



AGENDA

CABINET

**Monday, 25th January, 2021, at 10.00 am
online**

Ask for:

Emily Kennedy

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UNRESTRICTED ITEMS

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

1. Apologies and Substitutes
2. Declaration of Interests by Member in Items on the Agenda for this meeting
3. Cabinet Member Updates
4. Revenue and Capital Budget Monitoring - November 2020-21 (Pages 1 - 44)
5. Capital Programme 2021-24, Revenue Budget 2021-22 and Medium Term Financial Plan 2021-24 (Pages 45 - 112)
6. Decision 21/00011 - Kent Rail Strategy (Pages 113 - 294)
7. Learning Loss and Support to Schools (Pages 295 - 304)

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, 15 January 2021

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

To: Cabinet, 25 January 2021

Subject: Revenue and Capital Budget Monitoring Report – November 2020-21

Classification: Unrestricted

Summary:

The attached report sets out the revenue and capital budget monitoring position as at November 2020-21 excluding and including the impact of Covid 19. The report sets out the position regarding the Council's main revenue budget and separately the position regarding Covid-19 related expenditure and funding. The impact of the further restrictions introduced since November in terms of the tiering system and the latest national lockdown, will need to be considered by Cabinet at their meeting on 25th January 2021. A briefing on the latest position and the opportunities available to give further support to residents and businesses will be provided at the meeting.

Recommendation(s):

Cabinet is asked to discuss the monitoring position attached, the briefing provided AND:

- a) NOTE the forecast Revenue and Capital monitoring positions.
- b) NOTE the way in which the financial impact of Covid-19 is monitored and the significant financial risks of future demand and in particular its full year effect in 2021-22, which is currently suppressed due to the national lockdown.
- c) NOTE and COMMENT on the use of COVID-19 grant funding to provide further support to residents and businesses impacted by the latest restrictions.
- d) NOTE and AGREE the Capital budget adjustments.

1. Introduction

- 1.1 The attached report sets out the revenue and capital monitoring position as at November 2020-21 and includes the financial information related to the impact of responding to the Covid 19 pandemic.
- 1.2 The report highlights the overall financial position of the council and the financial impact of Covid-19 as at the end of November 2020. As the report sets out the financial position as at the end of November it cannot reflect the very latest information relating to Covid-19 and in particular the further restrictions introduced since November including the latest national lockdown. It is important therefore that Cabinet take account of the latest information when considering the Council's financial position and specifically the use of Covid grant funding to further support residents and businesses impacted by the pandemic.

2 Revenue and Capital Budget Monitoring Report – November 2020-21

- 2.1 The attached report sets out the overall forecast financial position as at 30 November 2020-21. The report also sets out the Covid-19 related financial position which takes account of estimated risks and future demand pressures, The County Council is experiencing financial pressures arising from the impact of Covid-19 across a range of services, and these are being offset through the use of one-off emergency grant funding in this year.
- 2.2 Since the end of November, the Government has introduced further restrictions in response to the rising infection rate and the new variant of the virus. It is therefore important that Cabinet consider the implications of the latest restrictions and how to respond to them.
- 2.3 The impact of these further restrictions is being felt across the county by both residents and businesses. Since the start of the pandemic last March, the County Council has been providing support to residents and businesses both directly and through partner organisations, such as district and borough councils and the voluntary and community sector. This support has been funded through the use of one-off Covid related government grant funding. Grant funding is monitored separately and as set out in the attached report, emergency grant funding is available to respond to the impact of the latest restrictions.

3. Recommendation(s)

Cabinet is asked to discuss the monitoring position attached, the briefing provided AND:

- a) NOTE the forecast Revenue and Capital monitoring positions.
- b) NOTE the way in which the financial impact of Covid-19 is monitored and the significant financial risks of future demand and in particular its full year effect in 2021-22, which is currently suppressed due to the national lockdown.
- c) NOTE and COMMENT on the use of COVID-19 grant funding to provide further support to residents and businesses impacted by the latest restrictions.
- d) NOTE and AGREE the Capital budget adjustments.

4. Contact details

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Revenue and Capital Budget Monitoring & Forecast Outturn 2020-21

November 2020-21

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

To Cabinet – 25 January 2021

Unrestricted

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1 Introduction

This report provides the budget monitoring position up to 30 November 2020-21 for both Revenue and Capital budgets, and how we are responding to the Covid-19 pandemic. Also included are capital budget adjustments which require Cabinet approval.

1.1 We have improved the clarity of the report. Key information is on the left, detail is on the right, in grey

All figures are in millions, to one decimal place, unless otherwise stated

This report uses the following key abbreviations and colours:

	ASCH	Adult Social Care & Health
	CYPE	Children, Young People & Education
	GET	Growth, Environment & Transport
	S&CS	Strategic & Corporate Services
	FI&U	Financing Items & Unallocated
	SDB	Schools' Delegated Budgets
	U	Unallocated

1.2 The budget amendment included £72.2m of Covid-19 budgets allocated by directorate but held corporately

The Covid-19 pandemic has impacted on the way we are monitoring the budget this year

Following the budget amendment, the Covid-19 budgets of £72.2m have been allocated by Directorate but are held corporately. These corporately held budgets will be allocated at the end of the year when the final costs of Covid are known.

The Covid-19 pandemic continues to have a huge impact on the way the Council works. It is important for us to understand and report on the financial effect of Covid-19 and for us to monitor against the emergency funding the government has provided. Alongside a dedicated section on Covid-19 in this report, we are showing two variance figures in all Directorate and Key Service summaries, excluding and including the impact of Covid-19.

1.3 We continue to provide regular returns to the Ministry of Housing Communities and Local Government (MHCLG) setting out the impact of Covid-19 and the application of additional government grants

The MHCLG return differs from this monitoring as it includes the gross impact of additional spending related to responding to the pandemic and the economic fallout, delays to planned savings and loss of income. The gross impact includes estimates for potential additional costs arising later in year (which are not included in this monitoring report) and does not net off any in-year underspends, which are reflected in this report.

1.4 The Revenue forecast as at the end of November is an underspend of -£11.8m excluding Covid-19.

The Revenue forecast for the currently available Covid-19 grant funding as at the end of November is £17.4m.

All directorates are reporting an underspend. The largest is -£4.4m in ASCH, followed by FI&U (-£4.1m), S&CS (-£2.4m), CYPE (-£0.7m) and GET (-£0.2m). The forecast underspend has increased by £7.3m since the last report in September. This is an exceptional year and is not an indication of future spending or saving levels, and although this level of underspend is encouraging, it is important to note the position does not consider the impact of the third lockdown.

The Covid-19 emergency grant has not yet been fully allocated. However, it is important to recognise that the timing of this report was just as the tiered localised approach was introduced and before the third national lockdown and we do not yet know the full financial impact of this. We

1 Introduction

also have £7.4m of additional risks identified as part of our MHCLG government return. It should be noted that £18.6m underspend has been assumed in 2021-22 to help balance the budget. £20.8m of recurring COVID budget amendment items have also been built into the 2021-22 MTFP.

- 1.5 The Capital forecast as at the end of November is an underspend of £179.4m excluding Covid-19. The forecast underspend has increased by £41.4m
- The underspend is made up of -£1.1m real and -£178.3m rephasing variance. This represents 35.6% of the capital budget.
- The largest real variance is an underspend of -£2.8m in CYPE (-£4.0m due to some Basic Need Kent Commissioning Plan 17 projects no longer taking place in 20-21 and underspends as a result of detailed feasibilities and costings for School Roofs projects and +£1.3m due to Basic Need Kent Commissioning Plan 16 projects where there have been contract variations and additional costs, including highways works as a result of Section 278 agreements.
- The major rephasing variances are -£78.9m in GET, -£58.4m in S&CS and -£37.3m in CYPE.
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- 1.6 Schools' Delegated Budgets are reporting a £34.5m overspend
- The overspend position of +£34.5m reflects the impact of high demand and high cost per child of High Needs Placements.

2 Recommendations

The recommendations are as set out in the covering report.

The revenue monitoring position as at the end of November is showing a variance of **-£11.8m excluding Covid-19**. The Covid-19 forecast as at the end of November is showing available grant funding of **£17.4m** but there will still be further financial challenges as the pandemic continues and we do not know the impact of the further national lockdowns or the local tiering system.

The capital monitoring position is **-£179.4m** of which **-£178.3m** relates to rephasing of projects and **-£1.1m** are real variances.

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| 3.1 | There is a variance of -£11.8m on the 20-21 revenue budget excluding Covid-19 | All directorates are reporting an underspend. -£4.4m ASCH with underspends across all divisions, -£4.1m in FI&U, -£2.4m in S&CS predominately in the Infrastructure division, -£0.7m in CYPE with a -£1.1m underspend in the Education division and -£0.2m in GET. |
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| 3.2 | The use of the Corporately held Covid-19 allocation is currently showing available grant £17.4m | <p>The corporately held budget for Covid-19 as detailed in the Budget Amendment of £72.2m will be allocated at year-end once final costs are known.</p> <p>For the purposes of this report, the budget and forecast has been shown by directorate, showing net available grant funding £17.4m including additional spending incurred to date, delayed savings, income losses and underspends on the approved budget. The +£2.4m in the Capital position table matches the -£2.4m referred to the Covid-19 Funding Summary table in Section 4.</p> |
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| 3.3 | There is a variance of -£179.4m on the 20-21 capital budget excluding Covid-19 | This is made up of -£1.1m real variance and -£178.3m rephasing variance. Headline variances are detailed in the relevant directorate sections. |
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Directorate Revenue variances excluding the impact of Covid-19

Directorate	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement (+/-) £m
Adult Social Care & Health	402.5	-4.4	+1.3	-5.7
Children, Young People & Education	281.7	-0.7	-1.1	+0.4
Growth, Environment & Transport	173.8	-0.2	-0.1	-0.1
Strategic & Corporate Services	90.2	-2.4	-1.1	-1.3
Financing Items & Unallocated	79.6	-4.1	-3.4	-0.7
	1,027.7	-11.8	-4.5	-7.3
Schools' Delegated Budgets	0.0	+34.5	+34.7	-0.2
	1,027.7	+27.7	+30.3	-7.5

Details of the forecasts in the table above can be found in the relevant directorate pages, but the key ones are here:

Key Service (Division)	Variance £m	Summary	Detail
Older People – Community Based Services (Adult Social Care & Health Operations)	-£1.6m	Less clients/hours being commissioned; and cessation of Home to Decide contract	<p>The Homecare line is showing an underspend of £1.7m due to less clients/hours being commissioned, there is a related £0.7m less income, giving a net underspend of £1.0m. This needs to be considered alongside additional expenditure on Homecare which has been attributed to Covid.</p> <p>There is an underspend of £0.4m on Discharge to Assess, largely due to the cessation of the Home to Decide contract saving £600k</p>
Adult Learning Disability - Community Based Services & Support for Carers (Adult Social Care & Health Operations)	-£1.2m	There is a decrease in 'one off payments' made to clients receiving Direct Payments.	The underspend on these services relates to Direct Payments (-£1.3m) where the normal level of one-off payments to clients has significantly decreased during the year. There are small off setting underspend and overspends on this line including +£290k on Supported Living (including Autism) and -£280k on Homecare.

3 Revenue & Capital Positions

Revenue Variance -11.8m underspend
Capital Variance -179.4m underspend

Key Service (Division)	Variance £m	Summary	Detail
Looked After Children – Care & Support (Integrated Children’s Services)	+£1.3m	Unachieved Change for Kent Children (CfKC) savings.	Pressure mainly arising from delay in achieving the CfKC savings, the expected profile of savings has changed from when the savings were included in the MTFP. The Directorate has agreed to identify other compensating savings which are reflected in this report.
Adoption & Special Guardianship Arrangements & Service (Integrated Children’s Services)	-£1.1m	Means testing review of Adoption allowances	In 2017-18 changes were made to the means-testing of permanency related payments. The full year impact of this review has been much greater than originally estimated resulting in both a reduction in the number of allowances issued along with overall unit cost.
Other School Services (Education)	-£1.2m	Various schools related costs	There is a forecast underspend of -£0.8m on the School Improvement Grant due to late notification of the extension of this grant for a further year. There are no further commitments expected against this grant in 2020-21. There is -£0.5m underspend on the use of mobile classrooms to meet basic need requirements.
Property Related Services (Infrastructure)	-£1.2m	In year staff capitalisation relating to return of Gen2 staff	The Property related budget has been adjusted for the return of Gen2 staff and will need to be realigned once the Division is restructured. In year, the capitalisation of staff is generating an underspend of -£0.9m. Oakwood House operating costs (£0.35m) are being met from the Asylum Service as the building is being used for asylum seeker accommodation.
Financing Items & Unallocated	-£4.1m	Underspending against the budget for the retender of contracts in ASCH	A -£3.4m underspend against the budget for the retender of Care & Support in the Home and LD/PD/MH residential care, which is partly due to there only being a part year effect in 2020-21. There are also small underspends against other budgets.

Covid-19 budgets held corporately allocated by Directorate as per the Budget Amendment

The table below shows the forecast position against the Covid-19 budgets as at November 2020. It shows available grant of £17.4m. More detail can be found in Section 4.

Directorate	Covid-19 Allocation £m	Covid-19 Forecast £m	Covid-19 Available Grant £m
Adult Social Care & Health	33.7	24.2	-9.6
Children, Young People & Education	7.7	-1.0	-8.7
Growth, Environment & Transport	9.9	7.2	-2.6
Strategic & Corporate Services	7.2	12.0	+4.4*
Financing Items	6.7	5.8	-0.9
Unallocated	7.0	7.0	0.0
	72.2	55.2	-17.4

*The Strategic & Corporate Services variance includes a drawdown from the Public Health Reserve of £0.4m to cover their additional costs.

Capital position

Directorate	Capital Budget £m	Variance excl. Covid-19 £m	Real Variance £m	Rephasing Variance £m	Covid-19 Forecast £m	Variance incl. Covid-19 £m
Adult Social Care & Health	4.2	-3.7	0.0	-3.7	0.0	-3.7
Children, Young People & Education	154.3	-40.1	-2.8	-37.3	1.7	-38.4
Growth, Environment & Transport	273.9	-78.0	0.9	-78.9	0.1	-77.9
Strategic & Corporate Services	71.5	-57.6	0.8	-58.4	0.6	-57.0
	503.9	-179.4	-1.1	-178.3	2.4	-177.0

Nb. The Covid forecast of has reduced from £4.5m as some has been rephased into 21-22.

4 Covid-19

As a result of the Budget Amendment, we have held budgets corporately for Covid-19 response and recovery of £72.2m. Taking account of Covid related revenue costs, additional Covid related risks and compensating forecasted underspends and capital costs, there is currently £17.4m one-off emergency grant funding available for 2020-21. This does not take account of the impact of the latest restrictions.

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| 4.1 | The Covid-19 related spend is currently showing available grant funding of £17.4m compared to the corporately held budget | The Covid-19 related spend is across all directorates, but the largest area of spend is in ASCH. The revenue forecast has been split between several categories in the Covid-19 Revenue Forecasts table below. The narrative for these forecasts is in the directorate sections of this report. These figures are estimates and the £17.4m available grant funding is largely as a result of lower numbers of social care clients moving into nursing and residential care, reduced demand for home to school/college transport, public transport costs eligible for government grant and reduced waste tonnage. |
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| 4.2 | £7.4m additional Covid-19 related risks have been estimated in the November MHCLG Return, taking the total gross additional spending and forecast income losses to £104.1m. | The total Covid-19 related spend reported in the November return to Government was £104.1m. This includes potential future risks of £7.4m. In addition, the £7.4m does not include the underspends currently included in this monitoring report as it is too early to be confident they will be delivered and the return requests information on gross expenditure and income losses. We do not know the full impact of the third national lockdown and the localised tiered approach Kent was in between the national lockdowns. No allowance has been made for any further outbreaks or a longer recession |
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| 4.3 | We are estimating additional capital costs of around £2.4m | The anticipated impact from Covid-19 on capital will be a mixture of rephasing due to contractors not having been on site for the first few weeks of the financial year, and cost overruns. Initial indications show that the majority of the Covid-19 impact relates to overspends in the construction of schools. |
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| 4.4 | Emergency funding of £77.2m has been provided by the Government | In March, April and August 2020, the government provided £39m, £27.9m and £10.3m respectively of Covid-19 Financial Support Grant. £1.7m was spent in 2019-20, with the remaining £75.5m that will be used 2020-21. |
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| 4.5 | We amended the 2020-21 budget at September County Council | The budget amendment included £72.2m for Covid-19 budgets held corporately allocated by directorate. £3m was allocated to the retained business rates levy due to recognising the impact of lower business rate income. |
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| 4.6 | We have received a further £17.7m Covid emergency funding from government | The fourth tranche of funding takes our total additional funding to date to £94.9m and this increase will be reflected in future monitoring reports. |
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| 4.7 | To date, we have received specific grants amounting to £37m. These are being used to fund additional activity and will have no impact on the Council's budget. | We have received additional grants to support the Covid-19 pandemic. These are specific, ring-fenced grants, Test & Trace Grant, Adult Social Care Infection Control Grant, NHS Hospital Discharge Claim, a Subsidised Buses Grant, Emergency Active Travel Fund, Bus Services Support Grant Restart scheme, Emergency Assistance Grant for Food & Essential Supplies, School & College Transport Capacity funding and Targeted support for UASC. The spend related to these grants is in addition to the £55.2m Covid related spend. |
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4 Covid-19

During December we have received notification of further specific grants to support the Covid-19 pandemic and these will be reflected in future budget monitoring forecasts.

Covid-19 Forecasts (20-21)

	ASCH £m	CYPE £m	GET £m	S&CS £m	FI £m	U £m	Total £m
Covid-19 allocation held corporately	33.7	7.7	9.9	7.2	6.7	7.0	72.2
Drawdown from Public Health Reserve*				0.4			
Revenue Forecasts							
Actual spend	17.0	4.7	5.7	13.3		7.0	47.8
Underspends	-16.5	-12.9	-10.2	-2.8			-42.5
Additional Income	-1.4						-1.4
Loss of income	4.3	1.9	8.1	1.1	4.0		19.4
Unrealised savings	3.3	1.3	0.1		1.8		6.5
One off payments to the market	17.2	0.4	0.2				17.8
Payments for undelivered variable fee services	0.2	3.7	3.3	0.3			7.5
Total Revenue forecast	24.2	-1.0	7.2	12.0	5.8	7.0	55.2
Covid-19 Grant available compared with Budgets held corporately	-9.6	-8.7	-2.6	+4.4	-0.9	0.0	-17.4
Reconciliation to MHCLG Return							
Removal of underspends and additional income not included	17.9	12.9	10.2	2.8			43.9
Removal of capital forecasts not included		-1.7	-0.1	-0.6			-2.4
Additional risks identified							7.4
Total per MHCLG Return	42.0	10.2	17.4	14.2	5.8	7.0	104.1
Variance to Covid-19 Budgets held corporately							+31.9
Capital Forecasts							
Actual spend to be covered by Revenue Contribution		1.7	0.1	0.6			2.4

*Public Health are forecasting a net spend of £0.4m in response to Covid-19 which will currently be funded by a drawdown from the Public Health reserve

Details of the forecasts in the table above can be found in the relevant directorate pages, but the key ones are here:

4.8	£17.0m actual spend in ASCH	The cost of supporting additional demand for services resulting from Covid-19, including: equipment for supporting clients in the community; additional care packages after hospital discharge (residential and community care); increases in bad debts, essential system improvements; and domestic abuse.
4.9	£17.2m one off payments to the market in ASCH	We have supported the Residential and Homecare markets by providing £13.5m, the equivalent of 2 weeks payments. We have also provided financial support to the VCSE (Voluntary, Community and Social Enterprise) sector through additional contracts totalling £3.7m.
4.10	-£16.5m underspends in ASCH	We are continuing to see the number of people over the age of 65 being admitted to long-term residential and nursing care running at much lower levels than previous years, in particular Nursing. Further underspends have been observed in areas including client travel to day care, staff travel and use of commissioned day care.
4.11	£4.7m actual spend in CYPE	Additional demand across a range of services including: increased costs of placing looked after children due to reduced availability of foster care provision and more limited movement of children, estimate of increased demand following the return of children from September in both social work and SEND and a revenue contribution to capital to cover extra construction costs for the basic need programme.
4.12	-£12.9m underspend in CYPE	Mainly due to reduced demand for home to school/college transport. Other general underspends including, savings from closure of open access settings, more limited supported living & direct payments services to 18-25 year olds, delay in commissioning SEND parenting programme, reduced travel and room hire costs across social care teams and early help units.
4.13	£5.7m actual spend in GET	Additional service provision for emergency mortuary provision and associated staffing costs, along with a number of Waste-related expenditure. Including significant increase in kerbside tonnes being presented at Waste Transfer Stations (higher cost than at Recycling Facilities) during lockdown and with people home-working; providing additional support to districts for Waste Collection; impact on commodity prices for recycled materials; costs associated with the closing and re-opening of household waste recycling centres). Also costs of PPE, cleaning, sanitiser, ICT, etc.
4.14	-£10.2m underspends in GET	Public Transport costs eligible for Government grant and reductions in Waste tonnage at our HWRC's, which were initially closed during lockdown. Subsequently there were then lower than budgeted visits/tonnes as the booking system was introduced to ensure

4 Covid-19

compliance with social distancing. Other general underspends across the directorate due to home-working etc.

4.15 £8.1m loss of income in GET Income Loss including Kent Travel Saver, libraries, registration, and country parks.

4.16 £13.3m actual spend in S&CS Additional council-wide costs including: the provision of PPE and sanitiser across all services; additional staffing to handle increased call volumes in the KCC contact centre; and additional ICT infrastructure to enable staff to work from home, such as laptops and licenses for A2K and Microsoft Teams and early implementation of Microsoft E5 licence. Also, costs related to reopening buildings, surveys and adaptations to make offices Covid secure and enhanced cleaning specification. Members' Grants given for Covid related community support and other revenue grants to the VCS. Revenue contribution to capital outlay for delayed capital schemes.

£0.9m relates to Public Health, made up of support to the voluntary sector, additional capacity for substance misuse and mental health services, Digital Inclusion initiatives for Children, and provision of alternative pharmaceutical services, including phone triage and a home delivery service for pregnant smokers and emergency contraception.

4.17 £4.0m loss of income in FI&U Anticipated reduction in the return from our companies.

Revenue

The ASCH directorate is currently forecasting a revenue variance excluding Covid-19 of **-£4.4m**. This includes a **-£1.9m** variance in Adult Social Care & Health Operations, **-£1.2m** and **-£1.3m** in Strategic Management & Directorate Budgets and Business Delivery, respectively.

A summary table at Key Service Level can be found in Appendix 1

Revenue Variance by Division

Division	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement (+/-) £m
Adult Social Care & Health Operations	372.6	-1.9	+3.3	-5.2
Strategic Management & Directorate Budgets	19.4	-1.2	-1.2	0.0
Business Delivery	10.4	-1.3	-0.8	-0.5
	402.5	-4.4	+1.3	-5.7

The biggest Key Service variances in the directorate are as follows, in numerical order:

Key Service (Division)	Variance	Summary	Detail
Adult Learning Disability - Residential Care Services & Support for Carers Care Services (Adult Social Care & Health Operations)	+£1.4m	The number of younger people in residential care is higher than budgeted.	The number of Learning Disability clients in residential care in 2020-21 has remained consistently higher than budgeted with costs also higher than budgeted. This is mainly due to the level of complexity of clients transferring in from 18 – 25 and not as many clients as anticipated moving out of Residential into Supported Living.
Adult Physical Disability - Residential Care Services (Adult Social Care & Health Operations)	+£2.0m	The number and complexity are greater than budgeted.	In addition to having increased number of clients, the level of complexity we are seeing in clients with both autism and physical disability is also increasing with associated higher unit costs. The combination of these has resulted in an overspend on this line.
Older People – Community Based Services (Adult Social Care & Health Operations)	-£1.6m	Less clients/hours being commissioned; and cessation of Home to Decide contract	The Homecare line is showing an underspend of £1.7m due to less clients/hours being commissioned, there is a related £0.7m less income, giving a net underspend of £1.0m. This needs to be considered alongside additional expenditure on Homecare which has been attributed to Covid.

Key Service (Division)	Variance	Summary	Detail
			There is an underspend of £0.4m on Discharge to Assess, largely due to the cessation of the Home to Decide contract saving £600k
Strategic Management & Directorate Support (ASCH) (Strategic Management & Directorate Budgets (ASCH))	-£1.4m	Some funds are held centrally to distribute later in the year.	-£1.9m of these combined underspends relate to centrally held funds still to be allocated which cover underlying overspends already recognised within the forecast. These centrally held funds will be allocated later in the year when we can more clearly understand the effect of the current climate on the core client services. We have additional underspends on a number of centrally held areas such as Design & Learning Centre (-£300k)
Business Delivery (Business Delivery Unit)	-£1.3m		
Adult Learning Disability - Community Based Services & Support for Carers (Adult Social Care & Health Operations)	-£1.2m	There is a decrease in 'one off payments' made to clients receiving Direct Payments.	The underspend on these services relates to Direct Payments (-£1.3m) where the normal level of one-off payments to clients has significantly decreased during the year. There are small off setting underspend and overspends on this line including +£290k on Supported Living (including Autism) and -£280k on Homecare.

Capital

The ASCH directorate is currently forecasting a capital variance excluding Covid-19 of **-£3.7m**, made up of a **-£0.034m** real and a **-£3.7m** rephasing variance. Previously reported variances are shown in *italics*.

Real variances over £0.1m and rephasing variances over £1.0m are as follows:

Project	Real Variance £m	Rephasing Variance £m	Detail
<u>New Variances to Report:</u>			
<i>Previously Reported Variances:</i>			
<i>Adult Social Care Case Management</i>	<i>+0.05</i>		<i>It is proposed that this overspend is covered by the rolling budget reserve.</i>
<i>Home Support Fund & Equipment</i>	<i>-0.1</i>		<i>This is a reactive budget and is subject to in-year fluctuations.</i>
<i>Learning Disability Good Day Programme</i>		<i>-2.9</i>	<i>Whilst major projects at Meadowside and Southfields are ready to proceed, all capital projects within this programme are on hold pending review.</i>

Covid-19 Forecast

The ASCH directorate is currently forecasting available Covid-19 emergency grant of **-£9.6m** against corporately held budgets of **£33.7m**. Whilst there is a forecast surplus as at the end of November it does not take into account the impact of the third national lockdown or fully the impact of the tiering system on the projected outturn. This will be updated in subsequent months.

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£33.7m	
Additional spend (Revenue)	£17.0m	The cost of supporting additional demand for services resulting from Covid-19, including: equipment for supporting clients in the community; additional care packages after hospital discharge (residential and community care); increases in bad debts, essential system improvements; and domestic abuse.
One off payments to the market	£17.2m	We have supported the Residential and Homecare markets by providing £13.5m, the equivalent of 2 weeks payments. We have

also provided financial support to the VCSE (Voluntary, Community and Social Enterprise) sector through additional contracts totalling £3.7m.

Unrealised savings	£3.3m	Due to Covid, we have been unable to realise the planned Whole System Change saving of £2.1m. The planned savings from Targeted Interventions (£0.7m) and Bad Debt (£0.5m) have also not been realised due to Covid.
Loss of income	£4.3m	The majority of this (£3.85m) relates to income lost due to reduced activity resulting from Covid. The balance relates to the period where day services are still not providing the same level and type of service as before meaning that clients cannot be charged for those periods.
Underspends	-£16.5m	We are continuing to see the number of people over the age of 65 being admitted to long-term residential and nursing care running at much lower levels than previous years, in particular Nursing. Further underspends have been observed in areas including client travel to day care, staff travel and use of commissioned day care.
Additional Income	-£1.4m	Additional income arising from additional Homecare hours as a result of Covid.
Payments for undelivered services (variable fee)	£0.2m	Honouring commitments to visits unable to be completed during the disruption of Covid.
Total Revenue Forecast	£24.2m	
Available Grant Funding	-£9.6m	

Revenue

The CYPE directorate is forecasting a revenue variance excluding Covid-19 of -£0.7m, predominantly in the Education division. The variance position has moved from a -£1.1m underspend to an underspend of -£0.7m underspend, a movement of +£0.4m, mainly due to the several additional higher cost Looked After Children Placements.

A summary table at Key Service Level can be found in Appendix 1

Revenue Variance by Division

Division	Revenue Budget £m	Variance excl. Covid-19 £m	Last reported position (Sept) £m	Movement £m
Integrated Children's Services	158.1	-0.2	-0.4	+0.2
Special Educational Needs & Disabilities	70.3	+0.2	+0.2	+0.0
Education	49.3	-1.1	-1.2	+0.1
Strategic Management & Directorate Budgets	4.0	+0.4	+0.3	+0.1
	281.7	-0.7	-1.1	+0.4

The biggest Key Service variances in the directorate are as follows, in numerical order:

Key Service (Division)	Variance	Summary	Detail
Looked After Children – Care & Support (Integrated Children's Services)	+£1.3m	Unachieved Change for Kent Children (CfKC) savings.	Pressure mainly arising from delay in achieving the CfKC savings, the expected profile of savings has changed from when the savings were included in the MTFP. The Directorate has agreed to identify other compensating savings which are reflected in this report.
Care Leavers Service (Integrated Children's Services)	-£0.6m	Council Tax underspend	As part of an enhanced offer, from April 2021 the Council agreed to pay council tax for care leavers aged 18-21. Current activity indicates the number of care leavers claiming this benefit is far lower than originally estimated. Work is underway to determine the reasons behind this low take up.

Key Service (Division)	Variance	Summary	Detail
Adoption & Special Guardianship Arrangements & Service (Integrated Children's Services)	-£1.1m	Means testing review of Adoption allowances	In 2017-18 changes were made to the means-testing of permanency related payments. The full year impact of this review has been much greater than originally estimated resulting in both a reduction in the number of allowances issued along with overall unit cost.
Adult Learning & Physical Disability Pathway – Residential Care/Community Based Services (Special Educational Needs & Disabilities)	-£0.2m	Reduction in the cost of supporting 18-25 year old young people with a disability	There are several compensating variances across 0-25 disability services showing a small underspend of at least -£0.2m. There is some work being undertaken around year end creditors from 2019-20 and early indications suggest that there will be one-off savings on creditors set up at the end of 2019-20 which have not been invoiced for. The impact of this will be forecast in future monitoring reports.
Other School Services (Education)	-£1.2m	Various schools related costs	There is a forecast underspend of -£0.8m on the School Improvement Grant due to late notification of the extension of this grant for a further year. There are no further commitments expected against this grant in 2020-21. There is -£0.5m underspend on the use of mobile classrooms to meet basic need requirements.
Asylum (Integrated Children's Services)	£0.0m	Breakeven position for 2020-21 following Home Office announcement on funding rate changes. Prior year funding shortfall still an issue	<p>Over the last year, the council had 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 previously used by the Home Office to encourage other local authorities to support UASC. The number of UASC reached similar levels to that experienced at the height of the 2015 crisis. This culminated in the council not taking any new arrivals between September and November. Since June 2020 there has been some success with the relaunch of the National Transfer Scheme with some other local authorities agreeing to offer places to both new arrivals and those initially supported by Kent. As at the 5 January 200 UASC have been transferred to other local authorities since June 2020 and there are 374 UASC and 1,045 Care leavers currently being supported in Kent.</p> <p>The grant was increased from April 2021 and this will help to ensure the rise in the number of UASC does not result in a shortfall in funding in 2020-21, as seen in previous years, however due to the higher number of children and the need to implement appropriate social distancing measures it has not always been possible to use the most cost effective accommodation. The council continues to discuss the position with both the Home office and the DfE in relation to both continual high numbers of new arrivals and the impact of Covid-19.</p>

Capital

The CYPE directorate is currently forecasting a capital variance excluding Covid-19 of -£40.1m. This is made up of a -£2.8m real and a -£37.3m rephasing variance. The underspends predominately relate to Schools projects. Previously reported variances are shown in *italics*.

Real variances over £0.1m and rephasing variances over £1.0m are as follows:

Project	Real Variance £m	Rephasing Variance £m	Detail
<u>New Variances to Report:</u>			
Basic Need KCP16 and Previous Years	+1.3	+0.4	Real: Two projects which started in 2015-16 have had contract variations and incurred additional costs due to pre-construction service agreement costs and additional highways works as a result of Section 278 agreements. This real variance is being managed across the basic need programme as a whole.
Basic Need Kent Commissioning Plan 17		-7.7	Delays on a project due to contract variations and listed buildings time delays. (Previously reported -£4.3m)
Basic Need Kent Commissioning Plan 18		-2.5	Delays due to Covid, feasibility costs coming in higher than expected and delays with a DfE led project.
Basic Need Kent Commissioning Plan 19		-1.4	Delays due to Covid, feasibility costing coming in higher than expected and pending implementation of a funding agreement between KCC and a school.
<u>Previously Reported Variances:</u>			
<i>Annual Planned Enhancement Programme</i>		<i>-3.3</i>	<i>Rephasing: Due to Covid, with the uncertainty of buildings being operational and contractors unable to work, there has been a delay on projects across the programme.</i>
<i>Baron Court Free School</i>		<i>-11.1</i>	<i>This is a Department for Education (DfE) project being managed by KCC. The delivery date has been pushed back from September 2021 to September 2022 by the DfE.</i>
<i>Basic Need KCP17</i>	<i>-2.4</i>		<i>Following a review of the programme some projects which were due to take place this financial year are no longer required.</i>

School Roofs	-1.6	-5.9	<i>The rephasing is reflecting that construction will now start in 21-22. Previously reported rephasing was -£5.1m</i>
			<i>The real variance is due to the detailed feasibilities and costings having now taken place resulting in an expected underspend.</i>
Priority School Build Programme		-2.1	<i>This reflects the later planned construction start date.</i>
Nest 2		-1.6	<i>Revenue funding for the project is being sought and the project initiation document is to be submitted to the NHS by 31 March 2021.</i>

Covid-19 Forecasts

The CYPE directorate is currently forecasting available Covid-19 emergency grant of -£8.7m against corporately held budgets of £7.7m. This is a combination of forecast spend and payments for undelivered variable fee services being offset by underspends. Whilst there is a forecast surplus as at the end of November it does not take into account the impact of the third national lockdown or fully the impact of the tiering system on the projected outturn. This will be updated in subsequent months.

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£7.7m	
Underspends	-£12.9m	Mainly due to reduced demand for home to school/college transport. Other general underspends including, savings from closure of open access settings, more limited supported living & direct payments services to 18-25 year olds, delay in commissioning SEND parenting programme, reduced travel and room hire costs across social care teams and early help units.
Additional spend (Revenue)	£4.7m	Additional demand across a range of services including: increased costs of placing looked after children due to reduced availability of foster care provision and more limited movement of children, estimate of increased demand following the return of children from September in both social work and SEND and a revenue contribution to capital to cover extra construction costs for the basic need programme.
Loss of income	£1.9m	Loss of income across a range of CYPE services during lockdown mainly in 16+ travel saver and adult learning services.
Unrealised savings	£1.3m	Non delivery of service integration savings due to reprioritisation of resources to Covid-19 response and recovery.

6 Children, Young People & Education

Revenue Variance -£0.7m underspend
Capital Variance -£40.1m underspend

One off payments to the market	£0.4m	Additional payments to support tutors in adult learning and children social work placements.
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Payments for undelivered variable fee services	£3.7m	Payments to Home to School Transport providers to support their financial stability during the pandemic.
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Total Revenue Forecast	-£1.0m
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Actual spend (Capital)	£1.7m	Additional forecast costs relating to construction delays due to Covid-19.
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Available Grant Funding	-£8.7m
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Capital Deficit	+£1.7m
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Revenue

The GET Directorate is currently forecasting a net revenue variance, excluding Covid-19 adjustments, of -£0.2m, with forecast pressures of +£1.7m being more than offset by projected underspends of -£2.2m.

The largest variance to cash limit is a net +£0.4m within the Highways, Transportation & Waste division, consisting of forecast pressures in Waste Facilities & Recycling Centres and Drainage (Highways Asset Management – Other) offset by forecast underspends in Kent Travel Saver and Streetlight Energy and Maintenance (Highways Asset Management – Other).

A summary table at Key Service Level can be found in Appendix 1

Revenue Variance by Division

Division	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement (+/-) £m
Highways, Transportation & Waste	141.7	+0.5	+0.5	+0.0
Environment, Planning & Enforcement	17.3	-0.3	-0.2	-0.1
Libraries, Registration & Archives	8.7	-0.2	-0.2	+0.0
Economic Development	4.6	-0.2	-0.2	0.0
Strategic Management & Directorate Budgets	1.4	-0.1	-0.1	0.0
	173.8	-0.2	-0.1	-0.1

The biggest Key Service variances in the directorate are as follows, in numerical order:

Key Service (Division)	Variance	Summary	Detail
Waste Facilities & Recycling Centres (Highways, Transportation & Waste)	+0.9	Increased haulage costs, plus price-related overspend mainly within the material recycling facilities contract	Increased haulage costs (+£0.6m), plus material recycling facility tonnage price pressures (+£0.3m) which are offset in part by reduced prices in food composting (-£0.2m).
Highway Asset Management (Other) (Highways, Transportation & Waste)	+0.5	Drainage overspends following recent adverse weather, partly offset by streetlight energy and maintenance.	This budget is showing an overspend within drainage (+£1.4m) following the recent storms and adverse weather. Underspends against streetlight energy and maintenance combine to reduce this down by (-£0.9m).

7 Growth, Environment & Transport

Revenue Variance -0.2m underspend
Capital Variance -78.0m underspend

Highway Asset Management (Roads and Footways) (Highways, Transportation & Waste)	-0.3	Release of uncommitted reactive budgets to help towards offsetting the drainage pressure above.	Reactive budgets are held centrally (-£0.7m) and have been released to help mitigate the issues with drainage (above). Enhanced capital expenditure has enabled this release. There are offsetting overspends within staffing and inspection works (+£0.5m).
Highway Transportation (including School Crossing Patrols) (Highways, Transportation & Waste)	-0.3	Staffing and other minor variances	Staffing vacancy management and other minor variances.
Libraries, Registration & Archives	-0.2	Staffing and other minor variances	Staffing vacancy management and other minor variances across many budget lines.
Public Protection (Enforcement) (Environment, Planning & Enforcement)	-0.4	Staffing and other minor variances	Staffing vacancy management and several other minor variances.
Kent Travel Saver (Highways, Transportation & Waste)	-0.6	Payments to operators at below budgeted levels.	This is due to anticipated additional costs on a number of Kent Travel Saver focused services not materialising.

Capital

The GET Directorate is currently forecasting a capital variance, excluding Covid-19, of -£78.0m. This is made up of a +£0.9m real and -£78.9m rephasing variance. Previously reported variances are shown in *italics*.

Real variances over £0.1m and rephasing variances over £1.0m are as follows:

Project	Real Variance £m	Rephasing Variance £m	Detail
<u>New Variances to Report:</u>			
Highway Major Enhancement (Highways Transportation & Waste)		-14.8	Rephasing relates to both the Thanet Way Challenge Fund 2b allocation for works that will now be undertaken early in 21-22, as well as maintenance schemes that are expected to be delayed until early summer 2021 due to engineering and design requirements, plus the onset of winter and associated weather restrictions.
Manston Green (Highways Transportation & Waste)		-1.2	The previously allocated Homes England funding has been withdrawn due to an impasse in negotiations with the developer. The project will be pushed back by two years in order to seek alternative funding.
Kent Empty Property Initiative – No Use Empty (Economic Development)		-1.5	Rephasing in line with the profile of approved and forecast loans.
<u>Previously Reported Variances:</u>			
<i>Integrated Transport (Highways, Transportation & Waste)</i>	<i>+0.9</i>		<i>Various additional schemes to be funded by external funding and developer contributions.</i>
<i>Kent Thameside Strategic Transport Programme (Highways, Transportation & Waste)</i>		<i>-8.9</i>	<i>The rephasing is due to the Thames Way project being put on hold pending the completion of the master planning in the area by Ebbsfleet Development Corporation.</i>
<i>National Productivity Investment Fund – Kent Medical Campus (Highways, Transportation & Waste)</i>		<i>-6.6</i>	<i>The rephasing is due to Covid-19 and where the contractors had furloughed staff. A 5-week extension has been agreed but the impact on cost is not yet known. (Previously reported -£3.8m).</i>

<i>Fastrack Full Network – Bean Road Tunnels (Highways, Transportation & Waste)</i>	-5.3	<i>The funding agreements have taken longer than expected and Covid-19 has also slowed progress since March. Consequently, the engagement of a contractor and the design phase has been delayed.</i>
<i>Maidstone Integrated Transport (Highways, Transportation & Waste)</i>	-5.1	<i>Covid-19 has affected the ability to deliver this full programme as was initially expected and therefore some works will need to be rolled into future financial years (previously reported -£3.4m).</i>
<i>Sturry Link Road (Highways, Transportation & Waste)</i>	-3.6	<i>The project has been delayed by 6-9 months due to Covid 19 and developer funding delays (previously reported - £3.5m).</i>
<i>Thanet Parkway (Environment, Planning & Enforcement)</i>	-3.2	<i>The delays to this project are due to Covid 19 and the subsequent delays to the planning determination from May 20 to September 20 when approval was granted (previously reported -£2.9m).</i>
<i>Dover Bus Rapid Transit (Highways, Transportation & Waste)</i>	-2.0	<i>KCC is the delivery partner of this project and any Covid-19 impact will not be a risk to KCC, however the spend associated with the project has been re-profiled.</i>
<i>Kent Thameside LSTF (Highways, Transportation & Waste)</i>	-1.5	<i>The Kent Thameside LGF project has increased the scope of the Gravesend Bus Hub to incorporate additional elements to join up with the Fastrack service. There is additional funding to cover the increased scope costs, with most being required in 2021-22.</i>
<i>A2 Off Slip Wincheap, Canterbury (Highways, Transportation & Waste)</i>	-1.5	<i>Project timescales have changed due to external pressures and the requirement for Highways England agreement for a desired scheme.</i>
<i>Leigh (Medway) Flood Storage Areas (Environment, Planning & Enforcement)</i>	-1.5	<i>Due to last winter's flooding there have been delays to the project due to ongoing talks with partners on where best to implement schemes. Talks have also been delayed due to Covid 19.</i>
<i>Dartford Town Centre (Highways, Transportation & Waste)</i>	-1.4	<i>Delays are due to Covid 19.</i>
<i>Digital Autopsy (Environment, Planning & Enforcement)</i>	-2.0	<i>The forecast has been reprofiled to fit with the expected build profile. Some delays have occurred due to Covid 19 as this is the site of the temporary mortuary facility, plus land surveys were delayed as a result.</i>
<i>Kent & Medway Business Fund (Economic Development)</i>	-11.4	<i>Rephasing of -£11.4m due to the on-going business uncertainty due to the COVID-19 outbreak (Previously reported -£9.5m)</i>

Javelin Way Development (Economic Development)

-3.0 *The start on site is later than anticipated, resulting in rephasing.*

Covid-19 Forecasts

The GET Directorate is currently forecasting available Covid-19 emergency grant of -£2.4m against a corporately held budget allocation of £9.9m. This is a combination of forecast spend and loss of income being offset by underspends. Whilst there is a forecast surplus as at the end of November it does not take into account the impact of the third national lockdown or fully the impact of the tiering system on the projected outturn. This will be updated in subsequent months.

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£9.9m	
Additional spend (Revenue)	£5.7m	Additional service provision for emergency mortuary and associated staffing costs, along with a number of Waste-related expenditure. Including significant increase in kerbside tonnes being presented at Waste Transfer Stations (higher cost than at Recycling Facilities) during lockdown and with people home-working; providing additional support to districts for Waste Collection; impact on commodity prices for recycled materials; costs associated with the closing and re-opening of household waste recycling centres). Also costs of PPE, cleaning, sanitiser, ICT, etc.
Underspends	-£10.2m	Public Transport costs eligible for Government grant and reductions in Waste tonnage at our HWRC's, which were initially closed during lockdown. Subsequently there were then lower than budgeted visits/tonnes as the booking system was introduced to ensure compliance with social distancing. Other general underspends across the directorate due to home-working etc.
Loss of income	£8.1m	Income Loss including Kent Travel Saver (less passes in issue), as well as reduced operations at Libraries, Registration, and Country Parks. Other minor income impacts across various services.
Unrealised savings	£0.1m	Delay in awarding of a new food waste contract.
Market sustainability – one off payments	£0.2m	Support to maintain financial stability in the Waste sector.
Payments for undelivered variable fee services	£3.3m	Support to maintain financial stability mainly in public transport, partially offset by Government grant.
Total Revenue forecast	£7.2m	
Capital spend	£0.1m	
Available Grant Funding	-£2.6m	
Capital deficit	£0.1m	

The S&CS Directorate is currently forecasting a revenue variance, excluding the impact of Covid-19 adjustments, of -£2.4m with Directorate net underspends of -£1.8m alongside an underspend of -£0.6m within the Corporate Landlord estate.

The Directorate's Divisional Management Team have taken a balanced and prudent approach to deliver a significant underspend in recognition of the authority's current risks and financial position.

A summary table at Key Service Level can be found in Appendix 1

Revenue Variance by Division

Division	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement (+/-) £m
Infrastructure	24.4	-1.1	-0.6	-0.5
Corporate Landlord	24.4	-0.6	-0.2	-0.4
People & Communication	13.3	-0.1	+0.0	-0.1
Finance	10.2	+0.1	+0.1	+0.0
Strategic Commissioning including Public Health	8.3	-0.3	-0.1	-0.2
Governance, Law & Democracy	8.8	+0.1	+0.0	+0.1
Strategy, Policy, Relationships & Corporate Assurance	2.0	-0.1	-0.1	-0.0
Strategic Management & Directorate Budgets	-1.2	-0.4	-0.3	-0.1
	90.2	-2.4	-1.1	-1.2

The biggest Key Service variances in the directorate are as follows, in numerical order:

Key Service (Division)	Variance	Summary	Detail
Property Related Services (Infrastructure)	-£1.2m	In year staff capitalisation relating to return of Gen2 staff	The Property related budget has been adjusted for the return of Gen2 staff and will need to be realigned once the Division is restructured. In year, the capitalisation of staff is generating an underspend of -£0.9m. Oakwood House operating costs (£0.35m) are being met from the Asylum Service as the building is being used for asylum seeker accommodation.
ICT Related Services (Infrastructure)	+0.1m	Vacancy management off-setting 3rd party contract costs	Underspend (-£0.3m) is due to staffing variances on ICT core client whilst structure is amended. Off-set by overspend +£0.3m on 3rd party

Key Service (Division)	Variance	Summary	Detail
			contracts relating to final quarter dual costs of Oracle support whilst transitioning to alternative support arrangement in 2021/22.
Corporate Landlord (CLL)	-£0.6m	Phased implementation of survey work for properties transferred to Corporate Landlord; underspends on Total Facilities Management (TFM) fixed and variable budgets due to management action	The CLL underspend has three parts: (-£200k) properties which transferred to the CLL last financial year and relates to the time required to set up and agree Change Control Notices (CCNs) for statutory compliance and planned preventative maintenance. (-£254.9k) management action to release TFM fixed fee budget no longer required and (-£150k) management action to reduce variable TFM spend.
Strategic Management & Divisional Budgets	-£0.4m	Reduced early retirement costs	Strategic Management underspend is due primarily to reduced early retirement costs this year.
Strategic Commissioning	-£0.3m	Staffing vacancies	Strategic Commissioning underspend is due to short term staff vacancies and temporary transfer of some staff to Track and Trace duties, separately funded.
Finance	+£0.1m	One-off staffing costs	The Finance division overspend is due to increased staffing and software costs in CFS and agency staff costs in Internal Audit.
Strategy Policy Relationships & Corporate Assurance	-£0.1m	Additional income to fund existing work	Strategy, Policy, Relationships & Corporate Assurance underspend is due to additional income from Public Health for Civil Society Strategy with no additional expenditure required in year.
Governance, Law and Democracy	+£0.1m	Staffing	Increased legal fees and use of counsel.

Capital

The S&CS Directorate is currently forecasting a capital variance excluding Covid-19 of -£57.6m, made up of a +£0.8m real variance and a -£58.4m rephasing variance. Previously reported variances are shown in *italics*.

Real variances over £0.1m and rephasing variances over £1.0m are as follows:

Project	Real Variance £m	Rephasing Variance £m	Detail
<u>New variances to report:</u>			
Community Sexual Health Services	-0.1		The variance relates to the Fleet and Rowen tree scheme which will be happening in 2021-22.
<u>Previously Reported Variances:</u>			
<i>Modernisation of Assets</i>	<i>+0.9</i>	<i>+0.8</i>	<i>The real variance relates to the works at the Turner Trust, for which additional revenue funds have been secured. Rephasing: due to programme demands money has been rolled forward.</i>
<i>Acquisition of Strategic Assets</i>		<i>-41.8</i>	<i>No strategic acquisitions are expected in this financial year.</i>
<i>Asset Utilisation – Oakwood House</i>		<i>-6.0</i>	<i>There are delays due to emergency use of Oakwood House as asylum accommodation. Previously reported -£1m rephasing.</i>
<i>MOA Plus</i>		<i>-2.5</i>	<i>Spend has been reprofiled in line with expectations.</i>
<i>Asset Utilisation</i>		<i>-1.8</i>	<i>Service level requirements have been re-evaluated due to Covid and the forecast has been rephased.</i>
<i>Live Margate</i>		<i>-1.6</i>	<i>This money has been rephased pending a review of the options for the development of some properties.</i>
<i>Dover Discovery Centre</i>		<i>-1.4</i>	<i>Following stage 2, design consultants have now quoted their fees for the remaining stages and there is now a clearer picture of the spread of costs for this project, which has resulted in rephasing.</i>
<i>Property Investment Fund (PIF) 1 & 2</i>		<i>-5.4</i>	<i>No investments are expected to be made in this financial year.</i>

*Options for Strategic Estate**+1.3 Money has been brought forward to fund the development costs for the next phase of the strategic headquarters project.*

Covid-19 Forecasts

The S&CS Directorate is currently forecasting a deficit of +£4.4m against corporately held budgets of £7.2m. This is due to higher than anticipated forecast additional spend, on the provision of PPE, work to make buildings Covid safe, and ICT equipment. Whilst there is a forecast deficit as at the end of November it does not take into account the impact of the third national lockdown or fully the impact of the tiering system on the projected outturn. This will be updated in subsequent months.

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£7.2m	
Additional Spend (Revenue)	£13.3m	Additional council-wide costs including: the provision of PPE and sanitiser across all services; additional staffing to handle increased call volumes in the KCC contact centre; and additional ICT infrastructure to enable staff to work from home, such as laptops and licenses for A2K and Microsoft Teams and early implementation of Microsoft E5 licence. Also, costs related to reopening buildings, surveys and adaptations to make offices Covid secure and enhanced cleaning specification. Members' Grants given for Covid related community support and other revenue grants to the VCS. Revenue contribution to capital outlay for delayed capital schemes. £0.9m relates to Public Health, made up of support to the voluntary sector, additional capacity for substance misuse and mental health services, Digital Inclusion initiatives for Children, and provision of alternative pharmaceutical services, including phone triage and a home delivery service for pregnant smokers and emergency contraception.
Underspend	-£2.8m	Reduced costs for printing and copying with an offsetting reduction included in Loss of Income below. There are savings on TFM and electricity costs due to some properties not being reopened. An underspend is forecast in Member Services for Members' Grants due to grants being diverted to Covid related initiatives, there is an offsetting cost in Real Additional Spend. Forecast reductions in travel, room hire and printing costs. -£0.9m relates to Public Health made up of costs eligible for the Hospital Discharge Grant, supplier relief payments for GPs and Pharmacies already budgeted for.
Loss of income	£1.1m	For Managed Print, there is forecast reduced income with an offsetting cost saving in underspends. Also forecast potential loss of rental income for KCC properties.

Payments for undelivered services (variable fee)	£0.3m	Support to maintain the financial stability of GP practices and pharmacies.
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Total Revenue forecast	£12.0m
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Capital spend	£0.6m
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Revenue deficit	+£4.4m
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Capital deficit	£0.1m
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Revenue

FI&U is currently forecasting a revenue variance excluding Covid-19 of -£4.1m.

A summary table at Key Service Level can be found in Appendix 1

Revenue Variance by Division

Division	Revenue Budget £m	Variance excl. Covid-19 £m	Last reported position (Sept) £m	Movement (+/-) £m
Financing Items & Unallocated	79.6	-4.1	-3.4	-0.7

The variance is explained below:

Key Service (Division)	Variance	Summary	Detail
Financing Items & Unallocated	-£4.1m	Underspending against the budget for the retender of contracts in ASCH	A -£3.4m underspend against the budget for the retender of Care & Support in the Home and LD/PD/MH residential care, which is partly due to there only being a part year effect in 2020-21. There are also small underspends against other budgets.

Covid-19 Forecasts

The FI&U Directorate is currently forecasting available Covid-19 emergency grant of -£0.5m against corporately held budgets of £6.7m. Whilst there is a forecast surplus as at the end of November it does not take into account the impact of the national lockdown or the tiering system on the projected outturn.

Grant Category	Forecast	Explanation
Covid-19 Allocation Held Corporately	6.7m	
Loss of Income	£4.0m	Anticipated reduction in the return from our companies.
Unrealised savings	£1.8m	Loss of investment income target in 2020-21 because of a shortfall in dividends and the impact of a lower base rate on interest receipts.
Total Revenue Forecast	£5.8m	
Available Grant Funding	-£0.9m	

The initial forecast for the Schools' Delegated Budget reserves estimates a deficit of £20.7m, compared to a surplus of £13.8m at the start of the financial year.

This is made up of a forecast surplus of £34.7m on individual maintained school balances, and a deficit on the central schools' reserve of £55.4m. The table below provides the detailed movements on each reserve.

Dedicated Schools Grant (DSG) budgets held centrally are forecast to overspend by £3.2m and this is predominately linked to the additional cost of supporting Special Educational Needs services.

	Individual School Reserves	Central Schools Reserve	Total School Reserves	<i>Note: a negative figure indicates a drawdown from reserves/deficit</i>
Balance brought forward	35.3	-21.5	13.8	
Forecast movement in reserves:				
Academy conversions and closing school deficits	-0.6		-0.6	
School Growth		1.0	1.0	
Falling Rolls		0.7	0.7	
High Needs		-32.6	-32.6	
Various		0.3	0.3	
Overspend on Central DSG Budgets		-3.2	-3.2	
Forecast reserve balance	34.7	-55.4	-20.7	

The Department for Education (DfE) has advised that local authorities are not expected to repay deficits on the DSG from the General Fund and Secretary of State approval is now required if a local authority wishes to do so. The Ministry of Housing, Communities & Local Government (MHCLG) have confirmed they will be implementing a statutory override, whereby DSG deficits should be held in a separate unusable reserve from the main council reserves. The statutory override is expected to be in place for the next three years whilst Councils implement recovery plans. The Council is working with the Schools Funding Forum to set out the challenge and agree a plan. The DfE has yet to confirm their long-term strategy of how to deal with deficits where it is clear a local authority is unable to repay these deficits within a reasonable timescale. The DfE is expected to make contact with local authorities to discuss the detail of their plan and next steps.

Key Issues	Details
Reduction in government funding for Central Services	In 2020-21, the Government reduced 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 need to review our relationship with schools in line with Government policy and funding.

Higher demand and higher cost for high needs placements

The in-year funding shortfall for High Needs placements is expected to continue in 2020-21 (+£32.6m) due to a combination of both higher demand and higher cost per child. The forecast has been updated to reflect November activity and it assumes in future months, there will be similar levels of growth in the use of higher cost placements as seen in previous years since the introduction of the legislative changes in 2014. The overall pressure has reduced slightly since the position reported in September (+£33.4m) due to the revision in the expected level of spend in 2020-21 on supporting inclusive practices in mainstream schools. Most of the activity in relation to this programme of spend is now expected to occur in 2021-22 partly due to COVID related delays.

It is important to note this is not a Kent phenomenon; and this pressure is being experienced in many other local authorities to varying extents. In response, the Government launched a major review into support for children with SEN however the outcome has been delayed and is not expected until Spring 2021. In the interim, further funding is being provided, however, as can be seen from the forecast, this has been insufficient to meet the demand. This position reflects the fact that more funding can only be part of the answer and that there is need for wider legislative reform.

The Written Statement of Action (WSOA), put in place to address a number of areas of concern raised in last year's Ofsted/CQC Local Area SEND Inspection, overlaps in a number of places with our strategy for reducing the pressure on the High Needs budget which includes:

- 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 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

Work is progressing however this has been slowed/paused due to the COVID outbreak. There are also wider concerns on the longer-term impact of children being out of school during the Summer Term on this budget.

12 Capital Budget Changes

Cabinet is asked to note the following changes to the Capital Budget:

Project	Year	Amount (£m)	Reason
Highway Major Enhancement (GET)	20-21	+13.017 +0.062	Additional grant from the Department of Transport for roads, structures and lighting Additional external funding
M2 Junction 5 (GET)	20-21	+1.600 -0.700	Additional LGF grant Reduction in prudential borrowing as a result of the award of additional grant. Nb. A contribution of £0.9m is still required by KCC hence only a reduction of £0.7m prudential.
Public Rights of Way (GET)	20-21	+0.008	Additional developer contributions
Tunbridge Wells Cultural Hub - The Amelia (GET)	20-21	+0.036 +0.005	Additional developer contributions Additional external funding

Cabinet is asked to approve the following changes:

Project	Year	Amount (£m)	Reason
Annual Planned Enhancement Programme (CYPE)	20-21	-0.055	Virement of grant to Basic Need
Basic Need Kent Commissioning Plan 16 (CYPE)	20-21	+0.055	Virement from Annual Planned Enhancement Programme
Basic Need Kent Commissioning Plan 19 (CYPE)	20-21	-0.490	Virement to Priority School Build Programme
Priority School Build Programme (CYPE)	20-21	+0.490	Virement from Basic Need Kent Commissioning Plan 19
Digitally Connecting Kent & Medway (GET)	20-21 21-22	+0.261 +2.030	Additional LGF grant. This is a new project in the capital programme.
Government Transition Works (GET)	20-21	+23.634	Additional grant received from the Department of Transport to progress the works at Ashford. This is a new project in the capital programme.
Kent Strategic Congestion Management (GET)	20-21	+0.125	Additional revenue following a successful Kent Lane Rental bid for the renovation of traffic lights in the Dover area.
Area of Outstanding Natural Beauty (AONB) Vehicles (GET)	20-21	+0.037	Additional revenue contribution for vehicles.

Appendix 1 - Key Service Summary

	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
Community Based Preventative Services	13.4	+0.2	+0.0	+0.2
Housing Related Support	7.0	+0.1	+0.1	+0.0
Transfers to and from Reserves	-7.5	+0.0	+0.0	+0.0
Strategic Management & Directorate Support (ASCH)	3.3	-1.4	-1.2	-0.2
Social Support for Carers	3.0	-0.0	-0.0	+0.0
Partnership Support Services	0.0	-0.0	-0.0	-0.0
Strategic Safeguarding	0.4	-0.1	-0.1	-0.0
Strategic Management & Directorate Budgets	19.4	-1.2	-1.2	+0.0
Adult In House Carer Services	2.6	-0.1	-0.1	-0.0
Adult In House Community Services	7.3	-0.3	-0.2	-0.1
Adult In House Enablement Services	3.2	-0.0	-0.0	+0.0
Adult Learning Disability - Case Management & Assessment Service	6.0	-0.6	-0.6	-0.1
Adult Learning Disability - Community Based Services & Support for Carers	79.6	-1.2	-1.6	+0.4
Adult Learning Disability - Residential Care Services & Support for Carers	62.1	+1.4	+1.4	-0.0
Adult Mental Health - Case Management & Assessment Services	9.9	-0.2	-0.2	-0.1
Adult Mental Health - Community Based Services	6.7	+1.6	+1.6	+0.0
Adult Mental Health - Residential Care Services	13.0	+0.8	+0.8	-0.0
Adult Physical Disability - Community Based Services	17.3	+2.3	+0.6	+1.7
Adult Physical Disability - Residential Care Services	14.0	+2.0	+2.0	-0.0
ASCH Operations - Divisional Management & Support	0.5	+0.0	-0.0	+0.1
Looked After Children (with Disability) - In House Provision	2.9	+0.2	+0.0	+0.1
Older People - Community Based Services	39.4	-1.6	+0.3	-1.9
Older People - In House Provision	15.8	-0.8	-0.5	-0.3
Older People - Residential Care Services	51.1	-0.1	+1.0	-1.1
Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	24.6	-0.5	-0.2	-0.2
Older People & Physical Disability - In House Community Homecare Service	4.0	-0.2	-0.1	-0.1
Older People & Physical Disability Carer Support - Commissioned	0.6	-0.3	-0.5	+0.3
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Community Based Services	6.4	-3.3	+0.1	-3.4
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Residential Care Services	1.2	-0.5	-0.1	-0.4
Sensory & Autism - Assessment Service	1.8	+0.0	+0.0	+0.0

Appendix 1 - Key Service Summary

	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
Service Provision - Divisional Management & Support	0.5	+0.0	+0.2	-0.2
Adaptive & Assistive Technology	2.0	-0.5	-0.6	+0.1
Adult Social Care & Health Operations	372.6	-1.9	+3.3	-5.2
Business Delivery	8.3	-1.4	-1.2	-0.2
Safeguarding Adults	0.3	+0.0	+0.0	-0.0
Independent Living Support	0.7	+0.0	+0.0	-0.0
Statutory and Policy Support	1.2	-0.0	+0.3	-0.3
Business Delivery Unit	10.4	-1.3	-0.8	-0.5
Adult Social Care & Health	402.5	-4.4	+1.3	-5.7
Strategic Management & Directorate Budgets	4.0	+0.4	+0.3	+0.2
Community Learning & Skills (CLS)	-0.7	-0.0	-0.0	-0.0
Early Years Education	0.0	+0.0	-0.0	+0.0
Education Management & Division Support	1.4	-0.0	+0.0	-0.1
Education Services provided by The Education People	3.9	+0.1	+0.1	-0.0
Fair Access & Planning Services	0.0	-0.0	+0.0	-0.0
Home to School & College Transport	44.5	-0.0	-0.4	+0.4
Other School Services	0.3	-1.2	-0.9	-0.2
Education	49.3	-1.1	-1.2	+0.1
Adoption & Special Guardianship Arrangements & Service	14.8	-1.1	-1.0	-0.1
Asylum	-0.1	-0.0	-0.0	+0.0
Care Leavers Service	8.6	-0.6	-0.6	-0.1
Children in Need - Care & Support	3.3	-0.1	-0.1	+0.0
Children's Centres	3.6	+0.3	+0.2	+0.1
Children's Social Work Services - Assessment & Safeguarding Service	46.8	+0.6	+0.6	+0.1
Early Help & Preventative Services	7.1	-0.2	+0.0	-0.2
Integrated Services (Children's) Management & Directorate Support	5.0	-0.5	-0.4	-0.1
Looked After Children - Care & Support	64.3	+1.3	+0.7	+0.6

Appendix 1 - Key Service Summary

	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
Pupil Referral Units & Inclusion	0.0	+0.1	+0.0	+0.1
Youth Services	4.7	+0.1	+0.2	-0.1
Integrated Children's Services (East & West)	158.1	-0.2	-0.4	+0.2
Adult Learning & Physical Disability Pathway - Community Based Services	25.9	-1.0	-0.8	-0.2
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	9.4	+0.7	+0.7	+0.1
Children in Need (Disability) - Care & Support	5.1	-0.6	-0.4	-0.2
Children's Disability 0-18 Commissioning	1.7	+0.0	+0.0	+0.0
Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	7.9	+0.0	-0.2	+0.2
Looked After Children (with Disability) - Care & Support	10.1	+0.7	+0.9	-0.2
Special Educational Needs & Psychology Services	10.2	+0.2	+0.1	+0.1
Special Educational Needs & Disabilities	70.3	+0.2	+0.2	-0.1
Children, Young People & Education	281.7	-0.7	-1.1	+0.4
Strategic Management & Directorate Budgets	1.4	-0.1	-0.1	-0.0
Arts	1.5	-0.0	-0.0	+0.0
Economic Development	3.1	-0.1	-0.2	+0.0
Economic Development	4.6	-0.2	-0.2	+0.0
Highway Transportation (including School Crossing Patrols)	6.2	-0.2	-0.3	+0.1
Highway Asset Management (Roads and Footways)	8.0	-0.3	-0.3	-0.0
Highway Asset Management (Other)	17.0	+0.5	+1.0	-0.5
Subsidised Buses and Community Transport	6.5	+0.0	-0.0	+0.0
Concessionary Fares	17.2	-0.0	-0.0	+0.0
Kent Travel Saver	8.1	-0.6	-0.6	-0.0
Residual Waste	39.7	+0.0	+0.1	-0.0
Waste Facilities & Recycling Centres	33.7	+0.9	+0.4	+0.6
Highways, Transport & Waste Management Costs and Commercial Operations	5.3	+0.1	+0.2	-0.1
Highways, Transportation & Waste	141.7	+0.5	+0.5	+0.1

Appendix 1 - Key Service Summary

	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
Environment & Planning	5.7	+0.1	+0.1	+0.1
Environment, Planning & Enforcement Management Costs	0.7	-0.0	-0.0	-0.0
Public Protection (Enforcement)	11.0	-0.4	-0.2	-0.2
Environment, Planning & Enforcement	17.3	-0.3	-0.2	-0.1
Libraries, Registration & Archives	8.7	-0.2	-0.2	+0.0
Growth, Environment & Transport	173.8	-0.2	-0.1	-0.0
Strategic Management & Directorate Budgets	-1.2	-0.4	-0.3	-0.1
Customer Contact, Communications & Consultations	5.4	+0.1	+0.1	-0.0
Human Resources related services	7.8	-0.2	-0.2	-0.0
People & Communication	13.3	-0.1	-0.0	-0.1
Finance	10.2	+0.1	+0.1	-0.1
Governance & Law	6.1	+0.1	+0.0	+0.1
Local Member Grants	2.8	-0.0	+0.0	-0.0
Governance, Law & Democracy	8.8	+0.1	+0.0	+0.1
ICT related services	18.9	+0.1	-0.2	+0.3
Property related services	5.5	-1.2	-0.4	-0.8
Infrastructure	24.4	-1.1	-0.6	-0.5
Corporate Landlord	24.4	-0.6	-0.2	-0.4

Appendix 1 - Key Service Summary

	Revenue Budget £m	Variance excl. Covid-19 £m	Last Reported Position (Sept) £m	Movement +/- £m
Strategic Commissioning	8.2	-0.3	-0.1	-0.2
Public Health - Advice and Other Staffing	0.0	+0.0	+0.0	+0.0
Public Health - Children's Programme	0.0	-0.0	+0.0	-0.0
Public Health - Healthy Lifestyles	0.0	+0.0	+0.0	-0.0
Public Health - Mental Health, Substance Misuse & Community Safety	0.1	+0.0	+0.0	+0.0
Public Health - Sexual Health	0.0	+0.0	+0.0	+0.0
Strategic Commissioning including Public Health	8.3	-0.3	-0.1	-0.2
Strategy, Policy, Relationships & Corporate Assurance	2.0	-0.1	-0.1	-0.0
Total - Strategic & Corporate Services	90.2	-2.4	-1.1	-1.2
Financing Items & Unallocated	79.6	-4.1	-3.4	-0.7
Total excluding Schools' Delegated Budgets	1,027.7	-11.8	-4.5	-7.3

Covid-19 budgets held corporately for:

	Budget £m	Variance £m
Adult Social Care & Health	33.7	-9.6
Children, Young People & Education	7.7	-8.7
Growth, Environment & Transport	9.9	-2.6
Strategic & Corporate Services	7.2	+4.4
Financing Items	6.7	-0.9
Unallocated	7.0	+0.0
	72.2	-17.4
Total including Unallocated Budgets	1,099.9	-29.2

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

To: Cabinet 25th January 2021

Subject: **Capital Programme 2021-24, Revenue Budget 2021-22 and
Medium Term Financial Plan 2021-24**

Classification: **Unrestricted**

Summary:

The draft budget proposals were published on 6th January 2021 to support the scrutiny and democratic process through Cabinet Committees, Cabinet and culminating in the annual County Council budget setting meeting on 11th February. A comprehensive report to support the draft budget was included as part of the launch which includes much of the information previously included in the January report to Cabinet, and February report to Council. This report sets out the updates to that report since publication.

A number of additional appendices will need to be included in the final report to full Council to support decisions such as Capital Strategy including Prudential Indicators, Minimum Revenue Provision (MRP) statement, and Treasury Management Strategy.

The one-year provisional settlement from government meant it was not viable to produce a meaningful medium-term financial plan in the published draft. However, a high level medium term plan is now included in this updated report for Cabinet, and will be included for the Council meeting in February.

Cabinet will also receive and consider comments and recommendations from Cabinet Committees and Scrutiny Committee. To assist their understanding, Cabinet Members may wish to watch the Scrutiny Committee discussion on Friday 22nd January 2021. Due to the timing of some Committees, Cabinet Members will receive a verbal update in addition to the information contained within these papers.

Recommendations:**Cabinet is asked to**

- a) NOTE the briefing received in relation to the Cabinet Committees and Scrutiny Committee, the consultation responses received AND CONSIDER whether any amendments should be made.
- b) ENDORSE the draft Capital Programme 2021-24, Revenue Budget 2021-22 and Medium Term Financial Plan 2021-24 to be presented to County Council on 11th February for final decision.

Cabinet Members are asked to refer to the attached updated 2021-22 draft budget report for this meeting.

Cabinet Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to a matter relating to, or which might affect, the calculation of council tax.

Any Member of a Local Authority who is liable to pay council tax, and who has any unpaid council tax amount overdue for at least two months, even if there is an arrangement to pay off the arrears, must declare the fact that he/she is in arrears and must not cast their vote on anything related to KCC's Budget or council tax.

1. Update to Draft Budget Report

1.1 The updated draft report includes the following updates:

- KCC response to the provisional local government finance settlement, section 4 paragraphs 4.26 to 4.29
- Further information on the council tax base estimates, section 6 paragraph 6.10 and table 4
- Further information on the impact of proposed council tax increase on each band, section 6 paragraph 6.11 and table 5
- Medium term outlook (appendix I)

1.2 The updated report dated 15th January is published alongside the Cabinet papers.

1.3 Cabinet will receive verbal update of any recommendations for further changes from Cabinet Committees and Scrutiny Committee as the cycle of all meetings will not be completed in time for the publication of this report.

2. Finalising the Budget

2.1 It is possible that there will be some further changes before the budget and council tax is presented to County Council for approval on 11th February 2021. Any such changes would be reflected in the report to County Council. This offers scope to deal with any late issues which may arise, including recommendations from Cabinet Committees.

3. Recommendations

Recommendations:

Cabinet is asked to

a) NOTE the briefing received in relation to the Cabinet Committees and Scrutiny Committee, the consultation responses received AND CONSIDER whether any amendments should be made.

b) ENDORSE the draft Capital Programme 2021-24, Revenue Budget 2021-22 and Medium Term Financial Plan 2021-24 to be presented to County Council on 11th February for final decision.

4. Contact details

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Draft Budget 2021-22

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Appendices

From	Leader of the Council, Roger Gough Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Relevant Director	Corporate Director Finance, Zena Cooke
Report author(s)	Head of Finance Policy, Planning and Strategy Dave Shipton
Circulated to	Cabinet Committees and Scrutiny Committee
Classification	Unrestricted

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Directorates – abbreviations in this report

ASCH - Adult Social Care and Health	CYPE - Children, Young People and Education
GET - Growth, Environment & Transport	S&CS - Strategic & Corporate Services
	NA - Non Apportionable

Summary

In February 2020 the Council agreed its budget for 2020-21. Very shortly thereafter the country was hit by the Covid-19 pandemic and on 20th March the government implemented a series of emergency measures including a national lockdown. Local authorities' emergency planning procedures were invoked and new responsibilities followed.

Since 2011-12 in the face of unprecedented reductions in Government funding and increasing demand on services, the need to make savings has dominated the Council's financial planning process. Responding to the pandemic added a further, even more complex dimension to financial planning.

The pandemic has had a profound impact on the Council's budget and its ability to deliver services and, as a consequence, on its financial planning assumptions. As a result of the pandemic, new areas of expenditure were required together with fundamental changes to the Council's main sources of funding; additional emergency short term funding was made available by the government alongside other measures to support the Council's cash flow. The Council's priorities were redefined by the crisis and the delivery of some proposed investments and savings were paused. The Council agreed a budget amendment in September 2020 to reflect the revised financial position.

Separately the Council also set out the impact of the pandemic and a resulting interim strategic plan. The Council is experiencing a rise in demand and extreme pressure on services as well as seeing increased levels of financial hardship for residents and businesses. The interim strategic plan outlined the high-level interventions we will take as part of our response and a basis for future policy considerations. Taken together these reports inform a new direction in what is a fundamentally more challenging financial environment.

Due to the significant potential budget gap for future years, the report to full Council will set out draft savings proposals for the Medium Term Financial Plan (MTFP) period for initial consideration. As in previous years, consultation with residents, businesses and other key stakeholders has been a feature of proposed changes and the results of the Council's 2021-22 budget consultation were considered at Cabinet on 30 November 2020.

The Council received the provisional Local Government Finance Settlement (LGFS) on 17 December. The final LGFS will be received later this month and the draft budget will need to be further updated based on any changes that materialise.

The country, indeed the world, has experienced a period of massive turbulence; in response to the pandemic. The UK government has borrowed heavily, increasing net annual borrowing to levels never before seen in peacetime in order to fund the nationwide response to the pandemic and to protect the economy in preparation for the time when the virus subsides. Alongside key partners, councils have been at the forefront of responding to the needs of local residents, taking on new responsibilities as well as continuing to deliver a range of existing services in a situation of heightened demand. The cumulative impact of these matters requires a change in approach from that set out and agreed in February 2020 as the council now finds itself in a materially changed environment from that which existed when the Council originally approved its budget.

The Council is under a legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities. A MTFP covering the entirety of the resources available to the Council is considered to be the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty. The need to respond immediately to the pandemic and the impact that this has had on the Council's finances means that a re-evaluation of the current year's financial position is the starting point for any changes.

The setting of the budget is a decision reserved for Full Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Cabinet and Scrutiny Committees to allow for their comments to be considered before the final budget proposals are made to Full Council.

As the Council develops its detailed proposals it must continue to keep under review those key financial assumptions which underpin the Council's MTFP; in particular as the Council becomes ever more dependent on locally raised sources of income through the Council Tax and retained business rates these elements become fundamental elements of its approach and strategies.

In accordance with Financial Regulations, capital schemes must be included within the Council's capital programme, and capital estimates adopted prior to any expenditure being incurred.

2.1 Setting the annual budget is one of the most significant decisions the County Council takes each year. It sets the County Council's share of council tax and the overall resource framework in which the Council operates. The budget is the financial expression of the council's strategic priorities and the 2021-22 budget and MTFP has been set in the context of the interim Strategic Plan. It gives delegated authority to manage the budget to Corporate Directors and Directors within the parameters set out in the Council's Constitution and Financial Regulations. Corporate Directors and Directors are accountable for spending decisions within delegated powers and these are monitored through the council's budget monitoring arrangements regularly reported to Cabinet.

A) Strategic Priorities – Interim Strategic Plan

2.2 During 2019 and early 2020, the Council developed a draft 5 Year Plan which set clear outcomes that it would aim to deliver to improve quality of life in Kent over the next 5 years. The plan was nearing completion following a careful analysis of the responses to the 5 Year Plan consultation.

2.3 Due to the huge and unprecedented impact of coronavirus (COVID-19), it was necessary to pause to understand the new circumstances arising from responding to and recovering from the pandemic. Many of the priorities that came out of the 5 Year Plan consultation remain highly relevant and have strongly influenced the development of an Interim Strategic Plan.

2.4 "Setting the Course" is our Interim Strategic Plan for 2021 and the first half of 2022. It was approved by County Council on December 10, and explains the immediate challenges we face, and the actions the Council will prioritise to lead the county through 2021 and into 2022.

2.5 While the challenges facing the county are significant, there are also important opportunities to improve our services, and support the county to emerge stronger and more sustainable. In many cases the priorities set out in the Interim Strategic Plan lay the foundations for positive change in the future.

2.6 The budget for 2021-22 and for the MTFP period reflects the challenges and opportunities set out in the Interim Strategic Plan and how the Council plans to respond to them.

The five main challenges are:

Financial – the Council faces a significant budget gap and difficult decisions to make in the short-to medium-term, while maintaining a longer-term view of what is best for the county.

Economic – the economic downturn caused by coronavirus (COVID-19) is causing widespread economic impacts, while attracting investment and putting infrastructure in place to support growth remains a priority.

Demand – there is increasing demand for some of our key services, which will be made worse by the impacts of coronavirus (COVID-19) on Kent's residents, particularly those that are vulnerable.

Partnership – the crisis presents important opportunities to build on strengthened relationships and rethink how we work with partners to better manage demand and improve efficiency.

Environmental – tackling the climate emergency and protecting the natural environment continues to be an urgent priority, as well as investing in the built environment and creating communities to be proud of.

2.7 The interim Strategic Plan details a number of priority actions that will address the five challenges set out above. The progress on these actions will be monitored and regularly reported to Cabinet.

B) Requirement to set a balanced budget

2.8 The Local Government Finance Act 1992 requires the Council to consult on and ultimately set a legal budget and Council Tax precept for the forthcoming financial year, 2021-22. Setting the Council's revenue and capital budgets for the forthcoming year has been incredibly challenging due to the uncertainties arising from the Covid-19 pandemic and subsequent economic recession. This has made forecasting spending requirements and income levels much more unpredictable, which together with a one year settlement from Government for 2020-21 and the direct impact a recession has on council tax collection and future years' tax base means that the likely available funding has also been highly uncertain.

2.9 The legal requirement places a statutory duty on the Council to set a balanced budget. However, what is meant by 'balanced' is not defined in law and relies on the professional judgement of the Chief Financial Officer to ensure that the budget is robust and sustainable. A prudent definition of a balanced budget would be a financial plan based on sound assumptions which shows how planned spending and income equals the available funding for the forthcoming year. Plans can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves.

2.10 While there is no legal definition of a balanced budget, legislation does provide a description to illustrate when a budget is considered not to balance:

- where the increased uncertainty leads to budget overspends of a level which reduces reserves to unacceptably low levels, or
- where an authority demonstrates the characteristics of an insolvent organisation, such as an inability to pay creditors.

2.11 To avoid the risk of an unbalanced budget the Council has to be financially resilient. Good financial management is fundamental in establishing confidence in the budget and ensuring that the finances can withstand unexpected pressures. The Council has recently engaged the Chartered Institute of Public Finance and Accountancy (CIPFA) to undertake a review of the council's financial management arrangements. CIPFA has concluded there is a sound basis for financial management across the Council as well as some areas for improvement. We are in the process of developing an improvement plan to build on the financial management arrangements already in place and to further strengthen the Council's financial resilience. The draft budget addresses a number of resilience issues.

2.12 Setting a clear medium-term financial plan (MTFP) also strengthens the Council's financial resilience by identifying financial issues early and options for potential solutions. Whilst the legislative requirement does not extend to the MTFP, and there is no requirement to balance the later year's plans, it is considered good financial practice. The one-year settlement and government spending plans included in the 2020 Spending Review (SR2020) means the MTFP for 2021-24 will be based on a range of alternative scenarios. The multi-year plan will be published as part of the report to the 11th February 2021 Council meeting.

C) Budget Consultation

2.13 The Council launched a consultation on the 2021-22 budget on 14th October. The consultation was open until 24th November and can still be viewed via the Council's website <https://www.kent.gov.uk/about-the-council/finance-and-budget/our-budget>.

2.14 The number of responses was significantly higher than recent consultations with just under 3,000 respondents; an increase of 55% on the previous summer consultation.

2.15 Unlike previous years, the budget consultation asked respondents to identify areas for spending reductions and overall Social Care services were the areas where people were most uncomfortable with spending reductions, with over 65% indicating as such. Areas including Community Services (66%), Regeneration & Economic Development (63%), Libraries, Registration & Archives (62%), Transport (58%), Environment (52%) and Public Protection (51%) were the areas respondents identified as comfortable or partly comfortable for spending reductions.

2.16 In relation to Council Tax, 51% of respondents agreed with raising Council Tax to an assumed 2% referendum limit, whilst 45% did not agree with this percentage increase. When asked if respondents agreed with the Adult Social Care Levy (an additional increase in Council Tax specifically for the additional costs of Adult Social Care), 47% were in favour, while 41% disagreed. The remaining 12% selected 'Don't know/No opinion'.

2.17 The consultation also asked 3 questions relating to the Council's Strategic Reset Programme. Respondents were highly supportive of "Delivering more than one service from KCC buildings" (92% agree) and "Reducing the number of buildings in the KCC estate" (78% agree). Support for "Delivering more services using online technology was also high (75%).

2.18 A separate detailed report setting out the responses received is included as background document to this report. The budget report presented to full Council will take account of any feedback following Cabinet Committee and Scrutiny Committee consideration.

D) Equalities Considerations

2.21 The Equality Act 2010 requires the Council, in the exercise of its functions to have due regard to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

2.22 To help meet its duty under the Equality Act the council undertakes equality impact assessments to analyse a proposed change in order to assess whether it has a disproportionate impact on persons who share a protected characteristic. As part of our budget setting process an equality impact assessment screening will be completed for all savings proposals to determine which proposals will require a full equality impact analysis (with mitigating actions set out against any equality risks) prior to a decision to implement being made.

E) Treasury Management Strategy

2.19 The Treasury Management Strategy Statement will be revised and presented to County Council in February 2021 in accordance with the CIPFA Treasury Management Code of Practice. The Statement will set out the proposed strategy with regard to borrowing, the investment of cash balances and the associated monitoring arrangements.

2.20 The proposed prudential indicators set out in the Treasury Management Strategy will be based on the Capital Programme 2021-24.

3.1 The national fiscal and economic context is an important consideration for the Council in setting the budget. This context not only determines the amount received through central government grants, it also sets out how local government spending fits in within the totality of public spending. This latter aspect essentially sets the government's expectations of how much local authorities can raise through local taxation.

3.2 The Covid-19 pandemic has presented an extraordinary and unexpected challenge to the UK economy and economies across the world. The combination of additional public spending both on dealing with the pandemic and the economic fallout from the subsequent recession, and reduced tax yields, has resulted in an unprecedented peacetime budget deficit. The central OBR fiscal forecasts for public sector spending, receipts, net borrowing, and total debt is forecast to be £281bn higher than the previous year and receipts £57bn lower, resulting in an annual deficit of £394bn. The economic outlook remains highly uncertain and the OBR have produced a number of alternative scenarios reflecting different assumptions about the pandemic and its impact on the economy (with a range for the annual deficit of £353bn to £440bn under the various scenarios for the pace of economic recovery).

3.2 The Spending Review acknowledged that due to the high levels of uncertainty it was not the right time to set out a detailed medium-term fiscal strategy. However, the Chancellor did state that over time, and once the economic recovery is secured, that the government is fully committed to taking the necessary steps to ensure borrowing and debt are on a sustainable path. The OBR has identified that even on the loosest conventional definition of balancing the books, a fiscal adjustment of £27 billion (1% of GDP) would be required to match day-to-day spending to receipts by the end of the five-year forecast period in 2025-26.

3.3 The OBR central forecast is that the size of the UK economy, as measured by Gross Domestic Product (GDP), will reduce by 11.3% in the current year (11.8% per capita). This is the largest annual reduction in over 300 years. Under the various scenarios, the upside GDP shrinks by 10.6% in the current year, and the downside by 12%.

3.4 Appendix G sets out the essential assessment and forecasts from the Office for Budget Responsibility (OBR) economic and fiscal outlook report published in November 2020. This report was published alongside SR2020.

4.1 The last funding settlement agreed with the Government expired at the end of the 2019-20 financial year. The government previously stated its intention to hold a new Spending Review in 2019, covering the period 2020-24. However, due to the government's focus on Brexit, a one year 2020-21 Spending Round was announced in September 2019. On 25 November 2020 the Chancellor announced the Spending Review 2020, again for only one year (2021-22), this time due to the Covid-19 pandemic.

4.2 The impact of the Covid-19 pandemic has inevitably impacted on the level of resources available and shaped the government's own short-term funding priorities. This means both the relative priority of local government against other government departments such as the NHS as well as the relative resource allocations between local government services.

4.3 Previously the direction of travel for Local Authority funding has reflected a move away from direct general government support such as through Revenue Support Grant towards more targeted grant support coupled with an increased reliance on locally generated sources of income such as the Council Tax and retained Business Rate receipts.

4.4 On 2nd July 2020, the Secretary of State for Housing, Communities and Local Government, announced a support package to help councils respond to Covid-19 and to help ensure councils' financial sustainability for the future. This included allowing councils to repay Council Tax and Business Rates deficits over a three-year period instead of in one year. The Spending Review 2020 announced on 25th November went further and announced that the government would provide funding to Local Authorities for 75% of the 2020-21 deficits (with the 25% remaining to still be repaid over three years by local authorities).

4.5 The Council's MTFP will be affected by deferral of the Fair Funding Review from April 2021 until 2022-23 at the earliest and the expected associated changes to the national Business Rates retention scheme alongside the Fair Funding Review.

4.6 The Secretary of State for Housing, Communities and Local Government published the provisional local government finance settlement on 17th December. The settlement is important as it provides details of the allocations of the departmental budgets to individual councils of the amounts announced in SR2020. The settlement together with the provisional tax base estimates for districts are a vital component of the Council's budget as they determine significant amounts of the funding for the net budget. The provisional settlement is subject to a short consultation with a response deadline of 16th January. The allocations in the settlement were largely as anticipated and included the additional Covid-19 funding provided in SR2020.

4.7 The provisional settlement includes the government's calculation of Core Spending Power (CSP). The CSP is a measure of the financial resources available to local authorities to fund service delivery. It comprises council tax and the main government grants, including the baseline for business rate retention. The calculation shows an increase in CSP of £57.7m (5.5%) over 2020-21 as set out in Table 1 below.

Table 1 – KCC’s Core Spending Power

Kent County Council	2020-21 £m	2021-22 £m	Difference £m
Council Tax	749.4	801.9	52.5
Settlement Funding Assessment	197.5	197.6	-
Improved Better Care Fund	48.5	48.5	-
Social Care Support Grants	34.4	39.1	4.7
Business Rate Compensation	7.5	9.8	2.3
New Homes Bonus	6.4	4.6	-1.8
Total	1,043.9	1,101.6	+57.7

4.8 The CSP should be treated with some caution. In particular, it assumes a 7% increase in council tax precept from a combination of the 5% referendum/adult social care precept and an assumed 2% increase in the tax base. The county council’s precept must be based on the estimated tax base notified by Kent districts. The estimate for the draft budget proposals assumes a 1.04% reduction in the tax base. This results in an assumed precept of £779m, which is around £23m (3%) less than that assumed by government in CSP.

4.9 The provisional settlement also includes confirmation of the proposed Council Tax Referendum principles for 2021-22. These allow all councils to increase council tax rates by up to but not exceeding 2% without the need for a referendum (up to £5 for districts and boroughs where this is more than 2%). Councils with social care responsibilities can agree a further increase of up to 3% for the Adult Social Care Precept, taking total increase up to but not exceeding 5%. The regulations also allow some or all of the Adult Social Care Precept element to be deferred until 2022-23. However, as stated in 4.8 above, the government assumes the Council will increase Council Tax to the maximum allowed levels. If the Council did not implement the maximum allowable increase, then its spending power to provide services would be reduced going forward with no funding from government to mitigate this (and therefore requiring a higher level of savings).

4.10 The draft budget includes the same amount for settlement funding assessment (SFA) and the MHCLG grants as assumed by the government as set out in Table 1 above. The grants for New Homes Bonus (NHB) and Social Care Grant are subject to consultation on the allocations set out in the provisional settlement. The SFA shows the baseline for business rates retention and does not include any growth (or decline) in the local share, or the proceeds from pooling arrangements.

4.11 The provisional settlement confirmed that information about applying to the £4bn “levelling up” fund (UK Shared Prosperity Fund) will be published early next year. Any local area can apply directly, with the focus on town centre regeneration and culture. The provisional settlement confirmed that £165m will continue to be available in 2021-22 to support the Troubled Families Programme. The provisional settlement also included £15m to implement the Redmond Review into the effectiveness of external audit and transparency of financial reporting in local authorities although included no details how this money is to be accessed.

4.12 Other aspects of the provisional settlement including increases in Rural Services Delivery Grant by £4m (from £81m to £85m, a 4.9% increase), a new lower-tier services grant (£111m), and further funding to support rough sleepers are not relevant for county councils.

Core Grants

4.13 The Council is in receipt of a mix of general un-ringfenced grants which can be used in any way the Council decides to discharge its functions (core grants) and specific grants which must be spent according to government priorities. Given the uncertainty of the Fair Funding review, assumptions have needed to be made in respect of most grants after the announced 2021-22 level. There are risks associated with this approach as the government may decide to change its priorities and reduce or cease funding through a grant or reallocate service specific grants into more general funding with a changed distribution.

Revenue Support Grant

4.14 Revenue Support Grant (RSG) is a central government grant given to local authorities from the centrally retained share of business rates which can be used to finance revenue expenditure on any service. The amount of Revenue Support Grant to be provided to authorities is established through the Local Government Finance Settlement using the relevant funding formulae; the revision of these formulae (along with the redistribution of the locally retained share of business rates) is the focus of the (deferred) Fair Funding review process.

4.15 The Council's Revenue Support Grant (RSG) decreased from circa £161m in 2015-16 to circa £9.6m in 2020-21.

New Homes Bonus

4.16 The New Homes Bonus (NHB) scheme was introduced in 2011-12 to help tackle the national housing shortage. The scheme was designed to reward those authorities that increased their housing stock either through new build or by bringing empty properties back into use. The grant is un-ringfenced.

4.17 The Council is intending to remove its reliance on NHB as a funding source in support of its general revenue budget. In the light of the current financial situation the proposed approach is to place the NHB into an earmarked reserve to be used to support time limited activity related to the council's strategic priorities.

4.18 The Spending Review 2020 announced one further year of NHB for 2021-22 and the provisional LGFS estimates the Council's allocation as £4.6m. The NHB (including all legacy payments) is expected to come to an end in 2023-24 and although it is expected that decreases in NHB will be re-allocated nationally into other funding streams such as the Revenue Support Grant or other core grants, this will clearly need to be kept under review.

Improved Better Care Fund

4.19 The Better Care Fund (BCF) was introduced in the 2013-14 spending review. The fund is a pooled budget, bringing together local authority and NHS funding to create a national pot designed to integrate care and health services.

4.20 In addition to this, an Improved Better Care Fund (IBCF) was announced in the 2016-17 budget to support local authorities to deal with the growing health and social care pressures during the period 2017-20. The Spending Rounds for 2019 and 2020 have extended this grant for one year at a time at the same level (£48.5m for 2020-21 and 2021-22).

Social Care Grant

4.21 In the Chancellor's 2019-20 budget, £410m of additional funding was announced for use for adult and children's social services. The Spending Round 2019 announced that there would be additional Social Care funding of £1bn, taking the total for 2020-21 to £1.41bn. This additional grant combined with the extension of the Adult Social Care Precept for another year provided up to £1.5bn additional resource for social care services compared to 2019-20. The government believes there is not a single bespoke needs formula that can be used to model relative needs for both adult and children's social care, therefore the existing Adult Social Care Relative Needs Formula was used to distribute this Social Care Support Grant funding.

4.22 The final 2020-21 LGFS confirmed that the previous Social Care Support Grant allocations will be rolled into a new Social Care Grant for 2020-21. The Spending Review 2020 announced a further one-off increase to the Social Care Support Grant for 2021-22 and the provisional LGFS allocation for the Council is an increase of £4.7m, increasing the total grant value for 2021-22 to £ 39.1m.

Covid-19 Support Grants

4.23 In response to the Covid-19 pandemic, the government announced circa £6.4bn in grants to councils in the current year towards the additional expenditure and reduced income, as well as funding for passported business rates (NNDR) relief and passported grants to businesses. KCC has received a total of £131m. These grants have been allocated to local authorities via a formula and do not include those where actual costs can be claimed e.g. loss of sales fees and charges income, NHS discharges, community testing). The national and local shares are shown in table 2 below.

Table 2 – Covid 19 Support Grants

Grant	National Total £m	KCC Share £m
2019-20		
Covid 19 Emergency Grant	1,600	39.0
2020-21		
Covid 19 Emergency Grant	3,100	55.9
Infection Control Fund	1,146	35.5
Contain Outbreak Management Fund	1,385	19.0
Test and Trace Grant	300	6.3
Covid Winter Grant Scheme	170	4.5
Emergency Assistance Grant	63	1.7
Clinically Extremely Vulnerable Grant	32	0.9
Home to School Transport Grant	99	4.5
Bus Services Support Grant	67	2.9
Total	6,362	131.3

4.24 The majority of this funding is intended for 2020-21 and the latest estimates indicate that this funding should be sufficient to cover Covid-19 related spending and income losses. These estimates do not include the impact of the latest national lockdown, the second wave of infections or the new tier 4 restrictions.

4.25 The Covid-19 related funding for KCC in 2021-22 includes £32.9m un-ringfenced emergency grant, Covid-19 Local Council Tax Support grant of £14.3m, Covid-19 Local tax income guarantee to cover 75% of irrecoverable tax losses and grant that is claimed by the council to cover 75% of losses of irrecoverable Sales Fees and Charges income.

KCC Response to Provisional Local Government Finance Settlement

4.26 The Council has submitted a response to the provisional local government finance settlement. This response is largely supportive recognising that in the current unique circumstances councils need as much certainty over funding as can be provided. The settlement provided this through a rollover of core grants from 2020-21, together with additional funding for social care and one-off grants to support additional spending and tax losses stemming from Covid-19 pandemic and subsequent recession.

4.27 The overall settlement is still insufficient to fully cover spending growth and income losses and we have raised concerns about significant reliance on council tax within the government's spending plans. We remain opposed to the council tax referendum principles and remain committed to the principle that council tax should be levied to fund local discretionary spending and demands placed on the Council for statutory services should be funded centrally.

4.28 We are concerned that long-overdue reforms to local government funding through business rate retention and Fair Funding review have been delayed another year. We remain convinced that the redistribution of funding under the business rates retention and grant mechanisms has an adverse impact on county areas. We have repeated our concerns that the funding for special educational needs and disability (SEND) from the Department for Education (DfE) is inadequate and leaves a substantial unresolved deficit on the Dedicated Schools Grant (DSG).

4.29 The response was agreed with the Cabinet Member for Finance, Corporate and Traded Services. Any changes to the final settlement will be set out in the report to County Council if we are notified in time.

5.1 The largest single grant received by the Council is the Dedicated Schools Grant (DSG), which is ring-fenced to fund school budgets and services that directly support the education of pupils. The Local Authority receives its DSG allocation gross (including allocations relating to academies and post 16 provision), and then the Education & Skills Funding Agency (ESFA) recoups the actual budget for Academies to pay them directly, based on the same formula as the funding allocations made to maintained schools.

5.2 The DSG is allocated through four blocks: The Schools Block, Central School Services Block, High Needs Block and Early Years Block. All elements of the DSG are calculated based on a national funding formula, however these are calculated using historic funding as a baseline.

5.3 Whilst the Schools Block allocation for 2021-22 is based on allocating a school level budget calculation, the method of distribution to schools is still through a local formula methodology.

5.4 In July 2020 the ESFA published provisional allocations for 2021-22 for the Schools Block, Central Services Block and the High Needs Block. The allocations have been updated on the 17th December with the October 2020 pupil data.

5.5 The early years block is currently only an indicative allocation as this is updated post year end based on the census of January 2021 pupil numbers, with the current indicative allocation based on January 2020 numbers. The hourly rate which is the basis of the allocation was confirmed on the 17th December as £4.62 per hour for 3 and 4 year olds and £5.44 per hour for 2 year olds. The 2 year old rate has increased by 8p for all authorities, whilst the 3 and 4 year old rate has increased by 6p for most authorities except those which fall below the £4.44 minimum or those with higher protected rates in 2020-21.

5.6 The primary pupil funding rate in the Schools Block has increased by 9%. The secondary pupil funding rate by 8.3% including the transfer of teachers pay and pension grants. The per pupil rates in the main calculation vary for individual authorities. The Schools Block also includes a non-pupil element for premises factors in the National Funding Formula. The Schools Block also includes a growth element based on changes in pupil numbers at a fixed national amount weighted for area costs. The amounts notified are indicative based on existing pupil number information and will be updated from subsequent census data. A pupil number modelling tool will be published in January. The amounts are before deductions for academies. The total schools block for Kent has increased by £93.7m (9.5%) to £1.080bn on the comparable figure for 2020-21, of which £47.1m is the protected element for teachers pay and pension grants leaving a net increase of 4.7%.

5.7 The High Needs Block is funding to support costs of pupils with additional education needs, across mainstream and special schools as well as the associated support costs. The allocation of the high needs block for 2021-22 has increased by £25.4m (11.4%) on the comparable figure for 2020-21, of which £4.0m is the protected element for teachers pay and pension grants, leaving a net increase of 9.6%. However, this is insufficient to ease the pressure on current spend and will not bring us to a position of managing the high needs block spend within the financial year.

5.8 The most significant risk at the start of 2020-21 was the continuing underlying deficit and accumulated debt on the High Needs Block of Dedicated Schools Grant (DSG). Since the introduction of the Children and Families Act 2014, the Council has seen an unprecedented rise in the number of children and young people assessed for Education Health and Care Plans (EHCPs). The high needs funding within the DSG has not kept pace resulting in in-year overspends and an accumulated deficit on the unallocated DSG reserve. This is a national problem but has been particularly acute in Kent and a number of other councils. To date the government has not provided councils with sufficient funding and has not introduced structural reforms to eliminate the overspends or repay the deficits. Whilst the government has confirmed that DSG deficits do not have to be covered from the General Fund, the level of debt remains unsustainable posing a considerable risk in the absence of funding and structural reforms.

5.9 Significant work is being undertaken to identify efficiencies in high needs provision, 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 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 Council is updating its DSG deficit recovery plan in light of further projected overspends during 2020-21.

5.10 The Schools' Funding Forum were requested to consider a 1% transfer from Schools Block to the High Needs Block to support inclusive practices in mainstream schools. This was considered by the Forum in early December and the Forum agreed this transfer to support the delivery of 4 key areas:

1. A comprehensive programme of training to support inclusive practice
2. Development of wider school and community practices to promote inclusion
3. Supporting transition for children and young people with SEND
4. Providing individual case support

This transfer is subject to Secretary of State approval and the outcome is expected before the end of February. The Schools Block calculation outlined in paragraph 5.6 is the basis for this transfer before academy deductions and additional pay and pension grants.

5.11 The Central Schools Services Block (CSSB) was introduced in 2018-19 to fund councils for their statutory duties relating to maintained schools and academies. The CSSB brings together funding previously allocated through the retained duties element of the Education Services Grant (ESG) funding for ongoing central functions e.g. admissions and funding for historic commitments including items previously agreed locally such as combined budgets.

5.12 As part of the national funding formula the DfE are reducing the allocation within the CSSB of historic commitments and therefore the CSSB will be decreased by £1.1m in relation to historic commitment for 2021-22. The element of the CSSB that funds ongoing services has increased by 3% and also includes an additional £1.50 per pupil for the pension increases for centrally employed teachers and does not represent a real terms increase as the same amount was paid as a central grant in 2020-21. The overall CSSB has reduced by £0.5m (4.3%) on the comparable figure for 2020-21. £0.3m of the increase is the protected element for teachers' pay and pension grants leaving a net reduction of 6.9%.

5.13 The table below sets out the latest DSG allocation over the funding blocks for 2021-22.

Table 3 - Dedicated Schools Grant 2021-22 and Final DSG 2020-21

Block	2021-22 £m	2020-21 £m	Gross Change £m
Schools Block	1,079.5	985.8	+93.7
CSSB	11.8	12.4	-0.5
High Needs Block	248.4	222.9	+25.4
Early Years Block	88.4	87.2	+1.2
Total	1,428.1	1,308.3	119.8

Note: 2021-22 Schools Block includes the previously separately funded teacher's pay and pensions grants of £47.1m. The CSSB and High Needs Block includes an allocation of £0.3m and £4.0m respectively, for the same grants

5.15 In addition, the Council receives, and passports fully to schools, funding for the pupil premium (£60.3m in 2020-21) and 6th form funding (£18.7m in 2020-21). Final allocations for the pupil premium will be confirmed in July 2021 and 6th form funding in March 2021.

6.1 Council Tax income is a key source of funding for council services. The amount generated through Council Tax is principally determined by the Council Tax Base (the number of properties adjusted for exemptions and discounts), the rate of charge per property and the collection rate.

6.2 A significant proportion of the funding towards the revenue budget is derived from the County Council's share of council tax. The County Council share of council tax typically amounts to around 70% of a household council tax bill. The County Council charge is the same for all households in the county (as is the share for Police & Crime Commissioner and Fire and Rescue authority), the amount for district/borough and town/parish councils will vary depending on the local area and the individual decisions of these councils.

6.3 The Council currently can, subject to legislative constraints, increase its Council Tax rate through two mechanisms; the Adult Social Care precept and general tax rate increases. Each 1% increase in the Council Tax rate generates circa £7.4m per annum, which equates to approximately 26 pence per week for a Band D property

6.4 The Spending Review 2020 confirmed the referendum level of 2% for general tax rate increases and permitted Councils to add an ASC precept of up to 3%. The government assumes in the Core Spending Power calculation that Councils will increase Council Tax to the maximum allowed. If the Council, therefore, did not implement at the maximum level, then its spending power to provide services would be reduced going forward with no funding from government to mitigate this.

6.5 The County Council's council tax level is currently 12th of the 25 counties and 4th of the 7 south east counties. It is likely that even after implementing the proposed increases, the Council's relative position will be unchanged.

6.6 The county has seen increases in the number of new homes over the last few years, however the Covid-19 pandemic has had a material impact on the level of income received from this source; the pandemic has impacted the number of people in work or receiving low pay and as a consequence increased significantly those claiming benefits, including through the Local Council Tax Reduction Scheme (LCTRS). There has also been a drop in the collection rate as residents have been affected by Covid-19 on their income levels.

6.7 The Council Tax Collection Fund deficit in 2020-21 can now be repaid over the three-year period 2021-24. The level of this deficit (currently estimated in the region of £14.2m) from slower than anticipated growth, reduction in the collection rate and increased cost of the LCTRS will vary depending on the ongoing level of the pandemic and its economic impact. The Spending Review 2020 announced that the government will fund 75% of the 2020-21 deficit and the MTFP has, therefore, been updated to reflect this as well as the spreading of the 25% remaining deficit repayment over the three-year period 2021-24.

6.8 The council tax charge for 2021-22 must be agreed by County Council. Council tax is raised through a precept from each district based on the band D charge for the year multiplied by the estimated band D equivalent taxbase for each district. The tax base estimate is calculated by each district and the County Council has no discretion to vary this amount. County Council must agree the precept as part of the budget approval. District councils are responsible for collection and must pay the amount of the precept in monthly instalments. Any surpluses or losses on collection must be taken into account in the following year's budget and council tax setting considerations.

6.9 For 2021-22 it is proposed that the County Council be asked to approve an increase up to but not exceeding the 2% referendum limit as supported in the budget consultation. It is also proposed that the County Council be asked to approve taking up the Adult Social Care levy in full. These increases would take the annual total band D charge for 2021-22 to £1,418.76 of which £159.12 would be for the Adult Social Care levy. The proposed increases are the equivalent of £1.30 per week for a band D household.

6.10 The draft budget included provisional estimates of council tax base from all districts. The council tax base estimate shows a net 1% reduction in the band D equivalent tax base due to a combination of housing growth offset by an increase in those eligible for council tax support discounts and lower collection rates. The individual district changes between 2020-21 and 2021-22 provisional estimates are shown in table 4.

Table 4 – Council Tax Base Changes

District	2020-21 Notified Band D Equivalent Taxbase	2021-22 Estimated Band D Equivalent Taxbase	Change
Ashford	47,300.00	45,173.00	-4.5%
Canterbury	51,300.41	49,624.38	-3.3%
Dartford	38,756.93	38,792.33	0.1%
Dover	39,029.75	38,993.94	-0.1%
Folkestone & Hythe	39,109.15	38,484.11	-1.6%
Gravesham	34,334.50	34,425.11	0.3%
Maidstone	63,319.80	63,550.11	0.4%
Sevenoaks	51,207.88	50,876.85	-0.6%
Swale	48,072.67	48,040.12	-0.1%
Thanet	44,546.40	44,155.70	-0.9%
Tonbridge & Malling	51,371.02	51,374.86	0.0%
Tunbridge Wells	46,277.10	45,371.40	-2.0%
Total	554,625.61	548,861.91	-1.0%

6.11 The draft budget proposes a council tax increase up to the maximum allowed without exceeding the 2% referendum threshold and by a further 3% for the social care levy. The impact of the proposed increase to individual bands are shown in table 5. These will be presented for agreement to full Council on 11th February.

Table 5 – Proposed Council Tax Increases

Band	Proportion of Band D Tax Rate	2020-21 (incl. ASCL)	2021-22 (excl. increase in ASCL)	2021-22 (incl. increase in ASCL)
A	6/9	£900.84	£918.84	£945.84
B	7/9	£1,050.98	£1,071.98	£1,103.48
C	8/9	£1,201.12	£1,225.12	£1,261.12
D	9/9	£1,351.26	£1,378.26	£1,418.76
E	11/9	£1,651.54	£1,684.54	£1,734.04
F	13/9	£1,951.82	£1,990.82	£2,049.32
G	15/9	£2,252.10	£2,297.10	£2,364.60
H	18/9	£2,702.52	£2,756.52	£2,837.52
	Total Increase	Weekly Increase		
Band C	£60.00	£1.15		
Band D	£67.50	£1.29		

6.12 Any changes to the provisional tax base estimates, collection fund balance or compensation for irrecoverable losses will be included in the report to County Council if we are notified in time.

7.1 The draft budget proposals in appendices A and B of this report set out the proposed capital spending plans for 2021-24 together with an outline of longer-term considerations over a ten-year horizon. Appendix A provides a high-level summary of the proposed capital programme and financing requirements. The spending plans in appendix B set out proposed spending on individual projects and rolling programmes by directorate. The financing is a combination of government departmental capital grants and forecast developer contributions, external funding, capital receipts and borrowing. In some instances the programme includes preliminary figures where grants have yet to be confirmed. Approval to plan and spend from the capital programme will only be granted once adequate funding has been secured to fund forecast spending.

7.2 The presentation of the 2021-22 revenue budget has been simplified to focus attention on the key policy and strategic implications of the proposals. The revenue proposals are set out in appendices C to F. Appendix C provides a high-level summary of the proposed revenue budget and financing requirements. Appendix D provides a high-level summary of the proposed budget for each directorate. Appendix E provides details of the additional spending and investment included in the proposed revenue budget. Appendix F provides details of savings and income generation.

7.3 A key part of the annual budget setting process is the review of growth pressures across the MTFP period arising from demographic changes, new requirements or responsibilities or inflationary pressures.

7.4 Additional spending included in appendix E includes the impact of decisions and activities already being delivered in the current year not included in the current base budget and known future contractual obligations. It also includes forecasts for future cost or activity changes for the forthcoming year, or changes in Council policy, and sets out fuller details of these including the reasons for the change and implications. Proposals designed to strengthen the Council's financial resilience through changes in contributions to reserves have also been identified separately and linked to identified risks.

7.5 The presentation of proposed savings and income in appendix F follows a similar pattern with proposed savings amounts identified separately for full year effect of 2020-21 agreed plans; savings/income from the application of existing policies; savings/income that do not require any changes in policy; and those that require policy changes.

7.6 The original MTFP for 2020-23 had previously identified savings and additional income totalling £9.7m for 2021-22. These plans have been revised and updated as part of 2021-22 budget setting to £8.8m (a reprofiling of £0.9m) largely due to updated income assumptions linked to welfare benefits and inflation indices. £33.7m of the total £42.5m savings and income proposals are new in addition to the £22.2m draw down from reserves.

7.7 The latest estimated budget gaps for both 2022-23 and 2023-24 mean there is a need to identify significant additional savings for these years and to ensure all approved savings remain deliverable. Detailed consultation and impact assessments will be undertaken as the proposals are developed.

7.8 It should be noted that some of the new proposed savings identified for consideration for 2021-22 include different options for consideration and have inter-dependencies with other existing and new savings proposals which will need to be reviewed to ensure no double counting as the proposals are developed further.

7.9 The high-level equation for changes in planned revenue spending for 2021-22 (growth and savings), income and net budget, together with the balancing changes in funding is shown in table 4 below. This summarises how the requirement to set a balanced budget has been met.

Table 4 – Net Change in Spending and Funding

Change in Net Spending		Change in Net Funding	
Proposed additional spending	+£98.0m	Changes in un-ringfenced government grants	+£54.5m
Proposed savings from spending reductions	-£37.4m	Change in council tax base	-£7.8m
Proposed changes in income	-£2.5m	Proposed increase in council tax charge	+£37.0m
Changes in specific government grants	-£2.6m	Change in retained business rates	-£7.2m
Proposed net change in reserves	+£9.2m	Change in collection fund balances	-£11.8m
Total Change in Net Spending	+£64.7m	Total Change in Net Funding	+£64.7m

Income generation through fees and charges

7.10 The majority of discretionary fees and charges are raised annually by a minimum of inflation (CPI or RPI). Both of these inflation measures have been depressed recently due to the economic impact of Covid-19. For example, CPI inflation is around 0.7% compared to 1.7% in August 2019 and RPI inflation is around 1.3% compared to 2.6% in August 2019. The current fees and charges income generation assumption for 2021-22 has therefore been reviewed and a consolidated summary of Fees and Charges will be included in the budget report to County council in February for approval.

Proposed 2021-24 Capital Programme – key numbers

£1,056m	Total planned capital spending over the three years 2021-22 to 2023-24. This represents a £48m decrease on the £1,104m planned in the 2020-23.
£19m	New schemes added to the programme. The programme does not include additional spending in the last year of three-year rolling programmes pending announcement of multi-year revenue settlement.
£54m	Schemes removed since last year.
£168m	Spending rephased from 2020-21 into proposed programme for 2021-24.
£567m	Confirmed or indicative government grants to fund capital expenditure.
£218m	Proposed borrowing to fund the programme. The rephasing and removal of schemes has reduced cost of borrowing (Minimum Revenue Provision and interest) by £7.7m for 2021-22 but will increase in later years as the spend is reinstated.
£271m	Funding from other sources (capital receipts, developer contributions, external funding).

8.1 The three year Capital Programme 2020-23 was approved by County Council in February 2020. This took into account the need to set a realistic and deliverable programme and avoid the significant over-programming and subsequent underspending against capital that has been a feature for several years.

8.2 The three year Capital Programme 2021-24 and the longer term 10 year programme provides an updated assessment of the capital financing requirements and the consequent impact on the revenue budget and borrowing strategy.

Capital spending: a reminder of what it is

Capital spending is expenditure on the purchase or enhancement of physical assets where the benefit will last longer than the year in which it is incurred e.g. school buildings, roads, economic development schemes, IT systems, etc. It includes the cost of purchasing land, construction costs, professional fees, plant and equipment and grants for capital expenditure to third parties. Capital spending plans are determined according to the Council's statutory responsibilities and local priorities as set out in the MTFP, with the aim of delivering the vision set out in the Strategic Statement.

Capital spending is funded via a variety of sources including government grants, capital receipts, external contributions and borrowing. Borrowing has to be affordable as the cost of interest and setting aside sufficient provision to cover the initial investment funded by loans. are borne as revenue budget each year based on the life of the asset.

8.3 Appendix A of this report sets out a summary of the proposed 2021-24 programme and associated financing requirements for each year. The analysis also includes projections for the subsequent 7 years as an overall amount. The summary provides a high-level overview for the whole council. The individual directorate pages in appendix B provides more detail of rolling programmes and individual projects.

8.4 A significant proportion of the capital programme is funded by grants from government departments, particularly Department for Education (DfE) and Department for Transport (DfT). In many cases future year's grant allocation notifications have not been received and the capital programme is therefore based on estimates. Some schemes also require external funding e.g. Heritage Lottery Fund (HLF) or Developer Contributions, which may not yet have been secured. Schemes that include significant elements of unsecured funding are shown in italics in the capital programme and will only go ahead if the funding is secured.

8.5 There are a number of risks to capital projects which could either affect the viability of schemes or could require the Council to take out additional short-term borrowing (temporary borrowing until alternative sources of funding are secured) or long-term borrowing (permanent alternative funding). These risks include:

- Higher than anticipated inflation on projects
- Lower than forecast developer contributions
- Lower capital receipt proceeds
- Unforeseen additional costs due to delays or scheme design

We will look to minimise the impact of risks through value engineering of schemes and at this stage no additional capital risks have been factored into the revenue budget plan.

Proposed 2021-22 Revenue – key numbers

£1,128.4m	Net revenue budget proposed for 2021-22. This represents a £64.7m increase on the £1,063.7m original approved budget for 2020-21 and £28.5m on the amended budget of £1,099.9m agreed by Council in September 2020.
£98.0m	Additional proposed spending. This includes both business as usual costs and the impact of recurring additional spending associated with the response to Covid-19. £32.8m relates to recurring base budget changes as per 2020-21 budget amendment, and £65.2m of new spending growth in 2021-22 (excluding changes in reserves). Of the new spending growth £43.9m is routine and relates to decisions and activities already being delivered, or contractual obligations. £17.4m relates to recurring additional spending as a result of Covid-19.
£21.3m	The remaining growth in spending is for forecast future demand and cost increases, or relates to policy. Detail in appendix E.
£42.5m	Proposed savings and income. Of this £37.4m relates to proposed savings, £2.5m additional income generation (mainly fees and charges), and £2.6m anticipated increases in public health grants (yet to be confirmed). Detail in appendix F.
£9.2m	Net change in reserves. This comprises £31.4m additional contributions to general and specific earmarked reserves, and £22.2m drawdown from 2020-21 forecast underspends and public health reserves.
£778.7m	Proposed to be raised from Council Tax precept. An increase of £29.3m on 2020-21. -£7.8m is due to 1.04%% reduction in the tax base due to increased low income discounts and lower collection rates and +£37.0m is raised from increase the in household charge up to but not exceeding 5% (including the additional adult social care levy).
£54.5m	Confirmed or indicative government grants. An increase of £4.3m in core grants for 2021-22 and £50.2m additional one-off Covid-19 grants supporting spending and council tax/business rates losses.

Revenue spending: a reminder of what it is

Revenue spending is spent on the provision of day to day services, either directly through KCC staff and operational buildings, or commissioned from third parties. Revenue spending is identified as gross spend and net spend after taking account of service income and specific government grants. The net revenue budget requirement is funded by a combination of council tax, locally retained business rates and un-ring-fenced grants from the Ministry of Housing Communities and Local Government (MHCLG) included in the local government finance settlement. Grants from other government departments are ring-fenced to specific activities and are shown as income to offset the related spending.

9.1 The new additional spending growth of £65.2m is summarised in appendix C and detailed in appendix E. It has been subdivided into the following categories:

Service Strategies and Improvements £12.3m	Various changes to address non-inflationary or demand pressures on services and includes the additional revenue cost of borrowing to support the capital programme and the impact of contract tenders.
Pay £4.6m	Net additional cost of proposed 2% award for most Kent scheme staff subject to discussions with trade unions or subject to pay bargaining, the cost of maintaining the current differential between the lowest pay range (KR2/3) and Foundation Living Wage, and the increased cost of employer pension contributions following the 2019 actuarial review of the Pension Fund.
Price inflation £12.4m	Contractual and negotiated price increases.
Increased demand and cost drivers £11.0m	Full year effect of changes in client numbers and care packages/usage in the current year. Includes estimates for future demand-led increases across a range of services including integrated children's services, home to school transport and concessionary bus travel.
Government & Legislative £3.6m	Changes in spending to ensure the Council complies with latest legislative updates and requirements.
Reduction in specific grants £1.5m	Loss of income due to previously announced reductions in specific grants. The consequential reductions in spending are shown as savings.
Base budget changes £8.0m	Changes to reflect known variations from the current year's approved budget. These adjustments are necessary to ensure the budget continues to be on a sustainable basis.
Replace use of one-offs £11.9m	Replacement of draw down from reserves or other one-off sources of funding to increase financial resilience and provide a sustainable basis for recurring expenditure supported in the current budget. This is not a replenishment of the reserves used to support previous budgets.

9.2 The proposed savings and income have been sub-divided between transformation savings (achieving improved outcomes for less money), efficiency savings (same outcomes for less money), income generation, increases in specific government grants, savings from policy changes, and financing savings (changes in debt repayments and draw down from reserves) in appendix C. Proposed savings and income generation are set out in detail in appendix F.

10.1 Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its financial standing and resilience.

10.2 The Council's key sources of funding face an uncertain future and the Council, therefore, holds earmarked reserves and a working balance in order to mitigate future financial risks.

10.3 There are two main types of reserves:

- Earmarked Reserves – held for identified purposes and are used to maintain a resource in order to provide for expenditure in a future year/s.
- General Reserves – these are held for 'unforeseen' events.

10.4 The Council maintains reserves both for its General Fund activities and it accounts for the reserves of schools. The amount of reserves held is a matter of judgment which takes into account the reasons why reserves are maintained and the Council's potential financial exposure to risks. A draft Reserves Policy will be included as an Appendix to the budget report to County Council in February 2020

10.5 The Council holds reserves in order to mitigate future risks, such as increased demand and costs; to help absorb the costs of future liabilities; and to enable the Council to resource policy developments and initiatives without a disruptive impact on Council Tax. Capital reserves play a similar role in funding the Council's capital investment strategy.

10.6 The Council also relies on interest earned through holding cash and investment balances to support its general spending plans.

10.7 Reserves are one-off monies and, therefore, the Council generally aims to avoid using reserves to meet on-going financial commitments other than as part of a sustainable budget plan. The Council has to balance the opportunity cost of holding reserves in terms of Council Tax against the importance of interest earning and long-term future planning.

10.8 Reserves are therefore held for the following purposes:

- Providing a working balance
- Smoothing the impact of uneven expenditure profiles between years e.g. collection fund surpluses or deficits, local elections, structural building maintenance and carrying forward expenditure between years.
- Holding funds for future spending plans e.g. capital expenditure plans, and for the renewal of operational assets e.g. information technology renewal.
- Meeting future costs and liabilities where an accounting 'provision' cannot be justified.

- Meeting future costs and liabilities so as to cushion the effect on services e.g. the Insurance Reserve for self-funded liabilities arising from insurance claims.
- To provide resilience against future risks.
- To create policy capacity in a context of forecast declining future external resources.

10.9 All earmarked reserves are held for a specific purpose. A summary of the movement on each reserve is published annually, to accompany the annual Statement of Accounts.

10.10 Following the review of existing reserves we have established two new reserves; to meet the cost of ICT investments required to deliver the council's Strategic Reset Programme objectives, and to cover feasibility work undertaken to support capital programme planning and delivery. Within the budget proposals we are also proposing that insecure and variable funding sources should not be used to fund base budget core activities (e.g. New Homes Bonus, company dividends, proceeds from Kings Hill) and should instead be held in a new reserve to fund time limited key strategic projects and activities.

10.11 Appendix H sets out in more detail the risks and opportunities facing the council and an assessment of the key factors to take into account to determine the adequacy of reserves.

Appendix	
Summary of Proposed Capital Programme and Financing	A
Capital Programme Proposals by Directorate	B
Summary of Proposed Revenue Budget and Financing	C
Summary of Proposed Directorate Revenue Budgets	D
Proposed Spending Growth in Revenue Budget	E
Proposed Savings and Income in Revenue Budget	F
National Fiscal and Economic Context	G
Budget Risks and Adequacy of Reserves	H
<u>Medium Term Outlook</u>	<u>I</u>

Background documents

Below are click-throughs to reports, more information, etc.
Click on the item number to be taken to the relevant webpage.

KCC's Budget webpage	<u>1</u>
KCC's Corporate Risk Register and Risk Management Policy & Strategy	<u>2</u>
KCC's approved 2020-21 Budget	<u>3</u>
KCC's Budget Consultation, launched on 14 th October 2020	<u>4</u>
KCC's report on 2021 Budget Consultation	<u>5</u>

APPENDIX A - CAPITAL INVESTMENT SUMMARY 2021-22 TO 2023-24

Capital Investment Plans:

Row Ref	Directorate		Total Cost £000s	Prior Years Spend £000s	Cash Limits			
					2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s	Later Years Years 4-10 £000s
1	Adult Social Care & Health	ASCH	25,150	3,648	6,917	5,785	4,000	4,800
2	Children, Young People & Education	CYPE	836,178	538,621	181,842	84,539	31,176	0
3	Growth, Environment & Transport	GET	992,330	215,888	213,316	195,287	250,377	117,462
4	Strategic & Corporate Services	S&CS	97,363	18,860	21,297	29,206	28,000	0
5	Feasibility Fund		4,000		1,000	1,000	2,000	
6	Total Cash Limit		1,955,021	777,017	424,372	315,817	315,553	122,262

Funded By:

7	Borrowing		360,955	140,484	152,559	63,197	1,715	3,000
8	Property Enterprise Fund (PEF) 2		369	369				
9	Grants		1,062,004	456,763	192,479	154,514	219,970	38,278
10	Developer Contributions		276,848	80,063	28,747	51,327	79,338	37,373
11	Other External Funding e.g. Arts Council, District Contributions etc.		84,389	12,014	16,356	12,092	4,127	39,800
12	Revenue Contributions to Capital		21,491	5,142	6,896	8,851	602	
13	Capital Receipts		62,275	42,475	10,930	7,120	1,750	
14	Recycled Loan Repayments		86,690	39,707	16,405	18,716	8,051	3,811
15	Total Finance		1,955,021	777,017	424,372	315,817	315,553	122,262

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Adult Social Care & Health (ASCH)

Row Ref	Rolling Programmes**	Description of Project	Three Year Budget £000s	Cash Limits		
				2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s
1	<i>Home Support Fund & Equipment</i>	<i>Provision of equipment and/or alterations to individuals' homes</i>	500	250	250	0
2	Total Rolling Programmes		500	250	250	0

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s	Later Years Years 4-10 £000s
3	<i>Developer Funded Community Schemes</i>	<i>Community schemes to be funded by developer contributions</i>	1,737	1,692	45	0	0	0
Kent Strategy for Services for Learning Disability (LD):								
4	<i>Learning Disability Good Day Programme</i>	<i>To provide dedicated space, accessible equipment and facilities for people with a learning disability within inclusive community settings across the county</i>	4,813	1,956	1,957	900	0	0
Kent Strategy for Services for Older People (OP):								
5	<i>Extra Care Facilities</i>	<i>Provision of Extra Care Accommodation</i>	16,800	0	4,000	4,000	4,000	4,800
Other Individual Projects:								
6	<i>Hedgerows</i>	<i>A new purpose-built facility for people with complex needs and also for adult in-house service provision</i>	1,300	0	665	635	0	0
7	Total Individual Projects		24,650	3,648	6,667	5,535	4,000	4,800
8	Total - Adult Social Care & Health		25,150	3,648	6,917	5,785	4,000	4,800

** Rolling programmes have only been included for two years and a review will be undertaken in early 2021-22 as part of the development of the 10 year capital programme
Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Children, Young People & Education (CYPE)

Row Ref	Rolling Programmes**	Description of Project	Three Year Budget £000s	Cash Limits		
				2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s
				1	<i>Annual Planned Enhancement Programme*</i>	<i>Planned and reactive capital projects to keep schools open and operational</i>
2	Schools Capital Expenditure funded from Devolved Formula Capital Grants for Individual Schools	Enhancement of schools	9,000	4,500	4,500	0
3	Schools Capital Expenditure funded from Revenue	Expenditure on capital projects by individual schools	10,000	5,000	5,000	0
4	Youth - Modernisation of Assets	To purchase vehicles and equipment for youth services	122	72	50	0
5	<i>Schools' Modernisation Programme*</i>	<i>Improving and upgrading school buildings including removal of temporary classrooms</i>	2,650	650	2,000	0
6	Total Rolling Programmes		40,916	20,693	20,223	0

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s	Later Years Years 4-10 £000s
					Basic Need Schemes - to provide additional pupil places:			
7	<i>Basic Need Kent Commissioning Plan (KCP) 2016 & previous years</i>	<i>Increasing the capacity of Kent's schools</i>	326,577	316,052	10,525	0	0	0
8	<i>Basic Need KCP 2017</i>	<i>Increasing the capacity of Kent's schools</i>	154,790	88,118	48,053	18,619	0	0
9	<i>Basic Need KCP 2018</i>	<i>Increasing the capacity of Kent's schools</i>	45,079	10,661	30,918	3,500	0	0
10	<i>Basic Need KCP 2019</i>	<i>Increasing the capacity of Kent's schools</i>	65,165	6,629	31,560	26,976	0	0
11	<i>Basic Need KCP 2020</i>	<i>Increasing the capacity of Kent's schools</i>	56,638	0	11,741	13,721	31,176	0
Other Projects								
12	Barton Court Free School	Provision of a new secondary school in Canterbury	25,846	8,546	15,800	1,500	0	0
13	John Wallis Academy	Provision of a new primary school building and relocation of children's centre	5,311	4,998	313	0	0	0
14	<i>Nest 2</i>	<i>Provision of a residential facility for children and young people in Kent and Medway with Autistic Spectrum Conditions (ASC)</i>	1,550	0	1,550	0	0	0
15	Priority School Build Programme (PSBP) 1 & 2	Additional works under the PSBP programme not funded by the Education and Skills Funding Agency (ESFA)	23,414	19,912	3,502	0	0	0
16	Special Schools Review Phase 2	Major programme of building works to ensure facilities are fit for purpose	84,265	83,328	937	0	0	0
17	School Roofs	Structural repairs to school roofs	6,627	377	6,250	0	0	0
18	Total Individual Projects		795,262	538,621	161,149	64,316	31,176	0

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

19	Total - Children, Young People & Education		836,178	538,621	181,842	84,539	31,176	0
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Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2021-22 and 2022-23

** Rolling programmes have only been included for two years and a review will be undertaken in early 2021-22 as part of the development of the 10 year capital programme

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Growth, Environment & Transport (GET)

Row Ref	Rolling Programmes**	Description of Project	Three Year Budget £000s	Cash Limits		
				2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s
Environment, Planning & Enforcement						
1	Country Parks Access and Development	Improvements and adaptations to country parks	160	100	60	0
2	Public Rights of Way	Structural improvements of public rights of way	1,803	903	900	0
3	Public Sports Facilities Improvement	Capital grants for new provision/refurbishment of sports facilities and projects in the community	150	75	75	0
Economic Development						
4	Village Halls and Community Centres	Capital Grants for improvements and adaptations to village halls and community centres	150	75	75	0
Highways, Transportion & Waste						
5	Highways Asset Management/Annual Maintenance and programme of Significant and Urgent Safety Critical Works*	Maintaining Kent's roads	163,202	88,576	74,626	0
6	Integrated Transport Schemes*	Improvements to road safety	7,660	3,805	3,855	0
7	Major Schemes - Preliminary Design Fees	Preliminary design of new roads	380	230	150	0
8	Old Highways Schemes, Residual Works, Land Compensation Act (LCA) Part 1	Old Highways Schemes, Residual Works, LCA Part 1	152	138	12	2
9	Total Rolling Programmes		173,657	93,902	79,753	2

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s	Later Years Years 4-10 £000s
Environment, Planning & Enforcement								
10	Digital Autopsy	To provide a body storage and digital autopsy facility	3,000	220	2,280	500	0	0
11	Energy and Water Efficiency Investment Fund - External	Energy Efficiency works	3,089	2,409	190	104	386	0
12	Energy Reduction and Water Efficiency Investment - KCC	Energy Efficiency works	2,426	2,035	96	78	217	0
13	Essella Road Bridge (PROW)	Urgent works to ensure footbridge remains open	300	100	200	0	0	0
14	Leigh (Medway) Flood Storage Area	Contribution to partnership-funded projects to provide flood defences for the River Medway	4,000	0	1,500	0	2,500	0

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2021-22	2022-23	2023-24	Later Years
					Year 1	Year 2	Year 3	Years 4-10
			£000s	£000s	£000s	£000s	£000s	
15	Public Mortuary	To consider options for the provision of a public mortuary	3,000	0	0	0	0	3,000
16	Thanet Parkway	Construction of Thanet Parkway Railway Station to enhance rail access in east Kent and act as a catalyst for economic and housing growth	34,512	8,356	13,551	11,450	1,155	0
17	Windmill Weatherproofing	Works to ensure Windmills are in a safe and weatherproof condition	953	369	279	180	125	0
Libraries, Registration & Archives								
18	Herne Bay Library Plus	Project to refurbish the library and address long-term building issues	469	119	350	0	0	0
19	Southborough Hub	Re-provision of library within new Southborough Hub	12,973	12,923	50	0	0	0
20	Tunbridge Wells Cultural Hub (Amelia)	Contribution to the development of a cultural and learning hub in partnership with Tunbridge Wells Borough Council, including library, registration and adult education	1,668	418	550	350	350	0
Economic Development								
21	Broadband Contract 2	To extend the reach of superfast broadband so that 95% of homes and businesses can access superfast broadband	11,814	10,465	0	1,349	0	0
22	Connecting Rural Kent & Medway Broadband Project	Getting Building Fund Project to improve rural broadband connectivity through an enhanced top up voucher scheme	2,291	261	2,030	0	0	0
23	Innovation Investment Initiative (i3)	Provision of loans to small and medium enterprises with the potential for innovation and growth, helping them to improve their productivity and create jobs	11,345	7,098	1,102	1,203	971	971
24	Javelin Way Development	To provide accommodation for creative industries and the creation of industrial units	9,184	4,207	4,977	0	0	0
25	Kent & Medway Business Fund	New fund using recycled receipts from Regional Growth Fund, TIGER and Escalate, to enable creation of jobs and support business start ups	38,038	16,218	9,150	12,670	0	0
26	Kent Empty Property Initiative - No Use Empty (NUE)	Bringing long term empty properties including commercial buildings and vacant sites back into use as quality housing accommodation	46,657	33,818	5,443	4,556	0	2,840
27	Marsh Million	Supporting economic growth on Romney Marsh to develop new jobs and business opportunities following the decommissioning of Dungeness Power Station	1,397	968	342	87	0	0
28	The Kent Broadband Voucher Scheme	Voucher scheme to benefit properties in hard to reach locations	2,862	300	500	2,062	0	0

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2021-22	2022-23	2023-24	Later Years
					Year 1	Year 2	Year 3	Years 4-10
			£000s	£000s	£000s	£000s	£000s	
Highways, Transportion & Waste								
29	A2 Off Slip Wincheap, Canterbury	To deliver an off-slip in the coastbound direction	4,400	0	1,500	2,199	701	0
30	A226 St Clements Way	Road improvement scheme	6,807	6,623	80	60	44	0
31	A2500 Lower Road Improvements	Junction improvements to increase capacity	5,260	5,250	10	0	0	0
32	A28 Chart Road, Ashford	Strategic highway improvement	26,247	3,719	141	528	8,999	12,860
33	Bath Street, Gravesend	Bus Lane project - Fastrack programme extension	4,592	0	4,592	0	0	0
34	Dartford Town Centre	A package of works to improve economic performance of Dartford Town Centre	12,000	5,090	6,408	502	0	0
35	Dover Bus Rapid Transit	To provide a high quality and reliable public transport service in the Dover area, funded from Housing Infrastructure funding.	16,084	2,095	8,055	5,809	125	0
36	Electric Vans	Electric vehicles and charging infrastructure funded by government grant	1,512	1,277	235	0	0	0
37	Fastrack Full Network - Bean Road Tunnels	Construction of a tunnel linking Bluewater and the Eastern Quarry Development,	13,890	1,942	10,248	1,700	0	0
38	Faversham Swing Bridge	Restoration of an opening bridge	2,550	733	1,217	600	0	0
39	Green Corridors	Programme of schemes to improve walking and cycling in Ebbsfleet	7,400	500	3,500	3,400	0	0
40	Herne Relief Road	Provision of an alternative route between Herne Bay and Canterbury to avoid Herne village	7,691	637	2,437	2,898	1,398	321
41	Housing Infrastructure Fund - Swale Infrastructure Projects	Improvements to A249 Junctions at Grovehurst Road and Keycol Roundabout	38,632	1,396	5,300	13,176	18,760	0
42	Kent Medical Campus (National Productivity Investment Fund - NPIF)	Project to ease congestion in Maidstone	11,309	5,649	5,660	0	0	0
43	Kent Thameside LSTF - Integrated door-to-door journeys	Package of measures to reduce congestion	7,518	5,008	2,510	0	0	0
44	Kent Thameside Strategic Transport Programme	Strategic highway improvement in Dartford & Gravesham	38,205	1,327	8,280	21,500	7,098	0
45	LED Conversion	Upgrading street lights to more energy efficient LED lanterns & implementation of Central Monitoring System	40,754	39,658	1,096	0	0	0
46	Live Labs	Research project into use of digital technology and intelligent analytics within Highways Asset Management	1,975	1,775	200	0	0	0
47	Maidstone Integrated Transport	Improving transport links with various schemes in Maidstone	10,850	6,584	2,316	1,950	0	0
48	Manston Green	Project to deliver a junction improvement scheme	6,290	0	1,213	4,215	834	28
49	Market Square Dover	Project to improve access and public realm at Market Square in Dover	2,940	570	2,360	5	5	0
50	M20 Junction 4 Eastern over bridge	Carriageway widening	6,196	6,153	22	13	8	0

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2021-22	2022-23	2023-24	Later Years
					Year 1	Year 2	Year 3	Years 4-10
			£000s	£000s	£000s	£000s	£000s	
51	<i>Newingreen A20 Junction Improvement</i>	<i>Junction improvement scheme</i>	3,038	2	120	2,500	416	0
52	New Transfer Station - Folkestone & Hythe	To provide a new waste transfer station in Folkestone & Hythe	9,585	201	1,000	8,384	0	0
53	Rathmore Road Link	Road improvement scheme	8,008	7,873	69	66	0	0
54	Street Lighting Concrete Column - Replacement Scheme	Replacement of concrete columns	2,629	2,543	86	0	0	0
55	<i>Sturry Link Road, Canterbury</i>	<i>Construction of bypass</i>	29,600	2,030	6,061	11,440	7,627	2,442
56	Tunbridge Wells Junction Improvements	Junction improvements to ease congestion	1,957	1,226	731	0	0	0
57	Waste Compactor Replacement	To replace waste compactors at Household Waste Recycle Centres to ensure efficient waste site operation	1,070	443	627	0	0	0
58	West Kent local sustainable transport - tackling congestion	Package of measures to reduce congestion and carbon footprint	6,050	5,300	750	0	0	0
59	<i>A29 Bluebell Hill M2 & M20 Interchange Upgrades</i>	<i>Scheme to upgrade junctions to increase capacity and provide freeflowing interchange wherever possible</i>	99,657	0	0	0	99,657	0
60	<i>A20 Birchington, Acol and Westgate-on-Sea Relief Road</i>	<i>Creation of a relief road</i>	49,000	0	0	0	49,000	0
61	<i>Thanet Way</i>	<i>Structural improvement to the Thanet Way A299</i>	50,000	0	0	0	50,000	0
62	<i>A228 Colts Hill Strategic Link - Road Scheme</i>	<i>Construction of bypass</i>	45,000	0	0	0	0	45,000
63	<i>Orchard Way Railway bridge, Ashford</i>	<i>Strategic highway improvement</i>	15,000	0	0	0	0	15,000
64	<i>South East Maidstone Strategic Link - Road Scheme</i>	<i>Construction of bypass</i>	35,000	0	0	0	0	35,000
65	Total Individual Projects		818,673	215,888	119,414	115,534	250,375	117,462
66	Total - Growth, Environment & Transport		992,330	215,888	213,316	195,287	250,377	117,462

Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2021-22 and 2022-23

** Rolling programmes have only been included for two years and a review will be undertaken in early 2021-22 as part of the development of the 10 year capital programme

APPENDIX B - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2021-22 TO 2023-24

Strategic & Corporate Services (S&CS)

Row Ref	Rolling Programmes**	Description of Project	Three Year Budget £000s	Cash Limits		
				2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s
1	<i>Corporate Property Strategic Capital Delivery*</i>	<i>Costs associated with delivering the capital programme</i>	5,000	2,500	2,500	0
2	<i>Disposal Costs</i>	<i>Costs of disposing of surplus property</i>	1,300	650	650	0
3	Modernisation of Assets (MOA)	Maintaining KCC estates	5,696	3,000	2,696	0
4	Total Rolling Programmes		11,996	6,150	5,846	0

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2021-22 Year 1 £000s	2022-23 Year 2 £000s	2023-24 Year 3 £000s	Later Years Years 4-10 £000s
5	Asset Utilisation	Strategic utilisation of assets in order to achieve revenue savings and capital receipts	2,043	219	920	904	0	0
6	Asset Utilisation - Oakwood House Transformation	Reconfiguration of Oakwood House to relocate other KCC services and release assets	6,746	684	3,062	3,000	0	0
7	Community Sexual Health Services	Development of premises for delivery of community sexual health services	1,589	839	750	0	0	0
8	<i>Strategic Reset Programme</i>	<i>Shape our organisation through our people, technology & infrastructure, identifying & connecting priority projects for maximum impact</i>	8,000	0	1,000	2,000	5,000	0
9	<i>Dover Discovery Centre</i>	<i>Refurbishment to make the building fit for purpose</i>	6,066	281	2,000	3,785	0	0
10	<i>LIVE Margate</i>	<i>Replace empty and poorly managed housing in Margate with high quality and well managed family housing to regenerate the area</i>	10,208	8,437	300	1,471	0	0
11	<i>MOA Plus</i>	<i>Works required to ensure KCC buildings are fit for purpose and are in a statutory compliant condition</i>	15,715	6,600	5,115	4,000	0	0
12	<i>Strategic Estate Programme</i>	<i>Options for the council's future strategic estate.</i>	35,000	1,800	2,000	8,200	23,000	0
13	Total Individual Projects		85,367	18,860	15,147	23,360	28,000	0

14	Total - Strategic & Corporate Services		97,363	18,860	21,297	29,206	28,000	0
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Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2021-22 and 2022-23

** Rolling programmes have only been included for two years and a review will be undertaken in early 2021-22 as part of the development of the 10 year capital programme

Appendix C - High Level 2021-22 Revenue Budget

2020-21			2021-22	
£000s	£000s		£000s	£000s
		Approved Base Budget per 13th February 2020 County Council		1,063,654.3
		Recurring Base Budget changes per Budget Amendment approved at County Council 10th September 2020		32,821.8
	986,374.4	Revised 2020-21 Base Budget		1,096,476.1
		Growth Proposals		
10,153.4		Net Base Budget Changes	7,983.7	
21,115.2		Replacement of Use of Reserves and Other One-off Budget Solutions	11,892.5	
1,400.0		Reduction in Grant Funding	1,463.3	
7,893.0		Pay	4,609.6	
23,806.5		Prices	12,356.0	
21,229.0		Demand & Cost Drivers	11,007.5	
9.5		Government & Legislative	3,638.6	
		<u>Service Strategies and Improvements</u>		
		Contributions to reserves	31,425.2	
21,867.3		Other	12,274.3	
	107,473.9	Total Growth Proposals		96,650.7
		Savings & Income		
		<u>Transformation Savings</u>		
-6,200.0		Adults Transformation Programmes	-7,700.0	
-1,733.0		Other Transformation Programmes	-1,024.0	
-6,253.0		Income Generation	-2,459.1	
4,451.9		Increases in Grants & Contributions	-2,642.0	
		<u>Efficiency Savings</u>		
-40.0		Staffing	-2,481.9	
-110.0		Premises	-108.0	
-4,245.2		Contracts & Procurement	-5,450.6	
-842.0		Other	-2,748.4	
		<u>Financing Savings</u>		
-9,061.5		Drawdowns from reserves	-22,227.3	
-5,066.0		Other	-5,913.0	
-1,095.2		Policy Savings	-11,995.9	
	-30,194.0	Total Savings & Income		-64,750.2
	1,063,654.3	Net Budget Requirement		1,128,376.6
		<u>Funded by</u>		
9,641.7		Revenue Support Grant	9,695.0	
10,530.9		Social Care Support Grant	34,366.8	
23,835.9		New Social Care Grant for 2021-22	4,776.5	
		Covid 19 grant	32,357.0	
		Compensation for irrecoverable local taxation losses due to Covid 19 *	3,553.9	
		Local Council Tax Support grant *	14,281.5	
138,429.0		Business Rate Top-Up Grant	138,429.0	
48,544.2		Improved Better Care Fund	48,544.2	
20,830.0		Other un-ringfenced grants *	20,293.8	
55,938.0		Local Share of Retained Business Rates *	48,700.6	
2,562.9		Business Rate Collection Fund *	-586.5	
683,653.7		Council Tax Yield (including increase up to referendum limit but excluding social care levy) *	690,684.7	
65,789.7		Council Tax Adult Social Care Levy *	88,018.6	
3,898.3		Council Tax Collection Fund *	-4,738.5	
	1,063,654.3	Total Funding		1,128,376.6
		* These figures are estimates and are still subject to change		

APPENDIX D

2021-22 PROPOSED BUDGET BY DIRECTORATE

	ASCH	CYPE	GET	PH	S&CS	Non Apportionable	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
2020-21 Base Budget approved by County Council on 13th February 2020	410,401.9	274,420.6	182,571.0	0.0	84,240.2	112,020.6	1,063,654.3
Growth Proposals <i>(including recurring changes to budgets included in the Budget Amendment approved at County Council 10th September 2020)</i>	31,699.2	34,484.3	2,474.4	7,912.6	11,495.6	41,406.4	129,472.5
Savings & Income Proposals	-13,003.5	-6,411.3	-11,511.6	-7,912.6	-1,444.8	-24,466.4	-64,750.2
TOTAL 2021-22 PROPOSED BUDGET	429,097.6	302,493.6	173,533.8	0.0	94,291.0	128,960.6	1,128,376.6

Appendix E - Detailed 2021-22 Revenue Growth Proposals

Directo rate	Heading	Description	TOTAL £000s
	Base Adjustments (internal) 2020-21 Budget Amendment	Recurring changes to budgets included in the Budget Amendment approved at County Council 10th September 2020	32,821.8
	Growth Proposals	Details provided of growth proposals where there is an element of choice	
	<i>Net Base Budget Changes</i>	<i>Growth proposals based on current and forecast activity levels</i>	7,983.7
	Various	Total changes for current known levels of activity	-200.4
	Various	Total known unavoidable changes	3,608.0
	Covid related provision	Revisions to estimated Covid related provisions approved in the September 2020 budget amendment	-9,000.0
CYPE	Special Educational Needs & Disability (SEND)	Impact of Covid 19 pandemic on referrals for Education, Health and Care Plan assessments	500.0
NA	Investment Income	Impact of Covid on the financial markets resulting in a reduced return on our investments	2,150.0
	Growth for Strategic Statement Priorities	Releasing the uncommitted balance of the base funding provided in the 2020-21 budget for high impact improvements in support of Strategic Statement Priorities to help balance the 2021-22 budget	-2,862.2
CYPE	Dedicated Schools Grant (DSG)	Provision for temporarily offsetting the reductions in Central Services Schools Block DSG and costs which have been charged to DSG but no longer meet the criteria of the grant, until longer term solutions are identified	7,000.0
ASCH	Adult Social Care accommodation	Provision for annual cost of occupying NHS buildings - under new leases, KCC would be liable to pay rent and service charges for buildings that have always been occupied free of charge.	200.0
S&CS	Corporate Landlord	Provision for potential loss of rental income from tenants who deferred rent from 2020-21 and have subsequently gone out of business	200.0
S&CS	Corporate Landlord	Potential savings on utilities and facilities management costs from buildings remaining closed	-133.0
GET	Trading Standards	Loss of income from "Check Trade" service as service launched without fees being charged to ease impact on businesses during covid pandemic	21.3
NA	Return from our companies	Remove the dividends from our companies from the base budget due to their insecure and variable nature. Future returns to be used to fund time limited activities to support Strategic Priorities	6,500.0
	<i>Replace use of one-offs</i>	<i>Planned removal of one-off use of reserves and underspends in approved base budget for 2020-21</i>	11,892.5
CYPE & PH	<i>Reduction In Grant Income</i>		1,463.3
	<i>Pay and Prices</i>		
	<i>Pay</i>		4,609.6
	Various	Total known unavoidable changes	293.0
All	Pay and Reward	Contribution to pay pot and impact on base budget of uplifting pay grades. This contribution together with the savings from staff turnover will provide a pay pot capable of providing a 2% uplift for all staff, subject to negotiations with Trade Unions	4,100.0
PH	Public Health Pay & Pensions	Estimated impact of increases in NHS Pension costs and KCC pay award for KCC Public Health staff	216.6
	<i>Inflation</i>		12,356.0
	Various	Total changes for current known levels of activity	-853.1

Appendix E - Detailed 2021-22 Revenue Growth Proposals

Directo rate	Heading	Description	TOTAL £000s
	Various	Total known unavoidable changes	3,692.1
ASCH & CYPE	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments. Contracted services already allow for separate uplifts for National Living Wage/National Minimum Wage and Consumer Prices elements through formulaic approach	5,512.2
CYPE	Children's Social Care	Provision for price negotiations with external providers and uplift to in-house foster carers in line with DFE guidance	1,117.0
NA	Levies	Estimated increase in Environment Agency Levy together with impact of estimated change in taxbase	24.3
PH	Public Health contracts	Estimated increase in contract prices due to uplift in NHS Pension costs	2,357.0
PH	Public Health - Sexual Health & Healthy Lifestyles	Increased costs of prescription drugs due to impact of Brexit	506.5
<i>Demand & Cost Drivers</i>			11,007.5
<i>Additional spending associated with change in demand, population growth and other cost drivers</i>			
	Various	Total known unavoidable changes	2,594.1
ASCH & CYPE	Adult Social Care	Estimated impact of an increase in client numbers and additional costs resulting from existing and new clients whose needs are becoming more complex, including the transition of known clients at age 26 from Lifespan Pathway age 18-25	2,354.7
CYPE	Children's Social Care	Estimated impact of an increase in the population of children in Kent, leading to increased demand for children's social work and disabled children's services	3,235.0
CYPE	Home to School transport - SEN	Estimated impact of rising pupil population on SEN Home to School and College Transport	2,798.0
CYPE	Home to School transport - Mainstream	Estimated impact of rising pupil population on Mainstream Home to School transport	339.0
GET	English National Concessionary Travel Scheme	Temporary reduction in journeys travelled due to the Covid 19 pandemic	-2,000.0
PH	Public Health - Sexual Health	Increase in online contract for sexual health services based on anticipated service trends	150.0
PH	Public Health - Healthy Lifestyles	Increase in number of people eligible for health checks based on predicted population growth for 40-70 year olds	124.0
CYPE	Special Educational Needs & Disability (SEND)	Increasing number of Education Health & Care Plan assessments	200.0
GET	Waste	Increase in kerbside waste collection due to more homeworking during the Covid pandemic, the cost of which is higher to process than waste disposed of at HWRCs, where waste tonnage has reduced due to current restrictions	1,144.0
PH	Public Health	Other minor demographic pressures	68.7
<i>Government & Legislative</i>			3,638.6
	Various	Total known unavoidable changes	1,201.0
GET	Coroners Service	A reduction in the additional budget provided in 2019-20 for the new burdens impact of the Medical Examiner Service, and new responsibilities and services as a result of legislative reform including increased responsibilities in relation to Duty Officer Scheme	-80.0
PH	Public Health - Sexual Health	Additional premises costs as a result of Covid-19	75.0
PH	Public Health - Children's	Additional premises costs for Children's Centres	100.0
S&CS	Corporate Landlord	Increase in cleaning costs of buildings to ensure they are Covid secure	200.0
S&CS	Infrastructure	Additional ICT equipment and peripherals to enable more flexible working required as a result of Covid	250.0

Appendix E - Detailed 2021-22 Revenue Growth Proposals

Directo rate	Heading	Description	TOTAL £000s
S&CS	Contact Centre	Continuation of the Kent Together service, a single convenient point of contact for anyone in the county who is in urgent need of help during the Covid pandemic	150.0
S&CS	Personal Protective Equipment	Warehousing and distribution costs of PPE	360.0
CYPE	Community Learning & Skills	Continued loss of income as a result of the Covid pandemic	150.0
GET	Regeneration	Continuation of the Covid Business Help Line	200.0
GET	Coroners	Increased referrals, a backlog of cases due to delays and additional measures required social distancing as a result of the Covid pandemic	320.0
GET	Library Service	Continued loss of income as a result of the Covid pandemic	146.3
GET	Registration Service	Continued loss of income as a result of the Covid pandemic	506.3
GET	Loss of Service income	Continued loss of income as a result of the Covid pandemic in a number of smaller services such as Country Parks, Kent Scientific Services, Public Rights of Way & Planning Applications	60.0
Service Strategies & Improvements			43,699.5
	Various	Total changes for current known levels of activity	146.1
	Various	Total known unavoidable changes including additional debt charges relating to prior year capital programme decisions	9,013.7
CYPE	Special Educational Needs & Disability (SEND)	Implementation of our joint Written Statement of Action with the Kent Clinical Commissioning Groups to improve services for children with Special Educational Needs and Disabilities following inspection by Ofsted and the Care Quality Commission	500.0
NA	Capital Programme	Impact on debt charges of review of 2021-24 capital programme	-1,830.0
GET	Highway Maintenance Contract	Removal of one-off set up costs in 2020-21 associated with the recommissioning of the highways term maintenance contract, including procurement and pre-commencement costs	-425.0
GET	Economic Development Recovery Plan	Re-design of the service to accommodate the Economic Recovery Plan following the Covid pandemic	150.0
GET	Economic Development Straits Committee	Support for the new Straits Committee, an initiative for cross border relations with local authorities of Nord Pas de Calais, East Flanders, West Flanders and Zeeland following the UK departure from the EU.	100.0
GET	Highways Drainage	Increase base budget provision for clearing highways drains	1,250.0
S&CS	Member Allowances	Uplift to Member Allowances in line with the staff pay pot	44.2
PH	Public Health - Children's Programme	Investment in Bereavement Counselling Service	175.0
PH	Public Health - Mental Health	Investment in Suicide Bereavement Counselling Service	125.0
ASCH	Loneliness & Social Isolation Select Committee	Removal of one-off additional costs in 2020-21 of implementing initiatives to tackle loneliness and social isolation as recommended by the Select Committee, including an awareness raising campaign; expanding community transport schemes and implementing a social prescribing model which enables organisations to refer people to a range of services that offer support for social, emotional and practical needs.	-50.0
GET	Waste enforcement	Removal of temporary funding provided in 2019-20 and 2020-21 to strengthen waste enforcement activity to work in conjunction with the District Councils to combat fly tipping	-125.0
GET	Business Case/bid writing development	To increase capacity to bid for external funding to support future capital projects for enhancing infrastructure in Kent	150.0
S&CS	Kent Public Services Network (KPSN)	Removal of one-off provision in 2020-21 for potential loss of business from schools thereby increasing the cost to KCC of core provision	-424.7
CYPE	Mobile Classrooms	Provision of mobile classrooms to meet demand following delays in school building works due to Covid pandemic	1,121.0

Appendix E - Detailed 2021-22 Revenue Growth Proposals

Directo rate	Heading	Description	TOTAL £000s
S&CS	Systems Development	Investment in systems to enable greater flexible working and optimal use of office space including digitalisation of paper records, electronic signatures and desk booking system	555.0
PH	Public Health - Children's Programme	New online platform aimed at parents	100.0
PH	Public Health - Substance Misuse	Outreach service for homeless and change resistance drinkers	100.0
PH	Public Health - Children's Programme	Maintain resilience hub for children's services	100.0
PH	Public Health - Sexual Health	Integrated Sexual Health Electronic Patient Record system	50.0
PH	Public Health - Healthy Lifestyles	Investment in Kent Sports Unit	100.0
PH	Public Health - Healthy Lifestyles	Additional investment in voluntary sector	100.0
PH	Public Health - Children's Programme	Investment in Children's Centres	1,000.0
GET	Planning Applications	Provide enforcement resource to address significant increase in unauthorised development and breaches of planning control across the county	75.0
GET	Public Rights of Way	Increase the number of surveyors in order to better identify risk and enable more effective asset management together with an increase in minor works and maintenance	150.0
	Other	Other minor service improvements	24.0
NA	Contribution to reserves - emerging pressures	Contribution to reserves for recognised emerging pressures to improve financial resilience and manage the uncertainty of the future impact on services of the Covid pandemic	10,000.0
NA	Contribution to reserves - workforce reduction	Contribution to Workforce Reduction reserve to manage the impact on staffing of the policy savings required over the medium term	3,000.0
NA	Contribution to Reserves - New Homes Bonus	Contribution to reserves of the New Homes Bonus grant to fund Strategic Priorities	4,629.4
NA	Contribution to Reserves	Contribution to General Reserves to improve financial resilience	13,795.8
Total Additional Growth Proposals			96,650.7
Total Additional Growth Proposals and Recurring base adjustments included in the 2020-21 budget amendment			129,472.5

DIRECTORATE BREAKDOWN

ASCH	Adult Social Care & Health	31,699.2
CYPE	Children, Young People & Education	34,484.3
GET	Growth, Environment & Transport	2,474.4
PH	Public Health	7,912.6
S&CS	Strategic & Corporate Services	11,495.6
NA	Non Apportionable	41,406.4
		129,472.5

Appendix F - Detailed 2021-22 Revenue Savings and Income

Direct orate	Heading	Description	TOTAL £000s
<u>Savings and Income</u>			
<u>Transformation Savings</u>			-8,724.0
	Various	Full year effect of existing savings	-197.8
ASCH	Adult Social Care service redesign	The redesign of the Adult Social Care operating model, focusing on social care practice, data led decision making and innovation which will reduce and manage the costs and future demand for social care	-7,700.0
CYPE	Foster Care	Savings in Independent Foster Agency placement costs resulting from recruitment of additional in house foster carers	-726.2
GET	Sport and Physical Activity	Fund from Public Health Grant	-100.0
<u>Income</u>			-2,459.1
	Various	Full year effect of existing savings	-93.0
	Various	Routine savings in line with existing policy	-1,754.5
GET	Economic Development	Increase in profit share from East Kent Opportunities joint venture with Thanet District Council	-100.0
PH	Public Health Pay & Pensions	Additional income from Kent Community Health Foundation Trust to cover staff costs	-126.6
PH	Public Health - Children's Programme	Additional income from CCG for Bereavement Counselling Service	-175.0
PH	Public Health - Mental Health	Additional income from CCG for Suicide Bereavement Counselling Service	-125.0
GET	Trading Standards	New income stream from safeguarding against rogue traders	-85.0
<u>Increases in Grants & Contributions</u>			-2,642.0
PH	Public Health Grant	Anticipated increase in Public Health Grant pending announcement from Department of Health and Social Care including funding for PrEP	-2,642.0
<u>Efficiency Savings</u>			
<u>Staffing</u>			-2,481.9
GET	Staffing Restructures	Service re-design, integration of services and more efficient ways of working resulting in a reduction of staff and staff related costs	-30.0
GET	Highways	One-off use of grant funding to offset cost of works and operating fees	-2,000.0
PH	Public Health - Mental Health	Reduction in suicide prevention costs due to loss of income	-345.9
PH	Public Health	Realignment of staffing related budgets	-106.0
<u>Infrastructure</u>			-108.0
PH	Public Health - Sexual Health	Maintain virtual delivery of Psychosexual Health Counselling post Covid 19	-8.0
PH	Public Health - Sexual Health	Rationalisation of properties used for providing Sexual Health services	-100.0
<u>Contracts & Procurement</u>			-5,450.6
	Various	Full year effect of existing savings	-1,920.8
	Various	Routine savings in line with existing policy	-242.0
PH	Public Health - Sexual Health	Increased take-up of online sexual health services	-87.8

Appendix F - Detailed 2021-22 Revenue Savings and Income

Direct orate	Heading	Description	TOTAL £000s
ASCH	Hospital Discharge	Improvements in the efficiency and effectiveness of discharge pathways by jointly commissioning services with the NHS that support pathways for hospital discharge and hospital avoidance	-1,000.0
GET	Reduction of cost to process residual waste	Renegotiation of gate fee at offtakers dealing with residual waste	-200.0
CYPE	Home to School Transport - Procurement	Restructure and Retender the SEN transport network to achieve efficiencies	-2,000.0
	<u>Other</u>		-2,748.4
	Various	Routine savings in line with existing policy	-290.0
GET	Libraries, Registration & Archives (LRA)	Release of Libraries, Registration & Archives Ambition delivery budget	-75.0
CYPE	Central Services for Schools	Efficiency savings to offset the balance of the 2020-21 reduction in Dedicated Schools Grant: Central Services for Schools Block yet to be resolved. One off funding from reserves was provided in 2020-21 to provide time to consider more permanent solutions	-700.0
CYPE	Central Services for Schools	Efficiency savings to offset the anticipated 20% annual reduction in Dedicated Schools Grant: Central Services for Schools Block	-1,117.4
S&CS	Early retirements	Review of early retirement budget	-500.0
GET	Sustainable Business & Communities	Reduce external support for delivery of environment and climate change evidence-bases, analysis/ engagement/ partnership activity, and on renewable energy projects	-66.0
	Financing Savings		-28,140.3
NA	Debt repayment	Reduction in overall level of prudential borrowing as a result of rephasing in prior years; assessment of government funding levels to finance the capital programme and review amounts set aside for debt repayment (MRP) based on review of asset life	-5,913.0
CYPE	Public Health	One off release of Public Health reserve for funding Children's Centres	-500.0
PH	Public Health Reserves	Use of Public Health reserves to fund invest to save initiatives and one-off costs	-2,957.7
PH	Test & Trace grant reserve	Use of 2020-21 Test and Trace grant held in reserves to fund the test and trace programme	-216.2
NA	Drawdown corporate reserves	Drawdown of reserves related to underspending in 2020-21	-18,553.4
	Policy Savings		-11,995.9
	Various	Full year effect of existing savings	-193.5
GET	Prevention of queuing at Household Waste Recycling Centres (HWRCs)	Improvements to the customer experience and to prevent traffic queuing through the management of daily demand at HWRCs through the retention of a booking system at the HWRCs.	-1,300.0
GET	One-off Library Material Funds reduction	One-off reduction in Materials budget that is used to purchase all books, physical and e-books, magazines and newspapers as well as all our online resources and study resources	-300.0
GET	Household Waste Recycling Centre - charging	Introduce charging for the use of Kent HWRCs for all non-Kent residents	-100.0
S&CS	Member Community Grants	Reduction in Member Community Grants budget from £20k to £10k per Member	-810.0
GET	Economic Development	Review of core services	-100.0

Appendix F - Detailed 2021-22 Revenue Savings and Income

Direct orate	Heading	Description	TOTAL £000s
ASCH	Adult Social Care - Non Framework Placements	Maximising the use of negotiated framework providers to improve quality and efficiency	-1,000.0
GET	Highways Fees and Charges	Review of Highways Asset Management and Transportation Team Fees & Charges and increase above usual rate of inflation uplift	-50.0
GET	Capitalisation of Highways Inspectors time	Capitalisation of staff time involved in statutory inspections which result in highway repair works	-100.0
GET	Libraries, Registration & Archives fees and income	Increase in fees and charges for library and registration services	-50.0
GET	Highways development agreement & pre-application charges	Increase Highways, Transport & Waste development agreement fees and pre-application charges by 10%	-120.0
GET	Strategic Planning & Infrastructure	Digitise only existing or immediately available data in 2021-22 to inform a refreshed Growth and Infrastructure Framework	-75.0
GET	Regeneration	Review of grants to and contracts with Kent's Regeneration Organisations	-250.0
GET	Review of Economic Development spend	Capitalisation of project management, staff time and legal costs and other savings related to Economic Development activity	-200.0
CYPE	Children's Services Placement Cost Reductions - Care Leavers & Looked After Children	Review and rationalise the Care Leavers offer where appropriate including maximising use of housing benefit where possible	-1,125.0
GET	Arts	Review of grants to and contracts with Kent's Arts & Creative Organisations	-50.0
ASCH	Strategic Review of In House Adult Social Care Services	This review will be undertaken to determine the future role of the service. In 2021-22, whilst the review is underway, there will be a continuation of the current management action, which will deliver the required savings, until the review is completed	-1,750.0
CYPE	Home to School Transport (HTST) - Hubs	Introduction of standard pick up points for HTST for SEN children, for whom it is appropriate	-100.0
GET	Turner Contemporary	Reduction of revenue investment to Turner Contemporary	-80.0
GET	Cease £3m revenue contribution to capital for Pothole Blitz	Fund the annual pothole blitz from the Pothole Action Fund within capital until 2024-25 when the grant ceases, releasing the £3m revenue budget	-3,000.0
GET	Review of Community Wardens	Freeze current vacant posts	-220.0
PH	Public Health - Healthy Lifestyles	Retain virtual delivery of the Postural Stability Service post covid	-100.0
PH	Public Health - Healthy Lifestyles	Reduce the contribution to voluntary sector provided during lockdown	-70.0
PH	Public Health - Children's Programme	Remove the additional investment in childhood obesity	-400.0
PH	Public Health - Sexual Health	Reduce spend on Sexual Health activity	-26.8
PH	Public Health - Children's Programme	Reduce spend on Canterbury Early Years project	-9.6
PH	Public Health - Children's Programme	Reduce spend on Oral Health promotion	-30.0
PH	Public Health - Children's Programme	Remove Hearing Screening for school age children	-256.0
PH	Public Health - Children's Programme	Reduce spend on Targeted Relationships	-100.0
PH	Public Health - Healthy Lifestyles	Reduce spend on the Healthy Walks programme	-30.0
Total savings and Income			-64,750.2

Appendix F - Detailed 2021-22 Revenue Savings and Income

Direct orate	Heading	Description	TOTAL £000s
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DIRECTORATE BREAKDOWN

ASCH	Adult Social Care & Health		-13,003.5
CYPE	Children, Young People & Education		-6,411.3
GET	Growth, Environment & Transport		-11,511.6
PH	Public Health		-7,912.6
S&CS	Strategic & Corporate Services		-1,444.8
NA	Non Apportionable		-24,466.4
			-64,750.2

National Fiscal and Economic Context

A) Public Spending

SR2020 sets out the government's spending plans. The total public spending is referred to as Total Managed Expenditure (TME). This is broken down into departmental expenditure limits (DEL) and annually managed expenditure (AME). Fixed DEL budgets are set for each department. Spending that is considered difficult to control within fixed budgets due to its size or volatility is categorised as AME. Budgets are separated into capital, which generally equates to spending that scores within Public Spending Gross Investment (PSGI) in the national accounts, and resource, generally within Public Sector Current Expenditure (PSCE). Table 1 provides a high-level summary of spending plans from SR2020. TME accounts for 39.8% of the country's total output (measured as Gross Domestic Product, GDP) in 2019-20, 56.3% forecast for 2020-21 and 45.6% forecast for 2022-23. Further statistical tables from SR2020 are reproduced at the end of this appendix.

Table 1

	£ billion						
	Outturn	Forecast					
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Public sector current expenditure (PSCE)							
PCSE in AME	409.1	494.0	422.9	435.6	450.0	463.4	481.0
PSCE in RDEL	345.2	506.1	439.6	397.0	412.8	430.5	449.1
of which:							
Core RDEL	343.0	369.9	384.6	397.0	412.8	430.5	449.1
Covid-19 related	2.2	141.1	55.0				
Ring-fenced Depreciation	35.6	28.8	30.3	31.3	32.5	33.9	35.4
Total PCSE	790.0	1,028.9	892.8	863.8	895.3	927.8	965.4
Public sector gross investment (PSGI)							
PSGI in AME	23.3	29.4	18.3	19.4	22.9	23.3	23.3
PSGI in CDEL	70.4	106.3	100.4	107.3	109.1	112.8	117.4
of which:							
Core CDEL	70.4	97.2	98.8	107.3	109.1	112.8	117.4
Covid-19 related		9.1	0.6				
Total PSGI	93.7	135.7	118.7	126.7	132.0	136.1	140.7
Total Managed Expenditure	883.7	1,164.6	1,011.5	990.5	1,027.4	1,064.0	1,106.1

The element of local government expenditure funded by central government grants is included in RDEL/CDEL. The element funded from local taxation is included in AME. Table 2 is an extract from the SR2020 publication showing the amounts included in MHCLG DEL for local government and the government's estimate of the overall core spending power (CSP) for local government as a whole taking account of the departmental element and the assumed tax receipts included in AME. The increased Resource DEL for 2021-22 includes the inflationary uplift in Revenue Support Grant and an additional £300m social care support grant (in addition to the social care support grants included in the current year settlement)

Table 2 – in £ billions

	2019-20	2020-21	2021-22
Resource DEL excluding depreciation[1]	7.5	8.6	9.1
Covid-19 resource DEL excluding depreciation	1.6	3.52	3.0
Total DEL3	9.1	12.1	12.0
Core Spending Power (CSP)	46.2	49.0	51.2

1 Local government DEL figures provide a consistent series for core local government grant, adjusting for technical budget switches and movements in grant between years. They reverse the switch from DEL to AME for Business Rates Retention Pilots, of £1.4 billion in 2019-20, £0.8 billion in 2020-21 and £0.6 billion in 2021-22. They remove the £0.9 billion New Homes Bonus switch from LG DEL to MHCLG Communities DEL in 2020-21 and the early payment of £1.5 billion business rates reliefs compensation, moved from 2020-21 to 2019-20.

2 Covid-19 Resource DEL does not include compensation for the additional Covid-19 business rates reliefs, which totals £11.0 billion in 2020-21.

3 Total DEL figures represent the sum of rows above, including adjustments to provide a more consistent time series. They therefore differ from the LG DEL control totals in the DEL table in the statistical annex

The £3bn Covid-19 resource is to provide local authorities with additional funding in 2021-22 to support the response to the pandemic including:

- £1.55bn of additional grant funding to help local authorities to meet additional spending pressures as a result of Covid-19 in 2021-22
- £0.67bn of additional grant funding to help local authorities manage the cost of households least able to afford council tax payments
- An estimated £0.762bn to compensate local authorities for 75% of irrecoverable loss of council tax and business rates revenue in 2020-21 that would otherwise need to be funded through local authority budgets in 2021-22 and later years
- Extending the existing Covid-19 sales, fees and charges reimbursement scheme for a further 3 months until June 2021.

Further details of the allocations of the core grants and Covid-19 are included in the section on the provisional local government finance settlement in the main report. This settlement does not include specific grants from other government departments RDEL such as Department for Health and Social Care, Department for Education, Department for Transport, Home Office, etc. Notifications of the grants from these departments are received separately.

B) Borrowing and Debt

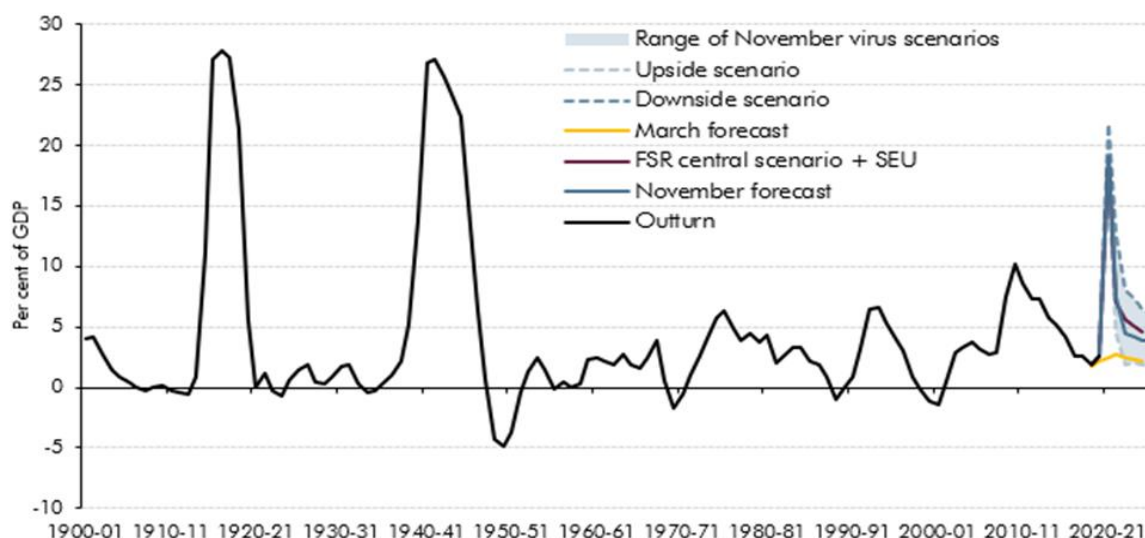
The Covid-19 pandemic has presented an extraordinary and unexpected challenge to the UK economy and economies across the world. The combination of additional public spending both on dealing with the pandemic and the economic fallout from the subsequent recession, and reduced tax yields, has resulted in an unprecedented peacetime budget deficit. Table 3 shows the central OBR fiscal forecasts for public sector spending, receipts, net borrowing, and total debt. In the central scenario spending in 2020-21 is forecast to be £281bn higher than the previous year and receipts £57bn lower, resulting in an annual deficit of £394bn. It should be noted that the economic outlook remains highly uncertain and the OBR have produced a number of alternative scenarios reflecting different assumptions on the path of the virus and its impact on the economy (with a range for the annual deficit of £353bn to £440bn under the various scenarios for the pace of economic recovery).

Table 3

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
OBR Fiscal Forecasts	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total Public Spending	883.7	1,164.6	1,011.5	990.5	1,027.4	1,064.0	1,106.1
(as % of GDP)	39.8%	56.3%	45.6%	42.1%	42.1%	42.0%	41.9%
Total Public Receipts	827.6	771.0	847.3	885.9	927.0	964.4	1,004.3
(as % of GDP)	37.3%	37.3%	38.2%	37.7%	38.0%	38.0%	38.1%
Net Borrowing	56.1	393.5	164.2	104.6	100.4	99.6	101.8
(as % of GDP)	2.5%	19.0%	7.4%	4.4%	4.1%	3.9%	3.9%
Total Accumaltd Debt	1,800.5	2,273.9	2,478.4	2,602.2	2,720.9	2,714.1	2,816.6
(as % of GDP)	85.5%	105.2%	108.0%	108.6%	109.4%	105.0%	104.7%

Under the OBR forecasts government borrowing is at its highest level since 1944-45, and total accumulated debt at 105% of GDP at its highest level since 1959-60. Chart 1 is an extract from the OBR report showing current borrowing forecasts in an historical context.

Chart 1



Source: ONS, OBR

In the OBR central forecast borrowing reduces to around £102bn (3.9% of GDP) by 2025-26, but even on the loosest conventional definition of balancing the books, a fiscal adjustment of £27 bn (1% of GDP) would be required to match day-to-day spending to receipts by the end of the five-year forecast period.

C) Economic Forecasts

The OBR central forecast is that the size of the UK economy, as measured by Gross Domestic Product (GDP), will reduce by 11.3% in the current year (11.8% per capita). This is the largest annual reduction in over 300 years. Under the various scenarios, the upside GDP shrinks by 10.6% in the current year, and the downside by 12%.

In the OBR's upside scenario, consistent with a vaccine becoming widely available in the spring of 2021, activity rebounds quickly and GDP recovers to pre-virus levels by the end of 2021, and there is no enduring economic scarring. However, under the downside scenario, where subsequent waves of infection require periodic re-imposition of health restrictions, output does not recover to its pre-virus levels until the third quarter of 2024 with persistently higher levels of unemployment and enduring economic scarring.

Table 4 is an extract from the OBR report which summarises the scenarios and economic impact, which was produced before the introduction of the new tier 4 restrictions.

Table 4

	Virus scenarios		
	Upside	Central	Downside
Public health assumptions			
Lockdown ends	2 December	2 December	2 December
Test, trace and isolate	Effective	Partly effective	Ineffective
Public health restrictions: lockdown to vaccine ¹	Medium-low	High-medium	Very high ²
Vaccines widely available	From Spring 2021	From mid-2021	Ineffective
Economic effects (per cent, unless otherwise stated)			
Real GDP growth in 2020	-10.6	-11.3	-12.0
Return to pre-virus peak (2019Q4)	2021Q4	2022Q4	2024Q4
Peak unemployment rate	5.1	7.5	11.0
Long-term GDP scarring	0.0	3.0	6.0
Fiscal effects (per cent)			
Public sector net borrowing in 2020-21	16.7	19.0	21.7
Public sector net borrowing in 2025-26	1.7	3.9	6.1
Public sector net debt in 2025-26	90.5	104.7	123.1
Budget 2020 fiscal targets			
Current budget balance in 2023-24	Met	Not Met	Not Met
Net investment below 3 per cent of GDP	Met	Met	Not Met
Debt interest to revenue ratio below 6 per cent	Met	Met	Met

¹ Low, medium and high are broadly equivalent to October 2020 tiers 1, 2 and 3 in England. Very high is between October 2020 tier 3 and November 2020 lockdown in England.

² Restrictions to ease to low by end of 2021.

All the OBR scenarios assume a smooth transition to a free-trade agreement with the EU in the new year. However, they also described an alternative scenario in which the Brexit negotiations ended without a deal. This would have further reduced output by 2% initially, and by 1½% at the end of the forecast period.

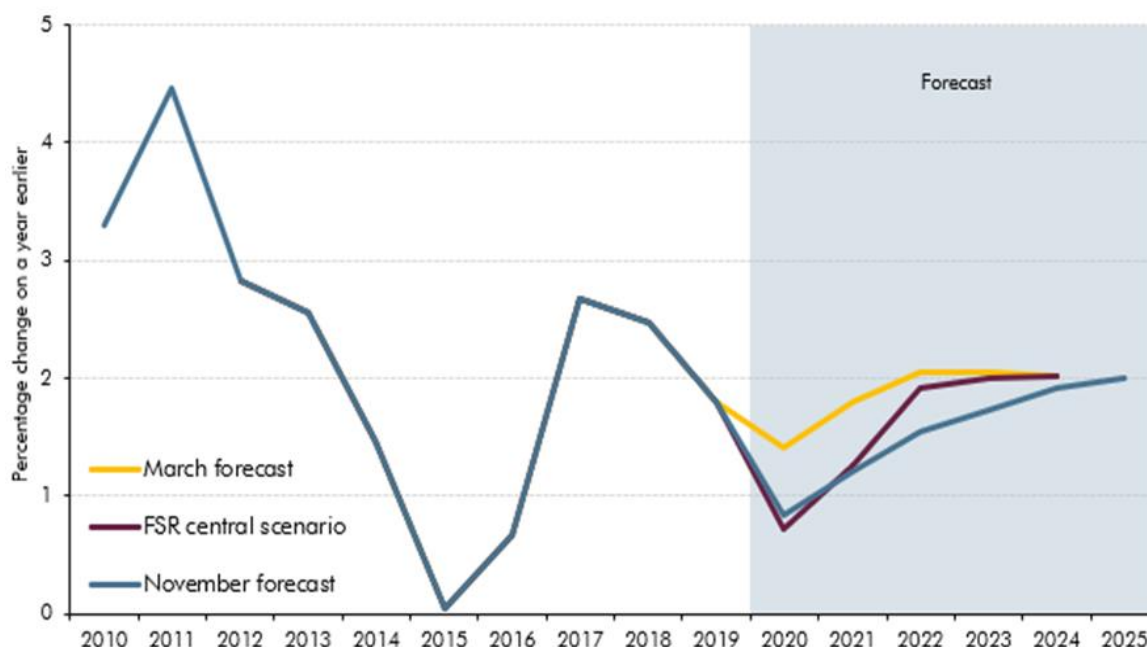
The OBR central forecast for unemployment is for it to peak at 7.5% in quarter 2 of 2021 (up from 4% in quarter 1 of 2020), with a subsequent recovery to 4.4% by quarter 4 of 2024. Under the upside scenario unemployment would peak at 5.1% in quarter 2 of 2021, with a more rapid and full recovery to 3.9% by quarter 1 of 2022. Under the downside the peak would be higher and later at 11% in quarter 1 of 2022, recovery would be slower and more damaging with unemployment at 5.2% at quarter 1 of 2025. The changes in forecast unemployment levels are shown in table 5. Unemployment will have a greater impact on the Council than previous recessions following the localisation of council tax support for low income households.

Table 5

Unemployment Forecasts	Central Forecast		Upside Scenario		Downside Scenario	
	Rate	Quarter	Rate	Quarter	Rate	Quarter
Prior to Pandemic	4.0%	2020Q1	4.0%	2020Q1	4.0%	2020Q1
Peak Rate	7.5%	2021Q2	5.1%	2021Q2	11.0%	2022Q1
Recovery to	4.4%	2024Q4	3.9%	2022Q1	5.2%	2025Q1

3.14 Forecasts for CPI inflation fall under all three scenarios from 1.8% last year to 0.8% in 2020, due in part to lower indirect taxes and energy prices, as well as increased slack in the economy. Inflation remains subdued over the next three years, primarily due to relatively weak average earnings growth, returning to the 2% target by the end of 2024. Chart 2 shows the OBR forecasts for CPI.

Chart 2



Source: ONS, OBR

Average earnings are forecast to continue to rise this year in the upside and central scenarios, despite the pandemic. In the medium term, earnings growth picks up steadily as labour market slack declines, reaching 3.5% by 2025. Chart 3 shows the OBR forecasts for earnings growth.

Chart 3



Source: ONS, OBR

Budget risks and adequacy of reserves

When setting the draft budget and MTFP, Corporate Directors have provided their best estimate of their service costs and income based on the information currently available to them. However, there will always be factors outside of the Council's direct control which have the potential to vary the key planning assumptions that underpin those estimates.

There are a number of significant risks that could affect either the level of service demand (and therefore service delivery costs) or its main sources of funding. In addition, there are general economic factors, such as the level of inflation and interest rates that can impact on the net cost of services going forward. Pressures in service demand are demonstrated in children's and adults social care and special educational needs transport.

Similarly, there are opportunities to either reduce costs or increase income which will not, as yet, be fully factored into the planning assumptions. The main risks and opportunities are summarised below.

Risks

Covid-19 Pandemic

- Public health and wellbeing – both residents and staff
- Increase in service demand – especially mental health, social care, unemployment and domestic abuse
- Increased levels of financial hardship, with poverty exacerbating existing inequalities
- Economic impact on Council funding
 - Decreased business rates and council tax income
 - Decreased sales, fees and charges income
 - Decreased treasury investments income due to lower interest rates

Impact of decision to leave European Union (Brexit)

- Potential workforce impact arising from direct or indirect employment of EU nationals.
- Supply chains could be affected by any changes in procurement legislation, and there are potential cost implications associated with currency fluctuations.
- The implications for pension funds are mixed as global investment vehicles have already priced in much of the uncertainty, but valuations on balance sheets and the cost of borrowing may lead to greater vulnerability.
- Commercial strategies may need to take into account the potential for any downturn in demand for properties in their investment portfolios which impact rental income and profitability.

Regulatory Risk

- **Business Rate Reset** – A proposed business rates reset by the Ministry of Housing, Communities and Local Government (MHCLG) means that the baseline level will be raised in 2022-23 to the current level of business rates.
- **Fair Funding Review** - The government has committed to reforming the way local authorities are funded. Its Fair Funding Review aimed to introduce a new funding formula from April 2021, now delayed to at least April 2022. Given the impact of the pandemic, it may bring into question whether the review will happen at all. Nevertheless, the government has said that the Fair Funding Review will: -
 - set new baseline funding allocations for local authorities;
 - deliver an up-to-date assessment of the relative needs of local authorities;
 - examine the relative resources available to local authorities;
 - focus initially on the services currently funded through the local government finance settlement;
 - be developed through close collaboration with local government to seek views on the right approach.

General Economic Factors

- Economic growth slows down or disappears
- A general reduction in debt recovery levels
- Reductions in grant and third party funding
- Reductions in the level of income generated through fees and charges
- Increase in fraud

Increases in Service Demand

- Adult Social Care homecare and residential care services
- Children's Social Care including an increase in the number of looked after children, unaccompanied asylum seekers or those with no recourse to public funds
- General demographic trends (including a rising and ageing population)
- Impact of changes to Welfare Benefits

Efficiencies and Savings Programme

- Slippage in the expected delivery of the savings programme
- Non-delivery of savings remains a risk to the Council and will be monitored during the year

Opportunities

- Growth in local taxbase for both housing and businesses
- Service transformation and redesign including digital services
- Invest to save approach to reduce revenue costs

Adequacy of Reserves

Reviewing the level of reserves the Council holds is an important part of the budget setting process. The review must be balanced and reasonable, factoring in the current financial standing of the Council, the funding outlook into the medium term and beyond, and most importantly, the financial risk environment the Council is operating in. The assessment of reserves is based on factors recommended by CIPFA as set out below together with an indication of the direction of travel (up arrow represents an improved position i.e. the risk is less than it was last year).

Assumptions for inflation



Inflation has been on a downward trend since its peak of 2.8% in autumn 2017 (barring the occasional seasonal fluctuation). Rates of inflation have fallen sharply during 2020 as a result of the Covid-19 pandemic due to lower indirect taxes and energy prices, as well as significant slack in the economy. OBR forecasts are for inflation to remain below the 2% target until the end of 2024

Estimates of the level and timing of capital receipts



The Council uses receipts as part of the funding for the capital programme. The council has not applied the flexible use of capital receipts to fund revenue costs since 2018-19 budget and does not propose to use the extension to 2021-22. Delivery of receipts against the target has fallen behind in recent years necessitating additional short-term borrowing/use of reserves. Performance in the current year has been sluggish due to the economic turbulence and although there is a reasonable pipeline of assets for disposal the risk profile for potential delays remains high.

Capacity to manage in-year budget pressures and strategy for dealing with demand and service delivery in the longer term



2020-21 has been a highly unusual year due to the Covid-19 pandemic. The pandemic has placed substantial additional spending pressures and income losses on the Council. The latest forecast is that additional un-ringfenced and specific grants are broadly sufficient to cover the impact in year for 2020-21, although forecasts do not fully reflect the impact of the second wave of infections and the additional restrictions imposed in November/December. The sustained period of lockdown and subsequent restrictions have also

resulted in significant in year underspends against the base budget for some services.

Although the local government finance settlement is better than expected for 2021-22 it is still insufficient to fully fund additional spending growth and relies heavily on council tax increases. We have taken a new approach to funding demographic pressures for 2021-22 and budgets will only be adjusted as and when demand growth has actually led to additional spending, with an expectation that services will manage demand pressures more effectively. To mitigate this risk we have increased the Council's general reserves.

Strength of financial reporting and ability to activate contingency plans if planned savings cannot be achieved



There continues to be a reasonable degree of confidence in the validity of financial reporting despite the uncertainties caused by the pandemic and economic turbulence. We have enhanced our reporting to include separate analysis of budget variances for business as usual activities and the impact of Covid-19. Most of the attention has focussed on capturing the Covid-19 impact although it is not always possible to completely separate out the core service and Covid-19 impacts.

Some areas of spending can still be changed at short notice if required as a contingency response if planned savings cannot be achieved (or there are unexpected changes in spending). However, we are also planning to increase general reserves as part of 2021-22 budget strategy. This is in response to heightened risks and therefore does not change the direction of travel.

Risks inherent in any new partnerships, major outsourcing arrangements and major capital developments



The Covid-19 pandemic has seen improved partnership working with NHS and districts. However, further sustained improvements are still needed to change the direction of travel.

Trading conditions for Council owned companies have been incredibly challenging and earlier in the year one company suffered from a cyber breach which affected several systems.

A number of outsourced contracts are due for retender and although we have made provision for revised tender costs in the budget the Council is still vulnerable to price changes due to market conditions.

The ability to sustain a capital programme remains a significant challenge. The programme focuses

on securing the Council's statutory responsibilities although there are still shortfalls in funding for some elements of the programme. The Council has recognised that increasing borrowing to unsustainable levels to fund infrastructure is not an option and this is being addressed as part of the further work to develop the council's ten year capital programme.

Financial standing of the Authority (level of borrowing, debt outstanding, use of reserves, etc.)



The Council has included additional contributions to reserves in the 2021-22 budget in response to increased risks and to improve resilience. The Council has also undertaken a comprehensive review of its existing reserves and established new reserves to meet the cost of ICT investments required to deliver the council's Strategic Reset Programme objectives and to cover feasibility work undertaken to support capital programme planning and delivery.

The levels of legacy borrowing remain relatively high with 88% of debt not due to mature within the next 5 years. The debt includes loans taken out under the previous supported borrowing regime and more recent loans taken out under the prudential regime. Just over 10% of debt is in long term Lender Option Borrower Option Loans which can only be redeemed without significant penalties at the lender's discretion.

In recent years the Council has adopted a policy of funding additional borrowing requirements from reserves rather than additional external borrowing. Whilst this remains sustainable for the next 2 to 3 years without impacting on long term investments it needs to be kept under review.

The Authority's record of budget and financial management including robustness of medium-term plans



The Council continues to have a sound record of effective financial management delivering the outturn within budget and with a small underspend in each of the last 20 years up to 2019-20.

Due to uncertainty over future government settlements the Council did not formally publish a medium term financial plan for 2020-23. However senior leadership were provided with a number of potential medium to longer term scenarios in advance of agreeing 2020-21 budget.

The forecast impact of the Covid-19 pandemic required the Council to consider a formal amendment to the 202-21 budget in September 2020 to ensure that budget plans continued to

balance. This amendment included an additional £12.8m of savings and income.

Virement and year-end procedures in relation to under and overspends



The Council continues to adhere to sound financial governance and virement procedures set out in its financial regulations. As for all councils, the Covid-19 pandemic impacted on the Council's ability to close the 2019-20 accounts. The draft outturn was reported to Cabinet on 22nd June outlining the main overspends and underspends together with roll-forward requests. A net underspend of £6.2m was reported which included £3.1m roll forward requests. The draft accounts were approved in October 2020 and signed off in November 2020.

The availability of reserves and government grants/other funds to deal with major unforeseen events



The Council continues to have adequate reserves although some significant risks remain unresolved which could impact on reserves if a solution is not found.

The most significant risk at the start of 2020-21 was the continuing underlying deficit and accumulated debt on the High Needs Block of Dedicated Schools Grant (DSG). This relates to spending to support children and young people with Special Educational Needs and Disabilities (SEND). Since the introduction of the Children and Families Act 2014, the Council has seen an unprecedented rise in the number of children and young people assessed for Education and Health Care Plans (EHCPs). The high needs funding within the DSG has not kept pace resulting in in-year overspends and an accumulated deficit on the unallocated DSG reserve. This is a national problem but has been particularly acute in Kent and a number of other councils. To date the government has not provided councils with sufficient funding and has not introduced structural reforms to eliminate the overspends or repay the deficits. Whilst the government has confirmed that DSG deficits do not have to be covered from the General Fund, the level of debt remains unsustainable posing a considerable risk in the absence of funding and structural reforms. The Council is updating its DSG deficit recovery plan in light of further projected overspends during 2020-21.

In previous years the Council has had to use reserves to fund shortfalls in grant from Home Office to support unaccompanied asylum seeking children and care leavers. Whilst the Council has

had some success in negotiating sufficient grant for the current year, we are continuing to lobby for compensation for the impact of previous shortfalls on the Council's reserves.

Another concern is the grant funding made available to prepare for EU transition or to deal with significant disruption. Whilst additional funding has been allocated to all councils, with extra funding for councils with major ports, this has not been sufficient for the Council to cover additional costs and without further funding these costs will need to be met from the Council's reserves.

At this stage the additional funding for the Covid-19 pandemic has ensured there is no forecast material impact on reserves in the current year but the full impact remains highly uncertain.

The general financial climate including future expected levels of funding



SR2020 only covers 2021-22. There are no specific departmental spending plans beyond the provisional local government settlement for 2021-22. Added to the lack of indicative funding settlement is a worsening of our ability to forecast additional spending demands and council tax/business rates funding following the pandemic and subsequent economic recession. Furthermore the anticipated reforms to business rate retention and fair funding review have been further delayed by the pandemic. The combination of these makes medium term financial planning highly uncertain. Plans can only be prepared based on a range of potential scenarios. This is consistent with the scenario approach adopted by the Office for Budget Responsibility (OBR) in the national economic and fiscal outlook.

The adequacy of insurance arrangements



The Council's insurance policies were reviewed in January 2016, insuring the same levels of risk as previously, albeit at a higher premium. Since then the Council's exposure to risk and levels of insurance reserves have been reassessed and a higher level of excess has been accepted on some policies in return for a lower premium. Evidence to date is that this has reduced the net cost to the Council.

Of the eleven factors used to assess risk and the adequacy of reserves, one has shown an improvement from twelve months ago, six are relatively unchanged, and four have deteriorated. No weighting has been applied to the individual factors, but the general financial risk to the Council should now be regarded as increased compared with a year ago, which in turn, was increased from the year before.

The review of existing reserves is being finalised. All reserves have been reviewed to ensure the Council enhances compliance with Local Authority Accounting Panel (LAAP) Bulletin 99. This bulletin set out the recommendations on the purposes for holding reserves. Reserves are split between general reserves (working balance to help cushion the impact of uneven cashflows/avoiding unnecessary temporary borrowing and contingency to cushion the impact of unexpected events/emergencies) and earmarked reserves to build up funds for known/predicted specific events. The review includes the closure of reserves where the original predicted events are now unlikely and the establishments of new reserves.

The budget proposals for 2021-22 include a net contribution to reserves of £9.2m. This includes increasing general reserves to £13.8m to reflect increased risk and uncertainty and improve financial resilience, £17.6m additional contributions to earmarked reserves offset by £22.2 drawdown from anticipated underspends in 2020-21 and Public Health reserves.

Medium Term Outlook

This medium term outlook is based around a number of potential scenarios. These include a central case (not necessarily the most likely scenario) together with upside scenarios (based on a rapid recovery) and downside scenarios (based on a slower recovery with lasting impact of Covid-19 pandemic). This is consistent with the approach adopted by the Office for Budget Responsibility (OBR) in its November 2020 Economic and Fiscal Outlook report.

The scenarios encompass both spending growth and funding forecasts and result in wide range for future budget gaps. The gaps make no assumptions about the Council agreeing further savings although do include the full year effect of 2021-22 savings in 2022-23 plus any annual savings/income from continuation of existing policies e.g. fees and charges. Each scenario assumes future 2%+2% council tax increases. All the scenarios are based on high level assumptions to give an indication of the potential scale of the challenge and are not predictions.

The central case is based on a scenario that recovery from the pandemic and recession is partly successful. Under this scenario we have assumed the council tax base would show 1% growth after 2021-22. Growth at this rate would see the net reduction in 2021-22 recovered through a combination of a reduction in the number of households receiving support discounts and growth in the number of households but neither would return to pre pandemic/recession levels. The central case scenario assumes a rollover of existing core grants (but no repeat of Covid-19 emergency grants). Spending growth forecasts assume 6% business as usual growth and ongoing (but diminishing) recurring additional spending associated with the pandemic due to pent-up demand and the need to continue with some form of preventative measures.

The upside scenario is based on a successful eradication of the virus and full and speedy recovery. Under this scenario we have assumed 2% council tax base growth which encompasses a reduction in the number of support discounts and a return to pre-recession anticipated housing growth. The upside scenario also includes 5% increase in core government grants (but no repeat of Covid-19 emergency grants). Spending growth forecasts assume 5% business as usual and no recurring additional Covid-19 costs.

The downside scenario is based on continuing need to take measures to tackle the virus and continued economic consequences. Under this scenario we have assumed a 2% reduction in the council tax base for 2022-23 due to further increase in support discounts, followed by 1% growth in 2023-24 (consistent with the central case). The downside scenario includes a 5% reduction in core grants as the government starts to reduce borrowing through national public spending restraint. Spending growth forecasts assume 7% business as usual and the need for recurring additional spend associated with the pandemic at similar levels to the amount identified in 2021-22 budget.

A summary of these scenarios is shown in table 1. The gaps would need to be closed through further savings/income generation or resisting spending growth.

Table 1 – Summary of Medium Term Scenarios

	Central Case		Upside Scenario		Downside Scenario	
	2022-23 £m	2023-24 £m	2022-23 £m	2023-24 £m	2022-23 £m	2023-24 £m
Spending Growth Forecasts						
Business as usual	68.0	68.0	57.0	57.0	79.0	79.0
Covid-19	14.0	7.0			21.0	21.0
Remove One-offs in 2021-22	-8.7		-8.7		-8.7	
Existing savings and policy	-27.0	-20.0	-27.0	-20.0	-27.0	-20.0
Total Spending Growth	46.3	55	21.3	37	64.3	80
Funding Change Forecasts						
Council Tax Base	7.8	8.2	15.6	16.5	-15.6	7.9
Assumed 2%+2% Tax Increases	31.5	33.0	31.8	33.7	30.5	30.5
Government Core Grants	0.8	0.8	12.5	13.1	-12.5	-13.1
Covid-19 Grants	-46.7		-46.7		-46.7	
	-6.6	42.0	13.1	63.3	-44.2	25.4
Gap	52.9	13.0	8.2	-26.3	108.5	54.6

From: **Michael Payne, Cabinet Member for Highways and Transport
Barbara Cooper, Corporate Director for Growth, Environment
and Transport**

To: **Cabinet 25/01/21**

Subject: **Kent Rail Strategy 2021**

Key decision: **Affects more than 2 Electoral Divisions**

Classification: **Unrestricted**

Past Pathway of Paper: **Environment & Transport Cabinet Committee 15/09/20**

Future Pathway of Paper: **None**

Electoral Division: **All divisions**

Summary:

The principal purpose of the Kent Rail Strategy 2021 is to inform the public consultation which will determine the train service specifications in the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.

This strategy therefore sets out in detail Kent County Council's ambitions for the next South Eastern concession:

- To determine the required passenger service levels in each sector of the network: High Speed, Mainline and Metro;
- To determine the requirements for rail infrastructure enhancements to facilitate these levels of passenger service;
- To establish the requirements for new fleets of rolling-stock in each sector to enable these levels of passenger service to operate;
- To improve the provision of passenger station facilities and communications.

The policies set out in the Kent Rail Strategy 2021 also aim to achieve deliverable modal shift of passengers and freight from road to rail, supporting the county's intention to become net-zero by 2050, also thus contributing to a healthier environment.

Recommendation:

Cabinet is asked to adopt the Kent Rail Strategy 2021 as the Council's rail policy, the principal purpose of which will be to inform the rail service specification in the next South Eastern concession agreement.

1. Introduction

- 1.1 The principal purpose of the Kent Rail Strategy 2021 is to influence the infrastructure outputs, rolling-stock fleet and rail service specifications which will inform the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.
- 1.2 The Kent Rail Strategy is aligned with national and local transport policies which recognise rail as a key element of Kent County Council's (KCC) transport priorities for the next decade. The Kent Rail Strategy recognises the need to deliver modal shift of passengers and freight from road to rail, supporting efforts to tackle the climate change emergency by reducing carbon emissions.
- 1.3 The COVID-19 pandemic has also accelerated thinking about home working and has demonstrated that with the right technology, home working is a realistic alternative to most office based employment. While this development has significantly affected current demand for rail travel, there is a need to plan ahead for a post-COVID-19 world in which such demand is expected to have returned to near its previous level. The global pandemic must also not diminish the need to plan for medium and long-term significant growth in demand for rail travel in the county, based on the forecast population and housing growth identified in KCC's Growth and Infrastructure Framework.
- 1.4 The draft Kent Rail Strategy 2021 was considered by Members of the Environment and Transport Cabinet Committee on 15 September 2020, prior to commencement of the strategy's public consultation. Members of the Committee commented on several aspects of the draft rail strategy and:

RESOLVED to endorse the draft Kent Rail Strategy 2021, and the proposals set out in the strategy's summary of recommended actions for public consultation in Autumn 2020, subject to updating the section on Eurostar services to reflect the current situation at Kent stations; the inclusion of a reference to the need for charging points for electric cars at railway station car parks; and the addition of the words 'KCC supports the ongoing efforts of Dover District Council in securing a journey time between St Pancras and Dover Priory of under 60 minutes and their efforts with Network Rail to increase car parking capacity at Dover Priory'.

These amendments have all been incorporated in the final version of the Kent Rail Strategy 2021, which Cabinet Members are asked to endorse.

2. Background and Context for the Kent Rail Strategy 2021

- 2.1 KCC published a Rail Action Plan for Kent in 2011, the principal objective of which was to ensure that the new South Eastern franchise award, then due to commence in April 2014, delivered a rail service for Kent that met the needs of the county's residents, businesses and visitors. The Rail Action Plan set out a proposed passenger service plan which was designed to meet those needs, including the procurement of additional High Speed rolling-stock to meet the forecast growth in demand.
- 2.2 The principal recommendations contained in the 2011 Rail Action Plan informed the detailed response which KCC submitted in 2017 to the Department for Transport's (DfT) public consultation on the then proposed new franchise award. Several of these proposals were well received by the train operating companies bidding for that contract, but the new South Eastern franchise award was subsequently cancelled.
- 2.3 In 2018 DfT then tasked Keith Williams, the former Chief Executive of British Airways, to undertake a comprehensive review of the structure and organisation of the rail industry in Great Britain. KCC responded to the call for evidence which informed the Williams Rail Review and highlighted the failure of the existing franchise system, while acknowledging the improved performance delivered by Kent's primary franchised operator, Southeastern, in recent years. Since then, with the exception of the announcement by the DfT in October 2020 that the franchise system would be replaced with a new system of concessions awarded to train operators, aligned with deeper integration between each train operating company and the regional Network Rail Route, there has been no further information from the DfT about the publication of the Williams Rail Review.
- 2.4 While there remains uncertainty about the future structure of the rail industry, the DfT has recently announced that, following the termination of the temporary Emergency Recovery Measures Agreement with Southeastern, a further Direct Award will be made with the existing operator, commencing on 17 October 2021. This new concession agreement will have a core period of 2 years until 16 October 2023, with the option of further extension periods of up to 4 years, potentially lasting until 16 October 2027. So the next competitive award for a new South Eastern concession agreement will not now commence until October 2023 at the earliest, and potentially not until October 2027. It is therefore timely to prepare a new Kent Rail Strategy 2021 which would replace the 2011 Rail Action Plan for Kent and update the 2017 submission to the DfT consultation. This would ensure that KCC has an up to date, widely consulted policy on the future of rail services in the county, in readiness for any public consultation the DfT may launch in preparation for the next South Eastern competitive concession.
- 2.5 The importance of rail within the overall provision of transport in the county was recognised in KCC's Local Transport Plan (LTP4) published in 2017, which sets out the Council's transport priorities for the period up to 2031. LTP4 highlights the pressures on demand for rail travel and the need for additional capacity on High Speed, Mainline and Metro services in Kent,

which is one of the key priorities for the new South Eastern concession. KCC is also planning to develop a new Local Transport Plan (LTP5) to reflect changes to transport policy as a result of the COVID-19 and climate change emergencies.

- 2.6 The key drivers of increased demand for rail travel in Kent post-COVID-19 are the planned growth in housing and population, as set out in the Kent and Medway Growth and Infrastructure Framework 2018 (GIF). The GIF sets out the forecast growth in population, housing and employment across the county to 2031, together with the infrastructure required across all sectors to support that expansion. The new rail strategy recognises the effect of this anticipated growth post-COVID-19 and the consequent significant increases in demand for rail passenger services during the next decade, and this growth is reflected in the proposals in the draft strategy for enhancements to Kent's passenger rail services and network infrastructure.
- 2.7 This rail strategy also champions the need for a replacement for the Metro fleet and for an increase in the High Speed fleet. The Metro fleet serving West Kent is in urgent need of modern, higher capacity trains offering real benefits for these frequent commuter services, while the High Speed fleet serving North and East Kent is in immediate need of increased capacity to meet the ever increasing demand for these highly successful High Speed services.

3. Public Consultation on the Kent Rail Strategy

- 3.1 A comprehensive public consultation on the draft rail strategy has been undertaken over an eight-week period from 23 September to 17 November 2020. During that time every level of public authority in Kent, other public bodies both in the county and outside Kent, rail travellers' and rail users' groups, representatives from every part of the rail industry, community rail partnerships, representatives of groups with protected characteristics, and individual members of the public were given the opportunity to respond.
- 3.2 There has been a high level of interest in the draft rail strategy with a total of 187 responses, and the separate Consultation Report details these with the corresponding replies. Some of these proposals have been incorporated in the final version of the strategy, while others have been omitted as they did not align with the Council's objectives for the county's rail network. The following changes arising from the public consultation were made to the draft rail strategy:
- (i) Amended status of London Rail, a subsidiary of Transport for London (TfL) (para. 2.11)
 - (ii) Support for contra-peak off-peak fares for leisure travel out of London in peak periods (para. 2.24)
 - (iii) Recognition of Connectivity to Ebbsfleet project as Abbey Wood to Ebbsfleet Connectivity Study (para. 4.10)
 - (iv) The removal of presumed funding support from the London Resort Holding Company for the proposed extension of the Elizabeth Line from Abbey Wood to Ebbsfleet (para. 4.11 & 4.12)

- (v) Addition of new section on school and further education college demand for rail travel (para. 4.16)
- (vi) Updated section on developments at Maidstone East and Swanley stations (para. 5.4 (viii))
- (vii) Addition of new section on proposed Cuxton Chord linking Medway Valley and North Kent Mainline (para. 5.4 (xiii))
- (viii) Updated section on need for stronger commitment in next concession agreement by DfT for extension of 'Access for All' funding (para.5.10) [also referenced in response to EqIA]
- (ix) Updated section on proposed requirement for enlarged High Speed fleet (para. 6.6)
- (x) Updated section on Metro and Mainline service levels reallocating Tunbridge Wells – Charing Cross service from Metro group to Mainline group, following clarification from Southeastern (paras. 7.1, 7.2; tables 3, 5)
- (xi) Updated section to include support for Medway Council's rail project for Hoo Peninsula and detailing collaborative approach to rail policy between Medway Council and KCC (para.7.3)
- (xii) Clarification of peak period fast service between Hastings and London termini via Tunbridge Wells (table 5)
- (xiii) Clarification of need for DfT to agree that TSR for new Direct Award must include station stops at Thanet Parkway once new station is opened (para. 7.15)
- (xiv) Clarification that new Thameslink service to/from Maidstone East will only operate to/from Ashford at start and end of day (table 11)
- (xv) Additional section outlining Network Rail's commitment to new 'First & Last Mile' and 'Mobility as a Service' projects in partnership with Southeastern and KCC (para. 8.8)
- (xvi) Addition of new CRP route between Otford and Ashford via Maidstone East under remit of Kent CRP (para.9.2)
- (xvii) Updated section on Medway Valley line to include need to restore through service to Tonbridge (para. 9.3)
- (xviii) New section outlining project led by Medway Council in partnership with Network Rail to convert freight route between Hoo Junction and Hoo St Werburgh to use by new passenger service, to be funded by Housing Infrastructure Fund (para. 10.10)

3.3 A key element in the consultation process was the annual rail summit on 13 October, held this year for the first time as a webinar. Over 100 participants logged-in to presentations on the rail strategy from KCC; on future service developments by Southeastern; on plans for infrastructure upgrades from Network Rail; and on the ambitions for growth in the use of the High Speed route by HS1. The webinar gave everyone the opportunity to ask questions, and a wide range of questions were answered by members of the panel.

3.4 The rail summit webinar also increased the number of people enquiring about the rail strategy and provided all participants with the opportunity to participate in the public consultation. This resulted in a wider range of consultation responses than would otherwise have been generated, providing a broad base of opinion from across the county.

4. Financial Implications

4.1 There are no financial implications arising from the recommendations proposed in this report.

5. Legal implications

5.1 There are no legal implications arising from the recommendations proposed in this report.

6. Equalities implications

6.1 The expectation is that the delivery of the proposed outputs and outcomes in the Kent Rail Strategy 2021 would provide a medium level of positive impact for passengers whose mobility is impaired and/or who are elderly, those who may be pregnant or have babies or very young children, and those who are carers. Following strong support from respondents to the public consultation, the section in the EqIA on accessibility for passengers whose mobility is impaired has been strengthened, so that it now seeks commitment from the DfT to increase funding for further investment in 'Access for All' facilities at stations to accelerate delivery of an accessible rail network in Kent.

7. Other corporate implications

7.1 There is a high level of liaison between the KCC Public Transport Team which oversees bus policy and the Rail Project Manager who oversees rail policy, especially in respect of ensuring bus/rail connectivity wherever this is feasible.

7.2 The key recommendations in the rail strategy are also aligned with the following Government and KCC corporate policies:

- Local Transport Plan 4: Delivering Growth without Gridlock 2016 - 2031 [LTP4: KCC, 2017]
- The Kent and Medway Growth and Infrastructure Framework [KCC, 2018]
- The Government's Decarbonisation Strategy [DfT, 2019]
- Transport Strategy for the South East [TfSE, 2019]
- Delivering for Kent: The Economic Impact of HS1 [Steer, 2019]
- The Kent and Medway Energy and Low Emissions Strategy [KCC, 2020]
- Recovery and Renaissance Plan (Economic Recovery Plan for Kent and Medway) [KCC, 2020]
- Local Transport Plan 5: *proposed* [LTP5: KCC]

8. Governance

8.1 The Interim Director of Environment, Planning, and Enforcement will be the main officer responsible via the Officer Scheme of Delegation.

9. Conclusions

- 9.1 The principal purpose of the Kent Rail Strategy 2021 is set out in its introductory paragraph: to influence the infrastructure outputs, rolling-stock fleet and rail service specifications which will inform the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.
- 9.2 The essential next step will be to successfully influence the new Train Service Requirement for the new South Eastern concession. This will need political as well as technical support, and the greater the extent to which Kent's political voice is united, the greater will be the success in achieving the goal of a better rail service for all of Kent's residents, businesses and visitors.

10. Recommendation:

Cabinet is asked to adopt the Kent Rail Strategy 2021 as the Council's rail policy, the principal purpose of which will be to inform the rail service specification in the next South Eastern concession agreement.

11. Background Documents

- 11.1 [The following background documents were used in the preparation of the Kent Rail Strategy 2021:](#)
- Business Case for Transmanche Metro (KCC / EU Interreg IV B funded Regions of Connected Knowledge [RoCK], June 2015)
 - Delivering for Kent: The Economic Impact of HS1 (Steer, Sept 2019)
 - Local Transport Plan 4: Delivering Growth without Gridlock 2016-2031 (KCC, April 2017) www.kent.gov.uk/about-the-council/strategies-and-policies/transport-and-highways-policies/local-transport-plan
 - Rail Action Plan for Kent (KCC, April 2011)
 - Response to the DfT's South Eastern Rail Franchise public consultation (KCC, May 2017)
 - Response to Network Rail's South East Route: Kent Area Route Study public consultation (KCC, June 2017)
 - Response to the Williams Rail Review public consultation (KCC, Jan 2019)
 - South East Route: Kent Area Route Study – Advice for Funders (Network Rail, System Operator, May 2018): <https://cdn.networkrail.co.uk/wp-content/uploads/2018/06/South-East-Kent-route-study-print-version.pdf>
 - Transport Strategy for the South East: Executive Summary (Transport for the South East, Oct 2019): <https://transportforthesoutheast.org.uk/wp-content/uploads/2020/07/TfSE-transport-strategy-Summary-Document.pdf>

12. Contact details

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Appendices

- Consultation Report on the draft Kent Rail Strategy (KCC, Jan 2021)
- Equality Analysis / Impact Assessment for draft Kent Rail Strategy 2021 (KCC, Jan 2021)
- Kent Rail Strategy 2021



Kent Rail Strategy 2021

Public Consultation Report
January 2021



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1. Introduction

The consultation on the draft Kent Rail Strategy 2021 was undertaken to provide the opportunity for a wide range of people to comment on its proposals. Consultees were invited to provide their feedback via a questionnaire, which was available online and in hard copy on request. All the responses have been collated and considered in the analysis of the consultation's results.

The background to the preparation of the strategy was the status of the current train service operator in Kent, Southeastern, and the expected imminent process to be launched by the Department for Transport (DfT) for a new South Eastern concession. The draft rail strategy was prepared to provide Kent with a comprehensive, fully consulted set of proposals for rail service levels, rolling-stock and infrastructure enhancements, for this new concession, which, once an operator is appointed, is expected to serve Kent for at least the next decade.

The Environment and Transport Cabinet Committee considered the draft Kent Rail Strategy 2021 on 15 September 2020, prior to commencing its public consultation. The consultation process lasted for eight weeks, from 23 September to 17 November 2020, during which time Kent County Council (KCC)'s annual rail summit webinar was held on 13 October, attended by 108 people from across the rail industry, local government and other stakeholder groups. This online event included a presentation on the strategy and offered participants the opportunity to ask questions about its proposals. The final version of the strategy will be presented to Cabinet on 25 January 2021, when Members will be asked to adopt the strategy as the Council's policy.

2. Consultation process

Pre-consultation engagement was carried out with rail industry stakeholders to ensure that the draft consultation strategy was accurate and updated in respect of technical railway data.

A wide range of stakeholder groups were identified for the consultation, including all levels of public authority in Kent as well as those who attend the annual KCC rail summit. The full list of all groups and organisations invited to respond is as follows:

- Members of Kent County Council
- Members of Parliament in Kent
- District Councils in Kent
- Medway Council (a unitary authority)

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- Kent Association of Local Councils (for all town & parish councils in Kent)
- Community Rail Partnerships in Kent and Sussex
- East Sussex County Council
- Essex County Council
- Surrey County Council
- Transport for the South East
- Thames Gateway Kent Partnership
- Ebbsfleet Development Corporation
- London Borough of Bexley
- Transport for London
- Passenger Focus
- Rail Future
- Rail Travellers' Associations
- Rail Users' Groups
- KCC Annual Rail Summit attendees
- KCC Disability Staff Group
- KCC LGBTQ+ Staff Group
- KCC Black and Minority Ethnic Forum Staff Group
- Southeastern
- Network Rail
- High Speed 1
- Eurostar
- Govia Thameslink Railway
- Great Western Railway
- Modern Railways

In addition to the above, KCC is continually engaging with partners and bodies that aid KCC in delivering its policies and services to businesses and residents of the county. We will continue to engage on the draft Kent Rail Strategy, such as with bodies like the Kent and Medway Economic Partnership and receive feedback until we adopt the strategy.

The consultation was hosted on KCC's consultation directory kent.gov.uk/kentrailstrategy2021 and a link to the consultation was provided on the rail policy webpage. The consultation draft strategy and Equality Impact Assessment (EqIA) were both available to download from the consultation page in Word and PDF. Consultee could also access the online questionnaire and a Word version. The rail summit was promoted on the site with information on how people could sign up to attend. In Table 1 is information on the number of times the consultation documents were downloaded.

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Table 1 - Frequency of downloads of the draft Kent Rail Strategy consultation materials and Rail summit invitation

Consultation Document	Downloads
Draft Kent Rail Strategy 2021 - Word version (3.86MB)	154 downloads
Draft Kent Rail Strategy 2021 - PDF version (2.88 MB)	1512 downloads
12th Rail Summit invitation - Word version (826KB)	16 downloads
12th Rail Summit invitation - PDF version (772KB)	70 downloads
Consultation questionnaire - Word version (91KB)	99 downloads
Equality Impact Assessment - Word version (54KB)	16 downloads
Equality Impact Assessment - PDF version (535KB)	61 downloads

A press release was issued on the launch of the consultation and an email was sent to 2,140 people who had registered with KCC's consultation directory and expressed an interest in being kept informed of consultations regarding general interest and traffic, transport and roads. We shared the Kent Rail Strategy consultation on organic social media channels to increase awareness and engagement of the consultation. 11 posts were issued throughout the consultation period. The posts shared were seen by 47,800 people and generated 717 clicks to the Consultation Directory. The breakdown of all social media responses is shown in Table 2.

Table 2 - Engagement levels with social media posts advertising the draft Kent Rail Strategy consultation

Media	Reach	Impressions	Clicks
Facebook	16,813		222
Twitter		27,093	427
Linkedin		3,894	68
Totals Shared	47,800		717

The following timeline sets out the development process for the draft Kent Rail Strategy and public consultation as part of that:

- 15 September 2020 – draft rail strategy considered by KCC’s Environment and Transport Cabinet Committee
- 23 September 2020 – launch of public consultation
- 13 October 2020 – KCC annual rail summit webinar including presentation on draft rail strategy and further opportunity to participate in consultation
- 17 November 2020 – close of public consultation
- 30 November 2020 – completion of coding of consultation responses
- 11 December 2020 – completion of consideration of responses to inform development of the draft Kent Rail Strategy and the review and update of the EqIA.
- 15 January 2021 – final version of rail strategy, consultation report and EqIA to be published on KCC website for Cabinet meeting on Jan 25
- 25 January 2021 – Cabinet to consider rail strategy, consultation report and EqIA, and Members to be asked to adopt rail strategy as KCC policy
- 2 February 2021 – final date for call-in of Cabinet decision
- 9 February 2021 – planned adoption and publication on KCC website of Kent Rail Strategy 2021 as official KCC policy

Accessibility measures included ‘Alt Text’ to describe pictures, tables, and maps in the main strategy document, to assist consultees whose sight is impaired. All documents supporting the consultation were available in PDF and Word format, and anyone requesting a hard copy of the strategy and consultation questionnaire would have been sent these by post [there were no requests for hard copies by post]. Contact details were provided for how people could request consultation material in alternative formats or languages.

3. Consultation responses

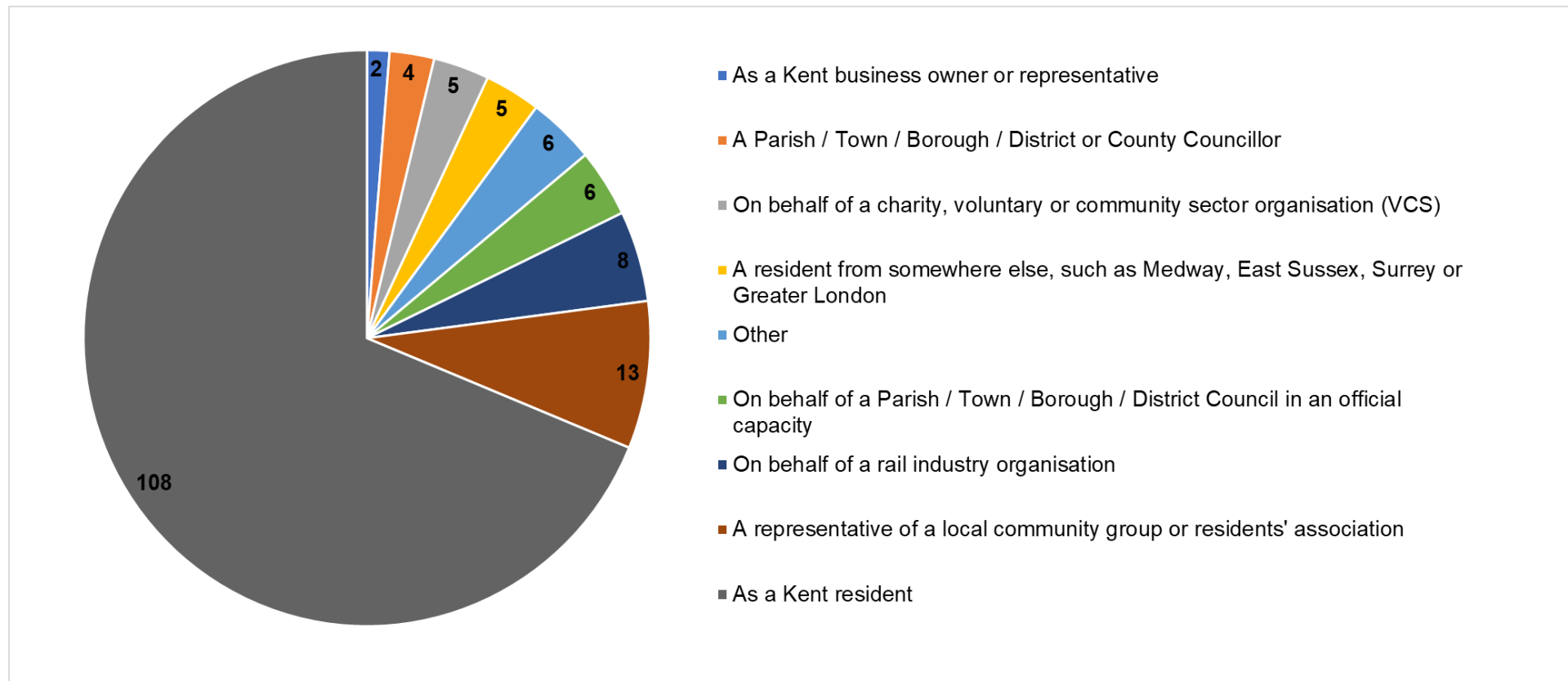
This section details the number of responses and comments for each of the questions about the draft Kent Rail Strategy. There was a total of 187 responses, of which 159 were online and 28 were by email. Not all the questions were answered by every respondent. The comments include those responses submitted through the online questionnaire and by stakeholders in free-form prose such as letters or emails. In total we have analysed 1,316 comments.

The draft Kent Rail Strategy received responses from a range of organisations as well as residents, as shown in

Figure 1.

The majority were residents of Kent. This split of responses by type of respondent was consistent across the different consultation questions, as at least 92% of the total number of respondents provided an answer to each of the consultation questions.

Figure 1 - Number of respondents replying as Kent residents or other

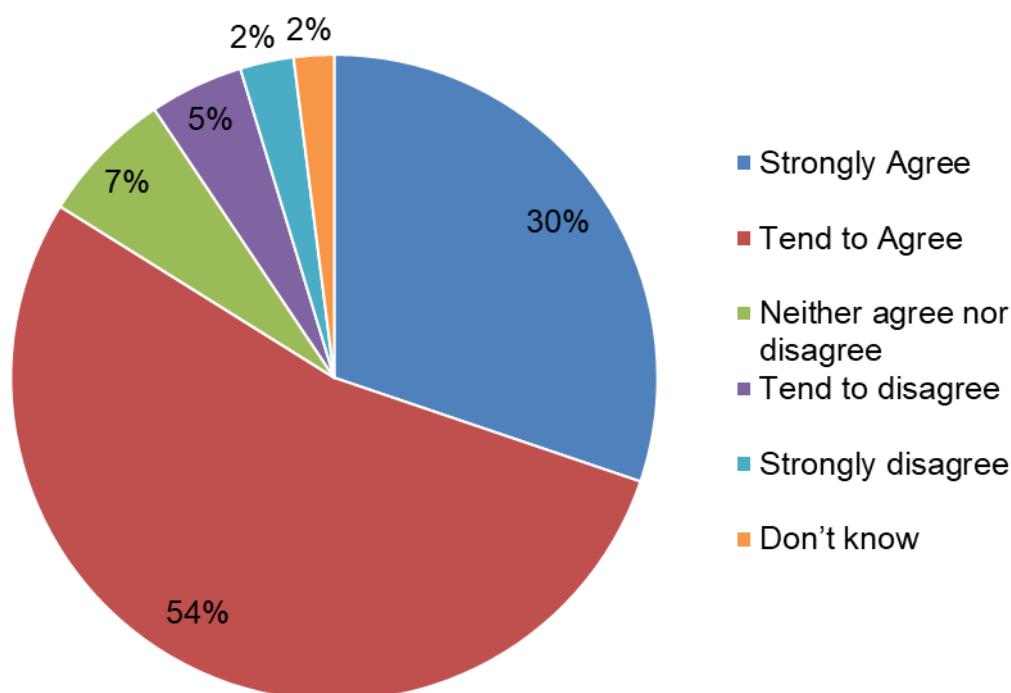


4. Kent Rail Strategy ambitions

Question 3 of the consultation asked, 'To what extent do you agree or disagree with the ambitions for the next South Eastern agreement as set out in the draft Kent Rail Strategy?'

We received 171 answers to this question, of which 147 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated ambitions is shown in Figure 2. Overall, there was very high support for the ambitions in the strategy, with 84% of responses either strongly agreeing or tending to agree. Just 7% stated either that they strongly or tended to disagree.

Figure 2 - Frequency of response agreeing or disagreeing with strategy's stated ambitions



Of the 147 responses providing a comment or reason, a total of 25 themes were identified. The frequency of themed responses is shown in

Table 3.

Table 3 - Frequency of responses to Question 3 by theme concerning the strategy's ambition

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Rail to reduce road congestion / car use	16	9%
Pandemic has changed situation	15	8%
Lower priced ticketing	14	7%
More capacity needed / reduce crowding	13	7%
Improved facilities at stations	12	6%
Not enough ambition / does not go far enough / elements missing	12	6%
Replace Networker fleet	11	6%
More frequent trains needed	11	6%
More freight / support freight traffic	10	5%
Flexible ticketing	9	5%
Improve High Speed services	9	5%
Improved facilities for mobility impaired	8	4%
Make journeys faster / reduce travel time	7	4%
Improved cycling facilities	6	3%
Support Kent to Gatwick service	6	3%
Support Maidstone to City service	6	3%

New lines / routes needed / add to SE operator network	5	3%
Improve travel to station / bus services / avoid car use to station / first & last mile	4	2%
Electrify the rest of the network / parts of the network	3	2%
Improve International services	3	2%
New station(s) proposed	2	1%
Concerns about funding / business case / deliverability	2	1%
Supports connectivity to Abbey Wood (C2E)	2	1%
Services have got worse	1	1%
Supports devolution of metro routes	1	1%
TOTAL	188	

It is clear from the themed responses that respondents have been mindful of the context of Kent's rail network in the wider choice of transport in the County. In particular, respondents frequently agreed and cited the importance of rail for reducing car use and linked to this is frequent mention of 'Lower priced ticketing' – that fares needing to be addressed to make selection of rail over car travel more commonplace. Some of the comments concerning fares highlighted both how cost can be a barrier to use of the railways but also the opportunity it presents for increasing patronage during non-peak times of the day. For example:

“The strategy must focus on ways of growing passenger revenue from leisure and more occasional travel and on modal shift from car to public transport.”

“For people in poorer areas like Thanet, access to jobs further afield is a lifeline, but the present fare scales directly encourage workers to get into their cars, as they can travel substantially more cheaply by road...”

The most popular specific improvement addressed by the ambition 'To establish the requirements for new fleets of rolling-stock in each sector to enable these service levels to be realised', was replacement of the Networker fleet. Some responses gave specific reasons such as the lack of air conditioning on the current stock and the need for more standing space for the shorter journeys being made on metro routes.

The impact of the Covid-19 pandemic was also often mentioned by respondents, however there were varying views on the impact, with some responses stating that it has changed the nature of commuting which will have a long term impact, whilst some responses refer to it as having a short term effect and that the strategy (as it explicitly sets out) must continue to plan for the long term and the recovery of rail use.

Four responses for the theme 'Improve travel to station / bus services...' also commented that the strategy for rail needs to look beyond travel on just the rail network and extend to also covering the means by which prospective passengers reach stations in the first place. They felt an integrated approach to transport was important, for example:

“The Society does not understand why you have concentrated on a Rail strategy when it would have been better to consider an integrated transport strategy taking into account bus services as well as roads”

KCC has an integrated transport plan, known as the Local Transport Plan. The responses and comments received from this consultation will be used both for the completion and adoption of the rail strategy and to help further shape and deliver Kent's Local Transport Plan.

Some respondents felt the strategy should go further either in the ambition or in the detail and coverage of some topics e.g. freight and climate change. These responses came both from those who supported the strategy, or it was a stated reason for their not supporting the strategy, as shown below.

“Tend to agree. Reason: ...We believe, however, that in the light of KCC's climate emergency declaration the strategy is not ambitious enough on sustainability...”

“Tend to disagree. Reason: While I agree with all four ambitions, there is one glaring omission and that is a reference to the need to significantly support and facilitate an increase in freight traffic in and across Kent...”

Respondents used the consultation to bring attention to additional improvements they felt should be made to Kent's national rail network (see themes 'New station(s) proposed' and 'New lines / routes needed...'). These improvements included:

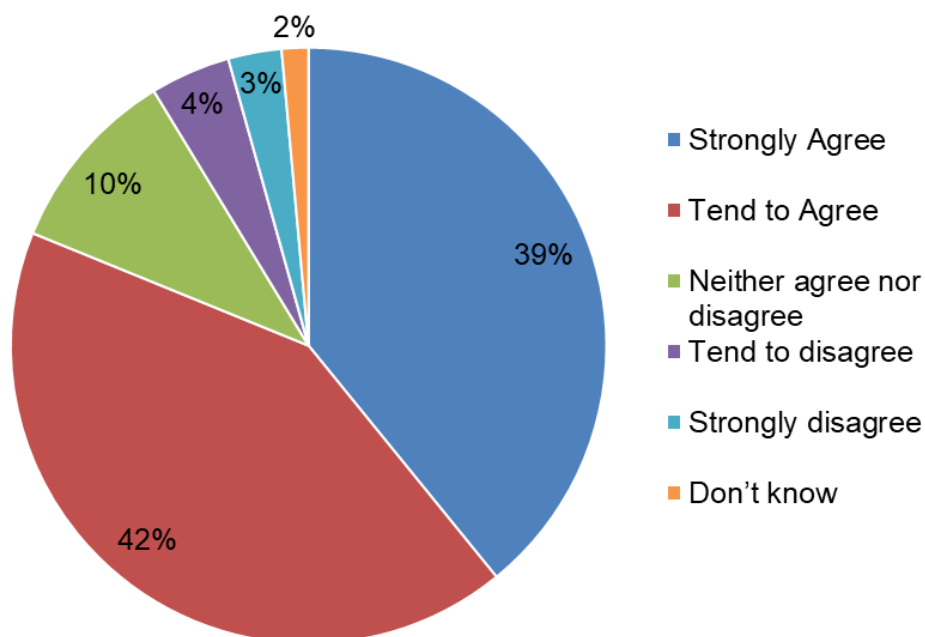
- A way to travel between Faversham and Ashford without having to change services and walk between Canterbury West and East stations.
- Improving the Tonbridge to Redhill line, such as by returning this line to South Eastern operations.
- Routing more Medway Valley line services to Tonbridge rather than Paddock Wood.
- Reposition stations to improve their access (particularly those in "awkward" locations outside towns).
- A High Speed 1 station near M20 junction 8 to serve Maidstone.

5. Rail policy

Question 4 asked, 'To what extent do you agree or disagree with the recommended actions for the Rail Policy in the Strategy?'

We received 166 answers to this question, of which 129 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for the rail policy is shown in Figure 3. There was very high support for the ambitions, with 81% of responses either strongly agreeing or tending to agree. Just 7% stated either that they strongly or tended to disagree. A further 10% neither agreed nor disagreed.

Figure 3 - Frequency of response agreeing or disagreeing with the strategy's actions for the rail policy



Of the 129 responses providing a comment or reason, a total of 26 themes were identified. The frequency of themed responses is shown in Table 4.

Table 4 - Frequency of responses to Question 4 by theme concerning the strategy's rail policy

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Improve travel to station / bus services / avoid car use to station / first & last mile	19	13%
Lower priced ticketing	17	12%
Flexible ticketing	15	10%
Rail to reduce road congestion / car use	10	7%
Improved facilities for mobility impaired	9	6%
More freight / support freight traffic	9	6%
Improved facilities at stations / staff stations	8	6%
Reduction in carbon emissions	7	5%
Not enough ambition / does not go far enough / elements missing	7	5%
Pandemic has changed situation	6	4%
New lines / routes needed / add to SE operator network	6	4%
Improved cycling facilities	4	3%
Improve High Speed services	4	3%
Concerns about funding / business case / deliverability	4	3%
Make journeys faster / reduce travel time	3	2%

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Supports Maidstone to City service	2	1%
Improve facilities on trains	2	1%
Electrify the rest of the network / parts of the network	2	1%
More frequent trains needed	2	1%
Services have got worse	2	1%
Improve International services	2	1%
London Transport Fare Integration	1	1%
More capacity needed / reduce crowding	1	1%
New station(s) proposed	1	1%
Opposed to rationalisation with TfL rail services	1	1%
Supports concessions over franchising	1	1%
<i>TOTAL</i>	<i>145</i>	

The most frequent theme was ‘Improve travel to station / bus services...’, which likely reflects respondent’s awareness that KCC is the statutory transport authority whose responsibility and direct impact lies with local transport that can improve access to rail. For example:

“...KCC needs to acknowledge its own part in taking actions to dissuade private motor travel and provide safe routes for people walking and cycling.”

Respondents cited the need to improve:

- Integrated cycle network with rail stations and the need for stations and on trains to be accommodating of cycles.
- The need for rail and bus services to be timed to coincide with one another, to avoid missed connections.
- Smart ticketing or other ticketing initiatives to enable ease of interchange and payment.
- The physical location of stations and the ease or otherwise that creates with integrating with the wider transport network.
- Community Rail Partnerships supporting or leading work in improving first and last mile journeys.

The importance of ticketing, both in terms of cost and flexibility of use on rail and other modes is demonstrated by the two themes next most frequently cited by respondents – ‘Lower priced ticketing’ and ‘Flexible ticketing’. The cost of tickets was particularly cited as a cause of concern amongst some respondents, additional to those instances cited in response to Question 3. For example:

“Fares are grotesquely expensive. It is not just special deals we need to attract people to Kent with. We badly need reasonable commuting fares too. If fares were lower more people would use the trains more often....”

Less frequent themes, but still relatively frequent compared to the 11 themes that had either one or two responses, include ‘More freight / support freight traffic’ and ‘Rail to reduce road congestion / car use’. Both themes were cited in single responses, where responses were promoting increased use of rail for the specific stated purpose to

reduce road freight. It is clear from these responses that the sensitivity and experience of the impacts of road freight is particularly felt in parts of Kent towards the Port of Dover. For example:

“Kent already has significant freight movement by road to the various ports and the channel tunnel. Much of this can be reduced with a positive strategy to encourage modal shift towards rail freight.”

“Modal shift, particularly for freight is essential, given the potential for post Brexit chaos.”

Associated with modal shift was a relatively frequent citing of the need or desire to reduce carbon emissions, with seven instances recorded across responses. Whilst some responses to the themes concerning reducing road traffic and increasing rail freight also cited reducing carbon, some responses solely responded on carbon, with responses feeling that rail should “play a primary role” in work towards decarbonisation.

The Kent Rail Strategy policy of “...working towards an accessible rail network in Kent” generated a frequent number of responses against the theme ‘Improved facilities for mobility impaired’ and ‘Improved facilities at stations / staff stations’. In addition, some comments highlighted that an accessible rail network needs to be one that is not only addressing the physical needs of passengers. For example:

“I have a friend with a 20-year old son who has Duchenne Muscular Dystrophy and can only get around in his large electric wheelchair. There are some stations which he would currently be unable to visit...”

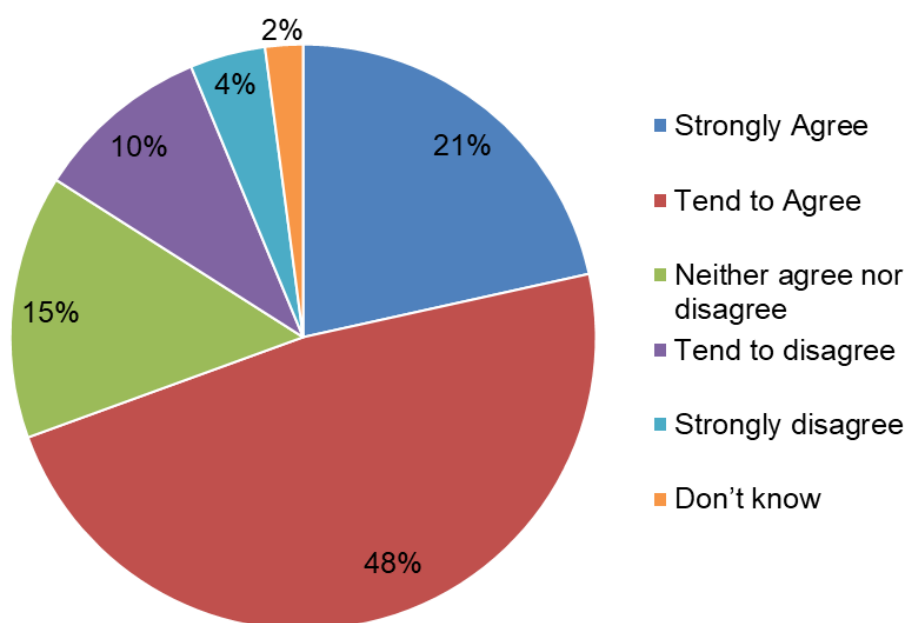
“A focus on the passenger is key, and accessibility in both physical disability terms and as well as neurodiversity needs should be considered.”

6. Fares policy

Question 5 asked, 'To what extent do you agree or disagree with the recommended actions for the Fares Policy in the Strategy?'

We received 167 answers to this question, of which 128 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for the fares policy is shown in Figure 4. There was very high support for the actions, with 69% of responses either strongly agreeing or tending to agree. A total of 15% stated either that they strongly or tended to disagree. A further 15% neither agreed nor disagreed.

Figure 4 - Frequency of response agreeing or disagreeing with strategy's actions for the fares policy



Of the 128 responses providing a comment or reason, a total of 23 themes were identified. The frequency of responses by theme is shown in

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Table 5.

Table 5 - Frequency of responses to Question 5 by theme concerning the strategy's fares policy

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Flexible season tickets	42	20%
Smart Ticketing	28	13%
Reduce fares / fares are too expensive	26	12%
Lower fares will increase usage / modal shift	24	11%
Not using rail as fares too high / car or coach is cheaper	14	7%
Fares are confusing / Finding best deal is difficult / should all be available at same place	14	7%
CPI rather than RPI increases	13	6%
Supports London zonal fares extended to Kent	5	2%
Fares do not represent value	5	2%
Pandemic effects / working from home has saved people money and shown fares are expensive	5	2%
Retain paying by cash	4	2%
High Speed should not be charged a premium / premium should be lowered	4	2%
Pandemic has changed situation	4	2%
Subsidise rail fares / more concessionary fares	4	2%
Scholars' season tickets	3	1%

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Combined bus / rail tickets	3	1%
Opposes London Transport Fare Integration	3	1%
Concern about rail fares for low income users / users with less flexibility on times of travel	3	1%
Rail fares should not be paid for by non-rail users / should continue to rise above inflation	2	1%
Rail car park charges need addressing	2	1%
Concerns about funding / business case / deliverability	2	1%
Improve travel to station / bus services / avoid car use to station / first & last mile	2	1%
Not enough ambition	1	0%
<i>TOTAL</i>	<i>213</i>	

By far the most frequent response was respondents citing the need for flexible season tickets. This was followed by 'Smart Ticketing' and then 'Reduce fares / fares are too expensive'. Often respondents citing the need for flexible tickets were either referring to Smart Ticketing as a means of achieving flexibility, or because flexible tickets could be a way of reducing fares because they are too expensive. For example:

"More recognition of the effect of costs on commuting from the coast to London. More emphasis on flexible ticketing for the shorter working week / working from home in the future."

"Due to the Covid situation and more people working from home, my suggestion is a super flexible part time annual season ticket is for a set number of days per year that can be used for both commuting and leisure purposes at the weekends too. would be useful here too."

As highlighted in responses to Question 3, respondents also took the opportunity in response to Question 5 to reiterate that they find fares expensive. Furthermore, respondents whose comments were included in the theme 'Reduce fares / fares are too expensive' often also made comments that were included in the theme 'Lower fares will increase usage / modal shift'. The impact of fares is further highlighted by the frequent responses against 'Not using rail as fares too high / car or coach is cheaper'. The responses below indicate the challenge that the rail network must overcome advantages of car use, particularly given the significant drop in rail and return to car travel that has occurred in the Covid-19 pandemic.

"It is blindingly obvious that rail fares are too high compared with Europe. I would never dream of not using my car whilst the fares are so high. Now that working from home is more common, many folks are saving £5000 to £7000 per annum by home working."

"Fares from east Kent are already too high especially at peak time and despite off peak and rail car reductions, offer low value for money...It is imperative if we are to encourage people off the roads to ensure there is a significant price differential with road travel."

Respondents supported many of the actions proposed for the rail fares policy. However, some elements were opposed, even if it did not lead to a strongly or tend to disagree response. This was notable on the proposal to extend Transport for London (TfL) fare zone to Sevenoaks. For example:

“Strongly disagree. Reason: You are aiming to extend the London zonal fares to include parts of North Kent – this is extremely unfair and will result in increased costs for rail users. We are NOT in London and should NOT be subjected to their zonal charges.”

“Tend to agree. Reason: Though I agree with the majority [of the policy], I disagree with any move to expand London Transport zones outside of London. If Sevenoaks wants to pay London Transport fares then Sevenoaks should become a London Borough and pay tax to the GLA.”

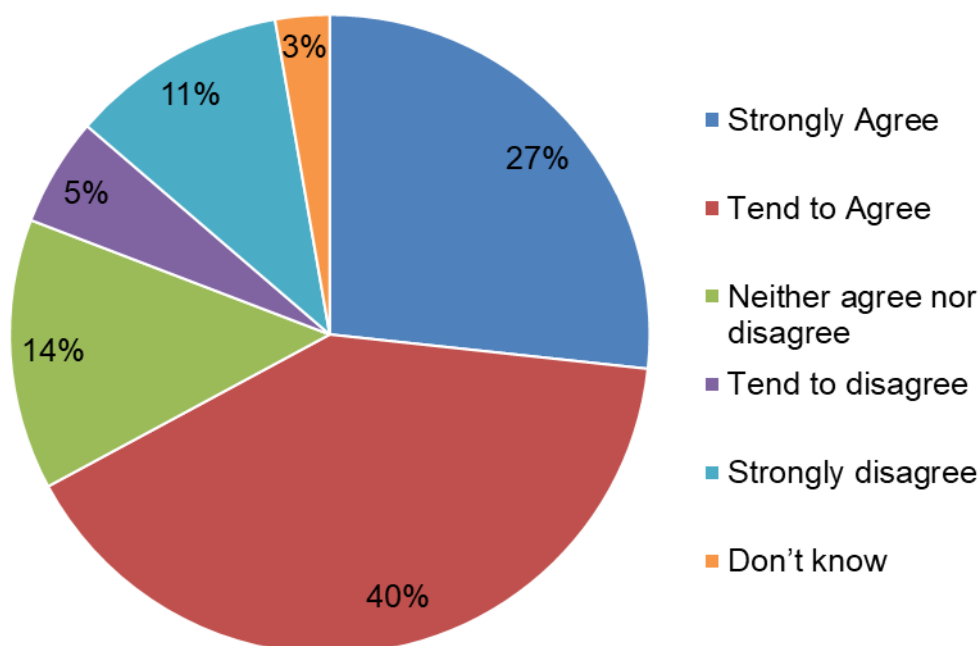
There were overall slightly more responses recorded against code ‘Supports London Zonal fares extended to Kent’, at five instances, than against code ‘Opposes London Transport Fares integration’, at three instances. It should be noted though that some of the supportive comments were on the basis that London zonal fares be introduced across more of or the whole of Kent.

7. Rail infrastructure enhancements

Question 6 asked, 'To what extent do you agree or disagree with the recommended actions for the Rail Infrastructure Enhancements in the Strategy?'

We received 162 answers to this question, of which 142 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for rail enhancements are shown in Figure 5. There was very high support for the actions in the strategy, with 67% of responses either strongly agreeing or tending to agree. 16% stated either that they strongly or tended to disagree. 14% stated they neither agreed nor disagreed. This question had the highest level of disagree responses of all the questions, albeit only by 1%.

Figure 5 - Frequency of response agreeing or disagreeing with Strategy's actions for Infrastructure Enhancement



Of the 142 responses providing a comment or reason, a total of 18 themes were identified. The frequency of responses by theme is shown in

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Table 6.

Table 6 - Frequency of responses to Question 6 by theme concerning the strategy's proposed actions for infrastructure enhancement

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Not enough routes covered / additional routes proposed for upgrade / new lines / freight improvements	38	22%
Support new rail infrastructure	32	19%
Support new power systems	25	15%
Supports new routes proposed	17	10%
Stations need refurbishment / improving	12	7%
Concerns about funding enhancements / cost impacting fares / business case	9	5%
Improvements will increase passenger numbers	8	5%
Opposes new services proposed	6	3%
Oppose new station(s)	6	3%
Address infrastructure / services to / from stations	5	3%
Support new stations	4	2%
Line is slow / unpleasant / increase speeds	3	2%
Hydrogen power proposed	2	1%
Power upgrade / replace DC with OHLE	1	1%
Address level crossings	1	1%

Pandemic changed situation / reduces need for infrastructure improvements	1	1%
More ambition needed	1	1%
Fares are more important	1	1%
<i>TOTAL</i>	<i>172</i>	

With 38 instances of recording across responses, the theme ‘Not enough routes covered / additional routes proposed for upgrade / new lines / freight improvements’ was the most frequent. This reflects that in response to the proposed actions in the strategy, respondents took the opportunity to propose their own improvements to infrastructure. Frequent proposals featured include the following:

- Cuxton chord – a new line (forming a new curve or chord between two existing lines) between the Medway Valley line and the Chatham mainline to enable Medway towns to Gatwick services.
- Canterbury West northern entrance to Roper Road and associated congestion relief at the station.
- Kent Essex Tram
- Gravesend to Hoo Peninsula new rail line and stations / turnback siding at Gravesend
- Tunbridge Wells to Lewes line (reopening a former line known also as the Wealden line)

Respondents frequently supported the infrastructure enhancements being proposed in the strategy, and the improvements these would bring to train services. Notable is the frequency of support for power improvements, often cited in respect of the Ashford to Hastings Marshlink proposal. Support for new routes frequently cited the Maidstone to City of London services proposed but not yet delivered as part of Thameslink, and the Tonbridge to Reading route.

There were nine responses regarding ‘Concerns about funding enhancements / cost impacting fares...’. Most comments highlighted an understanding that funds would be challenging to obtain, with a lower number of comments highlighting that some of the proposal are likely to be marginal in terms of business case and or feasibility such as southern link to Ebbsfleet or the Canterbury chord. The Canterbury chord’s challenges are also already acknowledged in the draft Kent Rail Strategy. As mentioned, there was the highest level of disagreement to this part of the strategy. Two themes accounted for six instances of disagreement ‘Oppose new station(s)’ and ‘Opposes new services proposed’. These themes included mentions of Thanet Parkway station and reducing High Speed services to Deal, Walmer and Sandwich. Some of the consultation respondents highlighted their concerns about Deal services as follows:

“I’m here to beg you to not remove Deal from your morning High Speed services”

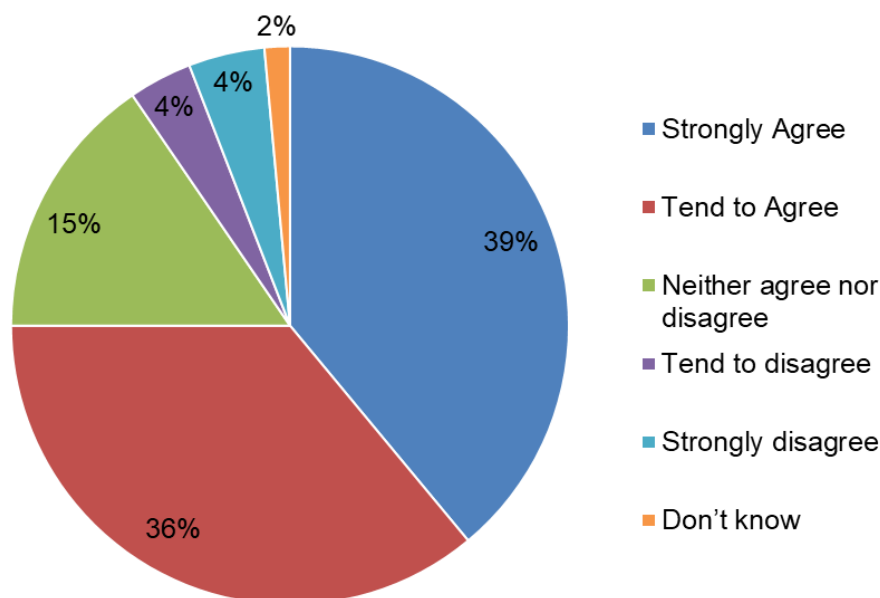
“Although East Kent stations (Deal, Walmer and Sandwich) are currently served with 2 HS trains per hour in the peak morning commute, the evening commute is only served by 1 HS train per hour and many commuters / tourists were hoping for an increase in peak service...This proposal does not feel like progress”

8. Rolling stock improvements

Question 7 of the consultation asked, 'To what extent do you agree or disagree with the recommended actions for the Rolling Stock Improvements in the Strategy?'

We received 160 answers to this question, of which 116 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions is shown in Figure 6. There was very high support for the actions, with 75% of responses either strongly agreeing or tending to agree. 8% stated either that they strongly or tended to disagree. 15% stated they neither agreed nor disagreed.

Figure 6 - Frequency of response agreeing or disagreeing with strategy's actions for rolling stock



Of the 116 responses providing a comment or reason, a total of 17 themes were identified. The frequency of responses by theme is shown in Table 7.

Table 7 - Frequency of responses to Question 7 by theme concerning the strategy's proposed actions for rolling stock

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Supports new Metro rolling-stock	36	24%
Supports new High Speed rolling-stock	28	19%
Supports new Mainline rolling-stock	20	13%
Better service / encourages use of trains	14	9%
Trains need to be accessible to all users	13	9%
Interior of trains needs improving / functioning facilities / doors	7	5%
Rolling stock already good	6	4%
Freight stock improvements	5	3%
Unsuitable trains for route / distance of journey	4	3%
Air-conditioning needed / heating needed	3	2%
Concern about funding improvements / fares having to rise to fund improvements	3	2%
Trains / seats needed to be more comfortable	3	2%
Use hydrogen powered trains	2	1%
Environmentally friendly / better	2	1%
Convert mainline stock for HS line use	1	1%
Modern stock less reliable / fragile	1	1%
Opposes procurement of class 800/801/802 stock	1	1%
TOTAL	149	

Support for each of the actions proposed for mainline, metro and high-speed rolling stock were the three most frequently themed comments amongst the responses. Support for the metro stock replacement was the most frequently themed comment, likely reflecting the age of the stock and its relatively less modern interior and facilities compared to the high speed and mainline stock. The comment below illustrates the views of some respondents with regards to the metro rolling stock:

“The old metro rolling stock is appalling and unfit for purpose and needs to be replaced.”

‘Supports new high-speed rolling-stock’ was the second highest theme. This may reflect the comprehensive proposals the strategy sets out for maximising the extent and frequency of high speed services across Kent and the reliance therefore on there being sufficient high speed rolling stock. It is important to note however that some confusion about the proposal being about replacing the whole high-speed fleet was expressed in response to the consultation. In addition, several respondents highlighted concerns about the Class 800/801 stock as follows:

“Class 800/801 rolling stock are not seen as appropriate. These vehicles are 26m (or in the case of EMT variants 24m) long and would not fit the majority of the SE routes, thus reducing the option for diversionary routing...Provision of a 395 variant...is seen as a more appropriate strategy and give a greater flexibility.”

Concerning mainline stock, respondents were supportive on the basis that extra capacity could be provided and more frequent trains. Some respondents felt that the mainline Electrostar stock was due mid-life refurbishment:

“The Electrostar trains which I have used for a number of years definitely need refurbishing...”

Aside from support for the main proposals in the strategy, the next most frequent themed comments were 'Better service / encourages use of trains' and 'Trains need to be accessible to all users'. These responses reflect similar sentiment given in response to Question 3 concerning the strategy's ambitions – specifically that to get more passengers onto the railway services need to be improved in a variety of ways. Respondents suggestions for improving accessibility include:

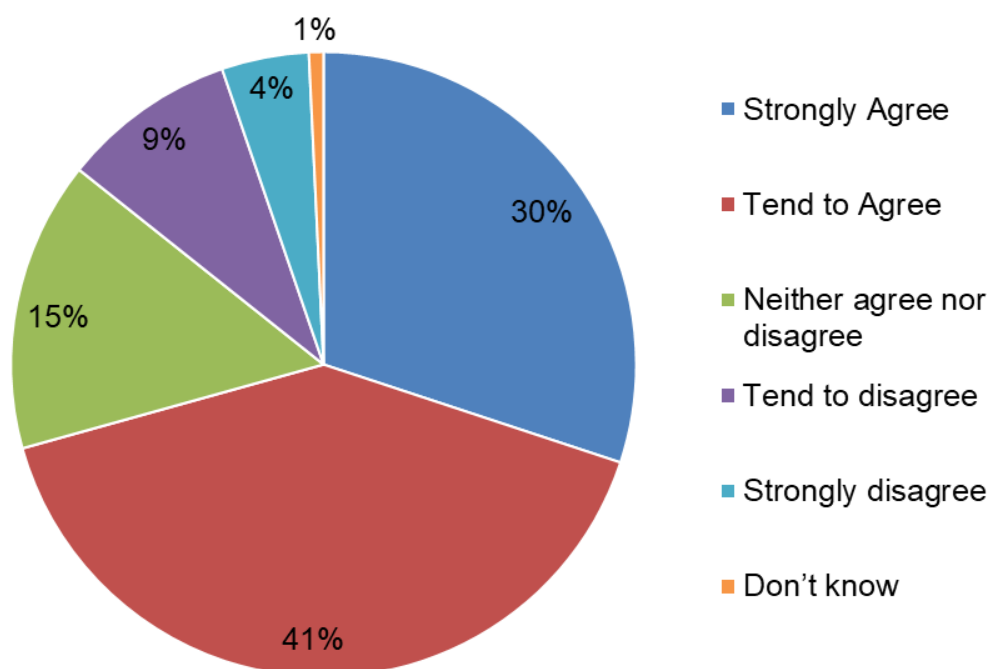
- More space on trains for disability equipment such as wheelchairs, mobility scooters.
- Improved access and on-board bike spaces.
- A cycle carriage.
- Space for prams and pushchairs.
- Boarding and alighting should not need a ramp.
- Reference to copying continental trains which provide in some instances a large open multi-use half carriage that can accommodate a mixture of users with equipment and standing passengers at peak times.

9. Passenger services

Question 8 of the consultation asked, 'To what extent do you agree or disagree with the recommended actions for Passenger Services in the Strategy?'

We received 166 answers to this question, of which 125 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for passenger services is shown in Figure 7. There was very high support for the actions in the strategy, with 71% of responses either strongly agreeing or tending to agree. 13% stated either that they strongly or tended to disagree. 15% stated they neither agreed nor disagreed.

Figure 7 - Frequency of response agreeing or disagreeing with strategy's actions for passenger services



Of the 125 responses providing a comment or reason, a total of 14 themes were identified. The frequency of responses by theme is shown in Table 8.

Table 8 - Frequency of responses to Question 8 by theme concerning the strategy's proposed actions for passenger services

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Support new service to Gatwick and Reading	20	16%
Support increased capacity	19	15%
Proposed additional service / route	19	15%
Support new Maidstone East to City service	13	11%
Support High Speed service expansion	10	8%
Support Marshlink HS service	9	7%
Not sure about new station / not support new station / services to serve new station	8	7%
Support faster journey times	6	5%
Better services will encourage more rail travel / support tourism	6	5%
Not sure if strategy ambitious enough / does not go far enough	3	2%
Trains are slow / delayed on route	3	2%
Services should be timed to fit with schools / interchange between routes	3	2%
Service improvements support economy	2	2%
Off peak freight services should not be lower priority than passenger services	1	1%
Market Kent rail network	1	1%
TOTAL	123	

There were frequent statements of support for specific service improvements – particularly Gatwick and Reading, Maidstone East and the City and the Marshlink services. Examining the detail of the comments shows that whilst support is expressed, some respondents qualified or suggested amendments and were included in the theme ‘Proposed additional service / route’. For example:

- Routing the Gatwick and Reading service along the Medway Valley line to the Medway towns.
- In what could be viewed as a first step on the migration of services to a full Gatwick and Reading route, extending Medway Valley line services to Tonbridge to enable connections to the Tonbridge to Redhill service.
- Viewing Maidstone services to the City on Thameslink as the priority over services as far as Rainham, instead routing the latter to Hoo Peninsula or using the paths on the Thameslink core for Maidstone instead.

In addition, a range of specific service and wider infrastructure proposals were suggested to improve the passenger services on offer in Kent, such as:

- Re-aligning the Medway Valley line to enable a single Maidstone station serving the mainline and Medway Valley line.
- Avoiding any reduction of services to the Medway towns, Deal or Whitstable
- Construction of a new High-Speed 1 station on the High-Speed 1 line to serve Maidstone
- A new line on the Hoo Peninsula with a station at Sharnal Street / All Hallows / Thamesport.
- Improvements along the North Kent line to connect to Abbey Wood, including but not limited to the consideration of Elizabeth line (Crossrail) services.
- Brighton Main Line 2 (BML2) – a proposal for a new line from Brighton to London via Uckfield and Oxted.
- A new service between Dover to Canterbury running via Minster.
- Improvements to mainline capacity rather than metro services to Tunbridge Wells.
- Reinstate the Tunbridge Wells to Lewes line.

Linked to some of the proposals above, particularly avoiding service reductions are responses with comments recorded for the theme ‘Not sure about new station / do not support new station / services to serve new station’. Responses were concerned that new service provisions to serve stations such as Thanet Parkway and Westenhanger for Otterpool Park Garden Village would leave stations such as Deal worse off.

One response, themed as ‘Market Kent rail network’, focused on the marketing of passenger services and the impact this could have in making them easier to use and therefore potentially increase patronage:

“Kent’s rail network should be treated and marketed as an entity in itself, as a proud Kent asset – and not just as a stub of London’s commuter transport system. The network should be given its own identity, and its rail map should be designed and presented in an easy to understand presentation. An example is Scotland where the “Scotrail” brand...is used as part of the transformation of rail’s offering...”

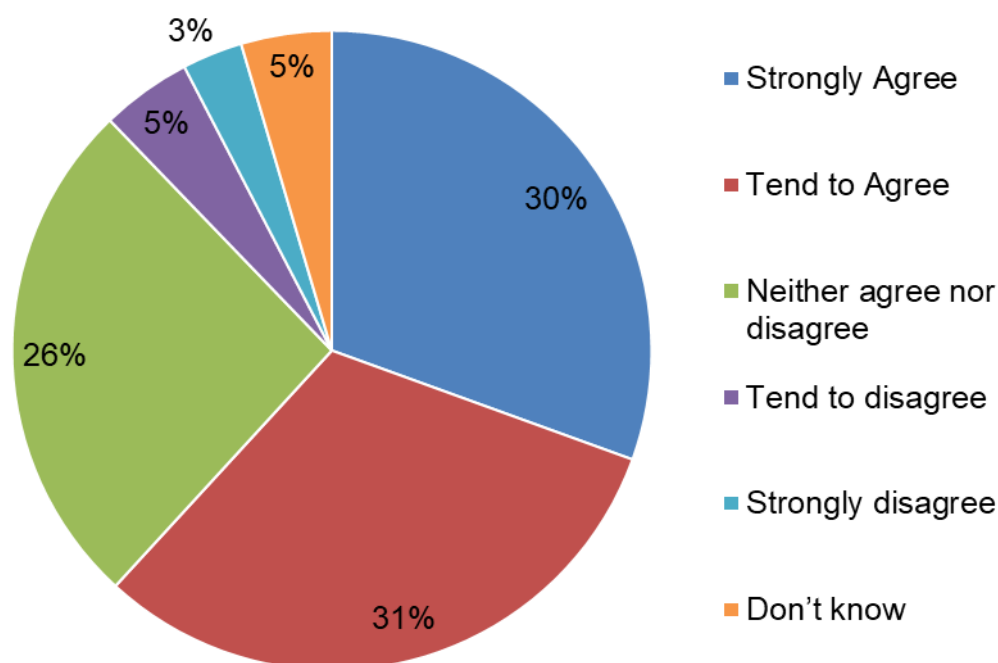
10. Community Rail Partnerships (CRPs)

Question 9 of the consultation asked, 'To what extent do you agree or disagree with the recommended actions for Community Rail Partnerships in the Strategy?'

We received 162 answers to this question, of which 97 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for Community Rail Partnerships is shown in Figure 8. There was very high support for the actions in the Strategy, with 61% of responses either strongly agreeing or tending to agree. 8% stated either that they strongly or tend to disagree. 26% stated they neither agreed nor disagreed.

This question had the highest rate of neither agree nor disagree and don't know responses (5%), This suggests that 3 in 10 respondents potentially have a low awareness of CRPs and the work they do and therefore did not or could not form an opinion to this question.

Figure 8 - Frequency of response agreeing or disagreeing with strategy's actions for Community Rail Partnerships



Of the 97 responses providing a comment or reason, a total of 13 themes were identified. The frequency of responses by theme is shown in Table 9.

Table 9 - Frequency of responses to Question 9 by theme concerning the strategy's Community Rail Partnerships (CRP) proposals

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Support CRP funding	25	35%
Support new CRP routes	13	18%
CRPs work when / help bring all parties / people / communities together	10	14%
CRPs improve the potential of routes / use of lines / quality of stations	10	14%
Already involved / part of a CRP	4	6%
CRPs obtain advocacy	2	3%
Against CRP funding	1	1%
Thinks CRPs should cover all public transport	1	1%
CRPs should seek private funding / support	1	1%
CRPs will not work in my area	1	1%
CRPs are talking shops	1	1%
Rail companies should focus on other groups e.g. Active Travel groups, as well	1	1%
CRPs vary in their effectiveness	1	1%
TOTAL	71	

There were frequent statements of support for CRPs – with 25 instances of support making it the most frequent theme. In addition, there was also support expressed for new or expanded CRP routes, including:

- Dover to Faversham
- Tonbridge to Ashford
- Swale CRP expand to include Selling, Faversham, Teynham, Sittingbourne and Newington.
- Brighton Main Line
- Medway to Dover / Thanet

Respondents also took the opportunity to highlight their perceived benefits of CRPs. Comments coded against codes ‘CRPs improve the potential of routes...’ and ‘CRPs work when / help bring all parties / people / communities together’ were the next two most frequent types of comments. These highlight that generally respondents have a positive impression and view of CRPs. Supportive statements include the following:

“CRPs are a vital resource in developing the potential of routes covered.”

“Increased financial support and promotion of CRPs would assist them greatly in publicising and encouraging travel on the less used lines.”

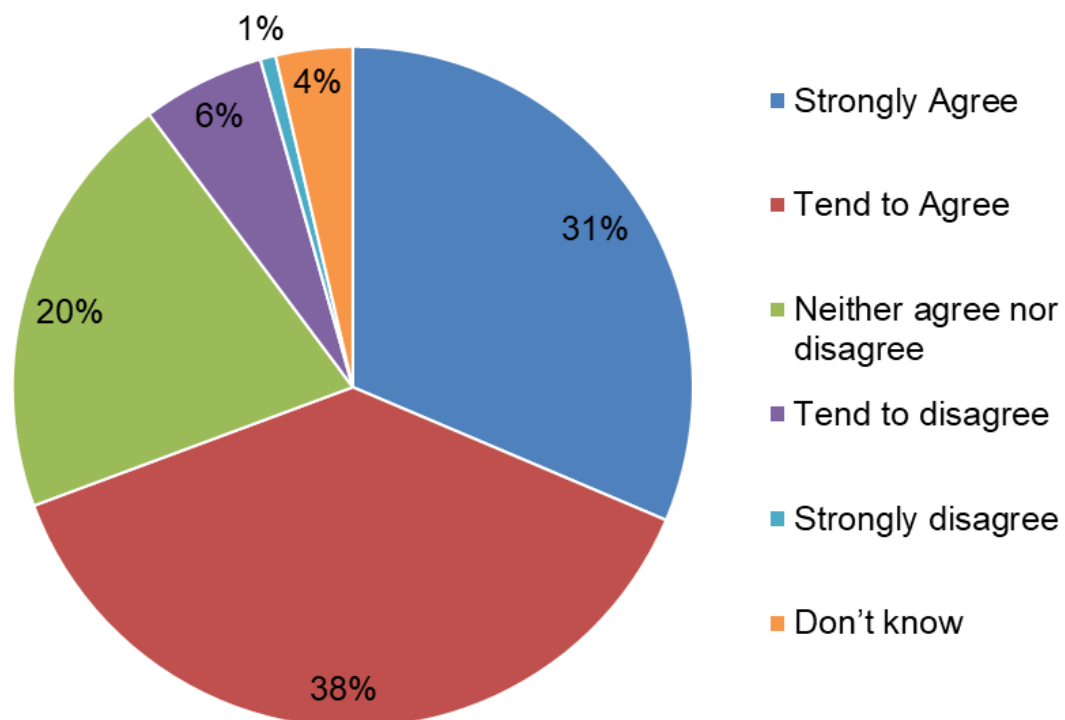
There was only a very low level of opposition or negative sentiment expressed towards CRPs, with only two instances coded against ‘CRPs are a talking shop’ and ‘Against CRP funding’, with the response coded to the latter clarifying that they felt it was questionable to spend capital funds on stations used by “very few passengers”.

11. Rail freight provision

Question 10 of the consultation asked, 'To what extent do you agree or disagree with the recommended actions for Rail Freight Provision in the Strategy?'

We received 162 answers to this question, of which 116 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the Strategy's stated ambitions is shown in Figure 9. There was very high support for the ambitions in the Strategy, with 69% of total responses either strongly agreeing or tending to agree. A total of 7% of responses stated either that they strongly or tended to disagree. A further 20% of responses stated they neither agreed nor disagreed and 4% don't know.

Figure 9 - Frequency of response agreeing or disagreeing with Strategy's actions for Rail Freight Provision



As with CRPs, the higher level of respondents having no opinion in agreement or disagreement or that don't know may reflect that rail freight is more niche and not within the interests of most everyday passengers using the railway. Nonetheless, the total level of response to the question is commensurate with other parts of the consultation demonstrating that respondents welcomed the opportunity to express views on the matter of freight.

Only one respondent strongly disagreed with the Rail Freight Provision section of the Strategy, on the basis that the priority should be the introduction of the Maidstone to City Thameslink service. Of the 116 responses providing a comment of reason, a total of 15 themes were identified. The frequency of responses by theme is shown in *Table 10*.

Table 10 - Frequency of responses to Question 10 by theme concerning the Strategy's Rail Freight Provision Proposals

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Support more freight on railway	47	30%
Getting freight off roads is good / sensible / good for environment	42	27%
More solutions needed / further options proposed	15	10%
Channel tunnel route should not stop at Barking (Essex) / channel tunnel / HS1 should be used more	10	6%
Freight should not affect passenger services / use quieter sections of the rail network	9	6%
Rail freight needs to be affordable / needs right prices	7	4%
Neutral about more freight on railway	6	4%
Understands there are clearance / gauge constraints	6	4%

Concern about freight traffic affecting residents along lines	4	3%
Support freight but not diesel Locomotives / prefer electric	3	2%
Subsidise / incentivise rail freight	2	1%
More freight on the railways makes railways more cost effective / economic	2	1%
Switching to rail freight needs to happen sooner	1	1%
Should be more rail freight from Kent's docks	1	1%
Address white-van freight as priority over container freight	1	1%
<i>TOTAL</i>	<i>156</i>	

The coding of the responses shows that comments were coded most frequently against two codes – ‘Support more freight on the railway’ and ‘Getting freight off roads is good / sensible / good for environment’, with these two codes accounting for a total of 89 comments coded out of the total of 156 or 57%.

It is notable that the importance of freight for modal shift is so often cited given Kent’s challenges with road freight traffic routing to and from the Port of Dover. This is borne out by some of the comments as follows:

“Having hundreds of trucks driving up the M20 and M2 all the time is terrible for pollution and congestion”

“The likelihood of lorry chaos in Dover and the surrounding areas is looming large...so the more lorries we can get off the roads will be a great help and benefit to people’s health both mental and physical”

Respondents also commented that freight should not affect passenger services or be minimised in that respect by using quieter sections of the rail network. Suggestions were to avoid peak hours or undertake infrastructure investment so they could use quieter lines during the day. For all comments coded on this matter, they were made by respondents supportive or neither agree nor disagree with the principle of rail freight.

Some concern was expressed by respondents that rail freight is held back by its financial viability. A total of 9 comments were coded against 'Rail freight needs to be affordable / needs right prices' or 'Subsidise / incentivise rail freight'. There is a recognition therefore that, like concerns about the cost of fares for passengers on the railway, access charges for rail freight need to be addressed. For example:

"We have far too many lorries on our roads, many of their loads would be better transported by train if the tariffs were reasonable...Rail must compete with road and air travel in every aspect"

"Greater use of HS1 by freight should be a key objective. At present many freight trains would run most efficiently on HS1, where spare capacity is available but...freight operators regard using HS1 as too expensive"

Respondents also reflected on why more freight on the rail network in Kent may be difficult to achieve – six comments were coded against code 'Understands there are clearance / gauge constraints'. To improve rail freight routes and overcome some of these challenges, some new infrastructure proposals were suggested including:

- A third tunnel bored for a rail line as part of the Lower Thames Crossing road tunnel project.
- Removing the current terminus at Barking for High Speed line freight and making it capable of onwards movements.
- Linking HS1 to HS2 north of King's Cross St Pancras to enable high speed line freight to continue to the midlands and north.
- 3rd rail electrification of the Hastings to Ashford Marshlink for freight to route to Southampton Port.
- More freight handling terminals, acknowledging the challenging planning process they tend to face.

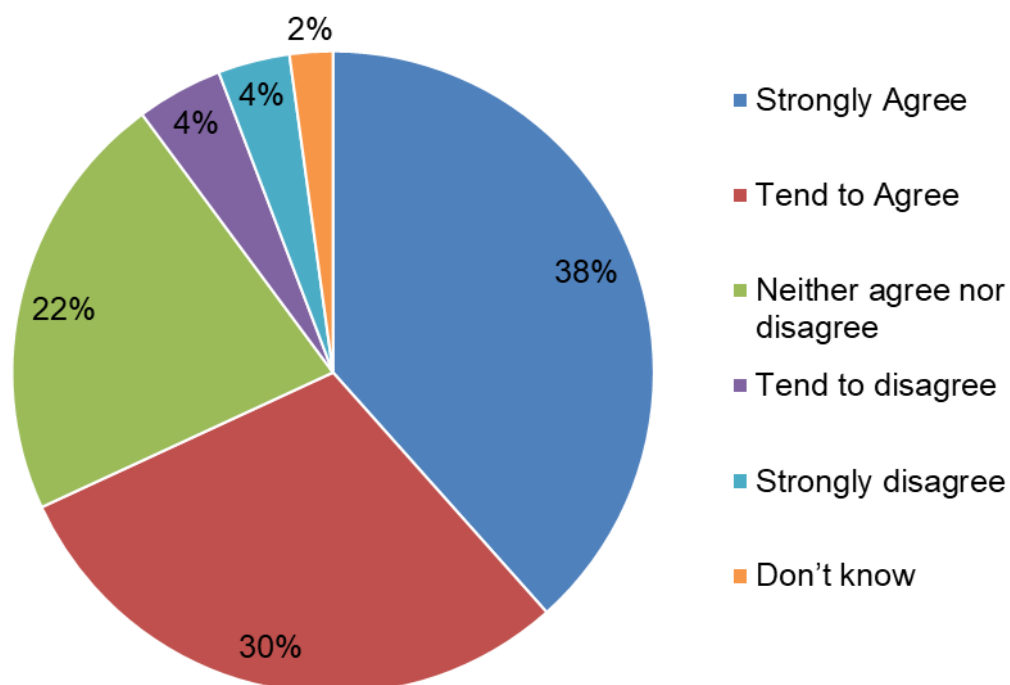
12. International rail services

Question 11 asked 'To what extent do you agree or disagree with the recommended actions for International Rail Services in the Strategy?'

We received 160 answers to this question, of which 112 took the opportunity to also give a reason or make a comment. The results concerning the extent to which respondents agree or disagree with the strategy's stated actions for International Rail services is shown in Figure 10. There was very high support for the actions, with 68% of responses either strongly agreeing or tending to agree. 8% of responses stated either that they strongly or tended to disagree. 22% stated they neither agreed nor disagreed and 2% don't know.

Despite the relatively high volume of respondents stating neither agree nor disagree, a review of the specific comments made by these respondents shows that several were supportive of restoring and increasing the range of international services through Kent.

Figure 10 - Frequency of response agreeing or disagreeing with the strategy's proposed actions for International Rail services



Of the 112 responses providing a comment or reason, a total of 16 themes were identified. The frequency of responses by theme is shown in Table 11.

Table 11 - Frequency of responses to Question 11 by theme concerning the strategy's proposed actions for International Rail services

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Support increase in Eurostar services in Kent	58	45%
Prefer Eurostar to Gatwick / Heathrow / reduce Air travel reliance / better for environment	11	9%
Ashford is easy to reach via road / domestic rail, for onwards Eurostar travel / avoids London travel	10	8%
Stop more Amsterdam services	9	7%
Eurostar stopping services important / essential for Kent economy	8	6%
Run service to other new destinations	6	5%
International travel is important / essential / more destination choice is better	6	5%
More services to Lille and Brussels	4	3%
International tourism opportunity from Eurostar needs to be exploited	4	3%
Owed International services at Ashford	3	2%
Strategy needs more focus on Ebbsfleet / North Kent	2	2%
Run service terminating at Calais	2	2%
Not clear what commercial issues are preventing stopping services in Kent	2	2%

Against increase in Eurostar services in Kent	1	1%
Neutral about Eurostar services in Kent	1	1%
Make purchase of tickets easier (e.g. Post Office via cash)	1	1%
<i>TOTAL:</i>	128	

'Support increase in Eurostar services in Kent' accounted for 45% of comments. The next closest theme provided insight for why respondents support Eurostar services including that it is cheaper and more convenient than Air travel and that Ashford International and Ebbsfleet International stations are easy to travel to, particularly Ashford given its own local radial domestic rail network to the north, south, east and west as well as excellent road connections.

Similarly some comments were coded against themes highlighting the impact of Eurostar services in Kent with a total of 18 comments across the themes 'Eurostar stopping services are important / essential for Kent economy', 'International travel is important...' and 'International tourism opportunity from Eurostar needs to be exploited'. Respondents commented on the impact on the economy from Eurostar services, as shown in the following example:

"Good rail links with mainland Europe are vital for both business and leisure travel and we believe Kent must maintain and expand these post-Brexit. For visitor destinations like Ramsgate, these links are particularly important..."

A small number of comments were recorded stating that the strategy is overly focused on Ashford International at the expense of Ebbsfleet International, given the latter's similarly high growth ambition for new jobs and homes, connectivity improvements and the proposed leisure resort at Swanscombe Peninsula.

13. Any other comments about the draft Kent Rail Strategy

Question 12 asked 'Do you have any other comments on the draft Kent Rail Strategy?'

We received 129 answers to this question. The frequency of responses by theme is shown in Table 12.

Table 12 - Frequency of responses to Question 13 by theme concerning any other comments respondents had on the draft Kent Rail Strategy

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
Well written / good / positive strategy / welcome consultation	13	10%
Lower fares / more concessionary fares	10	8%
Improve station security / facilities	9	7%
Onward bus connections / first & last mile / walking cycling to stations important / improve	8	6%
Stop services at more stations	7	5%
Supports making service easier for disabled users/ older passengers / accessibility	7	5%
Concern about funding delivery of strategy	6	5%
Strategy not ambitious enough / need integrated transport strategy	6	5%
Covid changed circumstances	6	5%
Supports Ashford Marshlink	6	5%
More flexible fares	5	4%

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Better cycling provision	5	4%
Smart ticket covering all transport in Kent / extend TfL ticketing	5	4%
Proposed new station / route	5	4%
Support Reading Gatwick service	5	4%
Keep stations / trains clean	4	3%
Need more services to City of London	4	3%
More needed about North Kent	3	2%
Keep drivers / guards / staff need to do more	3	2%
Less confusing / easier to purchase fares & tickets	2	2%
Opposed to Thanet Parkway station	2	2%
Looks forward to / wants faster journeys	2	2%
Too technical	1	1%
Different TOCs need to work together	1	1%
Reduce incidents / landslips	1	1%
Medway Valley line trains should serve Tonbridge	1	1%
Re-open Headcorn to Tenterden line	1	1%
Install solar panels at stations / car parks	1	1%
More needed freight on HS1	1	1%
More needed on decarbonisation	1	1%
<i>TOTAL</i>	<i>131</i>	

A wide range of comments was made in response to the question. We welcome the most frequent comment from respondents against the theme 'Well written / good / positive / welcome consultation'. Examples of positive feedback are:

"It [the draft Kent Rail Strategy] looks progressive, comprehensive and very carefully considered."

"The Kent Rail Strategy 2021 is an excellent step forward in the provision of a Railway system for Kent that is fit for the 21st century."

In addition, respondents took the opportunity in Question 12 to state again some general concerns they have about rail in Kent. This is evidenced by the next most frequent codes covering 'Lower fares / more concessionary fares', 'Improve station security / facilities' and 'Onward bus connections / first & last mile...' as well as improvements to make stations more accessible for rail users.

Some comments that were coded in Question 12 and had not occurred in the answers to the previous questions included those concerning 'Keep drivers / guards / staff' and 'Reduce incidents / land slips'. Responses against the former particularly highlighted the impact of staffing on safety, for example:

"Keep drivers and guards – improve station security particularly at night"

Some responses provided helpful feedback suggesting how the draft Kent Rail Strategy can be improved. For example:

- The strategy should have a dedicated section on disability access / inclusion and engage with experts in this field.
- Use plain English as far as possible to ensure that all people that use rail services can understand what it is the strategy is proposing.
- Be even more ambitious, particularly for the long term and be prepared to tailor the strategy further in response to the rate of recovery from the Covid-19 pandemic's effect on rail travel.

There were also some new proposals made in this question:

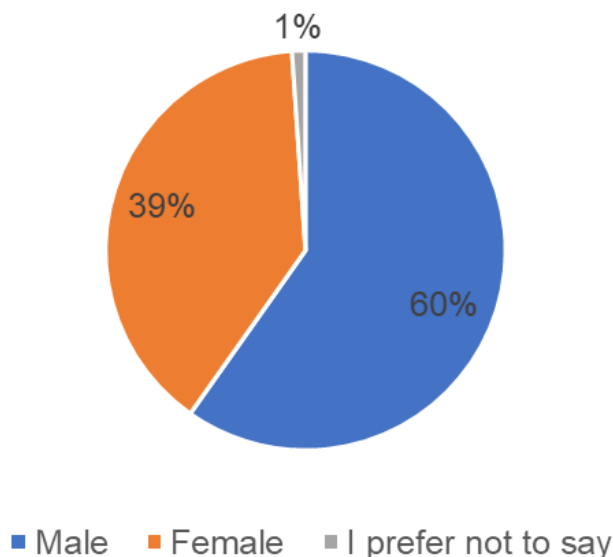
- Use of solar energy at stations and in station car parks to help decarbonise the railway.
- Re-open closed sections of the Kent rail network that suffered from the Beeching cuts. A specific example given is Headcorn to Tenterden.
- Proposed improvements to Ashurst station
- Improve Sandling station (toilets, waiting room, platform to train gap).
- Improve Canterbury East station (new entrance for general use from Gordon Road).
- Extend Sturry station platforms.
- Access improvements to Herne Bay station e.g. cycle parking.
- Access improvements and facilities such as cycle parking at Whitstable station.

14. Equality analysis

This section of the report details the demographics of the respondents to the consultation, the prevalence of those people with protected characteristics or caring responsibilities, and then provides feedback responses gave in response to a question about our published Equalities Impact Assessment. These questions were optional for respondents to answer and those respondents replying on behalf of an organisation were not required to answer them. A total of 93 respondents provided answers about their characteristics – a proportion of 58% of the total 159 online responses.

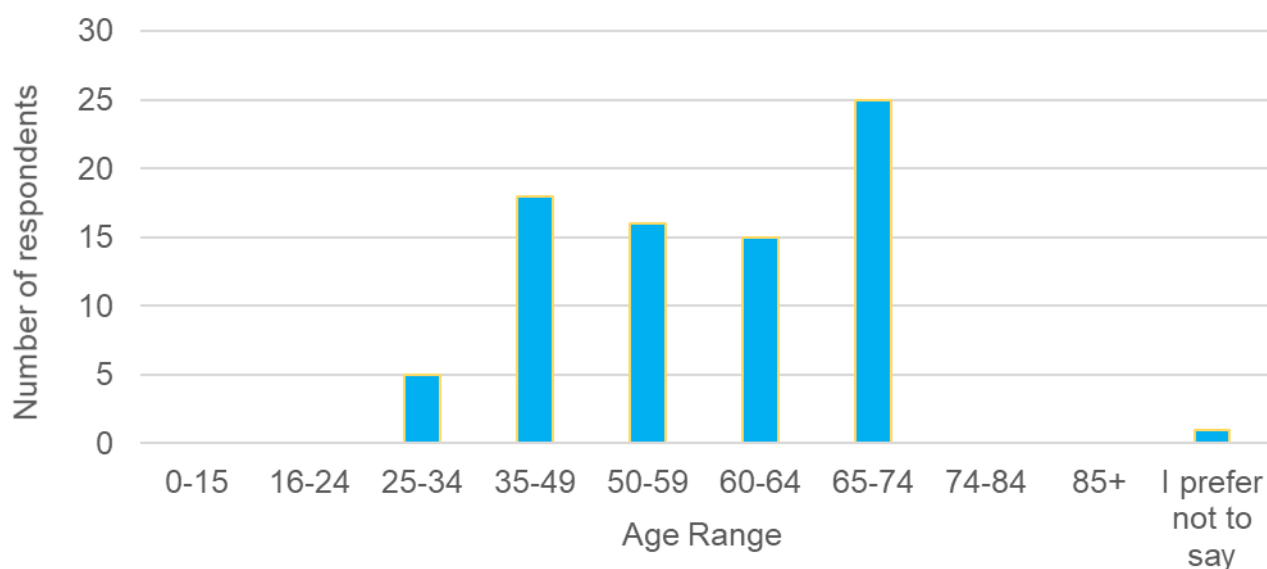
The draft Kent Rail Strategy consultation received more responses from males than females – 60% to 39% respectively as shown in Figure 11. However, given the size of the sample collected (over 150 responses), the proportions mean that a good sample of both female and males have provided their views about the rail strategy's proposed actions and policies.

Figure 11 - Stated gender of respondents, by proportion



Concerning age, the consultation received responses from those aged between 25 to 74, with the highest single age group represented being 65 to 74-year olds which made up 32% of the respondents giving their age. Some age groups were not represented directly by respondents. Nonetheless, some comments were received about school travel in response to the consultation and the high number of responses from those in the 65-74 age group should mean pensioners viewers have been captured well.

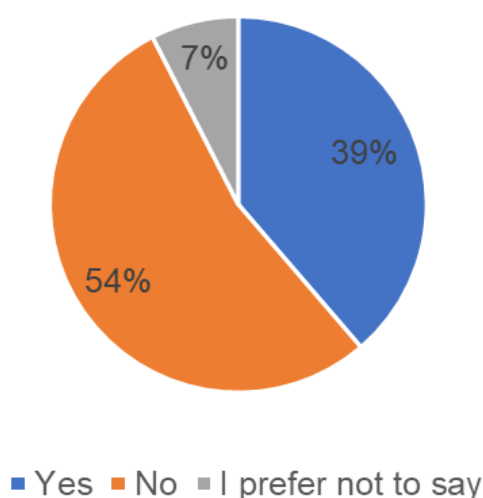
Figure 12 - Number of respondents across age groups



The majority of respondents, 54% stated that they had no religion or belief – see

Figure 13. Those religions represented were Christian, Jew, Muslim, Catholic, Quaker, with Christian being the majority with 30 respondents. One respondent was recorded as each of Jew and Muslim with one each of Catholic and Quaker recorded under ‘Other’.

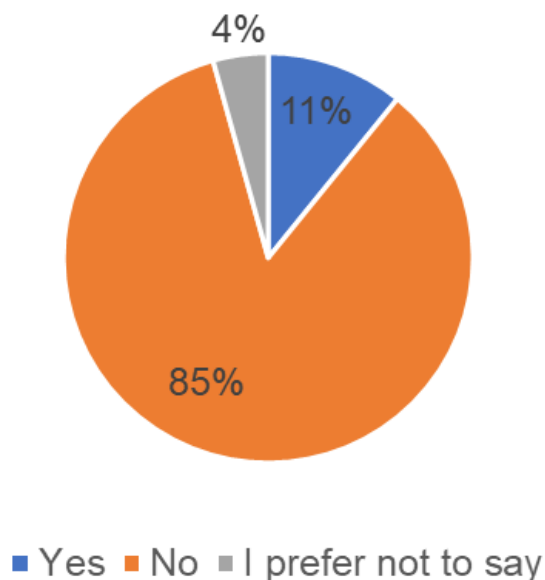
Figure 13 - Proportion of respondents stating they belong to a religion or hold a belief



We made efforts to engage with a range of groups including the KCC Black and Minority Ethnic Forum Staff Group Information, as listed in section 2, and information about the ethnicity of respondents was collected through our online consultation. Results show that all those respondents that gave an answer to the question on ethnicity were White and belonging to the British Isles (a total of 78 respondents) with the exception of two respondents answering White Other who stated further they were either Irish Jew or Mixed White. The two other respondents answering White Other stated they were White or White British.

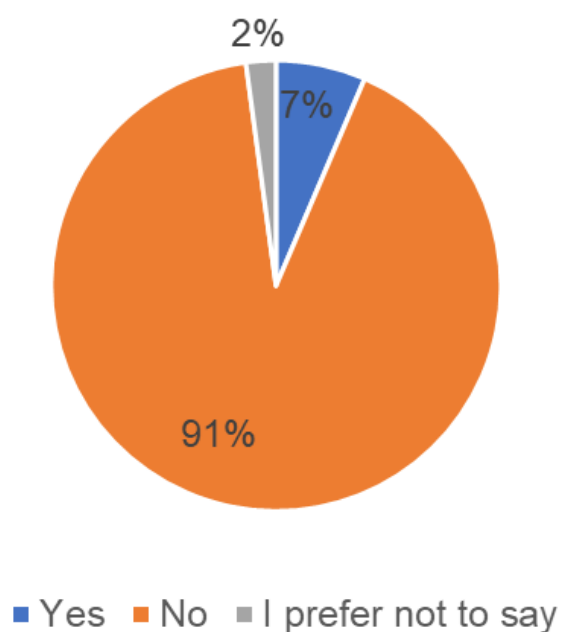
The questionnaire also asked respondents to state whether they considered themselves to have a disability as defined under the Equality Act 2010. In total, 11% answered that they do have a disability, providing insight to the consultation on the draft Kent Rail Strategy from this group’s perspective.

Figure 14 - Proportion of respondents considering themselves to have a disability as defined under the Equality Act 2010



The consultation asked if respondents are Carers i.e. those that care unpaid for family and friends with illness. A total of 7% of respondents stated they were Carers, again giving valuable insight to the proposals in the draft Kent Rail Strategy from this perspective.

Figure 15 - Proportion of respondents stating they are Carers



Question 13 of the consultation asked 'We welcome your views on our equality analysis and if you think there is anything we should consider relating to equality and diversity, please add any comments'.

We received 76 answers to this question. The frequency of responses by theme is shown in Table 13.

As can be seen, the most frequent responses were to re-state and re-emphasise the desire that the rail network in Kent be accessible for all its users. The responses also indicate the challenges some parts of society face using the railway, from women who may feel more unsafe travelling on trains and using stations to older users who are less familiar with the new technologies for purchasing and paying for tickets or accessing travel information.

Table 13 - Frequency of responses to Question 13 by theme concerning equality and diversity

Theme	Frequency of mention	Percentage of total comments (rounded to nearest whole number)
More accessible stations for users / station facilities need to be repaired	15	28%
Support better provision for mobility impaired	7	13%
Ensure all people can use trains	6	11%
Staff stations / trains / provide assistance	5	9%
Object to equality and diversity questions	4	8%
Neutral about equality and diversity questions	4	8%
Sufficient room on trains for mobility equipment / aids / cycles	2	4%
Impact assessment undertaken is sufficient	2	4%
There should be equal opportunities for all	1	2%

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Quiet carriages	1	2%
Ensure all people can travel to stations	1	2%
Move to IT systems is leaving behind some customers	1	2%
Kent pensioners unequal compared to London	1	2%
Assessment needs re-doing with input from protected characteristics groups	1	2%
Small station on-platform information displays are too small / lack info	1	2%
Women are particularly at risk travelling by rail	1	2%
<i>TOTAL</i>	<i>131</i>	

15. You said, we did

This section details how responses to the consultation have helped to inform the final Kent Rail Strategy.

Amended status of London Rail, a subsidiary of Transport for London (TfL)

The draft strategy referred to Metro rail services under the control of “London Overground Railway Limited (LOROL), a subsidiary of Transport for London (TfL)”. In response to the consultation TfL stated the following:

“The subsidiary of Transport for London is London Rail. LOROL (London Overground Rail Operations Ltd) was the private joint-venture company (Arriva and MTR) which operated the first TfL concession for London Overground 2007-16. It has since been replaced by Arriva Rail London (ARL) as operator of the second concession for London Overground until May 2024 extendable up to May 2026.”

The strategy has been updated in section 2.12 to state that London Rail is the rail subsidiary of TfL.

Support for contra-peak off-peak fares for leisure travel out of London in peak periods

As our analysis of the consultation results, shown particularly in

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Table 3 and

Table 5 demonstrated, a frequent concern was the cost of travel and that, by reducing fares, more people would be encouraged to travel by rail. Some respondents suggested additional measures beyond those already in the draft strategy (such as linking fare increases to the Consumer Price Index rather than the Retail Price Index). For example, the stakeholder group Rail Future (an independent campaign group working nationally for a better passenger and freight rail network) suggested:

“Add requirement for weekday contra-peak fares at off-peak prices, including railcard discounts, to enable longer days away from especially London, encourage rail travel for such days when early/mid-morning starts are required at more distant destinations, and make better use of spare contra-peak capacity.”

In recognition of the opportunity to make better use of spare capacity, the strategy now supports this proposal.

Re-naming of Connectivity to Ebbsfleet project as Abbey Wood to Ebbsfleet

The draft strategy highlighted the Connectivity to Ebbsfleet (C2E) project, working on proposals to improve connectivity to the Elizabeth line at Abbey Wood. Responses from stakeholders including the Ebbsfleet Development Corporation and Thames Gateway Kent Partnership clarified that the project is known as the Abbey Wood to Ebbsfleet Connectivity Study, considering all the options for improving public transport along that corridor including the Elizabeth line. Given this, the strategy has been updated to make correct reference to the project as the Abbey Wood to Ebbsfleet Connectivity Study.

The removal of presumed funding support from the London Resort Holding Company for the proposed extension of the Elizabeth Line from Abbey Wood to Ebbsfleet

Some responses, including from London Resort Company Holdings, the promoter of the Development Consent Order for a leisure and entertainment resort on the Swanscombe Peninsula, highlighted that the draft strategy anticipated the outcome of the planning process. For example:

“Until detailed negotiation on impact has taken place [via the Development Consent Order process] the level of investment in public transport cannot be identified and

therefore it is premature to make assumption about the level of investment / contributions required to be made by LRCH.”

Given this, the strategy has been amended to remove paragraphs 4.11 and 4.12 that anticipated the outcome of the Development Consent Order process.

Addition of new section on school and further education college demand for rail travel

Some respondents commented on issues around travel to schools on the rail network, as shown shown in

Table 5 and Table 8. In recognition of the school travel market on the rail network in Kent, a section has been added detailing patterns of demand in Kent.

Updated section on developments at Maidstone East and Swanley stations

Some responses referred to the need for improvements at Maidstone East and Swanley stations as given in the examples below:

“... station improvements at Swanley are much needed.”

“I think it's important to offer more routes and improve stations. Maidstone East being notably in poor condition.”

Network Rail has continued its infrastructure works during 2020 and work is progressing to make improvements at these stations. Perhaps due to the travel restrictions and reduced need to travel during 2020 due to the Covid-19 pandemic, some respondents may be unaware of the progress that has been on-site at Maidstone East to provide a new entrance to the station. An update has been added to the strategy.

Addition of new section on proposed Cuxton Chord linking Medway Valley and North Kent Mainline

Respondents suggested new infrastructure to form a curved section of line joining from the Medway Valley line to the Chatham mainline broadly around Cuxton to Rochester area. This would mean that services could run direct from the Medway towns to Maidstone, as opposed to a change of trains at Strood. The draft strategy has incorporated further details of this proposal and the challenges associated with it into section 7. Given the challenges, we are not proposing it amongst the list of actions for infrastructure enhancement in the strategy.

Stronger commitment in next concession agreement by DfT for extension of ‘Access for All’ funding

Ease of access and use of the railways by all parts of society was a common response to the draft strategy. This was the fifth most frequent theme of comments to the strategy's ambition, as shown in

Table 3. In Table 13 respondents made many further comments concerning accessibility of stations. In response, the strategy has been updated to seek a stronger commitment in the next concession agreement by the Department for Transport (DfT) concerning 'Access for All' funding.

Updated section on proposed requirement for enlarged High-Speed fleet

Engagement with Network Rail during the consultation period provided a renewed estimate of the number of new High-Speed trains that would be required to meet the proposed service increases detailed in the draft strategy. Respondents also highlighted the challenges associated with implementing particular types of High-Speed stock (specifically class 800/801, as detailed in section 0). Given this feedback, the strategy has been updated to state the most up to date estimate of High-Speed rolling stock needed to supplement the existing fleet so that services could be increased. The strategy has also been updated to clearly show consideration of the length of stock and its impact on train length formation.

Updated section on Metro and Mainline service levels reallocating Tunbridge Wells – Charing Cross service from Metro group to Mainline group, following clarification from Southeastern

Responses to the consultation highlighted that the classification of services between Tunbridge Wells and Charing Cross was mistaken in the draft strategy. For example:

“It should be noted services which terminate at Tunbridge Wells have not been proposed for transfer to TfL (as suggested in Paragraph 2.12). This would in fact only apply to metro services running as far as Sevenoaks.”

The strategy has therefore been corrected to state the correct classification of services.

Updated section to include support for Medway Council’s rail project for Hoo Peninsula and detailing collaborative approach to rail policy between Medway Council and KCC and a new section outlining project led by Medway Council to convert freight route between Hoo Junction and Hoo St Werburgh

At the time of writing the draft strategy, KCC was aware of the successful bid by Medway Council for Housing Infrastructure Funding to invest in the rail network to Hoo Peninsula. Since the proposal fell outside of KCC’s jurisdiction the draft strategy did not detail the proposal.

In response to the proposal being raised by responses to the consultation, the strategy has been updated to include details of Medway Council’s proposals for the rail line to Hoo and to be clear that KCC is supportive of this work given the improved public transport and housing growth the scheme can provide.

Additional section outlining Network Rail’s commitment to new ‘First and Last Mile’ and ‘Mobility as a Service’ projects in partnership with Southeastern and KCC

Comments highlighted the need for consideration of how people travel to and from rail stations as well as their journey on the rail network. There were some specific comments that highlighted First and Last Mile travel as it is known – referring to the typically shorter local journeys from home or work to the rail station. This theme was the most frequently raised in responses to Question 4 concerning our proposed actions for rail policy, as shown in

Table 4. Given this the strategy will detail further the work already underway with Network Rail to understand First and Last Mile travel. In addition, it will detail the work underway to develop proposals for Mobility as a Service (MaaS) which can provide easier access to purchasing tickets and finding transport for the whole journey door to door.

Updated section on Medway Valley line to include need to restore through service to Tonbridge

Extending Medway Valley line services from their current terminus at Paddock Wood to instead terminate at Tonbridge was proposed by some responses in reply to our question on the draft ambitions. Although this proposal was covered in the draft strategy, the section has been expanded to further elaborate on this requirement.

16. Next steps

The feedback we have received from the consultation will be used to help further develop the strategy and obtain further support for it from stakeholders and within the rail industry.

The changes detailed in section 15 will be included in the final Kent Rail Strategy along with any further changes such as addressing errors or changes that occur in the rail industry or affecting the operations of services in Kent prior to adoption of the strategy.

The final Kent Rail Strategy will be presented at KCC's Cabinet meeting on the 25 January. If the Cabinet takes the decision to adopt the strategy as policy, KCC will publish the final strategy on the KCC website.

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**Kent County Council
Equality Analysis / Impact Assessment (EqIA)**

Directorate / Service: Growth, Environment & Transport / Strategic Planning & Policy

Name of decision, policy, procedure, project or service: Kent Rail Strategy 2021

Responsible Owner / Senior Officer: Stephen Gasche, Rail Project Manager

Version: 6

Author: Stephen Gasche

**Pathway of Equality Analysis:
Environment & Transport Cabinet Committee 15/09/20
Public Consultation Responses 16/12/20
Cabinet 25/01/21**

Summary and recommendations of equality analysis/impact assessment

- **Context**

Kent County Council (KCC) influences rail policy for the Kent rail network through responses to the Department for Transport's (DfT) public consultations on the next South Eastern concession agreement, by setting out proposed enhancements to rail services, rolling-stock and rail network infrastructure. The principal purpose of this new Kent Rail Strategy 2021 is two-fold: to set out KCC's strategic delivery priorities for rail until 2031 so as to advance equality of opportunity and to influence the train service and rolling-stock fleet specifications which will inform the next South Eastern concession agreement for the operation of Kent's rail passenger network for at least the next decade.

The Kent Rail Strategy is aligned with national and local transport policies which recognise rail as a key element of KCC's transport priorities for the next decade, as well as the need to deliver modal shift of passengers and freight from road to rail, supporting the climate change agenda by reducing carbon emissions and thus contributing to a healthier environment.

- **Aims and Objectives**

To contribute to the determination of the Train Service Requirement (TSR) in the next South Eastern concession agreement in such a way that the rail service in Kent is improved in frequency, capacity and reliability for all who live in or visit the county for business and leisure purposes. The new 'Kent Rail Strategy 2021' sets out these proposed outputs, with the objective of delivering the outcome of a more frequent, more reliable and safer rail service for all, including the benefits of new developments in the rail industry such as 'First & Last Mile Study' and 'Mobility as a Service' which should be especially beneficial for the protected groups identified in this EqIA. This EqIA therefore aims to ensure that all

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protected groups benefit from enhancements to the rail service in Kent, and that those most disadvantaged are positively impacted wherever possible.

- **Summary of equality impact**

The expectation is that the delivery of the proposed outputs and outcomes in the Kent Rail Strategy 2021 would provide a medium level of positive impact for passengers whose mobility is impaired and/or who are elderly, those who may be pregnant or have babies or very young children, and those who are carers.

Adverse Equality Impact Rating: None

Positive Equality Impact Rating: Medium

Attestation

I have read and paid due regard to the Equality Analysis/Impact Assessment concerning the Kent Rail Strategy 2021. I agree with risk rating and the actions to mitigate any adverse impact(s) that has / have been identified.

Head of Service

Signed:

Name: Tom Marchant

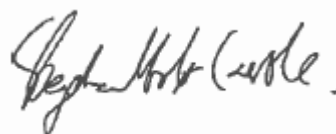


Job Title: Head of Strategic Planning & Policy Date: 07/01/2021

DMT Member

Signed:

Name: Stephanie Holt-Castle



Job Title: Interim Director of Environment, Planning & Enforcement Date: 07/01/2021

Part 1 Screening

Could this policy, procedure, project or service, or any proposed changes to it, affect any Protected Group (listed below) less favourably (negatively) than others in Kent?

Could this policy, procedure, project or service promote equal opportunities for this group?

Protected Group	Please provide a <u>brief</u> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact EqlA	Medium negative impact Screen	Low negative impact Evidence	High/Medium/Low Positive Impact Evidence
Age	None	None	None	<p>Medium Positive Impact:</p> <p>The Kent Rail Strategy 2021 will set out proposals to enhance rail services in the county for all, but the delivery of these outcomes would positively impact on the elderly population.</p> <p>KCC's involvement with the DfT, Network Rail and the existing operator Southeastern would seek to ensure that the new concession delivered safer, more frequent and higher capacity rail services, which while benefitting all passengers would especially benefit this protected group.</p>

				<p>Such rail service improvements would especially benefit their ability to travel for leisure purposes in off-peak periods when trains are less crowded and widen their opportunities to visit family or friends or to attend leisure activities in the county.</p> <p>Off-peak rail fares should also be kept at a reasonable level for internal Kent journeys in off-peak periods, and wider publicity by the rail operator to support the purchase of the annual Senior Railcard would be encouraged, offering 1/3 of all off-peak fares to this protected group.</p>
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<p>Disability</p>	<p>None</p>	<p>None</p>	<p>None</p>	<p>Medium Positive Impact:</p> <p>All trains in Britain have been mandated to be accessible for all since 1 January 2020, and so all existing and new rolling-stock operating in Kent will continue to be accessible to all.</p> <p>Good progress has been made by the existing operator in delivering 'Access for All' stations, with new footbridges with lifts, ramps and other accessible facilities which enable travel by persons with restricted mobility to access trains with ease from any platform.</p> <p>The need for an enhanced programme of accessible facilities across the Kent rail network was the single most important issue raised by those who</p>
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				<p>responded to the consultation on the Equalities Impact Assessment (EqIA). Respondents to the public consultation on the rail strategy also emphasised that the provision of accessible facilities should be interpreted broadly, to include non-visible as well as physical impairments. It must therefore be a condition of the new South Eastern concession agreement that the concession operator, in partnership with Network Rail's Kent Route, is required to plan and deliver an extended programme of significant investment in 'Access for All' facilities at stations, to be fully funded through an extended 'Access for All' agreement by the DfT. This must be a key</p>
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				<p>objective of the new concession agreement, with the goal of eventually delivering an entirely accessible rail network in Kent. Any such enhancements would also require approval by Network Rail's 'Built Environment Accessibility Panel' (BEAP), which comprises members from a wide range of mobility and disability groups.</p> <p>As a part of this programme, ticket vending machines (TVMs) and signage should be placed at a suitable height to enable passengers with impaired mobility to access station facilities and purchase tickets with ease.</p>
Sex	None	None	None	None

Gender identity/ Transgender	None	None	None	<p>Medium Positive Impact:</p> <p>There is data from the British Transport Police for rail passengers in Kent (covering all operators and Network Rail) which identifies homophobic crimes targeted at this protected group. The Kent Rail Strategy will identify the importance of safety for all passengers when travelling on trains or using stations in Kent, and this requirement for passenger safety will emphasise the particular need for safety among this and other similar protected groups of passengers. The relevant data is listed in the table in part 2 of the EqlA.</p>
Race	None	None	None	None

Religion and Belief	None	None	None	None
Sexual Orientation	None	None	None	<p>Medium Positive Impact:</p> <p>There is data from the British Transport Police for rail passengers in Kent (covering all operators and Network Rail) which identifies homophobic crimes targeted at this protected group. The Kent Rail Strategy will identify the importance of safety for all passengers when travelling on trains or using stations in Kent, and this requirement for passenger safety will emphasise the particular need for safety among this and other similar protected groups of passengers. The relevant data is listed in the table in part 2 of the EqIA.</p>

<p>Pregnancy and Maternity</p>	<p>None</p>	<p>None</p>	<p>None</p>	<p>Medium Positive Impact:</p> <p>The Kent Rail Strategy 2021 will set out proposals for safer, more reliable, higher capacity rail services. Among the groups to positively benefit from these proposals will be those who may be pregnant or have babies or very young children, as travel on less crowded rail services for these groups would be clearly beneficial.</p> <p>The strategy will also advocate greater accessibility for parents and carers with young children and babies using prams and buggies, such as ramps and lifts wherever funding permits, with such improvements requiring approval by Network Rail's BEAP panel representing</p>
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				<p>protected groups with particular travel needs.</p> <p>The new operator would also be encouraged to promote the various railcards, such as the Family Railcard and the Two Together Railcard, either of which would be beneficial to these protected groups by reducing the cost of off-peak rail fares.</p>
Marriage and Civil Partnerships	None	None	None	None
Carer's Responsibilities	None	None	None	<p>Medium Positive Impact:</p> <p>This protected group could benefit positively from the improvements proposed in the 'Kent Rail Strategy 2021' outlined above in the sections relating to the 'Age' and</p>

				<p>'Disability' protected groups, especially when carers accompany persons in either of these groups on rail journeys. In certain circumstances carers may also benefit from discounted travel when they are travelling in this capacity.</p> <p>The same improvements listed above for those whose mobility is impaired, and for those who are aged, would also benefit carers with caring responsibilities for these protected groups. Any such enhancements to stations would need to be approved by Network Rail's BEAP panel representing protected groups with particular travel needs.</p>
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Part 2

Equality Analysis / Impact Assessment

Protected groups

None will be negatively impacted

Information and Data used to carry out your assessment

The British Transport Police have provided the following data relating to homophobic hate crimes in Kent for the last two policing years:

Policing Year	N. of BTP Notifiable Homophobic Hate Crimes Assigned to Kent	N. of BTP Notifiable Transphobic Hate Crimes Assigned to Kent	N. of BTP Notifiable Hate Crimes (All Strands) Assigned to Kent
2018-19	20	1	123
2019-20	26	0	135

There is no specific data relating to crime on the railway network against any other of the protected groups identified above.

Who have you involved consulted and engaged?

The preparation of the 'Kent Rail Strategy 2021' has included an extensive consultation involving all the following public authorities, rail industry stakeholders, rail user and protected groups:

- Rail User Groups - representing many of Kent's rail passengers
- Rail Travellers' Associations – representing many of Kent's rail passengers
- Southeastern
- Network Rail
- High Speed 1
- Kent MPs
- County Members
- District/Borough Councils
- Parish/Town Councils
- Kent Association of Local Councils
- Transport for London
- Community Rail Partnerships
- Rail Future – independent pro-rail lobby group
- KCC Annual Rail Summit attendees
- KCC Disability Staff Group
- KCC LGBTQ+ Staff Group
- KCC Black and Minority Ethnic Forum Staff Group

Analysis

Analysis of the impact of the recommendations in the Kent Rail Strategy 2021 indicates that there will be medium positive impacts for the protected groups indicated.

Adverse Impact:

There will be no adverse impacts at this stage on any protected group.

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Positive Impact:

Detailed in table above

JUDGEMENT**No major change** - no potential for discrimination and all opportunities to promote equality have been taken**Internal Action Required: YES**

There is no potential for adverse impact on particular groups from the outcomes advocated, but to mitigate further any latent risk the preparation of the 'Kent Rail Strategy 2021' will seek input from local user groups, as well as from the KCC Disability, LGBTQ+ and Black & Minority Ethnic Forum Staff Groups.

Equality Impact Analysis/Assessment Action Plan

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
Age	As per table above	Engage user groups	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None
Disability	As per table above	Engage KCC Disability Staff Group. Lobby DfT for inclusion of 'Access for All' requirement in specification for new SE agreement	Inclusive Strategy: now amended to seek commitment from DfT for provision of additional funding for 'Access for All' to extend accessibility at	Stephen Gasche	Respond to consultation by Nov 17	KCC – None DfT – additional funding commitment for 'Access for All' agreement with new concession operator

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			more stations for passengers whose mobility is impaired (see Disability section above in Part 1 – Screening)			
Gender identity/ Transgender	As per table above	Engage KCC LGBTQ+ staff group	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None
Race	As per table above	Engage KCC Black and Minority Ethnic Forum Staff Group	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None
Sexual Orientation	As per table above	Engage KCC LGBTQ+ staff group	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None
Pregnancy and Maternity	As per table above	Engage user groups	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None
Carer's responsibilities	As per table above	Engage user groups	Inclusive Strategy	Stephen Gasche	Respond to consultation by Nov 17	None

Have the actions been included in your business / service plan?

Individually no, but the Kent Rail Strategy 2021 itself is, yes, which has been amended as indicated above and will therefore be monitored.

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Kent Rail Strategy 2021

County Hall, Maidstone
January 2021



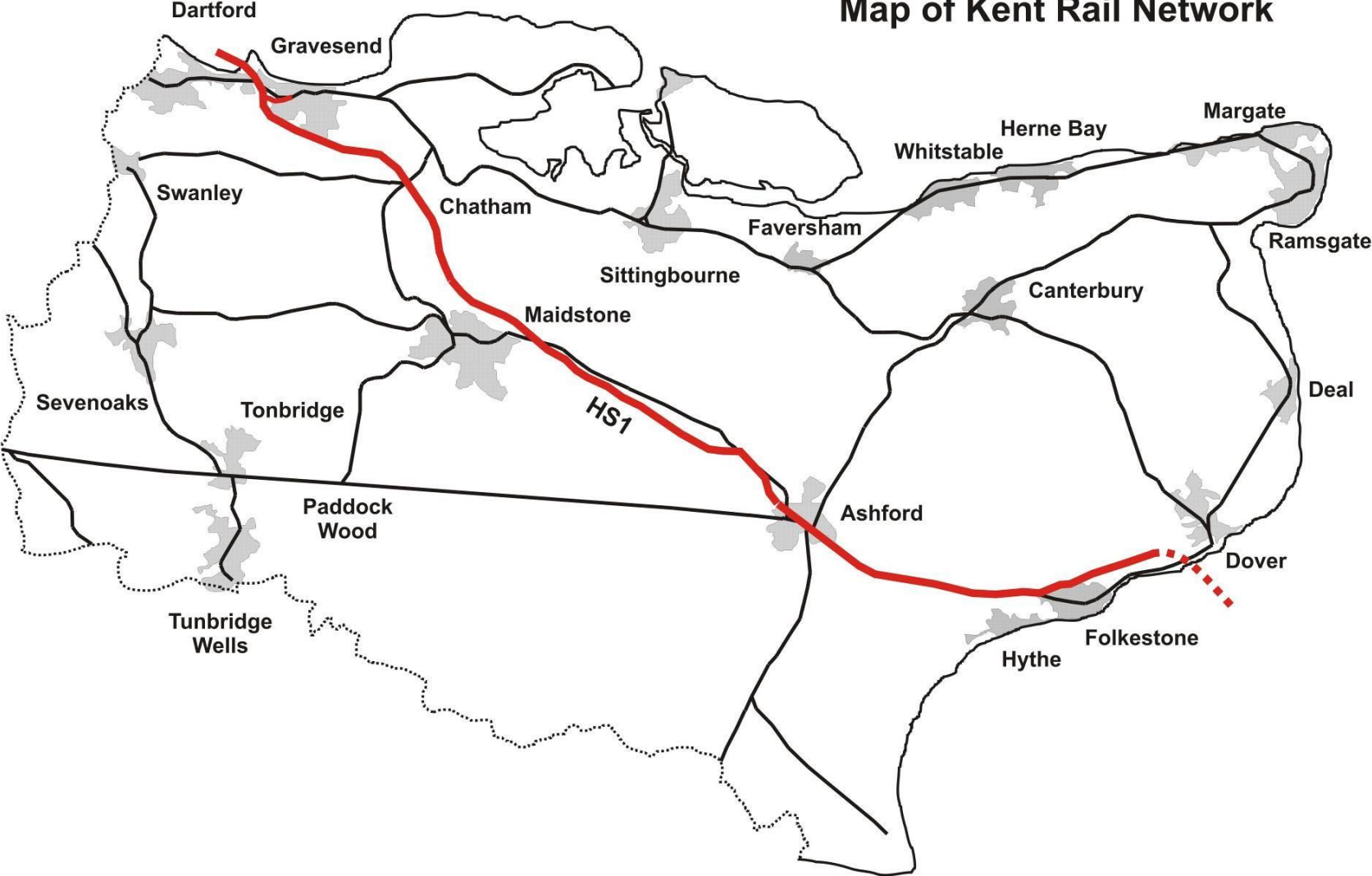
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Front cover image

The new Class 800 series produced by Hitachi is one example of a new train design that could provide the bespoke additional fleet which will be required for Kent's High Speed services. The picture shows a Class 800 train on a test run before entry into service. *[source: Hitachi Ltd, 2015]*

Map of Kent Rail Network



Foreword

By the Leader of Kent County Council

Kent is at the forefront of many of the challenges with which our nation is faced today. Over a number of years, an increase in residents and visitors alike has naturally resulted in ever increasing demand for transport, and the provision of efficient, reliable, comfortable and affordable rail services is essential to meet that demand.

The COVID-19 pandemic has substantially diminished demand for rail travel; nonetheless, it will be central to economic recovery, and especially a recovery that is compatible with reduced congestion and carbon emissions. We therefore need to look beyond the present crisis to a time when demand for rail travel will return to, and eventually surpass, its previous levels.

We must ensure that all the right conditions are in place for the renewal of economic growth that we want to see in Kent, providing improved opportunities for business development, employment, education and leisure. Kent's rail service is key to meeting these objectives, through its provision of High Speed, Mainline and Metro services, together with our increasingly popular Community Rail Partnership lines.

So we have developed this Kent Rail Strategy 2021 with two key purposes: to provide a detailed response to the public consultation which will precede the new agreement for the next South Eastern concession; and to support the closer integration between train and track already advocated in the preview of the Government's Williams Rail Review. That is why this new rail strategy champions a replacement fleet for our Metro services in West Kent, as well as a substantial increase in the High Speed fleet which has so successfully grown the rail services in North and East Kent in the past decade.

As Kent's County Council we will continue to stand up for Kent's residents and commuters, while warmly welcoming visitors to our county and supporting a revival of that visitor economy. Rail has always played a key role in the transport network in Kent; it is essential that rail continues to do so throughout the 2020s and beyond, ensuring the very best service to meet the needs of all who live in, work in and visit the County of Kent.



Roger Gough, Leader, Kent County Council

Executive Summary

- i The principal purpose of this new Kent Rail Strategy 2021 is to influence the train service and rolling-stock fleet specifications which will inform the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.
- ii The Kent Rail Strategy is aligned with national and local transport policies which recognise rail as a key element of Kent County Council's (KCC) transport priorities for the next decade, as well as the need to achieve deliverable modal shift of passengers and freight from road to rail, supporting the climate change agenda by reducing carbon emissions and thus contributing to a healthier environment.
- iii The Department for Transport (DfT) in 2018 tasked Keith Williams, the former Chief Executive of BA, with undertaking a comprehensive review of the structure and organisation of the rail industry in Great Britain. KCC responded to the call for evidence which informed the Rail Review and highlighted the failure of the existing franchise system, while acknowledging the improved performance delivered by Kent's primary franchised operator, Southeastern, in recent years.
- iv KCC published its most recent statutory Local Transport Plan (LTP4) in 2017, which sets out the Council's transport priorities for the period up to 2031. The plan recognises the importance of rail within the overall provision of transport in the county, highlighting the pressures on demand for rail travel and the need for additional capacity on High Speed, Mainline and Metro services in Kent, which is one of the key priorities for the new South Eastern concession. The County Council now plans to develop a new Local Transport Plan (LTP5) to reflect changes to transport policy as a result of the COVID-19 and climate change emergencies.
- v The Kent and Medway Growth and Infrastructure Framework sets out the forecast growth in population, housing and employment across the county to 2031, together with the infrastructure required across all sectors to support that expansion. This rail strategy recognises the effect of this anticipated growth and the consequent significant increases in demand for rail passenger services during the next decade, and this is reflected in the proposals in the strategy for enhancements to Kent's passenger rail services and network infrastructure. This is especially so in respect of the delayed Thameslink service from Maidstone East to the City, which would add much needed capacity to serve West Kent's projected population growth and relieve overcrowding on other routes to the capital.
- vi This rail strategy champions the need for a replacement for the Metro fleet and for an increase in the High Speed fleet. The Metro fleet serving West Kent is in urgent need of modern, higher capacity trains offering real benefits for these frequent commuter services, while the High Speed fleet serving North and East

Kent is in immediate need of strengthening to meet the ever increasing demand for these highly successful High Speed services.

- vii A new South Eastern concession award is now expected in the early 2020s, and following the Williams Rail Review national rail policy is on the cusp of further major change. It is to meet these objectives that Kent County Council now presents this 'Kent Rail Strategy 2021'.

1. Introduction

- 1.1 The principal purpose of this Kent Rail Strategy 2021 is to influence the infrastructure outputs, rolling-stock fleet and rail service specifications which will inform the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.
- 1.2 Specifically, to ensure the delivery of this outcome, this strategy sets out these ambitions for that next South Eastern concession:
 - To determine the required passenger service levels in each sector of the network: High Speed, Mainline and Metro
 - To set out the requirements for rail infrastructure enhancements to facilitate these levels of service
 - To establish the requirements for new fleets of rolling-stock in each sector to enable these service levels to be realised
 - To improve the provision of passenger station facilities and communications.
- 1.3 The Kent Rail Strategy is aligned with national and local transport policies which recognise rail as a key element of Kent County Council's (KCC) transport priorities for the next decade. As the established Local Transport Authority, KCC has a statutory duty under the Transport Act 2000, as amended by the Local Transport Act 2008, to publish a Local Transport Plan (LTP) setting out the authority's key transport plans and priorities. The current LTP is 'Local Transport Plan 4: Delivering Growth without Gridlock 2016-2031' (KCC, April 2017). The Kent Rail Strategy recognises the need to deliver modal shift of passengers and freight from road to rail, supporting efforts to tackle the climate change emergency by reducing carbon emissions and thus contributing to a more resilient environment.
- 1.4 In view of the recent changes brought about by the COVID-19 and climate change emergencies, KCC now proposes to prepare a new Local Transport Plan (LTP5) to reflect these new transport priorities. The COVID-19 pandemic has also accelerated thinking about home working and has demonstrated that with the right technology home working is a realistic alternative to office based employment. While this development has significantly affected demand for rail travel, there is a need to plan ahead for a post-COVID-19 world in which such demand has returned to near its pre-COVID-19 level.
- 1.5 KCC supports both the Kent Community Rail Partnership and, for cross-county routes to East Sussex and Surrey, the Southeast Community Rail Partnership. There are also several new Community Rail Partnerships (CRP), including the Darent Valley CRP (established in 2019), and the Thanet and White Cliffs CRPs (both established in 2020 following funding from Southeastern). The Kent Rail Strategy recognises the contribution

these partnerships make to their local lines and to the communities they serve and supports the Council's continued engagement with them. There also remains scope for the electrification of two of the rural routes in Kent served by Southern, which would further contribute to reduced carbon emissions.

- 1.6 International rail services contribute vital connectivity for Kent through Eurostar's routes which serve Ebbsfleet and Ashford, and the Kent Rail Strategy champions the expansion of these international services to enhance the business and leisure economies of Kent. While these services are currently suspended from Kent's international stations following the rapid decline in passenger demand due to the COVID-19 pandemic, KCC will continue to work with our colleagues in other authorities to urge Eurostar to reintroduce them at the earliest possible time.

2. National Rail Policy

2.1 The Department for Transport (DfT) tasked Keith Williams, former Chief Executive of British Airways, in 2018 with undertaking a comprehensive review of the structure and organisation of the rail industry in Great Britain. Although rail transport is a devolved matter for the Scottish Government and Welsh Assembly, the scope of the Williams Rail Review covers the whole of Great Britain but excludes Northern Ireland.

2.2 KCC responded to the call for evidence which informed the Rail Review. The Council highlighted the failure of the existing franchise system on such routes as East Coast Main Line, while recognising the success of operators such as Chiltern Railway (which has developed strong alliance partnership working with Network Rail) and Open Access operators such as Hull Trans and Grand Central. KCC's response also acknowledged the improved performance delivered by Kent's primary franchised operator, Southeastern, in recent years, and the need to divide Govia Thameslink Railway (GTR) into smaller operating areas. As an existing management contract mandated by the DfT, GTR also provides services on some of Kent's routes.

2.3 In his address to the Bradshaw Society in February 2019, Williams made this assessment of the present state of the franchising model:

“I have heard a great deal about the franchising model which has been one of the innovations of the railway since the 1990s - driving growth in passengers and benefits in services. But with this growth the needs of passengers have changed, whilst many of the basic elements of our rail system serving those needs has not kept pace. Too often the current system incentivises short term behaviours and inhibits reform.”

2.4 He then spoke of the need for a replacement model which was better suited to the needs of the railway today and in the future:

“Put bluntly franchising cannot continue in the way that it is today. It is no longer delivering clear benefits for either taxpayers or farepayers. The review will continue to examine what the best commercial model or models are for the future [and] what they might be.”

2.5 Williams then explained the need for a radical transformation in the structure of the rail industry to support the continued growth in passenger demand by bringing the operation of track and trains closer together:

“But what is true is that [the] system - from Network Rail, the Department for Transport and the Office of Rail and Road, to train operating companies and their workforce - does not have the structure and clarity of accountability it needs to properly deliver.

That's reflected in Andrew Haines's [CEO of Network Rail] conclusion that there's need for 'radical change' at Network Rail. To boost performance. To bring track and train closer together. And increase devolution, with more localised management."

- 2.6 He then spoke about the requirement for a wider range of solutions rather than, as originally happened when the railways were privatised in the 1990s, a 'one size fits all' approach:

"We need to recognise that there is unlikely to be a 'one size fits all' solution which will work for every part of the country and all types of passenger. That's why we will continue to consider all potential answers. From new models of franchising to greater public control of contracts. To much more localised decision-making and integrated concessions, where those operating trains and managing infrastructure work together in genuine partnership, acting like a single business absolutely focused on customers."

- 2.7 The final report of the Williams Rail Review was originally expected in December 2019 but was then postponed to July 2020. Following the COVID-19 pandemic this deadline has been further delayed, probably to later in 2021, so any assessment of the findings of the review must wait until publication. The report was planned to be followed by a Government White Paper which would determine the future structure of the rail industry, and which would subsequently inform the model to be utilised for the next South Eastern agreement. Subsequently, the DfT has announced that it will replace the franchise model completely with a new 'concession' type of agreement, whereby the DfT sets all the criteria for the operation of a given passenger service and awards concessions to train operating companies on this basis, while retaining all the revenue risk.

- 2.8 The new regional structure of Network Rail, currently being created by the new CEO, Andrew Haines, is based on a move to unified operation in partnership with rail service operators. This is entirely in accordance with the initial announcements from the Williams Rail Review and builds on successful partnerships such as that developed between Network Rail's Kent Route and Southeastern in recent years.

- 2.9 The new Southern Region of Network Rail now includes the Kent Route, together with Sussex Route, Wessex Route and Network Rail (High Speed). Through greater integration of previously independent functions such as Implementation Project teams within the new Southern Region, there is far greater scope for the delivery of unified projects by Network Rail. This will be of particular benefit to schemes proposed in Kent during the period of the new South Eastern concession agreement, some of which will be essential to deliver the enhanced passenger service identified in this Kent Rail Strategy [*see section 5: Rail Infrastructure Outputs Required in Kent*].

- 2.10 The existing operator, Govia's London & South Eastern Railway Limited trading as "Southeastern", has been granted a further Direct Award by the DfT, which commenced on 1 April 2020 and will conclude on 16 October 2021. The DfT has announced that, following the termination of the temporary Emergency Measures Agreement with Southeastern, a new Direct Award will be made with the existing operator, commencing on 17 October 2021. This new concession agreement will have a core period of 2 years until 16 October 2023, with the option of further extension periods of up to 4 years, potentially lasting until 16 October 2027.
- 2.11 So the next competitive award for a new South Eastern concession agreement will now not commence until October 2023 at the earliest, and potentially not until October 2027. Whether this new competition leads to a longer period of between 10 and 15 years' duration, as envisaged in the Williams Rail Review, remains to be seen. This new Kent Rail Strategy has been prepared to provide a key contribution towards the determination of that new competitive concession agreement.
- 2.12 The Metro section of the South Eastern operating area serves south-east London and some stations in Kent: Dartford and stations to Gravesend; and Dunton Green and Sevenoaks. In recent years there have been various proposals for the transfer of these Metro services to London Rail, the rail subsidiary of Transport for London. (TfL). KCC remains open to consideration of this devolution option for these Metro services, provided that the previously negotiated and agreed "red lines" – which would protect paths to and from London termini for Kent services, protect fares within Kent, and maintain existing priorities at junctions – were retained.
- 2.13 Whether or not these Metro services were devolved to TfL, KCC supports the concept of "metroisation". Essentially this enhancement of Metro services would include a new Metro rolling-stock fleet, lengthened platforms where required to take 12-car trains, standard frequencies each hour, improved facilities at fully staffed stations while trains were operating, and some rationalisation of London termini served. In fact, the Metro services from London Bridge can already operate in 12-car formation, but those operating from Victoria and Blackfriars are limited to 8-cars due to platform lengths and traction power capability. Network Rail is examining the case for lengthening these services as part of its new Continuous Modular Strategic Planning (CMSP) process [see paragraph 5.9].
- 2.14 Fares policy is one of the most controversial issues facing the rail passenger today. KCC supports a realignment of national fares pricing policy with annual increases based on the Consumer Prices Index (CPI) and not on the current use of the Retail Prices Index (RPI). There needs to be a new deal between the Government and the rail passenger, which, while recognising the need to transfer rail revenue from tax-payer subsidy

to rail-passenger ticket revenue, nevertheless eases that transition by adopting this new measure for regulated fares.

Regulated Fares

- 2.15 The new structure of the rail industry which emerges from the Williams Rail Review should be a catalyst for a step-change in the Government's directed rail fares policy. At present, regulated fares – those which apply in peak periods, as well as season tickets and some long-distance off-peak fares – normally rise by RPI + 0% in January each year, as determined by the measurement of RPI the previous July. For 2021 however, the DfT has announced that regulated fares will rise by a much higher amount of 2.6%, effective from March rather than January but considerably greater than the expected rise of 1.6% based on RPI. Such a disproportionate increase in regulated fares is unacceptable and will further dissuade travellers from using rail for peak journeys, encouraging greater modal shift from rail to private road transport.
- 2.16 As the increase in almost every other cost or benefit in life is determined by the generally slightly lower CPI, this should become the new measure of annual regulated fares, i.e. CPI + 0%. This would at least address some of the concerns of rail passengers at the very high annual percentage increases with which they are hit every New Year, determined as they are by the previous July's measure of inflation.

The Coronavirus COVID-19 Pandemic and Home Working

- 2.17 The coronavirus COVID-19 pandemic has accelerated thinking about home working and has demonstrated that with the right technology home working is a realistic alternative to full-time office based employment. Such a change in working practice is likely to continue, at least in part, once the pandemic is controlled, and more flexible fare options such as part-week season tickets could also be facilitated using Smart ticketing technology, whereby commuters can choose to travel on fewer days of the week reflecting these changes to office / home working practice.
- 2.18 There should also be a new option of 'shoulder-peak' fares, whereby those who choose to commute to and from their place of employment or education just outside the core peak hours are offered a 'shoulder-peak' fare, which while more than the off-peak fare would be less than the full peak fare.
- 2.19 The High Speed services operating in Kent charge a further premium fare, which started as a fixed percentage based on the route used. For example, journeys via Ashford charge a higher premium than those via Chatham where the time savings are not so great, while Gravesend has a higher premium fare proportionately than other stations on that route because almost the whole journey is on High Speed. Some journeys actually have no differential whilst others have only a minor difference from the Mainline fare, as over time the premium fare charged has been

distorted due to several factors. The new South Eastern agreement might be a suitable opportunity to consider simplification of the High Speed premium fare, so that there is a more equitable match between the journey time saved and the fare charged.

Unregulated Fares

- 2.20 The off-peak fares available in Kent, which are all unregulated and so determined solely by the franchise operator, usually offer very good value for money, especially when purchased with one of the wide range of railcards now available for most passengers. The new South Eastern agreement should expand the current offer, promoting 'super off-peak' fares on weekdays and all day at weekends and public holidays, to encourage greater use of spare capacity on off-peak trains between Kent stations and London and also within Kent to visitor destinations such as Canterbury and Margate.
- 2.21 The new South Eastern concession agreement should develop Smart and Mobile forms of ticketing with a 'best price' promise across all ticket media, with the existing "Key" smart ticketing initiative extended to individual journeys as well as season tickets. Smart ticketing should also incorporate an option for flexible ticketing, whereby commuters can choose to travel on fewer days of the week, reflecting modern office / home working practices, especially post-COVID-19. Both the current operator Southeastern and Network Rail support the principle of moving towards integrated ticketing, encouraging increased use of the railway system.
- 2.22 The operator of the next South Eastern concession should also commit to a collaborative approach with KCC, so that when technology enables it a new 'Kent Smartcard' scheme could be delivered to incorporate travel by bus and rail services across the county. This will require compromise and collaboration by bus operators across Kent if such a scheme is to be successfully delivered.
- 2.23 The Sevenoaks Rail Travellers Association (SRTA) has provided an informed and well developed strategy on a wide range of issues affecting Sevenoaks. Their specific proposal concerning ticketing is supported by KCC:
- "SRTA would like to see [London] Zonal fares extended to Dunton Green and equivalent North Kent stations. We would support Sevenoaks being treated in a manner similar to Watford Junction in having a special fare (set by the train operating company, not TfL) but integrated with London Zonal fares. Consideration should be given to including the Darent Valley line stations if both Swanley and Sevenoaks were in the Zonal system. The SRTA does not have a view on the technology employed, provided it is not less than the facilities of

the current Oyster card and usable by commuters for all tickets on all TfL services.”

[Sevenoaks Rail Travellers Association (SRTA): Preliminary Thoughts for the Kent Franchise, December 2015]

- 2.24 Rail Future, an independent pro-rail pressure group, has proposed that there should be a requirement for weekday contra-peak fares at off-peak prices, including railcard discounts, to enable longer days away, especially from London. KCC supports this innovative proposal, which would encourage rail travel for such days when early/mid-morning starts are required from more distant destinations, and thus make better use of spare contra-peak capacity.
- 2.25 The DfT’s decarbonisation strategy, together with the Kent Energy and Low Emissions Strategy, emphasise the imperative of responding to the climate change emergency by developing transport policies which deliver modal shift from road to rail and thus reduce greenhouse emissions. This modal shift needs to apply to both passenger and freight sectors to ensure that rail plays its part in contributing to a permanent reduction in pollutants and a consequent improvement in air quality.

3. Kent's Local Transport Policy

Local Transport Plan 4: Delivering Growth without Gridlock 2016 - 2031 [LTP4: KCC, April 2017]

- 3.1 KCC published its most recent statutory Local Transport Plan, LTP4, in 2017, which sets out the Council's transport priorities for the period up to 2031. The Plan recognises the importance of rail within the overall provision of transport in the county, highlighting the pressures on demand for rail travel arising from forecast growth in housing and employment. While the cost of peak period commuting is an issue for Kent commuters, it is the need for additional capacity on both High Speed and Mainline services in Kent which is the principal priority for the new South Eastern agreement.
- 3.2 LTP4 emphasises the importance of a rail strategy for the county to make the case to Government for enhancements to the rail network, which in turn will facilitate the required improvements to service levels in High Speed, Mainline and Metro sectors. These enhancements are set out as options for funders in Network Rail's 'Kent Area Route Study', which is considered in detail in section 5. The Local Transport Plan also reiterates the importance of restoring the link between Maidstone and the City with the planned new Thameslink service, which has itself been further delayed since the publication of LTP4 [see 4.14 & 4.15].

Local Transport Plan 5 (LTP5)

- 3.3 In response to Government and Council transport policy as a result of the COVID-19 pandemic, coupled with an overriding need to respond to the climate change emergency by reducing carbon emissions, KCC now proposes to develop a new Local Transport Plan 5 (LTP5). As part of the Council's new policy to deliver modal shift in favour of sustainable transport modes, rail services in the county will continue to play an essential role in delivering this objective, and this key role will be reflected in the emerging new Local Transport Plan.

Growth and Infrastructure Framework [KCC, 2018]

- 3.4 In 2018 KCC published the Growth and Infrastructure Framework (GIF) for the period to 2031. The GIF forecast significant growth in population, housing and employment during this period for Kent and Medway, with even greater growth predicted in the updated data published by KCC's Strategic Commissioning – Analytics team based on 'Housing Led' Forecasts (November 2019) [see section 4.1 for detailed population and housing growth forecasts].

Economic Recovery Plan for Kent and Medway

- 3.5 In response to the COVID-19 pandemic, KCC and Medway Council are preparing a new Economic Recovery Plan which will set out the key elements required to restore economic activity in the county. This new

plan will replace the earlier draft Enterprise and Productivity Strategy and will focus on measures which widen employment opportunities and potentially increase demand for rail travel towards pre-COVID-19 levels.

- 3.6 The Economic Recovery Plan for Kent and Medway is a detailed product for the Economic Recovery Cell, which is part of the multi-agency Kent Resilience Forum. This more detailed plan is part of a broader Kent and Medway Covid Recovery Strategy, which has several supporting thematic action plans for economic recovery including transport infrastructure.
- 3.7 KCC's new rail strategy also considers proposals in Network Rail's Kent Area Route Study, which sets out options for funders for infrastructure enhancements on the Kent rail network to reflect projected increases in passenger demand [*cf section 5: Rail Infrastructure Outputs Required in Kent*]. The strategy will also consider options for service enhancements such as the creation of a direct link between Kent, Gatwick and Reading, which would expect to be supported by the emerging sub-national transport body, Transport for the South-East.

Transport Strategy for the South East [Transport for the South East, 2019]

- 3.8 Transport for the South East (TfSE) is the shadow sub-national transport authority for south-east England outside Greater London. Its geographical scope covers 16 county and unitary authorities and extends from Kent and Medway to Hampshire and the former county of Berkshire. The shadow authority has prepared a Transport Strategy which will form the basis of a comprehensive Transport Strategy for south-east England if it were to be adopted. Once TfSE were to be granted statutory status, the authority would also become a formal consultee for the new South Eastern agreement.
- 3.9 The TfSE Transport Strategy highlights the need for improvements to both the orbital and radial rail networks, with particular emphasis on the need for Crossrail 1 (in Kent) and Crossrail 2 (in Surrey), as well as increased capacity on the Brighton Main Line. KCC has long advocated a direct rail service linking Kent with Gatwick, and the TfSE Transport Strategy strongly supports the concept of a new regional rail service linking together the counties of south-east England with each other and with Gatwick outside Greater London. Such a service could be delivered with only modest further infrastructure enhancements and could be a natural extension of the existing GWR operated Reading – Gatwick service by extending this to Canterbury West via Redhill, Tonbridge and Ashford.
- 3.10 Network Rail is also working closely with TfSE on their Transport Strategy and the planned corridor studies. The rail infrastructure provider will be providing rail analysis to support the studies and will actively consider how journeys on non-London orbital routes can be improved. This will include the Redhill - Tonbridge - Ashford route, looking at how better connected services can be provided in the future.

Delivering for Kent: The Economic Impact of HS1 [Steer, 2019]

- 3.11 The introduction of High Speed services led to a step change in rail provision in Kent, and these services have proved extremely popular. High Speed 1 Ltd (HS1) has recently been pro-active in championing the need for additional domestic services to utilise the spare capacity that exists on Kent's High Speed (HS) route. This report by Steer rightly praises the substantial benefits which have accrued to Kent since the inception of HS services in 2009, and it is estimated that since then the number of journeys on the HS network has almost doubled, with 26 million journeys made in 2018.
- 3.12 It is a rare opportunity in the national rail network to have spare network capacity existing alongside excess passenger demand, and this Kent Rail Strategy consequently advocates a substantial increase in the frequency of HS services in Kent. Additional rolling stock to allow the lengthening of services not currently 12-cars would provide additional passenger capacity, although the ability to run more than one or two additional peak services is constrained by several factors including the pathing of International services and platform capacity at St Pancras.
- 3.13 Such an increase in capacity as proposed in this rail strategy would address the existing levels of serious overcrowding in peak periods and alleviate the absence of peak capacity at Ebbsfleet. Such an enhancement in HS service levels would increase further the range of employment and higher education opportunities available in Central London for residents of Kent, thereby increasing further the Gross Value Added (GVA) to the Kent economy.

4. Key Drivers of Demand for Rail Services in Kent

- 4.1 The Kent and Medway Growth and Infrastructure Framework (GIF) [*Kent County Council, 2018*] sets out the planned growth in population, housing and employment across the county to 2031, together with the infrastructure required across all sectors to support that expansion. This data, subsequently updated in 2019 by KCC Strategic Commissioning, highlights further substantial growth throughout Kent and Medway, leading to increased demand for rail passenger services between Kent and London for access to employment, education and leisure purposes during the next decade.
- 4.2 The proposals for enhancements to Kent's rail network in this strategy also reflect this increased demand. The tables below set out the planned increases in population and housing across Kent and Medway between 2021 and 2031 [*source: Strategic Commissioning – Analytics, KCC, based on 'Housing Led' Forecasts, November 2019*].

TABLE 1: TOTAL POPULATION FORECAST 2021 – 2031

DISTRICT	2021	2031	CHANGE	% increase
Ashford	133,600	154,200	20,600	15.4
Canterbury	169,600	184,400	14,800	8.7
Dartford	118,300	139,200	20,900	17.7
Dover	119,900	127,600	7,700	6.4
Folk & Hythe	115,000	122,800	7,800	6.8
Gravesham	108,700	115,400	6,700	6.2
Maidstone	177,300	190,600	13,300	7.5
Sevenoaks	123,300	132,000	8,700	7.0
Swale	151,900	163,800	11,900	7.8
Thanet	144,400	163,100	18,700	12.9
Ton & Malling	136,100	145,600	9,500	7.0
Tun Wells	121,700	131,400	9,700	8.0
KENT	1,619,800	1,770,100	150,300	9.3
Medway UA	285,100	313,800	28,700	10.0
KENT & MED	1,904,900	2,083,900	179,000	9.4

TABLE 2: TOTAL DWELLINGS FORECAST 2021 – 2031

DISTRICT	2021	2031	CHANGE	% increase
Ashford	56,900	68,700	11,800	20.7
Canterbury	72,200	82,000	9,800	13.6
Dartford	49,400	60,100	10,700	21.7
Dover	56,000	63,000	7,000	12.5
Folk & Hythe	54,500	61,600	7,100	13.0
Gravesham	44,400	49,200	4,800	10.8
Maidstone	74,500	83,600	9,100	12.2
Sevenoaks	51,400	57,200	5,800	11.3
Swale	65,500	74,300	8,800	13.4
Thanet	70,800	84,000	13,200	18.6
Ton & Malling	56,800	63,600	6,800	12.0
Tun Wells	52,800	60,000	7,200	13.6
KENT	705,200	807,300	102,100	14.5
Medway UA	117,900	134,300	16,400	13.9
KENT & MED	823,100	941,600	118,500	14.4

The Coronavirus (COVID-19) Pandemic

- 4.3 The COVID-19 crisis has drastically reduced demand for rail travel in the UK, and it is currently uncertain when previous levels of demand for rail travel will return. The emergency timetable operated by Southeastern during the emergency provided a basic hourly or half-hourly frequency on most routes in Kent, and even these services carried a minimum number of passengers. Planning for a new service network during such an emergency carries the danger of ignoring the long-term demand which, while perhaps less than some original forecasts, is still predicted to increase substantially by 2031, especially on HS services.
- 4.4 Perhaps the most significant change brought about by the COVID-19 crisis will be evidenced in the reduction of full-time office working, with a significant shift to home working on at least several days each week. As both private and public sectors of the economy have experienced this change, there may be an opportunity for shared office accommodation away from London, perhaps with the train operator or Network Rail wherever this is available. However, while there is a real prospect of providing additional capacity by an effective reallocation of peak seats in this way, this must not diminish the medium and long-term need to plan for significant growth in demand for rail travel in the county, based on the forecast growth identified in the Growth and Infrastructure Framework.

- 4.5 Apart from the effect of the COVID-19 crisis, there has for some time been an underlying shift away from full-time working in office locations. One immediate effect of this change to home working on several days each week has been a significant reduction in the sale of season tickets and a corresponding increase in the demand for day tickets. The new South Eastern agreement must therefore include a requirement for the new operator to provide flexi-seasons and shoulder-peak tickets, both available through Smart ticketing as well as traditional methods. Such an innovation would further encourage the move to some home working days, thus easing peak demand across the working days of the week.

Tourism and Leisure Travel in Kent

- 4.6 During the past 20 years the visitor economy in Kent has doubled in size. The county now attracts over 65 million visitors per annum [*source: Visit Kent, 2020*], placing it in the top 10 most successful domestic destinations in England and the third most successful destination for international visitors outside London, attracting more than 1 million international visitors each year. Visit Kent coordinates and promotes 2-for-1 ticket offers at attractions for those who travel by rail, tactical pricing campaigns, poster campaigns at London termini and tactical sign-posting and mapping at stations. This work needs to be continued in the new South Eastern agreement, and further built upon to ensure that the potential of the visitor economy, particularly in driving demand for off-peak services, is maintained and developed.
- 4.7 The 149th Open Golf Championship will now be played at Royal St George's Golf Club, Sandwich in July 2021. The project to enhance the capacity of Sandwich station to serve this and future such events was completed by the end of October 2020, and these additional facilities will be brought into use as required. Train service planning by Southeastern for The Open has continued, with the principal service to be provided by High Speed trains between London St Pancras and Sandwich, via either Canterbury West or Dover Priory. Additional services will also be provided via the Mainline route between London Charing Cross and Sandwich as required.
- 4.8 The planned developments at Ebbsfleet Garden City and Otterpool Park Garden Town will both require specific enhancements to rail services at their respective stations. The HS service at Ebbsfleet, while very frequent, is effectively full and standing on arrival at Ebbsfleet in peak periods and cannot meet the growing demand at this location. The new TSR will therefore need to make provision for an increase in the level of HS service at Ebbsfleet by improving the existing HS service to/from Maidstone West [*cf section 7 – Rail Service Outcomes in Kent*].

- 4.9 Otterpool Park Garden Town has the locational advantage of being built adjacent to the existing Westenhanger station. Folkestone & Hythe District Council is already working in partnership with Network Rail to develop the station, with 12-car length platforms, lifts to provide access for all, and a new station building planned to meet the expected growth at this location. The rail service outcomes [cf section 7] include proposals to serve Westenhanger with HS trains to meet the increased demand which will arise here, once an agreed dwelling occupancy level has been reached in the new Garden Town.

Abbey Wood to Ebbsfleet Connectivity Study

- 4.10 When the Elizabeth Line (formerly known as Crossrail 1) eventually opens from Abbey Wood to Central London, a new range of destinations and journey opportunities will be opened up for rail passengers from Kent. A single interchange at Abbey Wood from the North Kent line service will bring passengers direct to the heart of the City and West End, with the Elizabeth Line continuing direct to Heathrow Airport. A further change at Farringdon will also give access to the completed Thameslink network, offering access to a wide range of destinations throughout south-east England and East Anglia. Network Rail also supports the aim to provide better connectivity at Abbey Wood with the Elizabeth Line, and is a key contributor to the Abbey Wood to Ebbsfleet Connectivity Study funded by the Ministry for Housing, Communities and Local Government.
- 4.11 The proposed London Resort Theme Park on the Swanscombe Peninsula is currently the subject of an application for a Development Consent Order (DCO). Investment in public transport infrastructure will be required that is commensurate with the size and scale of the development, and Network Rail and public transport operators, including Southeastern, will review the proposals and respond to the DCO once it is granted.
- 4.12 The proposed improvements under consideration in the Abbey Wood to Ebbsfleet Connectivity Study involve all the public authorities on the line of route. However, while the earlier proposals for this enhancement were focused on an extension of the heavy-rail Elizabeth line to Ebbsfleet, the scope of the project has now been widened to include a range of transport options, including Metro services, Fastrack bus services, or connecting coach services. A chief executives' group and an officers' technical group are continuing to progress this project, which will eventually produce a Strategic Outline Business Case examining all these options and recommending those which are judged to deliver best value for money.
- 4.13 As the scope of the project has now been extended in this way, it is very unlikely that any proposal will be delivered along this route until at least the mid-2030s. KCC will continue to support the project through member and officer representation, to ensure that the additional capacity required by all the proposed developments at Ebbsfleet, Gravesham and Dartford is delivered.

Thameslink to Maidstone East

- 4.14 The proposed Thameslink service to Maidstone East has now been postponed on four occasions. It was originally due to commence in January 2018, and has since been delayed to May 2018, then to December 2018, then to December 2019, and recently to an unspecified date in the future. KCC's Cabinet Member for Highways & Transport, and all his recent predecessors, have all written to the Rail Minister expressing the serious concerns of residents and businesses along the proposed route, many of whom have already made location decisions based on the proposed service.
- 4.15 This strategy therefore calls again on the Rail Minister to approve the operation of this last leg of the whole Thameslink service programme, with at the very least an all-day service between the county town and Blackfriars if there remains disquiet about operating the full 24tph service level through the central Thameslink core between Blackfriars and St Pancras. This would provide a regular Thameslink service every 30 minutes over its line of route.

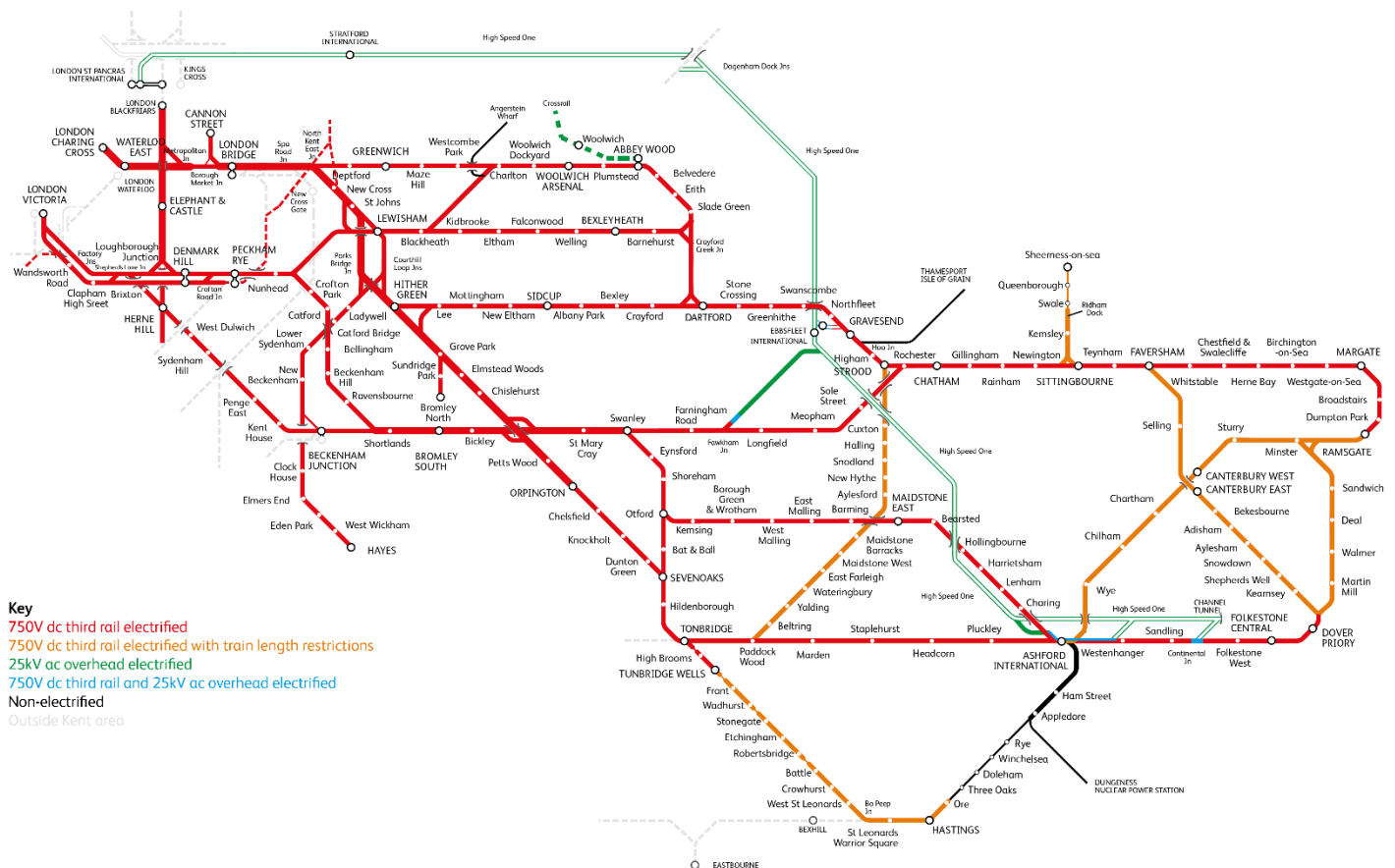
School and Further Education (FE) College Demand for Rail Travel

- 4.16 There are significant school and college peak demand flows by pupils and students at several locations across Kent. In West Kent, there are high levels of demand by pupils travelling between Edenbridge and Tonbridge, where trains have recently been re-timed to facilitate appropriate school arrival and departure times. There are also high school pupil flows between Orpington and Sevenoaks, and between Otford and Sevenoaks, and then between Sevenoaks, Tonbridge and Tunbridge Wells. There is also a significant level of peak demand flows by pupils at Maidstone East. In East Kent, there are high school pupil flows to and from both Canterbury stations, and also significant demand from students attending the FE college here. There is a similar demand from students attending the new FE college at Ashford, and those at Folkestone and Dover. The new concession agreement should be cognisant of any future changes in demand for these school and FE travel needs, and respond accordingly with appropriate changes to service levels.

5. Rail Infrastructure Outputs Required in Kent

- 5.1 Network Rail published the ‘South East Route: Kent Area Route Study’ in May 2018. The route study was prepared with input from many public sector organisations including KCC, rail user groups and associations, and interested individuals. Its purpose is to provide an evidence base to inform funders considering rail investment for the medium and long term. The Route Study therefore identifies ways in which the rail industry can meet forecast demand for both passenger and freight over the next decade and beyond.
- 5.2 The Route Study then states that ‘a combination of train lengthening, timetable changes and infrastructure interventions will be required, but the lack of terminal capacity is the greatest challenge and will need further industry wide work to develop options’ [source: Foreword, Kent Area Route Study, Network Rail, May 2018].
- 5.3 The Route Study also contains significant proposals as options for funders within the period of Network Rail’s Control Period 6 (CP6: 2019-2024), and further options for consideration beyond that period to 2044. The principal options for funders detailed in the Kent Area Route Study are summarised below, including options for electrification shown here:

Map Showing Electrification Capacity, Kent Route



[source: Network Rail, Kent Area Route Study, May 2018, figure 3.6]

5.4 Kent Area Route Study – Options for Funders

[references are to paragraphs in the Route Study]

(i) Marshlink (6.13.2)

- New connection at Ashford International that allows trains from HS1 to access the Marshlink line
- Electrification of the Marshlink line from Ashford to Ore
- Journey time improvements and/or redoubling of the route
- Proposal is being progressed under Kent & East Sussex Coastal Connectivity SOBC, with expected outputs by April 2021.

(ii) Ebbsfleet Southern link (6.13.26)

- Either: New terminating platform adjacent to existing operational lines
- Or: Provide a connection into the existing domestic platforms.
- This could be a candidate for consideration as part of the DfT's 'Restoring Your Railway' Programme.

(iii) North Kent to South Kent (6.13.29)

- Longer-term option to build a spur line between the Ashford to Canterbury West line and the Faversham to Canterbury East line in the Chartham area.
- The topography of the landscape means that a direct rail link is not possible to the west of Canterbury. Network Rail has undertaken a pre-feasibility study of a 'Canterbury Parkway' station where the lines cross. High level findings have been shared with Canterbury City Council. It is a challenging location and the costs could be around £250m. A development such as this would need to be part of a major future transport strategy for the area.

(iv) Canterbury Chord – Resilience (6.13.32)

- Longer-term term option to build a spur linking the Canterbury East and Canterbury West lines to the south-east of their present passing point, to provide resilience for any future disruption caused by extreme weather on the route between Dover and Folkestone.
- No development work has been undertaken, but it could be an alternative way of providing north-south Kent Connectivity, with a reversal at Canterbury East. This option can be considered further as part of the North & East Kent CMSP.

(v) Thanet Parkway Station (6.15.8)

- This third party scheme is promoted by KCC and principally funded by the south-east LEP. The new station is due to open in May 2023, and KCC has requested the DfT that the new Train Service

Requirement specifies all Mainline and High Speed trains which pass the station will stop there.

- The Network Rail Regional Sponsor Team are leading the development in partnership with KCC.

(vi) Westenhanger Station (6.15.22)

- This third party scheme is promoted by Folkestone & Hythe District Council and will need to be principally funded by the developers of the planned Otterpool Park Garden Town adjacent to the station which its development is designed to serve.

- Network Rail is working with Folkestone & Hythe District Council on options for the development of the station.

(vii) Maidstone West – platform extensions (6.7.4)

- This option would enable 12-car operation of High Speed services to/from Maidstone West. While demand at Maidstone West does not require 12-car operation, the benefit of running 12-car trains on this service is that they would provide the capacity required to meet the substantial demand at Strood, Gravesend and Ebbsfleet, thus offering relief to the already overcrowded High Speed service via Medway.

- Any further development work would be dependent on confirmation of 12-car operation of High Speed services in the TSR for the new South Eastern concession agreement.

(viii) Maidstone East and Swanley – station improvements

- Improvement work at these stations is progressing well. The improvement to the front area of Maidstone East is now due to be completed in 2021 and will provide an enhanced gateway for rail passengers arriving at Kent's county town. The works at Swanley are at an earlier stage of development, and improvements here should be delivered during the next two years.

(ix) Power Upgrades

- There are various proposals in the Route Study for power upgrades at locations on the Kent Route where 12-car operation is currently inhibited or even prohibited. Such upgrades will be an essential addition to the overall capacity of the Kent rail network, facilitating the operation of the longer trains proposed in this strategy. This is especially required on the section of route south of Tunbridge Wells, to enable the operation of consecutive 12-car trains in peak periods.

- A power modelling exercise will be undertaken to support any service changes proposed as part of the new South Eastern concession agreement, to ensure that the rail infrastructure has the capacity required to support any enhancement in service levels.

(x) Signalling Upgrade: Sevenoaks to Orpington

- There is a proposal from the Sevenoaks Rail Travellers Association (SRTA) for an upgrade to the signalling between Sevenoaks and Orpington, which is a two-track heavily congested section of railway operating at maximum capacity in the peak periods. The proposal from the SRTA is for a study to examine options to update the signalling to permit 24 paths per hour on this section in each direction, which would dramatically increase the capacity of the network at its most congested point in Kent.
- This area of the network does operate at close to full capacity, but this is largely governed by the mix of fast and stopping services on this section of route. When the signalling is renewed options for improving the headway can be considered but may be of marginal benefit in releasing additional paths due to the stopping patterns and other network constraints such as London terminal capacity.
- While this proposal is not included in the current list of funding options in the Kent Route Study, it is worthy of consideration and is supported by KCC. The Council recognises the importance of this proposal, and that it should be made known to bidders for the new service agreement.

Additional Enhancements Required

5.5 In addition to the options for funders listed by Network Rail, KCC has identified the following infrastructure interventions which will be required to support specific enhancements in passenger rail services:

(xi) Canterbury West Station: additional platform

- The existing down siding needs to be converted into an additional through platform 3, which would provide a turn-back facility to serve an increase in the frequency of High Speed services. It could also serve any future new regional rail route operating from Reading to Canterbury West via Gatwick, extending the existing GWR service via Redhill, Tonbridge and Ashford.
- This enhancement option is being considered as part of the Kent and East Sussex Coastal Connectivity SOBC.

(xii) Dollands Moor: new connection between High Speed & Mainline

- The creation of a new crossover between the High Speed and Mainline routes at Dollands Moor would enable the operation of High Speed services from Dover Priory, Folkestone Central and Folkestone West stations to cross over in the Up direction on to the High Speed Up line and thereby reduce overall journey times to London. In the Down direction an earlier crossover would be used by trains to cross

from High Speed down to High Speed up lines, before using the new crossover to access the Mainline.

- Such an intervention would require DfT support if it were to be included in a future programme of infrastructure interventions on the Kent Route and High Speed 1. This option is also being considered as part of the Kent and East Sussex Coastal Connectivity SOBC.

(xiii) Cuxton Chord: new connection to link Medway Valley line with North Kent Mainline

- Rail Future, and many other respondents to the public consultation, proposed the inclusion of a new Cuxton Chord linking the Medway Valley line and the North Kent Mainline between Cuxton station and Roman Way, to enable eventual direct Medway Towns / Maidstone - Gatwick Airport inter-regional through services.

New Funding Methods

5.6 The DfT established in March 2018 two new funding methods for rail infrastructure projects, which complement the emerging Route Studies such as that for the Kent Area. These funding methods do not apply to Operational, Maintenance and Renewal (OMR) costs, which are covered by the separate financial settlement between the DfT and Network Rail for each 5-year Control Period (currently CP6: 2019-2024).

5.7 The first of the new funding methods is the 'Rail Network Enhancements Pipeline' (RNEP), which sets out a 5-stage process for the delivery of funding including a positive business case. All schemes have to compete with each other for funding, which then have to be approved by the DfT before being submitted to HM Treasury to secure the required investment. The infrastructure options listed above could be eligible for RNEP funding applications where there is no obvious third-party funder (e.g. additional platform at Canterbury West).

5.8 The second of the new funding methods is the 'Rail Market-Led Proposals' (RMLP), which applies to private-sector proposals for rail infrastructure investment where a third party promotes a particular investment scheme which it agrees to fund in its entirety. Network Rail then has to approve the scheme before it is added to the Route Asset Base (RAB). The infrastructure options listed above could be eligible for RMLP funding applications where the proposed enhancement is to be entirely developer funded (e.g. Westenhanger Station).

Continuous Modular Strategic Planning

5.9 Network Rail is now developing Continuous Modular Strategic Planning (CMSP), the output of which will be a Modular Strategic Study. In conjunction with stakeholders this will be a strategy to meet the capacity and connectivity requirements for rail for the medium to long term. It will also examine opportunities for how rail can contribute to the Government

target of net zero carbon emissions by 2050. The outputs will be recommendations for change or investment by Government or third party funders. This new method of strategic planning presents an opportunity for KCC, and other public authorities in Kent, to participate in the formation of policy for the rail network, through the planning of infrastructure outcomes and train service capacity improvements to meet forecast increased demand over the medium to long term.

Access for All

5.10 'Access for All' is a DfT funded programme that is largely delivered by Network Rail in partnership with Southeastern. Good progress has been made by Southeastern by improving access for all at many stations in Kent, but there are many which still do not offer level access to all platforms. It is a sign of a civilised society that those with different needs should be afforded accessible facilities, especially to enable a joined-up and step-free rail journey. The need for an enhanced programme of accessible facilities across the Kent rail network was the single most important issue raised by those who responded to the consultation on the Equalities Impact Assessment (EqIA). Respondents to the public consultation on the rail strategy also emphasised that the provision of accessible facilities should be interpreted broadly, to include non-visible as well as physical impairments. It must therefore be a condition of the new South Eastern concession agreement that the concession operator, in partnership with Network Rail's Kent Route, is required to plan and deliver an extended programme of 'Access for All' facilities at stations, to be fully funded through an extended 'Access for All' agreement by the DfT. This must be a key objective of the new concession agreement, with the goal of eventually delivering an entirely accessible rail network in Kent.

6. Rolling-Stock Outputs Required in Kent

- 6.1 The existing operator, Southeastern, inherited a range of rolling-stock in both Mainline and Metro sectors when the original franchise commenced in 2006. There is a general recognition that most rolling-stock will provide on average 30 years of service, with a mid-life major overhaul required at 15 years. The new High Speed rolling-stock joined the Southeastern fleet in 2009 and should reasonably be expected to remain in service until at least 2039. The Bombardier-built Electrostar family of trains joined Southeastern in 2003 (with some cascaded across from Thameslink in 2017), and this cohort should continue to provide service on the Mainline routes until at least 2033. Metro routes are served in the main with Networker trains which are nearing life expiry, and this fleet will require complete replacement early in the new South Eastern concession agreement period.
- 6.2 The passenger network in Kent consists of three distinct service groups: High Speed, Mainline, and Metro. Each of these will be considered in turn in respect of the rolling-stock outputs required for each group during the period of the new South Eastern concession agreement.

High Speed Fleet

- 6.3 The single most urgent requirement for new rolling-stock is on the High Speed network serving Ebbsfleet, Maidstone West, the Medway Towns and Faversham, and Ashford and East Kent. Demand continues to outstrip capacity, and projections provided by Network Rail in their long-term planning process indicate not only crush-loaded standing conditions in peak periods from 2024 onwards, but often trains full to capacity and thus unable to provide a peak service from some stations. The need for a substantial uplift in HS capacity has long been recognised, and this strategy addresses this critical issue [*cf section 7: Rail Service Outcomes Required in Kent*].
- 6.4 The train service tables in section 7 demonstrate the proposed enhancements in service levels which are estimated to require the following increases in HS rolling-stock, in addition to retaining the 29 existing 6-car Class 395 sets. These Hitachi-built HS sets were built to a bespoke design for Southeastern capable of operating on HS1 with overhead 25kv AC traction and on Mainline with third-rail 750v DC traction, but this class of train is no longer available in regular production.
- 6.5 This forecast of future increased demand for High Speed service capacity should support the DfT in the approval of the procurement of a new fleet of Class 800/801 or similar HS rolling-stock, of which there will have to be a similar variant to the Class 395 trains to provide the flexible operation required on Kent's rail network. In addition, part of this new fleet will need to be bi-mode (Class 800/802 or similar), as and when the new

infrastructure enhancement is funded and delivered at Ashford to permit through operation of HS trains between St Pancras and East Sussex.



Class 800: example of new fleet of High Speed train on test run, which could be procured for Kent's High Speed services [source: Hitachi Ltd, 2015]

6.6 Based on the proposed improved service levels set out in section 7, the estimated requirement is for a total of 14 new 5-car HS trains as follows:

7x5-car* bi-mode units for a combined service with trains dividing at Ashford for Folkestone/Dover and Hastings/Eastbourne;

5x5-car* EMUs for enhanced service via Ashford for Canterbury West/Margate;

2x5-car* EMUs for strengthened service via the Medway Towns and Maidstone West routes.

**These would be equivalent to the existing 6-car lengths of the Class 395 trains, with a double-coupled train of 10-cars being equivalent in length to the 12-cars of the Class 395 trains*

Network Rail supports the need for additional rolling stock on High Speed 1 services, as evidenced in the Kent Route Study. An extensive route clearance exercise would also be required if new rolling-stock consisted of vehicles longer than the existing standard of 20m.

Mainline Fleet

- 6.7 The current fleet of Electrostar trains, mainly consisting of Class 375 sets built by Bombardier, have all had their mid-life heavy overhaul and are set to continue in service until at least 2033. The addition of 17 x Class 377 4-car trains cascaded from Southern in 2017 has been most beneficial to Kent's Mainline network, especially to the Maidstone East line where they have replaced Networker units which have in turn strengthened Metro services in south-east London.
- 6.8 The new South Eastern concession agreement should see the completion of the refurbishment of the cascaded sets, ensuring that they continue to be fit for purpose. During the course of the new concession, the operator will need to address the replacement of the Electrostar trains as they approach their end of life towards the start of the next decade.
- 6.9 The two original Kent Community Rail Partnership (CRP) routes now benefit from Electrostar operation with 3-car versions of the Class 375 trains, and these have improved the journey experience and improved accessibility for passengers. There are also several new CRP routes which have recently been created in Kent, following an increase in funding for CRPs through the current franchise agreement *[see paragraph 9.1]*.

Metro Fleet

- 6.10 The mainstay of the Metro service fleet, which predominantly serves south-east London routes, is the Networker. These trains were first introduced by British Rail prior to privatisation, and many have worked for almost 30 years on the Southeastern network. There are also Bombardier built trains, the Class 376, which are only 15 or so years old and which will continue to operate on the Metro network.
- 6.11 In April 2020 Southeastern announced the planned arrival of a DfT-approved cascade of 30 almost new 5-car Class 707 trains from South Western Railway (SWR). The introduction of the Class 707s is dependent on the timing of the arrival of new Class 701s to SWR, and so the Class 707s will be cascaded when the Class 701s become available. While the exact area of operation of these nearly new units is still to be determined, they will provide a welcome improvement to the Metro fleet and should allow the withdrawal of the oldest Networker trains from the few Kent routes they still serve.



Class 707: example of new Metro train due to be cascaded to Southeastern – additional sets could be procured for operation on Metro routes

[source: Modern Railways]

6.12 The most urgent task facing the operator of the new South Eastern concession agreement will be the need to procure a replacement Metro fleet for the remainder of the Networker trains for the Metro services. Most of the stations on the London Bridge Metro network have had their platforms extended to take 12-car trains and the new fleet would need to match this provision, but part of the new Metro fleet would need to consist of 8-car trains to serve the Victoria and Blackfriars Metro routes as these are only capable of 8-car operation.

7. Rail Service Outcomes Required in Kent

7.1 Metro Services

Following the transfer of the service from London Charing Cross via Blackheath and Woolwich Arsenal to Dartford and Gravesend (and now extended to Rainham) from the existing franchise to the Thameslink network in 2018, there are now four Metro routes serving Kent:

- London Charing Cross / Cannon Street via Woolwich to Dartford;
- London Charing Cross / Cannon Street / Victoria via Bexleyheath to Dartford / Gravesend;
- London Charing Cross / Cannon Street via Sidcup to Dartford / Gravesend;
- London Charing Cross / Cannon Street via Orpington to Sevenoaks.

7.2 These Metro services are an essential part of the rail network in Kent, providing access between Dartford, Gravesend and London, and between Sevenoaks and the capital. The existing service pattern provides a high level of frequency on all the Dartford routes, with a reasonable level on the route serving Sevenoaks. There might be an option to enhance this service frequency if the signalling upgrade identified in the section on rail infrastructure outputs is funded and delivered [*cf paragraph 5.4 (x)*].

TABLE 3: PROPOSED METRO SERVICES IN KENT

METRO ROUTE	PEAK TPH	OFF-PEAK TPH
London CX / CS via Woolwich to Dartford	4	2
London CX / CS / VIC via Bexleyheath to Dartford / Gravesend	6	4
London CX / CS via Sidcup to Dartford / Gravesend	4	4
London CX / CS via Orpington – all stations to Sevenoaks	3	2

These service levels only include trains serving Kent stations and do not include the total service levels within Greater London on each of these routes.

Mainline Services

7.3 The Kent and Medway Growth & Infrastructure Framework [cf section 4] has identified significant growth in population and housing up to 2031 at these key locations throughout mid and west Kent. They are all served by Mainline services and are certain to be subject to additional growth in passenger demand, although the stations in the Medway Towns are not included here as these are expected to be included in Medway Council's response to the consultation on the new South Eastern concession agreement. KCC works collaboratively with Medway Council on rail policy and supports that council's successful bid for funding for a new passenger service on the Hoo Peninsular (see paragraph 10.10), and which is now represented with KCC on the joint Kent Rail Liaison Group that includes representatives from the rail industry and Visit Kent.

- Faversham
- Sittingbourne
- Gravesend
- Dartford
- Maidstone
- West Malling
- Borough Green
- Otford
- Swanley
- Sevenoaks
- Tonbridge
- Tunbridge Wells

7.4 Any overall increase in the provision of Mainline services from these stations will be dependent on three key factors:

- The provision of sufficient paths to the London termini
- The provision of additional Mainline rolling-stock for peak period operation
- Signalling upgrade to enhance capacity on Orpington – Sevenoaks corridor

7.5 At present, the peak paths to and from the London termini used by Southeastern services are full, so the greatest opportunity for any Mainline service enhancement in the new concession will be in the strengthening of existing services in the off-peak and weekend periods.

7.6 There is significant overcrowding on some shoulder-peak services on Mainline routes, and also on late evening departures from London. These issues will need to be addressed by the new South Eastern concession agreement operator to ensure the delivery of greater capacity at these

times for rail passengers. As a minimum standard, all peak and shoulder-peak workings should be diagrammed as 11-cars or 12-cars wherever the power supply capability permits this.

- 7.7 There is a particular change advocated in this strategy for the Mainline service group via the Medway Towns. At present, as a result of the many conflicting demands to serve a multitude of stations from both routes east of Faversham, the journey times to and from London are unreasonably lengthy. The proposed change would introduce a much faster service from the Ramsgate route via Herne Bay, which would benefit from cross-platform interchange at Faversham with the service from Dover via Canterbury East.
- 7.8 This latter service would become a stopping service, doubling the frequency at all the stations between Faversham and Dover (except Canterbury East), and improving the regular service at Teynham and Newington. It would also provide an additional stop at Denmark Hill to serve King's College Hospital. Passengers from the Dover route wishing to benefit from a faster service to London would change trains at Faversham to the service from Ramsgate, and vice-versa.
- 7.9 There is also a change proposed to the service group via Ashford. Following the proposals by the Department for Transport (DfT) for the TSR for the cancelled South Eastern franchise, this strategy retains the option of 4tph on the Tonbridge – Ashford corridor in the standard off-peak hour, with 2tph fast on this section and then on to Ramsgate, and 2tph slow serving all the intermediate stations. This would encourage greater use of the fast Mainline services from East Kent stations, thereby alleviating pressure from excess demand on the High Speed network from these locations.
- 7.10 The route south of Tunbridge Wells towards Hastings also requires an uplift to the power supply on this section, so that 11-car or 12-car trains can be pathed in succession. At present the restricted power supply precludes such pathing, and thus diminishes capacity on this busy section of route in the peak periods.

Tables showing proposed Mainline service levels on routes to/from London Charing Cross, Cannon Street and Victoria

7.11 In the tables which follow, peak service frequencies are approximate representations of arrivals at / departures from London termini at high peak hours (08:00–09:00 & 17:00–18:00 respectively).

TABLE 4: PROPOSED MAINLINE SERVICES VIA MEDWAY TOWNS

MAINLINE ROUTE	PEAK TPH	OFF-PEAK TPH
FAST: Ramsgate – all stations to Faversham – Sittingbourne – Medway Towns – Bromley South – Victoria	2	1
FAST: Ramsgate – all stations to Faversham – Sittingbourne – Medway Towns – London Bridge - Cannon Street	3	0
SLOW: Dover – all stations via Canterbury East to Faversham – all stations to Bromley South – Denmark Hill – Victoria	2	2
SEMI-FAST: Sheerness – all stations to Rochester – Meopham – Longfield – Swanley - St Mary Cray - Bromley S - Vic	1	1

TABLE 5: PROPOSED MAINLINE SERVICES VIA TUNBRIDGE WELLS

MAINLINE ROUTE	PEAK TPH	OFF-PEAK TPH
FAST: Hastings – all stations* - High Brooms - fast to London Bridge - Charing X / Cannon Street	3	0
SEMI-FAST: Hastings - St Leonards WS – Battle – Wadhurst – Tunbridge Wells – High Brooms - Tonbridge – Sevenoaks – London Bridge/Charing X	0	1
SLOW: Hastings – all stations to Tonbridge – Sevenoaks London Bridge/Charing X	0	1
SEMI-FAST: Tunbridge Wells – all stations to Sevenoaks – Orpington – London Bridge Charing X / Cannon Street	3	2

**some trains join/divide en route to serve different stations between Hastings and Tunbridge Wells*

**TABLE 6: PROPOSED MAINLINE SERVICES
VIA ASHFORD**

MAINLINE ROUTE	PEAK TPH	OFF-PEAK TPH
SEMI-FAST: Ramsgate – all stations via Dover or Canterbury West to Ashford – all stations to Tonbridge – Sevenoaks – London Bridge – CX/CS	4	0
FAST: Ramsgate – all stations via Dover or Canterbury West to Ashford – Paddock Wood – Tonbridge – Sevenoaks – London Bridge – Charing X	0	2
SLOW: Ashford – all stations to Sevenoaks – Orpington – London Bridge – Charing X	0	2

**TABLE 7: PROPOSED MAINLINE SERVICES
VIA MAIDSTONE EAST**

MAINLINE ROUTE	PEAK TPH	OFF-PEAK TPH
SLOW: Ashford – all stations to Maidstone East – all stations to Otford# - Swanley - ^ - Bromley South/Victoria~	3	0
SEMI-FAST: Canterbury West – all stations to Ashford – <i>either</i> all stations to Maidstone East then skip-stop to Otford, <i>or</i> fast to Bearsted then all stations to Otford, then Swanley – ^ - Bromley South – Victoria	0	2

Some services skip-stop some stations in peak periods

~ This service plan presumes operation of Thameslink service between Maidstone East and Blackfriars, which will have subsumed existing peak Blackfriars services on this route

^ St Mary Cray is omitted from this service group as it would be served by slow services via Chatham to/from Sheerness and Dover (see table 4)

High Speed Services

- 7.12 The construction, delivery and successful operation of the HS1 rail infrastructure has been an outstanding success for Kent. It has transformed the economy of East Kent, creating a wide range of employment opportunities in Central London which were previously inaccessible, widening opportunities for higher education students to access university colleges in the capital, and growing the tourism and leisure industry in the county by contributing to the 65 million annual visitors to the Garden of England [*source: Visit Kent, 2020*].
- 7.13 In the report commissioned by HS1, 'Delivering for Kent: The Economic Impact of HS1' (Steer, September 2019) [*cf section 3: Kent's Local Transport Policy*], the need for further growth in High Speed rail provision beyond 2021 was identified at these stations which are served by High Speed services in Kent (stations in Medway are expected to be covered by Medway Council's response to the new agreement consultation):
- Thanet Parkway (due to open in May 2023)
 - Canterbury West
 - Dover Priory
 - Folkestone Central
 - Folkestone West
 - Westenhanger (to serve proposed Otterpool Park Garden Town)
 - Ashford International
 - Faversham
 - Sittingbourne
 - Maidstone West
 - Ebbsfleet International
 - Gravesend
- 7.14 In the peak periods this growth in demand will require the provision of additional capacity, with full-length operation of all peak services through an expanded High Speed fleet [*cf section 6: rolling-stock outputs required in Kent*]. In the off-peak periods this will need to be met by an increase in service levels from Canterbury West and Dover Priory via Ashford, and from Maidstone West via Strood, Gravesend and Ebbsfleet. KCC also supports the ongoing efforts of Dover District Council in securing a journey time between St Pancras and Dover Priory of under 60 minutes, and their efforts with Network Rail to increase car parking capacity at Dover Priory.

Kent & East Sussex Coastal Connectivity

7.15 East Sussex County Council (ESCC) and KCC are also working in partnership with Network Rail and HS1 Ltd on a project to deliver a connection between HS1 and the Marshlink line, and provided that this proposal for infrastructure enhancement at Ashford is funded HS services would then be able to operate between St Pancras and Eastbourne via Hastings and Bexhill. The project is designed to support economic growth in these coastal towns by delivering much faster journey times to and from London, while also increasing HS capacity at Ashford. The SOBC for the project is expected to be completed by April 2021.

**TABLE 8: PROPOSED HIGH SPEED SERVICES
VIA ASHFORD WITHOUT INFRASTRUCTURE UPGRADES**

HIGH SPEED ROUTE	PEAK TPH	OFF-PEAK TPH
Margate – Broadstairs – Ramsgate – Thanet Parkway – Canterbury West – Ashford – Ebbsfleet (off-peak) - Stratford - St Pancras	2	1
Ramsgate – Thanet Parkway - Sandwich – Deal - Dover – Folkestone C & W – Westenhanger# - Ashford – Ebbsfleet - Stratford – St Pancras	2	1

The provision of specific infrastructure upgrades would have a transformative effect on the level of High Speed services possible in East Kent, as is demonstrated by a comparison between tables 8 and 9.

**TABLE 9: PROPOSED HIGH SPEED SERVICES
VIA ASHFORD WITH INFRASTRUCTURE UPGRADES**

HIGH SPEED ROUTE	PEAK TPH	OFF-PEAK TPH
Margate – Broadstairs – Ramsgate – Thanet Parkway – Canterbury West – Ashford – Stratford - St Pancras	2	1
Canterbury West – Ashford – Ebbsfleet – Stratford – St Pancras~	1	1
Ramsgate – Thanet Parkway - Sandwich – Deal - Dover – Folkestone C & W – ^ - Stratford – St Pancras	1	1
Dover – Folkestone C & W – Westenhanger# - Ashford* - Ebbsfleet Stratford - St Pancras	1	1
Eastbourne – Bexhill – Hastings – Rye – Ashford* – Stratford – St Pancras	1	1

** when proposed infrastructure work at Ashford is funded and delivered, this service group will join and divide en route at Ashford, with front portion to/from Dover and rear portion to/from Hastings and Eastbourne*

this station will need to be served by High Speed services when Otterpool Park Garden Town reaches an agreed occupancy rate

~this service group could operate if an additional platform 3, in place of the existing down siding, was funded and delivered at Canterbury West

^ this service could operate if the proposed infrastructure enhancement at Dollands Moor, creating a link between HS1 and Mainline, is funded and delivered

Thanet Parkway Station

7.16 The new Thanet Parkway station is due to open in May 2023, providing a reduced journey time from Thanet to London which will be delivered in partnership with Network Rail. This will be in conjunction with the Journey Time Improvement (JTI) scheme between Ramsgate and Ashford, which will mitigate the time penalty of the additional station stop. The DfT will need to agree that the TSR for the new Southeastern Direct Award,

commencing in October 2021, requires all trains which pass the new station to stop there, both Mainline and High Speed services.

- 7.17 Timetable analysis undertaken by Network Rail has demonstrated that there would be no additional costs involved in terms of rolling-stock or crews, but that the existing round-the-loop High Speed service would need to have its stopping pattern adjusted to accommodate the new station. The High Speed service plan proposed here would separate the two parts of this service at Ramsgate, thereby improving operational resilience and accommodating the stop at Thanet Parkway on the southern leg of this service, which does not benefit from the JTI scheme.

Westenhanger Station and Otterpool Park Garden Town

- 7.18 The proposed Otterpool Park Garden Town development adjacent to Westenhanger station is expected to generate a significant increase in demand for rail services, principally to/from London but also locally to employment, further education and retail centres at Ashford and Folkestone. The current Transport Assessment for the new Garden Town provides an estimate of total journeys which would be made by rail based on the existing Mainline service, but to meet the predicted increase in demand the TSR for the new South Eastern concession agreement will need to accommodate the additional stops at Westenhanger on the High Speed service which are included in the proposed train service plan outlined above.

**TABLE 10: PROPOSED HIGH SPEED SERVICES
VIA GRAVESEND**

HIGH SPEED ROUTE	PEAK TPH	OFF-PEAK TPH
Ramsgate – principal stations to Faversham – Sittingbourne – Medway Towns – Gravesend - Ebbsfleet – Stratford – St Pancras	1	1
Ramsgate – principal stations to Faversham – Sittingbourne – Medway Towns – <i>fast to</i> Stratford – St Pancras	1	0
Faversham – Sittingbourne – Medway Towns – Gravesend - Ebbsfleet - Stratford – St Pancras	0	1
Maidstone West – Snodland – Strood – Gravesend – Ebbsfleet – Stratford – St Pancras**	2	1

*** The proposed all-day service to/from Maidstone West is based on platform lengthening at this station to accommodate 12-car HS trains, which would enable these services to provide additional capacity at Strood, Gravesend and Ebbsfleet while enabling half the peak service to/from Ramsgate to run fast between Rochester and Stratford*

TABLE 11: THAMESLINK SERVICES IN KENT

THAMESLINK ROUTE	PEAK TPH	OFF-PEAK TPH
Rainham – Medway Towns – Gravesend – Dartford – Woolwich – Thameslink Core – Luton <i>[some stopping stations omitted from list]</i>	2	2
Sevenoaks – Bat & Ball – all stations to Elephant & Castle – Blackfriars – (Thameslink Core – Welwyn Garden City: service to be confirmed)	2	2
<i>(Ashford / Bearsted at start and end of day)</i> – Maidstone East – West Malling - Borough Green & Wrotham - Otford – Swanley – Bromley South – Elephant & Castle – Blackfriars (service to be confirmed)	2	2

8. Passenger Communications and Station Facilities in Kent

Passenger Communications

- 8.1 One of the most frequent issues to be raised by passenger groups and rail user associations is the need for a unified approach in the dissemination of information to passengers, especially when there is disruption to rail services. This is one of the leading issues which the operator of the new South Eastern concession will need to develop, building on the recent excellent improvements in this area delivered by Southeastern.
- 8.2 The roll out of unified communications to passengers is the right approach to ensure that both staff and passengers receive consistent information that aligns with the station VDUs and other public information available. Surety and consistency of messages is the best way to impart information about delayed or disrupted rail services to passengers when circumstances require, and a unified communication policy will deliver that outcome. The continued development of this unified approach to communications should be one of the key requirements in the next South Eastern concession agreement.

Station Facilities

- 8.3 In general stations and their environments should be recognised as gateways to the towns, villages and environments they serve. Stations should be clean, tidy and efficient, and as far as practicable those close to major employment areas should reflect their business location.
- 8.4 Stations should ideally be designed to encourage easy interchange with other sustainable modes, such as bus, riverboat, walking and cycling, supported by through ticketing initiatives with other service providers. The recent roll out of wi-fi facilities on all train services to enable business activity while commuting is also a welcome development, which reflects the increased prevalence of rail passengers to work while travelling.
- 8.5 There are additional aspirations for all stations to include, wherever possible, the following passenger facilities:
 - Bus Interchange: there must be improved bus/rail interchange at railway stations, to promote the use of public transport and to enable ease of transfer between bus and rail for passengers. KCC wishes to improve integration between rail and bus through high quality infrastructure and passenger information, and the County Council sees this being achieved through close liaison between the relevant District / Borough Councils, KCC and passenger service operators. This is especially important with respect to timetabling, so that wherever possible bus and rail services are scheduled to connect to improve the end to end journey experience.

- Car Parking: there is significant increased demand for additional car parking capacity at a number of stations across the Kent rail network. Some of this demand is current, and some will be driven by the proposed service enhancements set out above. At the very least, some stations will need to be assessed for decking to provide multi-level parking at their existing car parks, while others will need to expand provision of existing ground level parking wherever this is possible. There is also a need to install electric vehicle charging points at station car parks, to reflect the recent increase in the use of electric and hybrid vehicles and to further encourage their use by passengers accessing the rail network by car.
- Cycle parking: improved quantity and security of cycle parking at all stations, building on Southeastern's successful investment in secure cycle hubs at locations such as Gravesend, Ashford, Canterbury West and Tonbridge. There are also plans for new cycle hubs in 2020/21 at Chatham, Folkestone West and Maidstone East. KCC would encourage any future service operator to continue to utilise the DfT's Cycle Rail Fund, as this funding stream has so far proved extremely beneficial in improving cycle storage provisions.
- Heritage: it is appropriate for stations in historic locations to reflect their local heritage. This can take the form of suitable advertising and signing on station sites, to direct links between a station and a local tourist attraction (e.g. Bearsted and its bus link to Leeds Castle).
- Signposting: station signs should be clear and unambiguous, from station name-plates to signing between the station, local bus stops and the town or village centre.
- Ticket machines: ticket vending machines offering the full range of tickets available from each station, with the same range of fares available from these, from the ticket office or online.
- Toilets: station toilet facilities should be clean, physically accessible for all age groups, those with disabilities, carers and those pregnant or travelling with babies or very young children, regularly inspected, well-lit and, critically, open for the duration of passenger services.
- Waiting facilities: every station should have a place to wait that is comfortable, warm and safe. Waiting facilities should be well lit, with good all-round visibility to assure travellers that they are safe.

First & Last Mile Study (F&LMS)

- 8.6 Network Rail and Southeastern have been working with KCC on a 'First & Last Mile' modular study, looking at the opportunities for better integration between rail and other modes. This will support further work being undertaken by TfSE and is concerned with improving sustainable access to stations by bus, walking and cycling, as well as providing better parking capacity at stations where this encourages travel by rail.

Mobility as a Service (MaaS)

- 8.7 In partnership with Southeastern and other transport providers, KCC is working towards a Mobility as a Service (MaaS) pilot for Ebbsfleet which is due to start in 2021. The MaaS platform will enable users to plan and purchase any journey that starts or finishes in Ebbsfleet via a single platform. MaaS will combine a multitude of different modes, including rail, bus, cycle hire, car clubs and walking routes. Through a single journey product, users will achieve better value for money, and they will also be rewarded with other incentives for making sustainable journey choices over private car use. If successful, MaaS will be rolled out across the whole of Kent by 2025.
- 8.8 Network Rail welcomes continued engagement with the F&LMS and MaaS projects, on which the infrastructure provider is working alongside train operators and stakeholders. The F&LMS considers how users and potential users can better access the railway across Network Rail's Southern Region, providing better first and last mile connectivity for customers, supporting an integrated transport network, and encouraging modal shift from road to the cleaner transport provided by rail. This study will also research accessibility and inclusivity of the rail network in the Southern Region and consider how this can be improved. Network Rail welcomes all opportunities to work more closely with KCC to explore the results of this study and to consider changes likely to impact upon modal shift from road to rail and the development of a sustainable transport infrastructure within the county. Along with MaaS, this offers a great opportunity to offer a better service to users across the county.

9. Community Rail Partnerships in Kent

9.1 KCC has been committed to the two Community Rail Partnerships (CRPs) which have been operating in Kent for several years and will continue to support both the Kent and Southeast CRPs. These CRPs continue to promote and support the more lightly used routes in Kent, and also those which cross the county borders into East Sussex and Surrey. Following Southeastern's recently confirmed increase in funding of an additional £400,000 over two years for CRPs, which should be continued in future years by the new South Eastern operator, there are now 9 lines wholly or partly in Kent, managed through 5 separate partnerships:

- i Medway Valley Line (Kent CRP)
- ii SwaleRail (Kent CRP)
- iii NEW: Maidstone East line (Kent CRP)
- iv Sevenoaks to Swanley (Darent Valley CRP)
- v Redhill to Tonbridge (Southeast CRP)
- vi Marshlink (Southeast CRP)
- vii NEW: Tonbridge to Hastings (Southeast CRP)
- viii NEW: All stations in Thanet (Thanet CRP)
- ix NEW: Westenhanger to Sandwich (White Cliffs CRP)

Kent Community Rail Partnership

9.2 There are two lines in Kent which will continue to be supported by the Kent CRP:

- Medway Valley Line (Strood – Maidstone West - Tonbridge)
- Swale Rail (Sittingbourne – Sheerness-on-Sea)

There is also one new line in Kent which is supported by the Kent CRP:

- Maidstone East line (Otford via Maidstone East to Ashford) – see paragraph 9.15

Medway Valley Line

9.3 The operator of the new South Eastern concession would be expected to continue the current high level of support for both routes associated with the Kent CRP, including the provision of an all-day extension of the Medway Valley service to and from Tonbridge. KCC and the Kent CRP strongly supported the proposal by the DfT, in the TSR for the cancelled South Eastern franchise in 2017, which proposed a doubling of the off-peak frequency between Maidstone West and Tonbridge. In this scenario, one train would operate non-stop between the county town and Paddock Wood and then Tonbridge, substantially improving connectivity between Maidstone and Tonbridge. This enhanced level of service should also restore the regular direct link through to Tonbridge, rather than as at present most trains terminating at Paddock Wood.

- 9.4 There is also a need to improve connectivity at Strood for passengers travelling between Maidstone and Medway. There is at present a high incidence of trains just missing each other for passengers needing this link in both directions. The new South Eastern concession agreement timetable must adjust timings to ensure these connections are maintained.

Swale Rail

- 9.5 The Swale Rail service has recently benefitted from the introduction of Class 375/3 rolling-stock, which, as with a recent similar improvement on the Medway Valley line, has improved passenger comfort and accessibility on this route. The existing connections at Sittingbourne should be maintained and improved wherever possible, and the existing through peak services between Sheerness and London Victoria should continue.
- 9.6 This rail strategy also proposes that the through service to London is operated hourly throughout the day by extending the current Gillingham starters to/from Sheerness. This would greatly improve connectivity to and from the Isle of Sheppey and thereby reduce the sense of isolation that is sometimes prevalent for residents of the island. At the request of the Kent CRP, there should also be a later service between Sittingbourne and Sheerness to enable passengers to travel home to the Isle of Sheppey after leisure or work activities.

Southeast Community Rail Partnership

- 9.7 There are two cross-county lines which continue to be supported by KCC through the Southeast Community Rail Partnership Ltd: Marshlink, which operates between Ashford and Hastings via Rye; and Tonbridge to Redhill, which operates via Edenbridge.

Marshlink Line

- 9.8 The Marshlink CRP between Ashford and Hastings, although not included in the scope of the South Eastern concession agreement, is managed by the Southeast CRP Ltd. This CRP route will need to support the smaller stations such as Ham Street and Appledore, which would continue to be served by a local stopping service when and if High Speed trains are introduced between Ashford, Hastings and Eastbourne. There is also scope for increased leisure travel on the Marshlink route, with Rye and Hastings both attractive destinations for passengers from London via High Speed services and well timed connections with Marshlink at Ashford.

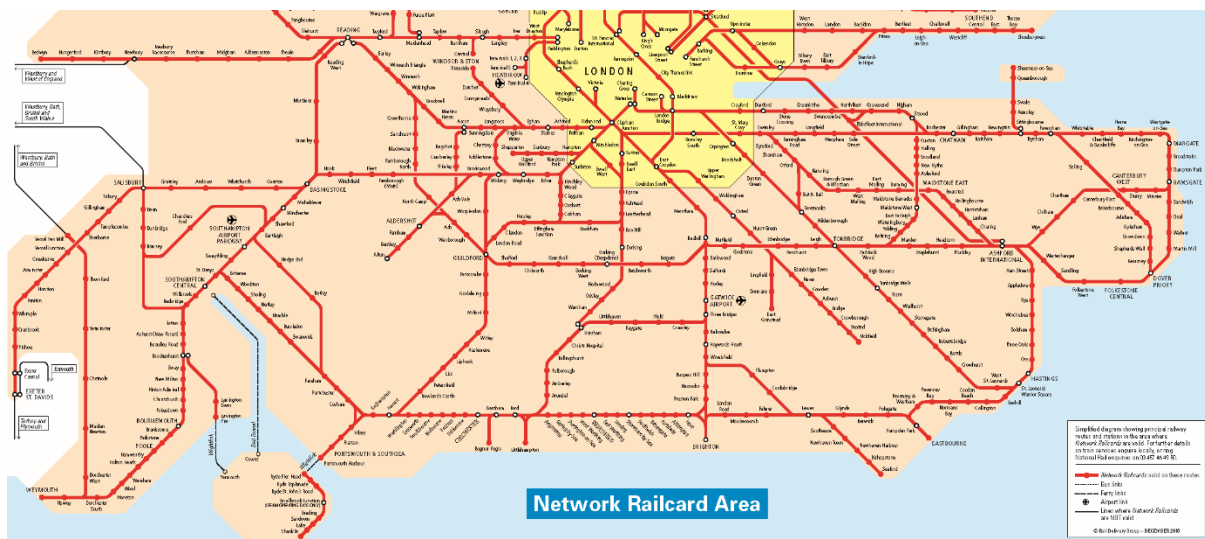
Tonbridge-Redhill Line

- 9.9 The Tonbridge to Redhill CRP, which is also outside the scope of the South Eastern concession agreement, links Kent with Surrey and is also managed by Southeast CRP Ltd. At present there is just a shuttle service on this route between Tonbridge and Redhill, but the route does provide

an innovative opportunity for the development of the south-east regional rail network.

9.10 Both KCC, and the shadow authority Transport for the South East, have identified the need for a new regional rail service that would link together the counties of south-east England outside Greater London with each other and with Gatwick Airport. Such a service could be introduced by extending the existing GWR Reading – Guildford – Dorking - Redhill – Gatwick service via Redhill – Edenbridge – Tonbridge - Ashford to Canterbury West, and this CRP route would play a key role in its operation.

9.11 The introduction of bi-mode rolling stock now being deployed across the railway network would resolve the problem of gaps in the electric power system on sections of this route. The map below includes the potential route of this proposed regional railway service.



Map of Network Railcard Area which includes route of potential regional rail service linking Reading with Canterbury West via Guildford, Dorking, Redhill, Gatwick, Redhill, Edenbridge, Tonbridge and Ashford

New Community Rail Partnerships and Lines

Following the additional funding provided by Southeastern for CRPs, a number of new partnerships and lines have now been established in Kent [see paragraph 9.1]:

Darent Valley CRP

- 9.12 A recent innovation has been the creation of the Darent Valley CRP. This CRP is not part of the Kent CRP but is led by Sevenoaks Town Council and Sevenoaks District Council, in partnership with Southeastern and Govia Thameslink Railway. It serves stations between Swanley and Sevenoaks via Eynsford, Shoreham, Otford and Bat & Ball, and provides a focus for local supporters of the Thameslink and Southeastern services on this short section of route.

Thanet CRP

- 9.13 Another newly formed CRP is the Thanet CRP, managed by the Turner Contemporary in partnership with Thanet District Council. This partnership comprises all existing seven stations in Thanet and should also include Thanet Parkway once this station is opened in 2023.

White Cliffs CRP

- 9.14 The East Kent coast route from Sandwich to Westenhanger inclusive has also become a CRP, managed by Dover District Council in partnership with Folkestone & Hythe District Council.

Maidstone East Line

- 9.15 Kent CRP has also expanded its portfolio to include a new community rail line between Otford and Ashford International via Maidstone East, as well as the continuation and enhancement of activity on the Medway Valley line and 'Swale Rail' branch between Sittingbourne and Sheerness-on-Sea.

Tonbridge to Hastings Line

- 9.16 Southeast CRP has also added another line to its portfolio, between Tonbridge and Hastings. This route links at Tonbridge with the CRP line to Redhill and with the Medway Valley CRP line to Strood, and also at Hastings with the Marshlink CRP line to Ashford.

10. Rail Freight Services in Kent

10.1 The provision of rail freight paths through Kent is a complex issue, as there are no easy solutions to the constant demand for modal shift of freight from road to rail. Essentially there are three principal issues which mitigate any significant further modal shift without either considerable expenditure on re-building railway infrastructure, or a substantial increase in the use of HS1 by rail freight trains:

- there is overwhelming demand for paths on Mainline routes in Kent to be prioritised for passenger services, especially during peak periods but increasingly during off-peak periods as well;
- there is only a limited number of routes in Kent currently cleared to WR8 gauge for freight operation on Mainline routes, with some combination of alternative routes available;
- the higher Continental gauge container wagons, demand for the use of which is increasing, require clearance to WR12 gauge and paths for this gauge of train can only be allocated on HS1.

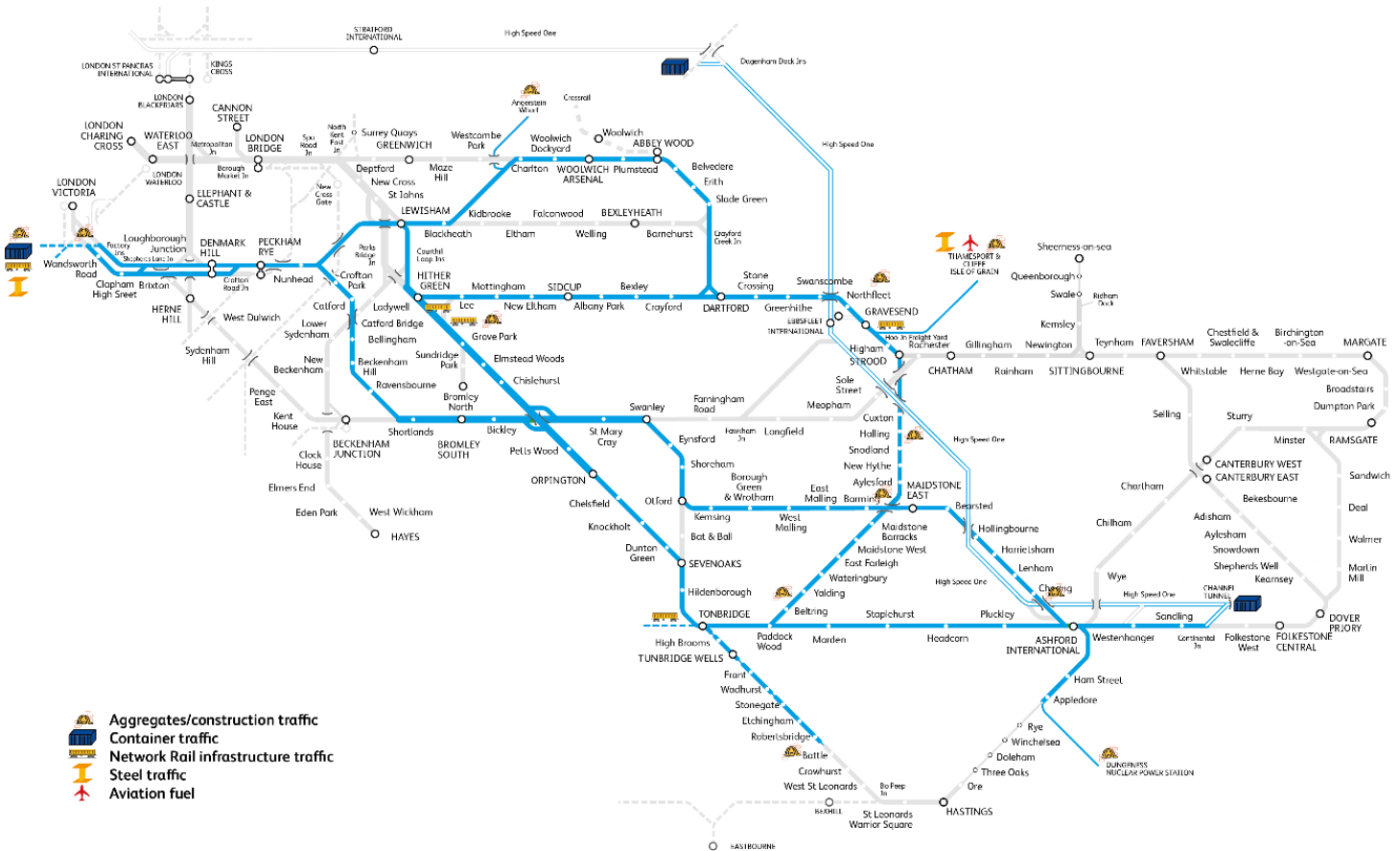
10.2 Rail freight policy is by its nature a very specialised subject, and therefore the narrative and commentary for this section is drawn substantially from Network Rail's own policy for rail freight published in its Kent Area Route Study in 2018. Network Rail supports opportunities to increase rail freight on the network and is undertaking a strategic study to look at current and future demand and the capacity constraints that prevent additional freight operating. This study also supports the aspiration of the decarbonisation agenda to deliver modal shift of freight from road to rail.

Rail Freight Paths

[source: 'South East Route: Kent Area Route Study', Network Rail, System Operator, May 2018]

10.3 The Kent Area Route Study clearly sets out the existing series of freight routes and terminals serving Kent. Rail freight operators using these facilities include DB Cargo, GB Railfreight, Freightliner, Direct Rail Services and Colas Rail. There is a small number of approved rail freight routes in the county, providing a guaranteed number of freight paths each operating day. These are indicated in blue on the route map below.

Map Showing Rail Freight Routes and Terminals in Kent



[source: Network Rail, Kent Area Route Study, May 2018, figure 3.4]

10.4 The majority of rail freight paths in Kent are utilised by construction and international traffic routed via the Channel Tunnel, with marshalling and locomotive power exchanges at Dollands Moor freight terminal which is adjacent to the UK Channel Tunnel portal. This type of freight includes raw materials for concrete such as sand and aggregates, with other heavy duty material associated with construction sites. Network Rail is also a significant rail freight user, with their facilities at Hither Green, Hoo and Tonbridge used for the acceptance, maintenance and distribution of on-track machines, rail treatment trains and engineering equipment. All these are essential to ensure the safe and efficient maintenance of the railway network in Kent.

10.5 One other quite distinct service supplied by freight operators is the provision of steam and diesel locomotives and crews for the regular charter trains which operate between London Victoria and the Kent coast. The most famous is the Belmond (formerly Venice-Simplon) Orient Express, and others include day excursions operated by Steam Dreams to Canterbury and the East Kent coast.

Rail Freight Gauge Clearance

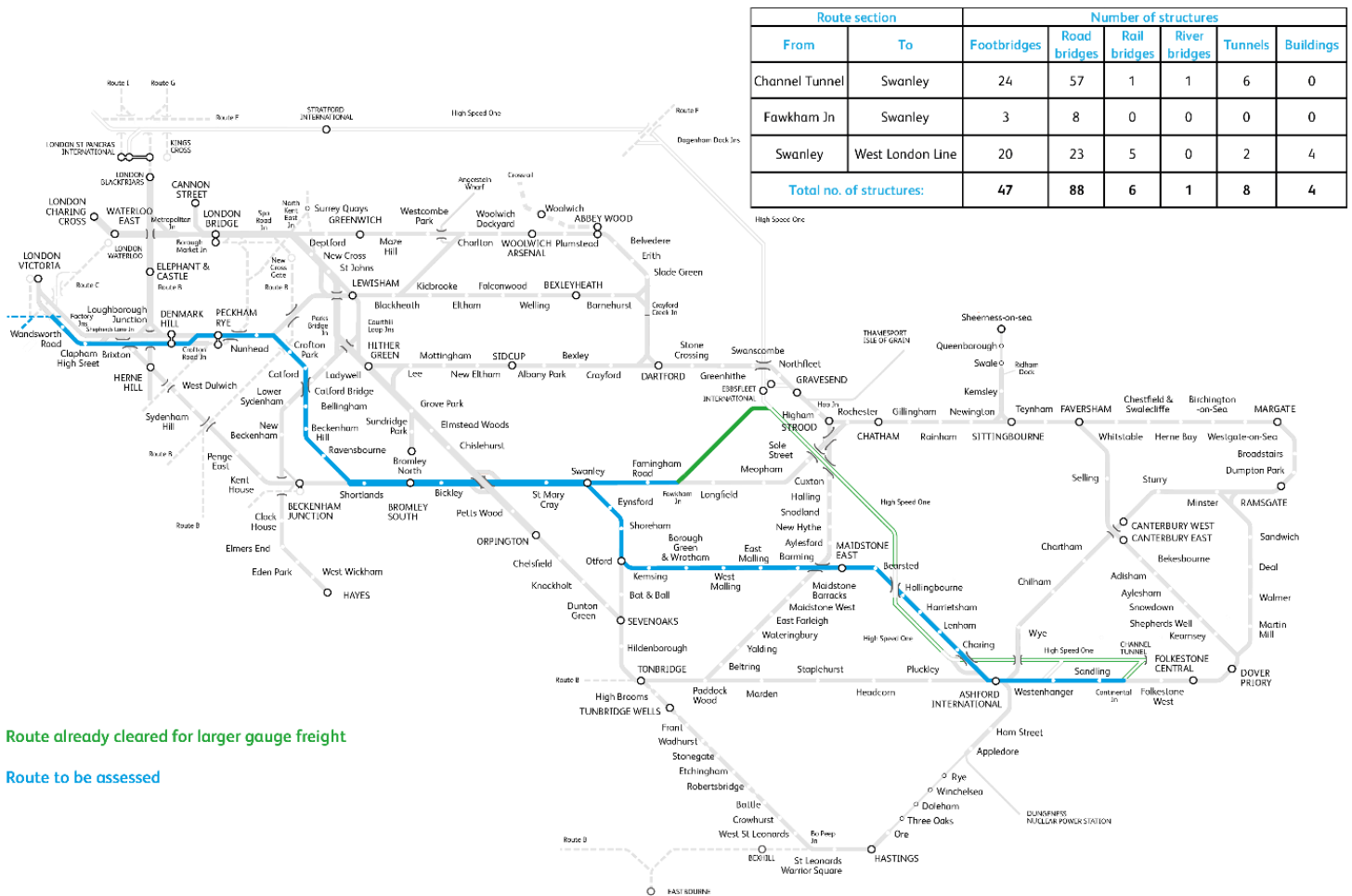
[source: 'South East Route: Kent Area Route Study', Network Rail, System Operator, May 2018]

10.6 The Kent Area Route Study also considers the issue of gauge clearance on different rail freight routes through Kent. The main routes currently identified and cleared for freight operation are:

- Channel Tunnel via Maidstone East to Swanley
- Channel Tunnel via HS1 to Southfleet, HS1 link to Fawkham Junction, Mainline to Swanley
(and then for both via Catford Loop and Atlantic Lines to West London Line)
- Channel Tunnel via Tonbridge to Redhill (and then via Clapham Junction to West London Line)
- Channel Tunnel via HS1 to Barking freight terminal

10.7 With the exception of the last route listed which is entirely on HS1 and so can accommodate up to WR12 gauge clearance, at present all the other routes can only accommodate freight traffic up to WR8 gauge clearance. Network Rail has now completed work to GRIP 2 on freight train clearances to W12 on these routes, while the business case is still being considered. In recent years there has been significant growth in 'high cube' container traffic, but only the HS1 route through Kent can accommodate these larger units. These require specialist pocket wagons which hold the containers between the bogies of the wagon, but the clearance of Mainline routes in Kent to accommodate these would require wholesale rebuilding of tunnels, bridges and other structures and would be prohibitively expensive. The map below indicates these freight gauge assessments.

Map Showing Rail Freight Route Gauge Assessments in Kent



Route already cleared for larger gauge freight

Route to be assessed

[source: Network Rail, Kent Area Route Study, May 2018, figure 6.17]

10.8 The TfSE transport strategy recognises the fact that rail freight's modal share is relatively low, and that freight distribution is disrupted by congestion on many strategic road corridors in the south-east. The key question for this rail strategy is also posed by TfSE: what rail freight schemes are required to increase modal share of freight by rail, and how can these be afforded? As has been demonstrated by Network Rail's own Kent Route Study above, the required gauge clearance works on Mainline routes through Kent should be considered for the longer term and retained as future options to facilitate increased modal share for rail freight in Kent.

10.9 The most feasible short-term policy therefore is to ensure the full utilisation of the existing rail freight paths, including a real and substantive increase in the use of HS1 between the Channel Tunnel and Barking freight terminal by WR12 gauge containers between Continental Europe and the UK. This would deliver at least some of the modal shift required by using existing spare capacity on HS1, which at present carries only a very small proportion of rail freight traffic through Kent.

10.10 Within the area serviced by Medway Council, the freight line from Hoo Junction to the Isle of Grain is the subject of a successful bid to the Housing Infrastructure Fund (HIF) by Medway Council in partnership with Network Rail. This project will deliver an upgrade to the freight line between its junction with the Mainline at Hoo Junction and a new station which will serve a new housing development in the vicinity of Hoo St Werburgh. The planned station will be on the site of the original Sharnal Street station on the old passenger route between Gravesend and Allhallows-on-Sea, which closed to passenger services in 1961 but on which the author of this strategy clearly remembers travelling by steam train in the Summer of 1960. This project is an excellent example of the successful leverage of Government funding driven by planned housing growth to support the local economy through a significant enhancement to the passenger rail network.

11. International Rail Services in Kent

- 11.1 The commencement of international rail services in Kent since 1996 has transformed the economic and leisure opportunities for residents, businesses and visitors in the county. Eurostar International Limited (EIL) initially served only Ashford International in Kent on its routes to Paris Gare du Nord, and to Calais Frethun, Lille Europe and Brussels Midi, but when HS1 was completed in November 2007 and the new Ebbsfleet International station opened shortly afterwards, service levels at Ashford International were drastically reduced.
- 11.2 At the same time, KCC, working in partnership with Ashford Borough Council (ABC), Network Rail, HS1 Ltd, EIL and the Office of Rail and Road (ORR), identified a critical gap in the signalling / train protection infrastructure required at Ashford to serve the new fleet of Siemens built Class 374 (e320) trains which EIL had started to deliver at pace in 2014/15. With the provision of the majority of the funding from the South East Local Enterprise Partnership (SELEP), and with over eight years of strong partnership collaboration in which several complex technical issues were successfully overcome, the required infrastructure was delivered and commissioned in December 2019. Despite all the challenges throughout that period EIL maintained their faith in the partnership that a result would be delivered, evidenced by the continuous provision of international services at Ashford during this time.
- 11.3 EIL had planned to restore its previous level of service from Ashford to Paris (three daily), while retaining the existing daily services to Brussels and to Disneyland Paris, as well as the seasonal services to the French ski resorts and to Marseilles, with effect from the May 2020 timetable. The COVID-19 pandemic stalled those plans, and EIL has subsequently announced the suspension of its services at both Ebbsfleet and Ashford until at least 2022. This latest news was a great disappointment to all who value the superb connectivity and environmentally friendly service that Eurostar provides, and the Leaders of KCC, ABC, SELEP and the Kent Invicta Chamber of Commerce immediately arranged a virtual meeting with the Chief Executive of Eurostar and his senior colleagues. EIL does understand the critical nature of its services to both Kent stations and the wider communities they serve and has given a verbal assurance that EIL will return to serving both Kent stations once commercial conditions permit. In the meantime, all the authorities concerned will continue to engage in constructive dialogue with EIL, to ensure that Kent's international services do indeed return to their normal service levels as soon as possible. Furthermore, the juxtaposed border controls will continue as previously even though the UK has now left the EU's Customs Union and Single Market, whereby passengers are checked through passport and customs controls for both the UK and EU (Schengen Area) at the start of their journeys in both directions.

11.4 Prior to the COVID-19 pandemic, EIL and Thalys (the operator of international services between Paris, Brussels, Cologne and Amsterdam) agreed a merger with the working title “Green Speed”. The objective is to unify the operations of these two international rail providers, delivering simpler through ticketing, improved loyalty schemes and an eco-friendly approach through use of renewable energy and sustainable purchasing.



Eurostar Class e320 at Ashford International, en route from Paris Gare du Nord to London St Pancras International, following completion of the Ashford Spurs project, 12 December 2019 [source: Mark Ellerby]

11.5 KCC, together with partners ABC, will continue to present the case for further enhancements to the level of service provided at Ashford International. Once the restrictive measures required by the present emergency are over and the previous levels of service have been restored at both Ebbsfleet and Ashford, KCC and ABC will again make the case to EIL for the provision of a second daily service between Ashford, Lille and Brussels, complementing the single existing daily service and thereby facilitating more flexible journeys between Kent, the Hauts-de-France

region and the Belgian capital. Such an improvement would further support an increase in the number of jobs which have been created since 1996 in Ashford, entirely due to the location of international rail services in the town, as well as supporting the wider tourism and leisure sector in Kent with benefits for residents, businesses and visitors to the county.

- 11.6 Both authorities also support the aspiration of a future stop at Ashford on the new London – Amsterdam service operated by Eurostar. Once the normal service level resumes there will be four daily journeys which at present run non-stop between London and Brussels, but Eurostar also intends to operate a fifth daily service when commercial conditions make this a viable option. It is this service which could serve Ashford and Lille on its route to Brussels and Amsterdam, and KCC and ABC will continue to present the case for this enhancement to the range of international services available in Kent.
- 11.7 There was also a proposal in 2014 from Deutsche Bahn (DB) for a new through service between London and Frankfurt via Brussels and Cologne, and KCC did at that time propose a stop at Ashford if this service were to have been introduced. However, since then DB has not advanced this idea as there does not appear to be a commercial case for the service, but if the proposal were ever to be resurrected KCC and ABC would again make the case for a stop at Ashford.

12. Conclusion

12.1 The principal purpose of this Kent Rail Strategy 2021 is to influence the infrastructure outputs, rolling-stock fleet and rail service specifications which will inform the next South Eastern concession agreement, for the operation of Kent's rail passenger network for at least the next decade.

12.2 Specifically, to ensure the delivery of this outcome, this strategy sets out these ambitions for that next South Eastern concession:

- To determine the required passenger service levels in each sector of the network: High Speed, Mainline and Metro
- To set out the requirements for rail infrastructure enhancements to facilitate these levels of service
- To establish the requirements for new fleets of rolling-stock in each sector to enable these service levels to be realised
- To improve the provision of passenger station facilities and communications.

12.3 In proposing a clear series of outputs to ensure the fulfilment of these outcomes, this rail strategy has set out its key objectives. The essential next step is to successfully influence the new Train Service Requirement for the next South Eastern concession agreement. This will need political as well as technical support, and the greater the extent to which Kent's political voice is united, the greater will be the success in achieving this goal.

12.4 While the publication of the Williams Rail Review is still awaited, the pre-publication headlines were very clear: to move away from the franchise model for train operators, and to develop greater integration between track and train. This close working partnership has been successfully developed by Southeastern and Network Rail's Kent Route over several years. It should be deepened further, with a clear commitment from both parties to develop a unified railway operation of the Kent rail network.

12.5 Finally, in the introduction to the 'Rail Action Plan for Kent 2011' which was published to inform the then expected new franchise award in 2014, this was the concluding narrative:

"KCC does not pretend to know all the answers, but the County Council does value highly its dual role: to develop a strategic rail network which will help to deliver the economic growth we need during the next 30 years; and to represent the genuine aspirations of Kent's travelling public, standing up for the people of Kent. It is these twin goals that this Rail Action Plan for Kent seeks to deliver".

Ten years later, with a new South Eastern concession agreement award now expected in the early 2020s, and with national rail policy on the cusp of further major change, those same objectives remain. And it is to meet those objectives that KCC presents this 'Kent Rail Strategy 2021'.

Stephen Gasche
Rail Project Manager
Kent County Council

January 2021



SUMMARY OF RECOMMENDED ACTIONS

Rail Policy

Deliver modal shift across passenger and freight sectors to ensure that rail contributes to a reduction in pollutants and a consequent improvement in air quality

New operator to continue work by Visit Kent coordinating and promoting 2-for-1 ticket offers at attractions for those who travel by rail

Seek commitment from DfT to increase funding for further investment in 'Access for All' facilities at stations to accelerate delivery of an accessible rail network in Kent

Unified approach to passenger communications to be one of the key requirements in the next South Eastern concession agreement

Station design to encourage easy interchange with other sustainable modes, such as bus, riverboat, walking and cycling, supported by through ticketing initiatives

Fares Policy

Rail fares should rise by no more than CPI, and not RPI, so that CPI becomes the new measure of annual regulated fares, i.e. CPI + 0%

Higher rate increase of 2.6% proposed for March 2021 should be reversed and replaced with new standard rate increase based on CPI + 0%

More flexible fare options such as part-week season tickets could also be facilitated using Smart ticketing technology

There should be a new option of 'shoulder-peak' fares, offering those who travel just outside the core peak hours are offered a 'shoulder-peak' fare

The level of High Speed premium fare should be reviewed as part of the new financial agreement between the DfT and the operator of the new agreement

Expand the current 'super off-peak' offer, promoting these fares for travel later on weekdays and all day at weekends and public holidays

Develop Smart and Mobile forms of ticketing with a 'best price' promise, extending the existing "Key" smart ticketing initiative to individual journeys

When technology and operator agreement enables it, a new 'Kent Smartcard' scheme should be delivered to incorporate bus and rail travel across the county

London Zonal fares should be extended to Dunton Green and equivalent North Kent stations, with Sevenoaks having a special fare integrated with London Zonal fares

Support proposal from Rail Future for weekday contra-peak fares at off-peak prices, including railcard discounts, to enable longer days away, especially from London

Rail Infrastructure Enhancements

To seek funding for delivery of these options in Network Rail's Kent Area Route Study [references are to paragraphs in the Route Study]

- Marshlink (6.13.2)
- Ebbsfleet Southern link (6.13.26)
- North Kent to South Kent (6.13.29)
- Canterbury Chord – Resilience (6.13.32)
- Thanet Parkway Station (6.15.8)
- Westenhanger Station (6.15.22)
- Maidstone West – platform extensions (6.7.4)
- Maidstone East and Swanley – station improvements (being progressed)
- Power Upgrades: to permit regular 12-car operation
- Signalling Upgrade: Sevenoaks to Orpington
- Canterbury West Station: additional platform
- Dollands Moor: new connection between High Speed & Mainline routes

KCC to participate in new Continuous Modular Strategic Planning method which presents an opportunity to participate in the formation of policy for the rail network

Rolling-Stock Improvements

Support the DfT in the approval of the procurement of a new fleet of Class 800/801 or similar HS rolling-stock

Complete refurbishment programme for cascaded Electrostar fleet for Mainline services

Procure a replacement Metro fleet for the remainder of the Networker trains for the Metro services

Passenger Services

Increase capacity of HS services at Ebbsfleet, Ashford, Maidstone West, North Kent and East Kent stations with additional fleet of HS rolling-stock

Support the initiative to ensure delivery of the additional connectivity and capacity required by planned growth at Ebbsfleet, Gravesham and Dartford

Enhance Sevenoaks Metro service frequency if the signalling upgrade identified in the strategy is funded and delivered

All peak and shoulder-peak workings on Tonbridge and Chatham mainlines should be diagrammed as 11 or 12-cars wherever the power supply capability permits this

Rail Minister to approve the operation of Maidstone East section of the Thameslink service programme, with all-day service between the county town and Blackfriars

Faster service from Ramsgate route via Herne Bay, which would benefit from cross-platform interchange at Faversham with service from Dover via Canterbury East

Dover via Canterbury East to London to become a stopping service, doubling the frequency at minor stations between Faversham and Dover

New operator to provide 4tph on Tonbridge – Ashford corridor in standard off-peak hour, with 2tph fast then to Ramsgate, and 2tph slow serving intermediate stations

Route south of Tunbridge Wells towards Hastings also requires an uplift to the power supply on this section, so that 11-car or 12-car trains can be pathed in succession

Extend HS service to operate between St Pancras and Eastbourne via Hastings and Bexhill provided funding is secured for infrastructure required at Ashford

Thanet Parkway to have requirement in new TSR for all trains which pass the new station to stop there, both Mainline and High Speed services

Westenhanger to have requirement in new TSR for station stop on all HS services which pass to serve Otterpool Park Garden Town

Obtain support from TfSE for new inter-regional service by extending existing GWR Reading – Gatwick service via Redhill to Tonbridge - Ashford - Canterbury West

Community Rail Partnerships

Commit to financial support for, and engagement with, the Kent Community Rail Partnership (CRP) and, for cross-county routes, the Southeast CRP

Improve connectivity at Strood for passengers travelling between Maidstone and Medway.

Maintain existing connections at Sittingbourne with Swale branch, and the existing through peak services between Sheerness and London Victoria to operate all day

Marshlink CRP route to support smaller stations at Ham Street and Appledore, which will need to be served by a local stopping service if HS trains are introduced

Rail Freight Provision

Long-term policy would require gauge clearance works on Mainline routes through Kent as a future option to facilitate increased modal share for rail freight in Kent

Most feasible short-term policy for rail freight is to ensure full utilisation of existing rail freight paths, including increase in use of HS1 by continental gauge containers

International Rail Services

KCC and ABC to continue to engage with Eurostar to ensure restoration of full services at Ebbsfleet and Ashford as soon as commercial conditions permit

KCC and ABC to present case for further enhancements to level of service provided at Ashford, including second daily service between Ashford, Lille and Brussels

KCC and ABC also to support aspiration of a future stop at Ashford on additional daily London – Amsterdam service when introduced by Eurostar

Glossary of Railway Terminology

Agreement	Generic term used in rail strategy for next concession between DfT and new TOC
CMSP	Continuous Modular Strategic Planning, a strategy to meet the capacity and connectivity requirements for rail for the medium to long term
Community Rail Partnership	Line based partnership to support rail services and stations on routes with community involvement
Concession	New form of agreement between DfT and TOC for agreed period in which DfT determines operating requirements and retains revenue risk
Contract	Previous form of management contract between DfT and TOC in which DfT retains revenue risk
ERMA	Emergency Recovery Measures Agreement, a temporary agreement between DfT and TOC in response to greatly reduced demand due to COVID-19 pandemic
Franchise	Previous model of agreement between DfT and TOC, now all to be replaced with new concessions
HS	High Speed domestic rail services operating between London St Pancras and Kent
HS1 Ltd	High Speed 1 Ltd, the operator of the High Speed rail route between London and the Channel Tunnel
Mobile Ticketing	Use of mobile phones to book, pay for and download rail tickets
Smart Ticketing	Use of new technology to book, pay for and download tickets for multi-modal journeys
South Eastern	Name of operating area for new concession for rail service in Kent, East Sussex and SE London
Southeastern	Trading name of existing operator, London & South Eastern Railway Limited
TfL	Transport for London
TfSE	Transport for the South-East, the new shadow sub-national transport body

TOC	Train Operating Company
TSR	Train Service Requirement in the Invitation to Tender for the new South Eastern concession
VDUs	Visual Display Units
Williams Rail Review	Review led by Keith Williams into structure and financing of rail franchises and wider rail industry

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Delivering for Kent: The Economic Impact of HS1 (Steer, Sept 2019)

Local Transport Plan 4: Delivering Growth without Gridlock 2016-2031 (KCC, April 2017)

Map of electrification capacity, Kent Route (Network Rail, Kent Area Route Study, May 2018)

Map of Kent Rail Network (John Luckcock, April 2011)

Map of Network Railcard Area (Network Railcard application form, Jan 2017)

Map of rail freight routes and terminals in Kent (Network Rail, Kent Area Route Study, May 2018)

Map of rail freight route gauge assessments in Kent (Network Rail, Kent Area Route Study, May 2018)

Photograph of Class e320 train (Mark Ellerby, Dec 2019)

Photograph of Class 707 train (Modern Railways, Jan 2020)

Photographs of Class 800 test trains (Hitachi Ltd, 2015)

Rail Action Plan for Kent (KCC, April 2011)

Response to the DfT's South Eastern Rail Franchise public consultation (KCC, May 2017)

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Scope of service specifications

New South Eastern concession agreement services planned to serve Kent on High Speed, Mainline and Metro networks

Includes seven stations located in Medway Council area

Services operated by GTR Thameslink and GTR Southern are included as part of the full passenger network in Kent, and are shown only where these serve Kent stations

High Speed via Ashford

Trains per hour (tph)	Peak Periods (Peak direction)		Off-Peak periods		
	Terminus / Via:	St Pancras	Stratford	St Pancras	Stratford
Departure Station					
Ebbsfleet ~	8	8	7	7	
Ashford \$	5	5	4	4	
Canterbury West \$	3	3	2	2	
<i>Westenhanger X</i>	2	2	1	1	
Folkestone West	2	2	2	2	
Folkestone Central	2	2	2	2	
Dover Priory	2	2	2	2	
Martin Mill	1	1	1	1	
Walmer	1	1	1	1	
Deal	1	1	1	1	
Sandwich	1	1	1	1	
Thanet Parkway ^	3	3	2	2	
Ramsgate	3	3	2	2	
Broadstairs	2	2	1	1	
Margate	2	2	1	1	
<i>Rye #</i>	1	1	1	1	
<i>Hastings #</i>	1	1	1	1	

Trains per hour (tph)	Peak Periods (Peak direction)		Off-Peak periods		
	Terminus / Via:	St Pancras	Stratford	St Pancras	Stratford
Departure Station					
<i>St Leonards WS #</i>		1	1	1	1
<i>Bexhill #</i>		1	1	1	1
<i>Eastbourne #</i>		1	1	1	1

~ includes service via Medway

^ planned to open in 2023

service level to East Sussex stations to commence when infrastructure works at Ashford and Marshlink upgrade completed

X service level to commence when re-built station completed, and dwelling occupation threshold reached at Otterpool Park Garden Town

\$ increased service level here dependent on additional platform installed at Canterbury West

High Speed via Medway

Trains per hour (tph)	Peak Periods (Peak direction)		Off-Peak periods		
	Terminus / Via:	St Pancras	Stratford	St Pancras	Stratford
Departure Station					
Ebbsfleet ~	8	8	7	7	
Gravesend	2	2	2	2	
Strood	2	2	2	2	
Snodland	2	2	1	1	
Maidstone West	2	2	1	1	
Rochester	2	2	2	2	
Chatham	2	2	2	2	
Gillingham	2	2	2	2	
Rainham	2	2	2	2	
Sittingbourne	2	2	2	2	
Faversham	2	2	2	2	
Whitstable	2	2	1	1	
Herne Bay	2	2	1	1	
Birchington	2	2	1	1	
Margate	2	2	1	1	
Broadstairs	2	2	1	1	
Ramsgate	2	2	1	1	

~ includes service via Ashford

East Kent via Ashford

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Trains per hour (tph)	Peak Periods (Peak direction)				
	Terminus / Via:	Charing X	Waterloo E	Cannon St	London B
Departure Station					
Sevenoaks (via Ashford)	3	3	2	5	
Hildenborough (via Ashford)			2	2	
Tonbridge (via Ashford)	3	3	2	5	
Paddock Wood	3	3	2	5	
Marden	3	3	2	5	
Staplehurst	3	3	2	5	
Headcorn	3	3	2	5	
Pluckley	3	3	2	5	
Ashford	3	3	2	5	
Wye	2	2	1	3	
Chilham	2	2	1	3	
Chartham	2	2	1	3	
Canterbury West	2	2	1	3	
Sturry	2	2	1	3	
Minster	2	2	1	3	
Minster (via Sandwich) #	1	1	0	1	
Westenhanger ~	2	2	1	3	

Off-Peak periods				
Charing X	Waterloo E	Cannon St	London B	Victoria
4	4		4	
4	4		4	
4	4		4	
2	2		2	
2	2		2	
2	2		2	
2	2		2	
4	4		4	1
2	2		2	1
2	2		2	1
2	2		2	1
1	1		1	
1	1		1	
2	2		2	

Trains per hour (tph)	Peak Periods (Peak direction)				
	Charing X	Waterloo E	Cannon St	London B	Victoria
Terminus / Via:					
Departure Station					
Sandling	2	2	1	3	
Folkestone West	2	2	1	3	
Folkestone Central	2	2	1	3	
Dover Priory	2	2	1	3	
Martin Mill	2	2	1	3	
Walmer	2	2	1	3	
Deal	2	2	1	3	
Sandwich	2	2	1	3	
Thanet Parkway ^	2	2	1	3	
Ramsgate (via Ashford)	2	2	1	3	
Dumpton Park (via Ashford)					
Broadstairs (via Ashford)					
Margate (via Ashford)					

Off-Peak periods				
Charing X	Waterloo E	Cannon St	London B	Victoria
2	2		2	
2	2		2	
2	2		2	
2	2		2	
1	1		1	
1	1		1	
1	1		1	
1	1		1	
3	3		3	
3	3		3	

^ planned to open in 2022
 ~ to serve new Otterpool Park Garden Town
 # to serve schools traffic

East Kent via Medway

Trains per hour (tph)	Peak Periods (Peak direction)				
	Terminus / Via:	Victoria	Cannon St	Bromley S	Blackfriars
Departure Station					
Swanley (via Chatham)	3		4	1	
Farningham Road	2		3	1	
Longfield	3		4	1	
Meopham	3		4	1	
Sole Street	2		3	1	
Rochester (via Swanley)	3	3	4	1	
Chatham (via Swanley)	3	3	3		
Gillingham (via Swanley)	3	3	3		
Rainham	3	3	3		
Newington	3	2	3		
Swale (direct)					
Kemsley (direct)	1		1		
Queenborough (direct)	1		1		
Sheerness (direct)	1		1		
Sittingbourne	2	3	2		
Teynham	2	1	2		
Faversham	2	3	2		
Whitstable	2	3	2		

Off-Peak periods			
Victoria	Cannon St	Bromley S	Blackfriars
3		3	
2		2	
3		3	
3		3	
2		2	
4		4	
4		4	
4		4	
4		4	
3		3	
1		1	
1		1	
1		1	
3		3	
2		2	
3		3	
1		1	

Trains per hour (tph)	Peak Periods (Peak direction)				
	Terminus / Via:	Victoria	Cannon St	Bromley S	Blackfriars
Departure Station					
Chestfield	2	2	2		
Herne Bay	2	3	2		
Birchington	2	3	2		
Westgate	2	2	2		
Margate (via Chatham)	2	3	2		
Broadstairs (via Chatham)	2	3	2		
Dumpton Park (via Chatham)	2	2	2		
Ramsgate (via Chatham)	2	3	2		
Selling	2		2		
Canterbury East	2		2		
Bekesbourne	2		2		
Adisham	2		2		
Aylesham	2		2		
Snowdown	2		2		
Shepherds Well	2		2		
Kearsney	2		2		
Dover Priory (via Chatham)	2		2		

Off-Peak periods			
Victoria	Cannon St	Bromley S	Blackfriars
1		1	
1		1	
1		1	
1		1	
1		1	
1		1	
1		1	
2		2	
2		2	
2		2	
2		2	
2		2	
2		2	
2		2	
2		2	

Maidstone East Line

Trains per hour (tph)	Peak Periods (Peak direction)			
	Terminus / Via:	Victoria	Blackfriars	Bromley S
Departure Station		<i>TH</i>		
Swanley (via Maid E)	2		2	
Otford (via Maid E)	2		2	
Kemsing	2		2	
Borough Green & Wrotham	2		2	
West Malling	2		2	
East Malling	2		2	
Barming	2		2	
Maidstone East	2		2	
Bearsted	2		2	
Hollingbourne	2		2	
Harrietsham	2		2	
Lenham	2		2	
Charing	2		2	
Ashford (via Maid E)	2		2	
Canterbury West (via Maid E)				

Off-Peak periods		
Victoria	Blackfriars	Bromley S
	<i>TH</i>	
2		2
2		2
1		1
2		2
2		2
1		1
1		1
2		2
2		2
1		1
1		1
1		1
2		2
1		1

TH - The former services to/from Blackfriars are presumed to be subsumed into the new Thameslink service between Ashford/Maidstone and Blackfriars

West Kent and Hastings Lines

Trains per hour (tph)	Peak Periods (Peak direction)			
	Terminus / Via:	Charing X	Cannon St	London B
Departure Station				
Dunton Green (stopper)	2	1	3	
Sevenoaks (stopper)	2	1	3	
Sevenoaks (via Tun Wells)	3	2	5	
Hildenborough (via Tun Wells)	2	2	4	
Tonbridge (via Tun Wells)	3	2	5	
High Brooms	4	2	6	
Tunbridge Wells	4	2	6	
Hastings (via Tun Wells)	2	1	3	

Off-Peak periods		
Charing X	Cannon St	London B
3		3
3		3
4		4
2		2
4		4
4		4
4		4
2		2

Note - lower tph for Hastings - CX trains at Sevenoaks & Tonbridge in peaks because they run fast to/from High Brooms

North Kent Line

Trains per hour (tph)	Peak Periods (Peak direction)				Off-Peak periods				
	Terminus / Via:	Victoria	Charing X	Cannon St	London B	Victoria	Charing X	Cannon St	London B
Departure Station									
Dartford	3	6	4	10	2	6	2	8	
Stone Crossing		2	2	4		2		2	
Greenhithe		3	3	6	2	4		4	
Swanscombe		2	2	4		2		2	
Northfleet		2	2	4		2		2	
Gravesend		3	3	6	2	4		4	
Higham									
Strood (via Gravesend)									
Rochester (via Gravesend)	Stations east of Gravesend are now served by Thameslink service to/from Rainham								
Chatham (via Gravesend)									
Gillingham (via Gravesend)									
Rainham (via Gravesend)									

Community Rail Partnership Lines (Kent CRP)

Medway Valley Line

Trains per hour (tph)	Peak Periods (Peak direction)				Off-Peak periods				
	Terminus / Via:	St Pancras	Stratford	Strood	Tonbridge	St Pancras	Stratford	Strood	Tonbridge
Departure Station							#	#	
Strood	2	2		2	1	1		2	
Cuxton				2			2	2	
Halling				2			2	2	
Snodland	2	2		2	1	1	2	2	
New Hythe				2			2	2	
Aylesford				2			2	2	
Maidstone Barracks				2			2	2	
Maidstone West	2	2		2	1	1	2	2	
East Farleigh				2			1	1	
Wateringbury				2			1	1	
Yalding				2			1	1	
Beltring				2			1	1	
Paddock Wood				2			2	2	

New off-peak service would operate 1tph all stations Strood to Tonbridge, and 1tph all stations Strood to Maidstone West then fast to Paddock Wood & Tonbridge

Sittingbourne – Sheerness Line

Trains per hour (tph)	Peak Periods (Peak direction)		Off-Peak periods	
	Victoria	Sittingbourne	Victoria	Sittingbourne
Terminus / Via:				
Departure Station				
Kemsley	1	2	1	2
Swale		2		2
Queenborough	1	2	1	2
Sheerness-on-Sea	1	2	1	2

*Note: Kent CRP supports Sunday / Public Holiday service at 2tph, as on Mon-Sat off-peak
Additional service requested by Kent CRP at 22:55 Sittingbourne to Sheerness*

GTR Thameslink in Kent

These services are not part of the South Eastern network but are included here to show the complete set of rail services in Kent

Sevenoaks (via Bat & Ball) to Blackfriars / City Thameslink / Farringdon / St Pancras / Welwyn GC*

Trains per hour (tph)	Peak Periods (Peak direction)			Off-Peak periods		
	Terminus / Via:	Bromley S	Blackfriars	Welwyn GC	Bromley S	Blackfriars
Departure Station						
Swanley (via Bat & Ball)	2	2		2	2	
Eynsford	2	2		2	2	
Shoreham	2	2		2	2	
Otford (via Bat & Ball)	2	2		2	2	
Bat & Ball	2	2		2	2	
Sevenoaks (via Bat & Ball)	2	2		2	2	

* This Thameslink service currently terminates at Blackfriars, but it is planned to be extended north to Welwyn Garden City at a future date

Ashford / Maidstone East to Blackfriars / City Thameslink / Farringdon / St Pancras / Cambridge

Trains per hour (tph)	Peak Periods (Peak direction)				Off-Peak periods				
	Terminus / Via:	Ashford	Maid East	Blackfriars	Cambridge	Ashford	Maid East	Blackfriars	Cambridge
Departure Station									
Ashford International [^]	2 [^]	2 [^]	2 [^]	2 [^]					
Bearsted [^]	2 [^]	2 [^]	2 [^]	2 [^]					
Maidstone East	2	2	2	2		2	2	2	
West Malling (for Kings Hill)	2	2	2	2		2	2	2	
Borough Green & Wrotham	2	2	2	2		2	2	2	
Otford	2	2	2	2		2	2	2	
Swanley	2	2	2	2		2	2	2	
Blackfriars	2	2	2	2		2	2	2	
<i>City Thameslink</i>	2	2	2	2		2	2	2	
<i>Farringdon</i>	2	2	2	2		2	2	2	
<i>St Pancras International</i>	2	2	2	2		2	2	2	
<i>Cambridge</i>	2	2	2	2		2	2	2	

The introduction of this new Thameslink service has already been delayed on four occasions. As there is considerable uncertainty about its operation through the central core between Blackfriars and St Pancras due to doubts about operational resilience of the planned 24tph level of service on this section, it is likely that when introduced the service will terminate at Blackfriars (bay platforms) and so will need to be routed via the Catford Loop rather than via London Bridge.

[^] Early and late journeys only will operate to/from Ashford daily for operational reasons

GTR Southern in Kent

These services are not part of the South Eastern network but are included here to show the complete set of rail services in Kent

Ashford - Hastings Line

Marshlink - part of Southeast CRP

Trains per hour (tph)	Peak Periods (Peak direction)				
	Terminus / Via:	Ashford	Rye	Hastings	Eastbourne
Departure Station					
Ham Street	2	2	1	1	
Appledore	2	2	1	1	

Off-Peak periods			
Ashford	Rye	Hastings	Eastbourne
1	1	1	1
1	1	1	1

*Note: see High Speed (via Ashford) for details of proposed HS service to Rye, Hastings, Bexhill and Eastbourne via Ashford
When HS service is introduced, current stopping service will reduce in peaks from 2tph to 1tph*

Oxted - Uckfield Line

Part of Southeast CRP

Trains per hour (tph)	Peak Periods (Peak direction)				
	Terminus / Via:	London B	E Croydon	Oxted	Uckfield
Departure Station					
Edenbridge Town	2	2	2	2	
Hever	2	2	2	2	
Cowden	2	2	2	2	

Off-Peak periods			
London B	E Croydon	Oxted	Uckfield
1	1	1	1
1	1	1	1
1	1	1	1

Tonbridge - Redhill Line

Part of Southeast CRP

Trains per hour (tph)	Peak Periods (Peak direction)	Off-Peak periods
Terminus / Via:	Redhill	Redhill
Departure Station		
Tonbridge	2	1
Leigh	2	1
Penshurst	2	1
Edenbridge	2	1

Note: there is an aspiration for a new through regional rail service linking Gatwick with Kent via this CRP route, as detailed in the main rail strategy document

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From: Richard Long TD, Cabinet Member for Education and Skills
Matt Dunkley CBE, Corporate Director of Children, Young People and Education

To: Cabinet – 25 January 2021

Subject: Learning loss and vulnerable pupil gaps

Classification: Unrestricted

Past Pathway of report: None

Future Pathway of report: None

Electoral Division: All

Summary:

This document outlines the range of work taking place to support schools to recover and to respond to learning loss amongst its pupils. This includes direct support for students for their engagement and learning with a particular focus on vulnerable children and young people.

It covers work that has been ongoing from the first lockdown and includes the initial plans for the recently announced current lockdown.

Recommendation(s):

The Cabinet is asked to note the report.

1. Introduction and Context

- 1.1 From Friday 20 March 2020, in response to the COVID-19 outbreak, the government asked early years settings, schools, and colleges to close to all children except those of critical workers and those classified as vulnerable. Schools provided remote and, where possible, online learning until the 1 June, when the government asked schools to welcome back children in nursery, reception, year 1 and year 6, alongside children of critical workers and vulnerable children from all years. Early years settings were also asked to begin welcoming back all children from 1 June.
- 1.2 From 15 June and with adherence to COVID-19 guidelines, secondary schools, sixth form and further education colleges were asked to begin providing face-to-face support to students in year 10 and 12 to supplement their learning from home, alongside full-time provision for students from priority groups. Primary schools were given the flexibility to bring back pupils in other year groups, where they have space to do so until the end of term.

- 1.3 From the beginning of the Autumn term in the 2020/21 academic year, all pupils, in all year groups, were expected to return to school full-time. Attendance rates started at 95% but by the end of the Autumn term fell to 67%. This was due to rising case numbers amongst staff and students and the consequent impact on teaching bubbles. The new strain of the virus led to numbers in Kent continuing to rise despite tighter Tier restrictions.
- 1.4 On 5 January 2021, schools were again closed to all children except those of critical workers and those classified as vulnerable leading to learning taking place remotely. The legislation relating to the national lockdown, presented to Parliament 7 January, gives the potential for the full restrictions to continue until 31st March and then be replaced by another tier system. It therefore seems likely that we are entering a period where schools will be closed to many pupils for some weeks.
- 1.5 Teachers and leaders in schools believe the learning lost over the first national lockdown was extensive and point out a further loss of learning during periods of self-isolation throughout the autumn term and that the current period of school closures will impact further. Lost learning is contributed to by absence, lack of engagement, lack of resources, the child or young person's circumstances, and the schools' ability to provide. As the Children's Commissioner points out, these risks are at their most severe for vulnerable children, but recent reports from the Institute for Fiscal Studies (IFS) and the Education Policy Institute (EPI) also suggest that they can be serious for those who are simply disadvantaged. They conclude that: 'there is increasing evidence that the most disadvantaged pupils across the UK are disproportionately affected.'
- 1.6 A survey of the summer term, published by the UCL Institute of Education found that the average amount of schoolwork that pupils were doing in the first lockdown was low (two and a half hours), with large differences between pupils' home learning experiences when broken down by deprivation. An estimated 20% of FSM pupils had no access to a computer at home, and an estimated 25% spent no time or less than one hour on schoolwork in a day.
- 1.7 The EPI estimates show that, on average across England in the autumn term, primary school children lost 3.5 days and secondary school children 6.3 days. Pupils in several local authorities have lost more than 10 days on average, however given the generic nature of the data and low return rates it is quite likely to hide more significant variations at school level, and even greater variation at pupil level.
- 1.8 This culminates in schools remaining under considerable stress. They are currently having to rapidly adapt to changing government guidance, master the delivery of remote learning, teach vulnerable and keyworker children, continue to safeguard well-being during a time of dislocation, adjust to meet the needs of external examinations, ensure a good curriculum offer for pupils in school as well as those learning at home,

and manage significant staffing issues while dealing with the cumulative lost learning from the start of the pandemic.

- 1.9 In Kent we have significant cohorts of children and young people who fit into the vulnerable and disadvantage groups and who may, therefore, be hardest hit by the current situation. As of the 12 January 2021, there were 5,916 children in education (from Reception to Year 11) with a Social Worker. Of the Kent cohort of children and young people on roll in education the following numbers and percentages of children and young people fall into categories indicative of vulnerability or disadvantage.

	Number on Roll October 2020	Number Eligible FSM**	% Eligible FSM**	Number EHC Plan	% EHC Plan	Number with SEN Support	% SEN Support	Total SEN	% Total SEN	Number EAL	% EAL
Kent Total - All Schools	241385	39002	19.5%	9213	3.8%	23791	9.9%	33004	13.7%	27866	11.5%

2. Targeted Early Help Support for Vulnerable Pupils

- 2.1 Since the full reopening of schools in September 2020, the Integrated Children's Service teams have offered enhanced school link workers to support the engagement of vulnerable pupils. The team aim to work together to provide support as soon as a problem emerges and take early and concerted action to reduce the need for intensive or specialist children's services involvement. They work collaboratively, always putting the best interests of the child or young person first.
- 2.2 Where Integrated Children's Services support is needed, they work together with schools to ensure the best possible package of coordinated support is implemented and share evidence of what works so it can adopt approaches and deliver interventions that are most effective. These arrangements do not replace the requirement for Schools to refer any immediate safeguarding concerns to the Front Door.

3. Digital support

- 3.1 Early during national lockdown one VSK (Virtual School Kent) as a service managed to ensure by mid-April their young people had access to over 100 iPads; 300 Chromebooks and 170 laptops in addition to those young people that who had already been supplied with a device via the Kent Pledge scheme.
- 3.2 In late April, the Government introduced the IT devices initiative to ensure the most vulnerable young people had access to IT to support with their education during the COVID crisis. The government initiative targeted two cohorts of vulnerable young people:

i. IT Devices for young people with social workers and care leavers.

KCC's allocation from the DFE for this cohort of young people was 3563 devices and 502 4G routers. Following the forecasting from Social Work Teams, VSK and the 18+ Service the number of devices required was circa 1500 devices and circa 520 4G routers. A request for additional 4g routers was submitted and agreed by the DFE. The decision was made to request all 3563 devices to ensure a surplus stock was available and to ensure a wider cohort of vulnerable young people would benefit from access to a device if required.

These devices were distributed by Social Work teams to the young people during July. The remaining devices were allocated to Kent LA PRUs, Kent Health Needs Education Service and the 18+ Service. VSK received an additional allocation to support the high numbers of UASAC arriving in the Country. 40 LA Secondary schools all received an additional allocation.

ii. IT Devices for vulnerable year 10 young people.

KCC also received an allocation of devices for vulnerable year 10 pupils who attend a LA maintained school. Following forecasting with these schools a request for additional devices and 4G routers to meet demand was submitted and agreed by the DFE. In total Kent maintained Secondary and Grammar schools received 281 4g routers and 437 devices. These devices were delivered directly to the schools in July 2020. All schools that are part of an academy chain received their own allocation of devices and were responsible for their own forecasting and ordering.

4. Catch up support for schools

4.1 The use of catch up funding by schools as supported by The Education People

In line with the statutory expectation for primary schools to publish their intended spend of Covid-19 premium, all schools have been provided by The Education People (TEP) with a model catch up plan which identifies the most common learning gaps or barriers. In addition, the plan outlines suggested strategies and support to inform spending. This advice closely aligns with Education Endowment fund research and guidance.

4.2 The key areas of spend in primary schools links directly to learning and includes one to one or small group tuition delivered by school based staff or tutors, targeted intervention programmes linked to specific needs, extending provision for some pupils through breakfast or after school learning clubs and additional learning support resources. Staff training around the recovery curriculum has also been prioritised. This profile of spend is consistent across all areas.

4.3 Additional areas of spend include additional support for parents for e.g. family liaison support, improved access to technology and support for transition.

4.4 **Catch up support for schools through the EEFective Kent Project**

The [EEFective Kent Project](#) is a pot of £600,000, jointly created by the Education Endowment Foundation (EEF) and Kent County Council. The fund is available to schools as match-funding for EEF approved approaches to improve outcomes and school effectiveness. The project's timeframe and aims have, fortuitously, coincided with the need to respond to the impact of COVID particularly the increased learning gaps and the needs of vulnerable children.

4.5 Although paused for part of the first lockdown, the project is now running two strands of work. Both are focused on evidence-based practice, closing learning gaps and the needs of vulnerable children. The two strands of work are:

i. Promising Projects.

There are seven different projects covering a wide range of subjects such as literacy, maths, and assessment for learning which can be delivered remotely. The providers of these are working online with schools to deliver targeted or whole class interventions. All the projects on offer have strong evidence of improving outcomes for children. Currently 74 schools have applied to participate in a promising project.

ii. Evidence-Based Training

This involves EEF Research Schools delivering four different training programmes based on EEF produced reports on best practice.

The programmes are:

- a. Training and Retaining Great Teachers
- b. SEND and Learning Behaviours
- c. Delivering Remote Learning
- d. Characteristics of Deprivation

Each training programme is the equivalent of three days of training, comes with the offer of wrap-around support, is delivered by recognised experts and is delivered online. There are currently 102 places booked by schools for the programmes which start at the end of January 2021.

4.6 In addition, there is an array of external providers offering support such as the recently launched BBC live lessons, the National Oak Academy and some charitable organisations such as the Kent based Invicta Academy. These organisations are providing a range of support including free content and in some cases access to on-line tuition.

5. Troubled Families extended grant

5.1 Kent has received confirmation that the MHCLG is extending the Troubled Families programme for a further year. The programme is fully embedded within our Intensive Early Help service, and this grant funding supports the running of our Early Help Units.

- 5.2 The principles of the Early Help approach in Kent are:
- Building on families' existing resources with a culture of high aspiration and empathy
 - Building family wellbeing and resilience that leads to sustainable change
 - Listening to the voice of children, young people and families and using their voice to shape our support
 - Joining up services to support families at the right time and in the right place with a focus on reducing transitions
- 5.3 Early Help Units have seen an increase in demand since September 2020, and we are supporting children, young people and families with a range of issues. Following Early Help support, children and young people should be more able to access education (where that was an identified issue within the Early Help Assessment). A key Troubled Families outcome is improved school attendance.
- 5.4 The Dover Schools project aims to demonstrate how closer alignment and collaborative working with high referring schools can reduce the demand into Children's services and tackle persistent absence. Three secondary schools have benefited from identified Intensive Early Help Workers working in the school setting with a focus on early identification of emerging need, up skilling school staff around making good quality referrals, focus on attendance issues, improved communication and targeted transition support. The project will identify specific operational and practice developments that can be implemented County wide within the existing Early Help resource. As a result of the learning in the first year of the project, an Enhanced Early Help Schools Link role has been developed across Kent to support children receiving the right service and the right time through improved communication in schools with the greatest need. The development of this role formed part of the response to the anticipated demand surge following children returning to school in September 2020.

6. Headstart Kent Support

- 6.1 HeadStart Kent has also been supporting schools and young people to recover from the impact of the pandemic and the disruption to learning.
- 6.2 Back to School guidance and resources to support young people's, parent's and staff's emotional wellbeing and resilience was developed and coordinated with education, health and voluntary sector partners. The websites [The Resilience Hub](#) and [MoodSpark](#) are updated monthly to ensure that resources are available to everyone across the County. The back to school resources were also supported by google document drives produced by the Specialist Teachers service which can be used with children and young people across Kent.
- 6.3 The Guidance and Resources can be seen here using the Chrome or Edge Browsers here at <https://kentresiliencehub.org.uk/covid-19-resources/support-for-young-people-during-covid-19/>

6.4 The Wellbeing for Education Return training for schools and colleges is taking place delivered by The Education People and Headstart Kent. It provides training and resources to all schools and colleges in England on supporting staff and pupils with the impact of the coronavirus pandemic on their mental health and well-being. Materials are intended to be shared with the school staff and leadership to ensure all staff are empowered to understand and respond appropriately to emerging needs.

6.5 The training includes tools, framework, techniques and case studies that can be adapted for pupils of different ages, staff and parents and carers.

7. Secondary School Improvement, Skills and Employability as supported by The Education People

7.1 Guidance for remote learning has been rewritten since central government made it mandatory to have a remote learning policy from 22nd Oct. TEP's updated guidance focuses on the engagement of 'hard to reach' students with a 'toolkit' for schools to re-evaluate their provision and consider safeguarding and wellbeing, equality of access and communication and engagement. The team have also delivered training on remote learning and how to evaluate its effectiveness.

7.2 Guidance on how to access the National Tutoring Programme has been developed. Schools found DfE website links difficult and time consuming to navigate and it was unclear what was offered. Secondary School Improvement (SSI) analysed what was available and has advised schools on what they can access and how to do so. Since this time, a TES article written by the lead of the National Tutoring Programme has acknowledged the lack of accessibility. <https://www.tes.com/news/ntp-responds-5-main-teacher-complaints>

7.3 SSI will contact schools in Term 3 to collect case studies of good practice to publish to all schools. Visits to schools have focused on COVID recovery plans which are being reconsidered to look at long term impact. Behaviour and attendance systems are being reviewed with support from the team as well as quality assurance systems and renewed focus on teaching and learning. Middle leaders network meetings are focusing on types of assessment and how to identify gaps in learning and address those gaps in curriculum planning.

7.4 SSI team is also poised to develop guidance for schools on exam adjustments as soon as there is any information from exam boards. TEP's advice to schools is to examine what lessons were learned from Summer 2020 and how schools can plan for the worst-case scenario as there is considerable anxiety among parents and students of 2021 exam cohorts. Regular check ins, both remotely and on site continue for all maintained schools and all academies are offered check in and support

8. Further areas of work

8.1 In addition to the above-mentioned support delivered by Kent services, schools also worked hard to reach out to and support vulnerable children during the first lockdown. The safety and well-being of vulnerable children will remain our focus during this next phase of the pandemic. The response to the new lockdown and the 5 January school closures has already begun and includes investigating the delivery of the following areas of further support.

i. Better links between Social Care workers and Schools to support the attendance of vulnerable children

We want vulnerable children and young people to continue to attend school full-time where it is appropriate for them to do so. In line with practice in other local authorities, work is currently taking place to establish a new process for schools to report the regularly the attendance status of each vulnerable child with a social worker. Our staff will be following up non-attendance with the families. This aims to ensure that the most vulnerable children continue to be visible to someone in the children's workforce, and that they and their families are supported in these challenging times.

ii. Continued work to improve access to remote education

Ensuring every child can access remote education remains a priority shared by Government, the County Council, and schools. The DfE is working with mobile network operators to help schools support disadvantaged pupils in years 3 to 11 who rely on a mobile internet connection. Disadvantaged families may be able to benefit from free increases to their mobile data. Schools can request these free mobile data increases for families during the spring and summer 2021 terms.

iii. Further work with Children in Care

The County Council is the Corporate Parent for all Children in Care and Care Leavers in Kent. Good corporate parents, just like all good parents need to understand and know what is happening to their children and young people. As part of our duty to ensure the education needs for these children and young people are appropriately assessed and supported, we will be working with their carers to ensure they are participating in education, be that in school or remotely, and that the remote offer made to them meets the minimum requirements set out by Government.

iv. Supporting and improving the quality of remote education

Along with the ability to access remote education, the quantity and quality of each school's offer continues to be variable. Through sharing clear criteria, creating best practice case studies, delivering training, signposting quality resources and joint working we will work to assist all schools to effectively evaluate and improve the quality of their provision. Colleagues in TEP are also working to further develop resources to support schools to improve their provision. This will build on the resources developed and shared over the last 9 months. Advisers will be discussing the remote learning offer with head teachers to ensure compliance with the national requirements.

v. Responding to the government decisions about exams and assessments

To ensure that best chances for all young people, particularly vulnerable learners, we will explore what support schools need to provide accurate, unbiased teacher assessments.

9. Recommendations

Recommendation(s):

The Cabinet is asked to note the report.

8. Contact details

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