AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

**Friday, 11 December 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 C P D Hoare and Mr R A Latchford, OBE, VACANCY

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

Liberal Democrat (1): Mrs T Dean, MBE

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

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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 10 and 18 September 2015 (Pages 5 - 12)

To consider and approve the minutes as a correct record.

A5   Minutes of the meeting of the Property Sub-Committee held on 23 September 2015 (Pages 13 - 16)

To note the minutes

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

B1   Procurement of a New Contract for User Access (Pages 17 - 20)

C - Monitoring of Performance

C1   Strategic and Corporate Services Directorate Dashboard (Pages 21 - 34)

To receive the Strategic and Corporate Services Directorate Dashboard which shows progress made against targets set for Key Performance Indicators

C2   Financial Monitoring 2015-16 (Pages 35 - 42)

To note the revenue and capital forecast variances from budget for 2015-16 based on the second quarter's full monitoring to Cabinet

C3   Annual Equality and Diversity Report 2014-15 (Pages 43 - 66)

To receive the Annual Equality and Diversity Report 2014-15 and an outline of the proposed approach to revising the KCC's equality statement and objectives for the period 2016-2020

C4   Work Programme (Pages 67 - 70)

To consider and agree the committee's work programme for 2016

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

D1   Spending Review And Autumn Budget Statement Announcements (Pages 71 - 86)

To note the relationship between central government and local authority decisions on the council's budget plans and the main announcements within the Spending Review and Autumn Budget Statement affecting local authorities

D2   Corporate Assurance Analysis Report (Pages 87 - 112)

To receive a report outlining the role of the Corporate Assurance function and progress to date, including an overview of change activity across the four change

portfolios and a summary of major change projects and programmes

Peter Sass
Head of Democratic Services
(01622) 694002

Thursday, 3 December 2015

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KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Thursday, 10 September 2015

PRESENT: Mr A J King, MBE   (Chairman),   Miss S J Carey,   Mr N J D Chard, Mrs T Dean, MBE,   Mr J Elenor,   Mr C P D Hoare,   Mr R A Latchford, OBE, Mr R L H Long, TD,   Mr R A Marsh,   Mr S C Manion,   Mr M J Northey, Mrs P A V Stockell and Mr D Smyth and Mrs P A V Stockell

ALSO PRESENT: Mr G Cooke, Mr P M Hill, OBE, Mr J D Simmonds, MBE and Mr B J Sweetland

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance), Mr G Wild (Director of Governance and Law) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

155. Introduction/Webcast announcement
(Item A1)

156. Apologies and Substitutes
(Item A2)

Apologies for absence were received from Mr Davies and Mr Ridings. Mr Marsh and Mr Northey attended as substitutes for Mr Davies and Mr Ridings respectively.

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

Mr Smyth made a declaration of interest in item B2 – Final Draft of the VCS Policy and Consultation Feedback as both he and his wife were involved in a number of charities.

158. Minutes of the meeting held on 1 July 2015
(Item A4)

Resolved that the minutes of the meeting held on 1 July 2015 be approved as a correct record and signed by the Chairman.

159. Meeting Dates for 2016-17
(Item A5)

Resolved that meetings of the Policy and Resources Cabinet Committee will take place as follows:

Friday 15 January 2016
Tuesday 15 March 2016
Tuesday 24 May 2015
Friday 22 July 2016
Thursday 8 September 2016
Friday 2 December 2016

Friday 13 January 2017
Wednesday 8 March 2017

160.   Final Draft of the VCS Policy and Consultation Feedback
(Item B2)

(1)   The Chairman said that this item would be considered first.

(2)   Mr Hill (Cabinet Member for Community Services) introduced the report and said the adoption of a voluntary and community sector policy was important and timely especially as the authority was moving towards being a commissioning council.   He said the workshops held as part of the consultation had been invaluable shaping the policy and urged the Committee to support the adoption of the policy.

(3)   David Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance) said that the community and voluntary sector welcomed the opportunity to engage with the Council through the consultation process and said it was essential to have a policy defining the relationship with the sector including the majority of organisations within it that did not provide services on behalf of the council or receive grant funding.

(4)   In response to comments and questions Mr Whittle said the following:

(a)   A single downloadable application form for grants was being designed and would be available in a prominent position on the Council's website together with a grant prospectus providing further information about grants and funding;

(b)   Consideration would be given to including anonymised case studies to assist with the understanding of grants and their use.   He also said that those commissioning services had the opportunity to support charities but would need to demonstrate a clear link to the Council's strategic priorities;

(c)   The definition of social value was very broad.   The Commissioning Framework, which was closely related to the Voluntary and Community Sector Policy, was designed to encourage commissioners to think about social value and the new public contracts regulations made it easier to break contracts into smaller units which would enable smaller charitable and voluntary organisations to submit tenders.

(5)   Resolved that:

(a) The proposed decision to adopt the Voluntary and Community Sector Policy be endorsed subject to clarification about the use of grants;

(b) An update on the implementation of the policy be received by the Policy and Resources Committee in September 2016.

161. Customer Service Policy
(Item B1)

(1) Mr Sweetland (Cabinet Member for Commercial and Traded Services) introduced the report. He said the Committee had approved the draft policy prior to public consultation and that the results of the consultation that took place between March and May 2015 had influenced the policy.

(2) David Whittle (Director of Policy, Strategy, Relationships and Corporate Assurance) said it was important to have a simple statement of customer service standards that were applied across the organisation and to those providing services on behalf of the authority. He also paid tribute to Pascale Blackburn-Clarke (Quality and Assurance Manager) and other members of his team for their work in developing the policy.

(3) In response to comments and questions Mr Whittle, Mrs Kendal (Head of Customer Relationship) and Mrs Pascale Blackburn-Clarke (Quality and Assurance Manager) gave the following information:

(a) Consideration would be given to developing a key performance indicator or other way of measuring the number of persistent callers who could not be helped by the authority and were , therefore, barred from any communication;

(b) The words "and before consultation begins" would be added to the first sentence of the Equality Analysis/ Impact Assessment so it read "You need to start your Equality Analysis and data collection when you start to create or change any policy, procedure, project or service and before consultation begins".

(c) Consideration would be given to the most appropriate way of following up the requirement in the Equality Impact Assessment Action Plan that all commissioners consider the equalities implications of the customer service elements that would be delivered as part of any commissioning activity.

(d) Discussions about ways of increasing the number of people responding to consultations were underway however the value and statistical significance of responses weighted for ethnicity, geographical spread and other criteria should not be underestimated.

(4) It was also confirmed that the Customer Complaints Policy was being reviewed with a view to ensuring proper recording and quality responses as well as tracking feedback and outcomes.

(5) The Committee was also advised that there were strong links between the Customer Service Policy and the Commissioning Policy.

(6) Resolved that:
(a) The proposed decision to formally adopt the Customer Service Policy and its principles within KCC including the recommendations arising from the consultation be endorsed subject to comments from Members of the Committee;

(b) The operation of the policy be reviewed by the Committee in September 2016.

162. Award of Insurance Programme Contracts
(Item B3)

(1) Mr Simmonds (Deputy Leader and Cabinet Member for Finance and Procurement) introduced the report saying that the local authority insurance market was restricted with few private sector insurers willing to enter into it. He also said that the current contract (in place since 2009) was competitively priced, the tender for the new contract had followed the Open Procedure and that it was anticipated that a decision on the award of contract would be made by 6 November 2015.

(2) In response to questions and comments, Mrs Mattingly (Insurance Manager) said that feedback on the cost benefit analysis of increasing self-insured levels referred to in paragraph 4.2.3 of the report could be provided in due course; and confirmed that tenders included quotes for various levels of self-insurance.

(3) Resolved that the proposed decision to award the contracts for insurance, which commence in January 2016, and associated inspections in accordance with the terms and conditions of the tender exercise be endorsed.

163. Annual Business Planning Review
(Item C1)

(1) David Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance) introduced the report which reviewed the 2015/16 business planning round and sought comments on and endorsement of the proposed changed for 2016/17. He paid tribute to the members of his team who worked with directorates to develop annual business plans and said that the current year had been particularly challenging.

(2) He referred in particular to the need to capture the priorities of Cabinet Members early in the process and to encourage directorates to take a three-year view rather than focussing only on the immediate year ahead.

(3) Comments were made about the need for standardisation of directorate business plans, the importance of strong links between the templates at Appendix 2 and Appendix 3 of the report and the proposal that achievements relating to social value be documented through the Strategic Statement annual

report to be considered by County Council from autumn 2016 rather than in business plans.

(4)   Mr Whittle said the final format of the business plans would be agreed following discussions with directorate management teams.

(5)   Resolved that the business planning arrangements for 206/17 be endorsed subject to further consideration of comments of the Committee.

164.   Legal Services' Evolution Efficiency Enterprise Final Report 2012/15
(Item C2)

(1)   Mr Sweetland (Cabinet Member for Commercial and Traded Services) said the Evolution, Efficiency Enterprise project had been very successful and the Committee had received regular updates. Mr Wild (Director of Governance and Law) said the report drew together three years of work.

(2)   Mr Long, as an explanation of his background and experience said he practised as a solicitor and part-owned a firm of solicitors. He said he did not consider a declaration of interest necessary as his firm was not involved in providing the same services as Kent Legal Services.

(3)   In response to questions, Mr Wild confirmed that:
*   The information in Appendix A was entirely accurate;
*   The external market had changed since the project started and continued to change;
*   Efforts to generate income from external work had been largely put on hold in light of the Facing the Challenge Project;
*   Despite this, income from external work contributed 40% of the surplus generated over the past three years; and
*   In addition to the cashable savings, an estimate of non-cashable savings and efficiencies was also set out in Appendix A of the report

(4)   There was general view that the project had been a success and tributes were paid to Mr Wild and the Legal Services team.

(5)   Resolved that:
(a)   The report be noted;

(b)   Mr Wild and the Legal Services team be thanked for their efforts in ensuring the success of the project.

165.   Work Programme 2015
(Item C3)

(1)   The report gave details of the proposed work programme for 2015.

(2)   The Chairman said an extraordinary meeting of the Committee would take place at 1pm on Friday 18 September 2015 to discuss the procurement of back office services.

(3)   Resolved that the report be noted.

KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Friday, 18 September 2015

PRESENT: Mr A J King, MBE (Chairman), Miss S J Carey, Mr N J D Chard, Mr J A Davies, Mr J Elenor, Mr C P D Hoare, Mr R A Latchford, OBE, Mr R L H Long, TD, Mr S C Manion, Mr R A Marsh, Mrs P A V Stockell, Mr D Smyth and Mr N S Thandi

ALSO PRESENT: Mr P B Carter, CBE

IN ATTENDANCE: Mrs A Beer (Corporate Director Engagement, Organisation Design & Development), Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mr R Hallett (Head of Business Intelligence), Ms N Major (Strategic Financial Adviser), Mrs R Spore (Director of Infrastructure) and Mr A Wood (Corporate Director Finance and Procurement)

UNRESTRICTED ITEMS

166.   Introduction/Webcast announcement
(Item A1)

167.   Apologies and Substitutes
(Item A2)

(1)   Apologies for absence were received from Mrs Dean and Mr Ridings. Mr Bird and Mr Marsh attended as substitutes for Mrs Dean and Mr Ridings respectively.

(2)   The Chairman said that all Cabinet Members had been invited to attend the meeting and it was noted that Mrs Hohler was in attendance as substitute for Mr Hill.

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

There were no declarations of interest.

169.   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.

170. Facing the Challenge - Back Office Procurement Project
  (Item B1)

(1)   Mr Hallett (Senior Responsible Officer for the Back Office Procurement Project) introduced the report which built on previous updates to the Cabinet Committee and provided information about the outcome of the evaluation process.

(2)   A letter received from one of the bidders in relation to Lot 1 was tabled and Members of the Committee were given the opportunity to read it.

(3)   Mrs Beer (Corporate Director Engagement, Organisation Design and Development) referred in particular to Appendix 1 of the report and drew Members' attention to the results of the evaluation of Lot 1.

(4)   Mr Wood (Director of Finance and Procurement) with the assistance of Mrs Major (Strategic Financial Adviser) introduced the Section 151 Officer's Value for Money Report relating to Lot 1 set out in Appendix 2.

(5)   Mr Hotson (Chairman of the Commissioning Advisory Board) gave a short summary of the Board's view of the tender bid for Lot 1 and Lot 3.

(6)   Officers then answered Members' questions.

(7)   Resolved, unanimously, to recommend to Cabinet not to proceed with the bid for Lot 1.

(8)   Mrs Beer referred to the Commissioning Board's report on the evaluation of Lot 3 (section 7 of Appendix 1).

(9)   Mr Wood with the assistance of Mrs Major introduced the elements of the Value for Money report that related to Lot 3 (10). Officers then answered Members' questions.

(11) Resolved to recommend to Cabinet that the bid for Lot 3 be pursued.

KENT COUNTY COUNCIL

PROPERTY SUB-COMMITTEE

MINUTES of a meeting of the Property Sub-Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Wednesday, 23 September 2015.

PRESENT: Mr N J D Chard (Substitute for Mr A J King, MBE), Miss S J Carey, Mr I S Chittenden, Mr C P D Hoare, Mr D Smyth and Mrs P A V Stockell

IN ATTENDANCE: Mrs R Spore (Director of Infrastructure) and Mrs A Hunter (Principal Democratic Services Officer)

UNRESTRICTED ITEMS

46.   Apologies and Substitutes
(Item A1)

(1)   Apologies for absence were received from Mrs Dean, Mr King and Mr Ridings. Mr Chittenden and Mr Chard attended as substitutes for Mrs Dean and Mr King respectively.

(2)   Apologies were also received from Mr Cooke (Cabinet Member for Corporate and Democratic Services).

(3)   In the absence of Mr King (Chairman of the Property Sub Committee), Miss Carey (Vice-chairman) was in the chair.

47.   Declarations of Interest by Members in Items on the Agenda
(Item A2)

There were no declarations of interest.

48.   Minutes of the meeting held on 27 March 2015
(Item A3)

Resolved that the minutes of the meeting held on 27 March 2015 be approved as a correct record and signed by the Chairman.

49.   Meeting Dates for 2016-17
(Item A4)

Resolved that meetings of the Property Sub Committee be held on Thursday 29 September 2016 and Tuesday 21 March 2017 and that the date of the meeting in March 2016 be confirmed at a later date.

50.   Exclusion of the Public

(1)   The Chairman said she did not consider it possible for the sub-committee to consider the reports without reference to the exempt appendices and exempt

reports. She therefore proposed that the press and public be excluded from the meeting.

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

(3)   The Chairman said that Item C1 would be considered first as representatives from the Total Facilities Management contractors were waiting to give presentations.

51.   Total Facilities Management - 2nd Biannual Review
(Item C1)

(1)   Rebecca Spore (Director of Infrastructure) and Tom Micklewright (PFI and FM Contracts Team Manager) introduced the report which gave an update on the performance of the three Total Facilities Management TFM) contractors since the first biannual review in March 2015. Each of the three contractors gave a short presentation on their performance, service delivery and future plans and answered Members' questions.

(2)   In response to questions, Mrs Spore said that the contractors' performance was monitored monthly and quarterly and that there had been a marked improvement since the previous update to the sub-committee. She also confirmed that a list of key performance indicators had previously been presented to the sub-committee and further information would be supplied on request.

(3)   Resolved that:
        (a)   The performance of the Mid-Kent, West Kent and East Kent TFM contractors since the first biannual review be noted;
        (b)   The issues that had occurred and actions taken to resolve them be noted;
        (c)   The existing KCC contract governance in place to manage and monitor the performance of the Total Facilities Management Contracts be noted.

52.   Approval to enter into new lease at Rainbow Lodge for the benefit of Wyvern School
(Item B1and D1)

(1)   Andrew White (Estates Surveyor) introduced the open report at Item B1 on the agenda and the exempt report at Item D1 on the agenda which sought approval to enter into a new long lease with the governing body of Wyvern School, Ashford.

(2)   He answered questions from Members relating to the terms of the lease set out in the exempt report.

(3)   Resolved that the proposed decision by the Cabinet Member for Corporate and Democratic Services to enter into a new lease at Rainbow Lodge and for the Director of Infrastructure to finalise the terms and complete the transaction be endorsed.

53. Approval to enter into new lease at the Detached Playing Field at the former Chaucer Technology College, Spring Lane, Canterbury for the benefit of Barton Court Grammar School, Canterbury
(Item B2 and D2)

(1)   Andrew White (Estates Surveyor) introduced the open report at Item B2 on the agenda and the exempt report at Item D2 on the agenda which sought approval to enter into a new long lease with the governing body of Barton Court Grammar School, Canterbury.

(2)   He answered questions from Members relating to the terms of the lease set out in the exempt report. He also said that a letter had been written to the Department of Education on 11 September 2015 seeking confirmation that the former Chaucer Technology College site would revert to the County Council's ownership.

(3)   Resolved that the proposed decision by the Cabinet Member for Corporate and Democratic Services to enter into a new lease for the detached playing field to the former Chaucer Technology College and for the Director of Infrastructure to finalise the terms and complete the transaction be endorsed.

54. Strategic Acquisition, Maidstone
(Item D3)

(1)   Mrs Spore (Director of Infrastructure) introduced the report and gave a presentation. She then answered Members' questions.

(2)   Resolved that proposed decision to be taken by the Cabinet Member for Corporate and Democratic Services, as set out in the exempt report, be endorsed.

    (Voting: For 5; Against 1; Abstentions 0)

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

Rebecca Spore, Director of Infrastructure

To: **Policy and Resources Cabinet Committee**

11th December 2015

Subject: **Procurement for the supply of User Access Devices.**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: Cabinet Member Key Decision

Electoral Division: Not applicable

Summary: This paper outlines the requirement to put in place a contract for the renewal of the User Access Devices.

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 in consultation with the Cabinet Member, the award of the user access device contract, including the necessary contractual negotiations and enter into any subsequent necessary legal agreements.

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1. Introduction

1.1 The current arrangements to source devices for use by staff are due to expire. The re- procurement of a new provider was on hold pending the outcome of the Back Office Procurement as the provision of user access devices would have been encompassed in the outsource proposal. The Back Office Procurement exercise has now concluded and following the decision not to progress with contract award it is now necessary to put in place appropriate arrangements for the procurement of devices.

2. Financial Implications

2.1 The decision to renew the User Access Device contract commits the Council to spend a minimum of approximately £1.25 million (depending on price achieved at tender) over 3 years on replacement devices this being the

expected contractual minimum but with the expectation that we would actually spend £3-4 million over the 3 years to cover all the devices to be replaced This is funded through a mixture of corporate allocation and funds from Directorates.

3.   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 a gradual decline in the delivery of ICT services as devices fail, affecting our ability to maintain current service delivery.

4.   The Report

4.1   The current contract for the supply of user computer devices comes to an end in December 2015. Existing devices will continue in use under the current lease arrangements until their leases expire. The existing contract provides for the provision of all user computer devices with the exception of mobile phones. The new contract will be for a minimum number of devices, which can be expanded as required. The minimum number of devices will o be set somewhat below our historic investment levels to allow for the changing size and composition of the Council. For the past 10 years KCC has leased its devices and returned them at the end of the lease period. In future the proposal is to buy devices. This has a number of advantages: devices can be kept for longer at no extra cost, the significant cost of administering the lease process will be removed, surplus devices not returned to the central resource pool do not incur lease costs for unused devices.

The existing ICT Technology Strategy is being redeveloped, aligning the business requirements with appropriate technology. The procurement exercise and device strategy outlined in this report is a stepping stone in achieving our strategic outcome.

The aim is to partner with a device re-seller rather than a single manufacturer. This will allow devices from a range of manufacturers to be purchased. The Council currently has mainly devices from HP (via XMA Limited) but has also bought a number of Apple iPads and Microsoft Surface devices. Going forward it is expected that a wider range of equipment will be purchased, tailored more specifically to the mobile work styles of Council staff.

The existing contract provides for a minimum commitment of 2,500 units (which was met) and any replacement will have to provide a similar assurance.

The new contract will have need to cover the following equipment types:

> Desktop Computers
> Laptop Computers
> Tablet devices (such as Apple iPad and Microsoft Surface)
> Screens
> Docking stations and other accessories

The initial device specifications set out in the tender will be sufficient to adequately support the latest operating systems, office suite, and Council line of business applications. The outcome of this procurement is to provide flexibility to the service directorates to have a selection of devices available to meet their business needs. It will be written to allow the specifications to change over the life of the contract as device models are replaced but also cater for new devices types as they arise within the personal computer device category.

KCC has in recent years leased about 3500 new devices per year at a cost of around £350 per Desktop and £700 per laptop spread over a three year period. This gives a total complement of around 11,000 devices (excluding Libraries public PCs and Adult Education). For the purposes of this contract it is considered that a minimum of 2500 devices over 3 years, as per the current contract, would provide a suitable base level for a tender. The expectation would be for a higher turnover based on historic lease levels but this would be the contract minimum.

In the past the Council has bought extended warranties (as part of the lease cost) on devices but a review of failures to equipment has shown that relatively few devices fail and it would be cheaper to pay to fix this small number than buy warranties for all devices. It should be noted that all devices procured through the new contract will come with a manufacturer's warranty; the duration of which will be determined by the successful supplier. The standard warranty periods are normally between one and three years dependant on the device type.

The product mix will be slanted more towards mobile devices than to fixed desktop devices which reflects the current device choices, but the tender and contract will not define specific proportions of devices. An external benchmarking exercise has identified that the latest laptops unit costs after discount where the same as our current desktop cost of £350. Putting aside the benefits of the unit cost reduction for laptop devices, the consequence of a wider laptop estate will be the mobilisation of the workforce allowing officers to take advantage of mobility and offline working both in an out of the office environment. Other considerations include the ongoing day to day maintenance cost of an increased laptop estate, which will need to be monitored carefully moving forward and final approach taken.

4.2   It is the intention that in future desktop devices should be held for a period of five years and laptops should be held for a minimum of 4 years. This ensures that the Authority receives maximum return on investment extending the refresh periods by two and one year respectively whist still within the tolerance of the device lifecycle. Funding to support this purchase will be a combination of existing ICT budget and directorate budgets.

4.3   The are no legal or equalities implications

5.   Conclusions

The Council makes significant use of user computer devices for the efficient delivery of many of its services. The existing contract for supply of devices expires in December 2015. The existing contract is most easily replaced by a

new one acquired via tender on the Crown Commercial Services hardware framework.

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 in consultation with the Cabinet Member, the renewal of the User Access Device Contract, 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

- Tim Garrood, ICT Enterprise Architect, ST ICT
- 03000 410494
- Tim.garrood@kent.gov.uk

Relevant Directors:

- Paul Day, Interim Director of ICT
- 03000 414150
- Paul.day@kent.gov.uk

- Rebecca Spore, Director of Infrastructure
- 03000 416716
- 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 – 11 December 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.

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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 October 2015 (unless otherwise stated) for the Key Performance Indicators (KPIs) included in this year's Directorate Business Plan.

2.3. The Dashboard includes thirty-two (32) 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 32 KPIs included, current performance is Green for twenty-four indicators Amber for five indicators, and three indicators are Red.

2.7. The net Direction of Travel for the latest results was positive for sixteen KPIs, stable for six and there were ten indicators showing lower results.

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3. Recommendation(s):

The Policy and Resources Cabinet Committee is asked to NOTE the performance position for the Directorate.

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4.   Background Documents

The Strategic and Corporate Services Directorate Business Plan

http://www.kent.gov.uk/about-the-council/strategies-and-policies/corporate-policies/business-plans

5.   Contact details

Report Author: Richard Fitzgerald
                      Business Intelligence Manager - Performance
                      Strategic Business Development and Intelligence
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                      Richard.Fitzgerald@kent.gov.uk

Relevant Director: Emma Mitchell
                      Director of Strategic Business Development & Intelligence
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Strategic and Corporate Services Performance Dashboard

Financial Year 2015/16

Results up to October 2015

Produced by Strategic Business Development and Intelligence

Publication Date: 16 November 2015

Kent
County
Council
kent.gov.uk

Guidance Notes

Key Performance Indicators

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

RAG ratings are based on Targets and Floor Standards set out at the start of the year in the Directorate Business Plans.

RAG Ratings

GREEN	Performance has met or exceeded the current target
AMBER	Performance at acceptable levels, below the target but above the floor standard
RED	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 **Above** or **Below**. Expected activity Thresholds are based on previous year trends.

Many Activity Indicators did not have expected levels stated in the Directorate Business Plans, 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	Delivery by:
Customer (EODD)	**Amanda Beer**	**Bryan Sweetland**	**EODD**

The Customer Engagement team, within the Engagement, Organisation Design and Development division delivers the communications, customer and engagement functions for the authority.

Key Performance Indicators - Results up to September 15

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CS03	Percentage of customers using Gateway who rated the experience as good	76%	GREEN	⇧	76%	GREEN	75%	65%	76%
CS06	Percentage of complaints acknowledged within timescale (quarterly)	94%	GREEN	⇧	91%	GREEN	90%	85%	92%
CS07	Percentage of complaints responded to within timescales (quarterly)	82%	AMBER	⇩	84%	AMBER	85%	80%	85%
CS13	The percentage of regional media coverage which is positive or neutral	98%	GREEN	⇧	93%	GREEN	80%	70%	89%

CS06 and CS07 are reported quarterly, and latest results shown above are for the quarter to September 2015.

Activity Indicators - Results up to September 15

Ref	Indicator description	Year to date	In expected range	Expected Activity Upper	Lower	Prev. yr YTD
CS14	Positive mentions in the national media reflecting KCC priorities	292	**Below**	583	525	782
CS07b	Number of complaints responded to	1,488				1,679

Service Area	Director	Cabinet Member	Delivery by:
Customer (EODD)	Amanda Beer	Bryan Sweetland	Agilisys from December

A contract has been awarded to Agilisys to manage the Contact Point and Digital Services from December 2015.

Key Performance Indicators - Results up to October 15

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
CS01	Percentage of callers who rate the advisors in Contact Point as good	98%	GREEN	⇧	98%	GREEN	95%	90%	97%
CS02	Percentage of callers who rate their overall experience with KCC as good	76%	GREEN	⇧	77%	GREEN	70%	60%	72%
CS04	Percentage of calls to Contact Point answered	96%	GREEN	⇧	96%	GREEN	90%	85%	90%
CS05	Percentage of calls to Contact Point answered in 40 seconds	83%	GREEN	⇧	82%	GREEN	80%	70%	67%
CS11	The percentage of customers satisfied with their visit to the KCC website	65%	AMBER	⇧	64%	AMBER	68%	58%	61%

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	In expected range	Expected Activity Upper	Lower	Prev. yr YTD
CS04a	Number of calls handled by Contact Point (000s)	446	Yes	485	427	456
CS09	Average call handling time (in seconds)	189	Below	206	199	223
CS12	Number of visits to the KCC website, kent.gov (000s)	2,740	Yes	3,034	2,567	2,843

Service Area	Director	Cabinet Member	Delivery by:
Finance and Procurement	**Andy Wood**	**John Simmonds**	**Finance and Procurement**

Finance and Procurement manages the authority's financial resources in accordance with the council's financial regulation, setting a balanced budget and delivering the Medium Term Financial Plan savings.

Key Performance Indicators - Results up to October 15

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	97%	AMBER	⇩	98%	GREEN	98%	95%	98%
FP02	Retirement benefits paid within 20 working days of all paperwork received	99%	GREEN	⇧	96%	AMBER	98%	95%	99%
FP03	Invoices received by Accounts Payable within 20 days of KCC received date	87%	GREEN	⇧	85%	GREEN	85%	80%	82%

* Same month previous year

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
FP01b	Pension correspondence processed	2,928	1,761
FP02b	Retirement benefits paid	1,204	1,181
FP03b	Number of invoices paid by KCC	85,370	96,800

Service Area	Director	Cabinet Member	Delivery by:
Finance and Procurement	**Andy Wood**	**John Simmonds**	**Business Service Centre**

Finance and Procurement manages the authority's financial resources in accordance with the council's financial regulation, setting a balanced budget and delivering the Medium Term Financial Plan savings.

Key Performance Indicators - Results up to October 15

Ref	Indicator	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
FP04	Invoices received on time by Accounts Payable processed within 20 days	97%	GREEN	⇧	93%	GREEN	90%	83%	95%
FP05	Percentage of sundry debt due to KCC outstanding under 60 days old	95%	GREEN	⇧	Snapshot data		75%	57%	79%*
FP06	Percentage of sundry debt due to KCC outstanding over 6 months old	9%	GREEN	⇩	Snapshot data		10%	15%	11%*

* Same month previous year

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
FP03b	Number of invoices paid by KCC	85,370	96,800
FP05b	Value of debt due to KCC	£33.7m	£11.4m

FP05b - Value of debt due to KCC now includes the pooled budget arrangement with CCGs via a Section 75 for the Better Care Fund

Service Area	Director	Cabinet Member	Delivery by:
Governance and Law	Geoff Wild	Gary Cooke	Governance and Law

Governance and Law provides high quality legal and procedural advice for the authority and are responsible for providing Democratic Services support to 84 elected Members. The Division also ensures KCC meets its requirements on information governance and transparency.

Key Performance Indicators - Results up to October 15

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	⇧	93%	GREEN	90%	85%	91%
GL03	Data Protection Act Subject Access requests completed within 40 calendar days	69%	RED	⇧	81%	RED	90%	85%	80%

GL03 – Vacancies in the Information Resilience and Transparency team and operational units caused a drop in performance. These vacancies are now filled and performance is expected to improve as a result.

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
GL01b	Committee meetings	93	86
GL02b	Freedom of Information requests	1,195	1,364
GL03b	Data Protection Act Subject Access requests	155	204

Last financial year, KCC processed 2,298 Freedom of Information Requests, up by 8.6% compared to the financial year 2013/14.

Service Area	Director	Cabinet Member	Delivery by:
Human Resources (EODD)	Amanda Beer	Gary Cooke	Human Resources (EODD)

Human Resources, within the Engagement, Organisation Design and Development division are responsible for employment practice and policy, organisation design and workforce development.

Key Performance Indicators - Results up to October 15

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	98%	GREEN	⇩	99%	GREEN	90%	80%	99%
HR02	Manager satisfaction with learning outcomes rated Good or above	78%	RED	⇩	81%	AMBER	90%	80%	86%
HR04	Satisfaction with the response to H&S Advice Line enquiries rated Good or above	100%	GREEN	⇔	100%	GREEN	80%	70%	100%
HR05	Percentage of staff who feel informed	64%	GREEN	⇩	Annual Indicator		60%	59%	65%
HR07	Satisfaction that Support Line counselling helped 'somewhat' or 'a great deal'	100%	GREEN	⇔	100%	GREEN	80%	75%	98%

HR02 is reported in arrears and latest month shown is for June 15. The fall in performance is due to more managers stating courses are satisfactory, rather than good or excellent, meaning outcomes are still being met. Reasons for the fall are being addressed.

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
HR01b	Feedback responses provided on people management cases	377	141
HR02b	Feedback responses provided by managers on training	223	466
HR04b	Feedback responses provided for Health and Safety advice line	282	355
HR07b	Feedback responses provided on Support Line	76	193

Service Area	Director	Cabinet Member	Delivery by:
Human Resources (EODD)	**Amanda Beer**	**Gary Cooke**	**Business Service Centre**

Human Resources, within the Engagement, Organisation Design and Development division are responsible for employment practice and policy, organisation design and workforce development.

Key Performance Indicators - Results up to October 15

Ref	Indicator description	Latest Month	Month RAG	DoT	Year to Date	YTD RAG	Target	Floor Standard	Previous Year
HR03	Overall satisfaction with HR Connect rated as Good or above	96%	GREEN	⇩	98%	GREEN	75%	65%	96%

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
HR03b	Feedback responses provided on HR Connect	1,853	1,138

Service Area	Director	Cabinet Member	Delivery by:
ICT (Infrastructure)	Rebecca Spore	Gary Cooke	Business Service Centre

ICT within the Infrastructure Division develops information and technology solutions to support new ways of working, both within KCC and with our partners.

Key Performance Indicators - Results up to October 15

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	68%	AMBER	⇩	72%	GREEN	70%	65%	72%
ICT02	Positive feedback rating with the ICT help desk	99%	GREEN	⇔	98%	GREEN	95%	90%	99%
ICT03	Working hours where Kent Public Sector Network is available to staff	100%	GREEN	⇔	99.9%	GREEN	99.8%	99%	99.9%
ICT04	Working hours where ICT Service available to staff	98.7%	AMBER	⇩	99.6%	GREEN	99%	98%	99.5%
ICT05	Working hours where Email are available to staff	100%	GREEN	⇧	99.9%	GREEN	99%	98%	100%

ICT01 - As a result of the recent Back Office Procurement exercise, ICT experienced a higher level of staff turnover. Whilst new staff were recruited and trained resolution at first line dipped.

ICT04 - Three applications (SWIFT, AIS and Capita One) have experienced brief outages in this reporting period.

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
ICT01b	Calls to ICT Help Desk	34,438	43,718
ICT02b	Feedback responses provided for ICT Help Desk	3,511	4,904

Service Area	Director	Cabinet Member	Delivery by:
Property (Infrastructure)	Rebecca Spore	Gary Cooke	Property (Infrastructure)

Property within the Infrastructure Division provides strategy Property services, developing assets to support new ways of working, both within KCC and with our partners.

Key Performance Indicators - Results up to October 15

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	33.5%	RED	⇧	Snapshot data		5%	15%	10%
PI02	Property Service Desk call out requests responded to within specified timescales	99.4%	GREEN	⇩	95.9%	GREEN	95%	90%	84%

PI01 – Rent outstanding at 60 days includes amounts from NHS Ashford CCG, and Commercial Services, Aylesford Transport Depot.
PI02 – Result is for September 15. Indicator will be revised to take account of move to Total Facilities Management.

Annual Performance Indicators – Latest Forecast as at October 15

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

Activity Indicators - Results up to October 15

Ref	Indicator description	Year to date	Prev. yr YTD
PI01b	Total rent outstanding (£'000s)	967	717
PI02b	Number of service desk requests responded to	582	1,514

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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 – 11 December 2015**

Subject: **Financial Monitoring 2015-16**

Classification: **Unrestricted**

Past Pathway: **Cabinet 30 November 2015**

Summary:
The Cabinet Committee is asked to note the second quarter's full budget monitoring report for 2015-16 reported to Cabinet on 30 November 2015.

Recommendation(s):
The Policy & Resources Cabinet Committee is asked to note the revenue and capital forecast variances from budget for 2015-16 based on the second quarter's full monitoring to Cabinet.

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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. 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. A link to the second quarter's monitoring report for 2015-16 is provided below:

https://democracy.kent.gov.uk/documents/s60948/Item%207%20-%20Budget%20Monitoring%202015-16%20Qtr%202.pdf

(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.

2.3   Annex 6 shows the Quarter 2 position for the Strategic & Corporate Services Directorate as an underspend of -£177k.

As in the previous financial year, there is a pressure within the Contact Centre which management action has continued to decrease to a figure now of +£233k. This is still driven by call volumes and length of calls. With the move to the new Agilisys contract in December 2015, the final reported pressure will be that attributable to the period 1st April 2015 through to 9th December 2015 as the new contract will be fully funded.

The Customer Relationships team is reporting a pressure of +£186k which primarily relates to the delayed delivery of the 2015-16 saving pending the restructure of the Engagement, Organisation Design & Development division. This restructure is currently in progress and will be completed by the end of the current financial year. In-year Management action is off-setting the overspend against other units of E,OD&D and the overall position will be resolved for 2016-17 budget build.

Communications & Consultation are forecasting an underspend of -£229k driven mainly from holding vacancies pending the in-progress restructure of E,OD&D and this is off-setting the Customer Relationships position referred to above.

The Business Services Centre is reporting an underspend of -£345k which primarily relates to staffing vacancies held pending the outcome of the back office procurement process. There is also additional income generated by the Teacher Recruitment team.

Information, Communications & Technology is forecasting an overspend of +£420k. The two main reasons for this are firstly an increase in one-off costs relating to the Managed Print Service implementation costs and secondly, increased maintenance charges for increased data storage. Within the Infrastructure division, this variance is being off-set by the Business Services Centre and Property Group underspends.

Property Group is forecasting an underspend of -£252k relating to some one-off rates rebates and the early delivery of some New Ways of Working savings.

Most other Divisions within the Directorate are reporting small underspends below £100k.

The Directorate capital outturn forecast is an underspend of -£356k and budgets are mainly green. The Electronic Document Management Solution is amber due to rephasing in to 2016-17. The Property Asset Management System and Swanley Gateway are also amber due to small additional funding requirements which have already been identified.

2.4   As the Policy & Resources Cabinet Committee has overview of the whole Authority, Members of the Committee are asked to note the overall revenue position for the Authority.

The net projected variance against the combined directorate revenue budgets is an overspend of £6.609m, before management action, but management action is expected to reduce the position to an overspend of £5.009m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2016-17 to fulfil our legal obligations, which changes the position to an overspend of £5.301m. There is also some significant underspending within the forecast, relating to the Kent Youth Employment programme and the Troubled Families programme which we would ideally like to roll forward in order to continue with these initiatives in 2016-17, but these will be subject to Cabinet approval in June 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 overspend of £6.586m.

2.5 The overall forecast overspend position, after management action and taking into account the requirements to roll forward, of £6.586m includes a residual Asylum pressure of £2.237m (after taking into account the most recent grant offer from the Home Office). A £6.586m forecast pressure, £4.349m excluding Asylum, at this stage of the financial year is still a very real cause for concern especially as:

i.   the delivery of the £1.6m management action is by no means certain,
ii. we may still have not reached the peak of our adult social care forecast, as the pressure on domiciliary care and supported living has consistently increased month on month throughout this financial year.

2.6 Although it is not unusual for the early forecasts in the financial year to be on the pessimistic side, usually by the Quarter 2 monitoring report the position has improved significantly. Although our position this year, excluding Asylum and roll forward issues, has improved by £4.4m since the initial forecast for the year presented to Cabinet in July, the scale of improvement is not as high as we would have hoped, and we have not had a forecast residual pressure (including Asylum) of this magnitude (£6.586m) at this point in the year in, at least, any of the last 21 years. This all therefore paints a bleak outlook and it is essential that this is managed down to at least a balanced position before the end of the financial year, considering the further substantial budget savings required to balance the 2016-17 budget, and with further government funding cuts expected in the medium term. We are all aware that the easier savings options have already been taken, meaning that managing an in year pressure becomes harder and harder each year. By the time Cabinet considered this report we only had four months left of the financial year in which to turn this position around. Corporate Directors have urged their Directorate Management Teams to limit spend wherever possible. Managers have been, and will continue to be, kept informed on KNet. We have, so far, resisted any moratorium on specific activity, but this will be kept under constant review.

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3. **Recommendation(s)**:

   The Policy & Resources Cabinet Committee is asked to note the revenue and capital forecast variances from budget for 2015-16, based on the second quarter's full monitoring to Cabinet.

4.   Contact details

Report Author

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Relevant Director

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STRATEGIC & CORPORATE SERVICES DIRECTORATE
SEPTEMBER 2015-16 MONITORING REPORT

REVENUE

	Cash Limit	Variance Before Mgmt Action	Mgmt Action	Net Variance after Mgmt Action	Roll forwards		Variance after Mgmt Action & Roll Fwd
					committed	uncommitted	
Total Directorate (£k)	**+71,512**	**-177**	**-**	**-177**	**-**	**-**	**-177**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Strategic & Corporate Services							
Strategic Management & Directorate Support Budgets	3,059.7	-5,168.2	-2,108.5	-50			
Community Services							
- Contact Centre & Citizens Advice Help Line	2,421.5	-387.3	2,034.2	+233	+186	A continuation from 2014-15 of the increased number and duration of calls to the Contact Centre, resulting in a need to increase staffing levels to maintain performance and delaying the ability to fully deliver savings.	Management Action identified includes a change to the telephony infrastructure which will increase functionality and promote efficiencies. Additionally, the Customer Service Design Programme is working with directorates to implement process changes which will help reduce call volumes and duration.
					+148	Increased costs of Cloud telephony system and Workforce Management system	The costs of the Cloud telephony system will require addressing as part of the 2016-17 budget process.
					-101	Other minor variances, each below £100k in value	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Gateways & Customer Relationship	1,315.0	-35.0	1,280.0	+186	+274	Delivery of the 2015-16 saving of £0.390m has been delayed pending the restructure of the Engagement, Organisation Design & Development division.	Management action has already reduced the overall pressure. The proposed restructure of the division together with further management action is expected to address the residual pressure, so there should be no impact on 2016-17 budget.
					-88	Other minor variances	
Total Community Services	**3,736.5**	**-422.3**	**3,314.2**	**+419**			
Local Democracy							
- Community Engagement	328.0	0.0	328.0	+36			
- County Council Elections	570.0	0.0	570.0	0			
- Local Member Grants	2,704.4	0.0	2,704.4	0			
- Partnership arrangements with District Councils	2,163.2	0.0	2,163.2	0			
Total Local Democracy	5,765.6	0.0	5,765.6	+36			
Support to Frontline Services							
- Business Services Centre	40,993.6	-40,993.6	0.0	-345	-400	Staffing vacancies originally held pending the outcome of the back office procurement process	
					-142	Additional external income following increased demand for teacher recruitment	
					+197	Other minor variances including costs of project management, recruitment and legal fees, each below £100k in value	
- Business Strategy	3,216.3	-82.0	3,134.3	-27			
- Communications & Consultation	3,055.1	-531.0	2,524.1	-229	-94	Staffing vacancies held pending restructure of the Engagement, Organisation Design & Development division	
					-135	Other minor variances, each below £100k in value	

Budget Book Heading	Cash Limit			Variance		Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Democratic & Members	3,793.1	-142.0	3,651.1	-26			
- Finance & Procurement	18,525.7	-8,192.6	10,333.1	-42	+97	Staffing overspend, which includes the use of additional senior finance staff on the Back Office Procurement project. This overspend is offset by other savings on non staffing and additional income which are included in the minor variances below.	
					-139	Other minor variances, each below £100k in value	
- Human Resources	9,017.4	-1,301.9	7,715.5	-81			
- Information, Communications & Technology	16,847.4	-1,742.8	15,104.6	+420	+139	Increase in one-off Managed Print Service project implementation costs	
					+158	Increased maintenance charge for data storage	
					+123	Other minor variances, each below £100k in value	
- Legal Services & Information Governance	8,688.5	-10,872.2	-2,183.7	0	+386	Increased use of agency staff due to a number of unexpected vacancies and to provide cover for legal staff working on Facing the Challenge, together with an increased demand for legal services.	
					-499	Anticipated increase in internal income based upon last year's income levels together with increased demand for legal services	
					+113	Other minor variances, each below £100k in value	

Budget Book Heading	Cash Limit			Variance		Explanation	Management Action/ Impact on MTFP/Budget Build
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Property & Infrastructure Support	33,018.3	-8,756.3	24,262.0	-252		Minor variances relating to Corporate Landlord each below £100k in value	
- Transformation	0.0	0.0	0.0	0		see Financing Items (Annex 7) for details	Service transformation costs are held here as a holding position and it is anticipated that these transformation costs, together with the matching drawdown from reserves, will be transferred to the relevant services at the end of the financial year.
Total Support to Frontline Services	137,155.4	-72,614.4	64,541.0	-582			
Total S&CS	**149,717.2**	**-78,204.9**	**71,512.3**	**-177**			
Assumed Management Action							
Total S&CS Forecast after mgmt action	**149,717.2**	**-78,204.9**	**71,512.3**	**-177**			

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

                David Cockburn, Corporate Director of Strategic & Corporate Services

To: **Policy and Resources Committee, 11 December 2015**

Subject: **Annual Equality and Diversity Report 2014-15**

Summary:

This report sets out:

The Annual Equality and Diversity Report 2014-15, which is a statutory requirement under the Equality Act 2010, and also outlines the proposed approach to revising the KCC's equality statement and objectives for the period 2016-2020

Recommendation(s):

Policy and Resources Cabinet Committee is asked to:

1) **Approve** the Annual Equality and Diversity Report 2014-15, attached at Appendix 1, for publication on kent.gov.uk

2) **Note** and **comment** on the approach taken to revise KCCs equality statement and objectives for 2016-20

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1. INTRODUCTION:

1.1 Section 149 of the Equality Act 2010 introduced the Public Sector Equality Duty (PSED) which came into force in April 2011. It requires public bodies to have due regard to:

    a) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
    b) advance equality of opportunity between people who share a protected characteristic and those who do not;
    c) foster good relations between people who share a protected characteristic and those who do not (the protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, marriage and civil partnership, sex and sexual orientation);
    d) publish an Annual Equality and Diversity Report by 31January the following year.

1.2 This report therefore discharges the council's statutory duty to produce and publish an Annual Equality and Diversity Report.

2.   ANNUAL REVIEW OF PERFORMANCE AGAINST EQUALITY OBJECTIVES:

2.1   The council published the existing equality objectives in 2011-12, which are:

a) Working with all our partners to define and jointly address areas of inequality
b) Promoting fair employment practices and creating an organisation that is aware of and committed to equality and diversity and delivers the PSED
c) Improving the way KCC listens to and engages with its employees, communities and partners to develop, implement and review policy and to inform the commissioning of services
d) Improving the quality, collection, monitoring and use of equality data as part of the evidence base to inform service design, delivery and policy decisions
e) Providing inclusive and responsive customer services through;
f) Understanding and responding to the impacts on people when KCC is doing its work.

2.2   Responsibility and accountability for the delivery of corporate equality objectives lies with KCC directorates and services, supported by a small corporate equality team providing advice and guidance to services, and which now sits within the new Strategy, Policy, Relationships and Corporate Assurance Division.

2.3   Given this, the agreed process for preparing the Annual Equality and Diversity Report is for each Directorate Management Team (DMT) to prepare their own report, which sets out the equality information for publication and progress against the corporate equality objectives, which is then agreed by their relevant Cabinet Committee in September.   An executive summary of the directorate reports is then prepared and approved for the Policy & Resources Committee to approve in December, ahead of the 31 January publication deadline.

2.4   Directorate annual reports were considered at each of the Cabinet Committees throughout September this year, including:

- Education and Young People's Service Cabinet Committee – 18 September 2015
- Growth Environment and Transport Cabinet Committee – 6 September 2015
- Environment and Transport Cabinet Committee -15 September 2015
- Adult Social Care and Health Cabinet Committee – 11 September 2015
- Children's Social Care and Health Cabinet Committee – 8 September 2015

2.5   The draft executive summary report was considered by the Corporate Management Team (CMT) on 13 October 2015 and is attached as Appendix 1. In addition to this annual reporting through to Cabinet Committees, it should be noted that the Annual Workforce Profile Report is considered by Personnel Committee and is also published on kent.gov.uk.

3.   AREAS FOR IMPROVEMENT:

3.1   Evidence provided through the directorate annual reports suggests that overall the council has made good progress against equality objectives and the

processes and procedures that are needed to mainstream equality activity into core business. They also highlight further actions which directorates intend to take over the forthcoming year to further improve their own systems and processes. However there are two areas which could be further improved at an organisation wide level.

3.2   **Data collection and analysis - relevance and proportionality:** A key enabler to identifying and addressing equality outcomes is both the quality of data available and the quality of analysis. There is good quality data and information available across the authority through data and analysis provided by the Strategic Business Development & Intelligence Division and through data and information collected as part of service delivery and performance management on a day-today basis. This data and analysis should be increasingly evidenced in decision-making by services and commissioners to show compliance with the PSED in a way that is relevant and proportionate, and which does not unnecessarily increase the bureaucratic burden on the authority.

3.3   **Governance arrangements:** In 2012 an internal audit report recommended that all decisions should be based on completed Equality Impact Assessments (EqIA) and to date there has been wide compliance with this recommendation. However, there are still some gaps in coverage and quality which could potentially open the authority to challenge. Reporting arrangements are being further strengthened to ensure that all decisions have the outcomes of an EqIA embedded within the relevant decision report and an EqIA is available as an appendix to the decision report.

4.   KCC'S CORPORATE EQUALITIES OBJECTIVES FOR 2016-2020:

4.1   In October 2011 the Government Equality Office (GEO) issued guidance stating that public authorities must publish their first equality objectives under the Equality Act by 6 April 2012, with revised objectives published at least every four years thereafter. As such, it is necessary for KCC to prepare a revised set of equality objectives for the period 2016-2020.

4.2   The existing objectives focused on establishing core equality practices which would help services to understand the equality requirements within their services and respond to equality needs in a proportionate and relevant manner. Most of all the objectives helped to define accountability for the delivery of equality outcomes through the decisions taken by the council as an employer, procurer and commissioner of goods and services.

4.3   However, there is considerable scope for public authorities to define their own equality objectives. Last year's annual report proposed that the authority further align equality objectives to the new Strategic Statement and the new Commissioning Framework, as these two documents will set out the KCC's priorities and approach to delivering outcomes for the period 2015-20. This follows similar practice adopted by a number of other county councils to further embed and align equalities objectives into existing strategies and plans.

4.4   Working through the Corporate Equality Group, a review of the existing equality objectives concluded that:

- KCC should continue to have a positive position on equality

- Equality objectives should continue to support effective decision-making
- Training and support should be focussed on improving compliance across all directorates and services
- Objectives and statement need to be simpler and clearer
- KCC should look to use the existing corporate outcomes as our new equality objectives

4.5   As such, the latest draft revised equality statement and objectives can be found at Appendix 2. Further work will focus on refining the statement and objectives, including evidencing that the supporting outcomes cover equalities needs of groups with protected characteristics. To support this, it is proposed that further pre-consultation work is carried out through protected characteristic based focus groups prior to a full public 12-week consultation, which is anticipated to start in March 2016.

5.   FINANCIAL IMPLICATIONS:

5.1   There are no financial implications as a consequence of producing an Annual Equality and Diversity Report and any financial costs to support pre and public consultation on the revised equality statement and objectives will be met from within existing budgets.

6.   LEGAL IMPLICATIONS AND RISK MANAGEMENT:

6.1   Under the Section 149 of the Equality Act 2010 the Council is required to publish an Annual Equality and Diversity Report by 31 January the following year.

7.   EQUALITY IMPACT ASSESSMENT:

7.1   As the annual equality and diversity report relates to performance monitoring on the previous years' work there is no requirement to undertake an EqIA. An EqIA has been drafted for the refresh of the corporate equality objectives (available on request) and this will be updated as work continues. It will be published as part of the key decision to adopt revised equality objectives later in 2016.

8.   APPENDICIES:

- Appendix 1: Draft Executive Summary – Annual Equality & Diversity Report 2014-15
- Appendix 2: Draft Equality Policy Statement and Objectives

9.   BACKGROUND DOCUMENTS:

- Annual Equality and Diversity Report for Education and Young People's Services 2014-15, Education and Young People's Services Cabinet Committee – 18 September 2015, https://democracy.kent.gov.uk/documents/s59621/Item%20D1%20-%20Annual%20Equality%20and%20Diversity%20Report%20for%20Education%20and%20Young%20Peoples%20Services%202014-15.pdf

- Annual Equality and Diversity Report 2014-15, Growth, Economic Development and Communities Cabinet Committee – 15 September 2015, https://democracy.kent.gov.uk/documents/s59551/Item%20D2%20-%20Annual%20Equality%20and%20Diversity%20Report.pdf

- Annual Equality and Diversity Report 2014-15, Environment and Transport Cabinet Committee - 16 September 2015, https://democracy.kent.gov.uk/documents/s59559/Item%20D2%20-%20Equality%20report.pdf

- Annual Equality and Diversity Report 2014-2015, Adult Social Care and Health Cabinet Committee - 11 September 2015, https://democracy.kent.gov.uk/documents/s59516/D3%20-%20Adults%20Annual%20Equality%20Report%20-%20Final.pdf

- Annual Equality and Diversity Report 2014-15, Children's Social Care and Health Cabinet Committee – 8 September 2015 https://democracy.kent.gov.uk/documents/s59417/D1%20-%20Annual%20Equality%20Report%202014%20-%202015%20-%20Final.pdf

- Equalities and Human Rights Commission: Assessment of the performance of public authorities on the specific duty to publish equality information (England) http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/news-and-updates-on-the-equality-duty/

10. AUTHOR CONTACT DETAILS:

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Kent County Council

Draft - Executive Summary

Annual Equality and Diversity Report April 2014 to March 2015

Useful information

This document is available in a range of formats and can be explained in other languages. To ask for an alternative version, please email alternativeformats@kent.gov.uk

 Kent County Council Equality and Diversity Team,

Phone with Type Talk: 18001 01622 223487

Or write to: Kent County Council, Diversity & Equality Team Room G37, Sessions House, County Hall, Maidstone, Kent, ME14 1XQ

Equality policy and local context

Policy

At Kent County Council we recognise the diverse needs of our community. We value and celebrate diversity, and believe it is essential to provide services which work well for all our customers and staff. We are committed to working with our statutory partners, businesses and the voluntary sector to ensure good outcomes for those who live in, work in and visit Kent. **We will achieve our vision through our roles as:** community leader; service provider; commissioner of goods and services; and employer. We are committed to promoting equality of opportunity and diversity through: our employment opportunities and standards; service delivery; and working practices. We will ensure that our services do not unfairly discriminate against any of our customers, so that everyone in Kent has the opportunity to reach their full potential. We manage equality and diversity through:

- Community Mapping (aiming to understand our community through social demographic data, customer data and feedback)

- Leadership, Partnership & Commitment – Working together

- Community Engagement – Listening to our Community

- Customer Service – Delivering Excellence

- Modern and Diverse Workforce (inclusive recruitment and retention, maintaining fair employment practices, and developing a 'diversity aware' workforce)

Context and background

With a resident population of just over 1.46 million, Kent has the largest population of all the English counties. The following information is understood from the 2011 Census.

- 93.7% of all Kent residents are of White ethnic origin – this includes those who are White British, as well as other identities such as Irish, Eastern European origin etc. Kent also has Gypsy, Roma and Traveller populations greater than national average.

- 6.3% of Kent residents are classified as Black or Minority Ethnic (BME). This proportion is lower than the national average for England (14.6%).

- People living in urban areas make up 71% of the Kent population but only occupy 21% of the total land area in Kent.

- 51.1% of the total population of Kent is female and 48.9% are male.

- Significantly in terms of future challenges, Kent has an ageing population with the number of 65+ year olds forecast to increase by 43.4% between now and 2026.

- However, Kent also has a greater proportion of young people aged 5-19 years and people aged 45+ years than the national average.

- There is no single quantifiable measure of the number of disabled people in Kent (or the UK), because identifying as disabled relies on individuals' self-perception; but it is estimated that 20% of UK residents are disabled people.

Further information on social, demographic and economic aspects of Kent can be found on our website, on the Kent Facts and Figures page.

http://www.kent.gov.uk/your_council/kent_facts_and_figures.aspx

KCC Equality Objectives

KCC published its equality objectives in September 2012. The Equality Objectives for the council are:

A   Working with all our partners to define and jointly address areas of inequality;

B   Promoting fair employment practices and creating an organisation that is aware of and committed to equality and diversity and delivers its Public Sector Equality Duty;

C   Improving the way KCC listens to and engages with its employees, communities and partners to develop, implement and review policy and to inform the commissioning of services;

D   Improving the quality, collection, monitoring and use of equality data as part of the evidence base to inform service design delivery and policy decisions;

E   Providing inclusive and responsive customer services through;

F   Understanding and responding to the impacts on people when KCC is doing its work.

Progress on Equality Objectives 2014-15

Performance against the equality objectives in 2014-15 has been reported to Directorate Management Teams (DMT) and Cabinet Committees in September 2015. Evidence submitted suggests that overall the council has made good progress on the processes and procedures that are needed to mainstream equality into core business and highlighting future action that services intend to take to improve their delivery of equality objectives. A summary of the Directorate Equality and Diversity Reports 2014-15 is summarised below.

Education and Young Person's Directorate

Improving education and attainment outcomes for children and young people from early years through to post-16, tackling child poverty, promoting emotional resilience, delivering early help and preventing the escalation of problems, in addition to reforming our Special Educational Need (SEND) system, are just some of the ways we are improving the outcomes for the most vulnerable groups of children and young people, increasing their life chances, so that they may thrive at every stage of their lives.

Reducing inequality in education and learning outcomes, reducing achievement gaps and championing the needs of the most vulnerable children and young people is

therefore a vital part of the Local Authority's role and purpose. This affects individuals and whole communities

The Kent Early Years and Childcare Strategy 2014 – 2017 sets out our ambition for early years and childcare in Kent. One of the five strategic aims of the strategy is: 'To mitigate the effects of poverty, inequality and disadvantage through the provision of high quality early education and childcare, more effective support for parents and narrowing of the early development achievement gaps for the most disadvantaged children'.

In 2014, for Kent overall, 68.6% of children achieved a Good Level of Development (GLD) which represented a 5.1% increase on 63.5% in 2013. Girls continued to achieve more highly than boys, with 76.4% of girls and 61% of boys achieving a GLD, with the gender achievement gap at 15.3% having narrowed marginally (0.7%) since 2013. The achievement gap based on Free School Meals data was 12%, a significant narrowing of 7% since 2013. The national achievement gap between the lowest attaining 20% of children and the mean was 27%, a small widening since 2013.

The achievement gap for Kent Children in Care was 46.3%, which had widened by 15% since 2013, and for Other Local Authority Children in Care was 35.4% a narrowing of 5% from 2013. The achievement gap for children with English as an additional language is 11.8% and has narrowed by 1.5%.

The attainment and progress of pupils with special educational needs in Kent, in the 2014 results, was significantly above or in line with national average attainment levels for similar pupils. Pupils with SEND in Kent performed better than equivalent children nationally; 50% of pupils at school action in Key stage 2 achieved Level 4 in Reading, Writing and Maths compared with 47% nationally. Of those at school action plus in Kent 42% achieved Level 4 compared with 36% nationally. Both these results were significantly above national performance. The most complex children, those with a Statement, achieved in line with the national level; 13% compared with 15% nationally. We have set ourselves a target for 2015 of 16%.

We have successfully implemented a new system of high needs funding for pupils with special educational needs. Alongside this we have reviewed and improved the arrangements to provide SEND funding (known as SCARF) to support severe and complex children access early years settings.

KCC remains committed to the programme to rebuild or refurbish all Special Schools. This programme, together with the re-designation of pupil numbers, has so far provided an additional 229 places in Special schools, with further additional SEND capacity planned. Two Special schools have had improvement works completed and five have new builds underway to replace or refurbish their premises.

The 14-24 Skills and Employability Strategy was refreshed and now focuses upon 14-19 curriculum changes and the development of improved pathways and opportunities for all learners to participate to age 18 and up to 24 for those young people with learning difficulties and disabilities.

At Key Stage 4, 33% of pupils in Kent at 'SEND school action' attained 5 or more A-C grade GCSEs (including English and Maths) which was significantly above the national average of 24%. Similarly at 'SEND school action plus' 24% of pupils in Kent Schools achieved 5 or more A-C grade GCSEs compared to 20% nationally. 8% of Kent pupils with a Statement of SEND attained 5 or more A-C grade GCSEs. The national average was also 8%.

NEET (Not in Education Employment or Training) figures for vulnerable groups have reduced from 944 to 761. This improvement is encouraging as it reflects the impact of the increased focus on supporting vulnerable young people by KCC, in particular through the 14-24 Skills and Employability Strategy, SEND Strategies and the establishment of Early Help and Preventative Services. We are seeing a reduction in overall NEET numbers, now standing at 4.6% from 5.9% in 2014, but not quickly enough and the percentage is still at 5.2% for Year 13, but lower, at 2.3% for Year 12 which is encouraging

Permanent and fixed-term exclusions continue to decline in Kent with some positive outcomes for certain groups. Pupils on Free School Meals (FSM) account for around 37.5%, a slight reduction of last year's 40% of all permanent exclusions, although it remains a much higher rate than the normal FSM% for the school population which is around 14%. When analysed by phase, 42% of excluded pupils are eligible for FSM in Primary schools, compared to 36% in Secondary schools. Both have been reduced from last year's respective figures of 59% and 37%. A significant improvement has been made in the reduction of children with SEND being permanently excluded. In 2013/14, SEND pupils account for 58% of permanent exclusions, a significant reduction from the previous year's 84%.

A full report on what has been achieved in 2014-15 can be found at:

Education and Young People's Services Cabinet Committee, 18 September, 2015
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=832&MId=5823&Ver=4

Growth, Environment and Transport Directorate

The Growth, Environment and Transport Directorate (GET) has a good equality record with their Equality Impact Assessments (EqIAs) being used as good practice examples across the authority.

In 2014/15 we launched a major Customer Service Review with the aim of delivering consistent customer service aligned to the principles in the Corporate Customer Service Policy. In-depth analyses have been taking place across the Directorate in the following areas; Speed Awareness, Coroners Service, Highways fault reporting, Online licences and the GET Priority Response Enquiries. The purpose is to gather evidence of how we currently deliver customer service with a view to highlighting areas for improvement and sharing best practice. Equality and Diversity considerations are an intrinsic element of this work.

In Libraries, Registration and Archives, the 'Touch a New World' scheme has loaned iPads to homebound customers, enabling these customers to have the same digital

opportunities as residents who can't physically access our libraries. The service has provided support on how to use the iPads and understand their full potential. The project was launched in September 2013 and to date, 26 housebound customers had completed the training, with five customers receiving training and five more waiting to start. Doris, a 95 year old service user said "I can't get out much so this is a very convenient way of keeping in touch with my family and friends. I don't feel so isolated, the world can come into my life. Now that I am 95 I can't do what I did. I used to love travelling but with the iPad I can explore the world from my armchair. Doris also plays games like Sudoko and Scrabble against other on-line users. She says, "*It keeps your mind active, it has given me my independence. I can share pictures and keep in touch with my great grandchildren*".

Over the last year, Highways and Transportation (HT&W) has begun to gather better information about the equality aspects of complaints and compliments. HT&W is also working closely with Corporate Communications to better target those customers who prefer not to use digital channels, through differently designed media campaigns, as well as seeing how vulnerable customers, such as the elderly, can be reached by asking their friends, family and neighbours to assist them in reporting highway issues that might be affecting them.

In the last year, waste management has engaged with equality and diversity groups across Kent on potential barriers or improvements that could be made at Household Waste and Recycling Centres. The work produced a set of recommendations on future improvements which will now be implemented in a phased approach.

Lessons have been learned from HT&W's Safe and Sensible Street Lighting Project and the Division has committed to improve the EqIA process for the new LED Procurement Project, working even more closely with the corporate equalities team to ensure that all requirements are being met.

Environment, Planning and Enforcement's Sport and Physical Activity Service has co-developed and co-led Project 500; a campaign to address the imbalance of male to female sports coaches, creating a more diverse workforce to drive the growth of female participation in sport. This project won the County Sports Network's National Impact Award for 2014.

A full report on what has been achieved in 2014/15 can be found at:

Environment & Transport Cabinet Committee, 16 September 2015
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=831&MId=5892&Ver=4

Growth Economic Development and Communities Cabinet Committee 15 September 2015
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=833&MId=5829&Ver=4

Social Care Health and Wellbeing

The Social Care, Health and Wellbeing Directorate (SCHW) has a leading role in discharging the council's statutory responsibilities for public health and social care.

Above all, the directorate aims are about building on peoples' strengths and capabilities and promoting their independence to improve their health and wellbeing, assisting people to achieve outcomes that matter to them and working with statutory and non-statutory partners to protect the most vulnerable children and adults.

The principal responsibilities of the Directorate include undertaking individual and population needs assessment, commissioning and arranging services to meet the eligible needs of people and safeguarding vulnerable children and adults.

The Health and Social Care sector continues to operate in an era of unprecedented change. Every aspect of social care provision, including how we commission services is being transformed. This is being brought about by a number of significant legislative and regulatory changes. SCHWB is contributing to the delivery of KCC's whole council transformation as described in the Transformation Plan – 'Facing the Challenge: Whole Council Transformation'. This is the way in which KCC will transform services to meet the financial challenges facing us, while meeting the increasingly complex needs of the people we support.

The people who we support have increasingly diverse and complex needs. The population is living longer with complex needs putting further demand on social care, and people want better quality and choice in the services they use

Learning Disability and Mental Health commissions and provides a range of services to deliver the best possible social care outcomes for people with a learning disability, people with mental health issues and their carers living in Kent.

We know that people with a learning disability are likely to have greater health needs than their non-learning disabled peers – 70% of people with a learning disability in Kent have one or more long-term conditions in addition to their learning disability.

During 2014/15, significant work has been undertaken in partnership with Kent and Medway Commissioning Support, the Clinical Commissioning Groups, Public Health England and NHS England to improve the uptake of health screenings and health promotion by people with learning disabilities. The following health areas have been targeted: obesity, diabetes, cardio vascular disease and epilepsy.

Actions have included sharing information between organisations in order to ensure that people with a learning disability are identified; developing training for GPs to ensure that they understand the barriers for people with learning disabilities to use health checks and that the GP is provided with tools to overcome this, and developing an audit of screening practice in GP surgeries for people with learning disabilities with colleagues from Public Health England.

Older People and Physical Disability commissions and provides a range of services to deliver the best possible social care outcomes for older people and disabled adults and their carers living in Kent. As part of the newly transformed service, Older People and Physical Disability has increased its service access hours to 8am to 8pm, seven days a week, including Bank Holidays, providing access to support for vulnerable people whenever they need it.

Our Care Pathways have been re-designed to enable us to better address the needs of our service users. The outcomes achieved in 2014-15 mean our service users receive the most appropriate support, with a focus on enabling independence and reducing dependency. As a result more older and disabled people have benefited from enablement, and are now living independently in their own homes with less or no homecare support.

Through the commissioning and procurement of social care services the right level of support is provided at the right time, in the right place and at the right cost for vulnerable adults, children and young people and carers in Kent. Our aim is to drive, promote and support transformational change through commissioning strategically to ensure the provision of a range of high quality, cost effective, outcome based services for vulnerable adults, children, young people and their families. We ensure that equalities considerations are written into all of our contracts with providers, so that for example our residential care providers respect older people's sexual orientation

We work with people who use our services and the public to shape our strategy development and commissioning. For example children and young people have been involved in developing the new Emotional Wellbeing Strategy 'The Way Ahead', which has been written from the perspective of a young person. Two films of young people talking about their experiences of mental health have been developed for Mental Health Summit meetings

Specialist Children's Services is responsible for discharging the statutory duties placed on the authority by safeguarding children from harm and promoting the wellbeing of children and young people, working together with all the key partners.

We have strengthened the Children in Care Council's ability to represent children in care so that their views can influence the design and development of services, and ensured that disabled children and those from minority groups are represented. Children who need to be placed with a foster family come from a wide range of backgrounds and have diverse needs. As such we have sought to actively recruit foster carers who are also from a range of backgrounds.

We have delivered fostering recruitment campaigns which have been targeted at potential BME and same-sex foster carers and to find foster carers for 'hard to place' children including disabled children. We have published the Local Offer on KCC's website to give families of children with special educational needs and disabilities information about what support is available in their area and what they can expect. We have developed child-friendly communication channels including consultation leaflets, and we are developing a 'coming into care' pack

During procurement of Infant Feeding services in West Kent, Public Health identified that white women are least likely to continue with breastfeeding. Subsequently we have stated in the service specification that the provider must carry out targeted work with white women, as well as the universal offer. Public Health identified the need to ensure that the information we provide fully meets the needs of disabled people. This

has led to changes in leaflets and ensuring that the webpages about sexual health follow the principles of accessibility.

There has been an improvement in the collection in use of monitoring data which supports our commissioning activity across SCHW. For example the equality analysis undertaken to inform the development of a new postural service identified two main challenges. The first is that the service may need to work harder to reach out to individuals from ethnic minority communities. Secondly, the location of the services could create barriers for access. The service specification was adjusted to ensure that harder to reach ethnic minority groups are targeted. A range of venues are now available in each locality.

A full report on what has been achieved can be found at:

Adult Social Care and Health Cabinet Committee, 11 September 2015
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=829&MId=5790&Ver=4

Children's Social Care and Health Cabinet Committee, 8 September 2015
https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=830&MId=5804

Strategic and Corporate Services

The Strategic and Corporate Services Directorate has a role in equality compliance that covers every service that KCC provides. They fulfil an important role regarding equality governance and in the main provide the internal controls to help achieve compliance of the Equality Act 2010. Respective roles include; Finance; Procurement; Governance and Law; Human Resources; Information Communication Technology (ICT); Property & Infrastructure; Communication & Consultation Team.

The Business Intelligence division continues to provide publically accessible updates on equality and diversity information on the people of Kent. This information is used for a range of analytical activity in service planning, performance management commissioning and Equality Impact Assessments (EqIA's).

The team have carried out numerous insight projects to better understand the make-up of our customers / service users and have incorporated "About You" service information in all analysis (where the information is available).

Performance in key areas of potential inequality is measured regularly and the Performance and Evaluation Board challenge performance and help drive improvements where performance is falling short of expectation. An example of this in 2014-15 is the Quarterly Performance Report tracking which included:

- Attainment gap for children with Free School Meals at Key Stage 2 and 4
- Young people aged 16 to 18 who are NEET
- Apprenticeship starts for 16-18 year olds
- Adult Service users who are extremely or very satisfied with their care and support
- Adult Service users who have adequate or better control over their daily life

- Adult Service users who find it easy to find information about services

Engagement, Organisation Design and Development (EODD) includes Customer Service, Communication and Consultation and provides an integrated approach to engagement organisation design and development leading to improved customer service. Its purpose is to enhance KCC business performance through its strategic and core services.

The Customer Service Team have focused on improving the customer service and experience by placing customers at the heart of service delivery.

In 2014/15 the Customer Service Team worked with Property on the Gateway exit, advising on the equality implications for changes. The team oversaw the delivery of the Kent Support and Assistance Service, supporting the most vulnerable to remain independent in our communities. Further the Taktix Customer Service knowledge base, is hosted by KCC, shared with and populated by DWP and a cross-section of public and 3rd sector partners working in face to face services. This knowledge base is used to signpost customers to the most appropriate service regardless of provider.

Equality analysis is an integral part of the consultation process both in terms of efficacy and legal compliance. KCC teams are advised to tailor their consultation activities depending on stakeholder analysis and the stakeholders identified in the EqIA.

Accessibility and web content standards are critical to ensuring that customers are able to access the range of services offered by KCC. When websites are correctly designed, developed and edited, users are able to access online services. Accessibility helps to ensure that we do not discriminate in the way we provide information and services. The web content standards have been designed to comply with the W3C's Checklist for Web Content Accessibility Guidelines 1.0

Activity to ensure KCC is promoting and enabling accessibility include:

- Inclusive communications guidance for commissioned service providers
- Alternative formats requests
- Alternative formats statement
- Easy Read formats
- Accessible Events Advice

Ensuring that the County Council has due regard to the equality impact of its budget proposals is a high priority for the Finance Team. Equality analysis for the overall budget process has confirmed that the Budget Book and Medium Term Financial Plan documents set out a comprehensive analysis of budget proposals.

The Medium Term Financial Plan sets out the overall financial context and the council's strategies for revenue budget, capital programme, treasury management and risk management, as well as detailed financial appendices.

The equality priorities are reflected at both a high strategic level for the overall budget, and a more detailed level of specific proposals for individual directorates and services. There is a clear emphasis that individual proposals are subject to their own detailed equality analysis to ascertain impact before changes are implemented.

KCC spends around £1 billion per annum on goods, services and works to provide infrastructure and services to support the people of Kent. Therefore, the services provided to the community should be geared towards their diverse needs and requirements.

Spending by KCC sustains and maintains a significant number of jobs in Kent. The council has a statutory duty to make sure that public money is spent in a way that ensures value for money and does not lead to unfair discrimination and social exclusion.

Furthering equality is a key goal of best value, because the procurement process is one of the most important tools that a council has to develop its equality objectives and outcomes. Local government procurement must be carried out to comply with both EC and UK regulations, such as the Public Contract Regulations 2015 and the Equality Act 2010 strengthens provisions on procurement.

To position the council to deliver against its aims, we have transformed the procurement function and processes by:

- *Resourcing and procurement expertise:* We have restructured and centralised procurement to deliver a consistent approach. The new team have been briefed by the Equalities Team and are fully aware of the requirements to deliver the aims above.

- *Governance and control of appropriate processes:* All procurements over £50k have a procurement plan which is signed off by the relevant member of the procurement team. Included in the checklist for the plan is that the internal client has carried out equality analysis. The equality analysis will cover any additional needs required to complete the contract. Completion of equality analysis has continued to improve. To support the introduction of the new standard processes the procurement pages of the intranet have been updated to give clear guidance for internal clients, training modules have been developed to inform internal clients of their responsibilities. Procurement and the Equality and Diversity Team have been working together to ensure that the Kent Business Portal is accessible and useable as the system is opened up for smaller contracts.

- *'Spending the Councils Money' information:* Spending the Councils money is a guide to help suppliers understand how they can seek to do business with KCC and this has been revised in 2012/13 to make the equality section easier. Training is being delivered to support internal clients in their contract management responsibilities which include monitoring the suppliers' adherence to the council's equality and diversity policy. A Contract

Management Guide is also available from the How to Buy page on the intranet.

KCC believes and recognises that the diversity of its workforce is one of its greatest strengths.   KCC is committed to challenging inequality, discrimination and disadvantage for everyone who lives in, works in and visits Kent. Details of how the Authority's workforce is made up as at 31 March 2015 is:

- Currently 9,296 Full Time Equivalent (fte) (non-schools)

- 77.1% of staff were female (51%*)

- 6.1% of staff were Black & Minority Ethnic (6.6%*)

- 3.9% have declared a disability (7.4%*)

- 2.4% of staff were lesbian, gay or bisexual

- 57.6% of KCC's leadership group were women

- Sickness levels were 7.18 days lost per fte

- The proportion of staff aged under 25 or below increased to 7.7%

- Average age of staff was 45.11 years

- 3,814 staff on grades KR6 or below (earning salaries up to £21,085)

- 39.9% of employees were aged over 50

- 2.3% of employees were aged over 65 (6.1%*)

The percentage of the workforce from minority groups continued to increase in 2014/15 better representing the Kent population.

The percentage of women within KCC's leadership roles has increased.

*Figures in brackets with an asterisk are the percentage of the Kent population from those groups.

For further information on staffing figures – Personnel Committee Report

https://democracy.kent.gov.uk/mgCommitteeDetails.aspx?ID=129

Diversity and Equality is integral to the way we develop, deliver and monitor our corporate training programmes. Through the Organisational Development and Corporate Equalities Groups, priorities are identified to ensure that we continue to deliver quality, inclusive training programmes, which are accessible to all.

During 2014-15, 330 Risk Assessments relating to staff health and wellbeing were carried out, with the majority of assessments being for Display Screen Equipment

use. Since health problems can arise from poor layout of workstations, there is a significant case for supporting staff through workstation assessment.

Over the last two years the European Week for Safety and Health Campaign have focussed on 'Healthy Workplaces Manage Stress' with the Health and Safety team visiting a number of KCC locations across the county providing teams with an opportunity to talk to about stress management.

Creating an environment in which people are treated, fairly and with dignity and respect, demands more than minimum legal compliance. KCC's terms and conditions, policies and procedures are regularly reviewed and impact assessed to ensure it promotes inclusive conduct and behaviours.

The introduction of KCC's Shared Parental Leave (SPL) policy promotes equality of opportunity and inclusion as key provisions, i.e. entitlement to leave and statutory and contractual payments, that were previously only available to employees on maternity leave are now open to all employees. KCC has ensured there is parity between contractual SPL and maternity leave.

Following on from the Total Contribution Pay Equalities Monitoring Report 2013/14, a series of meetings have been held with key managers who are responsible for the part of KCC with the highest proportion of staff working on a part-time basis. This has resulted in an improvement in parts of the directorate which initially returned an overall performance rating profile for part time staff which was lower than the KCC average.

KCC has 4 staff groups which include Aspire (staff 30 and under), Level Playing Field (disabled staff and carers), Rainbow (Lesbian, Gay, Bisexual and Transgender staff) and Unite (Black and Minority Ethnic staff). They play a leading role in providing support and development opportunities for their members as well as advising on policy and practice to support our commitment to promoting equality, valuing diversity and combating unfair treatment.

KCC has supported 37 employees through the Public Health Champions programme. Public Health is every employee's business, so working in partnership to help tackle key public health priorities across Kent and Medway, with a particular emphasis on tackling health inequalities in the workplace as well as in the community of Kent is a key priority.

A number of divisions across KCC have undertaken workforce planning activities, including Succession Planning and Talent Management. Divisions are asked to identify and consider the equality profile of their staff, particularly focusing on under represented groups through the analysis of equality data.

The Future Manager Programme is a pilot initiative for managers to spot talent and develop them to ensure we have managers for the future. Diversity is integral, both within the programme and the principles around which managers identify high potential, performing individuals.

The New Joiner Survey is a survey aimed at new staff to help measure how they are experiencing their first six months within KCC. Part of the survey includes an analysis of the equality and diversity data to ensure all groups are fairly represented and trends identified inform future targeted initiatives.

The Corporate Communications Team continues to work closely with directorates and services to understand the specific communications challenges that they face. They have developed profiles of different teams to aid discussions and in some directorates are attending team meetings to discuss communication preferences and adapting their approach accordingly. The publication of accessible documents continues to be a challenge so are reminding publishers of their responsibilities and ensuring their training is as robust as possible.

KCC continues to provide quality work placement opportunities for young people across Kent. During 2014/15, 88 young people were provided with placements within a variety of roles.

KCC continues to support the programme, which was identified as a strategic priority for 2014/15. Through the Kent Apprenticeship Programme, KCC continues to employ apprentices throughout KCC across all directorates. A total of 112 apprentices were appointed in 2014/15.

Assisted Apprenticeship Programme funded by KCC, supports disadvantaged young people aged 16-24 years into Apprenticeships, providing a designated champion to ensure an appropriate level of support. A total of 51 Apprentices have secured positions either within KCC or in businesses across Kent.

KCC's Graduate Programme offers opportunities across 2 graduate streams, the organisation has a long tradition of employing graduates through its Graduate Programme with over 116 graduates having been recruited through the scheme with 60 still in employment, from Grade KR8 to senior positions, including a Director.

GradsKent is managed by KCC's Skills and Employability Service, with a mission to increase graduates and skills in Kent. GradsKent has a registered pool of students and graduates looking for work across all sectors and locations. GradsKent works with internal and external employers, matching them with their skills.

In 2014/15, 33 graduates were recruited within KCC. 71% registered are 25 or under, and 92% are under 35. 39% of graduates are Black & Minority Ethnic, 2% have a disability and 3% are Lesbian, Gay or Bisexual.

Self-service enables staff to enter and/or change their equalities data held on KCC's staffing database through an on-line self-service tool. The information is confidential and enables KCC to maintain an accurate and up to date profile of the workforce. During 2014-15, 275 staff visited the equalities screen to either view or updated their equalities information.

Key challenges for 2015/16 and beyond

The Spending Review 2015 and the subsequent local government finance settlement are expected to confirm that public sector finances, and in particular the finances available to local authorities, will continue to be constrained over the course of the next five years. Combined with the demographic and service pressures arising from an ageing population, and an increasing population of children and young people, the council will need to undertake further changes in how it organise and conducts its business to promote greater independence and resilience for all local people, whilst taking care not to overlook the needs of people with protected characteristics.

We are committed to improving social care outcomes within the constraints of a challenging financial climate. By 2018, there will be a slight increase in older people, and demand on services will gradually increase. At the same time funding that councils can use to spend on services has been reduced. Current trends show that from 2018 to 2026 the population of older people will increase significantly.

The councils approach to meeting these challenges is through becoming a strategic commissioning authority. To effect the improvement in outcomes that we need to achieve for residents, including those with protected characteristics, we need to work increasingly with a wider variety of public, voluntary and private sector partners and providers to maximise resource available to improve outcomes. We also need to promote greater independence for people, with earlier and more preventative interventions where necessary, and become adept and better at strategically commissioning services which prevent demand and reduce escalation of need. It is in this challenging policy context that KCC needs to ensure the equality outcomes of the people of Kent remain a priority.

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Appendix 2 Draft- Equality Policy Statement and Objectives

At Kent County Council (KCC) we recognise the diverse needs of our community. We value and celebrate diversity and believe it is essential to provide services which work well for all our customers and staff. The services commissioned and provided, either by KCC or jointly with our partners, should focus on helping individuals, families and communities to be resilient. We will ensure people who are less resilient can make informed choices so they are well supported, safe, socially included and treated with dignity and respect. We are committed to working with our all our statutory partners, businesses and the voluntary sector to ensure good outcomes for those who live in, work in and visit Kent.

KCC's Approach

1. We will gather and analyse robust intelligence about the protected characteristics of service users', employees and the people of Kent as an integral part of our Commissioning activity in order to use the information to design, deliver and manage services helping us to focus on the things that really matter.

2. We will ensure that we put customers at the heart of what we do by ensuring KCC's Public Sector Equality Duty is embedded in all our systems, policies, projects and programmes and we can evidence equality outcomes.

3. KCC will be an inclusive employer. This will be demonstrated through its policies, practice, values and behaviours.

4. We will listen to and engage with employees, communities and partners to inform the commissioning of services, enabling communities to have their say through consultations and engagement activity.

5. All Members and Officers will be responsible for ensuring that the Public Sector Equality Duty is met in their day to day work and when making decisions. KCC will report progress against the equality objectives annually.

6. We will work with and through the voluntary and community services, partners and other forums to continue to build resilient and inclusive communities.

Strategic Outcome 1 Children and young people in Kent get the best start	Strategic Outcome 2 Kent Communities feel the benefits of economic growth by being in work, healthy and enjoying a good quality of life	Strategic Outcome 3 Older and vulnerable residents are safe and supported with choices to live independently	
Supporting Outcomes - Kent's communities are resilient and provide strong and safe environments to successfully raise children and young people - We keep vulnerable families out of crisis and more children and young people out of KCC care - The attainment gap between disadvantaged young people and their peers continues to close - All children, irrespective of background, are ready for school at age 5 - Children and young people have better physical and mental health - All children and young people are engaged, thrive and achieve their potential through academic and vocational education - Kent young people are confident and ambitious with choices and access to work, education and training opportunities	**Supporting Outcome** - Physical and mental health is improved by supporting people to take more responsibility for their own health and wellbeing - Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure - All Kent's communities benefit from economic growth and lower levels of deprivation - Kent residents enjoy a good quality of life, and more people benefit from greater social, cultural and sporting opportunities - We support well planned housing growth so Kent residents can live in the home of their choice - Kent's physical and natural environment is protected, enhanced and enjoyed by residents and visitors	**Supporting Outcome** - Those with long term conditions are supported to manage their conditions through access to good quality care and support - People with mental health issues and dementia are assessed and treated earlier and are supported to live well - Families and carers of vulnerable and older people have access to the advice, information and support they need - Older and vulnerable residents feel socially included - More people receive quality care at home avoiding unnecessary admissions to hospital and care homes - The health and social care system works together to deliver high quality community services - Residents have greater choice and control over the health and social care services they receive	**Where is the inequality in these outcomes relating to protected characteristics?** **Are these the supporting outcomes that will have the biggest impact on equality outcomes?**

From: Peter Sass, Head of Democratic Services

To: Policy and Resources Cabinet Committee –11 December 2015

Subject: **Work Programme 2016**

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 2016.

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 24 July 2015 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.

3.2 The schedule of commissioning activity 2015-16 to 2017-18 that falls within the remit of this Cabinet Committee will be included in the Work Programme and is considered at agenda setting meetings to support more effective forward agenda planning and allow Members to have oversight of significant services delivery decisions in advance.

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 2016.

6. Background Documents
None.

7. Contact details
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WORK PROGRAMME –2016
Policy and Resources Cabinet Committee

Agenda Section	Items
15 January 2016	
B - Key or Significant Decisions for Recommendation or Endorsement	• **Budget 2016/17 (hour)** • **Re-location of public services from Maidstone Gateway**
C – Performance Monitoring	• **Work Programme**
D – Other Items for Comment/recommendation	• **Strategic Statement Outcome Indicators – Baseline Report** • **Business Plans – Cabinet Members' Priorities** • **Role of Strategic Business Development and Intelligence** •
15 March 2016	
B – Key or Significant Decisions for Recommendation or Endorsement	• **Re-location of public services from Tonbridge Gateway**
C - Performance Monitoring	• **Performance Dashboards** • **Financial Monitoring** • **Review of consultation and engagement and equalities considerations within the key decision making process**
D - Other Items for comment/ recommendation	• **Welfare Reform Update (minute 121 – Jan 2015)** • **Strategic and Corporate Services Directorate Plan** • **Risk Management: Strategic Risk Register** • **Engagement, Organisation Design and Development Restructure Update**
24 May 2016	
B – Key or Significant Decisions for Recommendation or Endorsement	• **Facilities Management Contract Monitoring**
C - Performance Monitoring	• **Performance Dashboards** • **Financial Monitoring**
D - Other Items for comment/ recommendation	
22 July 2016	
B – Key or Significant Decisions for Recommendation or Endorsement	
C - Performance Monitoring	• **Performance Dashboards** • **Financial Monitoring**
D - Other Items for comment/	• **Community leases of Buildings**

recommendation	• Business Rates Consultation
8 September 2016	
B – Key or Significant Decisions for Recommendation or Endorsement	
C - Performance Monitoring	• Performance Dashboards • Financial Monitoring
D - Other Items for comment/ recommendation	• Business Planning 2016/17 • Update on implementation of the Voluntary Sector Policy (minute 160 – Sept 2015) • Update on implementation of the Customer Service Strategy (minute 161 – Sept 2015)
2 December 2016	
B – Key or Significant Decisions for Recommendation or Endorsement	
C - Performance Monitoring	• Performance Dashboards • Financial Monitoring
D - Other Items for comment/ recommendation	• Comprehensive spending review • Annual Equalities Report
Other items not allocated to a particular meeting	• LATC • Update on managed print service • Legal Services Procurement (when appropriate) • Live Margate update • Partnership Register

From: John Simmonds, Cabinet Member for Finance & Procurement
and Deputy Leader
Andy Wood, Corporate Director of Finance & Procurement

To: **Policy and Resources Cabinet Committee 11th December 2015**

Decision No:

Subject: **Spending Review & Autumn Budget Statement Announcements**

Classification: **Unrestricted**

Summary: This report sets out the main elements of the Chancellor of the Exchequer's Autumn Budget Statement and 2015 Spending Review (both announced on 25th November). This paper focuses on how local government funding fits into the national context and the main elements of the announcements affecting local authority budgets. We will not know the full impact until we receive the Local Government Finance Settlement later this month (date yet to be confirmed) and grant announcements from other departments. The impact will need to be reflected in KCC's Medium Term Financial Plan (MTFP) and draft Budget 2016/17 due to be published 11th January 2016 including KCC's response to the recent budget consultation.

Recommendation(s):

Members are asked to NOTE the relationship between central government and local authority decisions on the council's budget plans and the main announcements within the Spending Review and Autumn Budget Statement affecting local authorities.

1.   **Introduction**

1.1   Setting the Council's revenue and capital budgets continues to be exceptionally challenging due to the combination of increasing spending demands and reducing funding. 2016/17 looks likely to be the most difficult yet due to a number of other contributory factors (many of which have unknown consequences). The most significant of these factors was that we did not have spending plans from central government beyond 2015/16. This has now been resolved following the announcement of the Spending Review on 25th November. The Autumn Budget statement on the same day also gave us other vital information to inform our budget plans e.g. funding arrangements for the National Living Wage (NLW).

1.2   This report sets out a comprehensive picture of local authority funding and financial devolution, and in particular how the Spending Review fits into this. It is a complex picture. The Spending Review represents the government's

medium term strategic spending plan for departmental budgets over a 4 to 5 year period. These spending plans are known as Resource DEL for current (day to day) expenditure and Capital DEL for infrastructure investment. Spending Reviews do not happen annually, the last full Spending Review was in October 2010 (SR2010) setting out the plans for 2011/12 to 2014/15, this was updated in the Spending Round 2013 (SR2013) which revised the 2014/15 plans and included new plans for 2015/16.

1.3 The Autumn Budget Statement is published each year (usually in November) to complement and update the annual Budget Statement in March. The Budget statements set out forecasts of taxation receipts[1] to fund public expenditure and spending plans for the remainder of public spending not included in the departmental DELs (including any variations to DELs from Spending Review amounts). This remaining portion of public spend is referred to as Annually Managed Expenditure (AME) and principally includes welfare spending but also includes locally financed spending for local government services i.e. the element funded out of Council Tax and the retained business rates. The Budget statements also include information from the economic and fiscal forecasts from the Office for Budget Responsibility (OBR) and a summary of the government's key policy priorities.

1.4 The impact on local government spending is identified in several places within the Spending Review/Autumn Budget Statement publications as follows:

- Un-ring-fenced revenue grants from the Department for Communities and Local Government (CLG) are shown under a separate Resource DEL for Local Government. This principally includes the main Revenue Support Grant (previously Formula Grant) and Business Rate baseline/top-up but also includes some other local authority grants
- Ring-fenced and un-ring-fenced revenue grants from other departments are shown under the DELs for the relevant department e.g. Dedicated Schools Grant, Public Health Grant, Bus Service Operators Grant, Asylum Grant, etc.[2], but are not separately identifiable from other spending by the departments
- Capital DEL includes grants to local authorities to fund capital projects (principally schools and roads) but these grants are not separately identifiable for other capital spending controlled by the departments
- Benefit payments administered by lower tier authorities are shown under AME welfare spending
- Locally financed expenditure through Council Tax and the local share of business rate growth is shown under AME

This means there is not a single identifiable sum (or a sum that can be derived) for local government within the overall spending plans.

1.5 The Spending Review/Autumn Budget Statement announcement does not identify either the overall amounts for individual grants within departmental

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[1] These forecasts are calculated by the independent Office for Budget Responsibility
[2] Reported under Resource DEL for the relevant department e.g. Department for Education (DfE), Department of Health (DoH), Department for Transport (DfT), Home Office, etc.

allocations, or the allocations for individual authorities within local government. These come at a later date, the key date for local authorities being the announcement of the provisional Local Government Finance Settlement which we are anticipating will be on 16th/17th December this year. This settlement includes the un-ring-fenced grants which together with Council Tax and the local share of business rates are used to fund the net budget requirement. These grants remain a significant factor within budget planning. A number of ring-fenced grants are also announced at the same time as the Local Government Finance Settlement, it remains KCC policy to adjust ring-fenced spending in line with changes in specific grants and not to top-up spending from discretionary funds.

2. Local Government Spending in the National Context

2.1 This section provides information on the totality of local government spending in recent years. It is drawn from the HM Treasury Public Expenditure analysis published in July 2015. The individual tables may not add down due to showing individual entries to the nearest £m, including totals. The overall spending by local government as a proportion of total public spending in the UK has been falling in recent years, as shown in table 1 (although this includes the impact of academy transfers which are identified separately for England later in this section).

Table 1

FINANCING OF UK LOCAL GOVERNMENT	2009/10 Outturn £m	2010/11 Outturn £m	2011/12 Outturn £m	2012/13 Outturn £m	2013/14 Outturn £m	2014/15 Outturn £m	2015/16 Plans £m
Current Expenditure							
DEL	104,012	97,835	90,812	86,216	80,028	76,614	68,737
AME	21,033	28,107	29,413	30,122	36,553	37,889	38,045
Sub Total	125,045	125,942	120,225	116,338	116,581	114,503	106,782
Locally Financed	30,666	27,767	36,893	28,943	29,449	33,578	33,219
Capital							
DEL	15,254	12,894	10,908	9,668	9,145	10,203	10,886
AME	402	993	290	133	132	207	196
Accounting Adjustments	2,879	11,297	5,369	14,867	14,234	12,190	15,763
UK Local Government Total	174,247	178,893	173,685	169,949	169,541	170,681	166,846
Total Public Expenditure							
DEL	381,179	375,377	364,053	356,012	358,118	361,244	356,700
AME	292,224	331,741	342,524	364,844	364,230	374,289	385,600
Total Managed Expenditure	673,402	707,118	706,577	720,856	722,348	735,533	742,300
UK Local Government as %	25.9%	25.3%	24.6%	23.6%	23.5%	23.2%	22.5%

2.2 Table 2 shows the split of Government funded current expenditure through DEL and AME (table 1 line 5) between the individual countries in the UK. Local government spending falls under the remit of the devolved administrations in Scotland, Wales and Northern Ireland and thus operates under different governance and legislation. The remainder of this report focuses on local government spending in England.

Table 2

UK GOVERNMENT FUNDED CURRENT EXPENDITURE	2009/10 Outturn £m	2010/11 Outturn £m	2011/12 Outturn £m	2012/13 Outturn £m	2013/14 Outturn £m	2014/15 Outturn £m	2015/16 Plans £m
England	108,207	108,175	102,950	98,426	100,065	98,677	92,055
Scotland	10,551	11,067	10,825	10,877	9,415	8,609	8,835
Wales	6,233	6,647	6,396	6,976	7,043	6,633	6,284
Northern Ireland	54	53	54	59	58	138	52
Total Current Spend	125,045	125,942	120,225	116,338	116,581	114,057	107,226

2.3 Table 3 shows the split of Government funding for both current expenditure and capital for English authorities between DEL and AME. The represents English local government funding from central government in its widest sense and includes schools, police, fire as well as local authorities. An estimate for school expenditure has been deducted leaving the central government funded expenditure for English authorities as a % of UK total public expenditure.

Table 3

FINANCING OF ENGLAND LOCAL GOVERNMENT	2009/10 Outturn £m	2010/11 Outturn £m	2011/12 Outturn £m	2012/13 Outturn £m	2013/14 Outturn £m	2014/15 Outturn £m	2015/16 Plans £m
Current Expenditure							
DEL	89,503	83,182	76,800	71,656	66,239	63,562	57,261
AME	18,704	24,993	26,150	26,770	33,826	35,114	34,794
Total	108,207	108,175	102,950	98,426	100,065	98,676	92,055
Capital							
DEL	13,510	11,222	9,621	8,421	8,009	8,833	9,378
AME	402	993	290	133	132	207	201
Total	13,912	12,215	9,911	8,554	8,141	9,040	9,579
ENGLAND TOTAL	122,119	120,390	112,861	106,980	108,206	107,716	101,634
Est. England Schools Exp	41,183	41,502	35,971	33,173	31,840	31,388	32,047
England Net excl. Schools	80,936	78,888	76,890	73,807	76,366	76,328	69,587
England excl schools as % of UK total public expenditure	12.0%	11.2%	10.9%	10.2%	10.6%	10.4%	9.4%

2.4 Some of the main trends are worth further explanation:

- Resource DEL has been reducing as part of the overall programme to reduce public spending, but this pattern also includes the transfer of academies out of local government as well as the transfer in of new responsibilities e.g. Public Health
- AME has been increasing, mainly as a result of demand for housing benefit but also as a result of localising half of business rates in 2013/14 which transferred funding from Resource DEL to AME in that year
- Capital spending trends changed during the period with initially significant reductions with a return to modest growth in recent years following the 2013 Spending Round. Recurrent funding for previous capital expenditure under the supported borrowing regime has not been protected from the current expenditure funding reductions.

2.5 Table 4 shows the individual departmental contributions towards government funded current spending for English local government (table 3 line 5). It is not possible to split these between Resource DEL and AME although the majority of AME is accounted for in welfare payments administered by lower tier local authorities on behalf of the Department for Work Pensions (DWP).

Table 4

Central government current grants English local government	2009/10 Outturn £m	2010/11 Outturn £m	2011/12 Outturn £m	2012/13 Outturn £m	2013/14 Outturn £m	2014/15 Outturn £m	2015/16 Plans £m
Education	37,625	40,587	36,910	34,166	32,722	33,012	31,919
Health	1,227	1,454	136	93	2,713	2,672	2,639
Transport	3,335	3,814	3,494	3,515	2,847	2,456	1,293
CLG Communities	3,194	2,817	1,314	1,479	1,880	2,114	2,281
CLG Local Government	30,784	25,390	25,999	23,223	27,604	25,837	22,214
Business Innovation & Skills	2,464	257	98	0	376	357	0
Home Office	6,898	10,354	10,353	10,284	9,949	10,329	10,057
Environment Food & Rural Affairs	38	50	147	98	92	139	120
Work & Pensions	22,521	23,317	24,469	25,522	21,839	21,665	21,465
Other	121	135	30	46	43	96	67
Total	108,207	108,175	102,950	98,426	100,065	98,677	92,055

2.6 Table 4 includes a number of significant transfers between departments. This makes year on year comparison difficult:

- In 2010/11 responsibility for school sixth form funding transferred from Business Innovation and Skills (BIS) to DfE. Since the transfer funding for sixth forms has declined significantly.
- In 2011/12 responsibility for aspects of Learning Disability services transferred from DoH to CLG Local Government settlement, a number of specific grants and area based grants also transferred into CLG Local Government from DfE/DoH/DfT/CLG etc.
- In 2013/14 responsibility for Council Tax benefit transferred into CLG Local Government from DWP, Police transferred out of CLG Local Government, Public Health services transferred into DoH to devolve to local authorities

2.7 The general pattern over the last 5 years has seen a reduction in central government funding for local authorities combined with the transfer of additional responsibilities which have effectively become funded from the proceeds from Council Tax and business rates. This has been compounded for many authorities by additional spending demands arising from changes in population, legislation and the effects of inflation.

2.8 Within the £23bn identified in table 4 under CLG Local Government for 2015/16 the vast majority was allocated via the business rate baseline (£11.3bn) and £9.5bn through Revenue Support Grant (RSG). RSG is funded out of the 50% central share of business rates. The business rate baseline reflects the local authority 50% retained share. This is divided into an historical baseline for each authority which is then adjusted via a system of tariffs top-ups to redistribute funding from high wealth/low needs areas to low wealth/high spending needs areas. The 2015/16 allocations of RSG and business rate baseline/tariff/top-up for KCC and to all classes of authority are shown in table 5.

Table 5

	KCC £m	Shire Counties & Fire £m	Unitary Auth £m	Shire Districts £m	Metropol itan £m	London Boroughs & GLA £m	England £m
Revenue Support Grant	161.0	2,565.9	2,014.1	422.4	2,575.4	1,931.7	9,509.4
Business Rate Baseline	47.6	776.1	2,245.6	2,932.3	2,029.5	3,328.8	11,312.2
Tariff/Top-up	122.9	1,847.5	14.8	-2,412.0	902.5	-341.9	10.9

3. Spending Review

3.1 The main departmental allocations for current expenditure (Resource DEL) from previous spending review in 2010 (SR2010) and updated spending round in 2013 (SR2013) are shown in table 6.

Table 6

Department	Spending Review 2010					Spending Round 2013	
	2010/11 Baseline £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn	2014/15 Baseline £bn	2015/16 £bn
Education	50.8	51.2	52.1	52.9	53.9	52.8	53.2
Health	98.7	101.5	104.0	106.9	109.8	108.3	110.4
Transport	5.1	5.3	5.0	5.0	4.4	3.5	3.2
CLG Communities	2.2	2.0	1.7	1.6	1.2	1.2	1.1
CLG Local Government	28.5	26.1	24.4	24.2	22.9	14.4	11.9
Business Innovation & Skills	16.7	16.5	15.6	14.7	13.7	13.6	13.0
Home Office	9.3	8.9	8.5	8.1	7.8	10.4	9.9
Justice	8.3	8.1	7.7	7.4	7.0	6.8	6.2
Defence	24.3	24.9	25.2	24.9	24.7	23.9	23.9
International Development	6.3	6.7	7.2	9.4	9.4	8.3	8.5
Environment Food & Rural Affairs	2.3	2.2	2.1	2.0	1.8	1.7	1.6
Work & Pensions	6.8	7.6	7.4	7.4	7.6	5.5	5.0
Devolved Administrations	47.4	47.5	47.8	48.3	48.4	48.8	48.9
HMRC & Treasury	3.7	3.7	3.6	3.6	3.3	3.3	3.2
Other	13.9	14.5	14.5	14.4	12.8	11.4	11.9
Total	326.6	326.7	326.9	330.9	328.9	315.7	312.9

3.2   It is common practice that the baseline amounts for individual departments exclude one-off or time limited spend, although this spend is included in the published total and thus the baseline column(s) may not add down. As with section 2 individual entries are shown to nearest £100m and thus cause the same minor rounding problems with totals. In the SR2013 the localised share of business rates (£11.2bn for 2014/15 baseline and £11.6bn for 2015/16) was transferred from Resource DEL into locally financed resources. These amounts should be added back for comparison with SR2010 and table 4 above.

3.3   The differences between the SR2010 totals for CLG Local Government and table 4 demonstrates the significant impact of transfers of responsibilities into local government which were not included in the original spending plans e.g. the transfer of responsibility for Council Tax support. This gives the appearance that reductions are not as significant as the real impact.

3.4   The main departmental capital allocations (capital DEL) from previous spending review in 2010 (SR2010) and updated spending round in 2013 (SR2013) are shown in table 7.

Table 7

| | Spending Review 2010 | | | | | | Spending Round 2013 | |
	2010/11 £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn		2014/15 £bn	2015/16 £bn
Capital DEL								
Education	7.6	4.9	4.2	3.3	3.4		4.6	4.6
Health	5.1	4.4	4.4	4.4	4.6		4.6	4.7
Transport	7.7	7.7	8.1	7.5	7.5		8.9	9.5
CLG Communities	6.8	3.3	2.3	1.8	2		4.8	3.1
CLG Local Government								
Business Innovation & Skills	1.8	1.2	1.1	0.8	1		2.1	2.5
Home Office	0.8	0.5	0.5	0.4	0.5		0.5	0.4
Justice	0.6	0.4	0.3	0.3	0.3		0.3	0.4
Defence	8.6	8.9	9.1	9.2	8.7		8.7	8.7
International Development	1.6	1.4	1.6	1.9	2		2	2.6
Environment Food & Rural Affair	0.6	0.4	0.4	0.4	0.4		0.5	0.5
Work & Pensions	0.2	0.2	0.3	0.4	0.2		0.2	0.2
Devolved	6.3	4.7	4.6	4.1	4.2		5.2	5.6
Chancellor's	0.2	0.4	0.1	0.1	0.1		0.1	0.1
Other	6.2	5	4.5	4.6	5		4	3.3

3.3 The Spending Review totals for local government includes all the devolved funding controlled by the Department for Communities and Local Government (DCLG). This includes the main settlement of revenue support grant (RSG) and retained business rates redistribution. These amounts were originally allocated by Formula grant and replaced by RSG/business rate baseline in 2013 (these form the core grants to local authorities). The Local Government Resource DEL also includes a number of other grants which are paid directly to local authorities e.g. Council Tax Freeze, Private Finance Initiative, etc. Table 8 shows the breakdown in SR2010 between the main settlement for local government as allocated via Formula Grant through RSG/business rates and the other grants. The £0.7m council tax freeze for 2011/12 has subsequently been incorporated into business rate baseline and RSG in Local Government Finance Settlements since 2012.

Table 8

| | Spending Review 2010 | | | | |
	2010/11 £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn
Formula	28	25	23.4	23.2	21.9
CT Freeze	0	0.7	0.7	0.7	0.7
Other	0.5	0.5	0.4	0.4	0.4

3.4 The main departmental allocations from Spending Review 2015 (SR2015) are shown in table 9

Table 9

Department Current Expenditure Resource DEL excl depreciation	2015/16 Baseline £bn	2016/17 £bn	2017/18 £bn	2018/19 £bn	2019/20 £bn
Education	53.6	54.4	55.5	56.4	57.1
Health	111.6	115.6	118.7	121.3	124.1
Transport	2.6	2.0	2.1	2.2	1.8
CLG Communities	1.5	1.4	1.4	1.3	1.2
CLG Local Government	11.5	9.6	7.4	6.1	5.4
Business Innovation & Skills	12.9	13.4	12.3	11.7	11.5
Home Office	10.3	10.7	10.6	10.6	10.6
Justice	6.2	6.5	6.3	5.8	5.6
Defence	27.2	27.8	28.5	29.2	30.0
International Development	8.5	9.1	9.3	10.7	11.0
Environment Food & Rural Affairs	1.5	1.7	1.6	1.5	1.4
Work & Pensions	5.8	6.1	6.3	5.9	5.4
Devolved Administrations	48.5	48.9	49.3	49.4	49.7
HMRC & Treasury	3.5	3.7	3.6	3.2	3.0
Other	9.9	9.7	9.9	9.6	10.0
Total	315.1	320.8	322.9	325.2	328.3

Department Capital DEL	2015/16 Baseline £bn	2016/17 £bn	2017/18 £bn	2018/19 £bn	2019/20 £bn	2020/21 £bn
Education	4.6	5.2	4.6	4.4	4.4	4.6
Health	4.8	4.8	4.8	4.8	4.8	4.8
Transport	6.1	6.3	7.6	8.9	11.4	12.4
CLG Communities	3.1	4.0	3.7	4.0	3.6	4.3
CLG Local Government	0.0	0.0	0.0	0.0	0.0	0.0
Business Innovation & Skills	3.8	3.1	2.2	1.7	1.7	1.6
Home Office	0.4	0.5	0.5	0.4	0.5	0.5
Justice	0.4	0.7	0.7	0.7	0.4	0.1
Defence	7.1	7.3	7.5	7.8	8.1	8.7
International Development	2.6	2.7	3.2	2.8	3.1	3.6
Environment Food & Rural Affairs	0.5	0.6	0.6	0.6	0.5	0.5
Work & Pensions	0.2	0.3	0.4	0.3	0.2	0.2
Devolved Administrations	5.6	5.8	5.8	6.0	6.2	6.4
HMRC & Treasury	0.1	0.3	0.3	0.3	0.3	0.2
Other	-3.3	-2.5	-2.1	-1.2	-1.3	4.9
Total	35.8	39.0	40.1	41.6	44.0	52.8

3.5 As well as the Resource DEL allocations SR2015 announcement for local government also included an evaluation of the locally financed spending as reproduced below (table 2.17 from the Spending Review report). This analysis shows a dip in overall resources in 2016/17 compared to the baseline followed by a gradual recovery so that by the end of the period current expenditure has recovered to 2015/16 levels i.e. "flat cash".

Table 2.17: Local Government

	£ billion					
	Baseline	Plans				
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
DCLG Local Government DEL[1]	11.5	9.6	7.4	6.1	5.4	*
Locally financed expenditure[2]	28.8	29.0	31.5	33.6	35.1	*
Local government spending[3]	**40.3**	**38.6**	**38.9**	**39.7**	**40.5**	*****

[1] In this table, Resource DEL excludes depreciation.

[2] Treasury/DCLG analysis based on data underlying the OBR's Local Authority Current Expenditure (England) forecast.

[3] Does not include the impact of business rate reforms, which the government will consult on shortly.

3.6 The reduction in Local Government Resource DEL indicates further reductions in RSG over the period prior to it being phased out entirely as part of the proposals to allow local authorities to retain all of the proceeds from business rates. This will be accompanied by the transfer of additional responsibilities under the new proposed arrangements which will be subject to further consultation during 2016. At this stage we can park the impact of this further transfer of responsibilities and focus on the reductions in RSG and the increase in locally financed expenditure. We need further clarification how much of the reduction shown in table 2.17 will impact on RSG and how much on the other grants within the overall figure.

3.7 We have been advised that locally financed expenditure in table 2.17 does not include all of the locally raised funding and only includes the elements subject to change under the Spending Review. We need further clarification of the elements which have been excluded before we can fully evaluate the impact. It does include assumptions from OBR that authorities will add £1.1bn to reserves in 2016/17, £0.8bn in 2017/18 and £0.4bn in 2018/19, although once again we need further clarification how this is reflected in the figures.

3.8 The Spending Review announced the government's intention to consult on reforms to New Homes Bonus (NHB) grant. NHB has previously been split between the CLG Communities departmental and Local Government Resource DELs. We need further clarification how much is included in SR2015 for NHB. The proposed reforms would reduce the length of payments for new homes from 6 years to 4 years. The government's preferred option is that the reform would generate savings of at least £800m which can be used for social care. Consultation on NHB will be included in the Local Government Finance Settlement including protection for authorities which would lose out disproportionately.

3.9 The government announced a number of issues affecting local authority and public sector pay. This includes guidance on salaries for senior staff, consultation on reducing the cost of redundancy and sick pay, and confirmation of average 1% pay award for each of the 4 years from 2016/17. Local authorities will also be allowed to use 100% of capital receipts from fixed asset disposals towards the cost of reform and transformation projects to reduce current expenditure.

Education

3.10 The Spending Review included a number of announcements to help children get the best start in life. Free childcare for 3 and 4 year olds will be extended from 15 hours to 30 hours for working families from September 2017. It also announced a review the hourly rate paid to providers from 2017/18 supported by an additional £300m. We anticipate this childcare funding will continue to be distributed via the Dedicated Schools Grant (DSG). DfE will continue to have £300m budget to help drive up social care workforce standards and improve support for vulnerable children.

3.11 School budgets will continue to be protected with the cash amounts per pupil in DSG and Pupil Premium protected. The government announced its intention to introduce a national formula for the distribution of DSG with consultation in 2016 prior to implementation in 2017/18. This should build on the additional funding allocated to the lowest funded authorities in 2015/16 and lead to further equalisation of funding rates between authorities.

3.12 £23bn has been identified within Capital DEL to support 500 new free schools, creating 600,000 additional places, rebuilding and refurbishing over 500 schools and addressing maintenance needs. This investment includes new school places for children with Special Educational needs.

3.13 The government announced its intention to save around £600m from Education Services Grant towards the goal of ending local authorities' role in running schools. We need further clarification over both the phasing of these savings and how much will be found from payments to local authorities for central functions and how much from payments to academies.

3.14 The Spending Review announced the government's intention to introduce an apprenticeship levy on larger employers from 2017/18. The levy will be 0.5% of each employer's total paybill. All employers will receive £15,000 to offset against the levy meaning only those with a paybill of £3m or more will contribute to the levy. This would impact on both private and public sector employers although it is not clear whether this includes schools.

3.15 Funding for core adults skills participation will be protected in cash terms. Savings will be found non participation budgets.

Social Care
3.16 The Spending Review included the ability for authorities with social care responsibilities to precept an additional 2% over and above the Council Tax referendum threshold towards spending demands in social care. This is included in the locally figures in table 2.17 and also includes OBR assumptions about increases up to the referendum level in some authorities (although the re referendum threshold has not been yet been announced) and assumptions about growth in Council Tax base. This additional 2% precept is to recognise spending pressures in social care authorities, including the impact of the introduction of the National Living Wage in April 2016. There is no other funding for the National Living Wage identified.

3.17 The Spending Review included an announcement that the Better Care Fund will be extended and improved from 2017 to support social care with £1.5bn being available by 2019/20. This fund is designed to improve integration

between health and social care. This funding is included in Local Government DEL in table 2.17 above and includes assumptions about the contribution from New Homes Bonus reform referred to in paragraph 3.8.

3.18 The Spending Review includes over £500m for Disabled Facilities Grant (DFG) by 2019/20. We need further clarification whether this is included within the Local Government figures in table 2.17 or whether it is included in either Resource DEL or Capital DEL in other departments. It is also not clear whether this is included within the improved Better Care Fund. DFG is administered by district councils in two tier areas

3.19 The Spending Review confirmed that grants for Public Health will remain ring-fenced in 2016/17 and 2017/18. These grants will be subject to real terms savings of 3.9% over the period of the review. The government announced its intention to consult on integrating Public Health grants into the retained business rate arrangements at some point in the future.

3.20 The Department for Health spending plan includes an additional £600m investment in mental health services.

Transport

3.21 The Department for Transport plans include £250m over 5 years to tackle pot holes in addition to £5bn for roads maintenance (£300m increase over the previous parliament). The plans also include investment in the strategic road and rail network.

4. Conclusions

4.1 Local authority funding and financial delegation is a complex matter and has been subject to substantial change in recent years. This change is likely to continue, particularly in relation to the budget excluding schools. The Spending Review announcement includes additional funding for social care both from locally finance resources (ability to raise additional precept) and government resources through Better Care Fund. Consultation on changes to the New Homes Bonus could also see funding diverted into social care.

4.2 Local authority revenue funding continues to include a mixture of ring-fenced grants from central government departments (these grants have to be spent in accordance with specified conditions), un-ring-fenced grants which can be spent at the discretion of the authority, and locally raised finance through Council Tax and retained share of business rates. The trend of reductions in un-ring-fenced grants and greater share of locally financed expenditure looks likely to continue. The government plans to phase out RSG (the main un-ring-fenced grant included in the Local Government Finance settlement) and to introduce 100% retention of business rates. This will require the devolution of additional responsibilities and will be subject to extensive consultation during the forthcoming year.

4.3 The "flat cash" equation for local authorities within the spending review requires further clarification of a number of significant issues highlighted in

this report including the additional 2% precept for social care. This could mean some authorities seeing cash growth between 2015/16 and 2019/20 through the combination of the Local Government Finance Settlement and locally financed expenditure. The impact of changes in other grants (particularly Education Services Grant, NHB, DSG, etc.) also requires further clarification. We should receive this clarification leading up to the Local Government Finance Settlement later this month (date to be confirmed).

4.4 Capital spending also includes both government grants and locally financed expenditure. A significant proportion of capital spending is funded from grants and the spending review identifies additional investment in both schools and roads. Locally financed capital includes proceeds from the sale of assets, developer contributions and prudential borrowing. The latter has an impact on the revenue budget both in terms of interest payments and loan repayments. As previously identified the recurrent funding for capital expenditure under the previous supported borrowing regime has not been protected from central government funding reductions.

5.   Recommendations

5.1 Members are asked to NOTE the relationship between central government and local authority decisions on the council's budget plans and the main announcements within the Spending Review and Autumn Budget Statement affecting local authorities.

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Glossary

AME – Annually Managed Expenditure
BIS – Department for Business, Innovation and Skills
CLG – Department for Communities and Local Government
DEL – spending controlled by government departments
DfE – Department for Education
DfT – Department for Transport
DoH – Department of Health
DWP – Department for Work and Pensions
MTFP – Medium Term Financial Plan
NHB –New Homes Bonus
NLW – National Living Wage
OBR – Office for Budget Responsibility
RSG – Revnue Support Grant

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From:	Paul Carter, Leader of the Council
	David Cockburn, Corporate Director, Strategic and Corporate Services
To:	Policy & Resources Cabinet Committee, 11th December 2015
Subject:	Corporate Assurance Analysis Report
Classification:	Unrestricted

Summary: This report outlines the role of the Corporate Assurance function and progress to date, including an overview of change activity across the four change portfolios and a summary of major change projects and programmes.

Recommendations:

The Committee is asked to:

(1) **Note** the Corporate Assurance analysis report.

(2) **Agree** that the Policy & Resources Cabinet Committee receives future Corporate Assurance reports every six months.

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1. INTRODUCTION

1.1 The Corporate Assurance function in the Strategy, Policy and Assurance division was established in May 2015, to provide a strategic overview of change activity across KCC and undertake corporate assurance on major change projects and programmes.

1.2 This is the first Corporate Assurance report for Elected Members. It outlines why the Corporate Assurance function was created, key roles and responsibilities, progress to date and a summary of the major change projects and programmes which are business critical for the authority.

2. BACKGROUND

2.1 In September 2013, KCC published "*Facing the Challenge: Delivering Better Outcomes*" which introduced four Change Portfolios (**Figure 1**) to help manage an unprecedented level of complex change across the organisation.

2.2 The aim of the Portfolios is to ensure benefits are realised across the full range of change activity for similar service users/client groups, making the best use of resources available and managing dependencies between similar projects and programmes. This approach to managing change has become a fundamental and central part of how we manage the business.

2.3 The Corporate Directors provide the Senior Responsible Owner (SRO) role for each Portfolio Board.

Figure 1: KCC's Change Portfolios

Business Capability	Growth, Environment & Transport (GET)
SRO: David Cockburn	SRO: Barbara Cooper
Adults	**0-25**
SRO: Andrew Ireland	Dual SRO's: Patrick Leeson & Andrew Ireland

2.4 With rapidly changing business needs and a significant pace of change, Corporate Directors agreed the need to develop new arrangements to provide portfolio support and assurance. In March 2015, the new operating arrangements were approved, disbanding the former Corporate Portfolio Office and formally splitting the portfolio management and corporate assurance functions. The new arrangements went live in May 2015 and are as follows:

a. Each Portfolio now has an embedded Portfolio Delivery Manager (PDM) to support the effective operation of Portfolio Board and the co-ordination and delivery of programme and projects within the Portfolio. The role is embedded within Directorates, reporting directly to the Senior Responsible Owner.

b. The Corporate Assurance function now sits in the Strategy, Policy and Assurance division, reporting to the Director of Strategy, Policy, Relationships and Corporate Assurance.

c. The two functions act as a 'virtual' team, collectively responsible for reviewing progress, undertaking assurance activity, managing cross-cutting impacts and dependencies and acting as an information hub for change activity across KCC.

d. As the success of the 'virtual' team relies on proactively sharing information, the PDM posts have a 'dotted line' relationship to the Director of Strategy, Policy, Relationships and Corporate Assurance to fulfil their corporate, as well as portfolio, responsibilities.

3. THE CORPORATE ASSURANCE FUNCTION

3.1 The purpose of a corporate assurance function is to provide oversight, transparency and assurance of major change activity, providing confidence we are 'doing the right thing', as well as delivering things well.

3.2 It is important that the new approach for corporate assurance is undertaken in a way that adds value, is proportionate by focusing on the projects and programmes that are business critical to delivering KCC's strategic priorities and is supportive and sympathetic to the delivery challenges services face. This requires a collaborative, constructive and relationship based approach.

3.3 The key roles and responsibilities for Corporate Assurance include:

3.31 **Developing a 'whole picture' overview of change activity;**
Providing a strategic overview of change activity across KCC and developing communications on progress towards a strategic commissioning authority. In a democratically-led organisation such as KCC, with a requirement to report to Elected Members and to meet standards of transparency and accountability, it is important that Corporate Assurance begins to report regularly outside of the internal transformation governance.

3.32 **Setting the policy standards for change projects and programmes;**
Introducing minimum requirements (standards) that all change projects & programmes must meet. This is necessary to improve the quality and content of project proposals (scope) and business cases, which are essential for successful delivery, but need be light touch and proportionate. Each PDM supports their Portfolio to meet these requirements.

3.33 **Greater segmentation of change activity to provide corporate assurance on major projects and programmes;**
Change activity across KCC is now split into three 'tiers' based on the level of investment /cost and the financial benefits, as objective measures (**Figure 2**). This segmentation helps to create a more proportionate approach suitable for the scale, nature and complexity of each project and clarifies the assurance lead for each tier. Corporate Assurance is only undertaken for Tier 1 projects and programmes which have costs greater than £750k and/or financial benefits greater than £2m, reporting to Transformation Advisory Group (TAG) and Cabinet.

Figure 2: Project and Programme Tiers:

Tiers	Costs / Investment	Financial Benefits	Assurance Lead
Tier 1	£750k +	£2m +	Corporate
Tier 2	£100K – 750k	£1m - £2m	Portfolio
Tier 3	< £100k	< £1m	Portfolio

3.34 Corporate Assurance 'checkpoints' will take place for Tier 1's at the earliest possible stage to concisely and effectively draw out critical issues for consideration to help strengthen proposals and business cases for business critical projects and programmes. This will help to ensure that the quality of the business case is right from the outset, giving a stronger chance of success.

3.35 **Acting as the 'information hub' for change activity.**
Working as a virtual team to bring together information on change activity to inform assurance activity and provide collective action on cross-cutting dependencies, impacts, risks and issues.

4. PROGRESS TO DATE

4.1 Since May, progress has been made to review the arrangements and move towards a different approach for Corporate Assurance, including:

a. Completing a stock-take of project and programme activity across the Portfolios, to baseline activity and define information for Tier 1.

b. Developing an understanding of the different Portfolio approaches, to ensure assurance requirements complement Portfolio arrangements.

c. Adapting the principles of the '5 Case Model' for better business cases (used by HM Treasury), to test in practice for Tier 1 projects.

d. Setting 'must do' requirements for all change projects and programmes, including cost/benefit 'golden rules' for Tier 1 to improve consistency of financial information (**Appendix 1**).

e. Launching a new Project & Programme Management Toolkit to provide resources and support for project managers, which complements a targeted training approach and network to share experiences and lessons learned across Portfolios.

4.2 **Corporate Assurance Checkpoints**
Early checkpoint activity is testing a lighter-touch and more proportionate approach, which is focused on constructive and supportive feedback at the earliest possible stage of a project. The intention is to improve the quality of the case for change and strengthen planning arrangements so the project has the best possible chance of delivering successfully.

4.3 The checkpoint is not a 'stop/go' gate and does not deliver a judgment or rating on the quality or viability of the project. Instead it aims to highlight the strengths and key areas for consideration, to inform discussion and decision. The process is undertaken collaboratively with services, so findings are shared openly and transparently, with other independent views brought in from Finance, Audit, Policy, Risk etc. as required.

4.4 Early checkpoint activity has included:

a. **Adults Transformation Programme Phase 2 business case** – focusing on strengthening the economic (value for money) and financial (affordability) case for change. This business case sought approval to progress the Newton Europe supported projects within the Adults Portfolio into the implementation phase, including Your Life, Your Home, Enablement, Shared Lives and Kent Pathway Services, to improve outcomes for older people and adults with physical and learning disabilities.

b. **ICT Projects** within the Business Capability Portfolio – focusing on strengthening the strategic case for change and options development to inform future business cases.

c. **Learning Disability Internal Day Care Services** – focused on reviewing the findings of the 'Analyse' phase and testing the design for the 'Plan' phase to explore a new delivery model that will meet the changing business, market and demand requirements of the service.

d. **Future of In-House Provision –** focused on creating business cases to inform the forthcoming key decision.

5. CHANGE ACTIVITY ACROSS THE PORTFOLIOS

5.1 Since May 2015, Corporate Assurance has been building the strategic overview of all change activity within the four Portfolios. This provides a collective view of all the current projects and programmes, and identifies activity within the three tiers (see **Figure 2**). This is tracked on a monthly basis to monitor key changes to the scope and scale of the Portfolios over time.

5.2 During this period there has been a rapid pace of flux and change within the Portfolios, as the PDM's have supported the Portfolios to 'stock-take' and prioritise activity to define the most relevant change projects and programmes that will deliver the greatest benefits (financial and non-financial) and deliver strategic outcomes.

5.3 Whilst the Business Capability and GET Portfolios are relatively stable, the activity within the Adults and 0-25 Portfolios has rapidly changed. In the Adults Portfolio, the Portfolio Management approach (supported by Newton Europe) has helped to prioritise the overall number of projects, speeding up delivery and improving the value of projects. In the 0-25 Portfolio, this approach has helped to identify wider change activity, with the Portfolio Board now prioritising the scope of the most significant projects which will form the Portfolio, to be confirmed in December.

5.4 Projects and programmes are constantly opening and closing (some prematurely stopping or pausing due to scope changes, capacity issues or changing business priorities, and others completing). As such, Corporate Assurance have also been tracking 'pipeline/prospect' activity (emerging projects) and project closures on a monthly basis (often more frequently in busy change periods), to build an audit trail of change and identify when best to engage with emerging projects. **Figure 3** illustrates the level of flux within the Portfolios, based on a 'snapshot' in time at the end of every month.

Figure 3: Tracking current Portfolio change activity over time.

Month	Total Activity	Total Tier 1 Activity	Prospect/ Pipeline	Stops/Exits	Current change activity identified within Portfolios			
					BC	GET	0-25	Adults
MAY	69	11	N/A	N/A	8	13	9	47
JUN	81	28	6	N/A	8	12	8	53
JUL	113	38	11	10	7	12	41	53
AUG	94	25	10	23	7	12	35	40
SEPT	115	31	14	13	7	12	52	44
OCT	96	21	7	4	7	13	33	43
NOV	68*	16	22	8	7	14	10	39
*2 projects are shared across more than 1 Portfolio so are only counted once								

5.5 The scale of change activity within the Portfolios was much greater than first anticipated, primarily because activity is often managed as individual 'projects' (peaking at around 115 pieces of change activity), rather than a smaller amount of 'programmes' underpinned by supporting projects. Each Portfolio has a different approach to defining what is in scope – in some cases it is only the most significant transformational change programmes which are priorities for the Portfolio Board, in others it brings together all change activity which is being managed as a 'project'.

5.6 As most activity is defined at project level, the scope of Tier 1 has varied from between 11 to 30 projects at any one time. As such, in September Corporate Directors agreed to raise the financial bar for Tier 1 from £500k to £750k to narrow the scope and ensure we were only focusing corporate assurance on the highest value projects.

5.7 The latest position (November 2015) is set out in **Appendix 2.** Of the 68 current projects and programmes within the Portfolios, 16 are Tier 1. We are currently aware of up to 22 prospect/pipeline projects and are now working with Portfolios to consider the best way to support emerging Tier 1 activity and introduce checkpoints at the earliest possible opportunity.

6. TIER 1 – MAJOR CHANGE PROJECTS & PROGRAMMES

6.1 There are currently 16 major change projects and programmes which fall into Tier 1 for Corporate Assurance. The lifecycle stage, costs, benefits milestones and reasons for any significant variances for these projects are tracked on a monthly basis, to keep a live and informed picture of delivery.

6.2 A summary of the current Tier 1 projects and programmes, costing over £750k and/or delivering over £2m financial benefit are included in **Appendix 3.**

7. NEXT STEPS

7.1 The first months of the new function have highlighted a number of opportunities:

a. Bringing together a strategic overview of all projects and programmes for the first time could help to build a better understanding of the collective investment and impact of change activity across KCC.

b. Early warning of potential demand for corporate services to support multiple change projects, identifying pressure points and informing prioritisation discussions between Portfolios.

c. A virtual team could help to better mitigate and manage cross-Portfolio dependencies and impacts of projects.

d. Working more closely with Internal Audit to proactively identify audit opportunities and improve project consistency and controls.

e. The 'pipeline' of prospect projects will complement the business planning process, improve the ability influence at an earlier stage and bring in expertise right from the start (e.g. Strategic Business Intelligence and Development helping to scope the 'Analyse' stage).

7.2 The Internal Audit of Corporate Assurance (reporting to Governance & Audit Committee in January 2016) will provide useful feedback to further refine and improve the future approach and direction.

7.3 As KCC's approach and governance to managing change continues to develop, we will regularly reflect and review the most appropriate future arrangements for Corporate Assurance, to ensure it stays relevant and adds value to the organisation.

8. RECOMMENDATIONS

8.1 The Committee is asked to:

(1) **Note** the Corporate Assurance Analysis Report.

(2) **Agree** that the Policy & Resources Cabinet Committee receives future Corporate Assurance reports every six months.

Appendices:
Appendix 1: Minimum Project & Programme Management Requirements

Appendix 2: Current Change Activity within Portfolios – November 2015

Appendix 3: Summary of Tier 1 Major Change Projects and Programmes.

Background Documents: None

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Appendix 1: Minimum Project & Programme Management Requirements

Corporate Directors have set clear expectations for the 'must do' requirements of all our projects and programmes.

The minimum project and programme management requirements:

1.   Obtain an appropriate mandate to start developing your project/programme.

2.   Before you start your analysis or assessment, first make sure you have an approved project/programme proposal to see if your idea is viable.

3.   Set clear objectives, aligned to our strategic outcomes in the Strategic Statement.

4.   Show you understand and have thought about the impact on staff, customers, service users and residents.

5.   Tier 1 Projects/Programmes must evidence they are affordable and represent value for money by clearly defining costs and benefits (see the Tier 1 Cost/Benefit Golden Rules below).

6.   Before you start delivery or implementation, you must have an approved Business Case.

7.   Be explicit about your key milestones, and make sure you have an approved Project/programme Initiation Document (PID) to manage your project/programme delivery.

8.   Show the right risks and dependencies are being managed by the right people, at the right time – with clear escalation routes to share risks and issues.

9.   Provide informative and timely updates on your project/programme (e.g. monthly status reports, highlight reports or project health checks) – explain why any changes have occurred.

10.   Deliver a closure/lessons learned report at the end of your project/programme.

Tier 1 Cost/Benefit 'Golden Rules':
1.   Clearly define your project/programme costs.
2.   Clearly define your project/programme benefits.
3.   You must have a financial plan and a clear approach for tracking and monitoring costs and benefits.
4.   You must be clear about tolerances and what is an acceptable level of variance.

Each requirement is supported by guidance in the PPM Toolkit on KNet.

Appendix 2: Current Change Activity within Portfolios – November 2015

Current Change Activity within Portfolios: 'Snapshot' as of 18th Nov 2015

Total Number of Current Projects: 68* (16 Tier 1)

* 2 projects are shared across more than one Portfolio so are only counted once.

Business Capability Portfolio

7 Projects/Programmes in the Portfolio:

- 6 Tier 1
  - New Ways of Working
  - Property LATCO
  - Gateways Implementation
  - Agilisys Mobilisation
  - ICT Transformation (two projects)
- 1 Tier 2
- 0 Tier 3
- 4 Prospect/Pipeline projects
- 1 Stop/Completed project

GET Portfolio

14 Projects/Programmes in the Portfolio:

- 1 Tier 1
  - LED Streetlighting
- 2 Tier 2 (1 project shared with 0-25 Portfolio)
- 8 Tier 3
- 3 Undefined (awaiting financial information)
- 3 Prospect/Pipeline projects
- 0 Stop/Completed projects (1 on hold)

Adults Portfolio

39 Projects/Programmes in the Portfolio:

- 7 Tier 1
  - Your Life, Your Home
  - Acute Pathways
  - Kent Pathways Services
  - Community Equipment Retender
  - Internal Day Care (Learning Disability)
  - Enablement
  - Future of In-House Provision
- 18 Tier 2 (1 project shared with Adults Portfolio)
- 11 Tier 3
- 3 Prospect/Pipeline projects
- 6 Stop/Completed projects

0-25 Portfolio

10 Projects/Programmes in the Portfolio:

- 2 Tier 1
  - 0-25 Unified Programme (4 projects)
  - EYPS Systems
- 4 Tier 2 (2 projects shared with Adults and GET Portfolios)
- 1 Undefined (awaiting financial information)
- 12 Prospect/Pipeline projects
- 1 Stop/Completed projects

Indicative project activity. The 0-25 Portfolio Board is due to confirm the scope of the Portfolio in mid-December.

NB: Projects which are shared across more than one Portfolio are only counted once.

Appendix 3: Summary of Tier 1 Major Change Projects and Programmes

Projects/programmes that fall into 'Tier 1' are categorised as having a cost greater than £750k and/or a financial benefit greater than £2m.

Summaries are provided on projects/programmes by portfolios – Business Capability, GET, Adults and 0-25.

Business Capability
• New Ways of Working
• Property LATCO
• Gateway Implementation
• Agilisys Mobilisation
• ICT Transformation (2 Projects)

GET
• LED Streetlighting

Adults
• Your Life Your Home
• Acute Hospital Optimisation
• Kent Pathways Service
• Access to Independence (Enablement)
• Community Equipment Retender
• Internal Day Care (Learning Disability)
• Future of In-House Provision

0-25
• 0-25 Unified Programme (4 Projects)
• EYPS Systems

New Ways of Working

Portfolio: Business Capability
Start Date: Nov 2012   **End Date:** April 2016   **Stage:** Do

Background

The New Ways of Working Programme forms part of the 'Doing Things Differently' agenda. This is about transforming the way KCC operates, saving money and examining what we do and how we do it **by:**

- Putting the **customer** at the heart of how we design and deliver services.
- Having integrated **services** that are packaged around client groups and resident lifecycles.
- Adopting a new approach to how and where we **work.**
- Streamlining **systems and processes,** so we are all more self-sufficient.
- **People** are empowered, trained, accountable and equipped to face the future.

The New Ways of Working Programme puts in place property and technology solutions to facilitate culture change. It supports front-line service transformation through improvements and efficiencies in working practices and business processes.

Where do we want to be?

- We want to create an organisation that is fit for the future, providing flexible working to allow us to flex to meet the needs of the business and our customers.
- We want to create a working environment that allows us to work smarter by reviewing all our building spaces and reconfiguring where necessary to provide flexible spaces.
- Work with ICT to provide technology solutions to support smarter, flexible working.

How will we get there?

Phase 1 of the programme has delivered appropriate modern working spaces that have supported collaborative working within Mid and West Kent.

Phase 2 of the programme is now underway to progress the delivery of the East Kent Accommodation Strategy. Completion of this programme scheduled for March 2016 once all property moves and refurbishments have been completed.

What will the programme deliver?

When the programme is delivered the benefits will include:

- New Ways of Working spaces created.
- Relinquishing of leases.
- Creation of new public access facilities.
- Improved client contact areas.

Property LATCO

Portfolio: Business Capability
Start Date: Sept 2013 **End Date:** April 2016 **Stage:** Do

Background

This project originated from 'Facing the Challenge' Programme, as part of the Phase 1 Service Reviews. The aim of this review was to evaluate the current service offer and consider alternative delivery models and how the service can best meet the continuing needs of the Council and the financial challenges over the medium to long term as Central Government funding reduces. In October 2015, following an analysis of the current service offer and consideration of the service delivery options the Local Authority Trading Company (LATCO) model was agreed by Cabinet as the preferred delivery option for Property Services for KCC.

The aims of the new delivery model include:
- Medium Term Financial Plan targets will be achievable.
- Potential to develop assets, revenues, staff, skills and knowledge.
- Drive innovation and optimise costs.
- Scope to improve income generation.

Where do we want to be?

By April 2016 a new LATCO for the delivery of Property Services to KCC and other public organisations will be established, with all mobilisation and transition planning in place ready to proceed to implementation. The strategy for the new company will be:
- Get it right for Kent first.
- Grow the business.
- Create a new but associated brand.
- Driving cultural change.

How will we get there?

A project team has been set up to deliver the following work streams:
- Marketing & Branding.
- Culture Change.
- HR, Finance and ICT.
- Communications.
- Company Set Up.

What will the project deliver?

When the project is delivered the benefits will include:
- Customers and clients receive the same or improved service provision.
- Greater performance scrutiny, clarity and transparency for the company, KCC clients and customers.
- Increased value for money for KCC clients and customers.
- The service range and skill set is widened.
- KCC are able to retain the appropriate level of control in relation to KCC's asset base.

Gateway Implementation

Portfolio: Business Capability
Start Date: Mar 2015   **End Date:** Dec 2018   **Stage:** Plan

Background

KCC has undertaken a review of the Gateway services it provides and where we provide them from, in order to achieve best value for money for the organisation.

This review featured an analysis of current Gateway provision to explore if we are providing services from the right location for our customers and if there was potential to improve the service offer. This included exploring the possibility of delivering services from alternative locations to maximise KCC's assets and secure best value.

Where do we want to be?

The principle objective of the project is to maximise best value for KCC and to ensure that we continue to deliver services to our customers in the best possible locations.

There is potential to take a more targeted approach to general enquiries, moving from face to face delivery to digital delivery where possible, and providing suitable locations for more complex transactions and customer interactions.

How will we get there?

This project will review usage across the Gateways network, alongside the current property commitments. For any Gateway where change is proposed a formal consultation will be undertaken to ensure we engage with and listen to the view of our customers.

Depending on the outcome of the consultations, KCC services delivered from any affected Gateways, including those of any voluntary sector partners who deliver on KCC behalf may be relocated into appropriate accommodation.

What will the project deliver?

The project will:
- Ensure that our Gateways offer value for money for KCC - any savings that will be delivered will be reinvested into KCC services.
- Identify and implement options for the KCC services currently provided at these Gateways.
- Work in conjunction with the District/Borough Council and our voluntary sector partners to ensure we continue to meet the needs of our customers.

Agilisys Mobilisation

Portfolio: Business Capability
Start Date: Oct 15   **End Date:** Dec 15   **Stage:** Do

Background
As part of the Facing the Challenge programme, a review of KCC's back office services led to a procurement exercise. Following competitive dialogue, Agilisys were awarded the contract to run KCC's Digital and Contact Point Services for six years.

This new partnership will offer an enhanced experience for residents across the Kent region. The project focuses on the mobilisation of the contract to ensure a smooth transition to Agilisys to take over the delivery of the service during December 2015.

Where do we want to be?
The relationship with Agilisys will provide:
- Better access to services.
- Enhance the customer experience.
- Sustainable savings.
- A platform for future transformation.

This will support improvements in customer contact, connecting Kent with a single front door service across the County.

How will we get there?
A Steering Group has been established to manage the transition to contract award. Agilisys have provided a mobilisation plan with key activities that both parties are working towards. The project includes the transfer of Digital Services and Contact Point staff, along with the implementation of an enhanced Out of Hours Service delivered from an Agilisys shared service site, offering stability and continuity to the service.

Following successful mobilisation, Agilisys will initiate a longer-term transformation programme. This will include introducing new integrated technology solutions with proven and more effective systems for customer engagement which will increase the speed of channel shift.

What will the project deliver?
The project and longer term transformation programme will deliver the following benefits:
- Enable self-service and channel migration.
- Easier 24/7 access to services.
- Increased customer satisfaction.
- Automated 'straight through' processes.
- Cuts to paperwork, freeing up front-line professionals.
- Maximised or new revenue opportunities.

ICT Transformation			
Portfolio:	Business Capability		
Start Date: Oct 15	**End Date:** Dec 16		**Stage:** Analyse

Background
A new ICT Strategy is being developed which will help to transform the way we deliver ICT solutions for the authority, along with the development of an Infrastructure and Applications Roadmap. This is needed to reflect changes in the market and developing technologies that could support our changing business requirements and transformation of KCC services.

In light of the emerging strategy we need to consider the best possible way to deliver our ICT Transformation projects with a clear governance process overseen by the ICT Board. Along with the inflight projects, two projects are currently developing business cases that will consider our technical refresh strategy for devices as well as the implementation of an Electronic Document Management System.

Where do we want to be?
KCC wants to deliver the best possible value technology solutions to support our changing business needs, and to support innovation and transformation in the delivery of our services.

The projects aim to deliver stable, scalable, cost effective solutions that will help to support smarter, more flexible working, complementing the New Ways of Working Programme and front-line service transformation.

How will we get there?
A commissioning plan will be developed with the context of the ICT strategy and infrastructure and applications roadmaps. Business cases for the new projects are being developed to ensure that KCC is delivering the best value solutions and making the most of new technology and market opportunities that are appropriate and viable for KCC.

A new ICT Programme Board has been set up to support projects and programmes in ICT across the Council, and will consider the business cases for these projects as they develop.

What will the project deliver?
- A review of current large scale programmes, with recommendations if necessary.
- A refreshed ICT strategy.

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LED Streetlighting

Portfolio: GET
Start Date: Sept 2014   **End Date:** Mar 2019   **Stage:** Plan

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Background
Kent County Council is one of the largest lighting authorities in the UK with approximately 118,000 street lights and 2,000 lit signs and bollards. The annual costs of illuminating and maintaining this stock is over £9m.

Saving initiatives including the introduction of Part-night Lighting has delivered savings of around £900k; however these have been offset by energy price increases (around 11%) and the new carbon tax (£16 per tonne of carbon produced).

The majority of our current street lights are very 'energy hungry', and to mitigate against the increases in energy prices and carbon taxes it was recommended to convert these lights to Light Emitting Diode (LED) technology.

LED's are significantly more efficient than the existing lanterns - with improvements in the technology and a reduction in prices this means that these are now the first choice for street lighting.

KCC has secured funding of £22m from SALIX; a Government organisation, funded by the Department of Energy and Climate Change, which provides interest-free loans to the public sector for energy reduction projects.

Where do we want to be?
As well as using much less energy, LED lights are more reliable and require less maintenance. When combined with a Central Management System (CMS) KCC will be able to monitor our energy use, detect faults, dim lights and control the time that the lights turn on and off.

How will we get there?
The work will involve changing the lantern on the existing column and will start in early 2016. The roll out will begin by converting the lights in residential areas, which will take about fourteen months, followed by the main routes and town centres. The work will take around three years to complete.

What will the project deliver?
The project will deliver the following benefits:
- Likely reduction in current energy and carbon emission costs by 60%.
- Flexibility in the management of KCC's street lighting assets.
- Forecast savings of approximately £5.2m per year based on current lighting operation (Part Night).

Your Life Your Home

Portfolio: Adults
Start Date: Jan 2015   **End Date:** Jan 2017   **Stage:** Do

Background

The Adults Phase 2 Transformation programme is reviewing four key areas in Learning Disability (LD) and Older People and Physical Disability (OPPD), supported by our Strategic Efficiency Partner Newton Europe.

The 'Your Life Your Home' project is reviewing the opportunity for a number of adults with a learning disability currently in residential care, who may wish to live in alternative settings that will allow them to lead more independent lives if they choose to.

Where do we want to be?

There are currently over 1200 adults with a learning disability in residential care. Approximately 350-550 of these service users' needs can be met in alternative settings that will allow them to lead more independent lives. Alternative accommodation that may be more suitable includes a flat with shared communal areas with other service users, shared housing or Shared Lives (living with a family).

How will we get there?

The pilot phase will review a number of people currently living in residential care, primarily to see if the service users can see the benefits and wish to move from residential care to alternative accommodation. As part of this process, the project team will be involved in ensuring sufficient alternative accommodation is made available.

What will the project deliver?

The aim of Your Life Your Home is to increase the options of independent living for adults with learning disabilities through Supported Living or Shared Lives placements and reduce the number of residential placements by designing a future service model to support both existing and future service users to live in the way they want through a range of new accommodation options.

Acute Hospital Optimisation

Portfolio: Adults
Start Date: July 2015 **End Date:** Mar 2016 **Stage:** Do

Background
The Adults Phase 2 Transformation programme is reviewing four key areas in Learning Disability (LD) and Older People and Physical Disability (OPPD), supported by our Strategic Efficiency Partner Newton Europe.

The Acute Hospital Optimisation project aim is to promote independence of individuals leaving an acute setting who may require services on discharge. This will be done by ensuring they end up on the best pathway for their needs that promotes wellbeing and independence in a consistent and structured way across Kent.

Where do we want to be?
Acute Hospital Optimisation aims to improve service users' long term outcomes by reducing the number of people in long term beds, coming directly from hospital or from a short term bed after a spell in hospital.

This is an important piece of work for KCC to ensure that the optimum outcomes are achieved for people by having the right systems and processes in place to access the right services for those who need support on discharge. The objective is 'own bed is the best bed' and aims to reduce the reliance on long term placement as an outcome on discharge from hospital.

How will we get there?
The objective is to reduce the number of long term beds placed by 35% from a baseline of 12.7 service users per week to 8.3 service users per week. This will be achieved by both reducing the number of long term bed placements made directly after hospitalisation, as well as reduce the inappropriate placements to short term beds, which would lead to a long term bed.

What will the project deliver?
The project is creating processes and tools that are as straightforward as possible for workers' use, allowing them to align service users to the correct pathway for their needs on discharge from hospital. This work will focus on developing systems and processes that support KCC involvement in hospital discharges.

Kent Pathways Service

Portfolio: Adults
Start Date: Nov 2014   **End Date:** Aug 2016   **Stage:** Do

Background

The Adults Phase 2 Transformation programme is reviewing four key areas in Learning Disability (LD) and Older People and Physical Disability (OPPD), supported by our Strategic Efficiency Partner Newton Europe.

The aim of the Kent Pathways Service is to lead on supporting improvements for independence and outcomes for service users, leading to a change of weekly packages for clients.

Where do we want to be?

The Kent Pathways Service project will focus on rolling out the new Kent Pathways Service, which aims to improve service user's independence and reduce their care requirements. This is achieved through 6-12 weeks of intensive training, by helping service users to learn new or re-learn skills after a change in their circumstances.

How will we get there?

Following a successful 12 month pilot programme in 'sandbox offices' in Dover and Thanet, the new Kent Pathways Service was created to respond to demand from both existing service users and potential demand for future referrals to a new sustained service. A 'sandbox office' is a contained site where the revised model can be developed in a live environment before it gets rolled out across the county.

The pilot programme found that over 500 service users were suitable for such a service, furthermore that there would be ongoing demand for new service users who have had a change in circumstance.

What will the project deliver?

The project will deliver the following benefits:

- Updated Kent Pathways Service review process and tracking.
- Sustainable service established across Kent.

Access to Independence (Enablement)

Portfolio: Adults
Start Date: Jul 2015   **End Date:** Mar 2016   **Stage:** Do

Background

The Adults Phase 2 Transformation programme is reviewing four key areas in Learning Disability (LD) and Older People and Physical Disability (OPPD), supported by our Strategic Efficiency Partner Newton Europe.

The Access to Independence project aims to give more time back to the Kent Enablement at Home teams, so they can provide more support to more service users.

Where do we want to be?

A standardised best practice approach of enablement will bring greater assurance of achieving independent outcomes for service users.

Implementation of the best practice approach will ensure the service is focused on delivering a more effective and timely enablement service, helping people to achieve their goals and work towards an outcome of independence.

This approach will benefit service users and KCC by providing increased capacity within the teams leading to an increase in the number of people who are able to benefit from enablement.

How will we get there?

To roll out a model of care developed during a design phase, based on an understanding of how to improve service user outcomes after a period of enablement.

The model promotes independence for service users enabling them to stay living at home for longer and reduces the ongoing cost of provision to the council.

The model also maximises the efficiency of delivery improving the capacity of the enablement service itself, ensuring KCC is in the position to minimise costs for a given level of activity.

What will the project deliver?

- A reduction in the level of ongoing care.
- An increase in the number of service users seen for every enablement shift hour.
- Daily improvement cycles set up in each locality office to introduce daily challenge to planned levels of service user independence as well as support and guidance for supervisors from senior practitioner occupational therapists.
- Improved daily paperwork to evidence the work actually being undertaken by enablement support workers.
- Trackers set up to evidence improvement and inform programme benefit position.

Community Equipment Retender			
Portfolio:	Adults		
Start Date: Jun 2013	**End Date:** Dec 2015		**Stage:** Do

Background

The Integrated Community Equipment Service plays a crucial role in helping us to support the most vulnerable people in Kent to remain in their own home.

Through the provision of equipment, people are enabled to carry out everyday activities independently or are provided with equipment which supports them to be cared for at home.

Where do we want to be?

This new service will reduce care home, foster care and hospital admissions and assist with timely discharge from hospital. It also supports the changes being implemented by the Care Act.

This service has been commissioned jointly by KCC and the seven Clinical Commissioning Groups (CCG), supporting our integration with Health.

In addition to the new service, there will be a new contract for a Digital Care and Telecare service that will bring together Telecare installation and monitoring, service user support and staff training under the responsibility of a single provider.

How will we get there?

The project will save money through re-tendering the service and testing the market, improving the re-cycling rate of equipment and thus managing the rising demand on the service by reducing the amount of new equipment purchased.

What will the project deliver?

The project will deliver the following benefits:

- Empowers service users to manage their own equipment orders, where appropriate.
- Increases service users' independence and improve care at home through early intervention and prevention.
- Provides a more co-ordinated and faster delivery service.
- Open seven days a week and out of hours deliver service and where appropriate, service users will be able to choose their own delivery slots to fit their needs.
- Creates a 'one-stop-shop' service for all equipment needs, in a single delivery.
- Uses a simpler and faster system to significantly reduce paperwork.
- Delivers value for money through more use of recycled equipment and collection of unwanted items.

Internal Day Care (Learning Disability)
Portfolio: Adults **Start Date:**   Jun 2015   **End Date:** Mar 2017   **Stage:** Plan

Background

The Learning Disability County Day Care services management structure was realigned in 2014 in order to ensure it was fit for purpose. The service is also experiencing changes is demand and expectations from service users. This provides the opportunity to improve outcomes and review the existing service model for Internal Day Care services.

The project will explore the potential for a greater variety of opportunities for service users with local resources in local communities and providing better opportunities for employment.

Where do we want to be?

The aim of the project is for the Internal Day Care services to be seen equally and competitively in the market place, whilst proposing options that will provide budget efficiencies.

How will we get there?

The project will gather detailed information to design and test a range of service model options, involving multi-disciplinary design workshops with KCC, partners and potential providers, including the Voluntary & Community Sector.

The options will inform a report for Disabled Children, Adults Learning Disability and Mental Health Divisional Management Team. Adults Portfolio Board will make a decision on any future changes to the current service model.

What will the project deliver?

The project will deliver:

- A Learning Disability County service that is efficient and within cash limits.
- A service that is in a position to grow or decommission based on needs and activity of local teams
- A service which is positioned in the market place so it is seen as good quality and value for money.
- Greater variety of opportunities for service users.
- Having local resources in local communities.
- Provide better opportunities for employment.
- Sustainability for the future, value for money, efficient use of resources and enabling the authority to plan for the future of in-house services.
- The conclusion of the Good Day Programme Project.

Future of In-House Provision

Portfolio: Adults
Start Date: Jun 2015   **End Date:** Mar 2017   **Stage:** Plan

Background

Kent County Council is facing significant challenges with the savings and efficiencies it is required to deliver. As a result, there has been significant interest in the ageing older persons care home provision owned and managed by the Council.

The Kent Accommodation Strategy (launched in July 2014) and the tender for care home provision in 2014 has provided significant understanding of the market position. This has enabled a review of all care home provision and the costs of delivery of standard residential services for KCC's 8 remaining in-house care home for older people.

Clear options have been considered for four of the KCC Older Persons care homes with preferred options identified for consultation:

- Blackburn Lodge, Sheppey – work with partners to develop alternative accommodation with a final outcome of closure.
- Kiln Court, Faversham – close the care home.
- Wayfarers, Sandwich – sell as a going concern.
- Dorothy Lucy, Maidstone – close the care home.

Where do we want to be?

When the above homes were constructed, the needs of people were very different to what they are now with an expectation that people would be mobile and continent.

The infrastructure of these homes was not designed to meet the current and future needs of older people who continue to present with complex needs requiring more specialist modern facilities. The council has to consider the needs and expectations of people and how it can best meet those needs.

How will we get there?

The purpose of the consultation is to share the recommended proposals and listen to feedback and consider any alternative proposals. The outcome of the consultation will be presented to the Adult Social Care and Health Cabinet Committee in January 2016 prior to the decision to be taken by the Cabinet Member for Adult Social Care and Public Health.

What will the project deliver?

The project will provide:
- Fit for purpose modern local accommodation.
- Good quality care commissioned for less money in the independent sector.

0-25 Unified Programme

Portfolio: 0-25
Start Date: May 2014   **End Date:** May 2016   **Stage:** Do

Background
In the context of mounting financial pressures on Specialist Children's Services and Early Help and Preventative Services, an assessment was conducted by Newton Europe in June 2014.

The assessment found significant opportunities for operational efficiency which would provide financial benefits as well as improve outcomes for children. The 0-25 Programme established four projects to respond to these opportunities: Early Help, Specialist Children's Services, Adolescent Support Team (Specialist Children's Services) and External Spend.

Where do we want to be?
The future is to have fully integrated children's services that deliver the best outcomes and safeguards for children, young people and families.

How will we get there?
A joint KCC and Newton Europe team are working together to deliver the 0-25 Unified Programme:
- Setting up new ways of working to increase case throughput – thereby enabling more children and families swift access to Early Help services.
- Setting up new ways of working which support early intervention and swift resolution of problems – thereby avoiding escalation from Early Help into Specialist Children's Services.
- Setting up an integrated Early Help and Specialist Children's Services system which identifies children and families who will benefit from early intervention.
- Integrating Specialist Children's Services staff into new teams who deal with both assessment and intervention work. This will enable them to work more efficiently and effectively with vulnerable children and their families.
- Setting up specialist adolescent focussed social work teams to apply consistent ways of working to ensure adolescents are identified and worked with in the most appropriate way, at the most appropriate time.
- Improving our fostering service and processes to enable us to care for more children within our integrated service.

What will the programme deliver?
The programme will deliver the following benefits:
- Early Help - reaching and effectively working with young people and families, linking to both open access and specialist services.
- Specialist Children's Services - effective and timely intervention with young people and families.
- External Spend - the best settings for children and young people in care to thrive and become independent.
- Financial benefit (savings and cost avoidance) which will be realised over the next 7 years.

EYPS Systems

Portfolio: 0-25
Start Date: April 2015 **End Date:** July 2016 **Stage:** Analyse

Background
Education and Young People's Services currently uses multiple IT systems and spreadsheets to manage service and customer information.

An opportunity was identified to introduce a more integrated and effective solution to reduce maintenance support costs and better respond to information requirements necessary to support the current and future delivery of children's services.

Where do we want to be?
The EYPS Systems project is an opportunity to rationalise our systems so that multiple business areas can be supported by a shared system.

This will help to achieve:
- Improved efficiencies in data input.
- A 'single view' of the customer information.
- Produce more effective information reports.
- Achieve best value by reducing support and maintenance costs.

How will we get there?
Work is currently being undertaken to map the current systems and identify the future systems requirements of the business. This will be used to develop a specification and tender for the procurement of a future solution.

What will the project deliver?
The key objectives of the project are to:
- Reduce the number of ICT systems used within EYPS.
- Reduce the costs associated with running those systems.
- Reduce inefficiencies and duplication.

The project will develop an ICT environment to provide:
- A single view of the child/family which will better enable services to target support to children, young people, their families, schools and communities.
- The ability to produce high quality analytical reports in a timely manner.