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AGENDA

CABINET

Thursday, 31st March, 2022, 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)

Benjamin Watts
General Counsel
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Wednesday, 23 March 2022

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KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 3 March 2022.

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

UNRESTRICTED ITEMS

5. Apologies and Substitutes
(Item 1)

There were no apologies for absence.

6. Minutes of the Meeting held on 27 January 2022
(Item 3)

Resolved that the minutes of the meetings held on 27 January 2022 were a correct record and that they be signed by the Chair.

7. Cabinet Member Updates
(Item 4)

1) Mrs Bell said the government had announced changes in the guidance for living with Covid-19. It was to be managed like other respiratory illnesses, while minimising mortality rates and maintaining the ability to respond if a new and potentially more dangerous variant emerged. The 4 key elements of living with Covid-19 were: removing domestic restrictions and encouraging safer behaviours through Public Health advice, protecting people who were the most vulnerable, maintaining resilience through ongoing surveillance and contingency planning, and securing innovations and opportunities from the Covid-19 response.

In terms of the local response to the new guidance, it was confirmed that the two test centres at Ashford and Maidstone were to close on 31 March, with a phased reduction of opening hours based on usage from 4 March.

On 2 March, the first Kent Care Summit was held at Detling Showground and over 300 people attended, in person and virtually. Thanks were given to Gina Walton and team for the organisation of the event. The Summit was opened by the Leader of KCC and delegates heard powerful and moving accounts from people with lived experience of social care. A panel of local and national representatives, including the Director General for Adult Social Care at the DHSC, the Chief Executive of Kent and Medway NHS Integrated Care System and the Head of Inspection at the Care Quality Commission shared their thoughts and views and took questions on a variety of issues.

Mrs Bell introduced the afternoon session at the Summit where delegates were split into small groups to discuss 5 key changes which had been identified to address the many challenges and how the future of social care could be shaped. The 3 main themes which emerged from the day were: support for carers, being person-centred and workforce recruitment and retention.

Feedback from the day was being collated and evaluated and would be put into an action plan and it was felt there was a recognition and understanding of the challenges and the need to work together. There was a huge amount of energy and commitment to making the changes necessary to deliver care in the future.

2) Mrs Chandler said there had been substantial progress in the completion of educational psychology assessments within SEND. At the beginning of September 2021, there had been a considerable number of historic referrals from the previous academic year on the waiting list. All children who were referred for Education, Health and Care Needs Assessment in 2021 had been allocated to an Educational Psychologist and children referred in February 2022 were now being allocated. In order to address the provision of education psychology assessments for children on the waiting list and new referrals there had been a small dip in the timeliness of reports but it was expected that this would be back on track soon.

The 27th Try Angle Awards ceremony was to be held on 20 March. The scheme had been running for a long time and the Awards ceremony was an uplifting and motivated experience.

3) Mrs Prendergast said that the top priority over the last few weeks had been SEN Transport which was to be discussed at Agenda item 6.

Tuesday 1 March was National Offer Day for secondary school places. A total of 18,311 Kent parents/carers applied for a place for their child in a school for September 2022 - the highest number of Kent applications ever seen. 79.6% of Kent families were offered a place at their first preference school - an increase just shy of 10% on last year. While last year’s results were affected by the increased number of preferences parents were offered due to COVID, this year’s results still exceeded the 77.7% achieved for the 2020 intake. Overall, 95.4% of families were offered a school of preference, maintaining the same level as last year – despite an increase in numbers.

Unfortunately, there remained a small proportion of families without a school of their preference - all pupils, however, had been offered an alternative school. Unfortunately, fewer than 8% of these parents made full use of their preferences to name eligible schools - which significantly limited KCC’s opportunity to offer them a school of their preference. Kent’s process was to continue to provide opportunities to secure alternatives before the start of the new school year. Parents were advised to read their offer letter, which explained how these ongoing processes work. KCC staff members were ready to speak to parents and carers to answer any questions as well as offer information, advice and support.

Kent had seen an increase in the number of disadvantaged children securing a Grammar assessment through the Kent Test. On National Offer Day, while the whole cohort figures for securing a grammar school places saw a small reduction (42.6% compared to 42.8% for 2021 intake), 25.8% of tested FSM pupils secured a grammar school compared to 23.9% last year. Similarly, 26.4% of tested Pupil Premium children were offered a Grammar school compared to 25.1% last year.

Following further negotiation, all Kent Grammar schools had agreed to include priority for Pupil Premium pupils in their oversubscription criteria. This news was very welcome.

Through the Reconnect Programme, Invicta National Academy had been commissioned to deliver a full-scale Home Study Support offer accessible to all pupils in Years 5 and 6 at primary schools and all KS4 (GCSE years) pupils at secondary schools. The Home Study Support, launched on 28 February, gave virtual access to a qualified teacher two evenings a week and was to operate throughout term time in terms 4, 5, and 6.

The Reconnect Programme had also commissioned Salus to deliver its fully evaluated "A for Attendance" programme in secondary schools across the County. This was a school-based programme, working with small groups of pupils referred by their school because their attendance falls below 90%. Salus was to work closely with the participating schools and the Pupil Referral Unit, Inclusion and Attendance service.

Visit Kent had launched a brand-new project which aimed to support Key Stage 2 (KS2) teachers to deliver a series of engaging lessons to help fill the gaps in learning left by the COVID-19 pandemic and reconnect children to their local areas. The 'Lesson in a Box' project, designed carefully as part of the Reconnect programme, was to provide a packed learning resource to KS2 teachers across the county filled with everything needed to deliver a six-module lesson. It offered a fun and exciting way for pupils to develop their knowledge about historic places on their doorstep, as well as valuable skills such as team-working and persuasive writing. It was hoped KS2 teachers would be quick to take advantage of this wonderful and unique opportunity.

4) Mr Brazier said that much work had been done around the Kent Travel Saver and supported buses following the agreement of KCC's Budget. He had made a number of appearances on television and on radio. He had spoken on BBC Radio Kent about the council's decision to waive fees permitting road closures to facilitate street parties in celebration of Her Majesty, The Queen's 70 years on the throne.

On 1 February, Mr Brazier accompanied the Leader and Deputy Leader to Thanet Parkway Station which was under construction. The station on its embankment was largely completed as the pilings, the platform and access towers had been constructed. The building was to be completed in large part in May 2022, although the reconstruction of the level crossing at Cliffsend was to delay its commissioning until May 2023. He had met with the Leader and the Chief Executive of Thanet District Council (TDC) a few days prior to the site visit and TDC eagerly awaited the opening of the station and the economic and travel improvements it would bring to the area.

On 2 March, Mr Brazier went to the offices of Dover District Council (DDC) and with KCC's representatives and representatives of Colas, the principal contractors, witnessed the DDC Leader turning the first sod in the Fasttrack network which was to be completed by autumn 2023.

Following the Budget, Mr Brazier was looking forward to the additional swathe cut on highway verges which was to enhance biodiversity and encourage bees and other pollinators.

5) Miss Carey said that Plan Bee had been named positively by Tracey Crouch, MP in a parliamentary debate. Plan Bee had led to a difference in KCC's work and a budget commitment had been made to make more wildlife corridors on rural swathes. Following the success of Plan Bee, the next stage in the work on the natural environment was 'Plan Tree'. It was to go out to Public Consultation in March 2022. Thanks were given to all the staff in Environment and Waste Teams. Work was ongoing to deliver solar parks and it was felt that recent events had highlighted the real need for energy resilience and security. It was felt that more solar energy would be part of building energy resilience. It was felt that Kent and Dungeness would make a good location for modular nuclear reactors.

6) Mr Murphy said the National Empty Homes Week 2022 was marked in Kent by the news that KCC's No Use Empty Initiative (NUE) had passed its record for the number of projects carried out in the fiscal year. This coincided with news that the scheme had been awarded a further £2.5 million from the government's Growing Places Fund to boost the cash available to bring more empty properties back into use. Delivered by KCC in partnership with all 12 district councils and Medway Council, NUE provided a model which could be replicated offering financial assistance alongside advice and guidance. Its coordinated approach had brough 7256 empty homes back into use through a range of interventions. Thanks were given to Steve Grimshaw and his team for their work on NUE.

Brompton Bicycles were to build a revolutionary and sustainable factory in Ashford on wetland near the designer outlet. The factory was to open by 2027 with the aim of producing 200,000 bicycles a year. Initially, the factory was to employ 1500 staff and once fully operational, the factory was to employ 4000 people. Brompton Bikes had pledged to work with Kent universities, schools and colleges to develop a skilled workforce. The wetlands park was to be incorporated into the development.

Grow Up Farms, a producer of high-quality salads was to build a vertical farm at Discovery Park, Sandwich. Salads were to be grown on racks inside, using 90% less water and without the need for pesticides and the farm would be powered by renewable energy. It was a sustainable enterprise and 40 people would be employed.

There was a meeting with Damian Collins, Rolls Royce and the leader of Folkestone and Hythe District council, David Monk, regarding the future of Dungeness. Development of the site offered significant opportunities to the area and economy of Kent.

7) Mr Hill said on 16 February, the Civil Society Strategy was launched. KCC had worked very hard to improve relationships with the voluntary and social sector and the structure was now in place as to how to work together and how to support each other. He looked forward to the full implementation and thanks were given to officers for their work on the Civil Society Strategy.

Millie Knight from Canterbury and James Barnes-Miller from Broadstairs were selected to take part in the Winter Paralympics. It was Millie's third Paralympics and KCC Members wished them both good fortune.

8) Mr Sweetland said the lifting of Covid-19 restrictions had caused a knock-on effect on the local tracing partnership, which was being wound down. Some Agilisys call centre staff had moved to other jobs and others were going to work in KCC's Contact Centre. All of the information from the Prime Minister's announcement had been put on KCC's website.

Managers in the Contact Centre had boosted staff numbers for the weekend of Storm Eunice. Thanks were given to front line staff for their work over a difficult weekend.

9) Mr Oakford said he was looking at the war in Ukraine and how it impacted on KCC and its companies. Actions had been taken to make sure KCC was not funding through procurement Putin's war. A review of the supply chain and procurement activity through KCC had been requested and it transpired there were no contracts or dealings with Russia. However, very few cases in the energy market were found and any new transactions had been stopped.

There were concerns about cyber security and an increase of attacks on KCC's network. Having spoken to the appropriate people, Mr Oakford had been assured the situation was being monitored closely and he, the Leader and David Cockburn were being provided with regular updates.

The impact on the KCC Budget from inflation and increased cost of procured products was being looked into and monitored. The importance of the actions that were taken as part of the Budget process had been highlighted and making sure there was the right level of reserves and emergency reserves. Reserves would be needed in the coming months and years,

10) Members noted the need to differentiate between the actions of the Russian state and Russian individuals living in Kent or in Russia.

8. Revenue and Capital Budget Monitoring Report - December 2021-22

(Item 5)

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

1) Mr Oakford introduced the report. The report was based on the position in December 2021 and the forecast revenue position, excluding schools and Covid-19, was a £13.9 million overspend. This was an improvement from the previous monitoring report presented to Cabinet. There was decrease of £4.6 million as there was a forecast underspend from Growth, Environment and Transport directorate. Both Adult Social Care and Children's Young People and Education directorates continued to forecast significant overspends. £10 million had been set aside in a specific reserve for expected pressures; anything above this would need to be met from other reserves, which would add to the pressure on the 2022-23 Budget and would weaken KCC's financial resilience. Reserves would need to be replenished in

future years. Continued urgent action was required to address the overspend to ensure a ‘breaking even’ point by the end of the financial year.

The reported Covid-19 position showed a forecast spend of £36.7 million. There was a corporately held Covid-19 budget of £16.1 million and the remainder of the spend was to be met from the emergency Covid-19 reserve. Work was ongoing to establish which costs were to continue into future years.

KCC set a savings target of £39.4 million to be delivered in 2021-22, of which £30.3 million were forecast to be delivered. This was approximately a £9 million shortfall of savings forecast for the financial year.

KCC’s earmarked and general reserves were forecasting a net draw down of £59.1 million. The draw down reflected the use of the emergency Covid-19 reserves and impact of the forecast overspend if it was not reduced by the end of the financial year.

The capital forecast showed an underspend of £144.3 million, of which £146.3 million was related to re-phasing. It was hoped with the 10 year programme, the re-phasing would not be seen in such numbers. There was a £2 million real overspend in capital spending.

The schools’ delegated budgets had reported a £54 million overspend which reflected the impact of high demand for additional SEN support and high cost per child for high needs placements. The predicted deficit for the High Needs Budget had increased by £49 million during 2021-22. The high needs deficit was the single most significant financial risk for KCC.

The Treasury management position was consistent with regular reports made to the Governance and Audit Committee.

2) Mrs Cooke said KCC’s gross expenditure is £1.8 billion, of which £1.3billion related to directly procured goods and commissioned services. Therefore, KCC was exposed to inflation risks arising as part of general inflation rises but also as a result of world affairs. KCC already had some challenging targets in the Budget in relation to inflation and the further impact of inflation would need to be watched carefully. KCC’s financial resilience had been strengthened to withstand inflationary increases and other price pressures. KCC had around £8 million spent on energy costs on KCC’s estate and highway infrastructure. KCC was to continue exploring options around short-term stability on energy prices, with some progress already made via LASER (part of KCC’s Commercial Services) and would continue working on activity to manage energy price increases in the future. Less than £500,000 was spent on fuel. While KCC’s direct spending on energy was relatively small, there would be an impact on supply chains from rising energy and fuel costs. This would include social care providers, bus companies, waste haulage contractors and highways contractors.

Inflation would have a significant bearing on KCC’s capital costs. In terms of financial resilience, KCC’s general reserves were 5% of the net revenue budget (approximately £60 million) and these were required to be held for unforeseen circumstances. Just an additional 2% on £1.3 billion on the procured and commissioned services would increase spending by £26 million. If prices were to escalate there were areas of spending that would need to be looked at to constrain the impact of prices. KCC had a strong record of sound financial management and close monitoring would be continued.

3) In response to a question from the Leader, it was noted:

- The reduction in the overspend from the previous report to Cabinet was as a result of an underspend in GET due to favourable recycling prices and additional permit and street-work income.
- Any projected reduction in outturn was welcome but unfortunately, in other areas the overspend had remained static.

4) RESOLVED to note and agreed the recommendations as outlined in the report.

9. SEND Transport
(Item 6)

Simon Jones, Corporate Director, GET; Matt Dunkley, Corporate Director, CYPE; Vicky Evans, Operations Manager and Alison White, Chair of Trustees of Kent Parents and Carers Together (PACT) were in attendance for this item.

1) Ms Evans said she and Ms White had worked tirelessly across Kent on the issue of SEND transport. The issues relating to SEN transport were countywide and affected a large number of children. Moving forward, parents needed to have faith that KCC would provide a more than adequate service. Some parents of SEN children affected by the problems had not been able to go to work or had to make a choice between their child being transported to school by taxi or paying for utilities.

It was reported that there had been oversights to the physical needs of children needing transport. Huge gap in communications- people were urged to email an address or use a telephone number but there were no communications in response.

Parents had reported the uncertainty had impacted on half term. Kent PACT had been placed in difficult position as a buffer.

2) The Leader said that he had received the messages and for many families, half term was not half term- the situation facing families was understood. Thanks were given to Ms Evans and Ms White for setting out what had happened so clearly.

3) Mr Brazier said GET had assured parents, carers and PACT that all those receiving SEND transport on 7 December 2021 would have details of their future provision by 11 February 2022. It became clear just before 11 February, that something was wrong and that some families had not and would not be advised as was thought. Mr Brazier met with officers and Cabinet colleagues on 14 February and it was established that many families had not had transport allocated to them. A full audit had been commissioned so that lessons could be learned and to avoid a recurrence in the future.

4) Mr Jones said that it was recognised that the delivery of re-tendering work had become protracted and delayed beyond the completion dates that had been identified. The programme had fallen below the standard KCC sought to and expected to achieve. It had resulted in pupils not being allocated transport for the beginning of term in the middle of February 2022. Apologies were given to all the

parents, carers and pupils affected. Transport had been allocated to all those considered within the tendering process and KCC was actively addressing those children who had become eligible for transport since 7 December 2021. The urgent enquiries regarding the suitability and other particular aspects raised by parents and carers were being addressed. KCC was committed to support a review and will seek to establish a plan of continuous improvement to not only prevent a recurrence but also to provide improved performance operationally in the future.

5) Mr Dunkley said KCC was a large and complex organisation and that when things go wrong, there was a wide impact. There was a lesson for KCC around co-production with parents and Mr Dunkley regretted that good work building trust with parents by PACT had been undermined by the issues around re-tendering of the SEND transport. Large numbers of children and their families had undergone a difficult time as a result of the issues and lessons had to be learned from mistakes made.

6) Mrs Prendergast said it was important to acknowledge the pain that families had experienced. The review that officers were looking to commission was welcomed and it was important that there was not a recurrence of the issues.

7) Mrs Chandler thanked PACT for their work over the preceding fortnight and in the wider SEND agenda. Mrs Chandler said that Ms Evans and Ms White's comments about individual families had resonated with Members. Their request to be included in what happens going forward had been noted.

8) Mr Sweetland thanked Ms Evans and Ms White for their attendance at the meeting. It was noted that Mrs Prendergast had apologised in the media.

9) The Leader said it was important to acknowledge what had happened and reiterated the apology to those affected. An independent review was to be commissioned by KCC's Statutory Officers. The aim was ongoing service improvement but further steps were to be taken in due course informed by the review.

10) RESOLVED to note the update.

10. Levelling Up- The UK White Paper
(Item 7)

David Whittle, Director of Strategy, Policy, Relationships & Corporate Assurance was in attendance for this item.

1) Mr Whittle presented the attached presentation regarding Levelling Up - The UK White Paper.

2) Further to questions from Members, it was noted:

- District councils were involved with the Levelling Up agenda and through the Levelling Up Fund, the Towns Fund, the UK Shared Prosperity Fund the government had placed a strong emphasis on district councils in terms of 'local Pride in Place' work such as high street regeneration.

- The White Paper set the expectation that the government's interactions would be with one body, the upper tier authority at a strategic scale. Kent's MPs would need to communicate Kent's needs and advocate with regard to Levelling Up and also MPs' role in delivering place based agendas was to be strengthened.
- The White Paper was explicit in that its preference for the unitary structure for local government. However, it was acknowledged that county councils continued to have a place due to the way they delivered people-based services.
- It was emphasised that KCC would need to articulate the differences between the county and its neighbours in the south east. It was felt that there was a synergy with some of the work already being done by KCC.
- There were very few 'hard' timeframes included within the White Paper. The ambition was set out that all local authorities that wanted a devolution deal would have this by autumn 2030. Some of the ambitions set out were to be achieved by autumn 2022. The delivery targets for some of the ambitions would be in the medium term and in some cases, longer.

3) The Leader said the system changes discussed, both at the level of national government and its configuration, as well as various iterations of devolution were the most radical elements of the White Paper.

If the current government achieve the thinking in the White Paper, it would be desirable for this to become embedded and it would amount to a significant change if it took place. KCC was to focus on what was important for Kent and Kent's role in the south east would need to be pushed. There was a focus on the role of county councils with the Levelling Up agenda. The Levelling Up agenda tied in with work KCC had done on the priorities in the strategic statement and would be building on what was already being done.

4) RESOLVED to note the presentation.

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From:	Roger Gough – Leader of the Council David Cockburn – Corporate Director, Strategic and Corporate Services
To:	Cabinet – 31 March 2022
Decision No:	n/a
Subject:	**Quarterly Performance Report, Quarter 3, 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 December 2021 (Quarter 3, 2021/22).

Of the 33 Key Performance Indicators (KPIs) contained within the QPR, 27 achieved target (Green), 3 achieved and exceeded the floor standard but did not meet target (Amber). 3 KPIs did not meet the floor standard (Red).

Recommendation(s): Cabinet is asked to NOTE the Quarter 3 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 3, 2021/22 is attached at Appendix 1, and includes data up to the end of December 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 3 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:

- 27 are rated Green – the target was achieved or exceeded. An increase of 1 on the previous Quarter.
- 3 are rated Amber – performance achieved or exceeded the expected floor standard but did not meet target.
- 3 are rated Red – Performance did not meet the expected floor standard. The same as the previous Quarter.

2.3. With regards to Direction of Travel, 11 indicators show a positive trend, 18 are stable or with no clear trend, and 4 are showing a negative trend.

2.4. The 3 indicators where the RAG rating is Red, are in:

- Customer Services
    - Percentage of phone calls to Contact Point which were answered.
    - Percentage of complaints responded to within timescale.
- 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 3 Performance Report

4. Contact details

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Kent County Council

Quarterly Performance Report

Quarter 3

2021/22

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

27 of the 33 indicators are rated as Green, on or ahead of target, an increase of 1 on the previous Quarter. 3 indicators reached or exceeded the floor standard (Amber) with 3 indicators not achieving the floor standard (Red), the same number as the previous Quarter. 11 indicators were showing an improving trend, with 4 showing a worsening trend.

	G	A	R	⇧	⇨	⇩
Customer Services	1		2		2	1
Growth, Economic Development & Communities	2				2	
Environment and Transport	6			1	5	
Children, Young People and Education	9	2	1	5	5	2
Adult Social Care	4	1		1	3	1
Public Health	5			4	1	
TOTAL	**27**	**3**	**3**	**11**	**18**	**4**

Customer Services - Satisfaction with Contact Point advisors continued to meet target. The percentage of calls answered improved but remained below floor standard. The percentage of complaints responded to within timescale decreased further below floor standard. The number of phone calls responded to by Contact Point remains within 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	RED	⇨

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 achieved 98% of the total sought and also exceeded target. The number of books issued (physical and e-issues) in the Quarter was slightly higher than the same Quarter in 2019 (pre-pandemic).

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

Environment & Transport – All four indicators for Highways and Transport achieved or exceeded target. Highways' enquiries and work in progress both dropped to below expected levels, due to fewer severe weather episodes than usual. The percentage of waste diverted from landfill over the last 12 months is now exceeding its 99% target. The Greenhouse Gas KPI which measures progress towards Net Zero in 2030 is ahead of target.

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	GREEN	⇨
Emergency highway incidents attended within 2 hours of notification	GREEN	⇨
% of satisfied callers for Kent Highways & Transportation, 100 call back survey	GREEN	⇨
% of municipal waste recycled or converted to energy and not taken to landfill – rolling 12 months	GREEN	⇨
Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	GREEN	⇧

Education & Wider Early Help – Schools and Early Years settings continued to meet inspection targets following the restarting of Ofsted routine inspections in September 2021 for all school types having ceased their full programme of inspections in March 2020, Completion of Education, Health and Care Plans (EHCPs) in timescale continues on an upward trend but remains below the floor standard. Permanent pupil exclusions remains ahead of target. The number of first-time entrants to the youth justice system decreased and remains within 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 – Five of the seven indicators met target, the same as last quarter, with the other two achieving the floor standard. Three have an positive trend, with two being stable and two on a negative trend (though both of these are currently meeting target). The number of children in care (including unaccompanied asylum seeking children) decreased, and the number of care leavers increased slightly.

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	GREEN	⇧
% of child protection plans that were repeat plans	GREEN	⇧
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. The proportion of clients receiving Direct Payments remains below target. There continues to be an increase in the number of people accessing services who have a mental health need.

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 – There is a positive trend on four of the five indicators, and all indicators are exceeding their targets.

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	GREEN	⇧
Successful completion of drug and alcohol treatment	GREEN	⇧
% of Live Well clients who would recommend the service to family, friends or someone in a similar situation	GREEN	⇨

Customer Services	
Cabinet Member	Bryan Sweetland
Corporate Director	Amanda Beer

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

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 improved to 87% for the Quarter, but this remains below the floor standard. However, performance for the month of December exceeded target at 96%, which may reflect changes brought in to address staffing issues. These changes included a salary review and recruitment drive by Agilisys which has seen lower attrition rates (fewer staff leaving their jobs), and a more stable workforce. There is now a focus on further training and cross-skilling. Sickness remains an issue however, mainly due to the number of Covid cases. Average call time increased to 6 minutes 6 seconds, which is above the target of 5 minutes 45 seconds, with newer staff taking slightly longer to deal with calls due to learning system navigation and checking for the correct information. Again however, the rate was lower in the month of December at 5 minutes 48 seconds.

Contact Point received 21% fewer calls than the previous quarter and 2% fewer calls than the same period last year. The 12 months to December 2021 saw 1% fewer calls than in the 12 months to December 2020.

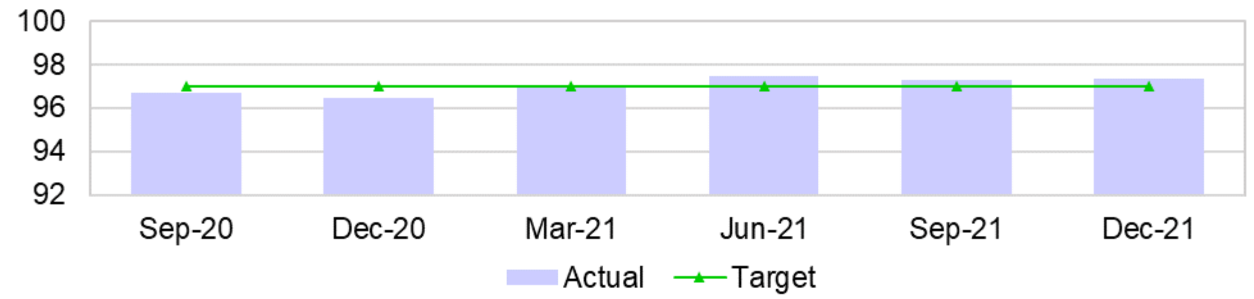
We are unable to report on web visitor numbers for Quarter 3 due to a review of KCC's use of cookies on kent.gov.uk. No visitor data will be available until the review is complete and any recommendations implemented.

The Quarter to December saw the number of complaints received decrease by 25% on the previous quarter. There was a decrease in performance in terms of complaints responded to within timescale from the previous quarter. Between October and December, 72% of complaints were responded to in time, and so this indicator remains below the floor standard of 80%. CYPE had the lowest percentage within timescale of the four Directorates, at 57%.

The volumes and complexity of complaints being received in some services alongside day-to-day management of cases, has proved challenging. Work is ongoing to improve performance where possible, however it may take some time as the backlog of cases is dealt with.

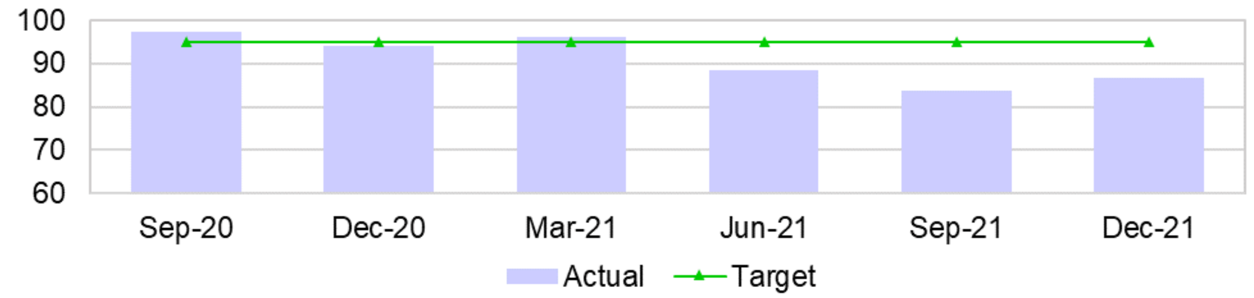
Key Performance Indicators

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



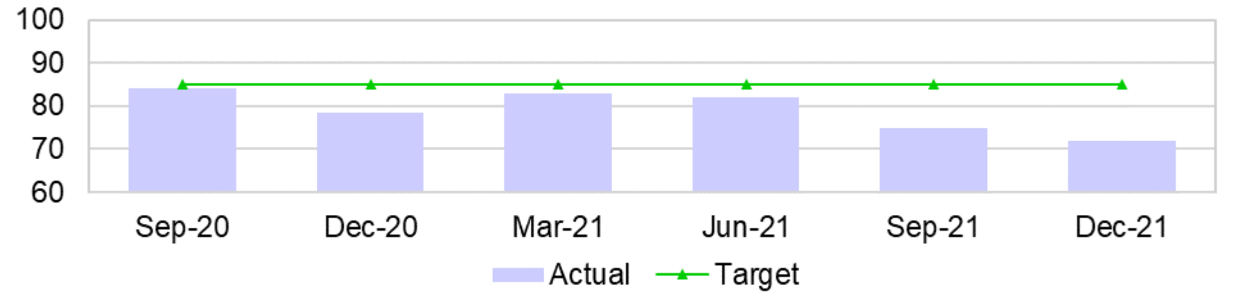
Current: 97%	Target: 97%	Previous: 97%

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



Current: 87%	Target: 95%	Previous: 84%

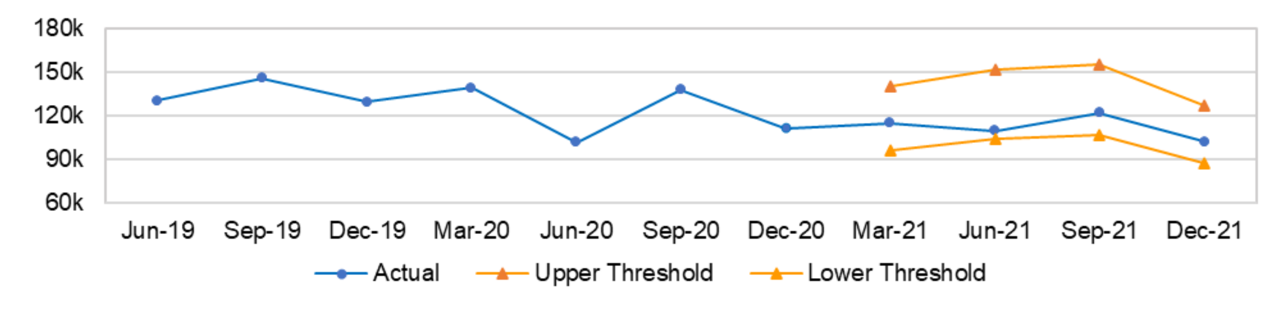
Percentage of complaints responded to within timescale	RED ⇨



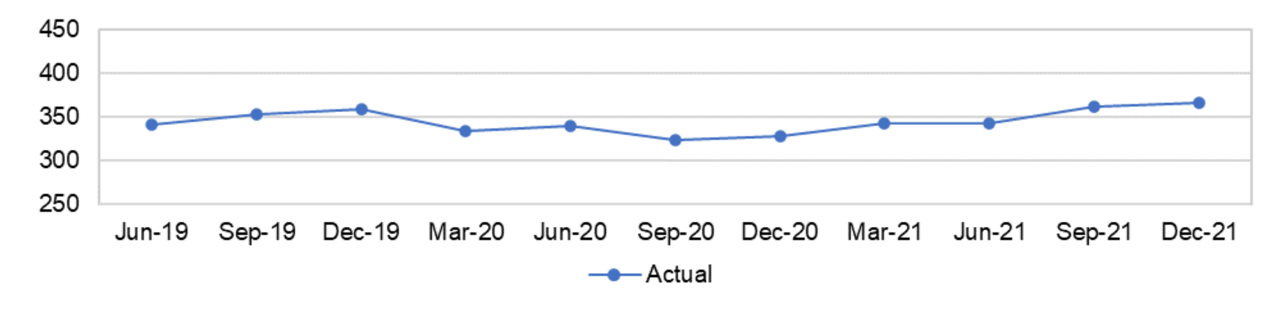
Current: 72%	Target: 85%	Previous: 75%

Activity indicators

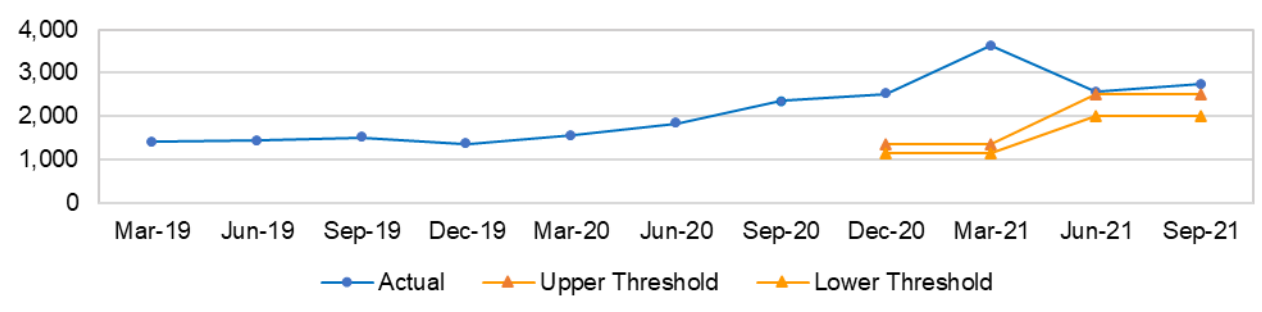
Number of phone calls responded to by Contact Point – by quarter



Average Contact Point call handling time in seconds – by quarter

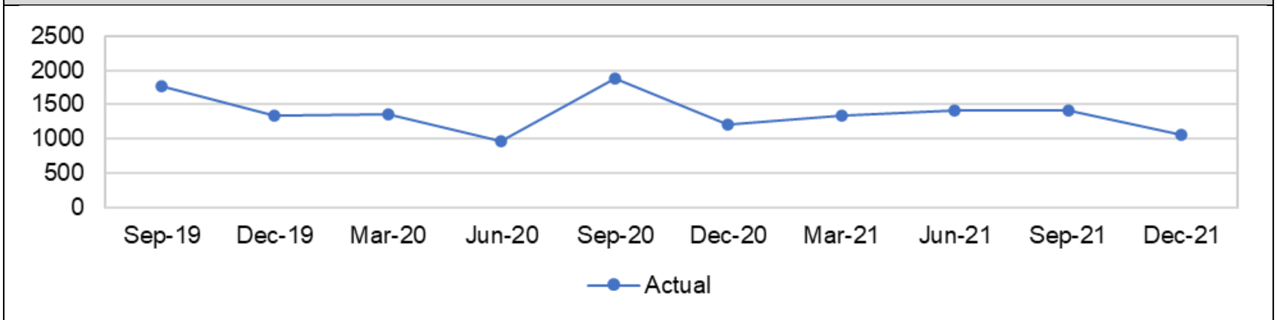


Number of visits to the KCC website (in thousands) – by quarter*



* We are unable to report on web visitor numbers for Quarter 3 (Dec-21) due to a review of KCC's use of cookies on kent.gov.uk. No visitor data will be available until the review is complete and any recommendations implemented.

Number of complaints received each quarter



Customer Services – Call Activity

Number of phone calls to Contact Point (thousands)

Contact Point received 21% fewer calls than the previous quarter and 2% fewer calls than the same period last year. The 12 months to December 2021 saw 1% fewer calls than in the 12 months to December 2020.

Service area	Jan – Mar 21	Apr – Jun 21	Jul – Sep 21	Oct – Dec 21	Yr to Dec 21	Yr to Dec 20
Adult Social Care	30	29	27	25	112	118
Integrated Children's Services	18	18	19	18	73	71
Highways	16	17	17	12	62	62
Blue Badges	8	8	10	10	36	39
Waste and Recycling	10	12	16	9	48	44
Transport Services	6	8	16	8	38	36
Libraries and Archives	6	8	10	7	31	29
KSAS*	5	4	4	7	19	12
Schools and Early Years	5	5	5	4	19	24
Registrations	6	5	6	4	21	24
Adult Education	1	1	5	4	12	9
Driver improvement	2	3	4	4	14	17
Main line	4	3	4	3	13	12
Other Services	2	2	2	1	7	8
Kent together	1	0.4	0.5	0.4	2	7
Total Calls (thousands)	**120**	**124**	**147**	**116**	**507**	**512**

* 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 3 was 25% lower than in Quarter 2 and represents a 12% decrease on the same quarter last year. Complaints tend to be lower in Quarter 3, but Highways have had a focus on resolving issues as early as possible, and with Libraries now fully open, this may have contributed to the reduction.

Over the last 12 months there has been a 4% decrease in complaints received compared to the previous year.

In Quarter 3, frequently raised issues included SEN provision, Household Waste and Recycling Centres and a continuation of complaints relating to school transport following the return to school in September.

Service	**12 months to Dec 20**	**12 months to Dec 21**		**Quarter to Sep 21**	**Quarter to Dec 21**
Highways, Transportation and Waste Management	3,000	2,745		750	512
Adult Social Services	951	735		203	198
Integrated Children's Services	589	834		217	173
Libraries, Registrations and Archives	236	165		82	44
Education & Young People's Services	260	265		66	46
Strategic and Corporate Services	121	214		42	37
Environment, Planning and Enforcement & Economic Development	207	216		49	43
Adult Education	44	31		7	7
Total Complaints	**5,408**	**5,205**		**1,416**	**1,060**

Customer Services – Digital Take-up

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

Transaction type	Online Jan 21 – Mar 21	Online Apr 21 - Jun 21	Online Jul 21 - Sep 21	Online Oct 21 - Dec 21	Total Transactions Last 12 Months
Renew a library book*	70%	82%	82%	80%	609,246
Report a Highways Fault	63%	59%	61%	58%	100,777
Book a Driver Improvement Course	86%	88%	86%	85%	30,382
Book a Birth Registration appointment	88%	86%	87%	89%	23,614
Report a Public Right of Way Fault	88%	87%	85%	89%	23,107
Apply for a KCC Travel Saver (Rolling 12 months)	99%	99%	100%	100%	23,013
Apply for or renew a Blue Badge	72%	70%	66%	66%	14,688
Apply for a Concessionary Bus Pass	77%	74%	65%	67%	11,829
Highways Licence applications	98%	99%	99%	100%	8,226
Apply for a HWRC recycling voucher	98%	99%	99%	99%	5,021

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

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 3. The 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 so far been much lower than anticipated. A number of recipients have requested to vary their repayments to support them with the rising cost of supplies, but generally, it has been positive, with some loan recipients requesting to repay the remaining balance of their loan in full (8 companies, total repayments during Quarter 3 £642,648.70), others moving towards pre-pandemic trading levels; and the majority commencing their repayments as scheduled.

Since 2017 to the end of Quarter 2 of 2021/22, the KMBF has provided funding of £15.2 million to 107 Kent and Medway businesses, creating 372 new jobs and safeguarding 124 further jobs.

In Quarter 3, (on 29 October 2021) the KMBF relaunched with a new secured loan scheme for Kent & Medway Businesses seeking loans over £101,000. To date 26 pre-applications to the value of £6,000,000 have been received, of these seven businesses have submitted full applications to the value of £1.1 million, and the KMBF remains open to applications for funding from businesses in the Kent and Medway area.

The KMBF management team 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) has provided funding for the Innovation Investment Loan scheme which the KMBF team manages for Kent and Medway. Through this scheme, £6 million of loans have been made to 18 businesses. By the end of Quarter 2 of 2021/22, 129 Full-time Equivalent (FTE) jobs had been created and 64.5 FTE jobs safeguarded.

Converting derelict buildings for new housing and commercial space

In Quarter 3, 88 long term empty properties were made fit for occupation through the No Use Empty (NUE) Programme bringing the total to 7,256 since the programme began in 2005. NUE processed a further ten loan applications in Quarter 3 (36 to date) increasing the total NUE investment in converting derelict properties to £83.1m (£45.8m from KCC recycled loans and £37.3m from private sector leverage).

Medway Council joined the NUE scheme in September 2021. The NUE team will process loan applications for premises in Medway and Medway Council will administer the loans using their own funds.

NUE received confirmation from SELEP in December 2021 that a £2.5m bid to the Growing Places Fund had been approved. The contract is with the accountable body (Essex County Council) awaiting final signature. This will be drawn down and made available to convert additional derelict properties from 2022/23.

NUE received the first drawdown of £750k from a separate £2 million awarded under SELEP Growing Places Fund (GPF) for NUE Commercial Phase II in July. The target is to return 18 empty commercial units back into use and create 36 new homes by March 2023. A total of six projects are currently supported (in Folkestone, Herne Bay, Hythe, Ramsgate, and Sheerness) and these will return six empty commercial units back into use and create 26 homes.

Following the approval of £16m from KCC Treasury to bring forward empty/derelict sites with planning permission for new builds, NUE has processed a further five loan applications in Quarter 3 (35 to date) increasing the total loans awarded to £19m. This has been achieved by recycling £3.2m of loan repayments received following the completion and sale/re-finance of seven projects which have provided 33 residential units: Dover (13 homes), Broadstairs (2 homes), Folkestone (11 homes) and Ramsgate (7 homes). The total number of new homes funded is 137 across 7 Kent districts.

Further loan repayments of £0.5m are expected in Quarter 4, all of which are being recycled to fund new projects.

NUE has identified 25 potential projects with an indicative value of £20m. Based on current loans repaid and value of loans due to be repaid between now and during 2022/23, NUE would be able to service 20% of the potential projects subject to final assessment next year.

Infrastructure projects
In Quarter 3, the following capital funding decisions were made by the South East Local Enterprise Partnership's (SELEP) Accountability Board (decisions relating to transport are covered in the Environment and Transport section of this report):

- It was agreed that £18,767 owed against the Workspace Kent project (funded through Growing Places Fund) should be written off following provision of evidence that Kent County Council has taken all reasonable steps to recover the debt. Noting that the remaining balance of the Workspace Kent GPF allocation is still expected to be repaid in accordance with the updated repayment schedule.

- The award of £1.4m GBF to The Amelia Scott project has been assessed as presenting high value for money and the South East LEP's consultants are confident the project will deliver its intended benefits within the project timeframe.

Broadband
The broadband team are continuing to support BDUK on the pre-procurement work for the Kent delivery phase of the Government's Project Gigabit Programme. Up to £203 million has been allocated for Kent and Medway as part of the new national Project Gigabit Programme. The aim of this programme is to deliver gigabit-capable connections to areas that are not expected to benefit from connectivity upgrades by telecoms operators.

The Government's intention is that a single contract will be established to deliver these new connections across Kent and Medway. The procurement will be led by Building Digital UK (BDUK). Kent County Council's broadband team has been asked by BDUK to help lead and support the local delivery across Kent.

BDUK have estimated that the Kent and Medway project will cover circa 122,000 properties and have advised that the formal procurement work will start in May 2022, with the contracted work commencing in April 2023. The pre-procurement work (which is required to meet current subsidy control and procurement legislation) started in early August following the announcement.

In the meantime, the infrastructure build for the final phase of the Kent BDUK Project continues. As of December 2021, over 144,000 faster broadband connections had been delivered by the project. Demand for the new BDUK voucher scheme across Kent has also remained strong.

Funding Kent's Infrastructure

KCC has a statutory right to seek financial contributions for capital investment from developers of new housing sites. In Quarter 3, twelve Section 106 agreements were completed and a total of £15.9 million was secured.

s.106 contributions secured £000s	Jan to Mar 2021	Apr to Jun 2021	Jul to Sep 2021	Oct to Dec 2021
Primary Education	7,064	5,296	4,292	6,675
Secondary Education	3,699	5,464	4,554	5,333
Adult Social Care	128	108	128	153
Libraries	120	223	173	80
Community Learning	29	58	23	25
Youth & Community	52	52	63	79
Waste	*	47	89	15
Highways	*	464	420	3,537
Total	**11,092**	**11,713**	**9,742**	**15,897**
Secured as % of Amount Sought	78%**	96%	99%	98%

* Data only reported from April 2021 onwards

** This low percentage was due to one project, namely the proposed housing development at Sturry/Broad Oak. The 78% secured was based on a worst-case scenario which includes potential loss of LEP funding due to project delays, and unexpected costs for Nitrate mitigation.

Kent Film Office

In the 3rd quarter of 2021/22, the film office handled 113 filming requests and 111 related enquiries. We logged 160 filming days bringing an estimated £2.25m direct spend into Kent & Medway. Highlights for the Quarter included, The Crown Series 5, Call The Midwife Series 11, and The Larkins Xmas Special.

The Kent Film Office managed to secure four work placements, translating into eight paid Marshal/Runner days on the TV series the Larkins and for a TV Commercial for 'Hitachi'.

Libraries, Registration and Archives
In November 2021 the staff and customer engagement "Let's Talk about Kent Libraries" was launched online and in all libraries, with the objective to help and inform the development of the LRA Strategy and library services for the future. Phase 1 of the engagement aimed to seek understanding of how customers currently use library services, post-lockdowns, and is now complete. Phase 2, launched end of January, asks for customer feedback on areas that the service should prioritise for the future as well as engaging with people who don't currently use the service.

With 98 of the 99 libraries open during Quarter 3 (Kemsing Library was closed for extensive building works), footfall has been increasing and is now at 53% of the footfall for the same period pre-pandemic. Physical issues dipped from Quarter 2, particularly in December, which is traditionally a quieter period, and also with a likely impact from concerns about the Omicron variant of Covid. Nevertheless, physical issues are within the forecast parameters and at 82% of the same period in 2019-20, above the national average which remains around 70%.

The dip in physical issues is countered by the 2% increase in digital issues from Quarter 2. Overall, e-issues have increased by 10% from the same period last year (which were already at increased levels) and now form 38% of all issues. Total issues are now 7% higher than they were pre-pandemic (Quarter 3, 2019/20).

The focus in libraries during Quarter 3 has been the reinstatement of events and activities in a Covid secure way, particularly Baby Rhyme Time and Talk Time sessions. 38 libraries hosted a total of 348 Rhyme Time sessions with 4,636 attendees and 354 Talk Time sessions with a total of 2,161 attendees. Further libraries have been reintroducing these activities during Quarter 4. Celebratory events that had been delayed due to Covid have also been held, including the launch of the refurbished Pembury and Sandwich Libraries, and the celebration of 100 Years of Kent Libraries at Dartford Library.

A further celebration was the launch of the new mobile library vehicles at Sessions House on 15th November 2021. The fleet won a national award for Lifestyle and Passenger Transport, presented by manufacturers Iveco, in recognition of the design and equipment of the vehicles. From 5th October the mobiles resumed their pre-pandemic fortnightly service, and issues have risen by 64% from Quarter 2 2021-22.

The Registration service remained extremely busy and while death registrations were a priority, with over 4,200 appointments delivered, the team also delivered over 4,500 birth appointments, further addressing the backlog caused by the pandemic. 1,602 ceremonies were celebrated, an increase of 28% on the same period pre-pandemic. Customer satisfaction with registration is at 94% for Quarter 3.

The Archive service continued to deal with larger numbers of remote enquiries, with a 38% increase in online and telephone enquiries on the same period in 2020/21. Search Room bookings for physical visits remained high in October and November, but parallel with library services dropped significantly in December doubtless for similar Pandemic reasons, so that overall Archive enquiries fell short of expectations.

The Business and Intellectual Property Centre (BIPC) launched digitally during Libraries Week in October, with three virtual talks on the BIPC concept, marketing and communications, and wellbeing in business. The physical BIPC hub at Kent History and Library Centre is almost complete and is due to be launched in February 2022.

Community Safety
The Kent Community Warden Service (KCWS) has continued to support communities and vulnerable people most in need during the recovery phase of 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 continued in relation to community safety issues and community wellbeing. As restrictions eased, pre-December, there has also been a focus on bringing communities back together by reintroducing social engagement and restarting and initiating new clubs, events, projects and meeting points (surgeries). The KCWS undertook just over 3,500 tasks in support of these activities during this quarter.

Explore Kent
The popularity of public rights of way and green spaces continues with over 14,000 route downloads during this quarter. Through collaboration with Kent Downs AONB and funding from the Experience project: a new Explore Kent website has been launched.

Explore Kent worked with partners to provide campaigns for:

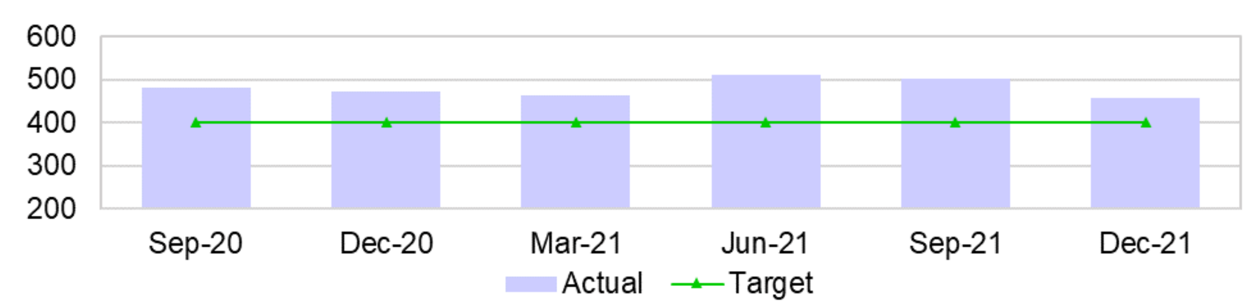
- PROW: promoting physical and mental health benefits of access to green space during the Covid recovery phase as well as promoting respect for the PROW network.
- England Coast Path: promotion of the opening of the new 47 mile stretch of path in North Kent.
- Containing the Outbreak Management Fund: Explore Kent has undertaken targeted promotion of walking and green space in areas and sections of community disproportionately impacted by Covid. Promotion has reached: 41,161 people.
- Kent Sport and Physical Activity: close working to promote low barrier to entry activities including walking & cycling for the Everyday Active campaign.
- Transport Innovation: campaign promoting active travel including 5 new short films for social media.

Public Protection
During Quarter 3 the reach (unique views) of our digital public protection messages was 5.5 million, with our videos viewed 333,000 times. Our campaign on Natasha's Law reached over 137,000 targeted people in food related businesses. The Fireworks Safety Campaign ran in November and reached 52,000 Kent residents; the video was viewed 46,000 times. We warned residents about shopping safely online prior to Christmas and the campaign reached almost 350,000 with our 12 Scams of Christmas video watched over 90,000 times. Over the whole period 19 alerts and scam warnings were issued and together achieved a reach of over 2.5 million. Offline, content has been produced and distributed to promote the Positive Wellbeing service and our Community Wardens, with a combined Quarter 3 targeted circulation of 164,000. Our Press Releases in this Quarter have generated significant media interest in our Natasha's Law, Avian Flu, Counterfeit Goods, Fireworks Safety, Shopping Safely Online, and Positive Wellbeing at Christmas campaigns.

Sport and Physical Activity
During Quarter 3, the service has continued to work with community organisations to help reduce the negative impact of Covid and reduce the widening inequalities gap of physical activity and sport among underrepresented groups. We have also started to quantify the impact of work done with schools on a DfE funded project to open school sports facilities for the benefit of children and young people in their communities. This year to date 3,274 participants have benefited, 858 of whom receive free school meals, 520 with SEN and 372 from ethnically diverse backgrounds. The fund has also enabled 61 community organisations to access school facilities**.** Our Everyday Active campaign continues to be an effective tool for inspiring the least active to move more in their everyday lives and for those working to facilitate this.

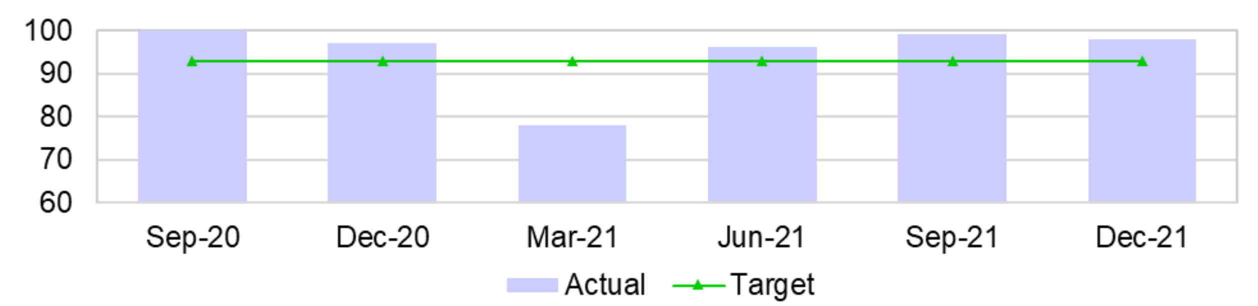
Key Performance Indicators

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



Current: 458	Target: 400	Previous: 501

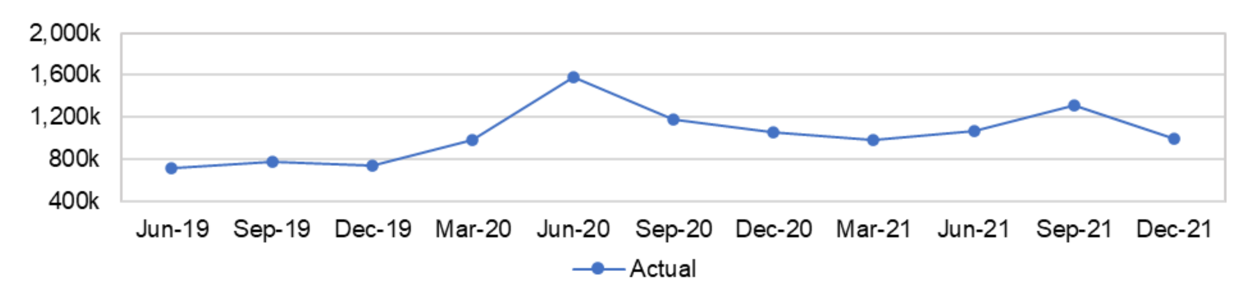
Developer contributions secured as a percentage of amount sought	GREEN ⇨



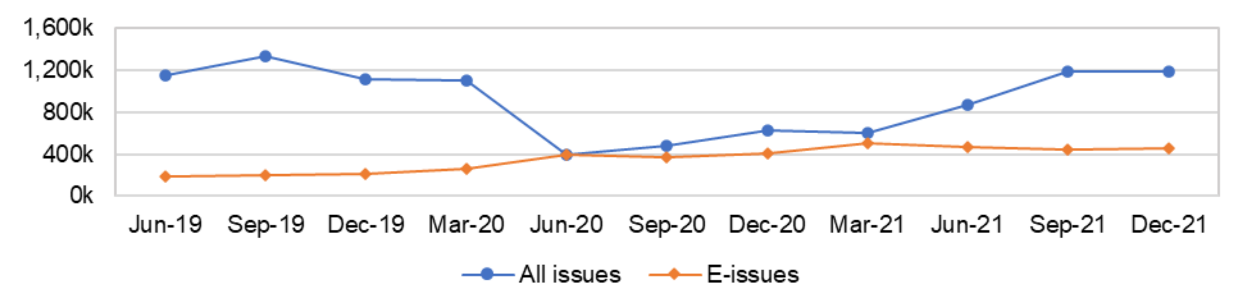
Current: 98%	Target: 93%	Previous: 99%

Activity indicators

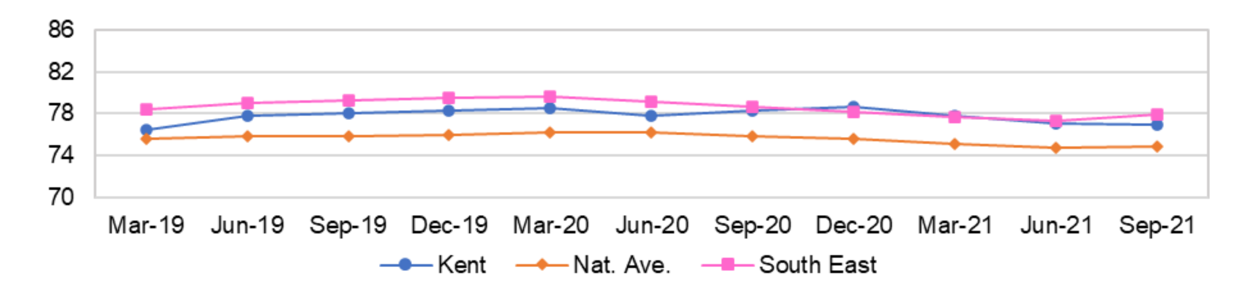
Total number of online contacts with Kent libraries



Total number of book issues from Kent libraries

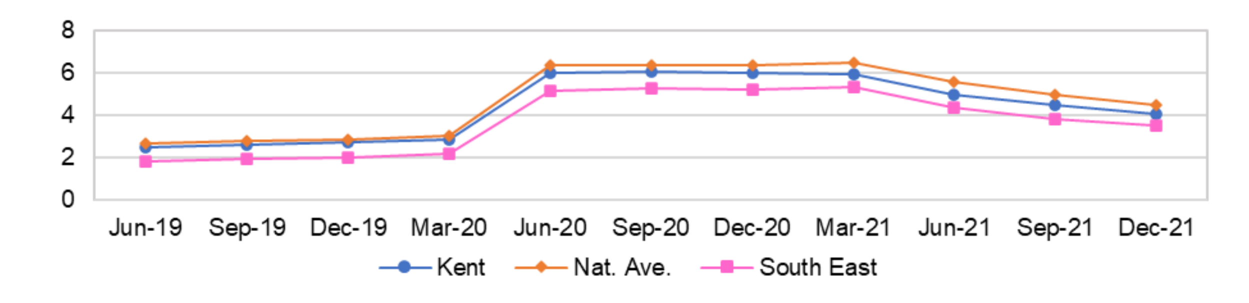


Percentage of population aged 16 to 64 in employment (from the Annual Population Survey)



NB: 95% confidence interval of figures are, Kent (+/- 2.0), Nat Ave (+/- 0.3), South East (+/- 0.7).

Percentage of population aged 16 to 64 claiming unemployment benefits



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

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	6			1	5	

Highways

For the Quarter to December, all 4 of the Highways KPIs are RAG rated green. The attendance at Emergency Incidents within 2 hours of notification has remained steady at 99% compared to a target of 98%. The Service received 565 reports of emergency incidents in this Quarter with the contractor, Amey, unable to attend just 6 of these within the 2-hour response time window, and several of these missed the target by just a few minutes. In most cases a Highway Steward, Inspector or Police Officer was on site awaiting a response crew thus minimizing the risk to road users. This represents good work from Amey to ensure response times are now back on target.

Routine faults responded to in 28 days remains on target at 90% in this quarter, with 10,311 requests from customers. Better weather for most of this period led to a quieter period for the service overall. The Service continues to work with contractors and their supply chain to ensure performance targets are achieved.

The total number of customer contacts regarding highway issues in the last Quarter was just over 37,700 with 17,000 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 and on the KCC website. At the end of December there were 5,535 open enquiries (work in progress), and this compares to 5,869 at the same time last year, reflecting the quieter period in some parts of the business.

The monthly call back survey where we call 100 highways customers whose enquiries have been closed in the last month. increased to 98% satisfaction for the latest Quarter. This is up 4% from Quarter 2 and well above our 85% target. Comments reflect the improvements to both the contact centre helpline as well as increased confidence in the online fault reporting tool (our reporting tool now receives approx. 60% of all enquiries reported by the public). Customers also said they were happy with the speed and quality of repairs we are carrying out.

The high demand from utility companies to access their infrastructure under Kent roads, as well as requests from developers and for KCC's own works, continues, with just over 113,000 Streetwork permits issued this year so far, well above expected levels of around 90,000. This is placing pressure on the team and additional resources are to be sourced.

Asset Management

In July 2021, KCC published its new Highways Asset Management Plan for the next five years. It sets out a range of future actions to further improve approach to highways maintenance and transportation matters, focussing on increasing asset lifespans, reducing lifecycle costs and improving future maintainability, against the increasingly challenging backdrop of deteriorating assets, increasing traffic volumes, uncertainty around future funding and, more recently, Covid. Officers are currently developing a detailed project plan to implement the various actions in this plan.

Casualty Reduction
After launching the new Vision Zero Road Safety Strategy in September, the team have been developing a plan for delivery groups and working closely with the Safer Roads Partnership to enable joint working initiatives. All partners have confirmed they are committed to the partnership and the Safe System Approach.

October to December 2021 Casualty Data – Kent roads and National Highways in Kent

Month	Fatal	Serious	Slight	Total
October	11	50	300	361
November	3	71	352	426
December	1	38	277	316

The data has not yet been verified and is subject to change.

The provisional annual figures show 49 fatal casualties, which is above the 5-year average of 46 fatal casualties. A full analysis of the data will be completed to better understand the factors at play.

Crash Remedial Measures & Local Transport Plan (LTP)
Development of the 2022/23 Crash Remedial Measures (CRM) and Local Transport Plan (LTP) programme is now taking place.

There are over 30 sites around the County identified for Highway safety improvement schemes to be delivered in the following 12 months. The team are also working with the parishes and elected community bodies to help them identify improvements they feel are needed in their local areas.

The team are looking at some new datasets to provide a focus on data led route-based engineering to improve the safety of our network in line with our newly adopted road safety strategy.

Local Growth Fund Transport Capital Projects
Through SELEP, KCC is managing £128 million of Government funding from rounds 1 to 3 of the LGF. There are currently 2 ‘Red’ schemes causing concern, Sturry Link Road and Maidstone Integrated Transport Project.

For the Sturry Link Road project, following the granting of permission for the scheme by KCC Planning Committee in September, the SELEP Accountability Board agreed that the total £5.9m LGF allocation should be retained against the project. The remaining £4.656m LGF allocated to the project will be transferred to KCC by the end of March 2022. This is still subject to the condition that the land acquisition is completed by 31st August 2023. A further update on progress with the project will be provided at the April 2022 Board meeting.

In regard to the Maidstone Integrated Transport Package Scheme, it was agreed that the £8.9m LGF funding should remain allocated to the project. The SELEP Accountability Board were updated at the February meeting regarding the remaining project risk surrounding consent to relocate the ragstone wall on boundary of Mote Park. This should be resolved shortly as a decision is expected on listed building consent. It was agreed that a further delivery update would be brought to the April 2022 board to advise on the outcome.

Transport Strategy
Work with National Highways on the Lower Thames Crossing continued, following the consultation in Quarter 2, with progress on agreeing a way forward for developing local road mitigations through a modification to the existing Planning Performance Agreement (PPA), although the scope of works for the desktop study is still to be agreed. Work with National Highways also continued on the options development for Road Investment Strategy 3 (RIS3) pipeline schemes for Brenley Corner and A2 Lydden to Dover (public consultation is expected in June).

Partnership working with Transport for the South East (TfSE) continued with their work on a Strategic Investment Plan (public consultation expected in June). This is alongside the work of the Transport Strategy team in developing a new Local Transport Plan 5 (LTP5) for Kent, as reported to the Environment and Transport Cabinet Committee (ETCC) in September, with the Member Task and Finish Group having had its inaugural meeting in November.

A response was made in December to the statutory consultation by Gatwick Airport on its proposed Development Consent Order (DCO) for routine use of its standby runway, to which KCC is opposed based on the noise impacts over west Kent as set on in our policy on Gatwick Airport. Responses were also made to the Department for Transport (DfT) regulatory review consultation; and a submission of evidence was made to National Highways to help inform their route strategies as they start the process of developing the next Road Investment Strategy (RIS).

Delivery of the Thanet Parkway railway station has progressed significantly with completion of the platform steelworks, and good progress on the lift structures, stairs and the car park.

The opening ceremony of the new Ashford International Truck Stop was attended in December. The new facility adds significant extra capacity for lorry parking which is a strategic priority in our existing Local Transport Plan 4 (LTP4).

Public Transport
Having submitted our Bus Service Improvement Plan (BSIP) to DfT at the end of October, we are still awaiting a confirmation on funding from the National Bus Strategy. DfT advised that initial funding allocations were likely to be released at the end of February 2022, but this did not occur.

The impact of Covid on transport staff has eased and although a number of operators did have staff issues, these were contained and the impact minimised, with operators focusing on commuter/school services.

Bus use is still well down on pre pandemic levels, with government messaging around public transport and restrictions taking their toll. Fare paying passenger numbers are down at 70% of pre pandemic levels, 80% for Kent Travel Savers and 60% for ENCTS (older people/disabled bus pass). There will need to be significant work over the coming 12 months to restore confidence in bus travel and attempt to bring passengers levels back up to pre pandemic levels.

Waste Management
The KPI target on diversion from landfill is now being met, with 99.8% of waste over the last 12 months being recycled, composted, or used for energy generation. This remains as low as KCC can achieve. The 0.2% going to landfill includes asbestos, with landfill being the only approved way to dispose of this material.

Kerbside volumes of collected waste continue to be higher than normal but this is partly offset by reduced HWRC volumes. Total waste volume in the 12 months to December, is slightly lower than the 12 months to September following a steady rise since June 2020 and is comparable to pre-pandemic levels. Onsite service demand at HWRCs continues to be well managed through the booking system.

Minerals and Waste Local Plan
As part of the Council's planning responsibilities to prepare and maintain a Local Plan for mineral and waste management matters, the Council has undertaken a review of the adopted Kent Minerals and Waste Local Plan. The Plan includes strategic policies for minerals and waste development, as well as development management policies which are used to determine planning applications. The review found that while much of the Local Plan is still relevant, some updates were needed to respond to changes in government policy and legislation since 2016, particularly those relating to the need to address climate change; the circular waste economy where more waste is prevented or reused; and updates to the National Planning Policy Framework. A revised Local Plan was prepared in Quarter 3, and considered by Environment and Transport Cabinet Committee 3rd November 2021, and was out to public consultation until 9th February 2022.

Natural Environment and Coast
Kent's Plan Bee hosted its second summit on 23rd November. This year the summit focused on linear features and the role these have in helping provide habitat and forage for pollinators. The report for the pollinator public perception survey is now produced and will shortly be available from the Plan Bee pages of the KCC website.

The Kent Tree Strategy Officer started In November to lead work that will take forward the county ambition of 1.5 million new trees. Plan Tree, the authority's tree establishment strategy, has been drafted and work is underway for a public consultation in the first quarter of 2022. In November we submitted an expression of interest to the Trees Call to Action Fund for £400k, to develop a resourced Plan Tree Partnership and enable collaborative work for tree establishment in the county; we were invited to submit a full bid in January 2022. The outcomes of the bid will be known in March 2022.

The Environment Bill, which received Royal Assent in November, introduced a mandatory requirement on development to deliver a minimum gain for biodiversity of 10%. A commission, funded by KCC and Natural England, will assess whether an elevated 15% or 20% target will affect development viability in the county. This work, being delivered with input from the districts, will inform whether an increased target is feasible for Kent's planning authorities to adopt.

Flood and Water Management

The BEGIN project, which demonstrates how cities can improve their climate resilience won the Public Choice category of the REGIOSTARS Awards 2021. These awards highlight the most innovative EU funded projects across Europe. KCC is one of 10 city partners in the EU North Seas Region Interreg project, BEGIN (Blue Green Infrastructure through Social Innovation). The REGIOSTARS Awards are a highly prestigious annual competition, organised by the European Commission's Directorate General for Regional and Urban Policy.

BEGIN has piloted the co-creation and delivery of blue and green infrastructure (BGI) in 10 EU cities through partnerships between authorities, residents and stakeholders. BEGIN implements state of the art BGI such as green corridors and sustainable urban drainage systems to tackle extreme weather effects whilst enhancing local biodiversity and community cohesion. Through BEGIN, KCC has worked with local communities to design, deliver and maintain Sustainable Drainage retrofit projects at Bell Road, Sittingbourne; George Park, Margate; and Snipeshill, Sittingbourne.

Sustainable Business and Communities

At the mid-year point for 2021/22 (Quarter 2 into Quarter 3) greenhouse gas emissions were slightly higher than those recorded in 2020/21, with the increase following the end of more significant Covid restrictions, but were not as high as anticipated. This means we are ahead of where we expected to be at this point in time in making progress towards the KCC Net Zero by 2030 target.

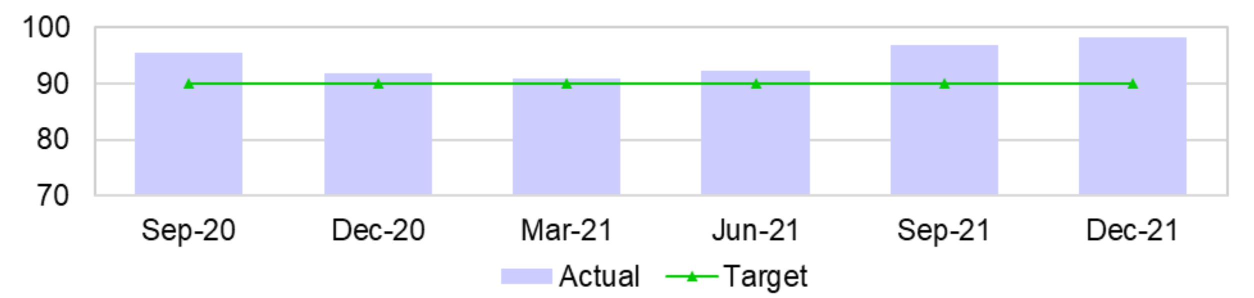
Kent County Council made the shortlist for a national award for our work on Climate Response as part of the annual LGC Awards, recognising excellence across the public sector.

Over 150 people joined the Kent Environment Strategy (KES) Conference this year on 2nd November. The conference showcased a large number of local initiatives and launched the Kent 600 electric vehicle charging project. The conference was opened by KCC Leader Roger Gough with speakers including former Kent MP Laura Sandys CBE, Evan Bowen Jones, the Chief Executive of the Kent Wildlife Trust and James Smith from Loddington Farm. The large exhibition area had a number of stalls as well as electric scooters and cargo bikes to try. The conference was complemented by a calendar of events which began four weeks before COP26. This consisted of 76 events from 28 organisations and community groups.

The Solar Together Kent scheme has so far helped install solar panels on 233 homes across Kent, which will save around 170 tonnes of carbon per year. Participants received an average discount of 33% against the typical market price. Phase Two of this scheme covering all districts in Kent and Medway will launch in February 2022, as Phase One concludes.

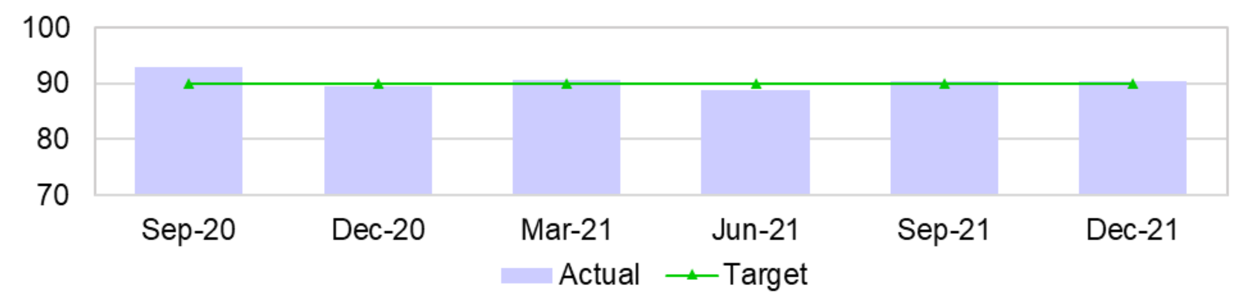
Key Performance Indicators

Percentage of routine pothole repairs completed within 28 days	GREEN



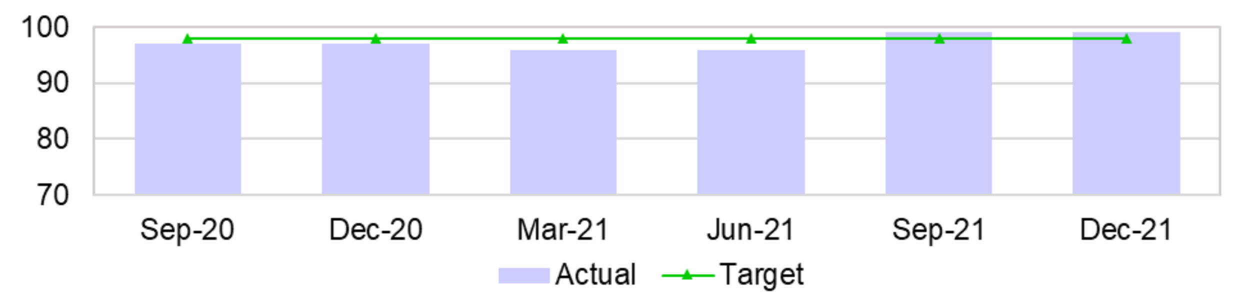
Current: 98%	Target: 90%	Previous: 97%

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



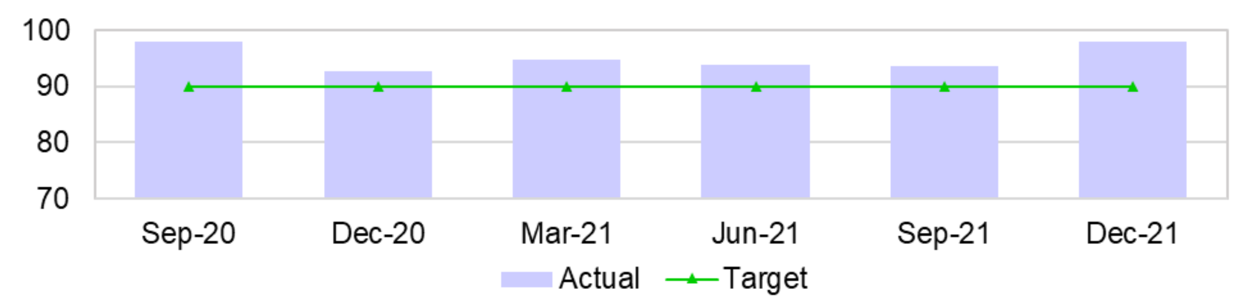
Current: 90%	Target: 90%	Previous: 90%

Emergency highway incidents attended within 2 hours of notification	GREEN



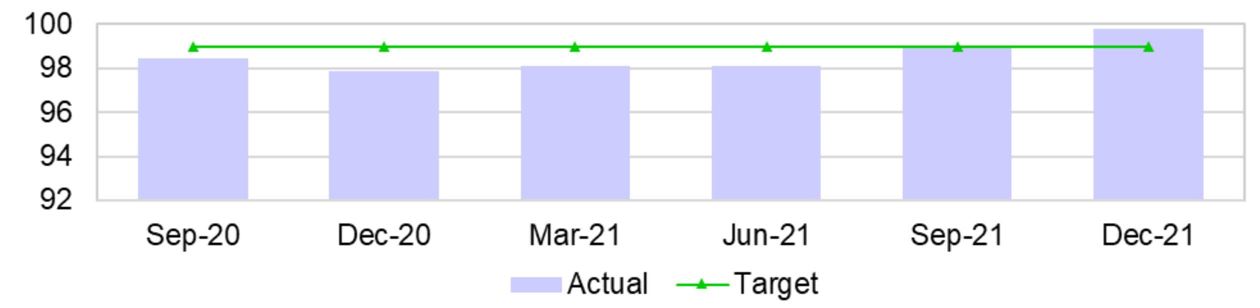
Current: 99%	Target: 98%	Previous: 99%

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



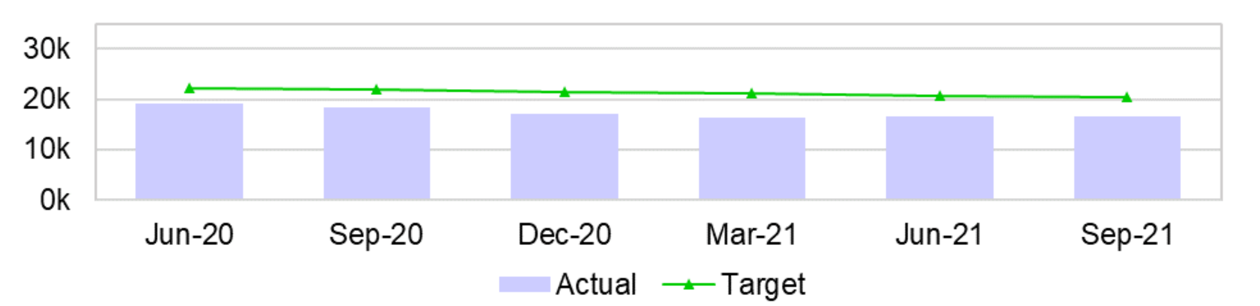
Current: 98%	Target: 85%	Previous: 94%

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



Current: 99.8%	Target: 99%	Previous: 99.0%

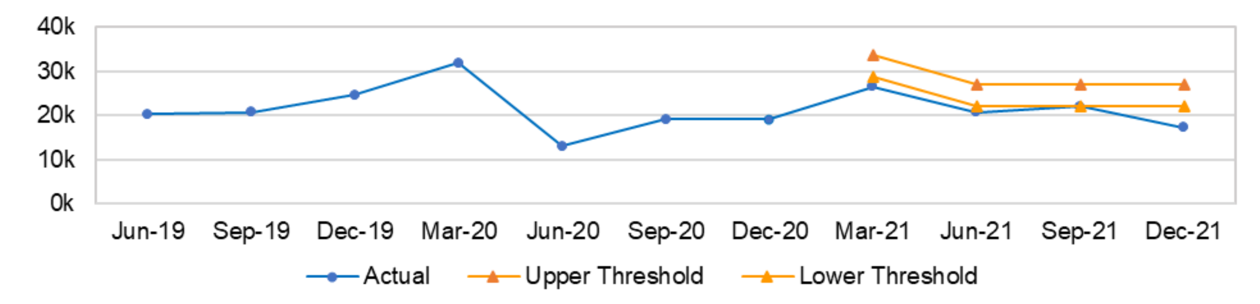
Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	GREEN ⇧



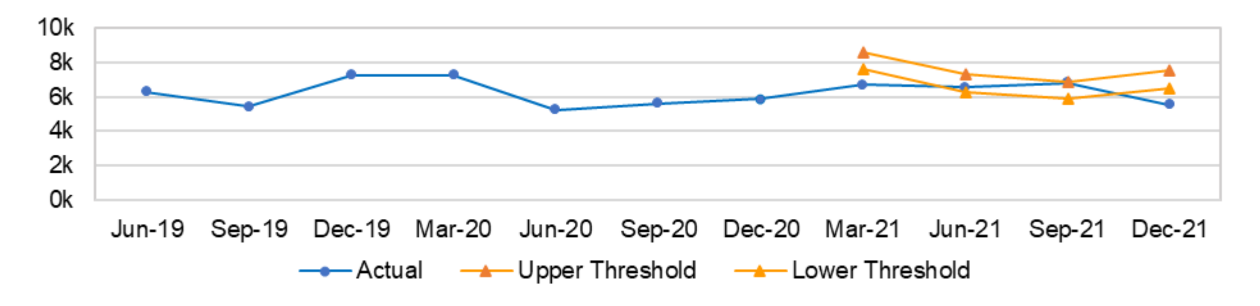
Current: 16,601	Target: 20,433	Previous: 16,519

Activity indicators

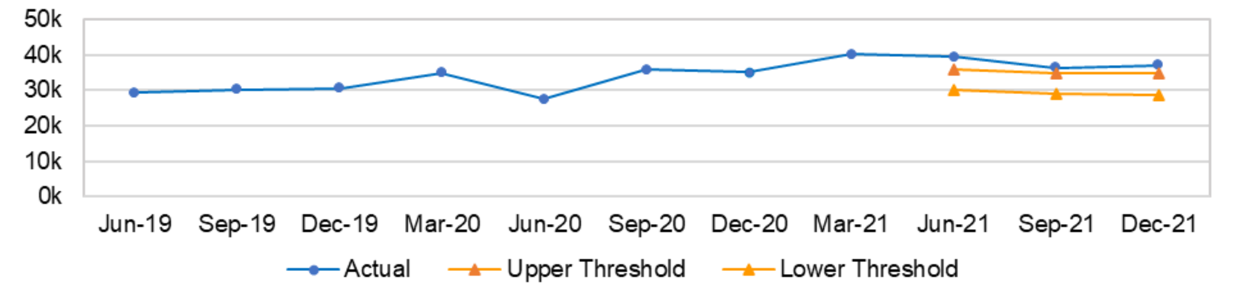
Number of Highways enquiries raised for action – by quarter



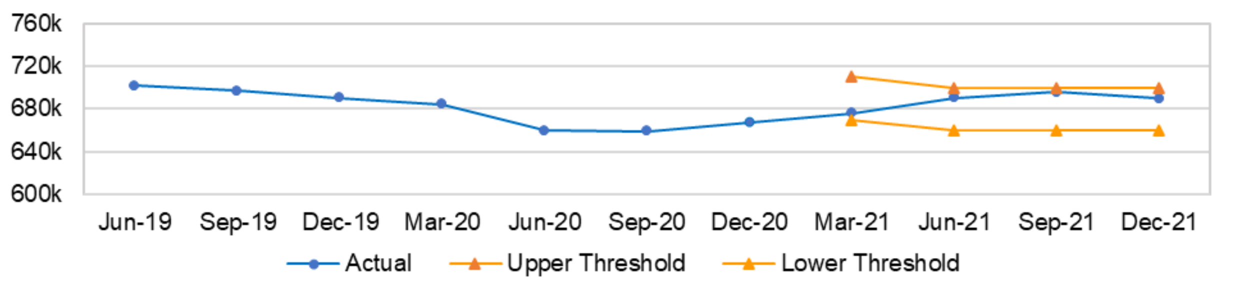
Highways Work in Progress (active enquires/jobs)



Number of streetwork permits issued



Total municipal waste tonnage collected – rolling 12 months



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

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	9	2	1	5	5	2

Schools

Absence from primary and secondary schools on the last Monday of the Autumn term due to Covid was 4.2% (based on 253 schools submitting their data to the Department for Education). By the fourth week of the Spring term it had risen to 5.2% (based on 311 schools). Teacher absence due to Covid had also risen from 3.1% to 4.7% during the same period. In January 2022 changes in government guidance on face coverings meant they were no longer advised to be worn by pupils, staff and visitors in classrooms and communal areas. All young people aged 12 and over have been offered two doses of the Covid vaccines and 16 – 17-year-olds are now eligible for a booster jab. Vaccinating children should help to reduce the need for children to have time off school and should reduce the risk of spread of Covid within schools.

For the second year there were no statutory tests and assessments for primary schools. Key Stage 4 (GCSE and equivalents) and Post-16 (A Level and equivalents) students were awarded grades based on teacher assessments.

Ofsted restarted their routine inspections in September 2021 for all school types and grades, having ceased their full programme of graded inspections in March 2020. Based on the latest inspection data as at the end of December 2021, 92% of schools in Kent (532 of the 581) were Good or Outstanding, compared to the national figure of 87%. 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 77% nationally. The percentage for Special schools at 96% was six percentage points higher than the national position.

Improvement advisers attended all inspections during this period supporting headteachers to provide additional evidence and supporting leaders to challenge lead inspectors where appropriate. As a result, a number of schools identified as at-risk by The Education People secured a Good inspection outcome.

Over the last quarter our overarching priority has been the delivery of on-site school support, assisting leaders in evaluating the impact of lockdown on provision and providing intensive support and guidance linked to the new inspection framework.

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 six secondary schools they selected. As parents/carers selected their 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
Ofsted has resumed inspections, and the latest inspection data for the percentage of Early Years settings rated Good or Outstanding is 99%, two percentage points above National and above our target.

3,504 two-year olds have been funded through the Free for Two (FF2) scheme equating to a 69.7% take up. This is an increase of 5.7 percentage points compared to the same period last year. The increase is thought to be in part due to increasing the duration that the FF2 provider portal was open for claims.

Supply and demand continue to be regularly monitored, with supply still steadily meeting demand although the impact of Covid has inevitably resulted in some, albeit largely temporary, impact on supply. The Childcare Sufficiency Assessment for 2021/22 has now been shared with Members and subsequently uploaded to Kelsi and in general terms shows an ongoing strong supply of provision. During October, November and December 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. The majority (89%) of early years and childcare group providers and eligible childminders applied for the COMF (Contain Outbreak Management Funding) to support, as far as possible, Covid preventative and safe environments as well as restorative activities and support for children and their families. Providers will be required to report on actual expenditure and impact after the end of March. There have been the usual established regular communications with the Early Years and Childcare Sector as a whole, including the weekly 'Early Years and Childcare COVID-19 Blog', termly (six times annually) generic Early Years and Childcare Bulletin and ongoing contact with individual providers as appropriate and necessary. The Early Years and Childcare Service's Threads of Success training offer continues to be delivered largely on virtual platforms (although with the resumption of some face to face), including continuing support for providers in relation to their implementation of the new Early Years Foundation Stage which commenced in September, and support on Ofsted inspections. The quality of the sector remains strong at around 99% across all types of provision.

Skills and Employability
The KentChoices website was relaunched on 1st November with new information pages that parents, students and staff can access. The team have prepared various webinars to support parents and young people on their choices post 16 and these have been well attended and well received. More parents and students have attended these webinars than attended face to face meetings prior to Covid.

December 2021 saw the team engage in a NEET tracking exercise where there was a focus on tracking down the Not Known cohort. This was a great success, and the data below reflects a significant improvement during November and December resulting in increased numbers of young people engaged in either education, employment, or training. As a result, Not Knowns as of December were 3.2% against a target of 3.3%.

The development and integration of the Careers and Enterprise Company (CEC) has continued in line with the Post 16 white paper. The CEC is integrating more closely with the Skills and Employability service and launched the new Careers Hub. This is in line with careers and destinations being a focus for Ofsted and a school improvement priority.

The service saw an increase in the number of apprenticeship starts which could indicate that businesses are feeling more confident about the economic landscape and the team continue to support LA maintained schools to offer such opportunities. Unpublished data suggests that there were 3,710 apprenticeship starts in 2020/21.

SEND (Special Educational Need and Disability)

Based on the rolling 12-month average to December 2021, 41.2% of EHCPs were issued within 20 weeks excluding exceptions (1,209 out of 2,935) an increase of one percentage point on the previous quarter. In the single month of December, performance was 32.2% with 48 plans out of 149 being issued within timescale.

The SEND team are impacted by pressures outside the immediate team which then has a direct impact on performance. Although the service remains committed to clearing the backlog of assessments over 20 weeks, there has been renewed focus by the Educational Psychology Service since September 2021 on dealing with new assessments; the requests before that date adding to the backlog of cases in the "over 20-week" group".

Regarding cases within 20 weeks, there has been a significant improvement in the receipt of advice and information; so much so that there has also been significant improvement in the number of decisions made within 16 weeks. This previously averaged at 48% per month but in December this figure rose to 72%. This increases the capacity of the service to be able to issue new EHC plans within 20 weeks -

However, due to the aforementioned backlog in reports coming to SEND, there are a number of cases that have gone over the statutory deadline of 20 weeks where SEND have been unable to make a formal decision by the 16 week point on the direction of the case. It is hoped this number will reduce when the backlog of reports from outside departments is cleared.

There is a critical shortage of places available in special schools which also has an impact on the ability to complete the EHC plans within 20 weeks. Some major work is underway with colleagues in other services to try to find more capacity within special schools, but this will take time.

Colleagues from education are also working hard to improve mainstream attitudes around inclusion. SEND is experiencing frequent objections from mainstream schools when attempting to place a child with an EHC plan. The SEND Code of Practice (2015) is clear that a mainstream school should be able to make reasonable adjustments to supply the provision set out in an EHC plan, but most schools state "they can't meet needs" which is in fact, unlawful.

Work continues to improve the quality of EHC plans issued. The SEND Service continues to embed the use of a commercial online platform (Innovate Invision). This platform uses an online quality assurance framework which uses a weighting system which enables analysis through the lens of the Ofsted judgements of Good, Requires Improvement, and Inadequate and the CDC five Quality Standards arrived at through the guidance in the SEND Code of Practice.

Stability of staffing within SEND remains an issue. We are embarking on a recruitment campaign with HR to drive recruitment as well as retention of committed, experienced staff.

Wider Early Help

Twenty-five pupils were permanently excluded for the rolling 12-month period to December 2021; ten were ‘primary’ phase and fifteen ‘secondary’ phase pupils. The percentage of pupils excluded from school equates to 0.01%. 19 pupils were excluded in the previous 12 months. The current academic year to December 2021 saw 16 pupils permanently excluded from school. ‘National Lockdown 3.0’ school closures resulted in 39 school days lost to all pupils with exception of 'key worker' and 'vulnerable' children from 5 January 2021 to 5 March 2021.

The number of first-time entrants (FTE) in Kent has declined for the third consecutive quarter. The rolling 12 month figure a 227 is 14 fewer young people than the previous quarter. The service has been focussing on continuing to offer robust out of court disposals (including cautions and conditional cautions) to ensure a holistic and effective preventive approach is offered at the earliest opportunity and to prevent escalation into the Courts. There has been scrutiny on the quality of assessments and plans particularly in relation to risk of harm to others, and the service will, in the next quarter, be utilising risk assessment, planning and management training across the workforce (including Youth Justice and adolescent Early Help).

Work continues with the Police to plan the implementation of ‘Outcome 22’, an out of court non-disposal which is expected to reduce the number of on-the-spot Community Resolutions, and to enhance joint decision making between the Police and the Local Authority for those children at risk of entering the youth justice system.

Early Help

At the end of December 2021, 2,706 families were open to Early Help units, providing support for 5,707 children and young people under the age of 18. This is a 4.5% increase in the number of families supported compared to the end of the previous quarter (2,589 families in December 2021).

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 13.1% for the rolling 12 months to December 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 11,877 as at 31st December 2021, an increase of 472 (4.1%) children and young people when compared to end of the previous quarter (11,405).

There were 4,786 referrals to children’s social care services in the quarter, an increase of 3.4% when compared to the previous quarter (4,629) and a decrease of 3.8% compared to October to December 2020 (4,975). The rate of re-referrals within 12 months for the 12 months to December 2021 was 22.9%, an improvement on performance in the previous quarter of 24.1% and continuing to achieve the target of below 25.0%. This compares to the England average of 22.7% for 2020/21.

The percentage of case-holding social worker posts held by permanent qualified social workers employed by Kent County Council remained stable at 90.5%, above the target of 85.0%. The proportion of case-holding social work posts filled by agency staff also remained stable, at the end of December 2021 this was 13.8% compared to 13.7% at the end of the previous quarter. The average caseload for Social Workers in Children’s Social Work Teams increased by 2.1 cases in the quarter, from 20.8 cases in

September 2021 to 22.9 cases in December 2021, remaining outside of the target of no more than 18 cases.

Child Protection

On 31st December 2021 there were 1,262 children subject to a child protection plan, an increase of 16 from the end of the previous quarter (1,246). The rate per 10,000 children (aged 0-17) was 36.7 which remains below the last published rate for England of 41.4, as at 31st March 2021. The percentage of children who were subject to a Child Protection Plan for a second or subsequent time reduced slightly in the quarter, from 20.1% in September 2021 to 19.7% in December 2021, remaining within the target range of between 17.5% and 22.5%. This compares to an average for England of 22.1% (March 2021).

Children in Care

The number of citizen children in care increased by 1 in the quarter, to 1,380. The number of unaccompanied asylum seeker children (UASC) in care increased by 11 in the quarter to 361. The number of children in care placed in Kent by other local authorities (OLA) remained the same at 1,252.

Status	Mar 21	Jun 21	Sep 21	Dec 21
Citizen	1,373	1,384	1,379	1,380
UASC	277	378	350	361
Total	**1,650**	**1,762**	**1,729**	**1,741**
Gender				
Male	1,039	1,131	1,098	1,105
Female	611	631	629	633
Non-binary			2	3
Age Group				
0 to 4	219	223	221	226
5 to 9	188	193	189	185
10 to 15	651	691	691	669
16 to 17	592	655	628	661
Ethnicity				
White	1,212	1,233	1,213	1,215
Mixed	90	87	96	94
Asian	66	84	72	60
Black	71	78	58	44
Other	211	280	290	328

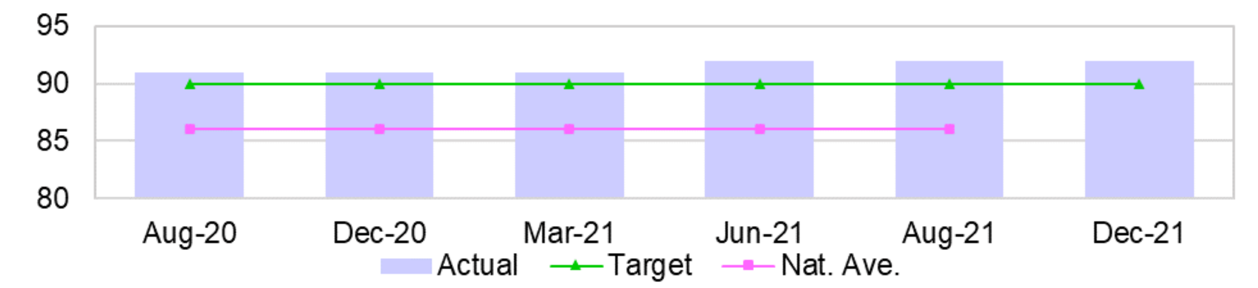
The percentage of Kent's children placed in KCC in-house foster care or with family/friends reduced by 0.4% in the quarter, from 79.6% at the end of September 2021 to 79.2% at the end of December 2021. This remains below the target of 85.0%.

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 December 2021 was 375 days, which is an increase in the number of days when compared to September 2021 (317 days). The decrease in performance for this timeliness measure is the result of delays to court hearings.

Care Leavers
The number of care leavers at the end of December 2021 was 2,084 which is an increase of 33 from the previous quarter (2,051). Of the 2,084 Care leavers 987 (47%) were citizen care leavers and 1,097 (53%) were unaccompanied asylum-seeking young people. The percentage of care leavers in education, employment or training remained stable in the Quarter at 58.0%, staying below the 65.0% target.

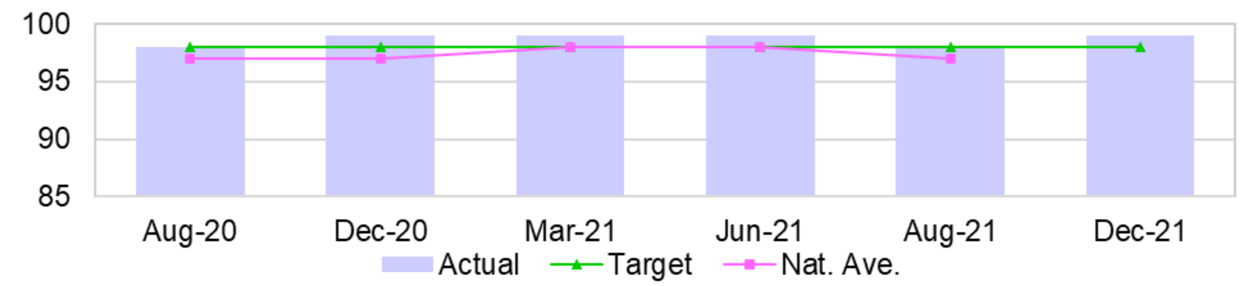
Key Performance Indicators

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



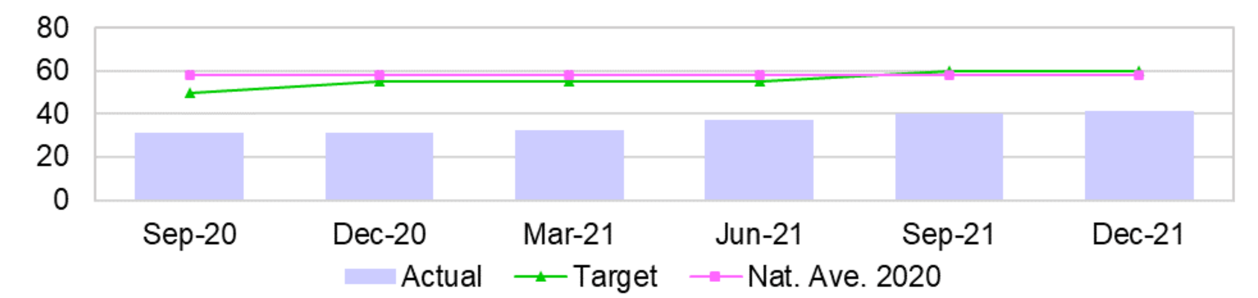
Current: 92 %	Target: 90%	Previous: 92%

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



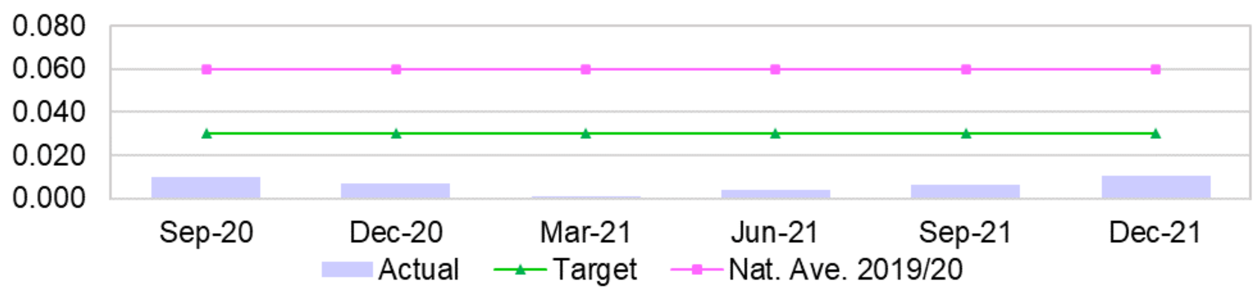
Current: 99%	Target: 98%	Previous: 98%

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



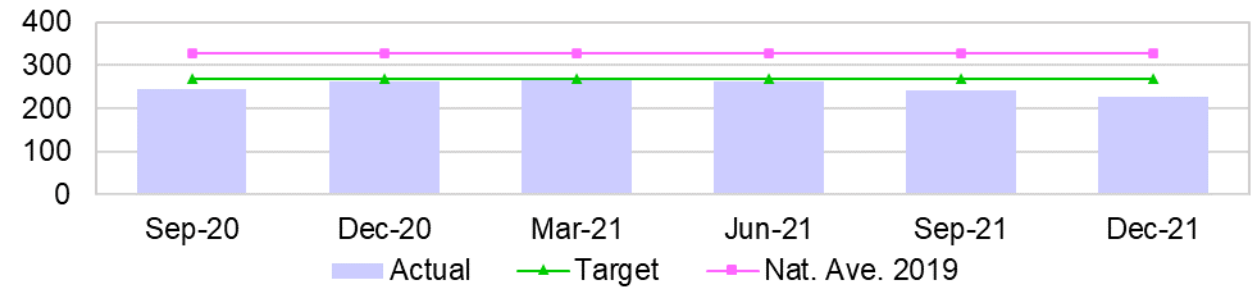
Current: 41%	Target: 60%	Previous: 40%

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



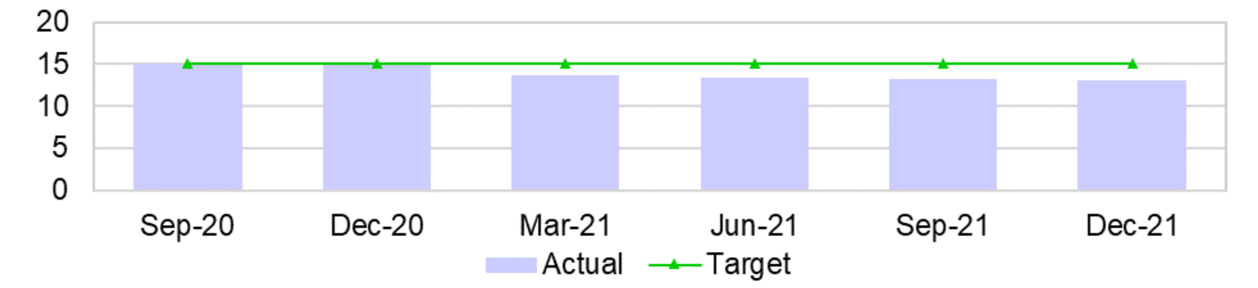
Current: 0.01%	Target: 0.03%	Previous: <0.01%

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



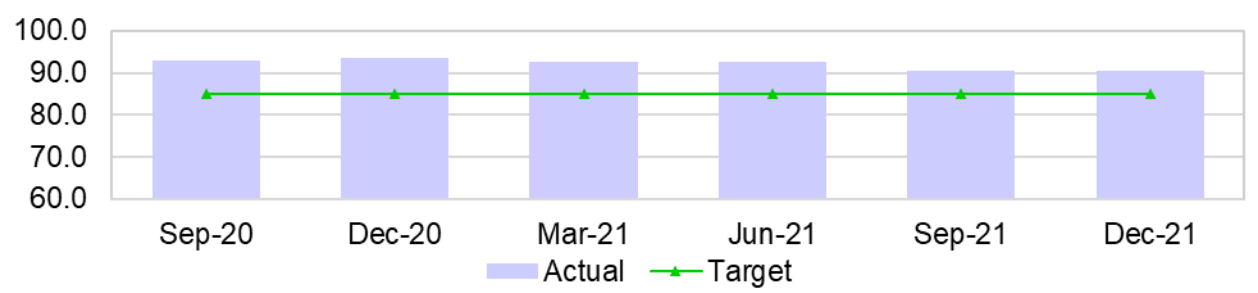
Current: 227	Target: 270	Previous: 241

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



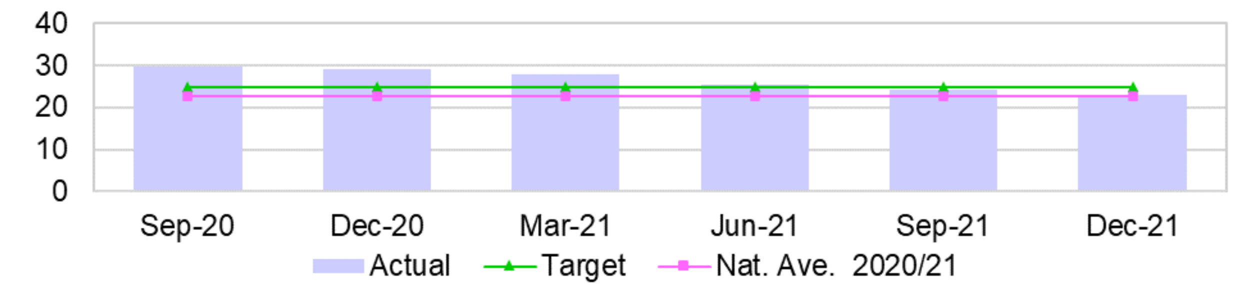
Current: 13.1%	Target: 15%	Previous: 13.2%

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



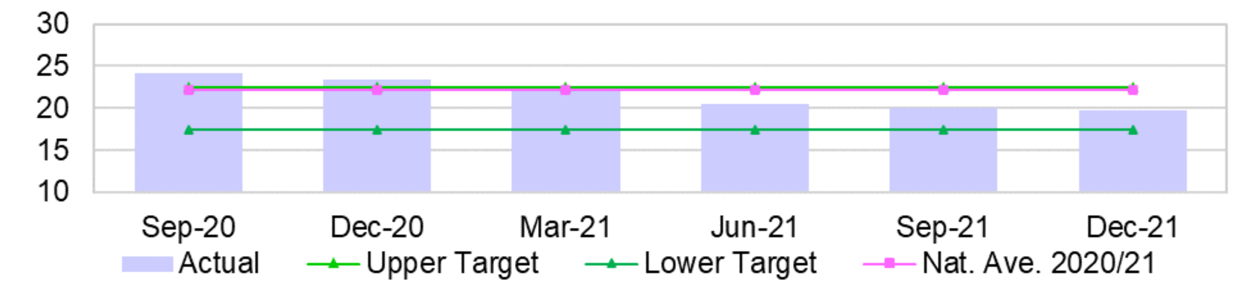
Current: 90.5%	Target: 85.0%	Previous: 90.5%

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



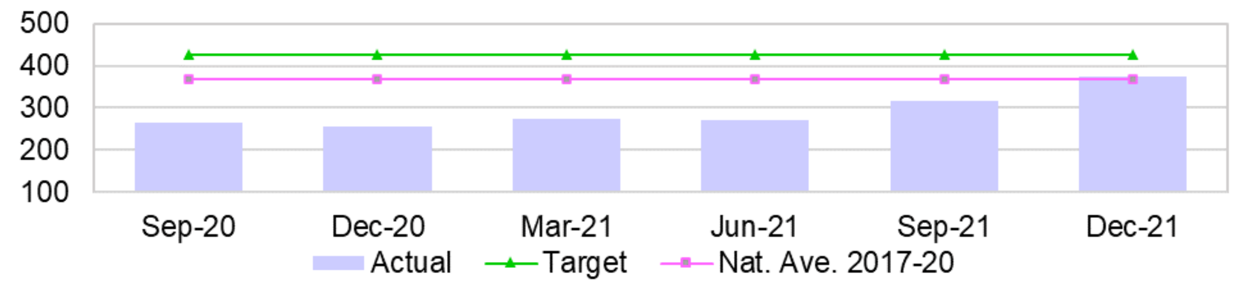
Current: 22.9%	Target: 25.0%	Previous: 24.1%

Percentage of child protection plans that were repeat plans	GREEN ⇧



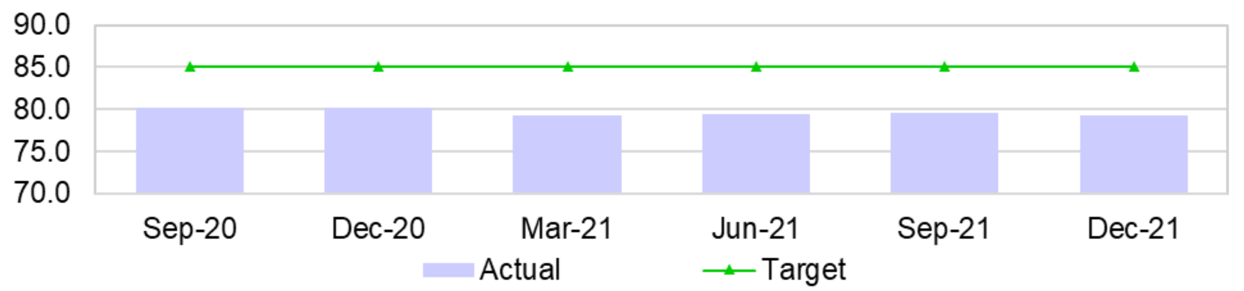
Current: 19.7%	Target: 17.5% - 22.5%	Previous: 20.1%

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



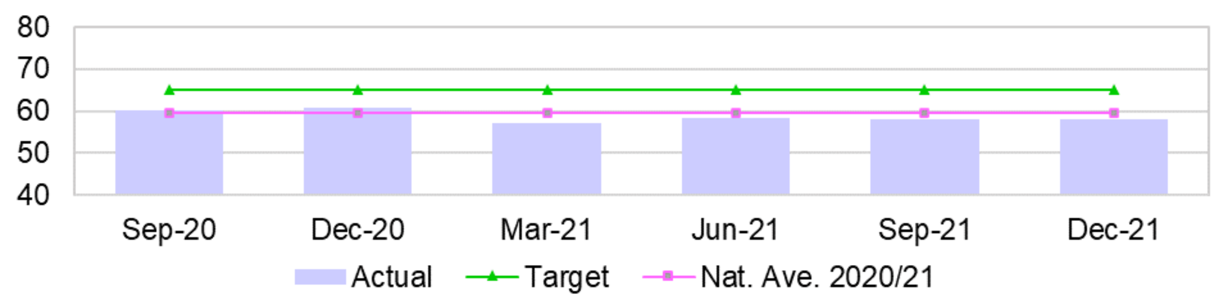
Current: 375.5	Target: 426	Previous: 316.9

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



Current: 79.2%	Target: 85.0%	Previous: 79.6%

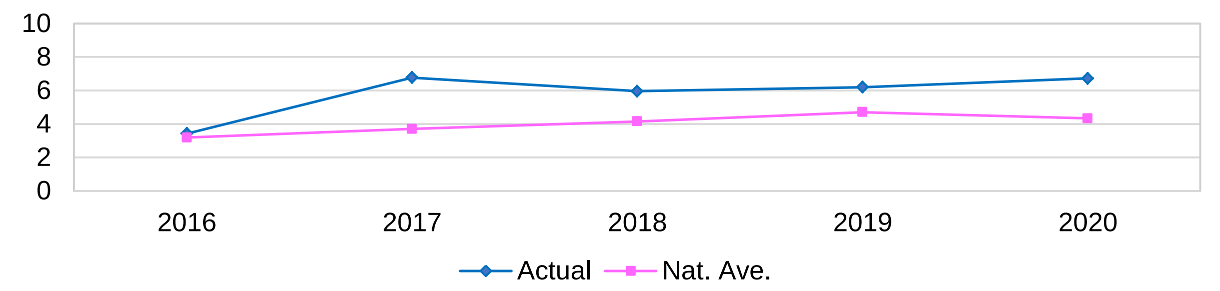
Percentage of care leavers in education, employment or training (of those KCC is in touch with)	AMBER ⇨



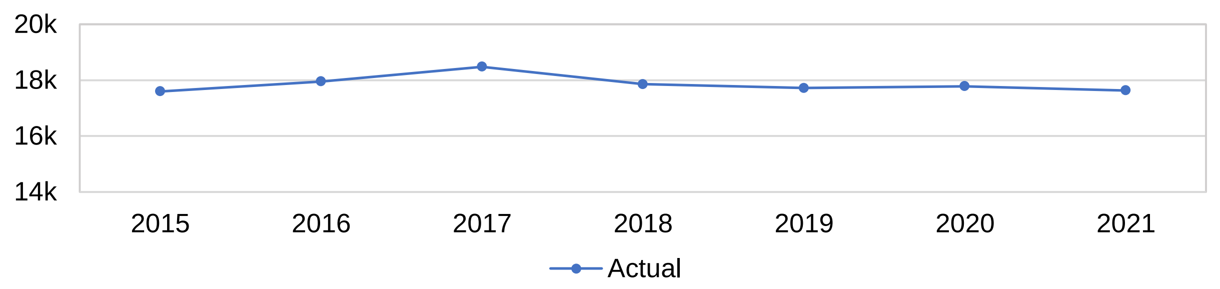
Current: 58.0%	Target: 65.0%	Previous: 58.1%

Activity indicators

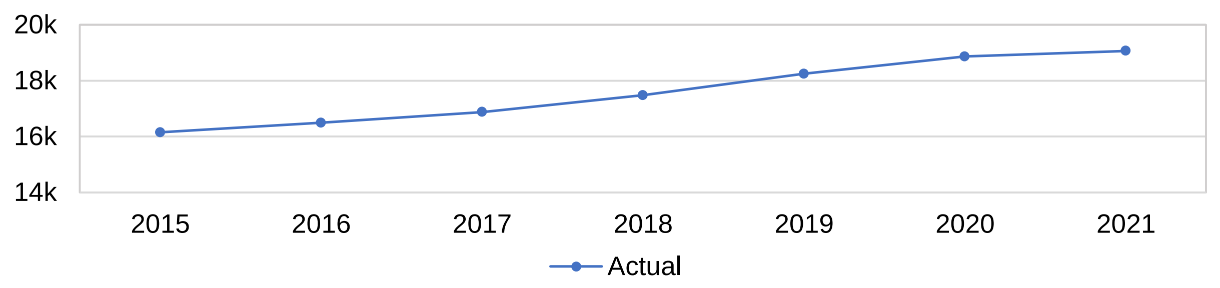
Number of initial requests for statutory assessment (for an EHC plan) per 1,000 population



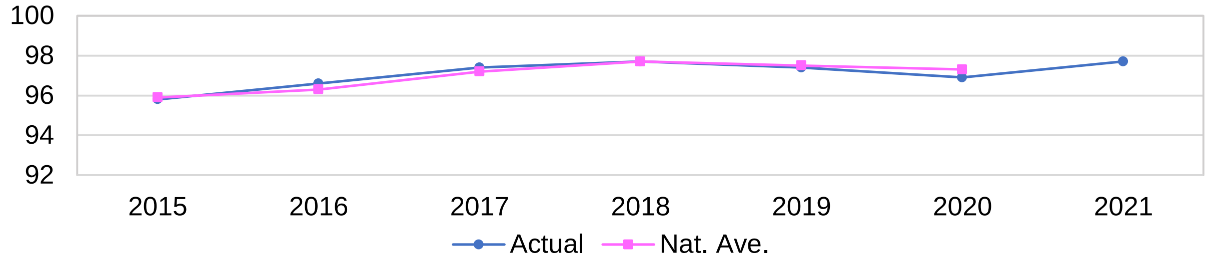
Number of pupils in Reception year (Kent state funded schools)



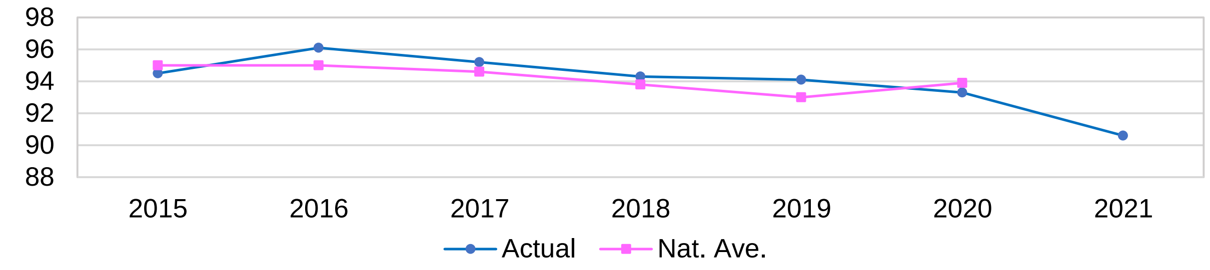
Number of pupils in Year 7 (Kent state funded schools)



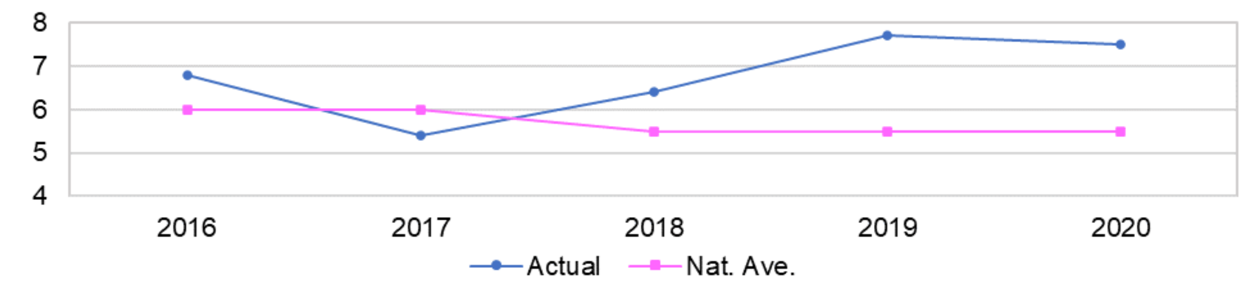
Percentage of Primary school applicants offered one of top three preferences



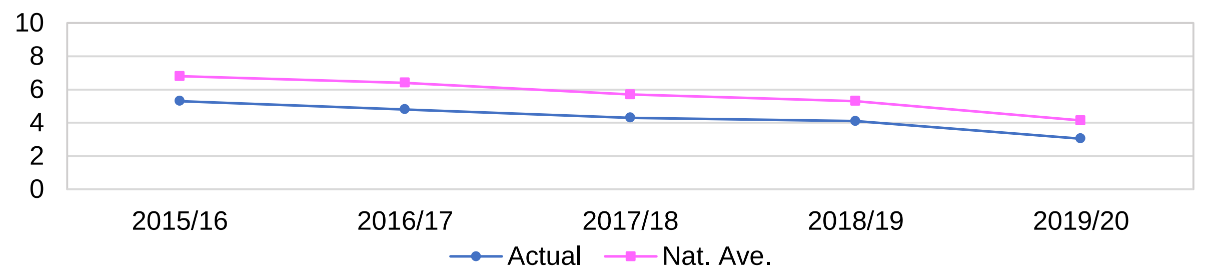
Percentage of Secondary school applicants offered one of top three preferences



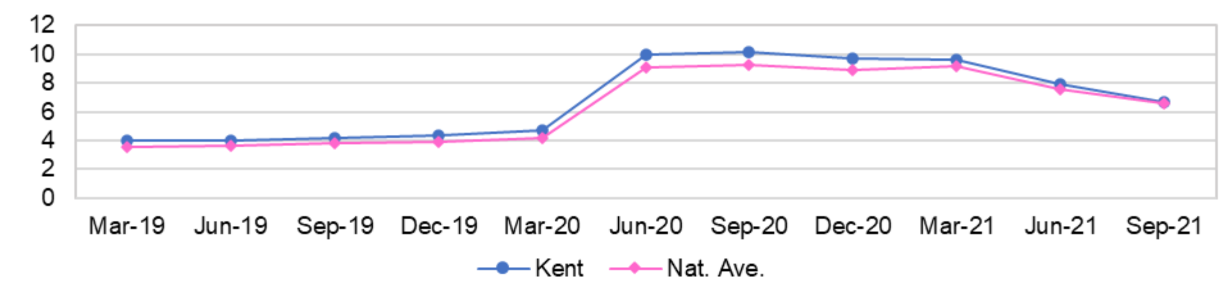
Percentage of 16-17 years olds Not in Education, Employment or Training (NEETs) or whose activity is Not Known



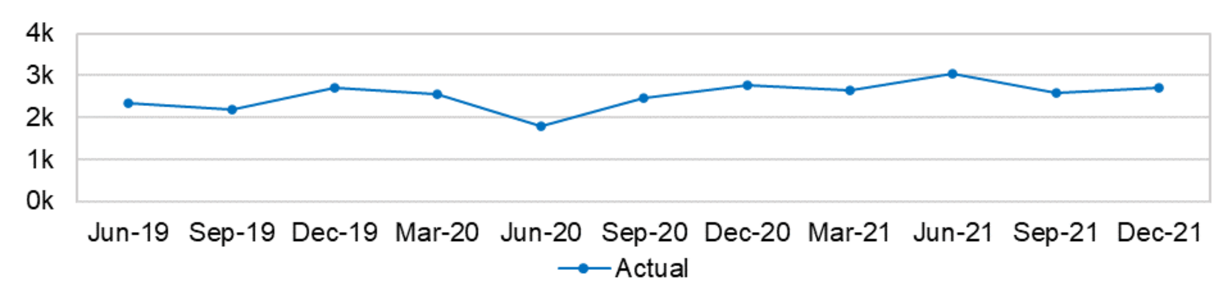
Percentage of 16-18 year olds who start an apprenticeship



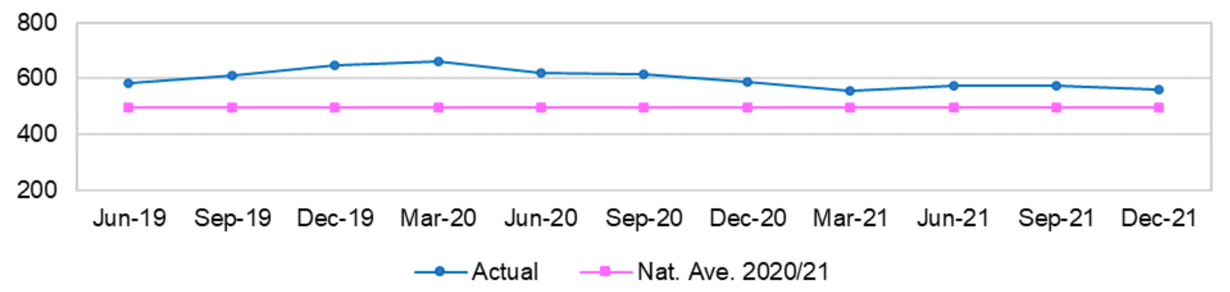
Percentage of 18-24 year olds claiming Universal Credit



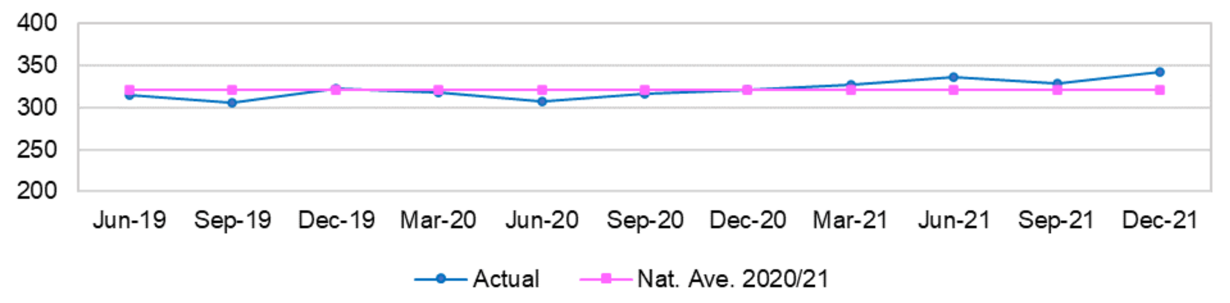
Number of open Early Help cases managed by Units



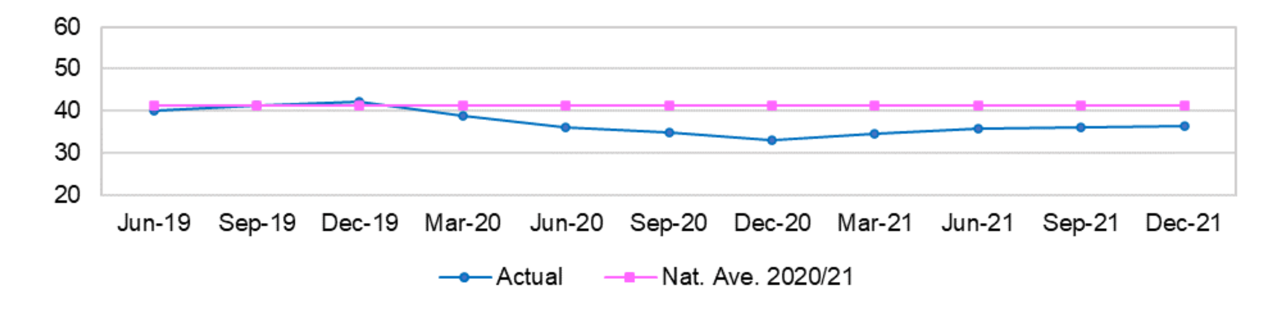
Rate of CSW referrals per 10,000 population aged under 18 – rolling 12 months



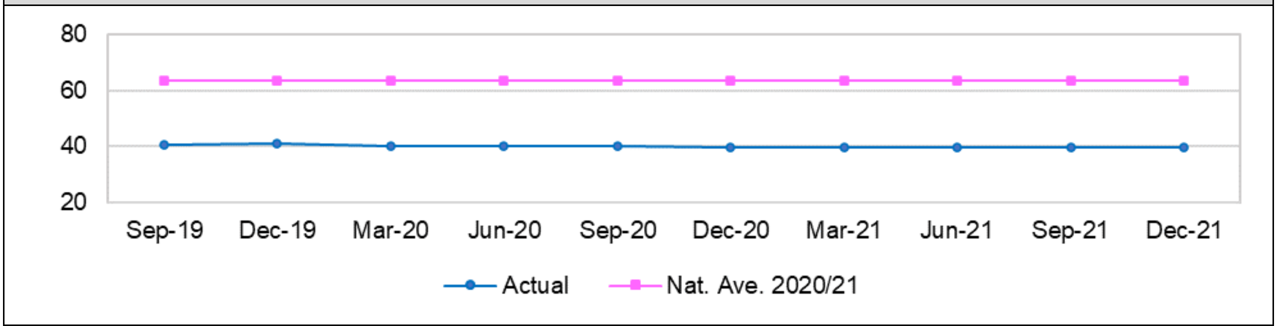
CSW caseload per 10,000 child population – snapshot at quarter end



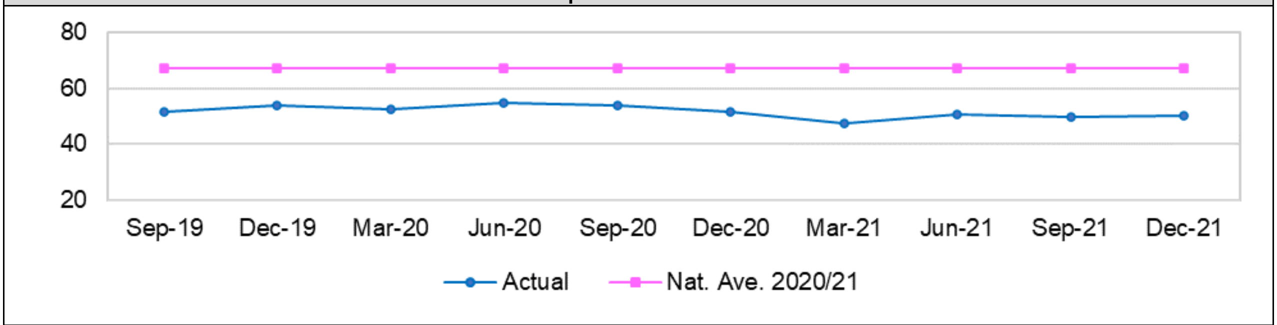
Rate of children with Child Protection Plans per 10,000 child population – snapshot at quarter end



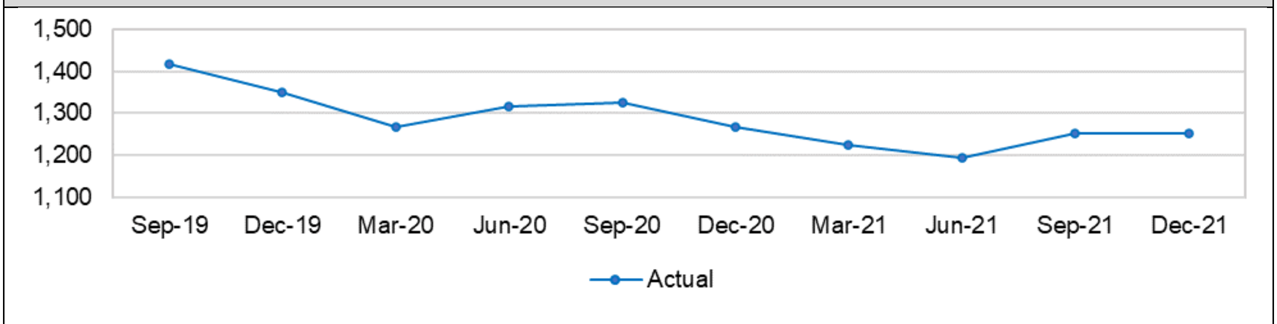
Rate of Children in Care (excluding UASC) per 10,000 child population – snapshot at quarter end

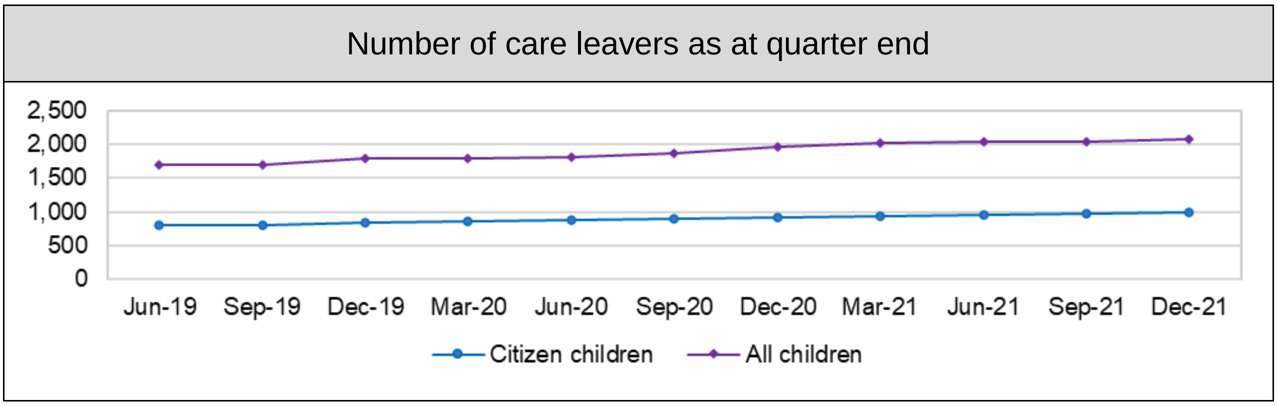


Rate of Children in Care (including UASC) per 10,000 child population – snapshot at quarter end



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




Number of care leavers as at quarter end
2,500
2,000
1,500
1,000
500
0
Jun-19
Sep-19
Dec-19
Mar-20
Jun-20
Sep-20
Dec-20
Mar-21
Jun-21
Sep-21
Dec-21
Citizen children
All children

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

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

Trends experienced across Adult Social Care and Health (ASCH) for quarter 3 include a reduction in contacts throughout December (where similar patterns have been observed in previous years) and the continued increase in the proportion of people who receive support within the community as opposed to a residential or nursing setting. Also of significance is the increasing number of people who require support with their mental health, which is now 13% higher than the same quarter last year.

Although there has been a slight reduction in some social care activity over quarter 3 in 2021, historically Quarter 4 usually experiences higher demand due to winter pressures. This, together with the NHS under pressure to discharge those who are medically fit, means we anticipate greater demand on social care during quarter 4.

During quarter 3, there was a small decrease of 2% in the number of people accessing enablement services where the intention was for decreased or no ongoing support, and although nearly 800 people did not need ongoing or a higher level of support, it was a lower percentage compared to previous quarters.

Where people did need more or ongoing support, 88% received community-based support such as Care and Support in the Home, with the remaining 12% requiring long term support in residential or nursing homes.

There was also a decrease in the number of older people who were discharged into enablement services from hospital in Quarter 2, and the percentage of these who were still at home 91 days later. However, the 87% is the same proportion as at quarter 2 the previous year and above the target of 82%. ASCH is working with colleagues at the National Health Service (NHS) and Clinical Commissioning Groups (CCGs) to ensure all the discharge pathways from hospitals and into adult social care are being used by all partners to maximise increasing people’s independence and that being on these pathways is the right course of action for them.

The proportion of people in receipt of a direct payments continues to remain at 24%, although this is above National levels reported for 2020/21 and Kent has a strong position nationally, ranking 59th of 150, it remains below expectations.

ASCH are working to increase the use of direct payments, which are an important delivery mechanism to ensuring people have choice over their support and maintain their independence. Initiatives to increase their use includes exploring new technology, such as a Personal Assistant (PA) finder system to support Personal Assistant recruitment and delivering training to staff to ensure they are fully aware of the benefits and opportunities that Direct Payments can bring to an individual.

ASCH continue to ensure over 75% of people they support in residential or nursing care are in good or outstanding Care Quality Commission (CQC) rated services, with 83% continuing into Quarter 3.

The Care Home Support Team continue to improve quality and the CQC rating of these services by working intensively with care homes to provide advice and support to ensure that effective action plans are in place that respond to CQC findings. The focus is on homes with a CQC rating of “Requires Improvement” but also considers homes with a poor CQC rating history or rated Red on the KCC Care Home Risk Matrix. The data has then been triangulated with intelligence from standard monitoring processes to ensure resource is focused effectively.

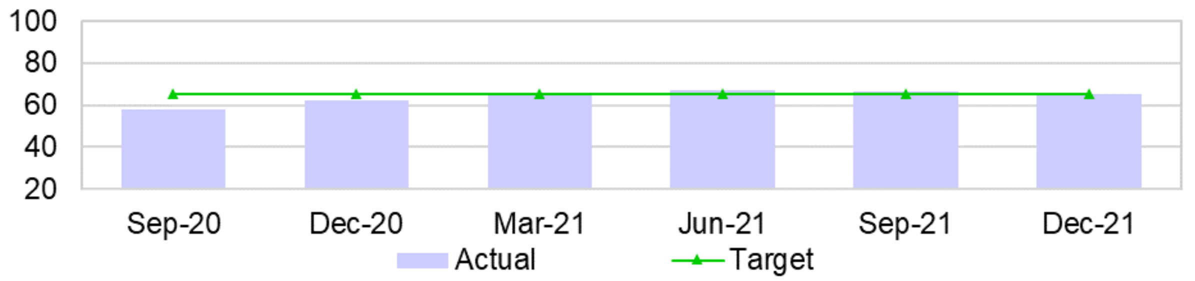
KCC commissioners are working collaboratively with CQC to ensure that homes that have made improvements are reinspected at pace, recognising the impact a poor CQC rating has on the health and social care system by closing the home to admissions.

Senior Commissioners are also refreshing the list of strategic care home providers to ensure that resource is allocated appropriately on homes that are high risk in terms of poor quality, the number of KCC residents alongside the number of homes the provider has in Kent and the annual spend. It will then be determined the level of intervention required to determine the frequency of strategic meetings with providers with a poor CQC rating.

There was an increase in the number of carers being supported in Quarter 3, and this is a reflection of the pressures on home care provision as family members help loved ones while care is sourced and arranged.

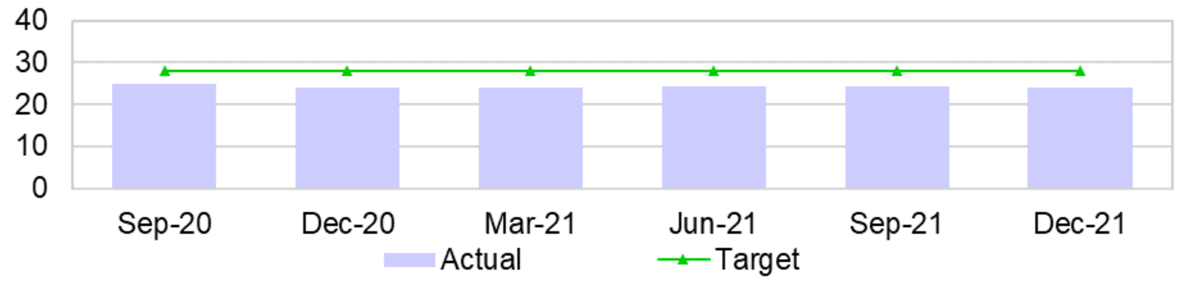
Key Performance Indicators

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 ⇨



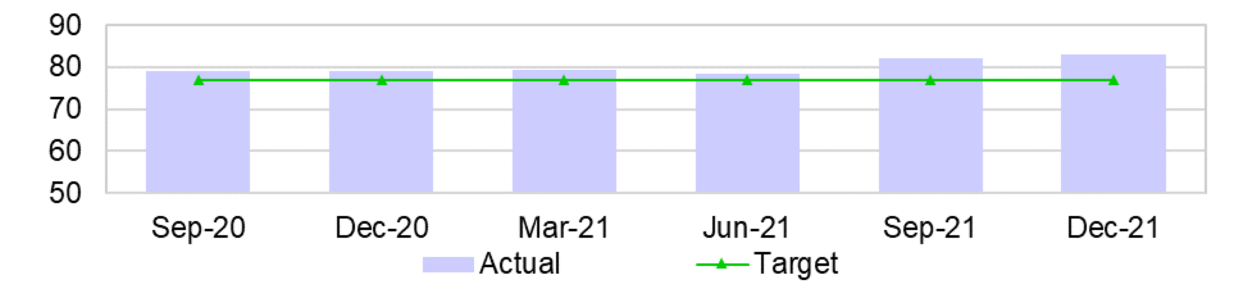
Current: 65%	Target: 65%	Previous: 67%

Proportion of clients receiving Direct Payments	AMBER ⇩



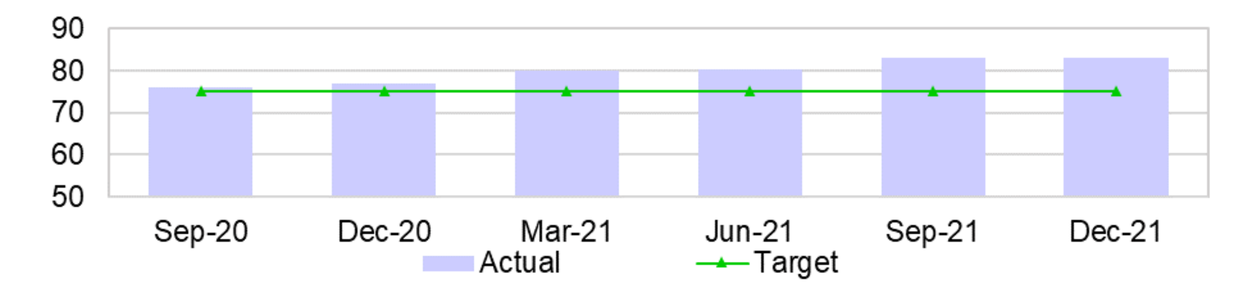
Current: 24%	Target: 28%	Previous: 24%

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



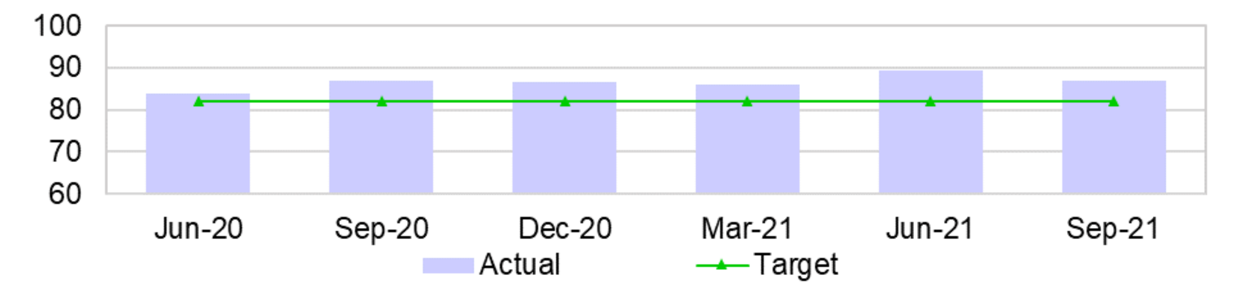
Current: 83%	Target: 77%	Previous: 82%

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



Current: 83%	Target: 75%	Previous: 83%

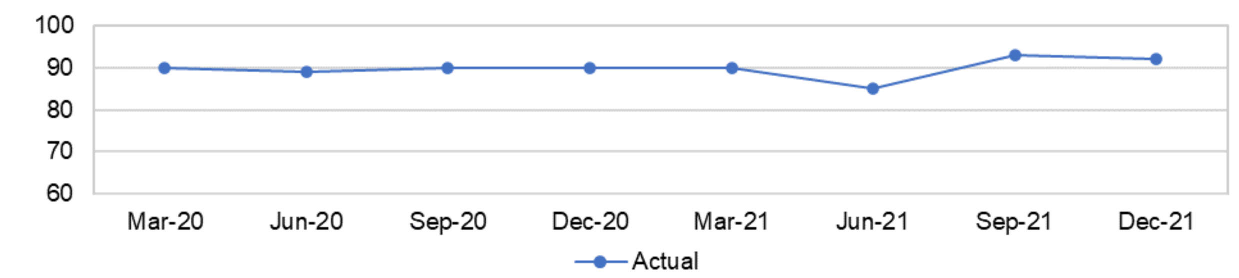
Proportion of older people (65+) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	GREEN



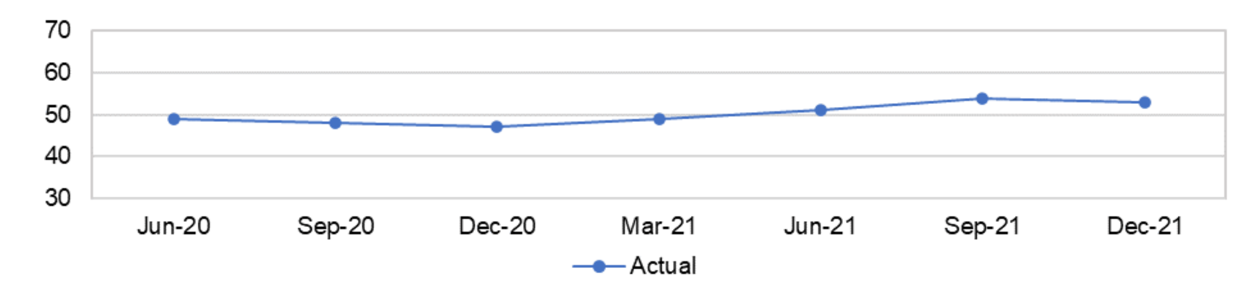
Current: 87%	Target: 82%	Previous: 89%

Activity indicators

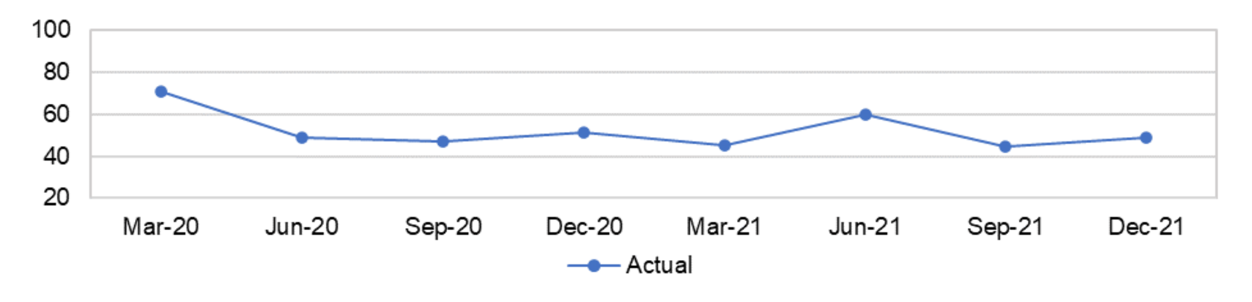
Percentage of Safeguarding enquires where a risk was identified, and the risk was either removed or reduced



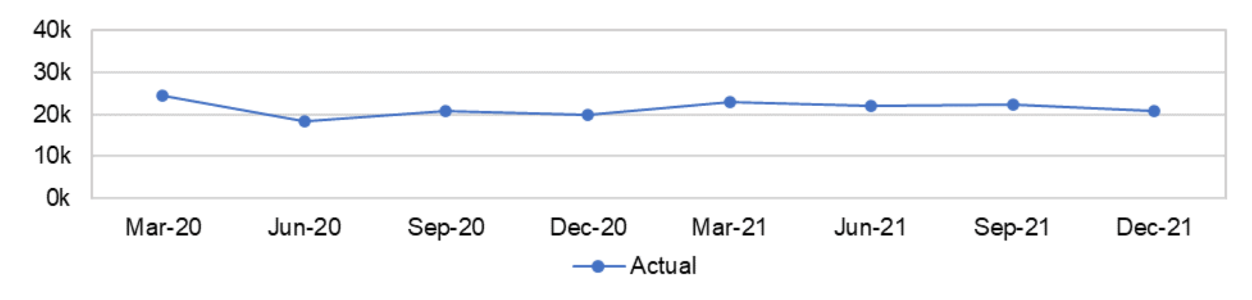
Percentage of carers who are receiving services, and who had an assessment or review during the year



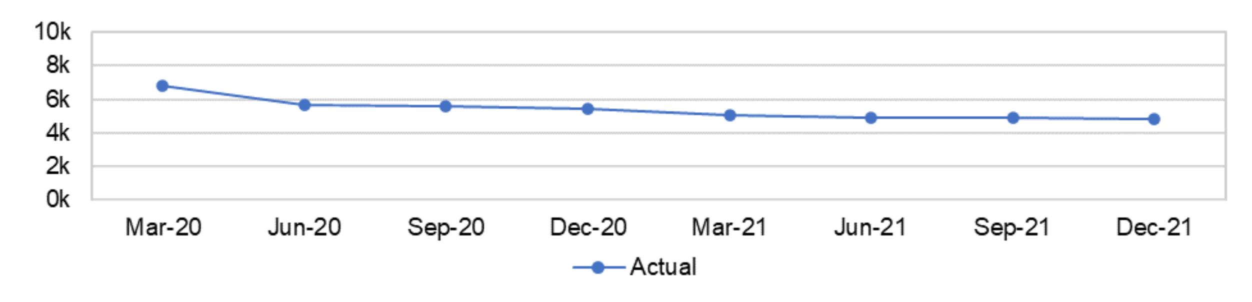
Percentage of complaints upheld (upheld and partially upheld)



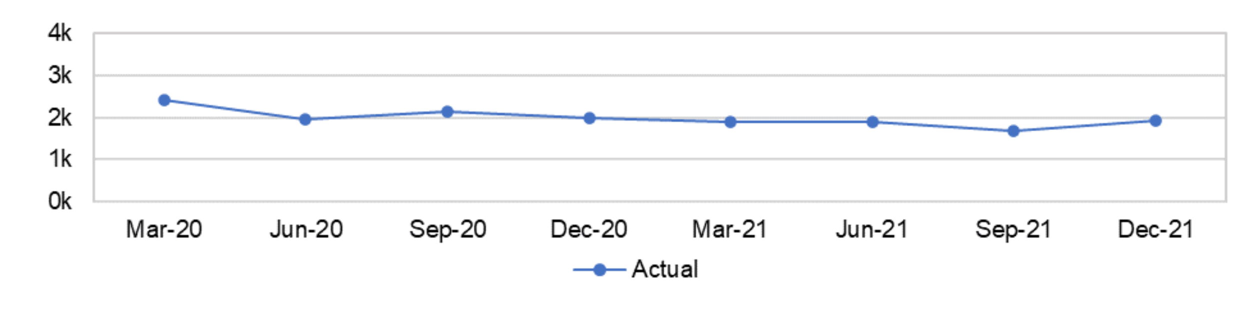
Number of people making contact with ASCH



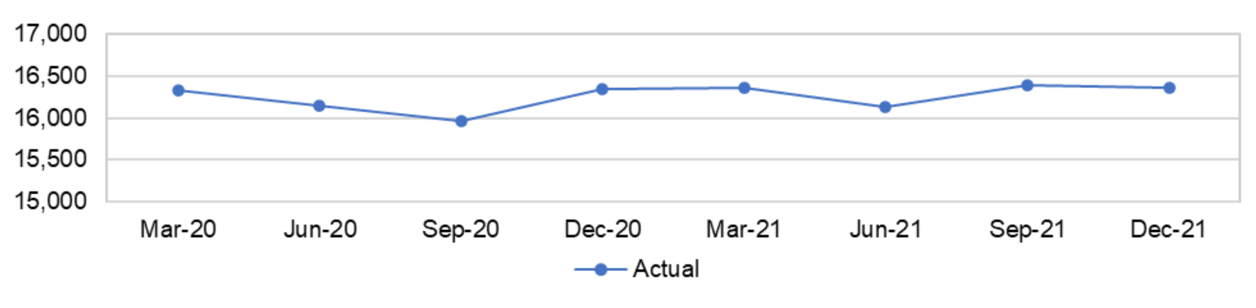
Number of assessments delivered (Care Needs Assessment)



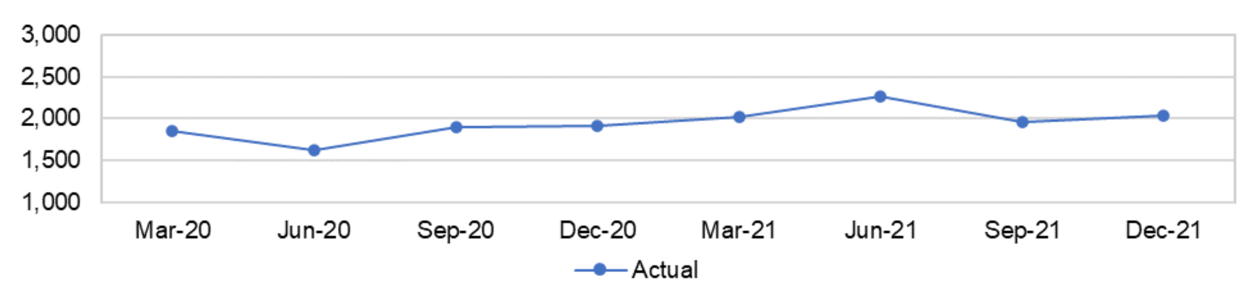
Number receiving enablement



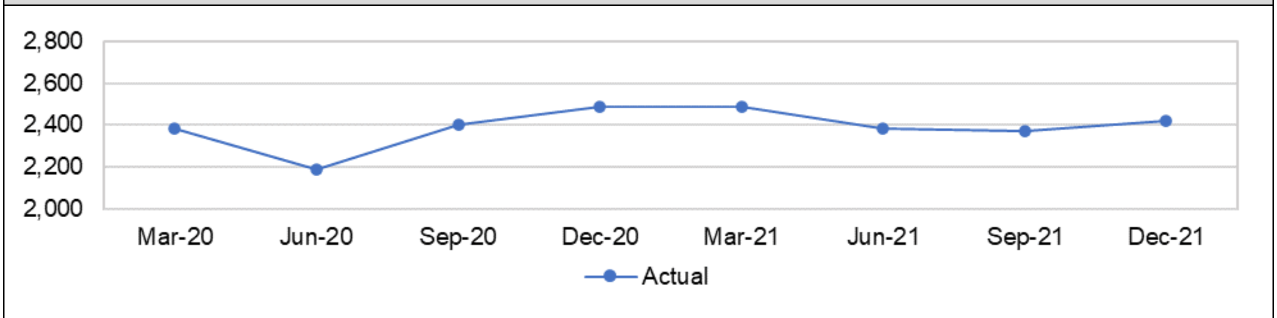
Number receiving Long Term Services



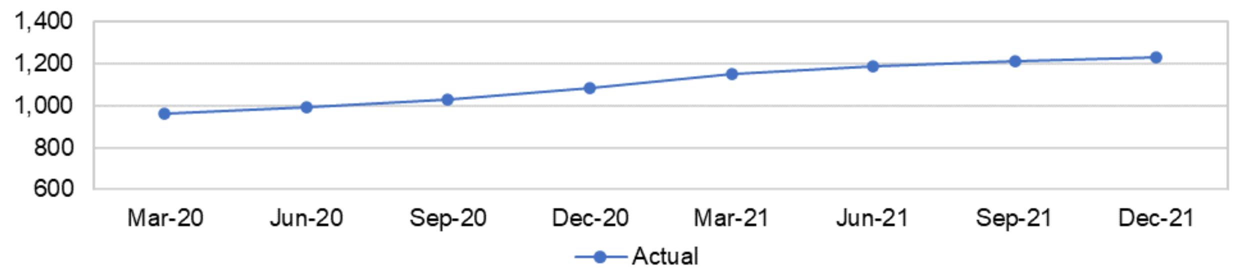
Number of Deprivation of Liberty safeguards (DoLs) applications received



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	⇧	⇨	⇩
	5			4	1	

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 due to COVID-19. In Quarter 3 2021/22, 66 GPs actively participated in the programme which represents a decrease from 82 in Quarter 2. This is due to direction for GPs to prioritise COVID-19 vaccinations with the emergence of the Omicron variant. There were 4,547 Health Checks carried out in the Quarter, which exceeds target. The outreach team continue to establish and maintain relationships with key groups to engage with vulnerable and hard to reach communities. A risk stratified approach to NHS Health Checks is being developed which targets those at highest risk of cardiovascular disease, and is expected to be rolled out in Quarter 1 2022/23.

The Health Visiting Service delivered 18,186 mandated contacts in Quarter 3 2021/22, a slight decrease on Quarter 2, but the service remains on track to exceed the annual target of 65,000. All five mandated contacts were on or above target. 13,448 mandated and additional contacts were delivered to families within the targeted and specialist caseloads. Face-to-face delivery has increased for all contacts from 27.5% in Quarter 3 2020/21 to 57.9% in Quarter 3 2021/22. Calls to the duty line (12,701 in Quarter 3) and specialist infant feeding service referrals remain high.

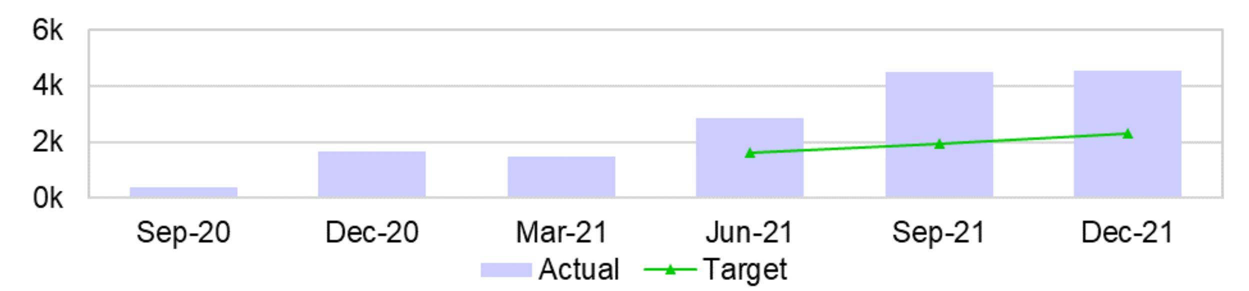
In Quarter 3, the Sexual Health Service has continued to adopt the successful altered delivery model which utilises digital services and operates clinics through pre-booked appointments to manage client numbers. This is reflected in the increased use of the online services and slight decrease of in-person clinic attendance when compared to Quarter 2. Service providers and commissioners are continuing to work 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. A full sexual health screen can be completed through the home testing service or at a clinic. In Quarter 3 the indicator recorded 97% of first-time patients being offered a full sexual health screen. This is a large improvement on Quarter 2 and is now exceeding the target of 92%.

Drug & Alcohol narrative to go here once the data is available – 24th February (then report needs to go straight back same day)

In Quarter 3, Live Well Kent (LWK) referrals reduced from the previous quarter, which is a trend seen every year leading up to Christmas. This was also impacted by COVID Plan B and rising cases of the new variant which meant services moved again to virtual delivery as working from home directives were put into place. Client satisfaction rates remain above target at 99.5%. In October LWK collaborated with KCC Communications team to publicize Every Mind Matters and World Mental Health Day.

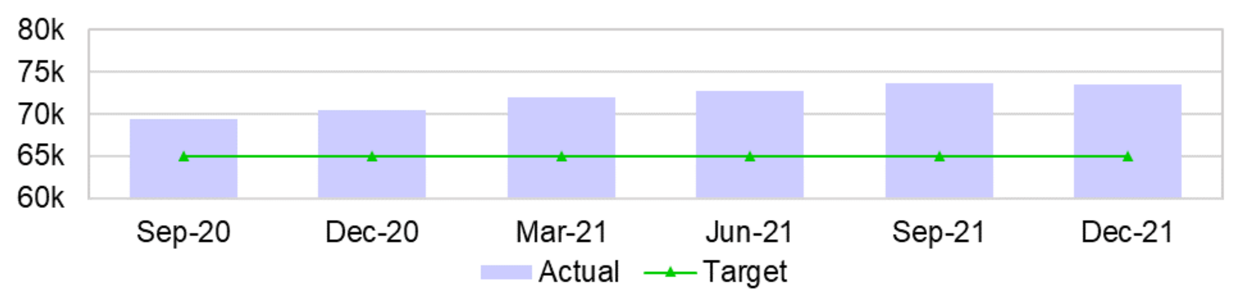
Performance Indicators

Number of eligible people receiving an NHS Health Check	GREEN ⇧



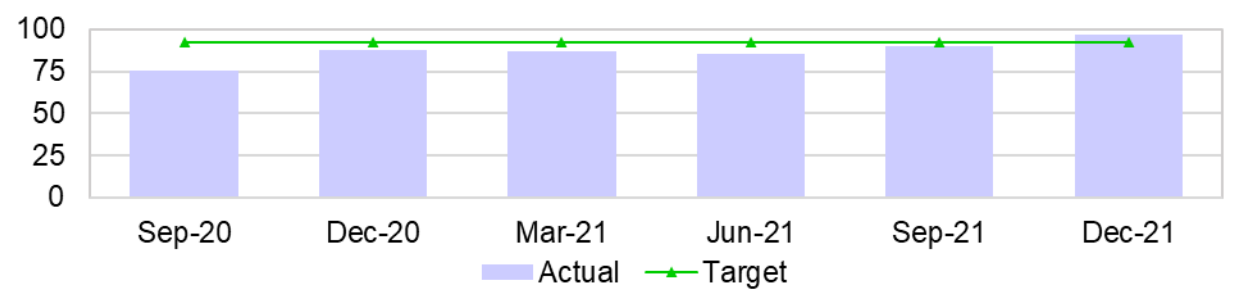
Current: 4,547	Target: 2,561	Previous: 4,498

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



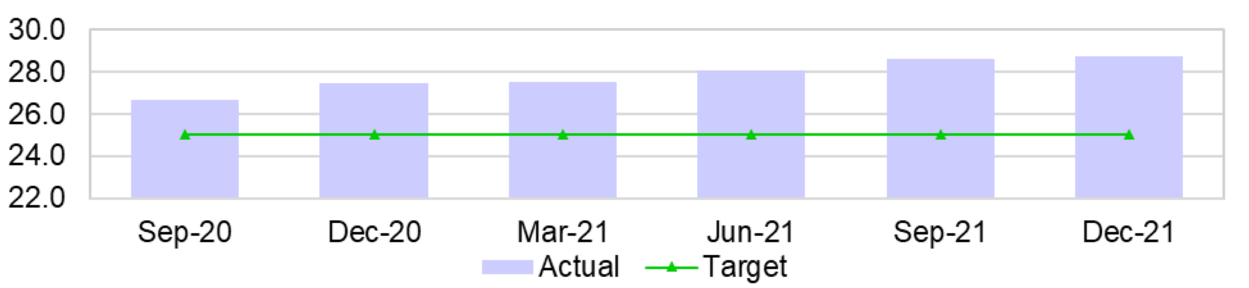
Current: 73,559	Target: 65,000	Previous: 73,695

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



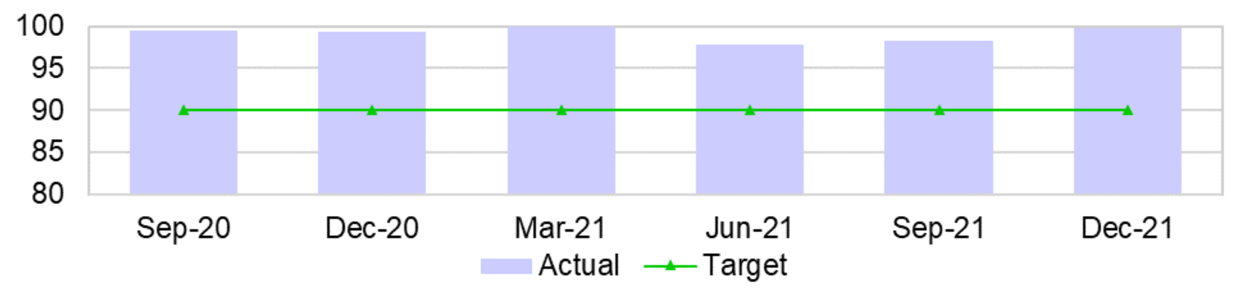
Current: 97%	Target: 92%	Previous: 90%

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



Current: 28.7%	Target: 25%	Previous: 28.6%

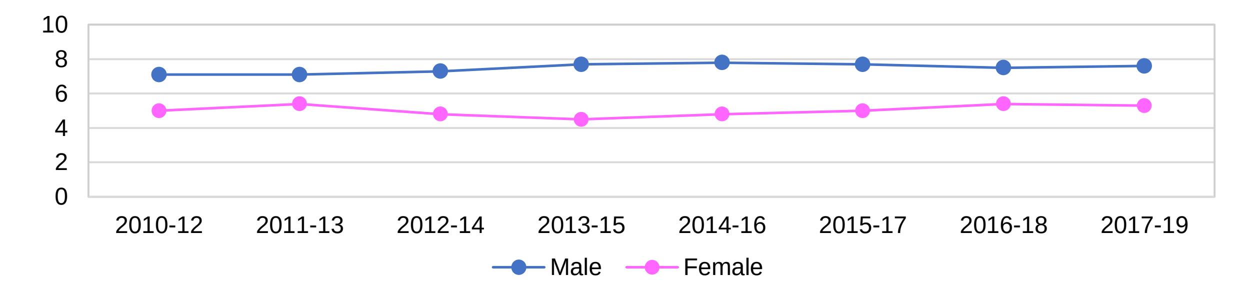
Percentage of Live Well clients who would recommend the service to family, friends, or someone in a similar situation	GREEN ⇨



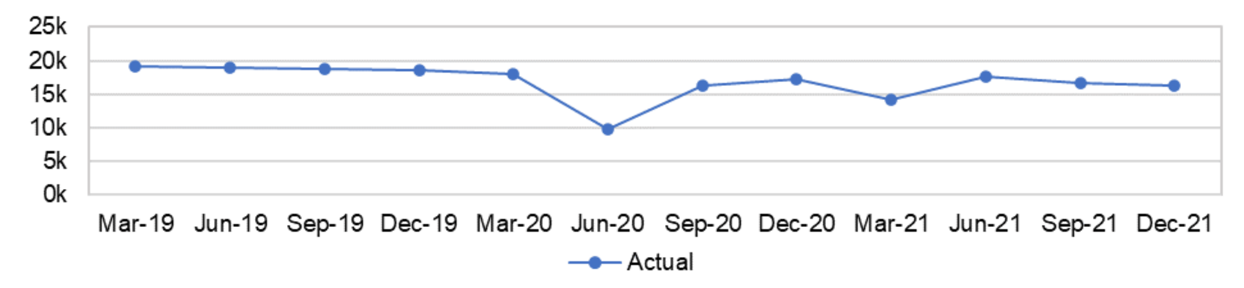
Current: 99.7%	Target: 90%	Previous: 98.3%

Activity indicators

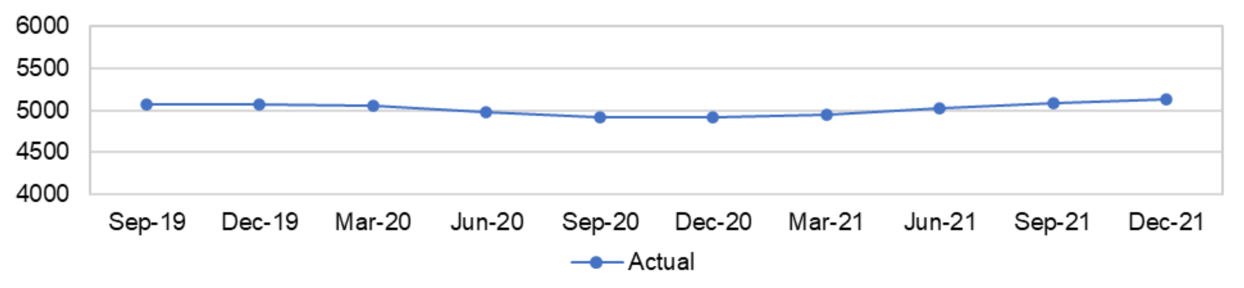
Life expectancy gap in years between least and most deprived areas



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.

The table below shows the number of corporate risks in each risk level (based on the risk score) in March 2022, compared with November 2021.

	Low Risk	Medium Risk	High Risk
Current risk level November 2021	0	2	19
Current risk level February 2022*	0	3	13

*Three risks have ratings to be decided

CHANGES DURING LAST QUARTER

As a result of the latest refresh process, several new risks are being added to the Corporate Risk Register, one de-escalated to directorate level, several risks have been merged, while others have been identified where the context has required reviewing and updating. The main changes are summarised below.

NEW RISKS

CRR0052 – Impacts of climate change The Council has a longstanding corporate risk relating to its response to major incidents and emergencies, which includes our responses with partners to severe weather events such as flooding. However, there are specific, longer term adaptation challenges that will need to be factored into the council's operating model going forward. Hence a corporate risk focused on climate change adaptation has been proposed, with mitigations currently being captured.

CRR0053 - Impacts on fulfilling Statutory Duties due to Capital Programme Affordability The corporate register has contained risks relating to specific elements of the capital programme, such as Basic Need grant shortfall to enable sufficient school place provision, as well as maintenance and modernisation of the KCC estate. These risks are now being included in a broader risk relating to the affordability of the capital programme and the potential implications for the achievement of statutory duties. This considers important service areas not explicitly covered before such as highways infrastructure.

CRR0054 – Supply chain and market challenges A specific risk remains on the corporate register that focuses on the sustainability of the care market. However, workforce shortages are being experienced in key areas across the council such as bus drivers, which presents significant challenges, alongside shortages of materials that are driving associated cost inflation. Therefore, a specific risk covering supply chain factors is being added.

DE-ESCALATED RISK

CRR0005 – Development of the Integrated Care System This risk has been on the corporate register for some time. A paper was presented to County Council in July 2021 outlining KCC's ambition for Health and Care Partnership working in the wake of the White Paper "Integration and Innovation: working together to improve health and social care for all". This clearly stated the importance of local authorities continuing to maintain their capacity to ensure that they are able to discharge their separate and distinct statutory responsibilities, maintain internal control, deliver annually balanced budgets and manage financial risk accordingly, which is understood by partners. This was a key element of this corporate risk previously, and therefore it was proposed that the risk be de-escalated to directorate level. However, now that an Integration White Paper has been published by Government, this risk will be reviewed again and can be re-escalated up to corporate level if necessary.

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 5 actions to mitigate elements of Corporate Risks that were due for completion or review up to the end of February 2022. These are summarised below.

Due Date for Completion	Actions Completed	Actions Partially complete	Regular Review
Up to and including February 2022	2	3	N/A

CRR0003: Securing resources to aid economic growth and enabling infrastructure:
<u>Partially Complete</u> Infrastructure Proposition business case (part of KCC's Strategic Reset Programme). This is being revised to reflect changed Government priorities and local challenges and will be re-presented to Leaders for agreement before bid re-submission.

CRR0042 – Post-Transition border systems, infrastructure and regulatory arrangements
<u>Complete</u> Recruitment of Trainee Trading Standards Officers is now complete. <u>Partially complete</u> Further recruitment is underway for additional animal health officers to ensure teams are fully resourced.

CRR0002: Safeguarding - protecting vulnerable adults:
<u>Partially complete</u> Development of a Quality Assurance Framework – Practice standards and roles have been agreed for testing. A draft quality assurance framework will be presented to the Making a Difference Every Day Meaningful Measures Group. <u>Complete</u> The new safeguarding operating model aligns multidisciplinary safeguarding teams into the locality model to ensure effective practice and to improve the Adult Social Care experience for the people we support.

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From:	Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services Zena Cooke, Corporate Director of Finance
To:	Cabinet 31st March 2022
Decision No:	
Subject:	**KCC Budget – Updated Financial Risks**
Classification:	**Unrestricted**

Summary:
The attached report provides an update since the County Council budget report on the financial risks to the Council from increasing inflation and the potential impact of the Russian Invasion of Ukraine.

Recommendations:
a) Cabinet is asked to note the increased financial risks identified in the attached report, and the proposed increases to general and risk reserves in the report on retained business rates and final local government settlement elsewhere on this agenda.

b) Cabinet is asked to note, as set out in 4.2 of the attached report, that Corporate Directors are implementing the inflationary increases for locally negotiated contracts in line with what was agreed in the 2022-23 revenue budget.

c) Cabinet is asked to agree that the quarterly finance monitoring reports include the identification of compensating actions, as set out in 8.4 of the attached report, including potential cost reductions and savings to offset any projected overspend for 2022-23, to avoid unsustainable drawdowns from reserves and to mitigate increased demands on future years' budgets.

Background Documents

Contact details

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KCC Budget – Updated Financial Risks

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

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The national fiscal and economic context is an important consideration for the Council in setting and managing its revenue and capital budgets. The budget report to County Council on 10th February referred to the extraordinary and unexpected challenge to the UK economy and economies across the world arising from the Covid-19 pandemic. The combination of additional public spending both on dealing with the pandemic and the economic fallout from the subsequent recession, and reduced tax yields, has resulted in an unprecedented peacetime national budget deficit.

The budget report noted that the pace of economic recovery had slowed in recent months and that of more significant economic concern was the rise in inflation over the second half of 2021 which has seen rates of inflation more than double since July 2021 (CPI increased from 2% in July to 5.4% in December) with further increases forecast early in 2022 (Bank of England forecast 7.25% by April 2022). Inflation has a significant impact on the Council's budget especially through commissioned services, which total £1.3bn.

The forecasts for public spending, tax receipts, budget deficit and accumulated public debt set out in the Chancellor's Autumn Budget were included in the report to Cabinet on the provisional local government finance settlement on 6th January. That report also included the latest economic indicators for growth, inflation, unemployment and earnings. The Spring Budget is due to be presented on 23rd March 2022. The revised fiscal and economic forecasts from the Spring Budget will be provided verbally for Cabinet as the announcement will be too late for the publication deadline for this report.

This report provides further detail on the inflation assumptions included in the budget and the risks accepted at the time, with a high level analysis of the increased risks posed by the further economic uncertainty following the Russian invasion of Ukraine. This includes the impact of potential inflationary increases (especially for energy and fuel) on council spending and potential impacts on supply chains. The report also sets out in summary the potential impact on Treasury and Pension Fund investment returns.

The likely impact of inflation arising from the increased economic uncertainty has significantly increased the risks facing the council in terms of delivering the budget for 2022-23 as well as containing increased costs in future forecasts.

2.1 The latest Bank of England Monetary Policy Committee (MPC) quarterly report was released on 3rd February 2022. This was not available in time for the County Council budget report published on 2nd February 2022. The MPC report noted that inflation (the pace of price rises) has risen above the 2% target and prices rose by 5.4% last year. The report identified that higher energy prices were one of the main reasons for this. It also identified that higher prices for goods bought from abroad have also played a big role. As economies reopened around the world and people started to buy more goods, some businesses struggled to meet this extra demand, held back by, for example, shortages of materials and workers. That pushed up their costs and led to higher prices for consumers.

2.2 The MPC concluded that these effects are likely to continue pushing inflation up in the coming months. It expected inflation to rise to around 7.25% in the spring. Thereafter the report concluded that the MPC expected inflation to fall back from the middle of the year as they did not expect that energy prices will continue to rise as fast, and the shortages that are currently making it difficult for businesses to make their products should ease. They expected inflation to be close to the 2% target in around two years' time.

2.3 The Bank of England has used fan graphs in their inflation and other economic forecasts for many years. These fan graphs represent a range of probability distributions in bands representing 30% likelihood with the darkest area deemed the most likely range of predictions. Inflation is expected to lie somewhere within the entire fan chart on 9 out of 10 occasions. The bands widen as the time horizon is extended, indicating the increasing uncertainty about outcomes.

2.4 One of the reasons the rate of inflation has been rising is due to suppressed prices in one year ago comparisons due to a range of Covid-19 measures such as reductions in VAT. These base effects should drop out in time leading to the lower rates of increase later in 2022. However, the recent sharp rises in energy prices are likely to lead the Bank of England to increase the inflation forecasts for the coming months. Gas prices are only one source of higher energy prices, and the recent spike will feed into a higher headline inflation rate in months to come. UK gas tariffs are recalculated bi-annually and will add inflationary pressure when prices are recalculated in April 2022.

2.5 the latest inflation indices for the year to February were released by the Office for National Statistics on 23rd March. The headline rate of inflation for CPI has increased to 6.2% (up from 5.5% in January). The rate for RPI has increased to 8.2% (from 7.8% in January).

2.6 Inflation indices are compiled comparing the price of a basket of goods and services with the price of the same goods and services 12 months previously. Indices are published on a monthly basis. Chart 5 shows the path of monthly CPI indices since January 1989 as published by the Office for National Statistics (ONS). Chart 6 shows the path of Retail Price Index (RPI) over a longer period since World War II. RPI lost its status as a National Statistic in 2013 and is now treated as a 'legacy measure' by the statistical authorities. The UK Statistics Authority has continued to urge the Government and others to cease to use RPI as it is statistically flawed (as the methodology used in its calculation can over/underestimate inflation). However, RPI remains the only measure with data available over a longer period of time as CPI is not available over the same period. Spikes in inflation are usually followed by lower rates of year on year increases in prices in the succeeding periods to the volatile prices in the one year ago comparison.

Chart 5 – CPI Inflation

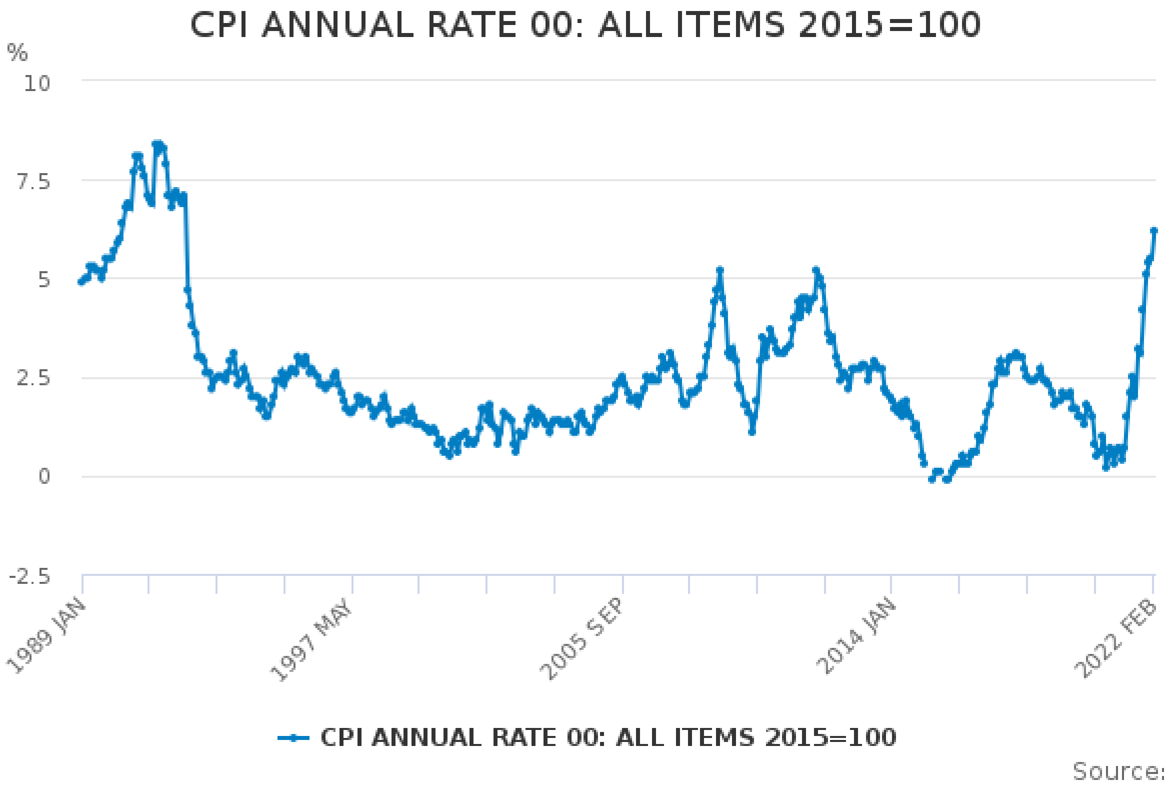
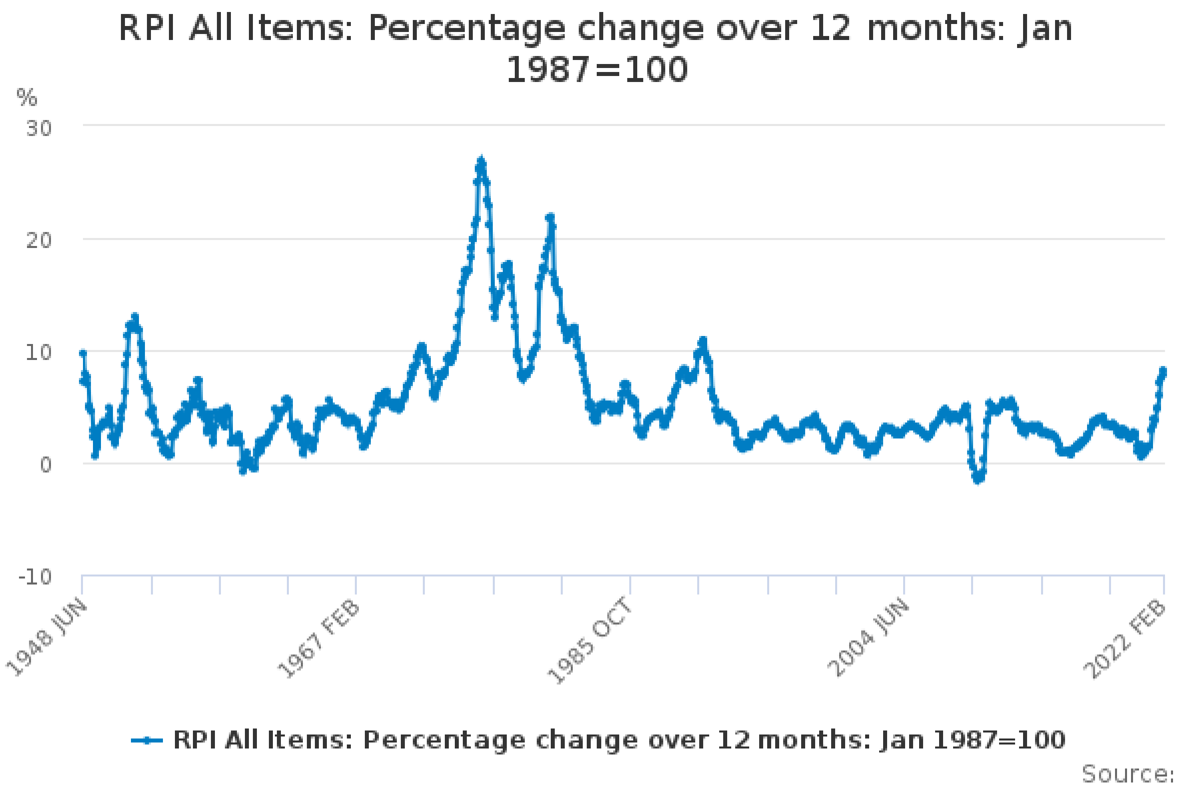
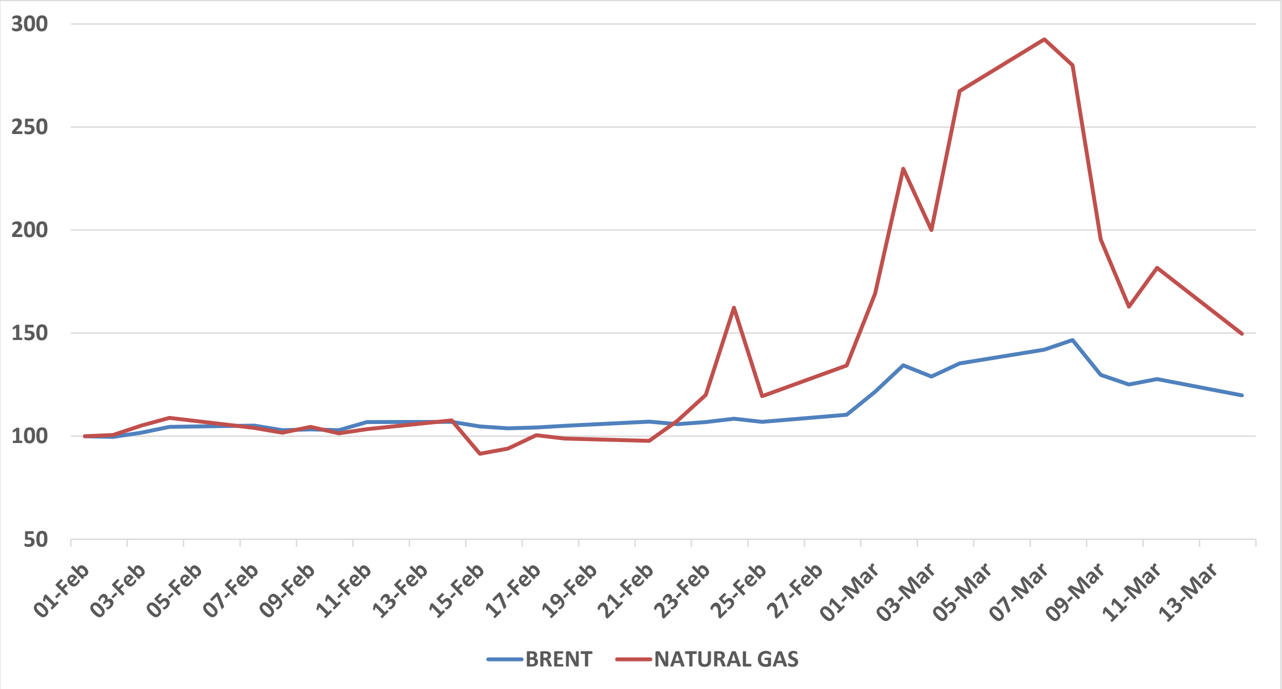


Chart 6 – Retail Price Inflation



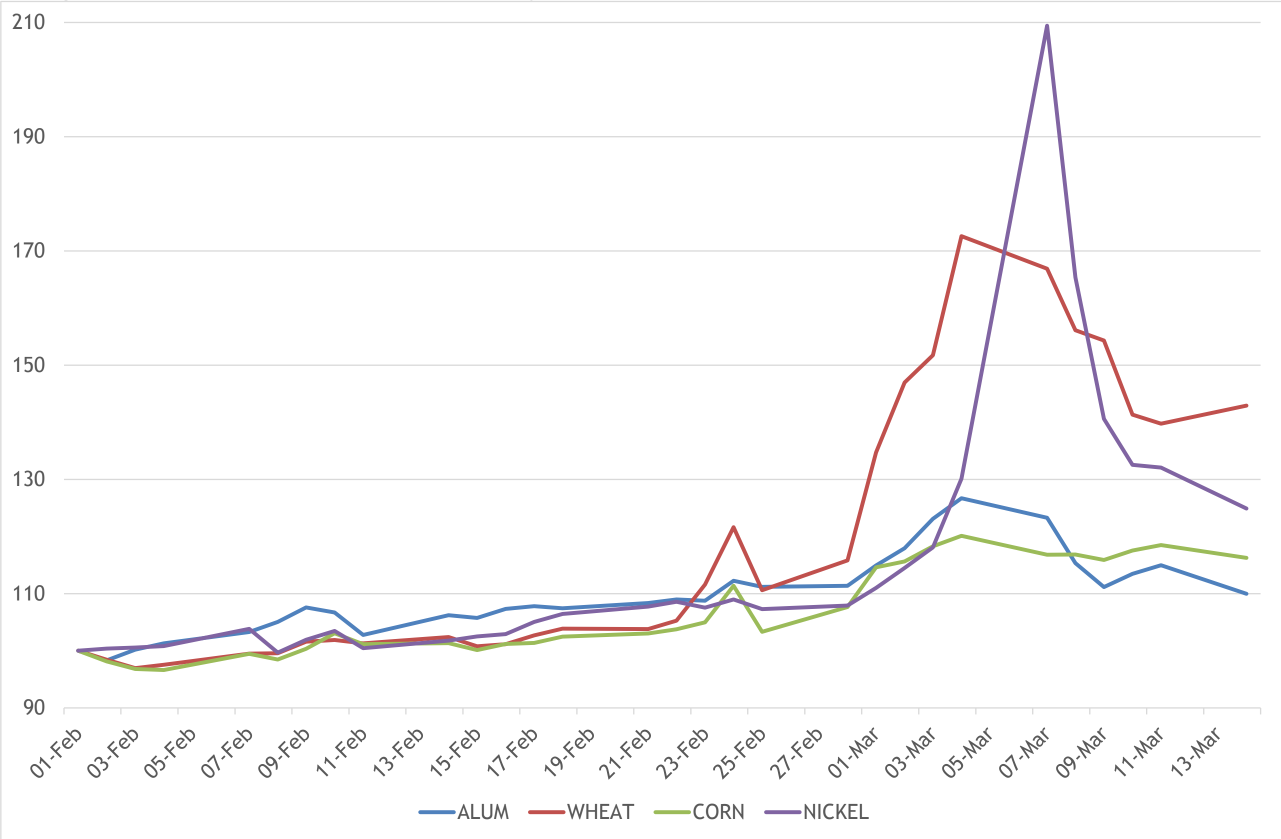
3.1 The Russian invasion of Ukraine has made an already uncertain economic situation even more uncertain. In the immediate aftermath there have been significant increases in commodities prices. Unsurprisingly given Russia's position as a leading global producer of oil and gas, energy prices have been volatile. Despite the lack of direct sanctions on energy up to now, the ramping up of financial sanctions on the Russian economy is likely to disrupt supply as will the suspension of cargo bookings to and from Russia by the large shipping giants who will only transport medical supplies and humanitarian goods. There are also concerns and some evidence that Russia will and has retaliated by slowing/stopping the supply of oil and gas to Europe. International buyers are also refusing to purchase Russian oil and seeking alternatives from other parts of the world, putting pressure on prices. Brent crude oil price briefly peaked at $139 a barrel on 8th March before settling back to around $130, over 30% higher than the London closing price the day before the invasion. There have been further falls in the week commencing 14th March with prices falling back to around $100 a barrel. UK wholesale gas prices peaked around 85% higher at one stage before falling back to around 12% higher than 23rd February.

Graph 1 – Gas and Oil Price Volatility



3.2 Oil and gas are not the only commodity stories. Ukraine and Russia are significant producers of cereals (corn and wheat) and sunflower oil; the wholesale price of wheat has rocketed upwards, but prices have been on a rising trend since the start of February. Russia is also a large exporter of fertiliser. Other commodity prices have risen, with Russia being a significant producer of Aluminium, Nickel, Iron and Copper. Finished goods relying on these raw materials faced inflationary pressure over the same period, although again have subsequently fallen back from the peak.

Graph 2 – Other Selected Commodity Prices



3.3 The economic impacts of the invasion are fast moving and constantly changing. We will need to closely monitor the situation and implications for 2022-23 spending and medium-term consequences. This is likely to require some urgent decisions.

Conclusions on Potential Economic Impact

3.4 It is more than likely that the increased economic uncertainty following the Russian invasion of Ukraine will result in higher levels of UK inflation in the coming months. At this stage it is too early to predict the extent of how much this will increase prices, or how long the higher rates of increases in prices will endure before the rate of inflation starts to decline on the back of the one year ago comparison. This will put further pressure on both the Council's revenue and capital spending if the Council is unable to procure goods and services within the price assumptions built into the 2022-23 budget, which was already very challenging. We will need to monitor closely the impact on inflation indices and Council spending and take action as necessary to ensure increased costs are offset. As an illustration of the potential impact on the Council's budget, if inflation increases to 8% and remains at this level throughout 2022-23 this would equate to a net pressure of around £40m excluding grant funded spending. The impact on capital spending could amount to more than £20m.

3.5 It is also likely there could be an impact on economic growth with the spectre of a further recession. A recession is likely to add demand for council services (and spending) and impact on income receipts/local taxation. We will need to continue to monitor the impact of any reduced economic growth on spending and income levels.

4.1 The 2022-23 final draft budget and 2022-25 medium term financial plan (MTFP) for County Council approval was published on 2nd February 2022 and approved on 10th February. The report and the accompanying Section 25 assurance statement highlighted the already uncertain and volatile background impacting on financial planning. The budget report highlighted the rising rate of inflation over the second half of 2021 with CPI inflation rising from 2% in July 2021 to 5.4% by December 2021.

4.2 The 2022-23 budget included provision for those contracts which include indexation clauses, as well as a 3% provision for locally negotiated prices. As per the scheme of delegation Corporate Directors are responsible for agreeing locally negotiated contract prices within the average 3% agreed by County Council and are agreeing prices uplifts accordingly. As in previous years there was no provision for general inflation outside of index linked and negotiated contracts on the basis that price increases for other goods and services are offset by efficiencies. It was acknowledged that in the current climate this approach to setting prices does not come without risks, in particular the use of current indices as a guide to future prices and the challenging target for locally negotiated contracts below the latest inflation levels.

4.3 Approximately 2/3 of gross revenue spending is externally commissioned services. £1.3bn of the Council's gross revenue spend of £1.8bn (excluding schools) is directly impacted by inflation. A high-level summary of 2022-23 gross expenditure on commissioned and in-house expenditure and income is set out in table 1. The amounts highlighted in amber are those directly impacted by inflation, totalling £1,275.8m.

4.4 It should be noted that specific grants do not include any inflationary increase and therefore the associated expenditure has to be managed within the available grant, including impacts of inflation and demand changes. Depending on the impact of the recent and anticipated further inflation increases holding expenditure within the available grant could prove to be very challenging and require cost reduction. The total expenditure funded by specific grants is £333.7m.

Table 1 – 2022-23 Budgeted Commissioned and In-house Expenditure and Income

Gross Exp. (In House)	£m	Gross Exp. (External)	£m
Total	**605.0**	**Total**	**1,206.7**
Staff Pay	331.0	Commissioned Services	1,068.6
Other staff costs (pension enhancement, redundancy, travel, etc)	28.1	Home to School Transport	50.9
		Professional Fees	43.2
		PFI Fees	28.2
Building running costs	39.2	Grants & Precepts	12.4
IT systems	21.4	Other	3.4
Other	20.9		
Transfer to/from reserves (incl. MRP)	115.7	**Income**	
Internal recharges	48.7	**Total**	**-629.0**
		Specific Grants	-333.7
Gross Exp	**1,811.7**	Contributions (e.g Health)	-92.3
		Sales, Fees & Charges	-136.8
Net Exp (less income)	**1,182.7**	Other (incl interest/dividends)	-23.4
		Internal Income	-42.8

4.5 The 2022-23 budget includes an additional £28.6m for price uplifts for inflation. Table 2 sets out the individual assumptions included within this amount. The amount covered by price uplifts in Table 2 (£0.9bn) is less than the gross spending on services affected by inflation in Table 1 (£1.3bn), with the difference being the spending funded by specific grant which does not include inflation. As highlighted in 4.4 above, if grant funding is insufficient to cover rising prices those grant funded services will need to find counter balancing savings to contain spending within the available grant.

Table 2 –Inflation Assumptions in the Budget for 2022-23

	Base budget 2021-22 £'m	Assumed %	Uplift for 2022-23 £'m
Local negotiation			
- Adults	483.1	3.0%	14.5
- Children's	125.2	3.0%	3.8
- Growth, Environment and Transport	15.8	3.0%	0.4
- Transport	34.1	Other	0.2
Index linked:			
- CPI	62.3	3.1%	1.9
- CPI business rates	7.8	0.0%	0.0
- Higher of CPI or pay increase	10.9	3.1%	0.3
- RPI	64.7	4.9%	3.1
- Other/hybrid	26.7	Avg 5.28%	1.4
Other:			
- DfE published rates	20.2	Avg 1.96%	0.4
- Laser (energy)	6.4	Avg 17.61%	1.1
- Public Health			1.4
	857.3		**28.6**

4.6 Total budgeted spend on energy costs for 2022-23 is just under £8m. This includes £4.06m for highway infrastructure energy, £3.75m corporate landlord estate, and £0.18m other directorate spend. Within this spend an increase of £668k was included for highways electricity inflation (12%) and £454k for Corporate Landlord energy inflation (including 22.5% on electricity). KCC spending on gas is a relatively small proportion of overall energy spending (£883k).

4.7 Total budgeted petrol/diesel spending is relatively little at just under £0.4m. Budgeted spending on staff and member travel expenses is more significant (£9.4m) although the majority comprises casual user and public transport rates which are set by Revenue and Customs (HMRC) and therefore are not directly affected by fuel costs (although individuals may struggle with fuel costs). Budgeted spending on Client transport costs is £3.4m, largely in adults and children's services and is likely to be directly affected by higher fuel costs.

4.8 Spending on transport contracts (home to school transport, subsidised buses) is covered by the 3% allowance for negotiated prices. Providers will be affected by increases in fuel costs and the impact is covered in the section on supply chain impacts (section 6).

4.9 The forthcoming triennial actuarial review of the Local Government Pension Scheme could be impacted by inflation increases as inflation is one of the factors actuaries consider in assessing the solvency of the fund. This could impact on future employer pension contribution rates although the actuarial valuations are based on a longer-term assessment of inflation and inflation is only one of several factors taken into consideration so the impact may not be significant.

4.10 The provision for future years' prices in the MTFP is based on either individual service forecasts e.g. Commercial Services estimate for energy costs, or the Office for Budget Responsibility (OBR) forecasts for CPI included in the October economic and fiscal outlook published to coincide with the Autumn Budget Statement.

4.11 The Council's budget strategy in recent years has sought to strengthen financial resilience with sufficient reserves to mitigate financial risks. The general reserve has been increased to 5% of net revenue budget with £2.5m increase in 2022-23 taking the reserve to £59.1m. General reserves are held for unforeseen circumstances which would include higher than budgeted inflation. An additional 2% inflation would take up almost half of general reserves.

4.11 Any use of general reserves to support higher spending in 2022-23 due to increased prices would have a significant impact in subsequent years as this would create a budget gap within the Medium Term Financial Plan (MTFP). This gap would be more than the impact of the price increase as the higher price level would need to be added to the base budget on a recurring basis plus a further one-off contribution would be needed to replenish general reserves. For this reason, it is essential that directorates and services strive to contain price increases within budgeted amounts and where this is not feasible to take other alternative actions to contain spending.

4.12 Earmarked reserves are held for specific purposes and thus would not normally be used to cover price inflation. However, as part of the objective to improve its financial resilience the Council has established a risk reserve earmarked for specific risks set out in the budget risk register (this would include the risks arising from increased inflation). As with general reserves, use of this reserve for recurring costs, for example, due to higher inflation would result in a budget gap in future years as the base budget would need to be increased and the reserve would need to be replenished depending on future budget risks.

5.1 The 2022-32 10 year capital programme was published as part of the budget report to County Council on 2nd February 2022 and approved on 10th February. The report included the risks to capital projects which could either affect the viability of schemes or require the Council to take out additional short-term borrowing if no compensating actions are taken. This includes the risk of higher than anticipated inflation on projects that are over and above the contingency element of the projects' budgets. The report identified that the impact of risks can be partly reduced through value engineering of schemes.

5.2 Rolling capital programmes, especially those funded by government grant are at even greater risk from inflation. In many cases the grant funding does not include any inflationary uplift and thus programmes already have an element of real terms reductions due to inflation. Higher than anticipated inflation would increase these real terms reductions as spending on programmes is likely to need to be constrained within the available grant.

5.3 Capital spending is more exposed to the impact of rising commodity, energy and fuel costs than the revenue budget due to the impact on materials and delivery costs. Supply chain delays could exacerbate the impact on both potential cost overruns and/or delays to projects and programmes.

5.4 Assessing the potential impact on capital spending of inflation assumptions within the capital programme is not as straightforward as revenue due to contingency provisions within individual projects. Nonetheless, the more explicit link to energy, fuel and commodity costs on materials is more significant. The mitigation of increased inflation could mean that some projects have to be deferred or de-prioritised.

5.5 Capital financing is at risk from any increase in bank base rates and borrowing costs. Although the existing programme and capital strategy does not include the need for any additional external borrowing as if considered necessary loans can be financed from internal borrowing, this internal borrowing still has revenue consequences due to investment returns foregone.

5.6 Energy shortages could place increased demands on supplies for alternative energy sources. Carbon reduction projects within the capital programme had been impacted by supply constraints and any drive to increase alternative energy solutions would put further pressure on the supply chains for both labour and materials needed for construction.

Conclusions on the impact of Inflation on Revenue and Capital Budgets 6

6.1 The uncertainty over future inflation is highly likely to put added pressure on council spending in the forthcoming year. The inflation provisions built into the 2022-23 budget were robust at the time (albeit with challenging targets for negotiated prices) on the basis that any spike in inflation would be short-term and the expectation at the time was that the rate of increase in inflation would start to decline after April. At this stage it would be speculative to put a precise amount on the impact.

6.2 The Council's direct revenue exposure to specific increases in energy and fuel costs is limited. However, increases in energy and fuel are likely to have a significant impact on suppliers of key council services which in turn could have an indirect impact on the contracts for these services. The impacts on suppliers are covered in section 8 of this report.

6.3 The Council's budget strategy means there are sufficient reserves to cover short-term risks of rising inflation. However, using general reserves may be expedient in the short term but if inflation adds to spending pressures over the coming months it is essential that further compensating spending reductions are identified and implemented during this year to avoid creating a significant budget gap for subsequent years. Rising prices in 2022-23 will have medium term consequences as higher spending would need to be built in the base budget spending in subsequent years and reserves would need to be maintained at adequate levels to mitigate future financial risks.

6.4 The Council's regular budget monitoring and reporting will include specific information on the progress being made on delivering the savings agreed by the County Council and the inflation targets set. Where these appear to be off track or at risk, alternative mitigating actions will be identified to ensure the Council's budget and financial resilience is not adversely impacted.

7.1 Traditionally, in response to high geo-political tensions and wars, investors move to safe haven assets such as government bonds and away from risky assets such as equities, leading to declines in government bond yields. Following the invasion of Ukraine gilt yields and risky asset prices did indeed decline, but there are other issues at play that have prompted substantial volatility in gilt yields and mitigated the impact of safe haven buying. Guilt yields have subsequently moved back upwards and the 10 year gilt rate is now higher than before the invasion. Markets are currently more concerned about inflation and potential higher bank rates. On 17th March the Bank of England MPC agreed to raise the base rate 0.25% to 0.75%.

7.2 The FTSE 100 is currently down 2.75% since the close of Wednesday 23rd February, with most of this decline happening a week after the invasion. After an initial sharp fall on 24th February, the index recovered when it became apparent that Western nations were reluctant to sanction Russian energy, reducing the potential growth and inflation impact on the global economy. However, intensification of the military action and the likely detrimental impact on global growth, as noted by the World Bank prompted the more recent sharp decline. This pattern has been followed quite closely by other European and US indices.

7.3 Historically previous conflicts have had different impacts on equity prices in terms of the scale and duration of falls and length of recovery.

7.4 Reductions in equity values will impact on the capital values on KCC’s longer term investments in pooled equity funds and Pension Fund investments. We will keep in close contact with treasury advisors (Arlingclose) and pensions advisors (Mercers).

7.5 The vast majority of the Council’s external borrowing is at fixed interest rates and there is little risk of increased interest costs in the short term as the forecast rates remain historically low. Higher interest rates would provide increased returns on short term cash investments although these are generally held for liquidity purposes rather than for investment returns.

8.1 Commissioned service providers, like the council, are directly impacted by spikes in inflation, predominately through increases in commodity prices. Depending on the terms and conditions of the contracts they hold with the council, these costs will need to be absorbed within their agreed contractual price, which could require a review of or reduction in the specification leading to reduction of the specification.

8.2 Service providers, in particular social care providers have highlighted that they are facing spending pressures from inflation and increased pay and national insurance costs in excess of the average 3% provision for locally negotiated price uplifts that was affordable within the 2022-23 budget. The 3% was set taking into account the Kent pay scheme recommendations for 2022-23, the significant financial support given to providers over the last two years, and the available funding for 2022-23 raised through council tax and government grant settlement. The average 3% increase recognised that providers would be expected to find efficiency and other savings to offset some of the spending pressures as indeed the Council is having to do. There is some additional grant for the reforms to adult social care through the Market Sustainability and Fair Cost of Care Fund and this has been set aside pending further information from government on the grant conditions. Any funding required for inflationary increases above the average 3% in the 2022-23 budget will need to be offset by compensatory spending reductions and savings.

8.3 The rise in fuel costs affects operational delivery both directly and indirectly across all our services. From 6th April, the tax rate for red diesel increases for most. The increase in fuel costs will impact the construction industry which in turn will impact the council's capital programme and is also impacting transport services, from buses to home to school transport.

8.4 While it is essential that the Council has regard to the supply chain impacts of inflation and economic uncertainties, it is also important that the Council looks at the mechanisms at its disposal to ensure continuity of supply whilst at the same time maintaining an affordable price for goods and services. This is likely to require some reprioritisation and cost reductions, including savings, within both revenue and capital budgets and where necessary reviewing service levels and specifications to offset unaffordable price increases. It is recommended that Cabinet agree that the quarterly finance monitoring reports include the identification of compensating actions, including potential cost reductions and savings to offset any projected overspend for 2022-23, to avoid unsustainable drawdowns from reserves and to mitigate increased demands on future years' budgets.

8.5 Officers are working with providers to help with their costs, including accessing grants to make their businesses more energy efficient and accessing better energy deals through Commercial Services as well as support on how they can review their general operational costs.

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

To: Cabinet 31st March 2022

Decision No:

Subject: **KCC Share of Retained Business Rates and Final Local Government Finance Settlement 2022-23**

Classification: **Unrestricted**

Summary:
The budget report to County Council on 10th February 2022 (published 2nd February 2022) included a reference that County Council's estimated share of retained business rates and business rate collection fund balances was received too late to include in the final report. It was stated that a separate report would be presented to Cabinet setting out the County's share of retained business rates and collection fund. The attached report sets out the analysis from the Kent district and borough councils' returns which detail the business rates estimates and impact on the County Council's revenue budget.

The County Council meeting accepted two amendments to the proposed budget on the basis there would be some headroom within the retained share of business rates.

The budget report presented to County Council also did not include the final local government finance settlement which was published on 7th February 2022. The final settlement included some minor changes from the provisional settlement published on 16th December 2021 and which was used as the basis for government grant allocations in the final draft budget. The attached report includes details of the changes in the final local government settlement.

In total the estimated share of retained business rates and collection fund, and the final local government finance settlement, results in an increase in the available revenue funding for 2022-23 of £8,758.1k, of which £7,665.1k is deemed as recurring and £1,093.0k as one-off.

Recommendations:
a) Cabinet is asked to agree that £354k is used to increase the revenue budget in GET for the amendments agreed at County Council on 10th February 2022 as set out in paragraph 4.2 in the attached report

b) Cabinet is asked to agree that £437.9k be added to the Council's general reserves to maintain these at 5% of the revised net revenue budget for 2022-23 as set out in paragraph 4.4 of the attached report.

c) Cabinet is asked to agree that the remainder of the County's share of retained business rates and collection fund (£7,966.2k in 2022-23) is used to increase the risk reserve to reflect the heightened risks to the budget, including higher inflation and the potential impacts of the Russian invasion of Ukraine as set out in paragraph 4.5 of the attached report.

Background Documents

1 KCC's Budget webpage
https://www.kent.gov.uk/about-the-council/finance-and-budget

2 Provisional Local Government Finance Settlement 16th December 2021
https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2022-to-2023

3 Final Local Government Finance Settlement 7th February 2022
https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2022-to-2023

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KCC Share of Retained Business Rates and Final Local Government Finance Settlement 2022-23

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

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The current funding arrangements for local government were introduced in 2013-14. The arrangements allow local authorities to retain 50% of the business rates raised locally. Effectively this means authorities retain any growth (or suffer losses) compared to the historic baseline share included in the local government finance settlement. A system of tariffs and top-ups on the baseline provide a redistribution to reflect differences between historical grant funding and business rate baseline.

The County Council's estimated share of retained business rates was not available in time to include in the final draft budget report for County Council published on 2nd February 2022. Information on the estimated share of retained business rates is calculated by each district council in Kent as per the government return (NNDR1). These returns were due to be completed by 31st January 2022. The returns identify the net collectable business rates after transitional discounts, reliefs, and adjustments for estimated bad debts and repayments. The net collectable business rates are split between the share returned to central government (50%), and locally retained shares for districts (40%), County Council (9%) and Fire (1%) after taking into account transitional payments, disregarded sums for retention, collection costs, and estimated collection fund balances to determine the net share of business rates for the year.

The final local government settlement was published on 7th February 2022. This included some changes from the provisional settlement published 16th December 2021. This final settlement was not received in time for the final draft budget report for County Council published on 2nd February. The final settlement included some changes from the provisional settlement, the most significant being additional compensation for the freezing of the business rate multiplier in 2022-23.

This report includes information on the County Council's share of retained business rates from NNDR1 and the final local government settlement. The final draft budget approved by County Council on 10th February assumed no change in the retained business rate share for 2022-23 (other than the estimated share from the business rate pool to be transferred to economic development/regeneration reserve) and no changes from the provisional local government finance settlement. This report includes a recommendation on how the final share of retained business rates and local government finance settlement should be treated in 2022-23 budget and 2022-25 medium term financial plan.

2.1 The County Council's estimated net share of business rates for 2022-23 is £37.9m. This compares to an earlier estimated share of £24.6m for 2021-22. However, within this there are several constituent elements affecting retained shares as set out in table 1.

Table 1 – composition of share of business rates

	2022-23	2021-22	Change	
	£000s	£000s	£000s	£000s
Total Rateable Value	1,483,675.9	1,485,072.8	-1,396.9	
Gross Rates after Multiplier	740,354.3	741,051.3	-697.0	5,623.3
Forecast Growth/(Decline)	3,659.6	-2,660.7	6,320.3	
Net Transitional Protection	0.0	3,314.6	-3,314.6	
Mandatory Reliefs	-101,653.0	-97,239.4	-4,413.6	-62,045.1
Covid-19 Reliefs	-57,132.7	0.0	-57,132.7	
Unoccupied Reliefs	-19,168.7	-20,563.4	1,394.6	
Discretionary Reliefs	-6,360.9	-4,467.6	-1,893.3	
Net Rates Payable	**559,698.5**	**619,434.8**	**-59,736.3**	
Less estimated bad debts	-8,604.5	-9,044.5	440.0	12,840.7
Less estimated repayments	-25,017.8	-37,188.4	12,170.6	
Designated area disregarded amounts	670.0	439.9	230.1	
Collectable Rates	**526,746.2**	**573,641.8**	**-46,895.6**	
plus Transitional repayments	0.0	-3,314.6	3,314.6	
less Collection Costs	-2,090.6	-2,076.7	-13.9	-2,388.7
less Disregards	-5,816.0	-3,441.3	-2,374.7	
Net for Distribution	**518,839.6**	**564,809.3**	**-45,969.7**	
9% KCC share of net for distribution	46,695.6	50,832.8	-4,137.3	
plus share of Disregards	3,113.9	1,054.8	2,059.1	
Estimated Collection Fund Balance	-11,921.2	-27,250.0	15,328.8	
Net Retained Rates	**37,888.3**	**24,637.7**	**13,250.6**	

Rateable Value	This represents the total rateable value (RV) on all non-domestic properties in the county as assessed by the Valuation Office Agency (VOA). The gross business rates is the RV times the National Non-Domestic Rate (NNDR) multiplier of 49.9p. Forecast growth/decline is the district's estimates for new properties and changes in valuations from outstanding Check/Challenge/Appel claims.
Transitional Protection	Following the last revaluation of rateable values in 2017 transitional arrangements limited the increases and reductions on individual properties enabling changes to be phased in over five years from 2017-18 to 2021-22. Overall, the net impact across Kent for 2021-22 showed a time limited increase with a higher value for transitional increases than transitional protection. Transitional protection does not affect locally retained amounts as any protection is reimbursed

	from national pool and any increases repaid to the national pool.
Mandatory Reliefs	Mandatory reliefs include reliefs for small businesses (those with an RV under £15k) of up to 100%, reliefs for charitable premises (80%) as well as other less significant reliefs. Mandatory reliefs do affect locally retained amounts for all authorities as they reduce the amounts of rates payable on properties in receipt of reliefs.
Covid-19 Reliefs	During the Covid-19 pandemic additional reliefs via districts and boroughs were granted by the Government to retail, leisure and hospitality businesses. The March 2021 Budget confirmed that reliefs would continue to apply in 2021-22 at 100% for three months from 1 April 2021 to 30 June 2021, and at 66% for the remaining period from 1 July 2021 to 31 March 2022. However, this was announced too late for the districts and boroughs to include in 2021-22 NNDR1 returns. This has caused the net business rates payable in 2021-22 to be significantly lower than the amount included in the 2021-22 budget. This has resulted in a large collection fund deficit which is then compensated for separately by a Section 31 grant. This was initially paid "on account" based on estimated and verified at year end based on actual costs included in NNDR3 returns. The October 2021 Budget confirmed that the 2022-23 Retail, Hospitality and Leisure Business Rates Relief Scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business. This was announced in time to include in the 2022-23 NNDR1 returns and again the impact on local authority retained business rates will be compensated by a separate Section 31 grant.
Unoccupied Reliefs	Empty properties are exempt from business rates for 3 months. Some properties such as industrial premises, listed buildings, etc., are eligible for extended empty reliefs. Empty property reliefs do affect locally retained amounts for all authorities as they reduce the amount of business rates payable.
Discretionary Reliefs	Discretionary reliefs include additional reliefs granted by government for which authorities receive a separate Section 31 compensation grant so do not impact on locally retained amounts. These include the cap/freeze on the multipliers for all businesses, extension of small business rate relief, rural rate relief, additional support for small businesses, telecoms relief and relief for local newspapers. Other discretionary reliefs such as additional charitable reliefs can be granted by local councils at their discretion. These reliefs do impact on locally retained amounts for all authorities as they reduce the amount of business rates payable.
Bad Debts and Repayments	These are estimated amounts affecting business rate collection determined by collection authorities (district and borough councils in Kent). Bad debts include businesses that have entered administration. Repayments reflect estimates for over payments including backdated claims for Check/Challenge/Appeal. These do affect locally retained amounts for all authorities as they reduce the amount of business rates payable.

Collection Costs	Collection authorities recover the costs of business rate collection within their retained share. The treatment of collection costs reduces the amount of business rates for the central share and precepting authorities.
Disregards	Disregards include properties in designated areas (such as Enterprise Zones) and renewable energy schemes. Locally retained amounts are adjusted for the impact of additional discounts under these schemes. The renewable energy scheme also allows local areas that host renewable energy projects to keep all the additional business rates on these premises (including two-tier distribution).
Local authority shares	These are based on the net amount available for distribution after application of reliefs, bad debts and repayments, collection costs and disregards split proportionally between central share (50%), collection authority share (40%), and precepting authority share (9% county council, 1% fire authority).
Collection Fund	The Collection Fund amounts are determined by collection authorities for over/under collection on the estimated amount in previous NNDR1 returns. Collection fund deficits include the impact of additional reliefs not included in previous NNDR1s (e.g. Covid-19 reliefs for previous years) which attract separate Section 31 Grant. Collection fund balances are split in the same proportions as the central and retained shares.

2.2 The main changes by district area are set out in table 2.

Table 2 – District Changes

	2022-23 NDR Income	Change in Gross Rates	Change in Reliefs	Changes in Bad Debts & Repayments	Change in Collection Costs & Disregards	Change in Net for Distribution
	£000s	£000s	£000s	£000s	£000s	£000s
Ashford	49,326.2	1,492.7	-4,492.0	-116.0	-16.6	-3,131.8
Canterbury	43,026.8	1,258.5	-9,151.4	3,221.1	5.2	-4,666.6
Dartford	83,522.1	-49.1	-5,261.4	389.4	1.7	-4,919.4
Dover	39,075.0	33.7	-2,741.1	2,423.7	-5.1	-288.8
Folkestone & Hythe	22,550.8	-2,200.7	-4,880.7	125.9	-3.3	-6,958.8
Gravesham	22,987.9	352.5	-2,588.6	1,366.4	-226.2	-1,095.9
Maidstone	51,455.9	204.2	-8,159.9	1,697.8	-29.5	-6,287.5
Sevenoaks	32,619.9	-216.2	-3,770.5	94.9	1.5	-3,890.2
Swale	47,205.1	2,450.6	-3,936.1	203.5	-2,117.8	-3,399.8
Thanet	30,626.3	275.8	-3,424.6	300.0	-1.2	-2,850.0
Tonbridge & Malling	50,435.6	110.2	-5,673.4	0.0	3.2	-5,560.1
Tunbridge Wells	46,008.0	1,911.1	-7,965.3	3,134.0	-0.7	-2,920.9
Total Kent	518,839.6	5,623.3	-62,045.1	12,840.7	-2,388.7	-45,969.7

	Change in KCC Share of Net for Distribution	Change in Share of Disregards	Change in Share of Collection Fund	Change in Total Share for Distribution
	£000s	£000s	£000s	£000s
Ashford	-281.9	0.0	1,128.5	846.7
Canterbury	-420.0	0.0	2,316.9	1,896.9
Dartford	-442.7	0.0	2,828.1	2,385.4
Dover	-26.0	-13.1	935.8	896.7
Folkestone & Hythe	-626.3	0.0	388.3	-238.0
Gravesham	-98.6	0.0	911.8	813.2
Maidstone	-565.9	-42.3	2,104.0	1,495.8
Sevenoaks	-350.1	0.0	850.5	500.4
Swale	-306.0	2,114.6	533.0	2,341.5
Thanet	-256.5	0.0	1,116.0	859.5
Tonbridge & Malling	-500.4	0.0	591.8	91.4
Tunbridge Wells	-262.9	0.0	1,624.1	1,361.2
Total Kent	-4,137.3	2,059.1	15,328.8	13,250.6

2.3 The £13,250.6k in tables 1 and 2 is the year on year increase between KCC's retained share of business rate and collection fund between 2021-22 and 2022-23. The final draft budget assumed that KCC's retained business rates would increase by £26,080.0k. The NNDR1 increase is therefore £12,829.4k lower than what was included in the final draft budget.

2.4 The impact of KCC's share of locally retained business rates from NNDR1 compared to the amounts included in the final draft budget published on 2nd February and approved by County Council on 10th February is a reduction to retained business rates of £12,829.4k. This reduction comprises:

- £46,695.6k share of locally retained business rates is £4,137.3k less than the estimated £50,832.8k included in the final draft published budget
- £3,113.9k share of disregarded amounts is £2,101.4k more than the estimated £1,012.5k included in the final draft budget
- £11,921.2k share of collection fund deficit is £10,793.6k more (larger deficit) than the £1,127.6k deficit from 2020-21 included in the draft budget

2.5 Overall this represents a reduction in funding from retained business rates of £12,829.4k compared to the approved budget. Of this the £10.793.6k is one-off and £2,035.8k is recurring. However, this position is before the additional compensation grants and final local government finance settlement.

2.6 We do not have final confirmation of compensation grants at this stage other than the final amount for the freezing of the NNDR multiplier included in the final local government settlement. However, from NNDR1 and other returns we can revise the **estimated** amount included in the final draft budget published on 2nd February and approved by County Council on 10th February as shown in table 3.

Table 3 – Revised Compensation Grant Estimates

	Revised & Notified Compensation	Budget Estimate	Change

	£000s	£000s	£000s
Indexation Compensation (notified)	19,238.8	15,564.5	3,674.3
Other Discretionary Relief Compensations	4,356.6	4,000.4	356.2
Covid-19 Compensation for 2022-23 Reliefs	5,667.5	0.0	5,667.5
Covid-19 Compensation on Collection Fund	11,886.6	0.0	11,886.6
Total	41,149.5	19,564.9	21,584.6

2.7 Of the revised compensation grants £29,262.9k is recurring (including the freezing of the business rate multiplier and other discretionary reliefs and Covid-19 reliefs in 2022-23). Retail, hospitality and leisure businesses are expected to revert back to paying full business rated when the additional Covid-19 reliefs cease. We do not yet know the full impact of Covid-19 on these businesses so this income may not recur at the same rate. £11,886.6k is one-off to compensate for the impact of the extension of Covid-19 reliefs in 2021-22 and impact on the collection fund deficit.

2.8 Overall the combination of reduced share of retained business rates and collection losses from NNDR1 and revised notified/estimated compensation grants results in an additional £8,775.2k compared to the final draft budget. This comprises the £12,849.4k loss of retained business rates income explained in paragraph 2.3 and £21,584.6k of additional compensation grant in table 3.

3.1 The final local government finance settlement was announced on 7th February 2022. The Council's final draft budget published on 2nd February and approved by County Council on 10th February was therefore based on the provisional settlement.

3.2 The final settlement was largely unchanged from the provisional settlement other than the compensation for the freezing of the business rate multiplier in 2022-23. This compensation is now based on the amount that we would have received through retained business rates and business rates top-up based on Retail Price Index (RPI) rather than Consumer Price Index (CPI). The government initially intended to change the indexation of business rates from RPI to CPI in April 2020 to reduce the inflation burden on businesses. This change was subsequently brought forward to April 2018. Local authorities were to be compensated for this change through Section 31 compensation grant. The additional compensation grant for business rates amounts to £3,765.5k in 2022-23 due to the revised indexation. This is the estimated amount in the core spending power, the NNDR1 returns will be used to calculate the amount to be included in the budget as these are based on more up to date information. The revised compensation grant in the final settlement is reflected in table 3 in section 2 of this report.

3.3 The final settlement also included minor changes to the allocation of Social Care Support Grant and Improved Better Care Fund (iBCF) grant. A summary comparison of the provisional and final settlement is set out in Table 4 below:

Table 4 – Comparison of Final and Provisional Local Government Finance Settlement

	Final Settlement 2022-23	Provisional Settlement 2022-23	change
	£000s	£000s	£000s
Business Rates			
Baseline - Local Share	49,468.9	49,468.9	0.0
Government Grants			
Business Rates Top Up	138,429.0	138,429.0	0.0
RSG	10,018.1	10,018.1	0.0
Business Rates Compensation Grant	19,204.0	15,438.5	3,765.5*
Social Care Support Grant	54,478.4	54,477.6	0.8
iBCF	50,014.7	50,012.5	2.1
Social Care Reform Grant	4,161.0	4,161.0	0.0
Services Grant	12,953.2	12,953.2	0.0
NHB	4,381.5	4,381.5	0.0
Total			**3,768.4**

*This is the estimate in the core spending power in the final settlement, a more up to date amount of £3,674.3k from the NNDR1 returns will be included in the Council's final budget.

4.1 The combination of the NNDR1 retained business rate share, notified and estimated business rates compensation, and final local government finance settlement results in a net increase in the available funding for 2022-23 of £8,758.1k. Of this £7,665.1k is deemed as recurring (including compensation for business rate multiplier and discretionary reliefs, Covid-19 reliefs for 2022-23, and the revised social grants in the final settlement) and £1,093.0k one-off (collection fund deficit and compensation for Covid-19 reliefs on collection fund deficit).

4.2 County Council on 10th February agreed two amendments to the 2022-23 budget and MTFP:

- Additional £300k in 2022-23 (£500k in full year) to retain disabled companion pass on English National Concessionary Travel Scheme (ENCTS)
- Additional £54k in 2022-23 to prevent increase in the discounted charge for Kent Travel Saver (KTS) for low income families.

4.3 It is proposed that the cost of these two amendments should be funded from the additional recurring funding from retained business rates and compensation as first priority on additional funding.

4.4 The additional funding results in an increase in 2022-23 net revenue budget of £8,758.1k. This would require an additional £437.9k to be added to the Council's general reserves to maintain these at 5% of net revenue budget for 2022-23. A further £2,325.7k will need to be added to general reserves in the later years of the MTFP to reflect the additional recurring funding. The £437.9k increase in general reserves in 2022-23 is proposed to be second priority on the additional funding.

4.5 After funding these first and second priorities £7,966.2k of recurring and one-off additional funding remains. It is proposed that this is used to increase the council's risk reserve. This will increase the 2022-23 contribution to the risk reserve to £14,966.2k (although less will be available in subsequent years to continue to maintain 5% general reserve and due to one-off element for 2022-23). The total amount available in this reserve will depend on 2021-22 outturn. The risk reserve was established in 2021-22 to mitigate risks such as inflation. Given the current and expected increases in inflation that will be further impacted by the Russian invasion of Ukraine, the proposed increase will help to address the challenge the council will face particularly in terms of inflation risk.

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From: Roger Gough – Leader
Michael Hill - Cabinet Member for Community and Regulatory Services

To: Cabinet - 31 March 2022

Subject: Ukraine Refugees

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of report: Regular Update to Cabinet

Electoral Division: All

Summary:

Following the Russian – Ukrainian conflict Central Government have launched two key programmes for Ukrainian Refugees to enter into the UK. This report seeks to summarise the schemes, key considerations and provide Cabinet with an update on the Kent approach.

Recommendation(s):

Cabinet is asked to comment on and note the Report.

1. Introduction

1.1 The Ukrainian – Russia conflict has seen the largest humanitarian crisis since the second world war with approximately 3 million Ukrainian refugees leaving Ukraine to neighbouring countries to flee the conflict. The UK Government has positively responded with the development of two key pathways to enable refugees to the enter the UK.

1.2 The two key schemes which are operating are the extended family scheme, where family members can come to the UK where they have existing family in the UK, and the 'Homes for Ukraine Scheme' which is where Ukrainian Refugees are sponsored to come to the UK by a host family or individual. Initially, individual members of the public can sponsor a guest from Ukraine who meet the eligibility criteria for this scheme. In later phases, organisations and community groups will be able to sponsor multiple guests.

1.3 Under the scheme, the sponsor receives a £350 per month 'Thank You' payment provided that they meet the scheme requirements. numbers are uncapped and restricted only by the number of eligible sponsors that come forward. Those accessing the scheme will be able to live and work in the UK for up to three years and access benefits, healthcare, employment, and other support. Those arriving need to meet standard security checks prior to being issued with a visa.

2. Homes for Ukraine and the Kent Response

2.1 Further guidance is due to be issued in respect of the detail for a number of elements of the scheme but it is clear that a coordinated multi agency response is needed across the public sector. In response to ensure that a coordinated approach across public sector organisations in Kent, a Kent Resilience Forum (KRT) structure has been adopted with the following groups:

- Strategic Coordinating Group (SCG)
- Tactical Coordinating Group (TCG)
- Media and Comms Cell (M&C)
- Data Cell
- Vulnerable People and Communities Cell (VPCC)
- Finance Group

2.2 The first meetings of the groups took place week commencing 21st March 2022. All partners across the County are participating in the groups and it is envisaged that the VPCC will enable community groups to work with partners to support the scheme in Kent. Key areas of focus across partners in the next week include:

2.2.1 Definition of the 'Welcome' approach in the County with a particular focus on key transport points of entry such as the Port of Dover. Initial assessments suggests that any entry via the County will be via Car/ Bus either on the Eurotunnel or Ferry Services as these are currently not operating foot passenger services. Foot passenger access to the UK is therefore via the Eurostar service which does not presently stop in Kent. The Department for Transport have confirmed that arrangements have been made to support onward travel.

2.2.2 Developing the safeguarding protocols and the support services that are required including accommodation, community services, education, social services for adults and children, public health and health services as part of the Homes for Ukraine pathway. The role of the voluntary sector will also be key in developing the partnership response as well as the protocol in the event that a sponsorship arrangement should break down.

2.3 For KCC, there are a number of services which will have a key role to play in the delivery of the scheme in relation to the safeguarding check and providing access and support to key services such as education provision.

3. Financial Implications

3.1 Under the Homes for Ukraine scheme, the government has confirmed it will provide funding at a rate of £10,500 per person to Councils to enable them to provide support to families to rebuild their lives and fully integrate into communities. The £10,500 for Ukrainian nationals is for the first year at this stage with future years to be reviewed. The £10,500 includes the initial £200 hardship payment which is payable to those accessing the scheme. This funding will be un-ringfenced, with a number of conditions attached.

3.2 Councils will administer ‘Thank You’ payments at the £350 per sponsoring household per month rate. Additional funding will be allocated for these payments, but Councils will be expected to absorb administration costs.

3.3 The government is also providing additional funding to Councils to provide education services for children from families arriving from Ukraine under this scheme. The Department for Education (DfE) will allocate funding on a per pupil basis for the three phases of education at the following annual rates:

- Early years (ages 2 to 4) - £3,000
- Primary (ages 5 -11) - £6,580
- Secondary (ages 11-18) - £8,755

3.4 These tariffs include support for children with special educational needs and disabilities (SEND).

3.5 The payment arrangements are currently being confirmed along with the assessment of local service costs.

4. Legal implications

4.1 The Homes for Ukraine scheme requires local authorities to undertake a number of key roles in the delivery of the scheme. Further guidance is expected regarding the scheme and the legal framework.

4.2 The DPIA has been developed by DLUHC to enable data to be shared with upper tier authorities to then be shared with local partners as appropriate.

5. Conclusions

5.1 The government has established the ‘Homes for Ukraine’ scheme to support the humanitarian impact of the large number of Ukrainians who are leaving Ukraine to flee the conflict. Kent County Council and its services play a key role in providing support and for those that come into the County which is a key impact on education, safeguarding, community and public health services. KCC is fully engaged in the KRF with partners to support the development of the multiagency response.

5.2 Whilst some guidance has been issued, further guidance is expected along with the first data flows to support the development of local plans. Harnessing the support of local communities and the voluntary sector in Kent will be essential to support community integration.

6. Recommendation(s)

Recommendation(s):
Cabinet is asked to comment on and note the Report

7. Background Documents

None.

8. Contact details

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