148 regular army personnel). We are supporting the army to promote the benefits to business of employing Reservists, and this is one of the areas the Employment and Skills subgroup is focussing on.

2.3 Changes are also being made over time to expand the army cadets, and encourage a broader range of young people to become involved. There are 940 Army Cadets and 2,793 Combined Cadets across the county. Annex 3 shows the 39 ACFs and 18 CCF bases in Kent, along with the bases for the regular army and the Reserves in Kent.

2.4 In Kent, the army presence dominates amongst the three armed forces services, but we do also have 457 Navy personnel living in the county, and there will be veterans from all three services living here.

2.5 We have been fortunate indeed that 2 (SE) Brigade under the command firstly of Simon Wolsey and then Chris Claydon has worked so closely with the County

Council and the Board over the last three years. The new Commander of 11 Brigade, Andrew Hughes, has assured us that either he himself, or his Deputy, Andy Barr, will attend Board meetings and support the community engagement work, despite the large geographical area that he has to cover, and since December the Brigadier or his Deputy have attended two meetings with us plus given a presentation at the Conference, so early signs are indeed that the army is continuing to take its community engagement responsibilities very seriously.

### **3. Community Covenant Grant Scheme, and LIBOR funding**

3.1 Since 2012/13, the Government has had a grant scheme whereby people could bid for funding for projects that promoted integration between the military and civilian communities. In addition, there was a separate one-off Armed Forces Libor Fund of £35m made up of fines levied on the City for manipulating LIBOR interest rates, which delivered financial support to projects supporting the military community. These funds are now closed, however the Government recently announced that they will continue to make £10m per annum available for a revised Covenant scheme, although they have suggested that a more centralised approach will be adopted from this year. Local authorities have expressed their reservations about making such a change and the Government has delayed releasing the final details of how the new arrangements will work. We would be concerned if there was to be less local input into decision-making, but whatever the final arrangements, we will continue to vigorously promote the opportunities the Community Covenant Grant scheme offers.

3.2 Between April 2012 and March 2014 95 applications for Community Covenant grants have been submitted from organisations in Kent. Of those 95, 65 have been funded in full or in part, and the total amount of Community Covenant grant that has come to Kent is £1.459m. A huge variety of projects have been funded, ranging from major capital works through to a few hundred pounds towards helping community groups with commemoration activities. Some examples of successful projects are given below:

- £92,000 was given to Futures for Heroes to develop a vehicle repair and recycling social enterprise that employed veterans to take old vehicles donated by local businesses and the community, to restore those that could be returned to working order and to dismantle others for recycling used parts.
- £262,000 went to the Folkestone Sports Centre to enhance access and include assisted changing rooms to enable disabled veterans to use the range of facilities.
- £7,274 provided new facilities (garden fence, outside play equipment, resources and storage) for Burgoyne Heights Pre-school, which is used by many service families.

- £10,000 is being used to create re-enactment trenches in Folkestone for the public to see first-hand what they were like.
- £69,950 is being used to develop the East Langdon Playing Field to provide a recreational area for the whole family which will be used by service families and civilian families alike.
- £69,000 is going towards a new, accessible building for Hever Castle's museum, with an adjacent education centre.
- £20,000 has been used to employ disabled and injured ex-service personnel in Tunbridge Wells to work with young people to achieve their Duke of Edinburgh bronze award and inspire, encourage and mentor other veterans.
- £45,000 has been given to the Engage Project in Maidstone to use veterans to lead positive community activities for young people.
- £1,858 went towards a new PA system for the Military Wives Choir in Shepway.
- £10,000 has been used to provide instruments and tuition for the Shepway Brass Academy and establish strong and ongoing links with the Band of the Brigade of Gurkhas.
- £8,554 restored a world war 2 trench in Dover that formed part of the defences against 'Operation Sea Lion' (Germany's plan to invade the UK), enabling it to be visited by the public and educational establishments.
- £41,000 went to Skill Horizons in Dover to help prepare veterans, service leavers and their dependents develop new skills for future employment.
- £60,592 has established Green Teams of unemployed people, run by ex-service personnel, to undertake community projects that enhance the local environment.
- In November 2015, 150 performers from Dover and East Kent will combine with performers from Dunkerque, Calais and Ypres to perform a specially commissioned Oratorio, "Dancing on Armistice Day"; with performances in Dover, Ashford, Dunkerque and Ypres. £20,500 has gone towards this.
- £37,307 is being spent to deliver Motivational Outreach to service and veterans communities in Dover to reduce the feeling of isolation and build on team work.
- In Shepway, £17,692 is being used to build relationships and record veterans' stories and create an Armed Forces Community Group. The stories will be shared with the community via a static display and a touring display to schools.

3.3 In addition, Kent has successfully bid for MoD LIBOR funding. The Royal British Legion Industries (RBLI) were awarded £250k from the LIBOR Fund to enable service personnel families to find and secure sustainable employment. The funding has been used to expand RBLI's successful piloting of 'LifeWorks' courses to spouses and partners of armed forces personnel to target 500 spouses in 2 years, trialling a mixture of methods to help them overcome the difficulties posed when their

partners are (often frequently and at short notice) redeployed or relocated. The MOD were so enthused about the bid that they encouraged RBLI to bid for further funding to cover childcare costs.

3.4 The Kent Sheds Programme, which was part-funded from the Libor Fund, goes from strength to strength. Members will recall that a Shed provides opportunities for men (and women if they want to) to participate in practical group activities such as engineering projects, woodworking or gardening. The idea is that they can share and learn new skills and support each other by working together 'shoulder to shoulder', thus improving their wellbeing. There are now 14 Sheds operating across the county including the Shepway Shed, based in Folkestone, which has a high proportion of veterans; the Dartford Shed, which is "virtual" and community-based – it gets involved in community projects such as gardening, improving public facilities, and helping those in need (eg they undertook a flat clearance for an elderly man to enable him to resume his life); Boat Buoys, which is based on a boat and promotes traditional boat repair skills, and the Mobile Shed that enables groups around the county to access its facilities. More information can be found at [www.kentsheds.co.uk](http://www.kentsheds.co.uk), and Kent Sheds is still inviting groups and organisations who would like to establish a 'Shed' to affiliate to the Kent Sheds programme, which can provide some support and networking, and a little financial assistance, to ensure new Sheds meet the ethos of the programme and provide a safe and welcoming facility for local men to meet and work. Members may also be interested to read the anonymised case studies at Annex 4 that show the impact on vulnerable veterans in participating in a Kent Shed.

3.5 Although it came from a separate pot of money, it is also worth noting that Kent successfully secured £243,000 from the Department for Communities and Local Government (DCLG) to support Gurkha resettlement, and Annex 5 provides more information about what has been done with this money, most of which has been spent in 2014-15.

## **4. The Second Annual Kent & Medway Conference**

4.1 In January, the second annual conference was a great success, and over 100 people battled through the traffic problems caused by Operation Stack to get down to the Duke of York's Royal Military School in Dover. This year, in addition to having updates about the army changes, and examples of successful activity to promote integration, we had a particular focus on research. The Board, on the advice of its Integration Sub-Group, had decided that we needed to find out more about the needs of ex-service personnel and their families, and the extent to which they differ from other families. Our information about veterans is quite limited. For example, there is no way of counting how many veterans there are in Kent, although we can make educated guesses. Although we know how many children in Kent schools are

receiving the service children's pupil premium, we do not know how many Reservists children are in schools nor children of ex-service personnel as neither of these groups is eligible for the service children's pupil premium.

4.2 The Royal British Legion carried out a major national household survey in 2014 that has given us a lot of useful information, and a presentation on this was given to the conference. Key messages are set out below, and the full report can be found at [www.britishlegion.org.uk/media/4093841/2014householdsurveyreport.pdf](http://www.britishlegion.org.uk/media/4093841/2014householdsurveyreport.pdf).

4.3 Nationally, the survey suggests that there are 2.83m veterans living in private households in the UK, 90% of whom are men. Half of these are ex-army, a quarter ex-RAF and the rest split evenly between Navy and Reserves. There are 2.09m dependent partners, almost all of whom are women, and 990,000 children under 18. In addition, they estimate that about 200,000 people are in communal dwellings, mostly care homes and sheltered housing but also hospital, prisons or temporary accommodation. This group was not included in the survey, but the estimates come from census data. This all gives a total community of 6.2m. If Kent and Medway had the same proportions as the national average, this would suggest around 176,000 veterans, dependents and children of which around 774,000 were ex-service personnel, but this does not reflect any regional variations, and we know that Kent is reported to be a popular destination for ex-service personnel to settle.

4.4 The research busts some common myths:

1. Veterans are NOT more likely to take their own lives: The oft-quoted statistic that more veterans of the Falklands subsequently committed suicide than died in the conflict is untrue (the respective numbers are 95 suicides and 237 who died in the conflict). Research by Manchester University found that suicide was less common amongst veterans than within the general population except for one group – young early service leavers.
2. Most service personnel DO NOT suffer from mental health problems: Rates of mental health problems amongst Service personnel and recent veterans appear to be broadly similar to the UK population as a whole, although depression is slightly higher amongst some age groups. Overall, rates of PTSD are around 4% although some groups are at a greater risk, including Reservists and combat troops. The only problem which appears significantly elevated amongst Service personnel and recent service leavers is heavy drinking.
3. Service Personnel are NOT more likely to end up in prison. Indeed, service personnel and veterans appear to be less likely than the general population to have a criminal conviction. Statistics on veterans in prison vary, but the most reliable ones have found that ex-service personnel make up between 3.5% and 7% of the prison population in England and Wales, which is broadly similar to the percentage of veterans in the UK population as a whole.



4. Rough sleepers are NOT likely to be veterans: Worrying statistics emerged in the 1990s indicating that around 20% of the London homeless population was ex-service. In contrast, a 2008 study estimated that the proportion of London's rough sleeping population who had served in the Armed Forces was 6%. A more recent estimate is that 127 individuals who slept rough in London at least once in 2013/14 had ever served in the UK military – 3% of the total. A 2007 National Audit Office survey of those undergoing the resettlement programme found that just less than 5% of respondents, mainly young and of junior rank, reported that they had been homeless at some point in the past two years (and this could include those staying with friends temporarily). For those who do fall through the cracks, homelessness is a serious problem of course, but the numbers in Kent are likely to be small.

4.5 The research also gives us some overall information about the veteran population, which is elderly and declining in size – almost half are over 75 (compared with 28% in 2005), and 64% are over 65, and the total numbers have reduced significantly since the RBL's last household survey. The needs of the older households are not, generally, very different from those of civilian older households. However, the research does throw up some interesting differences between the working age ex-Service community and the general population: they are more likely to:

- Be out of work
- Have unpaid caring responsibilities
- Report having health conditions that limit their daily activity (particularly hearing and musculoskeletal problems)
- Report being depressed.

4.6 Following the presentation about this research, the conference considered what it would be useful to further explore within Kent and Medway, and the following main themes emerged on the day:

1. What is the vulnerable ex-service population in Kent – unemployed, ill health, offenders – including spouses? How many are “falling through the net”? Where are they located? How can we access them and initiate support?
2. Needs of Reservists – how do they differ from the full timers? Are the needs of veteran Reservists different from veteran Regulars?
3. What specific needs and support requirements do the Ghurkhas (families of currently serving personnel; veterans) have? (eg transition issues and the health maintenance of cultural identity balanced with integration)
4. Are non-military partners and families particularly vulnerable following divorce or bereavement? What support needs do they have?

5. How can the army's welfare pathway be improved to tighten up the transition process?

4.7 The Integration Sub-Group is developing some further research specifically in Kent and Medway, building on what is already known from other sources, which will help shape the Board's future activity.

## **5. Children and Young People**

5.1 Supporting Service Children, along with the planned research outlined above, has been the main focus of the Integration Sub-Group, and was a key theme at the conference. A 5 minute video of service children talking about the issues they faced was prepared for the conference, and will be shown to the Committee. A speaker from the MoD's Children's Education and Advisory Service gave a presentation along with Angela Maxted, Head Teacher of Cheriton Primary School which has a large number of service children. An afternoon seminar discussed how best to share good practice, and in particular how to support service children in schools that only had small numbers of service children (about 100 schools in Kent have between 1 and 5 service children).

5.2 Since the conference, further meetings have been held between Angela Maxted and the Armed Forces Network about how to raise awareness of the issues for school staff, including 'real' training that is less formal and truly reflects the needs, vulnerabilities and demands on school staff. A one day conference is being planned for head teachers and relevant staff.

5.3 The armed forces can provide wonderful role models for children and young people. We are fortunate indeed in Kent in having the Challenger Troop, which has engaged over 9,000 young people since it was founded in 2007, many of whom are not otherwise involved in activities such as Scouts, or Cadets. Challenger Troop positively reaches out to the most disadvantaged and disengaged youngsters, engaging them in challenging team activities to develop their personal skills and leadership and raise their aspirations, and has also been involved in supporting the Troubled Families programme. Another inter-schools Challenger Day is being planned for later this year.

5.4 For the army, a big concern is ensuring that when soldiers are posted to Kent, their children get places in local schools, and our officers work closely with schools to ensure that this happens in individual cases. Kent has been praised by the MoD for the way in which it has managed to accommodate service children at short notice.

## 6. Health and Wellbeing

6.1 The Board has a virtual network of health and related professionals that focusses on the health and wellbeing of veterans and their families. We know that:

- Training and preparation for combat impacts (positively) on the prevalence of Post-Traumatic Stress Disorder (PTSD) (military mind set)
- Health impacts of military service are related to the characteristics of people going in to the military services (e.g demographic and personal)
- Reserves are particularly vulnerable, and more likely to suffer PTSD
- Alcohol and depression are the biggest health issues facing veterans (borne out by the RBL research referred to above).
- Those exposed to combat are more likely to suffer alcohol misuse (drink more heavily)

6.2 We don't know:

- Exact numbers of the ex-military population in Kent; in prisons; or registered with GPs (the research we are about to do will improve estimates, but we will still not have precise figures)
- Exact nature of impact on mental health of ex-military (i.e. can take long time to manifest symptoms and social stigma).
- Impact of mental health on veterans' families

6.3 Under the Armed Forces Covenant, priority treatment is given for conditions related to an individual's service, and for their first assessment. People who need prosthesis will be able to access treatment through the NHS to military standard quality. Those few ex-service personnel who do get PTSD (directly related to their combat) get specialist and fast track treatment. With any other mental health condition, if military service is an exacerbating factor then they are entitled to specialist help.

6.4 So in Kent, we now have the Armed Forces Network (AFN) (see the website at <http://armedforcesnetwork.co.uk>) which provides information about free mental health services for ex-military personnel across Kent and Medway. The network brings together volunteers and professions to ensure ex-military personnel who are suffering from anxiety and depression and Post-Traumatic Stress Disorder can access and receive appropriate help. In 2014 the AFN has delivered Military

Mindset Training across all the public sector organisations in Kent to raise awareness amongst staff dealing with the public of the issues faced by ex-service personnel.

6.5 The Kent Sheds Programme referred to above was set up in direct response to the mental health needs of veterans. In addition in Kent there is physiotherapy for veterans provided by the Kent Community Health Trust; IAPT (Improving Access to Psychological Therapies) specialist support in Shepway; the Military Psychiatry Service in Woolwich, and various voluntary sector services such as the Blackthorn Trust.

6.6 Specifically on alcohol misuse, the new alcohol pathway is being developed in Kent, with the emphasis on having multiple routes of entry into support, starting with GPs and pharmacists. Local alcohol strategy groups have been asked to prioritise veterans as a key vulnerable group. With drug misuse, although in general veterans are less likely to use illegal substances than the general population, our substance misuse providers are working closely with veteran mental health networks, and have also done some specific outreach work with the Nepalese community in Shepway.

6.7 Over the next year the key priorities for this sub-group are:

- Improving identification of ex-service personnel within the health services
- Ensuring there is a clear pathway for veterans to receive health support
- Improving family support
- Using serving personnel and veterans as role models and champions of promoting higher activity levels within local communities.

## **7. Employment, Economy and Skills Sub-Group**

7.1 The main priority for this sub-group has been to ensure that service personnel who have been made redundant in Kent have been supported to transition to civilian life. The Sub-group has organised many transition events and engagement groups as well as working with local businesses. Several Community Covenant grants have related to improving skills of veterans and their partners to enable them to find new employment. The final tranche of Kent army redundancies takes place in June 2015.

7.2 In moving forward, the focus of this Sub-Group will be on promoting and supporting the expansion of Reservists amongst businesses, and seeking to improve the interface between military and civilian qualifications and skills (including helping ex-service personnel to identify the skills and qualifications they have that can be applied to other jobs in civilian life).

7.3 The Sub-Group will also encourage local authorities in Kent to support initiatives which create employment opportunities for ex-service personnel who choose to settle here. One example of this is Royal British Legion Industries (RBLI) who provide employment opportunities for ex-service personnel, particularly those who have incurred a life changing injury which impacts on their employment options. Encouraging the purchase of goods and services from their Social Enterprise, in accordance with Social Value Act 2012, helps to ensure the sustainability of RBLI and the wider work it does in supporting ex-service personnel in Kent, from providing healthcare and housing to equipping individuals with the understanding and skills they need to find work, through its LifeWorks programme. Supporting practical initiatives such as this further evidences how KCC intends to meet its commitment to the principles of the Armed Forces Covenant.

## **8. Housing Sub-Group**

8.1 The Joint Policy & Planning Board for Housing has established a Service Personnel Housing Sub-Group, to lead on implementing the priorities relating to serving and ex-serving military personnel identified for response in the Kent & Medway Housing Strategy. The Sub-Group has representatives from a wide range of organisations including public, private and third sector that support the ambition to level the playing field on housing issues for serving and ex-serving military personnel. The group has worked with RBL and RBLI on understanding and catering for the housing needs of ex-service personnel and their families including:

- Holding housing events countywide to help service leavers understand their housing options
- Similarly working with barracks in advance of leavers' transition
- Moat Housing Association working with MoD to raise awareness of the affordable housing available
- Working to establish transitional housing provision for leavers to prevent homelessness
- Multi-agency transition fairs held, offering help for redundancies from the armed forces and serving officers
- The Sub-Group working hard with Public Health on service personnel housing and health issues
- Serving or veteran armed forces personnel are now eligible to access social housing

8.2 Kent HomeChoice has promoted armed forces' issues through the website, including videos connected to YouTube, news articles and leaflets. There is also a section in the housing options pages dedicated to armed forces, containing relevant signposting links.

8.3 The MOD sit alongside social tenants as the Highest Priority for the Low Cost Home Ownership Options within Help to Buy, which is another option shown on Homechoice (see [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)).

8.4 Housing application forms across all of 13 Kent & Medway district councils now ask whether the applicant is or has been a serving member of the armed forces in order that statistics are collected to ascertain the level of housing need in this client group.

8.5 The Sub-Group has worked together to develop projects for submission to the LIBOR Veterans' Accommodation Fund, identifying and addressing need and developing a pathway which provided appropriate accommodation solutions for veterans at whatever point they are in their journey. A number of project submissions made by members of the group were successful and once completed will provide a range of accommodation solutions from single person to family units, supported housing, transitional and move on accommodation. This has enabled the group to achieve one of the key objectives for which it came together, ie to provide an effective housing network for veterans, especially those who are vulnerable and at risk of experiencing periods of homelessness.

8.6 Now that we have been successful in levelling the playing field for personnel through allocations and Kent HomeChoice, the group still has work to do, specifically projects to assist transition from military to civilian life. One of the aspirations of the group has always been to create a block of self-contained flats that can be used to support ex-service personnel to transition and resettle. A challenging aspiration but this is now becoming a reality for the near future, made possible by the true partnership working and enthusiasm of the group members and the support of the Kent & Medway Civilian Military Partnership Board. Other key priorities are:

- Levelling the playing field for housing options – improving the experience, signposting, continuing the links with Kent Homechoice
- Training awareness for the housing sector, eg. military mindset
- Identifying recommendations for inclusion in the refresh of the Housing Strategy

## **9. Recognise & Remember Sub-Group**

9.1 The purpose of this Sub-Group, which is chaired by Leyland Ridings, is to have an overview of the many ways in which people in Kent recognise the work of the armed forces and commemorate significant events, and to drive and co-ordinate activity. In 2014 the main focus was the anniversary of the start of World War 1, and Members will be very aware of the Step Short Arch, the march that took place, and

the wealth of activity around that. If Members have not yet looked at the wonderful World War 1 timeline at [www.kent.gov.uk/ww1](http://www.kent.gov.uk/ww1) then this is well worth a browse.

9.2 The priorities for the coming year mostly relate to World War 2, starting with the 70<sup>th</sup> anniversary of VE day on 8<sup>th</sup> May, followed by the 75<sup>th</sup> anniversary of the commencement of the Battle of Britain in July. The group will also be focussed on the 800<sup>th</sup> anniversary of the Magna Carta in June, with Kent Libraries, Registration & Archives taking a lead, as well as 200 years since the Battle of Waterloo, also in June, and 100 years since Edith Cavell was executed by firing squad in Belgium in October; particularly relevant to Kent, as having arrived back in Dover, her remains stayed overnight in the parish church before being conveyed through Kent on the way to a state funeral at Westminster Abbey.

9.3 The Sub-Group will continue to liaise with the Armed Forces, Councils, Libraries, Archives, and Galleries, University of Kent and educational institutions, schools, the Lord Lieutenant's office and support organisations to make the links necessary to reap the maximum reward from the many co-ordinated efforts across the county.

## **10. Conclusions and Recommendations**

10.1 This report has provided an overview of how the Kent & Medway Civilian Military Partnership Board is implementing the Community Covenant, putting this into the context of the significant changes taking place in how the armed forces will operate in Kent and nationally. It has set out for Members the direction of travel and the key areas of priority for future action, starting by undertaking some further research to help target future activity.

10.2 One of the challenges of this area of work is that it is so broad, linking in with such a wide variety of different services and activities. We are making full use of technology – using websites to make connections for individuals and service users, and now we are also liaising with colleagues in Hampshire and Surrey to share experiences and good practice. The bottom line, though, is that by having a Civilian Military Partnership Board, we have a first point of contact for the military or veterans who are not sure where to go for help, support or advice.

10.2 The Committee is asked to NOTE the range of activity underway, and to COMMENT on the priorities for the future.

*Background Papers: None*

*Report Authors:*

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Annexes:

1. Membership of the Civilian Military Partnership Board
2. 11 Brigade area, and Commanding Officers responsible for community engagement
3. Army Footprint in Kent and Medway
4. Case studies from Kent Sheds
5. How the Gurkha Resettlement Fund is being used in Kent



## **Kent & Medway Civilian Military Partnership Board**

The overall purpose of the Board is to implement the Kent & Medway Community Covenant. It will do this through overseeing the work of five sub-groups which each focus on particular themes within the Covenant. The Board will meet bi-annually to receive reports and progress updates from each of the sub-groups, thus having a strategic overview of all activity and the ability to steer the implementation of sub-group work.

### **The terms of reference are as follows:**

- *To address countywide issues relating to the Kent Community Covenant.*
- *To review the Kent Community Covenant annually and propose amendments where necessary.*
- *To filter and endorse applications of strategic significance for the Ministry of Defence Community Covenant Grant Scheme.*
- *To oversee, and take responsibility for, administering such Community Covenant Grant Scheme grants.*
- *To ensure that evidence is collected for audit purposes.*
- *To provide a forum for the exchange of information between the civilian and military authorities*
- *To widen understanding of military and veteran issues, including those relating to families of current or ex-service men and women.*

The members of the Kent & Medway Civilian Military Partnership Board are:

**Leyland Ridings** *CHAIR (Armed Forces Champion for KCC)*

**Brigadier Andrew Hughes** *(Commander of 11 Brigade)*

**Mike O'Brien** *(Armed Forces Champion for Medway)*

**David Bowen** *(SSO 1 REME Regiment)*

**Patrick Crowley** *(South East Reserve Forces' and Cadets' Association)*

**Sandra Fruish** *(Royal British Legion)*

**Steve Sherry** *(Royal British Legion Industries)*

**Jo Gunnell** *(Soldiers, Sailors, Airmen & Families Association)*

**Alison Broom** *(Invicta Chamber of Commerce / Maidstone Borough Council)*

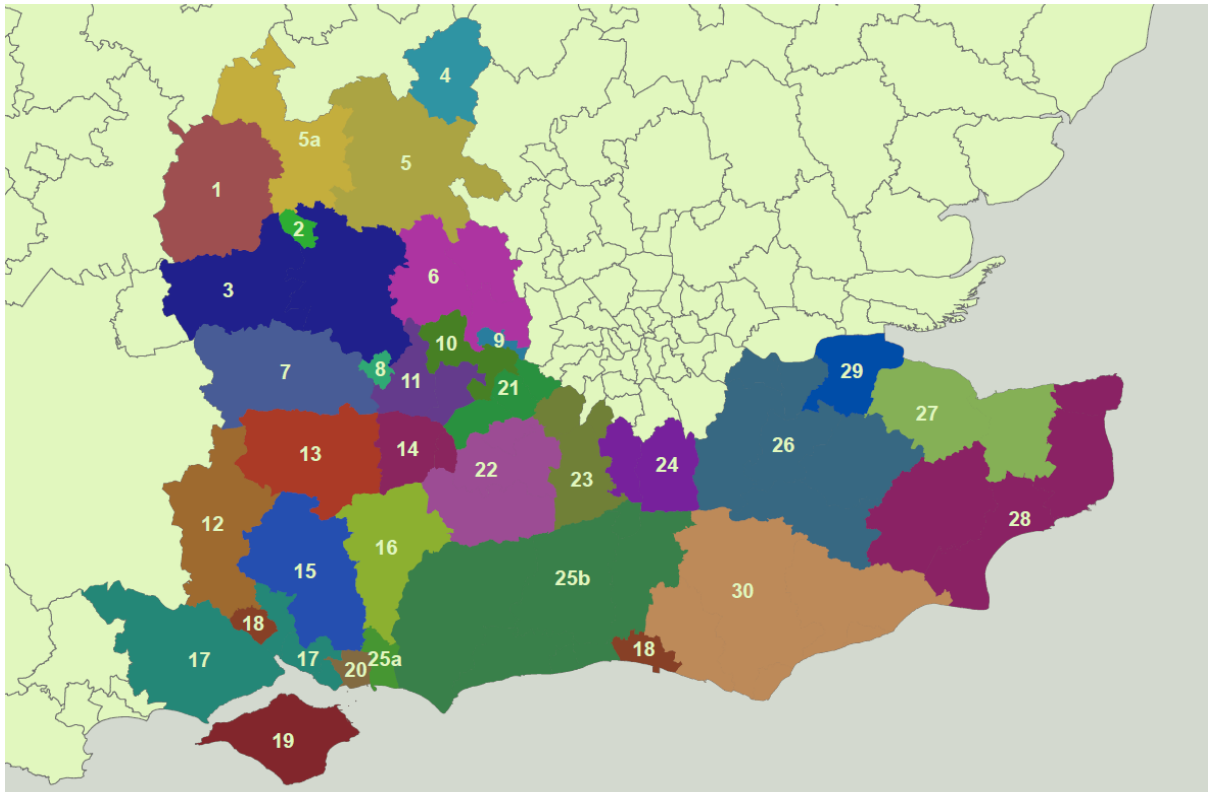
**Victoria Paterson/Jodie Kennedy-Smith/Tracy Evans** *(11 Brigade)*

**Debra Exall/Tim Woolmer** *(Kent County Council)*

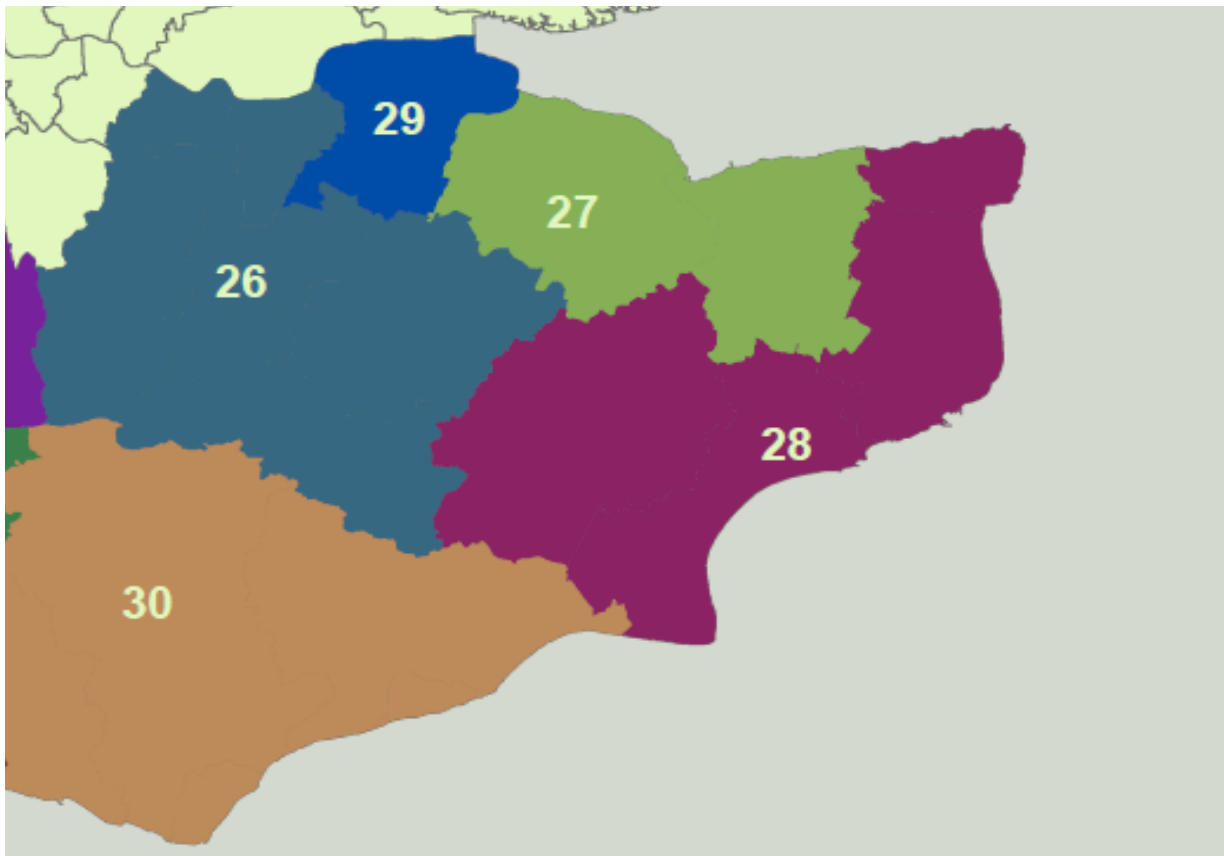
### **The five Sub-Groups are:**

- Recognise and Remember Sub-Group
- Integration Sub-Group  
*(covering children and young people, and stronger, safer communities)*
- Joint Policy & Planning Board for Housing Service Personnel Sub-Group
- Health and Wellbeing Sub-Group
- Employment, Economy and Skills Sub-Group

**Area covered by the new 11 Brigade**



**KENT AND MEDWAY COMMUNITY ENGAGEMENT TASK FORCE**  
**COMMANDERS**



*(Numbers below refer to numbered areas on map)*

- 26. Commanding Officer of 36 Engineers Regiment (Tunbridge Wells, Tonbridge & Malling, Maidstone, Sevenoaks, Gravesham, Dartford)
- 27. Commanding Officer of 3 Princess of Wales Royal Regiment Reserves (Canterbury & Swale)
- 28. Commanding Officer of 2 Royal Gurkha Rifles (Ashford, Shepway, Dover, Thanet)
- 29. Commanding Officer of 1 Royal School of Military Engineering Regiment (Medway Towns)



**Case Studies from Kent Sheds**

**“John” (ex-Royal Artillery)**

John came to us via SSAFA Canterbury. He had been sleeping in his car in the local Sainsbury car park, and had reached an absolute low point in his life when he turned to SSAFA for help. He impressed us immediately with his desire to help others despite his own challenging circumstances, and within a week of working with us he took on the role of Team Leader, acting as the first point of contact for new volunteer and disadvantaged veterans. He now has accommodation in Canterbury and use of a vehicle to help him bring volunteers to our base. He has become a SSAFA caseworker since joining us and wants dedicate his time improving the lives of veteran colleagues who are struggling.

*“When I met the people from the Shed that was the day my life changed. It was like first contact – awesome - just saved my life. Having chatted for well over eight hours on my first day, I realised that this is what I want to do for the rest of my life. I want to help ex service personnel who need the same support as I was given. I now have the nickname “goose” because now whenever I talk about it, or see the difference it makes to the people we help I get goose bumps!”*

**“Matt” (ex-Light Infantry)**

Matt’s background has been a difficult one - as well as serving in the Army he has had a lot of personal issues that he feels is mainly down to PTSD. Fifteen months ago he undertook a course run by Royal British Legion Industries called Lifeworks. The course made him recognise that there were issues that he needed to address and gave him support to do so. In December 2013, he heard about the Kent Sheds programme and worked with Activmobs (commissioned by KCC) who helped him develop the concept and he then worked with Julie (the Kent Sheds Project Officer) to establish and build up one of our sheds.

Being involved with the shed has helped him find his confidence once again. He is very supportive to other members and says the camaraderie between “shedders” is brilliant. Most of the members have or have had mental health issues and find that being with like minded people, standing shoulder to shoulder is improving their wellbeing.

He is now in a much better place mentally and is one of our most active Shed Champions. He promotes the ‘six ways to wellbeing’ amongst shedders and has gained a lot of knowledge of where to seek help if needed with outside agencies.

“I am now more confident, have discovered new talents, made new friends and above all have made an impact in people’s lives, this for me is better than what any wage packet can offer because it’s natural and I thank all involved for the chance to

help in the support of other shedders. I am for the first time in many years happy and content”

**“Dave” (Ex-Royal Engineers)**

When Dave first came to the shed he was having difficulty dealing with everyday issues and was easily misled by others on issues that he knew little of. By attending the shed and having the support of other ex-service men has helped him immensely. With the help and guidance of others and knowing where to signpost him, he has now started to tackle some of his everyday problems by himself. The shed has given him the confidence to move on and look forward to the future for the first time in years. He has even set up a window cleaning business on his own and is enjoying having a purpose.

“The shed gives me so much. I have made friends and feel welcome.”

**“Paul” (Ex-Royal Navy)**

Paul’s self esteem and confidence were extremely low when he first got involved in the shed. By going along and spending time with the others in the shed, he feels his confidence has grown. He now manages to speak up in the group and has become more outspoken outside of this environment. He likes to get involved in the projects that the shed do within the local community. He is actively seeking to change his job and feels that he has a support network amongst the shed members.

“ I am finding myself again”

## **How the Gurkha Resettlement Fund is being used**

In 2012 the Department for Communities and Local Government allocated funding to Kent for the provision of new services to aid settlement in the areas of Ashford, Maidstone and Shepway. This funding was allocated to providing improved access to community information and services for Gurkha veterans and their families, whilst also improving community cohesion.

Extensive research was undertaken with the Gurkha communities, local authorities from across the UK and local voluntary organisations who have expertise in community integration.

In April 2014 four new services were launched, designed to empower the Nepalese community, to help improve access to public and voluntary organisations' services, social integration and to increase cultural awareness across Kent.

Under the Gurkha Settlement Fund project, the charity Migrant Help employed a new Community Development Worker to work on improving integration and developing cohesive communities, in addition to mapping out assets available in each area.

Migrant Help also offered an innovative volunteer-led support programme for accessing information, advice and guidance in a range of face-to-face locations, as well as a new telephone support line. This project is helping ex-Gurkhas and their families to become independent, responsible and self-reliant within the community.

The Health Trainer Service at Kent Community NHS Health Trust has appointed a co-ordinator to recruit and train volunteers from Gurkha communities. They will be trained to support their communities in accessing local health services, signpost to appropriate services and also offer advice and support with healthy behaviour changes.

A fundamental principle to aiding integration is the ability to communicate with those who live around you. Working with Community Learning and Skills, Skills Plus we designed a bespoke package of training to support the transition into civilian life. These range from the day-to-day language skills required to better understand and communicate in matters such as job search, house hunting, medical and community facilities, to the higher level skills required to prepare for and pass the B1 language test as a route to citizenship.

For the elders and families we are teaching the language skills to enable them to function and integrate on a day-to-day basis. The Skills Plus response team continues to support the families to build confidence, motivation, knowledge and skills.

But to deliver these four key projects just wasn't enough. Working with the voluntary community we were able to offer community grants which will enhance the work of the core projects.

Research has demonstrated that singing improves the health and well-being of older people. Sing For Your Life, a charity which supports older people by providing participatory singing sessions, is developing a programme of Nepalese folk songs. Diwas Rai, the Community Development Officer at Sing For Your Life, has formed a folk group which will record the programme to enable older Gurkhas and their families to enjoy traditional music sessions.

On a very sunny day in Ashford, the Gurkha Peace Foundation held a BBQ and party for around 500 people from the local community. The 'Settlement Fund' enabled this event to take place and it lasted for eight hours, bringing together Gurkha families from Ashford, Folkestone and Maidstone to mix and socialise with others who live within the local housing estates.

A BBQ at lunch time and a curry in the evening were enjoyed by all as they watched Nepalese cultural dancing and participated in a bingo session.

The Gurkha Peace Foundation is also running weekly day centres in Ashford and Folkestone providing a translation service for hospital visits with transport, legal and financial advice.

Kent Community Organisation is a long established third sector organisation with expertise in community integration, having worked with a range of nationalities from across Europe. The All Together project has been born from the need to ensure a basic level of understanding about what it actually takes to achieve integration. They believe that for a community to thrive, it must be representative of all who choose to live there, and for that community to have a strong cultural awareness and acceptance of others.

VOICE (Shepway Volunteer Centre) held two Community Links events in September in Ashford and Folkestone targeting the Gurkha community, with the two-fold aim of providing information about the services available from the voluntary and community sector and the benefits to be gained from volunteering. Voluntary and community organisations had stalls and there were presentations, speakers and entertainment, as well as a buffet lunch. This was an exciting way of promoting the voluntary and community sector and the support available.

The funding provided by DCLG has been used to full effect with a range of innovative projects which have delivered better community integration, increased cultural awareness and enhanced access to public, voluntary and community services. Although this was one-off funding, an element of sustainability was built into the four key projects to ensure some of the good work would continue.

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