



AGENDA

CABINET

Monday, 22nd June, 2020, at 10.00 am
Virtual

Ask for: **Denise Fitch**
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In response to COVID-19, the Government has legislated to permit remote attendance by Elected Members at formal meetings. This is conditional on other Elected Members and the public being able to hear those participating in the meeting. This meeting of the Cabinet will be streamed live and can be watched via the Media link [here](#)

UNRESTRICTED ITEMS

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

1. Chairman's Introduction
2. Apologies and Substitutes
3. Declaration of Interests by Member in Items on the Agenda for this meeting
4. Minutes of the Meeting held on 27 April 2020 (Pages 1 - 4)
5. Cabinet Member Updates
6. Revenue & Capital Budget Outturn 2019/20 (Pages 5 - 52)
7. Capital Programme 2020-23 and Revenue Budget 2020-21 (Pages 53 - 64)
8. Quarterly Performance Report, Quarter 4 2019-20 (Pages 65 - 118)
9. Highway Flooding & Storm Response (Pages 119 - 138)

EXEMPT ITEMS

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

Benjamin Watts
General Counsel
03000 416814

Friday, 12 June 2020

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KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Online on Monday, 27 April 2020.

PRESENT: Mr R W Gough (Chairman), Mrs C Bell, Miss S J Carey, Mrs S Chandler, Mr P M Hill, OBE, Mr R L H Long, TD, Mr P J Oakford, Mr M D Payne, Mrs S Prendergast and Mr M Whiting

IN ATTENDANCE: Mrs A Beer (Corporate Director of People and Communications), Ms J Mookherjee (Consultant in Public Health), Ms E Sanderson (Strategic Business Adviser), Mr A Scott-Clark (Director of Public Health), Ms C Starte, Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance) and T Woodhouse (County Parks and Countryside Partnerships Manager)

UNRESTRICTED ITEMS**136. Minutes of the Meetings held on 27 January and 2 March 2020**
(Item 3)

RESOLVED that the minutes of the meetings held on 27 January 2020 and 2 March 2020 were correct records and that they be signed by the Chairman.

The Chairman explained that three questions had been asked and not answered at the informal Cabinet briefing the previous week. These questions were asked of the Cabinet Members and responses given.

137. Suicide Prevention Programme Update
(Item 4)

1. Mrs Bell, Cabinet Member for Adult Social Care and Public Health, introduced this item. Andrew Scott Clark outlined highlights from the report. There was work to be done on recovery from the Coronavirus epidemic, particularly in relation to the impact of social isolation. Jess Mookherjee explained that Kent had been nationally recognised for the work done to reduce the rate of male suicide, which was now slightly lower than the national average. However, there was still work to do. Mental health training was highlighted within the strategy and priority had been given to Adverse Childhood Experiences and Trauma Informed Care. Funding would be reducing so there was a need to ensure continued skills and resources were available. Tim Woodhouse explained the 'release the pressure campaign', which had a 24-hour support line as well as a recent 'support by text' service available to anyone in Kent for free.

2. Mrs Chandler explained that there was a focus on children and young people within the strategy and that excellent work was underway with partners. There were concerns about the effects of social isolation (due to the Coronavirus Pandemic) on young people, however, it was also apparent that for some young people, being at

home with their families was reducing the pressure on them, and this would be considered in the future.

3. Mr Hill referred to Domestic Homicide Reviews which now included suicides as well as homicides. He said the reviews were a valuable tool to determine why suicides had happened and what could be done to prevent future deaths.

4. The Leader thanked the Cabinet Member and officers for their introduction and presentation, this was a timely item of increased risk and considerable concern during the period of lockdown.

5. RESOLVED that Cabinet note the presentation and report.

138. Kent Together Update (Presentation)

(Item 5)

1. Mrs Prendergast introduced this item. During the Coronavirus Pandemic there had been a huge emergence of volunteers offering help and support to those in need. The Kent Together helpline played a key role in coordinating this support.

2. Amanda Beer gave a presentation which is available [via this link](#). The overall aim of Kent Together was to ensure that anyone who needed help (with no family or friends) had somewhere to go. There were three key groups of people who were a priority to support, these were: those on the Government shielding list, those known to public services in Kent and the group that had not previously used any public service but who found themselves in need of support from others. The Kent Together team included officers from across KCC and the districts.

3. Christina Starte explained how Kent Together worked, this information is contained within the presentation, available [via this link](#).

4. The Leader welcomed the 24/7 nature of Kent Together, there was a question over whether this needed to be emphasised since numbers of contacts at weekends were lower than during the week.

5. Mr Whiting congratulated everyone involved in the Kent Together programme and the widespread offer of help that was being given. The Leader emphasised that this programme was designed to supplement and support existing services, to ensure that people did not miss out on the help that they needed.

6. The Leader thanked the officers for their presentation and comments and asked that congratulations be passed onto the team involved in Kent Together, he looked forward to hearing more about the programme in the future.

7. RESOLVED that Cabinet note the update on Kent Together.

139. Governance Update on Virtual Meetings

(Item 6)

1. Mr Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, introduced this item. It was good news that regulations had allowed the holding of virtual meetings.

2. Ben Watts explained that his team had worked hard with colleagues in Infrastructure to determine how meetings could be conducted online. This was being done via Microsoft Teams and training had been undertaken with Members over the past 4 weeks. The report set out the changes to legislation along with a draft protocol which Cabinet was asked to approve.

3. Mr Hill commented upon the Police and Crime Panel, a meeting of which was scheduled for 18 June, and asked if it be possible to hold this meeting virtually. Ben Watts said he was hopeful that by mid-June it would be possible to have a quorate virtual meeting with all the parties involved in the Police and Crime Panel. Work was ongoing through the Kent Secretaries Group to understand the different technologies being adopted by each district in Kent.

4. The Leader thanked the Deputy Leader and Ben Watts for their comments and for answering Members' questions on this item.

5. RESOLVED that Cabinet note the report and agree the Protocols.

140. COVID 19 Corporate Planning

(Item 7)

1. Liz Sanderson and David Whittle introduced this item and gave a presentation which is available [via this link](#). In considering recovery from COVID-19, thought was being given to the way the Council worked and how it would deliver vital services. Despite ongoing uncertainty, it was possible to make some assumptions about what kind of council KCC would become in the future.

2. Mrs Prendergast reassured Members that a new engagement platform was being worked on which would help meaning engagement with the public.

3. Mr Whiting asked about progress on enabling a virtual Planning Applications Committee meeting. Ben Watts said work was underway regarding this, lessons were being learnt from other councils and there was confidence that it could be done. KCC had governance arrangements that allowed the taking of many decisions without the need for meetings and officers were currently looking at decisions which needed to be considered by the Planning Applications Committee as a matter of urgency.

4. The Leader thanked Liz Sanderson and David Whittle for their presentation. The evolution of the Council's relationship with the Community Sector was important to maintain. Referring to recovery it was important to ensure that infrastructure was in place before housing growth. KCC would continue to focus on this as a part of the county's economic recovery.

5. RESOLVED that Cabinet note the presentation.

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

To: Cabinet – 22 June 2020

Subject: **REVENUE & CAPITAL BUDGET OUTTURN 2019-20**

Classification: Unrestricted

1. SUMMARY

- 1.1 This report provides the provisional revenue and capital budget outturn position for 2019-20, including a final update on key activity data for our highest risk budgets.
- 1.2 The report includes:
- This covering summary report which provides a high level financial summary and highlights only the most significant issues and movements since the last financial monitoring report to Cabinet in March;
 - Appendix 1 – details of proposed revenue budget roll forwards;
 - Appendix 2 – details of capital re-phasing;
 - Appendix 3 – details of proposed capital programme cash limit changes;
 - Appendix 4 – details of the Asylum service outturn and key activity information;
 - Appendix 5 – High Needs and Dedicated Schools Grant Key Indicators;
 - Appendix 6 – details of the impact of the provisional outturn on our reserves;
 - Appendix 7 – final monitoring of prudential indicators for 2019-20.

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2019-20 for both revenue and capital.
- ii) **Agree** that £1.355m of the 2019-20 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £0.187 of the 2019-20 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £1.564 of the 2019-20 revenue underspending is rolled forward to fund the bid relating to Local Member Grants detailed in section 4 of Appendix 1.
- v) **Agree** that the £3.121m remaining underspend is set aside in the earmarked reserve to support future years' budgets.
- vii) **Agree** that the £32.654m of capital re-phasing from 2019-20 will be added into the 2020-21 and later years capital budgets, as detailed in Appendix 2.
- viii) **Agree** the proposed capital cash limit changes outlined in Appendix 3.
- ix) **Agree** the contributions to and from reserves as reflected in Appendix 6, which includes all appropriate and previously agreed transfers to and from reserves.

3. SUMMARISED PROVISIONAL REVENUE BUDGET OUTTURN POSITION

- 3.1 For the 20th consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools). This is a considerable accomplishment considering the forecast position throughout the year. It should be noted that within the overall out-turn position there is a significant overspend in Children's Services totalling £8m, which is offset by underspends elsewhere. The provisional outturn against the combined directorate revenue budgets is an underspend of -£6.226m (excluding schools and roll forward requests of £3.106m). There may be minor variations to the figures during the final stage of the year end process and the external audit.
- 3.2 Details of the proposals for the use of the £6.226m revenue budget underspending are provided in Appendix 1. This identifies those projects where there is already a commitment or a request to spend in 2020-20, leaving a balance of £3.121m. It is recommended that this remaining underspend is transferred to the earmarked reserve to support future years' budgets. This is particularly important in the context of the current financial climate and the budget pressures the Council is facing.
- 3.3 The report also provides details of the impact the provisional outturn has on reserves in Appendix 6. In addition, the final monitoring of key activity indicators for 2019-20 is detailed in Appendices 4 and 5.

3.4 Table 1a: Directorate **revenue** position – provisional outturn

Directorate	Cash Limit £m	Outturn £m	Variance £m	Previous Variance £m*	+/- £m
Adult Social Care & Health	366.069	367.392	1.324	-0.574	1.898
Children, Young People & Education	239.046	247.083	8.038	6.808	1.230
Growth, Environment & Transport	174.159	171.744	-2.416	0.118	-2.534
Strategic & Corporate Services	81.284	79.287	-1.998	-1.827	-0.171
Financing Items & Unallocated	179.842	168.667	-11.174	-8.659	-2.515
Total excluding Schools	1040.400	1034.173	-6.226	-4.134	-2.092
Schools' Delegated Budgets	0.000	13.046	13.046	22.498	-9.452
Total including Schools	1040.400	1047.219	6.819	18.364	-11.545

	Variance £m	Previous Variance £m*	+/- £m
Variance from above (excl Schools) £m	-6.226	-4.134	-2.092
Roll Forwards - committed	1.355	0.471	0.884
- re-phased	0.187	2.658	-2.471
- bids	1.564	1.197	0.367
Total Roll Forward Requirements	3.106	4.326	-1.220
(-ve) Uncommitted balance / (+ve) Deficit	-3.121	0.192	-3.313

*Previous variance reported to Cabinet on 23 March 2020 for January 2019-20

3.5 Table 1b: Provisional Directorate **revenue** position after proposed roll forwards:

Directorate	Variance £m	Roll Forwards			Revised Variance £m
		Committed £m	Re-Phased £m	Bid £m	
Adult Social Care & Health	1.324	0.119	0.000	0.000	1.442
Children, Young People & Education	8.038	0.014	0.082	0.000	8.133
Growth, Environment & Transport	-2.416	1.145	0.055	0.000	-1.216
Strategic & Corporate Services	-1.998	0.078	0.050	1.564	-0.306
Financing Items & Unallocated	-11.174	0.000	0.000	0.000	-11.174
Total excluding Schools	-6.226	1.355	0.187	1.564	-3.121

4. REVENUE BUDGET OUTTURN HEADLINES

The Directorate outturn position by division and key service including narrative of the most significant variances against cash limit is detailed below.

4.1 Adult Social Care and Health

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Strategic Management & Directorate Budgets (ASCH)					
Additional Adult Social Care Allocation	-8.730	-8.730	0.000	0.000	0.000
Budget & Saving Plans to be allocated	3.215	0.146	-3.070	-3.070	0.001
Strategic Management & Directorate Support (ASCH)	3.204	2.982	-0.222	-0.149	-0.073
Total - Strategic Management & Directorate Budgets (ASCH)	-2.311	-5.602	-3.291	-3.219	-0.072
Older People & Physical Disability					
Adult Physical Disability - Community Based Services	21.365	22.310	0.945	0.949	-0.004
Adult Physical Disability - Residential Care Services	14.811	15.644	0.832	0.361	0.471
Carer Support - Commissioned	0.567	-0.045	-0.612	-0.693	0.081
Older People - Community Based Services	30.797	32.454	1.657	2.042	-0.385
Older People - Residential Care Services	45.140	46.199	1.059	-1.383	2.442
Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	23.947	22.935	-1.013	-0.730	-0.283
Older People & Physical Disability - In House Community Homecare Service	3.926	3.945	0.019	0.090	-0.071
Operational Budget & Savings Plans to be allocated	0.000	0.000	0.000	0.000	0.000
Total - Older People & Physical Disability	140.552	143.440	2.888	0.636	2.252
Learning Disability 26+, Mental Health and Sensory & Autism Services					
Adult Learning Disability - Assessment Service	5.231	4.850	-0.382	-0.349	-0.033
Adult Learning Disability - Community Based Services & Support for Carers	71.815	75.214	3.399	3.170	0.229
Adult Learning Disability - Residential Care Services & Support for Carers	61.452	61.808	0.356	0.159	0.197
Adult Mental Health - Assessment Services	9.743	9.396	-0.347	-0.272	-0.075
Adult Mental Health - Community Based Services	5.214	5.699	0.485	0.278	0.207
Adult Mental Health - Residential Care Services	12.233	12.408	0.174	0.258	-0.084
Physical Disability 26+ Lifespan Pathway & Autism - Community Based Services	0.390	0.396	0.007	0.013	-0.006
Physical Disability 26+ Lifespan Pathway & Autism - Residential Care Services	0.460	0.508	0.048	0.112	-0.064
Sensory & Autism - Assessment Service	1.828	2.059	0.231	0.229	0.002
Learning Disability 26+, Mental Health and Sensory & Autism Division Management	0.258	0.197	-0.061	-0.058	-0.003
Total - Learning Disability 26+, Mental Health and Sensory & Autism Services	168.624	172.535	3.911	3.540	0.371

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Partnerships & Engagement					
Community Based Preventative Services	13.108	13.229	0.121	0.236	-0.115
Housing Related Support	6.847	6.889	0.041	-0.128	0.169
Partnership Support Services	2.148	1.672	-0.476	-0.251	-0.225
Social Support for Carers	2.950	2.537	-0.414	-0.228	-0.186
Total - Partnerships & Engagement	25.053	24.326	-0.727	-0.371	-0.356
Service Provision					
Adult In House Carer Services	2.187	2.187	-0.000	-0.022	0.022
Adult In House Community Services	7.083	6.942	-0.142	-0.102	-0.040
Adult In House Enablement Services	-1.772	-1.800	-0.027	-0.120	0.093
Divisional Management	0.353	0.640	0.287	0.292	-0.005
Looked After Children (with Disability) - In House Provision	2.640	3.266	0.626	0.564	0.062
Older People - In House Provision	11.257	10.692	-0.565	-0.322	-0.243
Total - Service Provision	21.748	21.927	0.179	0.291	-0.111
Business Delivery Unit					
Adaptive & Assistive Technology	2.972	2.262	-0.711	-0.788	0.077
Divisional & Directorate Support	9.013	8.220	-0.792	-0.513	-0.279
Safeguarding Adults	0.418	0.284	-0.134	-0.150	0.016
Total - Business Delivery Unit	12.403	10.766	-1.637	-1.451	-0.186
Total - Adult Social Care & Health	366.069	367.392	1.324	-0.574	1.899

4.1.1 Adult Social Care and Health:

The outturn position for Adult Social Care and Health (ASCH) is an overspend of +£1.3m. After requested roll-forwards of +£0.1m there is an overspend of +£1.4m. An explanation of significant variances is explained below.

When setting the ASCH budget, estimates are made on which service lines will see demographic pressures during the year, and the funding is allocated accordingly, impacting both the gross and income budgets. This estimate is based primarily on looking at historic trends but with some judgement about current practice. As the year has progressed some of the increased activity and costs have occurred on different service lines. Several of the variances explained below are attributable to this. A review of the way in which demographic and other cost drivers are estimated will be undertaken during 2020-21 to inform future years' budgets.

4.1.2 Strategic Management & Directorate Budgets (ASCH):

Most of this variance (-£3.0m) relates to centrally held funds that weren't allocated to cover pressures that are shown in this outturn position. These monies will be allocated as part of the budget realignment in 2020-21.

4.1.3 Older People & Physical Disability

The pressure within ASCH for Older People and Physical Disabilities (OPPD) is greater than anticipated at the time the budget was set; this is due to clients entering the service at higher cost.

The Older People and Physical Disability service is increasingly succeeding in supporting people in their own homes for longer periods of time. This means that more complex care needs (which may have previously been met by a residential care placement) are being supported within the community. Pressures within community services have therefore increased.

Within 'Adult Physical Disability – Community Based Services' there is a pressure of +£0.9m. Predominately this relates to Supporting Independent Living and Homecare services for clients with physical disabilities as a result of higher than anticipated demand.

Within 'Older People – Community Based Services' there is a net pressure of +£1.7m. This chiefly relates to under-recovery of non-residential income; work undertaken during the year has indicated that demographic pressures against this line were not adequately funded during the 2019-20 budget setting. The cash limit has been rebased to address this as part of 2020-21 budget setting process. There is also higher than budgeted demand for Direct Payments.

The division is working to tackle pressures within community care services by investing in Prevention and Early Intervention services which offer Care Navigation options and Home Improvements designed to support service users before their care needs escalate. This gives people options to access the care and information which best meets their social care needs, resulting in fewer admissions to social care and lower cost support options.

Within the 'Residential' and 'Carer Support' Key Service Lines there is a net pressure of +£1.3m. Service Users will only enter registered care settings when their complex needs cannot be met safely in the community. For service users aged 65+ this has resulted in fewer than anticipated Residential Care admissions (-£0.5m) and a pressure against Nursing Care (+£2.4m).

There is an underspend against assessment services which relates to delays in recruitment, and some external funding received against several posts.

4.1.4 Learning Disability 26+, Mental Health and Sensory & Autism Services

This division is an area of increasing pressure within Adult Social Services. This is partly because younger working age adults are now more likely to maintain their independence in a supported home environment, rather than entering registered care settings. The impact of this is that the demand for Supporting Independent Living services (SIS) is increasing rapidly, along with complex care needs. This mirrors the same pressures seen for service users with physical disabilities.

Within 'Adult Learning Disability – Community Based Services & Support for Carers' there is a net pressure of +£3.4m. There is an overspend of +£4.3m against SIS which is driven by higher than anticipated demand and complexity. £0.4m of this pressure is funded by one-off income received to support the after care costs of the 'Transforming Care' programme (which provides enhanced or intense support for adults with a learning disability and/or autism who display behaviours that challenge, to enable them to live safe and well within their community).

The division is working to reduce community care pressures by investing in services such as the 'Kent Pathway Service' which works with adults with a learning disability to improve their independence by developing life skills and improving outcomes.

Service Users who are cared for within registered care settings are increasingly receiving one to one support. There are also Continuing Healthcare improvers who are now eligible for Local Authority funded Social Care. These people have complex care needs which has resulted in a greater than anticipated pressure. The Residential Care Key Service Lines (for Mental Health, Learning Disability and Physical Disability 26+ Lifespan Pathway and Autism) are showing a net pressure of +£0.6m. The underlying pressure against this service is +£1.7m. +£1.1m of this pressure is funded by one-off income received to support the after-care costs of the 'Transforming Care' programme.

The underspends against the Assessment Service Key Services are due to continued delays in recruitment.

4.1.5 Business Delivery Unit

There is a variance of -£0.7m reported against Adaptive & Assistive Technology as efficiencies within the procurement and running of this service which came into full effect in 2018-19 continue to deliver economies. There are also staffing underspends within the Business Delivery Unit related to delays in recruitment and vacancy slippages.

4.1.6 The following underspends have been requested to roll forward into 2020-21.

- Within 'Safeguarding Adults', KCC's element of the Kent & Medway Safeguarding Board (£0.1m) has been requested as a roll forward into 2020-21.
- There is (£0.1m) within 'Partnerships & Engagement' which is legally committed to match-fund on-going Interreg project delivery, which is requested to be roll-forward into 2020-21.

4.2 Children, Young People and Education

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Strategic Management & Directorate Budgets (CYPE)					
Budget & Saving Plans to be allocated (CYPE)	-1.912	0.000	1.912	1.094	0.818
Strategic Management & Directorate Budgets (CYPE)	4.860	4.807	-0.053	-0.032	-0.021
Total - Strategic Management & Directorate Budgets (CYPE)	2.948	4.807	1.859	1.062	0.797
Education Planning & Access					
Community Learning & Skills (CLS)	-0.992	-0.801	0.190	0.094	0.096
Early Years Education	0.000	-0.000	-0.000	0.000	-0.000
Education Services & Planning Resources Management & Division Support	0.918	1.002	0.085	0.011	0.074
Education Services provided by EDSECO Ltd (trading as The Education People)	5.708	5.853	0.145	0.000	0.145
Fair Access & Planning Services	0.009	0.011	0.001	0.004	-0.003
Home to School & College Transport	39.232	41.060	1.828	1.563	0.265
Other School Services	-18.182	-18.659	-0.477	-0.022	-0.455
Special Educational Needs & Psychology Services	6.297	7.940	1.644	1.695	-0.051
Total - Education Planning & Access	32.990	36.406	3.416	3.345	0.071
Integrated Children's Services (East & West)					
Adoption & Special Guardianship Arrangements & Service	14.382	14.199	-0.182	-0.316	0.134
Asylum	0.056	0.079	0.023	0.000	0.023
Care Leavers Service	5.505	7.428	1.924	1.377	0.547
Children in Need - Care & Support	3.255	3.244	-0.011	-0.001	-0.010
Children's Centres	3.448	3.508	0.060	0.171	-0.111
Children's Social Work Services - Assessment & Safeguarding Service	46.542	45.416	-1.126	-0.296	-0.830
Early Help & Preventative Services	7.060	6.433	-0.626	-0.727	0.101
Integrated Services (Children's) Management & Directorate Support	4.836	4.286	-0.551	-0.314	-0.237
Looked After Children - Care & Support	58.053	60.932	2.879	3.236	-0.357
Pupil Referral Units & Inclusion	-0.001	-0.237	-0.236	-0.004	-0.232
Youth Services	4.457	4.477	0.020	-1.278	1.298
Total - Integrated Children's Services (East & West)	147.592	149.766	2.174	1.850	0.326

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
0-25 Disability (Lifespan Pathway)					
Adult Learning & Physical Disability Pathway - Community Based Services	23.562	22.711	-0.851	-1.061	0.210
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	8.744	10.164	1.420	1.919	-0.499
Children in Need (Disability) - Care & Support	5.123	4.748	-0.375	-0.499	0.124
Childrens Disability 0-18 Commissioning	1.692	1.583	-0.108	-0.084	-0.024
Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	7.547	7.387	-0.160	0.070	-0.230
Looked After Children (with Disability) - Care & Support	8.849	9.512	0.663	0.206	0.457
Total - 0-25 Disability (Lifespan Pathway)	55.516	56.104	0.589	0.551	0.038
Total - Children, Young People & Education	239.046	247.083	8.038	6.808	1.232

4.2.1 The outturn for Children, Young People and Education Directorate is an overspend of +£8.0m.

4.2.2 Strategic Management & Directorate Budgets (CYPE)

In 2018, the Directorate was tasked with delivering a total saving of £4.5m over a 3-year period (a total of £3.25m in 2019-20). This saving was originally attached to the integration of services across the Directorate. At an early stage, on arrival of the new Corporate Director, it was identified this saving could not be achieved from the restructure of services alone and the remaining savings would be delivered through a number of workstream within the Change for Kent Children (CFKC) programme. The timing of the revised saving plan does not match the budget savings taken from the Directorate leading to a one-off overspend of +£1.9m. This has been partially offset by one-off savings achieved elsewhere within the service (See paragraph 4.2.5: £0.4m Early Help contract and £1.1m Children Social Work staffing saving).

4.2.3 Education Planning & Access

The outturn for the Special Education Needs (SEN) Service is an overspend of +£1.6m. This includes additional spend relating to the SEND Statement of Written Action submitted to OFSTED to address the outcomes of the recent SEND inspection report along with additional staffing pressures of supporting an increasing number of Education, Health & Care Plan assessments. Additional funding for these activities has been agreed as part of the 2020-23 Medium Term Financial Plan. This budget should be considered in conjunction with the Schools High Needs budget pressure outlined in section 4.6 and Appendix 5 resulting from the continual rise in demand for Special Education Needs & Disability (SEND) assessment and support. The cost pressures relating to SEN are a national issue and are the subject of a review by Government.

There is an overspend of +£1.8m within the Home to School & College Transport budget, due to the transporting of children with SEN. The number of children being transported is significantly higher than originally estimated and this can be linked to the unprecedented demand on SEN generally. This overspend is expected to

continue and has been addressed in 2020-23 Medium Term Financial Plan. Home to School Transport is a SEN related cost pressure also being experienced nationally.

Other School Services has an underspend of -£0.5m. Additional expenditure on school related items including school mobiles and maintenance contracts has resulted in an overspend of £0.5m which is offset by an underspend of -£1.0m on the School Improvement Grant. Commitments against this grant in 2020-21 will be reviewed as part of the recasting of the budget due to be presented to Cabinet in September.

4.2.4 0-25 Disability (Lifespan Pathway):

Disability Services has an overspend of +£0.6m, this is formed from a number of compensating variances but it is mainly due to an overall pressure on 18-25 placement costs where the number of residential care placements has been higher than originally budgeted.

4.2.5 Integrated Children's Services

The service has an underspend of -£0.4m this is formed from a number of significant compensating variances:

- The Care Leavers Service has an overspend of +£1.7m due to higher than anticipated placement and additional support costs. The Division has recently invested in new floating support and accommodation services which are anticipated to deliver savings in the longer term by reducing the average cost of supporting young people. The transition period to the new service offer and resulting savings has taken longer than expected which has resulted in a pressure on this service. This has been compounded by an increasing number of looked after children transitioning to the Care Leavers service with higher cost packages of care. These pressures have been recognised in the 2020-23 Medium Term Financial Plan).
- The Looked After Children budget has an overspend of +£2.9m mainly due to increases in the number of externally purchased placements, particularly with independent fostering agencies, rather than a significant increase in the numbers of looked after children. There is an increasing shortage of suitable foster carers resulting in a greater reliance on the external market. This has come at a time when other local authorities are experiencing similar problems resulting in more Other Local Authority (OLA) Looked After Children being placed in the County than a year ago. A shortage of suitable placements and greater competition means providers have a greater ability to dictate prices. This overspend was identified as a risk in the 2020-21 Budget agreed by County Council in February and work is progressing to reverse this trend but delays in the delivery of savings within the CFKC fostering workstream has also added a further +£0.3m overspend in 2019-20.
- Early Help and Preventative Services has an underspend of -£0.6m, of which -£0.4m is due to the repayment of monies from 2018-19 on an Early Help contract due to underperformance by the provider. This saving is partly offsetting the pressure within the Strategic Management & Support budget discussed above.

- Children's Social Work Services – Assessment & Safeguarding Service has an underspend of -£1.1m. This is due to staffing underspends and is partly offsetting the pressure within the Strategic Management & Support budget discussed above.

4.2.6 Specialist Children's Services – Asylum Seekers:

The outturn for the Asylum service is an almost breakeven position. This takes into account the recent conclusions of the Unaccompanied Asylum-Seeking Children (UASC) review where the grant rate paid for supporting 16- and 17- year olds had been increased to mirror the rate paid for under 16-year olds. There is still a significant shortfall in funding to support Care Leavers, as the rate paid for Care Leavers remains unchanged from previous years.

On the 8th June, the Home Office announced changes to some of the funding rates in 2020-21. The impact of this on KCC is being worked through. However, the Council continues to pursue the Home Office for further funding to address the historic shortfall in grant received for asylum services in both 2017-18 and 2018-19 totalling £6.1m along with the need to address current demand.

Over the last year, the service has seen a significant rise in the number of UASC being supported, due to an increasing number of referrals, and the stopping of the National Transfer Scheme which had been previously used by the Home Office to encourage other local authorities to support UASC (see Appendix 4). The increase in the grant rate for 16- and 17- year olds has helped to ensure this rise in the number of UASC has not resulted in a shortfall in funding in 2019-20, as seen in previous years however if the number of children continues to rise it will become increasingly difficult to place in the most cost effective accommodation. In addition to the longer-term financial pressure when these children age into the Care Leavers service and the funding rate reduces. This position also does not include the substantial impact COVID has had on the placing of UASC. The service are in ongoing discussions with the Home office and the Department for Education in relation to both the increase in demand and the impact of COVID 19 on placement of UASC since the beginning of lockdown.

4.3 Growth, Environment and Transport

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Strategic Management & Directorate Budgets (GET)					
Budget & Savings Plans to be allocated (GET)	-0.057	0.000	0.057	0.057	0.000
Strategic Management & Directorate Budgets (GET)	1.334	1.218	-0.116	-0.101	-0.015
Total - Strategic Management & Directorate Budgets (GET)	1.277	1.218	-0.059	-0.044	-0.015
Economic Development					
Arts	1.617	1.579	-0.038	0.020	-0.058
Economic Development	2.960	2.671	-0.289	-0.095	-0.194
Total - Economic Development	4.577	4.250	-0.327	-0.074	-0.252
Highways, Transportation & Waste					
Concessionary Fares	17.225	17.207	-0.017	0.059	-0.076
Highway Asset Management (Other)	16.866	16.128	-0.739	0.091	-0.830
Highway Asset Management (Roads and Footways)	11.967	12.515	0.548	0.757	-0.209
Highway Transportation (including School Crossing Patrols)	5.416	5.614	0.198	-0.280	0.478
Highways, Transport & Waste Management Costs and Commercial Operations	4.954	4.913	-0.041	0.149	-0.190
Residual Waste	39.878	39.174	-0.703	-0.399	-0.304
Subsidised Buses and Community Transport	6.370	6.445	0.075	0.250	-0.175
Waste Facilities & Recycling Centres	31.345	31.837	0.492	0.117	0.375
Young Person's Travel Pass	8.103	7.607	-0.496	-0.245	-0.251
Total - Highways, Transportation & Waste	142.122	141.440	-0.682	0.498	-1.181
Environment, Planning & Enforcement					
Environment & Planning	5.534	5.191	-0.344	-0.015	-0.329
Environment, Planning & Enforcement Management Costs	0.653	0.677	0.024	0.019	0.005
Public Protection (Enforcement)	10.518	10.078	-0.440	-0.188	-0.252
Total - Environment, Planning & Enforcement	16.706	15.946	-0.760	-0.185	-0.576
Libraries, Registration & Archives	9.477	8.889	-0.588	-0.077	-0.511
Total - Growth, Environment & Transport	174.159	171.744	-2.416	0.118	-2.535

4.3.1 The final position for the GET Directorate is a net underspend of -£1.2m, once roll forwards requests of £1.2m have been reflected. This is an improvement (-£1.6m) from the position reported to Cabinet in March.

The value of the roll forward requests increased significantly from the previously reported position and now include, amongst other small requests, committed underspends on externally funded projects (£0.5m – these are not known until year end), and transport modelling (£0.6m). The latter was expected to be spent within the financial year and represents a slight timing issue only. The Winter Service (£0.5m) will be funded in 2020-21 and considered as part of the review of reserves. The Volunteer Warden pilot (£0.2m) will now be funded from within 2020-21 budgets. These two commitments have been removed from the roll forward schedule accordingly.

4.3.2 Economic Development

The variance of -£0.3m includes £0.2m of underspends on externally funded projects which are committed in the new financial year. The remaining balance is made up of several small variances.

4.3.3 Highways, Transportation & Waste

The division is showing an underspend of -£0.1m, after roll forwards of £0.6m have been reflected, which is an improvement of -£0.6m from the previously reported position.

The Highway Asset Management (Roads and Footways) overspend of +£0.5m comprises increased safety critical/other urgent works, additional staffing costs, and non-recoverable damage to the highway which in total add up to +£1.5m. This has been offset by a -£1.0m underspend for the cost of developing a new transport model that will identify the transport impact of new developments, assist funding bids to Government to relieve congestion as well as enhanced commercial opportunities such as supporting developer contribution requests. The cost of the model is reflected against Highway Transportation (including School Crossing Patrols) budget line and £400k is reflected as an overspend in the current year, with the remaining £600k committed and requested as a roll forward.

Despite a considerable and sustained pressure on the drainage budget (+£2.1m) from persistent rainfall, as well as the impact of a number of storms during the year, the Highways Asset Management (Other) budget ended the year with an underspend of -£0.7m. Within this is an underspend of -£0.5m for winter service. In prior years, and in line with a Key Decision (following discussions at Cabinet and County Council) the in-year underspend declared would have been requested as a committed roll forward to be used to fund the additional soft landscaping pressures that a mild winter causes. In this report, it is now proposed that this will be funded in 2020-21 and considered as part of the review of reserves.

One-off savings/underspends in streetlight energy/maintenance (-£1.5m), as well as additional and unbudgeted street work and permit scheme income (-£0.8m) helped to mitigate the pressure in the drainage and other budgets. There was also a significant drawdown (-£0.4m) from the Adverse Weather Reserve, which leaves little resilience should such adverse weather be repeated in future years.

Highway Transportation (including School Crossing Patrols) shows a variance of +£0.2m. This is due to spend (£0.4m) on a new integrated transport model (see above), but with compensating funding held against Highway Asset Management (Roads and Footways) budget. Small underspends resulting from staff vacancies and additional income (-£0.2m) help to mitigate the overspend.

Subsidised Buses and Community Transport is reporting a small overspend (+£0.1m) following increased costs as a result of variations, and new contracts relating to school services. The underspend (-£0.5m) against the Kent Travel Saver scheme (formerly Young Persons Travel Pass) in part is where activity has seen a modest reduction. The overall position for Public Transport has improved due to certain costs, and income forgone, being attributed to Covid-19 and funded by Central Government and without this the outturn position would have been closer to balance.

The final position for Residual Waste is an improved underspend (-£0.7m). Overall tonnage is almost -3,500 tonnes below budgeted levels and there has been increased income from trade waste throughout the year.

Waste Facilities and Recycling Centres show an increased overspend (+£0.5m). Tonnage price pressures across all recycling contracts (primarily Material Recycling Facility and paper/card recyclables income) and increased tipping away payments are largely offset by a combination of savings on volume/tonnes, haulage fees and staffing costs. These savings are following the introduction of the charging policy (for soil, rubble and hardcore) at our HWRC and where the reduction in tonnages received has been higher than anticipated, with a positive impact on capacity.

The Highways, Transport & Waste Management Costs and Commercial Operations variance has improved (-£0.2m) to leave the budget in a breakeven position.

4.3.4 Environment, Planning & Enforcement

The improved position of -£0.8m includes £0.4m of roll forward requests, giving the division a net underspend of -£0.4m once these are taken into account.

The -£0.4m variance includes an overspend of +£0.2m relating to the Gypsy and Traveller Service. This is due to urgent asset maintenance, as well as a shortfall in the income target due primarily to delays to the review of fees and charges. The other adverse variance within the division relates to the Coroners' service (+£0.2m), due to the need to employ agency pathologists reflecting the national shortage of NHS pathologists available to work Coroners' cases.

These are offset, in the most part, by a number of small underspends against other budgets including Strategic Planning & Policy (-£0.2m of additional one-off income), Emergency Planning (-£0.1m) and Community Safety (-£0.1m).

Rather than a request for roll forward the Volunteer & Apprentice Warden pilot scheme (-£0.2m) will be considered as part of 2020-21 budget review.

The roll forward requests comprise: the Doorstep Intelligence project (£0.1m) and £0.3m of underspends on externally funded projects which are committed in the new year. The former was committed in the 2018-19 outturn and straddles two years.

4.3.5 Libraries, Registration and Archives

The underspend of -£0.6m includes a roll forward request of less than £0.1m for a small project which is committed. It is proposed that spend on small IT related projects which has re-phased into 2020-21 will be funded from the ICT reserve (-£0.1m). The remaining underspend relates to delays in refurbishment work at a number of libraries, as a result of COVID-19 and Lockdown, and which will now be funded from capital budgets in the new year. Additional registration income, and an underspend on staffing, make up the remaining balance.

4.4 Strategic and Corporate Services

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Strategic Management & Directorate Budgets (S&CS)	-1.269	-1.437	-0.168	-0.160	-0.008
People & Communication					
Customer Contact, Communications & Consultations	5.509	5.278	-0.231	0.013	-0.244
Human Resources related services	7.413	7.151	-0.262	-0.244	-0.018
Total - People & Communication	12.923	12.429	-0.493	-0.232	-0.262
Finance	9.499	8.991	-0.508	-0.313	-0.195
Governance, Law & Democracy					
Governance & Law	5.489	5.427	-0.062	-0.008	-0.054
Local Member Grants	2.549	0.978	-1.571	-1.198	-0.373
Total - Governance & Law	8.039	6.405	-1.633	-1.206	-0.427
Infrastructure					
ICT related services	15.976	15.849	-0.126	0.036	-0.162
Property related services	5.193	4.780	-0.413	-0.051	-0.362
Total - Infrastructure	21.169	20.629	-0.540	-0.014	-0.525
Corporate Landlord	21.451	23.306	1.855	0.310	1.545
Strategic Commissioning including Public Health					
Strategic Commissioning	7.534	6.999	-0.535	-0.289	-0.246
Public Health - Advice and Other Staffing	0.000	-0.000	-0.000	0.000	-0.000
Public Health - Children's Programme	0.000	-0.000	-0.000	0.000	-0.000
Public Health - Healthy Lifestyles	0.006	-0.005	-0.011	0.000	-0.011
Public Health - Mental Health, Substance Misuse & Community Safety	0.042	-0.021	-0.063	0.000	-0.063
Public Health - Sexual Health	0.000	-0.004	-0.004	0.000	-0.004
Total - Strategic Commissioning including Public Health	7.582	6.970	-0.612	-0.289	-0.323
Strategy, Policy, Relationships & Corporate Assurance	1.891	1.966	0.075	0.076	-0.001
Business Services Centre	0.000	0.027	0.027	0.000	0.027
Total - Strategic & Corporate Services	81.284	79.287	-1.998	-1.827	-0.170

- 4.4.1 The overall position for the Directorate, is a net underspend of -£2.0m with Directorate net underspends of -£3.9m being partially offset by a pressure of +£1.9m within the Corporate Landlord estate.
- 4.4.2 Almost half of the total underspend is in Governance, Law and Democracy division where the variance of -£1.6m relates to the forecast underspend on Local Member Grants. This underspend is the subject of a bid to Cabinet for roll forward.
- 4.4.3 Strategic Management has an underspend of -£0.2m due to a reduction in historic premature retirement costs.
- 4.4.4 There is an underspend on Strategic Commissioning of -£0.6m mainly due to staffing vacancies and under-forecast income from the asylum grant. Of this underspend, £0.05m is the subject of a roll forward request in Strategic Commissioning to fund a project re-phased to next financial year due to the staffing vacancies and another £0.1m for projects within Public Health which are funded from European grants.
- 4.4.5 The Finance division is underspent by -£0.5m due to in year staffing vacancies and a delay on operational reviews due to Covid 19.
- 4.4.6 The People & Communications division is underspent by -£0.5m due to in-year staffing vacancies.
- 4.4.7 Infrastructure division is showing an underspend of -£0.5m consisting of -£0.4m Property Related Services and -£0.1m for ICT Related Services. The property underspend contains several offsetting variances relating to a number of areas such as Oakwood House, where there is reduced income in the lead up to its change of use from conference centre to office accommodation in 2021; reduced income on client services due to reduced take up of the service by Schools; increased capitalisation of staff costs in the capital projects and disposals team and the part re-phasing of the procurement of condition surveys.
- 4.4.8 Corporate Landlord (CLL) ended the year with an overall net pressure of +£1.9m. Across the 570 cost centres within the CLL portfolio, there are thousands of off-setting variances however, the primary reasons for this overall variance are as follows:
- +£0.3m due to the re-phased deliverability of the Asset Utilisation savings target, where the plans for several front-line service buildings require public consultation before progression
 - +£0.7m backdated change request notices finalised as part of the year-end Total Facilities Management (TFM) reconciliation together with costs relating to the transfer of TFM provider in East Kent
 - +£0.4m delayed delivery of TFM savings
 - +£0.2m costs passed to revenue from capital relating to disposal of properties where the capital allowance for this work has been exceeded
 - £0.4m underspend on survey work which will now be completed in 2020-21

4.5 Financing Items and Unallocated

	Cash Limit	Provisional Outturn	Variance	Previous Variance (January)	Movement
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Financing Items & Unallocated	179.842	168.667	-11.174	-8.659	-2.515

4.5.1 The outturn for Financing Items is an underspend of -£11.2m and the most significant variances relate to underspending against the net debt costs budget (£3.6m) mainly as a result of higher forecast dividends from externally managed funds, underspending against the Adult Social Care Sustainability provision due to the re-phasing to 2020-21 of the Community Supporting Independence Service retender (£4.6m) and underspending against the emerging pressures budget (£0.4m).

There are a number of small under and overspends including:

- a) an increase in the level of dividend to be received from Cantium Business Solutions (£0.2m)
- b) unclaimed income (£0.1m)
- c) additional Extended Rights to Free Travel grant notified by Government since the 2019-20 budget was set (£0.1m)
- d) an overspend +£0.2m relating to the Apprenticeship Levy

The base budget for the impact of Intermediaries legislation has been released (£0.5m). The costs resulting from this legislation have been minimal and therefore this saving has been reflected in the draft 2020-23 MTFP and any future costs will be managed through reserves.

In addition to this, the Carbon Reduction Commitment which has now ceased (£0.6m) and the release of uncommitted non-specific price provision (£1.0m) have also been reflected in the 2020-21 budget.

Minimum Revenue Provision (MRP) has been recalculated based on assets completed in 2018-19. This has resulted in a saving of (£0.3m). In line with usual practice this underspend has been transferred to the MRP smoothing reserve to be used to fund future fluctuations in MRP, therefore there is no overall impact on the outturn position.

There is also an underspend of (£0.2m) as a result of selling our excess carbon reduction allowances for 2018-19. Cabinet agreed at the October meeting that this is transferred to a new Climate Change Target reserve to assist with accelerating our progress on climate change, therefore there is no overall impact on the outturn position.

£10.7m of Business Rates receipts have been transferred to reserves in 2019-20 in accordance with Cabinet approval at the July meeting.

4.6 Schools delegated budgets:

The schools delegated budget reserves have ended the financial year in surplus by £13.8m, compared to £26.9m at the start of the financial year. This is made up of a surplus of £35.3m on individual maintained school balances and a deficit on the central schools' reserve of £21.5m. The table below provides the detailed movements on each reserve. Appendix 2 also provides further detail on the High Needs pressure and the history of the Dedicated Schools Grant reserve. DSG budgets held centrally overspent by £0.8m and this is predominately linked to the additional costs of supporting Special Education Needs services:

	Individual School Reserves (£m)	Central Schools Reserve (£m)	Total School Reserves (£m)
Balance b fwd	33.384	(6.500)	26.884
Forecast movement in reserves:			
Academy conversions and closing school deficits	(1.672)	0.185	(1.487)
Movement in school reserves	3.631		3.631
School Growth		3.128	3.128
High Needs Placement Costs		(18.922)	(18.922)
Various		1.46	1.46
Overspend on Central DSG budgets		(0.856)	(0.856)
Forecast reserve balance	35.343	(21.505)	13.839

Note: a negative figure indicates a draw down from reserves/deficit

The in-year 2019-20 deficit has reduced from £21.7m to £13m since the last reported position following the inclusion of Maintained Schools 2019-20. Individual schools' balances have increased by £1.9m, an improvement of £7m since last reported. This trend is not uncommon as schools have historically been very prudent with their forecasts and their final outturn position tends to be much improved.

In 2020-21, the Government will be reducing the amount used to support some of the central services currently funded from the DSG. In the short-term this has been addressed in the 2020-23 Medium Term Financial Plan without any direct impact to schools however during the next year we will be reviewing our relationship with schools in line with Government policy and funding.

4.8 Table 2: Performance of our wholly owned companies

Dividends/Contributions (£m)	Budget	Outturn	From trading surplus	from reserves
Commercial Services	4.400	4.400	4.400	
Cantium Business Solutions (via Kent Holdco Ltd)	1.760	1.960	1.960	

5. REVENUE BUDGET VIREMENTS/CHANGES TO BUDGETS

5.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including the allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.

6. SUMMARISED CAPITAL MONITORING POSITION

6.1 There is a reported variance of -£150.288m on the 2019-20 capital budget. This is made up of -£1.438m real variance and -£148.850m rephasing variance. Headline variances are detailed below by Directorate.

6.2 Table 3: Directorate **capital** position

Directorate	Working Budget £m	Variance £m	Real Variance £m	Rephasing Variance £m	Last Reported Position		+/-	
					Real £m	Rephasing £m	Real £m	Rephasing £m
Children, Young People & Education	108.822	-27.217	0.825	-28.042	2.534	-19.387	-1.709	-8.655
Adult Social Care & Health	11.733	-8.010	-4.714	-3.296	-1.825	-5.811	-2.889	2.515
Growth, Environment & Transport	193.530	-78.743	1.681	-80.424	0.636	-71.196	1.045	-9.228
Strategic & Corporate Services	74.563	-36.318	0.770	-37.088	0.386	-38.639	0.384	1.551
Total	388.648	-150.288	-1.438	-148.850	1.731	-135.033	-3.169	-13.817

6.3 The 2020-21 Capital Programme will now be revised to reflect the re-phasing and other variations arising from the 2019-20 outturn. £116.196m of rephasing has already been reflected as part of the 2020-23 budget build process, so only “new” rephasing totalling £32.654m will be actioned. Details of the capital re-phasing are provided in Appendix 2, and further proposed cash limit changes as a result of revised funding and timing are provided in Appendix 3. Final prudential indicators for 2019-20 are shown in Appendix 7.

6.4 SCHOOLS DEVOLVED CAPITAL

Capital expenditure incurred directly by schools in 2019-20 was £11.514m. As at 31 March 2020 schools capital reserves were in surplus by £1.554m. This has decreased from the surplus of £4.003m held by schools as at 31 March 2019.

6.5 Capital budget monitoring headlines

The real variances over £0.100m and rephasing variances over £1.000m are as follows:

Previously reported variances that are still relevant are in italic font.

6.5.1 Children, Young People & Education

New variances to report:

- Modernisation Programme: Real variance of -£1.768m, the majority of which is due to funding the Singlewell Roof project which is within the Annual Planned Enhancement Programme.
There is rephasing of +£2.008m which is due to urgent works at Archbishop's Secondary School (£1.0m) and Thanet Skills Studio (£0.8m) being brought forward.
- Basic Need, Basic Need Kent Commissioning Plan (KCP) 2017 and KCP 2018 and KCP 2019: Rephasing variance of -£27.963m. *(Previously reported -£19.085m)*. Due to the change in the variance this is being reported as a "new variance".
On the Basic Need (2016) programme the rephasing has reduced by £3.1m from previously reported which is mainly due to: +£1.1m St Peters CEPS for expenditure on construction of Integra Units incurred earlier than forecast. +£0.795m Whitfield and Aspen, due to an updated contract sum meaning increased main contractor payments, which have also occurred earlier than anticipated. +£0.698m Wilmington Academy and +£0.537m Mayfield Grammar as the projects are ahead of schedule.
On the Basic Need 2017 programme the rephasing has increased by £10.9m due to: -£6m for the purchase of the Royal School for the Deaf which completed on 1st April 2020. -£2.0m Westlands School, this is a payment due to a school managed project but this is pending completion of section 278 works. -£1.8m River Mill Primary School relates to payment of developer contributions due to the DfE, but have not yet been invoiced. -£1.5m Tunbridge Wells Boys Grammar as drainage issues have delayed the project. The completion date has been moved from September 2020 to March 2021. +£1.7m rephased into 2019-20 due to payment of developer contributions to the DfE for Hope Primary School which had not been previously forecast.

Previously reported variances:

- Priority School Building Programme: Real variance of +£0.770m *(previously reported +£0.799m)*. *The majority of the real variance is due to Benenden Primary (+£0.824m)*. *Due to an error by the design consultants the spoil mound was larger than expected and had to be removed before the school opened. It is expected that these costs will be recovered.*
Rephasing variance of +£1.132m *(Previously reported +£1.015m)*. *The majority of this relates to Benenden Primary, works for which were originally planned for the next financial year.*
- Special Schools Review Phase 2: Rephasing variance of -£1.391m *(previously reported -£1.384m)*. *This is due to a delay at Foreland Fields School due to design clarifications and archaeology issues.*
- Annual Planned Enhancement Programme: Real variance of +£1.390m *(previously reported +£1.750m)*. *This is due to a real overspend on the Singlewell primary roof. This has been funded from the Education Modernisation Programme.*

There is also rephasing of -£1.335m (*previously reported -£0.865m*). A few large projects were delayed for a number of reasons including design issues, the Kier TUPE process and staff changes within Amey.

6.5.2 Adults, Social Care & Health

New variances to report:

- Learning Disability Good Day Programme: Real variance of -£0.853m. The majority of this is due to cash limit being transferred to Hedgerows – which now has its own budget line.

Previously reported variances:

- Home Support Fund and Equipment: Real variance of -£0.268m (*previously reported -£0.186m*). This is a reactive budget, funded by revenue grant and is subject to in year fluctuations.
- Developer Funded Community Schemes: Real variance of -£1.543m (*Previously reported -£1.599m*). Previously reported as rephasing, it has now been decided to only forecast identified schemes. Future projects to be funded by developer contributions will be reported as and when identified.
- Learning Disability Good Day Programme: Rephasing variance of -£1.651m. (*Previously reported -£2.268m*). Projects at Meadowside and Southfields are now progressing, feasibilities have been completed and the projects are now at full design stage, however progress on other projects within the programme has been slower than expected, resulting in the rephasing.
- Adult Social Care Case Management: Real variance of -£1.118m. (*Previously reported -£1.053m rephasing*). This is mainly due to cash limit for “phase 2” of the project was removed during the 2020-23 budget process.
- Extra Care Facilities: Rephasing of -£1.000m while options are being considered.
- OP Strategy Specialist Care Facilities: Real variance of -£1.000m (*previously reported rephasing variance of -£1.000m*). This cash limit has been removed during the 2020-23 budget process.

6.5.3 Growth, Environment & Transport

Highways, Transportation & Waste

New variances to report:

- Highway Major Enhancement: Rephasing variance of -£4.375m. This variance reflects a myriad of elements and delays including: drainage works due to resource issues; Wantsum Bridge works due to land and Environment Agency consents; Sandwich Toll Bridge works due to a burst water main on the A256; and COVID 19 delays.

Works have been reprogrammed for late summer, when the weather improves, and when resources/consents will be available. There was also a slight adjustment to the re-phasing of the £10m Pothole programme, that commenced in February and will continue beyond the summer.

Real variance of -£0.362m. This consists of additional external funding, offset by the transfer of the highways budget allocation/costs to date for Faversham Swing Bridge, which is now being reflected on its own budget line (see below).

- Faversham Swing Bridge: Real variance of +£0.463m. This project is now a stand-alone project, with funding (transferred) from the Highway Major Enhancement budget, covering the 2019-20 spend. The permanent solution for this scheme will be reflected in due course, as will partnership funding.
- Integrated Transport Schemes: Rephasing variance of -£1.050m. This is due to re-profiled public transport vehicle purchases and delayed bus stop schemes.
- LED Conversion: Rephasing of -£1.264m. The original conversion programme (c118k) is now, to all intents and purposes, completed. The project, including those streetlights that have been adopted/are due to be adopted (so c124k in total), will be delivered within the original funding envelope. The re-phasing relates to the costs retained for those streetlights that are yet to be adopted/converted and work in progress at the year-end.
- Dover Bus Rapid Transit: Real variance of +£0.228m. This is a new project which is part of the new 2020-23 Capital Budget and is grant funded.

Previously reported variances:

- *Most of the re-phasing experienced in 2019-20 is due to Local Growth Fund or externally grant funded projects, often outside of KCC's control.*
- *A2 Off Slip Wincheap, Canterbury: Rephasing variance of -£2.201m. The project's funding stream has changed due to the Highways England element of the Growth & Housing Fund being abruptly closed. Highways England have since raised queries with the design and alternatives are being explored. A new bid for funding has been prepared and submitted to Homes England.*
- *A252 Safer Roads Fund: Rephasing of -£2.023m (previously reported -£2.026m). Delays have occurred following changes being required to the original scheme design.*
- *A28 Chart Road: Rephasing variance of -£1.674m (previously reported -£1.031m). The road scheme is dependent on housing development and associated developer contributions. These are being secured/received slower than anticipated.*
- *Kent Thameside Strategic Transport: Real variance of +£0.065m (previously reported +£0.330m) and rephasing of -£6.663m (previously reported -£5.413m). The real variance reflects the expected underspends from the Rathmore Road scheme, £0.065m of which are to be paid back into this programme in 19-20 and the remaining £0.265m in future years. How this additional funding is then allocated is yet to be determined. The rephasing reflects the push back of the*

Bean and Ebbsfleet junction improvements which are subject to the findings of last October's public inquiry that have been delayed as a result of COVID 19. Thanet Parkway: Rephasing of -£9.163m (previously reported -£8.697m). Ongoing technical discussions with, and cost estimates from, Network Rail, as well as determining the appropriate planning application route has resulted in a re-profiling of the budget. The planning application will be considered over the summer. Progress is also being made with regards to refining the cost and scope of the level crossing works. The design and build phase is now scheduled to commence towards the end of 2020-21.

- *Kent Medical Campus (National Productivity Investment Fund Kent): Rephasing of -£7.062m (previously reported -£7.038m). There has been a reduction in the budget in previous months due to land being gifted for the scheme. This then led to delays to the planning application submission, tender document finalisation and land transfer arrangements. All have now been resolved and the scheme is progressing. Contract award is expected in summer 2020, with construction potentially starting in Autumn 2020.*
- *Maidstone Integrated Transport: Rephasing of -£3.490m (previously reported -£3.985m). This programme of schemes has been developed further, with approval in place from the South East Local Enterprise Partnership, and this has led to a minor re-profiling of the expenditure.*
- *Housing Infrastructure Fund: Rephasing of -£2.587m. The rephasing is due to a review of the programme of works to ensure the budget matches both the level and profile of developer contributions that are currently available.*
- *Sturry Link Road: Rephasing variance of -£1.920m (previously reported -£1.897m). Spend for the current year has been re-profiled due to project delays in securing planning and confirmation of match funding.*
- *Leigh (Medway) Flood Storage Areas: Rephasing variance of -£1.500m. The Leigh part of the scheme is progressing, however further discussions with the partners are required on the Yalding element, so the budget has been rephased accordingly.*
- *Integrated Transport Schemes: Real variance of +£1.366m. (Previously reported +£1.360m). This relates to additional schemes and will be covered by developer contributions and external funding.*
- *Rathmore Road Link: Real variance of -£0.330m. The project is nearing completion and final cost profiles are forecasting an underspend of £0.330m. Any underspend will be passed back to the Kent Thameside Programme.*

Environment, Planning and Enforcement and Libraries, Registration and Archives

New variances to report:

- **Tunbridge Wells Cultural Hub:** Real variance of +£0.147m. A collaboration agreement has been signed and the project spend will now go through Tunbridge Wells Borough Council accounts. The remaining spend in KCC books for 2019-20 is covered by external funding and developer contributions.

Previously reported variances:

- None

Economic Development

New variances to report:

- None.

Previously reported variances:

- Kent Empty Property Initiative – No Use Empty: Real variance of +£0.281m (*previously reported +£0.210m*), which reflects additional funding from Districts.
- Kent & Medway Business Fund: Re-phasing of -£13.998m (*previously reported -£13.742m*), in line with latest application profile.
- • Turner: Rephasing variance of -£0.902m (*previously reported -£1.000m*). *The application for funding to the Arts Council Small Scale Capital Fund has been successful. The forecast expenditure has been re-profiled following revisions to the scheme as well as preparing for and submitting the new funding application. Phase 1 of the works is now complete, with Phases 2 & 3 scheduled for completion by quarter 4 of 2020-21.*
- Javelin Way Development: Rephasing of -£4.891m (*previously reported -£4.824m*). *Confirmation of the successful ACE funding bid was not announced until after the budget book was approved, so forecast expenditure has been re-profiled accordingly.*
- Broadband Contract 2: *Rephasing of -£1.349m to reflect ongoing contract negotiations on how the scheme will be delivered.*
- No Use Empty – Rented Affordable Homes: Rephasing variance of -£1.038m (*previously reported -£1.041m*). *The forecast reflects the latest loans approved and repayment profile.*
- Southborough Hub: Re-phasing of -£5.926m (*previously reported -£4.500m*) *This is due to a revised start on site of November 2019.*

6.5.4 Strategic & Corporate Services

New variances to report:

- Corporate Property Strategic Capital: Real variance of +£0.315m, funded from education grant. Capital costs for holding and maintaining ex-school sites which Education may require in the future, is putting pressure on this budget.
- Community Sexual Health Services: Real variance of -£0.221m, mainly due to one site which was the first sexual health premises and the budget was not sufficient to cover all the unknown costs. Lessons have been learned from this

site to allow more accurate forecasting in 2020-21, however the current pandemic may delay works.

- Live Margate: Rephasing variance of -£2.819m to reflect acquisition of a property now expected in 2020-21.

Previously reported variances:

- Modernisation of Assets (MOA): Real variance of +£0.300m (*previously reported +£0.290m*) – *additional Salix funding for solar panel projects and developer contributions.*
- Modernisation of Assets: Rephasing of -£2.195m (*previously reported -£1.156m*). *Projects have been delayed while the transfer of undertakings between facilities management (FM) providers are resolved.*
- Asset Utilisation: Rephasing variance of -£1.124m (*previously reported -£1.102m*). *As part of a wider review of the estate the budget has been rephased for wider district projects rather than various smaller, local projects.*
- Property Investment Fund (PIF) and PIF2: Rephasing variance of -£11.531m (*previously reported -£11.502m*). *Spend on this project is unpredictable and depends on opportunities arising.*
- Acquisition of Strategic Assets: Rephasing variance of -£9.164m (*previously reported -£8.000m*). *Spend on this project is unpredictable and depends on opportunities arising.*
- Dover Discovery Centre: Rephasing variance of -£2.919m (*previously reported -£2.896m*). *The construction period is now scheduled to start mid 2020-21 and the spend profile has been adjusted to reflect this.*
- Asset Utilisation – Oakwood House Transformation: Rephasing variance of -£5.038m (*previously reported -£5.060m*) *due to ongoing stakeholder project board negotiations.*
- Business Intelligence Tool: Real overspend of +£0.221m (*previously reported +£0.224m*). *The project has taken longer than anticipated due to issues around producing report to replace BOXI, as well as additional project requirements. This has led to an increase in the resources needed in the delivery of the project. The overspend is to be met by a drawdown from reserves.*
- MOA Plus: Rephasing variance of -£6.647m (*previously reported -£8.911m*). *Projects have been delayed while the transfer of undertakings between FM providers are resolved.*

7. CONCLUSIONS

- 7.1 For the 20th consecutive year the Council is able to demonstrate sound financial management by managing its revenue expenditure within the budgeted level (excluding schools). The approved 2019-20 budget required the council to find approximately £45m of savings and income to close the gap between rising spending demands and costs in excess of the funding available from council tax, retained business rate growth and un-ringfenced government grants. The savings included a range of transformation and efficiency programmes, income generation and financing items including draw down from reserves in order to protect frontline services as far as possible. 2019-20 was the final year of the four-year settlement from central government following the 2015 Spending Review.
- 7.2 This performance needs to be considered in the context of £641m of savings delivered over the preceding 8 years which taken together with the need to manage spending on a range of demand-led services (such as adults' and childrens' social care, special educational needs, waste recycling and disposal), where spending is not always predictable, means an overall underspending position is a considerable achievement. It should be noted that within the overall out-turn position there is a significant overspend in Children's Services totalling £8m, which is offset by underspends elsewhere.
- 7.3 The approved net budget for 2020-21 shows an increase of £77m, the largest increase we have seen since the period of austerity was introduced. However, this can only be achieved with a further £30m of savings and income to balance £107m of additional spending demands and costs. Continuing to find year on year savings becomes ever more difficult as the easier options have already been taken. We must not be complacent that these further savings can easily be achieved and in view of the high level of uncertainty about the local government settlement for 2021/22 and beyond. The 2020-21 settlement was a one-year temporary arrangement following the delay to the Spending Review. The Covid-19 outbreak and subsequent economic fallout from lockdown has added significantly to the uncertainty and financial insecurity, hence the recommendation to put the uncommitted underspend from 2019-20 into reserves pending future budget decisions to bolster the authority's financial resilience.
- 7.4 The levels of reserves must not be interpreted that the council has plenty of spare cash. Councils hold reserves for a range of reasons to include prudent assumptions to cover future eventualities and risks. The Section 151 assurance of the 2020-21 budget concluded that KKC's reserves are adequate to cover foreseeable risks but cautioned that the Council continues to be at the lower end of the resilience range for county councils, so there is no room for complacency and the Council must continue to maintain financial rigour. This assessment was made before the Covid-19 outbreak which has added significantly to financial risks and requires the 2020-21 budget to be reassessed and be taken back for reapproval at County Council in September 2020.

8. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2019-20 for both the revenue and capital budgets.

- ii) **Agree** that £1.355m of the 2019-20 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £0.187m of the 2019-20 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £1.564m of the 2019-20 revenue underspending is rolled forward to fund the bid detailed in section 4 of Appendix 1.
- v) **Agree** that the £3.121m remaining 2019-20 underspend is set aside in the earmarked reserve to support future years' budgets.
- vi) **Agree** that the £42.326m of capital re-phasing from 2019-20 will be added into the 2020-21 and later years capital budgets, as detailed in Appendix 2.
- vii) **Agree** the proposed capital cash limit changes outlined in Appendix 3.
- viii) **Agree** the contributions to and from reserves as reflected in Appendix 6, which includes all appropriate and previously agreed transfers to and from reserves.

9. BACKGROUND DOCUMENTS

None

10. CONTACT DETAILS

Corporate Director Finance:	Zena Cooke Corporate Director Finance 03000 419205 zena.cooke@kent.gov.uk
Report Authors:	Emma Feakins Chief Accountant 03000 4162082 Emma.feakins@kent.gov.uk Jo Lee/Julie Samson Capital Finance Manager 03000 416939 / 03000 416950 joanna.lee@kent.gov.uk julie.samson@kent.gov.uk

2019-20 REVENUE BUDGET ROLL FORWARD PROPOSALS

£'000

1	2019-20 provisional underspend		-6,226.3
2	Details of committed projects where we have a legal obligation or contractual commitment:		
a) Adult Social Care & Health			
i)	Rephasing of Kent & Medway Safeguarding Vulnerable Adults Committee into 2020-21	This represents KCC's share of the underspend of the Kent & Medway Safeguarding Vulnerable Adults Committee. Under the terms of the inter-agency agreement, KCC has an obligation to provide this funding to the Committee. The underspending relating to partners contributions is held in a Fund.	70.9
ii)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	47.8
b) Children, Young People & Education			
i)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	14.1
c) Growth, Environment & Transport Directorate			
i)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	537.7
ii)	Kent County Transport Model Commission	The balance of funding required to deliver a project to develop a countywide transport model.	563.2
iv)	Prison Libraries	Contractual arrangement with the Home Office to provide library services in prisons. Due to COVID-19 stock was ordered but not delivered in March 2020.	44.0
d) Strategic & Corporate Services			
i)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	77.5
Total of committed projects			1,355.2
3	Details of re-phasing required to continue/complete an initiative where we are not yet legally/contractually committed		
a) Children, Young People & Education			
i)	Rough Sleeping Grant	Underspend due to delays in recruitment resulting in unspent grant monies. Roll forward is requested is to continue the programme.	31.6
ii)	Previous Looked After Children (PLAC) Implementation Grant	Delays in recruitment resulting in unspent grant funding. This roll forward request is to fund staffing costs in 2020-21.	50.0
b) Growth, Environment & Transport			
i)	Trading Standards Doorstep crime	A roll forward request agreed by Cabinet to be funded from 2018-19 underspend. A one-off fixed term post to deliver a permanent multi agency product to better pre-empt and tackle doorstep crime. The scheme has been delayed but a member of staff has now been appointed to run the project and it has been re-phased into 2020-21.	55.0
c) Strategic & Corporate Services			
i)	Strategic Commissioning GDPR Compliance	This underspend relates to a project on GDPR to achieve a higher level of assurance. Due to delays in procuring an external resource to support this work a roll forward is requested to complete this work.	50.0
Total of re-phasing			186.6

4 Bids for Roll Forward not already committed

a) Strategic & Corporate Services

i) Local Member Grants	Each Member is provided with £15k to provide grants to schemes within their local area to enhance the community. This represents the value of grants funding that was unspent by 31 March 2020.	1,563.8
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Total of Bids**1,563.8**

5 Overspend balance after roll forward requests**-3,120.7**

**APPENDIX 2
CAPITAL PROGRAMME REPHASING**

CYPE	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future years £'000	Total £'000
Annual Planned Enhancement	-2,200	2,200			0
Modernisation Programme	2,008	-8	-2,000		0
Priority School Build Programme	1,132	-1,132			0
Basic Need 2016 & earlier	-13,839	13,839			0
Basic Need Pressure KCP 2017	-10,666	18,432	-7,766		0
Basic Need KCP 2018	-3,524	2,288	1,236		0
Special Schools Review Phase 2	-1,391	1,391			0
Barton Court Free School	850	-850			0
John Wallis Academy	-363	363			0
Total rephasing >£100k	-27,993	36,523	-8,530	0	0
Other rephased projects <£100k	-49	49	0	0	0

TOTAL CYPE REPHASING	-28,042	36,572	-8,530	0	0
Rephasing already actioned through Budget Build	-28,852	29,745	-893	0	0
Remaining rephasing to action from outturn	810	6,827	-7,637	0	0

ASCH	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future years £'000	Total £'000
Learning Disability Good Day Programme	-1,651	1,651			0
Developer Funded Community Schemes	-120	120			0
Housing and Technology Fund	-525	525			0
Extra Care Facilities	-1,000	-6,800	7,800		0
TOTAL REPHASING	-3,296	-4,504	7,800	0	0
Rephasing already actioned through Budget Build	-3,640	-4,160	7,800	0	0
Remaining rephasing to action from outturn	344	-344	0	0	0

GET - Highways, Transportation & Waste	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future years £'000	Total £'000
Major Schemes - Preliminary Design Fees	-402	75	327		0
Highway Major Maintenance	-4,375	4,375			0
Integrated Transport Scheme	-1,050	1,050			0
Old schemes residual works	-466	457	9		0
National Productivity Investment Fund (Kent Medical Campus)	-7,062	5,467	1,594		0
Open Golf	25	-25			0
Concrete Column Replacement	-186	186			0
Windmill Weatherproofing	-165	165			0
Kent Thameside Strategic Transport Programme	-6,663	1,579	-16,416	21,500	0
A226 St Clements Way	-885	865	9	11	0

	2019-20	2020-21	2021-22	Future	Total
GET - Highways, Transportation & Waste	£'000	£'000	£'000	years	£'000
				£'000	
Rathmore Road Link	-13	-51	44	20	0
A28 Chart Road	-1,674	-6,922	-13,890	22,487	0
Thanet Parkway Railway Station	-9,163	6,030	3,133		0
LED Conversion	-1,265	168	1,096		0
Sturry Link Road	-1,920	-16,972	7,653	11,239	0
A26 London Road Tunbridge Wells Jnc Improvements	-792	792			0
Maidstone Integrated Transport	-3,490	2,494	996		0
Dartford Town Centre	399	-861	460	2	0
A2500 Lower Road Improvements	110	-102	-8		0
A2 Off Slip Wincheap	-2,201	-699	2,199	701	0
Herne Relief Road	-822	-1,268	1,656	434	0
Waste Compactor Replacement	-200	200			0
Leigh (Medway) Flood Storage Areas	-1,500	1,500	-2,500	2,500	0
Energy & Water Investment Funds - 4K07	-30	30			0
Energy & Water Investment Funds - 4K15	-31	31			0
Live Labs	-42	42			0
M20 Junction 4	-89	68	21		0
West Kent Local Sustainable Transport	-275	275			0
Kent Strategic Congestion Management Prog Across Growth Areas	-889	889			0
Kent Thameside LSTF Integrated Door to Door Journeys	-387	387			0
Kent Sustainable Interventions Programme for Growth	-341	341			0
A252 Safer Rds Fund	-2,023	2,023			0
A290 Safer Rds Fund	107	-107			0
M2 Junction 5	-800	800			0
Housing Infrastructure Fund - Swale Infrastructure Projects	-2,587	-8,722	-22,043	33,352	0
Fastrack	-378	378			0
TOTAL REPHASING	-51,525	-5,061	-35,660	92,246	0
Rephasing already actioned through Budget Build	-34,870	-12,358	-31,380	78,608	0
Remaining rephasing to action from outturn	-16,655	7,297	-4,280	13,638	0

	2019-20	2020-21	2021-22	Future	Total
GET - Environment, Planning & Enforcement and Libraries, Registration and Archives	£'000	£'000	£'000	years	£'000
				£'000	
Public Rights of Way	-98	98			0
Country Parks	-115	55		60	0
Public Sports	-20	20			0
Sustainable Access to Education & Employment	11	-11			0
Essella Road Footbridge	-258	258			0
Herne Bay Library Plus	-420	420			0
Southborough Hub	-5,002	5,002			0
Digital Autopsy	-717	717			0
TOTAL REPHASING	-6,619	6,559	0	60	0
Rephasing already actioned through Budget Build	-5,801	5,741	0	60	0
Remaining rephasing to action from outturn	-818	818	0	0	0

	2019-20	2020-21	2021-22	Future	Total
	£'000	£'000	£'000	years	£'000
GET - Economic Development				£'000	£'000
Broadband Contract 2	-1,349		1,349		0
Kent Voucher Scheme	-150	-2,412	2,562		0
Marsh Million	-216	182	-97	131	0
NUE Rented Affordable Homes	-1,038	1,038			0
Innovation Investment Loan (I3)	-361	361			0
Kent and Medway Business Fund	-13,997	11,431	-1,252	3,818	0
Kent Empty Properties	836	-836			0
Javelin Way	-4,891	2,943	1,948		0
Turner	-902	902			0
Workspace Kent	-175	175			0
Village Halls	-37	37			0
TOTAL REPHASING	-22,280	13,821	4,510	3,949	0
Rephasing already actioned through Budget Build	-22,393	8,518	2,181	11,694	0
Remaining rephasing to action from outturn	113	5,303	2,329	-7,745	0

	2019-20	2020-21	2021-22	Future	Total
	£'000	£'000	£'000	years	£'000
SCS				£'000	£'000
Modernisation of Assets (MOA)	2,195	-1,695	-500		0
LIVE Margate	-2,819	2,619	200		0
Dover Discovery Centre	-2,919	-1,102	4,021		0
Property Investment Fund (PIF)	-5,531	3,531	2,000		0
PIF 2	-6,000	1,000	5,000		0
MOA+	-6,647	5	6,642		0
Asset Utilisation - Oakwood House	-5,038	5,038			0
Asset Utilisation	-1,124	1,124			0
Acquisition of Strategic Assets	-9,164	9,164			0
Maximising Value from the Disposal of Council Assets	-37	37			0
HR Systems Development	-4	4			0
TOTAL REPHASING	-37,088	19,725	17,363	0	0
Rephasing already actioned through Budget Build	-20,639	19,639	1,000	0	0
Remaining rephasing to action from outturn	-16,449	86	16,363	0	0

GRAND TOTAL

TOTAL REPHASING	-148,850	67,112	-14,517	96,255	0
Total Rephasing already actioned through Budget Build	-116,195	47,125	-21,292	90,362	0
Total Remaining rephasing to action from outturn	-32,654	19,987	6,775	5,893	0

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APPENDIX 3

CAPITAL PROGRAMME CASH LIMIT CHANGES

To reflect revised funding/phasing since the budget was approved in February 2019

	2019-20	2020-21	2021-22	Future Yrs	Total
CYPE	£'000	£'000	£'000	£'000	£'000
Annual Planned Enhancement	1,390	0	0	0	1,390
Modernisation Prog	-1,768	0	0	0	-1,768
Pupil Referral Units	7	11	0	0	18
Basic Need 2016	-13,715	15,609	360	0	2,254
Basic Need Pressure KCP 2017	5,151	-621	564	0	5,094
Basic Need KCP 2018	-10	-4,370	3,724	0	-656
Priority School Build Prog	770	-770	0	0	0
Early Years Capital Fund	-11	0	0	0	-11
John Wallis Academy	-226	0	0	0	-226
Tunbridge Wells Cultural Hub - CLS	33	0	0	0	33

Total Other Cash Limit Changes	-8,379	9,859	4,648	0	6,128
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	2019-20	2020-21	2021-22	Future Yrs	Total
ASCH	£'000	£'000	£'000	£'000	£'000
Home Support Fund	-71	0			-71
Learning Disability Good Day Programme	-853	0			-853
Adult Social Care Case Management	527	-358	0	0	169
Developer Funded Community Schemes	-6	0			-6
Staffing Transformation Costs	68				68
Total Other Cash Limit Changes	-335	-358	0	0	-693

	2019-20	2020-21	2021-22	Future Yrs	Total
GET - Highways, Transportation & Waste	£'000	£'000	£'000	£'000	£'000
Highway Major Maintenance	185				185
Integrated Transport Schemes	-262				-262
Old Schemes residual	-87	-31	0	0	-118
Open Golf	1				1
LED Conversion	4				4
Thanet Parkway Railway station	60		-60	0	0
Kent Thameside Strategic Transport Programme	65	265	0	-186	144
Rathmore Road	-182				-182
Newingreen A20 Junction Improvement	-27	27	0	0	0
West Kent Local Sustainable Transport		30	0	0	30
Energy & Water Investment Funds - external		20	20	176	216
Energy & Water Investment Funds		5	9	74	88
AONB Transformation Fund	9				9
Faversham Swing Bridge	213	-213	0	0	0
Dover Bus Rapid Transit	-563	563	0	0	0
Housing Infrastructure Fund - Swale Infrastructure Projects	-26	416		1,120	1,510
Total Other Cash Limit Changes	-610	1,083	-31	1,184	1,626

GET - Environment, Planning & Enforcement and Libraries, Registration	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future Yrs £'000	Total £'000
Public Rights of Way	32				32
Coroners Phase 1	-95				-95
Sustainable Access to Education & Employment	1				1
Tunbridge Wells Cultural Hub	327	50	-50	0	327
Southborough Hub		33	0	0	33
Total Other Cash Limit Changes	265	83	-50	0	298

GET - Economic Development	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future Yrs £'000	Total £'000
Kent Empty Properties	266	3,055	338	2,995	6,654
Village Halls	5	0	0		5
Turner		-5	0	0	-5
Total Other Cash Limit Changes	271	3,050	338	2,995	6,654

SCS	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future Yrs £'000	Total £'000
Community Sexual Health Services	-43	43	0	0	0
LIVE Margate	2	-5	0	0	-3
Corporate Property Strategic Capital	315				315
Modernisation of Assets	300	1,085	0	0	1,385
Asset Utilisation - Oakwood House Transformation		-1,085	0	0	-1,085
Business Intelligence Tool	-3				-3
Disposal Costs	82				82
Pentana	52				52
New Ways of Working	21				21
Dover Discovery Centre		-434	-21	0	-455
Total Other Cash Limit Changes	726	-396	-21	0	309

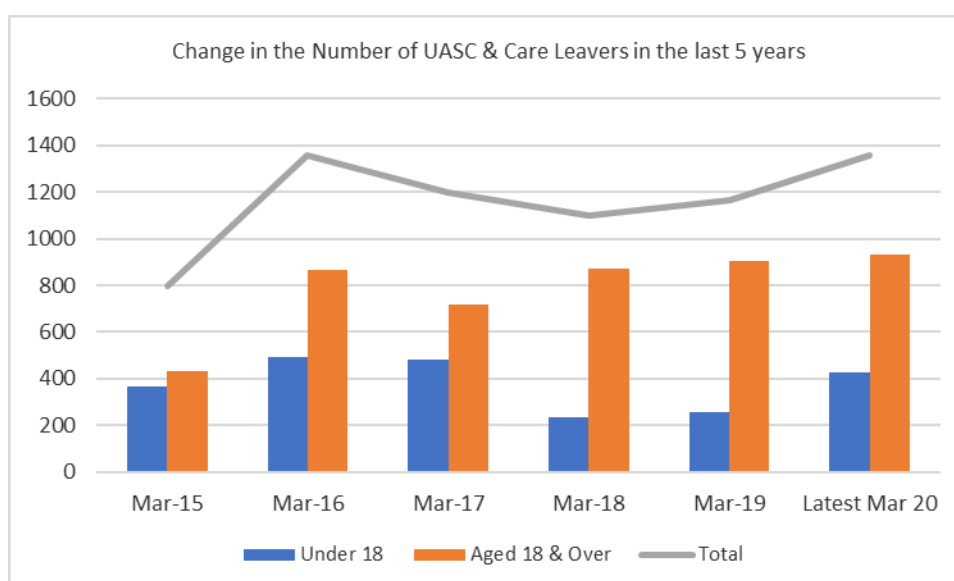
	2019-20 £'000	2020-21 £'000	2021-22 £'000	Future Yrs £'000	Total £'000
Total Other Cash Limit Changes	-8,062	13,321	4,884	4,179	14,322

Unaccompanied Asylum Seeking Children (UASC) Key Activity Measures

1. Number of UASC & Care Leavers by age category

The number of UASC is well over the minimum threshold of UASC for the authority as a % of population (231), the dispersal scheme has only transferred a minimum number of UASC to other local authorities in the last 9 months. The number of UASC Care Leavers over 18 years old remain relatively steady. The graph below shows the long-term trend in the Asylum children including the impact of the 2015 crisis. It can be seen the numbers are now like those experienced at the height of that crisis.

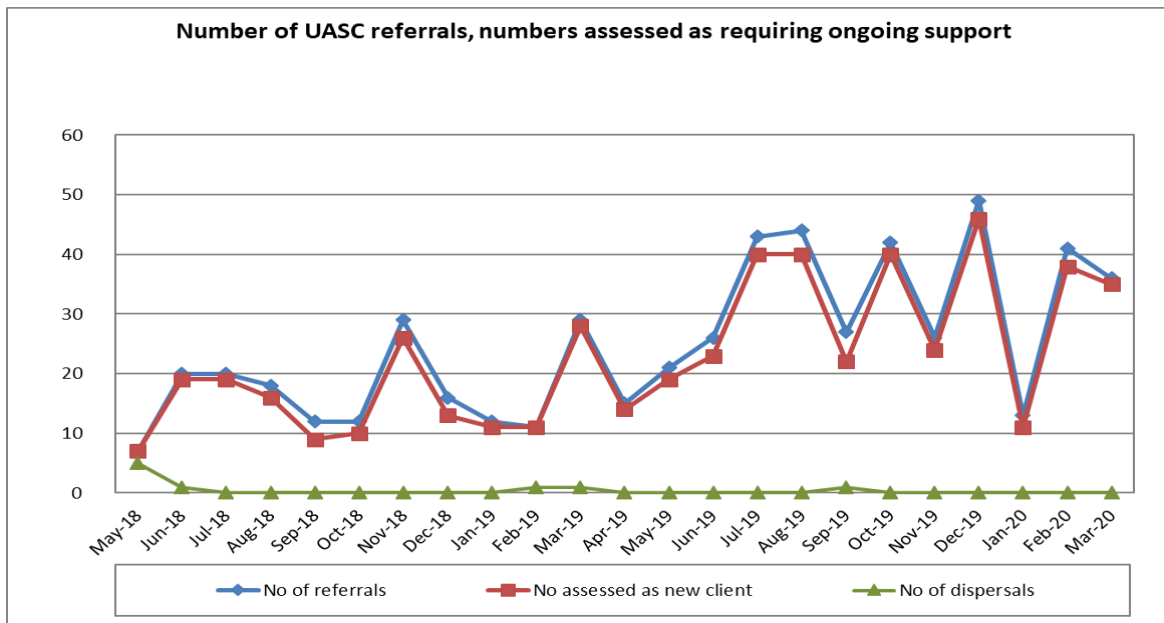
	Aged under 16	Aged 16 & 17	Aged 18 & over	TOTAL
May-18	30	188	879	1,097
Jun-18	34	194	880	1,108
Jul-18	37	199	887	1,123
Aug-18	40	203	888	1,131
Sep-18	44	207	878	1,129
Oct-18	44	210	874	1,128
Nov-18	43	232	877	1,152
Dec-18	41	236	885	1,162
Jan-19	30	220	901	1,151
Feb-19	29	222	902	1,153
Mar-19	33	226	907	1,166
Apr-19	30	232	905	1,167
May-19	34	235	893	1,162
Jun-19	38	251	892	1,181
Jul-19	53	266	893	1,212
Aug-19	62	294	889	1,245
Sep-19	61	312	890	1,263
Oct-19	63	342	889	1,294
Nov-19	60	358	889	1,307
Dec-19	61	384	904	1,349
Jan-20	49	351	938	1,338
Feb-20	48	364	939	1,351
Mar-20	53	374	930	1,357



2. Numbers of UASC referrals, assessed as requiring ongoing support

The National Transfer Scheme (NTS) has been in operation since July 2016. NTS is a scheme to encourage other local authorities to volunteer to support UASC so there is a more even distribution of caring responsibilities across the country. In total there have been 362 dispersals from Kent arrivals since the scheme's introduction. During 2018-19, Kent had lower numbers of UASC than the threshold of 231 UASC's set by the Home Office and so new arrivals had not in the main been referred to the dispersal scheme, only 10 young people have been dispersed to another Local Authority since April 2018. However, since this time the number of UASC supported by Kent has since significantly exceeded this target with only a minimum number of dispersals made. Kent currently has 427 UASC and the numbers are projected to continue to rise, resulting in a unsustainable service and associated financial pressures. Children Social Services are having to respond and will need to invest in further staffing across the service both now and in future years to support this growing cohort of young people. The COVID outbreak has also brought further challenges in the placing of UASC whilst maintaining the required social distancing and self-isolation recommendations. The immediate impact has been the need to provide additional reception facilities to support the consistently high numbers of new arrivals. We are in ongoing discussions with the Home office and the Department for Education in relation to both the high number of new arrivals and the impact of COVID 19 including the pressure to relaunch the National Transfer Scheme and ensure enough funding is received. Historically, there has been a shortfall in the grant received from the Home Office to fund the Asylum Service. On the 8th June the Home Office announced the enhanced funding rates following the outcome a long awaited review. The impact of this is being worked through.

	No of referrals	No assessed as new client	%	No of dispersals
May-18	7	7	100%	5
Jun-18	20	19	95%	1
Jul-18	20	19	95%	0
Aug-18	18	16	89%	0
Sep-18	12	9	75%	0
Oct-18	12	10	83%	0
Nov-18	29	26	90%	0
Dec-18	16	13	81%	0
Jan-19	12	11	92%	0
Feb-19	11	11	100%	1
Mar-19	29	28	97%	1
Apr-19	15	14	93%	0
May-19	21	19	90%	0
Jun-19	26	23	88%	0
Jul-19	43	40	93%	0
Aug-19	44	40	91%	0
Sep-19	27	22	81%	1
Oct-19	42	40	95%	0
Nov-19	26	24	92%	0
Dec-19	49	46	94%	0
Jan-20	13	11	85%	0
Feb-20	41	38	93%	0
Mar-20	36	35	97%	0



3. Number of Eligible & Ineligible Clients incl All Rights of appeal Exhausted (ARE) clients at the end of each month

2019/20	Eligible Clients	of which AREs	Ineligible Clients	of which AREs	Total Clients	Total AREs
Mar-18	900	13	211	41	1,111	54
Mar-19	912	6	254	51	1,166	57
Apr-19	914	3	253	46	1,167	49
May-19	916	2	246	29	1,162	31
Jun-19	928	1	253	28	1,181	29
Jul-19	958	0	254	25	1,212	25
Aug-19	982	1	263	22	1,245	23
Sep-19	975	4	288	14	1,263	18
Oct-19	1002	5	292	13	1,294	18
Nov-19	1011	3	296	9	1,307	12
Dec-19	1019	3	330	9	1,349	12
Jan-20	1007	5	331	10	1,338	15
Feb-20	1014	2	337	11	1,351	13
Mar-20	1019	0	338	14	1,357	14

Eligible Clients are those who do meet the Home Office grant rules criteria. Appeal Rights Exhausted (ARE) clients are eligible for the first 13 weeks providing a human rights assessment is completed.

Ineligible clients are those who do not meet the Home Office grant rules criteria. For young people (under 18), this includes accompanied minors and long-term absences (e.g. hospital or prison). For care leavers, there is an additional level of eligibility as the young person must have leave to remain or “continued in time” appeal applications to be classed as an eligible client.

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High Needs and Dedicated Schools Grant Key Indicators

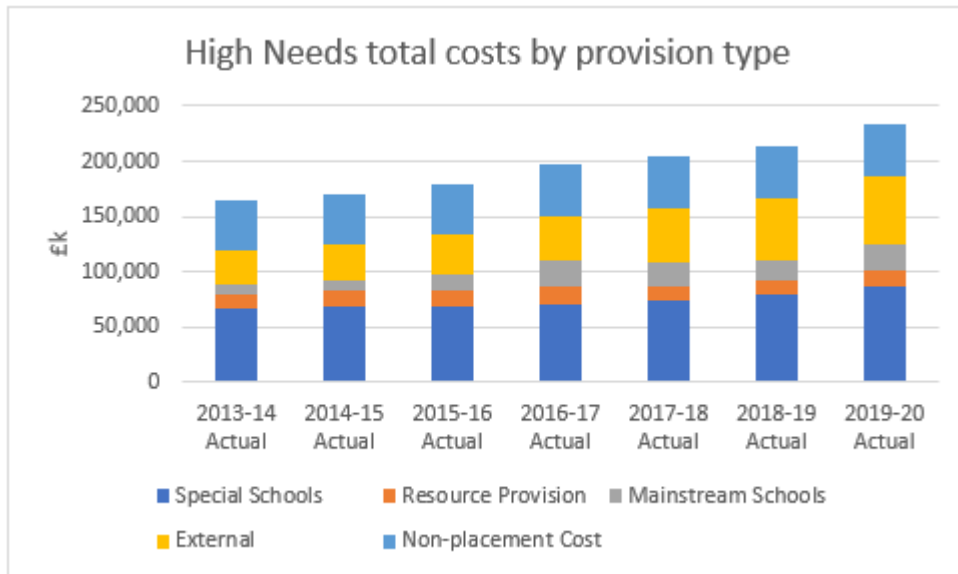
1. High Need Placement Forecast

High Needs funding is part of the Dedicated Schools Grant (DSG) and is used to support the educational achievement of children and young people with special educational needs and disabilities (SEND). The in-year funding shortfall for High Needs placements in 2019-20 was +£19m due to a combination of both higher demand and higher cost per child. Over the years there has been a growing number of children and young people accessing High Needs funding and this rise has been most significant in those children being educated in special schools (both maintained and independent) rather than mainstream schools. These specialist types of provisions are normally more expensive, as these placements tend to be for those children and young people with the most profound and complex needs. This rise in costs coincides with the introduction of the legislative changes in 2014 and mirrors the significant increase in the number of statutory assessments and the number of children and young people issued with an Education, Health and Care Plan (EHCP) over the last 7 years. This is not a Kent phenomenon; and this pressure is being experienced in many other local authorities to varying extents. In response, the Government has committed an additional £800m nationally in 2020-21 along with the launched of a major review into support for children with SEN which will include looking at how the SEND system has evolved since 2014, how it can be made to work best for all families and ensure quality of provision is the same across the country. The increase in high needs funding in 2020-21, is welcome but insufficient to meet the expected demand and the cumulative deficit is expected to increase further during 2020-21.

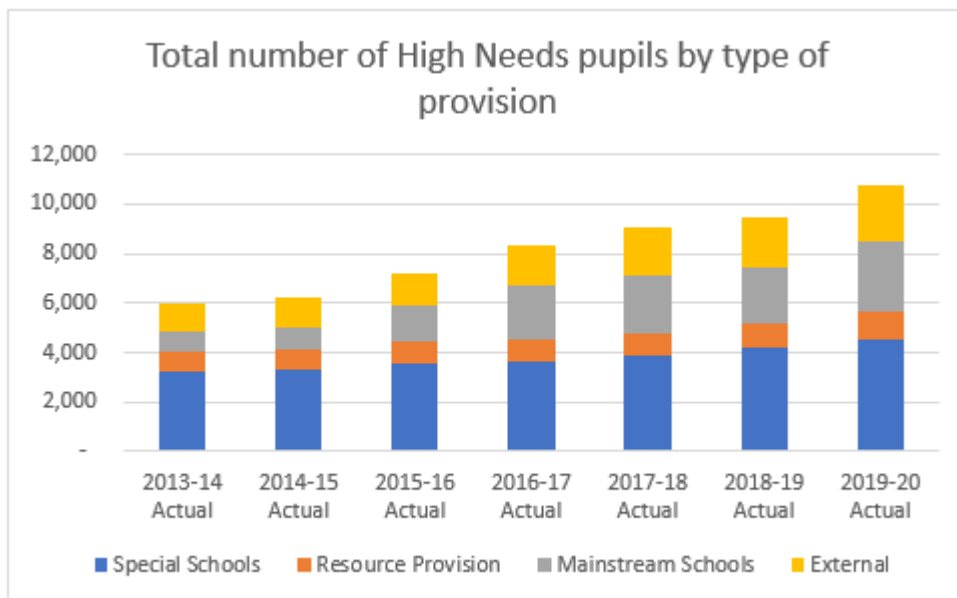
In Kent, the CYPE Directorate along with our colleagues from Health are responding to the Ofsted/CQC Local Area SEND Inspection that took place earlier this year. The report from Ofsted identified some serious weaknesses in the system with some 9 areas that needed to be addressed by Health, KCC, Schools and Academy Trusts. The Written Statement of Action (WSOA), sets out our response to address these areas of concern and overlaps in a number of places with our strategy for reducing the pressure on the High Needs budget including:

- Reviewing our commissioning strategy for SEN provision across the county including supporting the development of new special schools and SRPs to reduce our increasing reliance on independent schools
- Reviewing our commissioning arrangements with independent providers
- Improving parental confidence through supporting inclusive practice and capacity building in mainstream schools
- Further collaborative working with Health and Social Care partners

The graphs and tables below show total spend and pupil numbers for High Needs by type of provider.



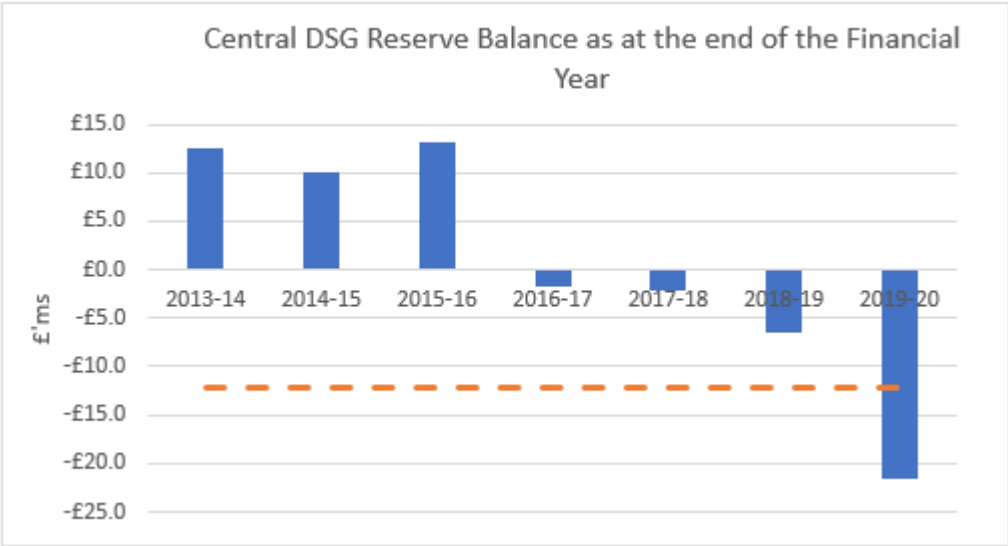
External includes all external education providers including independent non-maintained and FE Colleges.



External includes all external education providers including independent non-maintained and FE Colleges.

2. Dedicated Schools Grant Reserve

The DSG is a ring-fenced grant from the Education and Skills Funding Agency used to support schools, early years, high needs and some central education services. The DSG central reserve is one of the Council's earmarked reserves, any under or overspend from DSG funded services are transferred to the reserve at year end. Individual maintained school balances (surplus and deficit) are held separately. In recent years, the High Needs Block funding received each year has been insufficient to cover the increasing cost of the services resulting in an increasing deficit on the DSG central reserve. The graph below shows the trend in the DSG central reserve. The Department of Education has recently confirmed that local authorities are not required to repay deficits on the DSG from the General Fund but it remains unclear how such deficits will be treated other than a requirement to report a recovery plan. Current, DFE guidance has stipulated any authority holding an accumulated deficit of more than 1% of their total DSG income will be required to complete a deficit recovery plan (this financial limit is reflected on the graph below as a dotted line). Based on current expectations Kent will be required to complete the plan in 2020 if the DFE criteria remains unchanged. **No further details on the plan have been published at the time of this report.**



2019-20 RESERVES PROVISIONAL OUTTURN POSITION

1. The table below reflects the impact of the provisional outturn and activity for 2019-20 on our revenue reserves. These are provisional figures and are subject to change during the final stages of the closing of accounts process.

Account	Balance at 31/3/19	Provisional Balance at 31/3/20	Movement
	£m	£m	£m
General Fund balance	37.0	37.2	+0.2
Earmarked Reserves	185.5	232.8	+47.3
Surplus on Trading Accounts *	0.9	1.0	+0.1
Schools Reserves **	26.9	13.8	-13.1

* The surplus on Trading Accounts relates entirely to Commercial Services.

** Schools reserves include both the delegated schools reserves and the unallocated schools budget. Details of the reasons for the movement in schools reserves are provided in section 4.7 of the main report.

2. The General Fund balance is made up of KCC General Reserves and Commercial Services General Reserves as shown below:

General Fund Balance	Balance at 31/3/19	Provisional Balance at 31/3/20	Movement
	£m	£m	£m
Kent County Council	37.2	37.2	-
Commercial Services	-0.2	-0.0	+0.2
	37.0	37.2	+0.2

3. A breakdown of the Earmarked Reserves is detailed below. It should be noted that £37.3m of the total £47.2m increase in Earmarked Reserves is the Covid 19 Emergency Grant that was paid to councils on 27th March 2020.

Other Earmarked Reserves	Balance at 1 April 2019	Movement	Balance at 31 Mar 2020
	£'000	£'000	£'000
VPE reserve	-16,560	-611	-17,171
Special funds	-592	70	-522
Kings Hill development smoothing reserve	-2,557	-2,050	-4,607
Swanscombe School PFI equalisation reserve	-411	259	-152
Six schools PFI	-1,048	-767	-1,815
Three schools PFI	-2,677	-2,136	-4,813
Excellent Homes for All PFI	-2,362	102	-2,260
Westview/Westbrook PFI equalisation reserve	-3,850	-135	-3,985
Better Homes Active Lives PFI equalisation reserve	-3,416	-100	-3,516
Responding to Government Deficit Reduction reserve	-10,371	-1,051	-11,422
Corporate Reserve for Social Care Funding Issues	-7,552	0	-7,552
Payments reserve	-4,443	-1,335	-5,778
Local Taxation Equalisation reserve	-16,793	-7,713	-24,506
Public Health reserve	-6,036	159	-5,877
Rolling budget reserve	-37,173	12,007	-25,166
Asylum reserve	0	-2,111	-2,111
Emergency Conditions reserve	-1,635	0	-1,635
Elections reserve	-587	-424	-1,011
Dilapidations reserve	-3,062	17	-3,045
Modernisation of the Council (formerly Workforce Reduction) reserve	-10,999	-1,065	-12,064
IT Asset Maintenance reserve	-1,783	-1,663	-3,446
Earmarked reserve to support future year's budget	-5,682	-1,069	-6,751
Prudential Equalisation reserve	-10,382	-328	-10,710
Turner Contemporary Investment reserve	-965	275	-690
Kent Lane Rental Scheme reserve	-2,679	-316	-2,995
Public Inquiries reserve	-520	68	-452
PIF Property Reserve	-845	62	-783
Bus Services Operator Grant	-459	-123	-582
Financial Instruments Revaluation Reserve	-647	0	-647
Highways Adverse Weather Reserve	-500	423	-77
Deprivation of Liberty Safeguards (DoLs) Reserve	-1047	903	-144
Fast Track Bus Maintenance reserve	-597	-23	-620
Leap Year reserve	-842	842	0
KPSN Re-procurement reserve	-692	-123	-815
Covid-19 reserve	0	-37,307	-37,307
Other	-3,715	711	-3,004
Total	-163,479	-44,552	-208,031
Insurance Reserve			
KCC	-13,647	-2,472	-16,119
	-177,126	-47,024	-224,150
Commercial Services Earmarked Reserves	-3,233	0	-3,233
EKO	-4,981	0	-4,981
Royal Mail Sorting Office	-198	-223	-421
Total Earmarked Reserves	-185,538	-47,247	-232,785

2019-20 MONITORING OF PRUDENTIAL INDICATORS AS AT 31 MARCH 2020**Prudential Indicator 1 : Estimates of Capital Expenditure**

	2018-19 Actuals £m	2019-20 Budget £m	2019-20 Outturn £m
TOTAL	189.762	392.599	241.530

Prudential Indicator 2: Estimate of Capital Financing Requirement (CFR)

	31.03.2019 Actual £m	31.03.2020 Budget £m	31.03.20 Outturn £m
TOTAL CFR	1,284.51	1,363.98	1,284.96

Prudential Indicator 3: Gross Debt and the Capital Financing Requirement

	31.03.2019 Actual £m	31.03.2020 Budget £m	2019-20 Outturn £m
Other Long-term Liabilities	263.00	263.00	245.20
External Borrowing	911.10	949.40	883.82
Total Debt	1,174.10	1,212.40	1,129.02
Capital Financing Requirement	1,284.51	1,363.98	1,284.96
Internal Borrowing	110.41	151.58	155.94

Prudential Indicator 4 : Authorised Limit and Operation Boundary for External Debt

	2018-19 Limit £m	2019-20 Limit £m	2019-20 Position at 31.03.20 £m
Authorised Limit - borrowing	1,003	1,013	1,013
Authorised Limit - PFI and leases	271	263	263
Authorised Limit - total external debt	1,274	1,276	1,276
Operational Boundary - borrowing	1,038	988	988
Operational Boundary - PFI and leases	271	263	263
Operation Boundary - total external debt	1,309	1,251	1,251

Prudential Indicator 5: Proportion of Finance Costs to Net Revenue Stream

	2018-19 Actual	2019-20 Budget	2019-20 Forecast at 31.03.20 £m
Proportion of net revenue stream	11.80%	11.30%	10.81%

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

To: Cabinet 22nd June 2020

Subject: **Capital Programme 2020-23 and Revenue Budget 2020-21**

Classification: **Unrestricted**

Summary:

This report provides an update on the financial impact of the Covid-19 outbreak and subsequent economic fallout, including the additional funding provided by central Government, the Council's estimated costs for the emergency response, and the potential loss of income and delays to savings plans. These have been assessed against the approved 2020-21 revenue budget together with an initial assessment of other issues arising from the first month's budget monitoring.

The overall assessment is that there is a significant shortfall in the emergency grant received to date resulting in a substantial projected overspend. The magnitude of the variances is such that it is proposed to undertake a fundamental review of both the revenue budget and capital programme which will require a major recast to be reported to and approved by County Council in September. This could include revised operating budgets for individual services, including revised savings plans and the use of reserves.

At the time of writing, it is understood that the Government is planning to make an announcement on council finances. It is not known what will be announced, so the estimates and assumptions in this report may need to be revised, depending on what the Government set out in relation to council finances.

Recommendations:

- a) Cabinet is asked to endorse a fundamental review of the 2020-21 revenue budget and 2020-23 capital programme in light of the significant changes since the budget was approved in February 2020.
- b) Cabinet is asked to consider and propose a revised revenue budget for 2020-21 and 2020-23 capital programme to be presented to and approved by County Council on 10th September 2020.
- c) Cabinet is asked to note that despite the significant financial impact the Corporate Director of Finance is not considering a section 114 notice at this time.

1. Background

- 1.1 The 2020-21 revenue budget and 2020-23 capital programme were approved by County Council on 13th February 2020. The approved net revenue budget requirement was £1.064bn. This was funded £0.753bn from council tax¹, £0.252bn un-ring-fenced government grants, and £0.059bn retained business rates. The capital programme included planned spending of £1.014bn over the three years (£0.472bn in 2020-21) with £0.621bn funded from external sources and government grants, and £0.393bn from KCC resources and borrowing (with consequential financing impact on current and future revenue budgets).
- 1.2 On 11th March the Covid-19 outbreak was declared a pandemic. On the same day the Chancellor announced the March 2020 Budget. The Budget was in two parts, the first part dealt with the immediate response to the emergency, and the second part was the typical presentation of medium-term tax and spending plans. The economic forecasts (and therefore the medium-term spending, tax and borrowing projections) were before the effects of the additional Covid-19 measures. Effectively these were out of date even at the time of publication. The Chancellor of the Exchequer has made a number of subsequent announcements on additional spending to tackle the outbreak and measures to support the economy which means they are now further out of date.
- 1.3 The Council had to act quickly in response to the pandemic and on 18th March staff were told to work from home wherever possible. This was in advance of announcements on 20th March closing schools, restaurants, pubs, indoor entertainment venues and leisure centres, and the more substantial lockdown imposed on 23rd March banning all non-essential travel and contact outside the home.
- 1.4 The Council's response has focussed on protecting the safety and wellbeing of all Kent residents, especially the most vulnerable as well as supporting its principal suppliers in line with government guidelines. Some of the main aspects of the response has included making additional payments to all residential, nursing, homecare and day care adult social care providers towards additional costs they are incurring during the emergency; procurement and distribution of additional personal protective equipment (PPE) to both staff and care providers; maintaining payments to early years and childcare providers even where they have had to close down; maintaining payments to bus companies and home to school transport providers to sustain the market during the slump in journeys during lockdown and school closures; securing additional temporary mortuary provision.
- 1.5 Inevitably some of the Council's own facilities have also had to close such as children's centres, country parks, libraries, waste disposal and recycling facilities, etc. In the main the Council has continued to incur contractual and staffing costs for these services even though facilities were closed.

¹ based on estimated net band D equivalent tax base of 554,625.61 properties, band D tax charge of £1,351.26 (including £118.62 social care levy), and collection fund surplus

1.6 It is important to emphasise that any amounts in this report are only an initial assessment of the potential impact of the Covid-19 outbreak on the council's revenue and capital budgets for 2020-21 and 2021-22 based on the latest available information. This is a unique situation and whilst the Council has responded incredibly well, there remains a significant amount of uncertainty that makes financial planning far more challenging than would usually be the case. A key part of the uncertainty is how much funding the Government will provide and whether this will cover all the costs incurred by the Council as well as the losses in income.

2. Cost Estimates

2.1 As soon as the pandemic was announced arrangements were made to capture information about the additional costs the Council would incur. In March 2020 a total of £1.705m of additional spending and lost income associated with the Covid-19 response was accounted for within the final 2019-20 accounts. This included distress payments to bus providers, PPE purchases, and IT equipment and licences to support home working. The first tranche of Emergency Grant funding of £39m was received on 27th March, this was used to offset this expenditure with the remaining £37.3m transferred to a specific reserve to be drawn down to support spend in 2020-21.

2.2 Initially there was very little guidance on the expectations on local authorities. The Government did issue three Procurement Policy Notes (PPN) although these related to suspending aspects of procurement procedure rather than guidance on the type of expenditure the government anticipated local authorities would incur. The Council produced local guidance on the expenditure and income to be captured. This included:

- Additional costs incurred in response to the initial emergency e.g. temporary mortuary, procurement of PPE, etc.
- Additional costs to support market sustainability e.g. payments to support social care providers in meeting Covid 19 related additional costs, payments to home to school transport providers even though no service has been provided due to closures, etc.
- Future demand increases e.g. adult social care where the Council has to assume responsibility following hospital discharges, children's social care due to increased demand following the easing of lockdown restrictions etc.
- Delays in delivering savings
- Loss of income
- Workforce pressures associated with demand increases

2.3 The Ministry of Housing, Communities and Local Government (MHCLG) has asked local councils to provide a monthly return setting out estimates of the impact of the Covid 19 pandemic. Two returns have been submitted to date setting out estimates of additional spending, delayed savings and potential lost income.

- 2.4 The latest return submitted in May asked for information on the amount of emergency grant allocated to services to date. The return showed forecast spending/delayed savings of £100.4m, and £17.1m potential loss of income.
- 2.5 Income losses for KCC do not include the impact of additional council tax discounts for households facing a decline in income, or collection losses for other households unable to pay, or losses on business rate collection for business not in receipt of additional Covid-19 reliefs. At this stage these income losses will be borne by billing authorities (districts and boroughs in Kent) in 2020-21 with precepts for upper tier authorities unchanged from the amounts built into 2020-21 budget. There will be an impact on the distribution of funds from the Kent business rate pool in 2020-21, but this has yet to be modelled or quantified.
- 2.6 Costs and income loss estimates will continue to be refined in light of further evidence. This is likely to continue to include both upward and downward changes. The very latest information on additional spending and losses of income incurred to date as at the end of May is £35m.
- 2.7 The MHCLG has recently written to all authorities to give more guidance on the spending it expects local authorities to prioritise during the Covid-19 crisis. The guidance is still relatively high level, but in general it accords closely with the spending included in the MHCLG submissions to date. A risk rating to the £100m in our May submission has been applied. This identifies £61m as green rated (clearly matches the MHCLG criteria), £34m amber rated (has links to the guidance but needs further clarification) and £5m red rated (could be considered to be outside the guidance). Consequently, the Corporate Director of Finance (Section 151 Officer) is confident at this stage that the Council can fully justify the emergency grant allocated to date pending any revisions to the estimated amounts based on the further evidence outlined in paragraph 2.6.
- 2.8 It is important to note that the cost estimates at this stage do not include any impact of a second wave of infections or changes in spending for the recovery phase. There is also no assumption of costs that could be recovered through furloughing of staff through the Government's Job Retention Scheme other than those employed through trading companies that have suffered a loss of income.

3. Government Funding Allocations

- 3.1 MHCLG has made £3.2 billion available to support local authorities through an emergency grant. This funding is un-ringfenced on the basis that councils are best placed to determine the specific needs of their local communities. The emergency grant has been paid in two tranches in March and May which total £66.9m for the council. It should be noted that the two tranches of emergency grant funding were distributed using different methodologies which meant that the Council received significantly less in the second tranche of funding than the first.

- 3.2 The Government also announced advance payments of social care grants and grants to compensate for existing business rate discounts before the additional discounts announced since the covid-19 outbreak. These grants were already built into the Council's 2020-21 budget and therefore do not constitute extra funding towards additional costs and loss of savings, they merely represent an advance to assist cashflow. The Council's share of these grants is £33.4m.
- 3.3 On 13th May the Government announced an additional £600m grant to be paid to adult social care authorities to help manage infection control in care homes. This is in addition to the emergency grant and advance of existing grants outlined in paragraphs 3.1 and 3.2. This grant amounting to £18.9m for KCC is specifically aimed at preventing and controlling COVID-19 in all registered care homes. It is included in this report for completeness but is assumed will be spent on additional payments to all care homes (including those with no council clients) and other new measures to manage infection control. The grant cannot be used to fund expenditure already incurred and is not included in the additional spending analysis. It is possible that as a result of this grant some of the future cost estimates included in the April and May MHCLG submission do not now materialise, but given the criteria that needs to be met, even if that is the case, the amount is not likely to be significant. The local NHS are also in receipt of their share of £1.3bn government funding, to support the hospital discharge process and to avoid hospital admissions. The Council is currently negotiating a pooled fund which would enable some of the Council's costs related to admission avoidance to be met from the NHS allocation.
- 3.4 The Government has also announced a ring-fenced £300m grant which will be paid to local authorities to support the consequence management of local Covid-19 outbreaks (including the provision of infrastructure) by upper and lower tier Authorities. Kent's share has been confirmed as £6.3m. The Government has also announced £167m of funding to support bus operators and councils over a 12 week period, with up to £21.5m to be paid to local councils. Again there is very limited detail at this time, with only the announcement of the first 4 weeks' allocation.
- 3.5 Details of the funding announcements for KCC are set out in table 1 below.

Table 1

Table 1 Government Grant allocations	£000s	Comments
Additional Grants		
Emergency Grant tranche 1	39,012	KCC's share of the additional £1.6bn first announced in 11th March Budget and paid on 27th March
Emergency Grant tranche 2	27,934	KCC's share of the further additional £1.6bn announced 18th April and to be paid on 14th May
Total Emergency Grant	66,946	
Adult Social Care Infection Control Grant	18,878	KCC share of additional £0.6bn announced on 13th May
Advance of Grants already in Settlement and Approved Budget (not new money, only eases cashflow)		
Business Rate Compensation Grant	12,662	Grant we would normally have received in monthly instalments throughout 2020-21 and already built into 2020-21 budget but paid in full on 27th March
Social Care Support Grant and Improved Better Care Fund	20,728	Grants we would normally have received in monthly instalments throughout 2020-21 and already built into 2020-21 budget. 1/4 of the grant was paid in April and the remaining 3/4 to be paid in nine monthly instalments from July
Total Early Avances	33,390	

3.6 At the time of writing, it is understood that the Government is planning to make an announcement on council finances. It is not known what will be announced, so the estimates and assumptions in this report may need to be revised, depending on what the Government set out in relation to council finances.

4.0 Analysis of Current Revenue Budget

4.1 The balanced budget approved at County Council in February this year was a net revenue requirement of £1,063.654m for 2020-21. The budget was set pre-Covid 19 and included a number of elements that will now need to be reviewed and revised in order to ensure the budget remains balanced and takes account of future funding pressures.

4.2 The 2020-21 budget includes £30.2m of savings and income. Some of these represent the full year effect of savings from the 2019-20 budget or rollout of existing charging policies. Some are new proposals. The new proposals would result in a full year effect in 2021-22 and continued roll out of existing charging policies would deliver additional income towards 2021-22 budget gaps. Table 2 summarises the savings in 2020-21 budget.

Table 2

2020-21 Savings	Full Year Effect of 2019/20 Savings £m	New Proposals £m	Financing £m	Total £m
ASCH	6.5	3.1	1.6	11.2
CYPE	0.9	0.9	0.0	1.7
GET	2.2	0.9	0.0	3.1

PH	0.0	4.6	0.7	5.3
S&CS	-0.1	0.3	0.0	0.1
FI&U	-0.2	3.9	5.2	8.8
Total	9.2	13.6	7.4	30.2

- 4.3 The 2020-21 revenue budget also includes a number of funding sources totalling £40m that are not permanent and could be considered unsustainable, particularly in the current financial climate.
- 4.4 It is likely that the assumptions regarding deliverability of both the savings and some of the non-permanent funding will need to change and this will have a direct impact on the likely shortfall in funding for this year as well as the longer term implications for next year and beyond.
- 4.5 The projected out-turn for the current year will need to be reviewed to identify the budget pressures that have continued from last year.. The first quarterly budget monitoring report will set out the early projected out-turn for the year and will be used to inform the funding shortfall and the areas of focus. This may highlight areas of reduced activity and spend resulting in projected underspends. These underspends will be considered as part of the budget review process and options to address the budget gap for 2020-21.

5. Medium Term Impact

- 5.1 A significant proportion of the additional costs and losses on income will be one-off in 2020-21. However, if billing authorities are not compensated for tax collection losses in 2020-21 the Council will have to bear its share through collection fund deficit that has to be included in the 2021-22 budget. If the recession lasts longer throughout 2020-21 and into 2021-22 there could also be an impact on the tax base for future years' budgets.
- 5.2 There is no detail of when the Spending Review planned for 2020 will take place. The Government have confirmed that the move to 75% business rate retention and reforms to funding distribution through Fair Funding reform and reforms to business rate retention will not go ahead for next year. In the absence of government spending plans a revenue medium term financial plan (MTFP) was not published for 2020-23. However, some potential scenarios have been modelled, which start with a presumption of another roll forward settlement based on similar principles to 2020-21 i.e. Government grants are repeated but only increased for inflationary uplift where funded from the annual uplift in business rates. It is assumed that Council Tax continues to be subject to referendum limits on excessive increases.
- 5.3 Spending projections range from a low of +5% to a higher +7% for the usual factors associated with increased demand due to demographic changes, increased prices due to inflation, etc. These spending demands are before any

ongoing impact of Covid-19 beyond 2020-21. The impact of these projections on the net budget are shown in table 3 below.

Table 3

Scenarios	2020-21 Net Budget £m	2021-22 Net Additional Spending £m	2022-23 Net Additional Spending £m	2023-24 Net Additional Spending £m
Lower Case	1,063.7	1,116.8	1,172.7	1,231.3
Higher Case		1,152.6	1,233.3	1,319.6

- 5.4 The most straightforward funding scenario is to assume a similar rollforward settlement for future years to 2020-21. Under this scenario it is assumed the same 4% council tax increase is permitted (2% referendum threshold plus 2% social care), growth in tax base is similar to previous years, and government grants continue at the same level with uplifts in line with CPI for those grants funded from business rates. Under the roll forward funding scenario these projections based on the lower +5% spending projections would leave a gap of between £17.6m in 2020-21 (and up to £53.4m based on the higher +7% spending projection), and further gaps of between £12m to £40m in subsequent years compared to spending projections as shown in table 4 below.

Table 4

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	787.2	826.9	868.6
Retained Business Rates	55.9	57.0	58.1	59.2
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5			
Total Funding	1,063.7	1,099.2	1,143.3	1,189.4
Savings Requirement Lower case		-17.6	-29.4	-41.9
Savings Requirement Higher case		-53.4	-90.0	-130.2

- 5.5 If the council tax referendum threshold were increased (and the Council was willing to raise council tax), each 1% increase would reduce the gaps by £7m.
- 5.6 If the recession is short with a bounce back during 2020-21 there would be little medium term impact. There would be an impact if billing authorities are not fully compensated for additional discounts and collection losses this year. Council tax losses in 2020-21 would arise from a combination of additional

claimants for support discounts under local council tax reduction schemes (LCTRS) where additional households are in receipt of welfare benefits/substantially reduced incomes, and higher losses on collection. Business rates losses would arise from those businesses that have seen significant decline in trading activity but do not benefit from the additional reliefs granted to retail/leisure/hospitality premises and nurseries. This is the first recession where local authorities would suffer tax losses following the introduction of business rate retention and localisation of council tax benefit. If a combined 2% unfunded deficit is assumed in 2020-21 this would increase the gap for 2021-22 to between £33.7m to £69.5m as shown in table 5 below. The scale of collection fund deficits in 2020-21 will not be known for some time and 2% is only shown for illustrative purposes. This would be a one-off impact and have no lasting effect on future years' gaps.

Table 5

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	787.2	826.9	868.6
Retained Business Rates	55.9	57.0	58.1	59.2
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5	-16.1	0.0	0.0
Total Funding	1,063.7	1,083.1	1,143.3	1,189.4
Savings Requirement Low		-33.7	-29.4	-41.9
Savings Requirement High		-69.5	-90.0	-130.2

- 5.7 If the recession is deeper and lasts longer there could be a significant medium term impact. If an unfunded collection fund deficit of 5% is assumed throughout 2020-21 and reductions in the council tax and business rate tax bases into 2021-22 are of a similar magnitude, the gap in 2021-22 increases to £116.8m to £152.6m as shown in table 6 below.

Table 6

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	740.5	770.1	848.9
Retained Business Rates	55.9	47.6	49.1	51.0
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5	-43.1	0.0	0.0
Total Funding	1,063.7	1,000.0	1,077.4	1,161.6
Savings Requirement Low		-116.8	-95.2	-69.7
Savings Requirement High		-152.6	-155.8	-158.0

This is effectively doubling the number of working age households claiming support discounts under LCTRS. This scenario would not see the council tax base recovering until 2023-24 (as recovery leads to households no longer qualifying for support). The tax yield would still increase from the assumed 4% per annum increases but the reduced base means this delivers lesser amounts. The business rates tax base is assumed to take longer to recover and the council would not receive any funds from the business rate pool. A longer recession is also more likely to increase spending demands into future years. An additional £30m of spending due to higher demands for Council services could increase the upper end of the gap projection to £180m.

- 5.8 The Council would have to find sustainable savings to cover a large proportion of this gap to avoid increasing the forecast gaps in later years.

6. Capital Programme

- 6.1 The approved capital programme identifies £1,014m investment in infrastructure over the 3 years 2020-21 to 2022-23, this includes £121m of new schemes not included in previous programmes including a significant investment in highways asset management and priority remedial works. Capital investments are funded by a combination of government grants, developer contributions, external funding, capital receipts and borrowing. The approved programme included a preliminary figure for the 2019 schools commissioning plan together with assumed basic need grant but was still subject to confirmation at that time.
- 6.2 A fundamental review of the capital programme is being undertaken as the funding sources (borrowing, capital receipts, developer contributions, etc.) will also be impacted by Covid 19. It should be noted that avoiding borrowing would only reduce the revenue costs of borrowing and the Minimum Revenue Provision and would not impact until 2021-22. Capital receipts flexibility can still be used to support revenue transformation spending although our ability to attract receipts is limited in the current circumstances.

7. Financial Assessment of Impact and Resilience

- 7.1 The shortfall in government grant compared with the estimates of additional spending, income and savings losses is currently estimated to be £50.5m for 2020-21. As stated earlier, this shortfall does not include any costs for a potential second wave of infections or the additional costs for recovery.
- 7.2 The estimates will continue to be refined and changed as actual expenditure is recorded and more information becomes available. The shortfall in funding has significant implications for the Council's budget for 2020-21 and 2021-22. Concerns regarding the funding shortfall have been put in writing and raised with MHCLG directly by the Council and through Kent Leaders, the Kent Finance Officers' Group, the County Councils Network and the Society of County Treasurers.

- 7.3 Given the magnitude of the projected overspend in 2020-21 it is proposed to undertake a fundamental review of both the revenue budget and capital programme which will require a major recast to be reported to and approved by County Council in September. This could include revised operating budgets for individual services, including revised savings plans and the use of reserves. The review of the 2020-21 revenue budget and capital programme will feed into the budget planning for 2021-22.
- 7.4 At this stage the Corporate Director of Finance is satisfied that the Council has sufficient general reserves to cover the potential shortfall in 2020-21 after taking account of under spends that are likely to be identified in the regular budget monitoring reports. These underspends will arise where some of the Covid-19 costs that have been identified would have been incurred anyway e.g. payments to home to school transport providers. The Corporate Director of Finance considers it is appropriate to identify these as Covid-19 related costs at this stage as they amount to non-productive expenditure. The 2019-20 out-turn report (elsewhere on this agenda) shows an overall underspend of £3.21m but it does also highlight a number of overspends, in particular the significant overspend in Children's Services totalling £8m that will also impact on the projected out-turn for 2021-22. However, at this stage there is no need to consider issuing a formal Section 114 notice to curtail expenditure.
- 7.5 The 2021-22 budget could be the most challenging the Council has ever faced, even more so than the most difficult years of austerity. Unlike austerity the impact of recession will eventually see a bounce back recovery. However, depending on the length of the recession, any Government response to provide local authorities with additional compensation, and the outcome of the local government finance settlement for 2021-22, the Council could be facing a substantial savings requirement both in year and next year. It is therefore critical that a comprehensive review of the current year's budget together with a review of reserves is undertaken alongside an assessment of the Council's approach to financial management. If this budget review does require the Council to use general reserves in 2020-21 these will need to be replenished in 2021-22 and later years in order to safeguard the Council's financial resilience and ensure adequate reserves for future unforeseeable eventualities.

8. Recommendations

Recommendations:

- a) Cabinet is asked to endorse a fundamental review of the 2020-21 revenue budget and 2020-23 capital programme in light of the significant changes since the budget was approved in February 2020.
- b) Cabinet is asked to consider and propose a revised revenue budget for 2020-21 and 2020-23 capital programme to be presented to and approved by County Council on 10th September 2020.

c) Cabinet is asked to note that despite the significant financial impact the Corporate Director of Finance is not considering a section 114 notice at this time.

9. Background Documents

9.1 KCC's Budget webpage

<https://www.kent.gov.uk/about-the-council/finance-and-budget>

9.2 KCC's approved 2020-21 Budget

9.3 Emergency Grant Notifications

9.4 Other Additional Grant Notifications

9.5 MHCLG Letter 28th May

10. Contact details

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From: Roger Gough – Leader of the Council
David Cockburn – Corporate Director, Strategic and Corporate Services

To: Cabinet – 22 June 2020

Decision No: n/a

Subject: **Quarterly Performance Report, Quarter 4, 2019/20**

Classification: Unrestricted

Summary: The purpose of the Quarterly Performance Report (QPR) is to inform Cabinet about the key areas of performance for the authority. This report presents performance to the end of March 2020 (Quarter 4 2019/20), and so only reflects the impact of Coronavirus up to this point.

Of the 35 Key Performance Indicators (KPIs) contained within the QPR, 23 achieved target (Green) and 9 achieved and exceeded the floor standard however not the target to achieve Green (Amber). 3 KPIs did not meet the floor standard (Red).

Proposed planned changes to the Quarterly Performance Reports for 2020/21 are provided in Appendix 2.

Recommendation(s):

Cabinet is asked to NOTE the Quarter 4 Performance Report.

1. Introduction

- 1.1. The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council. The report for Quarter 4, 2019/20 is attached at Appendix 1.
- 1.2. The QPR includes 35 Key Performance Indicators (KPIs) where results are assessed against Targets and Floor Standards agreed by Cabinet Members at the start of the financial year.
- 1.3. The report covers the period up to the end of March 2020, when Coronavirus was already starting to impact some services. As a result, no new data was available for one KPI and for two activity indicators. Some other KPIs are based on partial data returns for the Quarter. For reporting in 2020/21 the impact will almost certainly be greater, including issues with availability of data and the need to review both the KPIs themselves and the associated targets.

2. Quarter 4 Performance Report

- 2.1. Results for KPIs compared to Target are assessed using a Red/Amber/Green (RAG) status.
- 2.2. Of the 35 KPIs included in the report, the latest RAG status are as follows:
 - 23 are rated Green - Target was achieved or exceeded. An increase of 1 on the previous quarter.
 - 9 are rated Amber - Performance achieved or exceeded the expected floor standard but did not meet the target for Green. The same as the previous quarter.
 - 3 are rated Red - Performance did not meet the expected floor standard. 1 less than the previous quarter.
- 2.3. During the quarter, 8 indicators had improved results, 8 had no change and 19 showed a fall in performance.
- 2.4. The 3 indicators where the RAG rating is Red, are in:
 - Children, Young People and Education
 - Percentage of 16-18 year olds who start an apprenticeship
 - Percentage of Education, Health and Care Plans (EHCPs) issued within 20 weeks
 - Adult Social Care
 - Percentage of initial contacts resolved at first point of contact

3. Recommendation(s)

Recommendation(s):

Cabinet is asked to NOTE the Quarter 4 Performance Report.

4. Contact details

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Kent County Council

Quarterly Performance Report

Quarter 4

2019/20

Produced by: KCC Strategic Commissioning – Performance and Analytics
E-mail: performance@kent.gov.uk
Phone: 03000 416091



Key to KPI Ratings used

This report includes 35 Key Performance Indicators (KPIs), where progress is assessed against Targets which are set at the start of the financial year. Progress against Target is assessed by RAG (Red/Amber/Green) ratings. Progress is also assessed in terms of Direction of Travel (DoT) through use of arrows.

GREEN	Target has been achieved
AMBER	Floor Standard* achieved but Target has not been met
RED	Floor Standard* has not been achieved
↑	Performance has improved
↓	Performance has worsened
↔	Performance has remained the same

*Floor Standards are the minimum performance expected and if not achieved must result in management action

Key to Activity Indicator Graphs

Alongside the Key Performance Indicators this report includes a number of Activity Indicators which present demand levels for services or other contextual information.

Graphs for activity indicators are shown either with national benchmarks or in many cases with Upper and Lower Thresholds which represent the range activity is expected to fall within. Thresholds are based on past trends and other benchmark information.

If activity falls outside of the Thresholds, this is an indication that demand has risen above or below expectations and this may have consequences for the council in terms of additional or reduced costs.

Activity is closely monitored as part of the overall management information to ensure the council reacts appropriately to changing levels of demand.

Data quality note

All data included in this report for the current financial year is provisional unaudited data and is categorised as management information. All current in-year results may therefore be subject to later revision.

Executive Summary

23 of the 35 indicators are rated as Green, on or ahead of target and is an increase of 1 on the previous quarter. 9 indicators reached and exceeded the floor standard (Amber) with 3 indicators not achieving the floor standard (Red). 8 indicators were improving, with 19 showing a worsening in performance.

	G	A	R	↑	↔	↓
Customer Services	2	1			2	1
Economic Development & Communities	2			1		1
Environment and Transport	5	1		4		2
Children, Young People and Education	6	6	2	1	3	10
Adult Social Care	4		1	1		4
Public Health	4	1		1	3	1
TOTAL	23	9	3	8	8	19

Customer Services - Satisfaction with Contact Point advisors and the percentage of phone calls answered continue to achieve target. The percentage of complaints responded to within timescale remained below target with complexity of cases the main issue for delays. Visits to the KCC website increased with the new coronavirus section seeing high volumes.

Customer Services KPIs	RAG rating	DoT
% of callers to Contact Point who rated the advisor who dealt with their call as good	GREEN	↔
% of phone calls to Contact Point which were answered	GREEN	↓
% of complaints responded to within timescale	AMBER	↔

Economic Development & Communities – The No Use Empty programme, which returns long term empty domestic properties into active use, exceeded its quarterly target again. The amount of Developer Contributions sought moved back to being above the quarterly target, achieving 99% for the 3 months to March 2020.

Economic Development & Communities KPIs	RAG rating	DoT
No. of homes brought back to market through No Use Empty (NUE)	GREEN	↓
Developer contributions received as a percentage of amount sought	GREEN	↑

Environment and Transport – Performance on all Highways indicators remained above target. Potholes and routine repairs completed within timescales decreased slightly but were both RAG rated Green. Emergency incidents attended within 2 hours improved to be above target. Highways customers satisfied with work undertaken and waste diverted from landfill also both improved to move above target. Highways enquiries and work in progress remained within expected levels. Greenhouse Gas emissions reduced, but not enough to meet the new target and was RAG rated Amber.

<u>Environment & Transport KPIs</u>	RAG rating	DoT
% of routine pothole repairs completed within 28 days	GREEN	↓
% of routine highway repairs reported by residents completed within 28 days	GREEN	↓
Emergency highway incidents attended within 2 hours of notification	GREEN	↑
% of satisfied callers for Kent Highways & Transportation, 100 call back survey	GREEN	↑
% of municipal waste recycled or converted to energy and not taken to landfill – rolling 12 months	GREEN	↑
Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	AMBER	↑

Education and Wider Early Help – State funded schools which are rated Good or Outstanding continue to remain above the target at 91% with Early Years settings meeting the target at 98%. The percentage of 16-17 year olds who are NEET declined to 3.4%. Apprenticeship starts for 16 to 18 year olds reflects the national decline since 2016 and remains below the floor standard. Completion of Education, Health and Care Plans (EHCPs) in timescale remains below the floor standard but continues to improve. Permanent pupil exclusions and first-time entrants to the Youth Justice System both remain ahead of target.

<u>Education & Wider Early Help KPIs</u>	RAG rating	DoT
% of all schools with Good or Outstanding Ofsted inspection judgements (latest Ofsted methodology)	GREEN	↔
% of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises)	GREEN	↔
% of 16-17 year olds Not in Education, Employment or Training (NEETs)	AMBER	↓
% of 16-18 year olds who start an apprenticeship	RED	↓
% of Education, Health Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED	↑
% of pupils permanently excluded from school – rolling 12 months	GREEN	↔
No. of first-time entrants to youth justice system – rolling 12 months	GREEN	↓

Children's Integrated Services - Indicators on the percentage of case holding posts filled by permanent social workers, and the average number of days for adoption, continue to exceed their targets. Cases closed with outcomes achieved by Early Help Units, the percentage of children in care with 3 or more placements, repeat referrals to children's social care, foster care placements with in-house fostering or relatives and friends, and the percentage of Care Leavers in education or employment remain below target and have decreased on the previous quarter. The number of children in care, and those placed in Kent by other local authorities showed reductions in March.

<u>Children's Integrated Services KPIs</u>	RAG rating	DoT
% of cases closed by Early Help Units with outcomes achieved	AMBER	↓
% of case holding posts filled by permanent qualified social workers	GREEN	↓

<u>Children's Integrated Services KPIs</u>	RAG rating	DoT
% of children social care referrals that were repeat referrals within 12 months	AMBER	↓
Average no. of days between becoming a child in care and moving in with an adoptive family – rolling 12 months	GREEN	↓
% of children in care with 3 or more placements in the last 12 months	AMBER	↓
% of foster care placements which are in-house or with relatives and friends (excluding UASC)	AMBER	↓
% of care leavers in education, employment or training (of those KCC is in touch with)	AMBER	↓

Adult Social Care – Initial contacts resolved at first point of contact remains below the floor standard following the introduction of a new workflow system which calculates the KPI differently. The other KPIs met target; the number of new clients referred to enablement, the number of clients who remain independent after an enablement service, number of admissions to residential and nursing care, and the proportion of people experiencing a delay in transfer of care from hospital where the council is responsible. The number of Deprivation of Liberty Safeguards applications showed a sharp increase.

<u>Adult Social Care KPIs</u>	RAG rating	DoT
% of initial contacts resolved at first point of contact	RED	↓
No. of new clients referred to an enablement service	GREEN	↑
% of clients still independent after receiving an enablement service (Kent Enablement at Home)	GREEN	↓
No. of admissions to permanent residential and nursing care for older people – rolling 12 months	GREEN	↓
% of delayed discharges from hospital with Adult Social Care responsible – weekly average (local data)	GREEN	↓

Public Health – All KPIs where there was new data achieved target, except for the number of NHS Health Checks completed over the last 12 months which was partially affected by the Coronavirus lockdown. All clients continue to be offered appointments to be seen by GUM services within 48 hours and successful completions of drug and alcohol treatment both exceeded target. The data for the number of universal checks delivered by the Health Visiting service is delayed due to Coronavirus. The percentage of Live Well Kent clients who would recommend the service remains high.

<u>Public Health KPIs</u>	RAG rating	DoT
No. of eligible people receiving an NHS Health Check – rolling 12 months	AMBER	↓
No. of mandated universal checks delivered by the health visiting service – rolling 12 months (no new data)	GREEN	↑
% of clients accessing GUM offered an appointment to be seen within 48 hours	GREEN	↔
Successful completion of drug and alcohol treatment	GREEN	↔
% of Live Well clients who would recommend the service to family, friends or someone in a similar situation	GREEN	↔

Customer Services	
Cabinet Member	Shellina Prendergast
Corporate Director	Amanda Beer

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	2	1			2	1

Customer contact through Contact Point (KCC's call centre) is provided via a strategic partnership, whilst Digital services are provided by KCC. Satisfaction with Contact Point advisors, and the percentage of calls answered by Contact Point both met target.

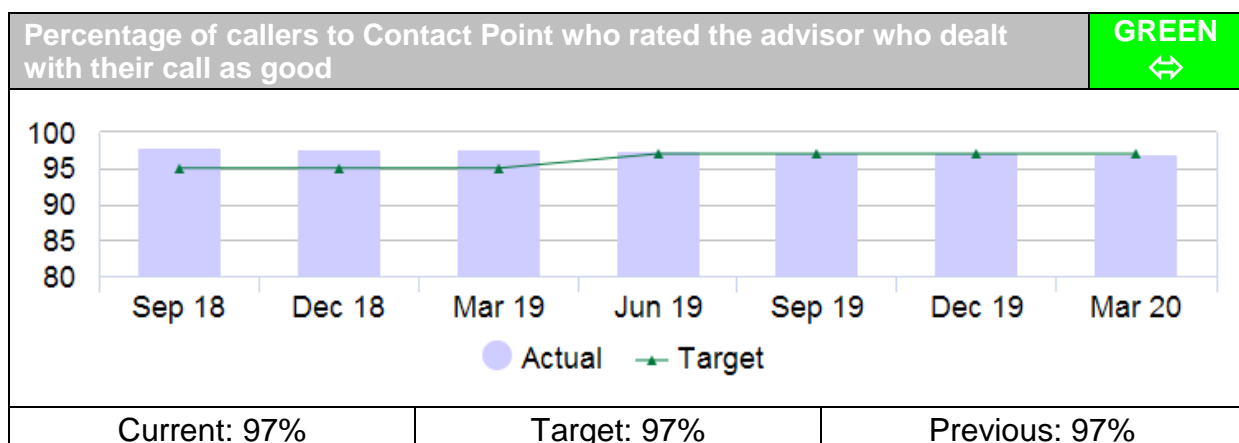
Contact Point received 9% more calls than the previous quarter, but had less than 1% fewer calls than for the same period last year. The 12 months to March 2020 saw 9% fewer calls than in the 12 months to March 2019. Enquiries from the public regarding how Coronavirus would affect services started early in March and peaked in the middle of the month.

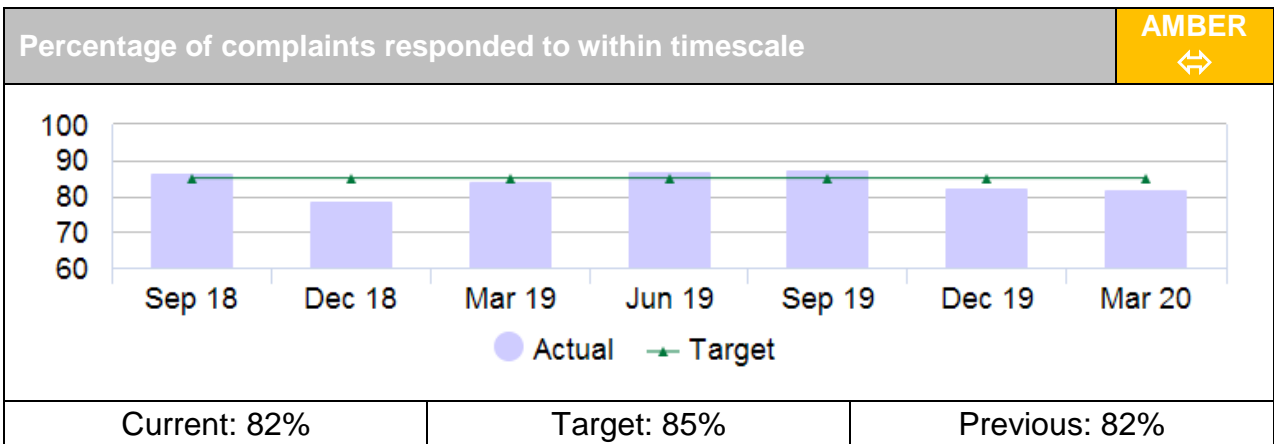
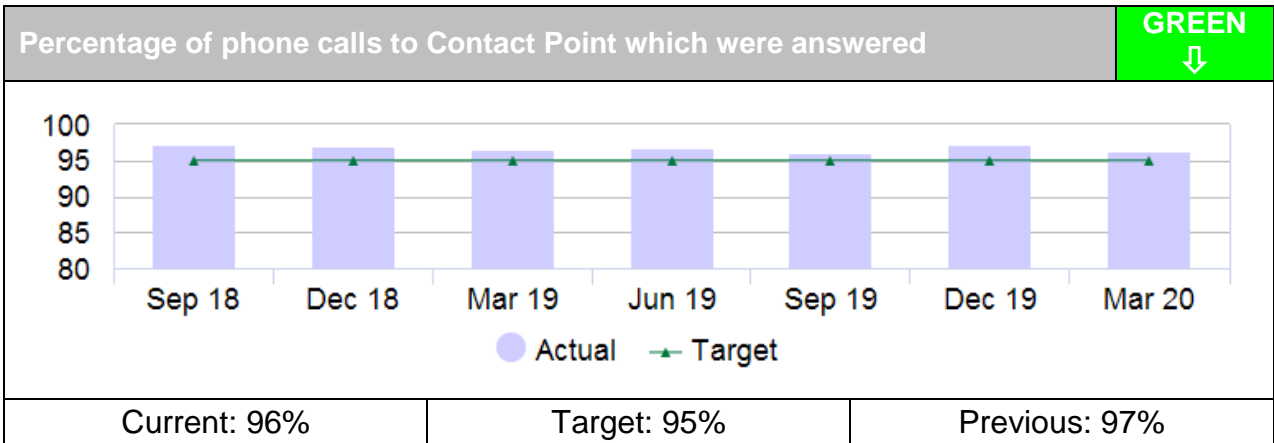
Average call time decreased to 5 minutes 34 seconds.

Visits to the KCC website increased with the new coronavirus section seeing high volumes. There were also higher numbers visiting the "Healthy Weight" public health pages in January following an enhanced marketing campaign. This quarter is also when the secondary school allocation process begins, and web visits for this were 20% higher this year.

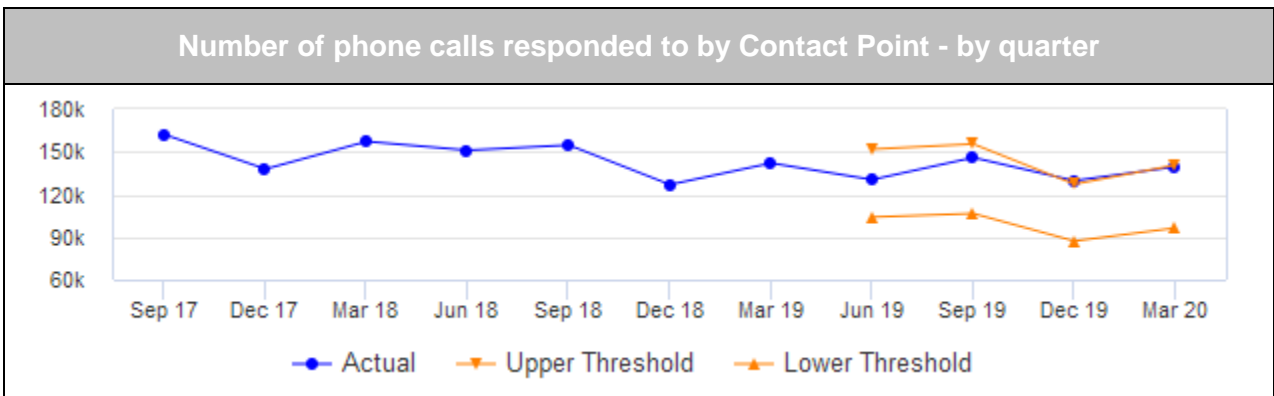
There were 1,359 complaints to the council between January and March, an increase of 1% on the previous quarter. 82% of complaints were responded to within 20 working days which is the same as the previous quarter, but below the 85% target. Of those responses outside of the timescale, 36% were related to Adult Social Care, who, in line with The Local Authority Social Services and National Health Service Complaints Regulations 2009, agree extended timescales for responses with complainants due to the complexity of cases.

Key Performance Indicators

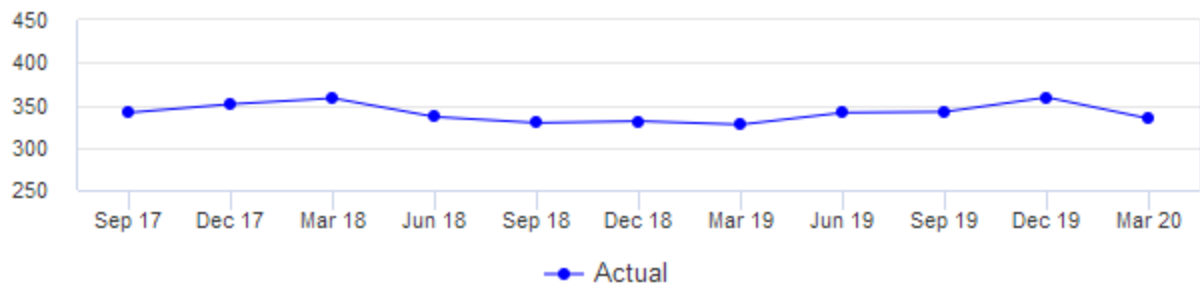




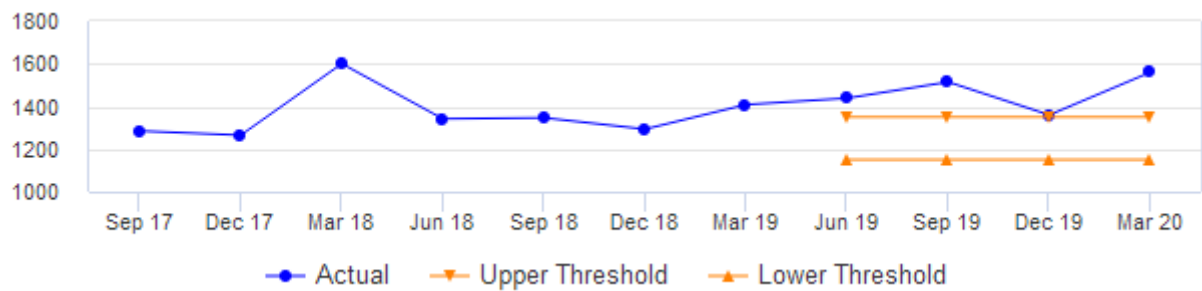
Activity indicators



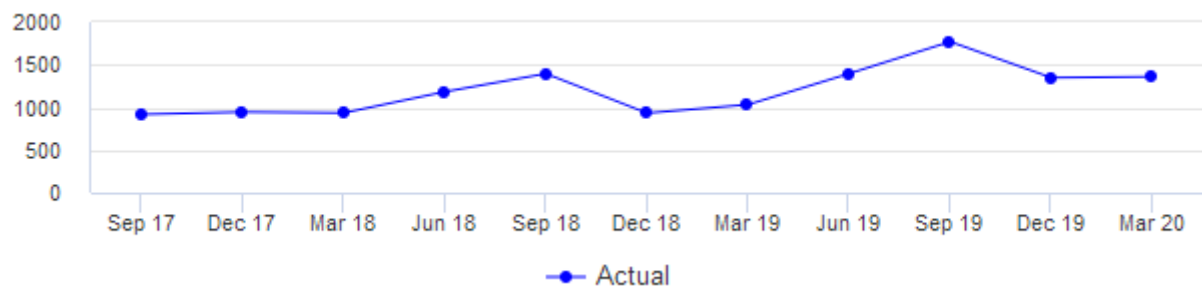
Average Contact Point call handling time - by quarter



Number of visits to the KCC website (in thousands) – by quarter



Number of complaints received each quarter



Customer Services – Call Activity

Number of phone calls to Contact Point (thousands)

Contact Point received 9% more calls than the previous quarter, but had less than 1% fewer calls for the same period last year. The 12 months to March 2020 saw 9% fewer calls than in the 12 months to March 2019.

Service area	Apr - Jun	Jul - Sep	Oct - Dec	Jan-Mar	Yr to Mar 20	Yr to Mar 19
Adult Social Care	32	32	29	32	125	140
Specialist Children's Services	21	21	20	20	81	83
Highways	17	19	18	20	76	88
Blue Badges	12	13	13	14	55	52
Transport Services	9	20	10	10	50	54
Libraries and Archives	8	10	9	9	36	44
Registrations	8	6	8	8	30	35
Schools and Early Years	5	5	6	8	22	24
Speed Awareness	8	7	6	7	29	35
Adult Education	5	7	4	5	21	24
General	4	5	4	4	16	16
Waste and Recycling	3	3	3	4	13	13
KSAS*	2	2	2	3	9	8
Other Services	2	2	1	2	6	9
Total Calls (thousands)	136	153	134	146	570	624

* Kent Support and Assistance Service

Numbers are shown in the 1,000's and may not add exactly due to rounding. Calculations in commentary are based on unrounded numbers.

Customer Services – Complaints monitoring

The number of complaints received in this quarter is 1% higher than the previous quarter and 32% higher than the corresponding quarter last year. Over the last 12 months there has been a 32% increase compared to the previous year.

There has been an increase in complaints to Adult Social Services this quarter. A change in the eligibility criteria for Blue Badges has led to an increase in applications received by the Council, with complaints from customers largely due to the delay in the processing of their application.

Service	12 mths to Mar 19	12 mths to Mar 20	Quarter to Dec 19	Quarter to Mar 20
Highways, Transportation and Waste Management	2,059	3,134	681	604
Adult Social Services	777	1,092	264	385
Specialist Children's Services	491	595	150	138
Education & Young People's Services	277	375	109	76
Libraries, Registrations and Archives	517	326	79	71
Strategic and Corporate Services	154	118	22	23
Environment, Planning and Enforcement & Economic Development	82	137	34	40
Adult Education	95	77	9	22
Total Complaints	4,452	5,854	1,348	1,359

Customer Services – Digital Take-up

The table below shows the digital/online or automated transaction completions for Key Service Areas.

Transaction type	Online Apr 19 - Jun 19	Online Jul 19 - Sep 19	Online Oct 19 - Dec 19	Online Jan 20 – Mar 20	Total Transactions Last 12 Months
Renew a library book*	77%	77%	79%	78%	1,133,051
Apply for a KCC Travel Saver**	81%	78%	76%	73%	135,535
Report a Highways Fault	49%	48%	57%	56%	109,524
Book a Speed Awareness Course	77%	76%	74%	76%	38,137
Apply for or renew a Blue Badge	60%	68%	64%	70%	33,930
Book a Birth Registration appointment	75%	76%	77%	80%	17,598
Apply for a Concessionary Bus Pass	36%	38%	39%	43%	11,482
Highways Licence applications	83%	84%	83%	83%	6,357
Report a Public Right of Way Fault	68%	70%	76%	65%	6,227
Apply for a HWRC recycling voucher	96%	96%	97%	97%	4,228

* Library issue renewals transaction data is based on individual loan items and not count of borrowers.

** Rolling 12-month figure

Economic Development & Communities	
Cabinet Members	Mike Whiting, Mike Hill
Corporate Director	Barbara Cooper

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	2			1		1

Support for business

Kent's Regional Growth Fund (RGF) investments have continued to create and sustain employment opportunities. The extent of the immediate impact caused by the economic disruption of the Coronavirus outbreak (business failures\loss of jobs) on the Kent and Medway Business Fund (KMBF) loan recipients will start to emerge in the Quarter 1 2020-21 monitoring period. In the period January to March 2020, a further 73 new jobs were created from the previous RGF investments; the total for the period 2012-2020 is 3,174 new jobs created and 1,355 safeguarded.

The KMBF had committed £10.4m to 76 businesses in Kent and Medway by the end of March 2020. To date the scheme has created 142 new jobs and safeguarded a further 36 jobs. These investments are targeted to support 511 new and safeguarded jobs over the next 3 years. The most recent funding round closed in March 2020.

The South East Local Enterprise Partnership (SELEP) funded Innovation Investment Loan scheme, managed by KCC over the period 2015-2018, has so far committed £6.2 million to 19 businesses in Kent and Medway, creating 73 new jobs and safeguarding a further 73 jobs, to the end of March 2020.

To mitigate the impact of the Coronavirus outbreak on its loan recipients and the wider business community, KCC agreed to offer all loan recipients a one-year repayment holiday until March 2021. KCC Economic Development has played a leading role in financing and establishing, with the support of the Kent districts, the Coronavirus Business Support Helpline operated by Kent Invicta Chamber of Commerce. KCC began working with its equity partner, NCL Technology Ventures, to ensure that innovative companies in which KCC has an equity stake receive specialist support and assistance. An online Coronavirus questionnaire has also been established to encourage feedback and build intelligence on local companies and the Kent economy. There has also been work with the Kent Invicta Chamber of Commerce, Federation of Small Businesses, Locate in Kent and other business bodies to assess the current gaps in financial support. Future options for the relaunch of KMBF are currently being explored to respond to the economic disruption caused by the Coronavirus outbreak.

Converting derelict buildings for new housing

In the final quarter, 136 long term empty properties were made fit for occupation through the No Use Empty (NUE) Programme, bringing the total to 6,462 since the programme began in 2005. Total NUE investment currently stands at £65.1 million (£33.8 million from KCC recycled loans and £31.3 million from public/private sector leverage).

NUE was awarded an additional £1 million from the Government's Growing Place Fund (GPF2 2018) to bring empty commercial space back into use as mixed commercial and

residential accommodation. A total of 12 projects are co-funded which will yield 15 commercial units and create 28 new residential units within coastal towns.

NUE submitted individual business cases to GPF round 3 (Jan 2020): NUE Commercial Phase II (request £2m) and further investment into the main NUE scheme (£2.5m). The process is now on hold due to Coronavirus.

Following the approval of £12m from Treasury, NUE have processed 4 loans (value £1.6m) to bring forward empty/derelict sites which have planning permission to create new housing. An initial 12 units will be created during 2020/21.

Infrastructure

Between 2015/16 and 2020/21, £141m of capital grant funding is being allocated to Kent infrastructure projects by SELEP; the grant is called "Local Growth Fund (LGF)". £9.1 million of capital loan funding is being allocated by SELEP to Kent for projects that will deliver new jobs and homes; the loan is called "Growing Places Fund (GPF)".

In addition, previously funded schemes were expected to repay circa £25m of GPF loan funding to SELEP in 2019/20 and 2020/21. The original intention had been for the SELEP Investment Panel to re-invest this GPF in new pipeline projects on 17 April 2020. However, considering Coronavirus, the SELEP Chairman has chosen to pause the reallocation of GPF funds to explore if this funding could be repurposed to support businesses in the challenging economic circumstances. Decisions related to this suggestion are due to be made at the SELEP Ltd board meeting on 12 June 2020.

Finally, £13m of capital skills money has been allocated by SELEP to Kent to support the further education sector.

Broadband

Kent County Council has been working with the Government's broadband agency, Building Digital Delivery UK, (BDUK) to improve broadband connectivity since 2012. As a result of this work, 96% of homes and businesses in Kent now have access to a faster broadband service of at least 24mbps and over 138,000 homes and businesses have benefited from this work. The project has been extended, with Openreach contracted to deliver full fibre (fibre-to-the-premise) connections to over 5,000 rural homes and businesses in Kent that currently have a sub-superfast broadband service (less than 24mbps). The infrastructure build for these new connections continues despite Coronavirus.

The Kent Voucher Top-Up Scheme offers funding of up to £2,500 for residential properties and £3,500 for business properties applying to the Government's Rural Gigabit Voucher Scheme. There are now 12 community projects in build that have been awarded Kent top-up vouchers, with over £170,000 of KCC funding having been allocated to enable these projects. Over 50 further projects are currently under development.

Funding Infrastructure

KCC has a statutory right to seek financial contributions for capital investment from developers of new housing sites. In the 3 months to March 2020, 25 Section 106 agreements were completed and a total of £11.2 million was secured.

s.106 contributions secured £000s	Apr to Jun 2019	Jul to Sep 2019	Oct to Dec 2019	Jan to Mar 2020
Primary Education	2,568	840	4,518	7,892
Secondary Education	1,800	424	3,494	2,641
Adult Social Care	58	10	31	146
Libraries	175	31	105	330
Community Learning	48	34	22	130
Youth & Community	40	1	11	70
Total	4,688	1,341	8,181	11,209
Secured as % of Amount Sought	100%	100%	82%	99%

Kent Film Office

In the 3 months to March 2020, the film office handled 131 filming requests and 96 related enquiries. 98.5 filming days were logged bringing an estimated £8.5k direct spend into Kent.

Libraries, Registration and Archives (LRA)

Work to implement the LRA strategy has continued, with workshops to discuss the future branding of the service and orders placed for the new mobile fleet. The new vehicles will be delivered over the course of 2020/21.

LRA has progressed building refurbishments this quarter with the completion of Pembury, Yalding and Lenham Libraries. Work is progressing at the Tunbridge Wells Library, Museum and Art Gallery in order to create The Amelia, the town's new Cultural Hub. Work to the external façade of Tonbridge Library was also completed which alongside the refurbishment works internally, creates a much improved building both inside and out for the people of Tonbridge. Other projects planned for this quarter have had to be paused due to Coronavirus; the intention is to get these back underway as soon as possible.

This quarter saw the completion of the planned programme of 50 community days and events, with the most notable event being the participation of Cheriton Library in the Cheriton Light Festival, where over 3,000 people visited the library over two evenings.

Due to Coronavirus it has not been possible to gain a full picture of the statistics for Quarter 4. Consequently, the following comparisons do not include March data. Issues for January and February decreased very slightly by 0.2% in comparison with the same period last year, while e-issues increased by 33% which reflects the continuing shift to online usage. E-newspapers are proving progressively popular with an increase in usage of 52%. Greater engagement is anticipated through the e-Offer during the Coronavirus lockdown period.

Library visits decreased by 5%, reflecting a stabilisation after the significant decreases in Quarter 3 and an indication that customers have become accustomed to new opening hours patterns.

Due to work to address the delivery of services at the start of the lockdown period, the mailout of the Library Satisfaction Survey was delayed. This has now been sent and results will be collected over the next few weeks.

The satisfaction rate for Archives is at 96%, well over the target of 92%. For Registration services it is 96%, achieving the target for this year. The new Libraries Direct satisfaction target, which this year encompasses the Mobile Libraries, Home Library Service, Open Access and Postal Loan services, was 95%, and this target has been met and exceeded with a satisfaction rate of 96%.

March was impacted significantly by the escalation of Coronavirus. This saw increasing adjustments to the service to limit social contact, including having to cease events and activities. All Kent libraries closed until further notice on Friday 20th March and following the government's implementation of lockdown from Monday 23rd, all Registration services except Death Registrations were suspended. LRA has adapted to delivering a digital service in the form of e-Books, e-audiobooks, e-Magazines and e-Newspapers. Work is ongoing to develop new service offers during the lockdown.

Community Safety

The Kent Community Safety Team (KCST) is currently managing 17 domestic homicide reviews (DHRs) that are at various stages of the process, including one new DHR that was commissioned in March.

Two of the three scheduled DHR Lessons Learnt seminars took place during this time using a refreshed format allowing more delegate engagement and participation which was in response to feedback from previous learning events. The 3rd DHR Lessons Learnt seminar has been postponed and will take place later in the year.

The multi-agency Kent Community Safety Agreement (CSA) has been reviewed and refreshed for 2020/21 by the Kent Community Safety Team (KCST) to reflect the current community safety priorities for the county. Whilst the priorities themselves have not changed significantly, the 'Serious and Organised Crime' priority has been expanded slightly to 'Serious Violence and Organised Crime'. References to Coronavirus acknowledging the new legislation and the impact of the lockdown on communities, businesses and organisations including the impact on normal service delivery have been included.

The EU Interreg Connected Communities Project entered its development phase which includes training, area familiarisation, partner engagement and building the project offer, however, in March the project had to be put on hold to focus efforts toward the current Coronavirus situation.

The Kent Community Warden Service has focused, during Coronavirus, on identifying and supporting older vulnerable people and working with partners to ensure that food and pharmaceuticals have been delivered to those who need them. The Community Wardens continue to signpost issues and concerns to the appropriate authorities and provide advice accordingly.

Resilience and Emergency Planning Service (REPS)

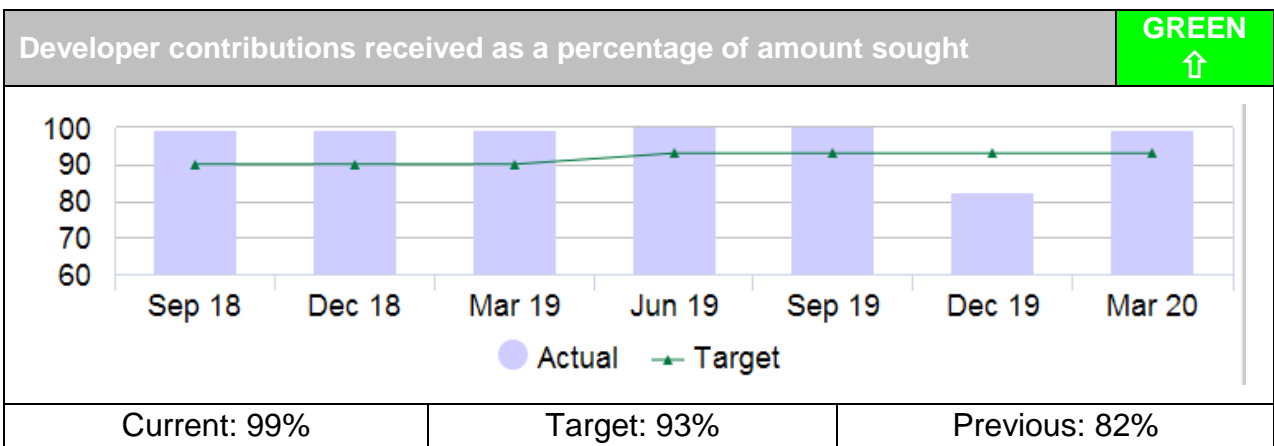
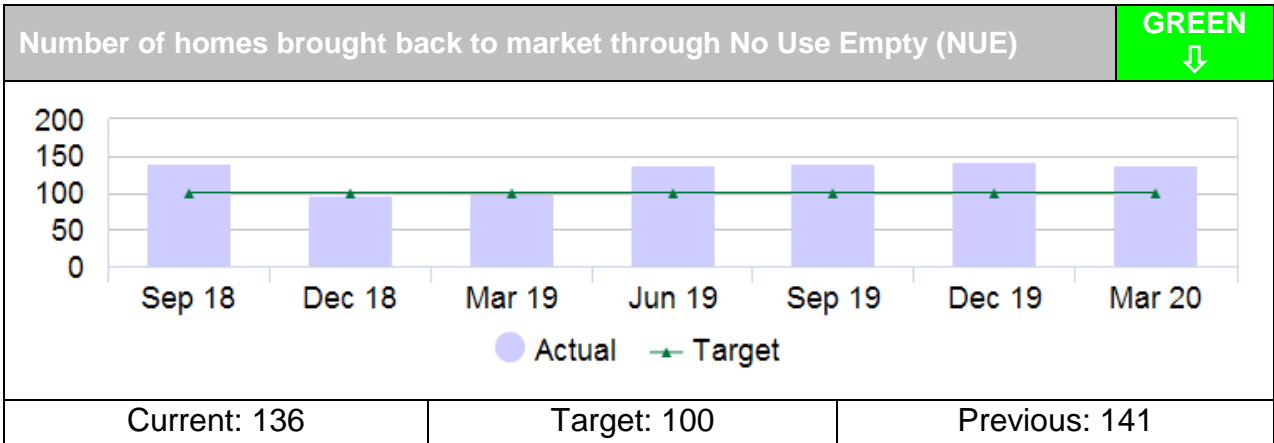
Quarter 4 saw higher demand for the Resilience and Emergency Planning Team with 224 incidents alerted to the Duty Emergency Planning Officer compared to 194 during the previous quarter.

Prior to the onset of Coronavirus, Kent experienced two high impact severe weather events: Storm Ciara (9th February) and Storm Dennis (15th February). Storm Ciara saw parts of West Kent experiencing fluvial flooding and approximately 68 properties suffered surface water damage. Storm Dennis also had large scale impacts upon Kent, including fallen trees, flooding, and collapsed power lines leading to a loss of power for approximately 1,000 properties. REPS helped co-ordinate and provide logistical support to colleagues within KCC as well as external partners, delivering a pre-emptive evacuation of 150 mobile homes at Little Venice Country Park Residential Caravan Site. Multi-agency co-operation with Kent Resilience Forum (KRF) partners undoubtedly reduced damage to property and risk to life.

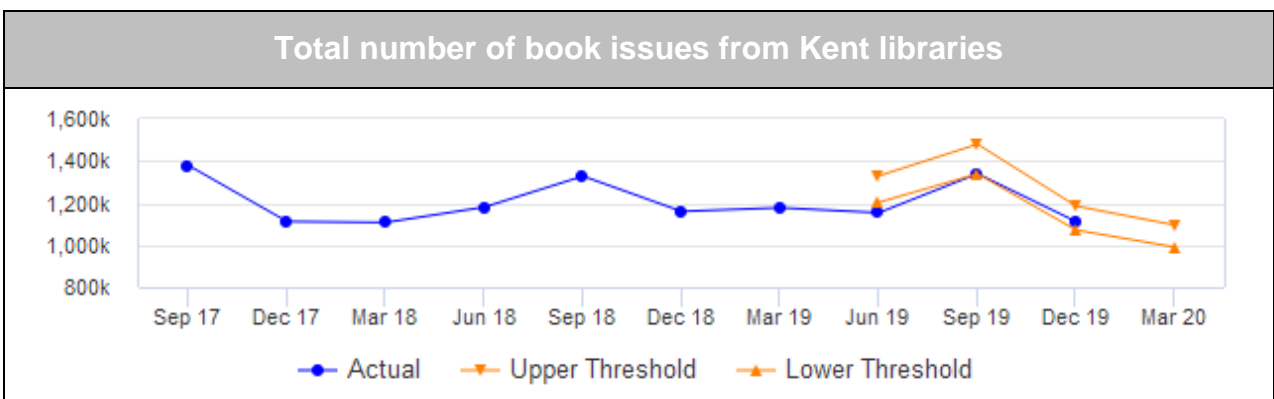
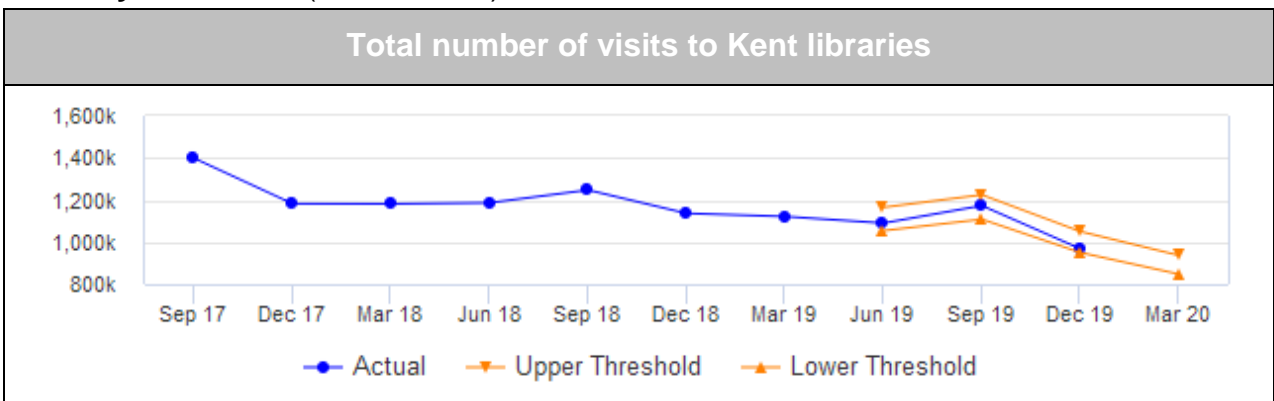
KCC initially led the KRF response to the threat of Coronavirus. Kent declared an Emergency under the Civil Contingencies Act on 12 March and REPS has worked both in managing KCC Business Continuity risks and in support of the wider community response. Officers have managed, co-ordinated and provided leadership support to deliver the 'Kent Together' response:

- Co-ordinating information and collating data across KCC to provide a daily Situation Report.
- Focusing activity to provide PPE to the care sector.
- Supporting the shielding programme for vulnerable people and communities.
- Building capacity and working with KRF partners, funeral directors and faith groups regarding death process management.
- Co-ordination of volunteers to deliver medicines, emergency food packages, welfare checks and referral to other services where needed.
- Delivering Government expectations for housing the homeless during this period.
- Looking ahead to develop the right structure to enable KCC to lead the Kent's recovery from Coronavirus.

Key Performance Indicators



Activity indicators (no new data)



Environment and Transport	
Cabinet Members	Michael Payne, Susan Carey
Corporate Director	Barbara Cooper

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	5	1		4		2

Highways

Coronavirus has impacted on highways services but despite high demand caused by weather early in the quarter, performance has been maintained above target for all highway KPIs. KCC Highways staff along with contractors continue to work hard to ensure roads and footways are as safe as possible.

New enquiries and faults raised for action by customers reached 31,953 compared to 24,209 for the same time last year and this is at the high end of seasonal demand. Open customer enquiries (work in progress) increased to 7,261 but this is within seasonal expectations. The last quarter continued to see a high demand in drainage enquiries continuing to peak at over 600 per week. The poor weather resulted in over 1,270 potholes reported in a single week placing significant strain on both Stewards as well as contractors in keeping up with repairing defects. In this quarter over 3,300 enquiries required an emergency response within 2 hours.

In 2019/20 the demand from utility companies to access and open Kent highways continued with 125,350 permits granted; this is similar to the high demand seen in the previous year. Over £1 million was recovered from insurance companies for accident damage to highway assets; this helps to ensure KCC's maintenance budget is used to repair worn out roads and not those damaged by third parties.

Members have been updated on the proposal to implement a trial lorry control area to the south of Maidstone to substantially reduce inappropriate HGV movements. A cross-party member group (CPMG) has been created to engage with the Department for Transport (DfT) to try and establish the legal mechanisms that would permit Kent County Council to undertake direct enforcement using relevant powers under the 2004 traffic Management Act.

Casualty Reduction

Casualty data has been finalised for 2019, and compared to 2018, fatalities are down by 21% and total casualties by 8%. However, serious injuries are up by 6%. The largest increase, of 30%, has been in child casualties (0-15 years) and young vehicle occupant (driver and passenger) casualties aged 17-24, which have increased by 16%.

New young driver courses were piloted and are planned to be rolled out across all schools once they reopen, whilst the Youth Travel Ambassador project provides students with the knowledge and confidence to practice and promote safe travel within their school community. At the other end of the age range, two Mature Driver Conferences were delivered in February to 80 people. This March, the process of developing a new Casualty Reduction Strategy was started and as part of this process will be a review of the Safety Camera deployment criteria.

The Road Safety Education programme is being adapted to the Coronavirus situation. Materials for schools and parents and carers such as videos are being created and posted online. The Kent and Medway Safety Camera Partnership saw the commissioning of additional digitally upgraded camera sites and is expected to be complete this year.

Public Transport

As a direct consequence of Coronavirus and subsequent school closures, remote working and social distancing, bus passenger numbers in Kent have dropped dramatically. Patronage is down by around 90% compared to the same period last year.

Bus operators have reduced operations to safeguard the long-term sustainability of their businesses, whilst also trying to ensure they are still able to serve the limited demand in their communities. Ongoing protection of bus services for key workers, such as NHS staff, and for those that have no other transport choice, has been the key task of operators and the KCC service over the past few weeks. Whilst bus frequencies have been reduced, adequate bus provision, spanning the full length of the day, has largely been maintained across Kent, including the Fastrack network.

An example of new initiatives in reaction to Coronavirus is the replacement of some local Sevenoaks bus services by a Demand Responsive Transport (DRT) network, which only runs where there is demand. The KCC team proactively assisted the local operator in installing this service response in a very short space of time and for an initial three-month trial period. It has been very well received locally and such an applied approach is a first for the Service and may prove to be a more sustainable solution for some rural services in the future in other parts of Kent.

Crash Remedial Measures & Local Transport Plan (LTP) Scheme Planning and Delivery

The final months of this financial year saw the team finalise the delivery of the 2019/20 Crash Remedial Measures programme (CRM). The team delivered approximately 50 named improvement 'schemes' to address road safety, carried out feasibility studies for future years, and implemented hundreds of individual 'small works' schemes to aid both road safety and accessibility to the value of over £2.5million in capital expenditure.

To be in a strong position to deliver schemes in 2020/21 the team have already completed the prioritising of LTP schemes for delivery in this period. There were over £1.7m of potential schemes identified for delivery, with over 85% of these able to be funded this year (2020/21) – around 40 new schemes. The proposed LTP funded schemes range from new crossing facilities, improved walking and cycling routes, congestion reduction and new 20mph schemes.

The development of the 2020/21 CRM schemes, now stands at 55 sites where engineering intervention can directly assist in reducing the number of crashes that take place. These schemes include enhancements to signing and lining, in addition to minor junction reconfiguration to traffic signalling.

The current Coronavirus travel restrictions have affected the service at the end of the quarter and the Service is adjusting to working in this new environment. Whilst it is having some impact on delivery, there has been some excellent examples of effective

working, bringing forward schemes outside schools, where possible, to make use of the school closures and quieter trafficked streets.

Journey time reliability/Congestion Strategy

A programme of schemes within the Local Growth Fund (LGF) to improve the reliability of localised journey times continues. Areas of less reliability are identified and assessed to determine if improvements can be engineered. Work continues with stakeholders to understand longer-term transport impacts, such as the effect of the strategic network on local roads and how the networks can operate efficiently. Several initiatives were progressed in this quarter including one focussing on improving journey time reliability in and around Dover town. KCC has recently been awarded funding (£125k) from the Kent Lane Rental Fund to carry out refurbishment of a traffic signalised junction in Dover, permitting implementation of the latest traffic signal controller technology (MOVA funded via SELEP) that will increase junction efficiency by around 9%.

Local Growth Fund Transport Capital Projects

Through SELEP the Service is managing £116.6 million of Government funding from rounds 1, 2 and 3 of the LGF allocated for 25 Transport projects within Kent. There are currently 2 red schemes; Thanet Parkway and Sturry Link Road.

For both projects, SELEP Accountability Board agreed in February that the LGF would be retained if planning was secured by the meeting on 3rd July 2020. KCC Planning is now particularly at risk due to Coronavirus suspending Planning Committees; a report recommending that the deadlines are extended will be presented to SELEP Accountability Board on 15th May 2020.

SELEP Strategic Board agreed on 17th April 2020 to extend the Growth Deal by 6 months (until September 2021) due to programme wide delays caused by Coronavirus.

Waste Management

As a result of Coronavirus, in March Household Waste Recycling Centres (HWRC) were closed but up to this point, waste recycled/composted at HWRC was at 57%, which is below expected seasonal levels. This is due to a reduction in soil, rubble, hardcore and plasterboard that was previously recycled, and reflects the new charging policy introduced in June 2019.

District Collection Authorities recycling rates are at 39% which is the seasonal norm due to little garden waste being collected and recycled. When combined with KCC HWRC recycling/composting, the overall rate stands at around 41%. The combined recycling target for Kent Resource Partnership is 50%.

Following the introduction of charges for soil, rubble and hardcore there has been a 45% increase in skip permit requests and a modest increase in trade waste taken by transfer stations.

Residual waste converted to energy remains just above target at 57%. The Refuse Derived Fuel (RDF) European plants, where KCC bulky waste is processed, are operational. The new energy from waste plant at Kemsley remains in its commissioning phase and it is anticipated that this is where KCC bulky waste will be handled in the future. As a result, waste to landfill may fall even further below the current 1%.

Sustainable Business and Communities

Latest KCC greenhouse gas emissions to December 2019 remain relatively flat, with a further small reduction from street-lighting offset by a slight increase in fleet and business travel emissions. These are short term fluctuations and the longer-term trend is still downwards. There have been several energy efficiency and solar projects completed recently, which will start to be reflected in next year's figures.

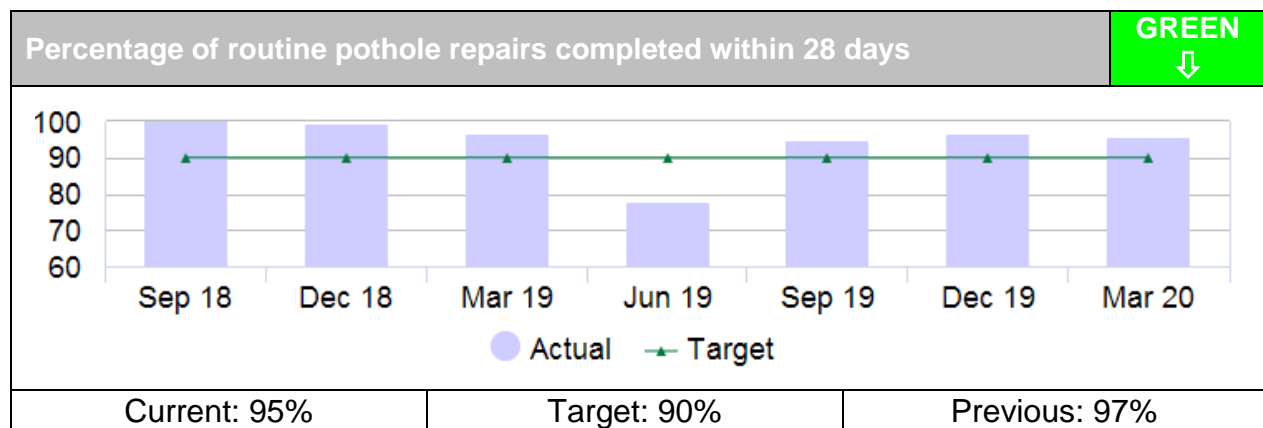
An additional £875k of funding was awarded to carry on the delivery of low carbon support to SME businesses through the LoCASE project up to end September 2020. This is in lieu of approval of LoCASE 2 which has been delayed due to Coronavirus.

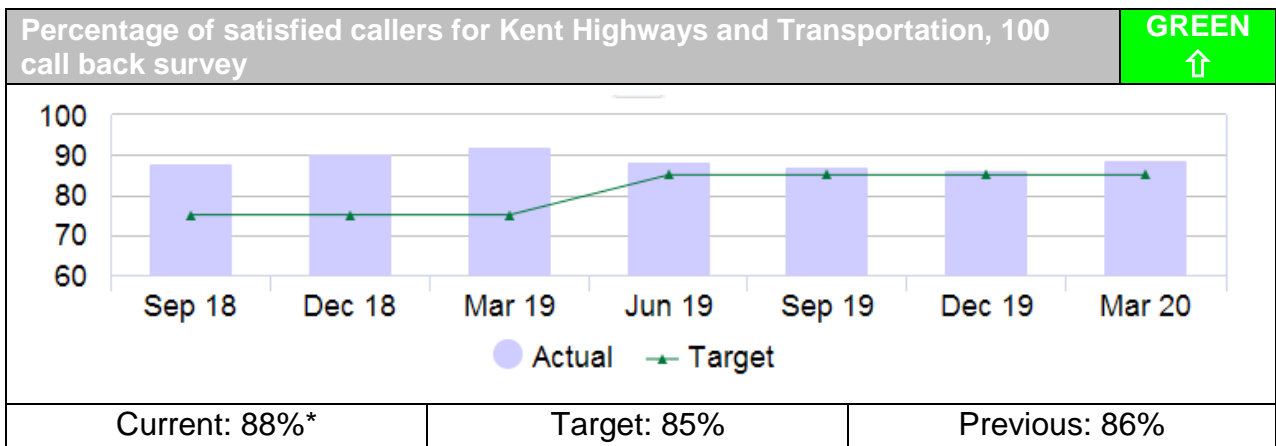
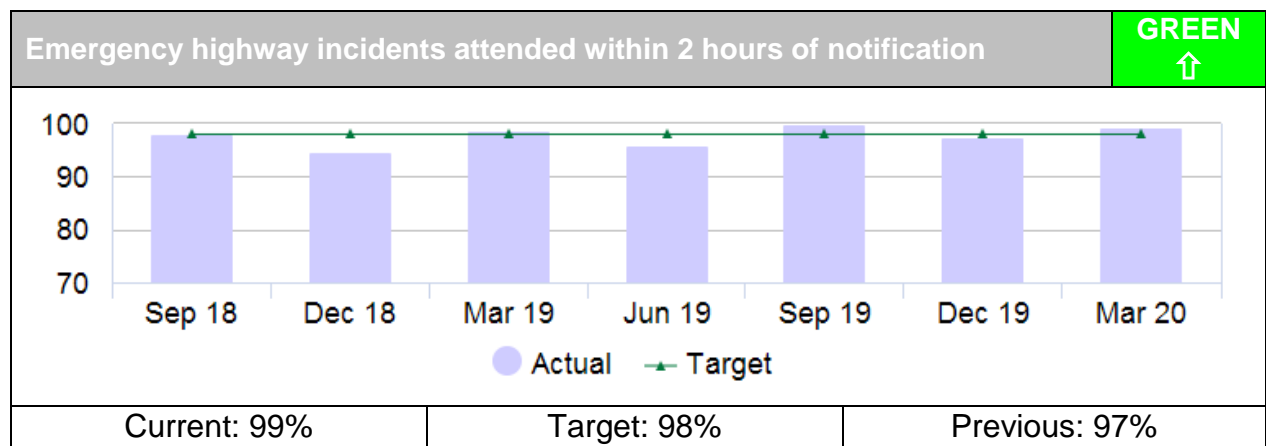
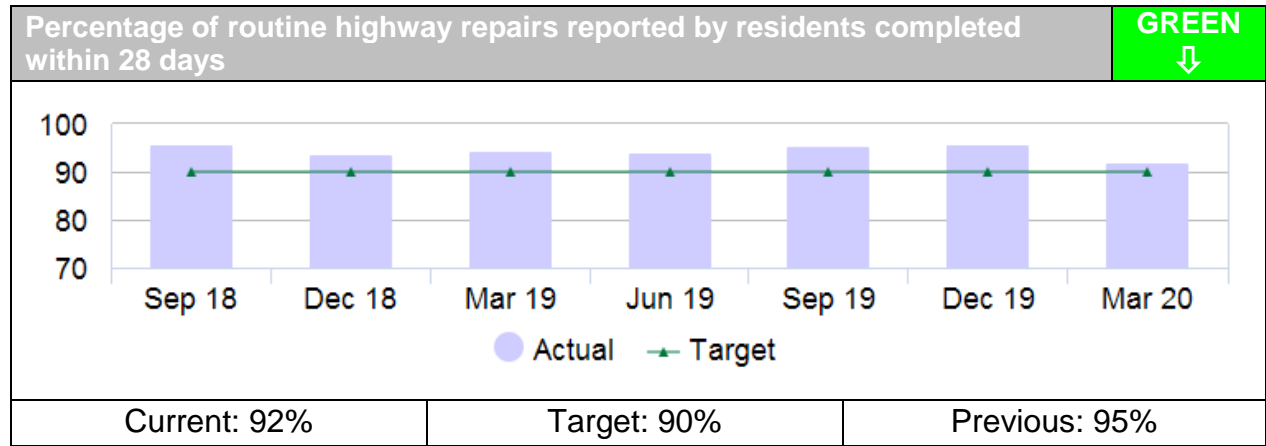
Historic Environment

During 2019/20 the Heritage Conservation group completed a three-year project funded by Historic England and Dover District Council (DDC) to create an Urban Archaeological Database (UAD) for Dover – 1 of only 22 towns in England identified as requiring a UAD. This highly detailed map of archaeological investigations and discoveries and historic buildings will allow planners, developers and archaeologists to have much more confidence in the heritage information and to assess more accurately the likely impact of development proposals on Dover's unique archaeological resource. Historic England and DDC have praised the high quality and speed of completion of the work.

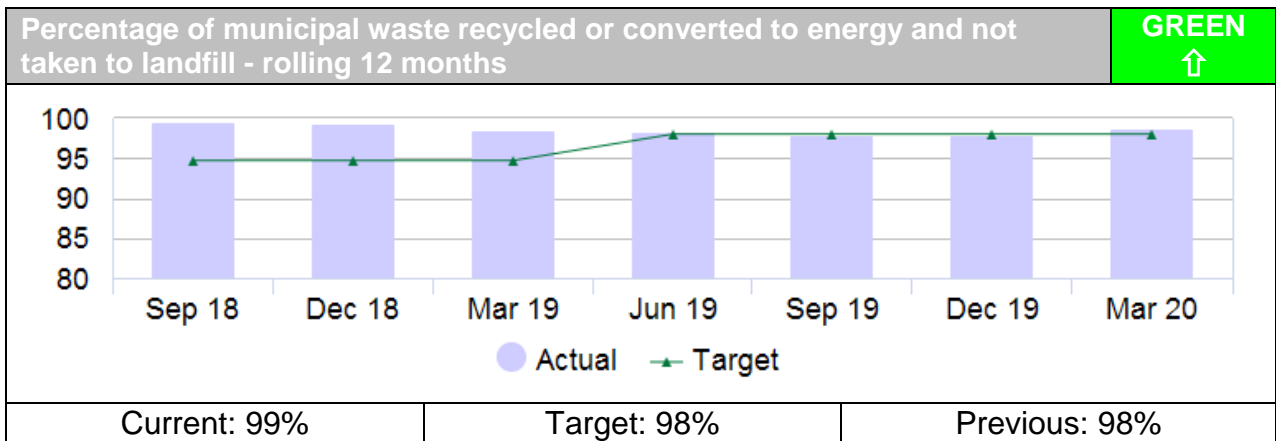
Capital works have continued, where urgently needed on health and safety grounds, at KCC's historic windmills at Chillenden, West Kingsdown and Meopham. Submissions of new applications to the National Lottery Heritage Fund have been delayed due to Coronavirus.

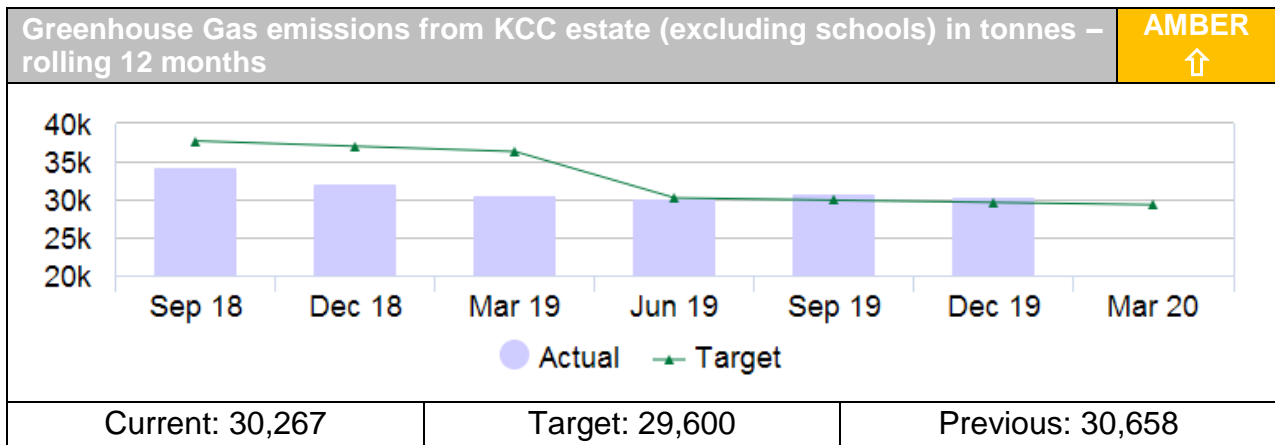
Key Performance Indicators



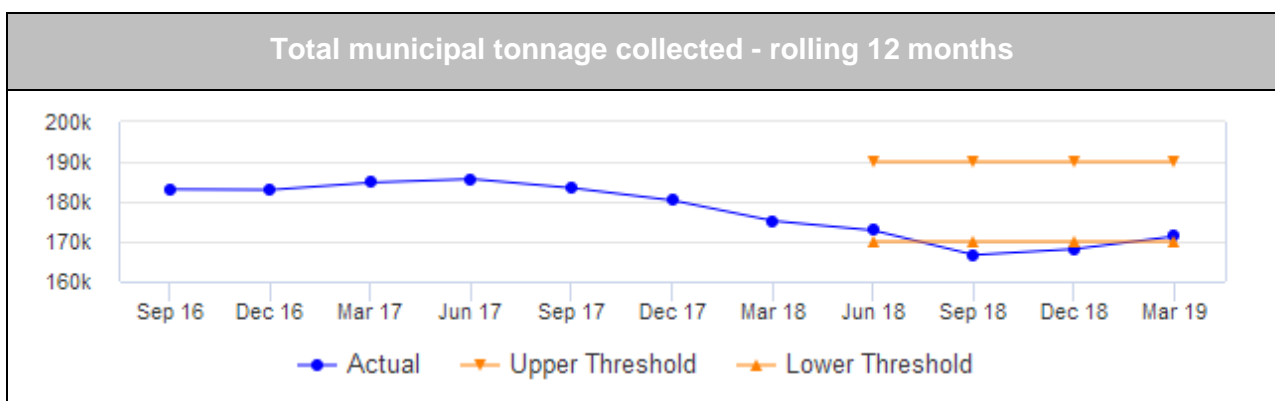
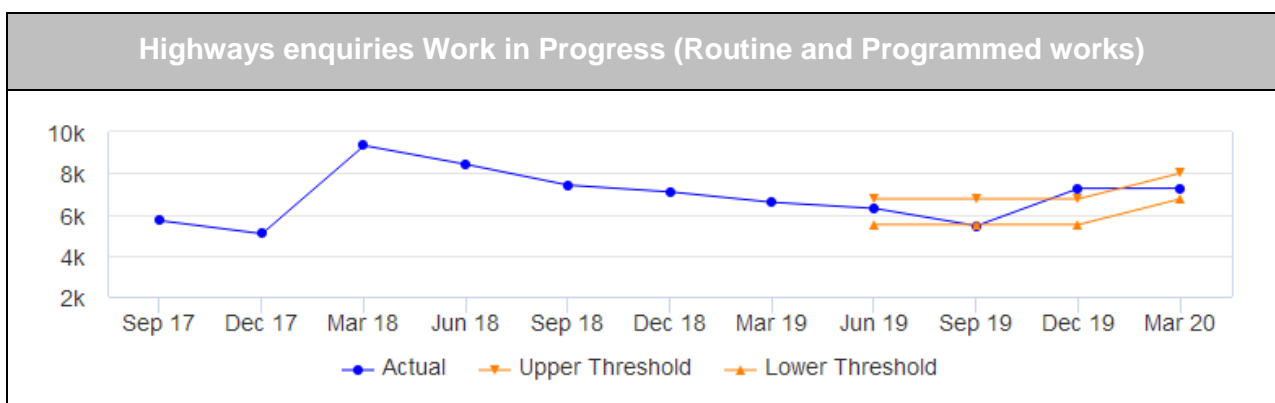
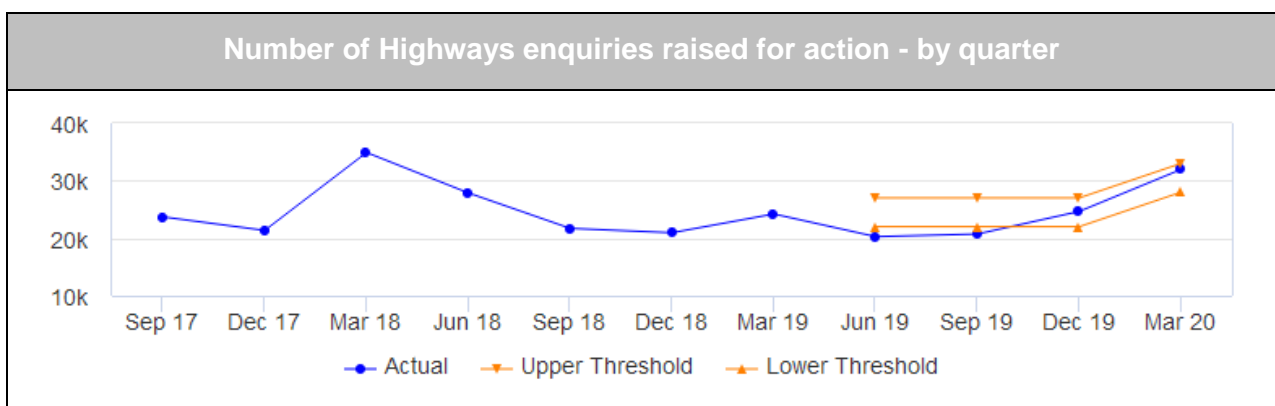


*Jan and Feb figures only





Activity indicators



Children, Young People and Education	
Cabinet Member	Richard Long, Sue Chandler
Corporate Director	Matt Dunkley

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	6	6	2	1	3	10

Schools

Results for Primary school attainment outcomes in summer 2019 were above the national average at all key stages. In the Early Years Foundation Stage 74.0% of children attending a school in Kent achieved a good level of development compared to the national figure of 71.8%. In Key Stage 2, 67.7% of pupils achieved the expected standard in reading, writing and maths compared to the national figure of 64.8%. The 2019 GCSE Attainment 8 Score per pupil was 47.4 which is 0.7 above national (for state funded schools).

The new Education Inspection Framework (EIF) came into effect in September 2019. Schools are now inspected under new criteria. The four-point grading scale remains unchanged. At the end of March, 91% of schools in Kent (530 of the 580) were Good or Outstanding based on the most recent Ofsted inspection, compared to the national figure of 86%. The percentage of Primary schools judged as Good or Outstanding at 93% compares favourably to the national figure of 88%. 86% of Secondary schools were judged to be Good or Outstanding compared to 76% nationally. The percentage for Special schools at 96% was 5 percentage points higher than the national position.

School Places and Admissions

For admissions in September 2020, 88% of parents secured their first preference primary school, and 78% of families secured their first preference for secondary school places, both are one percentage point lower than last year

The net change to the total number of places being offered for September 2020 entry was an increase of 139 Year 7 places and an increase of 83 Year R places.

Early Years

The percentage of Early Years settings which were rated Good or Outstanding was equal to the target of 98%.

The take-up for the free childcare entitlement for eligible two years olds at the end of Spring term 2020 is 66.5% compared to 69.8% at the end of the previous term, a decrease of 3.3%. Compared to the previous Spring term, uptake has increased by 1.1 percentage points as the 2019 Spring term the take-up was 65.4%.

Skills and Employability

The March 2020 outturn for the percentage of 16 and 17 year olds Not in Education, Employment or Training (NEET) was 3.4%, however the latest published three month rolled average for December, January and February, which the DfE uses as its performance measure, shows Kent to be 2.8% compared to the national figure of 2.6%.

The significant reduction of the post-16 NEET provision (600 fewer places compared to last year) impacted in January, contributing to the increase to 3.4%, compared to 2.7% the previous year. The Skills and Employability service have worked with the Education Skills funding Agency (ESFA) to try to re-address the provision gap and have been given permission to consult with all ESFA contract holders in Kent regarding their capacity to offer more support to the NEET cohort. Examples of good practise have been identified including a number of sixth forms. It is anticipated that the consultation will lead to a more inclusive post-16 offer.

It is encouraging that during this quarter the NEET cohort has not grown, it was marginally less in both February and March.

Coronavirus has had a significant impact on the way the education service works and the way our education and training partners work. The broader School Improvement Secondary, Special/PRU, Skills and Employability Service have supported schools responding to the needs of key workers' children by coordinating the network of Kent hub schools. The Skills and Employability Service have written to all Year 11 learners regarding their transition in September; the letter both reassures learners and informs them of how and where to get support. This includes a new service whereby learners can book progression interviews with an Engagement Officer who can advise on local options. A similar letter will be sent to all young people who are currently year 12 age, offering a similar service. Ensuring young people, parent/carers and education providers have access to up to date information is a priority and The Education People's website has been developed to be a focal point for this.

A consultation is currently in progress with FE Colleges regarding their response to Coronavirus, in particular how they are going to support new applicants and progress internal applicants who have not been able to complete their courses. A similar exercise is in progress with Kent training providers. The initial response is positive and exploration is underway to find ways of working together to ensure young people are engaged in education, employment or training in September.

SEND (Special Educational Need and Disability)

The percentage of new Education, Health and Care Plans (EHCPs) issued within the statutory 20 weeks based on the rolling 12-month average continues to improve and is now 36% in March (840 out of 2,318). This is an increase of two percentage points since last quarter. The latest two individual month's figures were 38.4% and 46.3%, further demonstrating improvements in this area. Work is taking place, as part of the SEND improvement programme, to develop quality assurance of EHCPs, including an increased understanding of what good looks like, and to improve Educational Psychology timescales in statutory advice by reviewing their triage and assessment processes.

Wider Early Help

There were 31 permanent school exclusions in the last 12 months to the point schools closed in March 2020 due to Coronavirus measures. This was 16 fewer than the same period last year. Of these, 17 were from primary schools and 14 from secondary schools. At 0.01% of the school population, the 0.03% target was achieved, and is better than the latest published national average of 0.10%.

The number of first-time entrants to the Youth Justice system has increased from 198 in December to 221 in March but remains below the target of 290.

Early Help

At the end of March 2020 there were 2,554 families open to Early Help units, providing support for 5,398 children and young people under the age of 18 (including unborn). This was a 5% decrease from the end of the previous quarter. The percentage of Early Help cases closed with outcomes achieved reduced from 71.9% to 70.9%, remaining below the target of 75.0%.

Children's Social Work (CSW) - Staffing and Caseloads

The overall caseload for children's social work has decreased in the quarter. At the end of March 2020 the total caseload was 10,909 children and young people, compared with 11,076 at the end of December 2019. This equates to a rate of 321 per 10,000 children (0-17) in Kent and remains below the rate for England which was 334 as at 31st March 2019.

There were 5,775 referrals to children's social care in the quarter, a decrease of 53 referrals from the 5,828 referrals received in Quarter 3. The rate of re-referrals within 12 months increased to 28.3% at the end of March compared to 27.6% at the end of December 2019 and remains above the target of 25.0%.

As at 31st March 2020 there were 1,338 children subject to a child protection plan, a decrease of 109 from the end of the previous quarter. The rate per 10,000 children (aged 0-17) was 39.3, which remains below the last published rate for England, which was 43.7 as at 31st March 2019.

The percentage of case-holding social worker posts held by permanent qualified social workers decreased in the quarter, from 92.4% in December 2019 to 87.5% in March 2020, but it remains above the 85.0% Target. The percentage of social work posts filled by agency staff increased from 11.8% to 14.0% in the quarter.

At 21 cases, the average caseload for Social Workers in children's social work teams remains above the target level of 18. This has decreased slightly from an average of 22 cases at the end of the previous quarter.

Children in Care

The number of citizen children in care decreased by 26 over the last quarter to 1,388. The number of unaccompanied asylum seeker children (UASC) in care decreased by 17 in the quarter to 423 as at the end of March 2020. This decrease is due to the high number of UASC turning 18 in the month of January and a decrease in the number of new arrivals. The number of children in care placed in Kent by other local authorities (OLA) decreased in the quarter, from 1,350 to 1,268. This decrease is likely to be the result of validation checks carried out with those other local authorities during this period which has improved the accuracy of this data.

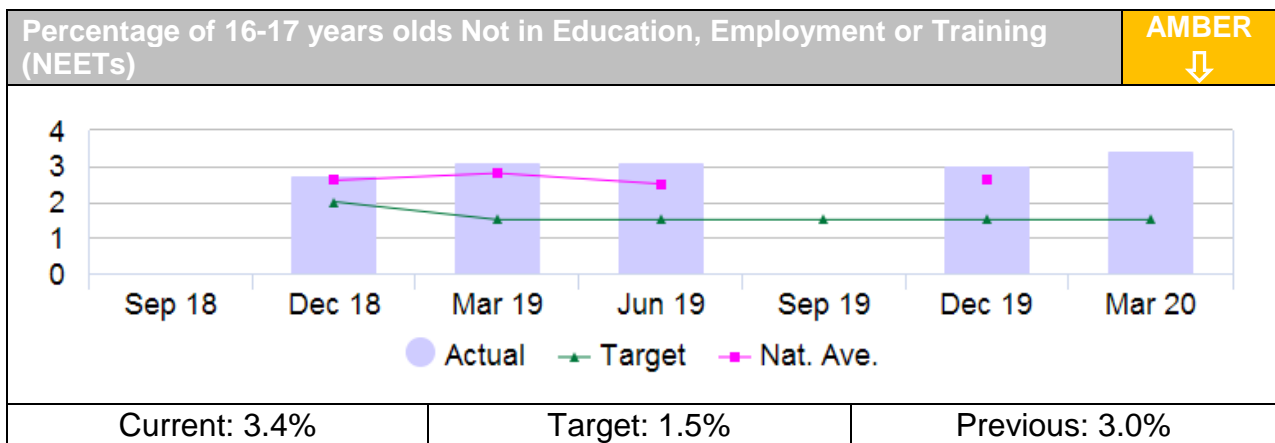
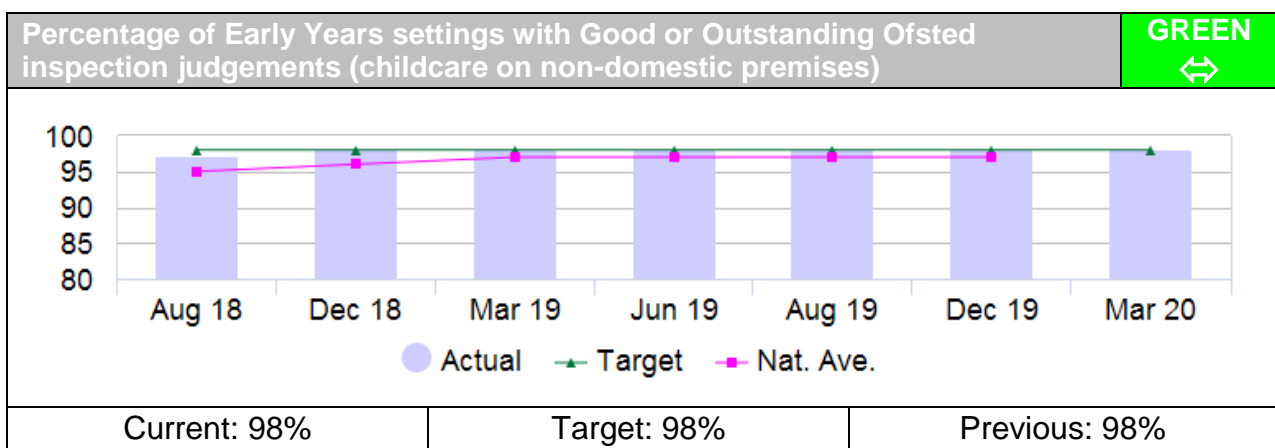
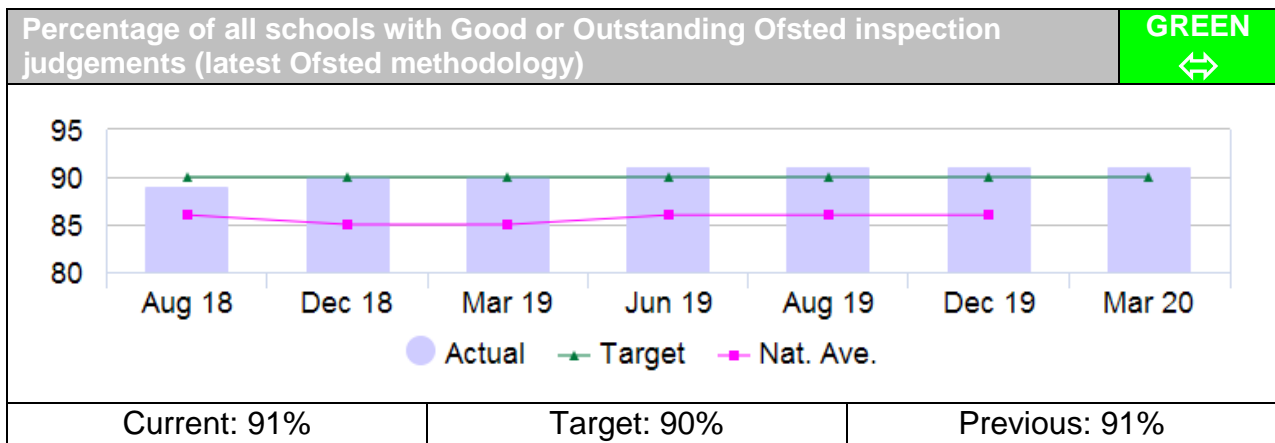
Status	Jun 19	Sep 19	Dec 19	Mar 20
Citizen	1,377	1,400	1,414	1,388
UASC	287	367	440	423
Total	1,664	1,767	1,854	1,811
Gender				
Male	1,033	1,114	1,191	1,168
Female	631	653	663	643
Age Group				
0 to 4	178	189	196	188
5 to 9	199	187	192	193
10 to 15	707	730	740	716
16 to 17	580	661	726	714
Ethnicity				
White	1,248	1,271	1,284	1,241
Mixed	90	93	91	94
Asian	60	77	71	85
Black	95	101	107	112
Other	171	225	301	279

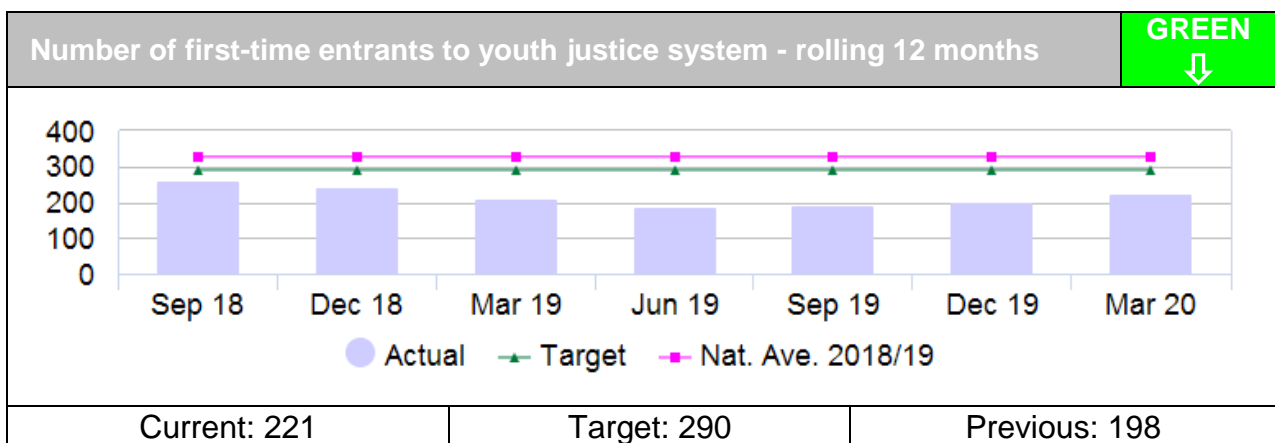
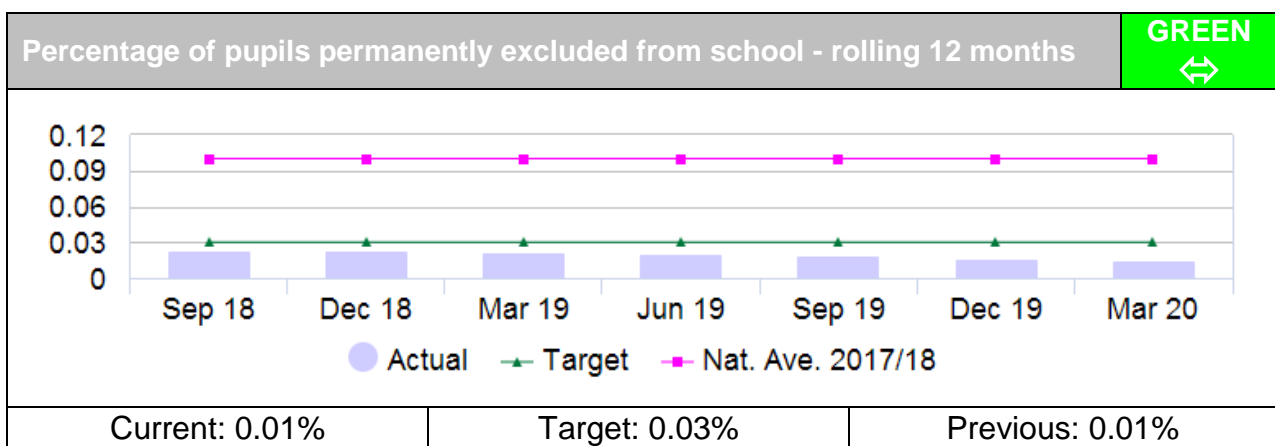
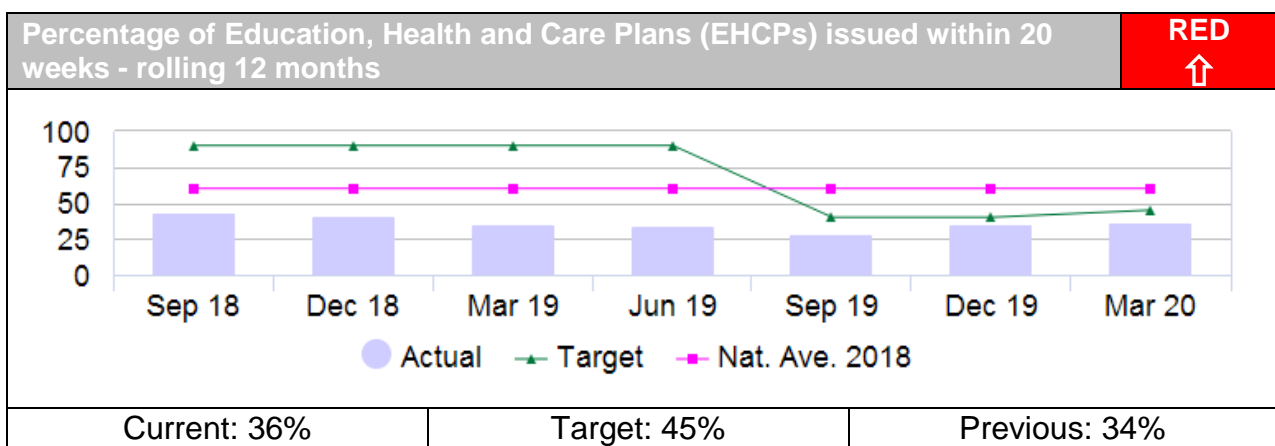
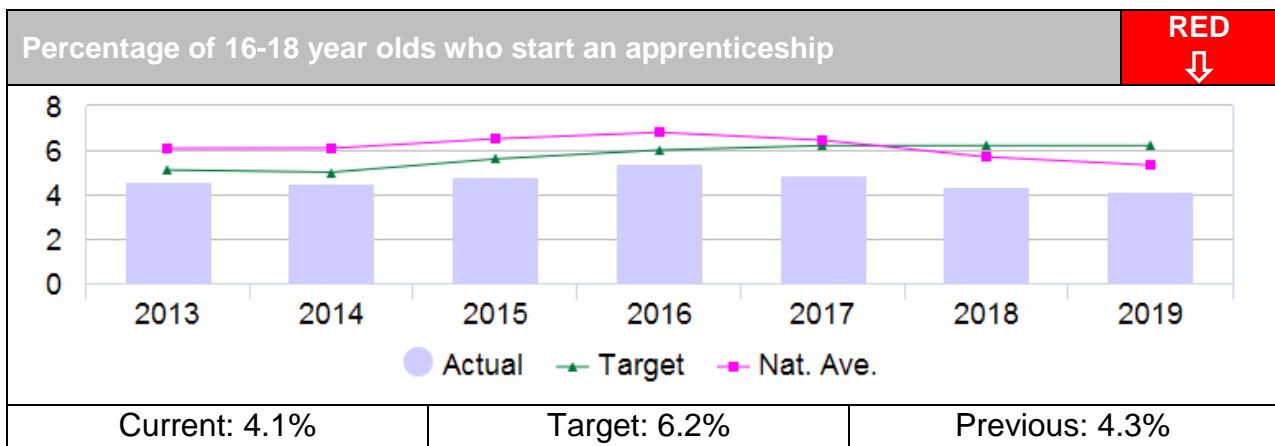
The percentage of Kent children placed in KCC in-house foster care or with family/friends has reduced very slightly over the last quarter, from 78.8% to 78.5% and remains below the 85.0% target. Performance against placement stability of 3 or more placements in a 12-month period has fallen slightly in over the last quarter, from 10.1% to 10.7%. This compares to the latest published England average of 10.0% (2018/19).

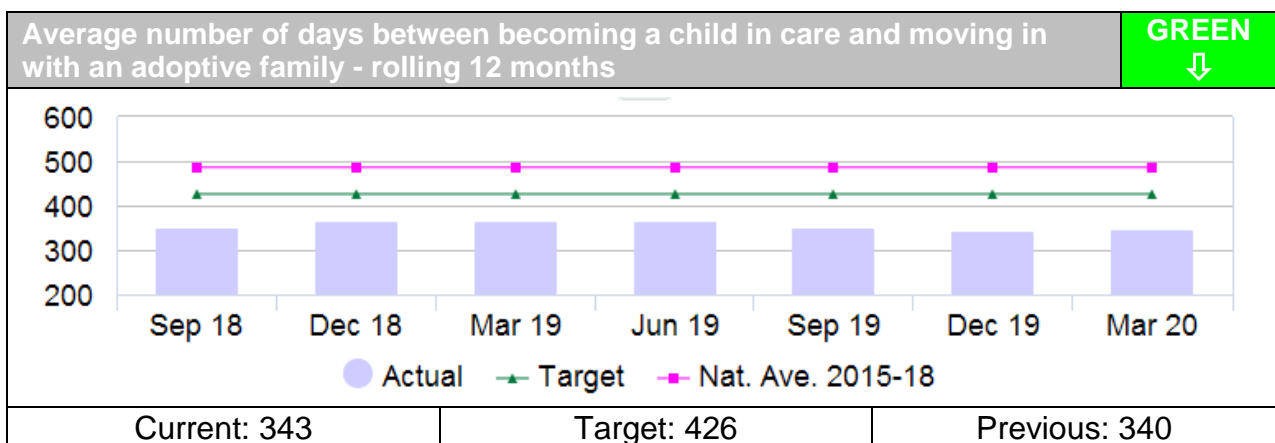
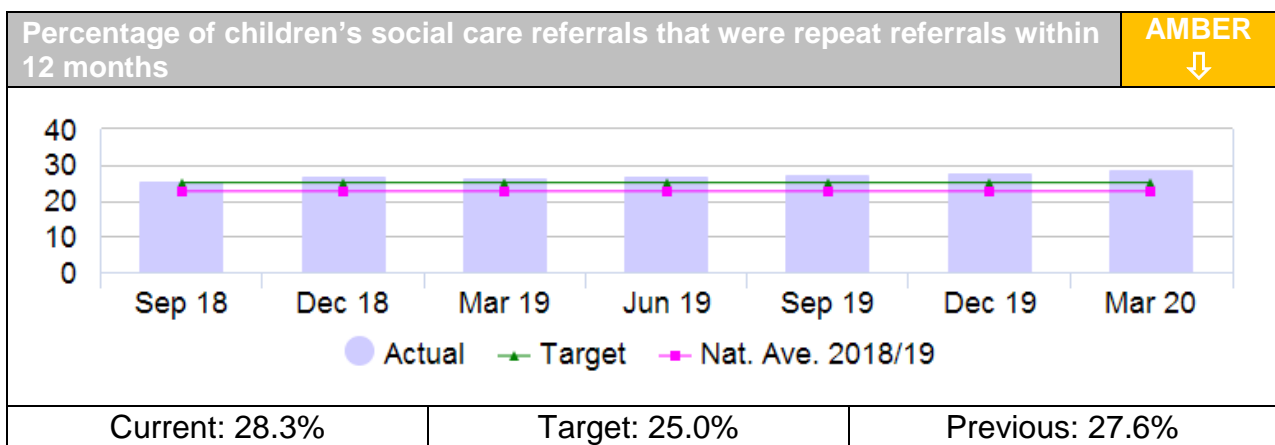
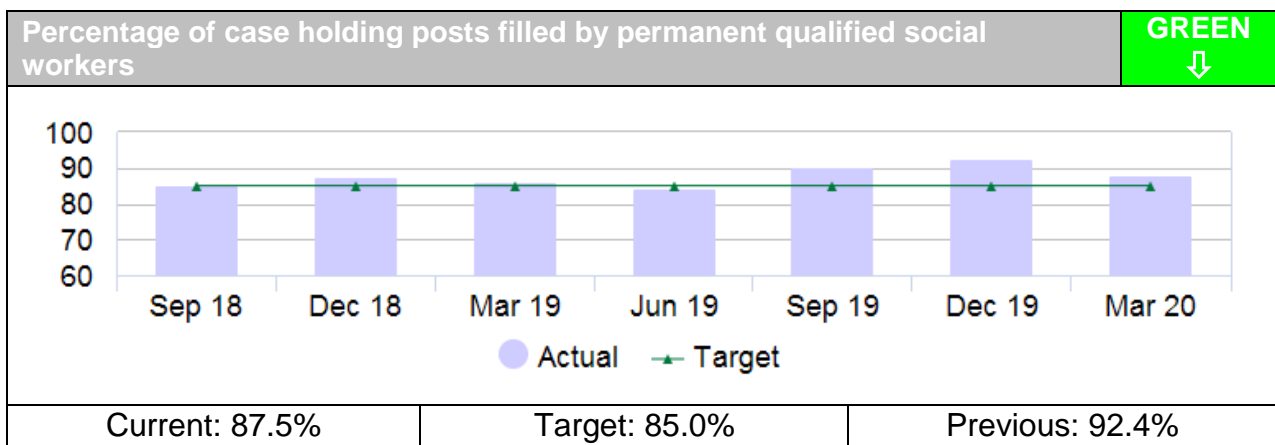
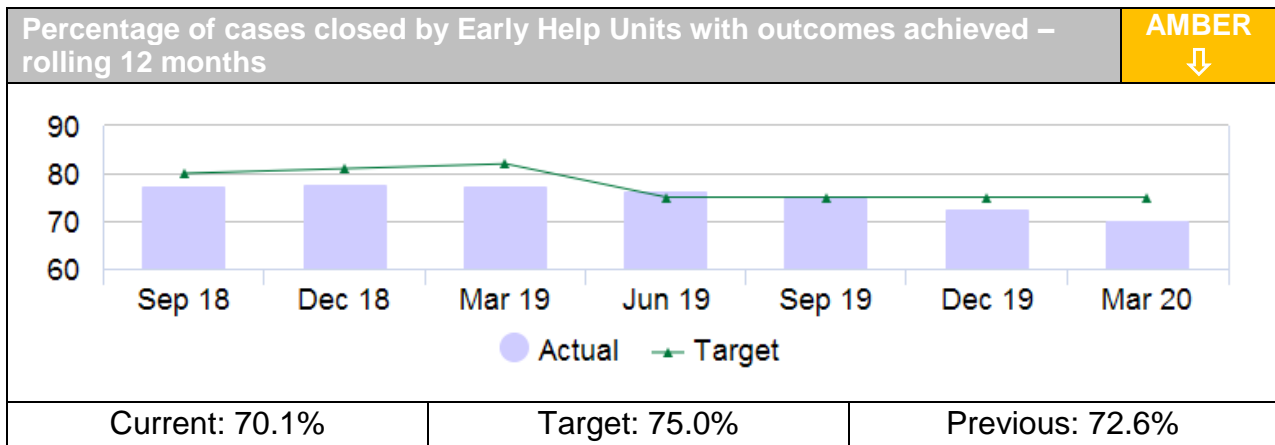
For children who were adopted in the last 12 months the average number of days between coming into care and moving in with their adoptive family continues to outperform the nationally set target of 426 days. The average number of days for Kent children at the end of March was 343 days, compared to 340 at the end December 2019.

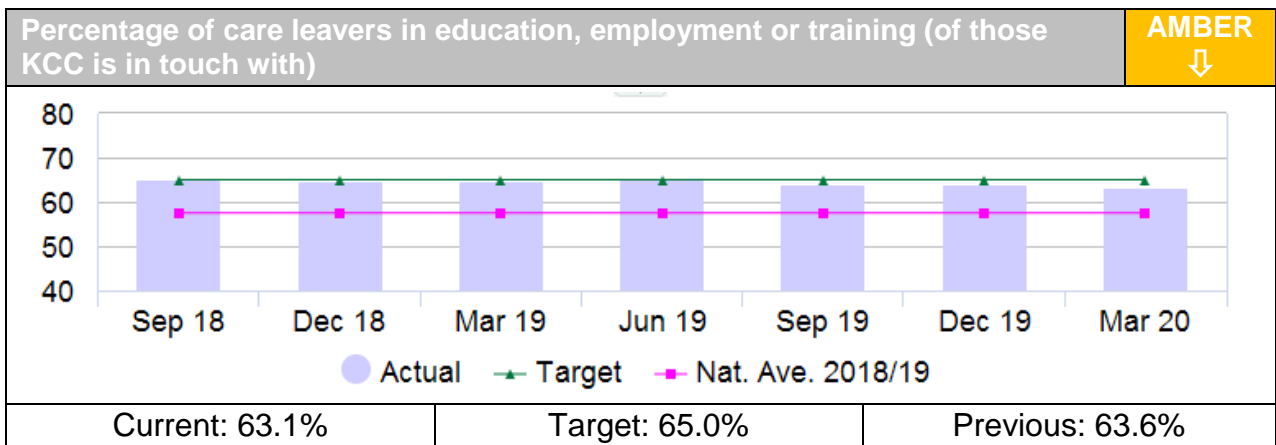
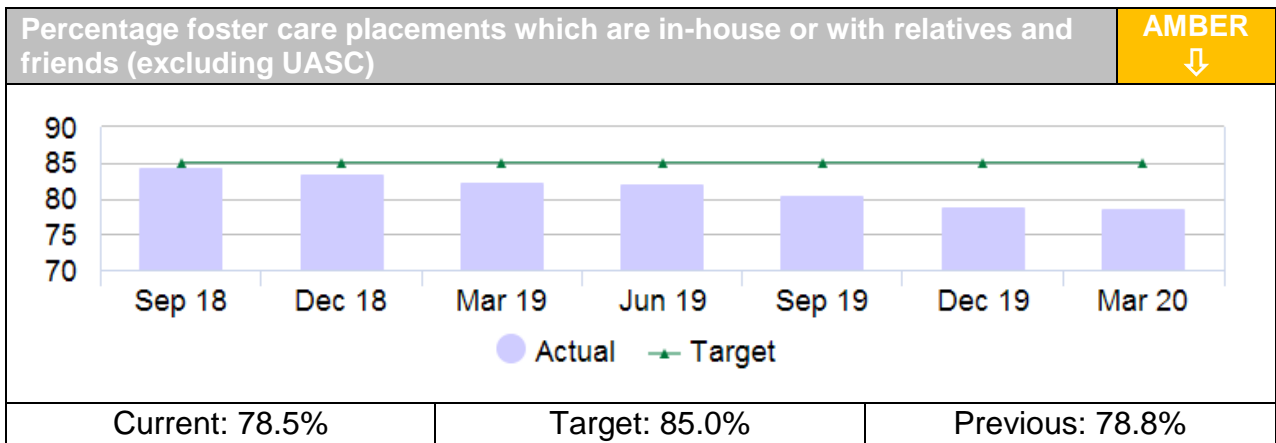
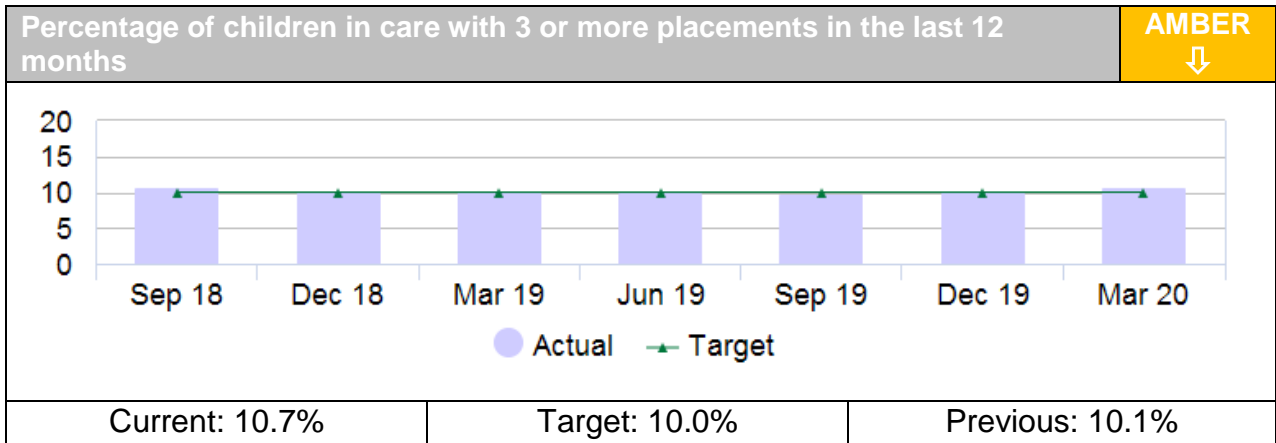
The number of Care Leavers at the end of March 2020 was 1,802 which is an increase of 12 from the previous quarter. The percentage of Care Leavers in Education, Employment or Training is 63.1%, which is a 0.5% reduction from December 2019 and remains below the 65.0% target.

Key Performance Indicators

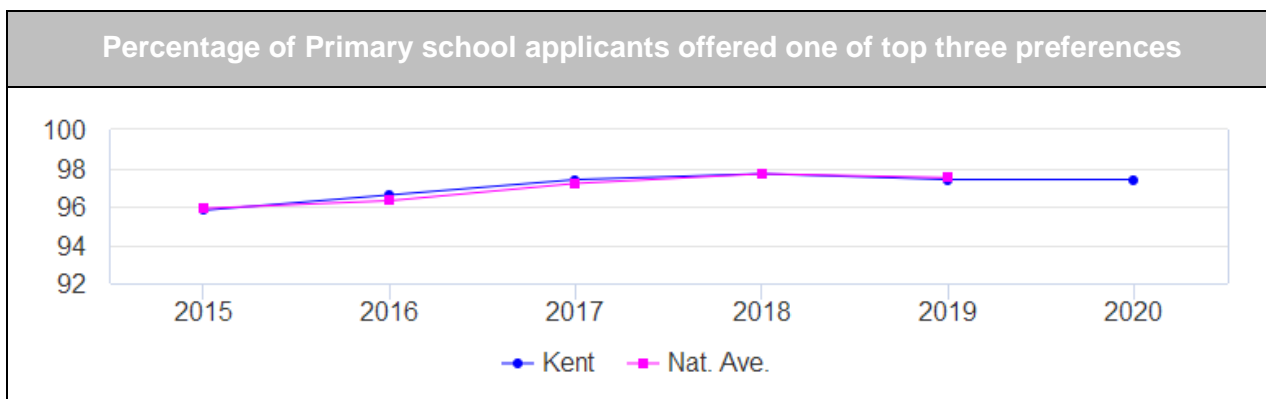
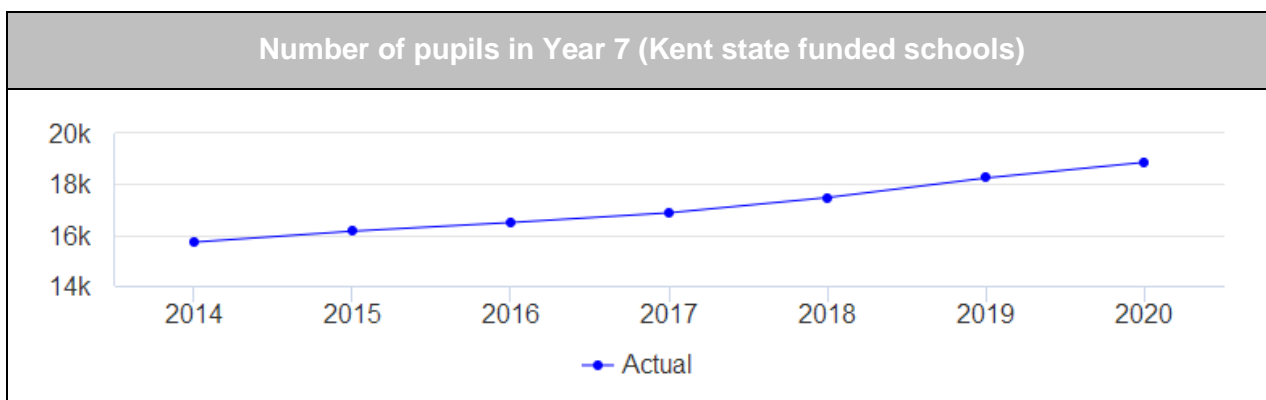
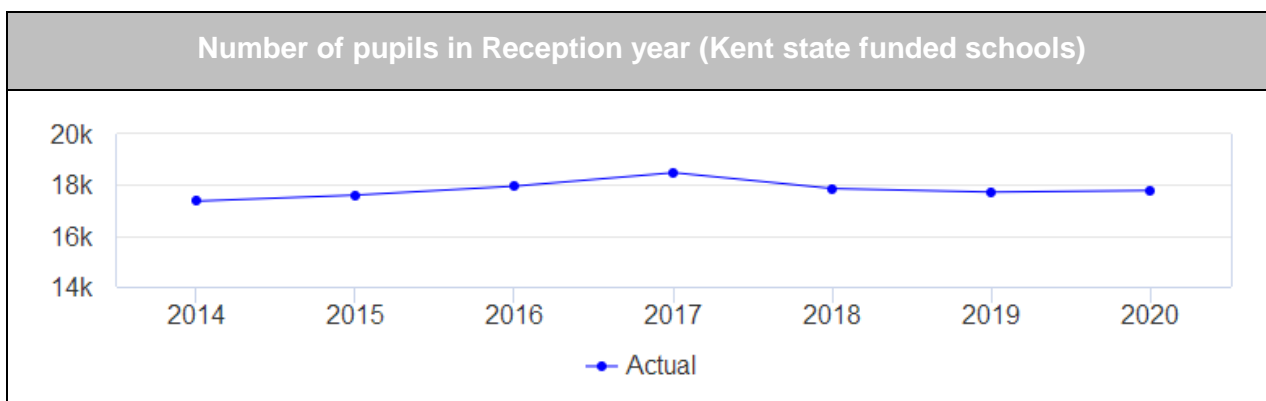
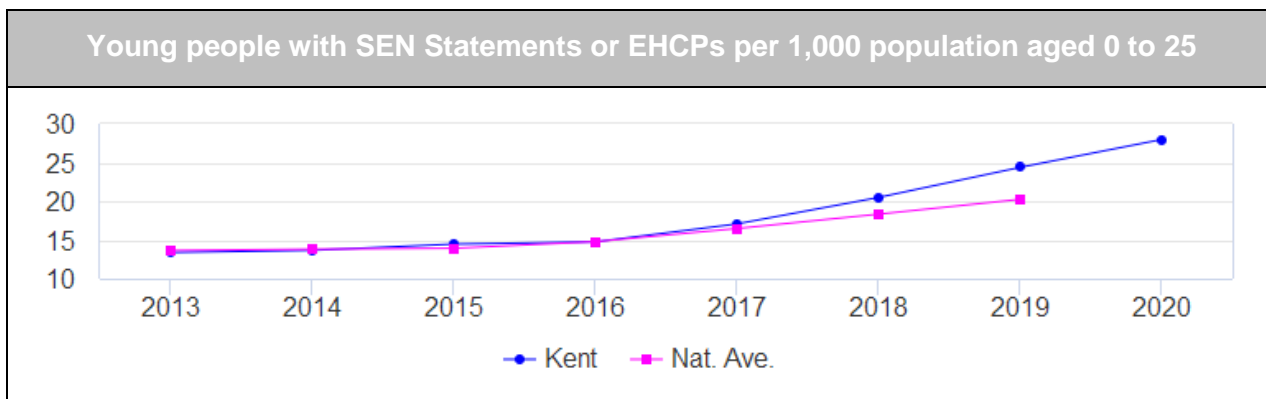




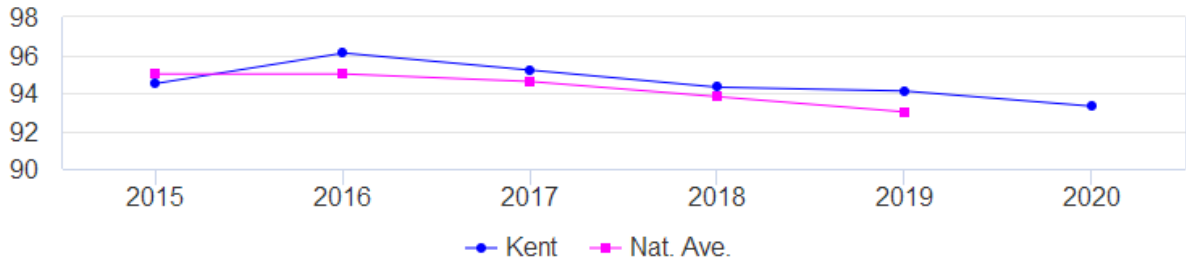




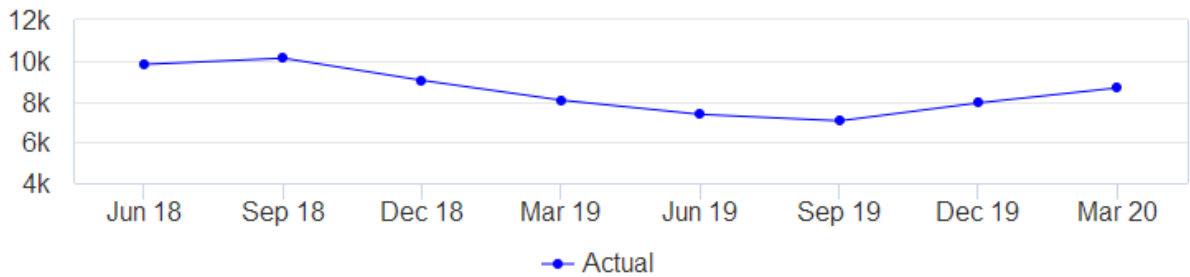
Activity indicators



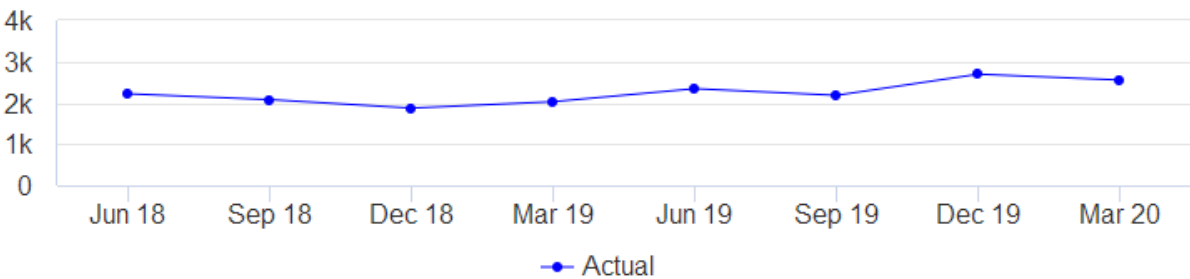
Percentage of Secondary school applicants offered one of top three preferences



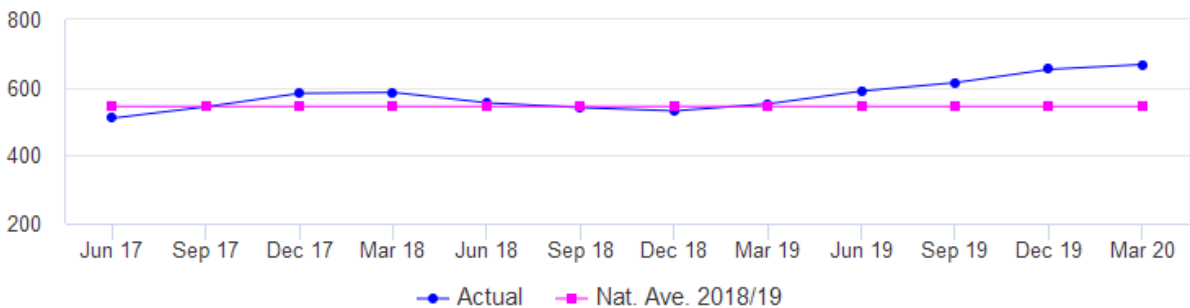
Number of contacts processed in the Front Door which proceeded to Early Help – rolling 12 months



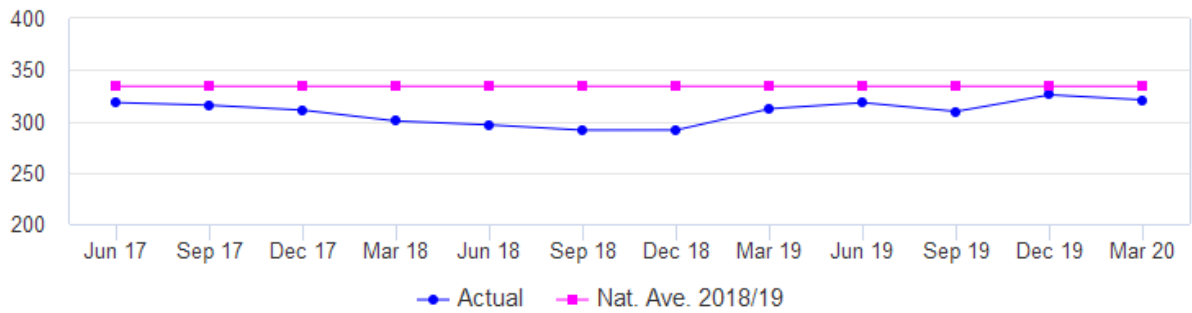
Number of open Early Help cases managed by Units



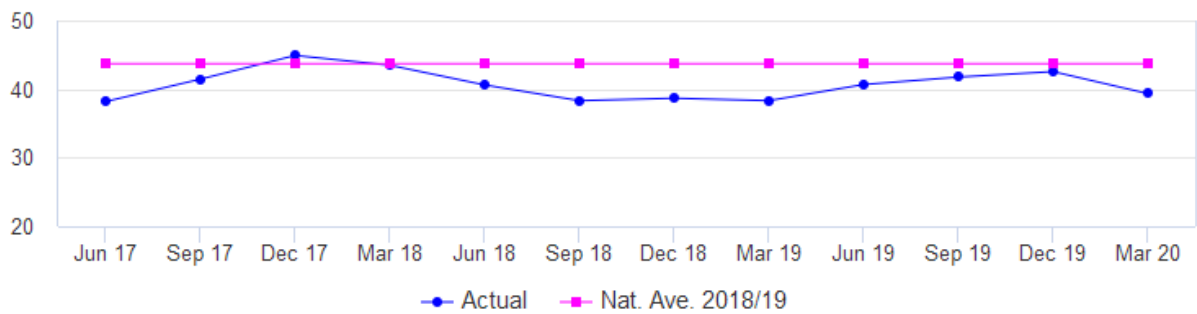
Rate of CSW referrals per 10,000 population aged under 18 – rolling 12 months



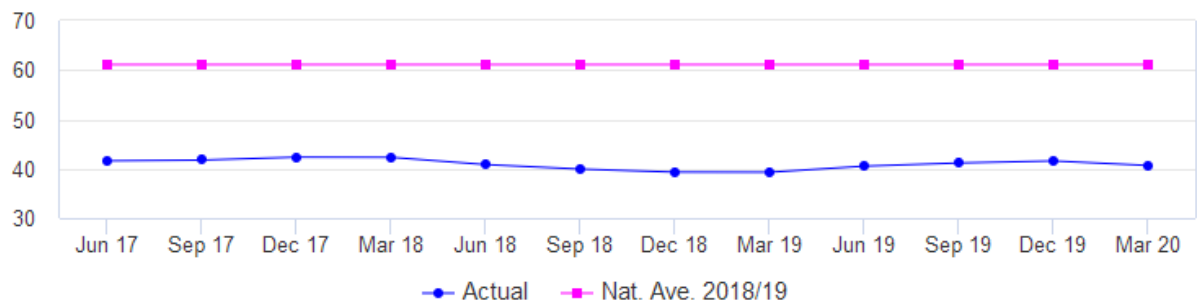
CSW caseload per 10,000 child population – snapshot at quarter end



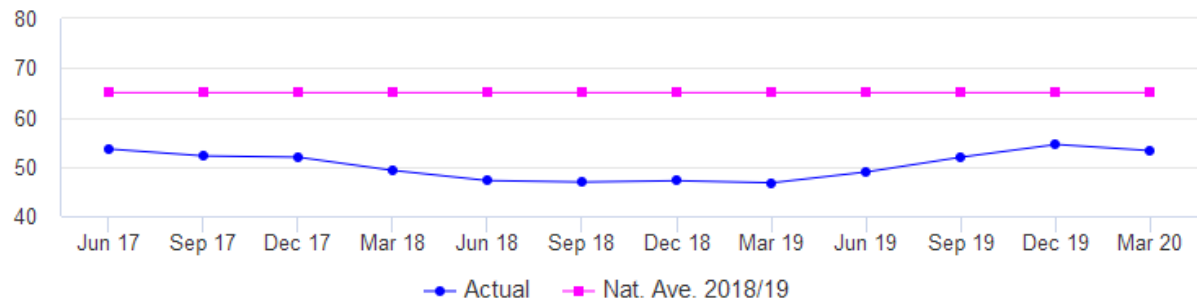
Rate of children with Child Protection Plans per 10,000 child population – snapshot at quarter end



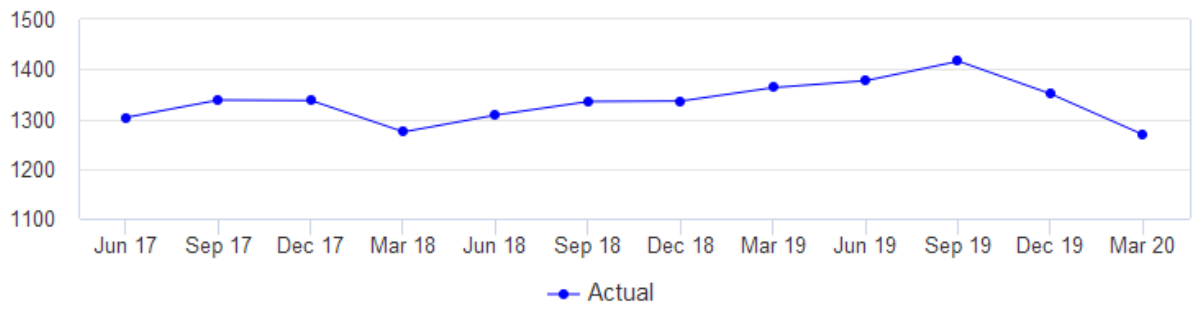
Rate of Children in Care (excluding UASC) per 10,000 child population – snapshot at quarter end



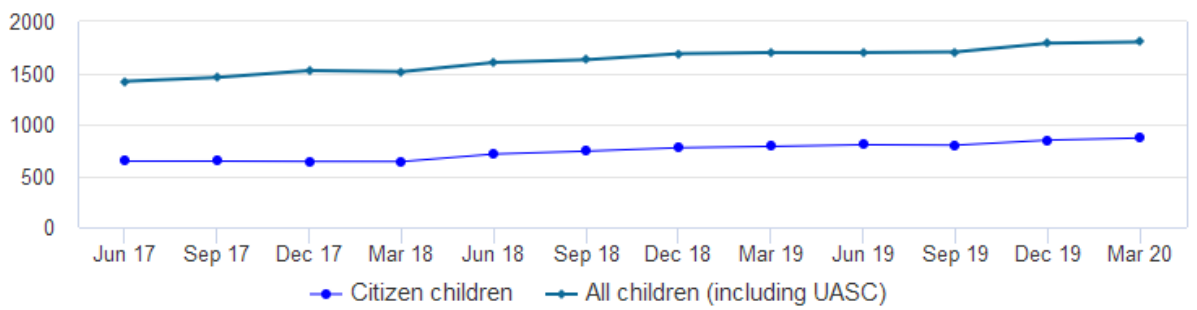
Rate of Children in Care (including UASC) per 10,000 child population – snapshot at quarter end



Number of other local authority children in care placed into Kent – snapshot at quarter end



Number of care leavers as at quarter end



Adult Social Care	
Cabinet Member	Clair Bell
Corporate Director	Richard Smith

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	4		1	1		4

Key Performance Indicators

In the 3 months to March 2020, 4 KPIs continued to perform above target and were RAG rated Green. Although the KPI on initial contacts resolved at first point of contact continued to perform below target, this is in line with expectations following the changes to the client database implemented in October 2019, whereby only one contact per client is now recorded, allowing for a more robust calculation and an improved client journey.

To ensure that the most appropriate referral route is identified and clients receive the enablement and support needed to live as independently as possible, the Area Referral Management Service (ARMS) has implemented a KCC triage across the county for all onward referrals for Older Persons and Physical Disability (OPPD) Services with representatives from Kent Enablement at Home Service (KEaH), Promoting Independence, and Occupational Therapy.

KCC continues to ensure people can remain independent and at home, with over 3,200 referrals being made to enablement services in the 3 months to March. The volume of referrals into the enablement service continued to achieve and exceed each quarterly target in 2019/20. KEaH continued to ensure that over 70% of clients were still independent after receiving an enablement service.

For long-term care, the number of older people aged 65 and over supported in nursing homes decreased in the final 3 months of 2019/20, with those supported in residential care remaining stable. There has been a 1% decrease in the last 12 months of new admissions into permanent residential and nursing care compared to the same period the previous year. The number of admissions remains within the target and is RAG rated Green.

Both the local and national information for delayed discharges of care have January and February data only, with the data collection now paused due to coronavirus. For the local measure, these partial figures indicate that 29% of those delays were attributable to Adult Social Care. Although this is an increase on the previous 3 months, it is still within target.

The rate of delayed discharges across Kent (whether attributable to NHS or social care) should not be higher than 8.7 per 100,000. Performance has improved for Kent with the rate dropping to 13.6 per 100,000 down from 14.3 per 100,000 the previous quarter. Social Care contributed 4.7 delays per 100,000, which is above national social care average of 3.7 per 100,000. However Adult Social Care have identified potential miscoding of social care delays; this is being addressed at the source.

Activity Indicators

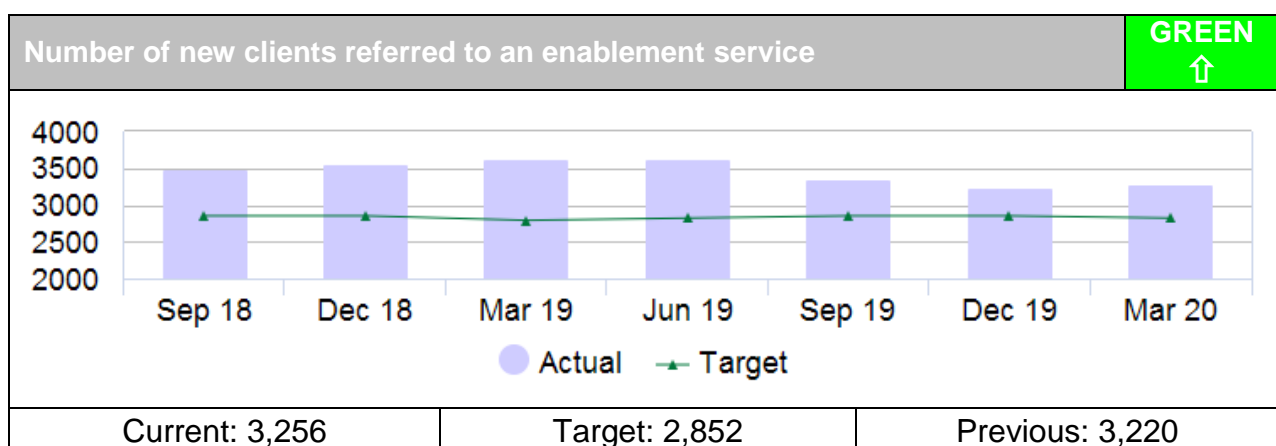
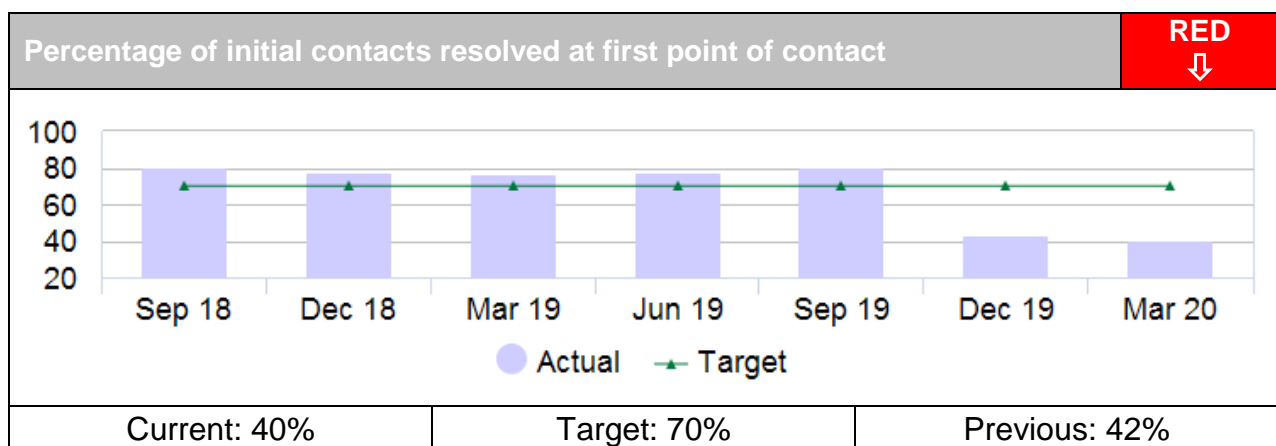
The majority of activity indicators finished 2019/20 within the expected thresholds. The number of people with a learning disability (LD) in residential placements was above the expected threshold for the 3 months to March, however this was against a decreasing quarterly target, and the number is now lower than at the start of the year.

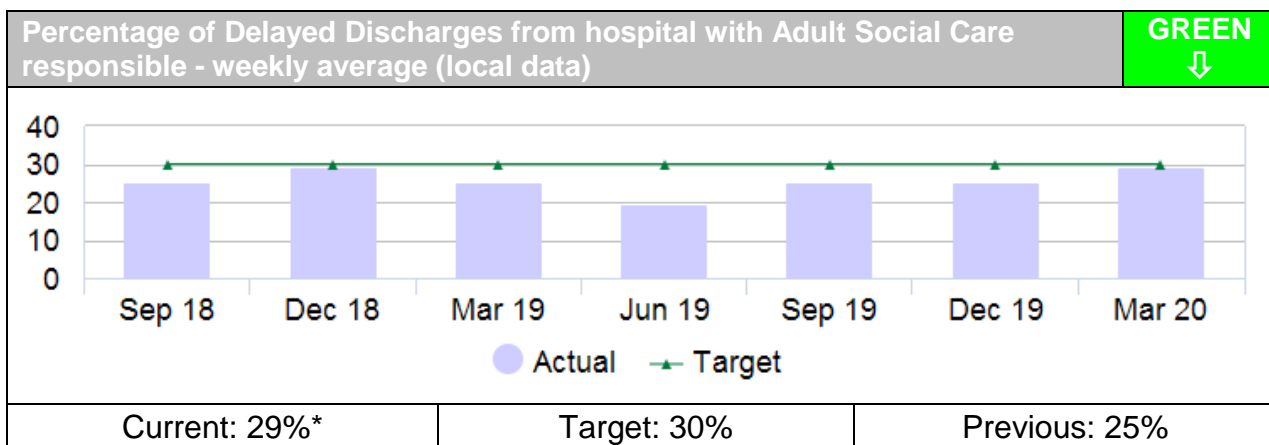
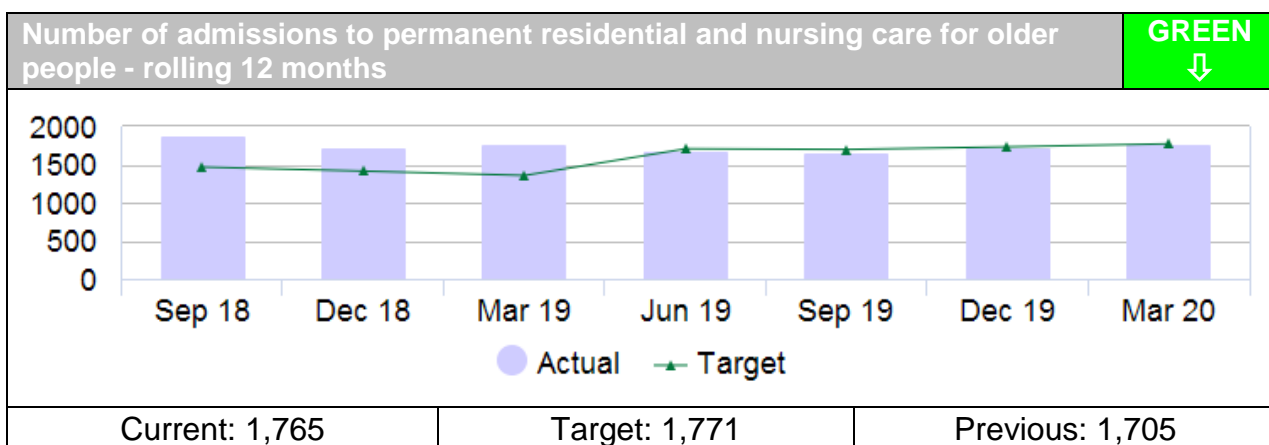
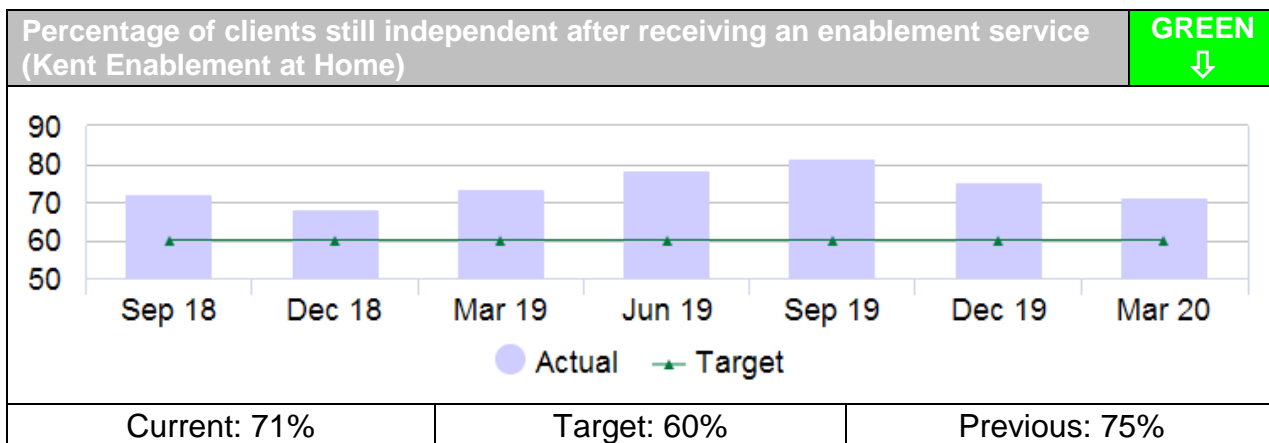
Safeguarding and Deprivation of Liberty Safeguards (DoLS)

The decrease experienced in safeguarding concerns in the 3 months to March follows a decrease in the previous quarter where the implementation of a new client database, Mosaic, outlined in the Quarter 3 report, reduced the recording of duplicate concerns. Analysis will look at a number of factors in this decrease including source type and geography, with benchmarking around the new expected levels following changing to the new database.

The number of DoLS applications has increased to 1,774 in the 3 months to March and is at its highest number for 3 years. There was a spike in applications received in January, and then into February; the increase in referrals came via hospital settings; hospitals have a statutory requirement to make applications. Work is ongoing to further explore the increased volume in January.

Key Performance Indicators

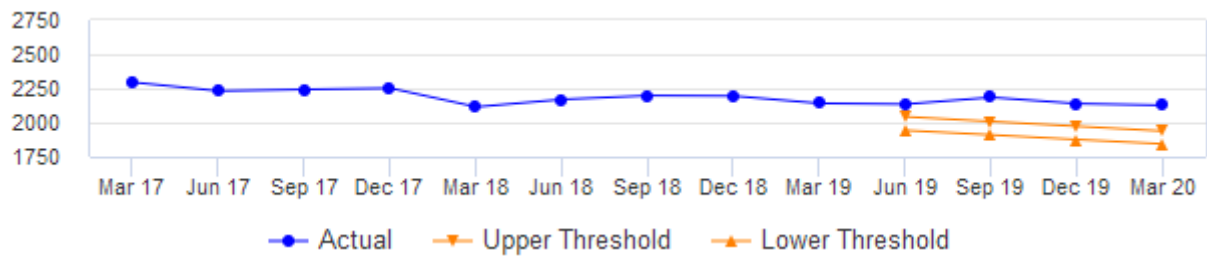




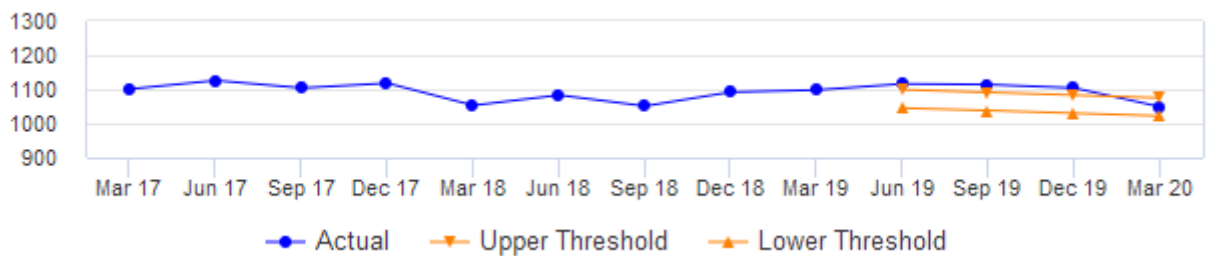
*Jan and Feb figures only

Activity indicators

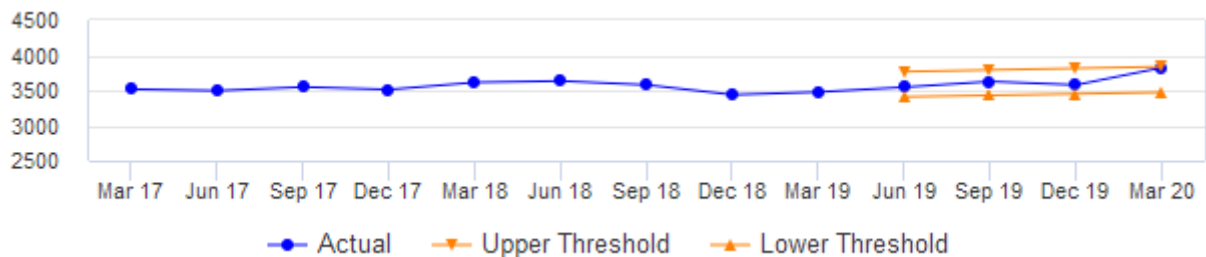
Number of older people supported in permanent residential care



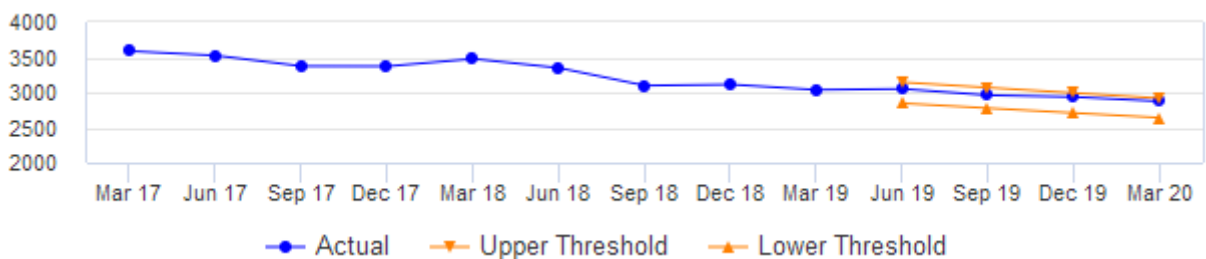
Number of older people supported in permanent nursing care



Number of older people who receive domiciliary care



Number of social care clients receiving a direct payment

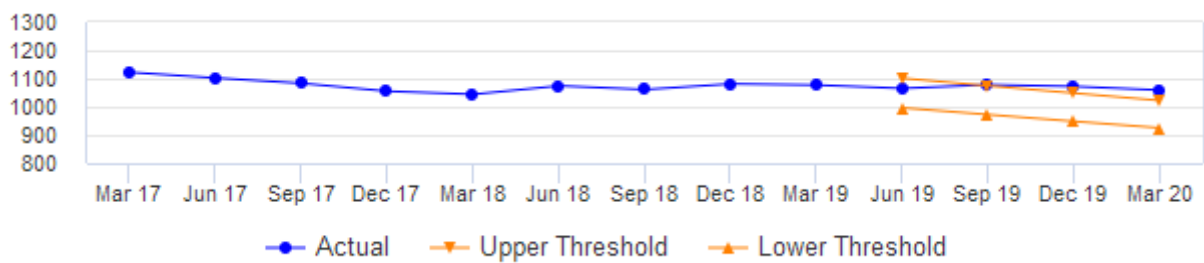


Number of delayed transfers of care per 100,000 population age 18+, average per day (national data)*

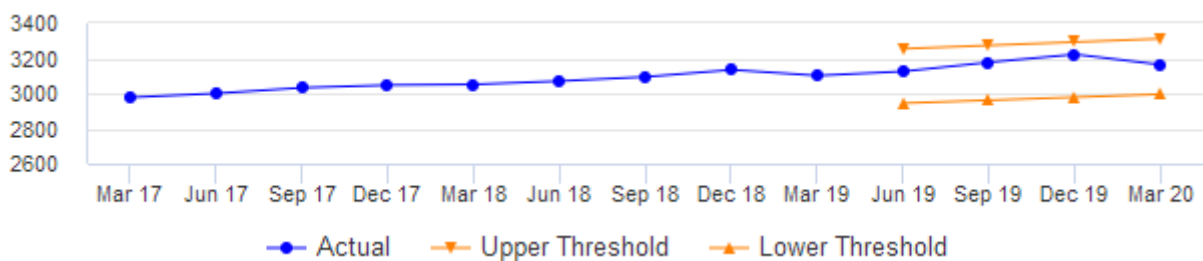


*Jan and Feb figures only

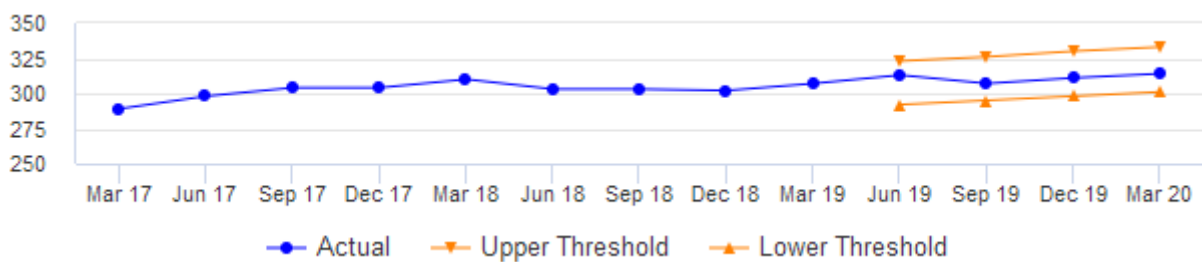
Number of learning disability clients in residential care



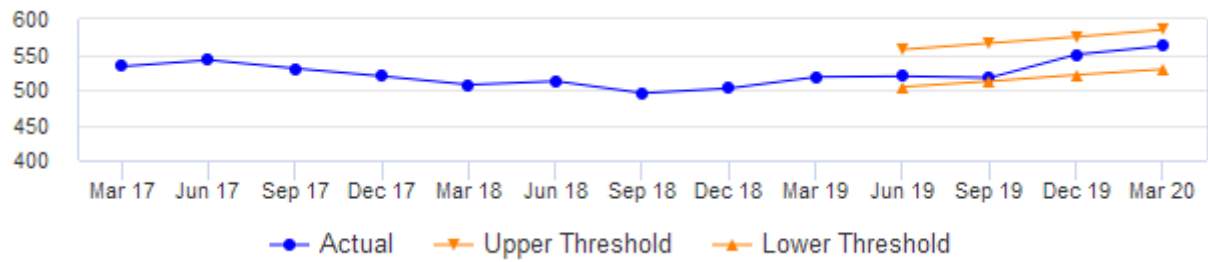
Number of people with a learning disability receiving a community service



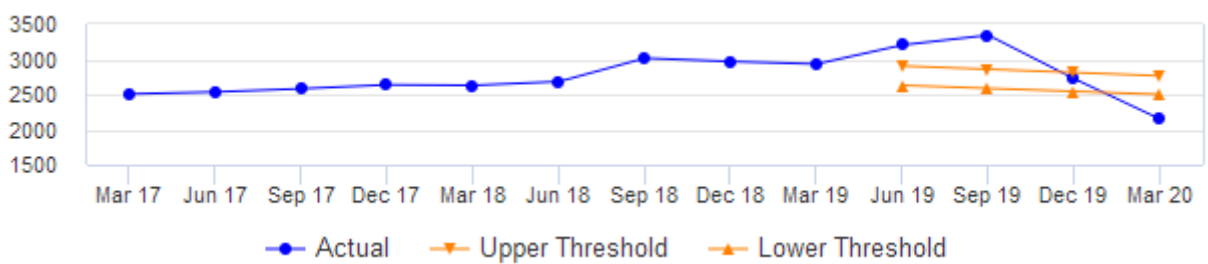
Number of people with mental health needs in residential care



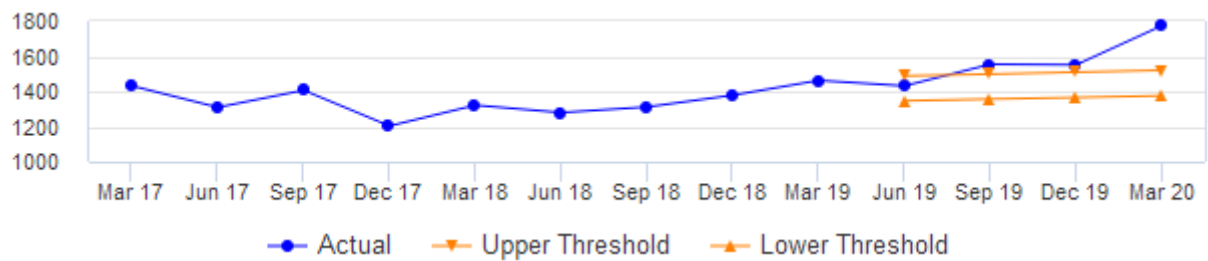
Number of people with mental health needs receiving a community service



Number of Safeguarding concerns (initial contacts)



Number of Deprivation of Liberty Safeguards applications



Public Health	
Cabinet Member	Clair Bell
Director	Andrew Scott-Clark

KPI	GREEN	AMBER	RED	↑	↔	↓
Summary	4	1		1	3	1

Kent's NHS Health Check Programme had a strong year following a challenging 2018/19 where a new system implementation impacted on delivery. There was a total of 40,000 checks delivered in the three months to March against a target of 41,600; This is despite the NHS Health Check programme being halted in March due to Coronavirus. Public Health Commissioners are working with the provider on a future recovery plan, which will be informed by national prioritisation. This is likely to entail targeted invites to ensure prioritisation of those most at risk from not having had a health check.

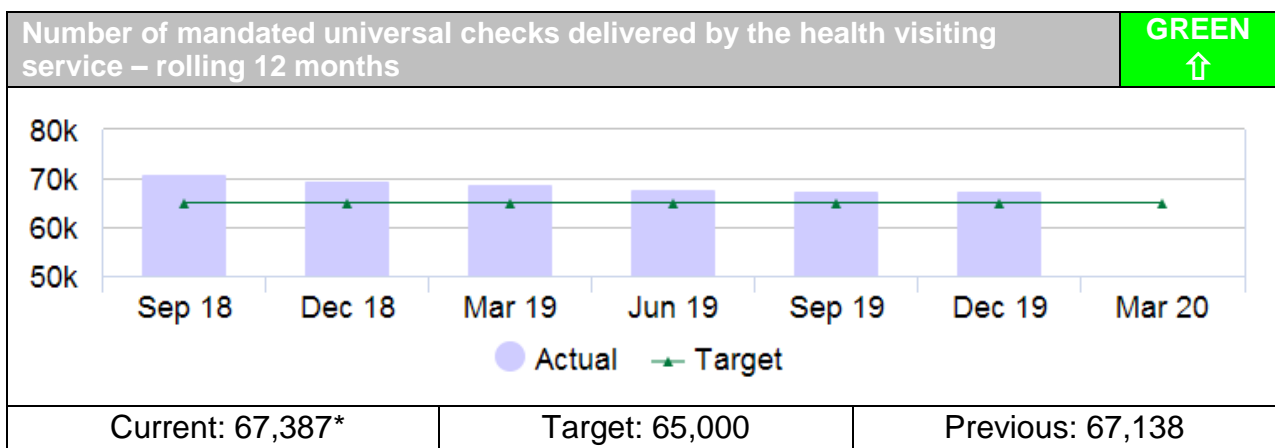
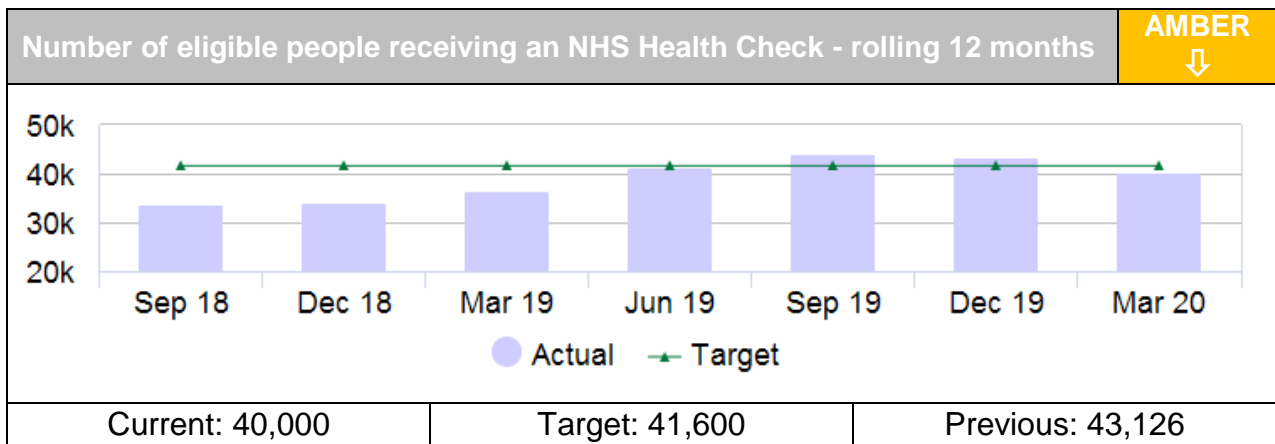
Health Visiting data for the three months to March has been delayed due to Coronavirus. With selected Health Visiting workforce having been re-deployed into tier 1 NHS services, the Health Visiting Service has reduced its offer in alignment with national guidance. In summary, all pregnant women will receive a welcome letter and vulnerable families and first-time mums will receive a virtual new birth visit contact. Where capacity allows, the service will continue to contact all families at 6-8 weeks. A weekly health clinic is running in each district and appointments are available, following triage, on a bookable basis. The Specialist Infant Feeding Service continues to operate, and new live chat sessions are being delivered in partnership with Medway services.

Sexual Health Services consistently ensure that 100% of patients who require an urgent Genito Urinary Medicine (GUM) appointment are offered one within 48 hours. Coronavirus impacted the services in March 2020, which are now on a triage only basis and are delivering a virtual service across Kent. This has accelerated projects within the transformation programme of work such as increased online testing, webchat and work is underway on the recovery of services in line with national guidance.

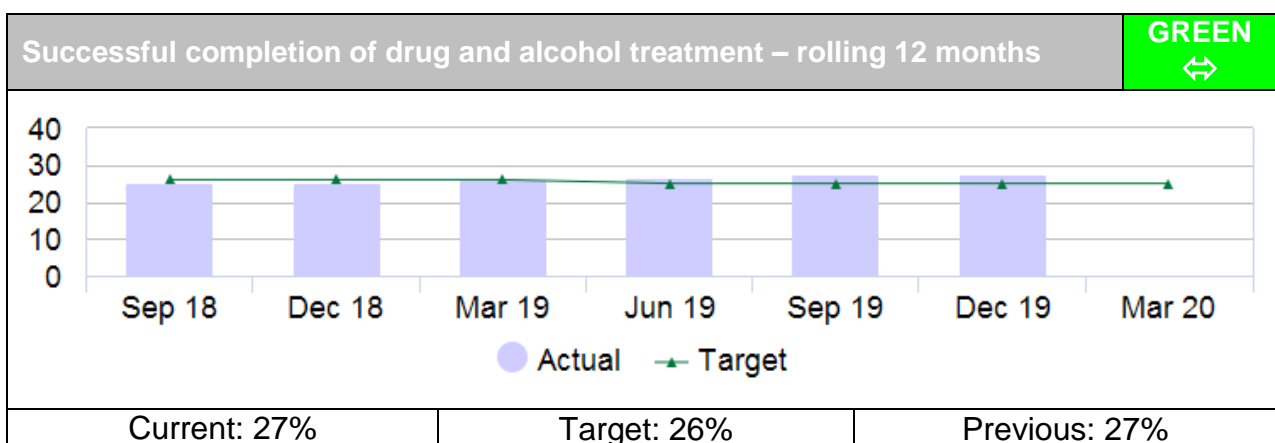
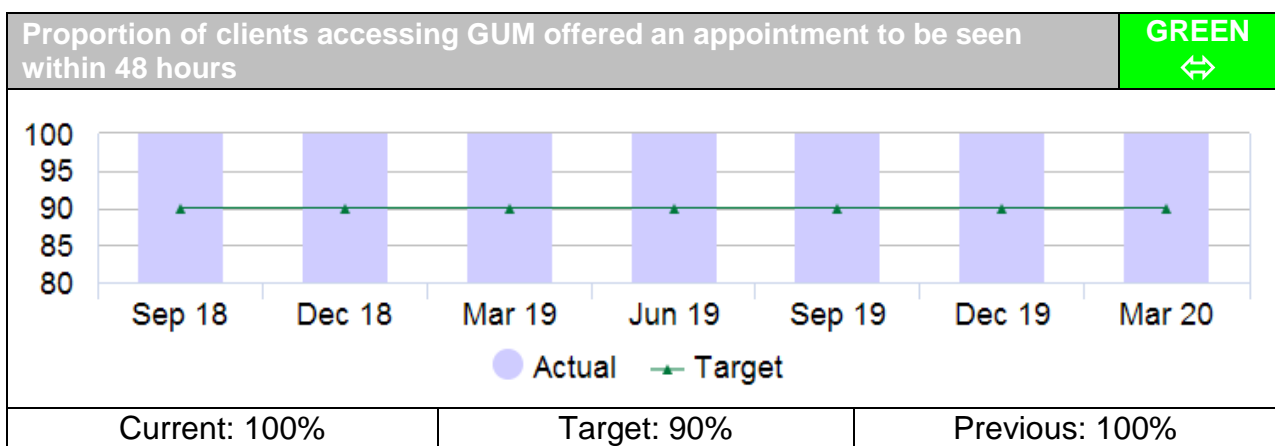
Drug and Alcohol Treatment Services are on target for 2019/20. However, there may be a slight decrease in the number of successful completions due to face to face treatment being suspended through the Coronavirus lockdown period and replaced with phone support which may not be as effective. People who misuse or are dependent on drugs and alcohol are at an increased risk of becoming infected, and infecting others, with Coronavirus, therefore providers are ensuring these individuals are not exiting from services, thereby reducing their risk of misusing substances again and keeping safe.

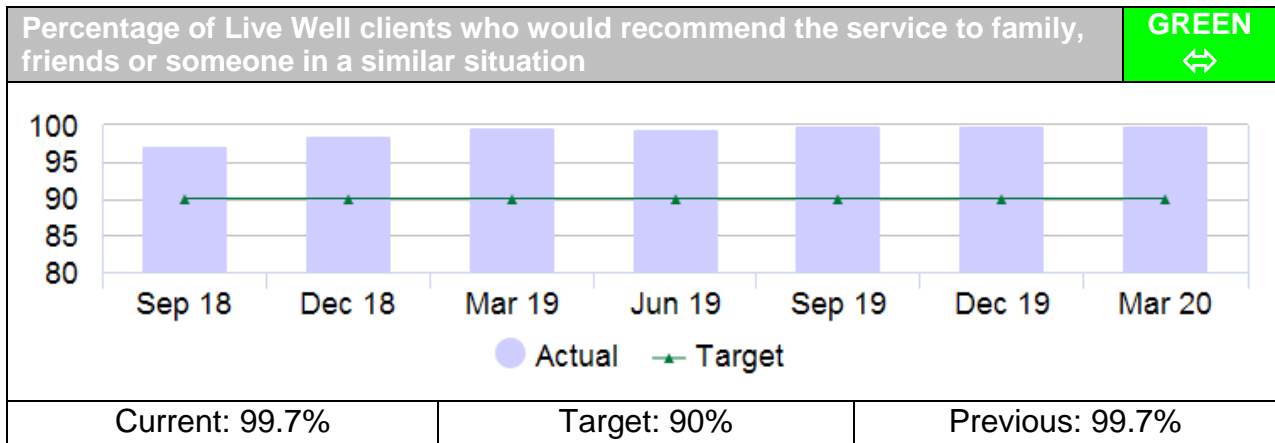
For 2019/20 Live Well Kent Services have continuously performed above the target of 90% on service satisfaction levels, with over 99% of clients saying they would recommend the services to family, friends or someone in a similar situation.

Performance Indicators

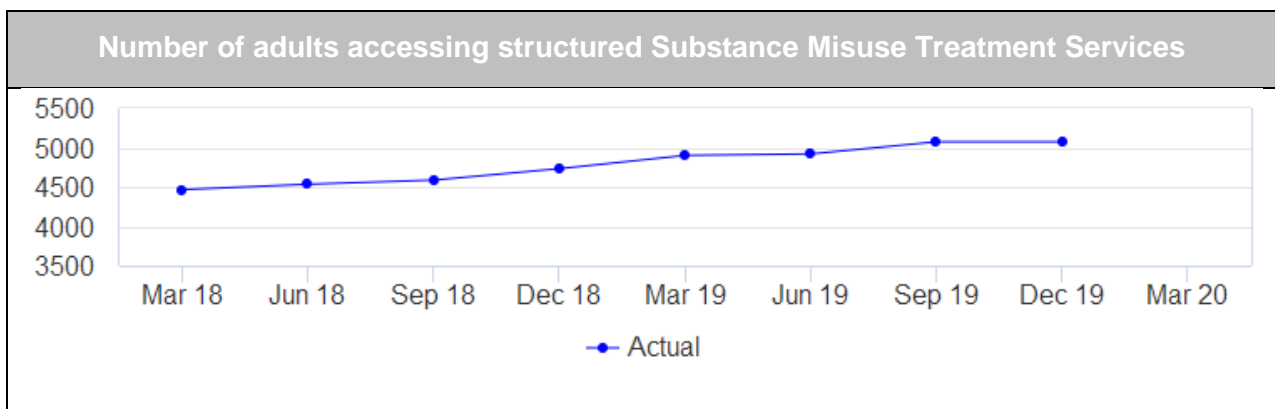
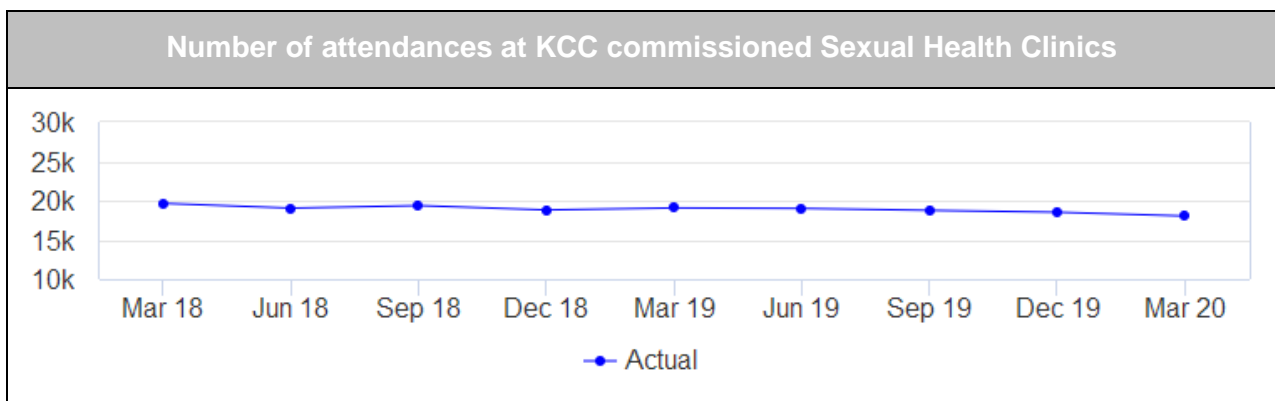
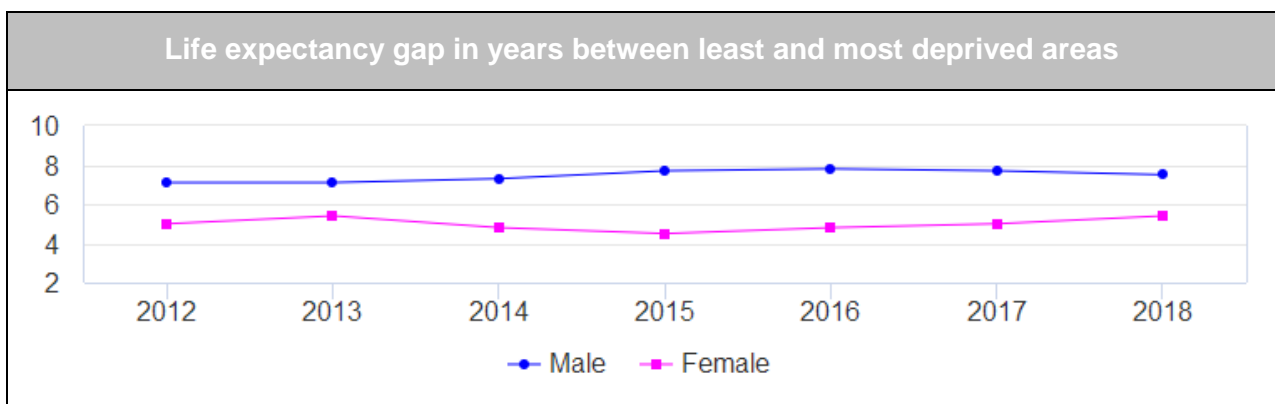


* No March data due to Coronavirus





Activity indicators



Corporate Risk Register – Overview

The coronavirus public health emergency is having a profound impact on the risk environment that the council is operating in. The Organisation has been working tirelessly to respond to the rapidly evolving situation and deal with the immediate issues, risks and pressures being faced. However, as the organisation works with partners at a local and national level to plan the longer-term recovery to a 'new normal', consideration is being given to the impact on the council's corporate risk profile.

The table below shows the proposed number of corporate risks in each risk level (based on the risk score) in June 2020 subject to further discussion with Risk Owners, compared with March 2020, which shows a significant increase in 'High' categorised risks. Two new risks have also been added and one re-opened.

	Low Risk	Medium Risk	High Risk
Current risk level March 2020	0	8	11
Current risk level June 2020 (proposed) *5 risks have scores TBC	0	2	15

CORONAVIRUS – IMPACT ON CORPORATE RISK PROFILE

As a result of coronavirus impacts, the Corporate Risk Register requires significant revision to reflect the latest situation. Initial changes proposed relate to the following areas:

NEW RISKS:

- Workforce – maintaining workforce health, safety, wellbeing and productivity as the council responds to, and recovers from, the public health emergency.
- Response to CBRNE incidents, communicable diseases and incidents with a public health implication – this has been escalated to the Corporate Risk Register by the Director of Public Health due to the coronavirus pandemic.

RE-OPENED RISK:

- Implications of increasing number of Unaccompanied Asylum-Seeking Children (UASC) – this risk is proposed to re-open due to particular challenges finding suitable accommodation for increasing numbers of UASC arriving in Kent while adhering to advice surrounding coronavirus, as well as long-standing funding concerns.

INCREASING RISKS

- Safeguarding – protection of vulnerable children and adults. The risks have been raised due reductions in new referrals and the potential for domestic abuse incidents to increase during the lockdown period, as well as online safety threats.
- Demand risks for children's services and adult social care – there is the potential for latent demand in these 'systems', leading to spikes as the recovery period develops.

- Emergency response and resilience – KCC and its partners are well prepared to respond to emergency events. However, the Authority will be under considerable resource strain as it is required to lead the multi-agency coronavirus recovery, continue recovery from the flooding experienced in early 2020 and stand up preparations for the end of the UK/EU transition period simultaneously.
- Future financial and operating environment for local government – the Council's finances are, and will continue to be, under considerable strain due to the costs of the coronavirus response and recovery effort, with the initial assumption being that central Government will fully-fund these efforts. In addition, the current situation has led to further delay in the Government Spending Review and Fair Funding review, leading to continuing uncertainty.
- Cyber-attack threats and their implications – the increasing dependency on ICT in the current climate, coupled with increased cyber-attack attempts as criminals look to take advantage of the coronavirus situation, has prompted a proposal to increase the risk level further.
- Managing and working with the social care market – the market is currently under considerable additional strain, with providers dealing with the obvious safety issues and resource strain.
- Delivery of new school places – there has been some slippage to the council's capital programme during lockdown, which is potentially going to lead to additional pressure on school places for Sept 2020 and Sept 2021, although contingency arrangements are being developed.
- Information Governance – the council has been tasked, with partners to share personal data e.g. relating to the 'shielded' population, to aid the response effort, which introduces new risk. Staff are also adapting to far greater remote working, with information governance implications, as well as cyber threats referenced above potentially leading to data breaches.
- Financial risks associated with KCC's Local Authority Trading Companies (LATCos) – the loss of income for these companies as a result of the disruption will make achievement of KCC dividend targets more challenging.

The increased risk in our environment will require the council to review its appetite for risk and consider the time horizons for the risks outlined on the register.

Mitigating actions during this period are summarised below:

Most mitigating actions for corporate risks due for review or completion during the last quarter have either been superseded by recent events or delayed while officers have been focusing on the coronavirus response. As part of the detailed reworking of the Corporate Risk Register, existing mitigations are being reviewed for their continued relevance and urgency, and new mitigations introduced, which will be summarised in the Quarter 1 2020/2021 Quarterly Performance Report.

Proposed Changes to the Quarterly Performance Reports for 2020/21

Produced by: KCC Strategic Commissioning – Performance and Analytics
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Phone: 03000 416091



Prior to the Coronavirus pandemic, SC Analytics proposed a planned series of changes to the Quarterly Performance Report for 2020/21. These changes include an alternative approach to calculating direction of travel (detailed below) along with a series of smaller, mainly presentational changes including hyperlinking within the online packs to aid navigation, inclusion of summary tables within the executive summary and reference to performance over the whole year in the narrative for the 2020/21 Quarter 4 report.

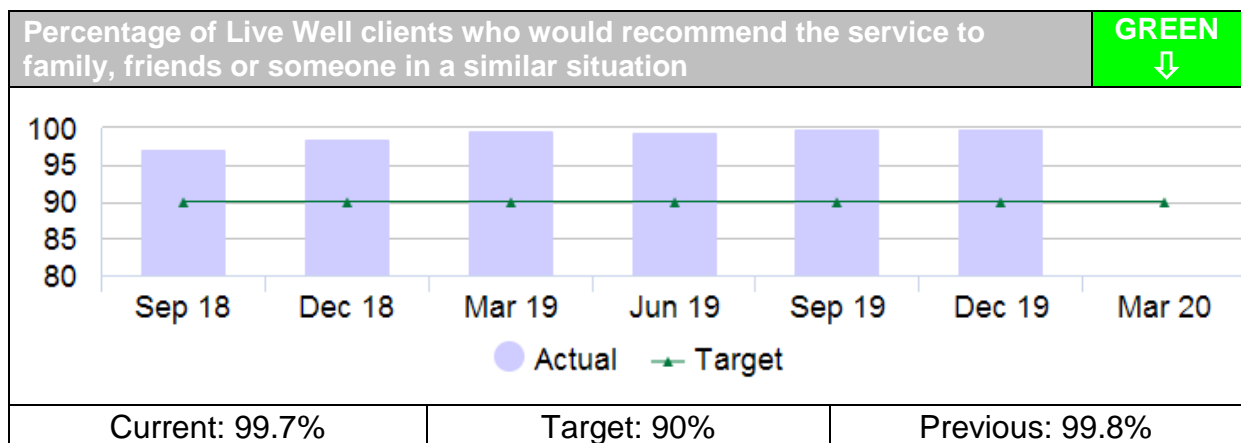
The process of proposing amendments to targets and KPIs for 2020/21 was well underway when the Coronavirus emergency took hold, but not completed. It is felt that this work needs to be restarted in light of the significant effect Coronavirus is having on many services and the impact this may have on target setting and potentially the KPIs themselves. It is proposed that recommendations for KPIs for 2020/21 are presented to the relevant Cabinet Committees in June and July, with recommendations for associated targets.

Alternative direction of travel calculation

Current Approach

Currently, Direction of Travel is based on an absolute comparison of the current quarter with the preceding one; an improved result, no matter the magnitude, is shown by an up arrow (↑), a worse result by a down arrow (↓), and no change by a horizontal arrow (↔). All changes are flagged, even very small changes, and very few are significant in the statistical sense. Only movement between the current quarter and the preceding one is considered.

For example, in Quarter 3 the Public Health KPI on Live Well clients who would recommend the service was 99.7% compared to 99.8% the previous quarter, and so declined by 0.1%. As a result, this was given a down arrow in that report.



Proposed Approach

The proposed change is two-fold:

- To base the assessment of Direction of Travel on performance over the whole timeframe shown in the KPI graphs (so 6/7 reporting periods generally, rather than just the most recent two periods).
- To apply statistical techniques (regression) to determine whether the direction of travel is statistically significantly upward or downward¹. What this means in practice is that only those KPIs which have a clear improving or declining trend would be marked with an up or down arrow. This will avoid flagging small and/or random fluctuations.

This will result in far fewer KPIs being marked as displaying an upward or downward Direction of Travel, but those that are flagged will denote meaningful trends.

In the Live Well KPI example above, the longer term trend would be considered. This trend is upward and so this KPI would have been given an up arrow under the proposed methodology.

The change to the proposed method is recommended as it is felt to give a truer and more robust indication of direction of travel over time, with an up arrow showing sustained improvement and a down arrow sustained deterioration that is unlikely to be the result of random fluctuations. The disadvantage to the proposed method is that short term changes may not be detected; instead we would propose to flag any meaningful short term changes within the commentary.

Results

The effect of applying the proposed methodology on the current, Quarter 4 report results in 23 out of the 35 KPIs being rated as stable or having no clear trend, with 5 marked as improving and 7 as deteriorating.

Direction of travel based on significant trend over last 6/7 reporting periods

	CURRENT (C)			PROPOSED (P)		
	↑	↔	↓	↑	↔	↓
Customer Services		2	1		2	1
Economic Development & Communities	1		1		2	
Environment and Transport	4		2		6	
Children, Young People and Education	1	3	10	2	8	4
Adult Social Care	1		4		4	1
Public Health	1	3	1	3	1	1
TOTAL	8	8	19	5	23	7

¹ The confidence interval around the slope coefficient would be considered, and those slopes with wholly positive confidence limits flagged as increasing and those slopes with wholly negative confidence limits flagged as decreasing.

Customer Services KPIs	RAG rating	C	P
% of callers to Contact Point who rated the advisor who dealt with their call as good	GREEN	↔	↓
% of phone calls to Contact Point which were answered	GREEN	↓	↔
% of complaints responded to within timescale	AMBER	↔	↔

Economic Development & Communities KPIs	RAG rating	C	P
No. of homes brought back to market through No Use Empty (NUE)	GREEN	↓	↔
Developer contributions received as a percentage of amount sought	GREEN	↑	↔

Environment & Transport KPIs	RAG rating	C	P
% of routine pothole repairs completed within 28 days	GREEN	↓	↔
% of routine highway repairs reported by residents completed within 28 days	GREEN	↓	↔
Emergency highway incidents attended within 2 hours of notification	GREEN	↑	↔
% of satisfied callers for Kent Highways & Transportation, 100 call back survey	GREEN	↑	↔
% of municipal waste recycled or converted to energy and not taken to landfill – rolling 12 months	GREEN	↑	↔
Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	AMBER	↑	↔

Education & Wider Early Help KPIs	RAG rating	C	P
% of all schools with Good or Outstanding Ofsted inspection judgements (latest Ofsted methodology)	GREEN	↔	↑
% of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises)	GREEN	↔	↔
% of 16-17 year olds Not in Education, Employment or Training (NEETs)	AMBER	↓	↔
% of 16-18 year olds who start an apprenticeship	RED	↓	↔
% of Education, Health Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED	↑	↔
% of pupils permanently excluded from school – rolling 12 months	GREEN	↔	↑
No. of first-time entrants to youth justice system – rolling 12 months	GREEN	↓	↔

Children's Integrated Services KPIs	RAG rating	C	P
% of cases closed by Early Help Units with outcomes achieved	AMBER	↓	↓
% of case holding posts filled by permanent qualified social workers	GREEN	↓	↔
% of children social care referrals that were repeat referrals within 12 months	AMBER	↓	↓

Children's Integrated Services KPIs	RAG rating	C	P
Average no. of days between becoming a child in care and moving in with an adoptive family – rolling 12 months	GREEN	↓	↔
% of children in care with 3 or more placements in the last 12 months	AMBER	↓	↔
% of foster care placements which are in-house or with relatives and friends (excluding UASC)	AMBER	↓	↓
% of care leavers in education, employment or training (of those KCC is in touch with)	AMBER	↓	↓

Adult Social Care KPIs	RAG rating	C	P
% of initial contacts resolved at first point of contact	RED	↓	↓
No. of new clients referred to an enablement service	GREEN	↑	↔
% of clients still independent after receiving an enablement service (Kent Enablement at Home)	GREEN	↓	↔
No. of admissions to permanent residential and nursing care for older people – rolling 12 months	GREEN	↓	↔
% of delayed discharges from hospital with Adult Social Care responsible – weekly average (local data)	GREEN	↓	↔

Public Health KPIs	RAG rating	C	P
No. of eligible people receiving an NHS Health Check – rolling 12 months	AMBER	↓	↑
No. of mandated universal checks delivered by the health visiting service – rolling 12 months	GREEN	↑	↓
% of clients accessing GUM offered an appointment to be seen within 48 hours	GREEN	↔	↔
Successful completion of drug and alcohol treatment	GREEN	↔	↑
% of Live Well clients who would recommend the service to family, friends or someone in a similar situation	GREEN	↔	↑

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This report published with the agenda pack on 12 June 2020 has been replaced with a report published on 15 June 2020 as a supplementary item

From: Simon Jones, Director of Highways, Transportation & Waste

To: Cabinet

Date: 22 June 2020

Subject: Highway Flooding & Storm Response

Summary: This report summaries Kent County Council's operational response to the exceptional rainfall and storms experienced between December 2010 and February 2020.

2019/20 has seen numerous severe weather events alongside prolonged and persistent rainfall. This has had a significant impact upon the residents and communities of Kent with the highway service responding to an exceptional level of enquiries and requests for emergency support.

Recommendations:

Cabinet is asked to note:

- a. the impact of the storms, Kent County Council's immediate operational response and to endorse the proposals to:
 - i. Consider a base contribution to drainage budget and to the Adverse Weather Reserve.
 - ii. Continue to pursue central government for additional funding to cover our operational response efforts.
- b. Agree that a further report outlining the wide range of flood mitigation plans and proposals be brought to a future meeting of this Cabinet.

1. Background

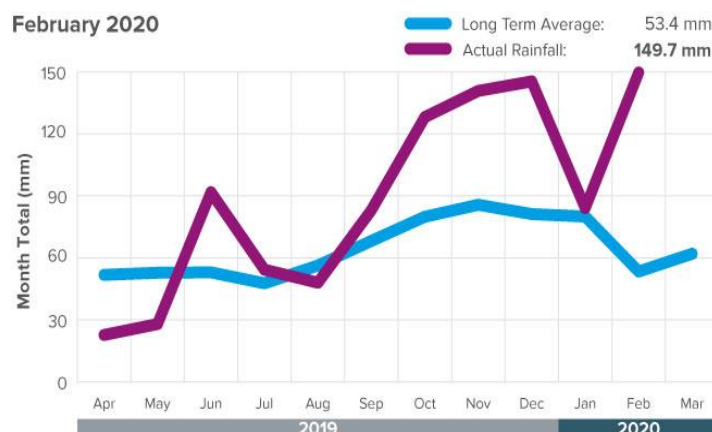
- 1.1 During 2019 and into 2020 numerous exceptional weather events including severe storms have caused significant and continued strain upon KCC's Highways operational response, critical highway infrastructure and emergency financial reserves.
- 1.2 This winter has been recorded as the fifth wettest, with February 2020 being the wettest February on record for UK, England, Wales and Northern Ireland.
- 1.3 Most notably the following storms and exceptional rainfall events have been experienced during 2019/20:

10 - 14 June 2019	- Exceptional Rainfall
26 - 27 June 2019	- Exceptional rainfall
08 - 09 December 2020	- Storm Atiyah

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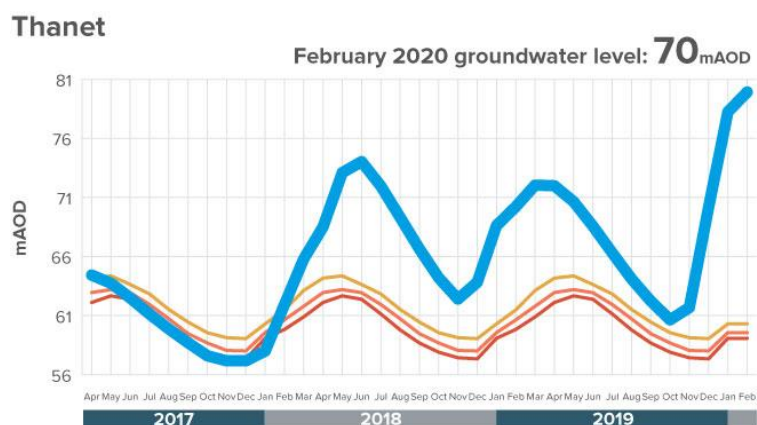
- 20 - 21 December 2020 - Exceptional Rainfall
- 13 - 14 January 2020 - Storm Brendan
- 08 - 09 February 2020 - Storm Ciara
- 14 - 16 February 2020 - Storm Dennis
- 28 Feb – 01 March 2020 - Storm Jorge

1.4 The impact of these events can be evidenced by the Southern Water rainfall data for 2019/20, dated February 2020. This highlights that during February Kent has experienced almost three times the average volumes.



- 1.5 Whilst these volumes demonstrate the additional strain placed upon both the drainage and highway infrastructure it has been the manner and speed in which these exceptional weather events have occurred that has caused most impact to the residents and communities of Kent.
- 1.6 The ferocity of the prolonged rainfall has led to rising river levels, excessive ground saturation, surcharging sewerage and domestic drainage systems and widespread highway flooding.
- 1.7 We have seen significant surface water run-off onto the highway, increasing the risk to the travelling public and placing unsustainable demand upon gullies, pipework and the connected subterranean infrastructure such as soakaways and Water Authority surface and foul water mains.
- 1.8 This run off has resulted in the road surface becoming fully saturated increasing the formation of new potholes whilst also accelerating an increase in the size and depth of existing defects.
- 1.9 Whilst most of the recent severe rainfall fell in West Kent, Southern Water data shows that groundwater even in Thanet remains at an exceptionally high level. Such levels of groundwater render soakaways and some other natural water/flood management methods ineffective.

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2. Community Impact

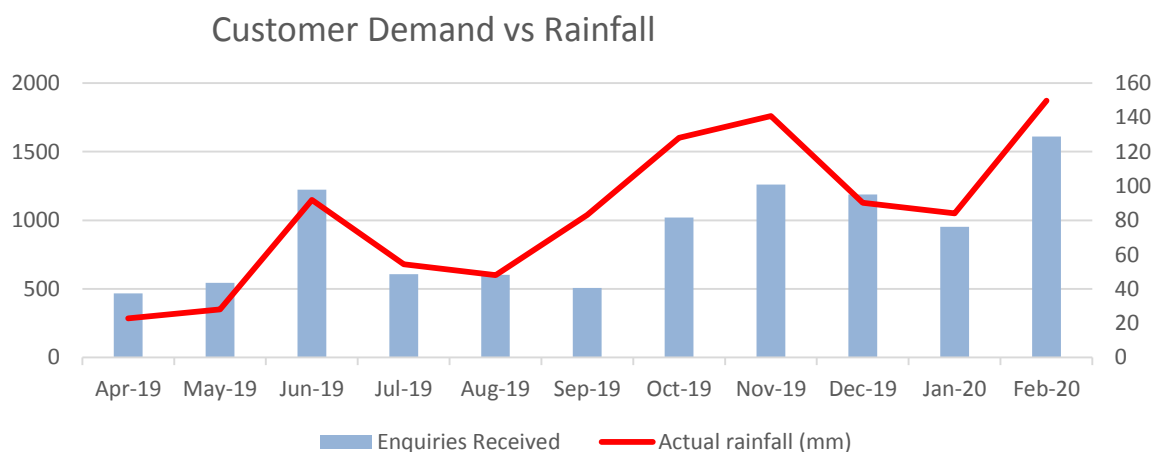
- 2.1 Mid and West Kent have been hardest hit as a result of recent storms.
- 2.2 Culverstone Valley, Vigo, Snodland, West Kingsdown, Swanley, A20 Wrotham Heath, Golden Green, Tonbridge, Five Oak Green, Lamberhurst and Yalding were amongst those most impacted.
- 2.3 Culverstone Valley and Vigo saw excessive surface water run-off from private land. Flooding in these areas affected homes and damaged both local and private roads.
- 2.4 During June the Vigo area experienced a rainfall with the probability of a once in 217-year event.
- 2.5 Similarly, West Kingsdown experienced significant surface water with ground saturation overwhelming and reducing the effectiveness of local drainage and soakaways.
- 2.6 Flooding was experienced at topographical low points within the village affecting properties and the local road network.
- 2.7 All these locations remained the subject of significant national and local press interest.

3. Operational Response

- 3.1 We aim to respond to high risk reports within 2 hours and we also provide an out of hours emergency service team to:
 - Clear highway flooding
 - Provide flood boards to warn the travelling public of flooding
 - Implement traffic management, including road closures
 - Provide disposable, absorbent bags, sandbags and the like
 - Assist with fallen trees, scaffolding and fences affecting the highway
 - Emergency repairs to roads
 - Assist with on road incidents

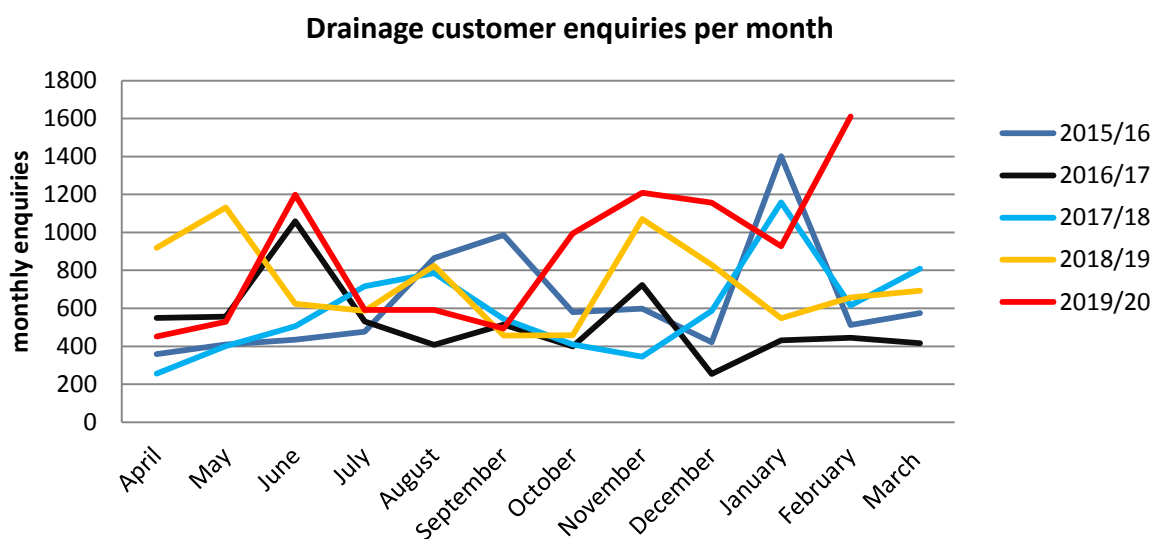
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- Support the emergency services when necessary
- 3.2 During the recent storms these teams has been fully deployed with a doubling of routine staff during significant events.
 - 3.3 Normally, we have with a weekend roster of **12 people covering out of hours but during recent storms Ciara, Brendan, Dennis and Jorge** we increased this team by a further **20 staff who were all fully deployed**.
 - 3.4 We recorded well over **800 additional staff hours over the weekends of the storms**, with key suppliers also fully deployed.
 - 3.5 Routinely we have between 3 and 5 tankers on standby to remove flood water, but this has needed to be more than doubled during recent periods of severe weather.
 - 3.6 Whilst focus during prolonged rainfall and storms has been to manage flooding, we have also addressed issues of **hundreds of fallen trees, numerous road closures** and have **committed over £2.5m further works to the pothole blitz contractors to carry out the additional road repairs required due to the storm damage**.
 - 3.7 The attached Appendix provides operational photographs of some of the events arising from the recent exceptional weather.
 - 3.8 During normal working hours, the drainage team currently has 20 staff covering the whole of the county.
 - 3.9 During the period April 2019 to February 2020 they:
 - responded to **8,727** emergency enquiries
 - received over **10,830** customer enquiries relating to drainage and flooding
 - responded to over **1,192** reports of flooding
 - inspected over **74,000** drains on our major network
 - attended over **320** critical locations to undertake enhanced cleansing



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3.10 They have seen a **41%** increase in demand since 2016/2017:



4. Legacy

4.1 When the majority of our systems were constructed the capacity was likely to have been based on the volume of run-off from a storm with a 20% probability of occurring in any one year (a '1 in 5 year' event), this was a standard approach at the time.

4.2 Highway drainage is also only designed to manage the runoff from the road directly, it is not designed to provide a wider land drainage function.

4.3 We are experiencing intense rainfall events on a much more frequent basis, with some recent rainstorms having a return period of a '1 in 100-year' which exceeds our highway drainage capacities and they quickly become overwhelmed.

4.4 These events also exceed the capacity of the land and local drainage which leads to runoff which often flows onto the road, further increasing the burden upon highway drainage.

4.5 In our role as Lead Local Flood Authority under Section 19 of the Flood and Water Management Act 2010 we are currently compiling reports where significant property flooding has occurred along with understanding the way flooding events progressed.

4.6 We are currently developing our future thinking on how to evolve and apply both our operational response and forward investment.

4.7 Adapting drainage design to fully accommodate such events would not be economically viable but by undertaking a sustained and long term (10 year plus) drainage asset capital investment programme it will be possible to implement a series of integrated proactive measures to mitigate, manage and migrate the risk away from local communities and to locations better able to handle the impact.

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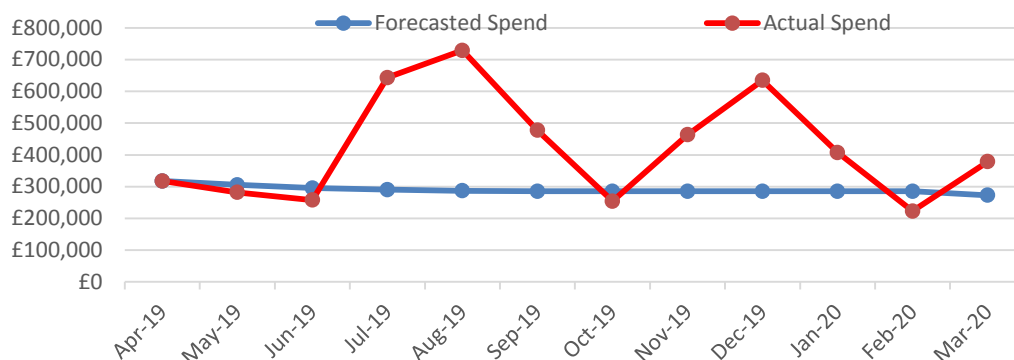
- 4.8 This is in line with our Well Managed Highways approach and will ensure that we continue to maintain our Band 3 rating with Department for Transport.
- 4.9 There is also an obvious need to work closely with the various water and utility organisations to develop co-operative programmes to align our operational needs to their ongoing asset modernisation and water management obligations.
- 4.10 Similarly, and in view of the significant number of surface water run off events, we are proposing to develop a map of the critical locations.
- 4.11 From this we can seek to establish measures with local landowners to reduce this ongoing nuisance and hazard to the highway.
- 4.12 Where appropriate we will rely upon our powers under the Highways Act to implement necessary mitigating measures.
- 4.13 The current policy for drainage cleansing stipulates that most drains are only cleansed in response to customer enquiries. This usually means that most drains are not attended until after they have been overwhelmed.
- 4.14 It is proposed that an 18-month trial be developed which considers alternative cleansing regimes and mitigations.
- 4.15 This, in the first instance, could be targeted at established critical highway and residential hotspots.
- 4.16 Whilst it is expected that this would involve an increase in proactive cyclical/routine cleansing of gullies and soakaways this trial could also consider methods, alongside landowners, to mitigate and manage surface water run-off.
- 4.17 This would provide valuable data on how drainage performance varies under differing regimes and would allow identification of faults earlier which would allow capital improvements to be undertaken sooner.
- 4.18 During this trial we could publish the records of gully maintenance and issues, keeping residents informed of our activities and providing reassurance about the readiness of the drainage system. This would be similar to our winter service and gritter campaigns.
- 4.19 A report on the trial will be prepared for KCC's Environment & Transport Cabinet Committee.

5. Financial Implications

- 5.1 The estimated cost of responding to the recent storm events is in the order of **over £150k to £200k per event.**

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- 5.2 The allocated budget for highway drainage cleansing is £2.9m. This year the drainage cleansing outturn cost will be in excess of £5m.



- 5.3 In April 2019 a one-off £500k adverse weather reserve was established from 2018/19 operational underspends.
- 5.4 Even after fully drawing down this one-off reserve and absorbing other GET underspends an in-year financial pressure remains within GET.
- 5.5 It will be necessary to call upon the emergency condition reserve to balance the GET 2019/20 budget.
- 5.6 It is **recommended** that an annual allocation of £500k is made to the adverse weather reserve to provide ongoing operational resilience.
- 5.7 Due to the exceptional impact upon both drainage and local roads we considered notifying the Department for Communities and Local Government of our intention to claim against the Bellwin Scheme of emergency financial assistance to local authorities however on initial feedback we were unlikely to be successful in meeting the financial threshold for assistance despite experiencing significant costs in our response and recovery operations. We continue to raise this with Government
- 5.8 We have also advised the Department of Transport of the operational impact similarly advising them of the cost of our response. We will continue to seek government funding to recover our costs in dealing with and mitigating these types of event.

6. Recommendations:

Cabinet is asked to note:

- a. the impact of the storms, Kent County Council's immediate operational response and to endorse the proposals to:
 - i. Consider a base contribution to drainage budget and to the Adverse Weather Reserve.

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ii. Continue to pursue central government for additional funding to cover our operational response efforts.

b. Agree that a further report outlining the wide range of flood mitigation plans and proposals be brought to a future meeting of this Cabinet.

Contact Details

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Appendix - Culverstone Valley





Appendix –London Road & Ash Tree Close, West Kingsdown

Origin of water coming onto the Highway and flooding A20 & Ash Tree Close



Appendix –London Road & Ash Tree Close, West Kingsdown



Appendix –London Road & Ash Tree Close, West Kingsdown



Appendix – London Road & Ash Tree Close, West Kingsdown



Appendix – London Road & Ash Tree Close, West Kingsdown



Appendix – Yalding





Appendix – Storm Dennis Impact





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