



Summons to and
Agenda for a
Meeting on
**Thursday, 11th March,
2021**
at **10.00 am**



DEMOCRATIC SERVICES
SESSIONS HOUSE
MAIDSTONE

Wednesday, 3 March 2021

To: All Members of the County Council

A meeting of the County Council will be held online on Thursday, 11th March, 2021 at **10.00 am** to deal with the following business. **The meeting is scheduled to end by 4.30 pm.**

AGENDA

1. Apologies for Absence
2. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda
3. Minutes of the meetings held on 10 December 2020 and 11 February 2021 **(Pages 1 - 30)**
4. Chairman's Announcements
5. Questions
6. Report by Leader of the Council (Oral)
7. Pay Policy Statement 2021-22 **(Pages 31 - 36)**
8. Treasury Management 6 Month Review 2020/21 **(Pages 37 - 54)**
9. Covid-19 - Delivering through the Pandemic **(Pages 55 - 78)**
10. Covid-19 Local Recovery Fund **(Pages 79 - 82)**
11. Motion for Time Limited Debate

*Proposer: Ida Linfield
Seconder: Trudy Dean*

Background information

According to Kent Carers Matter, 1 in 9 adults in Kent are carers for people of all ages at any one time. This equates to over 151,000 people. 3 in 5 people in Kent will become a carer at some point in their life. A quarter of carers have reported not having had a day off for 5 years.

There are currently over 200 registered providers of respite care and short breaks across Kent. Many of these are community services available to everyone without assessment, and for those with more specialist needs, there are a range of targeted options.

Motion

This Council notes the many benefits to health and wellbeing that respite services and short breaks provide to carers. However, it is clear that even before the current pandemic many carers in the county were not accessing any support. These numbers are likely to have increased markedly, and stress levels amongst carers are known to be very high.

The Council commits to actively promoting respite breaks for all carers across Kent by launching a new publicity campaign to raise awareness to those carers who have yet to take advantage of the short break and respite services to which they are entitled.



Benjamin Watts
General Counsel
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KENT COUNTY COUNCIL

COUNTY COUNCIL

MINUTES of a meeting of the County Council held online on Thursday, 10 December 2020.

PRESENT: Mr G K Gibbens (Chairman), Mr M J Northey (Vice-Chairman), Mrs A D Allen, MBE, Mr M J Angell, 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 Booth, Mr A H T Bowles, Mr D L Brazier, Mr J Burden, Mr D Butler, Miss S J Carey, Mrs S Chandler, Mr N J D Chard, Mr I S Chittenden, Mr J Clinch, 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, Mr M C Dance, Miss E Dawson, Mrs T Dean, MBE, Mr D Farrell, Mrs L Game, 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 P J Homewood, Mr A J Hook, Mr M J Horwood, Mr E E C Hotson, Mrs L Hurst, Mr J A Kite, MBE, Mr S J G Koowaree, 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 S C Manion, Mr R A Marsh, Mr J P McInroy, Mr D D Monk, Miss D Morton, Mr D Murphy, 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, Dr L Sullivan, Mr B J Sweetland, Mr R J Thomas, Mr M Whiting, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services) and Mr B Watts (General Counsel)

UNRESTRICTED ITEMS

258. Apologies for Absence
(Item 1)

The General Counsel reported apologies from Sir Paul Carter, Mr Messenger and Mrs Stockell. Mrs Cole, Miss Dawson, Mrs Hohler and Mr Pugh gave their apologies for the afternoon session.

259. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda
(Item 2)

Mr Bartlett declared an interest in item 8 on the agenda - EU Transition Update - as he lived adjoining the Sevington Inland Border Facility in Ashford.

260. Minutes of the meeting held on 22 October 2020
(Item 3)

RESOLVED that the minutes of the meeting held on 22 October 2020 be approved as a correct record, subject to the correct spelling of Mr Simkins' name on page 8 (Minute no 253, paragraph (1)).

261. Chairman's Announcements

(Item 4)

a) New Vice Lord-Lieutenant of Kent

The Chairman asked members to join him in welcoming Brigadier (Retd) Trevor Minter OBE DL to the post and in wishing him the very best during his tenure.

b) New Deputy Lieutenants of Kent

The Chairman asked members to join him in welcoming the eight new Deputy Lieutenants of Kent who had been appointed to the lieutenancy on 29 October. The new deputy lieutenants appointed were Mrs Jane Ashton, Mr Tim Bull, Mr Lennox Cato, Mrs Kate Fenwick, Mr Nicholas Hely-Hutchinson, Lady Newey, Lord Northbourne, and Professor Rama Thirunamachandran.

c) No Use Empty scheme

The Chairman said he was pleased to announce that Kent County Council had been a finalist in the category for "Council of the Year" at the annual awards ceremony organised by Inside Housing and held on 3 December. He said these awards celebrated the very best organisations in the UK Housing sector, and this nomination was a particularly impressive achievement as the Council was the only non-housing authority shortlisted in this category. He said the success was due, in part, to achievements of the award-winning No Use Empty scheme, which was established in 2005 and had brought back into use 6,600 long-term empty properties across the county. Close partnership working, a committed approach and a recyclable loan fund, which had provided £35 million worth of short term secured loans, was not only helping to meet housing needs but also supported the local economy and brought wider benefits to communities. The Chairman said the team responsible for the No Use Empty Scheme were always looking to expand it and had been successful in having an extra £1 million of funding from the South East Local Enterprise Partnership to launch Phase 2 of the No Use Empty Commercial Scheme. The business case was due to receive its final sign-off from the Local Enterprise Partnership in February, after which Phase 2 of the commercial scheme would be launched across the county. The Chairman invited members to join him in congratulating those involved on their success.

262. Questions

(Item 5)

In accordance with Sections 14.15 to 14.22 of the Council's constitution, 13 questions were asked, and replies given. A record of all questions put and answers given at the meeting is available [online](#) with the papers for this meeting.

263. Report by Leader of the Council (Oral)

(Item 6)

- (1) The Leader updated the Council on events since the last meeting. He acknowledged the importance of the transition arrangements for the withdrawal of the UK from the European Union and the new strategic plan but said he would not refer to them in his address as they would be considered later in the meeting. He said he had previously emphasised the degree to which the authority could face a triple pressure from Covid-19, the ending of EU transition arrangements and winter weather and he, his cabinet and senior officers had been pre-occupied with ensuring the authority was as prepared as it could be for each of those events and for their cumulative effects.
- (2) Mr Gough referred to the update he had provided at the last meeting of the County Council when he had set out what needed to be done to maintain Kent's relatively good position in relation to Covid-19 infections. However, since the second half of October the position had changed and, as of this morning, Kent's seven-day figure for infections was 339.1 per 100,000 of the population. This was more than twice the national average and Kent had been placed in tier 3 under the system announced by the government. Other indicators, such as test positivity and pressures within the NHS made it clear that the situation was grave. He said the authority was doing all it could to turn the position around and get back to a position where more normal life could be resumed. Mr Gough said that, for the last week or so, this included carrying out the local element of contact tracing for which the authority had lobbied for a long time. He said the authority was working closely with district and borough councils with the aim of following up over 80% of contacts of those who tested positive for Covid-19. In addition, the authority had been working with military planners and was hoping that approval would be given to the County Council to undertake asymptomatic testing starting in Thanet and Swale, which had the highest infection rates, and then to other parts of the county. He also referred to the part the County Council was playing in relation to the roll-out of the vaccine particularly in care homes and its work with the NHS to identify sites for administering the vaccination as well as its work with districts and boroughs on enforcement and communication. Mr Gough referred to the high-profile activity of Trading Standards over the previous weeks to ensure that regulations were followed, the work underway to understand the barriers to compliance and the development of localised forms of communication. He said there was evidence to suggest that lower compliance was more common when people believed the rules were not being enforced and that others were not complying.
- (3) Mr Gough referred to the statement about unaccompanied asylum-seeking children (UASC) that he and Mrs Chandler had issued on Monday regarding the resumption of the authority's statutory duties. He said the decision, taken in August, to cease collecting young people from the port and taking them into the care of the County Council had been taken very reluctantly and, even with the benefit of hindsight, the only action that might have been different would have been to act sooner. In August, when the decision was made, there were over 600 UASC in Kent's care as well

as over 900 care leavers which meant the numbers in Kent were almost three times the acceptable level set out in the National Transfer Scheme. Since then, large scale transfers had taken place both under the National Transfer Scheme and directly from the port to other local authorities. He said the number of UASC in Kent's care had fallen to 412 and as the caseloads of social workers were at lower levels KCC was able to resume its statutory duties. He referred to other developments including: an increase in the payment rates received from government to support UASC which meant there would not be a further burden on the Kent council taxpayer and to the continuing discussion with government on longer-term initiatives such as age assessments and efforts to secure placements. He said that, until a sustainable National Transfer System was established, he could not be confident there would not be a recurrence of what had happened in the summer. He said he was convinced that a mandatory National Transfer System, to which the government had not yet committed itself, was needed and that the County Council would continue to lobby for that.

- (4) Mr Gough said that the recent announcement of the spending review was broadly welcomed. However, much of the funding was described as being a one-off and that raised questions about the longer term and, in particular, the struggle of local government to get its share of public spending while coping with rising demand for services. He said the authority's approach to delivering its services would be considered later today during discussion on the Interim Strategic Plan. Mr Gough referred to the impact of the Covid-19 pandemic on Kent businesses and the initiatives underway to support them including the Kent and Medway Helpline which the authority would continue to support until March 2021, the additional tranche of funding from the Kent and Medway Business Fund, the work of the Employment Task Force and the work with higher and further education providers to ensure the right skills were available to support the employment of local people when growth took place.
- (5) Mr Gough referred to the receipt of £6.1 million from the second tranche of Active Travel funding. He welcomed the funding and said that Kent, like other local authorities, had learned from the challenges presented by the compressed timetables associated with the first tranche and was pleased to see that more extensive engagement with residents was part of the second tranche.
- (6) Mr Gough said that in the lead up to the schools' half-term holiday and during the public debate about the provision of free school meals during half-term, the authority had acted quickly to make vouchers available to those who were eligible. He said staff, particularly those in the Strategic Commissioning team and in Agilisys had responded magnificently to the challenge which had been characterised by the 'just do it' approach that had been in evidence throughout the Covid-19 crisis. He said it was intended to use part of the winter grant scheme funding of £4.5 million to provide free school meal vouchers for the Christmas and February half-term holidays.

- (7) Mr Gough thanked and congratulated Miss Carey on the recent successful environmental conference at which Kent's energy and low emissions strategy had been launched and Mr Holden on the Plan Bee conference as well as the officers who had supported the events.
- (8) Mr Gough said it had been a year in which the authority and the county of Kent had faced massive challenges and he thanked and saluted members and staff for the way in which the authority had responded to these challenges. He concluded by wishing everyone a merry and safe Christmas.
- (9) Mr Bird said he was pleased that Kent County Council was once again able to accommodate asylum-seeking children, particularly as they had endured considerable hardship and trauma. He feared, however, that the recent issues would recur sooner rather than later as world-wide migration continued and there were already increasing reports of attempts to get into lorries in Calais to cross the English Channel. He said the National Transfer System was not working properly and, although some local authorities had stepped up to share the burden, many had not. He said that until the National Transfer System became mandatory, Kent and other local authorities had to work hard to ensure that these children and young people got the support they needed to build a new life in Britain.
- (10) Mr Bird welcomed the start of the programme of vaccination against Covid-19 and hoped that the Oxford AstraZeneca vaccine would be approved soon. He said the infection rates for all Kent districts and for Medway were currently above the national average and other key criteria such as the incidence of Covid-19 among the over-sixties and the pressure of Kent's hospitals had been flashing amber or red for some time. He said that no one wanted to be in tier 3 any longer than necessary, but the attempts by some Kent MPs to split the county into different tiers were ill-informed, short-sighted, and ill-judged. He hoped a mass testing regime could be implemented across the county and that a localised tracing system, provided by Kent County Council with district partners, would be more effective than the national system. He said these systems would only work if those who tested positive self-isolated and that the government needed to provide more support for people who could not afford to miss work or who needed to go out for essential supplies.
- (11) Mr Bird, on behalf of the Liberal Democrat group, commended health staff, care workers, teachers and other frontline staff in Kent, for all they had done during the pandemic. He also praised the thousands of carers who had supported their families and neighbours through the most challenging of circumstances. He acknowledged the fact that the authority had previously celebrated the role and contribution of young carers and suggested that no one could have anticipated some of the challenges young carers had faced in the previous nine months. He hoped that the County Council would work with partner agencies to ensure that the Young Carers Action Day, scheduled for the 16 March 2021, would be a day when the county as a whole remembered the immense contribution of these remarkable young people.

- (12) Mr Bird said he did not have the time to say everything he wished to about Brexit. He anticipated shortages, higher prices and job losses for many years to come, and an economic and social shock which would blight future generations.
- (13) Mr Bird concluded by wishing everyone a good and safe Christmas.
- (14) Mr Farrell said the Covid-19 vaccine was a global triumph of scientific research and design, however, the pandemic was not over and many Kent residents would spend the Christmas period worrying about their health, and that of their families, while thousands would worry about what the new year might mean in terms of their jobs. He said it was clear that Kent would remain in tier 3 for some time and that he was looking forward to the Scrutiny session later in the day as he hoped there would be a constructive discussion about the measures that might be taken to get the county out of tier 3. He said people might be more inclined to follow the rules if they were led by science and made sense. He referred to the impact of the pandemic on the hospitality sector, the national debate on Scotch eggs, the limited government support for wet pubs and the desire of the sector to re-open in the Christmas period. He said many had spent thousands of pounds making their premises Covid-secure and that he would continue to stand up for business owners and employees in his division and across the county. He said that, whilst the roll-out of mass vaccination was just around the corner, it should not be used to justify the lack of support for many businesses. He said the extension to the furlough scheme was welcome, but more government support was needed. While he acknowledged the assistance the County Council had provided to the government in relation to personal protective equipment, and its role in relation to public health issues, he thought more lobbying of government should have been done on issues relating to the economy. He said he would be interested in the Leader's views on the SERCO test and trace and on the actions taken to accelerate the test and trace programme locally.
- (15) Turning to finance, Mr Farrell said that the authority was accustomed to welcoming any small improvement to initial assumptions about its financial position and acknowledged the fact that the administration had managed to close a deficit of £20 million. He said the only tax increase included in the spending review related to the council tax and he suggested that another round of austerity had already started. He said the NHS had a £1 billion shortfall in funding to pay wages to the end of the year and £400 million was required to provide emergency health care in Kent. He said the pandemic had demonstrated that centralised planning did not work, and that local government could take on more responsibility if it was better resourced.
- (16) Mr Farrell concluded by wishing all members and staff a merry Christmas and a happy new year.
- (17) Mr Whybrow said it was very good to have attended the event for prospective county councillors the previous evening and said it provided an opportunity to reflect on the role of a county councillor. He went on to

say that despite budget constraints and rising demand for services, 2020 had demonstrated the important role of local charities and agencies in supporting local communities and that KCC should nurture, encourage, and protect them by providing certainty about their funding, reducing the complexity of their interactions with the authority, and considering any additional support they might need.

- (18) Mr Whybrow that whilst 2020 had been an awful year because of Covid-19, it had also been an awful year for the planet with the annual melting record broken at both poles and a million species facing extinction within decades. He said that zero carbon had to be embedded in all the County Council's activities, as otherwise, the zero-carbon aspirations would remain just that. He said the authority should re-consider its support for the carbon-guzzling, air-polluting, habitat-destroying lower Thames crossing, oppose any new airports or airport expansions, divest from fossil fuels in the Kent Pension Fund and in its treasury investments, end support for the Thanet Parkway railway station, to which most people would drive, and not allow a bus operator to start a new service in Kent using diesel buses. Mr Whybrow said that all capital projects should be reviewed, and that all future South East Local Enterprise Partnership's transport-related projects should have walking, cycling and public transport as their primary focus.
- (19) He concluded by wishing everybody a happy and safe Christmas and thanked staff for their efforts during the year.
- (20) Mr Gough responded to some of the points made. He said he believed there was a general consensus about the need for a mandatory National Transfer Scheme and the desire to get out of tier 3 as soon as possible. He also echoed the praise for, and the thanks given to young carers, frontline workers and school staff. Mr Gough said the authority had lobbied for local testing and tracing for a long time and he thought that the comparatively low rates of infection in Kent earlier in the year was one of the reasons why it had not happened sooner. He said a localised approach to communication and enforcement had been adopted and that he was an advocate for local solutions.
- (21) In relation to support for business Mr Gough disagreed with Mr Farrell's comments and referred him to Mr Whiting's presentation to members on 4 December which had set out the scale of the authority's support for business. He also referred to government schemes some of which were administered nationally or through district and borough councils. Mr Gough said the current crisis provided an opportunity to reset many of the priorities and actions, however, he could not agree with Mr Whybrow's views about the Thanet Parkway station, which he said would make a significant contribution to economic activity in the surrounding area and had the support of Thanet and Dover district councils. He also reiterated his view that a blanket approach to divestments was not the way forward, and that the authority would always seek to be a prudent and sensible investor with responsibility for its pension obligations.
- (22) Resolved that the Leader's report be noted.

264. 'Setting the Course' - Kent County Council's Interim Strategic Plan
(Item 7)

(1) Mr Gough proposed and Mr Oakford seconded the following motion:

“The County Council is asked to approve ‘Setting the Course’ – Kent County Council’s Interim Strategic Plan.”

(2) Following the debate, the Chairman put the motion set out in paragraph (1) above and the voting was as follows:

For (56)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Mrs Chandler, Mrs Cole, Mr Collor, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Miss Dawson, Mrs Game, Mr Gough, Mrs Hamilton, Mr Harman, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Lymer, Mr Manion, Mr Marsh, Mr McInroy, Mr Murphy, Mr Northey, Mr Oakford, Mr Ozog, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Thomas, Mr Whiting, Mr Wright.

Against (13)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Mrs Constantine, Mr Farrell, Mr Hook, Mr Koowaree, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Sweetland, Mr Whybrow

Abstain (0)

Motion Carried.

(3) Resolved that the County Council approves ‘Setting the Course’ – Kent County Council’s Interim Strategic Plan.

265. Report Under Section 5 of the Local Government and Housing Act 1989
(Item 9)

(1) The General Counsel introduced the report, which was made under section 5 of the Local Government and Housing Act, relating to a breach of statutory duties by Kent County Council. The General Counsel confirmed that Kent County Council was no longer in breach of its statutory duty.

(2) Resolved to note the report.

266. Proposed top tier realignment in Growth, Environment and Transport Directorate
(Item 11)

- (1) Mr Gough proposed and Miss Cary seconded the following motion:
- 1.1 “The County Council is invited to approve the recommendation of the Personnel Committee to agree:
- the deletion of the posts of Director Environment, Planning and Enforcement and Director Economic Development in the Growth, Environment and Transport Directorate.
 - the introduction of three new Divisions, each headed by a new Director role – Transportation; Environment and Waste; and Growth and Communities.
 - consequential amendments to the current role of Director Highways and Waste
 - that the new structure will operate from 1 April 2021 and that the selection to the new posts will begin immediately if the County Council endorses the recommendation. The current proposal would result in the Director Highways and Waste being “slotted” under existing HR policies to the new post of Director - Transportation. Appointments to the other two posts will be made by the Personnel Committee through a Member Appointment Panel.”
- (2) Following the debate, the Chairman put the motion set out in paragraph (1) above.
- (3) Resolved that the County Council approves the recommendation of the Personnel Committee to agree:
- (a) the deletion of the posts of Director Environment, Planning and Enforcement and Director Economic Development in the Growth, Environment and Transport Directorate.
 - (b) the introduction of three new Divisions, each headed by a new Director role – Transportation; Environment and Waste; and Growth and Communities.
 - (c) consequential amendments to the current role of Director Highways and Waste
 - (d) that the new structure will operate from 1 April 2021 and that the selection to the new posts will begin immediately if the County Council endorses the recommendation. The current proposal would result in the Director Highways and Waste being “slotted” under existing HR policies to the new post of Director - Transportation. Appointments to the other two posts will be made by the Personnel Committee through a Member Appointment Panel.

267. Corporate Parenting Panel - Annual Report - 2019- 20
(Item 10)

- (1) Mrs Chandler proposed and Mrs Allen seconded the following motion:

“The Members of the County Council are asked to note the annual report and our responsibilities as corporate parents.”

- (2) Following the debate, the Chairman put the motion set out in paragraph (1) above.
- (3) Resolved that the County Council notes the annual report and their responsibilities as corporate parents.

268. EU Transition Preparedness - Kent County Council Update
(Item 8)

- (1) Mr Gough proposed, and Mr Payne seconded the following motion:

“The County Council is asked to:

- (1) note the updated national and local preparations for the end of the EU Transition phase.
 - (2) endorse Kent County Council’s continuing focus on Government action needed to resolve final remaining risks and dependencies.”
- (2) Following the debate, the Chairman put the motion set out in paragraph (1) above and the voting was as follows:

For (55)

Mrs Allen, Mr Angell, Mr Chittenden, Mr Clinch, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Mrs Chandler, Mr Collor, Mr Cook, Mr Cooke, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Harman, Mr Hill, Mr Hills, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Koowaree, Mr Lake, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Miss Morton, Mr Murphy, Mr Northey, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Miss Rankin, Mr Rayner, Mr Ridgers, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting , Mr Wright

Against (9)

Mr Bird, Mrs Constantine, Mrs Dean, Mr Farrell, Mr Hook, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Whybrow

Abstain (1)

Mr Lymer

Motion Carried.

- (3) Resolved that the County Council:

- (a) Notes the updated national and local preparations for the end of the EU Transition phase.
- (b) Endorses Kent County Council's continuing focus on Government action needed to resolve final remaining risks and dependencies.

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KENT COUNTY COUNCIL

COUNTY COUNCIL

MINUTES of a meeting of the County Council held online on Thursday, 11 February 2021.

PRESENT: Mr G K Gibbens (Chairman), Mr M J Northey (Vice-Chairman), Mrs A D Allen, MBE, Mr M J Angell, 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 Booth, Mr A H T Bowles, Mr D L Brazier, Mr J Burden, Mr D Butler, Miss S J Carey, Sir Paul Carter, CBE, Mrs S Chandler, Mr N J D Chard, Mr I S Chittenden, Mr J Clinch, 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 M C Dance, Mrs T Dean, MBE, Mr D Farrell, Mrs L Game, 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 P J Homewood, Mr A J Hook, Mr M J Horwood, Mr E E C Hotson, Mrs L Hurst, Mr J A Kite, MBE, Mr S J G Koowaree, 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 S C Manion, Mr R A Marsh, Mr J P McInroy, Mr P J Messenger, Mr D D Monk, Miss D Morton, Mr D Murphy, 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 C Simkins, Dr L Sullivan, Mr B J Sweetland, Mr R J Thomas, Mr M Whiting, Mr M E Whybrow and Mr J Wright

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Ms Z Cooke (Corporate Director of Finance) and Mr B Watts (General Counsel)

UNRESTRICTED ITEMS

1. Apologies for Absence
(Item 1)

The General Counsel reported apologies from Mr Daley, Mrs Dawson, Mr Ridgers and Mrs Stockell. Mr Messenger gave his apologies for the afternoon session. Mr A Cook, Mr Lewis and Mr Lymer gave their apologies for part of the afternoon session.

2. Declarations of Disclosable Pecuniary Interests or Other Significant Interests in items on the agenda
(Item 2)

Dr Sullivan declared a Disclosable Pecuniary Interest as her husband is employed by the County Council in the Early Help and Prevention Team. She did not vote on the amendment set out at paragraph 23 below.

3. **Chairman's Announcements** (Item 3)

(a) **Mr Leonard Price**

- (1) The Chairman said, it was with regret, that he had to inform members of the death of Mr Leonard Price, former Conservative Member for Tunbridge Wells Central from 1981-1993.
- (2) Mr Payne, Mr Bird and Mr Holden paid tribute to Mr Price.
- (3) Following the tributes, members observed a one-minute silence in memory of Mr Price.
- (4) After the one-minute silence, the Chairman moved, the Vice-Chairman seconded, and it was resolved unanimously that:

“This Council records the sense of loss it feels on the sad passing of Mr Price and extends to his family and friends our heartfelt sympathy to them in their sad bereavement”.

(b) **Honours Process for New Year 2022**

The Chairman said he would like to formally record the Council's congratulations to those who had received an honour in the New Year honours list 2021, with particular congratulations to the Kent residents who received an honour. He also informed members that there was still time to nominate people working in local government (including members) for an honour in the 2022 New Year honours list. The Chairman said the Ministry of Housing, Communities and Local Government was especially interested in people who were working or volunteering in their communities, including those working with the homeless or in housing more widely, those supporting community integration and interfaith work and those working in local government over an extended period to achieve the council's local ambitions. He advised members that two letters of support had to be included with the nomination form and that further information was available from the Civic Office.

(c) **Smart Winter Project**

The Chairman said that the Highways Transportation and Waste team, with Amey, had won an Association for Public Service Excellence 2020 Innovation Award in December for its highways, street lighting and winter maintenance services. The award was made for the Smart Winter Project, which introduced 120 road surface temperature sensors across the county to measure road temperature and transmit data in real-time. When combined with weather station information this information enabled the development of a predictive road surface temperature model with 90% accuracy, allowing for real-time decisions on gritting routes, which made savings by avoiding unnecessary gritting, and enhanced public safety through targeted gritting where it was most required.

4. **Section 25 Assurance Statement**

(Item 4)

(1) Mr Oakford moved, and Mr Gough seconded the motion that:

“Pursuant to section 25 of the Local Government Act, the County Council is asked to note this report and agree to have due regard to the contents when making decisions about the budget.”

(2) The Corporate Director for Finance said that, as the Section 151 Officer, she was legally required to give her opinion on the robustness of the budget estimates and the level of the Council’s reserves. She said that, having taken into account a number of factors including the highly uncertain operating environment, the significantly increased financial risks being faced by the Council in both the short and medium term, a detailed assessment of the budget estimates, the Council’s financial resilience, the risks it was facing and the proposed approach to strengthening reserves contained in the appendices to the draft budget report at item 5 of the agenda and presented at a member briefing on 4 February, in her opinion, the budget estimates set out at item 5 of the agenda were robust as were the level of reserves.

(3) The Chairman put the motion set out in paragraph 1 above to the vote and the vote was as follows:

For (65)

Mrs Allen, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mr Bird, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mr Chittenden, Mr Clinch, Mrs Cole, Mr Collor, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Dean, , Mrs Game, Mr Gibbens Mr Gough, Mrs Hamilton, Mr Harman, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Hook, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Ida Linfield, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Mr Messenger, Mr Monk, Miss Morton, Mr Murphy, Mr Northey, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Whybrow, Mr Wright.

Against (3) Miss Constantine, Mr Lewis, Dr Sullivan

Abstain(1) Mr Farrell

Motion carried.

(4) Resolved that, pursuant to section 25 of the Local Government Act, the County Council notes this report and agrees to have due regard to the contents when making decisions about the budget.

5. **Capital Programme 2021-24, Revenue Budget 2021-22 and Medium Term Financial Plan 2021-24**

(Item 5)

- (1) The Chairman said 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 that they were in arrears and must not vote on any matter related to KCC's Budget or Council Tax.
- (2) The Chairman drew members' attention to the Section 151 Officer's assurance statement agreed in the previous item on the agenda.
- (3) Mr Oakford moved, and Mr Gough seconded the following motion:

“County Council, having given due regard to the s25 Report (published for consideration and noting as agenda item 4 of this meeting), is asked to agree:

- (a) The net revenue budget requirement of £1,132.426m for 2021-22.
- (b) The 10-year capital programme and investment proposals of £1,057.925m over three years from 2021-22 to 2023-24 together with the necessary funding and subject to approval to spend arrangements.
- (c) The directorate capital programmes as set out in appendices A & B of the final draft budget report published on 3rd February 2021.
- (d) The directorate revenue budget proposals as set out in appendices C to F of the final draft budget report published on 3rd February 2021.
- (e) The Capital Strategy as set out in appendix J of the final draft report published on 3rd February 2021 including the Prudential Indicators.
- (f) The Treasury Management Strategy as set out in appendix K of the final draft report published on 3rd February 2021
- (g) The Minimum Revenue Provision (MRP) Statement as set out in appendix M of the final draft report published on 3rd February 2021.
- (h) The Reserves Policy as set out in Appendix N, including the review of the rollover procedures for 2020-21 outturn to improve financial resilience and treatment of general underspends
- (i) To delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations.
- (j) To increase Council Tax band rates up to the maximum permitted without a referendum as set out in section 6 table 5 (page 20 of the report) in the final draft report published on 3rd February 2021.
- (k) To levy the additional 3% social care precept (raising an additional £22,228,900 and taking the total social care precept to £87,335,000 out of the precept set out in recommendation (l) below).
- (l) The total Council Tax requirement of £778,704,100 to be raised through precepts on districts as set out in section 6, table 4 (page 19 of the report) in the final draft report published on 3rd February.
- (m) The Personnel Committee recommendation of an increase of 2% for 2021-22 for all Kent Scheme staff with the corresponding adjustment to pay scales (and noting the voluntary freeze for 2021-22 to Kent Range 17 and above offered by Corporate Directors and Directors)
- (n) The Personnel Committee recommendation to increase to the entry value of the lowest grade (KR2/3) to £9.55 per hour to maintain the

position above the national minimum and marginally above the Living Wage Foundation for April 2021.

In addition:

(o) To delegate authority to the Corporate Director of Finance (after consultation with the Leader, the Deputy Leader and Cabinet Member for Finance, Corporate & 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 and for any changes made to be reflected in the final version of the Budget Book (blue combed) due to be published in March 2021.

(p) To note the uncertain financial outlook for later years in the absence of a multi-year settlement from government and the potential scenarios for recovery from the Covid-19 pandemic as set out in appendix I of the final draft report published on 3rd February 2021.

(4) Mr Farrell proposed, and Mr Lewis seconded a motion that the meeting be suspended to allow fuller details of the budget to be presented.

(5) Chairman put the motion to the vote as set out in paragraph 4 above and the voting was as follows:

For (15)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Mr Collor Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Koowaree, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (58)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, , Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Lymer, Mr Marsh, Mr McInroy, Mr Messenger, Mr Monk, Miss Morton, Mr Murphy, Mr Northey, Mr Oakford, Mr Ozog, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Abstain (0)

Motion lost.

(6) In response to a question and comments from members, and a request that the answer be recorded in the minutes, Mr Watts said the County Council was the sovereign body of the authority and had a number of reserved functions, including the agreement of the Budget, which could not be delegated to the Executive. He said the Budget had been prepared in accordance with constitutional requirements including the publication of a draft Budget at the correct time and in a format of the Leader's choosing on the advice of the Section 151 Officer. He said it was for each member to decide whether they had sufficient information to enable them to agree the Budget. Mrs Cooke referred to

Section A7 of the Financial Regulations which had been referred to by a member. Mrs Cooke said that particular section of the regulations required her to propose to the Leader the general format of the Budget and that the draft Budget should include allocations to different services and projects, as well as proposed sources of funding, taxation levels and contingency funds. In her opinion, the proposed Budget before the County Council satisfied those requirements. She also said the Leader was responsible for developing and proposing to the County Council the general content of the revenue Budget in consultation with her and in accordance with the requirement of paragraph A10 of the Financial Regulations and that budgets would be presented in both a Service Analysis and Directorate format aligned with the structure of the Council. Once the draft Budget was approved, officers were required to produce those budgets in the format prescribed and to do so by the end of the current financial year, so it was in place before the start of the next financial year.

(7) In response to a question about the legality of the meeting and the presentation of the Budget, Mr Watts confirmed that, although the presentation of the Budget deviated from custom and practice, both the meeting and presentation of the Budget met legal and constitutional requirements.

(8) The Chairman concluded the initial general debate and progressed to consideration of amendments to the proposed budget. In the course of the debate on the amendments, Mr Watts advised the Council that all amendments put forward had been approved by the s151 Officer from a financial perspective and by him as the Monitoring Officer from a constitutional perspective as being suitable for debate and agreement if so voted by Members.

Amendment 1 – Council Tax

(9) Mr Hook proposed, and Ida Linfield seconded the following amendment:

Proposed Purpose

“The Council recognises that council tax is a regressive tax, the burden of which unfairly falls on Kent households with limited incomes. Consequently, increases in council tax, together with the social care precept, will fall disproportionately on those least able to pay. The Council notes that any change to the current council tax bands and charging structure needs to be sanctioned by Parliament. The Council therefore agrees that the Leader of the Council should write to the Secretary of State for Housing, Communities and Local Government requesting that the current council tax bands and charging structures in England be reviewed, as a matter of urgency, so they better reflect people’s ability to pay the tax.”

(10) A change to the second sentence to make it read “Consequently increases in council tax together with the social care precept can place an undue burden on those least able to pay, albeit mitigated by the Council Tax Reduction Scheme and additional relief measures supported by this Council” was proposed by the Leader of the Council. The proposer and seconder of the amendment agreed to these words and the Chairman put the revised amendment to the vote. The voting was as follows:

For (70)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bird, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Burden, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mr Chittenden, Mr Clinch, Mrs Cole, Mr Collor, Miss Constantine, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Dean, Mr Farrell, Mrs Game, Mr Gough, Mrs Hamilton, Mr Harman, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Hook, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Koowaree, Mr Lake, Mr Lewis, Ida Linfield, Mr Long, Mr Lymer, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Ozog, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Dr Sullivan, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Whybrow, Mr Wright

Against (0)

Abstain (1) Mr Love

Amendment carried.

Amendment 2 – Budget Scrutiny

(11) Dr Sullivan proposed, and Mr Farrell seconded the following amendment:

“That the budget monitoring report provided to each Cabinet meeting be updated to include:

- (a) Financial information on all projects costing between £100,000 and £1m;
- (b) Information on all decisions taken by Cabinet Members and Corporate Directors under their delegation with a financial impact between £100,000 and £1m within the financial year and a report on these to the relevant Committee as well;
- (c) Information on all financial spend at variance with the agreed budget for each key service line;
- (d) The above items (a-c) should be placed as a standing item on the scrutiny committee agenda so that officers and cabinet members can question the decisions taken.”

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

For (15)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Hotson, Mr Koowaree, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (55)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cook,

Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Lymer, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Ozog, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Mr Sweetland, Mr Whiting, Mr Wright

Abstain (0)

Amendment lost.

Amendment 3 – KCC Member Community Grant

(13) Mr Whybrow proposed, and Mrs Dean seconded the following amendment:

Proposed Purpose

“The KCC Member Community Grant is a vital financial lifeline for many local charities and community groups, with a likely particular demand in 2021/22 due to a reduction in income and increased demand in services for many of these due to the effects of the pandemic.”

Proposed Amount

“Increase KCC Community Member Grants by £581,000.”

Proposed Funding Source

“The proposed reduction from £20,000 to £10,000 per member would bring a saving of £810,000. To partially offset this, on a one-off basis, it is proposed that the unallocated underspend on Member Community Grants from the previous four years of £581,000 is not returned to reserves but is rolled over to 2021-22. This would give a total Member Community Grant fund of £1.391 million, equating to a grant of £17,173 per member to support their local communities. If agreed this would only be implemented after the final 2020-21 outturn has been confirmed.”

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

For (30)

Mrs Binks, Mr Bird, Mr Bond, Mr Bowles, Mr Burden, Sir Paul Carter Mr Chittenden, Mr Clinch, Miss Constantine, Mr Cooke, Mr Cooper, Mrs Dean, Mr Farrell, Mr Harman, Mr Homewood, Mr Hook, Mr Hotson, Mr Lake, Mr Lewis, Ida Linfield, Mr Lymer, Mr Marsh, Mr Monk, Mr Murphy, Mr Pascoe, Miss Rankin, Mr Rayner, Dr Sullivan, Mr Thomas, Mr Whybrow

Against (41)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mr Booth, Mr Brazier, Mr Butler, Miss Carey, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Horwood, Mrs Hurst, Mr Kite, Mr Long, Mr Love, Mr Manion, Mr McInroy, Miss Morton, Mr Oakford, Mr

Ozog, Mr Payne, Mrs Prendergast, Mr Pugh, Mr Simkins, Mr Sweetland, Mr Whiting, Mr Wright

Abstain (0)

Amendment lost.

Amendment 4 – Community Wardens

(15) Mr Chittenden proposed, and Mr Hook seconded the following amendment:

Proposed Purpose

“This valuable service to local residents has been in place since 2002 and has gradually been expanded to cover more than 100 local communities, mostly in rural areas. Wardens build up very close relationships with their communities which includes working with local PCSOs, befriending the elderly, many of whom are particularly vulnerable and lonely, and working with local youths. Recognising the valuable impact that Community Wardens have, in June 2020, a key decision was taken by the Cabinet Member for Community and Regulatory Services to enhance and expand the service.”

Proposed Amount

“We propose that the £220,000 saving is put back into the revenue budget for 2021/22 and that fixed-term appointments are made to take the Community Warden service to its full complement of posts. This can then be reviewed in the 2022/23 Medium Term Plan to determine whether the fixed term posts can be extended, made permanent or ended.”

Proposed Funding Source

“This would be funded by ringfencing £220,000 from the unallocated 2020-21 Covid-19 Emergency Grant, to be spent in 2021/22. If agreed this would only be implemented after the final 2020-21 outturn has been confirmed.”

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

For (13)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (57)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Lymer, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Ozog, Mr

Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Abstain (0)

Amendment lost.

Amendment 5 – Public Rights of Way

(17) Mr Chittenden proposed, and Ida Linfield seconded the following amendment:

Proposed Purpose

“The current pandemic has placed huge restrictions on the residents of Kent for almost a year. During that time, the one consistent activity allowed and recommended for mental and physical health was walking.”

Proposed Amount

The Public Rights of Way service regularly reports that the shortfall on recommended Asset Management spend is £2m per annum and increasing due to extent of current usage and we propose a one-off investment of £600,000 to deal with the most urgent safety issues including major remediation to pathways and urgent increasing safeguarding repairs to styles, kissing gates and other footpath related items.”

Proposed Funding Source

“This would be funded by ringfencing £600,000 from the unallocated 2020-21 Covid-19 Emergency Grant. If agreed this would only be implemented after the final 2020-21 outturn has been confirmed.”

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

For (13)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Lewis, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (56)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Lymer, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Sweetland, , Mr Whiting, Mr Wright

Abstain: (1) Mr Thomas

Amendment lost.

Amendment 6 – Country Parks

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

Proposed Purpose

During the first lockdown of 2020, the nine country parks which KCC manages saw an average 60% increase in visitor numbers. Inevitably this has created additional wear and tear on footpaths and other infrastructure such as gates, which will add to the existing maintenance backlog. With the current lockdown measures set to continue well into the Spring, it is expected that this increased usage will continue.”

Proposed Amount

We propose a one-off investment of £400,000 to allow for repairs/replacements of assets within Kent Country Parks, over and above those already planned, where deemed most necessary.”

Proposed Funding Source

This would be funded by ringfencing £400,000 from the unallocated 2020-21 Covid-19 Emergency Grant, to be spent in 2021/22. If agreed this would only be implemented after the final 2020-21 outturn has been confirmed.”

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

For (12)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (55)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Long, Mr Love, Mr Lymer, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Amendment lost.

Amendment 7 – Befriending Service

(21) Ida Linfield proposed, and Mr Hook seconded the following amendment

Proposed Purpose

“The findings of the Social Isolation and Loneliness Select Committee concluded that when social isolation is addressed it does indeed prevent mental health problems, the onset of dementia, and eases pressure on the NHS. The Covid pandemic and subsequent lockdowns have without doubt confirmed the appalling and tragic consequences of isolation both in Kent and nationwide. Significant Covid-19 grant funds have been provided by the government to help alleviate the impact of the pandemic, much of which are yet to be spent. The Lib Dem group believes that commissioning a befriending service would be an excellent use for a proportion of these grant funds and would provide major benefits to lonely and vulnerable residents of all ages.”

Proposed Amount

“We propose establishing a countywide befriending service for a duration of 3 years costing £325,000.”

Proposed Funding Source

“This would be funded by ringfencing £325,000 from the unallocated 2020-21 Covid-19 Emergency Grant, with £125,000 to be spent in 2021/22 and £100,000 to be spent in 2022/23. 2021/22 includes £25,000 to cover additional costs for initial establishment of the service. If agreed this would only be implemented after the final 2020-21 outturn has been confirmed.”

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

For (12)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (56)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Abstain (0)

Amendment lost.

Amendment 8 – Recovering a Generation: Children’s Centres

(23) Dr Sullivan proposed, and Mr Burden seconded the following amendment:

Proposed Amount

“Allocate £750,000 of unspent 2020-21 Covid emergency grant to children’s centres, to increase support services and provision over extended hours, on a one-off basis for 2021/22. This will further support in mitigating the negative impacts of sustained lockdown on children and their families.”

Proposed Funding Source

“Unspent 2020-21 Covid emergency grant, subject to the final outturn position.”

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

For (12)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Ida Linfield, Dr Sullivan, Mr Whybrow

Against (57)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton Mr Murphy, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Abstain (0)

Amendment lost.

Amendment 9 - Recovering a Generation – Youth Services

(25) Mr Farrell proposed, and Miss Constantine seconded the following amendment:

Proposed Amount

“Allocate £750,000 of unspent 2020-21 Covid emergency grant to one-off enhanced youth provision. To included fun activities to facilitate discussions around mental health and wellbeing, preventing medical interventions where possible. This will seek to address the negative impacts of sustained lockdown and home-schooling on young people and their families.”

Proposed Funding Source

“Unspent 2020-21 Covid emergency grant, subject to the final outturn position.”

(26) Following the debate, the Chairman put to the vote the amendment set out in paragraph 24 above and the voting was as follows:

For (12)

Mr Bird, Mr Burden, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Hotson, Ida Linfield, Mr Whybrow

Against (54)

Mrs Allen, Mr Balfour, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton Mr Murphy, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Abstain (2) Mr Angell, Mr Barrington-King

Amendment lost.

(In accordance with her declaration of interest, Dr Sullivan took no part in the debate or voting on the *Recovering a Generation – Youth Services amendment* as set out in paragraphs 25 and 26 above)

(27) The Chairman proposed, and the Vice-Chairman seconded a motion in accordance with paragraph 14.48 of Part 3 of the Council's constitution that the meeting be extended beyond 5pm.

(28) The Chairman put the motion to the vote and the voting was as follows

For (69)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bird, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mr Chittenden, Mr Clinch, Mrs Cole, Mr Collor, Miss Constantine, Mr Cook, Mr Cooke, Mr Cooper, Mrs Crabtree, Mr Dance, Mrs Dean, Mr Farrell, Mrs Game, Mr Gibbens, Mr Gough, Mrs Hamilton, Mr Harman, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Hook, Mr Horwood, Mr Hotson, Mrs Hurst, Mr Kite, Mr Lake, Ida Linfield, Mr Long, Mr Love, Mr Manion, Mr Marsh, Mr McInroy, Mr Monk, Miss Morton, Mr Murphy, Mr Northey, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Rayner, Mr Simkins, Dr Sullivan, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Whybrow, Mr Wright

Against (0)

Abstain (0)

Motion carried.

(29) Dr Sullivan asked the Head of the Paid Service for assurance that all financial regulations as previously agreed by the County Council had been

appropriately and correctly followed in presenting the proposed Budget to County Council.

(30) Mr Cockburn said that, whilst recognising that more information could have helped members understand the budget, with the assurance from the Monitoring Officer and the Corporate Director of Finance, he was satisfied as to the legality of the paper presented.

(31) Mr Gough and Mr Oakford summarised the debate. As all the amendments had either been determined or withdrawn, the Chairman put to the vote the substantive motion as set out in paragraph 3 above, with the addition of the relevant text from the carried amendment in paragraphs 9 and 10 above and the voting was as follows:

For (55)

Mrs Allen, Mr Angell, Mr Balfour, Mr Barrington-King, Mr Bartlett, Mrs Bell, Mrs Beresford, Mrs Binks, Mr Bond, Mr Booth, Mr Bowles, Mr Brazier, Mr Butler, Miss Carey, Sir Paul Carter, Mrs Chandler, Mr Chard, Mrs Cole, Mr Collor, Mr Cook, Mrs Crabtree, Mr Dance, Mrs Game, Mr Gibbens, Mr Gough, Mrs Hamilton, Mr Hill, Mr Hills, Mrs Hohler, Mr Holden, Mr Homewood, Mr Horwood, Mrs Hurst, Mr Kite, Mr Lake, Mr Long, Mr Love, Mr Manion, Mr Marsh, Miss Morton, Mr McInroy, Mr Monk, Mr Murphy, Mr Northey, Mr Oakford, Mr Pascoe, Mr Payne, Mrs Prendergast, Mr Pugh, Miss Rankin, Mr Simkins, Mr Sweetland, Mr Thomas, Mr Whiting, Mr Wright

Against (12)

Mr Bird, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Harman, Mr Hook, Mr Hotson, Ida Linfield, Dr Sullivan, Mr Whybrow

Abstain (2)

Mr Cooke, Mr Cooper,

Substantive Motion Carried.

(32) The following Members, who voted against the substantive motion, wished that their views in relation to recommendations M and N in paragraph 3 above be recorded:

Recommendation M

Supported Mr Bird, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Hook, Mr Horwood, Ida Linfield, Mr Whybrow

Not Supported Mr Hotson

Recommendation N

Supported Mr Bird, Mr Chittenden, Mr Clinch, Miss Constantine, Mrs Dean, Mr Farrell, Mr Hook, Mr Hotson, Ida Linfield, Mr Whybrow

(33) Resolved that the County Council approves the following:

- (a) The net revenue budget requirement of £1,132.426m for 2021-22.
- (b) The 10-year capital programme and investment proposals of £1,057.925m over three years from 2021-22 to 2023-24 together with the necessary funding and subject to approval to spend arrangements.
- (c) The directorate capital programmes as set out in appendices A & B of the final draft budget report published on 3rd February 2021.
- (d) The directorate revenue budget proposals as set out in appendices C to F of the final draft budget report published on 3rd February 2021.
- (e) The Capital Strategy as set out in appendix J of the final draft report published on 3rd February 2021 including the Prudential Indicators.
- (f) The Treasury Management Strategy as set out in appendix K of the final draft report published on 3rd February 2021
- (g) The Minimum Revenue Provision (MRP) Statement as set out in appendix M of the final draft report published on 3rd February 2021.
- (h) The Reserves Policy as set out in Appendix N, including the review of the rollover procedures for 2020-21 outturn to improve financial resilience and treatment of general underspends
- (i) To delegate responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations.
- (j) To increase Council Tax band rates up to the maximum permitted without a referendum as set out in section 6 table 5 (page 20 of the report) in the final draft report published on 3rd February 2021.
- (k) To levy the additional 3% social care precept (raising an additional £22,228,900 and taking the total social care precept to £87,335,000 out of the precept set out in recommendation (l) below).
- (l) The total Council Tax requirement of £778,704,100 to be raised through precepts on districts as set out in section 6, table 4 (page 19 of the report) in the final draft report published on 3rd February.
- (m) The Personnel Committee recommendation of an increase of 2% for 2021-22 for all Kent Scheme staff with the corresponding adjustment to pay scales (and noting the voluntary freeze for 2021-22 to Kent Range 17 and above offered by Corporate Directors and Directors)
- (n) The Personnel Committee recommendation to increase to the entry value of the lowest grade (KR2/3) to £9.55 per hour to maintain the position above the national minimum and marginally above the Living Wage Foundation for April 2021.

In addition:

- (o) To delegate authority to the Corporate Director of Finance (after consultation with the Leader, the Deputy Leader and Cabinet Member for Finance, Corporate & 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 and for any changes made to be reflected in the final version of the Budget Book (blue combed) due to be published in March 2021.
- (p) To note the uncertain financial outlook for later years in the absence of a multi-year settlement from government and the potential scenarios for

recovery from the Covid-19 pandemic as set out in appendix I of the final draft report published on 3rd February 2021.

(q) The Leader of the Council should write to the Secretary of State for Housing, Communities and Local Government requesting that the current council tax bands and charging structures in England be reviewed, as a matter of urgency, so they better reflect people's ability to pay the tax.

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By: Shellina Prendergast – Cabinet Member for
Communications, Engagement & People
Amanda Beer – Corporate Director People &
Communications

To: County Council **Date:** 11 March 2021

Subject: Pay Policy Statement 2021/22

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.
- 1.3 Normally, pay progression within a grade is subject to performance as assessed through Total Contribution Pay (TCP) process and a percentage awarded for each appraisal level. However, due to the exceptional context which the Covid -19 pandemic has presented, Personnel Committee and County Council agreed that it is appropriate to reward everyone equally by applying a 2% award to salaries and pay scale. This will not be the case for Director roles and above where their offer to freeze their pay has been agreed therefore no increase will be applied to KR17 and above.

2. PAY POLICY STATEMENTS

- 2.1 The Pay Policy Statement for 2021/22 is attached in Appendix 1. As in previous years, and as agreed by County Council on 29 March 2012, the statement relates to:
 - the level and elements of remuneration for each chief officer which includes recruitment, increases and 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 7.9 : 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
People Strategy Adviser
03000 416483

Appendix 1.

Kent County Council Pay Policy Statement 2021/2022

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 (pay only), Adult Education, National Joint Council (NJC), Joint National Council (JNC) and the National Health Service (NHS).
- The Kent Scheme pay range consists of grades KR3 – KR20. 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 remuneration 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 (Grade KR3) 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, KR3. They receive relevant benefits and are remunerated in the same proportionate way as others.
- The entry level will increase to £18,425 which equates to £9.55 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.

2021/22 Kent Scheme pay scale

Grade	Minimum	Maximum
KR20	£202,661	£207,884
KR19	£147,888	£201,616
KR18	£123,753	£147,152
KR17	£98,804	£117,432
KR16	£78,942	£99,196
KR15	£69,435	£78,549
KR14	£61,334	£69,090
KR13	£54,735	£61,029
KR12	£46,734	£54,463
KR11	£40,607	£46,501
KR10	£34,351	£40,405
KR9	£30,034	£34,180
KR8	£26,205	£29,885
KR7	£23,033	£26,075
KR6	£20,997	£22,918
KR5	£19,723	£20,893
KR4	£18,517	£19,625
KR3	£18,425	£18,425

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From:	Peter Oakford, Deputy Leader and Cabinet Member for Finance, Traded and Corporate Services Zena Cooke, Corporate Director of Finance
To:	County Council – 11 March 2021
Subject:	Treasury Management 6 month review 2020-21
Classification:	Unrestricted

Summary:

This report provides a review of Treasury Management Activity 2020-21 to date

Recommendation:

Members are asked to consider and comment on this report.

FOR DECISION

1. Introduction

- 1.1 This report covers Treasury Management activity for the 6 months to 30 September 2020 and developments in the period since up to the date of this report.
- 1.2 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.
- 1.3 The Council's Treasury Management Strategy for 2020-21 was approved by full Council on 13 February 2020.
- 1.4 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. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy. This report covers treasury activity and the associated monitoring and control of risk.

2. Governance

- 2.1 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.

2.2 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. The Treasury and Investments Manager produces a monthly report for members of the Treasury Management Advisory Group.

3. External context

- 3.1 **Economic background:** The spread of the coronavirus pandemic dominated during the period as countries around the world tried to manage the containment of the transmission of the virus while supporting their economies. Throughout the period efforts to reach an agreement between the UK and EU on a trade deal were in the headlines. Agreement was finally reached on a post Brexit deal on 24 December which was passed into UK law on 30 December.
- 3.2 The Bank of England (BoE) maintained Bank Rate at 0.1% and its Quantitative Easing programme at £745 billion. The potential use of negative interest rates was not ruled in or out by BoE policymakers.
- 3.3 Government initiatives continued to support the economy, with the furlough (Coronavirus Job Retention) scheme keeping almost 10 million workers in jobs, as well as grants and loans to businesses.
- 3.4 Having contracted by 18.8% in Q2 2020 (Apr-Jun) GDP grew again in Q3 (Jul – Sep) by 16.0% due to the easing of lockdown restrictions throughout the summer. However it is unlikely that this growth will continue into Q4 as these restrictions were reinstated. According to the Office for National Statistics, the annual growth rate was down to -8.6%. After falling dramatically in Q2 construction, services and production output all rose during Q3.
- 3.5 The headline rate of UK Consumer Price Inflation (CPI) fell to 0.3% year/year in November, further below the Bank of England's 2% target. This was driven by falling prices for clothing as well as food and non-alcoholic beverages. The Office for National Statistics' preferred measure of CPIH which includes owner-occupied housing was 0.6% y/y.
- 3.6 In the three months to October, labour market data showed the unemployment rate increased to 4.9% while wages grew by 2.7% for total pay in nominal terms (2.8% regular pay) and was up 1.9% in real terms (2.1% regular pay). The extended Coronavirus Job Retention Scheme and new Job Scheme will mitigate the impact of weaker economic activity on the labour market however the unemployment rate is expected to peak at around 8% in Q2 2021.
- 3.7 The European Central Bank maintained its base rate at 0% and deposit rate at -0.5%.
- 3.8 Equity markets continued their recovery, with the Dow Jones climbing above its pre-crisis peak, being driven by a handful of technology stocks including Apple and Microsoft, with the former up 75% in 2020. The FTSE 100 and 250 have made up most of their losses at the height of the pandemic in March. Central bank and government stimulus packages continue to support asset prices, but volatility remains.
- 3.9 Ultra-low interest rates and the flight to quality continued, keeping gilt yields low but volatile over the period with the yield on some short-dated UK government bonds remaining negative. The 5-year UK benchmark gilt yield fell during the period June –

December to -0.010% (with much volatility in between). The 10-year gilt yield also bounced around, starting at 0.21% and ending at 0.28% over the same period. 1-month, 3-month and 12-month bid rates remained low ending the period at 0.01%, 0.01% and 0.10% respectively over the period.

4. Local context

- 4.1 On 31 March 2020 the Council had £381.4m of investments arising from its revenue and capital income and expenditure. 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. These are shown in the following table.

	31.3.20 Actual £m
Loans CFR	1,039.8
External borrowing	-883.8
Internal borrowing	155.9
Less: Usable reserves	-393.0
Less: Working capital	-144.3
Net investments	381.4

- 4.2 Lower official interest rates have reduced the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Council pursued its strategy of keeping borrowing and investments below their underlying levels, known as internal borrowing, in order to reduce risk and keep interest costs low.

- 4.3 The treasury management position on 30 November 2020 and the change over the eight months is shown in the following table.

	31.3.20 Balance £m	Movement £m	30.11.20 Balance £m	30.11.20 Rate %
Long-term borrowing	883.8	-6.8	877.0	4.60
Total borrowing	883.8	-6.8	877.0	4.60
Long-term investments	157.3	+10.6	167.9	4.10
Short-term investments	137.4	+48.6	186.0	0.40
Cash and cash equivalents	86.7	+36.4	123.1	0.04
Total investments	381.4	+95.6	477.0	1.51
Net borrowing	502.4	-102.4	400.0	

5. Borrowing update

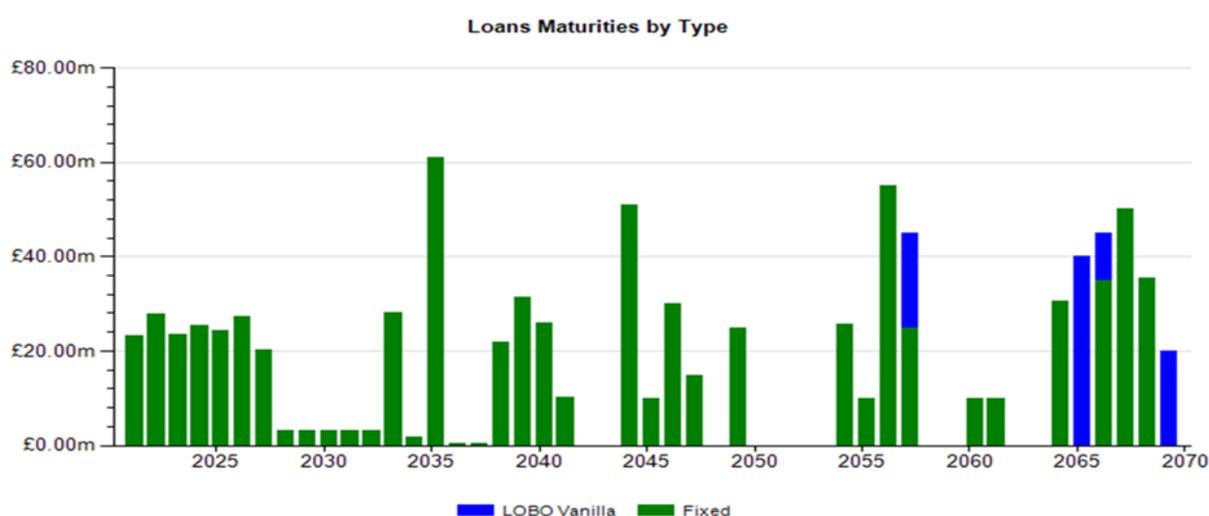
- 5.1 The Chancellor's March 2020 Budget statement included significant changes to PWLB policy and launched a wide-ranging consultation on the PWLB's future direction.
- 5.2 Kent submitted a response broadly supportive of the proposed changes and on 25 November HMT published the details of new PWLB lending terms as well as their response to the consultation. The main points to note are:
- A reduction of 1% in all Standard Rate and Certainty Rate PWLB loans from 26 November 2020.
 - The PWLB will not lend to an authority that plans to buy investment assets primarily for yield anywhere in their capital plans.
- 5.3 The reduction in the lending rate is good news and HMT's response is broadly in agreement with our response to the consultation and our policy on borrowing.

6. Borrowing Strategy during the period

- 6.1 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.
- 6.2 In keeping with these objectives no new borrowing was undertaken and £6.8m of existing loans were allowed to mature without replacement.
- 6.3 With short-term interest rates remaining much lower than long-term rates, the Council has considered it to be more cost effective in the near term to use internal resources or has 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.
- 6.4 The Council 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.
- 6.5 The Council's borrowing activity in the 8 months to 30 November is as follows. On 30 November the Council had total external debt of £877m, a reduction of £6.8m from the end of March.

	31/03/2020	2020-21	30/11/2020	30/11/2020	30/11/2020
	Balance	Movement	Balance	Weighted average rate	Weighted average maturity
	£m	£m	£m	%	years
Public Works Loan Board	473.28	-2.34	470.94	4.99	15.59
Banks (LOBO)	90.00	0.00	90.00	4.15	43.21
Banks (Fixed Term)	291.80	0.00	291.80	4.40	37.84
Streetlighting project	28.75	-4.44	24.31	1.21	9.86
Total Borrowing	883.83	-6.77	877.06	4.60	25.67

6.6 The maturity profile of the Council's outstanding debt is as follows:



6.7 The following table shows the maturity profile of our debt in 5 year tranches.

Loan Principal Maturity Period	Total Loan Principal Maturing	Balance of Loan Principal Outstanding
Balance 30/11/2020		£877,056,074
Maturity 0 - 5 years	£102,937,569	£774,118,505
Maturity 5 - 10 years	£77,140,446	£696,978,059
Maturity 10 - 15 years	£38,700,173	£658,277,886
Maturity 15 - 20 years	£114,668,374	£543,609,512
Maturity 20 - 25 years	£87,009,512	£456,600,000
Maturity 25 - 30 years	£79,800,000	£376,800,000

Maturity 30 - 35 years	£35,700,000	£341,100,000
Maturity 35 - 40 years	£100,000,000	£241,100,000
Maturity 40 - 45 years	£50,600,000	£190,500,000
Maturity 45 - 50 years	£190,500,000	£0
Total	£877,056,074	

7 Treasury investment activity

- 7.1 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 £296m and £530m due to timing differences. The investment position is shown below.
- 7.2 In March, May, August and November the Council received total additional central government funding of £95m in relation to COVID-19 challenges. This was temporarily invested in short-dated, liquid instruments such as call accounts and money market funds. Most of these monies had been disbursed by the end of November.
- 7.3 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.
- 7.4 In the light of the pandemic crisis and the likelihood of unexpected calls on cash flow the council holds more cash in money market funds as well as in bank call accounts which have same day availability. This liquid cash was diversified over several counterparties and money market funds to manage both credit and liquidity risks.
- 7.5 On 30 November the Council had lent £66m to other local authorities and we are aware that some concern has been expressed about these loans. We do not have explicit information about how individual applicants plan to apply the funds they borrow however each request to borrow or to renew an existing loan is assessed in terms of our own cashflow requirements and within our effective lending policies and procedures. We are also mindful of the perceived financial and reputational risks of this lending.
- 7.6 During the 8 months the Council also made loans totalling £3.7m to the no use empty loans programme achieving a return of 1.5% which is available to fund general services.
- 7.7. The Council's investments during the 8 months to the end of November are summarised in the table below and a detailed schedule of investments as at 30 November is in Appendix 1 which is circulated to members of the Treasury Management Advisory Group with the monthly Treasury Management report.

	31/03/2020	2020-21	30/11/2020	30/11/2020	30/11/2020
	Balance	Movement	Balance	Income rate of return	Average Credit Rating
	£m	£m	£m	%	
Bank Call Accounts	30.0	+15.5	45.5	0.05	A+
Money Market Funds	56.7	+20.9	77.6	0.03	AA-
Local Authorities	50.0	+16.0	66.0	0.21	AA-
Covered Bonds	84.9	-5.1	79.8	0.65	AAA
DMO Deposits (DMADF)	0.00	+34.4	34.4	0.01	AA-
Icelandic Recoveries o/s	0.4	-0.4	0.0		
No Use Empty Loans		+3.7	3.7	1.50	
Equity	2.1	0.0	2.1		
Internally managed cash	224.1	+85.0	309.1	0.22	AA-
Strategic Pooled Funds	157.3	+10.6	167.9	4.10	
Total	381.4	+95.6	477.0	1.51	

8 Externally managed investments

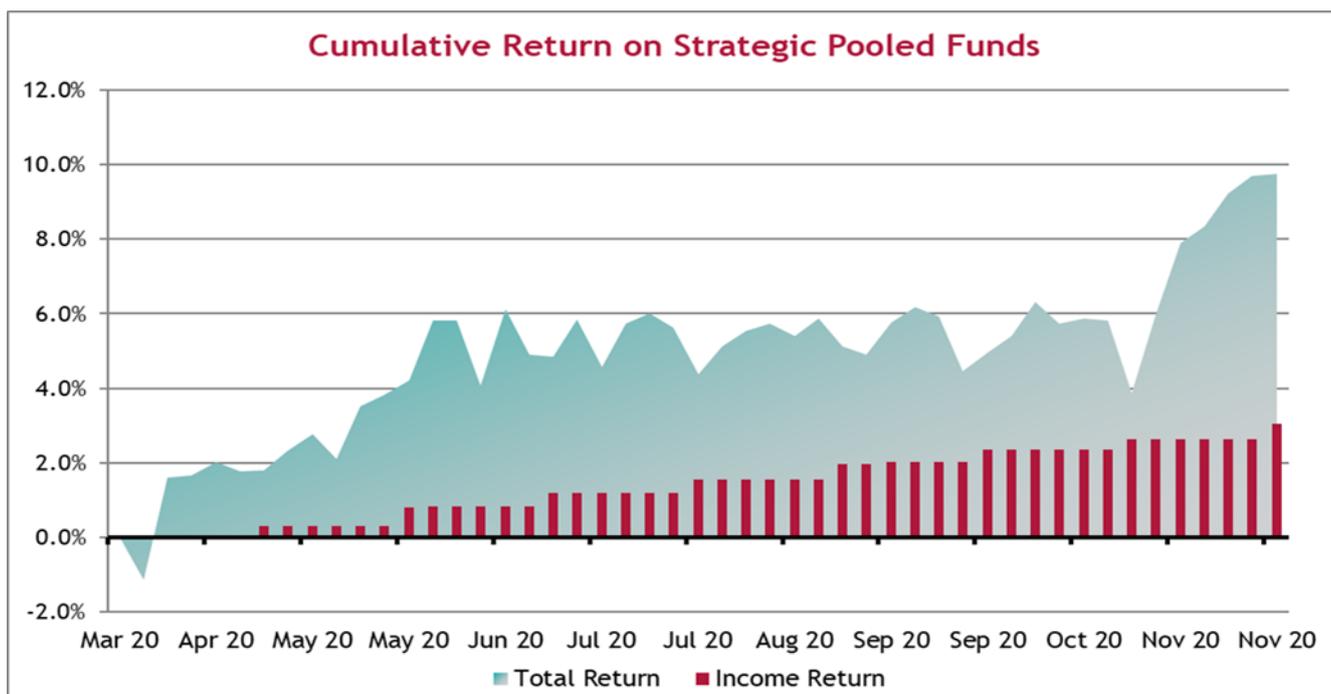
- 8.1 The Council is invested in equity, multi-asset and property pooled funds. Because the pooled funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed.
- 8.2 Strategic pooled fund investments are made in the knowledge that capital values will fluctuate however the Council is invested in these funds for the long term and with the confidence that over a three to five year period total returns will exceed cash interest rates.
- 8.3 Since March 2020 financial markets have recovered with our holdings increasing in value to £167.9m at the end of November, a gain of £10.6m (6.73%).
- 8.4 All the equity and multi asset funds show gains. The Schroder Income Maximiser Fund has a value approach and is focussed on FTSE100 investments which saw significant falls in capital values earlier in 2020. Since the end of September these stocks have gained in value and the fund has continued to pay significant dividends.
- 8.5 The CCLA LAMIT Property Fund continues to lag its 31 March value reflecting the ongoing challenges in real estate. Similar to many other property funds, dealing (i.e. buying or selling units) in the fund was suspended by the fund in March 2020 as valuers could not be confident that their valuations correctly reflected prevailing conditions. To avoid material risk of disadvantage to buyers, sellers and holders of units in the property fund, the management company was obliged to suspend transactions until the required level of certainty is re-established. The dealing suspension was lifted in September 2020 and at the same time there was a change to redemption terms for the fund with investors being required to give at least 90 calendar days' notice for redemptions.

8.6 During the 8 month period, we achieved an income return of 3.04% as funds continued to pay dividends albeit at a lower level than before Covid. The following table shows the return for the 8 month period and the chart shows how the funds have fluctuated in value over this period, and income received.

8.7 The Council originally invested £180m in pooled funds and since inception in 2013 we have achieved an income return of 13.08% offsetting the capital loss of 5.67% giving a total return of 7.41%. Further details are in table 2 at appendix 1.

8.8 Pooled funds returns 31 March - 30 November 2020

Investment Fund	Book cost	31/03/2020	2020-21	30/11/2020	30/11/2020	
		Market Value	Movement	Market Value	8 months return	
	£m	£m	£m	£m	Income	Total
					%	%
Aegon (Kames) Diversified Monthly Income Fund	20.0	16.9	2.6	19.5	3.29	18.52
CCLA - Diversified Income Fund	5.0	4.6	0.4	5.0	2.00	10.72
CCLA – LAMIT Property Fund	60.0	57.9	-1.3	55.6	2.71	-1.27
Fidelity Global Multi Asset Income Fund	25.0	23.7	1.4	25.1	3.20	8.91
Investec Diversified Income Fund	10.0	9.2	0.8	10.0	2.69	11.64
M&G Global Dividend Fund	10.0	8.6	3.0	11.6	1.83	37.42
Pyrford Global Total Return Sterling Fund	5.0	4.7	0.3	5.0	1.32	6.55
Schroder Income Maximiser Fund	25.0	15.8	1.4	17.2	6.12	15.06
Threadneedle Global Equity Income Fund	10.0	8.4	1.7	10.1	2.80	22.08
Threadneedle UK Equity Income Fund	10.0	7.6	1.4	9.0	1.79	20.34
Total Externally Managed Investments	180.0	157.3	10.6	167.9	3.04	9.77



9 Investment benchmarking at 30 September 2020

9.1 The Council’s treasury advisor, Arlingclose, monitors the risk and return of some 130 local authority investment portfolios. The metrics over the 6 months to 30 September 2020 extracted from their quarterly investment benchmarking, per the table below, show that the risk within the Kent internally managed funds has been consistent throughout the 6 month period while being lower than that of other local authorities. The income return has fallen reflecting reduced rates payable on our cash investments.

Internally managed investments	Credit Score	Credit Rating	Bail-in Exposure %	Weighted Average Maturity (days)	Rate of Return %
Kent - 31.03.2020	3.02	AA	39	349	2.42
Kent - 30.09.2020	3.11	AA	44	259	0.33
Similar LAs	3.87	AA-	49	991	0.57
All LAs	4.16	AA-	64	18	0.27

9.2 The following table shows that overall KCC’s investments in strategic pooled funds are achieving a strong income return compared with that of other local authorities. The total return does not take account of the improvement in the financial markets in the final 3 months of 2020.

	Rate of Return – Income only %	Total Rate of Return %
Strategic Funds at 30.09.2020		
Kent	4.06	-6.83
Similar LAs	3.61	-4.73
All LAs	3.45	-3.92
Total Investments at 30.09.2020		
Kent	1.79	-2.48
Similar LAs	1.11	-0.37
All LAs	0.90	-0.46

10 Actual and forecast outturn

10.2 Over the 8 months to end November the Council's strategic investments generated an average total return of 9.77%, comprising a 3.04% income return which is used to support services in year, and 6.73% of unrealised capital gains.

10.3 Bank interest rates have moved closer to zero and yields on some short-dated government bonds have turned negative so the returns on our cash deposits have fallen and are expected to remain close to zero for the foreseeable future.

10.3 Our view is that during 2020-21 income from the pooled funds will be lower by between 20% and 50% compared to 2019-20 however still higher than the returns available on cash investments. We are invested for income and while we are seeing falls in dividends paid these funds continue to pay a higher return than our cash investments

10.4 The forecast average rate of debt interest payable in 2020-21 is 4.59%, based on an average debt portfolio of £879.3m.

11 Compliance

11.1 The Corporate Director of Finance reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

12 Treasury Management Indicators

12.1 The Council measures and manages its exposures to treasury management risks using the following indicators.

12.2 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its internally managed investment portfolio. This is calculated by applying a score to each investment

(AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Actual 30/09/2020	Target
Portfolio average credit rating	AA	AA

12.3 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity risk indicator	Actual 30/09/2020	Target
Total cash available within 3 months	£140m	£110m

12.4 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Actual 30/09/2020	Upper Limit
One-year revenue impact of a 1% <u>rise</u> in interest rates	-£200k	£10m
One-year revenue impact of a 1% <u>fall</u> in interest rates	-£900k	-£10m

12.5 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

	Actual 30/09/2020	Upper limit	Lower limit
Under 12 months	3.25%	100%	0%
12 months and within 5 years	8.59%	50%	0%
5 years and within 10 years	6.66%	50%	0%
10 years and within 20 years	20.84%	50%	0%
20 years and within 40 years	33.59%	50%	0%
40 years and longer	27.07%	50%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

12.6 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	Actual	Limit	Limit	Limit
Price risk indicator	30/09/2020	2020/21	2021/22	2022/23
Principal invested beyond year end	£256m	£300m	£300m	£300m

13 Recommendation

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

Alison Mings
Acting Business Partner – Kent Pension Fund
Ext: 03000 416488
February 2021

Investments as at 30 November 2020

1. Internally Managed Investments

1.1 Term deposits, Call accounts and Money Market Funds

Instrument Type	Counterparty	Principal Amount £	Interest Rate	End Date
Fixed Deposits	Conwy County Borough Council	5,000,000	0.02%	31/12/20
Fixed Deposits	Conwy County Borough Council	3,000,000	0.30%	31/12/20
Fixed Deposits	Conwy County Borough Council	3,000,000	0.30%	21/12/20
Fixed Deposits	Thurrock Borough Council	10,000,000	0.26%	04/01/21
Fixed Deposits	Thurrock Borough Council	10,000,000	0.35%	04/05/21
Fixed Deposits	Cornwall Council	10,000,000	0.05%	03/12/20
Fixed Deposits	Cheltenham Borough Council	5,000,000	0.12%	17/05/21
Fixed Deposits	London Borough of Waltham Forest	10,000,000	0.22%	04/05/21
Fixed Deposits	Royal Borough of Windsor and Maidenhead	5,000,000	0.03%	19/01/21
Fixed Deposits	Woking Borough Council	5,000,000	0.30%	15/12/20
Total Local Authority Deposits		66,000,000		
Fixed Deposits	DMADF (Debt Management Account Deposit Facility)	6,400,000	0.01%	07/01/21
Fixed Deposits	DMADF (Debt Management Account Deposit Facility)	25,150,000	0.01%	25/01/21
Fixed Deposits	DMADF (Debt Management Account Deposit Facility)	2,850,000	0.01%	25/01/21
Total DMADF deposits		34,400,000		
Call Account	National Westminster Bank plc	14,510,000	0.01%	
Call Account	Santander UK plc	15,000,000	0.12%	
Call Account	Lloyds Bank plc	15,000,000	0.01%	
Total Bank Call Accounts		44,510,000		
No Use Empty Loans		3,993,000	1.5%	
Registered Provider	£10m loan facility – non utilisation fee		0.40%	31/03/23
Money Market Funds	Federated Short-term Sterling Prime Fund GBP KCC	9,984,672	0.50%	
Money Market Funds	SSgA GBP Liquidity Fund (Stable NAV)	2,071	0.01%	
Money Market Funds	HSBC Sterling Liquidity Fund	14,970,441	0.04%	
Money Market Funds	LGIM Sterling Liquidity Fund 4 KCC	2,651,588	0.01%	
Money Market Funds	Insight Liquidity Funds PLC	4,016	0.01%	
Money Market Funds	Aberdeen Liquidity Fund (Lux) KCC	19,998,802	0.42%	
Money Market Funds	Northern Trust Sterling Cash Fund	131	0.01%	
Money Market Funds	Aviva Investors Sterling Liquidity Fund 3 GBP Inc	19,990,624	0.06%	
Money Market Funds	Deutsche Managed Sterling Platinum	9,984,898	0.02%	
Total Money Market Funds		77,587,242		
Equity and Loan Notes	Kent PFI (Holdings) Ltd	2,325,225		n/a

1.2 Bond Portfolio

Bond Type	Issuer	Adjusted Principal	Coupon Rate	Maturity Date
		£		
Fixed Rate Covered Bond	Bank of Scotland	4,600,813	1.71%	20/12/2024
Fixed Rate Covered Bond	National Australia Bank	4,989,355	1.35%	10/11/2021
Fixed Rate Covered Bond	Leeds Building Society	4,204,166	1.29%	17/04/2023
Fixed Rate Covered Bond	Santander UK	3,133,306	0.65%	14/04/2021
Fixed Rate Covered Bond	Bank of Nova Scotia	4,996,900	0.88%	14/09/2021
Fixed Rate Covered Bond	National Australia Bank	3,000,636	1.10%	10/11/2021
Floating Rate Covered Bond	TSB Bank	2,502,728	0.90%	15/02/2024
Floating Rate Covered Bond	Lloyds	2,501,826	0.35%	27/03/2023
Floating Rate Covered Bond	Lloyds	2,502,437	0.34%	27/03/2023
Floating Rate Covered Bond	Nationwide Building Society	3,997,293	0.78%	10/01/2024
Floating Rate Covered Bond	Lloyds	4,500,000	0.66%	14/01/2022
Floating Rate Covered Bond	Australia and New Zealand Banking group	3,000,000	0.75%	24/01/2022
Floating Rate Covered Bond	Santander UK	2,002,192	0.76%	12/02/2024
Floating Rate Covered Bond	Nationwide Building Society	4,503,014	0.90%	12/04/2023
Floating Rate Covered Bond	Bank of Montreal	5,003,348	0.92%	17/04/2023
Floating Rate Covered Bond	Santander UK	3,750,506	0.88%	13/04/2021
Floating Rate Covered Bond	Lloyds	5,004,304	0.35%	27/03/2023
Floating Rate Covered Bond	Canadian Imperial Bank of Commerce	5,015,206	0.85%	10/01/2022
Floating Rate Covered Bond	Santander UK	5,001,735	0.49%	16/11/2022
Floating Rate Covered Bond	Nationwide Building Society	5,584,019	0.88%	12/04/2023
Total Bonds		79,793,786		

Total Internally managed investments	£ 308,609,253
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2. Externally Managed Investments

Investment Fund	Book Cost	Market Value at	Returns since inception to	
		30 November 2020	30 November 2020	
		£	Income	Total
Aegon (Kames) Diversified Monthly Income Fund	20,000,000	19,475,706	7.17%	4.55%
CCLA - Diversified Income Fund	5,000,000	4,967,884	7.52%	6.87%
CCLA – LAMIT Property Fund	60,000,000	55,572,247	17.01%	9.63%
Fidelity Global Multi Asset Income Fund	25,038,637	25,056,025	8.13%	8.19%
Fidelity Multi Asset Income Fund			9.39%	9.45%
Investec Diversified Income	10,000,000	10,021,671	10.68%	26.80%
M&G Global Dividend Fund	10,000,000	11,630,235	4.05%	4.27%
Pyrford Global Total Return Sterling Fund	5,000,000	4,959,357	24.39%	22.87%

Schroder Income Maximiser Fund	25,000,000	17,178,866	21.93%	-7.91%
Threadneedle Global Equity Income Fund	10,000,000	10,068,594	10.74%	11.42%
Threadneedle UK Equity Income Fund	10,000,000	8,995,046	11.92%	1.87%
Total External Investments	180,038,637	167,925,632	13.08%	7.40%

3. Total Investments

Total Investments	£476,534,886
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GLOSSARY

Local Authority Treasury Management Terms

Bond	A certificate of long-term debt issued by a company, government, or other institution, which is tradable on financial markets
Borrowing	Usually refers to the stock of outstanding loans owed and bonds issued.
CFR	Capital Financing Requirement. A council's underlying need to hold debt for capital purposes, representing the cumulative capital expenditure that has been incurred but not yet financed. The CFR increases with capital expenditure and decreases with capital finance and MRP.
Capital gain or loss	An increase or decrease in the capital value of an investment, for example through movements in its market price.
Collective investment scheme	Scheme in which multiple investors collectively hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
Cost of carry	When a loan is borrowed in advance of need, the difference between the interest payable on the loan and the income earned from investing the cash in the interim.
Counterparty	The other party to a loan, investment or other contract.
Counterparty limit	The maximum amount an investor is willing to lend to a counterparty, in order to manage credit risk.
Covered bond	Bond issued by a financial institution that is secured on that institution's assets, usually residential mortgages, and is therefore lower risk than unsecured bonds. Covered bonds are exempt from bail-in.
CPI	Consumer Price Index - the measure of inflation targeted by the Monetary Policy Committee.
Deposit	A regulated placing of cash with a financial institution. Deposits are not tradable on financial markets.
Diversified income fund	A collective investment scheme that invests in a range of bonds, equity and property in order to minimise price risk, and also focuses on investments that pay income.
Dividend	Income paid to investors in shares and collective investment schemes. Dividends are not contractual, and the amount is therefore not known in advance.
DMADF	Debt Management Account Deposit Facility – a facility offered by the DMO enabling councils to deposit cash at very low credit risk. Not available in Northern Ireland.
DMO	Debt Management Office – an executive agency of HM Treasury that deals with central government's debt and investments.
Equity	An investment which usually confers ownership and voting rights
Floating rate note (FRN)	Bond where the interest rate changes at set intervals linked to a market variable, most commonly 3-month LIBOR or SONIA
FTSE	Financial Times stock exchange – a series of indices on the London Stock Exchange. The FTSE 100 is the index of the largest 100 companies on the exchange, the FTSE 250 is the next largest

	250 and the FTSE 350 combines the two
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
Income return	Return on investment from dividends, interest and rent but excluding capital gains and losses.
GILT	Bond issued by the UK Government, taking its name from the gilt-edged paper they were originally printed on.
LIBID	London interbank bid rate - the benchmark interest rate at which banks bid to borrow cash from other banks, traditionally 0.125% lower than LIBOR.
LIBOR	London interbank offer rate - the benchmark interest rate at which banks offer to lend cash to other banks. Published every London working day at 11am for various currencies and terms. Due to be phased out by 2022.
LOBO	Lender's Option Borrower's option
MMF	Money Market Funds. A collective investment scheme which invests in a range of short-term assets providing high credit quality and high liquidity. Usually refers to Constant Net Asset Value (CNAV) and Low Volatility Net Asset Value (LVNAV) funds with a Weighted Average Maturity (WAM) under 60 days which offer instant access, but the European Union definition extends to include cash plus funds
Pooled Fund	Scheme in which multiple investors hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
PWLB	Public Works Loan Board – a statutory body operating within the Debt Management Office (DMO) that lends money from the National Loans Fund to councils and other prescribed bodies and collects the repayments. Not available in Northern Ireland.
Quantitative easing (QE)	Process by which central banks directly increase the quantity of money in the economy in order to promote GDP growth and prevent deflation. Normally achieved by the central bank buying government bonds in exchange for newly created money.
SONIA	Sterling overnight interest average – a benchmark interest rate for overnight deposits.
Short-dated	Usually means less than one year
Total return	The overall return on an investment, including interest, dividends, rent, fees and capital gains and losses.

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From: Roger Gough, Leader of the Council
 David Cockburn, Head of Paid Service and Corporate Director,
 Strategic & Corporate Services

To: County Council, 11 March 2021

Subject: **COVID-19 – Delivering through the Pandemic**

Summary: This report updates Members on the work Kent County Council (KCC) has undertaken in response to the COVID-19 pandemic over the past twelve months and looks forward as restrictions are eased.

Recommendation:

County Council is asked to:

(1) Note and comment on activity undertaken by KCC and partners to respond to the COVID-19 pandemic and prepare for recovery.

1. Introduction

- 1.1 Members will recall that it is almost a year since the country went into a national lockdown in response to the global COVID-19 pandemic. The pandemic and the restrictions and measures put in place to control it have had an impact on virtually all aspects of life. From the start of the pandemic, Kent County Council (KCC) has needed to respond to a huge number of unprecedented challenges, urgently adapting how it works and working with our partners to find new ways to continue to provide our services and meet people's needs across the county.
- 1.2 In the summer of 2020, the challenge for KCC shifted from that of immediate response to starting to address the economic and social consequences of COVID-19 and planning a route to recovery.
- 1.3 The period from October 2020 to early January 2021 was characterised by a much larger upswing in COVID-19 cases than in the first wave. Our focus had to switch again, and huge efforts were put into contact tracing activity and asymptomatic testing as well as supporting the county through another lockdown. The detection of the 'Kent variant', resulted in a period of intensive partnership work as authorities took action to minimise its impact.
- 1.4 Responding to COVID-19 has, and continues to be, a huge challenge for Kent, which is only being achieved due to the monumental effort from County Council staff and our partners. Staff have been innovative and flexible in adapting to continue providing services, and new approaches have emerged during the crisis that have proven to be highly effective.
- 1.5 The County Council's four crucial actions for responding to COVID-19, which form the pillars of the 'Protect Kent and Medway' campaign, are:
- Reminding residents of the importance of adhering to rules and guidance;

- Developing widespread testing, both for people who are symptomatic and symptom free;
- Effective contact tracing; and
- Explaining and enforcing rules for businesses.

1.6 Partnership working has been key, and a strength, to tackling COVID-19 in Kent. There is no doubt that operational and strategic relationships have been strengthened during our response, and finding pragmatic and timely solutions to the challenges of the pandemic has presented lasting opportunities to work together in new ways. Partners have come together to deliver against the common challenge of COVID-19 which has resulted in improvements in systems, communication, trust and speed of decision making.

1.7 This paper can only highlight some of what has been achieved to date. Members will be aware that Cabinet Committees have received regular updates on COVID-19, which will continue to be the case as we move into recovery. The paper also outlines some of the potential challenges and opportunities for collaboration with key partners in the months and years ahead as both local and national policy objectives develop.

2. Infections and testing in Kent

2.1 The rates of Covid-19 infection have fallen considerably in the last few weeks. At the peak of the pandemic in Kent (4 January 2021), the 7-day rolling (weekly) average rate per 100,000 was 869. This has now (as of 25 February 2021) fallen to a 7-day rolling (weekly) average rate of 52 per 100,000 population, which compares with 7 day rolling averages of 69 per 100,000 population for the South East region and 103 per 100,000 population for England.

2.2 As of the 23 February, 353,474 lateral flow tests for residents of Kent have been delivered, identifying 2388 positive cases which is a positivity rate of 0.69%.

2.3 NHS and partners are spearheading the vaccination programme and, as of 1 March 2021, 511,702 people in Kent had received their first dose of the vaccination and 26,223 people had received their second dose.

3. Adapting how we deliver

3.1 Virtual working and making buildings COVID-secure

Due to previous investment to KCC's flexible working capacity, A2K (Access to Kent) was able to handle the additional staff having to work from home from the start of the first lockdown. Before this, the average number of staff working remotely was around 400 each day. This has increased to around 6000, which means that over 80% of staff are working from home.

- 3.2 Hardware including monitors, chairs and over 1000 laptops have been distributed to staff to support them to work from home efficiently and comfortably.
- 3.3 15 KCC buildings have been made COVID-secure for staff who are unable to work from home and a booking app has been developed to control the number of staff in buildings. In addition, new information pages have been provided on KNet to advise staff on all ICT, health and safety and property related issues.
- 3.4 Virtual governance and decision-making
The restrictions brought in due to Covid-19 gave rise to several governance challenges and Government introduced regulations that allowed us to meet and take decisions virtually. Virtual meeting protocols were designed to complement the Constitution and the use of the Microsoft Teams platform for formal meetings ensured that decisions could continue to be taken in a legal and transparent manner while remaining accessible to the public. New powers given to KCC around enforcement went through the proper decision-making processes and actions taken under the new regulations were reported to the Scrutiny Committee for review and to ensure the right lessons were learned.

4. Delivering with our partners

- 4.1 Kent Resilience Forum
The Kent Resilience Forum (KRF) is a multi-agency partnership required by the Civil Contingencies Act 2004 to plan for and respond to emergencies. It includes representatives from key local public services and facilities such as Local Authorities, Police, Fire, NHS, Environment Agency and many others. Kent County Council is a lead agency within the KRF.
- 4.2 From March 2020, KRF's strategic command structures were activated to oversee vital workstreams to respond to the pandemic as it took hold. This enabled partners to be able to leverage in support locally and from Government and apply a programme management approach to what were diverse tasks and responsibilities. This included the convening of Cells and workstreams, many of which are referenced throughout this paper. Further information about the KRF structures is provided in Appendix 1.
- 4.3 In December, KRF was able to utilise its member agencies' resources to respond to significant delays and disruption in the county caused by France temporarily closing its border due to the COVID-19 variant first detected in Kent. KCC and partners ensured that local supplies and services such as food, medicines, health services and domiciliary care could get through to the local vulnerable population. It deployed significant resource and staff to co-ordinate HGV parking and queueing, set up COVID-19 testing facilities, and worked with partners, military and the voluntary sector to provide food and supplies to drivers. KRF will look to identify lessons learnt to inform future responses, and ensure it has the fluidity and flexibility to be resilient to future challenges.

- 4.4 The KRF's Covid-19 recovery planning work was led by KCC, who convened the KRF's Recovery Coordinating Group (RCG) and seven supporting recovery cells (see Appendix 1). Approximately 150 individuals across 55 organisations worked together across these cells to produce impact assessments, an overarching Recovery Strategy and action plans, which were launched in September 2020 and are monitored for progress by the RCG on a quarterly basis. The Strategy and action plans have a multi-agency focus that adds value to organisations' own recovery priorities, and focuses on key themes such as resilience, vulnerabilities, digital access/poverty, and restoring services. This work has been steered by Kent's Council Leaders and KCC Cabinet.
- 4.5 District Councils, Community Hubs and local civil support
On 22 March 2020, the Secretary of State for Housing, Communities and Local Government directed upper-tier Local Authorities and Resilience Forums to determine how councils would provide food and other essential items to vulnerable residents and those required to shield, directing them to establish Community Hubs.
- 4.6 A decision was taken very quickly through the Kent Resilience Forum (KRF) and Joint Kent Chiefs that the Community Hubs response in Kent and Medway would be best led by the District Councils and Medway. This was due to the links they already had into the local voluntary sector, their ground level intelligence on local community need, and the facilities and staff they were able to requisition at pace. Most Districts had set up hubs, phone lines, websites and redeployed staff to manage them within 3 days of the initial announcement, and all within a week.
- 4.7 This was a different approach to almost every other two-tier area where the County Council took the lead for establishing and managing hubs centrally. However, given the size and diversity of Kent, the strength of trust and collaboration between all partners and the structures already in place, partners were able to design a flexible, joined-up response that quickly became recognised as best practice by MHCLG, Cabinet Office and the Local Government Association (LGA).
- 4.8 The Vulnerable People & Communities Cell (VPCC) was established to oversee the hubs and wider efforts to safeguard Kent's vulnerable residents, with leads from all 14 of Kent's Local Authorities, as well as emergency services, social services, utilities, Department for Work and Pensions (DWP), Community Safety, Kent Community Foundation (linking into the VCS), Kent Association of Local Councils (KALC) and many more.
- 4.9 KCC officers also received and processed the regular 'data dumps' of shielding lists from Government alongside our own collective client lists, which required proactive contacts. By June 2020, 167,029 contacts had been made to vulnerable people in Kent and Medway, and at the peak 70,687 people were being actively supported in some way, ranging from advice on the telephone through to physical interventions and food parcels.

- 4.10 Kent Together
Whilst the Districts were leading on the co-ordination and provision of Community Hubs, KCC added resilience and capacity to the process by developing the Kent Together webpage and phone line. This enabled the efficient promotion of a single phone line, website and brand across the county on social media, newspapers, radio, press releases, leaflets and media interviews to increase awareness of the support available, whilst also enabling KCC to identify and triage any social care and safeguarding referrals internally. As of 28 February 2021, 5944 requests have been made to Kent Together.
- 4.11 Other work to support vulnerable people and families in financial hardship
The Vulnerable People & Communities Cell's work expanded as the pandemic evolved and has included many other actions including working with District Councils and partners to reopen town centres safely last summer, working with Housing teams to accommodate all rough sleepers and engaging with Kent & Medway Domestic Abuse Executive Group to ensure their planning addressed lockdown risks.
- 4.12 As the impact of the pandemic on Kent's communities has progressed and compounded, KCC and partners have witnessed an evolution of need, from initially being centred around food and emergency supplies, to increasingly households in financial crisis, as the consequences of lost or reduced incomes, furlough, redundancies, and interim protections on loans, mortgages and bills come to an end. Not only have some low income, or 'just about managing' families been tipped into financial difficulties, but some who have never faced financial hardship before are in financial crisis because of loss of income.
- 4.13 Kent Support and Assistance Service (KSAS) have been instrumental in addressing this need, working with the Districts and other statutory partners to provide discretionary support in the form of supermarket vouchers, school uniforms, white goods, school meal vouchers, and much more. Demand has increased significantly as has capacity to meet it, but need is expected to continue.
- 4.14 KCC has worked with the district councils, the voluntary sector and DWP to ensure that Government grants for families and individuals such as the Emergency Assistance Grant and Covid Winter Fund, and those elements of Contain Outbreak Management Fund which support social isolation have been well targeted. A multi-agency Financial Hardship Task & Finish group has been established, feeding into the Vulnerable People & Communities Cell, which has a number of workstreams including building better understanding of the nature and location of financial hardship and action around fuel poverty, digital exclusion and improved referrals for complex needs.
- 4.15 Communications
KCC has worked with partners through KRF to coordinate communication messages to the public through the pandemic, with the approach and

messaging evolving as needed. The aim of communication messages has been to remind and support residents to adhere to guidelines and to inform residents about the local situation in Kent. A Coronavirus hub has been developed on the kent.gov website to inform residents of changes to service delivery, answer frequently asked questions and provide support and advice to Kent businesses, and this has been developed and maintained throughout the pandemic.

4.16 The '*Protect Kent and Medway*' brand identifier has been developed and messages have been targeted to specific groups, including to encourage young people to use of the NHS Test & Trace app and to help reach Black, Asian and Minority Ethnic (BAME) communities. During the easing of restrictions over the summer and autumn, an economic recovery campaign '*Moving forward for Kent*' was run to promote Kent businesses and restore economic confidence, with a toolkit and resources available for businesses to in their own marketing. The '*Don't be the Reason*' campaign (*Don't be the reason someone catches COVID-19*) was developed to encourage compliance over the winter, and Communications will support the forthcoming national campaigns and a new asymptomatic testing campaign for the next stages out of lockdown.

4.17 Voluntary and Community Sector

The voluntary and community sector (VCS) has played a central part in supporting individuals and communities during the pandemic. In the early stages of lockdown, the decision was taken to award £200K to Kent Community Foundation's (KCF) Emergency Fund. This was in recognition of the need to provide support to VCS organisations facing financial difficulty due to lost income. A range of organisations was supported, including those that provide food distribution and support for older people, children and families.

4.18 Part of the invaluable support from the VCS has been through the contracted services that the sector provides to some of our most vulnerable people. KCC has provided £8 million additional funding to the VCS through payments to VCS providers to support cash flow (e.g., payments in advance or payments where services were not being delivered) and payments to cover additional services the sector were delivering for KCC in response to COVID-19. We have also worked with the sector to distribute funding to organisations that can support those most in need including hardship grants.

4.19 Wider VCS networks across the county have stepped up independently of the public sector to support communities and individuals through the pandemic. The increase in volunteering and social action across the county has shown the strength and resilience of our communities and the ability of local support networks to rapidly respond to local needs. We are now looking to build on this through our £500K CrowdFundKent platform.

4.20 In December KCC launched a Strategic Recovery Fund to provide grants to the VCS to support adaptation and recovery post COVID-19. 145 applications were received, and it is hoped that all eligible applications can be funded.

- 4.21 Partnership working across the sector and with public sector partners has been strengthened and proved invaluable not only in understanding the impact of COVID-19 on the VCS but opening up new partnership arrangements. We have now established a VCS Strategic Partnership Board which provides a forum for strategic discussion between the sector and statutory partners on key strategic issues impacting on the VCS in Kent and its resilience. Alongside this, a VCS Steering Group has been established to provide representation across the VCS.
- 4.22 Kent and Medway NHS
Building on a strong history of partnership working, KCC has worked closely with NHS colleagues throughout the pandemic, including through the Health and Social Care Recovery Cell to coordinate response and recovery actions. Further information about the extensive response across health and social care is provided in section 6 of this paper.
- 4.23 A number of common issues have been identified through this work, as well as opportunities to work better together. These included the need to support the shared health and social care workforce whose response to the pandemic has been exemplary but may have had a negative impact on their mental and emotional wellbeing.
- 4.24 It has also become clear that the differing impact of the pandemic on different groups of people is likely to lead to widening health inequalities that we need to tackle. A system-wide Health Inequalities Action Plan to mitigate the effects of COVID-19 is now in development, supported by Kent and Medway Public Health Teams and overseen by the Kent and Medway Joint Health and Wellbeing Board (KMJHWPB).

5. Delivering for business

- 5.1 Impact on business
The economic impact of the COVID-19 pandemic has been severe: the UK economy contracted by around 11.4% in 2020. Within this, the sectoral impact has been diverse, with 'shutdown sectors' in hospitality, retail and the creative arts especially badly hit.
- 5.2 The Government's emergency response has been substantial. It is likely that total Government financial support to businesses in Kent and Medway amounted to around £2.5 billion in 2020, or about 6% of the county's GVA. This is in addition to payments made to employers to retain staff furloughed under the Coronavirus Job Retention Scheme.
- 5.3 Renewal & Resilience Plan and Employment Task Force
In August 2020, Kent and Medway Economic Partnership adopted the Kent & Medway Renewal and Resilience Plan. The Plan sets out principles to support the county's recovery and outlines five workstreams through which activity is being driven to support business and jobs. Some of the key areas of work are set out below.

- 5.4 Business: Supporting resilient and innovative businesses to drive future growth
Much of the central Government financial support made available to business, has been delivered via the Kent Districts and Medway including around £373 million in grant payments during the first lockdown. Locally, this has been supplemented by the Kent & Medway Growth Hub COVID-19 Business Helpline which has taken almost 16,000 calls and 4,000 webchat interactions from businesses seeking support or advice since March 2020. It is funded by KCC and other partners, and funding was extended due to the positive take up from local businesses. KCC has ear-marked funds in 2021-22 to extend the Helpline until September 2021.
- 5.5 The Kent & Medway Business Fund has also supported businesses by offering a repayment holiday to the 165 companies with outstanding loans, providing £5.8 million of support for their cashflow over 12 months. The repayment holiday will be extended for a further six months until September 2021 which will give another £3 million relief.
- 5.6 An additional £3 million of interest free loans are now being paid to companies which have successfully met the criteria announced in August 2020 for Recovery Loans, Capital Growth Loans and Investment Loans. Bespoke support and funding has been provided for individual sectors that have been particularly impacted, including the creative sector.
- 5.7 People: Enabling people to access work and skills to reach their full potential
A Kent and Medway Employment Task Force was established in October 2020 and agreed an Employment Plan in December, which identifies the four priorities: supporting young people into work; supporting the existing workforce; responding to redundancy and driving future demand.
- 5.8 The key short-term action has been supporting the delivery of the Government's Kickstart scheme. This includes the establishment of Kent Invicta Chamber as a 'Gateway' through which SMEs in Kent and Medway can access Kickstart places, and commitment by KCC and several other local authorities to employ Kickstart beneficiaries.
- 5.9 Investment: Planning and investing now for a sustainable future
Kent and Medway has secured £37 million for key infrastructure schemes through the Government's Getting Building Fund to deliver jobs, skills and infrastructure across the UK. These include the project Digitally Connecting Rural Kent and Medway which will improve connectivity for residents and businesses in the 'hardest to reach' parts of the county, benefiting over 1,000 homes with the worst broadband, in addition to 5000 homes and businesses that will benefit from the next stage of the Kent BDUK Project. Other schemes include creating employment hubs and incubators to stimulate business growth and innovation and their delivery will create hundreds of local jobs in construction.
- 5.10 Longer-term investment opportunities are also being supported including the £30m Accelerated Medicines Design & Development project at Discovery

Park to create a stronger cluster of commercial activity using advanced digital technology.

- 5.11 As we move towards recovery, businesses and the self-employed will continue to need support, and a further £3 million of emergency funding for businesses and the self-employed was announced by KCC last month as part of a £10 million package for those hardest hit by the pandemic. Working with our partners, a programme of immediate and recovery support for business is currently being developed and other funding sources including from the South East LEP and European ERDF programmes will be explored.

6. Delivering our services

6.1 Public Health

KCC's Public Health team have been working closely with the NHS and Public Health England (PHE) at both local and regional level since the beginning of the pandemic. Public Health consultants have provided expert advice on response and recovery planning and work closely on a daily basis with NHS colleagues to address regional issues across the health system. Consultants were involved in the initial rollout of vaccinations to health and social care workers (particularly in care homes) and are now working with partners to address vaccine uptake.

- 6.2 Alongside the KRF structures for response and recovery to the pandemic, KCC is also a key partner on the Health Protection Board for Kent and Medway which has overseen the development and implementation of the COVID-19 Local Outbreak Control Plan that sets out how we aim to protect Kent and Medway's population by preventing the spread of COVID-19, identifying early and proactively managing local outbreaks, coordinating capabilities across agencies and stakeholders and communicating with and assuring the public and partners that the plan is being effectively delivered. Public Health will continue to participate in investigations into variants of the SARS Cov-2 virus as required.

- 6.3 The Kent Local Tracing Partnership was set up to improve contact tracing across the County. Working with partners, a call-centre service has been developed which provides contact tracing and a signposting service to help residents who require assistance to self-isolate.

- 6.4 Testing of symptomatic and asymptomatic individuals is key to managing infections. The Testing Cell provides leadership in all aspects of testing, including the setting up of ten Local Symptomatic Testing Sites (LTS), two Regional Testing Sites (RTS) and the direction of Mobile Testing Units (MTU) where needed. Additional MTUs have been sent to assist with outbreak investigations and there has been additional testing arranged for care homes where outbreaks are suspected. Asymptomatic testing for COVID-19 was initiated in December and with initial military assistance, 24 sites have now been set up across the County using Lateral Flow Devices.

- 6.5 Within one week of the notification of PHE investigations into a case of the new South African variant (VOC2) in Kent, KCC Public Health and partners had distributed 10,000 PCR (Polymerase Chain Reaction) testing swabs via door-to-door visits in the ME15 postcode. The exercise was completed in 3 days and achieved a return of well over 80% of kits. The Testing Cell will now consider how new testing including for schools can be integrated into the testing landscape across the county.
- 6.6 Key Public Health services including sexual health and health visiting have been maintained through the pandemic, adapting service delivery as required.
- 6.7 KCC and partners have worked together to understand the impact of the pandemic on both public mental health and mental health services. Advice and support has been provided on KCC's website and a 'One Stop Shop' for mental health information has been developed with partners. Suicide prevention work has been enhanced through monitoring and modelling of risk. Vulnerable groups have been identified and offered psychological and emotional support including for those with existing mental health problems, carers and frontline workers. Support for people who have been suddenly bereaved has also been commissioned.
- 6.8 As restrictions ease, testing and tracing and enforcement activity will remain critical, and Public Health will play a central role in activity to address health inequalities and health impacts of the pandemic.
- 6.9 Adult Social Care and Strategic Commissioning
Adult Social Care, along with other KCC frontline services took immediate steps in responding to the enfolding challenges associated with the COVID-19 crisis. It did so by focusing on important services issues, by adapting and maintaining the delivery of necessary services provided or managed by KCC as well as those it commissioned from private and independent providers. For instance, the Kent Enablement at Home (KEaH) service, was mobilised and worked differently, often together with third party care providers, to meet urgent needs regarding hospital discharges support provision. Adult social care has continued to discharge its statutory responsibilities unfailingly. It is important to emphasise that the safeguarding responsibilities including making safeguarding enquiries and investigations were maintained throughout the crisis, working in partnership with key agencies. The Directorate worked tirelessly with other KCC functions, such as Public Health, Strategic Commissioning and Finance to ensure that there was appropriate support in place for all providers, including the distribution of much needed Personal Protective Equipment (PPE).
- 6.10 KCC mandated Kent Commercial Services (KCS) to source PPE to help address urgent PPE needs of all providers in Kent. The combination of the sensible use of all the available capability and capacity, including the commercial knowledge of KCS, meant that a great deal was achieved in terms of the council's delivery of timely support and meaningful engagement with the sector and partners. Supplies worth over £5 million had been sourced

and underwritten by the council so far. Working closely with the Kent Resilience Forum (KRF), this service delivered over 4.4-million items of PPE, including 800,000 face masks, in over 2,300 separate deliveries.

- 6.11 KCC understands the role social care providers play in assisting the council to discharge its statutory responsibilities via commissioned services. As care providers in the county came under financial pressures as elsewhere, and to help maintain the resilience of the local market, KCC stepped in and responded with practical financial support by making two payments totalling £13.5 million, to all residential, nursing, homecare and supported living and supporting independence providers, (including providers located outside Kent) looking after people placed by the council. This is additional funding over and above the care fees we pay and is the equivalent of an additional two weeks of care and a 15% increase over a three-month period. This payment was made in recognition of the increased costs faced by providers in respect of staffing, transport costs and food purchases.
- 6.12 KCC also administered two tranches of Infection Control Fund direct to providers. The primary purpose of the fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience. KCC passported £32 million Infection Control Fund to care homes and community providers to support them with infection control measures and additional staffing costs. KCC also made available £4.1 million Rapid Test Funding to support Care homes implement lateral flow testing and £3 million Workforce Fund to support providers with staff development, recruitment, and redeployment.
- 6.13 In common with Kent Public Health, Adult Social Care played a key role in the Health and Social Care Response Cell established by the Kent Resilience Forum. The Directors of Public Health for Kent County Council and Medway Council chair the response Cell, which has been instrumental in driving activities during the pandemic response and recovery phase. This cell has had the effect of bolstering the care homes and other providers in the sector. A weekly meeting (known as the 'Care Home Hub') which is attended by all partners and discusses infection control, outbreaks of COVID-19, workforce issues and any other COVID-related issues in care homes. Where issues are identified, the meeting discusses mitigating actions, which might include infection control support, support with testing and other measures. Additionally, a designated settings scheme has been set up, whereby a designated care home will receive COVID-19 positive patients who are fit for discharge from hospital. There are four designated settings which have been approved by CQC.
- 6.14 The annual winter pressures plan took on added significance at the start of the winter months. In response to the DHSC COVID-19 Winter Plan requirements, KCC worked with NHS organisations and social care providers, including the voluntary and community sector to put in place robust Winter Pressures Plan 2020/2021. The plan serves the purpose of providing a clear and concise summary on all the key activities in place, as part of winter

preparedness and how any expected surge in demand because of cold weather, the impact of seasonal influenza and COVID-19 would be managed. This plan is kept under review during winter and updated as appropriate and has proven useful in providing assurance to the national and local system as to how KCC, working with NHS colleagues have been able to ensure that there were no avoidable delays in discharge that might impact adversely on the capacity of acute hospitals.

- 6.15 COVID-19 has altered the normal demand patterns across the different care settings such as, day care, care home, domiciliary care, supported living and shared lives. It is thought that some pent up or hidden demand may become clear over the next few months and years as a direct impact of COVID-19. It will be necessary to take action to ensure that health and social care modelling can forecast demand. In contrast, health and social care organisations are already experiencing increased demand for certain services, many of which relate to mental health issues including domestic abuse.
- 6.16 Children's social care
Throughout the pandemic, keeping vulnerable children safe and supported has continued to be a key priority. Integrated Children's Services have adapted their service provision as required and in the early stages of the pandemic made thousands of calls to vulnerable children and young people to check on their welfare as well as maintaining face to face visits where needed. Since September, routine face to face visits have resumed across all children's social work and early help units, taking care to follow infection prevention and social distancing measures. Between April and December, 85% (25,808 out of 30,318) of statutory child protection visits and nearly 80% (17,555 out of 22,096) of statutory children in care visits took place in person.
- 6.17 Where appropriate, technology has been used to adapt to virtual provision and keep key activity going. This has included a new way of delivering Child Protection conferences virtually and developing a collaboration tool to make it easier to share documents in a format that families prefer. The Fostering and Adoption service has also held panels virtually to help maintain service delivery and to make decisions without delay. Fostering teams continued to provide a high level of support to foster carers remotely and wraparound support was provided to young people who were particularly struggling in order to try and avoid the breakdown of placements.
- 6.18 At the peak of the first lockdown, staff stepped up the level of contact they had with care leavers, especially those who had more limited support networks. Where young people struggled because of loss of income through being furloughed, the service provided emergency food parcels and additional support where needed. As a result of some tragic unexpected deaths of young people, the service, with the support of colleagues, reviewed all of its most vulnerable young people aged 18-25 and audits were commissioned through safeguarding and quality assurance to look at the learning to improve support to our most vulnerable young adults.

- 6.19 The COVID-19 pandemic exacerbated the pre-existing pressures on the county to receive Unaccompanied Asylum-Seeking Children (UASC). KCC was forced to take the difficult decision in August that it was unable to accept new arrivals until a solution could be found by the Home Office to fairly distribute the children to other councils. As numbers of new arrivals dropped going into the winter, and some young people were transferred, these duties were resumed on 7 December.
- 6.20 KCC has worked with vulnerable children and their families to encourage them to continue to access education through the lockdown. As with most other local authorities in England, less than 20% of Kent's vulnerable children or those with an Education Health and Care Plan (EHCP) attended school during the first lockdown. This was primarily driven by parental anxiety about the risk to children and their families if they were to attend school. Social workers worked with foster carers to put home schooling arrangements in place where possible. In addition, Virtual School Kent (VSK) created a Home Learning resource for vulnerable children which covered academic learning as well as COVID-19 information and resources to support emotional health and wellbeing.
- 6.21 Schools and education
KCC has provided information, advice and support to schools throughout the pandemic to assist them in adapting with the changing circumstances. There has been a constant dialogue between KCC and Headteachers through regular letters and updates on Government guidance and to allow any issues or concerns to be raised, and importantly to demonstrate thanks and appreciation to education staff in exceptionally difficult circumstances. Schools have also received support from their Area Education Officer as required.
- 6.22 KCC has offered a wide range of support to help schools and families adapt to home learning. Each school has access to an allocated School Improvement Adviser who provides advice and support on resources, connectivity and quality of remote working and teaching. KCC has helped to allocate IT devices to vulnerable Kent children through the Government's IT devices initiative to support remote learning. This included 3,563 devices and 502 4G routers for young people with social workers and care leavers and 437 devices and 281 4G routers for vulnerable year 10 pupils who attend local authority-maintained schools. All schools that are part of an academy chain received their own allocation of devices.
- 6.23 From the start of the first lockdown, it became apparent that a number of families with children with Special Educational Needs and Disabilities (SEND) were struggling to cope without their usual routines and support. Although special schools were permitted to stay open, access to educational activities was varied for many children and young people. The service worked with Short Break providers to develop a range of provision that families could use, as well as promoting the virtual Youth Service offer where appropriate, whilst Social Workers kept in touch with families that were under greatest stress. All families open to the Disabled Children & Young People Service are being

offered £250 per child to purchase sensory equipment, toys and activities, following the success of the previous toy scheme.

- 6.24 KCC also supported education settings to carry out risk assessments for children with an EHCP to determine whether their needs could be met safely in the education environment. Where children with EHCPs were being home schooled, SEND Provision Evaluation Officers checked with families that the provision from their school was meeting the child's needs and worked to overcome any issues.
- 6.25 Additional capacity has been made available for the writing of 150 EHCPs per month for a 4-month period to help reduce the backlog in processing EHCPs that had built up due to the pandemic, with an option to extend this if needed.
- 6.26 Education and Transport teams have worked together to ensure that home to school transport has continued to be available for children attending school throughout the pandemic. This included hiring 130 coaches a day from September to ensure that social distancing on school transport could be achieved. A transport protocol has been developed by KCC and adopted by transport operators to ensure a sufficient and safe service. During the reduced demand for school transport, KCC has maintained the number of operators available using continuity payments, ensuring providers are ready to operate as lockdowns have ended. All transport provision is ready for the return of schools on 8 March.
- 6.27 Kent Travel Saver (KTS) received 70% of the normal uptake in September. During the pandemic, the Public Transport team have converted the process for applying for KTS to a near 100% online process and have also managed KTS refunds and goodwill payments.
- 6.28 Due to the disruption to schooling caused by the pandemic, proposals were made to delay the Kent Test by one month to allow pupils to return to school. The number of preferences parents were offered in the school admissions process was also extended to provide greater flexibility. The test took place in COVID-safe conditions, which significantly increased the required number of test centres and the timescale over which testing took place. 33-34,000 test papers were marked in a little under one week. Appeal processes were redesigned to take place virtually and consideration was taken of each child's individual COVID-19 related circumstances. Preparations are underway for the forthcoming Kent Test process for 2022.
- 6.29 At the start of the pandemic and through the summer holiday, provision of food parcels or vouchers for children eligible for free school meals was provided by schools through centralised funding from the Department for Education. Government announced shortly before October half term that it would not extend this funding. In order to support families over the half term, KCC rapidly put in place arrangements to use the Emergency Assistance Grant to provide supermarket vouchers. A dedicated telephone line for queries was set up and staff from Cantium Finance and Strategic Commissioning quickly put processes in place to respond to queries, check

eligibility and purchase and dispatch vouchers. Over £381,000 of supermarket vouchers were purchased and over 25,000 vouchers were distributed over this time.

- 6.30 The scheme has since been adapted and improved to cover the Christmas and February half term holidays, working with schools and third-party providers to ensure that eligible families received vouchers. Additional steps were taken to encourage families to apply if they were eligible but not yet in receipt of free school meals. Information from health visitors and providers was used to identify vulnerable and hard to reach households that were eligible.
- 6.31 The pandemic and necessary restrictions have had a significant impact on the lives of children and young people and providing emotional and mental health support is an important priority. HeadStart Kent is an existing scheme that offers a wide range of advice, information and toolkits to parents, staff and schools to improve the emotional and mental wellbeing of children and young people. The HeadStart Resilience Hub provides a dedicated section full of COVID-19 resources to support young people during these unprecedented times. Additional National Lottery funding has been made available to allow the scheme to continue until 2022. HeadStart Kent will receive £1 million, bringing its total funding for the six years to £11.2 million.
- 6.32 Since the start of lockdown, KCC and partners have developed a virtual youth offer, delivering a range of exciting and innovative activities to young people and helping them stay connected to other young people. This has included support on anger management, emotional wellbeing and self-esteem. KCC Open Access services use and promote a range of apps and resources to support young people to cope and manage issues such as anger, anxiety, depression and stress.
- 6.33 Going forward, the impact of the pandemic on services for children and young people will continue to be modelled. Data for children's social care so far shows that while contacts into the Front Door are lower compared to the previous year, the cases coming in have tended to be more complex with entrenched issues, indicating that they are being picked up later than would normally be the case. It is essential that we understand and plan for the changes in patterns of need and demand.
- 6.34 Helping children and young people to recover and make up for the learning, developmental and social activities they have missed out on due to the pandemic will be a complex and long-term challenge. A new programme *Reconnect: Kent Children and Young People* is being developed for all children and young people from the age of 2 to 19 (or 24 for those with disabilities) who have missed opportunities. The programme covers health and happiness, missed learning, friends, family and community, sports, activities and the outdoors and economic wellbeing. The programme will involve all parts of KCC and a wide range of partners from the public, voluntary and private sectors. The programme is currently being further developed and will be presented to Cabinet on 15 March.

6.35 Community and Infrastructure Services

6.36 *Community Wardens*

During the past 12 months of the pandemic, the KCC Community Warden Service has been reprioritised to support the most vulnerable in our communities, working alongside the Community Hubs. Community Wardens have supported between 3,600 and 4,500 vulnerable individuals during the lockdowns. This is in addition to their role of providing information, advice and guidance to their communities on the frequently changing/evolving COVID rules and more recently, working in partnership to support the new COVID-19 variant surge-testing in Maidstone.

6.37 The KCC Community Warden service has also been building its cohort of volunteers and currently has over 80 volunteers whose role includes sharing Public Protection's social media messages with their families, friends and communities, and helping to raise awareness of scams and safety issues. The volunteers have also been contributing even more directly within their communities, supporting Wardens or taking part in the 'Knock and Check' campaign.

6.38 It is anticipated that the demand for the Community Warden Service will increase as restrictions begin to ease and the warden role begins to broaden out again, as the associated issues with public spaces reopening and a return to group gathering will require close multi-agency working to resolve.

6.39 *Trading Standards*

Since March 2020 Trading Standards has been given additional responsibility for the enforcement of the Regulations covering the restriction and closure of businesses, to prevent the spread of COVID-19. Over 4,000 referrals have been received from the public covering issues such as scams, fake PPE, and prohibited shops trading.

6.40 The service is providing advice and guidance to the public and businesses on COVID-19 restrictions and compliance has been high, with 1,671 businesses visited but only 23 prohibition notices needing to be issued. The service has run a Covid-19 'Ask the Expert' events for businesses about lockdown rules and trading safely, and created a series of business advice videos, which have been viewed over 35,000 times. The Ports team has continued to tackle illegal imports with Border Force including non-compliant PPE and hand sanitiser, dealing with 1,007,594 items.

6.41 The service is tackling the proliferation of COVID-related scams and financial abuse by implementing a social media and digital plan to inform and help protect residents and businesses. We have intervened to support 126 victims of scams and doorstep crime, who had lost collectively £672,000, preventing them losing a further £251,000. Other areas of service have continued, such as providing animal health and welfare enforcement, pursuing ongoing investigations and progressing court cases.

- 6.42 *Household Waste Recycling Centres (HWRCs) and Waste*
During the initial closure of the HWRCs, contracted personnel were diverted to assist District Collection Authorities. All Transfer Stations remained open as usual, and KCC secured and funded additional contractual resources to assist some Districts to maintain their weekly collection services. Social distancing measures and a booking system have been installed at the HWRCs, to provide a COVID-safe environment for employees and residents. KCC also supported Districts to provide waste collection services to those who were particularly vulnerable.
- 6.43 The booking system, which allows residents to plan their time and reduce queuing has been very positively received by residents: a survey of 9,500 residents recorded over 96% satisfaction. The system now offers 40,000 slots per week, and utilisation at sites is at approximately 63%. The number of slots will be increased further as social distancing is eased, and further improvements can be made to support an improved customer experience that also reduces traffic congestion and improves air quality.
- 6.44 *Libraries and Registration Services*
During the closure of libraries, work was quickly undertaken to develop and promote digital library services and enable easy online joining so customers could gain immediate access to e-books, e-audiobooks, e-magazines and e-newspapers. Use of these resources has increased by 94%. A varied programme of virtual activities has been delivered throughout the year via our social media platforms, including story and craft activities, with over 20,000 people engaging with these events, and the popular Summer Reading Challenge was delivered entirely digitally for the first time.
- 6.45 As the initial lockdown eased, Home Library and Postal Loan services returned and a new book service 'Select and Collect' was developed so people could get books without having to enter a library. When possible, use of computers has been provided where essential.
- 6.46 A phone befriending service was quickly established from April for vulnerable libraries customers. It was offered initially to Home Library Service customers, followed by Postal Loan and Mobile Library customers, with LRA staff making over 3,500 calls in total to these customers to offer companionship, support and signposting to other support networks. The impact of the service was significant in helping to combat social isolation and check on the safety and wellbeing of vulnerable people and has received extremely positive feedback.
- 6.47 In March 2020, all Registration services were suspended with the exception of death registrations. As key workers, the Registration teams across the county have delivered 16,247 death registrations since 1st April 2020, a 26% increase on last year's figures. Face to face birth registration appointments were re-established in June, working to clear the backlog of 4,000 outstanding births. Socially distanced wedding ceremonies were introduced in July, although from November's lockdown only emergency ceremonies were allowed to continue and birth registrations were again suspended.

- 6.48 *Country Parks and Public Rights of Access (PROW)*
KCC's Country Parks were able to stay open throughout the pandemic, with only a brief 6-week closure of the carparks during the first lockdown. Staff adapted the facilities (e.g. visitor centres, cafes and play areas) to ensure they were COVID-safe. Individual Parks have been between 50% and 220% busier than normal, even during the 'offseason' of December 2020. PROW have experienced up to a tenfold increase in users on certain routes. Both Parks and PROW attracted a considerable number of new users across the year, which reflects the value of these local assets particularly in contributing to the wellbeing of our residents during this challenging time.
- 6.49 *Coroner Service*
There has been a significant increase in numbers of new death referrals to the Coroner Service. Changes to death certification, arising from the Coronavirus Act (to enable doctors to focus on patient care), inadvertently further increased referrals to the coroner service. Straight-forward inquest hearings have been conducted virtually, but a substantial backlog of more complex inquests (with or without a jury) has developed. Existing court facilities were not COVID-19 compliant for jury cases and so an additional venue was established. The increased workload is expected to continue through summer 2021 and may run into the next winter period. Courts have resumed a full timetable to address the backlog. The Service has introduced several service improvements to improve efficiency.
- 6.50 *The death management process*
The Kent Resilience Forum Death Management Process Group meets weekly and has been very closely monitoring the death statistics over the past months to implement both proactive and reactive responses. The new variant of COVID-19 put significant pressure on the NHS and in turn, its mortuary capacity, creating some delays from point of death to releasing the deceased into the care of a Funeral Director. In response to the escalating death rates in December, Aylesford Temporary Place of Rest (TPoR) was set up to provide additional capacity to support the hospital mortuaries across the County. It was mobilised within 48 hours and for the first six weeks of 2021, the facility held between 130 and 200 deceased at any one time. Over the course of its operation, KCC has closely monitored and responded to the NHS Trust and funeral directors' needs for chiller, bariatric and freezer provision at Aylesford TPoR. Modelling analysis indicates that, by mid-March, hospitals will be back within their mortuary capacity and Aylesford TPoR will no longer be required.
- 6.51 *Transport*
The Department for Transport (DfT) allocated the County Council £1.6m for Emergency Temporary Active Travel schemes in June 2020 to encourage walking and cycling. The aim was to create safe spaces for these activities to continue the significant growth they experienced during the first lockdown. Due to the deadline imposed by DfT and the prospect of losing significant inward investment in the County, twenty-four schemes were implemented in the first tranche without it being possible to undertake the usual public consultation. Subsequently a number of these schemes were dropped in response to the feedback received about them. However, the majority remain

in place and KCC was successful in gaining a further £6.4m for larger, permanent schemes for the second tranche of the programme, which are now the subject of full public consultation and engagement in order to implement them successfully. As we emerge from lockdown, the challenge will be to provide safely for the increased demand for walking and cycling facilities set against rising traffic levels, increasing speeds and a reluctance to use public transport. Our emerging Vision Zero Road Safety Strategy will be a key component of this.

6.52 *Buses*

Alongside the extensive efforts to provide sufficient and safe school transport, the Public Transport team have supported bus operators to adapt to reduced demand and new restrictions. This has included supporting them to develop new cleaning and operating processes to keep users safe and adapting network provision to changing demand over the last year. Fare payers on buses have dropped to around 30% of normal rates, although this improved when restrictions were eased during the summer. KCC has supported bus operators with continuity payments to keep the network stable. It is anticipated that demand for local bus services will increase as lockdown restrictions are eased. A national bus strategy is expected shortly which will set out further recovery funding for bus services.

6.53 *Emergency Planning*

Emergency Planning drew on knowledge and experience to anticipate potential service impacts from the emerging novel coronavirus from January 2020 and went on to develop the KRF Gold Strategy for the outbreak. A bespoke KCC Coronavirus (COVID-19) Pandemic Contingency Plan, setting out key principles and response structures, was created and published in electronic format in April 2020 and has been updated dynamically as the pandemic response evolves. Full legal and regulatory compliance on other key areas of emergency planning activity has been maintained throughout the pandemic as well as operational response to severe weather, animal and plant health and other emergencies.

7. **Conclusion: Delivery into the future**

7.1 This paper sets out the scale of the effort made by all parts of the council in responding to the pandemic. Whilst no one would have wished for the pandemic and the tragic loss of life, livelihood and liberty that has been its consequence, the breadth and scale of the effort by partners across all sectors to the coronavirus response in the face of historic adversity has been ground-breaking. Whilst KCC's relationships with partners have always been strong, meeting the challenges of coronavirus and the outbreak of the 'Kent variant', alongside EU transition and winter pressures have brought organisations, Members and officers closer together, prioritising the support of Kent's vulnerable population, wider community and local businesses above all else whilst dealing with unprecedented pressures and demands. The responsiveness and resilience of public services when they have clear common objectives and a focus on working together at both the operational

and strategic level is likely to lead to a significant increase in expectations by Government and the public alike.

7.2 As the removal of restrictions supports a return to a new normality, the scale of the future challenge comes sharply into view – namely how do we embed these new ways of working so that we can deal with the inevitable long-term financial, social and economic impacts that will remain long after the virus has been brought under control. Many of these challenges were laid out in the Interim Strategic Plan agreed by County Council in December 2020 but some immediate challenges as we remove lockdown restrictions include:

- how we continue to seek new opportunities for business growth and employment to drive the economic recovery, recognising the opportunity for new digital and green infrastructure;
- how we make the generational leap forward in joint working driven by the pandemic sustainable and embed it as the normal way of doing business across local public services;
- the likely increase in complex service demand for adults and children's social care;
- how we can support the social care system through embedding stronger relationships with providers and lobby government for a new and sustainable financial settlement for social care alongside the wider reforms to the health and care system;
- how we support schools to help children to recover lost learning and how we support the many adults and young people who have suffered mental health issues as a result of the pandemic and lockdown.

7.3 As the economy and society finds a post-pandemic normality, how we deal with these issues will almost certainly become the backbone of a new 5-Year Plan for the County Council from 2021 onwards. But there are two priorities which specifically stand out as needing particular focus of KCC Members over the coming months.

7.4 Firstly, the pandemic has brought into sharp focus the vulnerability of many of our residents which is often the result of economic insecurity but also the shift towards an aging society as people face living longer with multiple health conditions and are often isolated from friends, family and other support networks. This vulnerability often drives long-term demand for public services, and particularly social services. Much of the support through the pandemic has been through one-off additional monies or one-off arrangements, such as the Community Hubs and far stronger operational working with the VCS sector. Our immediate challenge is how we can increasingly bring these two issues together, with more structured working with the VCS sector alongside new thinking about how we sustain support for the most vulnerable in our county.

7.5 Secondly, the working relationship between KCC and the NHS has been critical to our collective pandemic response. What are sometimes impediments and barriers to joint working in normal times have been put aside to simply get things that needed to be done, done. The pandemic has given

us a vision of what can be achieved when the NHS and local authorities place aside those normal impediments and barriers and focus on the needs of our residents and patients, particularly on issues of population health management, where KCC Public Health teams and Kent and Medway NHS have shared priority to tackle the significant health inequalities within our communities that have been identified through the pandemic.

- 7.6 It is important that this opportunity is not subsequently lost by the everyday challenges that will quickly return for both organisations. Members will be aware that the Government have issued a White Paper on health and social care, which will provide the opportunity to frame the debate about what the future relationship between the council and the NHS in Kent will be within the Integrated Care System. But it is also important that we are not limited to what the White Paper says but instead focus on what is the right approach for Kent going forward, focussing on the very practical and very real benefit that stronger working between health and social care can bring.

8. **Recommendations**

Recommendation:

County Council is asked to:

(1) Note and comment on activity undertaken by KCC and partners to respond to the COVID-19 pandemic and prepare for recovery.

9. **Appendices**

- 9.1 Appendix 1 – Diagram showing Kent Resilience Forum Pandemic Coronavirus Command and Control Structure

10. **Contact Details**

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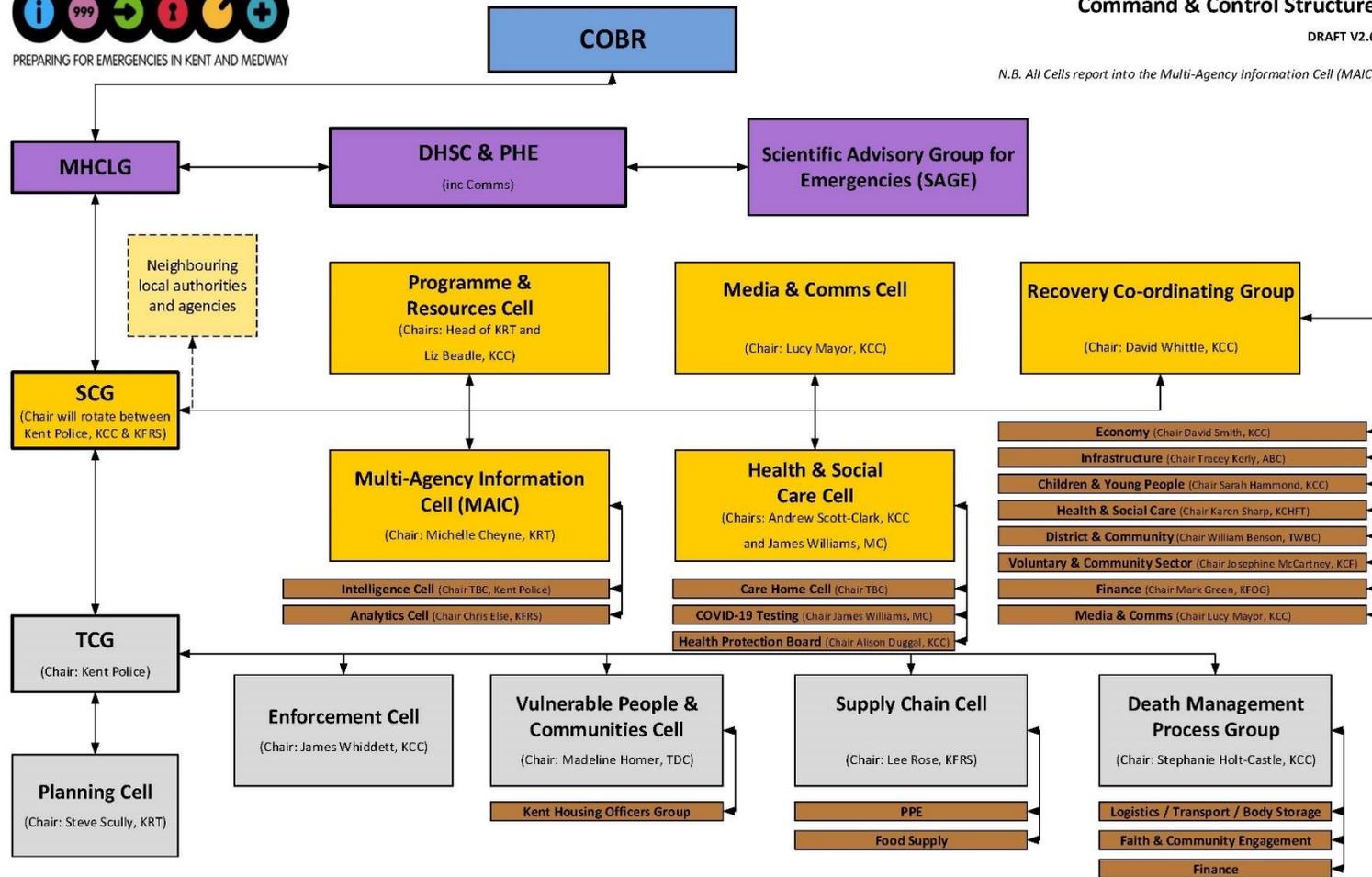
Appendix 1 – Diagram showing Kent Resilience Forum Pandemic Coronavirus Command and Control Structure



KRF Pandemic Coronavirus Command & Control Structure

DRAFT V2.6

N.B. All Cells report into the Multi-Agency Information Cell (MAIC)



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

To: County Council, 11 March 2021

Subject: Covid-19 Local Recovery Fund

Classification: Unrestricted

Electoral Division: All

Summary:

Throughout the Covid 19 pandemic, local voluntary and community sector organisations have been working within their communities, responding to local issues and need. The Helping Hands Support Scheme has been created using £10m of the Covid-19 Emergency Grant funding, with £4m allocated to support low income households and households in financial distress including through voluntary and community sector organisations.

The Council is proposing using £486k of the £4m to establish the Covid-19 Local Recovery Fund for use by elected Members in 2021-22. Members will each have £6k to award to eligible organisations in their electoral division that are undertaking projects which actively respond to the impact of Covid-19 on residents in the local community.

Recommendation:

The County Council is asked to note the report and support the proposal to create the Covid-19 Local Recovery Fund for 2021-22 under part (a) of the Helping Hands Support Scheme via Executive Decision 21/00024.

1. Introduction

- 1.1. Throughout the Covid-19 pandemic, community groups and voluntary sector organisations across the county have been working within their communities responding to local issues and need. There have been a wide range of projects and initiatives such as foodbanks, supporting the homeless, virtual and socially distanced befriending schemes to tackle loneliness, providing activity packs for preschool children and collecting/delivering supplies for shielding residents. Many of these projects have been supported with funding from the Combined Member Grant scheme. Over the course of the first lockdown in spring 2020, approximately £170k was awarded in grants specifically for Covid-19 support projects. The second wave of Covid cases, the variant and the latest lockdown

and restrictions mean that the work of these groups continues to be critical, in the face of reduced ability to fundraise or generate income.

- 1.2. The Helping Hands Support Scheme has been created using £10m of the Covid 19 Emergency Grant funding. Part (a) of the Record of Decision states that, of the £10m, £4m is allocated to “support low income households and households in financial distress, including through council services such as the Kent Support and Assistance Service, district and borough councils, voluntary and community sector organisations, such as Kent Community Foundation and utility companies such as South East Water.”
- 1.3. In recognition of the vital work that local community groups and organisations are undertaking in response to the pandemic, the County Council is proposing that £486k of this £4m is used to create the Covid-19 Local Recovery Fund. Members would each have £6k to allocate to voluntary and community sector organisations for specific Covid-19 recovery projects in their electoral division.

2. Outline of the Covid-19 Local Recovery Fund

- 2.1. The key objectives of the scheme are:
 - To provide funding to local community and voluntary sector organisations that are undertaking projects that respond to local need as a result of Covid-19.
 - To support residents through already established organisations who have an understanding of where the Covid Emergency Grant funding will have the most impact.
 - To allow Members to use their local knowledge to support their constituents.
- 2.2. The Covid-19 Local Recovery Fund is a funding route for smaller organisations and community groups that may have struggled to sustain funding throughout the Covid-19 pandemic.
- 2.3. Funding will be available for the 2021-22 financial year and access to the Fund will start in the new municipal year.
- 2.4. Awards must be between £300 and £2,000. Setting these limits will ensure that a wide range of projects can be supported.
- 2.5. In recognition of the population density in divisions with multiple Members, Members who share a division can combine awards. The minimum and maximum limits of £300 and £2,000 will still apply to the value of the combined award.
- 2.6. Applicants to the Covid-19 Local Recovery Fund will be required to demonstrate how their project responds to the pandemic, in line with the County Council’s Interim Strategic Plan objectives. These objectives are broad

in scope and will enable a wide range of organisations and projects to be eligible for an award:

- i Improve the health and wellbeing of our population.
- ii Improve access to emotional and mental health support for children and young people.
- iii Support households in financial crisis, food and fuel poverty.
- iv Enable the necessary physical, social and cultural infrastructure to make Kent an attractive place to live, work and invest in.
- v Support people to learn and retrain throughout their life so that individuals, are well-equipped to seize economic opportunities.
- vi Work with local communities to promote access to safe places to walk and cycle as an alternative to travelling by car.
- vii Consider opportunities for providing support and activities for young people online, including youth outreach work.

2.7. Highways projects will not be in the scope of the award.

2.8. The Covid-19 Local Recovery Fund will have a simple application and approval process, administered by the Member Hub.

3. Recommendations

Recommendations:

The County Council is asked to note the report and support the proposal to create the Covid-19 Local Recovery Fund for 2021-22 under part (a) of the Helping Hands Support Scheme via Executive Decision 21/00024.

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