

POLICY AND RESOURCES CABINET COMMITTEE

Thursday, 14th January, 2021

10.00 am

online

Members joining this meeting are asked to refer to the Budget report which was published on 6 January 2021.





AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Thursday, 14 January 2021, at 10.00 am
online

Ask for: **Theresa Grayell**
Telephone: **03000 416172**

Membership (15)

- Conservative (12): Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman), Mr M A C Balfour, Mr P V Barrington-King, Mr P Bartlett, Mr T Bond, Mr N J D Chard, Mr G Cooke, Mrs M E Crabtree, Mr P W A Lake, Mr D Murphy and Mr H Rayner
- Liberal Democrat (2): Mr R H Bird and Mrs T Dean, MBE
- Labour (1) Mr D Farrell

UNRESTRICTED ITEMS

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

- 1 Introduction
- 2 Apologies and Substitutes
- 3 Declarations of Interest by Members in items on the Agenda
- 4 Minutes of the meeting held on 6 November 2020 (Pages 1 - 8)
- 5 Annual Report on the Implementation of the Armed Forces Covenant in Kent (Pages 9 - 14)
- 6 Draft Capital Programme 2021-24 and Revenue Budget 2021-22 (Pages 15 - 16)
- 7 Update on Civil Society Strategy and Support to the Voluntary Sector during Covid 19 (Pages 17 - 22)
- 8 Facilities Management Procurement Update (Pages 23 - 26)

9 Construction Partnership Commission (Pages 27 - 34)

10 Work Programme (Pages 35 - 38)

Motion to exclude the press and public for exempt business

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

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the press and public)

11 Total Facilities Management Bi-annual Review (Pages 39 - 50)

Benjamin Watts
General Counsel
03000 416814

Wednesday, 6 January 2021

KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Online on Friday, 6 November 2020

PRESENT: Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman), Mr M A C Balfour, Mr P V Barrington-King, Mr P Bartlett, Mr R H Bird, Mr N J D Chard, Mr T Bond, Mr G Cooke, Mrs M E Crabtree, Mr D Farrell, Mr P W A Lake, Mr D Murphy and Mr H Rayner

ALSO PRESENT: Mr P J Oakford

IN ATTENDANCE: Mr D Cockburn (Corporate Director Strategic & Corporate Services), Mrs A Beer (Corporate Director of People and Communications), Mr A Cole (Head of Technology Commissioning & Strategy), Ms Z Cooke (Corporate Director of Finance), Mr V Godfrey (Strategic Commissioner), Ms R Kennard (Chief Analyst, Strategic Commissioning Analytics), Mr D Shipton (Head of Finance - Planning, Policy & Strategy), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel), Miss T A Grayell (Democratic Services Officer) and Ms E Kennedy

UNRESTRICTED ITEMS

241. Apologies and Substitutes

(Item 2)

Apologies for absence had been received from Mrs T Dean, OBE.

There were no substitutes.

242. Declarations of Interest by Members in items on the Agenda

(Item 3)

There were no declarations of interest.

243. Minutes of the meeting held on 11 September 2020

(Item 4)

1. Mr M A C Balfour asked that the text of paragraph (2) of minute 240 be amended to record that Mr Farrell's point was not universally supported: ' most other Members supported Mr Farrell's statement...'
2. It was RESOLVED that, subject to the above change, the minutes of the meeting held on 11 September 2020 are correctly recorded and a paper copy be signed by the Chairman when this can be done safely. There were no matters arising.

244. Technology Strategy Update

(Item 5)

1. Ms Spore introduced the report and emphasised the importance of the strategy in shaping the County Council's response to the covid-19 pandemic, accelerating the work plan and establishing a firm basis for future growth. The committee was being asked to agree to adopt the strategy as a working draft.
2. Mr Cole presented a series of slides (included in the agenda pack) which set out key trends covered in the strategy, a summary of progress and an activity plan for 2020 – 2023. He emphasised the robustness of the Council's technology strategy, both before and after the pandemic.
3. Mr Cole and Ms Beer responded to comments and questions from the committee including the following:-
 - a) the strength of the Council's technology strategy was emphasised and welcomed, both in terms of coping with the demands of the pandemic and supporting staff to work from home, and in delivering services to Kent residents;
 - b) asked if there was sufficient connectivity to continue to deliver the strategy and if weaknesses in coverage could be a limiting factor in its delivery, Mr Cole advised that the Council's broadband width across the county was generally sufficient. However, some staff working at home were in areas with less robust local networks. The BDUK team was working hard to address slow spots to mitigate this;
 - c) concern was expressed that some online meetings included domestic background noise, which could be disruptive and create an unprofessional impression. Mr Cole advised that rules about the behaviour of participants in online meetings could be set out at the beginning of the meeting. Ms Beer added that staff values and behaviour could be set out in organisational development plans so all staff were clear of expectations. The Corporate Management Team could address any training needs;
 - d) asked how the County Council worked with its district partners to optimise connectivity, Mr Cole advised that all local councils were partners in the Kent Public Sector Network (KPSN). This network was stable and resilient. There were opportunities to rationalise software and the Council needed to be able to link to other organisations who used other networks for meetings, for example, Zoom;
 - e) concern was expressed that the KPSN could not help local network weaknesses which affected staff working at home, for example, in remote rural areas. More information was requested in future reports about progress on addressing this, and information on consolidation of the Council's and other organisations' networks;
 - f) concern was expressed about sectors of the public who did not have a suitable device to allow them to access online networks, or struggled to use them effectively. The Council should seek to ensure that everyone could

access the Council's services they needed when considering service delivery models;

- g) concern was expressed that officers working and taking part in meetings at home would need support and perhaps training with aspects other than meeting etiquette, for example, the importance of taking regular breaks away from the screen and taking exercise outside, to guard their physical and mental wellbeing. Ms Beer advised that staff were known to be less likely to take breaks at home than they were in the office;
- h) asked about the robustness of the County Council's IT security, Mr Cole advised that a layered approach included new features to counter malware and back up solutions;
- i) asked how well the Council connected to its partners, for example, the NHS and Public Health England, Mr Cole advised that these, the police and other partners were all linked by the KPSN and were able to collaborate effectively on IT issues; and
- j) asked about the inclusion of the County Council's commercial companies in the IT strategy, Mr Cole advised that Local Authority Trading Companies (LATCOs) were segregating themselves from the County Council network and establishing their own technology strategies, where these were not in place. The Council had a robust security environment in place to protect its systems. Commercial Services operated on a separate network to the Council, and the latter took the appropriate steps to protect its infrastructure following the cyber security issues experienced by Commercial Services earlier in the year. The Council work closely with all the LATCOs to ensure that any learning was shared, and appropriate actions were considered, as appropriate. Mr Watts added that the committee was due to receive a report at its January meeting regarding the LATCOs, which would update the committee further as to their activity.

4. It was RESOLVED that, taking account of the points raised above, the draft Technology Strategy 2020-2023 be endorsed.

245. Financial Update

(Item 6)

1. Mr Oakford introduced the report and advised that it took account of the budget amendment and Council Tax collection losses but did not include the financial impact of the second lockdown period. Mr Shipton summarised the report's content and pointed out that it was in a new format which was designed to be easier to read. He advised that it was still the intention to publish the 2021/22 budget and 3-year Medium Term Financial Plan on 5 January 2021 for consideration by the full Council on 11 February 2021, but some flexibility around the publication date might be necessary.

2. The Chairman placed on record his thanks to the Finance team for their work during the covid-19 pandemic in keeping up with the demands of financial planning and monitoring.

3. Members made the following comments:-
 - a) the clarity of the report was welcomed but its content did not make for comfortable reading, and some information had been superseded by Government announcements made since the report was drafted;
 - b) asked about the possibility of using some reserves, Mr Oakford advised that the County Council did not currently have large reserves, so this option was not being considered at this time. If reserves were used, they would need to be replaced to ensure financial resilience. Some reserves had previously been drawn down to support unaccompanied asylum seeking children arriving in Kent and the Council was lobbying the Government to provide funding to offset the drawdown. Mr Shipton advised that a commitment to review the use of reserves had been made as part of the 2021 budget setting;
 - c) a report on the sustainability of the Council's resources and future options was requested for a future meeting; and
 - d) Mr Oakford and the officer team were thanked for their diligence and hard work in doing all they could to protect the Council's financial position.
4. It was RESOLVED that the information set out in the report relating to the budget amendment agreed by County Council on 10 September 2020, the confirmation of a one-year Spending Review for 2021-22, the County Council's covid-19 monitoring returns, including comparisons with other authorities, Council Tax collection losses in the first five months of the year, and the ongoing unprecedented significant uncertainty over budget planning for the future, be noted.

246. Strategic and Corporate Service Directorate Dashboard

(Item 7)

1. Mr Godfrey and Ms Kennard introduced the report and highlighted the good performance against most targets, despite the impact of covid-19, with only 4 out of 25 being rated red, most of them dipping for only a short time.
2. In relation to target FN02, Mrs M Crabtree, Chairman of the County Council's Pension Board, highlighted that Mrs Barbara Cheatle and the pensions administration team had issued all benefit illustrations by the usual deadline despite the impact of covid-19 and the added work created this year by both the McCloud judgment and the employers' new exit cap. She thanked Mrs Cheatle and the team for their work.
3. Asked about the high call volumes under target CSO4B, Ms Kennard advised that the key performance indicators (KPIs) measured the number of calls received but not the time taken to respond. Ms Beer added that the number of out-of-hours calls had been higher than usual. She advised that the KPIs used reflected the contract requirements of Agilisys and offered to provide members with information on the time taken to respond to calls and the length of calls.
4. It was RESOLVED that the performance position for Strategic and Corporate Services be noted.

247. Work Programme

(Item 8)

1. It was requested that a separate report on the use of reserves (minute 245 above) would be prepared to accompany the usual Financial Update item, and Ms Cooke undertook to provide this.
2. Mr Watts advised that the Legal Commissioning item listed on the work programme would include the issues raised about LATCOs under the Technology Strategy update (minute 244 above). He also reminded the committee that its meeting in March 2021 was scheduled after the election notice was expected to be issued on 19 March 2021 and that issues for discussion during the pre-election period should be selected carefully.
3. There were no other requested changes and it was RESOLVED that the committee's work programme for 2021 be agreed.

248. Motion to Exclude Press and Public

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

EXEMPT ITEMS

(Open access to minutes)

249. Property Accommodation Strategy - Strategic Headquarters (SHQ) Update

(Item 9)

1. Ms Spore introduced the update report, which had been requested at the committee's previous meeting, and summarised key points. Ms Spore, Mr Oakford and Mr Watts responded to comments and questions of detail from the committee, including the following:-
 - a) asked about the impact and relevance of the Local Government White Paper and Local Democracy Initiative to the decision the County Council needed to make about its estate, Ms Spore and Mr Oakford advised that the timetable and recommendations arising from the White Paper were not yet known and would take time to be implemented. Investigative work on the future of the Council's estates could not be delayed to wait for it. It was emphasised, though, that the Council had not yet committed to any specific course of action or expenditure while investigative work was ongoing, and no design work or marketing was progressing. An update report would be made to the committee's January meeting;
 - b) concern was expressed that investigative work currently going on would need to be repeated once the outcome of the White Paper was known, and some Members expressed discomfort with the direction and speed of current work. Although reviews of use of premises had been regularly

undertaken, for example, New Ways of Working phases 1 and 2, such a project had not previously been undertaken in such difficult financial times;

- c) asked about current expenditure and the amount spent on engaging consultants, Ms Spore clarified the figures and advised that the planned spend set out in the previous report had not yet been committed and that design and feasibility work done was at no cost to the Council. Once requirements were understood, the SOC and funding model would be updated. She undertook to supply Members confidentially outside the meeting with details of the spend on consultants since January 2020;
- d) asked about the cost of making Sessions House covid-secure for the Coroner's inquest currently going on, Ms Spore advised that areas of the building sufficient to accommodate the inquest had been made secure and she undertook to supply details confidentially outside the meeting;
- e) asked what would happen if the Government did not renew its consent to hold virtual meeting and SHQ was not available for staff to move back in to, Mr Watts advised that he would report to the Selection and Member Services Committee later in November on how future meetings could be held. Planning was always ongoing for the next three months ahead. He undertook to seek confirmation from the Government, and if no confirmation about remote meetings had been forthcoming by February 2021, the Council would need to plan some way of achieving face-to-face meetings which were covid-compliant;
- f) asked about the work of the Kent Estates Partnership (KEP), Ms Spore advised that this included the NHS, police and other partners and covered all local authority property. There was renewed appetite in the County Council, district councils and all partners to review how accommodation was used. Asked about how the County Council and other partners, for example, the police, liaised about use of their respective estates, Ms Spore undertook to give Members further information about this outside the meeting. Mr Oakford reminded the committee that the Council had a duty to deliver services to Kent residents in the most efficient way; it was not just a question of the buildings used;
- g) asked about work to action the committee's resolution at its previous meeting, Mr Oakford advised that a working party had met and that he had written to the committee to update them on action to address the points raised.

2. It was RESOLVED that:-

- a) the report be noted, and Members' comments, set out above, be taken into account;
- b) the following requested information be supplied to Members before the committee's January meeting:
 - i) information about how the County Council liaises with partners, for example, the police, about accommodation issues;

- ii) a letter to Members to cover finance issues, including all costs of consultants and of making part of Sessions House secure for the Coroner's inquest;
- c) reports be submitted to the committee's January meeting as follows:
 - i) a full update on the outcomes of SHQ survey work, costs and next steps; and
 - ii) information about the Kent Estates Partnership in a separate report.

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From: Richard Long, Armed Forces Champion
 Mike Angell, Armed Forces Champion
 David Cockburn, Corporate Director of Strategic & Corporate Services

To: Policy & Resources Cabinet Committee

Date: 14 January 2021

Decision No: n/a

Subject: Annual Report on the Implementation of the Armed Forces Covenant in Kent

Classification: Unrestricted

Summary: This report provides a briefing on Kent County Council's work to support Kent's Armed Forces community, summarises key achievements since the last report to the Committee in November 2019, and seeks Members' support for the proposed future actions.

Recommendation:

Members are asked to NOTE all that is being done to deliver the Armed Forces Covenant in Kent and to ENDORSE the council's commitment to this work.

1. Introduction

- 1.1 The Armed Forces Covenant outlines the moral obligation between the Nation, the Government and the Armed Forces, at a local level. Kent County Council was one of the first authorities to sign a Covenant, back in September 2011. In October 2017, a new combined Armed Forces Covenant including KCC, Medway, 11 Infantry Brigade and RSME was re-signed at the Kent and Medway Civilian-Military Partnership Board.
- 1.2 The purpose of the Covenant is to encourage support for the Armed Forces Community (AFC) working and residing in Kent and to recognise and remember the sacrifices they have made for us to keep Britain safe and free.
- 1.3 The Kent & Medway Civilian-Military Partnership Board oversees the implementation of the Covenant and meets twice a year, supported by sub-groups covering the following themes:
 - Health and wellbeing
 - Children and Youth
 - Vulnerable Veterans
 - Employment and Skills
 - Recognise and Remember
- 1.4 Since last year's PRCC presentation, much has happened with **COVID-19** impacting on our ability to both work with and support the Armed Forces Community, but this has not dimmed our resolve to implement the Covenant.

2. Report from Peter Bruinvels, Civilian-Military Liaison Adviser, on activity during 2020

2.1 We were pleased to see the very public role taken by **1 Royal School of Military Engineers (1RSME) and 36 Royal Engineers** as well as the **Gurkha Engineers** first helping construct the **Nightingale Hospital** at the Excel Centre in record time - along with 1RSME designing the vehicles needed to undertake **Mobile Testing**. Nearly **105,000** tests were conducted through and on behalf of **11 Brigade** by Reservists including both **3 Princess of Wales Royal Regiment (PWRR)** headquartered in Canterbury and **4PWRR**, as well as **7Rifles** and the **Royal Navy and Royal Auxiliary Air Force** across the SE. Others were used in transporting PPE and oxygen cylinders and driving ambulances. We also had Military Planners in the **Kent Resilience Forum**. All of them provided exceptional support and advice. All are on standby again, if required.

2.2 Having gone out to **Brunei** in February 2020 with **Col John BAYNHAM – then Dep Cdr Designate for 11 Brigade** – this was immediately followed with the postponement of the Brunei swap because of COVID-19, involving **1 Royal Gurkha Rifles (1RGR)** based at Shorncliffe exchanging Barracks with **2 Royal Gurkha Rifles (2RGR)** currently based in Brunei which had been planned for July 2020. All the advanced work undertaken including the allocation of both housing and school places has not been lost. In September 2020, KCC officers were once again in touch with Hornbill School, Brunei Garrison obtaining the names of all those children due to arrive in Shorncliffe for the start of the Autumn Term 2021. Housing Officers from both Folkestone & Hythe and Dover are waiting to be involved. On 30 November 2020, the Initial Planning Conference took place to agree a forward plan and timetable to exchange the 919 Gurkha soldiers and their families from 1RGR with the 1274 Gurkha soldiers and their families from 2RGR. This will now depend on the control of COVID-19 and the personal approval of the Sultan of Brunei. Once approval is given, we are expecting a very smooth transition both ways next July / August 2021.

2.3 The Kent & Medway Civilian-Military Partnership Board continues to function despite COVID-19 and most recently met 'virtually' in October 2020, confirming its strategic aims and reflecting on the impact of Covid-19 on the armed forces community.

2.4 The Board's Sub-Committees have met virtually as well including: -

1. EMPLOYMENT AND SKILLS SUB-GROUP

- Resolved to promoting Royal British Legion Industries (RBLI) Lifeworks Programme and an ongoing mentoring scheme.
- FM Conway careers fair was held in February 2020 with 20/25 attendees.
- Promoting the transition from service personnel to civilian employment.
- Promoting spousal employment & skills

2. CHILDREN & YOUTH SUB-GROUP

- The Sub-Group reflected on the impact of Covid-19 on service children. Initial issues considered were around identification of key workers' children, and the emotional and practical difficulties for families caused by the delay in the Shorncliffe/Brunei move. In general service children are facing just the same challenges as all children, with support from the Army Welfare Service, for example, being largely virtual and most community activity cancelled.
- 'Living in Our Shoes', a report by **Andrew SELOUS MP**, was published in the summer - <https://www.gov.uk/government/publications/living-in-our-shoes-understanding-the-needs-of-uk-armed-forces-families>. The lead researcher came to our 2019 Service Children's Conference, spent the whole day there

talking to children and teachers, and subsequently followed up with Debra Exall and the headteachers, on a number of topics. The resulting report is very comprehensive, sensitively written and we feel the researchers have really listened to service children and families, and responded thoughtfully to the issues raised. The main report is very long, but it is reassuring, as we felt that in Kent and Medway we are well on top of the issues raised, as there were no surprises for us. The report is to be adopted nationally.

- **Cadets** have been operating many innovative virtual training sessions, which have been well attended and well received, where the instruction has often been by the Senior Cadets themselves. In August the Chains of Commands of the Sea Cadet Corps, Army Cadet Force and Air Training Corps suggested that the Cadets should be given a break from virtual training and then recommence in September, which they have continued to do so ever since in all manner of subjects from within their respective Cadet Syllabuses and other fun and inventive virtual activities.
 - The Sub-Group were pleased to note that **Richard LONG** had been appointed Commandant of Kent Army Cadet Force,
- 2.5 KCC and its Kent & Medway Civilian-Military Partnership Board ('KMCPB') have been very much at the forefront in supporting and mentoring Councils and is considered an Exemplar CMPB by 11X as it is the only Joint Board in England and Wales with both a Unitary (Medway) and a County Council (KCC) as joint members. Its way of work and terms of reference with its constitution has been used as a model of excellence in setting up the proposed Royal County of Berkshire CMPB which is to include all six Unitary Authorities. KMCPB is also supporting other authorities and bodies wishing to apply for **MoD Employers Recognition Gold Awards** in 2020 as 'military friendly' employers. I am pleased to advise that both Councils - **Medway Council** and **Dover District** as well as **Kent Fire & Rescue Service** were all awarded Gold, as was **RBLI**.
- 2.6 KCC through its Officers support all its Councils, including their **Armed Forces Champions and Covenant Lead Officers**, including myself, attending Civilian-Military Partnership Boards and Panels such as **Dover** and **Medway**. Training through **Forces Connect SE** was undertaken in Medway, Canterbury and Dover Council with many front line and contact centre staff trained, along with middle managers and other senior staff. Additionally, Peter Bruinvels issues a weekly **Armed Forces Champions and Covenant Lead Officers Update**, in which Kent features regularly - keeping everyone abreast of any developments involving the Military across the SE. If any Members would like to receive this, please contact Peter.
- 2.7 In October 2020, there was an online meeting of **Covenant Lead Officers** across the county to update each other on how matters were progressing. Most Officers have been seconded to Community Hubs and other teams supporting COVID-19 initiatives. However, what was clear was that all were keen to support the Armed Forces Community and some of them saw an increasing need for new Veterans Hubs and Drop-in centres post Covid-19 with many Ex-Service and Veterans experiencing loneliness and depression.
- 2.8 On 8 December, KCC and its Officers met with **Unit Welfare Officers** from across Kent and Medway to discuss welfare issues of concern as well as offering our support for that they are doing whether it concerns education, health and waiting list and spousal employment.
- 2.9 With COVID-19 around, there has been a temporary postponement of the setting up of two new **Veterans Hubs and Drop-In Centres** at Gillingham Football Club and

Dover White Cliffs – although the funds have been awarded. **Kent Fire & Rescue Service** plan to launch a Veterans Hub at **Canterbury Fire Station**. A brand new Veterans Hub for the Nepalese Community in Cheriton is also due to open soon. Kent County Council has worked closely with the Folkestone Nepalese Community Association on their proposal for the site which sits within the same building as Cheriton Library. This will ensure that the vital role the Library plays in the local community continues to be strengthened. This new centre will also be supported by Folkestone & Hythe Council.

- 2.10 Following **11 Brigade** being asked by the **MoD Covenant Team** to set up a **SE Focus Group** to look at possible **Armed Forces Covenant Legislation** and its impact on Local Authorities once the Covenant is enshrined in law, we were asked to look especially at Disadvantage, 'Due Regard', Judicial Reviews, Healthcare, Housing and Education. The plan is for the Focus Group to put forward suggestions to 'tighten up' the Armed Forces Covenant that might then be enshrined in law – firstly by a Green Paper and then through an **Armed Forces Bill**, to be introduced in the New Year in Parliament. The Focus Group is being convened by 11 Brigade with **Richard MOORE** as Convenor and **Peter BRUINVELS** as Facilitator. KCC and its partner Councils have representatives on Education and Due Regard with Equalities. **Tim WOOLMER** led for Judicial Review with his research being commended by the MoD Covenant Team. The SE is viewed as extremely 'military friendly' and already doing most of what the proposed legislation will 'ask' us to do. In summary, the SE already does the 'right thing' without the need for any new legislation. One recommendation already coming through is that the Armed Forces Community should also be trained along with frontline staff on what the Armed Forces Covenant 'does and does not do' in support of them. All of us are keen to 'manage expectations' and this has become even more important with an increase in demand from regular and ex-service personnel seeking the best school or one of best houses in Kent.
- 2.11 I am very pleased to report that **Forces Connect South East** was joint runner-up in this year's **Soldiering On 'Working in the Community' Awards** - sponsored by **Forces in Mind Trust**. We were awarded **£321k** in total and trained over **7000** people all about the Armed Forces Community, the Armed Forces Covenant and Armed Forces Family across the UK - including Elected Councillor Armed Forces Champions; Covenant Lead Officers; Contact Centre Staff; senior and front line staff in local authorities, Police, Fire & Rescue and Health, and voluntary sector partners including Age UK and Citizen's Advice. We toured the UK in those 20 months from Scotland (Inverness) to Cornwall. Our App was funded through the Covenant Fund and has had over **9500** downloads. We had a great partnership, and we know it really worked. It was also very pleasing to report that **536** KCC employees have been trained online on the Armed Forces Covenant and the Armed Forces Community and their issues. This is the highest number of staff trained in any Council across the UK.
- 2.12 During the Summer. we were able to celebrate **VE Day 75** with both Canterbury and Rochester Cathedrals in a limited way as we were **Armed Forces Day**, where a KCC video was produced by the Chairman and Lord-Lieutenant with a virtual Flag Raising. Sadly, we had to cancel our Special Reserves Day event. **VJ Day 75** involved a special restricted and socially distanced service of Evensong at Canterbury Cathedral. Advice was given on what we were allowed to do for **Remembrance Sunday** - even before the PM's Lockdown statement. There has been almost universal sadness that Church Services on Remembrance Sunday did not take place – although many outdoor ones did. **The Cenotaph in Whitehall** looked pretty eery, surreal and sombre despite all the key people being present including **HM The Queen**. All were socially distanced, and we really missed the mass parade with just **26 Veterans** marching by with **150** military in attendance. The **Royal British Legion**

Festival of Remembrance went off well despite it being closed to the public. Both Canterbury and Rochester Cathedrals held restricted services.

- 2.13 Meetings with our new **Task Force Commanders**, Armed Forces Champions and Covenant Lead Officers as well as with Kent Unit Welfare Officers are planned for early in the New Year.
- 2.14 At the **SE Regional Employers Engagement Group (SE REEG)** held in October, I was asked to brief the **49** members online on my role as **Chairman of the Gold Awards Association** in the **SE**. Members were keen to have training on developing the Armed Forces Covenant with Forces Connect SE training being praised. A good suggestion was that Gold Employers including Councils should mentor Silver Employers. It was an excellent opportunity to be able to praise the commitment of all our Armed Forces Champions and Covenant Lead Officers in Kent.

3. Priorities for 2021

- 3.1 It is not possible to forward-plan activities in the usual way, given the uncertainties created by the public health measures needed to respond to Covid-19, and the resulting lack of officer capacity to dedicate to Covenant activities. We will continue to be driven by the Kent & Medway Civilian Military Partnership Board's Strategic Aims:
- Promoting, publicising and co-ordinating events that **increase the visibility** of the Armed Forces Community to the civilian population
 - Recognise & Remember Sub-Group: publicise the calendar (including veterans' activities);
 - The Children & Youth Sub-Group will continue to raise awareness of military life and the impact for families amongst schools with only a few service children.
 - The Annual Conference and the Service Children's Conference contribute to achieving this aim, and we hope to deliver these, possibly virtually, in 2021.
 - Raising awareness of the **Armed Forces Covenant** amongst public sector staff, and making it easier for the Armed Forces Community to access information, advice and support
 - Build on the legacy of Forces Connect SE, ensuring the work is embedded and built upon.
 - Encourage Unit Welfare Officers to be more proactive in ensuring the armed forces community understand what the Covenant is (and what it is not) and how they are being supported across Kent.
 - Raising awareness amongst schools of the specific needs of **service children** and their families, including the Gurkha families
 - Children & Youth Sub-Group – range of actions identified
 - Service Children's Conference 2021 (virtual if necessary)
 - 2021 Brunei/Folkestone Unit Move (1RGR/2RGR swap) – particularly the community engagement aspect.
 - Maintaining a focus on how the **most vulnerable** within the Armed Forces Community can be supported to access what they need to thrive in their future civilian life
 - Improve identification of those veterans who have greatest needs, via networking across public services and the voluntary sector and improving signposting to support. Much of the collaborative work undertaken across partner organisations to support vulnerable people through Covid-19 lock-down has provided a strong platform upon which to build.
 - Increase signposting and support for financial and debt management services – and again, Kent Together provides a basis for this.
 - Supporting and promoting **recruitment** of volunteers and Armed Forces Reservists
 - Develop a proposal for a Kent-wide campaign to encourage more Adult Volunteers for the Cadets, and case workers for the military charities (including targeting retired veterans)
 - The Employment & Skills Sub-Group is taking a lead on promoting the benefits of employing Reservists to the private sector, in conjunction with SERFCA

- Plan and promote Reservists Day 2021

4. Conclusions and Recommendations

- 4.1 Policy & Resources Cabinet Committee is asked to NOTE all that is being done to deliver the Armed Forces Covenant in Kent and to ENDORSE the council's commitment to this work.

Debra Exall

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

To: Policy and Resources Cabinet Committee – 14 January 2021

Subject: Draft Capital Programme 2021-24 and Revenue Budget 2021-22

Classification: Unrestricted

Summary:

The Budget Report, published on 6 January and supplied to Members, sets out the background to and draft proposals for the 3 year capital programme and 2021-22 revenue budget. The report sets out the key strategic considerations underpinning the decisions to be taken by County Council to agree the budget at its Budget Meeting in February 2021.

Recommendations

Members of the Policy and Resources Cabinet Committee are asked to:

- a) NOTE the draft capital and revenue budgets, including the responses to the budget consultation; and
- b) RECOMMEND any changes to the proposals in the draft capital and revenue budgets before they are presented to Cabinet on 25th January 2021 and full County Council on 11th February 2021

Contact details

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From: Roger Gough, Leader of the Council and Mike Hill, Cabinet Member for Community and Regulatory Services

Zena Cooke, Corporate Director of Finance

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance

To: **Policy and Resources Cabinet Committee- 14 January 2021**

Subject: **Update on Civil Society Strategy and Support to the Voluntary Sector during Covid 19**

Classification: Unrestricted

Future Pathway of Paper: N/A

Electoral Division: Countywide- all divisions affected

Summary:

This report is intended as an update on activity that has been undertaken to support the Voluntary Sector during the Covid 19 pandemic and our plans to support the sector into recovery. Prior to the pandemic, we had been consulting on a draft Civil Society Strategy and this report sets out our commitment to revising that strategy post Covid.

Recommendation(s):

For P&R Cabinet Committee to:

- 1) Note the contents of the report
- 2) Comment on the plans set out both in terms of the support to the sector and the revised Civil Society Strategy.

1. Background

- 1.1 Whilst Covid 19 has challenged us all, both personally, and professionally it has also shown the strength of our communities and the voluntary sector as a core part of that. The voluntary and community sector (VCS) has always been a key partner to KCC, through both its service delivery but also more widely in the role that voluntary organisations play within our communities. It is this informal social infrastructure within our communities that has really come to the fore during the pandemic and which sprang into action to support neighbours and friends, responding much quicker than more formal interventions could be put into place.
- 1.2 We have also seen many people volunteering in their local communities during the pandemic, the growth of new grassroots organisations and local initiatives that have supported people when they most needed it; all of this worked alongside the continued support offered to individuals from trusted voluntary organisations. It is this diversity that

we sought to reflect in the new Civil Society Strategy¹, a report on this came to P&R Cabinet Committee in November 2019. The consultation was subsequently launched in February 2020 and ended shortly after lockdown in April. However, given the impact of Covid we decided to pause the strategy to allow time to reflect and review.

- 1.3 The Interim Strategic Plan agreed by County Council on 10 December made a commitment and reference to supporting a strong Civil Society and the Voluntary sector as a core part of that and it is our intention to revise the strategy over the first quarter of this year. Largely the themes and direction of the strategy remain relevant, perhaps even more so but the context has changed and the pressures facing individuals, communities and local government will need to be reflected upon.
- 1.4 This report is therefore intended as an update on the work we have undertaken with the voluntary sector during the pandemic, the support put in place and our proposals as we move into recovery. This has been and will continue to be shaped by the experiences and insights of the sector through our partnership working.

2. Partnership work and support to the VCS during Covid 19

- 2.1 The Recovery Co-ordinating Group, led by KCC was put in place to respond to Covid 19 and established several cells to support this work. One of these cells was focused on the Voluntary Sector and chaired by Josephine McCartney as Chief Executive of Kent Community Foundation, a grant making organisation. There were a range of representatives on the cell to reflect the diversity of the sector and to ensure representation of those areas where we predicted an increase in demand for support: for example, financial hardship, homelessness, mental health, support for older people, domestic abuse and food and fuel poverty. The cell produced an impact assessment and action plan outlining the necessary actions to support recovery, and these were fed into the overarching Kent and Medway Recovery Strategy and action plan.
- 2.2 This work has been invaluable, not only in understanding the impact of Covid on the VCS but also enabling dialogue between KCC and the sector, opening up new partnership arrangements and creating a space for strategic engagement on key issues facing both the sector and our communities. It is fair to say that KCC has played a strong leadership role in terms of convening partners both across the public sector and the Voluntary Sector during the Covid-19 response and this will now be sustained through the arrangements we are putting in place going forward.
- 2.3 In addition, KCC also made funding and support available to the sector. In the early stages of lockdown, the decision was taken to award £200K to Kent Community Foundation's (KCF) Emergency Fund. This was in recognition of a need to provide support to organisations now facing financial difficulty because of lost income. The organisations supported were wide ranging, including food distribution organisations and charities supporting older people and children and families. The decision to work with KCF to distribute this funding was not only because of their trusted position and visibility within the sector itself but also their ability to leverage funding from a range of sources, meaning KCC's contribution went much further and the totality of funding coming into Kent was increased.
- 2.4 This approach was also taken when KCC received £1.7m of the £63m Emergency Assistance grant allocated by the Government to support households with food and essential supplies. This funding was allocated across districts and KSAS (Kent Support and Assistance Service) but also to KCF to develop both hardship grants to individuals (referred by a professional or charity not self-referral) and grants to VCS organisations

¹ *By civil society, we mean all those individuals, informal and formal groups and organisations that operate outside of state control and for the primary purpose of social good.*

who were supporting those in financial difficulty, particularly with access to food and debt advice, and were seeing an increase in demand for their support. This approach enabled us to extend the reach of this funding, to those most in need across the County and those that did not meet the criteria of KSAS. This funding was allocated very quickly to individuals in need and we subsequently made the decision to award additional funds to meet demand.

- 2.5 Following feedback from the voluntary sector, we also awarded a small amount of funding to support the delivery of virtual peer to peer networks delivered by Social Enterprise Kent and subsidised some online training packages to assist smaller organisations to get their workplace and workforce Covid ready.
- 2.6 The voluntary sector is also a significant service delivery partner to KCC, and we are the largest contributor to the sector in Kent through payments for a range of support and services. To give some context, KCC spent £114m with registered charities in 2018/19; this went to 529 organisations for a range of services and support. Kent based charities received the majority of this funding (£63.8m) and those based outside of Kent £50.2m. Of this £114m, £10.4m was paid out in grants of this £5.8m went to Kent based charities. Many of these financial arrangements we have with the sector are for the delivery of services under contract. Therefore, during Covid we also put in place support for VCSE providers who were in financial distress as a result of the pandemic; this was through payments to support cash flow (e.g. payments in advance, payments where services weren't being delivered, etc.) and payments to cover additional services the sector were delivering for us in response to COVID-19. The total value of this financial support was just over £8m. (This does not include what was paid out to provide PPE throughout the peak of the crisis).
- 2.7 More recently in response to the findings of the VCS recovery cell impact assessment and to deliver against the recovery action plan, we developed a new Strategic Recovery Fund for the voluntary sector, which was launched in December. This is being administered by Kent Community Foundation who have the expertise and resources to get this fund up and running quickly and support organisations in their application. This fund is intended to provide small grants ahead of the new financial year for organisations to access expertise and support to adapt to the "new normal" post Covid 19. It will be used to support organisations to develop/adapt business plans and strategies to put them in a stronger position to thrive and in recognition that organisations will need to diversify their business models to adapt to the current challenges.
- 2.8 We know from conversations with other funders and from our own funding arrangements, that business and financial planning and strategies can be a weakness in the sector, as many organisations do not have the time or capacity to prioritise these areas. We hope the Strategic Recovery Fund will provide the headroom to develop longer term strategies that will help the sustainability of organisations. We shall use the monitoring and evaluation from this funding to help inform the development of our future support offer and will share this with other funders such as National Lottery Community Fund, who we know from conversations are also looking at infrastructure support for the sector as a priority area going forward.

3. Partnership working beyond Covid 19

- 3.1 The partnership working we have seen during Covid 19 was a huge positive amongst the many challenges and difficulties faced. The VCS recovery action plan proposed the establishment of a new VCS Strategic Partnership Board and Steering Group to facilitate partnership working post Covid and ensure we do not lose the invaluable dialogue we have established.
- 3.2 We have now established this VCS Strategic Partnership Board that will be meeting for the first time later in January and bring together other representatives from KCC, the District

Councils, NHS Kent and Medway CCG and the voluntary sector. It will be chaired by Mike Hill as Cabinet Member for Community and Regulatory Services, with a standing invite for Roger Gough as Leader. This is an informal KCC board; it will not cut across the sovereignty of organisations, their individual budget and commissioning decisions or be a formal decision-making body of the County Council. It will provide a report to Cabinet, Corporate Management Team and P&R Cabinet Committee annually. The Board will provide a vehicle to deliver the actions, involving statutory agencies, that were identified by the recovery cells in relation to the VCS, provide a forum for strategic discussion between the sector and statutory partners including key strategic issues impacting on the VCS in Kent and its resilience. It will also provide an opportunity for early engagement with the VCS on the development of strategy and policy.

- 3.3 Alongside this, a VCS Steering Group has been established by Josephine McCartney as legacy to the VCS recovery cell work and Josephine will provide the link between the Partnership Board (as the VCS rep) and the wider steering group. This Steering Group will provide representation across the VCS and members of the group will act as champions for the beneficiary groups or communities they represent, they will not be there to represent for their own organisation's interests. The purpose of this steering group will be to ensure that the recovery actions are taken forward, to lobby effectively on issues affecting the most vulnerable in our society at both local and national level, represent the issues facing people in Kent and the sector and provide the strategic engagement mechanism with the Strategic Partnership Board. It will also become a platform for collaboration within the sector and seek to drive funding collaboration amongst different funders across the private and statutory sectors. It will ensure that it is representative of the sector, including small organisations by reaching out and being approachable to the wider sector in Kent.
- 3.4 We believe these new arrangements will provide the opportunity to engage with the sector in a way that supports innovation and healthy challenge and is testament to our commitment as a County Council to working with the sector as a significant partner. This partnership working will and must go beyond a financial relationship and provide the platform for a dialogue that seeks to support our communities and tackle the challenges we face collectively, whilst recognising the pressures we will all face. This will rely upon a commitment from public sector partners to support the VCS to be sustainable and not look to the sector to bridge the gap of the state in a way that creates instability and financial weakness in the sector. It will also need to see the sector as equal partners around the table and not simply involve one sided dialogue about funding, where the statutory partners are perceived to hold all the power. There will be difficult decisions ahead and there cannot be a blind expectation that the charity sector 'safety net' can simply pick up demand in the way it has previously, to act as a buffer to public services and nor can there be an expectation that the state can afford to fund such a role.

4. A revised Civil Society Strategy 2021

- 4.1 The Interim Strategic Plan committed to revising and agreeing a Civil Society Strategy to support the sector in its wider role in building individual and community resilience and to recognise the importance of social infrastructure. As stated, a draft strategy had already been consulted upon pre Covid and we believe much of the direction and priorities set out remain relevant, perhaps more so. However, given the significant impact of Covid we will be revisiting this and will ensure it reflects both the impact of Covid and the recovery work that has taken place. We hope to agree this strategy over the next few months and will use the new Partnership Board and Steering group to inform this revision.
- 4.2 A significant focus of the draft Civil Society strategy pre-Covid was in supporting the wider sector, recognising the important part civil society plays in creating vibrant communities and a sense of place. We set out in the draft strategy a range of ways of supporting the sector. This included improved and more strategic engagement mechanisms, we hope now to be achieved through the Strategic Partnership Board and Steering Group, access

to business support and expertise, which we are piloting through the Strategic Recovery Fund and in relation to small community groups, we considered crowdfunding platforms as one way we could help to support community action. Small community groups and organisations are often running the local community assets, sports groups and art clubs that make up our communities but it is also these informal support networks and activities that have brought great comfort to people over the past year in particular.

4.3 Crowdfunding has been around for some time, however, Covid has changed the fundraising landscape, with organisations being unable to raise funds through the more traditional approaches such as events, summer fetes, cake sales, whilst grant applications have become even more oversubscribed and in some cases focused on Covid delivery excluding some community based organisations from applying. We have therefore decided that we will pilot Crowdfunding in Kent working with the Spacehive platform and hope to launch a Kent Fund as a pilot in February, with funding rounds starting in the Spring. The Spacehive platform is specifically focused on Crowdfunding civic projects, that support local improvement and already work with many local authorities and the Mayor of London. Crowdfunding is particularly suited to small organisations and local projects, with the average funds raised being around £10K. It is these small, informal groups and organisations who have been the support within our communities, particularly over the past year but are also likely to be facing difficult times ahead. Crowdfunding is designed to bring in funding from multiple sources, therefore any funding pledged by KCC will be matched.

4.4 The Kent Fund will aim to support community-based projects and there will be a number of workshops organised by Spacehive for the voluntary sector, to provide them with an introduction to Crowdfunding, to create interest and offer support for those interested organisations. The projects KCC will support within the Kent Fund will need to meet the following broad objectives:

- Supporting community action in Kent, particularly activities that are focused on supporting people who are facing financial difficulties or who are isolated as a result of Covid.
- Supporting community assets and venues in Kent, that contribute to our local communities and local connections, improving wellbeing.
- Helping to maintain the volunteering offer/social action we have seen during the pandemic post Covid 19.

4.5 The crowdfunding will be funded through the Civil Society budget, agreed to support the delivery of the strategy; however, where projects are clearly an immediate response to Covid 19 there may be opportunities to supplement the budget with Covid grant funding. Additional funding could also be allocated to the Kent Fund should we wish to broaden the scope. We will continue to define the Kent Fund as we understand its success.

4.6 In addition we will seek to put in place further support to the sector to support the delivery of the strategy and the recovery action plan and will work alongside the Steering Group and Strategic Partnership Board to determine the best model of support, also taking learning from the Strategic Recovery Fund and Crowdfunding as they progress.

5. Conclusion:

5.1. Whilst Covid 19 has presented many challenges and we know the year ahead will be difficult, what we have seen during the pandemic is a desire to overcome barriers, work together and focus on the individuals and communities that have needed support. The VCS and wider Civil Society have shown strength and flexibility during the pandemic, however the challenges that existed before have perhaps been magnified. We know many organisations will find the next year challenging and some will not survive; however, the

partnership working, we have seen and which will now continue, will provide the opportunity to engage with the sector in a way we have not seen for some time.

- 5.2 A revised Civil Society strategy, and the support we put in place to deliver it, will help to build a sustainable VCS but also ensure that we have a vibrant Civil Society in Kent. The importance of local connections and social infrastructure in supporting people during difficult times has been seen across our communities over the past year and this will be needed perhaps even more so as we begin to recover. This agenda, a priority before Covid, will certainly continue to be so for the foreseeable future.

Recommendations:

For Policy and Resources Cabinet Committee to:

- 1) Note the contents of the report
- 2) Comment on the plans set out both in terms of the support to the sector and the revised Civil Society Strategy.

7. Contact Details

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From: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee
14 January 2021

Decision No: N/A

Subject: Facilities Management Procurement Update

Classification: Unrestricted

Past Pathway of Paper: Policy and Resources Cabinet Committee 29th January 2020
Policy and Resources Cabinet Committee 29th July 2020

Future Pathway of Paper: November 2021 and January 2022

Electoral Division: All

Summary:

This paper updates Members on progress with the Facilities Management re-procurement.

Recommendations:

The **Policy and Resources Cabinet Committee** is asked to **note** progress.

1. Background

- 1.1 The Council currently commissions Facilities Management services (including statutory compliance, planned preventative maintenance, project services, helpdesk, cleaning, catering, waste, feminine hygiene, pest control, handypersons, portage, mail delivery, landscaping and ground maintenance, reception and security) with two providers, Amey and Skanska for the KCC Corporate Landlord Estate, and statutory checks for schools (which fall under the responsibility of KCC).. The Council also makes available waste, cleaning and catering services through separate contracts to the TFM providers.
- 1.2 The current TFM contracts have been extended to October 2022 with the option to break from May 2022. The extension was agreed to support service continuity and enable the market to re-establish itself following the COVID-19 pandemic and allowed the re-procurement of the Facilities Management (FM) contract to progress.

1.3 As set out in the paper that was presented to the Policy and Resources Cabinet Committee on 29th July 2020, the delivery model chosen is to procure one county wide hard FM contract and multiple soft FM contracts. This is a change to the current delivery model and therefore work is underway to split the current contract. The disaggregation is key to a smooth transition alongside putting in place interface agreements between the different contracts.

2. Update on Progress and Activity since July 2020

2.1 Drafting of contractual documentation has been ongoing including:

- Head contract
- Specification
- Service Matrix
- Performance Model
- Performance Indicators
- Performance Schedule
- Mobilisation Schedule
- Contract Exit Strategy
- Selection Questionnaire - technical questions

2.2 Meetings have continued with stakeholders to discuss specific elements of the contract and their requirements in relation to this.

2.3 A procurement timetable has been developed along with interdependencies for the delivery of the agreed FM model moving forward.

3. Contract Management

3.1 In parallel with the procurement workstream a review of the structure of the KCC Facilities Management team is underway. This looks to align the management team with the new contract structure and to ensure that the skills within the services meet the type of contracts in place and addresses the needs of the contract.

3.2 Strong contract management will be required to hold the providers to account in conjunction with clear KPIs. The KPI model is being developed alongside a reduction in the number of KPIs to focus on key areas, including a ratchet and earn back ability to further incentivise providers.

3.3 The delivery model also allows for improved closeness to the supply chain particularly in relation to the soft services which enables direct communication and the ability for companies to make suggestions for innovation and improved ways of working.

4. Programme

4.1 The programme has been revised and it is envisaged that the procurement activity will start in March 2021 for the Hard FM Services contract. Prior to issuing the OJEU notice, the market conditions will be reviewed considering the end date of the current contracts, which is October 2022.

4.2 The programme is split into a number of separate workstreams with the critical path running through the Hard FM contract, as this is the most complex. For the soft services there will be a number of different programmes depending on the service line and procurement route chosen. The key dates are set out below. The most important elements on the critical path are:

- Issue of OJEU notice for Hard FM Services which starts the formal procurement process
- Shortlist suppliers following Supplier Questionnaire evaluation
- Submission of bids/final bids
- Key Decision to award contract with delegated authority within specific parameters

4.3 The timetable also identifies key update points for the Policy and Resources Cabinet Committee as part of the proposed contract award.

Year	Month	Activities / Milestones
2020/21	January to March	Preparation of Draft Tender Documents for Hard Services
2021	March	Issue OJEU, Selection Questionnaire (SQ) & Draft Tender Documents
2021	April	SQ Returns & SQ Evaluation
2021	April	SQ Evaluation Report, Shortlist Approvals
2021	May	Issue Tender docs to shortlisted bidders
2021	May to July	Tender Period
2021	July to November	Negotiation and down selection of bidders
2021	November	Policy and Resources Cabinet Committee prior to a Key Decision on contract award with delegated authority to enter into contract subject to specific terms
2021	December	Final Tenders
2022	January	Evaluation Report, Approvals, Preferred Bidder, Contract Award & Standstill Period
2022	January	Policy and Resources Cabinet Committee update on final bidders and award
2022	February	Contract(s) Preparation & Signature
2022	March	Mobilisation Commences
2022	March to August	Mobilisation (includes additional 3 months contingency)
2022	August or October latest	Service Commencement

Please note this programme is assuming that there are no further COVID-19 delays, hence the additional mobilisation period.

5. Next Steps

5.1 Over the next few months the focus will be:

- Finalisation of the contract documents including the technical schedules and interface agreement
- Finalisation of Supplier Questionnaire (SQ)
- Developing the soft FM services programme and specifications

5.2 The key milestones will be completion of the specification, contract documentation and evaluation criteria for Hard FM Services, prior to the issue of the OJEU notice for Hard FM Services.

6. Recommendation(s)

Recommendation(s):

The **Policy and Resources Cabinet Committee** is asked to **note** progress.

7. Background Documents

None

8. Contact details

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From: Peter Oakford, Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services

Rebecca Spore – Director of Infrastructure

To: Policy and Resources Cabinet Committee – 14 January 2021

Subject: Construction Partnership Commission

Classification: Unrestricted

Future Pathway of Paper: For Cabinet Member decision

Electoral Division: Countywide

Summary: The Council's Principal Contractors Framework for construction projects expires on 30 September 2021. A new delivery model is required to allow future schemes to be procured expediently and efficiently in line with modern best practice. A key factor in considerations is the sizeable reduction in the number and value of projects in the pipeline compared to previous years. This will necessarily reduce the number of contractors awarded construction projects by the Council.

Four options have been considered with detail outlining the recommended approach to explore the Construction Partnership model before seeking a formal decision in the second half of 2021.

Recommendation:

The Policy and Resources Cabinet Committee is asked to note the preferred option and procurement timetable.

1. Introduction

- 1.1 The Principal Contractors Framework started in October 2015 with the appointment of 17 contractors across two lots (split by value). This was used to procure property projects including school improvements, and to date £99m has been spent. However due its limitations, the Council has had to utilise other frameworks let by other authorities, and together with a reduced future works pipeline, the current arrangement cannot continue. The pipeline from 2021/22 to year 2023 and beyond will be significantly less than the previous year's spend (Appendix A refers).
- 1.2 Over the past three years, seven contractors have been used to deliver projects, with the majority delivered by Kier Southern Ltd, WW Martin Ltd and Baxall Construction Ltd who all have a local office in Kent (Appendix B refers).

- 1.3 The pipeline reduction is also attributable to the large proportion of educational projects funded by Department for Education (DfE), who stipulate the use of their own central frameworks for these works (over £10m) and local projects managed by the schools themselves.
- 1.4 While the Principal Contractors Framework has been open to third parties (other authorities such as Districts and the NHS), the uptake has been minimal as there are alternative competing frameworks and contracting arrangements which offer quicker and more agile routes to market (e.g. Procurement Hub and SCAPE). These routes to market charge for access (typically 0.5% of the project cost), which is something the Council does not want to pay and should be at the forefront of procuring its own strategic contracts for use by others in the County.
- 1.5 The current arrangement is due to expire on 31 September 2021 and there is no scope to extend the agreement. Should any project be required after this date, there is no other option but to utilise another framework or commence a competitive procurement process.
- 1.6 This paper recommends exploring the construction partnership approach and conducting market engagement before returning to the Policy and Resources Cabinet Committee with the findings.

2. Delivery models

- 2.1 To date four options for the future provision of these works have been considered, as set out below.
 - Option 1 – **Extend the framework**
Discounted as maximum extensions already taken
 - Option 2 – **Re-procure framework on a like-for-like basis**
Discounted as pipeline cannot sustain number of contractors going forward and does not address key operational and commercial issues with respect to current framework
 - Option 3 – **Use alternative frameworks**
Discounted as unlikely to access Kent based contractors and pay a margin for the use of other frameworks
 - Option 4 – **Explore Construction Partnership Approach**
Carried Forward
- 2.2 This paper will detail Option 4 and review the benefits and challenges facing the Council and its partners should it implement this strategy.

3. Construction Partnership

- 3.1 It is proposed to develop a construction partnership with fewer contractors to deliver the pipeline of work. If adopted, this will lead to significant change in the way that the Council delivers its construction projects.
- 3.2 Up to three contractors will be appointed to the new partnership framework and those active will be awarded work on rotation. This will minimise the need to undergo a competitive process (current position), which can take time and can cost up to £50k per procurement excluding the Council's own resources.
- 3.3 Overheads, profit margin and key rates will be agreed prior to the implementation of the framework, with individual project costs being reviewed on an open-book and collaborative basis. This will reduce resource duplication across all parties and streamline the route to market compared to the current position. There will be an opportunity to work directly with the reduced supply chain in a partnership approach.
- 3.5 There is no workload guarantee in the framework agreement so it will be worth zero value. All schemes awarded to contractors will incorporate their own contract and such projects will need to be taken through the appropriate governance process. This agreement will provide an efficient route to market for approved decisions.

4. Benefits and Challenges of Construction Partnership

- 4.1 This approach will increase procurement speed and offer greater flexibility in the event of future pipeline changes. Working directly with a few contractors (expected to be Kent based) will reduce their bidding costs which, in the current service model are passed on to the Council. It will also provide greater certainty of work to enable long term investment in skills and innovation. This could support the social value agenda by boosting the local economy with jobs, apprenticeships and community projects.
- 4.2 Risk is a complex matter, for which contractors' price at tender stage. Working in an open and collaborative approach allows shared risk pots to ensure that risk is only paid for if it is realised. This will benefit both parties in their ability to manage risk in an appropriate manner.
- 4.3 There are a number of frameworks operating in the South East, mainly contracting with large national and multinational organisations. Having a local construction partnership will entice other public sector parties to utilise it. Implementing a 0.5% contribution for third party work will help recoup the money spent on the procurement.

- 4.4 In 1994, the Latham report (commissioned by UK government) urged reform and advocated partnering and collaboration between construction companies and their clients. This is further supported by standardisation of contract terms (e.g. NEC/JCT) which promote mutual trust and cooperation. This changes from the current, more traditional way of contracting, where there is a perceived mentality of achieving the lowest price through this way of working. This has been reaffirmed by the Construction Playbook which become national policy during 2021.
- 4.5 Reducing the number of contractors the Council commissions for this work is expected to be contentious, but with a limited pipeline there is not enough work to give a commercially attractive offer to more than three contractors. This is an opportunity for the Council to seek the right partners and, if competition is high, achieve better value.
- 4.6 The contractors that worked under the current arrangements will have to further develop an open relationship and provide greater cost transparency. Securing a pipeline of work and not having to bear bidding costs once in the partnership is a much sought-after upside for them. With the ability to directly award projects, there will be an increase in contract and performance management to ensure those contractors who deliver to time, quality and cost are rewarded future work.

5. What will this approach achieve?

- 5.1 This approach will help create sustainable relationships which will keep bid costs down and lower project build costs. Furthermore, there will be increased flexibility and agility when commissioning new projects.
- 5.2 Working with strategic partners and standardising contract terms will help facilitate early engagement to plan for future projects. Commissioning an appropriate number of projects for fewer contractors will lead to greater investment in the local area, which will assist small and medium sized enterprises (SMEs) and contribute to greater social value, apprenticeships etc.
- 5.3 The Construction Playbook has been issued by Central Government, which points to a more collaborative way of working with the construction sector. This Construction Partnership approach adopts best practice from this publication and ensures KCC moves towards a better relationship with its contractors and supply chain. [Link to Construction Playbook](#)

6. Next Steps

The current framework expires on 30 September 2021. To ensure the timely delivery of the new framework, the following milestones must be met:

January – February 2021

Undertake market engagement and review the pipeline requirements. Finalise and seek approval of the final procurement strategy to deliver the preferred service delivery model. This will include the value of works and how many contractors will be appointed to each lot.

March – April 2021

Prepare for the procurement process and develop the documentation.

Policy and Resources Cabinet Committee

Return to the Policy and Resources Cabinet Committee with updated information and seek endorsement of the chosen strategy. This could take place on 3 March or June/July 2021.

April – August 2021

Conduct a two-stage procurement process, including a Selection Questionnaire. Following an initial tender period, there will be scope to negotiate with tenderers to clarify the requirements and finalise price submissions.

September 2021

Complete the evaluation report and seek governance approval to award the framework. Commence the mobilisation period to ensure contractors are ready to begin work from 1 October 2021.

7. Recommendation(s)

Recommendation(s):

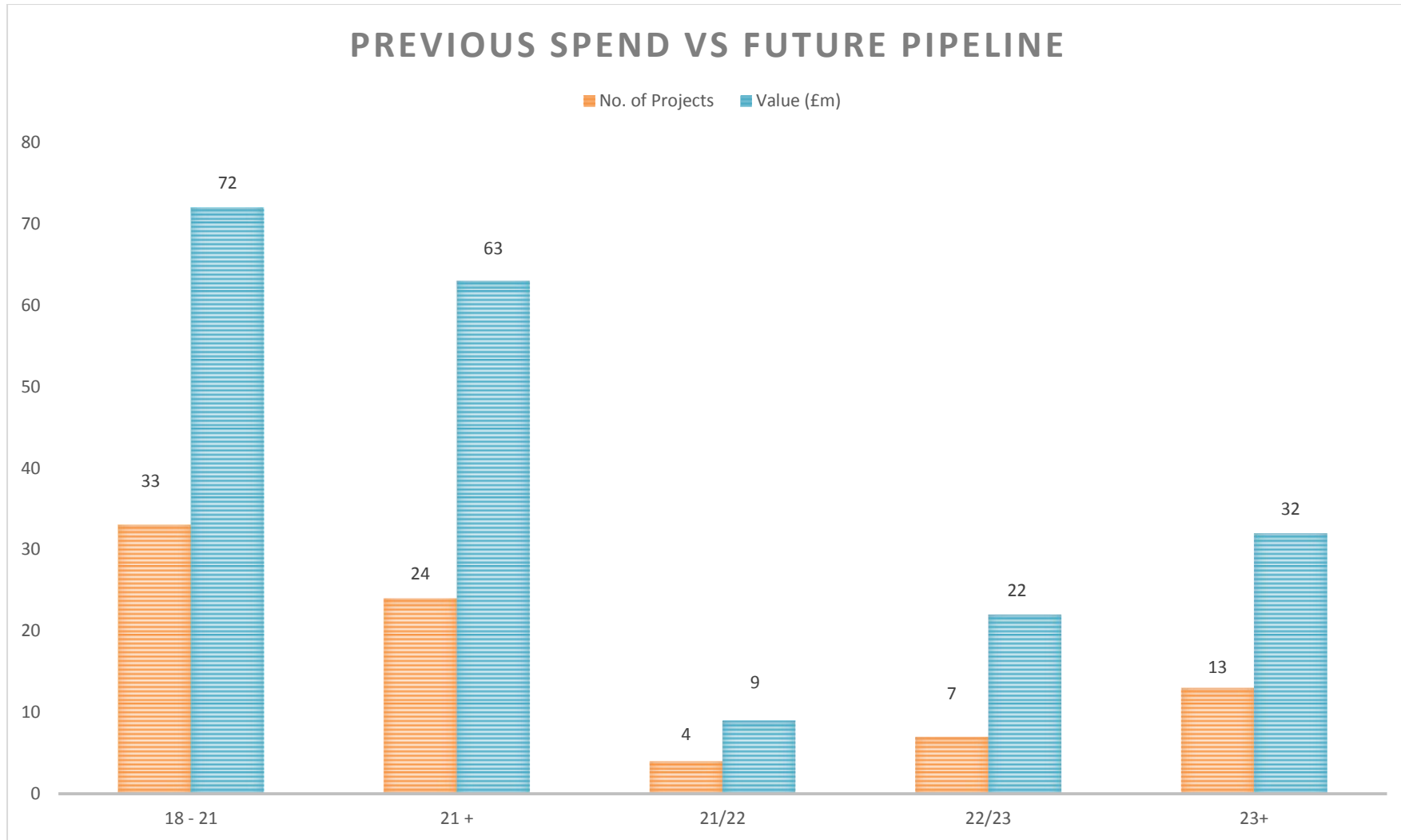
The Policy and Resources Cabinet Committee is asked to note the preferred option and procurement timetable.

8. Contact details

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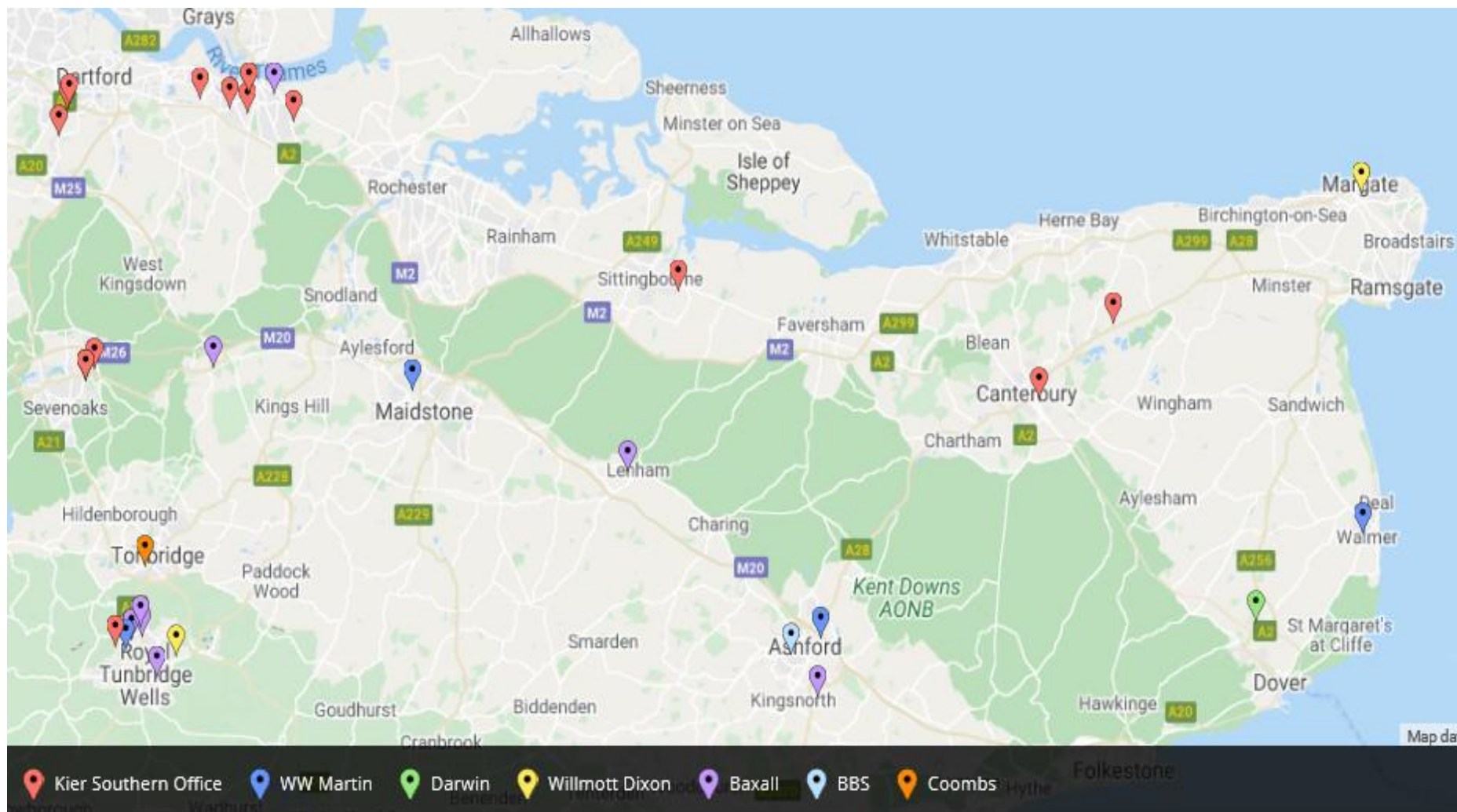
Appendix A

Scheme previous vs future spend



Appendix B

Delivered projects split by contractors



From: Peter Oakford, Deputy Leader, Cabinet Member for Finance,
Corporate and Traded Services

Ben Watts, General Counsel

To: Policy and Resources Cabinet Committee – 14 January 2021

Subject: **Work Programme 2021**

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: Standard item

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

Recommendation: The **Policy and Resources Cabinet Committee** is asked to **consider** and **agree** a work programme for 2021.

1. Introduction

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

2. Terms of Reference

- 2.1 At its meeting held on 27 March 2014, the County Council agreed the following terms of reference for the Policy and Resources Cabinet Committee “To be responsible for those functions that fall within the Strategic and Corporate Services Directorate” and these should also inform the suggestions made by Members for appropriate matters for consideration.

3. Work Programme 2021

- 3.1 The Cabinet Committee is requested to consider and note the items within the proposed Work Programme, set out in the appendix to this report, and to suggest any additional topics to be considered for inclusion on the agenda of future meetings.
- 3.2 The schedule of commissioning activity that falls within the remit of this Cabinet Committee will be included in the Work Programme and is considered at

agenda setting meetings to support more effective forward agenda planning and allow Members to have oversight of significant services delivery decisions in advance.

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

4. Conclusion

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

5. Recommendation: The **Policy and Resources Cabinet Committee** is asked to **consider** and **agree** a work programme for 2021.

6. Background Documents

None.

7. Contact details

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POLICY & RESOURCES CABINET COMMITTEE - WORK PROGRAMME 2021

	Notes/Comments:	Has item been deferred?
Wednesday 3 March 2021 (previously 24 March 2021)		
• Strategic Delivery Plan Monitoring	Bi-annual	
• Contract Management Review Group update		Deferred from Nov 2020
• Financial Update	Standing item – for the next 3 meetings (to review in March/April 2020)	
• Update on Legislative Changes around Business Rate Retention	Zena Cooke/Dave Shipton/Cath Head	Deferred from Nov 2019 mtg and Nov 2020 mtg (put on hold for a year as a result of the one-year spending round.)
• Strategic and Corporate Service Directorate Performance Dashboard	Standing item – every other month	
• Governance update	Added 6 Jan 2021 by Ben Watts	
• Strategic and Corporate Services Risk Management	Annual report (Mark Scrivener)	
• Policy & Resources Cabinet Committee Meeting Dates for 2021/22 - For Information Only		
• Work Programme 2021/22	Standing item	
• Kent Estates Partnership (KEP)	Email from Infrastructure 2/12/20	
• Strategic HQ survey work	Email from Infrastructure 2/12/20	
• Technology Refresh Programme (TRP) update	Email from Infrastructure 17/12/20	
Thursday 10 June 2021		
• Facilities Management Procurement Update	Agreed at P&R CC on 29 July 2020 by J.Sanderson	
• Decision No. TBC – Nackington Lane	Key Decision	Deferred from Nov 2020
• Decision No. TBC – Proposed freehold acquisition of the school land (Simon Langton for Boys)	Key Decision	Deferred from Nov 2020

• Kent Public Services Network (KPSN) Procurement Update		Deferred from Nov 2020
• Invicta Commissioning Update (Exempt)	Bi-annual - added 6 Jan 2021 by Ben Watts	
• Contract Management Review Group update (Exempt)	Bi-annual (Michael Bridger)	
• Work Programme 2021/22	Standing item	

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 11

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