AGENDA

CABINET

Thursday, 30th September, 2021, at 10.00 am	Ask for:	**Emily Kennedy**
Council Chamber, Sessions House, County Hall, Maidstone	Telephone:	**Tel: 03000 419625 emily.kennedy@kent.gov.uk**

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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. Minutes of the Meeting held on 24 June 2021 (Pages 1 - 14)
4. Cabinet Member Updates
5. Revenue and Capital Monitoring (Pages 15 - 66)
6. Spending Review 2021 (Pages 67 - 70)
7. Quarterly Performance Monitoring Report (Pages 71 - 120)
8. Building Back Better - Our Plan for Health and Social Care (Pages 121 - 134)
9. Kent County Council Net Zero Target Progress Report (Pages 135 - 152)

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

Wednesday, 22 September 2021

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 24 June 2021.

PRESENT: Mr R W Gough (Chairman), Mrs C Bell, Mr D L Brazier, Mrs S Chandler, Mr P M Hill, OBE, Mr D Murphy, Mr P J Oakford, Mrs S Prendergast and Miss S J Carey

UNRESTRICTED ITEMS

1. Apologies and Substitutes
(Item 1)

Apologies were received from Mr Sweetland.

2. Minutes of the meeting held on 25 January 2021
(Item 3)

Resolved that the minutes of the meetings held on 25 January 2021 were a correct record and that they be signed by the chairman.

3. Cabinet Member Updates
(Item 4)

1) Mrs Bell said that home testing kits for Covid-19, which were available online and from pharmacies had been popular and therefore, KCC test centres were being scaled down.

There had been 24 test centres across the county and 600,000 tests had been conducted at the test centres during the pandemic. Most centres were to close over the following weeks. Centres were to remain open with increased hours from 1 July 2021 at Sessions House in Maidstone and at Eurogate Business Park in Ashford.

Weekly home testing was encouraged as people were going to be socialising more and to register the test results so there was a record of how many people were undertaking the tests.

The figures up to 13 June for Kent and Medway showed that around 2 million vaccines had been administered. 74% of all eligible adults had their first dose, 58% of 30 to 39 year olds had the first dose and 96% of the 4 most vulnerable groups had their second dose. The vaccinations were rolling out to everyone aged 18 and over via the national booking service.

The government had confirmed that people working in all care homes registered with the CQC would need to be fully vaccinated against Covid-19. Over 90% of staff in KCC homes had both doses and in other adult care homes, 84% of employees had their first dose and 72% had their second dose of the Covid-19 vaccination.

KCC was well placed to support care homes with ensuring the staff were vaccinated, given the strong working relationship with the care sector, Public Health representatives and the vaccination team.

Domestic abuse affected over 2 million people a year in England and Wales. This equated to between 75,000 and 80,000 adults in Kent and Medway and accounted for 15% of all crime across the region. Since 2017, KCC had worked with partners to commission the Kent Integrated Abuse Contract which provided support for those experiencing abuse. A recent study found that abuse increased during international football tournaments. There was a 47% increase in the number of reported alcohol related domestic abuse cases on days when England were playing and an 18% increase on the days after. There was a campaign called "Show domestic abuse the red card" led by KCC and involving all partners encouraging all residents, businesses and community groups to be extra vigilant for signs of domestic abuse during Euro 2020 and to help direct victims towards support services.

2) Mrs Chandler said that Her Majesty's Inspectorate of Probation (HMIP) began its inspection of the Youth Offending Service on the week starting 21 June. A briefing on the outcome of the inspection was to be discussed at the September CYPE Cabinet Committee.

The difficult decision had been made for KCC to stop accepting UASCs from the Port of Dover. Despite KCC's ongoing efforts to work with the Home Office regarding the voluntary National Transfer Scheme (NTS), KCC had again reached an unsafe capacity and ceased to accept any further new UASC arrivals from Monday 14 June, just 10 months after having reluctantly taken similar action in August 2020. To continue would have meant the care of the children and young people already in KCC's care would have been at risk.

At that time, there were 422 UASCs in KCC's care. Social workers and Independent Review Officers had caseloads considerably above the DfE recommended guidelines. KCC was also providing support to 1100 care leavers.

Of 242 UASC arrivals between 1 January and 1 June 2021, only 52 had been transferred to other local authorities under the voluntary National Transfer Scheme. This was despite considerable constructive work that had been undertaken with the Home Office and DfE since August 2020. However, it was felt that the National Transfer Scheme needs to be mandatory in order to be effective. The outcome of the consultation held in 2020 on the National Transfer Scheme and the revised voluntary scheme were announced following KCC's decision. KCC had written to the Home Secretary regarding the first steps towards Judicial Review and had received a response which was being considered.

Virtual School Kent were accepting nominations for this year's awards, for Kent Children and Young People in Care. The deadline for Early Years' nominations and those in Year R to Year 11 was Friday, 30 July and for those in Year 12, Year 13 and our Care Leavers, the deadline was Friday, 27 August. It was hoped that the celebration of the achievements of our children and young people would take place in person and nominations were requested.

The independent review of children's social care had reached its first major milestone and had published its 'Case for Change' which set out what the review had heard so far and where they thought the system needed to change. The review was inviting comment on its initial findings and a response would be produced by KCC as an authority and individual social workers and practitioners had been encouraged to directly respond themselves. More information was available online: independent review of children's social care website.

For Members' awareness, it had been agreed that an all-member briefing on mental health was to be held by Clair Bell, Cabinet Member for Adult Social Care and Public Health and Sue Chandler, Cabinet Member for Integrated Children's Services with officers to help better explain KCC's role in terms of the services offered and commissioned and to help address any concerns that members had.

3) Mrs Prendergast said guidance had been issued by the DfE and circulated to schools in May regarding this year's process for the Kent Test and exams. The guidance advised that authorities carry out selection testing in September as normal to enable parents to have their child's results before the statutory national closing date of 31 October for secondary school applications. This meant that authorities would no longer have DfE support if they elected to delay their assessment as was required last year.

The Covid precautions set out in earlier advice remained in place, pending the announcement of further operational guidance for all schools for the autumn term. As parents were to be provided with their child's Kent Test result before the application deadline, it would also not be necessary to increase the number of preference options that they were provided, meaning a return to the normal standard of four.

Families with children interested in attending a grammar school were to register them for testing by the closing date of 1 July and details were available on the kent.gov webpage.

In 2021, more than ever, there was a strong focus on the interests of children from disadvantaged backgrounds, whose learning was likely to have suffered most during lockdown periods. Officers had worked closely with schools on the Head Teacher Assessment referral process and were to continue to update them regularly on this and any specifics around the Kent Test. Schools had been asked to support those parents applying for the Kent Test and to ensure that they were aware of the free familiarisation materials accessible through the Kent Test pages of the KCC website. Once registration for testing was closed, KCC was to write to those parents who had registered their child to confirm the arrangement for the 2021 Test.

Mrs Prendergast had written to the Secretary of State for Education on 14 June to express KCC's concern regarding educational support for disadvantaged pupils, particularly those eligible for Free School Meals.

The DfE had announced its intentions to make changes to the calculation of the pupil premium for the financial year 2021- 22 which would potentially result in a loss of over £4 million to Kent schools during the year - a considerable amount bearing in mind the number of families meeting the threshold had been increasing as a result of Covid-19. Furthermore, the government's announcement of a planned investment of just £1.4 billion over three years, or £50 per pupil per annum for post Covid educational catch up was an additional area of concern, particularly since the National Audit Office had found that less than half of pupils who were benefiting from the existing tuition support fund were eligible for free school meals.

Various studies showed that schools with high levels of disadvantaged children had experienced higher levels of learning loss than other schools, particularly in secondary schools and the funding that had been announced would not address the learning gap. As a council, Kent was investing over £10m funding in the post Covid Reconnect Programme for children and young people but were not able to compensate for the lack of national investment.

Ministers had given some indication that additional funding may be forthcoming and a significant uplift in current funding would be welcomed by schools and the Council in supporting them in addressing the post-Covid learning gap for the most deprived children and young people. A copy of Mrs Prendergast's letter had been shared with schools and with Kent MPs.

Officers at KCC and those working in schools were thanked for all their hard work as the unprecedented challenges continued as a result of the pandemic.

4) Mr Brazier said that he had high level discussions with officers about the renewal of the Highways Maintenance Contract which had been extended. The next phase was to be market engagement. He was involved with Vision Zero, KCC's ground-breaking highway safety strategy with its high level of community involvement which would be presented at the Environment and Transport Cabinet Committee on 29 June.

Work was being undertaken with bus operators on "Bus Back Better" – the government's national bus strategy. Work was being undertaken with Kent Communications to develop some public engagement to gain feedback about what is important to bus users and a stakeholder group was being formed, including representatives from Kent districts and boroughs. A Member seminar had been requested by Mr Brazier.

A briefing had been given to Mr Brazier on the design and operation of the new Dover fast-track services from the New Heights housing area at Whitfield.

Mr Brazier had visited Stagecoach at Herne Bay and discussed the company's ethos and plans for the future. He also attended a trial of hydrogen-powered buses in Sevenoaks and witnessed the operators drinking the water that was the vehicles' only waste product.

A review was being undertaken of LTP4, "Growth without Gridlock" 2016-31, with a view to early work on LTP5. This was to take into consideration the many changes there had been since the plan's inception. The move towards a new plan was to strengthen KCC's position in the light of the changes brought about by the Brexit transition, the Lower Thames Crossing, innovation in transport technology, the Rail Strategy, the Bus Service Improvement Plan, the Environment Strategy and the Energy and Low Emissions Strategy as well as the Renewal and Resilience Plan. It was to be an enormously complex exercise and it was expected that there would be a second round of funding for Active Travel for which Mr Brazier had received bids in anticipation.

Mr Brazier had received a briefing regarding the start of construction for the Lower Thames Crossing. KCC had achieved much in the way of mitigations on the local environment, communities and the local network. Highways England anticipated difficulties with its Development Consent Order and had withdrawn it while further work was undertaken. It was expected that they would re-submit their plans to the Planning Inspectorate in 2021 and if they were successful, construction would begin in 2023, for completion in 2029.

An informal group was being formed to work on removing HGVs from rural lanes, villages and residential areas and for drivers to use the facilities that exist for 'paid for' overnight parking. There had been some unfavourable feedback from the logistics industry and it was intended to look carefully at government policy and how the UK could emulate Europe in providing more and better facilities for haulage and compel drivers to use facilities.

Contact had been made regarding gridlock in Dartford resulting from congestion at the Dartford Crossing and it was hoped that a working group could be created with the town's MP to see what could be done. It was hoped that Lower Thames Crossing funding would allow some helpful interventions.

It was reported that the government had no plans to provide east facing slips on the M25 at Sevenoaks.

5) Miss Carey thanked Mr Hills for acting as Cabinet Member for Environment for the previous 5 weeks. External recognition had been given with LoCASE receiving a national award. LoCASE was the 'low carbon across the south east' team which supported businesses in Kent and more widely across the south east invest to become more sustainable through reduced energy costs and lower carbon emissions, as well as expand in the environmental sector. The Low Carbon Kent team was unanimously voted the winners of the "Delivering Clean Growth" category at the awards of the Association of Directors of Environment Economy Planning and Transport. The judges said that KCC stood out from the rest by the scale and extent of its achievements in linking targeted activities across the south east region to stimulate demand, support supply and nurture innovation for sustainable and clean growth.

£21million in Public Sector Decarbonisation Scheme funding had been awarded to KCC in March towards Net Zero work. At the Environment and Transport Cabinet Committee on 29 June, Members were to receive an update on how the funding was to be used and the project management around it. KCC had committed to challenging timescales but it was a major step forward in the route to Net Zero for KCC's services and estates.

The Waste Team had been working on the creation of a circular waste economy so that waste produced in Kent would be processed or recycled within the county. Thanks to a contract with Thanet Waste Services, all the street sweepings from across Kent were treated in Kent. Kent's residents wanted their waste to be properly recycled and could be assured that even the dust from the streets was staying in Kent to be recycled and reused.

6) Mr Murphy said thanks to officers who had introduced him to numerous organisations and for their guidance. Mr Murphy had written to the relevant Secretaries of State to call for a meeting to discuss the growth of housing in Kent and the potential effects on the environment and had made reference to the Stodmarsh watercourse catchment area and the 'Neutral Nutrients' issue.

Broadband was essential to the future growth of Kent and a report had been sent to the government in response to their call for evidence regarding their broadband roll out programme across the UK. This was under review and updates were delayed and expected in mid to late July 2021. This was due to BT Openreach planning to expand their commercial building programme which in turn had led to an extension from the government. Due to the rural nature of Kent, there had been ongoing issues with the roll out to some areas in providing adequate broadband to homes and business premises. The pandemic had highlighted the importance of reliable, fast broadband as vital links for promoting Kent's economy. The Broadband team would be pushing for every possible assistance including a new higher value voucher scheme to ensure that Kent was not overlooked when the government's new roll out plan was announced. The Broadband Team was responding to specific enquiries from MPs and residents regarding the provision of services in the county.
EDF had informed of their intention to decommission Dungeness B Power Station within the next 10 years and work was being undertaken to set up working groups of interested parties, including KCC to work with EDF assisting in the transition of the station.

Mr Murphy had visited Discovery Park in Sandwich and met with the owners and their business team. The KCC Economic Development team was to work with the owners and other partners to assist in promoting the facilities with the objective of attracting companies, particularly in the life sciences sector. The owners have a progressive plan to engage with the educational community at all levels to promote interest in qualifications in the sciences and therefore, generating the necessary skills and knowledge base in the local population required by the companies they were hoping to attract.

Work was being undertaken by KCC and Dover District Council to implement changes required for the siting of the Inland Border Facility at Whitfield in Dover to accommodate HMRC, Border Control and Dover Port Health Authority. In preparation for 1 January 2022, the facility will require alterations to the road network in and around Whitfield Industrial Park and access to the Park from the Port of Dover. This work was to be of importance to maintain the free flow of vehicles from the Port, through the facilities and onward to their final destinations but also to ensure that nearby businesses and local communities were not inconvenienced.

7) Mr Hill said that community services had made a vital contribution to KCC's response during the pandemic and thanked all officers for their efforts. Most services had returned to normal. The Country Parks and Public Rights of Way had seen a huge increase in usage and were dealing with the wear and tear which had been exacerbated by a wet winter. Trading Standards and Coroners were returning to near normal levels of activity, although both services had a large backlog of complex and extensive court cases. Wardens had continued to be very busy and there had been an increase in requests for wardens for community engagement along the seafronts, in parks and in youth 'hotspots' due to the number of complaints received about anti-social behaviour, litter and consumption of alcohol in public spaces.

Libraries and Registrations had continued to be significantly impacted by Covid-19 restrictions. 42 libraries were open for socially distanced book borrowing, book browsing and IT access. The mobile library service was visiting communities offering the 'select and collect' book offer from a new fleet of vehicles. It had been hoped that all libraries could be opened by the end of July 2021. Following the extension of restrictions to 19 July, it was expected that the remainder of libraries would be open by the middle of August 2021. It was planned that the libraries would still open even if restrictions were extended beyond 19 July 2021.

There had been an unprecedented demand for wedding ceremonies for the summer of 2021 and there was a commitment to conduct over 60% more ceremonies than in a normal year. Despite best efforts, the service had to cease taking further bookings for July, August and September 2021 but would continue to facilitate ceremonies for emergency situations.

It had been confirmed that up to 32,000 fans were able to attend each Championship day of 149th Open Golf at Royal St George's at Sandwich and a total attendance of 130,000 spectators was expected, in comparison with around 200,000 spectators in normal times.

8) In a pre-recorded video, Mr Sweetland said that a new online engagement platform had gone live on the KCC website which created a flexible environment for engagement and consultation with residents. Residents' views and opinions would be sought in a variety of ways such as conversations and using interactive maps. It was hoped that this would improve engagement from the public.

Teams within Mr Sweetland's portfolio were working toward 'recovery' from the pandemic and it had been encouraging to see the numbers of those who were getting Covid-19 testing every week. KCC had carried out over half a million symptom-free Covid-19 tests through testing sites. Home testing kits were the most popular method of testing but everyone was reminded to get tested twice a week even after full vaccination.

Support had been given to Public Health England with enhanced testing in the areas it had been needed, namely in Canterbury and Maidstone. Alongside testing, the work of Kent Local 'Contact and Trace' partnership had continued to ensure that people were given the right advice and support if they needed to isolate.

KCC was helping young people to get a good start in their working lives and was making an investment in the Kickstart Programme. 50 places had been planned across the organisation and it was linked to the Reconnect Programme. A further 70 places were being supported through schools. The KCC Graduate Scheme had been revised and had been recognised by the Job Crowd, a UK graduate and apprentice employer ranking system based on employer feedback. For the second year running, KCC had been ranked as 'Number 1' and KCC were the only local authority to make the list.

The Kent Summer Fair was to take place on 10 and 11 July at the Detling Showground. KCC was to be present at the fair and the theme would be 'Walk to Wellbeing'.

9) The Leader said that KCC's focus was on the economic, social and environmental recovery of the county and the work outlined in the Cabinet Members' updates supported recovery. A meeting of County Council was to take place on 20 July 2021 and one of the important items was to relate to KCC's relationship with the NHS, joint working and the supporting structures around joint working.

At the end of March, KCC had 270 UASCs in its care and the situation had quickly changed since that time and this underlined how serious the situation relating to UASCs was.

4. Quarterly Performance Report, Quarter 4, 2020/21
(Item 5)

Rachel Kennard, Chief Analyst was in attendance for this item.

1) Rachel Kennard outlined the report for Quarter 4 with results of 35 key performance indicators (KPIs) from January up to the end of March 2021. KPIs were rated red, amber or green based on the most recent performance against targets. Overall, the position was positive despite the ongoing challenges presented in the first 3 months of 2021. In this Quarter, 2 more KPIs were rated green than in Quarter 3. 22 of the KPIs were 'RAG' rated as green, 10 rated as amber and 3 performing below target rated as red.

2) The 3 areas that had been 'RAG' rated as red were:

- The KPI under Economic Development and Communities, 'Developer Contributions secured as a percentage of the amount sought' had been affected by one large project.

- There had been an improvement for the KPI under Children, Young People and Education, 'ECHPs issued within 20 weeks' as an outside contractor was working on the backlog.

- Under Public Health, the number of eligible people receiving an NHS Health Check had been affected by the pandemic as the programme was halted due to national guidance and whilst it had been resumed in Quarter 2, a new target was proposed for 2021-22 which would take into account the reduced delivery from GPs.

3) The KPI relating to complaints handled within agreed timescales had improved and was 'RAG-rated' amber for Quarter 4.

4) Further positive points from the report were noted:

- The Kent.gov website had continued to be very popular in terms of visitor numbers and more transactions were taking place online.
- Greenhouse gas emissions for the KCC estate had continued on a downward trend and were ahead of target.
- The proportion of KCC clients in residential nursing care where the CQC rating was 'good' or 'outstanding' had increased and this was ahead of target.

- In Public Health, the number of mandated universal checks delivered by the health visiting service had continued to increase.

5) It was proposed to make changes to the KPIs for the next financial year, 2021-22:

- In Environment and Transportation, the greenhouse gas emissions target was to be replaced with a target designed to measure progress towards Net Zero by 2030, covering KCC and traded companies as well as the KCC estate.
- In Education and Early Help, the target relating to ECHP timescales was to be increased to 60%.
- In Integrated Children's Services, the KPIs were to be streamlined so targets relating to the percentage of 'front door' contacts where the final decision was made within 3 working days and percentage of children in care with 3 or more placements in the last 12 months were to be removed.
- In Public Health, new targets were proposed for NHS Health Checks which were to take into account reduced delivery from GP surgeries.

6) Miss Carey said the target relating to emissions was being re-based taking into account more factors and to be consistent with the way targets were measured nationally. The long term target of Net Zero was clear and it was important for Kent that it was met.

7) Ms Kennard advised that the previous emissions target would be linked to the new target meaning that progress could be tracked and would show the journey that KCC had taken.

8) Resolved that the Quarterly Performance Report – Quarter 4 be noted.

5. Revenue and Capital Outturn 2020/21
(Item 6)

Zena Cooke, Corporate Director (Finance) was in attendance for this item.

1) Mr Oakford said that the report outlined the provisional outturn for 2020-21, combined for 'business as usual' (£775,000), and Covid-19 (£26.773million) and after taking into account the 'roll forward' requests was an underspend of £27.5million. The large underspend was predominantly due to the government Covid-19 related grants which had been received late in the financial year and were one-off payments. It was requested that these underspend amounts be set aside as normal earmarked reserves to support future Covid-related costs, loss of income and any unrealised savings.

All directorates had reported 'business as usual' underspends. The main underspend was in Adult Social Care which was a result of people choosing not to place loved ones in long term funded care and giving continued support at home and the temporary legislative changes in relation to how hospital discharge was funded.

Children, Young People and Education had seen an underspend in Integrated Children's Services in the care leavers' and adoption services. This was offset by delays in delivery of the Changes for Kent's children programme.

The reported Covid-19 position took into consideration all additional spending, unrealised savings, loss of income and underspends and amounted to £42.4million. Of this, £28.8 million of the roll forward requests related to Covid-19 time critical spend with the main areas being: £16million for Helping Hands, £7.5million for the Re-Connect programme and £5million for market sustainability.

The Schools' delegated budgets had reported an overspend of £8.9million which reflected the combination of high demand and the high cost per child of high needs placement.

The provisional capital outturn position was an underspend of £184.8million which was made up of £9.4million of real variances and £175.4million of re-phasing. The high figure of re-phasing was not to be repeated in future years as the 10 year capital programme was intended to enable capital plans to be phased more realistically over the lifetime of the projects.

2) Ms Cooke said it had been a very challenging year from a financial perspective, both in terms of monitoring and reporting for the budget due to grants coming in at short or with no notice and the finance team had tried to separate 'business as usual' activity from Covid-19 activity. Ms Cooke thanked her team and the budget holders across KCC for their efforts over the last financial year.

There were opportunities moving forward in managing the risks and to make KCC as financially resilient as possible, while still delivering a budget for 'business as usual' activities and strategic priorities.

3) RESOLVED to agree the recommendations set out in the report.

6. Medium Term Financial Outlook
(Item 7)

Zena Cooke, Corporate Director, Finance and Dave Shipton, Head of Finance (Policy, Planning & Strategy) were in attendance for this item.

1) Mr Oakford introduced the report. KCC had only been given a one year settlement and work had been done on the assumption that KCC would not receive further one-off government grants. The one-off grants received were for Covid-19 related activity and the impact of Covid-19 had continued to be felt. The Covid-19 underspend was to be brought forward to protect and cover ongoing costs relating to Covid-19. There was uncertainty as to what the impact of the Delta variant would be.

The grants allowed KCC to delay the consideration of some areas of saving and those would need to be reconsidered as part of the budget setting process. There were also concerns around the increase in inflation which had a significant impact on the budget.

2) Mr Shipton said that due to uncertainty around the pace of recovery, different plans were required for each scenario. One assumed the eradication of the impact of Covid-19 and a rapid economic recovery. Work undertaken had shown the council tax base had declined at the fastest rate compared to any other county council. The speed with which the council tax base was recovered was crucial for KCC's budget.

Continued restrictions relating to Covid-19 would negatively affect KCC's spending, reductions in the council tax base and slower recovery.

The impact of inflation in the past had been less due to much of the council's activities being funded through government grants which went up in line with inflation; this had now changed. The two priorities for updates moving forward would be looking at the speed of recovery and the impact of inflation.

3) The Leader said that it would be important to look at the changes in demand for Children's and Adult Social Care as this had been impacted by the pandemic. There had been an increase in the complexity of cases but there also could be a 'spring back' in terms of demand.

4) Ms Cooke said commitments had been made to using evidence-based information and analysis as part of the budget setting, so not just looking at the financial element of the budget. Outcome based budgeting was looking at where money was spent, whether it was effective and whether it delivered the desired outcomes and the impact it was having.

Some outcome measures were available nationally- for example, outcome metrics were available for social care and public health.

In terms of the outlook, there was still only a one year settlement but a 3 year settlement was anticipated. Officers were pushing for early notification but it was proposed that this also be pursued by Members.

4) RESOLVED that the report be noted.

7. Key Decision 21/00042 - Reconnect: Kent Children and Young People Programme
(Item 8)

Matt Dunkley, Corporate Director, CYPE and David Adams, Reconnect Programme Director were in attendance for this item.

1) Mrs Chandler introduced the report and thanked the team working on Reconnect. At the meeting of Cabinet held in March, there had been concern about the impact that the pandemic had on the lives of children and young people. Evidence had increased of the impact but the way in which children and young people had been affected varied widely. All children and young people in Kent had been affected in some way and that was why the Reconnect Programme was universal. Young people wanted the Programme to be about moving forward and positivity.

The key aims were reconnecting children and young people to:

- health and happiness
- Friends, family and community
- Sport, activity and the outdoors
- Economic wellbeing
- Learning missed

The Reconnect Programme was a cohesive and coordinated offer which offered flexibility and local delivery.

Kent-wide projects were to be offered through leisure centres which were to contribute to the aims around sport and activity. Work had been done with travel operator businesses to offer passes for free travel in the school summer holidays.

Local business, individuals, organisations and providers were able to contribute to the programme. Detailed information was on the website regarding how they could get involved.

2) Mrs Prendergast said teachers and school staff had worked hard to support and educate children under difficult circumstances. Schools and Early Years settings were working hard to address learning loss and it was hoped Reconnect would offer the additional support needed.

3) Mr Dunkley said that he welcomed the decision. He said that he felt the Reconnect Programme was ambitious and unique. It was a universal programme which tuned into the ambition and optimism of children and young people but was also targeted for children who had been particularly disadvantaged by the pandemic.

4) Mr Adams said that pace and agility would be key in delivering the Reconnect Programme and to respond to emerging and changing needs. It was to be a partnership effort and therefore, the support and commitment of colleagues across KCC, across partner agencies and in the community was needed to make the programme work. Thanks were given to all that had contributed thus far. Infrastructure had been put in place to deal with questions, queries and offers of support.

There was an agreement in principle with leisure centres across the county and the finalised arrangements were to be publicised. Arrangements were being put in place regarding the bus offer for children and potentially families during the summer. Work was being done to resource other services providing support such as counselling and mentoring services.

KCC had received more than 50 offers from organisations regarding promotion of the programme and over 500 people and organisations had subscribed to be kept informed about Reconnect.

Local Children's Partnership Groups were key to the programme and £600,000 had been identified to support those groups on an interim basis, pending Cabinet's decision around funding for the Programme. There were to be grant opportunities for organisations working with children and young people.

5) In response to questions, it was noted:

- Through the Holiday Activity and Food Programme, there were some providers who were to deliver outdoor activities over the summer. The Education People were to deliver outdoor activities from Bewl Water. It was recognised that there were challenges for children to access some sites and options were being considered.

- KCC was committed to securing best value and that additional resources be levered in where possible, for example, Arts Council funding. There was a dynamic funding model being used.

6) RESOLVED to agree the recommendations as set out in the report.

8. Revising the draft Civil Society Strategy and Support to the Voluntary Sector 21-22 and beyond

(Item 9)

Lydia Jackson, Policy and Relationships Adviser and David Whittle, Director of Strategy, Policy, Relationships & Corporate Assurance, were in attendance for this item.

1) The Leader said that there had been a session prior to the pandemic with engagement on the principles of the draft Civil Society Strategy and that it was important the strategy be taken forward, drawing on the lessons from the pandemic.

2) Mr Hill said that a great deal of work had been done in the previous year to support and engage with voluntary sector. KCC had directly supported the sector during the pandemic and progress had been made in engaging with voluntary sector. A long-term plan had been developed to support the sector and this would be embedded in the Civil Society Strategy. The innovative Crowd Funding Initiative had been popular and effective.

3) Mr Whittle said that this work had built on the commitment to strengthen links with the voluntary sector as a whole. The majority of voluntary sector services do not provide services for KCC. The Covid-19 pandemic allowed KCC to accelerate relationships in a way that had not been anticipated and in many respects, activity was ahead of where the strategy was.

4) Ms Jackson said that the report set out the offer of support to the voluntary sector for the following 12 months and the roadmap to revising the Civil Society Strategy, which has been developed in 2019. The Civil Society Strategy was a significant political priority and the infrastructure budget to support the voluntary sector or 'civil society' was not a statutory requirement but was a significant contribution to the sector. This reflected the role that the sector had played in the pandemic and the role it played in the community. Close work had been undertaken via the VCS recovery cell that had been set up as part of the Kent Resilience Forum and this had improved partnership working. A Strategic Partnership Board had been established with the NHS, district and borough councils and representatives from the voluntary sector. There was also a VCS steering group made up of representatives from across the sector. Engagement forums were to set to continue to evolve.

The Strategic Recovery Fund was to provide access to support for the sector with organisational plans and strategies, digital support, diversification of income and to support volunteering. There were plans to work with volunteer centres who had provided insight into Kent's communities and volunteers over the previous year.

Crowdfund Kent was launched in March 2021 and it was part of the Covid-19 recovery. 28 projects had received pledged funding to a value of £130,000 but the total value of those projects was £550,000. The crowdfunding approach had allowed KCC to support projects backed by their local communities. If it was successful, it was planned that crowdfunding be embedded beyond the 2 year pilot.

The Civil Strategy once agreed was to set out KCC's long term commitments against the strategy framework and the budget was to be aligned over the 3 year cycle.

5) RESOLVED to agree the recommendations set out in the report.

14

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

To: Cabinet, 30 September 2021

Subject: Revenue and Capital Budget Monitoring Report – July 2021-22

Classification: Unrestricted

Summary:

The attached report sets out the revenue and capital budget monitoring position as at July 2021-22 excluding and including the impact of Covid-19.

Recommendation(s):

Cabinet is asked to:

a) NOTE the forecast Revenue and Capital position.

b) NOTE the way we are monitoring the financial impact of Covid-19

c) NOTE and AGREE the Revenue budget adjustment.

d) NOTE and AGREE the Capital budget adjustments.

e) NOTE the Prudential Indicators report.

1. Introduction

1.1 The July 2021-22 budget monitoring report being presented is the first monitoring position for 2021-22 and sets out the revenue and capital forecast position including the financial information in relation to the impact of Covid 19 on our resources.

2 Revenue and Capital Budget Monitoring Report – July 2021-22

2.1 The attached report sets out the overall forecast position as at 31 July 2021-22, which excluding Covid-19 for revenue is an overspend of +£9.7m and an underspend on capital of -£42.7m.

2.2 The reported COVID-19 position shows forecast spend of £32.1m. There are corporately held COVID budgets of £16.1m and the remainder of the spend is to be met from the emergency COVID reserve, resulting in us currently showing the COVID position as breakeven. Without the additional government funding our forecast outturn would be £32.1m higher.

3. Recommendation(s)

Cabinet is asked to:

a) NOTE the forecast Revenue and Capital position.

b) NOTE the way we are monitoring the financial impact of Covid-19

c) NOTE and AGREE the Revenue budget adjustment.

d) NOTE and AGREE the Capital budget adjustments.

e) NOTE the Prudential Indicators report.

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Finance Monitoring Report

As at July 21-22

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

To Cabinet – 30 September 2021

Unrestricted

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1 Introduction

This report provides the Council's financial position up to the end of July 21-22, setting out both business as usual and the impact of Covid-19 on our resources. Also included are Revenue and Capital budget adjustments which require Cabinet approval.

1.1	The report presentation has been revised. Additional sections will be included in future reports.	This report has been updated to include: • Revenue Tables showing the gross impact on the General Fund and the variance to budgeted contributions to/(from) reserves • Capital shown in a separate section • A Treasury section • A Council Tax and Business Rates section Further sections will be added in future monitoring reports, including: • A section on progress in delivery agreed savings • A section on our reserves position • A high-level analysis by expenditure type • Key Financial Health Indicators • Financial Resilience indices
1.2	The overall Revenue General Fund forecast is a +£9.7m overspend.	The Revenue General Fund forecast position is a net overspend of +£9.7m. There is an underlying overspend of +£9.6m before contributions to reserves of £0.1m. The largest variance is +£9.5m in ASCH, with smaller overspends forecast in CYPE (+£0.8m) and GET (+£0.2m). S&CS (-£0.1m) and NAC (-£0.8m) are forecasting small underspends. Details can be found in the individual directorate sections.
1.3	The Covid-19 forecast is a breakeven position as the additional spend is being met from the emergency reserve.	The additional spend of £15m above the corporately held budget for Covid-19 is being funded from a drawdown from the Covid-19 emergency reserve, bringing the current position to breakeven. There is £55.6m held in the emergency reserve and the remaining £40.6m will be used to cover ongoing Covid-19 related costs. Details can be found in the Covid-19 section and the individual directorate sections.
1.4	The Schools' Delegated Budgets are reporting a +£49.6m overspend.	The overspend position of +£49.6m reflects the impact of high demand for additional SEN support and high cost per child of High Needs Placements.
1.5	The Capital forecast is an underspend of -£42.7m.	The underspend is made up of +£14.6m real and -£57.3m rephasing variance, which represents 9.3% of the budget. The largest real variance is an overspend of +£14.8m in GET. Details can be found in the capital sections. The major rephasing variances are -£35.4m in CYPE and -£18.1m in GET.

1 Introduction

Details can be found in the capital section.

2 Recommendations

Cabinet is asked to:

2.1	Note the forecast Revenue and Capital monitoring position	Management action needs to be taken to eliminate the current forecast overspend on the Revenue budget to ensure we achieve a balanced budget by the year end.
2.2	Note the way we are monitoring the financial impact of Covid-19	Please refer to Section 4 for details.
2.3	Note and agree the Revenue budget adjustments	Please refer to Section 11 and Appendix 3 for details.
2.4	Note and agree the Capital budget adjustments	Please refer to Section 12 for details.
2.5	Note the Prudential Indicators report	Please refer to Appendix 4.

Forecast position as overspend/(underspend)

Directorate	Revenue Budget £m	Revenue Forecast Outturn £m	Gross Revenue Forecast Variance £m	Forecast Variance on contribution to/(from)Reserves £m	Net Revenue Forecast Variance £m
Adult Social Care & Health	426.4	444.0	17.6	0.0	**17.6**
Children, Young People & Education	290.7	289.7	(1.0)	2.1	**1.1**
Growth, Environment & Transport	176.9	176.5	(0.3)	0.5	**0.2**
Strategic & Corporate Services	94.1	96.5	2.4	(2.5)	**(0.1)**
Non-Attributable Costs	115.8	115.5	(0.3)	0.0	**(0.3)**
Corporately Held Budgets	16.1	7.2	(8.9)	0.0	**(8.9)**
General Fund	**1,120.0**	**1,129.4**	**9.6**	**0.1**	**9.7**
Ringfenced Items					
Schools' Delegated Budgets	0.0	49.5	49.5		**49.5**
Overall Position	**1,120.0**	**1,179.1**	**59.1**	**0.1**	**59.2**

Covid-19 budgets held corporately allocated by Directorate

The £16.1m held corporately for COVID, is in addition to the £16.1m corporately held budgets in the table above

Forecast position as overspend/(underspend)

Directorate	Covid-19 Allocation £m	Covid-19 Forecast £m	Covid-19 Variance £m
Adult Social Care & Health	7.0	11.7	**4.7**
Children, Young People & Education	5.3	9.7	**4.4**
Growth, Environment & Transport	0.4	(0.3)	**(0.7)**
Strategic & Corporate Services	1.3	9.6	**8.3**
Non-Attributable Costs	2.1	0.4	**(1.7)**
Variance to Covid-19 Budgets held corporately	**16.1**	**31.2**	**15.0**
Drawdown from COVID-19 Reserve			**(15.0)**
Total Covid-19 Position			**0.0**

General Fund

The General Fund forecast position is a net overspend of +£9.7m, almost all of which relates to Adult Social Care (after applying the corporately held budget of £8.1m). There is an underlying overspend of £9.6m in the Directorates (before contributions to reserves of £0.1m). Management action will be required to address the overspend as any overspend at the year-end will have to be financed from reserves.

Covid-19

The Council's response to the pandemic continues to be considerably complex, causing uncertainty to the forecast. This is due to the nature of the financial impact, ranging from additional expenditure, market sustainability payments, loss of income, and unachievable savings. The forecasting in this area is also impacted by the effect of the relaxation in restrictions, ongoing costs and the expected withdrawal of a range of government support schemes.

Each directorate has an allocated COVID 19 budget held corporately, which amounts to £16.1m in total. Any additional expenditure will be met from the COVID-19 reserve. The forecast is breakeven after contributions from reserves of £15m. There is £55.6m held in the Covid-19 reserve and the remaining £40.6m will be used to cover ongoing Covid-19 related costs. Further details of Covid-19 related costs are detailed in Section 4 and the individual directorate sections.

Without the one-off COVID grants, our forecast overspend position would be £31.2m higher, bringing it to £40.9m. The impact of COVID on our spend may be ongoing, particularly in Adults and Children's social care and if this pressure is not recognised in the Spending Review, we could see a significant impact on our 3-year medium term plan.

Collection Fund

Council Tax remains a significant source of income and future years' budgets will be dependent on the scale and pace of recovery in both the level of Council Tax Reduction Scheme discounts and the collection rate.

Council tax reduction discounts have continued to increase since the tax base estimate was set. The number and value of discounts peaked at the end of April and since then have started to reduce but at the end of June remained higher than the amount identified in the tax base estimate. Collection rates in the first quarter have been better than the first quarter of 2020-21 but are still lower than collection rates prior to the pandemic. For more information, please refer to section 15

Schools' Delegated Budgets

The forecast overspend is +£49.5m. The DSG deficit will increase from £51m to £101m in 2021/22. The Council continues to work with the Schools' Funding Forum to set out the challenge and agree and deliver a plan to address the deficit. The Department for Education is expected to make contact with local authorities to discuss the detail of their plan and next steps although it is not clear when this might be. For more information, please refer to section 10.

4 Covid-19

Categories	ASCH	CYPE	GET	S&CS	NAC	Total
	£m	£m	£m	£m	£m	£m
Covid-19 Allocation held corporately	**7.0**	**5.3**	**0.4**	**1.3**	**2.1**	**16.1**
Contribution from Public Health Reserve*						**0.0**
Forecast Real spend	7.2	7.7	2.0	9.7	0.0	**26.6**
Underspends	(0.7)	(0.2)	(6.7)	(1.3)	0.0	**(8.9)**
Loss of income	0.2	0.5	1.5	1.2	0.4	**3.8**
Unrealised savings	0.0	1.6	0.0	0.0	0.0	**1.6**
Market sustainability - loans	0.0	0.0	0.0	0.0	0.0	**0.0**
Market sustainability - one off payments	5.0	0.1	0.0	0.0	0.0	**5.1**
Payments for undelivered services (fixed fee)	0.0	0.0	0.0	0.0	0.0	**0.0**
Payments for undelivered services (variable fee)	0.0	0.0	2.9	0.0	0.0	**2.9**
Total Covid-19 Forecast	11.7	9.7	(0.3)	9.6	0.4	**31.1**
Variance to Covid-19 Budgets held corporately	**4.7**	**4.4**	**(0.7)**	**8.3**	**(1.7)**	**15.0**
Contribution from Covid-19 Reserve	(4.7)	(4.4)	0.7	(8.3)	1.7	(15.0)
Total Covid-19 Position	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

* Any Public Health net spend relating to Covid-19 will be funded by a drawdown from the Public Health reserve. Currently no Public Health related Covid-19 spend is being forecast.

As a consequence of Covid-19, the total additional expenditure impact (excluding ring-fenced grants spend) on General Fund services is forecast at £31.2m. There is £16.1m of budget allocated for Covid-19 which is held corporately. £6.0m of the £15m additional expenditure relates to Helping Hands which is funded from the Covid-19 reserve. The remaining £9.1m will be funded from a drawdown from the Covid-19 reserve.

There is £55.6m held in the Covid-19 reserve and the remaining £40.6m Covid-19 reserve will be used to cover the overspend and ongoing Covid-19 related costs.

A return is completed for MHCLG on a regular basis but timing differences and reporting requirement differences mean that the return and what is reported here may differ. However, a separate reconciliation is undertaken for completeness.

5 Adult Social Care & Health

	Budget	Revenue Forecast Outturn	Forecast Variance: Gross Revenue Forecast Variance	Contribution to/(from) Reserves	Net Revenue Forecast Variance
	£m	£m	£m	£m	£m
Adult Social Care & Health Operations	382.6	400.4	17.9	0.0	**17.9**
Strategic Management & Directorate Budgets (ASCH) including Public Health	32.2	32.7	0.5	0.0	**0.5**
Business Delivery	11.6	10.9	(0.7)	0.0	**(0.7)**
Adult Social Care & Health	**426.4**	**444.0**	**17.6**	**0.0**	**17.6**
Earmarked Budgets Held Corporately	8.1	0	(8.1)	0.0	(8.1)
Net Total incl provisional share of CHB	**434.5**	**444.0**	**9.5**	**0.0**	**9.5**
Covid-19 forecast position	**7.0**	**11.7**	**4.7**	**(4.7)**	**0.0**

The Adult Social Care & Health directorate is projected to be overspent by +£9.5m.

There is an underlying Covid-19 projected additional spend of +£4.7m, which is offset by a contribution from reserves to show a breakeven position. Uncertainty remains around the ongoing impact Covid-19 will have on services.

Details of the significant variances on the General Fund are shown below:

Key Service (Division)	Variance	Summary	Detail
Adult Learning Disability - Residential Care Services & Support for Carers (Adult Social Care & Health Operations)	+£6.7m	Learning Disability Residential Care has high levels of complexity and high-cost packages transferring from 18-25.	The overspend is mainly due to an increase in the levels of complexity of clients and high-cost packages transferring in from the 18 – 25 service. In addition, there were some home closures in 2020-21 resulting in an increase in average weekly rates for those transferred clients due to availability of alternative placements when the market is under significant pressures.
Adult Learning Disability - Community Based Services & Support for Carers (Adult Social Care & Health Operations)	+£5.4m	Learning Disability (LD) 26+ Supported Living has seen an increase in activity numbers and average weekly costs.	The overspend mainly relates to an increase in activity numbers and average weekly costs in the Learning Disability (LD) 26+ Supported Living service. Average weekly costs for new clients entering the service are higher than for those leaving, particularly for transitional clients coming through from the 18-25 pathway. This is mainly due of the number of hours of service being received rather than the actual cost per hour.
Adult Physical Disability - Community Based Services (Adult Social Care & Health Operations)	+£3.2m	Physical Disability Supported Living Service numbers and weekly costs higher than anticipated.	Most of the Physical Disability (PD) Community variance is in the Supported Living Service (+£2.9m) and is due to client numbers and weekly costs being higher than anticipated.
Older People -	+£3.1m	The number of homecare	This overspend predominantly relates to Homecare

Key Service (Division)	Variance	Summary	Detail
Community Based Services (Adult Social Care & Health Operations)		clients began to increase at the start of 2021-22.	(+£2.9m). The number of homecare clients began to increase at the start of 2021-22.

Adult Mental Health - Community Based Services (Adult Social Care & Health Operations)	+£2.7m	The Mental Health Supported Living Service has seen an increase in client numbers and higher weekly costs.	Most of the Mental Health (MH) Community overspend is within the Supported Living Service (+£3.5m). As with the Learning Disability service, more new clients are starting each quarter than ending and average weekly costs for new clients are greater than those ending. The service is investigating to see if there is any correlation between higher costs and the transfer of clients being discharged to social care from the NHS.
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Community Based Services (Adult Social Care & Health Operations)	-£2.6m	One-Off Payments within the Direct Payment service have decreased.	A significant portion of the underspend on these services relates to Direct Payments where the normal level of one-off payments to clients has significantly decreased during the year.
Older People - Residential Care Services (Adult Social Care & Health Operations)	-£1.4m	Older People Residential Services client numbers began to decrease at the end of 2020-21.	At the end of 2020-21 the service began to see fewer clients enter residential settings with more remaining in the community which has resulted in an underspend. The forecast assumes that all clients that were in residential care remain in placements through 2021-22.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£7.0m	
Forecast Real Spend	£7.2m	The cost of supporting additional demand for services resulting from Covid-19, including a range of projects to tackle backlogs in addition to increased staffing requirements.
Underspends	(£0.7m)	Underspends have been observed in client transport to day care during the first quarter of 2021-22 as some centres have remained closed during this period due to COVID-19.
Loss of income	£0.2m	Relates to 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
Market Sustainability	£5.0m	We are expecting to have to continue to support the social care market during the recovery period of the pandemic in 2021-22 so are assuming a £5m cost at this stage.
Total Covid-19 Forecast	£11.7m	
Covid-19 overspend	**£4.7m**	
Contribution from Reserves	(£4.7m)	
Revised Covid-19 position	**£0.0m**	

6 Children, Young People & Education

General Fund forecast +£0.8m overspend
Covid-19 forecast breakeven

	Budget £m	Revenue Forecast Outturn £m	Gross Revenue Forecast Variance £m	Forecast Variance: Contribution to/(from) Reserves £m	Forecast Variance: Net Revenue Forecast Variance £m
Integrated Children's Services (East & West)	160.5	157.6	(2.8)	1.5	**(1.3)**
Special Educational Needs & Disabilities	76.3	76.7	0.3	0.0	**0.3**
Education	51.7	53.3	1.6	0.6	**2.2**
Strategic Management & Directorate Budgets (CYPE)	2.2	2.1	(0.1)	0.0	**(0.1)**
Children, Young People & Education	**290.7**	**289.7**	**(1.0)**	**2.1**	**1.1**
Earmarked Budgets Held Corporately	7.3	7.0	(0.3)	0.0	**(0.3)**
Net Total incl provisional share of CHB	**298.0**	**296.7**	**(0.8)**	**2.1**	**0.8**
Covid-19 forecast position	**5.3**	**9.7**	**4.4**	**(4.4)**	**0.0**

The Children, Young People & Education directorate is project to be overspend by +£0.8m. This is due to a delay in the implementation of the Special Educational Needs (SEN) transport re-procurement which is partially offset by lower accommodation costs of supporting Care Leavers. The reserve variances relate to a reduction in the contribution from reserves to fund legacy transformation projects in integrated children services where the costs were less than initially planned (totalling +£1.5m). The increased transfer of surpluses from the PFI school projects of +£0.6m in Education will be used to fund possible future year costs.

The Covid-19 underlying additional expenditure is £4.4m (before contributions from reserves of £4.4m), mainly due to higher number of referrals for Special Educational Needs services and delays in the ability to achieve budgeted social care savings. COVID restrictions at the start of the year have also meant a greater dependency on use of temporary accommodation to provide sufficient school places and reductions in income from adult education courses. Uncertainty remains around the ongoing impact Covid-19 will have on services.

Details of the significant variances on the General Fund are shown here:

Key Service (Division)	Variance	Summary	Detail
Home to School & College Transport (Education)	+£2.3m	Delays in re-procurement of transport contracts	The re-procurement of the SEN transports contracts has been put back due to delays in the implementation of new software to support this project.
Care Leavers Service (Integrated Children Services)	-£1.7m	Lower accommodation related costs of supporting care leavers	The service has been working to reduce the number of children in semi-independent placements to ensure young people are placed in the most cost-efficient placements. This has resulted in an underspend of approximately £1.1m. The number of young people requiring support with their council tax continues to remain lower than initially estimated leading to a further £0.6m underspend.

Looked After Children/Children In Need (with Disability) - Care & Support (Special Educational Needs & Disabilities)	+£0.2m	Increase number and cost of residential placements	We have seen a significant number of new placements earlier in the year than expected. The forecast assumes further placements will be made during the year, leading to an overspend of +£0.6m. This is partially offset by a -£0.4m underspend on direct payments and home care services.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£5.3m	
Forecast Real Spend	£7.7m	• Latent demand estimates for Children Social Services: additional staffing to cover increased staff sickness and higher numbers of cases along with estimated increased demand for looked after children placements. • Delays in the basic need capital programme resulting in greater use of temporary accommodation to meet demand for school places and higher contractor costs. • Increased demand for Education and Health Care Plan assessments and supportive services following interruption to schooling due to COVID restrictions.
Underspends	-£0.2m	Delay in recruitment in detached youth workers
Loss of income	£0.5m	Reduction in income whilst the adult learning services recovers following prolonged closures due to COVID restrictions.
Unrealised savings	£1.6m	Delay in the delivery of children social care savings due to: • COVID restrictions has delayed or reduced the impact of new initiatives to increase the number of children supported in in-house foster care rather than more expensive alternatives. • The demand for children's social workers has increased during COVID, due to increased staff sickness and a higher number of cases therefore delaying the planned reduction in agency staff.
Market Sustainability	£0.1m	Additional payments to support tutors in adult learning services
Total Covid-19 Forecast	£9.7m	
Covid-19 overspend	**+£4.4m**	
Contribution from Reserves	(£4.4m)	
Revised Covid-19 Position	**£0.0m**	

7 Growth, Environment & Transport

General Fund forecast +£0.2m overspend
Covid-19 forecast breakeven

	Budget	Revenue Forecast Outturn	Forecast Variance: Gross Revenue Forecast Variance	Forecast Variance: Contribution to/(from) Reserves	Forecast Variance: **Net Revenue Forecast Variance**
	£m	£m	£m	£m	**£m**
Highways, Transportation & Waste	146.1	146.2	0.1	0.2	**0.3**
Environment, Planning & Enforcement	16.8	16.3	(0.4)	0.3	**(0.1)**
Libraries, Registration & Archives	8.6	8.5	(0.1)	0.0	**(0.1)**
Economic Development	4.1	4.2	0.1	0.0	**0.1**
Strategic Management & Directorate Budgets (GET)	1.4	1.4	0.0	0.0	**0.0**
Growth, Environment & Transport	**176.9**	**176.5**	**(0.3)**	**0.5**	**0.2**
Earmarked Budgets Held Corporately	0.0	0.0	0.0	0.0	**0.0**
Net Total incl provisional share of CHB	**176.9**	**176.5**	**(0.3)**	**0.5**	**0.2**
Covid-19 forecast position	0.4	(0.3)	(0.7)	0.7	**0.0**

The Growth, Environment & Transport directorate is projected to be overspent by +£0.2m excluding Covid with forecast overspends of +£1.8m being largely offset by projected underspends of -£1.6m.

The largest variance is a net +£0.3m within the Highways, Transportation & Waste division, where significant inflationary price and contractual pressures (in excess of the provision during the budget setting process) within the Residual Waste service are largely offset by favourable prices within Recycling.

The Covid-19 underlying expenditure is £0.7m less than the budget (before contributions to reserves of £0.7m to break even). Uncertainty remains around the ongoing impact that Covid-19 will have on services.

Details of the significant variance on the General Fund are shown below:

Key Service (Division)	Variance	Summary	Detail
Residual Waste (Highways, Transportation & Waste)	+£1.3m	Inflationary price pressures.	The inflation index has risen significantly since the budget was approved, and this is reflected in contract values that are now being let.
Public Protection (Enforcement) (Environment, Planning & Enforcement)	-£0.3m	Staffing, additional income and other minor variances.	Staffing vacancy management and several other minor variances including additional income within Trading Standards.
Waste Facilities & Recycling Centres (Highways, Transportation & Waste)	£0.9m	Favourable recycling prices	Favourable prices relating to the material recycling facility and anaerobic digestor contracts, as well as additional income for paper, card and metal. These are offset in part by pressures within major site refurbishment.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£0.4m	
Forecast Real Spend	£2.0m	Primarily relates to the sustained increase in kerbside tonnes being presented at Waste Transfer Stations together with other minor costs within Coroners and Economic Development around backlogs and social distancing measures.
Underspends	(£6.7m)	Public Transport costs eligible for Government grant and a reduction in Concessionary Fares journeys. Other general underspends across the directorate due to home-working and reduced activity.
Loss of income	£1.5m	Income loss primarily resulting from reduced operations at Libraries and fewer Driver Awareness Courses with other minor income impacts across various services.
Payments for undelivered variable fee services	£2.9m	Support to maintain financial stability, mainly in public transport, partially offset by Government grant for those services that were not within fixed price contracts.
Total Covid-19 Forecast	(£0.3m)	
Covid-19 underspend	**(£0.7m)**	**(includes £0.4m allocation held corporately)**
Contribution to Reserves	+£0.7m	
Revised Covid-19 position	**£0.0m**	

8 Strategic & Corporate Services

	Budget	Revenue Forecast Outturn	Forecast Variance: Gross Revenue Forecast Variance	Forecast Variance: Contribution to/(from) Reserves	Forecast Variance: Net impact on General Fund
	£m	£m	£m	£m	£m
Infrastructure	27.2	27.5	0.4	(0.4)	**0.0**
Corporate Landlord	25.1	26.8	1.6	(1.7)	**(0.1)**
People & Communication	13.3	13.3	0.0	0.0	**0.0**
Finance	12.3	12.3	0.0	0.0	**0.0**
Strategic Commissioning including Public Health	7.3	7.7	0.4	(0.4)	**0.0**
Governance, Law & Democracy	6.9	6.8	(0.1)	0.0	**(0.1)**
Strategy, Policy, Relationships & Corporate Assurance	3.8	3.9	0.1	0.0	**0.1**
Strategic Management & Directorate Budgets (S&CS)	(1.7)	(1.7)	0.0	0.0	**0.0**
Strategic & Corporate Services	**94.1**	**96.5**	**2.4**	**(2.5)**	**(0.1)**
Earmarked Budgets Held Corporately	0.2	0.2	0.0	0.0	**0.0**
Net Total incl provisional share of CHB	**94.3**	**96.7**	**2.4**	**(2.5)**	**(0.1)**
Covid-19 forecast position	**1.3**	**9.6**	**8.3**	**(8.3)**	**0.0**

The Strategic & Corporate Services directorate is projected to underspend by -£0.1m.

The Covid-19 underlying spend is £8.3m (before contributions from reserves of £8.3m). Uncertainty remains around the ongoing impact Covid-19 will have on services.

There are no significant variances on the General Fund to report.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£1.3m	
Forecast Real spend	£9.7m	Council Tax and hardship fund support payments to district councils, part of the Helping Hands project. Additional council wide costs including PPE warehousing and distribution costs, part of which is subject to a separate claim for central government funding which is uncertain, so cost forecast is included here. Increased revenue contribution to capital because of delays to capital projects due to Covid-19. 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 licences. Also, costs related to reopening buildings, surveys, and adaptations to make offices Covid secure and enhanced cleaning specification.

Underspends	(£1.3m)	Reduced costs for printing and copying with an offsetting reduction included in Loss of Income (below). There are savings on Total Facilities Management and utility costs due to some properties remaining closed.
Loss of income	£1.2m	For Managed Print there is forecast reduced income with an offsetting cost saving in underspends (above), Forecast loss of rental income on various properties.
Total Covid-19 Forecast	£9.6m	
Covid-19 spend above budget	**+£8.3m**	
Contribution from Reserves	(£8.3m)	
Revised Covid-19 position	**£0.0m**	

9 Non-Attributable Costs

General Fund forecast (£0.8m) underspend
Covid-19 forecast breakeven

	Budget £m	Revenue Forecast Outturn £m	Forecast Variance: Gross Revenue Forecast Variance £m	Forecast Variance: Contribution to/(from) Reserves £m	Forecast Variance: **Net Revenue Forecast Variance £m**
Non-Attributable Costs	115.8	115.5	(0.3)	0.0	**(0.3)**
Earmarked Budgets Held Corporately	0.5	0.0	(0.5)	0.0	**(0.5)**
Net Total incl provisional share of CHB	**116.4**	**115.6**	**(0.8)**	**0.0**	**(0.8)**
Covid-19 forecast position	**2.1**	**0.5**	**(1.7)**	**1.7**	**0.0**

The Non-Attributable Costs are projected to be underspent by (£0.8m).

There is an underlying Covid-19 projected spend less than budget of (£1.7m). Uncertainty remains around the ongoing impact Covid-19 will have on services. At year-end any underspend will be transferred to reserves.

Details of the significant variances on the General Fund are shown below:

Key Service (Division)	Variance	Summary	Detail
Non-Attributable Costs	-£0.3m	Compensating under and overspends.	There are a number of compensating under and overspends, of which the main variances are: +£0.9m reduction in Council Tax Income Guarantee (TIG) compared to the budget assumption. -£0.7m Business Rates TIG that had not been reflected in the budget due to lack of robust estimates. Both of the figures above are based on latest estimates provided by Central Government.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Covid-19 Allocation held corporately	£2.1m	
Loss of income	£0.4m	Loss of investment income
Total Covid-19 Forecast	£0.4m	
Covid-19 spend less than budget	**(£1.7m)**	
Contribution to Reserves	£1.7m	
Revised Covid-19 position	**£0.0m**	

10 Schools' Delegated Budgets

The latest forecast for the Schools' Delegated Budget reserves is a surplus of £56.3m on individual maintained school balances, and a deficit on the central schools' reserve of £101m.

The balances of individual schools cannot be used to offset the overspend on the central schools reserves and therefore should be viewed separately. The table below provides the detailed movements on each reserve.

The Central Schools Reserve holds the balance of any over or underspend relating to the Dedicated Schools Grant (DSG). This is a specific ring-fenced grant payable to local authorities to support the schools' budget. It is split into four main funding blocks, schools, early years, high needs and central, each with a different purpose and specific rules attached. The Council is required to hold any under or overspend relating to this grant in a specific reserve and is expected to deal with any surplus or deficits through future years' spending plans.

	Individual School Reserves	Central Schools Reserve
Balance brought forward	55.5	-51.1
Forecast movement in reserves:		
Academy conversions and closing school deficits	0.4	
School Block Related Spend		-11.0
High Needs Placements, Support & Inclusion Fund		-37.3
Early Years		-1.0
Overspend on Central DSG Budgets		-0.6
Forecast reserve balance	56.3	-101.0

Note: a negative figure indicates a drawdown from reserves/deficit

10 Schools' Delegated Budgets

Reserves estimate -£44.6m deficit

In accordance with the statutory override implemented by the Ministry of Housing, Communities & Local Government (MHCLG) during 2020-21, and in line with the Department for Education (DfE) advice that local authorities are not expected to repay deficits on the DSG from the General Fund and can only do so with Secretary of State approval, the central DSG deficit of £101m will be held in a separate unusable reserve from the main council reserves. This statutory override is expected to be in place until April 2023 whilst Councils implement recovery plans. The Council continues to work with the Schools Funding Forum to set out the challenge and agree a plan to address the deficit. The DfE is expected to make contact with local authorities to discuss the detail of their plan and next steps although it is not clear when this might be. The DSG deficit is the Council's single biggest financial risk; therefore the finalisation and successful implementation of the Council's deficit recovery plan is critical.

Key Issues	Details
School Block: One-off Settlement	The DSG Reserve as at 31st March 2021 of £51m is formed from a net surplus on the Schools Block of £11m and a net deficit on the High Needs block of £62m. The two blocks of funding have different purposes and rules and Secretary of State Approval is needed to transfer funding from the schools block to other funding blocks. The Schools Block funds primary and secondary schools' budgets, and the accumulated balance from previous years underspend of £11m, has been fully committed to be paid to schools in 2021-22, as a one-off additional payment to support the cost of changes to the calculation of pay for term time only staff.
Early Years: funding insufficient to meet estimated demand	The Early Years Block is used to fund early years' providers the free entitlement for eligible two, three and four-year olds. There are concerns the funding from the Department of Education will not follow closely enough the payments made to providers during the year, particularly if numbers recover to pre-COVID levels in the Autumn term. Early estimates suggest a £1.0m overspend.
Reduction in government funding for Central Services	Since 2020-21, the Government has reduced the amount used to support some of the central services currently funded from the DSG. In the short-term this has been addressed through the 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 and implement changes that will eliminate the funding shortfall.

Higher demand and higher cost for high needs placements	The High Needs Block (HNB) is intended to support the educational attainment of children and young people with special educational needs and disabilities (SEND) and pupils attending alternative education provision. The HNB funds payments to maintained schools and academies (both mainstream and special), independent schools, further education colleges, specialist independent providers and pupil referral units. Some of the HNB is also retained by KCC to support some SEND services (staffing/centrally commissioned services) and overheads The net deficit on the high needs block was £62m as at 31st March 2021 and is estimated to increase to over £100m by 31st March 2022. The overspend on the high needs block has been growing significantly over recent years and is the most significant financial risk to the council. The forecast in-year funding shortfall for High Needs placements and support in 21-22 is +£45m due to a combination of both higher demand for additional SEN support and higher cost per child resulting from greater requests for more specialist provision, which has resulted in the council now placing greater numbers of children in both special and independent schools. The levels of growth are similar to previous years, since the introduction of the legislative changes in 2014, which also saw the expansion of duties to the age of 25 without sufficient extra funding. The tables below detail the trend in both spend and number of HNB funded places or additional support across the main placement types. In 2021-22 this pressure is being partially offset by a one-off underspend on activities to support inclusive practices in mainstream schools (-£8.0m). Work has been underway to establish how this fund should be used but activity in relation to this programme of spend will not start until September 2021 due to Covid-19 related delays.

Table: Total Spend on High Needs Block by main spend type

	18-19 £'ms	19-20 £'ms	20-21 £'ms	21-22 £'ms
Maintained Special School	87	97	106	119
Independent Schools	36	40	49	56
Mainstream Individual Support & SRP* **	31	38	46	55
Post 16 institutions***	16	16	17	18
Other SEN Support Services	42	44	49	48
Total Spend	212	234	264	296

*Specialist Resource Provision

** Please note this data excludes any costs incurred by primary & secondary schools from their own school budget.

***Individual support for students at FE College and Specialist Provision Institutions (SPIs)

Table: Average number of HNB funded pupils receiving individualised SEN Support/placements. This is not the total number of children with SEN or number of EHCPs.

	18-19 No	19-20 No	20-21 No	21-22 No
Maintained Special School	4,349	4,751	5,118	5,537
Independent Schools	796	907	1,126	1,288
Mainstream Individual Support & SRP*	3,278	39,22	4,510	5,402
Post 16 institutions***	1,046	1,196	1,281	1,365
Total Number of Pupils	9,468	10,776	12,035	13,592

Table: Average cost of HNB funded pupils receiving individualised SEN Support or placement cost.

	18-19 £s per pupil	19-20 £s per pupil	20-21 £s per pupil	21-22 £s per pupil
Maintained Special School	£20,010	£20,330	£20,629	£21,531
Independent Schools	£44,871	£43,851	£43,734	£43,478
Mainstream Individual Support & SRP* **	£9,461	£9,691	£10,294	£10,265
Post 16 institutions***	£15,723	£13,393	£13,309	£13,004

It is important to note this is not a Kent phenomenon; and this pressure is being experienced in many other local authorities to varying degrees. In response, the Government launched a major review into support for children with SEN; however, the outcome has been delayed again and is not expected until Autumn 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 and a review of how funding is distributed to meet need.

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 Specialist Resource Provisions to reduce our increasing reliance on independent schools including the opening of two new special schools last year which when fully opened will avoid over 350 higher cost placements.
- Reviewing commissioning arrangements including independent providers, home tuition and therapy services.
- Improving parental confidence through supporting inclusive practice and capacity building in mainstream schools to reduce reliance on special and independent schools
- Further collaborative working with Health and Social Care partners

Work is progressing; however, progress has been slower/paused/stopped due to the Covid-19 pandemic. There are also wider concerns on the longer-term impact of children being out of school during the last year on this budget. However, we are unlikely to know the full impact of the pandemic until 2022-23.

11 Capital

Directorate	Capital Budget	Variance excl. Covid-19	Real Variance	Rephasing Variance	Covid-19 Forecast
Adult Social Care & Health	2.9	0.0	0.0	0.0	0.0
Children, Young People & Education	157.5	(35.5)	(0.1)	(35.4)	2.1
Growth, Environment & Transport	270.8	(3.3)	14.8	(18.1)	0.0
Strategic & Corporate Services	25.7	(3.9)	(0.1)	(3.8)	0.8
TOTAL	**456.9**	**(42.7)**	**14.6**	**(57.3)**	**2.9**

The total approved General Fund capital programme including roll forwards for 2021/22 is £456.9m

The current estimated capital programme spend for the year is forecast at £414.1m, which represents 90.6% of the approved budget. The spend to date is £91.6m, representing 20% of the total approved budget.

The directorates are projecting a £42.7m underspend against the budget, this is split between a +£14.6m real variance and -£57.3m re-phasing variance.

The major variances are described below:

Children, Young People & Education:

Project	Real Variance £m	Rephasing Variance £m	Detail
New Variances to Report:			
Annual Planned Enhancement Programme	0.2	-2.2	The rephasing is due to delays on projects across the programme due to covid. The real variance is due to -£0.1m contribution towards a basic need project, and +£0.3m additional funding from High Needs Provision. Cash limit changes have been requested as part of this report.
Basic Need Kent Commissioning Plan 2016	0.9		Additional soil removal costs and highway changes have increased project forecasts at two schools.
Basic Need Kent Commissioning Plan 2017	-0.8	-12.7	Rephasing due to: -£5m Park Crescent Academy delays due to pre-project works, demolition & planning, -£4.4m due to planning objection with Highways, redesign required and re-submission for planning approval, -£3.7m Thamesview School is not required until 2023.

			Real variance due to: -£0.7m due to early completion on Bennett Memorial School.
Basic Need Kent Commissioning Plan 2018	0.2	-12.5	Rephasing due to: -£4.6m Gravesend Grammar School - first design has been rejected and a redesign is now required. -£2.4m The Abbey School - internal works are to be completed in summer 2021, main scheme is deferred until next year. -£2.0m Dartford Bridge Primary - project not now required until a later year -£3.0m Simon Langton School for Boys - planning issues have meant the works have been rephased.
Basic Need Kent Commissioning Plan 2019	1.4	-8.3	Rephasing due to: -£3.3m Wrotham School - pending confirmation of a successful Condition Improvement Fund (CIF) bid. -£2.5m Maidstone Grammar School for Girls - project has been rephased completion now expected December 2023. -£1.5m Queen Elizabeth's Grammar – rephasing due to feasibilities being re-done so the project has been pushed back. Real variance due to: +£1.4m costs forecast for initial works across four projects where main project delivery is not required until later years
Basic Need KCP 2021-25	-2.0		The real underspend on this programme is due to: -£4.3m The Beacon project which was duplicated as it is within KCP17, +£0.8m St Peters Aylesford and +£0.4m St Mary of Charity – these projects have been added to the programme as additional places are required. +£0.5m Guston CEPS for early feasibility costs, +£0.5m Dover Christ Church Academy for early feasibility costs, +£0.08m Goldwyn School – internal adaptations required for additional places needed September 2021.
Overall Basic Need Programmes			Over the life of the Basic Need Programmes there is currently a forecast overspend predominantly due to projects required to commence in the next three-year period, which is earlier than originally predicted. This is being carefully monitored and funding streams such as developer contributions are being sought to reduce the overall pressure.
High Needs Provision	2.0		Additional grant received.
Barton Court Academy Free School		+1.5	This is a Department for Education (DfE) project being

		managed by KCC. The project is now progressing well and is ahead of schedule.
School Roofs	-3.2	The works on Birchington Primary will now be completed in summer 2022.

Growth, Environment & Transport:

Project	Real Variance £m	Rephasing Variance £m	Detail
New Variances to Report:			
Thanet Parkway (Environment, Planning & Enforcement)		6.4	Phasing of the scheme has been brought forward in line with latest project plans. The overall cost of the scheme has increased due to Network Rail cost increases and higher than expected costs for the level crossings. The forecast overspend on the scheme over the life of the project is £7.3m. This is partially offset by an award of £3.4m from the New Stations Fund, and alternative funding is being sought for the remaining £3.9m.
Public Rights of Way (Environment, Planning & Enforcement)	0.1		Public Rights of Way (PROW) are in partnership with the Experience EU project and are expecting £276k of grant over two years to enhance KCC's PROW.
Highway Major Enhancement (Highways, Transportation & Waste)		-3.5	This relates to works on the A299 Thanet Way which have been postponed due to the likelihood of more “staycations” and the impact of closing the Thanet Way could risk the recovery of businesses around the coastal areas. Most of this work will take place in Spring 2022.
Government Transition Works (Highways, Transportation & Waste)	12.8		This project is fully funded from the Department for Transport who have requested further works at the Ashford Sevington site. Additional grant funding is being claimed to cover these works.
Sturry Link Road (Highways, Transportation & Waste)		-5.6	This project has been reprofiled to future years.
Green Corridors (Highways, Transportation and Waste)		-2.4	The programme is just getting started and some stages will not begin until 22-23.

Housing Infrastructure Fund – Swale (Highways, Transportation and Waste)		-3.1	Spend was reprofiled to reduce KCC liability and risk in year 20-21, with a knock-on effect of delays on the programme through planning and construction. Although a funding agreement has been signed with Homes England this is conditional on the M2 Junction 5 project being delivered by Highways England coming forward. An extension to the funding agreement has been accepted by Homes England with funding extension granted until June 2024.
National Productivity Investment Fund – Kent Medical Campus (Highways, Transportation and Waste)		-3.0	A planning delay has pushed back the start of construction works until October/November 2021.
Fastrack Full Network – Bean Road Tunnels (Highways, Transportation and Waste)		-3.5	The construction start has been delayed due to the design being more challenging than originally expected. Construction will now start at the end of 2022.
Kent Strategic Congestion Management (Highways, Transportation and Waste)	1.2		The A2/A251 priority junction scheme was added to this project within the Local Growth Fund programme in 20/21 following approval by KMEP and SELEP Boards. It aims to make improvements to the junction capacity and promote journey time improvements through the signalisation of the junction. The real variance is the external funding that has been received into the programme and which is required to complete this scheme.
A2 Off Slip Wincheap, Canterbury (Highways, Transportation and Waste)		-1.5	All budgets rephased to future years as the Homes England bid was not successful but alternative funding is being sought.
Trees Outside Woodlands (Highways, Transportation & Waste)	0.1		The project is funded by the Department for Environment, Food and Rural Affairs (DEFRA) and the real variance reflects expected funding; the cash limits for which will be amended once funding is received.
Innovation Investment Initiative (i3) (Economic Development)		-2.0	The rephasing reflects that there is unlikely to be another application round during this financial year due to time constraints and the focus on the Kent & Medway Business Fund Scheme.
Kent Empty Property Initiative (Economic Development)	+0.15		Anticipated additional external contributions
Decarbonisation Fund – Kings Hill and West End Solar Farms (Economic Development)	+0.3		Grant funding has been received – the variance is due to the cash limits not yet reflecting the increased spend to move these projects forward.

Strategic & Corporate Services:

Project	Real Variance £m	Rephasing Variance £m	Detail
New variances to report:			
Live Margate		-1.7	The actual plots of the surplus properties on the Royal School for the Deaf site are unlikely to be confirmed until the actual footprint for the new school is confirmed, therefore the majority of the Live Margate acquisition and development costs are now expected to be incurred in 22-23.
Asset Utilisation – Oakwood House		-2.1	Due to complexities of the refurbishment £2.1m has been moved into 22-23. However, a start on site is expected soon and monies may need to rephase forwards if the works accelerate.

12 Revenue Budget Changes

In line with usual practice at this stage of the year, revenue budgets have been realigned to reflect a reallocation of savings and pressures between Key Services in light of the 2020-21 final spend and activity levels and the latest service transformation plans. Explanations for these changes is provided below, and a breakdown of the changes by Key Service is available in Appendix 2.

Cabinet is asked to approve these changes. The variances reflected in this report assume these cash limit changes have been approved.

Adult Social Care & Health

Gross decrease -£3.2m
Income decrease £3.3m

Technical adjustments, more accurately reflecting current levels of services and income to be received:

Adjustment of the income and gross budget lines within Strategic Safeguarding to align with annual grant updates	+£0.034m gross -£0.034m income
Adjusting budgets within Service Provision to align income with monies received from health for Integrated Care Centres	-£1.982m gross +£1.982m income
Adjusting budgets within the Business Delivery Unit to align income with monies received from health funding specific projects	+£0.229m gross -£0.289m income

Formal virements, requiring approval:

Realignment of Social Care in Prisons Grant between key service lines to fund provision of community care in prisons	No Impact
The alignment of Improved Better Care Fund Monies with 2021-22 planned expenditure within Key Service lines; includes transfer to CYPE funding Adult Learning & Physical Disability pathway services for young people aged 18-25	+£0.086m gross
The alignment of Better Care Fund Monies (including Care Act Implementation monies) with 2020-21 planned expenditure within Key Service lines	-£1.679m gross +£1.669m income
The realignment of in-house savings to reflect updated planning	+/-£0.080m
Allocating centrally held monies from Strategic Management and Directorate Support to support client activity and staffing budgets within Operations	No Impact
Transfer of administrative staffing posts from Assessment safeguarding services into Divisional Management and Support	+/- £0.328m
The distribution of agreed retender cash limits across Older Persons, Physical Disability, Learning Disability and Mental Health key service lines	No Impact
Transfer of one post from Strategic Management and Directorate Support to Operations	+/- £0.091m
Realignment of budgets between the Learning Disability and Older Persons and Physical Disability to reflect operational plans in 2020-21	+/- £0.004m
The realignment of Non framework placements savings to reflect updated commissioning information for 2020-21	No Impact

Transfer of Kent Card Prepaid Charges Budget from Operations to the Purchasing Team within the Business Delivery Unit to reflect budget manager accountability for these monies	+/- £0.1m
Transfer of budget from Housing Related Support to Community Based Preventative Services to reflect updated contracts for 2020-21	+/- £0.066m

Children, Young People & Education

Gross increase £7.2m
Income increase -£7.3m

Technical adjustments, more accurately reflecting current levels of services and income to be received:

Other school services - Income to reflect new holiday activities and food programme funding from DfE	+£5.3m gross -£5.3m income
Adoption - Income to reflect the new Regional Adoption Agency agreement	+£1,7m gross -£1.7m income

Formal virements, requiring approval:

Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers - Adjustment to enable alignment of Improved Better Care Fund Monies with 2021-22 planned expenditure	£-0.1m

Growth, Environment & Transport

Gross increase £0.2m
Income increase -£0.3m

Technical adjustments, more accurately reflecting current levels of services and income to be received:

Increase in funding for Sports	+£0.598m gross -£0.598m income
Decrease in funding for Sustainable Business & Communities	-£0.393m gross +£0.393m income

Formal virements, requiring approval:

A budget transfer from Highways, Transport & Waste Management Costs and Commercial Operations to Strategic Commissioning in the Strategic and Corporate Services Directorate to reflect the transfer of a member of staff	-£0.074m gross
Transfers of staff between key services in relation to the directorate restructure comprising £27k gross from Highway Transportation (including School Crossing Patrols) to Environment, Planning & Enforcement Management Costs, and £25.4k gross from Public Protection (Enforcement) to Environment & Planning	No Impact
Small realignment of budgets by the Head of Service, transferring £12.8k gross between Environment & Planning and Environment, Planning & Enforcement Management Costs	No Impact

12 Revenue Budget Changes

Strategic & Corporate Services

Gross increase £3.9m
Income increase -£3.7m

Technical adjustments, more accurately reflecting current levels of services and income to be received:

Realignment in Corporate Landlord primarily for rental income from investment properties.	+£2.112m gross -£2.112m income
Change in expected partner income for the Kent Public Sector Network within ICT related services	+£1.417m gross -£1.417m income
Revisions to Strategic Commissioning to reflect increased internal recharges	+£0.912m gross -£0.912m income
Increases in Finance income mainly relating to Client Financial Services and Treasury and Investments	+£392.2m gross -£392.2m income
Public Health realignment following confirmation of grant allocation and to reflect a revised level of external income	-£11.25m gross +£11.25m income

Formal virements, requiring approval:

A budget transfer from Non Apportionable to Finance to fund an agreed increase in the Audit structure	+£0.125m gross
A budget transfer from Highways, Transport & Waste Management Costs and Commercial Operations in the Growth, Environment & Transport Directorate to Strategic Commissioning to reflect the transfer of a member of staff	+£0.074m gross
Transfer of responsibility for the Oakwood trading account from Property related services to Corporate Landlord	+/-£0.350m
Minor realignment within People & Communications with a small transfer from Human Resources related services to Customer contact, Communications & Consultations	+/-£0.035m

Non-Attributable Costs

Gross decrease -£0.1m

Formal virements, requiring approval:

Transfer from Non-Apportionable Costs to Finance in S&CS to reflect the agreed increase in Audit structure	-£0.125m gross

13 Capital Budget Changes

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

Project	Year	Amount (£m)	Reason
Annual Planned Enhancement Programme (CYPE)	21-22	0.250	Additional High Needs Provision Grant
High Needs Provision (CYPE)	21-22 22-23	1.964 4.425	Additional High Needs Provision Grant
Basic Need Kent Commissioning Plan (KCP) 17 (CYPE)	21-22	1.907	Additional developer contributions available to fund the programme.
Basic Need KCP18 (CYPE)	22-23	1.500	Additional developer contributions available to fund the programme.
Basic Need KCP19 (CYPE)	21-22 22-23	-0.561 7.676	Net additional developer contributions available to fund the programme.
Basic Need KCP21-25 (CYPE)	21-22 23-24	0.500 3.773	Additional developer contributions available to fund the programme.
Newingreen A20 Junction Improvement (GET)	21-22 22-23 23-24	-0.050 -2.572 -0.416	Removal of the scheme and the funding (developer contributions) as this will now be delivered by the developer.
Manston Green (GET)	22-23 23-24 24-25 25-26	-1.213 -4.215 -0.834 -0.028	Removal of the scheme and the funding (grant) as this will now be delivered by the developer.
Maidstone Heat Network (GET)	21-22	0.009	Revenue contribution to the scheme.
Kent Strategic Congestion Management (GET)	21-22	0.300	Revenue contribution to the scheme.
Kent Thameside LST – Integrated Door to Door Journeys (GET)	21-22	0.271	To reflect additional income from a successful Kent Lane Rental Bid.
West End Decarbonisation Fund Project (GET)	21-22	0.02	Agreed initial works to be funded from grant.
Kings Hill Decarbonisation Fund Project (GET)	21-22	0.08	Agreed initial works to be funded from grant.

13 Capital Budget Changes

Cabinet is asked to approve the following changes:

Project	Year	Amount (£m)	Reason
Annual Planned Enhancement Programme (CYPE)	21-22	-0.100	Contribution of Schools Condition Allocation (SCA) Funding to Harrietsham School in basic need.
Basic Need Programme KCP16	21-22	+0.100	Contribution of SCA grant from Annual Planned Enhancement Programme
A228 and B2160 Junction Improvements with B2017 Badsell Road (GET)	21-22 22-23 23-24 24-25	0.375 0.375 2.745 0.200	To reflect this new project which is to be funded by developer contributions.
Waste Replacement CCTV (GET)	21-22	0.026	To reflect new scheme to be funded from a revenue contribution.
Sandgate Library Enhancements (GET)	21-22	0.048	To reflect improvements to Sandgate Library (new project) to be funded from developer contributions.

14 Treasury Management Monitoring

Treasury management relates to the management of the Council's debt portfolio (accumulated borrowing to fund previous and current capital infrastructure investments) and investments of cash balances. The Council has a comparatively high level of very long-term debt a significant proportion of which was undertaken through the previous supported borrowing regime. KCC's principal objective for borrowing is to achieve an appropriately low risk balance between securing low interest rates and certainty of financing costs. This is achieved by seeking to fund capital spending from internal resources and short-term borrowing, only considering external long-term borrowing at advantageous interest rates.

14.1	Total external debt outstanding in July was £851.4m down by £2.3m since 31st March 2021	KCC debt includes £449.6m of borrowing from Public Works Loans Board (PWLB). The vast majority is maturity debt (debt is only repaid upon maturity) at fixed rates of interest. The average length to maturity of PWLB debt is 15.6 years at an average interest rate of 4.83%. Outstanding loans from banks amount to £291.8m. This is also at fixed term rates with average length to maturity of 37.2 years at average interest rate of 4.4%. The council has £90m of Lender Option Borrower Option (LOBO) loans. These loans can only be renegotiated should the lender propose an increase in interest rates. The average length to maturity of LOBO loans is 42.6 years at average interest rate of 4.15%. The balance of debt relates to loans from Salix Finance for LED streetlighting programme. The outstanding balance is £20m with average of 10.7 years to maturity at average rate of 1.43%. In addition to the £851.4m external debt we also have £211.4m of internal borrowing.
14.2	Majority is long term debt with 15% due to mature within 5 years	Maturity 0 to 5 years £127.1m (14.9%) Maturity 5 to 10 years is minimal Maturity 10 to 20 years £216.7m (25.5%) Maturity over 20 years £507.6m (59.6%)
14.3	Total cash balance at end of July was £565m down by £10m from the end of June	Cash balances accrue from the council's reserves and timing differences between the receipt of grants and other income and expenditure. Balances are forecast to peak at £609m in August before declining throughout the remainder of the year to £497m (the same balance as at 31st March 2021)

14.4	Cash balances are invested in a range of short-term, medium term and long-term deposits	Investments are made in accordance with the Treasury Management Strategy agreed by full Council alongside the revenue and capital budgets. Short term deposits (same day availability) are held in bank accounts or money market funds. Current balances in short-term deposits in July were £142.7m (25.2% of cash balances). Short-term deposits enable the Council to manage liquidity. Bank accounts and money market funds are currently earning less than 0.1% return A further £118m is deposited through the Debt Management Office (an executive agency responsible for debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds). As at July the Council had £118m in DMO deposits, representing 20.9% of cash investments with an average rate of return of 0.01%. Medium term deposits include covered bonds, a form of secured bond issued by a financial institution that is usually backed by mortgages or public sector loans. In the UK the covered bond programmes are supervised by the Financial Conduct Authority (FCA). King and Shaxson acts as the Council's broker and custodian for its bond portfolio. Currently the Council has £100m invested in covered bonds earning an average rate of return of 0.68%. Long term investments are made through Strategic Pooled Funds. These include a variety of UK and Global Equity Funds, Multi Asset Funds and Property Funds. In total the Council has £178.9m invested in pooled funds (31.7% of cash balances). These funds have earnt a total of £31.6m since investment at an average annual rate of 4.4%. Returns on pooled funds can be volatile.

15 Council Tax

The purpose of this section is to provide an early indication of how discounts and collection rates are changing/recovering throughout the year and the likely impact of these changes on the collection fund and the Council Tax Base to be included in the following years budget.

15.1	Council Tax income is a key source of funding for council services and makes up almost 70% of our net budget (and just under 50% of our gross budget).	The amount generated through Council Tax is principally determined by the Council Tax Base. This is the number of properties (expressed as the number of weighted band D equivalent properties) and adjusted for exemptions, discounts and premiums, other minor adjustments (e.g. estimated new builds), the Band D charge per property and the collection rate. The most significant discounts are the 25% single persons discount and the Council Tax Reduction Scheme for low income households.
15.2	The budget is based on estimated council tax collection. Actual collections are managed through local district collection funds	The twelve Kent districts provide the budgeted Council Tax Base which forms the basis for the County Council precept after applying the county's share of the council tax charge (including a separate precept for adult social care) and is included in the annual budget. Districts must remit the budgeted precept to the County Council in-year and any difference between the budgeted precept and the actual Council Tax collected is accounted for by districts through the local collection fund.
15.3	The Covid-19 pandemic has significantly affected both the discounts provided through the Council Tax Reduction Scheme and the collection rate.	The impact of Covid-19 has caused an unprecedented reduction of just over 1% to the 2021-22 budgeted taxbase and a large collection fund deficit in 2020-21. A 1% increase to the taxbase provides £7.8m additional council tax income for the County Council.

Budgeted Tax Base 2021-22

15.4	548,862.48 Band D Equivalents = £778.7m for the County Council precept	The 2021-22 net budgeted Council Tax Base for Kent is 548,862.48 Band D equivalents which produces the County Council precept of £778.7m. The precept includes £70.9m reduction due to single persons discount, £77.4m Council Tax Reduction Scheme and £17.6m loss for the expected collection rate. The table below shows the composition of the budgeted Council Tax Base for Kent County Council precept:

	Band D equivalent	Total Precept @ £1,418.76 £m
Number of Dwellings (684,240)	676,913.44	960.4
Less Exemptions & Disabled	-15,070.89	-21.4
Less Single Persons Discount	-49,938.11	-70.9
Less Council Tax Reduction Discounts	-56,027.89	-79.5
Less Other Discounts	-2,617.35	-3.7
Add Premiums, New Builds, etc	7,980.72	11.3
Less Collection Losses	-12,377.44	-17.6
Net Tax Base/Precept	548,862.48	778.7

The net precept of £778.7m includes £87.2m for the Adult Social Care precept.

15 Council Tax

Monitoring

15.5 In the first quarter of 2021-22 Council Tax Reduction discounts have been higher than budgeted in the precept. Collection rates have been higher than in 2020-21 but have still not recovered to pre-pandemic levels (and are lower than assumed in budgeted precept)

The twelve Kent Districts have been providing updates on the existing collection rate and level of CTRS claimants. The table below shows the forecast based on the current level of Council Tax Reduction Scheme discounts and collection rate. This shows that assuming the current levels stay the same for the remainder of the year there would be a potential collection fund deficit for KCC of approximately £9m due to higher than budgeted Council Tax Reduction Discounts and lower than estimated collection rates:

	Budget	Forecast	Variance
Council Tax Reduction Scheme	-£77.4m	-£79.2m	£1.8m
Collection Rate	97.8%	96.9%	0.9% = £7.2m

However, this does not take into consideration any payments against 2020-21 arrears. These would reduce the collection fund deficit. We are working with the Districts to gather this information to include this in future reports.

The number and value of Council Tax Reduction Scheme discounts initially increased from the budgeted position and peaked at the end of April. The number and value of Council Tax Reductions Scheme discounts has reduced in both May and June but they are still higher than the budgeted level. We anticipate there are likely to be further reductions in the number and value of Council Tax Reduction Discounts during the remainder of the year as the economic recovery continues through progress on national roadmap for easing Covid-19 restrictions.
If the Council Tax Reduction Scheme discounts stay at the current level then the 2022-23 tax base would reduce by 0.2% which equates to a further £1.5m loss of Council Tax income (based on the 2021-22 Band D charge).

If the anticipated collection rate for 2022-23 remains at the current rate then this would lead to the 2022-23 taxbase reducing by 0.9% which equates to a further £7.2m loss of Council Tax income (based on the 2021-22 Band D charge).

As already indicated it is likely there will be further reductions in Council Tax Reduction Scheme discounts and improvements in collection rates but it is too early at this stage in the year to be able to accurately predict the scale and pace of recovery. Future monitoring reports will provide regular updates on current scale and pace of recovery which should provide a more robust basis for predictions

Additional Support for Kent Residents

15.6	Additional £50 reduction for working age CTRS claimants at an estimated total cost of £3.6m	At the County Council meeting on 13th February, the Leader announced a new scheme to support working age households currently receiving Council Tax Reduction Scheme discounts through the recovery stage of the pandemic. This additional support provided an additional up to £50 reduction to the Council Tax demand notice for 2021-22 for qualifying households[1]. To date 71,332 households have received this additional reduction to their bills and the total discount provided to date is £3.5m. £3.6m was provided in the budget to fund this scheme. There is therefore a small balance of £0.1m available which could fund this discount for approximately further 1,500 new Council Tax Reduction Scheme claimants during the remainder of this year.
15.7	Additional £2.4m Hardship Fund	At the County Council meeting on 13th February, the Leader also announced a hardship fund to support households suffering significant financial difficulty. This is in addition to the existing hardship schemes operated by the Districts. To the end of June £0.1m has been provided to 432 households Each District has been allocated a share of £2.4m budgeted for this scheme. The share allocated to each district was weighted based on the level of deprivation in the district, the number of Council Tax Reduction Scheme claimants and the total number of households.

[1] Qualifying households received an additional discount of up to £150 in 2020-21 under national government support scheme

Appendix 1 - Key Service Summary as at July 2021-22

	Revenue Budget £m	Variance excl. Covid-19 £m	Covid-19 Forecast £m	Variance incl. Covid-19 £m
Community Based Preventative Services	17.2	(0.1)	0.1	(0.0)
Housing Related Support	6.9	0.0	0.0	0.0
Transfers to and from Reserves	0.0	0.0	0.0	0.0
Strategic Management & Directorate Support (ASCH)	4.5	(0.1)	6.7	6.6
Social Support for Carers	3.1	0.6	0.0	0.6
Partnership Support Services	0.0	0.0	0.0	0.0
Strategic Safeguarding	0.5	0.1	0.0	0.1
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	0.0	0.0	0.0	0.0
Public Health - Sexual Health	0.0	0.0	0.0	0.0
Strategic Management & Directorate Budgets	32.2	0.5	6.8	7.3
Adult In House Carer Services	2.6	0.0	0.0	0.0
Adult In House Community Services	6.9	(0.4)	0.0	(0.4)
Adult In House Enablement Services	7.1	(0.1)	0.0	(0.1)
Adult Learning Disability - Case Management & Assessment Service	5.1	(0.4)	0.2	(0.2)
Adult Learning Disability - Community Based Services & Support for Carers	89.9	5.4	(0.6)	4.8
Adult Learning Disability - Residential Care Services & Support for Carers	65.0	6.7	0.0	6.7
Adult Mental Health - Case Management & Assessment Services	8.7	0.4	0.0	0.4
Adult Mental Health - Community Based Services	8.0	2.7	2.2	4.9
Adult Mental Health - Residential Care Services	14.9	0.1	0.0	0.1
Adult Physical Disability - Community Based Services	18.2	3.2	0.0	3.2
Adult Physical Disability - Residential Care Services	16.7	1.5	0.0	1.5
ASCH Operations - Divisional Management & Support	6.2	0.1	0.0	0.1
Looked After Children (with Disability) - In House Provision	2.9	(0.1)	0.0	(0.1)
Older People - Community Based Services	46.2	3.1	0.8	3.9
Older People - In House Provision	15.2	(0.3)	(0.0)	(0.3)
Older People - Residential Care Services	33.4	(1.4)	1.9	0.5
Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	22.3	0.8	0.2	1.0
Older People & Physical Disability - In House Community Homecare Service	0.0	0.0	0.0	0.0
Older People & Physical Disability Carer Support - Commissioned	0.9	(0.3)	0.0	(0.3)
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Community Based Services	7.2	(2.6)	0.0	(2.6)
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Residential Care Services	1.3	(0.2)	0.0	(0.2)
Sensory & Autism - Assessment Service	1.8	0.0	0.0	0.0
Service Provision - Divisional Management & Support	0.0	0.0	0.0	0.0
Adaptive & Assistive Technology	2.1	(0.3)	0.0	(0.3)
Adult Social Care & Health Operations	382.6	17.9	4.8	22.6
Business Delivery	9.8	(0.8)	0.1	(0.7)
Safeguarding Adults	0.0	0.0	0.0	0.0
Independent Living Support	0.7	0.1	0.0	0.1
Statutory and Policy Support	1.2	(0.0)	0.0	(0.0)
Business Delivery Unit	11.6	(0.7)	0.1	(0.6)
Adult Social Care & Health	426.4	17.6	11.7	29.3
Earmarked Budgets Held Corporately	8.1	(8.1)		(8.1)
Net Total incl provisional share of CHB	434.5	9.5		

	Revenue Budget £m	Variance excl. Covid-19 £m	Covid-19 Forecast £m	Variance incl. Covid-19 £m
Strategic Management & Directorate Budgets	2.2	(0.1)	0.0	(0.1)
Community Learning & Skills (CLS)	(0.6)	0.0	0.6	0.6
Early Years Education	0.0	(0.0)	0.0	(0.0)
Education Management & Division Support	1.4	(0.1)	0.0	(0.1)
Education Services provided by The Education People	4.2	0.0	0.0	0.0
Fair Access & Planning Services	0.0	0.1	0.0	0.1
Home to School & College Transport	44.5	2.3	0.1	2.4
Other School Services	2.2	(0.1)	2.8	2.7
Education	51.7	2.2	3.5	5.7
Adoption & Special Guardianship Arrangements & Service	14.9	0.3	0.0	0.3
Asylum	(0.1)	(0.0)	0.1	0.1
Care Leavers Service	7.7	(1.7)	0.0	(1.7)
Children in Need - Care & Support	3.3	(0.1)	0.0	(0.1)
Children's Centres	3.6	0.0	0.0	0.0
Children's Social Work Services - Assessment & Safeguarding Service	47.8	0.0	0.9	0.9
Early Help & Preventative Services	7.3	0.0	0.0	0.0
Integrated Services (Children's) Management & Directorate Support	5.1	(0.1)	0.0	(0.1)
Looked After Children - Care & Support	65.9	0.2	4.0	4.2
Pupil Referral Units & Inclusion	(0.0)	0.0	0.0	0.0
Youth Services	4.8	0.0	(0.2)	(0.2)
Integrated Children's Services (East & West)	160.5	(1.3)	4.8	3.5
Adult Learning & Physical Disability Pathway - Community Based Services	30.1	(0.0)	0.0	(0.0)
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	9.0	0.0	0.0	0.0
Children in Need (Disability) - Care & Support	5.1	(0.4)	0.0	(0.4)
Childrens 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	0.2	0.0	0.2
Looked After Children (with Disability) - Care & Support	11.4	0.6	0.0	0.6
Special Educational Needs & Disability Management & Divisional Support	0.2	(0.0)	0.0	(0.0)
Special Educational Needs & Psychology Services	10.9	(0.1)	1.5	1.4
Special Educational Needs & Disabilities	76.3	0.3	1.5	1.8
Children, Young People & Education	290.7	1.1	9.7	10.8
Earmarked Budgets Held Corporately	7.3	(0.3)		(0.3)
Net Total incl provisional share of CHB	298.0	0.8		

	Revenue Budget £m	Variance excl. Covid-19 £m	Covid-19 Forecast £m	Variance incl. Covid-19 £m
Strategic Management & Directorate Budgets	1.4	0.0	0.0	0.0
Arts	1.3	(0.0)	0.0	(0.0)
Economic Development	2.7	0.1	0.3	0.5
Economic Development	4.1	0.1	0.4	0.5
Highway Transportation (including School Crossing Patrols)	6.2	0.0	0.0	0.0
Highway Asset Management (Roads and Footways)	10.4	0.2	0.0	0.2
Highway Asset Management (Other)	18.9	(0.2)	(0.0)	(0.2)
Subsidised Buses and Community Transport	6.5	0.0	0.0	0.0
Concessionary Fares	17.2	0.0	(1.9)	(1.9)
Kent Travel Saver	7.6	0.0	(1.3)	(1.3)
Residual Waste	39.8	1.3	1.3	2.6
Waste Facilities & Recycling Centres	34.2	(0.9)	0.1	(0.8)
Highways, Transport & Waste Management Costs and Commercial Operations	5.4	(0.1)	0.0	(0.1)
Highways, Transportation & Waste	146.1	0.3	(1.7)	(1.4)
Environment & Planning	5.7	0.1	0.1	0.2
Environment, Planning & Enforcement Management Costs	0.7	(0.0)	0.1	0.1
Public Protection (Enforcement)	10.4	(0.2)	0.2	(0.0)
Environment, Planning & Enforcement	16.8	(0.1)	0.4	0.3
Libraries, Registration & Archives	8.6	(0.1)	0.7	0.5
Growth, Environment & Transport	176.9	0.2	(0.3)	(0.1)

	Revenue Budget £m	Variance excl. Covid-19 £m	Covid-19 Forecast £m	Variance incl. Covid-19 £m
Strategic Management & Directorate Budgets	(1.7)	(0.0)	0.0	(0.0)
Customer Contact, Communications & Consultations	5.4	0.1	0.4	0.4
Human Resources related services	8.0	(0.1)	(0.0)	(0.1)
People & Communication	13.3	(0.0)	0.4	0.3
Finance	12.3	0.0	6.1	6.1
Governance & Law	6.1	(0.1)	(0.1)	(0.2)
Local Member Grants	0.8	(0.0)	0.0	(0.0)
Governance, Law & Democracy	6.9	(0.1)	(0.1)	(0.2)
ICT related services	21.4	(0.0)	1.0	1.0
Property related services	5.8	(0.0)	1.2	1.2
Infrastructure	27.2	(0.0)	2.2	2.2
Corporate Landlord	25.1	(0.1)	0.2	0.2
Strategic Commissioning	7.3	(0.0)	0.8	0.8
Strategy, Policy, Relationships & Corporate Assurance	3.8	0.1	0.0	0.1
Total - Strategic & Corporate Services	94.1	(0.1)	9.6	9.5
Earmarked Budgets Held Corporately	0.2	0.0		0.0
Net Total incl provisional share of CHB	94.3	(0.1)		
Non Attributable Costs	115.8	(0.3)	0.4	0.1
Corporately Held Budgets (to be allocated)	0.5	(0.5)		(0.5)
Net Total incl provisional share of CHB	116.4	(0.8)		
Total excluding Schools' Delegated Budgets	1,120.0	9.7	31.1	40.8

Appendix 2 - Revenue Budget Changes

	Base Budget			Working Budget			Movement		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Community Based Preventative Services	19.0	-5.3	13.7	19.1	-5.3	13.8	0.1	0.0	0.1
Housing Related Support	8.4	-1.4	7.0	8.4	-1.4	6.9	-0.1	0.0	-0.1
Strategic Management & Directorate Support (ASCH)	4.7	-1.2	3.4	4.8	-0.3	4.5	0.2	0.9	1.1
Social Support for Carers	4.8	-1.7	3.1	4.8	-1.7	3.1	0.0	0.0	0.0
Partnership Support Services	10.4	-10.4	0.0	10.4	-10.4	0.0	0.0	0.0	0.0
Strategic Safeguarding	0.8	-0.4	0.5	0.9	-0.4	0.5	0.0	-0.0	0.0
Strategic Management & Directorate Budgets	48.1	-20.5	27.7	48.4	-19.6	28.8	0.2	0.9	1.1
Adult In House Carer Services	2.5	+0.0	2.5	2.6	-0.0	2.6	0.0	-0.0	0.0
Adult In House Community Services	7.2	-0.1	7.1	7.0	-0.1	6.9	-0.2	0.0	-0.2
Adult In House Enablement Services	18.4	-11.5	6.9	18.7	-11.6	7.1	0.2	-0.1	0.1
Adult Learning Disability - Case Management & Assessment Service	5.3	-0.3	5.0	5.4	-0.3	5.1	0.1	0.0	0.1
Adult Learning Disability - Community Based Services & Support for Carers	99.1	-9.4	89.7	98.8	-8.9	89.9	-0.3	0.4	0.2
Adult Learning Disability - Residential Care Services & Support for Carers	70.3	-5.6	64.7	70.6	-5.6	65.0	0.3	0.0	0.3
Adult Mental Health - Case Management & Assessment Services	9.1	-0.3	8.8	9.0	-0.3	8.7	-0.1	0.0	-0.1
Adult Mental Health - Community Based Services	8.2	-0.7	7.5	8.6	-0.6	8.0	0.3	0.1	0.5
Adult Mental Health - Residential Care Services	15.7	-0.9	14.8	15.9	-1.0	14.9	0.1	-0.0	0.1
Adult Physical Disability - Community Based Services	21.4	-3.4	18.0	21.4	-3.2	18.2	0.1	0.1	0.2
Adult Physical Disability - Residential Care Services	19.1	-2.7	16.5	19.1	-2.4	16.7	-0.1	0.3	0.2
ASCH Operations - Divisional Management & Support	5.9	-0.0	5.9	6.5	-0.2	6.2	0.6	-0.2	0.4
Looked After Children (with Disability) - In House Provision	4.7	-1.8	2.9	4.7	-1.8	2.9	0.0	0.0	0.0
Older People - Community Based Services	75.6	-28.3	47.3	74.6	-28.4	46.2	-1.0	-0.1	-1.1
Older People - In House Provision	24.5	-9.4	15.0	22.6	-7.4	15.2	-1.8	2.0	0.1
Older People - Residential Care Services	76.2	-40.9	35.3	74.5	-41.1	33.4	-1.7	-0.2	-1.9
Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	25.3	-2.8	22.5	24.7	-2.5	22.3	-0.5	0.3	-0.2
Older People & Physical Disability Carer Support - Commissioned	2.5	-1.6	0.9	2.5	-1.6	0.9	-0.0	0.0	-0.0
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Community Based Services	8.0	-0.8	7.2	8.0	-0.8	7.2	0.1	0.0	0.1
Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Residential Care Services	1.4	-0.1	1.3	1.4	-0.1	1.3	0.0	0.0	0.0
Sensory & Autism - Assessment Service	1.8	+0.0	1.8	1.8	+0.0	1.8	0.0	0.0	0.0
Service Provision - Divisional Management & Support	0.0	+0.0	0.0	0.0	+0.0	0.0	0.0	0.0	0.0
Adaptive & Assistive Technology	9.0	-6.9	2.1	9.0	-6.9	2.1	0.0	0.0	0.0
Adult Social Care & Health Operations	511.1	-127.4	383.7	507.4	-124.8	382.6	-3.8	2.6	-1.1
Business Delivery	9.7	-0.4	9.4	10.1	-0.6	9.5	0.3	-0.2	0.1
Safeguarding Adults	0.0	+0.0	0.0	0.0	+0.0	0.0	0.0	0.0	0.0
Independent Living Support	0.9	-0.2	0.7	0.9	-0.2	0.7	0.0	0.0	0.0
Statutory and Policy Support	1.2	+0.0	1.2	1.2	+0.0	1.2	0.0	0.0	0.0
Business Delivery Unit	11.8	-0.6	11.2	12.1	-0.8	11.3	0.3	-0.2	0.1
Adult Social Care & Health	571.1	-148.5	422.6	567.9	-145.2	422.7	-3.2	3.3	0.1

Appendix 2 - Revenue Budget Changes

	Base Budget			Working Budget			Movement		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Strategic Management & Directorate Budgets	**6.0**	**-3.8**	**2.2**	**6.0**	**-3.8**	**2.2**	**0.0**	**0.0**	**0.0**
Community Learning & Skills (CLS)	13.2	-13.9	-0.6	13.2	-13.9	-0.6	0.0	0.0	0.0
Early Years Education	74.8	-74.8	0.0	74.8	-74.8	0.0	0.0	0.0	0.0
Education Management & Division Support	2.4	-1.0	1.4	2.4	-1.0	1.4	0.0	0.0	0.0
Education Services provided by The Education People	9.0	-4.8	4.2	9.0	-4.8	4.2	0.0	0.0	0.0
Fair Access & Planning Services	2.9	-2.9	0.0	2.9	-2.9	0.0	0.0	0.0	0.0
Home to School & College Transport	47.8	-3.4	44.5	47.8	-3.4	44.5	0.0	0.0	0.0
Other School Services	40.1	-37.9	2.2	45.4	-43.1	2.2	5.3	-5.3	0.0
Education	**190.2**	**-138.5**	**51.7**	**195.5**	**-143.8**	**51.7**	**5.3**	**-5.3**	**0.0**
Adoption & Special Guardianship Arrangements & Service	15.0	-0.1	14.9	16.7	-1.8	14.9	1.7	-1.7	0.0
Asylum	17.0	-17.0	-0.1	17.0	-17.0	-0.1	0.0	0.0	0.0
Care Leavers Service	10.9	-3.2	7.7	11.0	-3.3	7.7	0.1	-0.1	0.0
Children in Need - Care & Support	3.3	-0.0	3.3	3.3	-0.0	3.3	0.0	0.0	0.0
Children's Centres	7.6	-4.0	3.6	7.6	-4.0	3.6	0.0	0.0	0.0
Children's Social Work Services - Assessment & Safeguarding Service	51.7	-3.9	47.8	51.7	-3.9	47.8	0.0	0.0	0.0
Early Help & Preventative Services	15.1	-7.8	7.3	15.3	-8.0	7.3	0.2	-0.2	0.0
Integrated Services (Children's) Management & Directorate Support	7.6	-2.5	5.1	7.6	-2.5	5.1	0.0	0.0	0.0
Looked After Children - Care & Support	70.2	-4.3	65.9	70.2	-4.3	65.9	0.0	0.0	0.0
Pupil Referral Units & Inclusion	8.4	-8.4	0.0	8.4	-8.4	0.0	0.0	0.0	0.0
Youth Services	7.3	-2.5	4.8	7.3	-2.5	4.8	0.0	0.0	0.0
Integrated Children's Services (East & West)	**214.2**	**-53.7**	**160.5**	**216.1**	**-55.7**	**160.5**	**2.0**	**-2.0**	**0.0**
Adult Learning & Physical Disability Pathway - Community Based Services	31.6	-1.6	30.1	31.6	-1.6	30.1	0.0	0.0	0.0
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	9.6	-0.5	9.1	9.5	-0.5	9.0	-0.1	0.0	-0.1
Children in Need (Disability) - Care & Support	5.1	-0.0	5.1	5.1	-0.0	5.1	0.0	0.0	0.0
Childrens Disability 0-18 Commissioning	1.8	-0.1	1.7	1.8	-0.1	1.7	0.0	0.0	0.0
Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	7.9	+0.0	7.9	7.9	+0.0	7.9	0.0	0.0	0.0
Looked After Children (with Disability) - Care & Support	13.0	-1.6	11.4	13.0	-1.6	11.4	0.0	0.0	0.0
Special Educational Needs & Disability Management & Divisional Support	0.2	+0.0	0.2	0.2	+0.0	0.2	0.0	0.0	0.0
Special Educational Needs & Psychology Services	89.4	-78.5	10.9	89.4	-78.5	10.9	0.0	0.0	0.0
Special Educational Needs & Disabilities	**158.7**	**-82.2**	**76.4**	**158.6**	**-82.2**	**76.3**	**-0.1**	**0.0**	**-0.1**
Children, Young People & Education	**569.0**	**-278.3**	**290.8**	**576.2**	**-285.5**	**290.7**	**7.2**	**-7.3**	**-0.1**

Appendix 2 - Revenue Budget Changes

	Base Budget			Working Budget			Movement		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Strategic Management & Directorate Budgets	1.5	-0.1	1.4	1.5	-0.1	1.4	0.0	0.0	0.0
Arts	1.4	-0.1	1.3	1.4	-0.1	1.3	0.0	0.0	0.0
Economic Development	5.2	-2.4	2.7	5.2	-2.4	2.7	0.0	0.0	0.0
Economic Development	6.6	-2.5	4.1	6.6	-2.5	4.1	0.0	0.0	0.0
Highway Transportation (including School Crossing Patrols)	9.1	-2.9	6.2	9.1	-2.9	6.2	-0.0	0.0	-0.0
Highway Asset Management (Roads and Footways)	12.4	-2.0	10.4	12.4	-2.0	10.4	0.0	0.0	0.0
Highway Asset Management (Other)	22.9	-4.0	18.9	22.9	-4.0	18.9	0.0	0.0	0.0
Subsidised Buses and Community Transport	10.0	-3.5	6.5	10.0	-3.5	6.5	0.0	0.0	0.0
Concessionary Fares	17.3	-0.0	17.2	17.3	-0.0	17.2	0.0	0.0	0.0
Kent Travel Saver	15.2	-7.6	7.6	15.2	-7.6	7.6	0.0	0.0	0.0
Residual Waste	40.2	-0.4	39.8	40.2	-0.4	39.8	0.0	0.0	0.0
Waste Facilities & Recycling Centres	36.9	-2.7	34.2	36.9	-2.7	34.2	0.0	0.0	0.0
Highways, Transport & Waste Management Costs and Commercial Operations	7.6	-2.1	5.5	7.5	-2.1	5.4	-0.1	0.0	-0.1
Highways, Transportation & Waste	171.5	-25.3	146.2	171.4	-25.3	146.1	-0.1	0.0	-0.1
Environment & Planning	16.8	-11.1	5.7	17.1	-11.4	5.7	0.3	-0.3	0.0
Environment, Planning & Enforcement Management Costs	0.7	-0.0	0.7	0.7	-0.0	0.7	0.0	0.0	0.0
Public Protection (Enforcement)	13.3	-2.9	10.4	13.3	-2.9	10.4	-0.0	-0.0	-0.0
Environment, Planning & Enforcement	30.8	-14.0	16.7	31.1	-14.3	16.8	0.3	-0.3	0.0
Libraries, Registration & Archives	15.1	-6.5	8.6	15.1	-6.5	8.6	0.0	0.0	0.0
Growth, Environment & Transport	225.4	-48.5	176.9	225.6	-48.7	176.9	0.2	-0.3	-0.1

Appendix 2 - Revenue Budget Changes

	Base Budget			Working Budget			Movement		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Strategic Management & Directorate Budgets	2.9	-4.7	-1.7	2.9	-4.7	-1.7	0.0	0.0	0.0
Customer Contact, Communications & Consultations	5.9	-0.6	5.3	6.0	-0.6	5.4	0.1	-0.0	0.0
Human Resources related services	8.8	-0.8	8.0	8.7	-0.7	8.0	-0.1	0.1	-0.0
People & Communication	14.7	-1.4	13.3	14.7	-1.3	13.3	-0.0	0.0	0.0
Finance	18.6	-6.4	12.2	19.1	-6.8	12.3	0.5	-0.4	0.1
Governance & Law	6.4	-0.3	6.1	6.4	-0.3	6.1	0.0	-0.0	0.0
Local Member Grants	0.8	+0.0	0.8	0.8	+0.0	0.8	0.0	0.0	0.0
Governance, Law & Democracy	7.2	-0.3	6.9	7.2	-0.3	6.9	0.0	-0.0	0.0
ICT related services	24.2	-2.8	21.4	25.7	-4.3	21.4	1.4	-1.4	0.0
Property related services	7.6	-1.5	6.1	7.3	-1.5	5.8	-0.4	0.0	-0.4
Infrastructure	31.9	-4.4	27.5	33.0	-5.8	27.2	1.1	-1.4	-0.4
Corporate Landlord	32.0	-7.2	24.8	34.5	-9.3	25.1	2.5	-2.1	0.4
Strategic Commissioning	7.7	-0.6	7.2	8.7	-1.5	7.3	1.0	-0.9	0.1
Public Health - Advice and Other Staffing	4.1	-4.1	0.0	4.3	-4.3	0.0	0.2	-0.2	0.0
Public Health - Children's Programme	34.0	-34.0	0.0	32.4	-32.4	0.0	-1.6	1.6	0.0
Public Health - Healthy Lifestyles	8.8	-8.8	0.0	9.3	-9.3	0.0	0.6	-0.6	0.0
Public Health - Mental Health, Substance Misuse & Community Safety	12.8	-12.8	0.0	12.9	-12.9	0.0	0.1	-0.1	0.0
Public Health - Sexual Health	14.8	-14.8	0.0	14.4	-14.4	0.0	-0.4	0.4	0.0
Strategic Commissioning including Public Health	82.2	-75.0	7.2	82.0	-74.8	7.3	-0.1	0.2	0.1
Strategy, Policy, Relationships & Corporate Assurance	5.8	-2.1	3.8	5.8	-2.1	3.8	0.0	0.0	0.0
Total - Strategic & Corporate Services	195.4	-101.5	93.9	199.3	-105.1	94.1	3.9	-3.7	0.2

Appendix 2 - Revenue Budget Changes

	Base Budget			Working Budget			Movement		
	Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
Non Attributable Costs	128.4	-12.4	116.0	128.2	-12.4	115.8	-0.1	0.0	-0.1
Corporately Held Budgets	29.0	3.2	32.3	29.0	3.2	32.3	0.0	0.0	0.0
Total excluding Schools' Delegated Budgets	1,718.3	-585.9	1,132.4	1,726.2	-593.8	1,132.4	7.9	-7.9	0.0
Schools' Delegated Budgets	689.4	-689.4	0.0	689.4	-689.4	0.0	0.0	0.0	0.0
Total including Schools' Delegated Budgets	2,407.7	-1,275.2	1,132.4	2,415.6	-1,283.1	1,132.4	7.9	-7.9	0.0

Appendix 3 - Monitoring of Prudential Indicators as at 31 June 2021

Prudential Indicator 1 : Estimates of Capital Expenditure (£m)

	20-21 Actuals	21-22 Budget	21-22 Forecast
Total	340.63	424.2	415.90

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

	20-21 Actuals	21-22 Budget	21-22 Forecast
Total CFR	1,269.16	1,402.50	1,344.97

Prudential Indicator 3: Gross Debt and the Capital Financing Requirement (£m)

	20-21 Actuals	21-22 Budget	21-22 Forecast
Other Long-term Liabilities	235.80	245.20	245.20
External Borrowing	853.73	826.00	852.40
Total Debt	1,089.53	1,071.20	1,097.60
Capital Financing Requirement	1,269.16	1,402.50	1,344.97
Internal Borrowing	179.63	331.30	247.37

Prudential Indicator 4 : Authorised Limit and Operation Boundary for External Debt (£m)

	20-21 Actuals	21-22 Limit	21-22 Forecast
Authorised Limit - borrowing	854	1,016	852
Authorised Limit - PFI and leases	246	245	245
Authorised Limit - total external debt	1,100	1,261	1,097
Operational Boundary - borrowing	854	991	852
Operational Boundary - PFI and leases	246	245	245
Operation Boundary - total external debt	1,100	1,236	1,097

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

	20-21 Actual	21-22 Budget	21-22 Forecast
Proportion of net revenue stream	9.57%	9.59%	9.21%

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

Zena Cooke, Corporate Director - Finance

To: Cabinet 30th September 2021

Subject: **Spending Review 2021**

Key decision: No

Classification: Unrestricted

Past Pathway of Paper: N/A

Future Pathway of Paper: N/A

Summary:
The Chancellor of The Exchequer announced the timetable for the Spending Review (SR2021) on 7th September 2021. SR2021 will set out public expenditure plans for the next 3 financial years 2022-23 to 2024-25. The outcome will be announced on 27th October 2021 alongside the Autumn Budget. The deadline for submissions to the review by external stakeholders is 30th September. KCC will be making a submission which will be available for Cabinet members to review at the meeting prior to submission.

Recommendations
Cabinet is asked to note the timetable for SR2021 and endorse the Spending Review submission.

1. Introduction

1.1 The Spending Review is a key component of the Council's financial planning as it sets out the government's plan for public spending over the forthcoming years to deliver its priorities. Each of the last two years (2020-21 and 2021-22) have been based on one-year spending plans. This coupled with the last year of the previous multi-year spending review (2016-17 to 2019-20) means effectively we have been working within a short one-year financial planning horizon for the last 3 years.

1.2 The Spending Review will set out government departmental revenue and capital resources for the next 3 years. The announcement included the overall planned spending totals as set out in the March 2021 budget and the revised spending to take account of the additional spending on health and social care following the proposed increases in National Insurance Contributions also announced on 7th September. The revised spending total will see government departmental revenue spending increase by £97.5bn between 2019-20 and 2024-25 (5% average increase per year in cash terms, 3.1% average annual growth in real terms). Increase in capital spending remains unchanged from March 2021 increasing by £42.5bn between 2019-20 and 2024-25 (9.3% average annual increase in cash terms, 7.3% in real terms). The overall annual spending is summarised in table 1 below.

Table 1 – Annual Spending Totals

	2019-20 £bn	2020-21 £bn	2021-22 £bn	2022-23 £bn	2023-24 £bn	2024-25 £bn
March 21 Revenue	343.0	362.7	385.0	393.4	409.6	426.7
Sept 21 Revenue	343.0	362.7	385.0	408.4	422.0	440.5
March 21 Capital	70.4	91.6	99.8	107.3	109.1	112.8
Total SR2021	413.4	454.3	484.8	515.6	531.2	553.3

1.3 The spending totals exclude any additional spending associated with the Covid-19 pandemic. Although there are increases in spending set out for future years the commitments with regard to health, social care reforms and schools could leave very little extra spending for other departments including local government. The outcome of SR2021 is planned to be announced on 27th October alongside the Autumn Budget. The deadline for submissions by external stakeholders is 30th September. In light of this tight timescale the final KCC submission will be published before the Cabinet meeting but after the standard agenda publication date.

1.4 The funding for local government is complex. Capital expenditure is supported by a mixture of government departmental capital grants e.g. basic need for school places, highways asset management, etc.; other external sources e.g. lottery funds, developer contributions; and locally financed e.g. borrowing, capital receipts. Similarly, revenue spending is financed by a combination of government departmental grants (including un-ringfenced grants which the council can use according to local priorities and ring-fenced specific grants which have conditions attached to spending); income generation (including sales, fees and charges, and contributions from other bodies e.g. health); and local taxation (council tax and retained business rates).

2. Local Government Spending

2.1 Local government receives funding from a separate departmental total for the Ministry of Housing, Communities and Local Government through Revenue Support Grant (RSG), Improved Better Care Fund (iBCF), Social Care Support grant, New Homes Bonus (NHB) and other grants. In total these MHCLG grants account for 13.5% of the overall core spending power for all local authorities. The departmental spending total will enable us to forecast the likely amounts the County Council will receive in the local government finance settlement which will follow some time after the SR2021 announcement. However, it should be noted that this represents a relatively small share of the council's overall resources.

2.2 The funding from council tax and retained business rates (including redistribution through tariffs and top-ups) is not included in departmental spending as this is included as "locally financed spending" in the Annually Managed Expenditure (AME) element of public spending. Planned AME spending is normally identified in the Autumn Budget and should provide us with a good indication of the government's plans for council tax referendum limits. The actual referendum limits themselves could be included as part of SR2021/Autumn Budget announcements but could also not be announced until the local government finance settlement.

2.3 Local government also receives grant funding from other departmental budgets including Dedicated Schools Grant from Department for Education, Public Health and Social Care grants from Department for Health and Social Care, Unaccompanied Asylum Seeking Children grant form Home Office, etc. The Spending Review usually only sets the overall departmental totals with details of grants emerging at a later date. It is more difficult to forecast grant allocations solely from the departmental totals.

2.4 Following the Government's recent announcement earlier this month, a total £36bn of the additional receipts from the increase in National Insurance Contributions is planned to be available for the Department of Health and Social Care between 2022-23 to 2024-25. The government's publication "Build Back Better Our plan for health and social care" identified that £30.6bn is to be invested in healthcare services and £5.4bn for social care over the next 3 years. The publication identified that the additional social care spending is to support the cap on personal care costs, provide financial assistance to those without substantial assets, deliver wider support for the social care system, and to improve the integration of health and social care systems. The publication states that demographic and unit cost pressures will need to be met from council tax (including social care precept) and long-term efficiencies within core spending identified in the Spending Review. A separate paper on the announcements on health and social care is included elsewhere on the Cabinet agenda

3. Spending Review Submission

3.1 The Council's submission will include some background context about population changes (and the extent to which these have been recognised in previous spending reviews and settlements), the unique geographical challenges in Kent, and the Kent economy. The submission will identify the challenges for the capital programme and in particular the adequacy of central government funding for essential infrastructure and the impact of legacy and future borrowing on the Council's financial resilience.

3.2 The submission will identify the challenges on the revenue budget and in particular the challenge of rising demands and costs for key council services and the need for these to be adequately recognised in spending plans (or at least to acknowledge the impact on the council's ability to sustain services). The submission will identify the challenge from high proportion of spending that is supported by local taxation and the case for reform of local taxation. The submission will continue to identify the need for fundamental reforms to local government funding through Fair Funding and reform to business rate retention.

4. Conclusion

4.1 The Spending Review is a key component of the Council's financial planning, but is unlikely to address all the uncertainties reported to Cabinet in the medium term financial outlook in June. KCC will be making a submission to respond to the Spending Review to ensure that the key financial issues facing the Council are taken into account.

5. Recommendations

5.1 Cabinet is asked to note the timetable for SR2021 and endorse the Spending Review submission.

Contact details

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From: Roger Gough – Leader of the Council

David Cockburn – Corporate Director, Strategic and Corporate Services

To: Cabinet – 30 September 2021

Decision No: n/a

Subject: **Quarterly Performance Report, Quarter 1, 2021/22**

Classification: Unrestricted

Summary: The purpose of the Quarterly Performance Report (QPR) is to inform Cabinet about key areas of performance for the authority. This report presents performance to the end of June 2021 (Quarter 1, 2021/22).

Of the 33 Key Performance Indicators (KPIs) contained within the QPR, 22 achieved target (Green), 9 achieved and exceeded the floor standard but did not meet target (Amber). 2 KPIs did not meet the floor standard (Red).

Recommendation(s): Cabinet is asked to NOTE the Quarter 1 Performance Report.

1. Introduction

1.1. The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council. The report for Quarter 1, 2021/22 is attached at Appendix 1, and includes data up to the end of June 2021.

1.2. The QPR includes 33 Key Performance Indicators (KPIs) where results are assessed against Targets set at the start of the financial year.

2. Quarter 1 Performance Report

2.1. Results for KPIs compared to Target are assessed using a Red/Amber/Green (RAG) status.

2.2. Of the 33 KPIs included in the report, the latest RAG status are as follows:

- 22 are rated Green – the target was achieved or exceeded.
- 9 are rated Amber – performance achieved or exceeded the expected floor standard but did not meet target.
- 2 are rated Red – Performance did not meet the expected floor standard.

2.3. With regards to Direction of Travel, 7 indicators show a positive trend, 21 are stable or with no clear trend, and 5 are showing a negative trend.

2.4. The 2 indicators where the RAG rating is Red, are in:

- Customer Services
    - Percentage of phone calls to Contact Point which were answered.
- Children, Young People and Education
    - Percentage of Education, Health Care Plans (EHCPs) issued within 20 weeks.

3. Recommendation(s)

Cabinet is asked to NOTE the Quarter 1 Performance Report

4. Contact details

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Kent County Council

Quarterly Performance Report

Quarter 1

2021/22

Produced by: Kent Analytics
E-mail: performance@kent.gov.uk
Phone: 03000 416205

Key to KPI Ratings used

This report includes 33 Key Performance Indicators (KPIs), where progress is assessed against Targets which are set at the start of the financial year. Progress against Target is assessed by RAG (Red/Amber/Green) ratings. Progress is also assessed in terms of Direction of Travel (DoT) using arrows. Direction of Travel is now based on regression analysis across the whole timeframe shown in the graphs, and not, as previously the case, on the movement from the last quarter.

GREEN	Target has been achieved
AMBER	Floor Standard* achieved but Target has not been met
RED	Floor Standard* has not been achieved
⇧	Performance is improving (positive trend)
⇩	Performance is worsening (negative trend)
⇨	Performance has remained stable or shows no clear trend

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

Key to Activity Indicator Graphs

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

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

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

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

Executive Summary

22 of the 33 indicators are rated as Green, on or ahead of target. 9 indicators reached or exceeded the floor standard (Amber) with 2 indicators not achieving the floor standard (Red). 7 indicators were showing an improving trend, with 5 showing a worsening trend.

	G	A	R	⇧	⇨	⇩
Customer Services	1	1	1		3	
Growth, Economic Development & Communities	2				2	
Environment and Transport	3	3		1	3	2
Children, Young People and Education	8	3	1	3	7	2
Adult Social Care	4	1		1	3	1
Public Health	4	1		2	3	
TOTAL	**22**	**9**	**2**	**7**	**21**	**5**

Customer Services - Satisfaction with Contact Point advisors continues to meet target. The percentage of calls answered dropped to 88%, below the floor standard and is RAG rated Red, with high staff turnover impacting on service delivery. The percentage of complaints responded to within timescale remains below target. Visits to the KCC website reduced but are still slightly above the upper level of expectations.

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

Growth, Economic Development & Communities – The No Use Empty programme, which returns long term empty domestic properties into active use, continues to exceed its rolling 12 months target. The amount of Developer Contributions secured improved to be above target this Quarter. The number of books issued from libraries increased to its highest level since the start of the pandemic.

Growth, Economic Development & Communities KPIs	**RAG rating**	**DoT**
No. of homes brought back to market through No Use Empty (NUE)	GREEN	⇨
Developer contributions secured as a percentage of amount sought	GREEN	⇨

Environment and Transport – Two of the four indicators for Highways and Transport remained at or above target. Percentage of routine highway repairs reported by residents completed within 28 days, was one percentage point below target. Emergency incidents attended within 2 hours of notification remained at 96% and has now been below target for 12 months and has a downward trend. Waste diverted from landfill narrowly missed the target of 99%. This was the final quarter of the five-year greenhouse gas emissions target period to achieve a 38% reduction compared to 2015. The actual reduction was ahead of target at 47%.

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

Education and Wider Early Help – Due to Ofsted suspending school inspections until the 2021 summer term, there is no update for State funded schools or Early Years settings which are rated Good or Outstanding, both were meeting target at the end of March 2020. Completion of Education, Health and Care Plans (EHCPs) in timescale improved for the second successive Quarter but remained below the floor standard. Permanent pupil exclusions remains ahead of target. The number of first-time entrants to the youth justice system improved slightly and met its target.

Education & Wider Early Help KPIs	**RAG rating**	**DoT**
% of all schools with Good or Outstanding Ofsted inspection judgements (data to March 20)	GREEN	⇨
% of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises) (data to March 20)	GREEN	⇧
% of Education, Health Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED	⇨
% of pupils permanently excluded from school – rolling 12 months	GREEN	⇧
No. of first-time entrants to youth justice system – rolling 12 months	GREEN	⇩

Children's Social Care & Early Help – Four of the seven indicators met target, with the other four achieving the floor standard, but with one of these, percentage of care leavers in education, employment or training having a downward trajectory. The number of children in care (including unaccompanied asylum seeking children) saw an increase, and the number of care leavers continues on an upward trajectory.

Children's Social Care & Early Help KPIs	**RAG rating**	**DoT**
Percentage of Early Help cases closed with outcomes achieved that come back to Early Help / Social Work teams within 3 months	GREEN	⇧
% of case holding posts filled by permanent qualified social workers	GREEN	⇨
% of children social care referrals that were repeat referrals within 12 months	AMBER	⇨
% of child protection plans that were repeat plans	GREEN	⇨

[Children's Social Care & Early Help KPIs]	RAG rating	DoT
Average no. of days between becoming a child in care and moving in with an adoptive family – rolling 12 months	GREEN	⇨
% of foster care placements which are in-house or with relatives and friends (excluding UASC)	AMBER	⇨
% of care leavers in education, employment or training (of those KCC is in touch with)	AMBER	⇩

Adult Social Care – Four out of the five KPIs met or exceeded target, and were RAG rated Green. Proportion of clients receiving Direct Payments remained the same as the previous Quarter and did not meet target. Number of Deprivation of Liberty safeguards (DoLs) applications continue to increase.

Adult Social Care KPIs	RAG rating	DoT
Proportion of people who have received short term services for which the outcome was either support at a lower level or no ongoing support	GREEN	⇨
Proportion of clients receiving Direct Payments	AMBER	⇩
Proportion of adults with a learning disability who live in their own home or with their family	GREEN	⇨
Proportion of KCC clients in residential or nursing care where the CQC rating is Good or Outstanding	GREEN	⇧
Proportion of older people (65+) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	GREEN	⇨

Public Health – NHS Health Check delivery continues to recover and exceeded the Quarter 1 target. Health visiting for mandated checks continues to exceed target and maintained an upward trend. This is the second report to include the new sexual health indicator which monitors the percentage of new patients who are offered a full sexual health screen, and this was under target. The other two indicators maintained above target performance.

Public Health KPIs	RAG rating	DoT
Number of eligible people receiving an NHS Health Check – rolling 12 months	GREEN	⇧
Number of mandated universal checks delivered by the health visiting service – rolling 12 months	GREEN	⇧
% of first-time patients (at any sexual health clinics or telephone triage) who are offered a full sexual health screen	AMBER	⇨
Successful completion of drug and alcohol treatment	GREEN	⇨
% of Live Well clients who would recommend the service to family, friends or someone in a similar situation	GREEN	⇨

Customer Services	
Cabinet Member	Bryan Sweetland
Corporate Director	Amanda Beer

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	1	1	1		3	

Customer contact through Contact Point (KCC’s call centre) is provided via a strategic partnership, whilst Digital services are provided by KCC.

The percentage of callers who rated their advisor as good, remained at 97% and met target. The percentage of calls answered by Contact Point dropped to 88%, which is below floor standard. Contact Point has been impacted by staff leaving, as well as a high sickness rate (Covid being a contributing factor). The easing of restrictions has opened up other industry sectors with comparable salaries, and these roles have been attractive to some advisors causing higher attrition than usual. A recruitment drive started in June, with some new advisors in post at the end of June, and others in early July. Improvement in the answer rate is therefore expected in Quarter 2

Contact Point received 4% more calls than the previous quarter and 18% more calls than the same period last year, which was during the first lockdown. The 12 months to June 2021 saw 6% fewer calls than in the 12 months to June 2020.

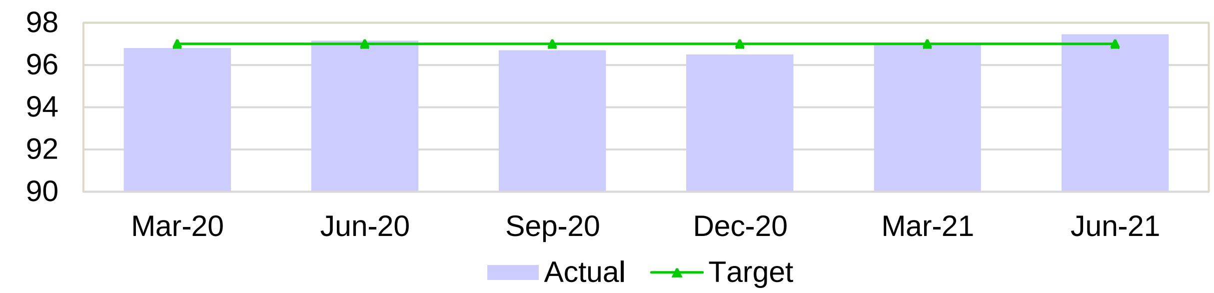
Average call time increased slightly to 5 minutes 43 seconds, remaining within the target of 5 minutes 45 seconds.

Visits to the KCC website decreased from the previous quarter, with fewer people accessing Covid related pages. Visits are still slightly above the upper level of expectations however, with pages on visiting Household Waste Recycling Centres, coronavirus cases and testing, and school term dates, the most popular.

The Quarter to June saw a 6% increase in the volume of complaints received on the previous quarter, and an increase of 45% on the same quarter in 2020. This is not unexpected given in April-June 2020 the Country was in National Lockdown. There was a slight decrease in responding to complaints within timescale from the previous quarter, with 82% responded to, and this remains under the target of 85%.

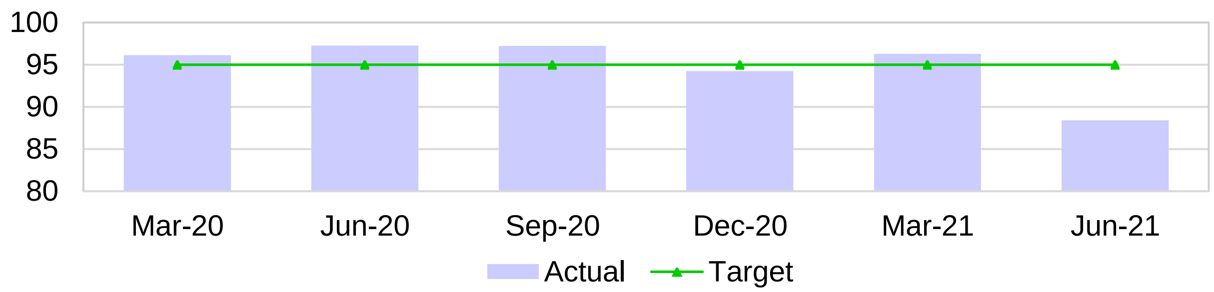
Key Performance Indicators

Percentage of callers to Contact Point who rated the advisor who dealt with their call as good	GREEN ⇨



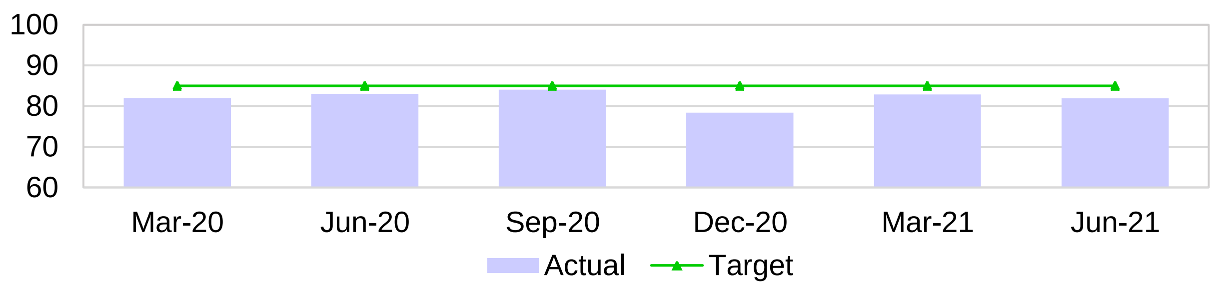
Current: 97%	Target: 97%	Previous: 97%

Percentage of phone calls to Contact Point which were answered	RED ⇨



Current: 88%	Target: 95%	Previous: 96%

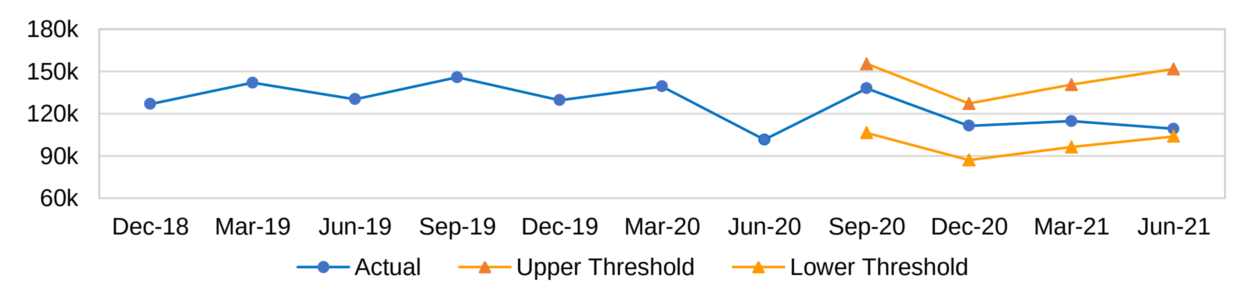
Percentage of complaints responded to within timescale	AMBER ⇨



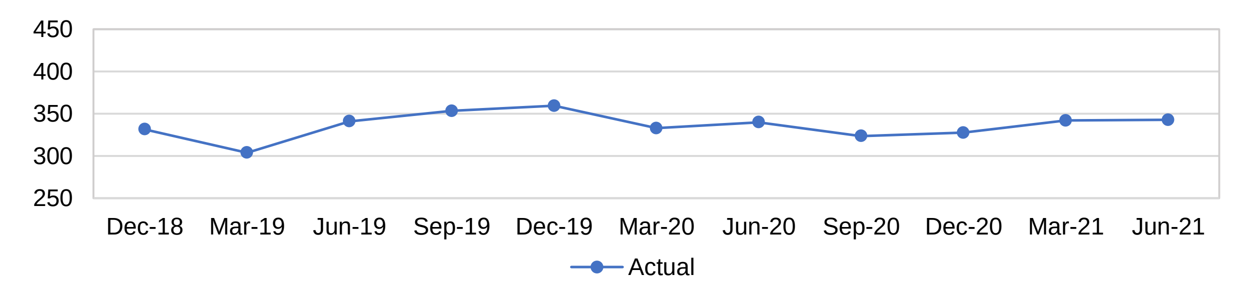
Current: 82%	Target: 85%	Previous: 83%

Activity indicators

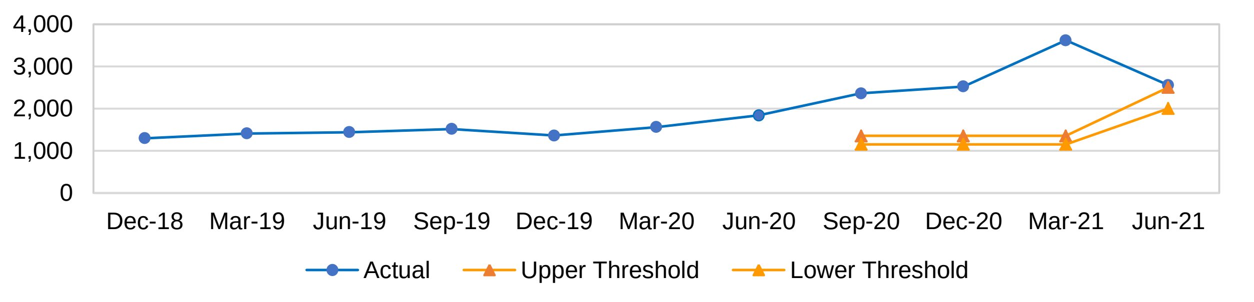
Number of phone calls responded to by Contact Point – by quarter



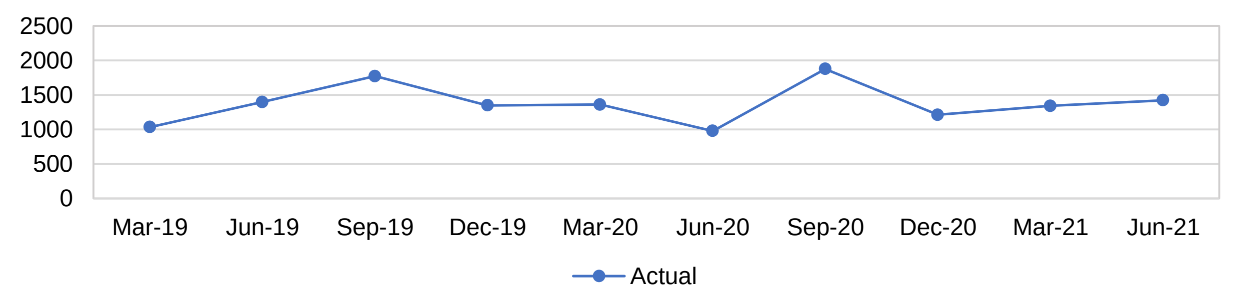
Average Contact Point call handling time in seconds – by quarter



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



Number of complaints received each quarter



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Customer Services – Call Activity

Number of phone calls to Contact Point (thousands)

Contact Point received 4% more calls than the previous quarter and 18% more calls than the same period last year, which was during the first lockdown. The 12 months to June 2021 saw 6% fewer calls than in the 12 months to June 2020.

Service area	Jul – Sep 20	Oct – Dec 20	Jan – Mar 21	Apr – Jun 21	Yr to Jun 21	Yr to Jun 20
Adult Social Care	31	27	30	29	117	121
Integrated Children's Services	16	18	18	18	70	78
Highways	20	14	16	17	66	66
Waste and Recycling	15	10	10	12	47	28
Libraries and Archives	11	8	6	8	33	29
Blue Badges	9	8	8	8	33	49
Transport Services	15	7	6	8	36	43
Registrations	6	5	6	5	21	28
Schools and Early Years	6	8	5	5	23	24
KSAS*	2	4	5	4	15	10
Main line	2	3	4	3	13	13
Speed Awareness	4	3	2	3	13	21
Other Services	3	1	2	2	9	6
Adult Education	2	1	1	1	6	17
Kent together	1	1	1	0	3	5
Total Calls (thousands)	**142**	**119**	**120**	**124**	**505**	**538**

* Kent Support and Assistance Service

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

Customer Services – Complaints Monitoring

The number of complaints received in Quarter 1 were 45% higher than the same quarter last year. This was expected as Quarter 1 in 2020 coincided with the National Lockdown. There was also an increase by 6% on the previous quarter.

Over the last 12 months there has been a 7% increase in complaints received compared to the previous year. Again, this an increase was expected following the initial lockdown in 2020.

In Quarter 1, frequently raised issues included SEN provision, Soft Landscaping following ‘No Mow May’, roadworks and road conditions. Complaints continue to be received for changes to the way services are delivered due to Covid, such as Household Waste and Recycling Centres and Libraries, Registrations and Archives.

Service	**12 mths to Jun 20**	**12 mths to Jun 21**		**Quarter to Mar 21**	**Quarter to Jun 21**
Highways, Transportation and Waste Management	2,899	3,352		725	770
Adult Social Services	1,047	748		186	160
Specialist Children’s Services	585	799		226	252
Libraries, Registrations and Archives	280	150		40	16
Education & Young People’s Services	265	314		17	99
Strategic and Corporate Services	106	202		71	60
Environment, Planning and Enforcement & Economic Development	183	235		73	58
Adult Education	64	25		2	6
Total Complaints	**5,429**	**5,825**		**1,340**	**1,421**

Customer Services – Digital Take-up

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

Transaction type	Online Jul 20 – Sep 20	Online Oct 20 – Dec 20	Online Jan 21 – Mar 21	Online Apr 21 – Jun 21	Total Transactions Last 12 Months
Renew a library book*	74%	79%	70%	82%	189,500
Report a Highways Fault	52%	58%	63%	59%	98,568
Book a Driver Offender Retraining Course	85%	81%	86%	88%	31,277
Book a Birth Registration appointment	87%	88%	88%	86%	24,785
Apply for a KCC Travel Saver (Rolling 12 months)	95%	98%	99%	99%	22,905
Report a Public Right of Way Fault	84%	86%	88%	87%	21,705
Apply for or renew a Blue Badge	81%	76%	72%	70%	11,022
Highways Licence applications	97%	97%	98%	99%	8,274
Apply for a Concessionary Bus Pass	74%	65%	77%	74%	7,946
Apply for a HWRC recycling voucher	99%	99%	98%	99%	5,016

* Library issue renewals transaction data is based on individual loan items and not count of borrowers.
** No data available due to lockdown

Growth, Economic Development & Communities	
Cabinet Members	Derek Murphy, Mike Hill
Corporate Director	Simon Jones

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	2				2	

Support for business

Kent's Regional Growth Fund (RGF) investments have continued to create and sustain employment opportunities during Quarter 1. The anticipated impact in terms of business failures and loss of jobs caused by the economic disruption from the Coronavirus pandemic on the Kent and Medway Business Fund (KMBF) loan recipients has still not fully emerged. This, in part, appears to be due to two factors: a) The Government's staged removal of the Covid restrictions on places where people can meet and the limits on the numbers of people who can mix together has progressively enabled different sectors to come back to work more normally (a prime example of this is the hospitality sector); b) the continuing positive impact of the government support schemes in reducing business failures and protecting jobs, namely the Coronavirus Business Interruption Loan Scheme (CBILS) and Bounce Back Loan Scheme (BBLS), which both ended in March 2021, and Coronavirus Job Retention Scheme (the 'Furlough' scheme), due to end in September 2021. KCC also sought to mitigate the impact of the Coronavirus pandemic by offering all KMPF loan recipients a one-year repayment holiday (April 2020 - March 2021) and this has been extended for a further 6 months to September 2021 with repayments due to begin in October 2021.

Since 2017 to the end of Quarter 4 2021-22, the KMBF had provided funding of £14.4 million to 105 Kent and Medway businesses, creating 322 new jobs and safeguarding 98 further jobs. The KMBF is currently closed pending relaunch in September. In Quarter 1, funds have been provided to 11 companies, to the value of £827,500.

A further funding round was launched at the end of Quarter 2 consisting of three strands: Recovery Loans (£50k-£100k), Capital Investment Loans (£50k-£100k) and Large Loans (£101k-£500k). A further new bidding round is now planned to open in Quarter 2, 2021-22.

Economic Development continues to work with its equity partner, NCL Technology Ventures, to ensure that the innovative companies in which the KMBF has an equity stake receive specialist support and assistance.

The South-East Local Enterprise Partnership (SELEP) provided funding for the Innovation Investment Loan scheme. KCC manages this scheme for Kent and Medway and has so far committed £6 million to 18 businesses in Kent and Medway. For Quarter 1, 47.25 Full-time equivalent (FTE) jobs were created, and 5.5 FTE jobs safeguarded.

KCC's Economic Development team played a leading role in establishing and financing the Kent & Medway Business Support Helpline which was operated by the Kent Invicta Chamber of Commerce. Most Kent districts also provided finance. During Quarter 1 the Helpline provided 42 Business Support Network Sessions and delivered 394 one-to-one sessions with businesses. 66% of businesses confirmed an improvement in confidence as a result and over 98% expressed satisfaction with the service. The Helpline closed on 30 June 2021, but any calls to that number will be able to access the core Growth Hub service.

Converting derelict buildings for new housing and commercial space
In Quarter 1, 153 long term empty properties were made fit for occupation through the No Use Empty (NUE) Programme, bringing the total to 7,077 since the programme began in 2005. NUE had processed 18 loan applications in Quarter 1 increasing the total NUE investment in converting derelict properties to £77.9 million (£42 million from KCC recycled loans and £35.9 million from private sector leverage).

The £2 million SELEP Growing Places Fund (GPF) Round 3 contract for NUE Commercial Phase II is now in place. The first drawdown request to fund the initial projects, including one in Folkestone town centre which will return one commercial unit back into use and create a minimum of 8 residential units, has been made and is due to be paid to KCC in July 2021.

Following the approval of £16 million from KCC Treasury to bring forward empty/derelict sites with planning permission for new builds, NUE has processed a further 8 loans (29 to date) with a cumulative total value of £15 million. A total of 111 new builds are currently supported, an increase of 20 since Quarter 4 (20/21).

Three projects have completed: Dover (8 homes), Broadstairs (2 homes), Ramsgate (7 homes). £1.8 million of loan investment has been repaid at end of Quarter 1. Further loan repayments of £0.5 million are expected in Quarter 2, all of which are being recycled to fund new projects.

NUE has identified 12 new potential projects with an indicative value of £6 million.

Infrastructure projects
In Quarter 1, no new capital funding awards were made by the South-East Local Enterprise Partnership's (SELEP) Accountability Board for Kent projects.

Growing Places Funding (GPF) is capital loan funding. In total, £18.7m of GPF has been awarded to projects in Kent. In Quarter 1, £500,000 was drawn down to the Wine Innovation Centre

Broadband
KCC has been working with the Government's broadband agency, Building Digital Delivery UK (BDUK), to improve broadband connectivity since 2012. As a result of this work, 96% of homes and businesses in Kent now have access to a superfast broadband service of at least 24mbps. The project has been extended with Openreach contracted to deliver full fibre (fibre-to-the-premise) connections to over 5,000 rural homes and businesses in Kent that currently have a sub-superfast broadband service (less than 24mbps). The infrastructure build for these new connections continues despite Coronavirus and over 140,000 homes and businesses have benefited from the Kent BDUK project to date. A further 2,000 homes and businesses are also receiving a faster broadband connection as a result of the Government's Rural Gigabit Voucher Scheme and the Kent Top Up Voucher pilot.

The Government have now published further information on the new 'Project Gigabit' broadband programme (formerly known as the 'Outside-In Programme). BDUK have now announced that they have allocated between £119- £203 million to deliver gigabit-capable connections to parts of Kent and Medway that are not expected to benefit from market-led investments BDUK's current intention is that a single contract will be established to deliver these new connections across Kent. Kent County Council's broadband team has been asked by BDUK to help lead and support the local delivery across Kent.

BDUK estimate that the Kent and Medway project will cover circa 122,000 properties. They have also announced that the formal procurement will start in May 2022, with the contracted work commencing in April 2023. Kent County Council has already started progressing the pre-procurement work

In the meantime, broadband network operators are continuing to invest in next generation, gigabit-capable networks across Kent. It is anticipated, that this market-led investment will reach over 40% of homes and businesses by the end of 2021.

Funding Kent's Infrastructure

KCC has a statutory right to seek financial contributions for capital investment from developers of new housing sites. In Quarter 1, twenty-three Section 106 agreements were completed and a total of £11.2 million was secured. For this quarter and for future quarters we will now also report on the amount secured for Waste services.

s.106 contributions secured £000s	Jul to Sep 2020	Oct to Dec 2020	Jan to Mar 2021	Apr to Jun 2021
Primary Education	5,249	8,073	7,064	5,296
Secondary Education	3,243	8,491	3,699	5,464
Adult Social Care	67	155	128	108
Libraries	69	398	120	223
Community Learning	38	55	29	58
Youth & Community	36	76	52	52
Waste				47
Total	**8,702**	**17,248**	**11,092**	**11,249**
Secured as % of Amount Sought	100%	97%	78%	96%

Kent Film Office

In the 1st quarter of 2021/22, the film office handled 196 filming requests and 220 related enquiries. 182 filming days were logged bringing an estimated £1.2 million direct spend into Kent.

Libraries, Registration and Archives (LRA)

Further to the prime minister's announcement on 5th April that Step 2 of the government's roadmap to recovery could proceed, 32 libraries re-opened for browsing and study from 12th April, and the Archive Search Room opened with a social distancing appointment delivery model. Ceremonies were opened up to 15 attendees, increasing to 30 in May. A further 10 libraries opened over the course of Quarter 1, including the new library in the Southborough Hub and the freshly refurbished Greenhithe and Lenham Libraries.

In line with national trends, recovery of activity takes time. Physical issues and visitors to libraries have been increasing each month as customers become more confident to visit the Covid-secure library buildings. The temporary KPIs that were established for 2020-21 continue to be used in order to monitor usage of the service. Where it has been possible to reasonably establish targets, performance indicators have been set for e-Issues and online contacts for both Libraries and Archives, and these will be revised on a quarterly basis. The e-offer continues to thrive, with an increase of 19%

on e-issues against the same reporting period in 2020-21, exceeding expectations for Quarter 1.

The online contacts for both Library and Archive services have fallen significantly and have not met expected levels for Quarter 1. An analysis of Library online activity reveals that although web hits and online enquiries have increased, the decline in use of social media has caused the overall numbers to fall (although expected levels set pre-pandemic have been far exceeded). This is due to physical services opening up again, and customers no longer needing to rely on social media as they did during Quarter 1 2020-21, when the initial lockdown was declared. A 30% decrease in reach on Facebook was factored into the forecasting to reflect this, but the decrease in usage was higher than anticipated, and this will be taken into consideration when forecasting for Quarter 2. How people use services again as LRA opens up more physical services is something that LRA will be monitoring carefully.

Results for the mobile library survey were collated, with customer satisfaction for the service at 100%. There was positive feedback on the new mobile vehicles, with customers commenting that they were looking forward to exploring inside the mobiles when restrictions were relaxed. The mobile library is part of the Libraries Direct performance indicator, which also includes Postal Loans, the Home Library Service and Open Access, and overall satisfaction with Libraries Direct was 100%, reflecting the appreciation of more vulnerable customers for these services during the pandemic and the recognition of the lifeline that these services provide for people.

Customer satisfaction for Registration is currently at 94%. Staff have been working to clear the backlog of 3,000 birth registrations from the second and third lockdowns and have delivered over 5,600 birth registration appointments during Quarter 1. Death registrations are still carried out over the telephone and have reduced by 35% against the same reporting period last year. The implementation of the marriage schedule system has resulted in poor functionality of the registration database, RON, which has presented a significant challenge to all the teams within the Registration service during May and June. The system now appears to be more stable.

The delayed Archive distance enquiry survey was carried out during Quarter 1, along with an in-house survey of customers using the Search Room. Results will be published in the Quarter 2 report.

Community Safety

The Kent Community Warden Service (KCWS) has continued to identify, support and reassure those vulnerable people most in need. Efforts have also been focused on supporting communities during the recovery from the pandemic. This has included providing advice around social distancing, vaccinations, Covid related guidelines as well as ensuring the most vulnerable had access to essential provisions. Support has also continued in relation to community safety issues and community wellbeing. The KCWS undertook just under 4,000 tasks in support of these activities during this Quarter. The Kent Community Safety Team (KCST) is currently managing and coordinating 17 domestic homicide reviews (DHRs) on behalf of the Kent Community Safety Partnership (KCSP) with one new notification currently being considered.

Explore Kent

As a response to the recent uplift in usage of footpaths and green spaces, Explore Kent commenced a marketing campaign on behalf of Public Rights of Way to engage the public with respecting the PRoW network. Collaboration between Sport and Physical

Activity's Everyday Active campaign and Explore Kent continued with digital content being promoted in association with the Summer Reading Challenge by providing a Summer Walking Challenge. More generic messaging included: promotion of staycation opportunities as well as the mental health benefits of being in the countryside or at the coast. This was also evidenced by public engagement at the recent County Fayre, where the KCC stand promoted information on the theme of Walking to Wellbeing.

Kent Country Parks

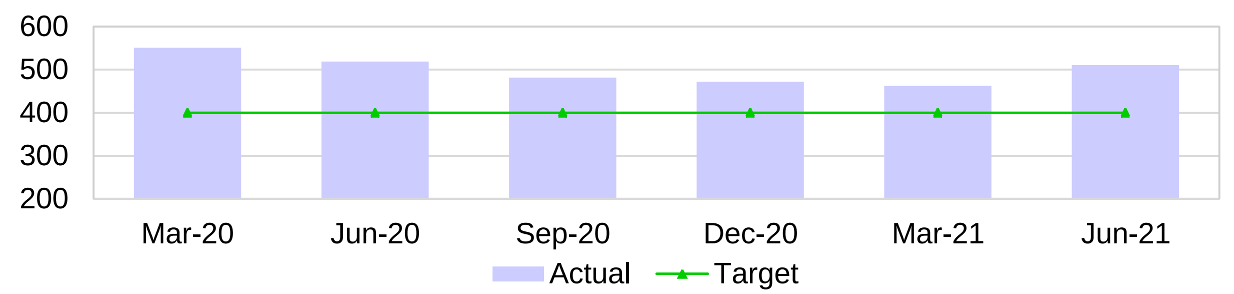
The first Quarter of this year has seen significant activity across the parks as use is made of the grant funding allocated to repair the pathways and car parks that have been excessively worn during COVID. The inclement weather has meant visitor numbers have been lower than expected, but the parks continue to maintain a positive financial position.

Sport and Physical Activity

During Quarter 1, Kent School Games' outdoor sports events recommenced for the first time since lockdown began in March 2020. 311 participants took part in six events which included a Learning Disability Cricket event, Alternative Provision Football Tournament, Girls Orienteering event (targeted at girls who have not represented their school in a sport or physical activity), Athletics Super 6s event, Learning and Discovery Festival for students with a disability and those students who are the least active, and a Primary Golf Festival delivered at Royal St George's Golf Course (host of the Open Championship, July 2021).

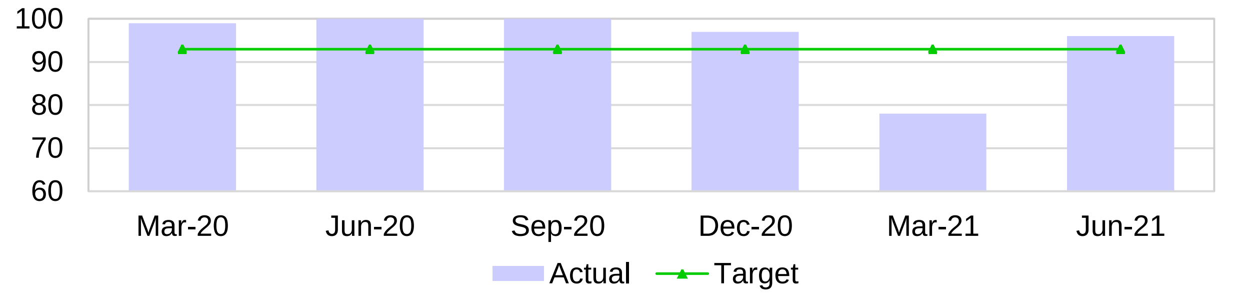
Key Performance Indicators

Number of homes brought back to market through No Use Empty (NUE) – Rolling 12 months	GREEN ⇨



Current: 511	Target: 400	Previous: 462

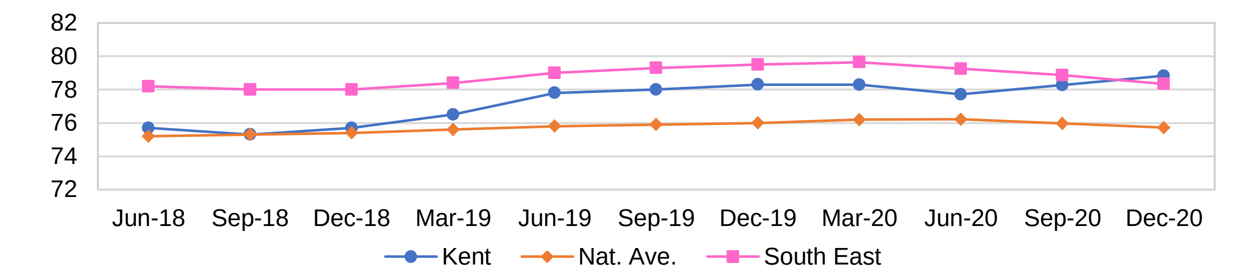
Developer contributions secured as a percentage of amount sought	GREEN ⇨



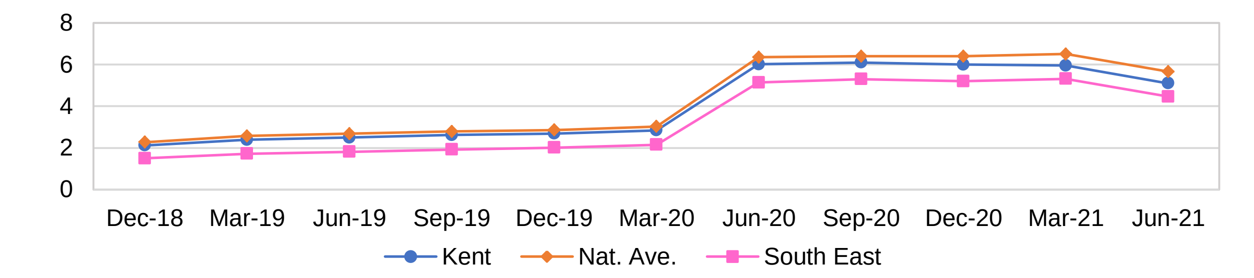
Current: 96%	Target: 93%	Previous: 78%

Activity indicators

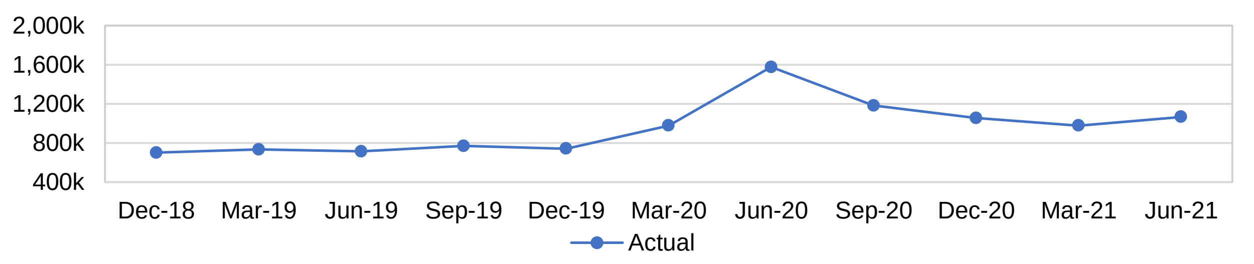
Percentage of population aged 16 to 64 in employment (from the Annual Population Survey)



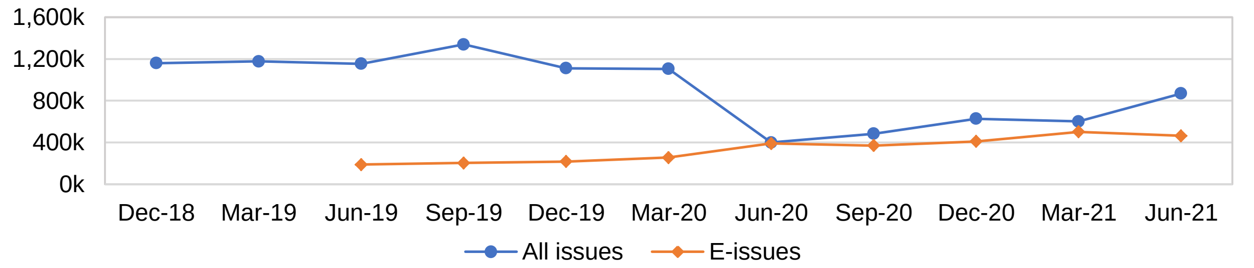
Percentage of population aged 16 to 64 claiming unemployment benefits



Total number of online contacts with Kent libraries



Total number of book issues from Kent libraries



Environment and Transport	
Cabinet Members	David Brazier, Susan Carey
Corporate Director	Simon Jones

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	3	3		1	3	2

Highways

For the Quarter to June, 2 of the 4 highway KPIs are RAG rated Amber. The attendance at Emergency Incidents within 2 hours of notification is at 96% compared to a target of 98%. The Service received 612 reports of emergency incidents in this Quarter with the contractor, Amey, unable to attend 24 of these within the 2-hour response time window, although many of these by just a few minutes. In most cases a Highway Steward, Inspector or Police Officer were on site awaiting a response crew thus minimizing the risk to road users. However, work continues with Amey to ensure response times are in target.

The other KPI below target was routine faults responded to in 28 days, which reached 89% in this quarter for almost 14,000 requests from customers, narrowly missing the 90% target. Wet and warm weather led to a peak in grass cutting enquiries and pothole demand remains high compared to previous years. There has also been an increase in demand on the Highway Definition team as residents wanted to beat the July deadline for the stamp duty holiday. The Service is working with contractors and supply chain to ensure performance improves and the target is achieved.

The total number of customer contacts regarding highway issues in the last quarter was almost 59,000 with 20,700 of these identified as faults requiring action by front line teams. The remaining contacts are handled at first point by Agilisys using information provided by the Highways Service for their knowledge base and on the KCC website. At the end of June there were just over 6,500 open enquiries (work in progress), and this compares to 5,249 at the same time last year, reflecting the increase in overall demand and return to 'business as usual' for customers seeking highway services.

The demand from utility companies to access their infrastructure under Kent roads in this quarter reached almost 40,000 permit requests, well above expected levels around 33,000. This pressure for road space and managing the Kent network continues to put significant pressure on the team.

Asset Management

KCC's new Highways Asset Management Plan is expected to be adopted in July. The new document replaces and updates six documents published over the last five years. It is forward-looking and amounts to an action plan and investment strategy for the next five years. It recognises the increasingly challenging environment with deteriorating assets, increasing traffic volumes, uncertainty around future funding and, more recently, Coronavirus impacts. It also sets out a range of future actions to further improve KCC's approach to highways asset management, focussing on increasing asset lifespans, reducing lifecycle costs and improving future maintainability.

Casualty Reduction.
KCC's Vision Zero Strategy has been approved at Cabinet Committee and a launch event took place on 15 September at Manston Airport, attended by HRH Prince Michael, and with Baroness Vere sending a video message and statement of support for this critical new initiative that aims for zero, or as close as possible, fatalities on Kent's roads every year by 2050. Currently Kent's collision statistics show an increase in total collisions in Quarter 1 (789) over the same period in 2020 (531), but less than 2019 (832), with the same pattern for the number of people killed or seriously injured in this period with 176 in 2021 compared to 148 in 2020 and 214 in 2019. These figures tend to reflect changes in volumes of traffic, before, during and now after lockdown.

In terms of Kent's safety camera partnership work, data shows the number of speeding offences is down by a third compared to Quarter 1 in 2020, and it is hoped that the 'speeding epidemic' seen in 2020 may have passed its peak. To help reduce incidents, the Schools Crossing Patrol team are planning a media campaign, starting in September, to promote positive driver and pedestrian behaviours.

KCC's National Driver Offender Retraining Scheme (NDORS) courses continue to be delivered online and so far this year have reached almost 6,500 drivers, with a pilot for a return to classroom format due to start at the end of July.

Crash Remedial Measures & Local Transport Plan (LTP)
There is a focus on the latest 122 crash cluster sites across the County identified through crash data provided by the police. Of the 122 clusters sites, there are 50 where an engineering intervention could help reduce crashes and detailed designs are being developed ready for consultation with the local Member, Parish and Community. This could include minor signing/road markings or larger scale improvements.

Public Transport
In recognition of their efforts of working alongside District Councils, NHS and local community services, KCC's Public Transport team received an award from the Housing Association for supporting districts in the vaccination programme. Much needed support is provided to the vulnerable and elderly by providing travel assistance enabling them to receive their Covid injections.

Members agreed to publish the statutory notice of KCC's intention to form an Enhanced Partnership (EP) for bus services in Kent with local bus operators and a public consultation exercise extends to August. This follows the Department for Transport publication of its National Bus Strategy, "Bus Back Better". The Strategy acknowledges the role the bus can play in achieving a net zero emission society and commits national government to supporting bus and bus rapid transit schemes.

The Dover Fastrack scheme is moving forward, which will provide a high quality and reliable public transport service for 5,750 new homes that are part of the Whitfield Urban Expansion, the White Cliffs Business Park, and other housing development at Connaught Barracks, to link with Dover Town Centre and the high-speed rail services at Dover Priory Station to approve all acts required.

A bid has been submitted to the DfT Fund for Zero Emission Buses (ZEBRA), for funding towards charging electric buses on the Kent Thameside and Dover Fastrack networks. This bid has now cleared stage 1 with the stage 2 business case to be submitted in August 2021. The outcome of the bid should be known in September.

Following negotiation with local bus operators, a 'Reconnect' ticket for the period 22nd July to 31st August, was agreed. There are two types of tickets, one for children (yr6-13) and one for families. The holder of the ticket is provided with free travel on local bus services in Kent during this period. Over 140,000 child tickets and 40,000 family tickets have been printed.

The Kent bus network and hired home-to-school transport continued to ensure children were able to get to school, despite the challenges posed by Covid. The public transport team ensured that suitable capacity remained in place during this period.

Journey Time Reliability/Congestion Strategy
A programme of schemes within the Local Growth Fund (LGF) to improve the reliability of localised journey times continues. Areas of less reliability are identified and assessed to determine if improvements can be engineered. Two key signalised junctions in Dover have been refurbished (supported by Kent Lane Rental funding) and the latest traffic signal technology, MOVA (SELEP funding) has been implemented.

Local Growth Fund Transport Capital Projects
Through SELEP, KCC is managing £128 million of Government funding from rounds 1 to 3 of the LGF. At the end of June there were 2 'Red' schemes causing concern, Sturry Link Road and Maidstone Integrated Transport Project.

For the Sturry Link Road project, SELEP Accountability Board agreed in July 2021 that the total £5.9m LGF allocation should be retained against the project until 10th September 2021 when the outcome of the planning decision must be known. The KCC Planning Committee approved the scheme in early September which allowed a positive update to be taken to the SELEP Accountability Board meeting. Subsequently, the remaining allocation will now be transferred to KCC to deliver the scheme.

An update report on the Maidstone Integrated Transport Programme was also presented to the SELEP Accountability Board in September 2021 following delays to delivery. This update focussed on the risk to project delivery as a result of the outstanding planning applications and available road space to deliver the works. The update and current programme demonstrated to the SELEP board that sufficient progress has been made on the schemes. The granting of the planning consent for the demolition of the Wheatsheaf Pub and the potential earlier delivery of the Armstrong Road and Sheals Crescent elements of the A229 corridor are both very positive in this respect.

With regards to the unspent LGF allocation to KCC, the SELEP Accountability Board agreed that a variation to the Service Level Agreements be made to enable the unspent LGF to be invested as an 'Option 4 Capital Swap' within the local authority's own capital programme. This equated to £25.2m of LGF funding, not inclusive of the monies held by the Accountable Body against the Sturry Project.

Transport Strategy
Work with Highways England continues as they prepared for a further consultation (launched in July) on the Lower Thames Crossing. Progress has been made on agreeing a way forward for developing local road mitigations. Also, with Highways England, options development continued for Road Investment Strategy 3 (RIS3) pipeline schemes for Brenley Corner and A2 Lydden to Dover, and the potential trunking of three major routes in Kent, with technical comments from KCC provided to Highways England.

Partnership working with Transport for the South East (TfSE) continued as they began work on the South East Radial Study which falls almost exclusively within Kent and Medway. This is alongside the work of the Transport Strategy team in developing a new Local Transport Plan (LTP) for Kent with use of the countywide transport model commissioned to obtain baseline data.

Delivery of the Thanet Parkway railway station has progressed significantly with the final pre-commencement planning conditions in April/May and the commencement of the station build during the late May Bank Holiday weekend. Since then, sheet piling has been completed and the screw piling for the platform foundations has made good progress. The archaeological excavation on the site also completed at the end of the period and has now entered the cleaning and recording stage.

Waste Management
Between April and June landfill rates were very low at 0.15%. This figure includes asbestos, with landfill being the only approved way to dispose of this material. For the 12 months to June, 98.8% of waste was diverted from landfill which is just below target, with additional waste going to landfill due to the extended maintenance work at the Allington Waste to Energy Plant last autumn.

Waste converted to energy remains at 52%, the same as in 2019/20. Kerbside recycling levels were also comparable with the same performance achieved in 2019/20 at around 44%. Recycling levels at the Household Waste Recycling Centres (HWRCs) were just under 66%, which again is comparable with a normal year for the first quarter. Volumes received at HWRCs were commensurate with the social distancing measures, with residents utilising 62% of the available slots offered. Residents are paying fewer visits to the HWRCs but bringing increased levels of waste per trip at 77kgs opposed to 44kgs. Overall satisfaction levels with the booking service are just under 84%.

Kerbside volumes of collected waste continue to be high, with the Quarter to June seeing volumes 10% above the norm.

Collection Authorities in the East of the county have struggled to maintain scheduled kerbside services due to reported driver shortages. This has meant that they have not collected as much recycled materials in June, as they have collected these materials with residual waste – this will affect overall recycling rates as well as creating a disposal cost pressure. Other contractors have struggled to maintain garden waste services, which will be reflected in figures for the next Quarter.

Sustainable Business and Communities
This report covers the final quarter of the five-year greenhouse gas emissions target period to achieve a 38% reduction compared to 2015. The actual reduction was 47% in part due to the impact of Covid-19 restrictions. Net Zero monitoring commences from April 2021 to be included in the next quarterly report.

To enable plans to achieve Carbon Neutrality by 2030, £20.6 million of Government grant funding has been awarded for energy projects, including a large solar park, low carbon heat pumps, rooftop solar and LED lighting. An additional £1.2 million grant secured for schools, including several heat pumps to replace old boilers.

The Solar Together Kent scheme has so far helped Kent residents install 1,729 panels on 151 homes, of which 98 include battery storage, reducing carbon emissions by 147 tonnes per annum.

Support to businesses includes grants to a further 50 SMEs through The Low Carbon Across the South & East (LoCASE) programme, 80 businesses trialling a Kent REVS electric van for free, 132 SMEs engaged through Upcycle Your Waste and BLUEPRINT to reduce business waste and all Boroughs and Districts (via the Kent Resource Partnership) are designing pilots to improve community recycling outcomes.

Natural Environment and Coast

In the first Quarter, Kent's Plan Bee launched a Facebook page and adopted a new logo. The Facebook page has proven very popular, with over 950 people following the page in the first month and its posts reaching over 114,000 people, with 15,000 people engaging in those posts by liking, commenting or sharing. Facebook looks set to be a successful means of promoting the Plan Bee message and engaging Kent's public with both our work and action they can personally take to help pollinators.

During May a public survey was launched to better understand people's perceptions of pollinators and what greenspace management they would welcome in the future, to see what support there might be for wilder spaces that provide habitat and forage for pollinators.

Kent County Council's bid to the Forestry Commission's Local Authority Treescape Fund has been successful in obtaining £275,129 of funding for tree planting (and subsequent maintenance) in Ashford and Swale, to be delivered by the respective planning authorities in each area. This will deliver an estimated 250 standard trees and 41,000 whips across the two local authority areas. Planting will take place this winter.

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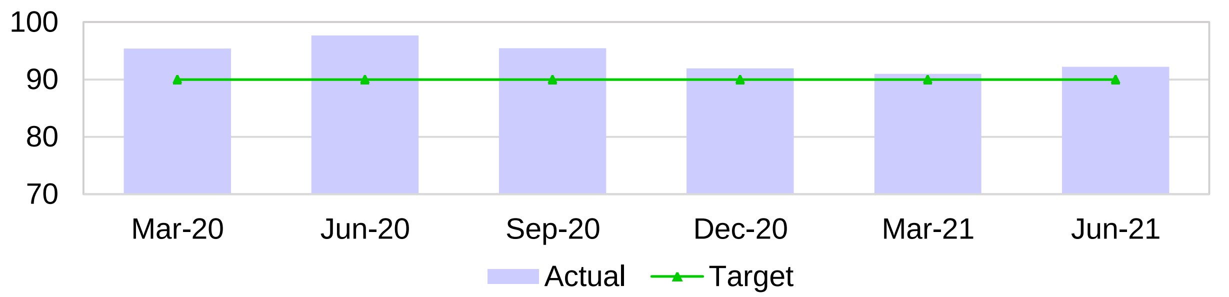
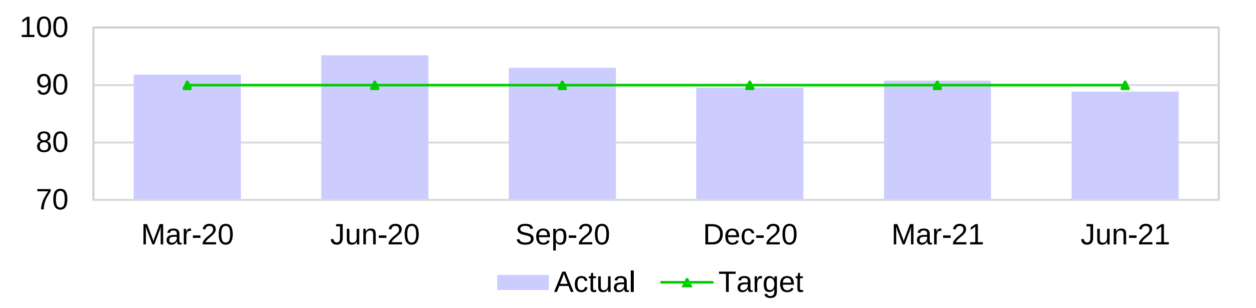
Key Performance Indicators

Percentage of routine pothole repairs completed within 28 days	GREEN ⇩



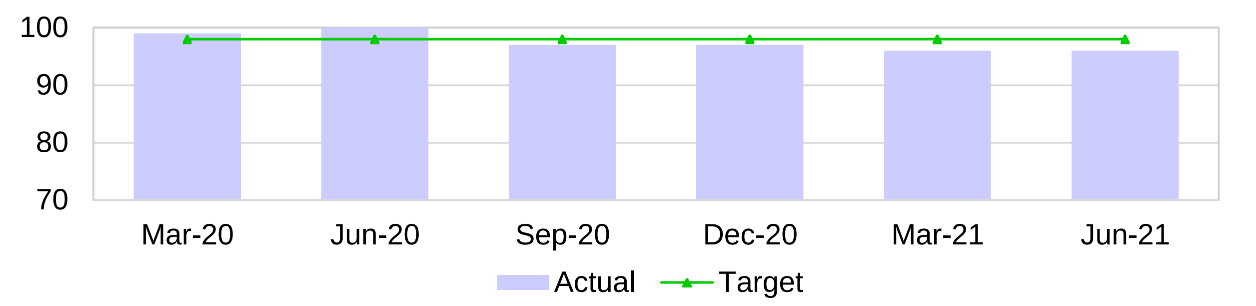
Current: 92%	Target: 90%	Previous: 91%

Percentage of routine highway repairs reported by residents completed within 28 days	AMBER



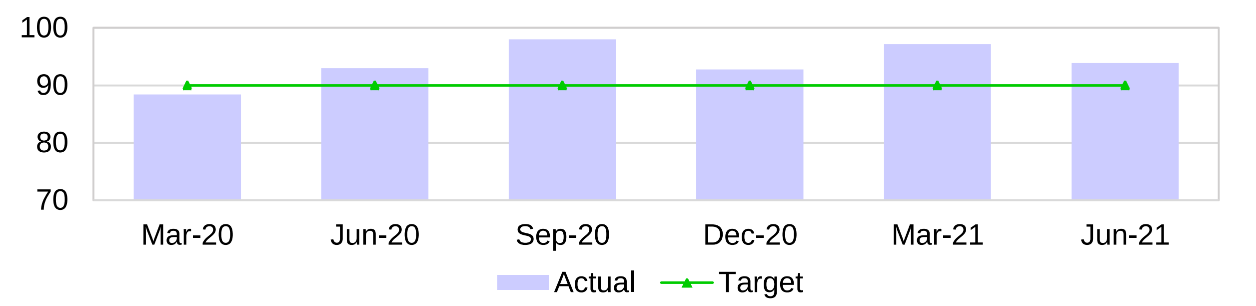
Current: 89%	Target: 90%	Previous: 91%

Emergency highway incidents attended within 2 hours of notification	AMBER



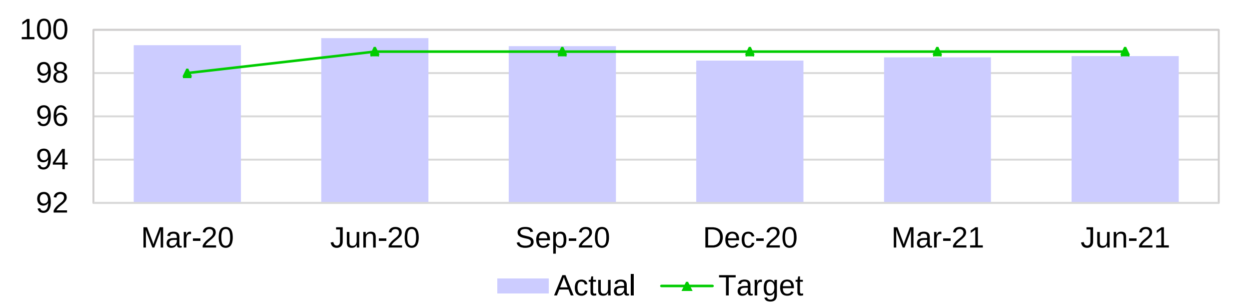
Current: 96%	Target: 98%	Previous: 96%

Percentage of satisfied callers for Kent Highways and Transportation, 100 call back survey	GREEN



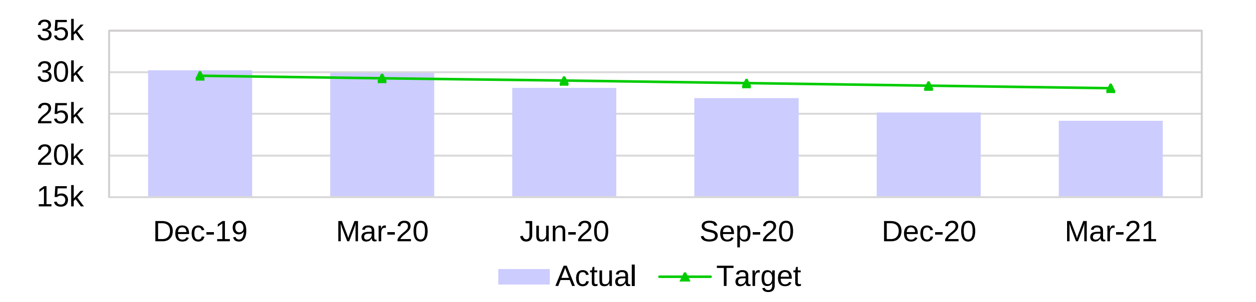
Current: 94%	Target: 85%	Previous: 95%

Percentage of municipal waste recycled or converted to energy and not taken to landfill – rolling 12 months	AMBER



Current: 98.8%	Target: 99%	Previous: 98.7%

Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	GREEN ⇧

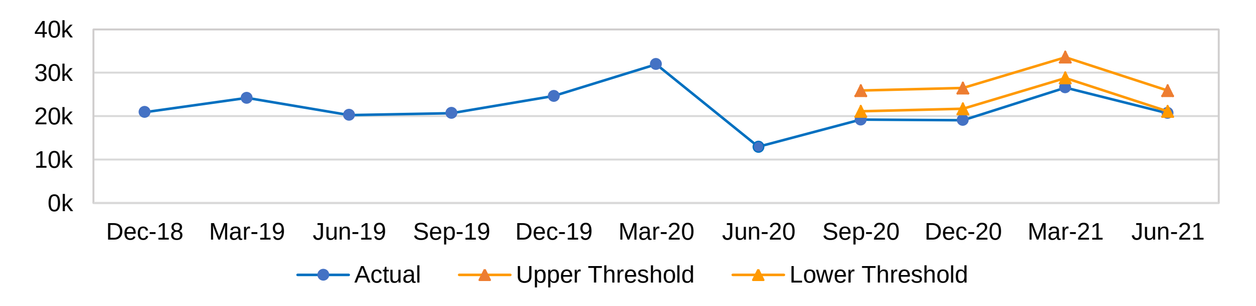


Current: 24,180	Target: 28,100	Previous: 25,187

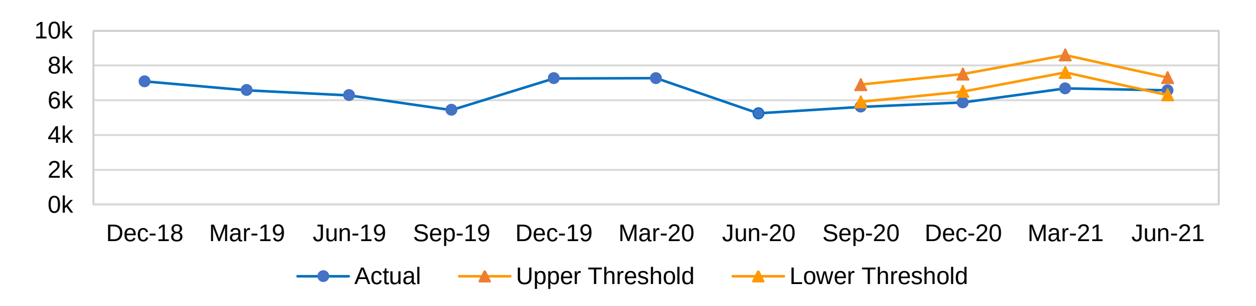
NOTE: Data calculated using a fixed carbon factor for baseline year 2015 to March 2021, to show the emissions reduction from KCC activities only. Actual emissions are much lower at 15,677 tonnes, taking account of decarbonisation of mains electricity and gas supplies.

Activity indicators

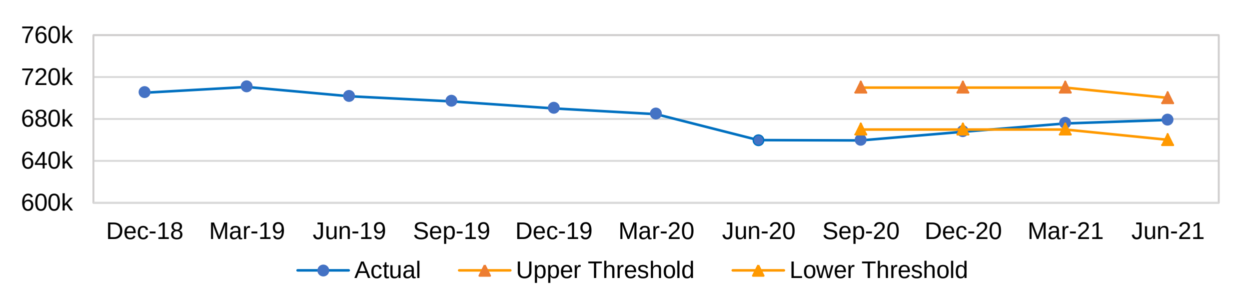
Number of Highways enquiries raised for action – by quarter



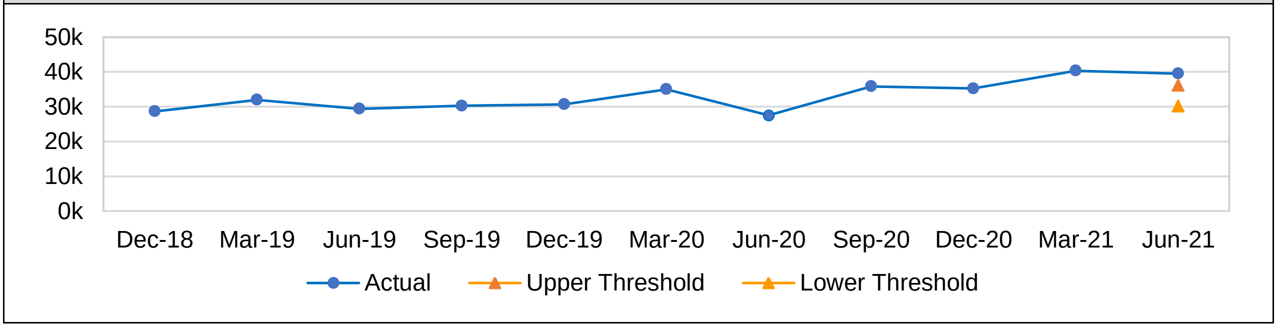
Highways Work in Progress (Routine and Programmed works)



Total municipal waste tonnage collected – rolling 12 months



Number of streework permits issued



Children, Young People and Education	
Cabinet Member	Shellina Prendergast, Sue Chandler
Corporate Director	Matt Dunkley

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	8	3	1	3	7	2

Schools

Schools were closed from 8th January 2021 and reopened to all pupils from 8th March 2021 following the partial easing of Covid-19 restrictions. Attendance at primary and secondary schools as of 29th June was 88% based on 320 schools submitting their data to the Department for Education (DfE). For the second year there will be no statutory tests and assessments for primary schools. Key Stage 4 (GCSE and equivalents) and Post-16 (A Level and equivalents) students will be awarded grades based on teacher assessments.

Ofsted ceased their full programme of graded inspections in March 2020. They recommenced inspections of schools and further education & skills (FES) providers in the summer 2021 term to provide reassurance about how well children and learners are catching up, but full inspections will not commence until September 2021. Based on the last inspection data, 92% of schools in Kent (531 of the 580) were Good or Outstanding, compared to the national figure of 86%. The percentage of Primary schools judged as Good or Outstanding at 93% compares favourably to the national figure of 88%. 87% of Secondary schools were judged to be Good or Outstanding compared to 76% nationally. The percentage for Special schools at 96% was six percentage points higher than the national position.

Over the quarter our overarching priority has been to assist schools in mitigating the impact of the Covid-19 pandemic, supporting school leaders to benchmark provision against other schools and formulate plans for September. Headteacher wellbeing has continued to be a significant issue with many leaders feeling overwhelmed or exhausted by the demands the pandemic has placed on schools. In-school visits have identified that teachers are finding the return to full class teaching challenging. Consistent issues include primary school staff driving their year group maths curriculum forward with insufficient attention regarding learning gaps and the quality of some tutors accessed through the National Tutoring Programme. Recruitment in maintained schools continues to be supported by the SSI team and school improvement visits returned to being on site.

School Places and Admissions

For primary schools admissions in September 2021, 97.7% of applicants were offered a place at one of their three named schools with 89.2% securing their first preference. 95.4% of Kent families were offered a place at one of the secondary schools they selected. As parents/carers selected their six secondary schools before knowing their child's Kent Test results, for some, their child did not end up being eligible for their first preference and as a result, the percentage of pupils offered a place at their first preference school at 69.7% of the Kent cohort was significantly lower than last year's 77.7%.

Early Years
Unlike schools, all Early Years settings were advised to remain open during the last coronavirus lockdown. Ofsted has not carried out any new inspections since March 2020, and the latest inspection data for the percentage of Early Years settings rated Good or Outstanding at 99% is one percentage point above the target.

3,060 two-year olds have been funded through the Free for Two scheme equating to a 58.0% take up. This is an increase of 3.6 percentage points compared to the Summer term last year.

Supply and demand have been regularly monitored throughout the pandemic (with supply having been steadily meeting demand). During June a full audit of childcare places was carried out, to inform the Childcare Sufficiency Assessment for 2021/22. During the period April to June the Childcare Market in Kent continued to present as recovering and coping reasonably well, however longer-term financial viability and sustainability may yet present as issues and are still being closely observed. There have been continuing regular communications with the Early Years and Childcare Sector as a whole, including a weekly ‘Early Years and Childcare COVID-19 Blog’, a monthly generic Early Years and Childcare Bulletin and ongoing supportive contact with individual providers. The Early Years and Childcare Service’s Threads of Success training offer continues to be delivered on virtual platforms, including support for providers ahead of and in readiness for the new Early Years Foundation Stage in September, including Ofsted inspections being based on this from that point.

Skills and Employability
The percentage of young people who are Not in Education, Employment or Training (NEET) is currently 3.6% compared to 3.7% last year. The Not Known percentage is slighter higher, 3.1% compared to 2.8% last year. The combined NEET and Not Known percentage is 6.6% compared to 6.5%. Overall, the situation almost matches the position last year during the first lockdown. As we move towards September, we anticipate a small seasonal rise, until it begins to fall with the start of the new academic year. It is worth noting that the combined NEET/not Known data for last two years are both 1% higher than pre pandemic. This is due to both the impact of the pandemic and the significant reduction of NEET reengagement provision in Kent over the last two years. Additionally, there is a concern that the impact of the pandemic may be felt more in the coming academic year, as issues developed over the last two years start to come into play; for example, the increase in the number of home-educated young people.

There was further integration of the NEET Support Service, the Young People’s Participation Officer (YPPO) team, and the Engagement Officers. This has now provided a more streamlined process for learners moving through the service; for those who are identified as NEET by the YPPO team and those who are identified as being at risk of NEET in school. The impact will be a rapid and improved learner journey through the service.

SEND (Special Educational Need and Disability)
Based on the rolling 12-month average, 37% of EHCPs were issued within 20 weeks excluding exceptions (958 out of 2,589) an increase of 4% on the previous quarter. In the single month of June, performance was 44.6% with 127 of plans out of 285 being issued within timescale. The Service remains focused on clearing the backlog of assessments over 20 weeks with the number reduced from 460 at the end of March to

250 at the end of June. The SEND Service continue to receive the majority of reports from the EP Service after the six-week timescale; this is in part due to the EP service using a proportion of their additional capacity to assess CYP who have been waiting for assessment the longest.

Work continues to improve the quality of EHC plans issued. The SEND Service has launched and is embedding the use of a commercial online platform (Innovate Invision). This platform uses a quality assurance framework which uses a weighting system which enables faster and more complex analysis of areas of strength and areas requiring further improvement. In addition, the platform allows representatives from SEN, health, parent groups and social care to QA plans remotely during an auditing cycle, with nominated 'auditors' given access to the system. We are now on our third round of auditing with regular moderation events planned.

The number of requests for Statutory Assessment (EHC needs assessment) remains high, with an average of 338 request per month over the last quarter.

Wider Early Help

Nine pupils were permanently excluded for the rolling 12-month period to June 2021, three primary phase and six secondary phase pupils. The percentage of pupils excluded from school equates to less than 0.01%. 28 pupils were excluded in the previous 12 months. The reduction is related to the restriction of year groups returning to the school classroom following the Covid-19 'National Lockdown 1.0' school closures last year and the recent 'National Lockdown 3.0' school closures which resulted in 39 school days lost to all pupils with exception to 'key worker' and 'vulnerable' children from 5 January 2021 to 5 March 2021.

The number of first-time entrants (FTE) to the Youth Justice System in Kent had previously been increasing but the rolling 12-month figure for this quarter shows a decline from 270 to 260 young people. While national data from Police National Computer remains unavailable, Kent's own systems provide an indicative number of First Time Entrants and illustrate, between April and June, the lowest numbers of FTEs for two years. This outcome was hoped for, through increasing evidence-based restorative justice approaches. Collaboration continues with the Police in working towards operational implementation of Outcome 22, which should realise a sustained reduction in First Time Entrants.

Early Help

At the end of June 2021, 3,033 families were open to Early Help units, providing support for 6,441 children and young people under the age of 18. This is a 14.6% increase in the number of families supported compared to the end of the previous quarter (2,646 families).

The performance measure for 'Percentage of Early Help cases closed with outcomes achieved that come back to Early Help / Social Work teams within 3 months' was 13.3% for the rolling 12 months to March 2021, continuing to achieve the target of below 15.0%.

Children's Social Care - Staffing and Caseloads

The number of open cases (including those for care leavers above the age of 18) was 11,672 as at 30th June 2021, an increase of 345 (3%) children and young people when compared to the number of cases open on 31st March 2021 (11,327). This is the highest caseload figure seen within Children's Social Care since current records started in 2012.

There were 5,027 referrals to children's social care services in the quarter, an increase of 7.1% when compared to the previous quarter (4,692), and an increase of 12.9% compared to April-June 2020 (4,452). The rate of re-referrals within 12 months for the 12 months to June 2021 was 25.5% compared to 28.0% at the end of Quarter 4. This compares to the England average of 22.6% for 2019/20. The reductions in re-referrals are more evident when looking at the re-referral rates for a 3-month period, which for June 2021 was 21.4% compared to 31.7% for June 2020.

The percentage of case-holding social worker posts held by permanent qualified social workers has remained stable and above the target of 85.0%. The 92.6% for June 2021 is close to the figure for March 2021 (92.5%). The proportion of case-holding social work posts filled by agency staff increased slightly in the quarter, from 13.0% at the end of March 2021 to 13.5% at the end of June 2021, which is an increase of 3.8 full time equivalent posts. There has been no change in the average caseload for Social Workers in Children's Social Work Teams; this remains at an average of 21 cases.

Child Protection
On 30th June 2021 there were 1,240 children subject to a child protection plan, an increase of 41 from the end of the previous quarter (1,199). The rate per 10,000 children (aged 0-17) was 36.1, which remains below the last published rate for England of 42.8, as at 31st March 2020. The percentage of children who were subject to a Child Protection Plan for a second or subsequent time reduced in the quarter, from 22.2% in March 2021 to 20.5% in June 2021, coming within the target range of between 17.5% and 22.5%. This compares to an average for England of 21.9% (March 2020).

Children in Care
The number of citizen children in care increased by 11 in the quarter, to 1,384. The number of unaccompanied asylum seeker children (UASC) in care increased by 101 in the quarter to 378. The number of children in care placed in Kent by other local authorities (OLA) decreased by 30 during the quarter, from 1,224 to 1,194.

Status	Sep 20	Dec 20	Mar 21	Jun 21
Citizen	1,378	1,370	1,373	1,384
UASC	474	411	277	378
Total	**1,852**	**1,781**	**1,650**	**1,762**
Gender				
Male	1,215	1,157	1,039	1,131
Female	637	624	611	631
Age Group				
0 to 4	187	203	219	223
5 to 9	205	188	188	193
10 to 15	706	676	651	691
16 to 17	754	714	592	655
Ethnicity				
White	1,228	1,201	1,212	1,233
Mixed	99	102	90	87
Asian	98	88	66	84
Black	124	109	71	78
Other	303	281	211	280

The percentage of Kent's children placed in KCC in-house foster care or with family/friends has remained stable, 79.4% for June 2021 compared to 79.3% at the end of the previous Quarter. This remains below the target of 85.0%.

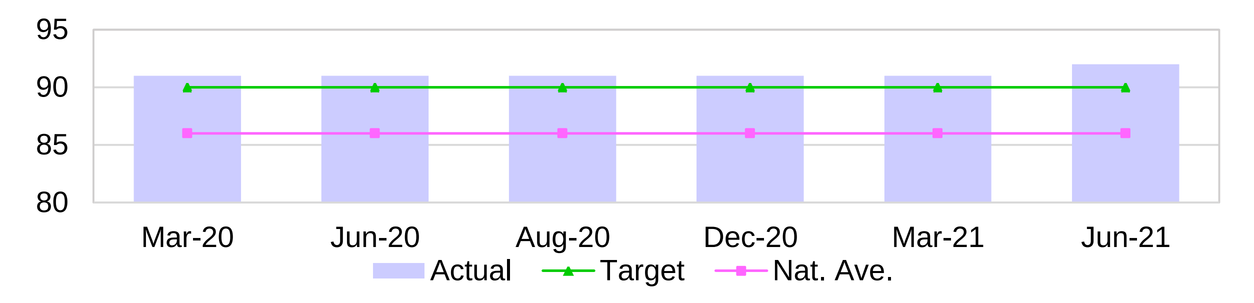
For children who were adopted in the last 12 months the average number of days between coming into care and moving in with their adoptive family continues to outperform the nationally set target of 426 days. The average number of days for Kent's children at the end of June 2021 was 281 days, compared to 274 at the end March 2021. The definition of this measure has been adjusted by the DfE to include foster carer adoptions.

Care Leavers

The number of care leavers at the end of June 2021 was 2,041 which is an increase of 20 from the previous quarter (2,021). Of the 2,041 Care leavers 962 (47%) were citizen care leavers and 1,079 (53%) were unaccompanied asylum-seeking young people. The percentage of care leavers in education, employment or training reduced slightly in the Quarter, from 60.0% in March 2021 to 59.3% in June 2021, remaining below the 65.0% target.

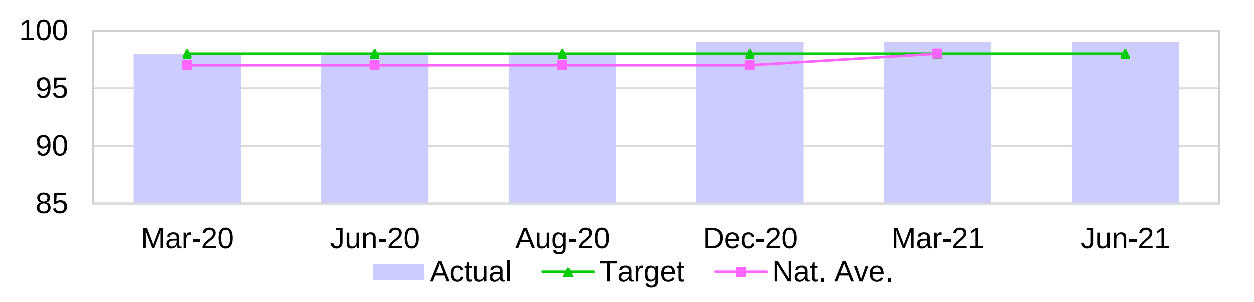
Key Performance Indicators

Percentage of all schools with Good or Outstanding Ofsted inspection judgements	GREEN



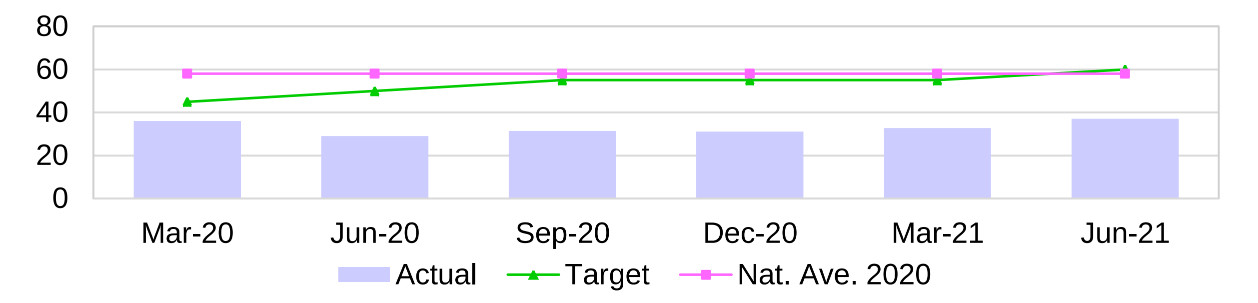
Current: 92%	Target: 90%	Previous: 91%

Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises)	GREEN



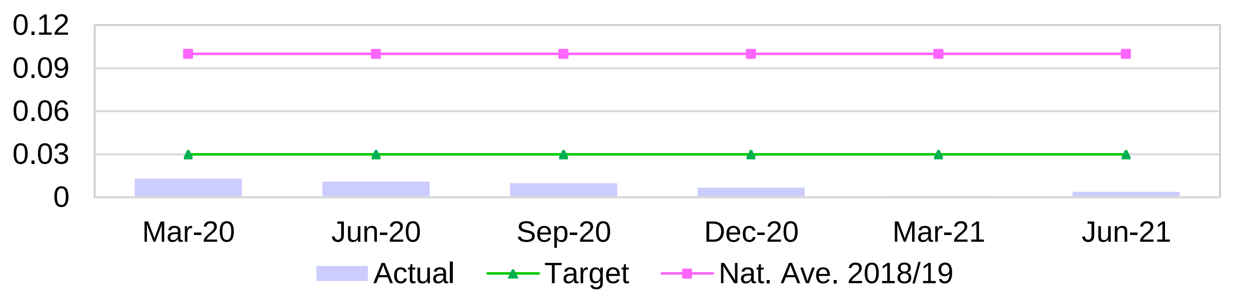
Current: 99%	Target: 98%	Previous: 99%

Percentage of Education, Health and Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED



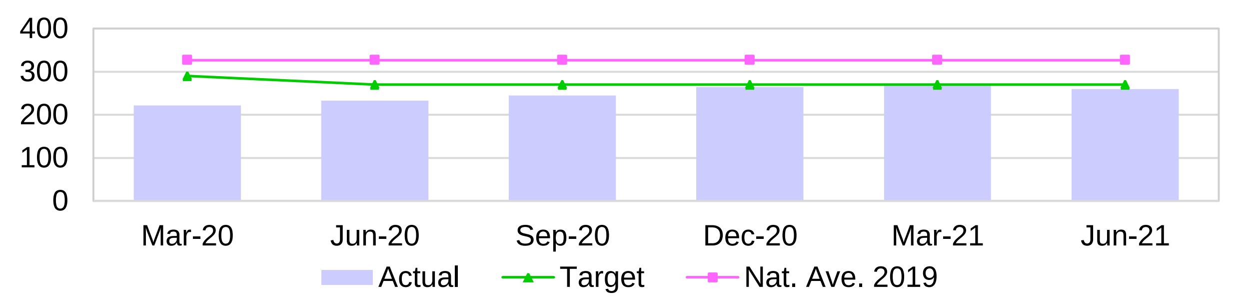
Current: 37%	Target: 60%	Previous: 33%

Percentage of pupils permanently excluded from school – rolling 12 months	GREEN



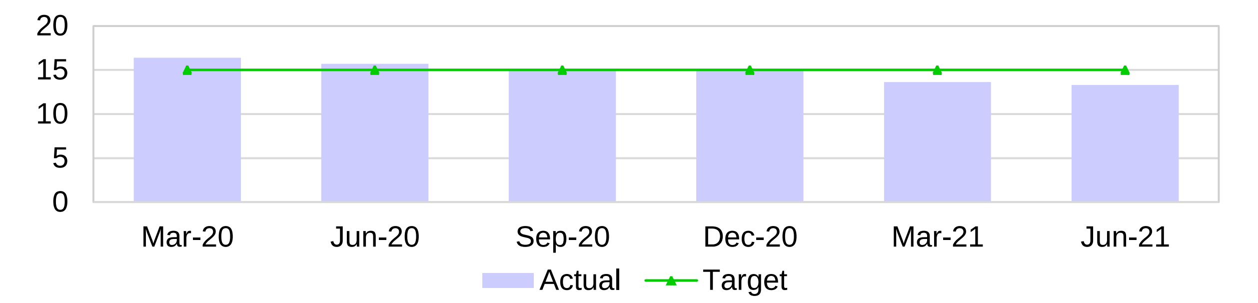
Current: <0.01%	Target: 0.03%	Previous: <0.01%

Number of first-time entrants to youth justice system – rolling 12 months	GREEN



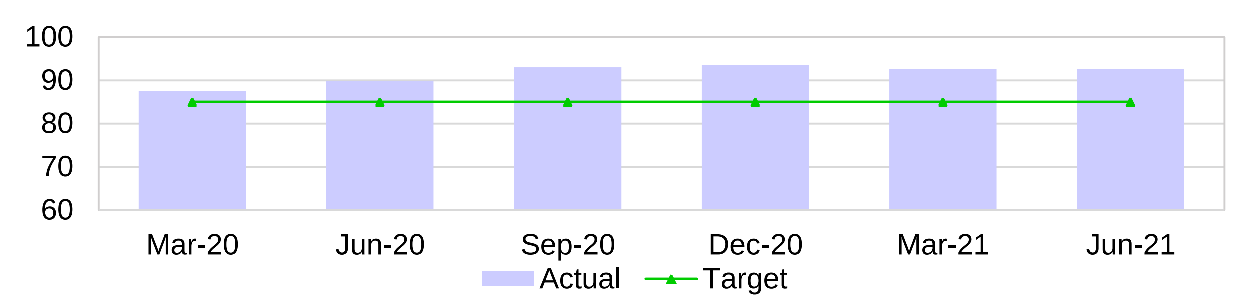
Current: 260	Target: 270	Previous: 271

Percentage of Early Help cases closed with outcomes achieved that come back to Early Help / Social Work teams within 3 months	GREEN



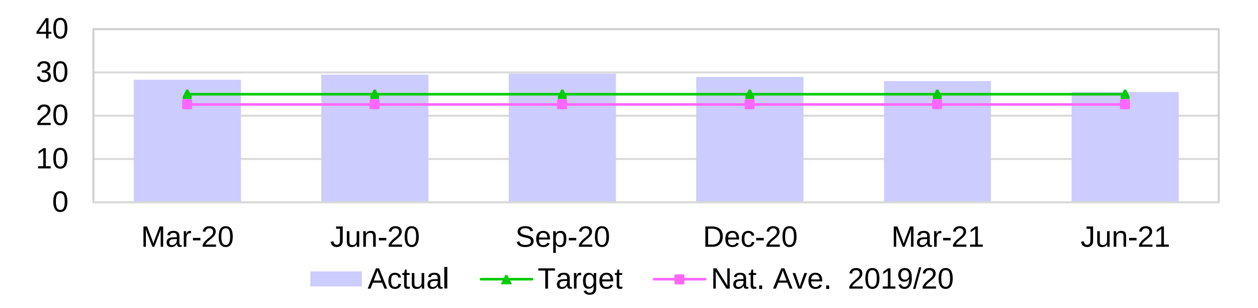
Current: 13.3%	Target: 15%	Previous: 13.6%

Percentage of case holding posts filled by permanent qualified social workers	GREEN



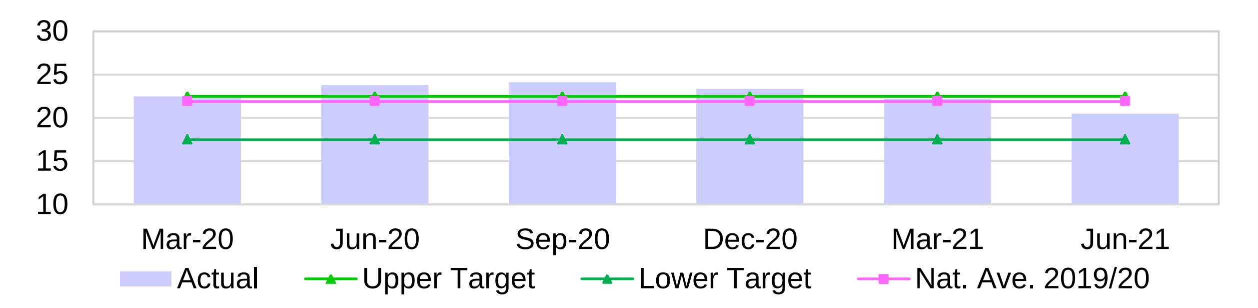
Current: 92.6%	Target: 85.0%	Previous: 92.5%

Percentage of children’s social care referrals that were repeat referrals within 12 months	AMBER



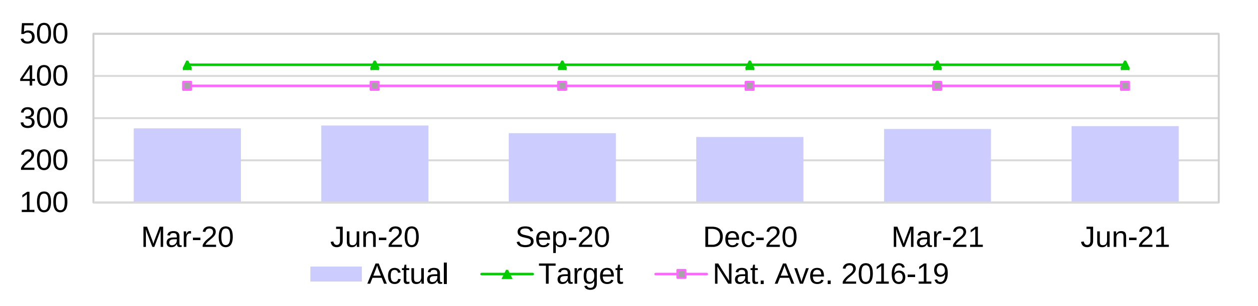
Current: 25.5%	Target: 25.0%	Previous: 28.0%

Percentage of child protection plans that were repeat plans	GREEN



Current: 20.5%	Target: 17.5% - 22.5%	Previous: 22.2%

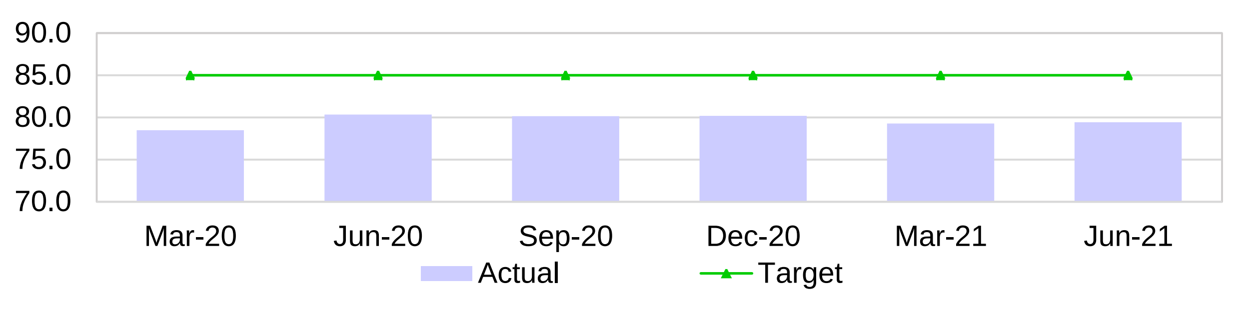
Average number of days between becoming a child in care and moving in with an adoptive family	GREEN



Current: 280.7	Target: 426	Previous: 274.3

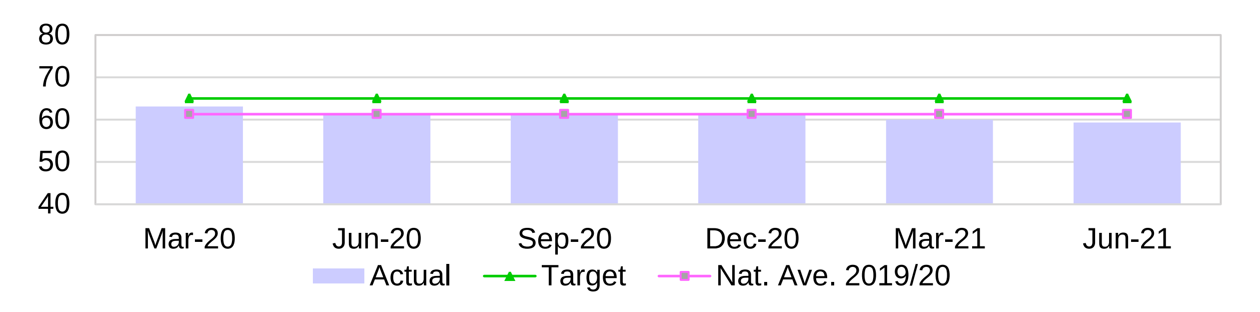
The definition of this measure has been adjusted by the DfE to include foster carer adoptions. The graph above includes this change.

Percentage foster care placements which are in-house or with relatives and friends (excluding UASC)	AMBER



Current: 79.4%	Target: 85.0%	Previous: 79.3%

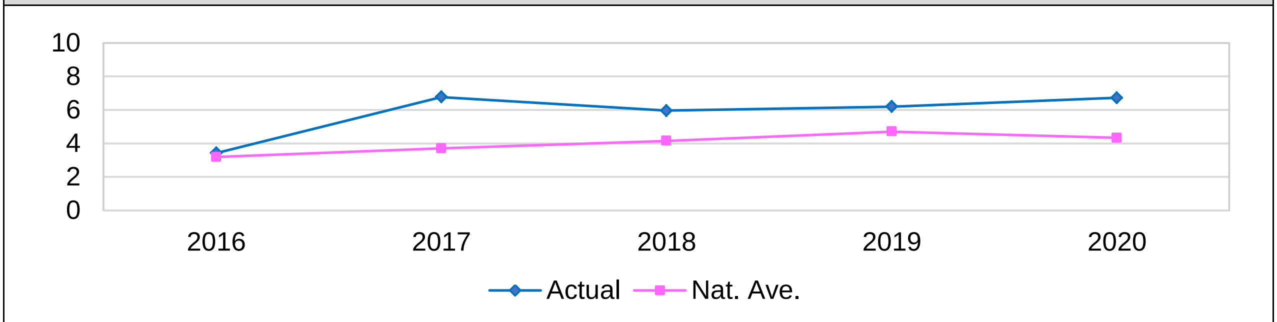
Percentage of care leavers in education, employment or training (of those KCC is in touch with)	AMBER



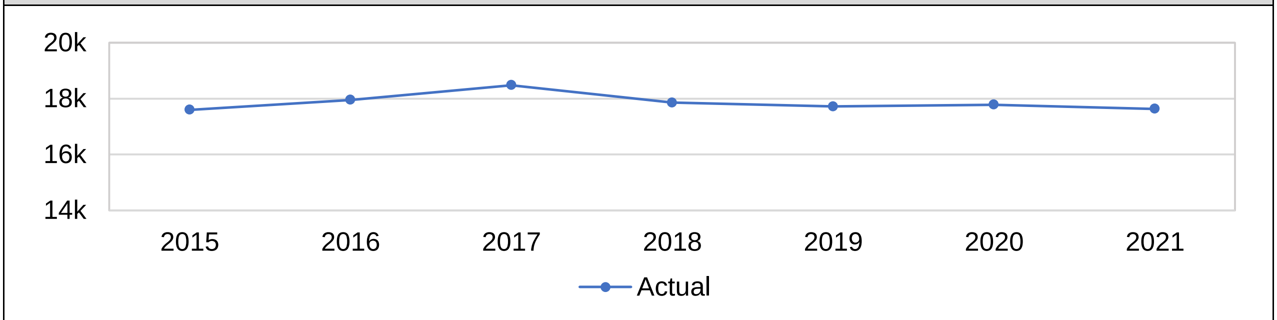
Current: 59.3%	Target: 65.0%	Previous: 60.0%

Activity indicators

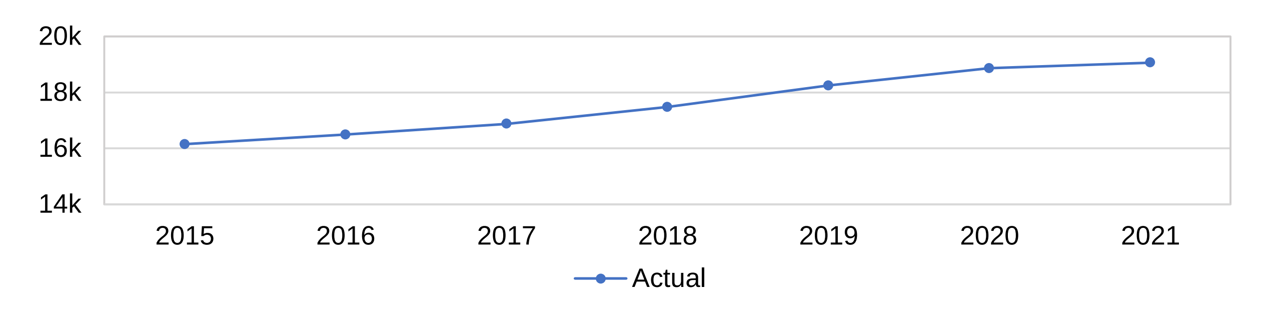
Number of initial requests for statutory assessment (for an EHC plan) per 1,000 population



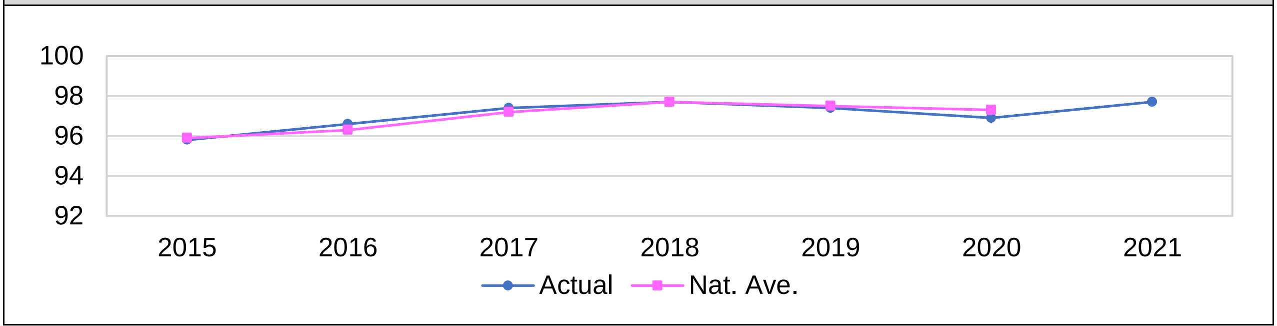
Number of pupils in Reception year (Kent state funded schools)



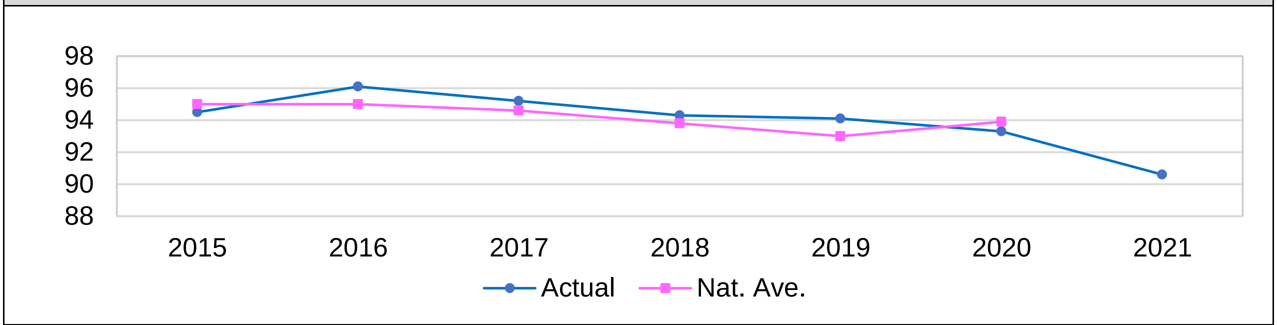
Number of pupils in Year 7 (Kent state funded schools)



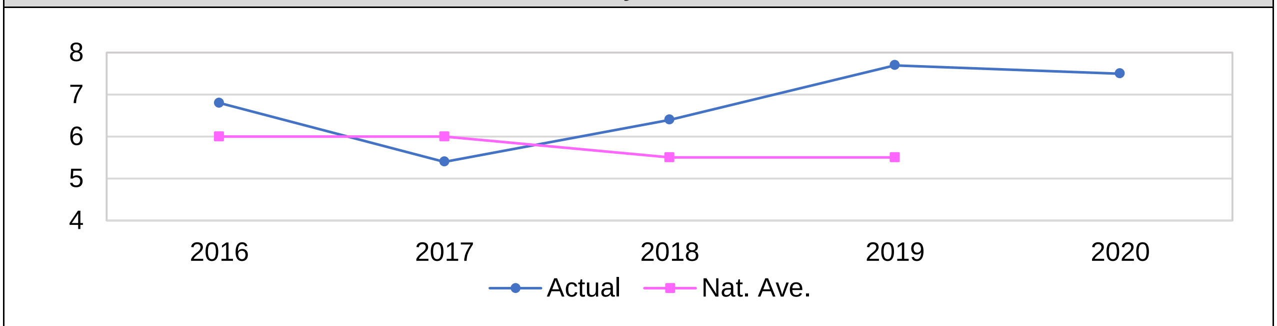
Percentage of Primary school applicants offered one of top three preferences



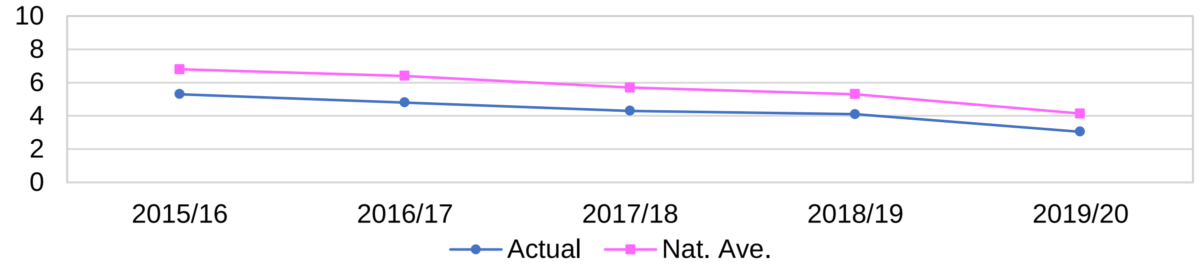
Percentage of Secondary school applicants offered one of top three preferences



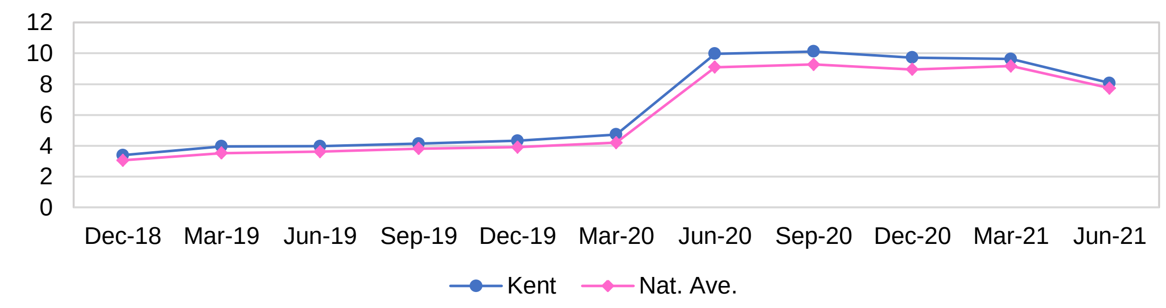
Percentage of 16-17 years olds Not in Education, Employment or Training (NEETs) or whose activity is Not Known



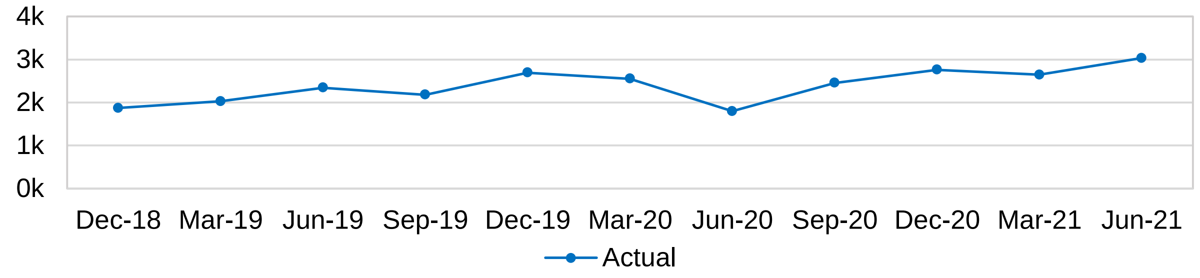
Percentage of 16-18 year olds who start an apprenticeship



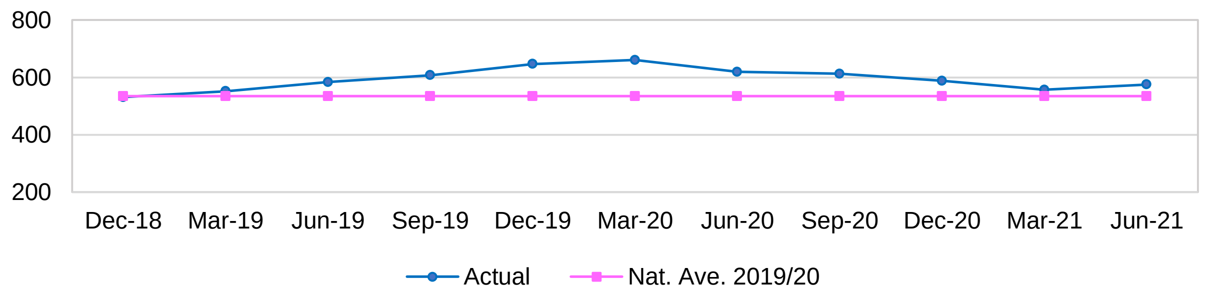
Percentage of 18-24 year olds claiming Universal Credit



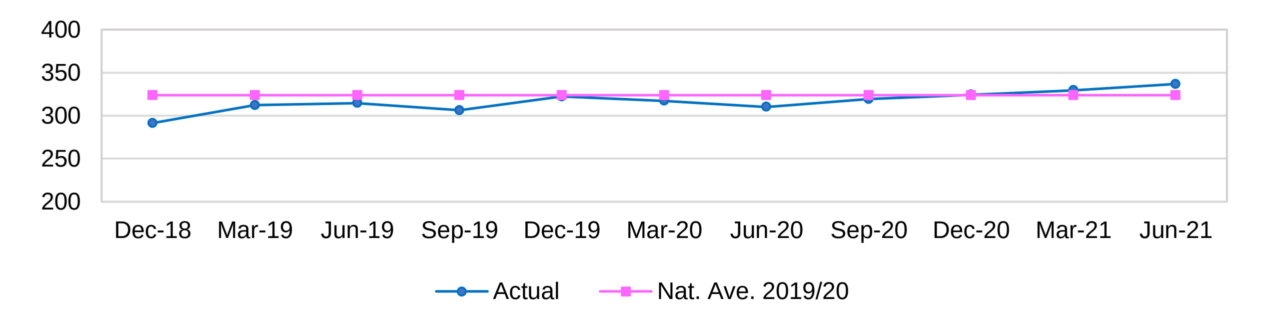
Number of open Early Help cases managed by Units



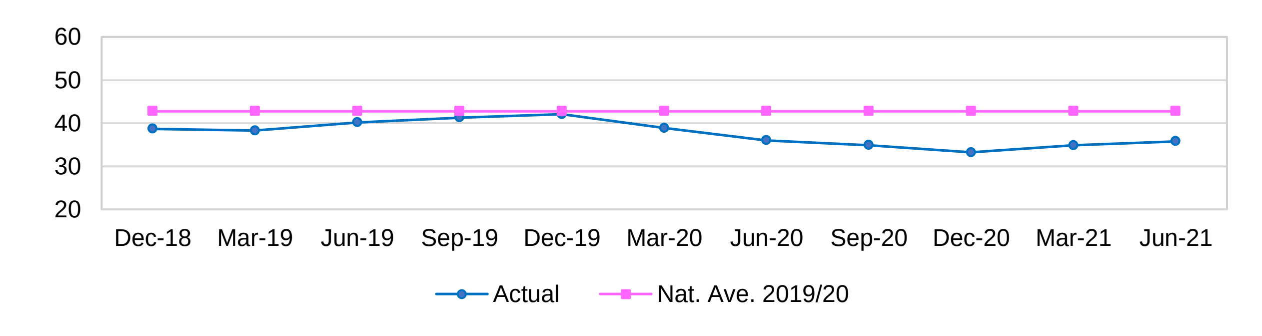
Rate of CSW referrals per 10,000 population aged under 18 – rolling 12 months



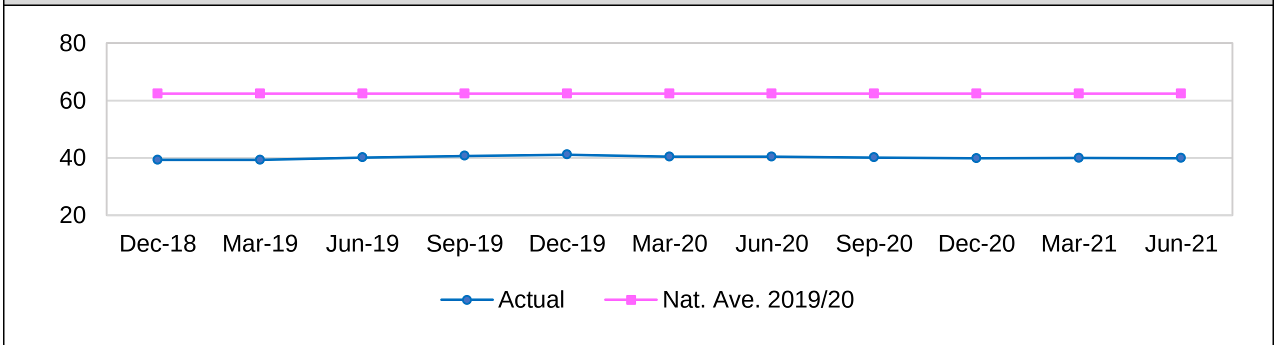
CSW caseload per 10,000 child population – snapshot at quarter end



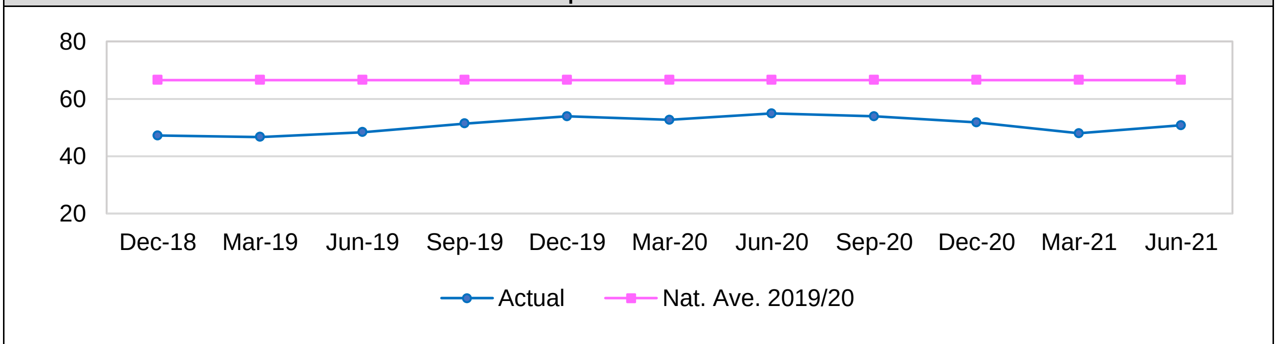
Rate of children with Child Protection Plans per 10,000 child population – snapshot at quarter end



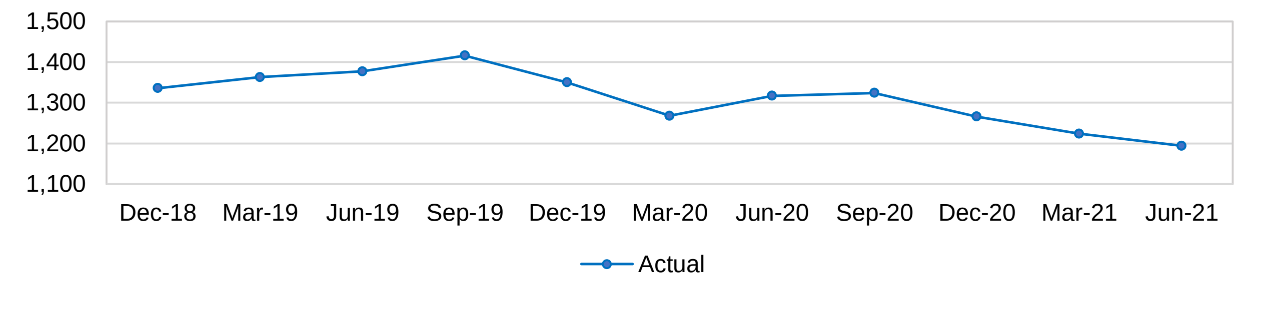
Rate of Children in Care (excluding UASC) per 10,000 child population – snapshot at quarter end



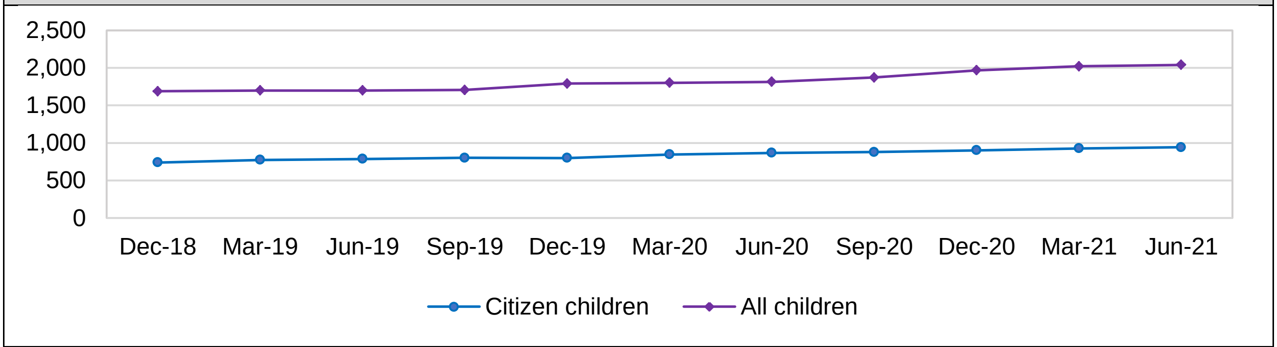
Rate of Children in Care (including UASC) per 10,000 child population – snapshot at quarter end



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



Number of care leavers as at quarter end



Adult Social Care & Health	
Cabinet Member	Clair Bell
Corporate Director	Richard Smith

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	4	1		1	3	1

Key Performance Indicators

Adult Social Care & Health (ASCH) continues to work in an environment that has evolved with the Pandemic in Kent, with variances in activity across the past year mirroring the series of lockdowns in Kent. General increases in activity occurred in March 2021 and this has continued into the new financial year with increases in the number of people accessing short term services, people accessing services who had a Mental Health Need and applications for Deprivation of Liberty Safeguards.

The effect of the Pandemic was also seen in the changing usage profile of ASCH Services. This has resulted in fewer people receiving care in a residential or nursing setting but increases in those receiving long term services within the community.

The number of people in receipt of short-term services, such as short-term beds and enablement services where the intention is to help people remain independent, increased by 107 on the previous quarter, with over 1,400 people being supported. Of these, over 900 people left this service either needing a lower level of support than they started with or needing no further support from ASCH. This measure now sits at 67% and at a more appropriate level following the effect felt on these services during the Pandemic in 20/21. Where people did need more or ongoing support, 88% received this via community services.

In Quarter 1 20/21 there was a month on month increase in the numbers of people in receipt of Direct Payments. This has meant that with the increases in people receiving community services the KPI has maintained at 24%, the same proportion experienced over the previous 6 months.

The number of people receiving Direct Payments had been affected by the Coronavirus Pandemic. Adult Social Care continues to encourage flexibility in the use of Direct Payments. However, the flexibilities for using a Direct Payment to access alternative services have not been as extensive as many options were closed due to the Coronavirus restrictions in place.

The proportion of people with Learning Disabilities who are in settled accommodation, for example who live in their own home or with their family, remains above the target of 77%. ASCH strive to ensure that through the care needs assessments delivered and the provision of person-centred outcomes in their work, people are actively supported to remain in their own home or with their families.

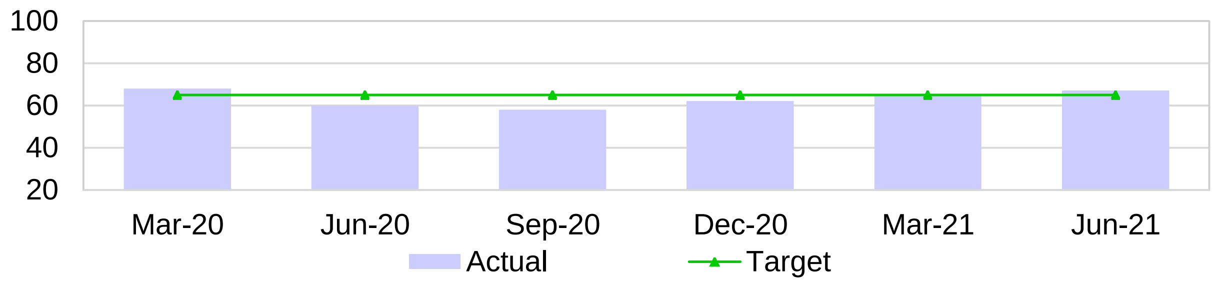
80% of the people ASCH have placed in residential or nursing care, either in the short or long term, are in a provision that the CQC has rated as Good or Outstanding. This is no change on the previous quarter.

KCC continues to work closely with the CQC and Providers to improve the levels of quality in the care home market. The impact of the Pandemic is tapering significantly across the care home market and providers are starting to return to business as usual, as much as possible. Face to face visits to homes with concerns have resumed but on a strict risk assessed basis.

The numbers of older people (those aged 65+) who accessed a reablement/ rehabilitation service following a hospital discharge increased by 12% on the previous quarter; of the over 900 people in Q4 20/21 accessing these services, nearly 800 were still at home 91 days later (86%). ASCH continue to work closely with NHS and Clinical Commissioning Group (CCG) colleagues to ensure pathways are clear and effective for people moving across different types of service provision.

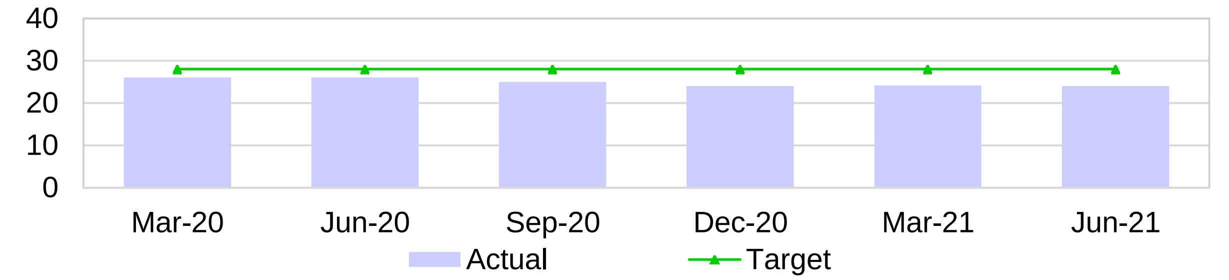
ASCH have been reviewing their safeguarding practices and processes and are currently implementing changes to utilise resources as effectively as possible. In Quarter 1 20/21 there were a smaller number of closures compared to previous quarters and this decrease has led to a drop in the percentage where a risk was removed or reduced, however less people in the Quarter had their safeguarding enquiry closed where the risk remained.

Proportion of people who have received short term services for which the outcome was either support at a lower level or no ongoing support	GREEN ⇨



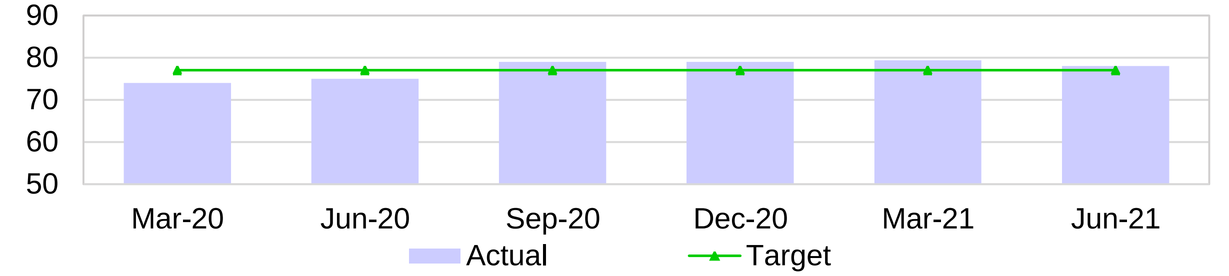
Current: 67%	Target: 65%	Previous: 65%

Proportion of clients receiving Direct Payments	AMBER ⇩



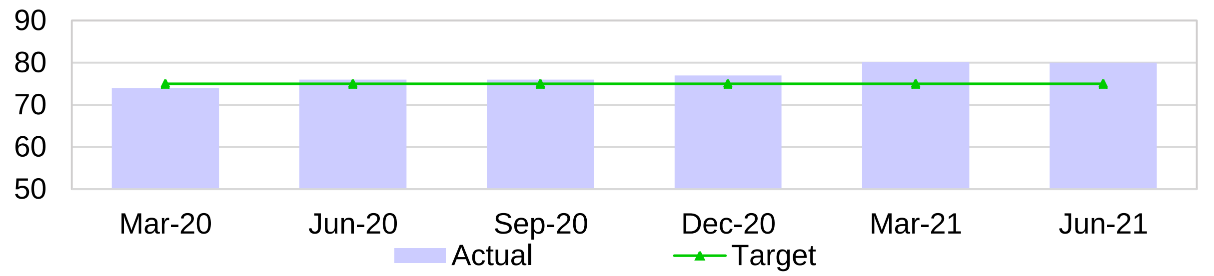
Current: 24%	Target: 28%	Previous: 24%

The proportion of adults with a learning disability who live in their own home or with their family	GREEN ⇨



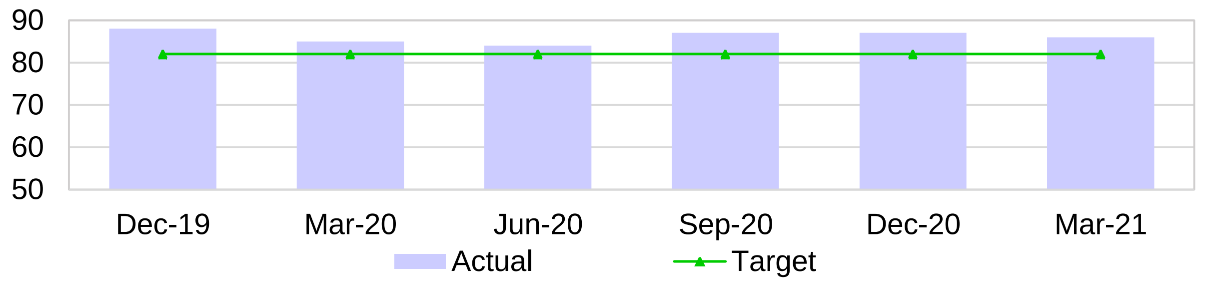
Current: 78%	Target: 77%	Previous: 79%

Proportion of KCC clients in residential or nursing care where the CQC rating is Good or Outstanding		GREEN



Current: 80%	Target: 75%	Previous: 80%

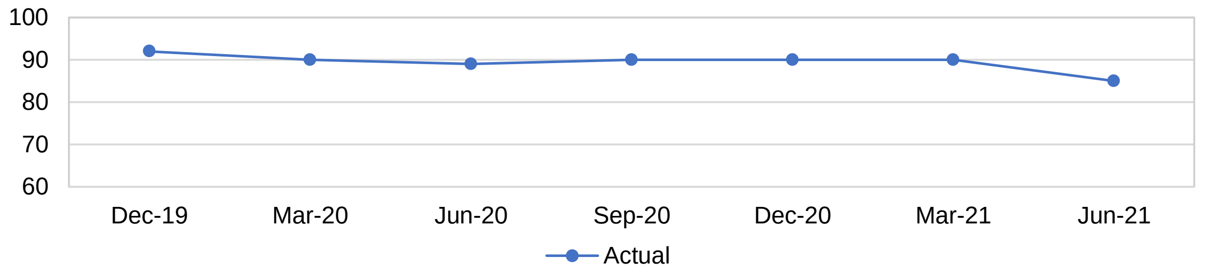
Proportion of older people (65+) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	GREEN



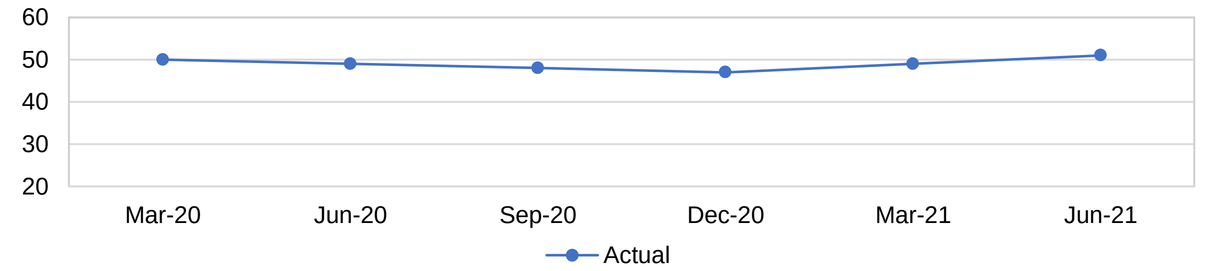
Current: 86%	Target: 82%	Previous: 87%

Activity indicators

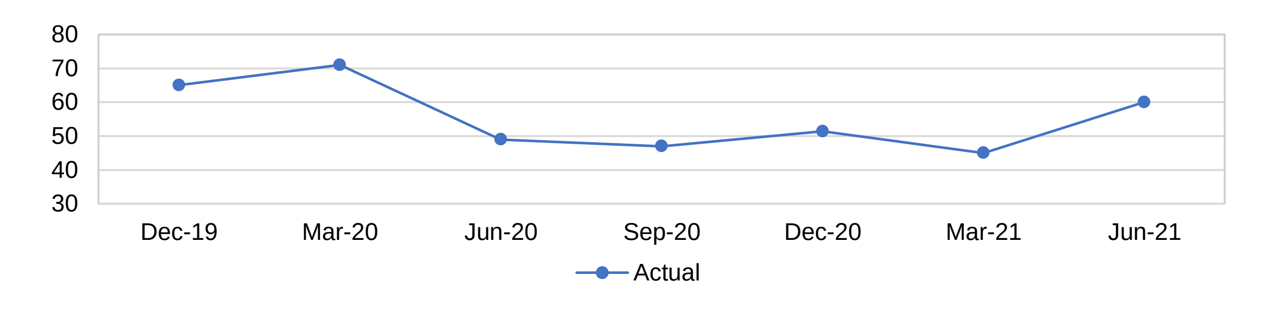
Percentage of Safeguarding enquires where a risk was identified, and the risk was either removed or reduced



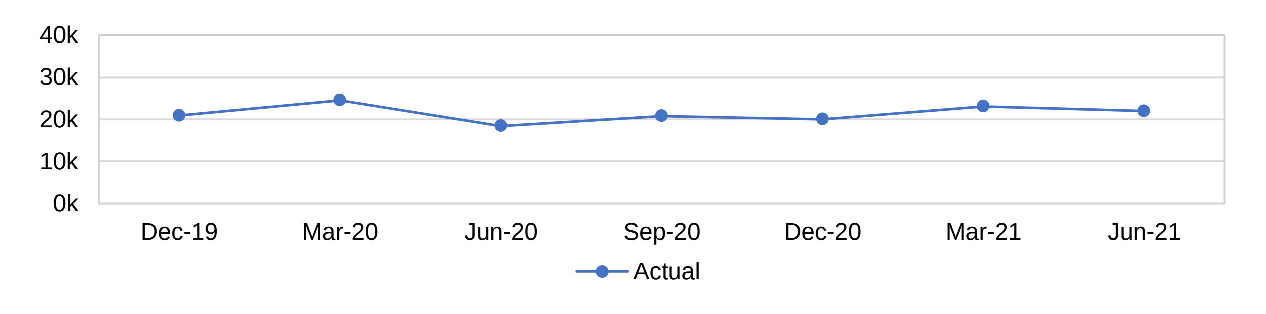
Percentage of carers who are receiving services, and who had an assessment or review during the year



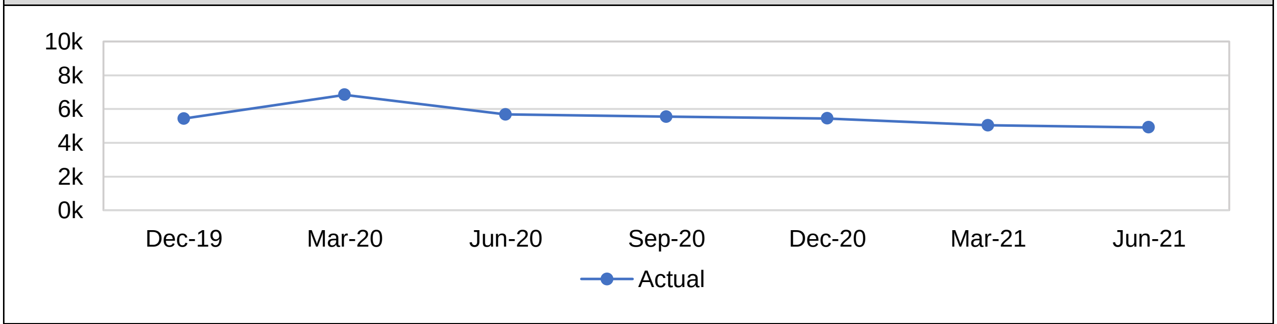
Percentage of complaints upheld (upheld and partially upheld)



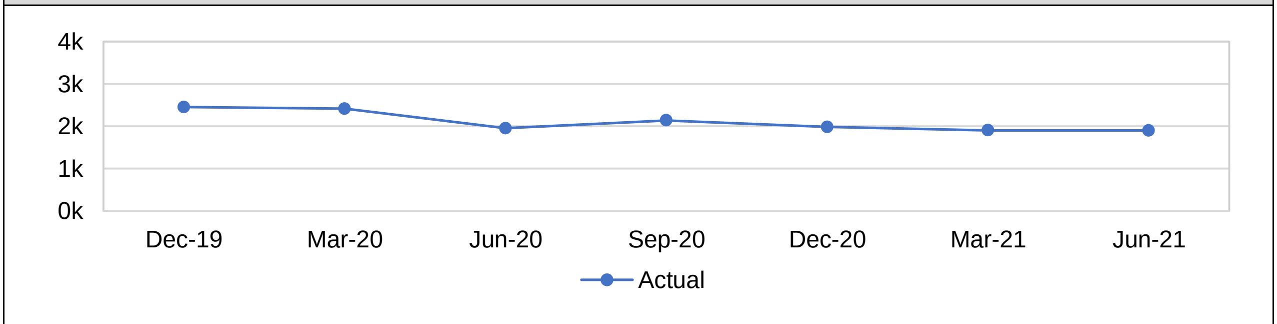
Number of people making contact with ASCH



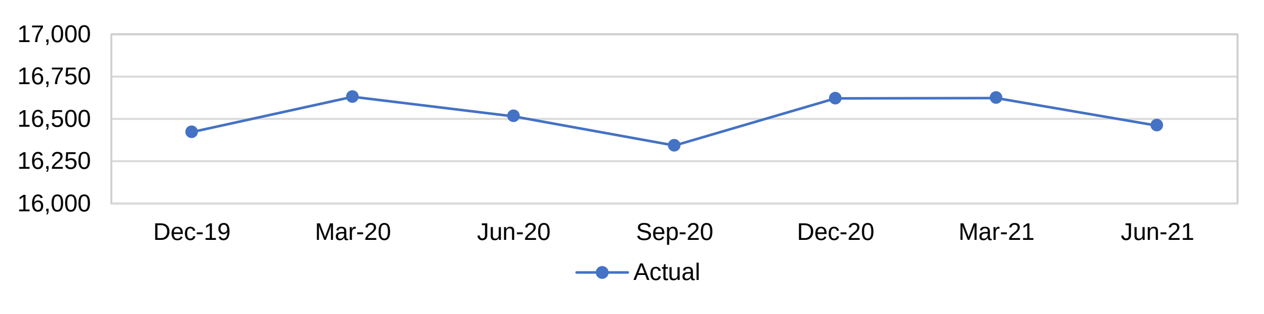
Number of assessments delivered (Care Needs Assessment)



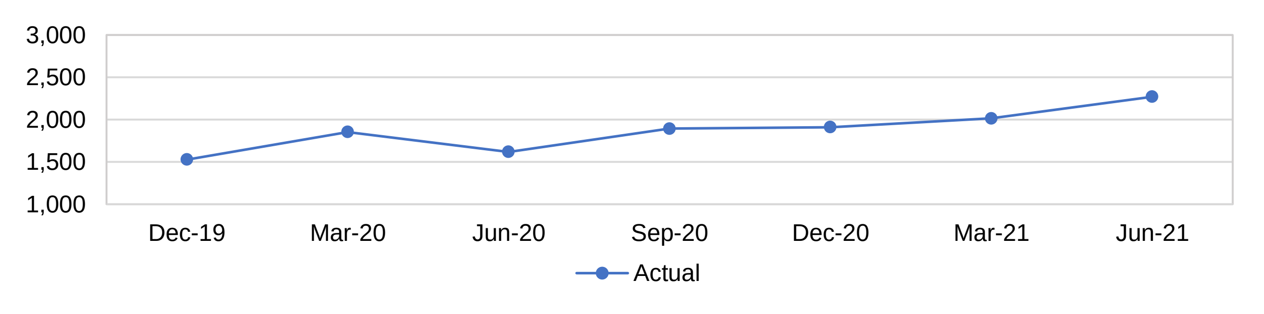
Number receiving enablement



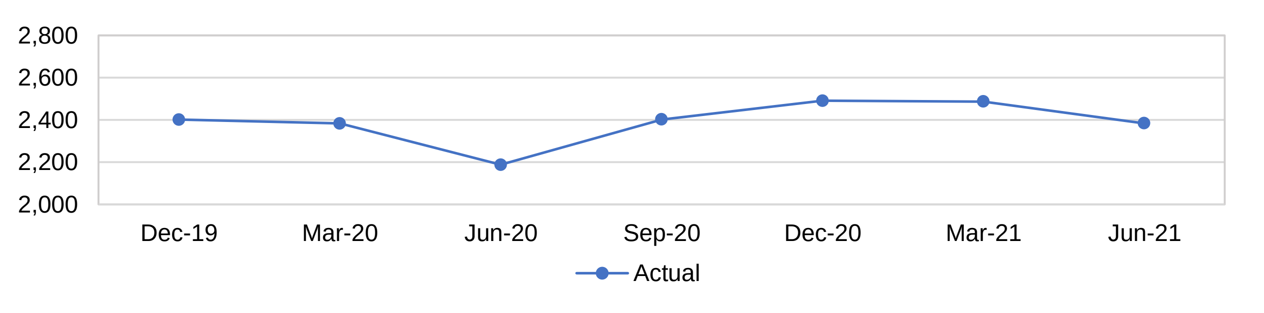
Number receiving Long Term Services



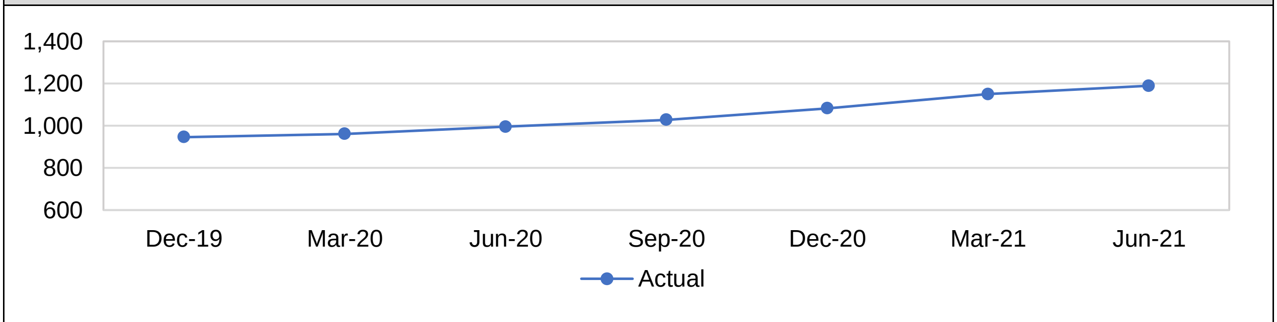
Number of Deprivation of Liberty safeguards (DoLs) applications received



Number of carers known to Adult Social Care



Number of People accessing ASCH Services who have a Mental Health Need



Public Health	
Cabinet Member	Clair Bell
Director	Allison Duggal

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	4	1	0	2	3	0

The NHS Health Check programme continues to recover after the service resumed delivery in Quarter 2 2020/21, following a nationally mandated pause in March 2020/21 due to COVID-19. In Quarter 1 2021/22, just over a third of GPs (63) actively participated in the programme and the Kent Community Health NHS Foundation Trust (KCHFT) core team continued to provide Health Check clinics across Kent. There were 2,851 Health Checks carried out in the quarter, which exceeds the target of a 20% quarterly increase and indicates that capacity is gradually increasing. The outreach team continued to establish and maintain relationships with key groups, employers, and organisations to engage with vulnerable and hard to reach communities. A risk stratified approach to NHS Health Checks is being implemented which targets those at the highest risk of cardiovascular disease. For this workstream to achieve its objectives, investment has been made in some additional staff members. Commissioners are currently exploring options to catch up with the backlog to ensure that all the eligible population are invited to receive a check.

The Health Visiting Service delivered 18,693 mandated universal contacts in Quarter 1, up 4.4% compared with the same Quarter the previous year. All five mandated contacts were on or above target. Face-to-face delivery has increased from 33.4% in Quarter 4, 2020/21 to 43.3% in Quarter 1, 2021/22. The number of healthy child clinic attendances has increased from 835 in Quarter 4 to 1,248 in Quarter 1. Calls to the duty line (11,856 in Quarter 1) and specialist infant feeding service referrals remain high.

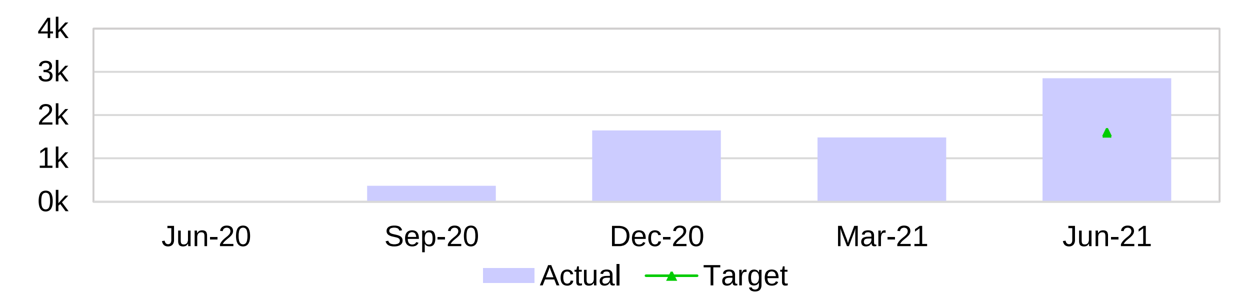
Due to the Coronavirus pandemic, specialist integrated sexual health providers have adopted an altered service delivery model which utilises digital services and operates clinics through pre-booked appointments to manage client numbers. Service providers and commissioners are working together to improve the proportion of new attendees to the service that are being offered a full sexual health screen by ensuring all staff are offering a screen across all types of appointment. Furthermore, work is underway to ensure the IT system has appropriate mechanisms to enable the offer of all new attendee screens to be recorded. A full sexual health screen can be completed through the home testing service or at clinic. In Quarter 1 the indicator recorded 85% being offered a full sexual health screen which is still below the target of 92%.

The community drug and alcohol data for Quarter 1 is not available until mid-September; however, expectations are that service delivery remains stable. The services continue to offer virtual and, gradually increasing, face-to-face interventions based on service user risk, vulnerability, and individual preference. All clinical aspects of service delivery have resumed, including Community Alcohol Detoxification and Blood Borne Virus testing.

In Quarter 1 there has been an increase in participants returning to the Live Well Kent Service, which is thought to be due to COVID-19 and the gradual opening up of face-to-face interventions. The number of new participants each quarter remains high. The services has responded effectively to this need, with service user satisfaction rates remaining above target this quarter.

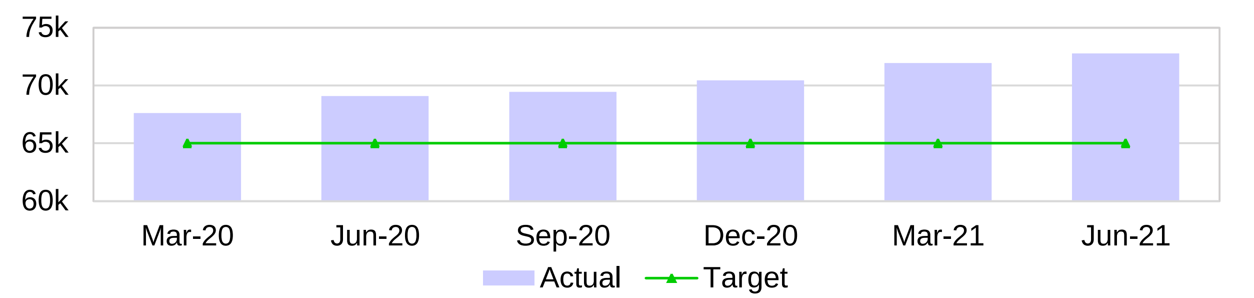
Performance Indicators

Number of eligible people receiving an NHS Health Check		GREEN



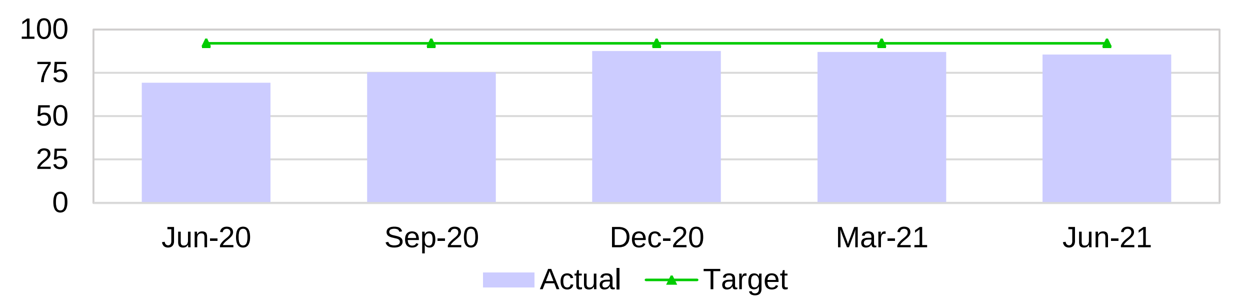
Current: 2,851	Target: 1,778	Previous: 1,482

Number of mandated universal checks delivered by the health visiting service – rolling 12 months		GREEN



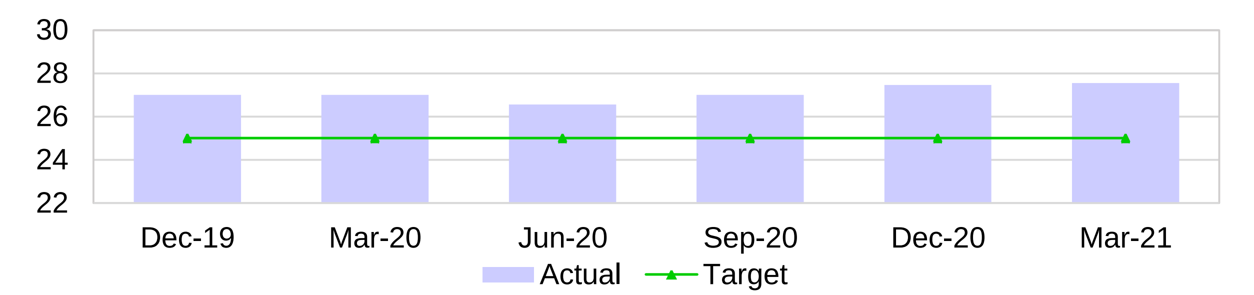
Current: 72,763	Target: 65,000	Previous: 71,932

Percentage of first-time patients (at any sexual health clinics or telephone triage) who are offered a full sexual health screen		AMBER



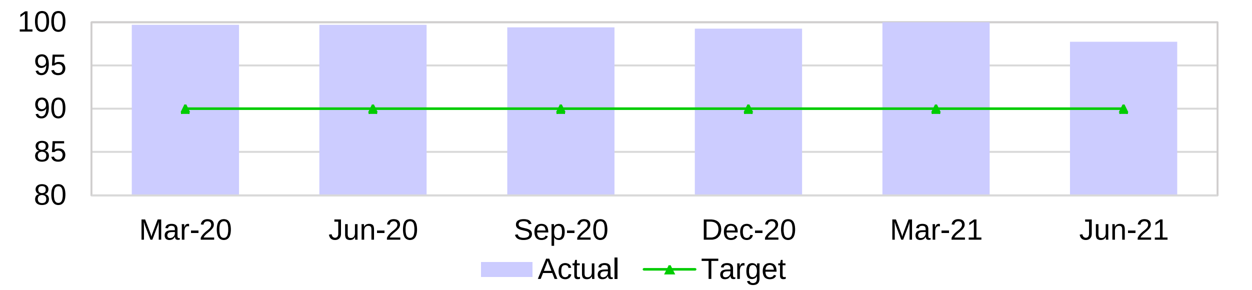
Current: 85%	Target: 92%	Previous: 87%

Successful completion of drug and alcohol treatment – rolling 12 months		GREEN



Current: 27.5%	Target: 25%	Previous: 27.5%

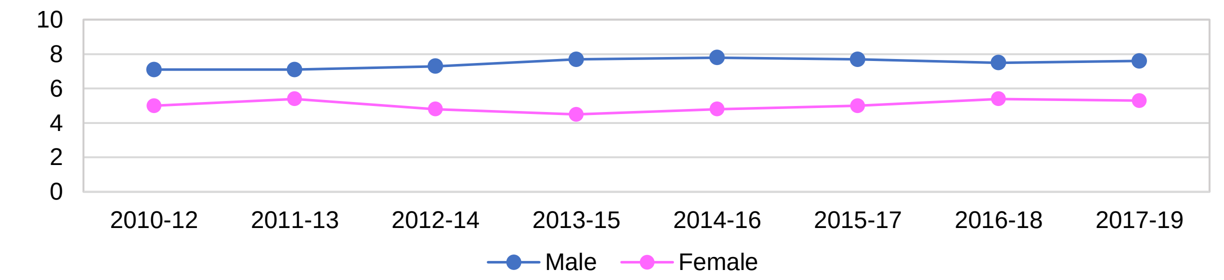
Percentage of Live Well clients who would recommend the service to family, friends, or someone in a similar situation	GREEN ⇨



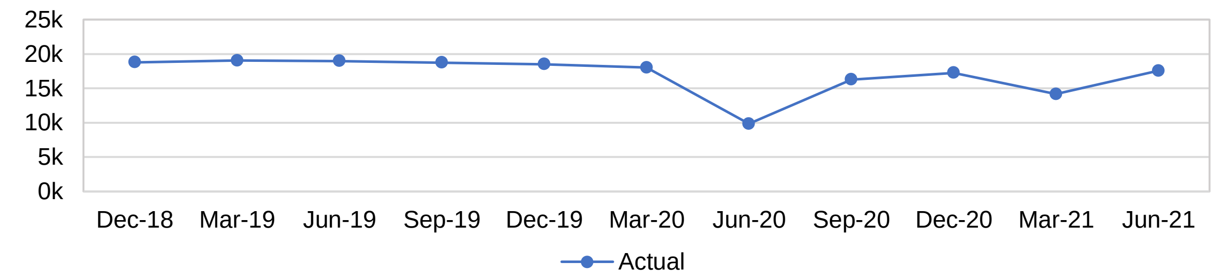
Current: 97.7%	Target: 90%	Previous: 100%

Activity indicators

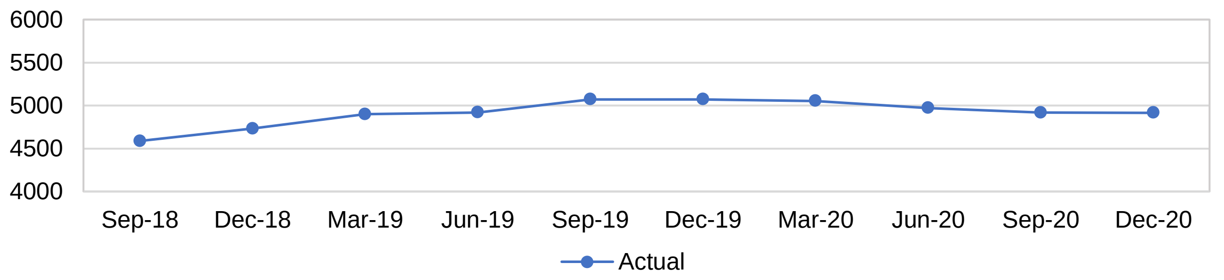
Life expectancy gap in years between least and most deprived areas



Number of attendances at KCC commissioned Sexual Health Clinics



Number of adults accessing structured Substance Misuse Treatment Services



Corporate Risk Register – Overview

The Authority continues to balance ongoing recovery from the Covid-19 emergency with delivery of more "business as usual" type activities, while also leading on the development of new ways of working and delivery of services. It remains clear that the pandemic, as well as introducing new risks, has compounded existing challenges.

The table below shows the number of corporate risks in each risk level (based on the risk score) in August 2021, compared with May 2021.

	Low Risk	**Medium Risk**	**High Risk**
Current risk level May 2021	0	2	19
Current risk level August 2021	0	2	19

CHANGES DURING LAST QUARTER

As the Authority continues to recover from the impact of the coronavirus, the risk profile has not changed greatly in the past few months. The Corporate Risk Register will be subject to its more formal annual refresh in the autumn to investigate if any Covid-related risks have decreased and what longer term risks remain. There are also several key national developments expected that will impact on the risk profile, such as the Government's 3-year Spending Review and details of health and social care reform.

MITIGATING ACTIONS

The Corporate Risk Register mitigations are regularly reviewed for their continued relevance and urgency, and new mitigations introduced as required.

Updates have been provided for 16 actions to mitigate elements of Corporate Risks that were due for completion or review up to the end of August 2021. These are summarised below.

Due Date for Completion	**Actions Completed/ Closed**	**Actions Outstanding or Partially complete**	**Regular Review**
Up to and including August 2021	2	13	1

CRR0009: Future Financial and Operating Environment:
Partially Complete KCC will respond to the Government Spending Review in the autumn. Regular Review: We continue to make representations to central Government in relation to 'High Needs' funding concerns.

CRR0015 – Managing and working within the social care market:
Partially Complete The Market Position Statement now consists of six statements. Three have been published on Kent.gov. Going forward position statements will be kept up to date to present current position and therefore be more useful for developers and providers. We await details of social care and health reform from the Government and will update this risk accordingly. From the 11th of November 2021 it is compulsory for those working in care homes in England to be fully vaccinated against COVID-19. Recent Government analysis suggests that approximately 7% of that workforce nationally will decline a vaccination. Analysis is being undertaken to determine the impact at a local level in order to mitigate any possible impact due to reduction in the available workforce.

CRR0014: Cyber-threats and their implications:
Partially complete Good progress has been made rolling out feature updates to end user devices, but some elements of work have been delayed by major incidents and support provider resource constraints. The latest project plan indicates the Azure & Office365 workstreams should complete mid-October, and SCP Windows by mid-November.

CRR0044: High Needs Funding Shortfall:
Partially Complete A High Needs recovery plan is underway, although it is unlikely to show a full recovery without legislative reform.

CRR0003 – Securing Access to Resources to aid economic recovery and enabling Infrastructure:
Partially Complete Discussions have concluded and the Guidance Notes for the Kent & Medway Business Fund and the KMBF *Small Business Boost* have been agreed. The Kent & Medway Business Fund will open to pre-application on 30 September, with the KMBF *Small Business Boost* opening in December 2021. The next phase of the Innovation Loan is still to be scoped.

CRR0039 – Information Governance

Partially Complete

KCC is utilising its licensing agreement with Microsoft to enhance the security of KCC's infrastructure, working on implementation and rollout. (Cross reference to CRR0014 action above)

An Information Governance paper was presented to Strategic Reset Programme Board in July outlining challenges and a proposal for refreshed Data Protection Impact Assessment and other information governance approaches through an automated model.

A comprehensive data mapping exercise is partially complete. Information Governance Directorate leads have been charged with ensuring completion.

CRR0007 – Resourcing implications arising from serious and complex Children's Services demand (excludes SEND)

Complete:

Social work and Early Help resources are being redeployed to deal with demand arising from Covid and other factors.

CRR0049 – Fraud and Error:

Partially complete

Review existing arrangements for segregation of duties, with a focus on high-risk areas e.g., commissioning / procurement: a suite of commissioning standards is published on our intranet site, alongside events targeting middle and senior managers. Documents have been simplified and rules for procurement have been clarified.

CRR0005: Development of Integrated Care System /Integrated Care Partnerships in Kent and Medway NHS system.

Complete

Health integration paper was presented to County Council in July requiring approval of:

- The development of a partnership framework with the ICS
- Further exploration with Health leaders to identify shared areas of ambition and opportunities
- Agreeing principles for partnership working
- Agreeing to the transition of the Kent and Medway Joint Health and Wellbeing Board to the Health and Care Partnership board.

CRR0045 – Maintaining effective governance and decision making in a challenging financial and operating environment.

Partially complete

• Amendments to KCC's Constitution

KCC's Constitution is being reviewed and will be amended to reflect any changes arising. KCC's General Counsel is due to engage further with Cabinet Members in autumn 2021 on this matter, in addition to the review of effectiveness of Cabinet Committees and consideration of any alternative arrangements.

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
Clair Bell, Cabinet Member for Adult Social Care and Public Health
Richard Smith, Corporate Director Adult Social Care and Health
Zena Cooke, Corporate Director Finance

To: Cabinet – 30 September 2021

Subject: **BUILDING BACK BETTER – Our Plan for Health and Social Care**

Classification: Unrestricted

Summary: This paper sets out the Government's announcement to introduce a Health and Social Care Levy for the UK, including specific funding proposals for the health and social care systems in England over the next three years. The paper also pays particular attention to the proposals relating to adult social care, the potential implications for the county council, care providers, and individuals as outlined in the published policy paper.

Recommendation(s):
Cabinet is asked to **consider** the contents of this report and the initial assessment of the implications for Kent, associated with the main proposals of the Plan for Health and Social Care in England.

1. Introduction

The current social care system has been for some time regarded as inadequate, unfair and unsustainable and has been repeatedly reported as under significant financial strain as a result of increasing demand for services and reductions in local authority budgets. The accusation of unfairness has mainly centred around the means testing arrangements, where anyone with assets of more than £23,250 must pay the full cost of their care. This leaves 1 in 10 people over 65 facing costs of more than £100,000.

Successive governments have commissioned reports in order to resolve and improve the social care system, the most famous being the Dilnot report, an independent commission charged with reporting on how to deliver a fair, affordable and sustainable funding system for social care in England. It follows several failed attempts at reform, most notably the report of the Royal Commission established by the Blair government in 1999 and the proposal for a National Care Service, which were aborted before the general election. In 2006 Sir Derek Wanless's report, Securing Good Care for Older People, was published and looked at the challenges facing social care over the next 20 years, the resources that will be needed to meet them and the options for finding those resources.

The report advocated a 'partnership' model of funding (between the individual and the state) as the best, fairest and most cost-effective way of delivering a minimum level of care to people that they could top-up from their own resources. The Dilnot Commission built on the Wanless Report and made several recommendations aimed at eliminating the care costs faced by some people:

- The contribution any individual makes towards the costs of their care, excluding general living costs, should be capped at between £25,000 and £50,000 with the Commission recommending the cap should be set at £35,000.
- The Asset threshold above which people in residential care are liable for the full cost of their care should be increased from the current level of £23,250 to £100,000.
- Eligibility criteria for services should be set nationally as part of a clear national offer and needs assessments should be 'portable' between local authorities.
- A new information and advice strategy should be developed, a national awareness campaign should be launched to encourage people to plan ahead and the deferred payment scheme should be improved.
- Social care and welfare benefits should be better aligned, Attendance Allowance rebranded and carers' assessments improved.
- Integration between social care and other services, especially the NHS, should be improved and a stronger emphasis placed on prevention.

The Care Act (2014) built on some of these recommendations but did not include all. For example, the Care Act

- Placed a new emphasis on wellbeing.
- Placed a duty on local authorities regarding prevention (and their partners in health, housing, welfare and employment services) to prevent, reduce or delay the need for care and support for all local people.
- Includes a statutory requirement for local authorities to collaborate, cooperate and integrate with other public authorities e.g. health and housing.
- Requires every local authority to apply a national eligibility threshold to determine whether the individual has eligible needs.
- Stated that from April 2015, all councils must offer deferred payments and from April 2016, all people with eligible needs will have a care account to set out the notional cost accumulated to date towards their cap on care costs.

1.1 The Government announcement on 7 September 2021 again attempts to address the overburdened social care system and sets out significant proposed changes about how health and adult social care will be funded by the state. It also points to what individuals may be expected to pay towards their care. The key proposals about the cap on care costs are based on the Commission on Funding Care and Support (Dilnot) core recommendations. The announcement also proposes increased state contributions towards care costs and equalisation of fees between self-funders and those receiving state support. The people who will mainly benefit from the proposed financial changes are those in residential care or those at home who have high care costs. Importantly however, Clause 44 states, *"These reforms will apply to all adults in receipt of Adult Social Care in England, no matter their age. … Everybody will benefit from the certainty and security that if they or their loved ones need personal care, they will no longer face unpredictable and unlimited costs".* (Build Back Better 2021).

Implying that where you receive your personal care is not important whether it be residential or in the home, however this is yet to be confirmed.

1.2 To fund these changes the Government has decided to raise taxes through a new UK wide 1.25 per cent Health and Social Care Levy on both employee's and employer's National Insurance Contributions (NICs), ringfenced for health and social care. The new NICs levy will also apply to individuals working above the State Pension age from 2023 subject to necessary legislation being approved. Over the next 3 years the majority of the additional revenue raised is to be used to address backlogs in the NHS.

1.3 The Government proposals on the cap on social care costs, make a distinction between the care costs component and the daily living costs component (such as food and accommodation). There will be an absolute limit (a cap) which, when reached, a person will not be required to contribute towards their care. Importantly, this limit only applies to the care costs component. It does not apply to the daily living costs component. This means that a person will remain responsible for meeting or contributing to their daily living costs and any 'top-up' payments they have chosen to make even after they reach the cap. Also, the capital and savings threshold, at which point a person must contribute towards their care costs, will be set at higher amounts than the current thresholds.

1.4 It should be noted that these reforms come at a time when we are still attempting to assess the long-term impact of Covid on the social care sector. Most noticeably there is a significant and continuing impact on the workforce; the sustainability of the social care market is fragile and pressures on hospital discharge services remain. On top of this, the raft of short-term pump priming funding, attempting to lessen the impact of Covid will be coming to an end which will bring the above mentioned challenges to the forefront.

1.5 The County Councils Network, has released a report, completed in partnership with Rural Services Network that argues that by themselves the reforms and funding announced to date will not be sufficient to fortify the system to address the challenges, especially in the short term. Moreover, while many elements of the reforms in relation to the cap on care and more rights to self-funders are well intended, they present a number of fundamental challenges which could destabilise local care markets unless they are fully understood, risk assessed and funded. A summarised or headlined version of the report is included in the attached Appendix 1.

2. Headlines of the proposed changes for Adult Social Care in England

2.1 The proposals are set out in the publication "Build Back Better – Our Plan for Health and Social Care". This states that sustainable funding for core budgets will be set out in the **Spending Review**. The paper identifies that government expects that demographic and unit cost pressures will have to be met through

Council Tax, social care precept, and long-term efficiencies, thereby suggesting that there may be limited actual additional funding for local government for Adult Social Care.

2.2 **£5.4 billion in adult social care over the next three years**
An investment of £5.4 billion in adult social care over the next three years is proposed from the new NICs levy. Applying an illustrative 2.5% share of this investment for Kent could be in the region of £35million per year (or £135 million over three years of 2022/23, 2023/24 and 2024/25) to begin the transformation. At this stage it is unclear:

- how much of the additional funding for social care over the next 3 years will be needed to fund the cap
- the impact on client contributions towards care;
- how the funding will be allocated
- how much we will receive in the first 3 years to fund the NHS backlog

All of the above points will be subject to further consultation and there is concern that during this time people will have time to run down their finances to be within the cap.

It is expected that the following sums from the National Insurance increase will be made available to the Department for Health and Social Care.

	2022-23	2023-24	2024-25	Total
	£13.3bn	£10.7bn	£12bn	£36.0bn
England NHS/SC	£11.2bn	£9.0bn	£10.1bn	£30.3bn
Scotland/Wales/Northern Ireland	£2.1bn	£1.7bn	£1.9bn	£5.7bn

The publication "Build Back Better – our plan for Health and Social Care" states that of the £36.0bn over the next three years, £5.4bn will be made available for social care authorities leaving £30.6bn available for the NHS.
Please note this is currently a statement of intent which will only be confirmed after the Spending Review announcement on 27 October.

2.3 **Health and Social Care Levy**
The additional funding from the **NICs levy** is intended to cover the cost of implementing the changes set out in the proposals for charging reforms (including the cap), the changes to capital asset limits, moving towards paying a consistent rate for care between self-funders and state funders, and associated implementation costs. We can expect further consultation and review on the distribution of the additional funding.

2.4 **Minimum Income Guarantee (MIG) Personal Expenses Allowance (PEA)**
There are also changes proposed to the means testing arrangements for the income related contribution. The government is proposing to **unfreeze** the Minimum Income Guarantee (MIG) for those receiving Home Care and the Personal Expenses Allowance (PEA) for care home residents. In future these will both rise in line with inflation. This will allow individuals to retain more of

their income in future and thus impact on the income councils receive through client contributions.

2.4 **White Paper for reforming adult social care**

The Government has committed to work with leaders in Local Government, and the social care sector, service users and carers, as well as the NHS Chief Executive and the NHS, to develop and publish a **White Paper for reforming adult social care** later in the year. It is understood that the transformation to adult social care will focus on choice, control and independence; providing outstanding quality of care; and be fair and accessible to all who need it, when they need it. The Government has not set out a firm timetable for the development and publication of the expected White Paper.

2.5 **New means-test and capital thresholds**

One of the key proposals is that the capital threshold, the point at which an individual will have to pay the full cost of their care will change. The **new means-test for adult social care** will come into effect in October 2023, based on a person's income and savings in the following way:

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- The £86,000 cap will only apply to those with assets in excess of £100,000. These people will pay full costs from their income and assets until such time as they reach the £86,000 cap, after which they will pay nothing towards personal care from their income or assets.

  It is currently unclear whether, when a person's assets drop below £100,000 before the cap is reached, if they would then fall into the £20,000 to £100,000 band where they will make a means assessed contribution from their income and up to 20% per annum from their assets and the local authority will then pay any fee in excess of that figure. However, the Plan does say that people in the £20,000 to £100,000 band will continue to pay means tested contribution income in the same way as those with less than £20,000 assets. This is likely to be an area of contention as it would appear that those with over £100,000 of assets will pay no contribution from their income once the cap is reached, whereas people with smaller assets will pay an income-based contribution throughout their lifetime.

  People may choose to "top up" their care costs by paying the difference towards a more expensive service, but this will not count towards the cap. Local authorities will continue to be responsible for carrying out needs and financial assessments.

- If a person's **total assets are less than £20,000**, they will not have to pay anything for their personal care from their assets. However, people may still need to contribute towards their care costs from their income (albeit with MIG and PEA uplifted for inflation).

It is estimated that about 150,000 people will directly benefit at any one time when these reforms are implemented. Looking at the national number of people who are said to benefit from these changes and applying an illustrative 3% of that number to the local area, it could mean about an additional 4,500 people in Kent could be helped at any one time. Currently Kent Adult Social Care are working with/for 39,000 number of individuals

2.6 **Cap lifetime care costs**
The Government plan confirms the policy intention to introduce a new cap of £86,000 on the amount anyone will need to spend on their personal care over their lifetime. This is planned to start from October 2023, using the existing provision in the Care Act 2014. The **cap on care costs** will operate alongside the existing deferred payment of care home fees. Significantly, the cap on care cost does not extend to daily living costs such as accommodation, food and heating. This proposal will apply to all adults in receipt of adult social care support in England, no matter their age. However, it is not clear if the cap on lifetime care costs applies in all care settings.

2.7 **Self-funders to have a right to ask a local authority to arrange their care**
Under this plan, people who pay their own care (self-funders) will for the first time, be able to ask their local authority to arrange their care for them. This provision will force a set of issues regarding **self-funders to come under scrutiny**. One such issue, is the fee differential between the amount local authorities pay for care homes, relative to the fees paid by people who pay their own care. One analysis puts the so-called self-funder **'cross subsidy'** issue at 40% (this is further expanded in 3.8), inferring that self-funders pay 40% more than people who do not self-fund. The implications and mechanisms for us to arrange care for self funders will have to be developed and thought through but potentially there will be an additional number of people seeking assistance with arranging residential placement that Adult Social Care will have to accept. As a consequence of self-funders placements being sourced by the council it is also likely the fees the council pays for current clients will rise as the market attempts to recover the cross subsidy.

2.8 **Wider support to the social care system**
The Government states in the plan that it wants care work to be a more rewarding vocation, offering a career where people can develop new skills and take on new challenges as they become more experienced. This will include developing a **plan to support professional development** and the long-term wellbeing of the workforce. The Government will also invest at least £500 million in new measures over three years to provide training places and certifications for care workers; fund mental health wellbeing resources such as, counselling, peer-to-peer coaching and workplace improvements; alongside further reforms to improve recruitment and support for the social care workforce.

A plan to support professional development is welcomed but many workers in the care sector will find it a little perverse that their pay will be equally impacted by the NI social care levy and an already poorly financially rewarded vocation will face further taxes. We need to encourage people into the care profession and an exemption from such a levy may have been considered a positive step forward.

2.9 The Plan acknowledges that there are a wider set of issues that the adult social care sector faces beyond those relating to costs to users and workforce. Therefore, the Government states it will take steps and introduce measures that will support improvement and ensure Local Authorities are delivering on their obligations for users. These measures include:

- Ensuring **unpaid carers** have support, advice and respite they need.
- Investing in the **Disabled Facility Grant** and supported housing.
- Improving information for service users to help them navigate the system.
- Introducing **a new assurance framework.**

2.10 **Improving the integration of health and social care**
The Plan emphasises that the development of Integrated Care Systems (ICSs), which will be placed on a statutory basis has shown what is possible by bringing together hospitals, primary care and Local Authorities. But there is a need to go further to ensure that people using health and social care services experience well-coordinated care. This means that health and care organisations should work seamlessly together within systems to improve the standard of services in local places. This new approach will mean that people can expect **convenience** (single digital health and social care records), **choice** (decisions about care and how they are accessed) and **flexibility** (right place, right time).

2.11 The Government will work with citizens, the NHS, Local Governments and other key stakeholders to co-produce **a comprehensive national plan** for supporting and enabling integration between health and social care. The development of the strategy will include a renewed focus on **outcomes**, **empowering local leaders** and **wider system reforms**.

2.12 The Government will work with systems to identify **a single set of system-based health and care outcomes** that local systems (including ICSs and Local Authorities) will be asked to deliver. Local leaders will be given the freedom to align incentives and structures in order to deliver these outcomes in the way that is best for their communities. The Government will keep current regulatory requirements under review to ensure they are focussed on outcomes.

2.13 There will be Care Quality Commission (CQC) **oversight of Local Authorities' commissioning of adult social care**, which will be introduced through the Health and Care Bill, and a role for the CQC in assessing the overall **quality of ICSs.** In addition, the Government have stated they will improve workforce planning across health and social care and consider a new training curriculum for health and social care staff.

3. Financial, demand, system and provider market implications

3.1 Local authorities have long called for sustainable long-term funding and reform of the adult social system. The checklist of challenges facing the sector include workforce issues, increasing demand because of population changes, quality of care and market viability factors and a responsive regulatory framework. The proposed narrow changes to the social care system in England in the Plan, raise a wider set of potential implications for local authorities. The likely consequences will impact on individuals, councils, providers, the integration policy agenda, and the wider local government system.

3.2 As already stated the funding for core budgets will be set out in the Spending Review. The government expects that **demographic and unit cost pressures will have to be met through Council Tax, social care precept, and long-term efficiencies.** The additional funding from the NICs levy is intended to cover the cost of implementing the changes set out in the proposals.

The implications for the reputation of Kent County Council are considerable. Residents are unlikely to understand the different funding streams or the changes that will have to be absorbed by different services and funded from other budgets. Whilst these changes may be applauded and welcomed by many, residents are unlikely to appreciate the different distinctions, definitions, and changes unless it applies directly to them and even then, the room for misunderstanding is plain to see and covered in 3.3 below.

3.3 **Individuals** – The media coverage of the changes to the capital thresholds and the introduction of the cap on care costs, may leave some individuals with the impression that they may not be asked to meet or contribute to the totality of their care, once they reach the cap. We know from the details set out in the Plan that the separation of care costs and daily living costs means that individuals will continue to be responsible for the daily living costs component whatever the care setting, even after reaching the cap. Also, the charging rules are such that some people may not spend enough to reach the cap before they leave the system. Assuming a total cost of care of £500 per week, it may take up to 172 weeks to reach the cap or 3.3 years. It should be noted that the average length of stay for older people in residential and nursing care homes are 2 years and 3 years respectively. The higher the total costs of care the faster an individual will reach the cap. Unless Government communication campaigns send out the right and consistent messaging, it will fall to local authorities to carefully manage communications on this to ensure residents are fully informed.

3.4 **Demand for care** – The Government estimates that about 150,000 people in England may benefit from the planned changes at any given time. In part, this is because of the increases in the capital threshold and enabling self-funders to exercise their legal right to ask local authorities to arrange their care, thus benefiting from the purchasing power of local authorities. If all self-funders choose to rely on the council for their care, the increase in demand will require a significant injection of additional resources to help manage the high workload. Even if technology was exploited to the maximum, KCC will need to prepare for, and to undertake needs assessment and financial assessment of thousands of people. At the time of writing KCC was supporting 4609 people living long-term in care homes. This number will be equalled or dwarfed by demand related to these changes if all self-funders consider it in their best interests to approach the council.

It is also likely that there may be an increase in the number of deferred payment requests the Council receives but this would need to be quantified.

3.5 **Systems -** The introduction of the cap on care costs means the existing social care IT systems which hold client information will need to be upgraded to manage the **care account**. The related new activities:

- the rate at which someone progresses towards the cap.
- recording how much someone has accrued towards the cap.
- contribution towards daily living costs.
- annual adjustment in line with the regulations.
- annual statement.
- when requested notify people before they reach the cap.
- make provision for an appeals system.

3.6 It may be necessary to develop an online care account, accessible by individuals and their families. The implementation of the changes would fall to several corporate functions such as IT, Finance, and Strategic Commissioning, alongside those that would rest with Adult Social Care and Health. For instance, the Client Financial Assessment Team will be in the forefront to undertake new assessments of self-funders and people newly entitled because of the changes to the capital threshold and re-assessment of known clients. A similar needs assessment demand will be unfolding for which Adult Social Care teams will have to respond, possibly within Government defined timescale.

The features of the cap on care costs will require KCC, in its role as a commissioner to recast its **contract and specifications** to make a distinction between the care costs and daily living costs components. This is because the existing structure of the framework contract does not include this distinction.

3.7 KCC must also plan for and ensure it has appropriate arrangements in place to effectively respond to the new Assurance Framework requirements. It is understood that the Government will develop the Assurance Framework with the involvement of the relevant networks in the social care sector, including the Local Government Association, the Association of Directors of Adult Social Services, and the County Council Network. As well as local authority functions and the extent to which these are delivered well coming under scrutiny, the Council's involvement in the Integrated Care System (ICS) will also come under scrutiny as the Care Quality Commission remit will be extended to assess ICSs.

The breadth of the different elements that must be undertaken to prepare for, and ensure effective implementation, along with the obvious wide-ranging implications are such that the most sensible approach is for KCC to manage the assessment, the response to the implications and the implementation of the changes as a unified **Strategic Reset Programme workstream**.

It is important to note that existing pressures on social care (demand, prices, market sustainability etc) will not be funded out of the new funding from increased NICs. These pressures will need to be funded from core budgets set out in spending reviews, which could include further increases in adult social care council tax precepts. However, this may not be enough to fully fund pressures leaving the need for balancing efficiency savings, not necessarily ring-fenced for social care.

3.8 **Provider market** - It is known that the current market structure has built-in cross-subsidies by those who pay for their own long-term care in care homes. As a result, almost all self-funders pay higher fees relative to the fees negotiated by the local authority. The issue that must be investigated is whether the changes would lead to the elimination or substantial reduction of the **fee differential** and whether the financial risk will be borne by providers in the form of lesser fee rates, or that the council budget will come under severe pressures because fees paid by the local authority may rise substantially. Therefore, it is imperative for KCC to assess, understand and fully recognise the sustainability or market equalisation issues and the accompanying potential financial risks.

The nature of **incentives or disincentives** that would be in play it is not clear at this stage because of the introduction of the cap on care cost and related changes. One such incentive which some providers may opt for, is to offer a premium service to self-funders only.

4. Conclusions

4.1 The additional funding that was confirmed when the Plan was announced has been welcomed, although at this stage it is unclear how much of the additional funding for social care over the next 3 years will be needed to fund the cap and impact on client contributions towards care. However, set against the long -term challenges that the social care sector faces, the call for sustainable funding and lasting reform has increased following the Plan's announcement. This is because the demand pressures continue to increase, and about half of the adult social care budget is spent on people of working age with disabilities.

4.2 The implementation of the changes would fall to several corporate functions such as IT, Finance, and Strategic Commissioning, as well as Adult Social Care and Health. It is suggested that KCC should revisit and update the County Care Markets report of July 2015 which outlined and detailed the overall cost implementations of the cap on care costs.

4.3 The multiple elements involved, and the far-reaching implications are such that the programme of work should be managed as part of the Strategic Reset Programme governance arrangements.

5. Recommendation(s):

Cabinet is asked to **consider** the contents of this report and the initial assessment of the implications for Kent associated with the main proposals of the Plan for Health and Social Care in England.

6. Background Documents

Build Back Better – Our Plan for Health and Social Care

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Appendix 1

The State of Care in County and Rural Areas – A brief summary

The below is a brief summary of the joint County Councils Network and Rural Services Network report examining the state of social care in county and rural areas.

Key Findings:

County and rural areas have the highest percentage of service requests – 58% – where no formal service is provided. Some 545,000 requests to county and rural unitary councils during 2019/20 resulted in advice or signposting, or no service being provided. Just 8% of all requests (77,000) resulted in long-term care support.

Some 47% of spending in county and rural areas is on working age adults in receipt of care. This is despite three quarters of demand for care services in county and rural areas coming from those aged 65+.

The data shows that there has been a long-term trend of shrinkage of the residential care home market even before Covid, with county and rural areas witnessing the closure of 272 residential and nursing care homes over the past three years.

Public and private fee polarisation has become more deeply embedded as a structural feature of the care home market, with private fees more than 40% higher than publicly paid fees for the same level of amenity, and in all probability the same level of care. This had led to a care home fee gap of £761m for counties alone in 2020/21 – the estimated annual cost of bringing local authority fees closer to self-funder rates.

Analysis in the lead up to the previous plans to implement a cap on care showed CCN member councils accounted for two-thirds of the total early assessment and review costs identified.

Funding and the costs of services has diverged dramatically over the past five years. As a result of growing demand for services and costs, the difference between funding and service costs has grown 20.8% over the period, some £1.2bn for county and rural unitary councils.

Future cost projections for the period 2020/21 to 2029/30 show that nationally total costs will rise by £6.7bn, some 38% just to keep services operating as they are presently without any increase the level or quality of services. County and rural unitary councils account for £3.3bn of this total increase in costs over the period, with estimated spending need rising 40% – higher than the national average and for metropolitan boroughs.

The report includes the following recommendations:

Increase funding in the Spending Review to meet rising cost and unmet need before 2023; Unless Government provides more funding at the Spending Review to meet rising costs; expand service provision to meet needs going unmet; and better support younger adults, further reductions to services will be required in county and rural unitary councils in the period leading up to reform.

Fully assess the impact of new duties for self-funders; It remains extremely uncertain that the funding announced to date will be sufficient to meet the costs arising from reform when the additional costs from establishing a ‘fair price for care’ are considered – estimated at £761m annual in county and rural areas alone. The impact of extending commissioning duties to self-funders to enable them to have their care arranged by councils, and access local authority contracts and fee levels, must be consulted on, and risk assessed, with appropriate funding and policy mitigation to prevent unsustainable financial costs and risks to councils and providers.

Enshrine in law a dedicated proportion of the new Health & Social Care Levy for care services; The nature of insufficient short-term settlements and temporary resources for social care have undermined efforts to transform services. It is therefore imperative the Government enshrines in law the proportion of the Health and Social Care levy that will be dedicated to social care. Without a proportion of funding being enshrined in law for social care, there is no guarantee that income from the levy beyond 2025 will be used to predominantly fund social care once the NHS backlog is cleared.

Support the social care workforce in county and rural areas; CCN and RSN welcome the emphasise on improving the workforce. However, the details of these proposals must recognise the particular challenges faced in county and rural areas and ensure that the workforce is adequately recognised and rewarded. This may involve specific policies and resources to allow county and unitary councils which have difficulty recruiting staff to work across long distances to be able to compete for labour with other industries such as hospitality and retail which have recently witnessed pay inflation.

Ensure fair funding and equality of service across the country; The Government needs to ensure that all citizens can access the similar levels of social care service regardless of where they live. A sustainable and fair distribution of resources between health and social care must be coupled with a fair formula for distributing between different councils. This must recognise the costs of service delivery in county and rural areas and also an understanding that reform to social care will change demand patterns and eligibility for support for self-funders, in the process creating new, specific pressures, for these councils. Any funding distribution must also recognise the already disproportionate burden placed on council tax to fund services in county and rural areas.

Manage the transition from residential to domiciliary care; To help support the transition from residential to more domiciliary care reform should help encourage the better development of mixed forms of provision such as retirement communities which offer specifically adapted housing with care on site enabling a more gradated approach to care needs among those ageing.

The full report is available here.

From: **Susan Carey, Cabinet Member for Environment**

To: **Cabinet Meeting**

Subject: **Kent County Council Net Zero Target Progress Report**

Classification: **Unrestricted**

Past Pathway of Paper: **n/a**

Future Pathway of Paper: **n/a**

Electoral Division: County-wide

Summary: This paper provides an update on the progress towards the Council's target to achieve Net Zero carbon emissions by 2030, including the Section 31 grant of £20.6m awarded by the Department for Business, Energy, and Industrial Strategy (BEIS), to deliver a number of energy projects within the KCC estate and a further £1.2m for school site energy projects. This paper also provides an update on the progress made to understand the activity that will be required to achieve the Kent geographical area target of Net Zero by 2050.

Recommendation(s):

1) Cabinet is to be advised of the current programme activity and the progress made since full Council received the KCC Net Zero target proposal in July 2020.

1. Introduction

1.1 In response to emerging evidence and the Paris Agreement on climate change 2015, the UK government revised the Climate Change Act 2008 in 2019. This introduced into law the UK target of Net Zero carbon emissions by 2050. Alongside the 2050 Net Zero target, the Act also requires the government to set 5-yearly carbon budgets[1], to ensure the country remains on track to reach Net Zero. The Carbon Budget Order 2021 set the sixth carbon budget for 2033-2037, equivalent to a 78% reduction in UK emissions by 2035 compared to 1990 levels.

1.2 In November 2021, the UK will host the 26th UN Climate Change Conference of Parties (COP26) in Glasgow. The climate talks will bring together heads of state, climate experts and campaigners to agree coordinated action to tackle climate change. This includes the goals: securing global Net Zero by 2050 with ambitious 2030 emissions reduction targets; adapting to protect communities and natural habitats affected by climate change; mobilising finance to support

[1] A carbon budget places a restriction on the amount of greenhouse gases the UK can emit over a 5-year period. Under a system of carbon budgets, every tonne of greenhouse gas emitted between now and 2050 will count. Where emissions rise in one sector, the UK will have to achieve corresponding falls in another.

action; and finalising how partners across the globe will deliver the Paris Agreement.

1.3 In response to the Climate Change Act and ahead of COP26, KCC is building on its strong track record in leadership to reduce greenhouse gas emissions from both its own operations and geographical area. In May 2019, KCC recognised the climate and ecological emergency and supported a target of Net Zero emissions for the county by 2050. In September 2020, KCC set an accelerated target of Net Zero emissions by 2030 for its corporate estate and traded companies.

1.4 This commitment builds upon and accelerates previous activity to reduce carbon dioxide emissions from the Council's estate and activities. Since 2010 emissions have already been reduced by 73%, a significant achievement placing the Council in an excellent position to deliver KCC's accelerated Net Zero target.

1.5 KCC has already been recognised for its efforts this year, with the Low Carbon Kent team awarded the nationwide ADEPT[2] award for 'Delivering Clean Growth' in May for delivery of Low Carbon Across the South East (LoCASE) and other targeted sector activity. KCC have also been shortlisted for the prestigious LGC[3] awards 2021 for excellence in the category of Climate Response. The results are due to be announced at a ceremony in London on 4th November.

1.6 Under the framework of the Kent Environment Strategy (KES) and the Energy and Low Emissions Strategy (ELES), the Sustainable Business and Communities Team has been leading both KCC's response to achieving the Net Zero target for our own estate, as well as the work to understand the Kent wide activity required.

1.7 In Autumn 2020, the Department of Business, Energy, and Industrial Strategy and Salix[4] announced £1bn of grant funding which aligned with the Department of Business, Energy, and Industrial Strategy's new mission and priorities including tackling climate change. In December 2020, KCC acted swiftly and applied for £20.6m of projects for its own estate, plus a further £1.2m for schools-based projects.

1.8 Both applications were approved and on 1st March 2021 a Key Decision (decision number 21/00034) was taken by Susan Carey – Cabinet Member for Environment to accept the Section 31 Grant of £20.6m for KCC energy projects and £1.2m for school sites energy projects.

1.9 On 18th March 2021 the Environment and Transport Cabinet Committee resolved that the decision to accept the Section 31 Grant be noted. The full Grant funds were subsequently received.

2. Governance

2.1 The decision by the Council's Leader in 2019 to create the post of Cabinet Member for Environment demonstrates the importance placed on this agenda.

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2 The Association of Directors for Environment, Economy, Planning and Transport

3 Local Government Chronicle is a weekly news publication for local government officers and the organiser of the LGC annual awards which recognise the most exceptional local government talent and achievements.

4 Salix is a non-departmental body owned wholly by the Government who provide funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills.

Cabinet Members and the Environment & Transport Cabinet Committee receive periodic reports and a quarterly key performance indicator update, which tracks the Council's progress in reducing greenhouse gas emissions. In addition, the Kent Environment Strategy Cross Party Members Group provides a further opportunity to influence and support activity relevant to achieving the Kent and KCC Net Zero targets and wider environmental action.

2.2 The Kent Environment Strategy and the Kent and Medway Energy and Low Emissions Strategy delivery programme, including Net Zero targets, is overseen by the Kent and Medway Environment Group, a cross public sector senior forum chaired by the Chief Executive of Canterbury City Council, with updates provided to Kent Leaders every two months. This group is supported by the Climate Change Network, an officer level group with representatives from all Kent & Medway local authorities, NHS and blue light services.

2.3 The KCC net-zero plan is overseen by the KCC Environment Board, chaired by the Corporate Director for Growth, Environment and Transport and attended by senior officers across all four directorates. A visual KCC net-zero roadmap and action plan have been developed. (Appendices 1 and 2)

2.4 The Sustainable Business and Communities team within Growth, Environment and Transport Directorate act as the secretariat for the governance groups, facilitate partnership working and monitor and report on the overall programme for Kent Environment Strategy, the Kent & Medway Energy and Low Emissions Strategy, and Net Zero targets. The team have been successful over many years in securing external funding to deliver KCC, county and south-east wide climate change and carbon reduction programmes. In the last 12 months the County Council has secured £42.8 million, including extending the Low Carbon Across the South East (LoCASE) business support programme to a further three Local Enterprise Partnership (LEP) areas.

3. Planning to achieve Net Zero by 2030 for KCC

3.1 In response to the Council setting its own 2030 target, a new baseline using data from 2019-20 has been established to include emissions calculated from streetlighting and other highways assets' electricity use, all corporate buildings' energy use, fleet vehicle fuel, staff mileage claims, office waste, use of refrigerant gases in equipment and from KCC's Traded Companies.

3.2 At March 2021, greenhouse gas emissions for the KCC estate and operations were 15,677 tonnes carbon dioxide equivalent (CO_2e), a reduction of 29,590 tonnes CO_2e or 65% reduction compared to 2015.

3.3 The data from 2020 has been significantly influenced by COVID-19 restrictions, with emissions from KCC business travel reduced by 65%. It is anticipated that the introduction of a flexible working policy will minimise future emissions from business and commuting travel and enable a reduction in the need for office space reducing the associated emissions and costs from use of energy, water and building maintenance. A recent survey of staff across three offices has indicated that the shift to homeworking is likely to reduce overall emissions, with the emissions avoided by not commuting outweighing any increases in home energy use.

3.4 A KCC net-zero roadmap and action plan have been developed (Appendices 1 and 2) with good progress made in the last 12 months, including working more closely with Infrastructure to develop and secure funding and resources for a programme of estate 'green energy' projects.

3.5 These plans are dependent on wider aspects such as the future KCC Estate Strategy, determining the number and type of buildings and staff facilities required, and the People Strategy determining the flexible working and staff travel policies. The plans are based on current knowledge of available technologies and will flex and develop over time as KCC makes changes to the way it operates, taking advantage of new technologies, opportunities and funding that come forward.

3.6 The £20.6m capital grant funding secured to date, makes a significant contribution towards the KCC target and it is anticipated that the projects will reduce carbon emissions from KCC's estate by 45%, some 7,097 tonnes of carbon dioxide (based on the current KCC emissions calculated by LASER[5] Energy Management of 15,677 tonnes as the annual total to March 2021).

3.7 Alongside delivery of the Net Zero target, the proposed projects will reduce KCC's energy costs by £225,948 per annum and provide an income to KCC from two solar parks; stimulate the low carbon economy in Kent, create local jobs and set up some key development infrastructure to meet future energy challenges such as security of supply.

3.8 Project level funding has been organised into 11 workstreams by the programme team as shown in Appendix 3.

3.9 Natural solutions to climate change are also a key part of the KCC net-zero plan, with progress including actions to implement Kent's Plan Bee across the KCC estate, a Kent Tree Establishment Strategy being drafted by a KCC officer working group and a Kent Tree Strategy officer now recruited a new role which will identify funding opportunities and locations where trees can be established across Kent, including land owned by KCC. The County Council recently led a successful 'Treescapes' bid with Swale and Ashford Borough Councils to secure almost £300, 000 of funding.

3.10 In anticipation of the Environment Bill passing royal assent in October 2021, further activity is planned through the Kent Nature Partnership to develop a Local Nature Recovery Strategy and to seek countywide Local Planning Authority support to deliver 20% Biodiversity Net Gain for all new developments.

4. Planning to achieve Net Zero by 2050 for Kent

4.1 There can be no doubt that achieving net-zero emissions will be a significant challenge for the county. In addition to each organisation showing leadership by reducing emissions from its own estate and activities, the public sector working in partnership with the private sector and local communities, will also need to influence the more significant carbon emitting sectors which are industrial, commercial and domestic buildings' energy use, as well as on-road transport, including international freight.

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5 LASER is a department within KCC's traded company Commercial Services Group

4.2 In a recent report ‘Rising to the Climate Challenge’ issued by the County Councils Network, concerns were expressed over the lack of clarity from Government on the role of Local Authorities outside of cities. It also highlighted a shortfall in the Government funding allocated to reach Net Zero by 2050. On average County Council area emissions reduced by 30% between 2005 and 2018. Kent compares favourably with a reduction in area emissions of 33%, although the challenge of reducing emissions from road transport remains significant with only a 5.6% reduction over the same period.

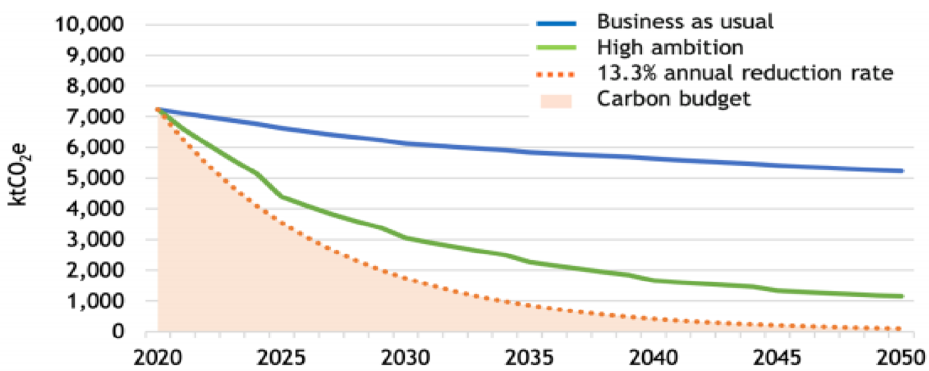
4.3 In support of the UK’s COP26 Presidency, Kent County Council is working across sectors and joining forces with local authorities across Kent and Medway, businesses and residents to inspire action ahead of COP26. This includes projects and events to improve adaptation, countryside access, green infrastructure, EV charge points and the low carbon economy. A paper detailing the activity across Kent linking to COP26 will be prepared for Cabinet in October.

4.4 To identify the optimum pathway to Net Zero by 2050 and the role the public sector can play, consultants Anthesis were commissioned to deliver the **Kent and Medway Emissions Analysis and Pathways to Net Zero 2050 report** for the county**.** The results were presented to the Environment & Transport Cabinet Committee in June 2021. Anthesis are specialist consultants who were funded by the Department for Business, Energy, and Industrial Strategy to develop SCATTER; a free tool for local authorities to generate greenhouse gas inventories and model emissions reduction pathways.

4.5 The SCATTER pathways are intended to illustrate the scale of the challenge; focusing on ‘what’ needs to happen, rather than ‘how’ we make it happen; and to assist in prioritising interventions that are locally influenceable and necessary to deliver the required reductions in emissions.

4.6 Two pathways for Kent and Medway were considered in the report: Illustrated below in Figure 1, the business-as-usual pathway (blue line), projects a 44% reduction in emissions by 2050 against 2017 levels. The high ambition pathway (green line) projects an 88% reduction by 2050 against 2017 levels.

Figure 1 Net-zero pathways for Kent



4.7 The scale of interventions required by 2050 to meet the High Ambition pathway are set out in more detail in Appendix 4.

Example activities include:

Buildings: thermal efficiency improvements to new-builds and through retrofit of existing buildings, switching away from gas technologies for heating and cooking, energy efficient appliances and lighting.

Transport: travelling less often and over shorter distances in all vehicles, switching to electric vehicles, modal shift away from private vehicles, improving freight emissions.

Renewable energy supply: scaling up the installed capacity of renewable technologies such as solar and wind.

Waste and industry: producing less waste, recycling more and shifting away from carbon-intensive fuels for industrial processes.

Agriculture and land use: increasing tree coverage and carbon sequestration, improving land and soil management, shifting to less carbon-intensive livestock management.

4.8 The report concludes that based on information and technologies available now, under the high ambition pathway, the emissions profile of Kent and Medway is predicted to change significantly but will still not reach carbon neutrality by 2050.

4.9 Under the high ambition pathway, the report estimates that annual emissions in 2050 will be around 1,155 kilotons of carbon dioxide equivalent (ktCO2e), with the bulk of these emissions at that time coming from domestic buildings (50%) and the industrial and commercial sector (39%). Just 11% of emissions will come from transport, largely freight transport. Until further technological interventions become viable, further activities will be needed to offset these residual emissions to achieve Net Zero emissions by 2050**.**

5. Financial Implications

5.1 When establishing the basis to set the KCC estate's Net Zero target, modelling by LASER Energy Management completed in 2020, estimated that investment in the region of £27m will be needed to enable KCC to meet the Net Zero target for its own estate by 2030. These costs are being updated over time as we gain more certainty about KCC's future estate plans and opportunities presented by new technologies, and to factor in the changes in energy costs and those of new technologies, which will also change as they become the norm.

5.2 The capital grant of £20.6m awarded represents a significant funding contribution to help meet KCC's Net Zero target and the projects will be implemented and start reducing carbon emissions by 2022. It is currently estimated that the projects will produce in the region of £47m surplus to KCC over 30 years. For the period 2023 to 2030 the solar projects generating income provide the opportunity for further investment in energy projects required to meet Net Zero, avoiding the reliance on bids for external grants or other funding routes, which may come with additional costs or restrictive criteria.

5.3 The costs to achieve Net Zero for the geographical area of Kent cannot be easily determined. The level of detailed data needed to provide a credible figure over a 30-year period is not available, combined with significant uncertainties such as: future Government policies, plans and funding, changes to statutory duties, commercial markets and the availability and likely impact of future unknown technologies.

6. Policy Framework

6.1 The environment is one of the five main Challenges set out in the Interim Strategic Plan that KCC is facing over the next 18 months. Tackling the climate emergency is identified as an urgent priority.

6.2 In response to the UK Climate Emergency, KCC has committed with the support of local authority partners, through the framework of the Kent & Medway Energy and Low Emissions Strategy to set and agree a target of Net Zero emissions by 2050 for the geographic county of Kent. KCC has also committed as described earlier to set an accelerated Net Zero target for its own estate and activities and those of its traded companies by 2030.

7. Equalities Impact assessment

7.1 An Equalities Impact Assessment was undertaken on the Energy and Low Emissions Strategy, which the Net Zero target and plans underpin. Individual projects and programmes agreed as part of net-zero approach receive their own Equalities Impact Assessment

8. General Data Protection Regulation considerations

8.1 Where personal data is to be processed for an individual project to deliver the net-zero plans, a Data Protection Impact Assessment will be completed.

9. Conclusion

9.1 KCC has made rapid progress in developing and initiating action plans in the 12 months since the KCC Net Zero target was set, including securing a significant proportion of the capital funding needed to implement renewable energy and energy efficiency projects to deliver Net Zero by 2030.

9.2 There is also added clarity on the scale of actions required to achieve Net Zero by 2050 for the geographical area of Kent and this provides additional evidence to support all local authorities to develop local area-based plans as well as informing the need for partnership action.

9.3 Officers are planning a full programme of projects, events and communications to inspire action across the county in support of COP26. A paper describing these will be brought to Cabinet in October.

9.4 KCC continues to reduce greenhouse gas emissions as planned and is ahead of the previous 5-year target set in 2016 (part of this out performance is a result of Covid 19 restrictions). The KCC Net Zero target will be reported on quarterly, and this key performance indicator will continue to be included in the Council's quarterly performance report. The first set of monitoring data, to include additional emissions data, including those from the Council's traded companies will be for the period April - June 2021 and will be reported in late Autumn.

10. Recommendation(s)

1) Cabinet is to be advised of the current programme activity and the progress made since full Council received the KCC Net Zero target proposal in July 2020.

10. Contact details

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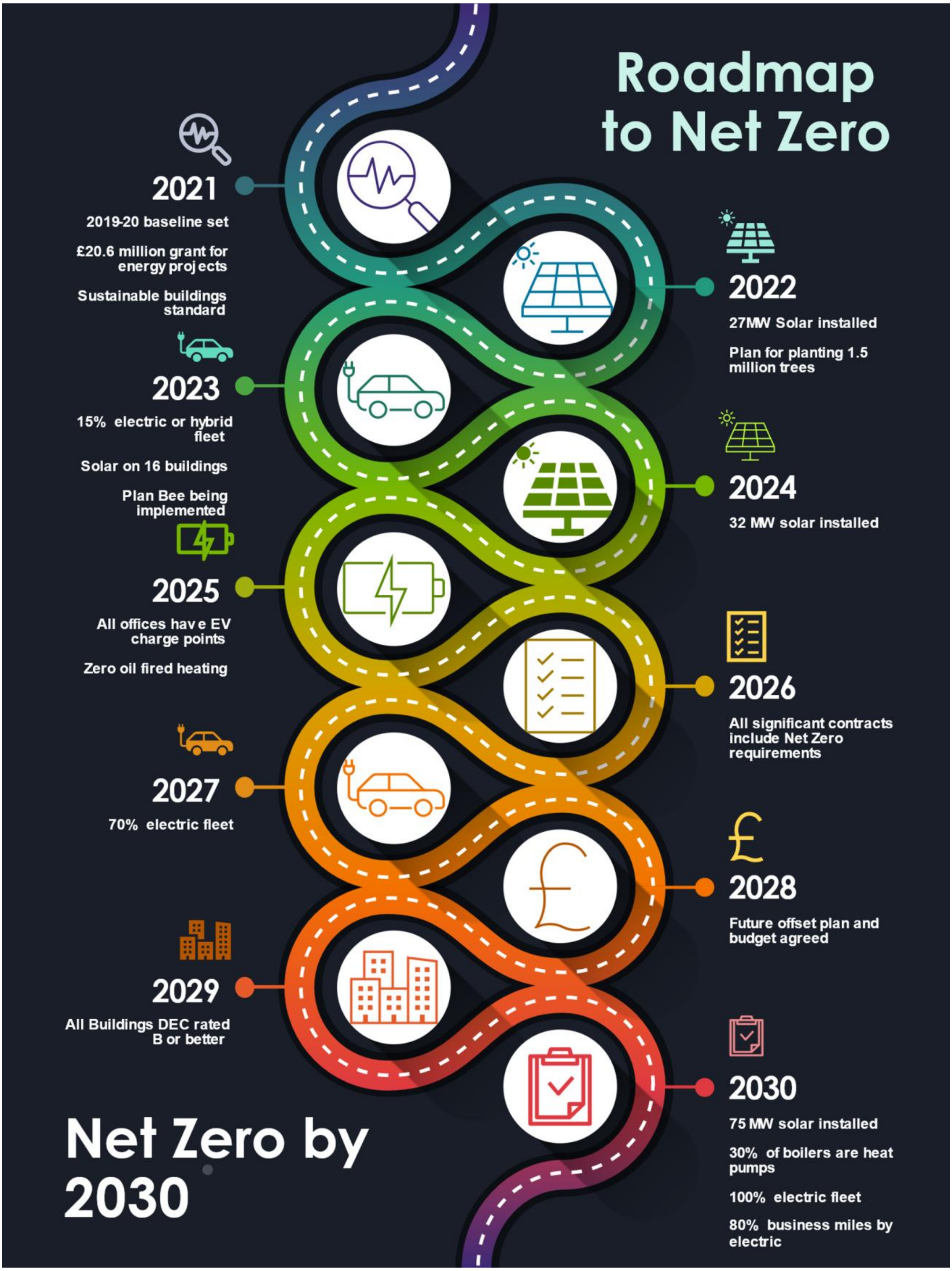
Appendix 1 KCC Roadmap to Net Zero



Note: Based on what is known now and net-zero modelling, which includes some assumptions. Future actions and milestones may be subject to change as new information, funding and policy decisions come forward.

Appendix 2 KCC net-zero action plan status at August 2021

KCC net-zero action plan	Senior Champion	Officer Lead	Target completion or next key milestone	Funding Source(s)	Progress to August 21
Policy Actions					
Develop, test, and implement an Environment & Climate Change Impacts Assessment	C Maynard (interim)	S Deakin/D Kapaj	March 22	N/A- Officer time	Decision tree and specification for e-form agreed ICT development lead time TBC Guidance and training materials being scoped and drafted
Embed net-zero within procurement contracts	C Maynard (interim)	C Wimhurst /J Brittle	Spring 22 milestone	N/A- Officer time	Working to embed requirements within commissioning framework and standard procurement terms/key documents Specialist inputs to specific tenders as needed eg Hard Services FM contract
Develop net-zero design statement for new build and significant redevelopment schemes	S Holt-Castle	J Taylor	March 22	N/A- Officer time	Complete
Develop minimum design standards for KCC new build projects and additional funding mechanisms that make this achievable (corporate estate and schools)	S Holt-Castle	J Taylor/ S Deakin/ B Stewart	March 22	Funding for consultancy needs (TBC)	Development of draft standard proceeding well and steps to test agreed
Transport Actions					
Reduce Business miles travelled by 33% by 2030 (Dependent on the review T&Cs and flexible working and staff travel policies)	A Beer	I Allwright	2030	N/A- Officer time	Terms and conditions review presented to Personnel Committee. Future flexible working/ travel policies to include clear expectations on reduced use of car travel – potential to reduce commuting travel by up to 50%

80% of Business miles to be via electric vehicle by 2030 - scope out opportunity for electric only lease car scheme	**A Beer**	**D Kapaj / P Royel**	**2030**	**N/A- Officer time**	**HoldCo established a pilot electric lease car scheme with Cantium Business Solutions in mid-June. Business case to be reviewed by officers within KCC by March 22.**
100% of fleet miles to be via electric vehicle by 2030 - cross Directorate procurement approach (adoption of some HE funded electric vans from Jan 2023)	**C Maynard (interim)**	**D Kapaj/ R Clark**	**2030**	**KCC Capital or revenue - existing vehicle refresh programme**	**Working group established June 21 Baseline data obtained (390 vehicles) and verified by services Developing a transition plan for all services**
Transport Actions					
Improve Active Travel Facilities at appropriate KCC locations (Minimum standard to be agreed)	**R Spore**	**B Bolton/ A Carty**	**Phased plan aligned with future KCC estate strategy**	**KCC Capital or Climate Change Fund**	**Minimum Standard agreed by March 2022 Included in infrastructure net-zero plan Providing inputs to plans for future office strategy Need to establish staff demand for facilities**
Install EV charge points at appropriate KCC locations (For staff/visitors)	**R Spore**	**B Bolton / A Carty**	**Phased plan aligned with future KCC estate strategy**	**KCC Capital or Climate Change Fund - limited OLEV grant funding available**	**Included in infrastructure net-zero plan Providing inputs to plans for future office strategy Need to establish staff demand for EV chargepoints**
Provide alternative travel options at appropriate KCC locations eg car clubs, bike hire etc	**R Spore**	**B Bolton / A Carty**	**Phased plan aligned with future KCC estate strategy**	**Pending evaluation of grants available - may need pump prime funding**	**Included in infrastructure net-zero plan Providing inputs to plans for future office strategy**
Review opportunities to expand Staff Rewards programme to incentivise net-zero actions/behaviours	**A Beer**	**L Horne/ C Miller/ D Kapaj**	**March 2022**	**N/A- Officer time**	**Initial review completed Paused due to officer resources prioritised to other projects**

Energy Efficiency Actions					
Roll out LED lighting in KCC buildings where practicable	**R Spore**	**R Szmajda / S Baggs**	**Current phase - March 2022**	**Salix energy investment fund & Public Sector Decarbonisation grant**	**Agreed target buildings for investment during 2021 Further upgrades to be included in future estate and investment strategy**
Solar PV electricity generation Actions					
Enable 75MW of solar parks to help meet KCC's energy needs	**S Holt-Castle**	**H Shulver/ J White / S Baggs**	**Phase 1 - March 2022 Phase 2 – 2023-24**	**Public Sector Decarbonisation grant**	**£16.6 million Public Sector Decarbonisation Fund awarded for two Solar Parks (Phase 1) Further work in progress to prepare phase 2 sites**
Install solar on roofs of 16 KCC buildings	**R Spore**	**R Szmajda/ S Baggs**	**Phase 2 – March 2022 Phase 3 – March 2023**	**Public Sector Decarbonisation grant**	**5 installations completed April 2021 Part of £20.6 million Public Sector Decarbonisation Fund awarded includes phase 2 solar projects (7 buildings) Phase 3 funding to be secured.**
Estate Rationalisation					
Reduce KCC buildings estate by 2030 (Provide the ICT technologies and rationalise/refit workspaces to enable an increase in remote/flexible working practices)	**R Spore**	**R Anderson**	**Initial office phase by 2023**	**KCC capital/capital receipts?**	**Included in infrastructure net-zero plan Pending implementation of future office strategy (% reduction TBC)**
Transition to Low Carbon Heating					

Build Maidstone heat network, subject to ongoing feasibility and development	S Holt-Castle	H Shulver / J White/ S Baggs	2023	Grant funded at feasibility stage £3.4m capital grant secured	Paused project due to escalating costs Further capital funding to be secured to progress
Switch remaining Oil boilers to gas/heat pumps, where practical	R Spore	J Taylor / S Baggs	2025	KCC Capital/Salix fund	Less than 6 sites use oil – 2 sites have boiler conversions in progress.
Move 30% of Gas heating to Heat Pumps, insulate those buildings for 20% reduction in heat loss	R Spore	J Taylor/ S Baggs	Phase 1 - March 2022 (6 heat pumps) Future phases by 2030	KCC Capital/Salix grant fund	Part of £20.6M Public Sector Decarbonisation Fund awarded for 6 heat pumps
Switch oil fuelled back-up generators to low carbon alternatives	R Spore	J Taylor / S Baggs	2030	TBC	Alternative technology and fuel options being explored
Green Infrastructure Actions					
Implement Kent's Plan Bee action plan across KCC managed land including highways, PROW, corporate estate and country parks	S Holt-Castle	E Milne	2023	Officer time	Highways working with Kent Plan Bee officer/Kent Wildlife Trust to develop pollinator verges, green roof bus shelters and public engagement for North Kent Fasttrack route Baseline of KCC estate/TFM land management practices completed and draft specification provided for TFM contract refresh
Work with Districts to secure a policy commitment to 20% biodiversity net gain in Kent	S Holt-Castle	E Milne	2023	Officer time?	Assessment of impact of 20% BNG target on development viability to be commissioned over the summer 2021.

Ensure relevant aspects of the KNP Kent Biodiversity Strategy are embedded within all relevant KCC services	S Holt-Castle	E Milne	Ongoing	KCC Climate change fund, KNP base budget and officer time	On hold pending what will be required under The Environment Bill, which is expected to be a countywide Local Nature Recovery Strategy
Development of Kent Local Nature Recovery Strategy	S Holt-Castle	E Milne	2022	KCC Climate change fund and officer time	A Kent Nature Partnership task and finish group has been established. Kent Wildlife Trust are undertaking mapping work to inform the spatial elements and KCC are developing draft guiding principles, both due September.
Develop a delivery plan that will implement and monitor Kent target of establishing 1.5 million trees (one per Kent resident)	S Holt-Castle	E Milne	2022	KCC Climate change fund and officer time	Draft Kent Tree Establishment Strategy produced. Formal approval expected late summer/early autumn. Recruited a Tree Strategy Officer to deliver Strategy and secure new funding.
Communications Actions					
Develop and communicate case studies to promote net-zero actions and behaviours	A Beer	L Taylor	Ongoing	N/A - officer time	KCC environment pages refreshed and Kent Green Action social media channel regularly updated. Proposal for refresh of KCC Green Guardian (environmental champions) scheme agreed.
Develop a net-zero awareness raising programme for KCC Members and staff	A Beer	L Taylor	Ongoing	N/A - officer time	Initial Member induction session All staff communications to align with Kent Green Action

Appendix 3: Workstream, Project Detail and Associated Funding Allocations for the BEIS Public Sector Decarbonisation Section 31 Grants

Workstream	Workstream Value	Project	Project Value
1: West End Solar Park (Canterbury)	£14million	Construction of a 20MW solar farm	£14million
2: North Farm/Kings Hill Solar Park (Tonbridge & Malling)	£2.58millon	Construction of a 3MW solar farm	£2.58million
3: Connection to the Maidstone District Heat Network	£1.3million	Connection of Invicta House, Sessions House and the Kent History and Library Centre	£800k
		Installation of an additional water source heat pump	£500k
4: Digital Autopsy Building (Maidstone)	£157.5k	Installation of an air source heat pump to the DA building	£120k
		Installation of solar PV to the DA building	£37.5k
5: Turner Contemporary (Thanet)	£104.5k	LED lighting (Phase 1)	£104.5k
6: Paddock Wood Community Centre (Tunbridge Wells)	£97.5k	Installation of an air source heat pump	£65.5k
		Installation of solar PV	£30.7k
7: Oakwood House (Maidstone)	£1.49million	Ground source heat pump	£235.5k
		Energy upgrade works	£35k
		Building management system	£202.5k
		Hot water distribution improvements	£125k
		Pipe insulation	£78k
		Purchase of ventilation fans	£135k
		Ventilation distribution system	£333k
		Electricity supply upgrade	£250k
		LED lighting	£96k
8: LED Lighting in KCC buildings	£89k	Brook House (Whistable)	£43.5k
		Ashford Highways Depot (Phase 1)	£45.5k
9: Installation of Heat Pumps on KCC buildings	£415.5k	Air source heat pump at Ashford Highways Depot	£260k
		Ground source heat pump at the Swattenden Outdoor Centre (Tunbridge Wells)	£155k
10: Installation of Solar PV on 5 KCC buildings	£407.5k	Brook House (Whitstable), Ashford MASH, Swanley Link, The Sunrise Centre (Tunbridge Wells) and Kent Scientific Services (West Malling)	£407.5k
11. Schools Programme	£1.2million	Cobham Primary ground source heat pump	£105k
		Southborough Primary oil to gas heating	£169.5k
		Palace Wood Primary (Maidstone) oil to gas heating	£140k
		Wickhambreaux Primary double glazing	£50k
		The Archbishops School (Canterbury) double glazing	£250k
		St Anthony's School (Margate) double glazing	£250k
		West Kingsdown Primary insulation and double glazing	£75k
		Kemsing Primary insulation and double glazing	£35k
		Herne Bay High solar PV	£125k
		Briar Primary (Herne Bay) solar PV	£18k

Appendix 4: High ambition interventions at 2050

Sector	Measure	2050 intervention

Sector	Measure	2050 intervention
Domestic buildings	More energy efficient homes & new builds	• 75,700 "medium" retrofit • 605,900 "deep" retrofit • 181,300 new builds to PassivHaus[3] standard
Buildings	Reduced energy demand for heating, cooling & hot water	• Domestic: 43% reduction • Non-domestic: 40% reduction
	Reduced energy demand for appliances, lighting and cooking	• Domestic: 73% reduction • Non-domestic: 25% reduction
	Switching from gas heating systems	• Domestic: 100% of heating systems are electrified • Non-domestic: 80% of heating systems are electrified, remaining 20% supplied by Combined Heat and Power (CHP) systems
	Shifting from gas to electric cookers	• Domestic: 84% increase in electric fuel usage for cooking • Non-domestic: 33% increase in electric fuel usage for cooking
Transport	Travelling shorter distances	• 25% reduction in the average number of passenger miles travelled per person
	Driving less	As a percentage of passenger mileage: • 10% active transport • 25% public transport • 65% private vehicle
	Switching to electric vehicles	• 100% of private vehicles, buses and trains are electric (though this transition is heavily frontloaded)
Freight transport	Improving freight emissions	• 28% increase in waterborne freight mileage • 22% decrease in road freight mileage • 75% decrease in energy used per mile travelled • 234% increase in fuel use at UK ports for *international* shipping (based on switching away from road and air freight movements)
Waste	Producing less waste	• 57% reduction in the volume of waste
	Increased recycling rates	• 85% recycling rate
Industry	Switching from fossil fuels	• 15% reduction in oil fuel usage • 2% increase in electricity consumption • 38% increase in the use of natural gas
	More efficient processes	Process emissions reduced: • 30% for chemicals • 21% for metals • 25% for minerals • 80% for other industries

Sector	Measure	2050 intervention
Renewable energy supply	Wind	• Local wind: 550 MW installed capacity • Large installations (on- and off-shore): 1,466 MW installed capacity
	Solar PV	• Local PV: 4,171 MW installed capacity • Large scale PV: 242 MW installed capacity
	Biomass	• Declining usage, having displaced fossil fuel sources in power stations
	Other renewables	• Local hydro: 69 MW installed capacity • Large-scale hydro: 47 MW installed capacity
Agriculture & land use	Forest coverage & tree planting	• Increase in lone tree coverage to around 40 lone trees per hectare • 24% increase in forest coverage
	Land & livestock management	• 48% decrease in livestock numbers • 7% decrease in grassland; 1% decrease in cropland

3 Passivhaus is an international energy performance standard with buildings constructed to dramatically reduce the requirement for space heating and cooling, whilst also creating excellent indoor comfort levels

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