



Summons to and
Agenda for a
Meeting on
**Thursday, 21st March,
2019**
at **10.00 am**



DEMOCRATIC SERVICES
SESSIONS HOUSE
MAIDSTONE

Wednesday, 13 March 2019

To: All Members of the County Council

Please attend the meeting of the County Council in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 21 March 2019 at **10.00 am** to deal with the following business. **The meeting is scheduled to end by 4.30pm.**

Webcasting Notice

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

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

Voting at County Council Meetings

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

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

A G E N D A

1. Apologies for Absence
2. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda
3. Minutes of the meeting held on 14 February 2019 and, if in order, **(Pages 7 - 16)** to be approved as a correct record
4. Chairman's Announcements
5. Questions

6. Report by Leader of the Council (Oral)
7. Select Committee: Loneliness and Social Isolation (Pages 17 - 32)
8. Brexit Preparedness - Kent County Council Update (Pages 33 - 52)
9. Treasury Management 6 Month Review 2018/19 (Pages 53 - 64)
10. Pay Policy Statement 2019-20 (Pages 65 - 70)
11. Functions Delegated by the Council to Officers - Amendments and Updates (Pages 71 - 88)
12. Motions for Time Limited Debate

1. **Modern Slavery**

Proposer: Mr Farrell Seconder: Dr Sullivan

“Though slavery was abolished in the UK in 1833, there are more slaves today than ever before in human history. Figures from the International Labour Organisation (ILO) suggest that there are more than 40 million people in modern slavery across the world, with nearly 25 million held in forced labour.

There were 3805 victims of modern slavery identified in the UK in 2016. A rising number but still well below the 10,000 and 13,000 potential victims estimated by the Home Office.

Modern Slavery is happening nationwide. Traffickers and slave masters use whatever means they have at their disposal to coerce, deceive and force individuals into a life of abuse, servitude and inhumane treatment. This can include sexual and criminal exploitation.

This council believes

That action needs to be taken to raise awareness of modern slavery and the fact that it is happening all over the UK.

That the current support for victims is not sufficient and needs to go beyond the 45 days they are currently given by the government.

That councils have an important role to play in ensuring their contracts and supplies don't contribute to modern day slavery and exploitation.

This council resolves

To adopt the Co-operative Party's Charter against Modern Slavery to ensure our procurement practices don't support slavery.

The Charter:

[Kent County Council] will:

1. Train its corporate procurement team to understand modern slavery through the Chartered Institute of Procurement and Supply's (CIPS) online course on Ethical Procurement and Supply.

2. Require its contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.
3. Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery.
4. Highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.
5. Publicise its whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.
6. Require its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.
7. Review its contractual spending regularly to identify any potential issues with modern slavery.
8. Highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.
9. Refer for investigation via the National Crime Agency's national referral mechanism any of its contractors identified as a cause for concern regarding modern slavery.
10. Report publicly on the implementation of this policy annually.

2 **Reducing plastic use in Kent**

Proposer: Mr Hook Seconder: Ida Linfield

The County Council notes:

1. That plastic waste is a major global environmental problem, especially affecting communities like Kent where the sea and coastline are important; and
2. The national campaign for Plastic Free Communities, in which communities commit to a reduction of single use or disposable plastics.

The County Council warmly congratulates the first two Kent towns to be awarded Plastic Free Town status, namely Whitstable and Faversham, and notes that essential to this status being awarded was action by local councils, businesses and public and private sector organisations to identify and reduce their plastic use.

The County Council fully supports the many other Kent towns and villages who are currently working towards this status.

The County Council, bearing in mind its position as one of the

largest and most high-profile organisations in Kent, resolves to show leadership on this issue and request the Cabinet Member for Environment, Highways and Waste to:

1. Ask Directors to arrange for plastic use in the Directorate to be reviewed and reduced, and to report back to the County Council on this effort;
2. Invite all KCC members, staff and service users wherever possible to suggest ways in which the County Council's plastic use can be reduced;
3. Publicise the efforts made by the County Council to encourage both organisations and individuals in Kent to reduce their plastic use.

A handwritten signature in black ink, appearing to read 'B. Watts', with a large, sweeping flourish extending to the right.

Benjamin Watts
General Counsel
03000 416814

KENT COUNTY COUNCIL

MINUTES of a meeting of the Kent County Council held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 14 February 2019.

PRESENT:

Mr M J Angell (Chairman)
Mrs A D Allen, MBE (Vice-Chairman)

Mr M A C Balfour, Mr P V Barrington-King, Mr P Bartlett, Mrs C Bell,
Mrs P M Beresford, Mrs R Binks, Mr R H Bird, Mr T Bond, Mr A H T Bowles,
Mr D L Brazier, Miss S J Carey, Mr P B Carter, CBE, Mrs S Chandler,
Mr N J D Chard, Mr I S Chittenden, Mrs P T Cole, Mr N J Collor, Ms K Constantine,
Mr A Cook, Mr G Cooke, Mr P C Cooper, Mrs M E Crabtree, Mr D S Daley,
Miss E Dawson, Mrs T Dean, MBE, Mr T Dhesi, Mr D Farrell, Mrs L Game,
Mrs S Gent, Mr G K Gibbens, Mr R W Gough, Ms S Hamilton, Mr P M Harman,
Mr P M Hill, OBE, Mr A R Hills, Mrs S V Hohler, Mr S Holden, Mr A J Hook,
Mr E E C Hotson, Mrs L Hurst, Mr J A Kite, MBE, Mr P W A Lake, Mr B H Lewis,
Ida Linfield, Mr R L H Long, TD, Mr R C Love, OBE, Mr G Lymer, Mr R A Marsh,
Ms D Marsh, Mr J P McInroy, Mr P J Messenger, Mr D D Monk, Mr D Murphy,
Mr M J Northey, Mr P J Oakford, Mr J M Ozog, Mr R A Pascoe, Mr M D Payne,
Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A M Ridgers,
Mr C Simkins, Mrs P A V Stockell, Dr L Sullivan, Mr B J Sweetland, Mr I Thomas,
Mr R J Thomas, Mr M Whiting, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr K Abbott (Director of Education Planning and Access),
Mrs A Beer (Corporate Director Engagement, Organisation Design & Development),
Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mrs B Cooper
(Corporate Director of Growth, Environment and Transport), Mr A Scott-Clark
(Director of Public Health), Mr D Shipton (Head of Finance (Policy, Planning and
Strategy)), Ms P Southern (Corporate Director, Adult Social Care and Health) and
Mr B Watts (General Counsel)

UNRESTRICTED ITEMS

116. Apologies for Absence

The General Counsel reported apologies from Mr Booth, Mr Butler, Mr Dance, Mr Homewood, Mr Horwood, Mr Koowaree and Mr Manion.

117. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda

- (1) Dr Sullivan declared a Disclosable Pecuniary Interest as her husband was employed by the County Council in the Early Help and Prevention Team and stated that she would withdraw from the meeting during consideration of Amendment 1 (Youth Services).
- (2) Mr Lewis declared an interest as his wife worked for the County Council.

118. Minutes of the meeting held on 13 December 2018 and, if in order, to be approved as a correct record

RESOLVED that the minutes of the meeting held on 13 December 2018 be approved as a correct record, subject to the amendment of a typographical error on page 18 and the inclusion of Ms S Hamilton in the list of Members present at the meeting.

119. Chairman's Announcements

New Year's Honours List

The Chairman referred Members to the list of New Year Honours Recipients from Kent and formally congratulated all those who had received an Honour.

120. Capital Programme 2019-22, Revenue Budget 2019-20 and Revenue Medium Term Financial Plan 2019-22 (including Council Tax setting 2019-20)

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

(2) The Chairman stated that all Members would have received an email from Democratic Services, dated 7 February 2019, setting out the process and order of the budget debate.

(3) The Chairman moved and the Vice-Chairman seconded that:

“Procedure Rule 1.12(2) be suspended in order that the meeting be extended to 5.00pm if necessary;

Procedure Rule 1.28 be suspended in order that Mr Carter, proposer of the original motion, be allowed to speak for 12 minutes and Mr Oakford, the seconder, be allowed to speak for 5 minutes, the Leaders of the Liberal Democrat, Labour and Independents Groups speak for 8, 6 and 4 – minutes respectively, with the Proposer of the motion being given a 5 minute right of reply; and the Cabinet Members to speak for up to 12 minutes when introducing each directorate debate;

Procedure Rule 1.35 be suspended in order for the proposer and seconder of the original motion to be permitted to speak on more than one occasion.”

Agreed without a formal vote

(4) The Chairman then invited Mr Shipton, Head of Finance (Policy, Planning and Strategy), to give a presentation on various issues relevant to the budget. As part of this presentation, Mr Shipton, as acting Section 151 officer, confirmed that the budget estimates were robust and the level of reserves adequate, as required by the Local Government Act 2003.

(5) Mr Carter moved and Mr Oakford seconded the following motion:

“(i) The County Council is asked to agree the following:

- (a) Net revenue budget requirement of £986.374m for 2019-20.
- (b) Capital investment proposals of £999.573m over three years from 2019-20 to 2021-22 together with the necessary funding and subject to approval to spend arrangements.
- (c) The new Capital Strategy as set out in appendix 1 of this report including the Prudential Indicators.
- (d) The Minimum Revenue Provision (MRP) Statement as set out in appendix 2 of this report.
- (e) The flexible use of capital receipts referred to in paragraph 1.16 and as set out in appendix 3 of this report.
- (f) The directorate capital programmes as set out in section 1 of the draft Budget Book published on 2nd January 2019 as amended by the changes in this report (see appendix 4 of this report).
- (g) The directorate revenue budget proposals as set out in draft Budget Book published on 2nd January 2019 as amended by the latest updates included in this report (summarised in appendices 5, 6, 7 and 8 of this report).
- (h) Delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations (summary delegations to managers as set out in appendix 6 to this report).
- (i) To increase Council Tax band rates up to the maximum permitted without a referendum as set out in table 2 in appendix 9 to this report.
- (j) To levy the additional 2% social care precept (raising an additional £14,052,783 and taking the total social care precept to £50,650,799 out of precept set out in (k) below).
- (k) The total Council Tax requirement of £709,996,344 to be raised through precepts on districts as set out in appendix 9 to this report.
- (l) The Treasury Management Strategy as set out in appendix 11 of this report.
- (m) The reforms to the lowest Kent Scheme pay ranges (KR2 and KR3) to meet the commitment that the lowest pay in the Kent Scheme matches the £9 per hour Foundation Living Wage from 1st April 2019.
- (n) The new flexible payment scheme for the Young Persons Travel Pass allowing eight equal monthly instalments from August to March.

(ii) In addition:

- (o) To note that the Cabinet Member for Corporate and Democratic Services, in consultation with the Leader and Cabinet, will determine the TCP reward thresholds for staff assessed as successful, excellent, and outstanding, and the uplift to the Kent Ranges in accordance with the 0.5%/£1,200 principles.
- (p) To delegate authority to the Corporate Director of Finance (in consultation with the Leader, Cabinet Member for Finance & Traded Services and the political Group Leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement. This includes approving the distribution of unallocated amounts within the approved budget.

(q) Changes made in (p) above to be reflected in the final version of the Budget Book (blue combed) due to be published in March.

(r) To note the uncertain financial outlook for later years with the likelihood that spending demands exceed the available funding and the necessity for further savings (largely unidentified at this stage).”

Children, Young People and Education

(6) The Cabinet Member for Children, Young People and Education introduced the budget for this Directorate prior to a general debate.

(7) Mr Farrell proposed and Ms Constantine seconded the following amendment:

“Proposed spend: Increase funding to the youth services by £500,000 (draft Budget Book Section 3 - Revenue Budget Key Services page 39 line 48) to enable Safe Places. A Safe Place open for all young people where they can seek accurate advice and guidance, learn new skills, fail safely, learn to be a rounded person and deal with the problems of being a teenager and life in general. All young people are vulnerable, to exam stress, bullying, gangs, mental health, we need to be there for all, not waiting for them to be labelled ‘vulnerable’ before they receive support. Our Youth Service needs to be fit for purpose, modern and staffed by trained professionals

Funded by: Higher than anticipated council tax base (use £200,000 of the £400,000 reduced draw-down from reserves on page 97 of appendix 8 to the Council report) and efficiency savings of £300,000 from Integrated Services Management & Directorate Support (draft Budget Book Section 3 page 40 line 56), detail of these savings to be determined with the service“

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

For (11)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr B Lewis, Mr M Whybrow

Against (59)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mr N Collor, Mr A Cook, Mr P Cooper, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

Amendment lost

(9) Dr Sullivan proposed and Mr Dhesi seconded the following amendment:

“Proposed spend: Increase funding to children centres (draft Budget Book Section 3 – Revenue Budget Key Services page 39 line 47) by £0.9 million to improve life chances and outcomes for young children and families that need the support. Additional resources to contribute towards a fully integrated children and family services; to be a real community hub, working in partnership with nurses, mental health experts, education, public health at a time and location best suited to the needs of modern family life.

Funded by: Higher than anticipated council tax base (use £200,000 of the £400,000 reduced draw-down from reserves on page 97 of appendix 8 to the Council report) and efficiency savings of £700,000 from Integrated Services Management & Directorate Support (draft Budget Book Section 3 page 40 line 56), detail of these savings to be determined with the service. “

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

For (12)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr B Lewis, Dr L Sullivan, Mr M Whybrow

Against (59)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mr N Collor, Mr A Cook, Mr G Cooke, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright

Abstain (0)

Amendment lost

Growth, Environment and Transport Directorate

(11) The Cabinet Members for Planning, Highways, Transport & Waste, and Community & Regulatory Services introduced the budget for this Directorate prior to a general debate.

(12) Mrs Dean proposed and Mr Chittenden seconded the following amendment:

“We propose to keep Highways Maintenance at 2018-19 levels in order to ensure that road safety standards are preserved and to reduce the risks of additional problems and higher costs being subsequently incurred.

Proposed increase in Highways Maintenance (Section 3 of the draft Budget Book page 43, line 68) - £100k

Funded by reduction in Financing Items unallocated (Section 3 of the draft Budget Book page 49, line 103) - £100k.”

(13) Following the debate, the Chairman put to the vote the amendment set out in paragraph (12) above and the voting was as follows:

For (13)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (60)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright.

Abstain (0)

Amendment lost

(14) Mr Bird proposed and Mrs Dean seconded the following amendment:

“We propose to take steps in 2019-20 to maintain and enhance Library access and thus offset proposed reductions in Library opening hours. We therefore propose to take forward the 3 current pilot schemes (in Deal, Higham and Paddock Wood libraries) by identifying 20 additional libraries which are suitable for Library Extra.

The total cost of £1m will be initially funded through short-term borrowing but we will seek to defray these costs through use of developer contributions (currently c. £50 per property is allocated to Library Services) with the agreement of District Councils.

Capital Budget:

Proposed new Capital Investment Plan GET – Library Extra (Section 1 of the draft Budget Book pages 13 to 20) - £1,000k

Funded by new borrowing to be including in the financing of the GET capital investment plan - £1,000k

Revenue Consequences:

The additional borrowing will require ½ year's interest of £20k to be funded within the financing items revenue budget (Section 3 Revenue Budget Key Services for GET – page 49, line 102 of the draft Budget Book). This will be offset within this budget by increased draw down from reserves of £20k in 2019-20.

Any longer-term revenue consequences to set aside Minimum Revenue Provision and full year debt costs, which are not met by Developer Contributions, would need to be built into the Medium Term Financial Plan (not subject to Council approval), these would be long term consequences for the useful life of the additional assets.”

(15) Following the debate, the Chairman put to the vote the amendment set out in paragraph (14) above and the voting was as follows:

For (13)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Mr P Harman, Mr A Hook, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (60)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright.

Abstain (0)

Amendment lost

(16) Mr Whybrow proposed and Mr Chittenden seconded the following amendment:

“The PROW team manages a 6,900km network with an asset value of £107m. Maintenance of the network is reliant on a pro-rata allocation of the Department for Transport highways maintenance grant. The current maintenance backlog is estimated to be £3.2m and growing. Asset management principles indicate that KCC should be spending £2.1m per annum on the asset. £0.9m per annum is identified as the floor level of funding to adequately manage risk to the Authority. Even at this level work is heavily prioritised and elements of the network asset are subject to managed decline. The PROW network is a significant asset contributing to Kent’s rural and visitor economy and provides critical access links to local communities and services. An uplift of £0.25m in the revenue budget would provide additional on-going revenue funding to supplement the £0.72m annual capital programme, allowing the additional resource to be used flexibly to achieve maximum benefit.

PROPOSED SPEND: Increase the revenue budget for Public Rights of Way (PROW) (draft Budget Book Section 3 page 44 line 77) to help close the current shortfall in funding for essential maintenance by £0.25m to ensure that risks associated with failure are adequately managed.

FUNDED BY: Higher than anticipated council tax base (use £0.25m of the £0.4m reduced draw-down from reserves on page 97 of appendix 8 to the Council report). “

(17) Following the debate, the Chairman put to the vote the amendment set out in paragraph (16) above and the voting was as follows:

For (14)

Mr R Bird, Mr I Chittenden, Ms K Constantine, Mr D Daley, Mrs T Dean, Mr T Dhesi, Mr D Farrell, Ms S Hamilton, Mr P Harman, Mr A Hook, Mr B Lewis, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Against (58)

Mrs A Allen, Mr M Angell, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Mr D Butler, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mr N Collor, Mr A Cook, Mr G Cooke, Mr P Cooper, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr P Lake, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr P Messenger, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr D Pascoe, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright.

Abstain (1)

Mr M Payne

Amendment lost

(18) As all of the amendments had been determined, the Chairman put to the vote the Motion as set out in paragraph (5) above and voting was as follows:

For (56)

Mrs A Allen, Mr M Balfour, Mr P Barrington-King, Mr P Bartlett, Mrs C Bell, Mrs P Beresford, Mrs R Binks, Mr T Bond, Mr A Bowles, Mr D Brazier, Miss S Carey, Mr P Carter, Mrs S Chandler, Mr N Chard, Mrs P Cole, Mr N Collor, Mr A Cook, Mr P Cooper, Mrs M Crabtree, Miss E Dawson, Mrs L Game, Mrs S Gent, Mr G Gibbens, Mr R Gough, Ms S Hamilton, Mr P Harman, Mr M Hill, Mr T Hills, Mrs S Hohler, Mr S Holden, Mr E Hotson, Mrs L Hurst, Mr J Kite, Mr R Long, Mr R Love, Mr G Lymer, Mr A Marsh, Ms D Marsh, Mr J McInroy, Mr D Murphy, Mr M Northey, Mr P Oakford, Mr J Ozog, Mr M Payne, Mrs S Prendergast, Mr K Pugh, Miss C Rankin, Mr H Rayner, Mr A Ridgers, Mr C Simkins, Mrs P Stockell, Mr B Sweetland, Mr I Thomas, Mr R Thomas, Mr M Whiting, Mr J Wright.

Against (9)

Mr R Bird, Mr I Chittenden, Mr D Daley, Mrs T Dean, Mr D Farrell, Mr A Hook, Ida Linfield, Dr L Sullivan, Mr M Whybrow

Abstain (0)

Motion carried

(19) RESOLVED that

(i) the County Council approve the following:

- (a) Net revenue budget requirement of £986.374m for 2019-20.
- (b) Capital investment proposals of £999.573m over three years from 2019-20 to 2021-22 together with the necessary funding and subject to approval to spend arrangements.
- (c) The new Capital Strategy as set out in appendix 1 of this report including the Prudential Indicators.
- (d) The Minimum Revenue Provision (MRP) Statement as set out in appendix 2 of this report.
- (e) The flexible use of capital receipts referred to in paragraph 1.16 and as set out in appendix 3 of this report.
- (f) The directorate capital programmes as set out in section 1 of the draft Budget Book published on 2nd January 2019 as amended by the changes in this report (see appendix 4 of this report).
- (g) The directorate revenue budget proposals as set out in draft Budget Book published on 2nd January 2019 as amended by the latest updates included in this report (summarised in appendices 5, 6, 7 and 8 of this report).
- (h) Delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations (summary delegations to managers as set out in appendix 6 to this report).
- (i) To increase Council Tax band rates up to the maximum permitted without a referendum as set out in table 2 in appendix 9 to this report.
- (j) To levy the additional 2% social care precept (raising an additional

£14,052,783 and taking the total social care precept to £50,650,799 out of precept set out in (k) below).

(k) The total Council Tax requirement of £709,996,344 to be raised through precepts on districts as set out in appendix 9 to this report.

(l) The Treasury Management Strategy as set out in appendix 11 of this report.

(m) The reforms to the lowest Kent Scheme pay ranges (KR2 and KR3) to meet the commitment that the lowest pay in the Kent Scheme matches the £9 per hour Foundation Living Wage from 1st April 2019.

(n) The new flexible payment scheme for the Young Persons Travel Pass allowing eight equal monthly instalments from August to March.

(ii) In addition:

(o) To note that the Cabinet Member for Corporate and Democratic Services, in consultation with the Leader and Cabinet, will determine the TCP reward thresholds for staff assessed as successful, excellent, and outstanding, and the uplift to the Kent Ranges in accordance with the 0.5%/£1,200 principles.

(p) To delegate authority to the Corporate Director of Finance (in consultation with the Leader, Cabinet Member for Finance & Traded Services and the political Group Leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement. This includes approving the distribution of unallocated amounts within the approved budget.

(q) Changes made in (p) above to be reflected in the final version of the Budget Book (blue combed) due to be published in March.

(r) To note the uncertain financial outlook for later years with the likelihood that spending demands exceed the available funding and the necessity for further savings (largely unidentified at this stage).

(In accordance with her declaration of interest, Dr Sullivan withdrew from the meeting and took no part in the debate or voting on the Youth Services amendment in paragraph (7) above.)

By: Mr Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Benjamin Watts - Monitoring Officer

To: County Council meeting – 21 March 2019

Subject: Select Committee: Loneliness and Social Isolation

Summary: To comment on and endorse the report of the Select Committee on Loneliness and Social Isolation.

Recommendations:

- (a) The Select Committee be thanked for its work and for producing a relevant and balanced document.
 - (b) The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.
 - (c) County Council's comments on the report be noted and the report endorsed.
-

1. Introduction

A Select Committee on Loneliness and Social Isolation was established by the Scrutiny Committee, based on a proposal by Mr Pugh, and started its work in July 2018.

2. Background

There is growing recognition that loneliness and social isolation are serious issues with far reaching consequences for individuals and wider society.

While loneliness can affect anybody, its mental and physical effects can be particularly detrimental for older people, because the health risks associated with it increase as people age. It has been estimated that about 10% of those aged 65 and over, that is about 30,000 people in Kent alone, suffer from acute loneliness.

Loneliness and social isolation are a matter of concern to local authorities, because these conditions can increase pressure on a wide range of health and public services. Research indicates that they can increase the risk of premature death by 30%, and that weak social connections carry health risks that are comparable to obesity and smoking. With an ageing population, and a difficult

financial climate, loneliness and social isolation are likely to become even more challenging issues.

Kent County Council can and should play a key role by taking up the challenge and ensuring that adequate services and support are in place to alleviate suffering and improve the lives of its older residents.

3. Select Committee

2.1 Membership

The Chairman of the Select Committee was Mr Ken Pugh (Conservative). Other members of the Committee were Mr Matthew Balfour (Conservative), Mrs Pauline Beresford (Conservative), Mr David Brazier (Conservative), Ms Karen Constantine (Labour), Ms Sarah Hamilton (Conservative), Mr Tony Hills (Conservative), Mrs Liz Hurst (Conservative) and Ms Ida Linfield (Liberal Democrat).

2.2 Terms of Reference

The agreed terms of reference were:

1. To put into context social isolation and loneliness, and to identify the groups of people who are particularly affected by social isolation and/or loneliness in Kent.
2. To investigate the impact of social isolation and loneliness on Kent's older residents.
3. To investigate the extent to which KCC's current service provision and partnership working is effective in dealing with social isolation and loneliness amongst older people in Kent.
4. To recommend initiatives and strategies to prevent or reduce the impact of social isolation and loneliness on Kent's older residents.

2.3 Evidence

The Loneliness and Social Isolation Select Committee held 19 formal hearing sessions with a wide range of witnesses, including: representatives of the Campaign to End Loneliness, the British Red Cross, Public Health England, Essex County Council, the Department for Digital, Culture, Media and Sport, local organisations and KCC Cabinet Members and senior officers.

Full details of all the oral evidence received by the Committee are available online:

<https://democracy.kent.gov.uk/ieListMeetings.aspx?CId=910&Year=0>

The Committee also made four visits. These were to the Kent Shed near Folkestone, the Healthy Living Centre in Dartford, Involve Kent in Maidstone, and the Wellfield Community Hall in Hartley for a discussion with a group of Community Wardens and volunteers.

Finally, the Committee received written evidence from a number of sources, including the Dioceses of Rochester and Canterbury, Kent Police, local Clinical Commissioning Groups, the Physical Disability Forum and many local voluntary organisations. The full list of the witnesses who provided oral and written evidence can be found in Appendix 2.

4. The Report

The Select Committee approved its report at a formal meeting on 18 February 2019.

The executive summary of the report is attached in Appendix 1. A copy of the full report is available online:

https://www.kent.gov.uk/_data/assets/pdf_file/0003/92793/Loneliness-and-social-isolation-select-committee-report-March-2019.pdf

5. Monitoring of Recommendations

In accordance with the process for monitoring Select Committee recommendations, as set out in the Constitution (Appendix 4 Part 4 – 4.26), a cross Portfolio/Directorate action plan for the recommendations will be submitted to the Scrutiny Committee in July 2019 for consideration. Any formal decision(s) needed in order to implement the Select Committee recommendations must comply with all of the necessary requirements for making executive decisions. These include compliance with all legal obligations, the Public Sector Equality duty and consultation where necessary.

6. Conclusion

I welcome the report and would like to congratulate the Select Committee on completing this piece of work.

I would also like to thank all the witnesses who gave evidence to the Select Committee and the officers who supported it.

7. Recommendations

5.1 The Select Committee be thanked for its work and for producing a relevant and balanced document.

5.2 The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.

5.3 County Council's comments on the report be noted and the report endorsed.

Contact - Select Committee Research Officer:

Gaetano Romagnuolo
Research Officer – Overview and Scrutiny
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1. Executive Summary

1.1. Committee Membership

1.1.1. The Committee consists of nine elected Members of Kent County Council (KCC): seven members of the Conservative Party, one member of the Labour Party and one member of the Liberal Democrat Party.



Mr Matthew Balfour
Conservative
Malling Rural



Mrs Pauline Beresford
Conservative
Dover Town



Mr David Brazier
Conservative
Sevenoaks Rural North
East



Ms Karen Constantine
Labour
Ramsgate



Ms Sarah Hamilton
Conservative
Tunbridge Wells Rural



Mr Tony Hills
Conservative
Romney Marsh



Mrs Liz Hurst
Conservative
Birchington & Rural



Ms Ida Linfield
Liberal Democrat
Canterbury City South



Mr Ken Pugh
Conservative
(Chairman)
Sheppey

1.2. Scene setting

- 1.2.1. There is growing recognition that loneliness and social isolation are serious issues with far reaching consequences for individuals and wider society.
- 1.2.2. While loneliness can affect anybody, its mental and physical effects can be particularly detrimental to older people, because the health risks associated with it increase as people age. It has been estimated that about 10% of those aged 65 and over, that is about 30,000 people in Kent alone, suffer from acute loneliness.
- 1.2.3. Loneliness and social isolation are a matter of concern to local authorities, because these conditions can increase pressure on a wide range of health and public services. Research indicates that they can increase the risk of premature death by 30%, and that weak social connections carry health risks that are comparable to obesity and smoking. With an ageing population, and a difficult financial climate, loneliness is likely to become an even more challenging issue.
- 1.2.4. Tackling this highly personal and complex problem is not easy. Yet Kent County Council can and should play a central role by taking up the challenge and ensuring that adequate services and support are in place to alleviate suffering and improve the lives of its older residents.

1.3. Terms of reference

- 1.3.1. To put into context social isolation and loneliness, and to identify the groups of people who are particularly affected by social isolation and/or loneliness in Kent.
- 1.3.2. To investigate the impact of social isolation and loneliness on Kent's older residents.
- 1.3.3. To investigate the extent to which KCC's current service provision and partnership working is effective in dealing with social isolation and loneliness amongst older people in Kent.
- 1.3.4. To recommend initiatives and strategies to prevent or reduce the impact of social isolation and loneliness on Kent's older residents.

1.4. Scope

1.4.1. The complexity of this topic and the tight timetable for the review required a clear and focused approach. Key themes and aspects covered by the review are detailed below:

- 1. To put into context social isolation and loneliness, and to identify the groups of people who are particularly affected by social isolation and/or loneliness in Kent.**
 - a. To define and put into context social isolation and loneliness.
 - b. To identify the key groups of people who are affected by social isolation and/or loneliness in Kent.

- 2. To investigate the impact of social isolation and loneliness on Kent's older residents.**
 - a. To explore the main causes leading to social isolation and loneliness amongst adults aged 65 and over in Kent.
 - b. To assess the impact of social isolation and loneliness on this group of residents.

- 3. To investigate the extent to which KCC's current service provision and partnership working is effective in dealing with social isolation and loneliness amongst older people in Kent.**
 - a. To explore KCC's current service provision and partnership working aimed at reducing social isolation and loneliness amongst adults aged 65 and over in Kent.
 - b. To examine the extent to which this service provision and collaboration is effective in dealing with social isolation and loneliness amongst this group of people.

- 4. To recommend initiatives and strategies to prevent or reduce the impact of social isolation and loneliness on Kent's older residents.**

Key messages

- **Loneliness and social isolation are serious problems with far reaching implications, not just for individuals, but also for wider society.**
- **They can affect anybody, but their effects are likely to hit the hardest in later life.**
- **They can lead to mental and physical health issues, with impacts comparable to smoking and obesity.**
- **Action to combat loneliness is most effective if it is delivered in partnership between the public, private and voluntary sectors.**
- **Interventions need to be tailored to meet the specific needs of individuals, because there is no one-size-fits-all solution.**
- **It is crucial to raise awareness of the services and support that are available, and to promote a cultural change around the stigma that is attached to this debilitating condition.**
- **The most effective way for different parts of KCC to tackle loneliness and social isolation is through a single, overarching strategy which explicitly recognises its seriousness, promotes collaboration and sets out clear steps to deal with them.**
- **We all have a role to play, and only by working together can we make a real difference to the lives of lonely and socially isolated people.**

1.5. Recommendations

Recommendation 1

The Committee recognises that loneliness and social isolation are not issues that affect older people exclusively. The Committee recommends that the Adult Social Care and Health Directorate leads further investigations into the prevention or reduction of loneliness and social isolation amongst specific groups of people who are also likely to be impacted, such as young people, disabled people and carers.

Recommendation 2

KCC should produce a corporate strategy aimed at tackling loneliness and social isolation in Kent. The strategy should set out clear objectives, as well as roles and responsibilities, and should strengthen coordination and collaboration between KCC services.

Recommendation 3

KCC should organise a high-profile event to launch its strategy. This should involve partner organisations from the public, private and voluntary sectors. A key objective of this event should be to promote closer collaboration in order to prevent or reduce loneliness and social isolation in Kent.

Recommendation 4

KCC should work with the Government, local partner agencies and the voluntary sector to enable Kent residents to access, from both a single online source and a single contact number, information on services, activities and support that could help to reduce their risk of feeling lonely.

KCC should also consider the opportunity of volunteering in the Government's pilots to explore how better use of data can help to make it easier for people to find local activities, services and support.

Recommendation 5

The Committee fully endorses the social prescribing model, which enables organisations to refer people – including those who suffer from loneliness - to a range of services that offer support for social, emotional or practical needs.

The Committee also endorses the pilot to assess the effectiveness of Kent Community Wardens acting as “community connectors” and playing a central role in the identification, referral and support of people who suffer from loneliness and social isolation. The Committee recommends that, if necessary, funding should be found to ensure that this project is completed. If the pilot is successful, an understanding will be needed of how the role of Community Wardens would fit alongside social prescribing structures in the county.

Recommendation 6

KCC's Public Transport team should investigate the feasibility of expanding the Kent Karrier service, and should continue to offer financial support and information to those who wish to introduce or expand a community transport service.

Recommendation 7

KCC's Public Transport team should encourage organisations in Kent's transport sector to develop ways of connecting people – such as the Talking Bus service - so that transport networks play the greatest possible role in tackling loneliness and social isolation.

Recommendation 8

KCC should work with the Government to develop a Kent-focused campaign to raise awareness of the issues of loneliness and social wellbeing. The campaign should provide information including:

- **the negative consequences of loneliness and social isolation**
- **the support that is available and how to access it.**

Recommendation 9

KCC should sign up to the Government's pledge to support its employees by addressing loneliness and building social connections. KCC should also encourage local employers across all sectors to adopt the pledge to support their own employees' social wellbeing and health.

Recommendation 10

KCC should adopt the Government's standard approach to measuring loneliness, which is based on the UCLA Loneliness Scale, and should encourage partner organisations and service providers in Kent to do the same in order to ensure consistency across the county.

Recommendation 11

KCC should set up a panel – which should include KCC Members – to monitor the effectiveness of interventions, promote best practice, and review progress against the objectives of the Loneliness and Social Isolation Strategy.

Evidence

Oral evidence

The list includes a summary of the key topics discussed in each session.

Monday 10th September 2018

- **Samantha Sheppard, Senior Commissioner, Kent County Council**
 - Background and definitions of loneliness and social isolation
 - Use of technology to reduce the effects of loneliness and social isolation
 - Mapping of services and social prescribing
- **Gerrard Abi-Aad, Head of Intelligence, Rachel Kennard, Senior Intelligence Analyst, and Amber Povey, Kent Graduate Programme, Public Health, Kent County Council**
 - The extent and incidence of social isolation in Kent
 - Characteristics associated with isolation

Wednesday 12th September 2018

- **Penny Southern, Corporate Director for Adult Social Care and Health, Kent County Council**
 - The policy context in KCC
 - Characteristics associated with loneliness and social isolation
 - Interventions
 - Workforce and reach
- **Mr Mike Hill, Cabinet Member for Community and Regulatory Services, Kent County Council**
 - The role of Kent Community Services in relation to tackling loneliness and social isolation
 - Community Wardens
- **Mr Mike Whiting, Cabinet Member for Planning, Highways, Transport and Waste, Kent County Council**
 - Role of transport in reducing loneliness and social isolation
 - Community transport services
 - Rural communities

Monday 17th September 2018

- **Mr Graham Gibbens, Cabinet Member for Adult Social Care and Public Health, Ms Diane Marsh and Mrs Clair Bell, Deputy Cabinet Members for Adult Social Care and Public Health, Kent County Council**
 - KCC's role in supporting an ageing population
 - Barriers
- **Katie Stewart, Director of Environment, Planning and Enforcement, and Stephanie Holt-Castle, Head of Countryside, Leisure and Sport, Kent County Council**
 - Causes of loneliness and social isolation
 - The GET Directorate's role in helping to tackle loneliness and social isolation
 - Data evaluation
 - Community Wardens
- **Multi-Disciplinary Group – including representatives from Adult Social Care in Kent County Council, Red Zebra, Kent Community Healthcare Foundation Trust, and Kent and Medway STP**
 - Promoting independence
 - Social prescribing and referrals
 - Interventions
 - Working across sectors

Wednesday 19th September 2018

- **Dr Kellie Payne, Research and Policy Manager, Campaign to End Loneliness**
 - Background and role of Campaign to End Loneliness
 - The impact and causes of loneliness
 - Successful interventions
 - Challenges
- **Olivia Field, Policy and Engagement Manager - Loneliness and Social Isolation, and Kat Radlett, Policy & Advocacy Officer, British Red Cross**
 - The role of the British Red Cross and their involvement with the Jo Cox Commission on Loneliness
 - National policies and action
 - Community Connectors

Monday 24th September 2018

- **Diane Aslett, Development Officer, Age UKs in Kent Consortium**
 - Age UK's role in relation to reducing loneliness and social isolation
 - Social prescribing and referrals
- **James Kirby, Programme Manager, Social Enterprise Kent - Ageless Thanet**
 - The role of Ageless Thanet along with activities and services offered
 - Measurement and evaluation
 - Involving local businesses
- **Ken Scott, The Older People's Task and Finish Group and Paul Clarke, Maidstone Borough Council**
 - The role of the Older People's Task and Finish Group in Maidstone
 - Types of prevention
 - Social prescribing

Wednesday 26th September 2018

- **Andy Staniford, Senior Policy Advisor, Department for Digital, Culture, Media & Sport**
 - National Strategy on Loneliness and role of Tackling Loneliness Team at the DCMS
 - Evaluating and use of surveys
 - Corporate responsibility
 - Reasons behind loneliness and pathways to prevention
- **Nicky Saynor, Health & Wellbeing Programme Manager and Terry Blair-Stevens, Public Health Consultant in Health & Wellbeing, Public Health England**
 - The role of Public Health England in relation to loneliness and social isolation
 - Research and evidence available
 - Opportunities
- **Ian Thomson, Assistant Director for Community Safety and Richard Stanford-Beale, Research & Development Manager - Community Safety, Kent Fire and Rescue Service**
 - The role of KFRS in relation to loneliness and social isolation
 - Impact of loneliness and social isolation
 - Collaborative working
 - Initiatives

Monday 1st October 2018

- **Dr Hannah Swift, Eastern ARC Lead and research Fellow, University of Kent**
 - Characteristics of those suffering from loneliness
 - Technology
 - Prevention

- **Hayley Brooks Head of Housing and Health, Sevenoaks District Council, and Debra Exall, Strategic Relationships Adviser, Kent County Council**
 - Role of District Councils in tackling loneliness and social isolation
 - One You
 - Referrals

- **Rebecca Jarvis, Head of Strategic Commissioning and Policy, and Kirsty O'Callaghan, Head of Strengthening Communities, Essex County Council**
 - The work of Essex CC around reducing loneliness and social isolation
 - Joint working
 - Raising awareness including use of social media
 - Social prescribing

Written evidence

- Action with Communities in Rural Kent
- British Red Cross
- Cobtree Shed
- Diocese of Canterbury
- Diocese of Rochester
- Friendly Faces of Kent
- Growth, Environment and Transport Directorate, KCC
- Kent and Medway Sustainability and Transformation Partnership
- Kent Community Warden Service, KCC
- Kent Police
- Kent resident, anonymised response
- NHS Dartford, Gravesham and Swanley, and NHS Swale CCGs
- North West Kent Volunteer Centre
- Public Transport Team, KCC
- Sevenoaks District Seniors Action Forum
- Swale Community and Voluntary Services
- Thanet Community Support Partnership
- The Physical Disability Forum
- Volunteer Centre Shepway – Folkestone Farm Barn
- Whitstable Shed

Visits

Friday 14th September 2018

- Healthy Living Centre, Dartford

Friday 21st September 2018

- Folkestone Farm Barn
- Shepway Volunteer Centre

Thursday 27th September 2018

- Community Wardens, Hartley Carers' Café at Wellfield Community Hall

Tuesday 2nd October 2018

- The Involve Hub, Maidstone

From: Paul Carter, Leader

To: County Council, 21 March 2019

Subject: **Brexit Preparedness – Kent County Council Update**

Summary: Kent County Council (KCC), working with all public agencies through the Kent Resilience Forum and through internal business continuity planning preparations, is well positioned to minimise disruption as far as possible in the event of a no-deal Brexit. This report updates Members on the work the County Council is undertaking to prepare, moving from planning to the operational phase. This update builds on the County Council reports from July 2018 and December 2018.

Recommendation(s):

County Council is asked to:

- (1) **Note** Government's preferred option of an orderly withdrawal from the EU, and support for responsible and prudent local authority preparations for a no-deal scenario.
- (2) **Note** Kent County Council's preparations for a potential no-deal Brexit scenario.
- (3) **Agree** Kent County Council's call for clarity from Government on specific preparations and funding for a no-deal Brexit.

1. Introduction

- 1.1 County Council Members have previously received reports on Kent County Council's no-deal Brexit preparedness. A list of previous reports is provided in Section 13 which includes reports to County Council in July and December 2018 and numerous Cabinet Committee reports.
- 1.2 KCC notes that the Government position continues to be that a no-deal scenario is not their preferred option. However, Government are supportive of local authorities developing robust internal and local arrangements where required. KCC continues to work with our partners, including the multi-agency Kent Resilience Forum, with the best endeavours to ensure the county has a high level of preparedness for potential disruption in the event of a no-deal Brexit. At the time of publication, there are still various strands of work to be completed which are part of our ongoing dialogue with Government.
- 1.3 This report is structured around a checklist received from the Secretary of State, Rt Hon James Brokenshire MP, in January 2019, of areas all councils should assure themselves on:
 - Statutory services
 - Regulatory services
 - Impact of border areas (Transport)
 - Impact on supply chains
 - Data handling
 - Local partnership working
 - Communications

2. Statutory Services

- 2.1 Kent County Council has a variety of statutory duties and powers placed on the authority and its officers through their role or delegated through the constitution and scheme of delegations. Kent County Council's Monitoring Officer has a statutory duty to make the council aware of any proposed, contemplated or likely unlawful activity through a formal report to all Members. The Monitoring Officer has written to all Directors to highlight the importance that the Council is able to identify a clear plan to maximise and prioritise the delivery of statutory services in the event it is needed and provide clear advice ahead of time around the risk. Kent County Council recognises that a no-deal Brexit is likely to present significant added complexity in delivering our statutory services and we continue to work with Government to consider the impacts from a no-deal Brexit as far as possible.

Business Continuity Planning

- 2.2 The purpose of business continuity planning is to ensure that services will be maintained both in the short and medium term if there is any disruption. Kent County Council's business continuity planning for a no-deal Brexit is being co-ordinated by the Resilience and Emergency Planning Service (REPS) within the Growth, Environment and Transport Directorate, and through the Directorate Resilience Group structures already in place to address potential service disruptions.
- 2.3 Considerable progress has been made in ensuring KCC Business Continuity Plans (BCPs) are up to date and fit for purpose and the REPS continues to support services to ensure that all BCPs are in place and tested ahead of EU withdrawal. KCC Duty and Recovery Directors, Tactical Managers and the County Emergency Centre will have full sight and access to all KCC services' BCPs.
- 2.4 The REPS is also supporting services across KCC to test their BCPs against potential Brexit scenarios and a business continuity planning training exercise has been circulated to managers across all directorates. In addition, a 'fit for purpose' BCP workshop was held at a 'T200 event' (for staff grades KR9 to KR13) to ensure that KCC managers have an appropriate understanding of the importance of their BCPs. The information and feedback from this event has been fed back to senior managers at a further 'Challenger' event (for staff grades KR13 upwards) on the 14 March.
- 2.5 Further to this, a Corporate Business Impact Analysis (BIA) is being finalised. This captures all functions within services that have provided an up to date BCP and their respective urgency levels, dependent on impact (such as

welfare, statutory duties, reputational risk, etc.) and the Maximum Tolerable Period of Disruption.

- 2.6 The REPS has worked to ensure that all Duty and Recovery Directors (Gold Command level) have had appropriate training to ensure that they have the necessary strategic oversight to respond to an event. The recruitment drive for additional Tactical Managers (Silver Command level) has been completed and there is now a cohort of 43 Tactical Managers who will support KCC's response.
- 2.7 A Brexit specific 'crib sheet' ('EU Withdrawal Guidance for Duty and Recovery Directors') has been created as requested by the Corporate Management Team in December 2018. This will form an appendix to the Duty and Recovery Director Handbook and compliment the training programme undertaken by Duty and Recovery Directors in the run up to EU withdrawal. Duty and Recovery Directors and Tactical Managers have been placed on a rota to ensure that KCC's response is both resilient and that the welfare of the staff considered.
- 2.8 An ongoing recruitment for the Emergency Response Team (ERT) has also allowed the operational resilience roles within the County Emergency Centre to expand to a cohort of 28. All those involved within the emergency response now have a programme of E-learning tools to complete to assist with their training.
- 2.9 Following the delivery of three live exercises (Exercise Pale Fox 28 Jan, 4 Feb and 18 Feb) to test KCC planning for both the response to and recovery from the potential impacts of Brexit, feedback and recommended actions have been shared with Directorate resilience group chairs.
- 2.10 Regular briefings are being provided to the Leader and Cabinet Members, with Brexit contingency planning updates delivered at the Brexit Cabinet Informal Sub-Group, Environment & Transport Cabinet Committee and recent elected Member briefings. Kent Joint Chief Executives and Kent Leaders are additionally receiving regular Brexit briefings. Arrangements for Member briefings on an ongoing basis are being explored.

Directorate Activity

- 2.11 **Children, Young People and Education (CYPE):** Briefings have been provided to various schools in Kent on the potential impacts of Brexit. Alongside this, a 'Brexit FAQs for Schools' has been circulated via KELSI and has been emailed to all schools. The guidance provides answers to questions that staff and parents may raise and encourages the schools to consider what further measures they may need to put in place. The Fair Access service is

working with the Transport Integration Unit and Special Schools to ensure adequate transport provision for Special Educational Needs pupils. CYPE will also work with schools who have identified school trips already booked within the Easter holidays and are considering alternative arrangements.

- 2.12 **Adult Social Care and Health (ASCH):** ASCH are working across KCC and with the Local Health Resilience Partnership and the Kent Resilience Forum partners to develop a detailed understanding of the potential areas of Brexit exposure across the Kent and Medway Health and Social Care System to ensure the whole system is prepared for any new arrangements which may affect patients and services users. Internally, several workstreams have been established focused on specific plans around engagement with the sector, business continuity and communications with service users. KCC has also established its own Adult Social Care and Health EU Exit Co-ordination Group. This is working closely with suppliers to identify risks to service provision in the event of the no-deal planning assumptions being realised. In respect of the provider market, all providers are required to have business continuity plans in place so that in the event of any nature of event emergency, services continue for our clients, with emphasis on our most vulnerable people.
- 2.13 **Growth, Environment & Transport (GET):** The Senior Management Forum on 7 February included a facilitated Brexit Business Continuity workshop, which has driven a significant forward step in directorate preparedness. The Waste Management service are liaising closely with District Councils in their role as waste collection authorities and contractors to explore extended working options and amending permits and licences with the Environment Agency. KCC have also been proactive in contacting waste operators and implementing mitigating actions in the event of any disruption to waste operations. Libraries, Registration and Archives have developed a Brexit Appendix alongside their BCP to provide support to managers to keep as many buildings open and have developed an internal communications plan for staff. Kent Trading Standards and Kent Scientific Services activity is referenced in section 3, and Kent Highways preparations are detailed in section 4.
- 2.14 **Strategic and Corporate Services:** A Strategic and Corporate Services (ST) Leadership Group has been established to co-ordinate ST support for directorate business continuity planning and to provide an ST link with the Chairs of the Resilience Groups and Kent Resilience Forum (KRF) as part of Brexit contingency planning. The Infrastructure division is working with KCC services to identify potential demand for alternative locations which officers could work from in the event of staff being unable to travel to their normal base of employment. This division is playing a key role in identifying and

resolving cross-dependencies including working with Cantium Business Solutions, Finance and the Engagement, Organisation Design & Development (EODD) division, to identify the ICT requirements arising from Brexit contingency planning, particularly an anticipated shift to remote working were this is appropriate for staff. This work will include linking into the internal Corporate Communications plan, with messaging to help staff work remotely. Mapping work has been undertaken which identifies areas of poor broadband connectivity against where people live and their nearest KCC buildings. This will allow KCC to adopt a more targeted approach in supporting those members of staff involved in critical services and who may not be able to utilise remote working methods. The initial mapping has identified that approximately 90% of staff would have the capacity to work from home if required.

- 2.15 Corporate Finance are putting arrangements in place to minimise the risk to the council's financial transactions. This will principally affect payments to staff, retired employees, contractors and financial assessments including the need to access cash to support clients and ensuring access to payment cards for emergency transactions. The Council's bankers, NatWest, are confident that there will not be any disruption to services. The Treasury team and our advisors, Arlingclose, will monitor the availability of funds to ensure the Council has enough cash on a daily basis which may require holding more in UK based deposits.

3. Regulatory Services

Trading Standards

- 3.1 As the market surveillance authority, KCC's Trading Standards team is responsible for inspecting goods crossing the UK border in Kent which are referred to the team via the National Trading Standards (NTS) Single Point of Contact (SPOC) and directly by Border Force.
- 3.2 KCC Trading Standards has recently recruited five Port Import Compliance officers, to create the new Ports teams, based near the Port of Dover, as a result of the predicted increase in referrals, and to ensure sufficient capacity to handle the impact of any changes to border arrangements after 29 March 2019.
- 3.3 In future, there could also be additional points of entry into the UK located in Kent, including the ports of Ramsgate and Sheerness. Additional points of entry could further increase the activity of, and staffing required for, Trading Standards and Kent Scientific Services and our partners.
- 3.4 KCC welcomes the Government's recent guidance on their requirements for Roll-on Roll-off (RoRo) movements entering or leaving the UK for the period

following EU exit. This aims to ensure traffic can continue to flow and provides more time to businesses to prepare for changes to EU-UK trade. This guidance includes information on how businesses can register for an EORI (Economic Operator Registration and Identification) number to continue trading with the EU after 29 March 2019, and new Transitional Simplified Procedures (TSP) for businesses who trade with the EU.

- 3.5 The [Transitional Simplified Procedures](#) (TSP) would only become operational in the event of a no-deal scenario. Once businesses are registered for TSP, they will be able to transport goods from the EU into the UK without having to make a full customs declaration at the border and will be able to postpone paying any import duties. This will provide for Business as Usual (BAU) for one year, after which a new custom procedure will come into operation, giving businesses time to prepare for import processes. Trading Standards respond to notifications and there is a likelihood of additional work, but it is presently unclear as to the extent of the volume.
- 3.6 Post Brexit, checks on high-risk food and animal feed destined for the UK, but landing first in other EU countries (Transit goods), will not be checked for safety by the EU. Dover Port does not currently have the facilities for these checks to be carried out in the Eastern Docks. To reflect this, the new Food Standards Agency (FSA)/Defra electronic food import system, replacing the current EU system, will not authorise Dover as a point of entry into the UK from the EU for high-risk food or feed. Dover does have a facility to deal with high-risk imports of certain food from Third Countries. As a result of this, the level of samples being sent to KSS from Dover is likely to remain the same as now, but Trading Standards would have to intervene at the Port of Dover if high-risk animal feed is landed, as it would be an illegal import and would need to be destroyed. The volumes that could be expected are presently unknown.
- 3.7 As part of the advice Trading Standards provides for businesses they have published information on the KCC website (<https://www.kent.gov.uk/business/trading-standards/trading-standards-business-advice/brexit-and-your-business>)

Kent Scientific Services

- 3.8 Kent Scientific Services (KSS) provides scientific and calibration services, which includes the testing of food, checking of certain products of animal and plant origin, and chemical analysis for the Coroners Service. KSS's role requires the physical movement of food samples. There is a concern about how the service will transport physical samples to the laboratory in Kings Hill in the event of traffic disruption in a no-deal scenario. A motorcycle courier service is currently being considered for transporting small items from the Port

to Kings Hill, but this will only be agreed once the outcome of the national Brexit negotiations is confirmed. For bulkier items, the service is investigating alternative timings for operating their existing transport and providing a facility for couriers to leave samples out of hours.

- 3.9 To undertake analysis KSS use chemicals and consumables manufactured, or part-manufactured, in the EU. A no-deal scenario could disrupt their supply chain for border control work, and conversely the food supply chain. To mitigate this, the service has purchased the supplies they require, in advance of 29 March 2019, to account for a six-month contingency scenario.
- 3.10 KSS has devised contingency plans in case the volume of work exceeds capacity, and they will be able to use the services of other laboratories in the South East. In this scenario a laboratory in Portsmouth, that is owned by Hampshire County Council, is Kent's primary resilience partner. They could also draw on other facilities for testing, for example a commercial facility in Sittingbourne. Any capacity issues for KSS could have implications on testing for the Coroners Service. This issue has been considered as part of KSS's BCP with a view to minimising any impact.

4. Impact of Border Areas (Transport)

- 4.1 As the statutory Highways Authority, KCC is responsible for maintaining all roads within its administrative boundary, except motorways and major (trunk) roads which are managed by Highways England (HE).
- 4.2 As the 13 December 2018 County Council paper detailed, through the Kent Resilience Forum, KCC Highways and partners have devised a dedicated five phased 'Freight Traffic Management Plan', which contains various mitigations to maintain freight fluidity in the event of a no-deal Brexit. These preparations should ensure that freight using the main corridor routes through Kent is kept moving. This has been possible due to the joint learning across all partners who dealt with the 2015 Operation Stack event, and weekend industrial action in 2016, and utilises the 'Operational Fennel' multi-agency group, consisting of Highways England, Kent Police, KCC Highways and many other key stakeholders, including the Port of Dover, Eurotunnel and Borough and District representatives. The potential impact upon passenger traffic is also being assessed, particularly the traffic impacts over the Easter weekend with an operational plan (Perch) being developed to address potential driver welfare issues.
- 4.3 The Operation Fennel plans were completed in January 2019 and, following submission of the Final Emergency Plan to the Department for Transport (DfT), the Operation Fennel Strategic Group has received the Secretary of State for Transport's "full support". These plans are based on assumptions of up to 6 months of disruption.

- 4.4 On 7 January 2019, the DfT and KCC carried out a flow test of the Operation Brock Traffic Management system. The test went well, and all partners considered that the operation was sufficient to test the flow rate and A256 TAP sufficiency. 89 vehicles took part in the test, at a batch of 25, at 6 vehicles a minute. The second batch of 83, were released at just over 6 in a minute. This simulated roughly 400 vehicles an hour, in excess of the 350 threshold. The test used both right and left-hand drive vehicles. By way of comparison, in 2015 partners tested 20 vehicles.
- 4.5 Local permit arrangements are being explored so that local hauliers would not be required to join freight queues to exit the UK when moving around the county.
- 4.6 [The Town and Country Planning \(Manston Airport\) Special Development Order 2019](#) came into force on 24 January 2019. The Order expands on the planning permission for Manston Airport originally granted in September 2015 via the Town and Country Planning (Operation Stack) Special Development Order (SDO) 2015. This Order further extends the SDO so that it will now expire on 31 December 2020. The Order allows for the development of the site for the stationing of between 6,000 to 6,500 HGVs, the transit and processing of goods vehicles; the provision of temporary structures; the use of the site for the provision of welfare facilities; and the use of the site for border transit paperwork preparation and checking for Dover traffic only.
- 4.7 KCC has been working closely with our partners, including Government and Kent Police, to ensure that the relevant Kent traffic authorities have the necessary powers to direct freight vehicles to the appropriate temporary holding areas. Kent Police are the 'Duty Commander' for Operation Brock and the Department for Transport have confirmed that there will be no additional legislation for driver compliance and will enforce based on the traffic regulation orders being implemented to support freight lanes and clearways. There will be check-points, and HGV drivers will be issued with a ticket to allow them to proceed to the next check-point. If a driver does not possess a ticket, they will be turned around. The Driver and Vehicle Standards Agency (DVSA), KCC, HE and the Police will work together at the checkpoints. KCC has drafted a number of Temporary Traffic Regulation Orders (TTROs) in support of wider operational plans.
- 4.8 The Department for Transport are implementing a cross-Government 'Prioritisation Operations Centre' (POC), to assist in the management and distribution of priority freight. This will complement the work of the KRF and Operation Fennel. The POC will oversee goods on the contingency ferry services the Government has procured and provide an overview of freight flows between the UK and EU, with a focus on key ports.

4.9 Confirmation of the locations to support transit paperwork preparation for freight using Eurotunnel is awaited from the Department for Transport (DfT) and HM Revenue & Customs (HMRC). KCC also requires Government to provide further confirmation of national communications and coordination plan including cooperation with DfT, COBR, freight groups and road traffic groups.

5. Impact on Supply Chains & Commissioning

- 5.1 Strategic Commissioning, Adult Social Care and Public Health are working closely with suppliers to identify the risks to service provision in the event of the no-deal planning assumptions materialising. This includes discussions with Public Health England, who have a seat at Strategic Command and the Kent Resilience Forum. Two key concerns for the provider market are ensuring the sufficiency of workforce and the impact from traffic congestion over a sustained period of time.
- 5.2 Adult Social Care and Health (ASCH) are in ongoing dialogue with providers to test their business continuity plans, in an appropriate and practical way. The trade association, Kent Integrated Care Alliance (KICA), is also encouraging more collaboration and communication across the sector so that providers can be flexible with their workforce so that if transport links are disrupted, services can continue.
- 5.3 ASCH are working with Strategic Commissioning in communicating with residential care home providers to update their current Business Continuity Plans. These plans are used to mitigate against disruption to the delivery of their normal service and the further requirement to update these for a sustained period of disruption following no-deal Brexit including risks and issues such as delayed discharges or admittance of clients to/from hospital, residential and care settings and disruption to supplies of fuel, medication, food, cleaning and sanitation products and the delivery of equipment, maintenance and spare parts.
- 5.4 For the Integrated Community Equipment Service (ICES), commissioners from Kent County Council and the NHS have been in discussion with NRS Healthcare, the service provider, to look at the risks to the continuity of the service in a no-deal scenario. NRS has begun to increase stock and have also asked key suppliers to hold three months of stock. Commissioners have agreed to avoid making any changes to the equipment catalogue in the next six months so that NRS can plan effectively and make sure they can carry an appropriate level of the correct stocks. There is also the potential to substitute EU products with Close Technical Equivalent (CTE) should this be required, either due to interruptions in supply or the imposition of high import tariffs.

- 5.5 The new Care and Support in the Home contract is due to start at the beginning of April 2019. As part of the tender and negotiation process prospective providers have been asked to consider potential issues caused by a no-deal Brexit, including staffing, transport and the various locations most impacted. Once the contracts have been awarded, commissioners will be meeting providers to finalise any issues such as purchasing protocols and joint contingency plans which will cover Brexit. Having one contract for the Homecare and Supporting Independence Services (SIS) also enables KCC to consider a flexible approach to provider operating boundaries which should aid mitigation of traffic and travel concerns.
- 5.6 Given the uncertainty surrounding the outcome of the Brexit negotiations Adult Social Care and Health's approach with providers will remain flexible to ensure Kent residents' care needs are supported. KCC Strategic Commissioning's commercial and indirect procurement services may, to a greater extent than usual, be called upon to support other KCC services in undertaking emergency procurement and spot purchasing.

6. Data Handling

- 6.1 In the event of a no-deal, the UK will no longer be recognised automatically as compliant with the requirements of the General Data Protection Regulation (GDPR). The UK will transitionally recognise the EU as though they have been subject to an affirmative adequacy decision by the UK. However, it is not expected that the European Commission will have made an adequacy decision regarding the UK (a judgement on UK adequacy against EU rules) in the event of a no-deal in March 2019. The EU will only take a decision once the UK becomes a third country. Therefore, although personal data will be able to continue to flow freely from the UK to the EU, the transfer of personal data from the EU to the UK will be restricted unless appropriate safeguards are in place, or the transfer is covered by one of the statutory exceptions.
- 6.2 There is currently legal uncertainty regarding the transfer of personal data between data processors (data centres) located in the EU and UK organisations in the event of a no-deal Brexit. The Government have promoted the use of standard contractual clauses (SCCs). However, SCCs are not applicable in cases where the EU-based organisation is holding the personal data as a processor (i.e. where a datacentre is located in the EU). The UK Government expect the European Data Protection Board (EDPB) to provide guidance on the transfer of personal data between data processors located in the EU and organisations in the UK in the event of a no-deal Brexit. Currently, data processors in the EU may consider the regulatory risk too high and stop sending data to the UK, however data protection authorities in Ireland and the Netherlands, where most data processors are based,

generally take a risk based and proportionate approach to regulation. Alternatively, the European Data Protection Board may declare that these data transfers require additional safeguards.

- 6.3 Work is currently underway to review KCC's data handling practice, identify the extent of use of EU data centres, and assess the potential risks. This work will provide assurance that contingencies are in place to mitigate any disruption to the flow of information across the EU border. KCC holds data in a range of locations including the UK, EU and in the USA. Discussions have been held with Microsoft regarding our Office 365 and Azure Cloud contracts to provide assurance on the inclusion of contractual clauses as recommended by the Information Commissioner's Office (ICO). Work is also ongoing to review our other contracts which may include data housed within the EU.
- 6.4 MHCLG guidance issued on 4 March 2019 and guidance published by the Information Commissioner's Office (ICO) are being reviewed. Kent County Council will take appropriate action, considering changes to contracts or the movement of data and associated systems to UK data centres and/or alternative suppliers where required. However, data handling is an international issue which will impact the UK and EU's public services and businesses. Therefore, we expect Government to be taking forward discussions with the EU on these issues and for further guidance to be provided.

7. Local Partnership Working

- 7.1 The County Council has an important place leadership role for the county. KCC is working with partners and local partnerships to plan and consider mitigations for a no-deal Brexit.

Kent Resilience Forum

- 7.2 As a Category 1 responder, under the Civil Contingencies Act, the County Council is responsible for working in collaboration with other Category 1 responders to support the County's response to, and recovery from, potential incidents.
- 7.3 As part of Brexit preparations, KCC has been a key member of the Kent Resilience Forum (KRF) in progressing its workstreams, as is detailed throughout this report. The KRF have also facilitated and attended a number of exercises and workshops to test and refine contingency plans for Brexit:
- **Brexit Business Continuity Workshop** (25 February 2019): Representatives from the Kent District and Borough councils, the Environment Agency and the NHS attended to discuss their organisation's

business continuity plans. The KRF Business Continuity Lead has offered support to partners in creating or adapting business continuity plans, business continuity no-deal Brexit questionnaires have been provided and advice on conducting business impact analysis offered.

- **Kent and Medway Local Health Resilience Partnership led a no-deal exercise** (February 2019): The aim of this workshop was to test NHS business continuity and incident management plans against no-deal EU Exit scenarios. The co-chairs of the Local Health Resilience Partnership will establish a joint NHS and Kent Social Care strategy group to consider whole system delivery and resilience requirements.
- **Manston Live Exercise** (7 January 2019): as detailed in section 4, on 7 January a live exercise of Brock Manston took place.
- **Exercise Lundy** (10 January 2019): This was a multi-agency table-top exercise to explore and critically challenge the arrangements in place for responding to a prolonged disruption in Kent Ports (including the implementation of the new Operation Fennel suite of plans).
- **Exercise Mercury** (27 February 2019): This was a virtual media and communications exercise to run through the Operation Fennel Media and Communications Plan to ensure it is fit for purpose.
- **MHCLG Regional Workshop** (15 February 2019): MHCLG facilitated an EU Exit Regional Workshop with attendees including NHS, Kent Fire & Rescue Service, Kent Police and South East Coast Ambulance Service, and KCC. The objectives of the workshop were to identify interdependencies, common challenges and risks.
- **Freight and passenger traffic workshop** (20 February 2019): This workshop looked at options for both freight and passenger traffic, focussing on known locations that are vulnerable to congestion, identified resource requirements and how best to communicate this to the public.
- **KRF Transport and Utility Group** (25 February): This group has met to discuss Brexit preparations and potential impacts on supply chains.

7.4 The KRF have undertaken detailed analysis of previous disruptions, which resulted in severe congestion, to develop a clear understanding of how communities might be impacted in the event of a no-deal. This work has informed the development of multi-agency contingency plans and will identify priority areas for the deployment of resources and specific community engagement.

7.5 KRF partners have taken part in thirteen additional command and control training events and have rotas in place to ensure that each organisation is adequately represented at all command levels.

7.6 Based on further decisions and information and advice from Government, the KRF have considered the need for activating mutual aid arrangements. Emergency Services have national mutual aid arrangements, KCC has a

mutual aid Memorandum of Understanding (MOU) with other local authorities outside of Kent, and local authorities within Kent have a mutual aid agreement.

- 7.7 The planning phase for the 'day 1 no-deal' Brexit scenario has come to a close and Kent Police will lead the strategic command and control as we move in to the operational phase.

Joint Kent and Medway Health and Wellbeing Board

- 7.8 KCC are actively engaged on the Joint Kent and Medway Health and Wellbeing Board who have a standing item at meetings on Brexit preparations, led by Bob Bowes, CCG Clinical Chair, STP Strategic Commissioner Steering Group. The Kent Resilience Forum has a representative from NHS England embedded within the KRF planning team and, following recent Department of Health and Social Care (DHSC) preparations, have a named EU Exit Lead as the single point of contact for the South East region.

Community Safety Partnership

- 7.9 The Kent Community Safety Partnership has worked closely with the KRF to brief community safety partners, including District Councils. In addition, the Kent Community Safety Agreement is currently being refreshed, and as part of this, potential community safety issues in relation to Brexit are being considered. Community Safety is planning to provide targeted support especially with regards to the vulnerable and isolated. A community engagement plan is being devised to facilitate good communication and engagement with Kent's communities. Kent Police are focussing on monitoring intelligence and information around community cohesion.

Local Economic Partnership

- 7.10 There are a number of ways that Kent businesses have been engaged on their views of Brexit. Locate in Kent has undertaken a survey of 100 businesses to ask them about potential Brexit impacts. This will help Locate in Kent and KCC tailor local responses accordingly. The South East Local Enterprise Partnership (SELEP) has also collated business survey data on behalf of the Ministry of Housing, Communities and Local Government (MHCLG). The Kent and Medway-based Business Advisory Board (BAB) also takes direct feedback from Kent Businesses via an 'Economic Commentary'.
- 7.11 Both the South East Local Enterprise Partnership (SELEP) (<https://www.southeastlep.com/brexit>) and the Kent and Medway Growth Hub website, hosted by Kent Invicta Chamber of Commerce (<http://www.kentinvictachamber.co.uk/brexit-hub/>) detail information on Brexit and signpost to Government websites which contain a range of business

advice and information, including how businesses can register for an EORI (Economic Operator Registration and Identification) number to continue trading with the EU after 29 March 2019. All these webpages continue to be updated as additional information is received.

- 7.12 KCC Economic Development works with partners like Locate in Kent, Visit Kent and Produced in Kent, who provide bespoke support packages for Kent businesses. KCC and our partners are also being pro-active in pursuing a 'Trade Development Framework' with several export-support organisations in Kent and the Department for International Trade. A paper on this was presented to the Growth, Economic Development and Communities Cabinet Committee on 7 March 2019.

8 Communications

- 8.1 Members have a key role in terms of community cohesion and local advocacy. The Member Hub will prioritise the dissemination of relevant information to Members to allow them to discharge this role. KCC's Resilience Guidance for Elected Members, held in the KNet Members' Area, is also under review and will be circulated at the March County Council meeting.
- 8.2 The Communications Team anticipate increased demand and activity in three key areas: media and resident communications, website updates and an increase in contact centre call demand to both day and out of hours operations. An external communications management plan has been established with a Brexit page on Kent.gov initiated in February 2019. This will include links to relevant Government information and be updated as the situation evolves. This will be the primary location for service delivery changes post Brexit and will be supported by social media releases to emphasise key messages to residents. In addition, a central Brexit email address has been set up for KCC directorates to advise KCC Communications of service delivery changes, so that these can be cascaded to Kent residents. A suite of advisory messages is also being developed and scaled by severity to cover all eventualities.
- 8.3 A Corporate Internal Communications Plan has been agreed to provide regular staff and management communication across all channels. Brexit related KNET pages are currently in operation, and these detail information for staff on the Council's Business Continuity Management process and signpost to further information to support service preparations. In addition, KMail and KMail for Managers are being used to share tools for Business Continuity Planning across KCC and provide updates on specific topics for each service. A series of messages are also being developed to support managers including management briefings at T200, Extended CMT and Challenger meetings. In liaison with HR/ Organisational Development (OD) a

special management communication is also planned detailing corporate support, with signposting links, and guidance issued over recent months in one place.

- 8.4 To support the Council's existing employment policies and guidance Human Resources (HR) has developed a list of Frequently Asked Questions (FAQs) for managers that would help them understand how to apply the County Council's employment policies in the context of any short term and ongoing disruption that may be caused.
- 8.5 If EU citizens wish to stay in the UK after 29 March 2019 then they will have to register under the EU Settlement Scheme, which is open for two years. Home Office communications are expected to increase from March and information and advice on how to apply is available on the Government's EU Settlement Scheme website. There are ongoing Kent County Council communications regarding the scheme so that KCC employees are aware of the situation, the potential implications and signposting details to Government information.
- 8.6 Kent County Council play a key role in ensuring effective partnership communications through the Kent Resilience Forum. A KCC officer chairs the KRF Communications Group which will draw on community intelligence to deliver messaging to Kent's public agencies and communities in the event of a no-deal. Representatives on the group include the Department for Transport, Highways England, Kent Police, all Borough and District councils in Kent and more than 40 other communications functions from the NHS to Port of Dover. KRF partners continue to receive a fortnightly briefing which outlines key information to partners. A KRF Parish Pack has been sent to all Parish councils in Kent to advise on how to plan for emergencies in Kent and offers advice on creating household emergency plans and Business Continuity Plans. The document includes information on social media channels to follow in the event of a no-deal scenario.
- 8.7 The Kent Resilience Forum has developed a 'preparing for the UK exiting the European Union' webpage on Kent Prepared (<https://www.kentprepared.org.uk/page1.aspx?p=15&t=3>). This page provides guidance on how Kent's residents and businesses can prepare for Brexit.
- 8.8 In recent weeks Government has increased its public communications of its no-deal preparations. National campaigns include informing UK and foreign hauliers, operators and their customers of the documentation they will require and how Operation Brock will work. Government is also exploring access to real-time journey planning information.

8.9 Government has improved its communications with local authorities, established regional hubs with specific leads and has agreed a communication approach with the KRF. The MHCLG Brexit Delivery Board has supported information sharing between Government departments and councils and enabled local government to raise issues directly with Government. Kent County Council's Leader has a seat on the Brexit Delivery Board in his capacity as chair of the County Councils' Network. Kent County Council have also participated in a UK-France Mayoral Summit in March 2019 to ensure continued strong cross-border relationships beyond the UK's exit from the EU and in an LGA roundtable, hosted by Dover District Council, alongside representatives from Government departments to support local businesses.

8.10 Kent County Council is dependent on confirmed Government information to continue to prepare effectively and would therefore urge Government to ensure their no-deal Brexit preparations are finalised as soon as possible and communicated with local authorities and local public services.

9. Cost and spend for KCC Brexit planning

9.1 KCC could be facing significant but as yet unquantified additional costs as a result of a no-deal Brexit. The Council does not hold a specific earmarked reserve to mitigate this risk and consequently if central government does not provide adequate funding to compensate additional costs the Council would need to look to its general reserves in the short-term, impacting the Council's financial resilience. Directorates have been asked to review the costs of their Brexit preparedness. In some instances it may be difficult to isolate additional costs separately from "business as usual" and the full impact will only emerge as we monitor delivery of the 2019-20 budget during the year. Due to lead-in times, some decisions are being taken to commit spend in 2018-19 to ensure readiness for 29 March 2019. KCC services are also being asked to consider what longer-term costs and resource demands may arise. These would need to be reflected in the updated Medium-Term Financial Plan for 2020-21 and beyond.

9.2 Work is ongoing to review service cost returns and develop these where required. However, the impacts from a no-deal scenario, and associated resource implications to KCC, are dependent on further planning assumptions provided by Government and the future UK-EU relationship.

9.3 KCC has engaged with Government on the likely impacts and resource implications to the County Council from a no-deal scenario. As further information from Government becomes available and our business continuity planning preparations develop, KCC will further engage with Government on our resource implications to ensure they are fully met by Government.

9.4 As KCC continues to prepare for a no-deal Brexit, it is important to ensure a consistent approach to allocating and committing spend. To support this, a project code and process for tracking all Brexit preparedness expenditure has been developed and a set of Brexit specific 'guidance notes' have been issued via front line revenue support accountants to assist budget managers. It will be important for services to adhere to this guidance when spending money on Brexit related resources. This will enable full costs to be captured and the case to be made to Government for full funding.

10. Funding from Government

10.1 KCC has secured specific funding to date from Government, however this does not currently meet the estimated additional costs to KCC from no-deal Brexit preparations.

10.2 On 28 January 2019, the MHCLG published a [written statement](#) on the general funding Local Government will receive for Brexit preparations. £56.5m has been announced to be available in the period 2018-19 and 2019-20 to help with Brexit contingency planning. £20m will be provided directly to councils this financial year and another £20m in 19-20. County Councils, including KCC, will each receive £87,500 per annum for 2018-19 and 2019-20. For comparison, districts will each receive £17,484, and unitary councils, such as Medway, £104,984 per annum (i.e. a combination of the upper and lower tier allocations) for each of these two years. The 2018-19 funding was received on 4 March 2019.

10.3 A further £5m will be split between teams in the local government department and wider sector for "strengthening resilience preparations and supporting communities". The Kent Resilience Forum will receive £76,000 from this in 2018-19 although this is not the total distribution. £3.14m has also been allocated by MHCLG to support specific authorities to plan and mitigate against potential disruptions from local ports. The funding was divided between 19 district and unitary councils, with Dover DC, Folkestone and Hythe DC, Thanet DC, Ashford DC, Gravesham BC and Dartford DC receiving funding of between £136,362 and £272,724. KCC did not receive any funding from this allocation.

10.4 A further £10m from MHCLG will be available in 2019-20 to respond to specific local costs that may only become evident in the months after we exit the EU, which will include emerging pressures relating to port functions or wider impacts on port areas. KCC is awaiting confirmation of any specific allocation from this additional funding tranche.

- 10.5 Separately KCC has had confirmation that it will receive £28.8m from the Department for Transport (DfT) to support implementation of Operation Brock. The detail of timing and any conditions attached to this funding are still to be finalised. KCC has asked for further funding to cover additional work at Manston and has also submitted a proposal to deliver an enhanced operational and incident response service post 29 March. The Government has indicated that further MHCLG funding will be available to councils affected by Brexit, as they continue to assess any "new burdens". Funding may also be available from other government departments.
- 10.6 Whilst the confirmed funding is welcome, the estimated additional spend is likely to be significantly in excess of the current funding allocation to Kent County Council. It is crucial that Government meets the identified costs to Kent from no-deal Brexit preparations and the Kent Taxpayer is not required to subsidise additional costs. The immediate impacts of Brexit will not be felt evenly across the country and Government funding should reflect this.
- 10.7 KCC is seeking further assurances that Government will guarantee the continuance of funding streams to replace EU funding programmes, specifically Interreg (European Territorial Cooperation (ETC)) and the European Structural and Investment Funds (ESIF). An updated [technical notice](#) on 'European Territorial Cooperation funding in a no-deal Brexit', published on 28 February, highlighted some potential risks to the 37 Interreg projects currently running that involve partner organisations from Kent. In a no-deal scenario these projects may have to cease, which would have a knock-on effect for all the Kent organisations involved. This includes Kent County Council which is currently involved with 19 Interreg projects (estimated at £5.5m). These projects focus on a range of topics and involve joint activities with European partner regions. It is understood that MHCLG will issue further guidance for existing project partners and potential new applicants in due course.
- 10.8 Government should also take the opportunity to consider longer-term funding to mitigate the impacts, and maximise the opportunities, of Brexit through the Shared Prosperity Fund. The Government has not published the UK Shared Prosperity Fund (UKSPF) consultation, and this needs to be published as a matter of urgency. There is a concern about the methodology that will be employed, for example the Brexit contingency funding to date has been allocated via a flat pro-rata allocation system, and that UKSPF allocations are distributed on a similar basis, and not as a result of need.

11. Actions for Government

- 11.1 KCC notes that the Government position continues to be that a no-deal scenario is not their preferred option. However, KCC will continue to prepare,

as far as possible, its statutory and non-statutory services for a no-deal. To support these preparations the County Council is dependent on Government taking specific actions, including:

- **Provide appropriate funding** to meet additional resource implications as currently identified in a no-deal Brexit as well as any additional requirements to meet future costs. Funding should:
 - Be allocated on basis of need;
 - Meet KCC Trading Standards and Kent Scientific Services additional costs, both of which are currently being funded by KCC.
 - Provide funding for bespoke business support packages, including assistance for the local tourism sector.
 - Ensure continuance of funding streams to replace EU funding programmes; not just those that operate domestically, but also those that allow for co-operation with partners in mainland Europe.
 - Ensure the UK Shared Prosperity Fund supports local areas to mitigate the impacts and maximise the opportunities of Brexit.
- **Taking decisions at pace on:**
 - DfT and HMRC to confirm the location(s) to support transit paperwork preparation for freight using Eurotunnel.
- **Provide further information and advice**, including:
 - Confirmation of national transportation communications and coordination plan including cooperation with DfT, COBR, freight groups and road traffic groups.
 - Confirmation of the finalised National Communications Strategy.
 - Government to take forward discussions with the EU and provide additional guidance on data handling arrangements post 29 March.

12. Recommendation(s)

Recommendation(s):

County Council is asked to:

- (1) **Note** Government's preferred option of an orderly withdrawal from the EU, and support for responsible and prudent local authority preparations for a no-deal scenario.
- (2) **Note** Kent County Council's preparations for a potential no-deal Brexit scenario.
- (3) **Agree** Kent County Council's call for clarity from Government on specific preparations and funding for a no-deal Brexit.

13. Background Documents

- Brexit Preparedness - Kent County Council Position to County Council (July 2018)
- Business Preparedness for Brexit update to Growth, Economic Development and Communities Cabinet Committee (July 2018)
- Trading Standards update to Growth, Economic Development and Communities Cabinet Committee (September 2018)
- Brexit Preparedness - Kent County Council Update to County Council (December 2018)
- Preparations by HM Government and the European Commission for a No-Deal Brexit to Growth, Economic Development and Communities Cabinet Committee (January 2019)
- Corporate Risk Register in relation to Brexit to Policy and Resources Cabinet Committee (January 2019)
- Supporting Kent Exporters to Growth, Economic Development and Communities Cabinet Committee (March 2019)

By: Peter Oakford, Deputy Leader and Cabinet Member for
Finance and Traded Services
Zena Cooke, Corporate Director Finance

To: County Council – 21 March 2019

Subject: **TREASURY MANAGEMENT 6 MONTH REVIEW 2018-19**

Classification: Unrestricted

Summary: To present a review of Treasury Management Activity
2018-19 to date

FOR DECISION

INTRODUCTION

1. This report covers Treasury Management activity for the 6 months to 30 September 2018 and developments in the period since up to the date of this report.
2. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end). This report therefore ensures this council is embracing Best Practice in accordance with CIPFA's recommendations.
3. The Council's Treasury Management Strategy for 2018-19 was approved by full Council on 20 February 2018.
4. The Council has both borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

GOVERNANCE

5. The Corporate Director Finance is responsible for the Council's treasury management operations and day to day responsibility is delegated to the Head of Finance (Policy, Planning & Strategy) / Head of Finance (Operations) and Treasury and Investments Manager. The detailed responsibilities are set out in the Council's Treasury Management Practices.
6. The Treasury Management Advisory Group (TMAG) which is a sub-committee of Cabinet has been established to work with the Officers on treasury management. The group consists of the Cabinet Member for Finance and Traded Services, Deputy Cabinet Member for Finance and Traded Services, Chairman Policy and Resources Cabinet Committee, Chairman Superannuation Fund Committee, Liberal Democrat Finance spokesman and a Labour Group Representative. The agreed terms of reference are "The Treasury Management Advisory Group will

be responsible for advising the Cabinet and Corporate Director Finance on treasury management policy within KCC's overarching Treasury Management Strategy". TMAG meets the requirement in the CIPFA TM Code for a member body focussing specifically on treasury management. TMAG meets half yearly and members of the group receive detailed information on a weekly and monthly basis.

7. Council will agree the Treasury Management Strategy and receives annual and half yearly reports on treasury management activity. Governance and Audit Committee receives annual and half-yearly reports and makes recommendations to County Council. It also receives quarterly updates.

EXTERNAL CONTEXT

Economic Background

8. The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, has continued to be a major influence on the Council's treasury management activity in 2018/19.
9. UK Consumer Price Inflation (CPI) remained steady during the period with October up 2.4% year/year, slightly below the consensus forecast and broadly in line with the Bank of England's November Inflation Report.
10. The most recent labour market data for October 2018 showed the unemployment rate edged up slightly from a low of 4.0%, its lowest on record, to 4.1% while the employment rate of 75.7% was the joint highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.3% as wages continue to rise steadily and provide some pressure on general inflation. Adjusted for inflation, real wages grew by 1.0%, a level still likely to have little affect on consumer spending.
11. The rise in quarterly GDP growth to 0.6% in the September quarter from 0.4% in the previous quarter was due to weather-related factors boosting overall household consumption and construction activity over the summer following the weather-related weakness in the March quarter. At 1.5%, annual GDP growth continues to remain below trend.
12. Following the Bank of England's decision to increase the Bank Rate to 0.75% in August, no changes to monetary policy have been made since. The Monetary Policy Committee continues to reiterate that any further increases will be at a gradual pace and limited in extent.
13. While US growth has slowed over 2018, the economy continues to perform robustly. The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the current 2%-2.25% in September. Concerns over trade wars continue to drag on economic activity.

Credit outlook

14. The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ringfencing legislation. Credit rating agencies have adjusted the ratings of some of these banks with the ringfenced banks generally being better rated than their non-ringfenced counterparts.
15. The Bank of England has released its latest report on bank stress testing, illustrating that all entities included in the analysis were deemed to have passed the test once the levels of capital and potential mitigating actions presumed to be taken by management were factored in. The BoE did not require any bank to raise additional capital.

LOCAL CONTEXT

16. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing, in order to reduce risk and keep interest costs low.

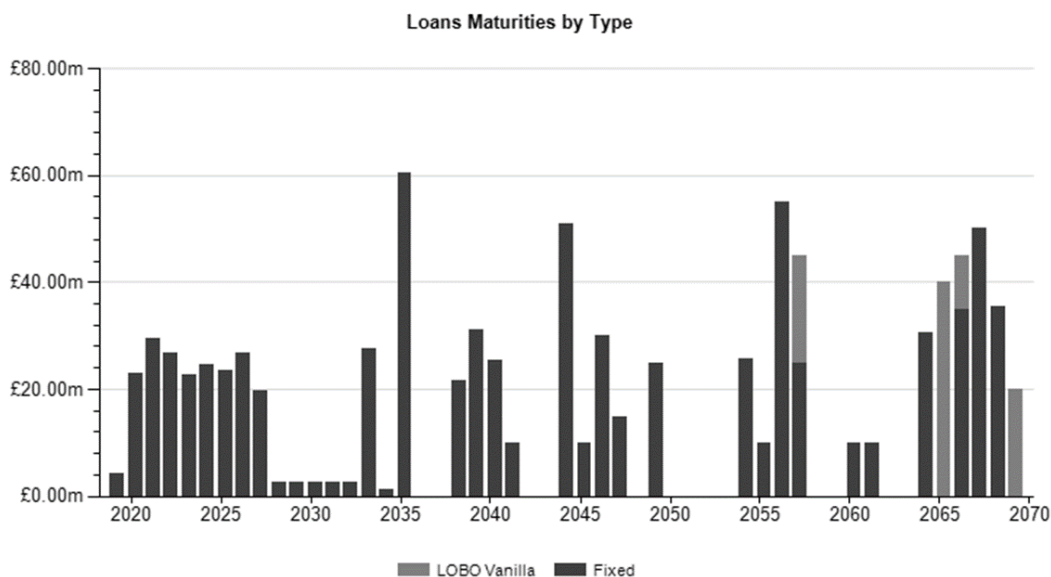
BORROWING STRATEGY

17. At 30 November 2018 the Council had total debt outstanding of £911.3m, a reduction of £31.33m from the balance as at 31 March 2018. Outstanding loans at 30 November are summarised in the table below.

Borrowing Position

	30/3/2018 Balance £m	2018/19 Movement £m	30/11/2018 Balance £m	Average Rate %	Years to final maturity
Public Works Loan Board	472.28	21.00	493.28	5.03%	16.99
Banks (LOBO)	150.00	-60.00	90.00	4.15%	45.21
Banks (Fixed Term)	320.32	7.67	327.99	3.97%	35.85
	942.60	-31.33	911.27	4.56%	26.56

18. The maturity profile of KCC's outstanding debt is as follows:



19. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
20. In keeping with these objectives no new borrowing was undertaken other than as part of the restructure of the LOBO portfolio and in respect of the Council's replacement streetlighting project. £19m of existing loans were allowed to mature without replacement.
21. With short-term interest rates remaining much lower than long-term rates, KCC has considered it to be more cost effective in the near term to use internal resources or borrowed short term loans instead. The Council's strategy has enabled it to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.
22. KCC continues to hold LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during the period.
23. During the period an assessment by Arlingclose (the council's advisors) of KCC's LOBO portfolio identified restructuring opportunities with RBS likely to achieve substantial value from a negotiated settlement with the bank. The risks and benefits including restructuring savings were assessed and in October the Council successfully negotiated the prepayment of its 3 RBS loans with a principal value of £60m as follows:

Prepaid RBS LOBO loans

Start date	End date	Yrs to mty	Principal	Coupon	Disc rate	Premium	Redemption Amount
			£m	%	%	£m	£m
10/8/11	10/8/57	38.85	25.0	3.83	2.95	5.1	30.1
10/8/11	10/5/58	40.0	25.0	3.83	2.94	5.2	30.2
30/1/09	30/1/69	50.33	10.0	3.95	2.90	12.8	12.8
		41.19	60.0	3.85		13.1	73.1

24. Taking account of advice from Arlingclose the prepayment was financed using a combination of a £40m 15-year EIP (Equal Instalment of Principal) loan from the PWLB at 2.21%, and cash balances. As a result of this change the Council was able to reduce the average interest rate payable on its borrowing and reduce its long-term debt exposure.
25. This funding arrangement using cash balances was deemed to represent the best balance between risk and reward. The combination of lower interest rate payments on debt partially offset by loss of investment income/cost of short-term borrowing is expected to deliver a net revenue saving of £400k to £500k per annum.

INVESTMENT ACTIVITY

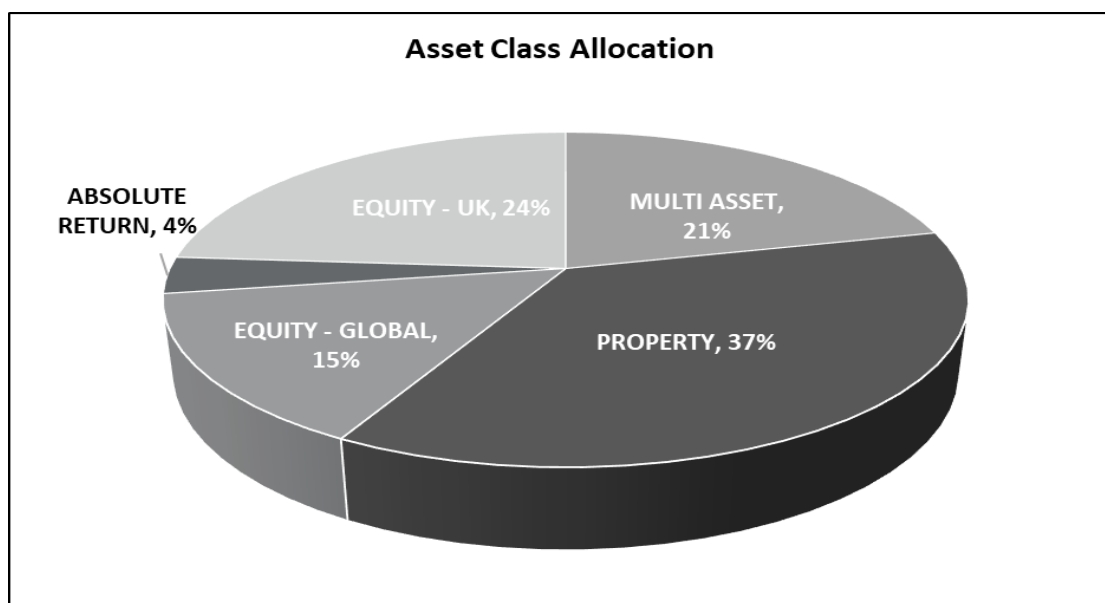
26. The Council holds significant invested funds representing income received in advance of expenditure plus balances and reserves held. During the period the Council's investment balance ranged between £274m and £434m due to timing differences. The investment position is shown below.

Investment Position

	31.3.18 Balance £m	2018 Movement £m	30.11.18 Balance £m	30.11.18 Rate of Return %	Days to maturity	Average Credit Rating
Money Market Fund	79.8	23.6	103.4	0.63	1	A+
Fixed Deposit	17.1	8.2	25.3	0.84	180	AA-
T Bill		10.0	10.0	0.73	179	AA
Covered Bond	64.5	14.8	79.3	1.02	930	AAA
Icelandic Recoveries o/s	0.4	0.0	0.4			
Equity	2.1	0.0	2.1			
Internally managed cash	163.9	56.6	220.5	0.82	368	AA

Strategic Pooled Funds	113.8	26.9	138.3	4.02		
Cashplus / Short term Bond Funds	20.0	-20.0	0.0			
External Investments	133.8	4.5	138.3	4.02		
Total	297.7	61.1	358.8	2.18		

27. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
28. In furtherance of these objectives and given the increasing risk and low returns from short-term unsecured bank investments the Council has continued to diversify into more secure and/or higher yielding asset classes as set out in its Treasury Management Strategy Statement for 2018-19.
29. The Council's £138.3m of externally managed pooled funds generated an average total return of 2.18%, comprising a 4.02% income return which is used to support services in year, and -1.57% of capital losses. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives is regularly reviewed. In light of their performance and the Council's latest cash flow forecasts, investment in these funds has been increased with a further £10m invested in a Kames Capital multi asset fund in early December.
30. A breakdown of the external investments by asset class is as follows



31. A detailed schedule of KCC's investments as at 30 November 2018 is attached in Appendix 1. This schedule is circulated to members of the Treasury Management Advisory Group (TMAG) every Friday.
32. The Ministry of Housing, Communities and Local Government (MHCLG) consulted in July on statutory overrides relating to the introduction of the IFRS 9 Financial Instruments accounting standard. KCC responded arguing that the adoption of IFRS 9 as proposed could add unwarranted volatility in the General Fund, and hence impact unnecessarily upon Council Tax or service expenditure. The MHCLG then announced in November that it has accepted the arguments made and decided to introduce a statutory override that while requiring IFRS 9 to be adopted in full, requires fair value movements in pooled investment funds to be taken to a separate reserve instead of the General Fund. MHCLG has also committed to keep the override in place for at least five years and to review this in to March 2023. The override will apply to all collective investment schemes, and not just to pooled property funds as suggested in the consultation.

FORECAST OUTTURN

33. It is anticipated that there will be an underspend against the net debt costs budget for the year of £0.6m as a result of higher dividends and interest receipts and the net impact of debt restructuring. Average cash balances during the year are forecast to be £351m earning an average return of 2.2%. The forecast average rate of debt interest payable in 2018-19, taking account of the cost of the premium paid on the restructure, is 4.7%, based on an average debt portfolio of £927m.

COMPLIANCE

30. The Corporate Director Finance reports that the treasury management activities undertaken during the period complied with the Council's Prudential Indicators for 2018-19 set as part of the Council's Treasury Management Strategy. Details can be found in Appendix 2.

RECOMMENDATION

31. Members are asked to consider and comment on the report.

Alison Mings
Treasury and Investments Manager
Ext: 03000 416488
29 January 2019

Investments as at 30 November 2018

1. Internally Managed Investments

1.1 Term deposits, Call accounts and Money Market Funds

Instrument Type	Counterparty	Principal Amount	Interest Rate	End Date
Fixed Deposit	Thurrock Borough Council	£10,000,000	0.90%	31/05/2019
Fixed Deposit	Thurrock Borough Council	£10,000,000	0.95%	30/08/2019
Fixed Deposit	Debt Management Account Deposit Facility	£5,350,000	0.50%	03/12/2018
Treasury Bill	DMO	£9,963,533	0.73%	28/05/2019
Total UK Bank Deposits		35,313,533		

Money Market Fund	Aberdeen Sterling Liquidity Fund	£14,962,953	0.42% (variable)	n/a
Money Market Fund	Deutsche Managed Sterling Fund	£14,991,935	0.73% (variable)	n/a
Money Market Fund	Federated (PR) Short-term GBP Prime Fund	£14,997,736	0.50% (variable)	n/a
Money Market Fund	HSBC Global Liquidity Fund	£14,991,497	0.84% (variable)	n/a
Money Market Fund	Insight Liquidity Funds PLC	£13,535,199	0.68% (variable)	n/a
Money Market Fund	LGIM Sterling Liquidity Fund	£14,992,189	0.73% (variable)	n/a
Money Market Fund	SSgA GBP Liquidity Fund	£14,957,206	0.67% (variable)	n/a
Total Money Market Funds		£103,428,714		
Equity and Loan Notes	Kent PFI (Holdings) Ltd	£2,135,741		n/a
Icelandic Recoveries outstanding	Heritable Bank Ltd	£366,905		n/a

1.2 Bond Portfolio

Bond Type	Issuer	Adjusted Principal	Coupon Rate	Maturity Date
Fixed Rate Covered Bond	Bank of Montreal	£5,006,029	1.06%	17/04/23
Fixed Rate Covered Bond	Bank of Nova Scotia	£4,990,619	0.88%	14/09/21
Fixed Rate Covered Bond	Canadian Imperial Bank of Commerce	£5,039,704	0.98%	10/01/22
Fixed Rate Covered Bond	Coventry Building Society	£3,003,110	1.03%	17/03/20
Fixed Rate Covered Bond	Leeds Building Society	£5,579,421	0.63%	17/12/18
Fixed Rate Covered Bond	Leeds Building Society	£2,043,411	2.03%	17/12/18
Floating Rate Covered Bond	Leeds Building Society	£1,514,308	1.19%	17/12/18
Floating Rate Covered Bond	Leeds Building Society	£5,000,000	1.20%	01/10/19
Floating Rate Covered Bond	Lloyds	£2,503,295	1.02%	27/03/23
Floating Rate Covered Bond	Lloyds	£2,504,397	1.01%	27/03/23
Floating Rate Covered Bond	Lloyds	£1,401,029	1.00%	18/07/19
Floating Rate Covered Bond	Lloyds	£5,007,765	1.01%	27/03/23

Appendix 1

Floating Rate Covered Bond	National Australia Bank	£3,001,889	1.10%	10/11/21
Floating Rate Covered Bond	Nationwide Building Society	£4,505,430	1.04%	12/04/23
Floating Rate Covered Bond	Nationwide Building Society	£5,588,843	1.03%	12/04/23
Floating Rate Covered Bond	Santander UK	£3,397,332	0.65%	14/04/21
Floating Rate Covered Bond	Santander UK	£5,010,484	0.97%	05/05/20
Floating Rate Covered Bond	Santander UK	£5,003,472	1.10%	16/11/22
Floating Rate Covered Bond	Santander UK	£3,752,534	1.01%	13/04/21
Floating Rate Covered Bond	Toronto-Dominion Bank	£5,450,707	1.26%	01/02/19
Total Bonds		£79,303,779		

Total Internally managed investments	£220,548,672
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2. Externally Managed Investments

Investment Fund / Equity		Market Value at 30 November 2018 £	12 months return to 30 November 2018	
Fund Name	Asset Class		Income %	Total %
CCLA - Diversified Income Fund	Multi asset	4,979,931	0.79	0.39
CCLA – LAMIT Property Fund	Property	50,546,043	3.91	4.31
Fidelity Multi Asset Income Fund	Multi asset	24,505,940	3.31	-0.33
M&G Global Dividend Fund	Equity - global	10,580,732	2.98	5.60
Pyrford Global Total Return Sterling Fund	Absolute return	4,906,058	2.31	0.10
Schroder Income Maximiser Fund	Equity - UK	23,607,427	6.70	3.17
Threadneedle Global Equity Income Fund	Equity - global	9,789,200	3.53	0.62
Threadneedle UK Equity Income Fund	Equity - UK	9,400,149	3.85	0.09
Total External Investments		138,315,480	4.02	2.45

3. Total Investments

Total Investments	£358,864,152
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2018-19 Monitoring of Prudential Indicators as at 30 November 2018

1. Estimate of capital expenditure (excluding PFI)

Actuals 2017-18	£188.249m
Original estimate 2018-19	£295.449m
Revised estimate 2018-19	£205.906m

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

	2017-18	2018-19	2018-19
	Actual	Original Estimate	Forecast as at 30.11.18
	£m	£m	£m
Capital Financing requirement	1,322.493	1,373.692	1,296.719
Annual increase/reduction in underlying need to borrow	-39.901	45.406	-25.774

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

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

Actuals 2017-18	12.96%
Original estimate 2018-19	12.01%
Forecast 2018-19	11.86%

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management. The operational boundary for debt will not be exceeded in 2018-19

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

	Prudential Indicator	Position as at 30.11.18
	£m	£m
Borrowing	1,003	875
Other Long-Term Liabilities	271	263
	<u>1,274</u>	<u>1,138</u>

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

	Prudential Indicator	Position as at 30.11.18
	£m	£m
Borrowing	1,038	911
Other Long-Term Liabilities	271	263
	<u>1,309</u>	<u>1,174</u>

5. Authorised Limit for External debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2018-19 are:

	Authorised limit for debt relating to KCC assets and activities	Position as at 30.11.18	Authorised limit for total debt managed by KCC	Position as at 30.11.18
	£m	£m	£m	£m
Borrowing	1,043	875	1,078	911
Other long-term liabilities	271	263	271	263
	<u>1,314</u>	<u>1,138</u>	<u>1,349</u>	<u>1,174</u>

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

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

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

The Council has determined the following upper limits for 2018-19

Fixed interest rate exposure	100%
Variable rate exposure	50%

These limits have been complied with in 2018-19.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	Position as at 30.11.18
	%	%	%
Under 12 months	10	0	0.47
12 months and within 24 months	10	0	2.52
24 months and within 5 years	15	0	8.83
5 years and within 10 years	15	0	10.96
10 years and within 20 years	20	5	13.94
20 years and within 30 years	25	5	19.09
30 years and within 40 years	25	10	17.67
40 years and longer	30	10	26.52

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

Indicator	£250m
Actual	£218m

By: Eric Hotson – Cabinet Member for Corporate & Democratic Services
 Amanda Beer – Corporate Director of Engagement, Organisation Design and Development

To: County Council **Date:** 21 March 2019

Subject: Pay Policy Statement

Classification: Unrestricted

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

1. **BACKGROUND**

- 1.1 An objective of the Localism Act is to increase transparency of local pay. This requires councils to publish the salaries of senior officials, enabling local people to better understand how public money is being spent in their area.
- 1.2 The Act requires a local authority pay policy to be openly approved by democratically elected councilors on an annual basis.

2. **PAY POLICY STATEMENTS**

- 2.1 The proposed Pay Policy Statement for 2019/20 is attached in Appendix 1. As in previous years, and as agreed by County Council on 29 March 2012, the statement is required to relate to: -
 - the level and elements of remuneration for each chief officer which includes recruitment, increases and any additions
 - the use of performance-related pay (PRP) for chief officers and the use of bonuses, if applicable
 - the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority
 - the publication of and access to information relating to remuneration of chief officers.

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

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

3. PAY MULTIPLE

- 3.1 A pay multiple is calculated in order to measure the difference in pay between the norm and highest salary. The definition of pay multiple as defined in the 'Code of Recommended Practice for Local Authorities on Data Transparency' document is the ratio between the highest paid salary and the median average salary of the authority's workforce.
- 3.2 KCC's current Pay Multiple figure is 8.0 : 1. This excludes schools.

4. GUIDANCE

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

5. RECOMMENDATION

- 5.1 County Council endorses the attached Pay Policy Statement.

Colin Miller
Strategy & Commissioning Manager
Ext. 416483

Appendix 1.

Kent County Council Pay Policy Statement 2019-20

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

- The pay policy is influenced by a number of factors which include local pay bargaining, market information, market forces, economic climate, measures of inflation and budgetary position.
- The policy referred to in this Statement is relevant to Council employees generally. The scope of this Statement does not include all Terms and Conditions as some are set on a national basis. These include Teachers covered by the school teachers pay and conditions in (England and Wales) document, Soulbury Committee, Adult Education, National Joint Council (NJC), Joint National Council (JNC) and the National Health Service (NHS).
- The Kent Scheme pay range consists of grades KR2 – KR20. From grade KR3 and above, there is a difference of at least £1,200 between the top of each successive grade. The pay gap between the top of one grade and the minimum of the next makes the distinction between grades clearer. Details of the pay range are at the bottom of the page.
- The details of the reward package for all Corporate Directors and Directors are published and updated on the County Council's web site.
- KCC will publish the number of people and job title by salary band. This is from £50,000 to £54,999 and then by pay bands of £5,000 thereafter. This will include elements made on a repeatable or predictable basis such as market premium payments.
<https://www.kent.gov.uk/about-the-council/finance-and-budget/spending/senior-staff-salaries>
- The appropriate grade for a job is established through a job evaluation process which takes into account the required level of knowledge, skills and accountability required for the role.
- The lowest point of KCC's grading structure (bottom of grade KR2) is set such that the hourly rate is above the National Minimum Wage.
- Staff who are new to the organisation must be appointed at the minimum of the grade unless there are exceptional reasons to appoint higher. These must be based on a robust business case in relation to the level of knowledge, skills and experience offered by the candidate and consideration is given to the level of salaries of the existing staff to prevent pay inequality. For senior staff, any such business case must be approved by the relevant Corporate Director.
- Council signs off the pay structure. The subsequent appointment of individuals, including those receiving salaries in excess of £100k, is in accordance with the pay structure and the principles outlined in the pay policy.

- Staff who are promoted should be appointed to the minimum of the grade. However, their pay increase should equate to at least 2.5%.
- All progression within a grade is subject to performance as assessed through Total Contribution Pay (TCP) process and a percentage awarded for each appraisal level. This applies to all levels in the Authority and there are no additional bonus schemes for senior managers.
- The award for each appraisal rating is set annually following the outcome of the appraisal process.
- People at the top of their grade have the opportunity to receive a pay award which is consistent with others who have the same appraisal rating. This amount will be paid separately and not built into base pay.
- The 'Lowest' paid employees are defined as those employees on KCC's lowest grade, KR2. They receive relevant benefits and are remunerated in the same proportionate way as others.
- The entry level will increase to £17,364 which equates to £9.00 per hour.
- In order to establish the pay difference and the relative change in pay levels over time, a pay multiplier can be calculated. This is the base pay level of the highest paid employee shown as a multiple of the median Kent Scheme salary. This multiplier will be published on the County Council's website annually.
<http://www.kent.gov.uk/about-the-council/information-and-data/data-about-the-council>
http://www.kent.gov.uk/_data/assets/pdf_file/0006/13578/Pay-Multiplier.pdf
- KCC recognises that managers need to be able to reward performance in a flexible and appropriate way to the particular circumstances.
- Should it be shown that there is specific recruitment and retention difficulties, the Market Premium Policy may be used to address these issues.
- The Council would not expect the re-engagement of an individual who has left the organisation with a redundancy, retirement or severance package.
- Managers have delegated powers to make cash awards when necessary and where not covered by any other provision as defined in the Blue Book Kent Scheme Terms & Conditions.
<http://www.kent.gov.uk/jobs/careers-with-us/working-for-us>
http://www.kent.gov.uk/_data/assets/pdf_file/0019/12574/Kent-Scheme.pdf
- Policies about termination payments and employer discretions under the Local Government Pension Scheme will be reviewed and published for all staff. These will be produced with the intention of only making additional payments when in the best interests of the Authority and maintaining consistency through all pay grades.

Kent Scheme 2019/20

KR Grade	Pay Range	
	Minimum (£)	Maximum (£)
KR20	199,077	204,208
KR19	145,273	198,051
KR18	121,566	144,550
KR17	97,057	115,356
KR16	76,025	95,531
KR15	66,870	75,647
KR14	59,068	66,537
KR13	52,713	58,774
KR12	45,007	52,451
KR11	39,108	44,783
KR10	33,082	38,913
KR9	28,925	32,917
KR8	25,238	28,781
KR7	22,182	25,112
KR6	20,222	22,072
KR5	18,704	20,121
KR4	17,498	18,611
KR3	17,365	17,411
KR2	17,364	17,364

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By: Mr Eric Hotson, Cabinet Member for Corporate and Democratic Services
Benjamin Watts - Monitoring Officer

To: County Council – 21 March 2019

Subject: Functions Delegated by the Council to Officers - Amendments and Updates

Classification: Unrestricted

Summary: The County Council is recommended to consider approving a revised and updated Schedule of Council Functions (Appendix 2 Part 3 of the Constitution).

1. Introduction

- (a) This report requests that the County Council consider changes to Appendix 2 Part 3 of the Constitution as set out in this report. As these are functions of the Council delegated by the Council to Committees and Officers, it will be necessary for any amendments to these delegations to be formally approved by the County Council.
- (b) These changes are marked in the Appendix to this report.

2. Proposed Changes

- (a) Most of the changes bring the entries up to date in line with changes to legislation and regulations to ensure users of the Constitution can make the relevant references where needed. Others are minor typographical updates.
- (b) The following Schedule entries (A20, C13 and C14), refer to powers which exist in statute, but which have not been formally recorded in the Schedule previously.
 - i. (A20) Power to act as a statutory planning consultee for major development with surface water drainage as the Lead Local Flood Authority – under Paragraph. (ze) of Schedule 4 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 (SI 2015/595) – To be delegated to the Director of Environment, Planning and Enforcement
 - ii. (C13) Preventing surface water from flowing on to the highway – under Section 100 of the Highways Act 1980 –To be delegated to the Director of Highways, Transportation and Waste

- iii. (14) Preventing surface water from flowing on to the highway – under Section 100 of the Highways Act 1980 – To be delegated to the Director of Highway, Transportation and Waste.
- (c) Entry B6, relating to the storage of celluloid, has been deleted because the legislation underpinning it has been repealed on the grounds that it was no longer needed to control health and safety risks which are now covered elsewhere.

3. Recommendation:

That the County Council approve the revised and updated Schedule of Council Functions (Appendix 2 Part 3 of the Constitution) as set out in Appendix A to the report.

Appendix

Schedule of Council Functions

These functions are the responsibility of the Council and not of the Leader

FUNCTION	PROVISION OF ACT OR STATUTORY INSTRUMENT	RESPONSIBILITY/DECISION MAKER
A. Functions relating to town and country planning and development management amongst others, including the following:		
1. Power to determine application for planning permission	Sections 70(1)(a) and (b) and 72 of the Town and Country Planning Act 1990	Planning Applications Committee - The determination of any application not delegated to officers or which relate to land or buildings managed by the Director of Environment Planning and Enforcement or to which there are material planning objections - except where representations are received that could otherwise be considered material planning objections but in the opinion of the Head of Planning Applications are not relevant in a particular case.
2. Power to determine applications to develop land without compliance with conditions previously attached	Section 73 of the Town and Country Planning Act 1990	
3. Power to grant planning permission for development already carried out	Section 73A of the Town and Country Planning Act 1990	
4. Power to determine application for planning permission made by a local authority, alone or jointly with another person	<p>Section 316 of the Town and Country Planning Act 1990 and the Town and Country Planning General Regulations 1992 (S.I. 1992/1492) <u>and subsequent amendments and regulations.</u></p> <p>Sections 69 and 92 of the Town and Country Planning Act 1990 and Articles 15, 16, 17, 18, 21, 24-27, 28-30, 32-35 and 40 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 (S.I. 2015/595) and directions made thereunder</p>	Director of Environment Planning and Enforcement - set out in notes 1 & 2 below

5. Power to decline to determine application for planning permission	Section 70A, 70B & 70C of the Town and Country Planning Act 1990	Director of Environment, Planning and Enforcement
6. Duties relating to the making of determinations of planning applications	Sections 69 and 92 of the Town and Country Planning Act 1990 and Articles 13, 14, 16, 21, 24, 28, 29, 30, 32, 40 and 43 of the Town and Country Planning (Development Management Procedure) Order 2015 (S.I. 2015/595) and directions made thereunder	Director of Environment, Planning and Enforcement
7. Power to make determinations, give approvals and agree certain other matters relating to the exercise of permitted development rights	Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015. (2015/595)	Director of Environment, Planning and Enforcement
8. Power to enter into agreement regulating development or use of land	Section 106 of the Town and Country Planning Act 1990 Section 111 of the Local Government Act 1972	Director of Environment, Planning and Enforcement or Director of Economic Development or Director of Property and Infrastructure Director of Highways, Transportation and Waste
9. Power to issue a certificate of existing or proposed lawful use or development	Sections 191(4) and 192(2) of the Town and Country Planning Act 1990	Director of Environment, Planning and Enforcement
10. Power to serve a completion notice	Section 94(2) of the Town and Country Planning Act 1990	Director of Environment, Planning and Enforcement
11. Power to authorise entry onto land	Section 196A of the Town and Country Planning Act 1990	Regulation Committee - the carrying out of enforcement action, initiation of Stop Notices or any other form of action which may give rise to liability to pay compensation.
12. Power to require the discontinuance of a use of land	Section 102 of the Town and Country Planning Act 1990	

13. Power to serve a planning contravention notice, temporary notice, breach of condition notice, or stop notice	Sections 171C, 171E, 187A and 183(1) of the Town and Country Planning Act 1990	Director of Environment, Planning and Enforcement - to exercise all other powers delegated to the committee by the Council in relation to the enforcement of the control of development under the Town and Country Planning Act 1990 and related statutory instruments.
14. Power to issue an enforcement notice	Section 172 of the Town and Country Planning Act 1990	
15. Power to apply for an injunction restraining a breach of planning control	Section 187B of the Town and Country Planning Act 1990	
16. The obtaining of information as to interests in land	Section 330 of the Town and Country Planning Act 1990	
17. Duty to determine conditions to which old mining permissions, relevant planning permissions relating to dormant sites or active Phase I or II sites, or mineral permissions relating to mining sites, as the case may be, are to be subject	Paragraph 2(6)(a) of Schedule 2 to the Planning and Compensation Act 1991, paragraph 9(6) of Schedule 13 to the Environment Act 1995 and paragraph 6(5) of Schedule 14 to that Act	Director of Environment, Planning and Enforcement
18. Power to determine a screening or scoping opinion	Town and Country Planning (Environmental Impact Assessment) Regulations 2011 <u>as consolidated and amended by SI 2017/571 and subsequent amendments and regulations.</u>	Director of Environment, Planning and Enforcement

19. Power to determine an Appropriate Assessment application	The Conservation of Habitats and Species Regulations 2010 SI 2010/490 as consolidated and amended by the Conservation of Habitats and Species Regulations 2017 (SI 2017/1012) and as the latter is amended by SI 2018/1307	Director of Environment, Planning and Enforcement - to determine Appropriate Assessment applications where Natural England has advised the Council that it is satisfied that the proposal will not affect the conservation objectives of the designated site or that the mitigation measures proposed are acceptable
20. Power to act as a statutory planning consultee for major development with surface water drainage as the Lead Local Flood Authority.	Para. (ze) of Schedule 4 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 (SI 2015/595).	Director of Environment, Planning and Enforcement.
B. Regulatory Services Functions		
1. Duty to keep list of persons entitled to sell non-medicinal poisons	Sections 3, 5, 6 and 11 of the Poisons Act 1972	Director of Environment, Planning and Enforcement
2. Power to register animal trainers and exhibitors	Section 1 of the Performing Animals (Regulation) Act 1925	Director of Environment, Planning and Enforcement
3. Power to license the employment of children	Part II of the Children and Young Persons Act 1933, bylaws made under that Part, and Part II of the Children and Young Persons Act 1963	Director of Environment, Planning and Enforcement
4. Power to approve premises for the solemnisation of marriages	Section 46A of the Marriage Act 1949 and the Marriages (Approved Premises) Regulations 1995 (S.I. 1995/510) as amended by SI 2003/1961, and The Marriages and Civil Partnerships (Approved Premises) Regulations 2005 (SI 2005/3168) and amended by SIs 2011/2661 and SI 2013/2294.	Corporate Director of Growth and Environment Appeals for refusals to be considered by the Regulation Committee

5. Powers to license the sale and collection of pigs	Articles 13 and 14 of the Pigs (Records, Identification and Movement) Order 2011 (SI 2011/2154) and related regulations . Order 1995 (S.I. 1995/11)	Director of Environment, Planning and Enforcement
6. Power to sanction use of parts of buildings for storage of celluloid	Section 1 of the Celluloid and Cinematograph Film Act 1922	Director of Environment, Planning and Enforcement
7. All Commons Registration functions	Part 1 of the Commons Act 2006 and Commons Registration (England) Regulations 2008 (SI 2008/1961) . Act 2008	Regulation Committee
C. Functions Relating to Highways		
1. Power to grant a street works licence	Section 50 of the New Roads and Street Works Act 1991	Director of Highways, Transportation and Waste
2. Power to permit deposit of builder's skip on highway	Section 139 of the Highways Act 1980	Director of Highways, Transportation and Waste
3. Power to license planting, retention and maintenance of trees etc. in part of highway	Section 142 of the Highways Act 1980	Director of Highways, Transportation and Waste
4. Power to license works in relation to buildings etc. that obstruct the highway	Section 169 of the Highways Act 1980	Director of Highways, Transportation and Waste
5. Power to consent to temporary deposits or excavations in streets	Section 171 of the Highways Act 1980	Director of Highways, Transportation and Waste
6. Power to dispense with obligation to erect hoarding or fence	Section 172 of the Highways Act 1980	Director of Highways, Transportation and Waste
7. Power to restrict the placing of rails, beams etc over highways	Section 178 of the Highways Act 1980	Director of Highways, Transportation and Waste
8. Power to consent to construction of cellars etc under street	Section 179 of the Highways Act 1980	Director of Highways, Transportation and Waste

9. Power to consent to the making of openings into cellars etc under streets, and pavement lights and ventilators	Section 180 of the Highways Act 1980	Director of Highways, Transportation and Waste
10. Powers relating to the removal of things so deposited on highways as to be a nuisance	Section 149 of the Highways Act 1980	Director of Highways, Transportation and Waste
11. Duty to assert and protect the rights of the public to use and enjoyment of highways	Section 130 of the Highways Act 1980	Director of Environment, Planning and Enforcement or Director of Highways, Transportation and Waste
12. The making of agreements for the execution of highways works	Section 278 of the Highways Act 1980 Section 38 of the Highways Act 1980	Director of Environment, Planning and Enforcement or Director of Highways, Transportation and Waste
13. Preventing surface water from flowing on to the highway	Section 100 of the Highways Act 1980	Director of Highways, Transportation and Waste
14. Preventing surface water from flowing on to the highway	Section 100 of the Highways Act 1980	Director of Highways, Transportation and Waste
D. Functions relating to Public Paths		
1. Power to create footpaths, bridleways and restricted byways by agreement	Section 25 of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
2. Power to create footpaths, bridleways and restricted byways	Section 26 of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
3. Duty to keep register of information with respect to maps, statements and declarations	Section 31A of the Highways Act 1980	Director of Environment, Planning and Enforcement

4. Power to stop up footpaths, bridleways and restricted byways	Section 118 of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
5. Power to determine application for public path extinguishment order	Section 118ZA and 118C(2) of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
6. Power to make a rail crossing extinguishment order	Section 118A of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
7. Power to make a special extinguishment order	Section 118B of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
8. Power to divert footpaths, bridleways and restricted byways	Section 119 of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
9. Power to make a public path or restricted byway diversion order	Section 119ZA and 119C(4) of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
10. Power to make a rail crossing diversion order	Section 119A of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
11. Power to make a special diversion order	Section 119B of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
12. Power to require applicant for order to enter into agreement	Section 119C(3) of the Highways Act 1980	Director of Environment, Planning and Enforcement

13. Power to make an SSSI diversion order	Section 119D of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
14. Duty to keep register with respect of applications under sections 118ZA, 118C, 119ZA and 119C of the Highways Act 1980	Section 121B of the Highways Act 1980 and the Restricted Byways (Application and Consequential Amendment of Provisions) Regulations 2006/1177	Director of Environment, Planning and Enforcement
15. Power to decline to determine certain applications	Section 121C of the Highways Act 1980	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
16. Duty to assert and protect the rights of the public to use and enjoyment of highways	Section 130 of the Highways Act 1980	Director of Environment, Planning and Enforcement
17. Duty to serve notice of proposed action in relation to obstruction	Section 130A of the Highways Act 1980.	Director of Environment, Planning and Enforcement
18. Power to apply for variation of order under section 130B of the Highways Act 1980	Section 130B(7) of the Highways Act 1980	Director of Environment, Planning and Enforcement
19. Power to authorise temporary disturbance of surface of footpath or bridleway	Section 135 of the Highways Act 1980	Director of Environment, Planning and Enforcement
20. Power temporarily to divert footpath or bridleway	Section 135A of the Highways Act 1980	Director of Environment, Planning and Enforcement
21. Functions relating to the making good of damage and the removal of obstructions	Section 135B of the Highways Act 1980	Director of Environment, Planning and Enforcement
22. Powers relating to the removal of things so deposited on highways as to be a nuisance	Section 149 of the Highways Act 1980	Director of Environment, Planning and Enforcement

23. Power to extinguish certain public rights of way	Section 32 of the Acquisition of Land Act 1981	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
24. Duty to keep definitive map and statement under review	Section 53 of the Wildlife and Countryside Act 1981	Regulation Committee – where substantive objection has been raised or at the request of a political party or elected Member Otherwise, Director of Environment, Planning and Enforcement
25. Power to include modifications in other orders	Section 53A of the Wildlife and Countryside Act 1981	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
26. Duty to keep register of prescribed information with respect to applications under section 53(5) of the Wildlife and Countryside Act 1981	Section 53B of the Wildlife and Countryside Act 1981	Director of Environment, Planning and Enforcement
27. Power to prepare map and statement by way of consolidation of definitive map and statement	Section 57A of the Wildlife and Countryside Act 1981	Director of Environment, Planning and Enforcement
28. Power to designate footpath as cycle track	Section 3 of the Cycle Tracks Act 1984 and the Cycle Tracks Regulations 1984 (SI 1984/1431) .	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
29. Power to extinguish public right of way over land acquired for clearance	Section 294 of the Housing Act 1984 ⁴⁴	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
30. Power to authorise stopping-up or diversion of footpath or bridleway	Section 257 of the Town and Country Planning Act 1990	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement

31. Power to extinguish public rights of way over land held for planning purposes	Section 258 of the Town and Country Planning Act 1990	Regulation Committee – where substantive objection has been raised or the Local Member requests Otherwise, Director of Environment, Planning and Enforcement
32. Power to enter into agreements with respect to means of access	Section 35 of the Countryside and Rights of Way Act 2000	Director of Environment, Planning and Enforcement
33. Power to provide access in absence of agreement	Section 37 of the Countryside and Rights of Way Act 2000	Director of Environment, Planning and Enforcement
35. Making, variation or revocation of Gating Order	Highways Act 1980 (Gating Orders) (England) Regulations 2006	Regulation Committee

E. Functions Relating to Elections

1. Powers in respect of holding of County Council elections	Section 39(4) 35 of the Representation of the People Act 1983	General Counsel (as the County Returning Officer)
2. Power to pay expenses properly incurred by electoral registration officers in relation to County Council functions	Section 54 of the Representation of the People Act 1983	General Counsel (as the County Returning Officer)
4. Duty to declare vacancy in office in certain cases	Section 86 of the Local Government Act 1972	General Counsel (as the County Returning Officer)
5. Duty to give public notice of a casual vacancy	Section 87 of the Local Government Act 1972.	General Counsel (as the County Returning Officer)
6. Power to determine set County Scale of Election Fees and Expenses for KCC Elections. fees and	<u>Section 36(4) of the Representation of the People Act 1983</u> Rule 48(3) of the	Electoral and Boundary Review Committee
7. Power to submit proposals to the Secretary of State for an order under section 10 (pilot schemes for local elections in England and Wales) of the Representation of the People Act 2000	Section 10 of the Representation of the People Act 2000	Electoral and Boundary Review Committee

F. Functions relating to name and status of areas and individuals		
1. Power to change the name of the county	Section 74 of the Local Government Act 1972	County Council
2. Power to confer title of honorary alderman or to admit to be an honorary freeman	Section 249 of the Local Government Act 1972	County Council
G. Functions relating to the Land Drainage Act 1991		
1. Power to enforce obligations to repair watercourses, bridges, etc	Section 21 of the Land Drainage Act 1991 as amended by Section 31 of Schedule 2 of the Flood and Water Management Act 2010.	Director of Environment, Planning and Enforcement
2. Power to give consent for obstructions, etc, in watercourses	Section 23 of the Land Drainage Act 1991 as amended by Section 32 of Schedule 2 of the Flood and Water Management Act 2010	Director of Environment, Planning and Enforcement
3. Power to require works for maintaining flow of watercourses	Section 25 of the Land Drainage Act 1991 as amended by Section 33 of Schedule 2 of the Flood and Water Management Act 2010	Director of Environment, Planning and Enforcement
4. Power of entry for internal drainage boards and local authorities	Section 64 of the Land Drainage Act 1991	Director of Environment, Planning and Enforcement.
H. Other Functions		
1. Power to make, amend, revoke or re-enact bylaws	Any provision of any enactment (including a local Act), whenever passed, and section 14 of the Interpretation Act 1978	County Council
2. Power to promote or oppose local or personal Bills	Section 239 of the Local Government Act 1972	County Council

3. Functions relating to local government pensions, etc	Regulations under section 7, 12 or 24 of the Superannuation Act 1972	Superannuation Fund Committee.
4. Duty to approve authority's statement of accounts, income and expenditure and balance sheet or record of receipts and payments (as the case may be)	The Accounts and Audit Regulations 2015 (2015/2341996 (S.I. 1996/590)) .	Governance and Audit Committee
5. Functions relating to sea fisheries	Ch.1 of Part 6 of the Marine and Coastal Access Act 2009 and The Kent and Essex Inshore Fisheries and Conservation Order 2010 (SI 2010/2190). Sections 1,	Kent and Essex Inshore Fisheries and Conservation Authority,
6. Power to make standing orders.	Section 106 of, and paragraph 42 of Schedule 12 to, the Local Government Act 1972	County Council
7. Power to appoint staff or place them at the disposal of other authorities	Sections 112 and 113 of the Local Government Act 1972	Senior Managers - Personnel Committee or Member Appointment Panel (Sub Committee) Other officers – Senior Managers
FUNCTION	PROVISION OF ACT OR STATUTORY INSTRUMENT	RESPONSIBILITY/DECISION MAKER
8. Duty to appoint officers as Head of Paid Service, Monitoring Officer, as responsible for administration of financial affairs and provide staff for them	Sections 151 of the Local Government Act 1972, 4(1) and 5(1) of the Local Government and Housing Act 1989	County Council
9. Power to make standing orders as to contracts	Section 135 of the Local Government Act 1972	County Council
10. Power to make payments or provide other benefits in cases of maladministration, etc	Section 92 of the Local Government Act 2000.	Corporate Director of Finance (as the Section 151 Officer)

11. The making of arrangements for appeals against exclusion of pupils	Section 67(1) and Schedule 18 of the Schools Standards and Framework Act 1998	Head of Democratic Services
12. The making of arrangements for admission appeals	Section 94(1) and (4) and Schedule 24 of the Schools Standards and Framework Act 1998	Head of Democratic Services
13. The making of arrangements for children to whom section 87 applies: appeals by governing bodies	Section 95(2) and Schedule 25 of the Schools Standards and Framework Act 1998	Head of Democratic Services
14. The obtaining of particulars of persons interested in land	Section 16 of the Local Government (Miscellaneous Provisions) Act 1976	Director of Environment, Planning and Enforcement
15. Discharge of persons who are subject to Guardianship	Section 23 of the Mental Health Act 1983 <u>1983</u>	Mental Health Guardianship Sub-Committee on the recommendation of Director of Disabled Children, Adults Learning Disability and Mental Health
16. Appointment of, nomination of or removal of LEA Governors to school governing bodies	School Governance (Constitution) (England) Regulations 2012	Governor Appointment Panel Appointments delegated to the Corporate Director Children, Young People and Education, in consultation with the Chairman of the Governor Appointment Panel where the nominee meets the guidelines in full

<p>17. Grant dispensations where:</p> <p>(i) without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter; or</p> <p>(ii) that the authority considers that the dispensation is in the interests of persons living in its area; or</p> <p>(iii) where the Committee considers that it is otherwise appropriate to grant a dispensation.</p>	<p>Section 33 (2) of the Localism Act 2011</p>	<p>Standards Committee</p>
<p>18. The appointment of proper officers</p>	<p>See Relevant regulation in 'Appendix 2 Part 7: Statutory and Proper Officers.'</p>	<p>County Council</p>
<p>19. The appointment (and the revocation of any such appointment) of an individual:</p> <p>(a) to any office other than an office in which he is employed by the authority</p> <p>(b) to any body other than:</p> <p style="padding-left: 20px;">(i) the authority</p> <p style="padding-left: 20px;">(ii) a joint committee of two or more authorities</p> <p>(c) to any committee or sub-committee of such a body</p>		<p>All Senior Officers except when the appointment needs to be made by the Leader in connection with the delegation by him of his functions, the list of those appointments to be agreed from time to time by the Selection & Member Services Committee</p>
<p>20. Any function under a local Act</p>		<p>All Senior Officers</p>

- 3.1 Note 1 - The following delegation to the Head of Planning Applications Group was agreed by the Planning Applications Committee on 18 November 2015:
- (a) To determine any application (including details submitted under condition and non-material amendments) for which there has been no relevant planning objection raised by consultees or as a result of publicity, or where representations are received that could otherwise be considered material planning objections but in the opinion of the Head of Planning Applications are not relevant in a particular case.
- 3.2 Note 2 – The following delegation to the Head of Planning Applications Group was agreed by the Planning Applications Committee on 18 November 2015:
- (a) To refuse applications and to not approve details submitted under conditions where such submissions meet any of the following criteria:
- i. The proposal does not accord with the Development Plan and there are no overriding material reasons for granting permission or approving the details;
 - ii. Insufficient detail or information has been submitted to:
 - a. enable proper consideration of an application for planning permission; or
 - b. satisfy the terms of a condition or conditions, in the case of an application to discharge a condition or conditions; or
 - c. enable technical issues raised by consultees to be resolved, either to determine an application for permission or to discharge a condition or conditions;
- (b) The applicant has not agreed a reasonable extension of time to otherwise allow, within the required timescale for:
- i. proper consideration of any further information submitted; or
 - ii. completion of a legal agreement; or
 - iii. resolution of any other outstanding matters;
- (c) The applicant has failed to complete a legal agreement upon which a resolution by the Planning Applications Committee to grant planning permission is dependent within 6 months of such a resolution being made;
- (d) The application is retrospective and is aimed at rectifying a breach of planning control against which Enforcement proceedings including Court prosecutions have already been instigated;
- (e) The application is a repeat application within 12 months of a previous refusal or withdrawal and does not address the grounds of refusal or concerns raised by the earlier proposal.
- 3.3 Such decisions in relation to Note 2 above will only be issued following consultation with the Chairman, Vice Chairman and Lead Spokesman for each

political group prior to a decision being taken unless reasons of urgency make this impracticable. The consultation period shall usually be 2 working days.

- 3.4 Any decision taken in respect of Note 2 above is to be reported to the committee, including the reason that (exceptionally) it had been impractical to consult the Chairman, Vice-Chairman and Lead Spokesman for each political group.