AGENDA

CABINET

Thursday, 23rd June, 2022, at 10.00 am	Ask for:	**Emily Kennedy**
Council Chamber	Telephone:	**Tel: 03000 419625**
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UNRESTRICTED ITEMS

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

1. Apologies and Substitutes
2. Declarations of Interest
3. Minutes of the meeting held on 16 May 2022 (Pages 1 - 10)
4. Cabinet Member Updates
5. Provisional Revenue and Capital Budget Outturn Report 2021-22 (Pages 11 - 68)
6. Quarterly Performance Report (Pages 69 - 130)
7. Economic Strategy (Pages 131 - 170)
8. Ukraine Update
9. South East Migration

EXEMPT ITEMS

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

Benjamin Watts
General Counsel
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Wednesday, 15 June 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 Monday, 16 May 2022.

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

UNRESTRICTED ITEMS

1. Apologies and Substitutes
(Item 1)

There were no apologies for absence.

2. Minutes of the Meetings held on 31 March 2022 and 21 April 2022
(Item 3)

Resolved that the minutes of the meetings held on 31 March 2022 and 21 April 2022 were a correct record and that they be signed by the Chair.

3. Cabinet Member Updates
(Item 4)

1) Mrs Bell said the Covid-19 routine symptom-free testing had ended at the beginning of April 2022 so KCC was reliant on a handful of indicators for Covid-19 surveillance, such as the national Covid-19 Infection Survey which only reported at south east level. Overall, indicators had shown declining trends in both infection rates and of patients in hospital with or because of Covid-19.

The Office for National Statistics (ONS) Survey figures up to the 30 April for the south east of England showed an estimated 2.2% of the population were infected with Covid-19, half the rate that had been recorded on 19 April. ONS rates by age showed infections were higher in older people, with 2.8% of over 50s infected compared to 1% of secondary education age children and 1.3% of primary education age children.

The number of care home staff and residents testing positive had continued to fall. The rolling 7-day average positive test count on 2 May was 5.4% for staff and 4.1% for residents.

People in hospital with Covid-19 had remained steady at 150 per day, down from 450 in late March 2022 and the majority were aged over 55. A daily average of 5 mechanically ventilated hospital beds were in use by Covid patients over the previous week. Weekly deaths from Covid-19 had continued to be at a nominal level. Sample sequencing for Kent showed BA.2 as the dominant strain.

The adult social care white paper was discussed at the last meeting of Cabinet. The Leader and Mrs Bell had written to Kent's MPs sharing the Cabinet report, asking them to support the call for adequate funding for the reforms and sharing the view that consideration should be given to delaying the implementation of the reforms by 6 months.

Mental Health Awareness Week took place between 9 and 15 May 2022 with the theme of 'loneliness'. Community Support Services, Live Well Kent and Kent Sheds reminded residents of the help available and activities took place online and in person at various locations across the county.

Live Well Kent is a network of community mental health and wellbeing support services delivered by charities, Porchlight and Shaw Trust, for KCC and NHS Kent and Medway CCG. The Kent Sheds Programme was set up specifically to combat loneliness, social isolation and mental health problems. KCC's Mental Health Champions, Andrew Kennedy and Jordan Meade, visited Sheds in Faversham and West Malling. Information on the support available was on KCC's website at kent.gov.uk/everymindmatters

2) Mrs Chandler said she had the opportunity to meet the Children's Social Work Teams in Swale and Gravesham and had listened to some of the issue that social workers were facing. The impact of Covid-19 and lockdowns were still being felt by frontline workers. The Covid-19 pandemic had taken a toll on children and families and this was reflected in the complexity of cases. Other agencies were only just returning to full capacity and were also still impacted by the pandemic. A letter had been written by Baroness Hallett, the Chair of the Covid-19 public inquiry to the Prime Minister asking for the Terms of Reference to be expanded to include the impact on children and young people. Thanks were given to KCC's Children's Social Work Teams for their continued hard work and dedication.

Ofsted were carrying out a routine inspection of KCC's Children's Services.

Thanks were given to Caroline Smith and her team for their organisation of the Education, Training and Employment Care Leaver event on 28 April 2022. As Corporate Parents, KCC supported over 2000 care leavers and it was a fantastic opportunity to be joined by some of those at the beginning of their careers and to look at how to support these young adults to fulfil their full potential. KCC was also present as an employer together with many external businesses and pledges were made by all those attending, some corporate and others personal. For example, one young person was given sponsorship for his kit having joined a football academy.

The Children's, Young People and Education (CYPE) directorate had supported Mental Health Awareness Week by championing the app for Kooth, a widely used online mental wellbeing community.

Matt Dunkley, Director of CYPE, was to retire. Mrs Chandler and the Leader expressed their thanks and appreciation for the work he had done as Director.

3) Mrs Prendergast said thanks to Matt Dunkley and wished him well for his retirement.

KCC had challenges regarding the overspend on the high needs dedicated schools grant, used to support children with SEN. There was an accumulated overspend of over £100 million. KCC had been invited to take part in a ‘safety valve’ intervention programme conducted by the Department for Education (DfE). The programme was intended to support those councils with the highest High Needs Dedicated Schools Grant deficits in the development of a deficit recovery plan, aimed at reforming the high needs system and moving the local authority to a sustainable footing as quickly as possible, along with agreeing additional funding to help pay off the deficit.

The initial meeting with the DfE was expected to take place by the end of May 2022 and would inform KCC’s approach in both the further development of the plan, aligning it with the SEN Strategy and finalising the financial agreement with the DfE in the coming months.

KCC was taking the lead in developing a co-constructed action plan to help young people achieve their goals after they leave school by providing better pathways to post-16 education, skills and training. This followed the in depth review into the post-16 offer in the county commissioned by KCC to develop a shared and deeper understanding of the issues facing both young people and education, skills and training providers. Students, their parents, schools, colleges and training providers were amongst the many people who took part in the interviews, surveys and consultation work of the review. The findings from the review offered a unique and up-to-date insight into the challenges and experiences of young people and post-16 providers. Mrs Prendergast had been very encouraged by the participation in the review and the response to the findings, conclusions and recommendations. There was a clear desire and commitment across the sector to look afresh at post-16 qualifications. The DfE had published a list of qualifications which were at risk due to overlap with T-levels. Collaboration was important in improving the offer and experience for young people.

Families had continued to arrive in Kent through the Ukraine Family Scheme and Homes for Ukraine. Schools’ admission guidance had been provided to schools and KCC’s admission team was supporting individual cases as appropriate. Wider guidance was also available through The Education People. KCC was awaiting further information from the DfE about the funding of education for Ukrainian arrivals.

There was a virtual briefing held for School Governors to outline the key points from the Schools’ white paper. There was a lot of interest from governors, seeking clarification on the implications of the paper on schools.

4) Mr Brazier said he had spent much of his time on the plans to reduce subsidies for bus services that the operators do not find to be profitable. KCC had been using its expertise to help schools and others affected by further proposed withdrawals by bus operators which were to take effect in the forthcoming weeks. Bus services to the Spires Academy had been successfully arranged, which otherwise would have been without any services. This was achieved without any cost to KCC.

Mr Brazier visited Dartford to inspect and ride on one of the new electric buses which were to replace the diesel fuelled buses operating the Fasttrack Thameside service and that will comprise the Fastrack bus services from Dover, the infrastructure for which was proceeding at pace.

Mr Brazier met with the Leader, officers and Members of Canterbury City Council to discuss the Local Plan and the radical infrastructure necessary for the Local Plan's implementation.

There were plans to improve Highways and Transport communications with residents. As part of the Live Labs programme of innovation, KCC had engaged with residents and parish councils to determine what they want from an online reporting tool and a prototype had been designed, named Community Central. There would a 3-month pilot. The totally new and fully functioning reporting tool would be rolled out in due course.

The difficulties on Kent's highways caused by the lack of ferry capacity at Dover and other phenomena had been monitored. There had been lengthy discussions with the management at the Port of Dover about how to make smoother the movement of HGVs within the Port and how to fund the Port's proposals. Mr Brazier and the Corporate Director for Growth, Economic Development and Transport had met with Highways England, Dover District Council and the MP for Dover at a workshop to discuss improvements to access the town from the A2.

Interviews to appoint a Director of Highways and Transport had taken place and an announcement would be made.

5) Miss Carey said the official opening of the Household Waste Recycling Centre at Allington was on 5 May and it was opened to the public on 9 May. 129 residents visited the site on the opening day and bookings had been at around 100 a day. There was capacity for more than 100 visits a day and it was hoped that as news about the new site circulates, there will be more users as it is in a very convenient location and provided a good user experience. The Centre had been nominated for an award, 'best use of design and technology in a waste management facility' at the Letsrecycle Awards for Excellence.

The Solar Together Team were responsible for collective buying of solar panels and battery storage from solar panels and the scheme had been promoted across Kent. The benefit of scale meant that Kent householders were able to obtain these items for less and there had been over 2000 households that had signed contracts to install solar panels and batteries. There was demand from Kent householders who wanted to take advantage of the scheme and it was hoped that there would be other similar schemes in the future.

The new Director of Environment and Waste, Matthew Smyth was welcomed.

6) Mr Murphy said he and the Leader had attended the Business Vision Live event at the County Showground where there were over 400 business stands. It was a very good event with marketing managers, directors and human resources. There were good presentations from Ashford Borough Council and Medway Council about the ways in which they were changing their areas and the new industries being attracted to the areas. There were 3 awards for best stands, of which 2 were awarded to KCC; KCC Libraries and KCC Digital Services stands.

Panattoni had received a top ranking from Property EU for the completion of 74 million ft2 of warehouse space over the previous 3 years. Panattoni were constructing warehouse space at Aylesford.

On 13 May, Mr Murphy visited the Workers' League co-working hub in Whitstable. The space was being used in an interesting way with people renting desks and used in the evening as a meeting place for events as well as a restaurant with a licensed bar.

14 Blue Flags were issued by Keep Britain Tidy to beaches in Kent. Dymchurch beach won the Seaside Award for the first time ever. This was good news for the tourist economy.

Greg Hands, Minister of State for Business, Energy and Clean Growth had written to Damien Collins, MP welcoming a meeting to discuss the possibilities of Dungeness becoming a site for the new Rolls Royce small modular reactors. Miss Carey also had a meeting with Kwasi Kwarteng, Secretary of State at the Department of Business, Energy and Industrial Strategy.

7) Mr Hill said the new cultural hub at Tunbridge Wells was opened on 28 April. The Amelia Scott Centre was opened by her great niece, Helen Boyce and offered a new library, museum, archive space, register office, tourist information centre and education centre. It had been a complicated project which had involved temporary relocation of the library and adult educations services. Congratulations were given to all involved with the project.

It had been announced that Lullingstone Country Park had been chosen as part of a nationwide network of ancient woodlands to be dedicated to The Queen's Green Canopy in celebration of her Platinum Jubilee. The Queen's Green Canopy consists of 70 ancient woodlands and 70 ancient trees across the UK which will form part of the Ancient Canopy to celebrate Her Majesty's 70 years of service.

8) Mr Sweetland said that at the meeting of Growth, Economic Development and Communities Cabinet Committee on 10 May, Members were given an update on the success of KCC supporting apprenticeships in the county. In the financial year 2021-22, KCC had offered 170 apprenticeships spread across all levels of qualification and we also shared a significant proportion of apprenticeships with 84 other employers in Kent. As an employer, KCC was committed to increasing apprenticeship numbers, including those aged between 16 and 18. 24 new employers had applied to share the levy to support another 108 apprentices to gain qualifications.

With financial difficulties for residents, largely outside of their control, Kent Together had been providing a telephone hotline. The hotline provided advice about what support was available.

It was, as noted, Mental Health Awareness Week between 9 and 15 May and managers have been encouraged to continue to engage with their teams to discuss their mental health and wellbeing. A wide range of support mechanisms were in place to make sure staff remained healthy and able to provide excellent services to residents across Kent. Communications around Mental Health Awareness Week had raised awareness at KCC and all information was on the KCC website and also from the E-newsletter.

4. Strategic Statement
(Item 5)

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance and Jenny Dixon-Sherreard were in attendance for this item

1) The Leader introduced the agenda item.

2) Mr Whittle outlined the report. The draft Strategic Statement built on the work of the interim 5-year plan. There were challenges for KCC around commissioning, the environment and the place and space agenda. It was felt that this was the first Strategic Statement where delivery of priorities was to be carried out through others and by others.

Engagement in the process of drafting the Statement had been significant, and feedback had been reflected on and changes had been made. It had been identified through engagement that staff wanted to see equality considerations foremost in planning arrangements and the corporate equality objectives which were a statutory duty had been included. County Council will be considering the item next week and subject to its approval, an assessment framework was being developed in order to oversee the delivery.

Thanks were given to the team who had worked on the draft Strategic Statement.

3) Further to comments and questions from Members, it was noted:

- Preventative work would be one of the biggest challenges and partnership work would be important moving forward.
- The corporate equality objectives had been included at the start of the statement and this reflected their importance.
- KCC formally acknowledged the Environment and Climate Emergency in 2019; both before and subsequent to this, the local authority had been a key partner.

4) RESOLVED to endorse the recommendation as outlined in the report subject to the wording at point 8 of Priority 3 being clarified to reflect that this refers to household waste and the additional amendment above.

5. Schools White Paper
(Item 6)

Christine McInnes, Director for Education and Mark Walker, Director for SEND were in attendance for this item.

1) Mrs Prendergast introduced the report.

2) Ms McInnes outlined the presentation (attached).

3) Further to questions and comments from Members, it was noted:

- The ambition was that all schools would be involved in an academisation process by 2030. The government was altering policy to facilitate this and there would be implications for school funding. Comments were made about the provisions for local authorities to establish multi-academy trusts and it was noted that establishing these had been difficult in the past. It was questioned what the government's thinking was around developing capacity and structures in that sector.

- KCC had more single academies, rather than larger academy trusts. The government had not developed its thinking around models for academies and it was right to pilot some models to help form the thinking. For example, some authorities had groups of academies that had formed a cooperative rather than a chief executive model. The Department for Education (DfE) was to publish a more detailed note around this.
- The proposed role of Schools' Funding Forum would be involved with the supplementary funding or high needs funding, if a national funding formula was applied.
- The 'local' nature of academy trusts was supported by the DfE and the phrase 'family of academies' was being used. There was a lot of anxiety where there was not a link through the academy governance structure with the community. This was to be addressed through the trust standards.
- The white paper suggested protection for grammar schools and the selective nature of grammar schools. There were existing academy trusts in Kent that were a mixture of selective and non-selective schools, as well as informal partnerships between other selective and non-selective schools.
- It was felt KCC would be in a good position to shape what was coming forward through participation in DfE pilot schemes.

4) RESOLVED to note the presentation.

6. SEND Green Paper
(Item 7)

Mark Walker, Director for SEND was in attendance for this item

1) Mr Walker outlined the presentation (attached).

2) Mrs Chandler outlined the second part of the presentation.

3) Further to comments and questions, it was noted:

- It was acknowledged there had been difficulties in the past with regard to SEND policies in Kent. The green paper outlined that there would be clarification of roles and responsibilities and shared accountability across partners. KCC's consultation response was to support shared accountability and propose how this might work to the benefit of children.
- There would be an update brought to Cabinet following the engagement process.

4) RESOLVED to note the presentation.

7. Findings from New Philanthropy Capital Research - Full Cost Recovery and commissioning the VCSE
(Item 8)

Lydia Jackson, Policy and Relationships Officer (VCS); David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance; Ben Watts, General Counsel; Josephine McCartney, Chief Executive of Kent Community Foundation

1) Mr Hill introduced the report.

2) Mr Whittle outlined the report. This was the first in-depth research work that had been conducted on this matter and it had attracted attention nationally from the wider public sector and from government. The research had highlighted challenges concerning consistency of practice, cost and quality. Also highlighted were challenges for the voluntary sector to respond to around behaviour, price, whether it appropriately shared risk and the responsibility of not meeting full cost recovery.

Strategic opportunities had been highlighted for KCC in how it conducts procurement moving forward and the building of strategic partnerships. Also, there were opportunities to come out of the recent procurement green paper.

The VCSE Steering Group was important in taking this work forward.

3) Mrs McCartney thanked KCC for work on this area and said it had highlighted the overall issues in the relationship with the voluntary sector and local authorities. Kent had led the way on addressing these issues and it was hoped that other local authorities and parts of the sector would also pick this up. The Steering Group had provided a forum for challenges to be shared and to open a more open relationship.

4) Ms Maynard said the research was welcomed and it was an exciting opportunity to make sure that existing commissioning activities remained fit for purpose. It had been positive to see many good examples of commissioning and contract management, where there had been a partnership ethos and mutual respect and understanding. Work was underway to adopt good practices into commissioning standards across the organisation to ensure consistency of approach and delivery to a high standard.

5) Further to comments and questions, it was noted:

- There were challenges in not reinforcing previous behaviours and in deciding the next steps so that changes could be evidenced. There would be monitoring arrangements put in place and work would be ongoing with regard to commissioning standards. A reporting mechanism would be put in place to the relevant Cabinet Committee and alignment with the Civic Society Strategy would be considered.
- There was an impact from the findings of the research on Cabinet Members' decisions moving forward and given the commitments made.

6) RESOLVED to agree the recommendations as outlined in the report.

8. Procurement of an E-voucher Distribution Provider
(Item 9)

David Adams, Reconnect Programme Manager was in attendance for this item.

1) Mr Oakford introduced the report.

2) Mr Adams outlined the report. Thanks were given to officers across KCC for their support in accommodating a tight deadline in order that support could be delivered in the summer. A lead-in time was required where the support was provided via schools. The proposed contract period was for 3 years with 2 potential 1-year extensions.

3) Further to comments from Members, it was noted:

- There would need to be full reporting on progress on this important piece of work.

4) RESOLVED to agree the recommendations as outlined in the report.

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From: Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Interim Corporate Director Finance, John Betts

To: Cabinet, 23 June 2022

Subject: Provisional Revenue and Capital Budget Outturn Report 2021-22

Classification: Unrestricted

Summary:

The attached report sets out a high-level summary of the provisional revenue and capital budget outturn position for 2021-22. Included are revenue budget roll forwards, capital rephasing and budget adjustments. The report sets out separately the position regarding Covid-19 related expenditure and funding.

Recommendation(s):

Cabinet is asked to:

a) NOTE the provisional Revenue outturn position for 2021-22.

b) NOTE the provisional Capital outturn position for 2021-22

c) AGREE that £4.054m of the 2021-22 revenue underspending is rolled forward to fund existing commitments.

d) AGREE that £2.454m of the 2021-22 revenue underspending is rolled forward to fund the rephasing of existing initiatives.

e) AGREE that £0.620m of 2021-22 revenue underspending is rolled forward to fund bids.

f) AGREE that the £0.493m remaining business as usual underspend is set aside in the earmarked reserve to support future years' budgets.

g) AGREE the £169.507m of capital re-phasing from 2021-22 will be added to the 2022-23 and later years capital budgets.

h) AGREE the proposed capital cash limit changes.

i) AGREE the contributions to and from reserves.

1. Introduction

1.1 The attached report sets out the provisional revenue and capital outturn position for 2021-22 including the financial information related to the impact of responding to the Covid 19 pandemic.

2 Provisional Revenue and Capital Budget Outturn Report 2021-22

2.1 The attached report sets out the provisional outturn position for 2021-22 which for the 22nd consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools). This is a considerable accomplishment considering the forecast position throughout the year. It should be noted that within the overall out-turn position there is a significant overspend in Children's Services totalling £8m, which is offset by underspends elsewhere. The provisional outturn against the combined directorate revenue budgets is an underspend of -£7.6m (excluding schools and roll forward requests of £7.1m). There may be minor variations to the figures during the final stage of the year end process and the external audit.

2.2 Details of the proposals for the use of the £7.6m revenue budget underspend are provided in Appendix 1. This identifies those projects where there is already a commitment or a request to spend in 2022-23, leaving a balance of £0.5m. It is recommended that this remaining underspend is transferred to the earmarked reserve to support future years' budgets.

2.3 The report also sets out the commitments against the Covid-19 emergency grant reserve.

2.4 The Capital position includes re-phasing into 2022-23 and later years and cash limit changes.

3. Recommendation(s)

Cabinet is asked to:

Cabinet is asked to:

a) NOTE the provisional Revenue outturn position for 2021-22.

b) NOTE the provisional Capital outturn position for 2021-22

c) AGREE that £4.054m of the 2021-22 revenue underspending is rolled forward to fund existing commitments.

d) AGREE that £2.454m of the 2021-22 revenue underspending is rolled forward to fund the rephasing of existing initiatives.

e) AGREE that £0.620m of 2021-22 revenue underspending is rolled forward to fund bids.

f) AGREE that the £0.493m remaining business as usual underspend is set aside in the earmarked reserve to support future years' budgets.

g) AGREE the £169.507m of capital re-phasing from 2021-22 will be added to the 2022-23 and later years capital budgets.

h) AGREE the proposed capital cash limit changes.

i) AGREE the contributions to and from reserves.

4. Contact details

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Revenue and Capital Budget Outturn 2021-22

By Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Interim Corporate Director Finance, John Betts
Corporate Directors

To Cabinet – 23 June 2022

Unrestricted

Contents

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1 Introduction

This report presents the provisional budget outturn position for 2021-22 for both Revenue and Capital budgets, and sets out the business as usual activities and the impact of Covid-19 on our resources.

For the 22nd consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools). This is a considerable accomplishment considering the forecast position throughout the year. It should be noted that within the overall out-turn position there is a significant overspend in Children's Services totalling £8m, which is offset by underspends elsewhere. The provisional outturn against the combined directorate revenue budgets is an underspend of -£7.6m (excluding schools and roll forward requests of £7.1m). There may be minor variations to the figures during the final stage of the year end process and the external audit.

Details of the proposals for the use of the £7.6m revenue budget underspend are provided in Appendix 1. This identifies those projects where there is already a commitment or a request to spend in 2022-23, leaving a balance of £0.5m. It is recommended that this remaining underspend is transferred to the earmarked reserve to support future years' budgets.

Also included are capital re-phasing and budget adjustments which require Cabinet approval. It also includes the impact on our reserves.

1.1	The provisional revenue outturn for business as usual (General Fund) is an underspend of -£7.620m before roll forward requests. After roll forward requests the underlying underspend is -£0.493m.	The provisional revenue outturn for business as usual before roll forwards is an underspend of -£7.620m. After roll forwards of £7.127m the underspend reduces to -£0.493m. Although the Council is showing an overall underspend, the CYPE directorate is showing an overspend of +£7.958m excluding roll forwards (+£10.313m after roll forwards). All other directorates are showing underspends, before taking into account roll forwards; the largest is -£5.929m in GET, followed by S&CS (-£4.986m), NAC including Corporately Held Budgets (-£3.781m) and ASCH (-£0.822m). There may be minor variations to the figures during the final stages of the year end processes and external audit.
1.2	£4.519m of roll forward requests are proposed to be funded from earmarked reserves.	There were a further £5.244m of roll forward requests received. £4.519m are proposed to be met from earmarked reserves (£3.670m from the Covid-19 emergency reserve and £0.850m from the Strategic Priorities Reserve). £0.723m of roll forward requests have been rejected as they are below £100k.

1 Introduction

1.3	The provisional revenue outturn spend for Covid-19 is £17.990m. This is shown as a breakeven position as the spend has been met from the Covid-19 emergency grant reserve. .	The provisional outturn position for Covid-19 is a breakeven position with net spend of £17.990m being funded from the Covid-19 emergency grant reserve. The balance held in the Covid-19 emergency grant reserve is £53.728m. The following commitments are to be met from the reserve during 2022/23; £15m for the continuation of Contain Outbreak Management, £8.293m for Helping Hands, £6.820m for Reconnect, £5m for Market Sustainability and £3.670m Covid-19 related roll forward requests. The remaining £14.946m is to be set aside to support future Covid-19 related spend and loss of income and unrealised savings that have been impacted by Covid-19.
1.4	The provisional capital outturn position is an underspend of -£171.7m excluding Covid-19.	The underspend is made up of -£2.2m real and -£169.5m rephasing variance. This represents 34.2% of the capital budget. The largest real variance is an underspend of -£30.8m in CYPE (-£26.3m in the Basic Need Kent Commissioning Plan 2017 mainly due to some projects no longer progressing). GET is reporting a real overspend of +£19.8m (+£7.9m due to Dover Inland Border Facility and +£6.4m due to Government Transition Works, these are to be funded from Government Grant) and S&CS is reporting a real overspend of +£9m (£9.5m due to the Former Royal School for the Deaf Site). The major rephasing variances are -£96.7m in GET, -£56.9m in CYPE and -£12.9m in S&CS.
1.5	Schools' Delegated Budgets are reporting a £41.197m overspend.	The overspend position of £41.197m reflects the combination of high demand for additional SEN support and high cost per child due to greater demand for more specialist provision. This is in part due to the impact of legislative changes introduced in 2014 and funding shortages. Section 10 of the report provides more detail.

2 Recommendations

Cabinet is asked to:

2.1	Note the provisional Revenue position for 2021-22	Please refer to Section 3 and 4 for details.
2.2	Note the provisional Capital position for 2021-22	Please refer to Section 11 for details.
2.3	Agree that £4.054m of the 2021-22 revenue underspending is rolled forward to fund existing commitments	Please refer to Section 2 of Appendix 1.
2.4	Agree that £2.454m of the 2021-22 revenue underspending is rolled forward to fund the re-phasing of existing initiatives.	Please refer to Section 3 of Appendix 1.
2.5	Agree that £0.620m of 2021-22 revenue underspending is rolled forward to fund bids.	Please refer to Section 4 of Appendix 1.
2.6	Agree that the £0.493m remaining business as usual underspend is set aside in the earmarked reserve to support future years' budgets.	
2.7	Agree the £169.507m of capital re-phasing from 2021-22 will be added to the 2022-23 and later years capital budgets.	Please refer to Appendix 2.
2.8	Agree the proposed capital cash limit changes.	Please refer to Appendix 3.
2.9	Agree the contributions to and from reserves.	Please refer to Appendix 4.

General Fund Provisional Outturn position -£7.6m underspend
Dedicated Schools Grant (DSG) +£41.2m overspend
Covid-19 Provisional Outturn position breakeven

General Fund

Provisional outturn position as overspend/(underspend)

Directorate	Revenue Budget £m	Provisional Outturn £m	Net Revenue Variance £m
Adult Social Care & Health	422.913	422.031	(0.882)
Children, Young People & Education	287.534	295.492	7.958
Growth, Environment & Transport	182.755	176.826	(5.929)
Strategic & Corporate Services	95.671	90.684	(4.986)
Non Attributable Costs	156.722	153.462	(3.260)
Corporately Held Budgets	0.521	0.000	(0.521)
Initial General Fund	**1,146.115**	**1,138.495**	**(7.620)**
Roll forward requests			**7.127**
Revised Variance			**(0.493)**
Ringfenced Items			
Schools' Delegated Budgets	0.000	41.197	**41.197**
Overall Position	**1,146.115**	**1,179.692**	**40.704**

Directorate £m	Variance	Roll Forwards: Committed	Roll Forwards: Re-Phased	Roll Forwards: Bid	Revised Variance
Adult Social Care & Health	(0.882)	0.371	0.000	0.000	(0.511)
Children, Young People & Education	7.958	0.572	1.784	0.000	10.313
Growth, Environment & Transport	(5.929)	3.014	0.100	0.000	(2.815)
Strategic & Corporate Services	(4.986)	0.098	0.370	0.620	(3.899)
Non Attributable Costs	(3.260)	0.000	0.200	0.000	(3.060)
Corporately Held Budgets	(0.521)	0.000	0.000	0.000	(0.521)
Total excluding Schools	**(7.620)**	**4.054**	**2.454**	**0.620**	**(0.493)**

Provisional outturn position as overspend/(underspend)

Directorate	Covid-19 Allocation	Covid-19 Provisional Outturn	Covid-19 Variance
	£m	£m	£m
Adult Social Care & Health	0.000	4.835	**4.835**
Children, Young People & Education	0.000	9.313	**9.313**
Growth, Environment & Transport	0.000	1.263	**1.263**
Strategic & Corporate Services	0.000	2.110	**2.110**
Non Attributable Costs	0.000	0.469	**0.469**
Variance to Covid-19 Budgets held corporately	**0.000**	**17.990**	**17.990**
Drawdown from COVID-19 Reserve			**(17.990)**
Total Covid-19 Position			**(0.000)**

General Fund

The General Fund provisional outturn position is an underlying underspend of £0.493m after taking account of roll forwards.

The final outturn variance is an underspend of -£7.620m on the 21-22 revenue budget before roll forwards and excluding Covid-19. There are Directorate roll forward requests of £7.127m. Although the Council is showing an overall underspend, the CYPE directorate is showing an overspend of +£7.958m (+£3.702m in the Special Education Needs and Disabilities division and +£5.279m in the Education division). All other directorates are reporting underspends. -£5.929 in GET (-£4.241m in Highways, Transportation and Waste division) followed by -£4.986m in S&CS (-£1.011m in Infrastructure), -£3.781m in NAC (including Corporately Held Budgets) and -£0.822m in ASCH.

At Quarter 3 a £13.9m overspend was forecast, equivalent to 1.2% of the net budget. Proactive action was taken by services to reduce spend and increase income and maximise the use of grant, particularly in Adult Social Care & Health, where additional income from NHS was received, alongside the rephasing of tenders and unused grant that will be rolled forward. Going forward, work is ongoing to improve forecasting accuracy.

Roll forward requests

The £7.127m proposed roll forward requests are split as follows:

- £4.054m of contractually committed items
- £2.454m relating to rephasing of existing initiatives
- £0.620m of bids

The remaining £0.493m is to be set aside in the earmarked reserve to support future years' budgets.

There were a further £5.244m roll forward requests received. £4.519m are proposed to be met from earmarked reserves (£3.670m from the Covid-19 emergency reserve and £0.850m from Strategic Priorities).

£0.723m are removed from the roll forward requests as below £100k.

Covid-19

The provisional outturn position for Covid-19 is a breakeven position with net spend of £17.990m being funded from the Covid-19 emergency grant reserve.

The balance held in the Covid-19 emergency grant reserve as at 31st March 2022 is £53.728m. The following commitments are to be met from the reserve during 2022/23; £15m for the continuation of Contain Outbreak Management, £8.293m for Helping Hands, £6.820m for Reconnect, £5m for Market Sustainability and £3.670m Covid-19 related roll forward requests. The remaining £14.946m is to be set aside to support Covid-19 related costs that arise during 2022/23. Further details of Covid-19 related costs are detailed in Section 4 and the individual directorate sections.

Schools' Delegated Budgets

The overspend is +£41.197m. The DSG deficit has increased from £51.049m to £97.616m in 2021/22. This is almost entirely due to an increase in the High Needs budget deficit, which is the Council's single biggest financial risk which therefore requires continued action. The Council continues to work with the Schools' Funding Forum to set out the challenge and agree and deliver a plan to address the deficit. The Department for Education has recently invited the Council to take part in the second round of the Safety Valve Programme for those Councils with the highest deficits to support the development of a sustainable plan for recovery, this may include further funding from the DfE to pay off historic deficits but only if the Council can demonstrate a credible plan. For more information, please refer to section 10.

4 Covid-19

Total impact of Covid-19 is breakeven

Summary Covid-19 Outturn Position

	£m
Covid-19 Emergency Grant Reserve	**71.718**
Actual spend	30.584
Underspends, Loss of Income & Unrealised savings	(12.594)
	53.728
2022-23 Commitments against COVID-19 Emergency Grant Reserve:	
Covid-19 related roll forwards	3.670
Helping Hands	8.293
Reconnect	6.820
Contain Outbreak Management Fund (COMF)	15.000
Market Sustainability	5.000
Total 2022-23 Commitments	38.782
Balance available	14.946

Further details are provided in the table below.

Categories	ASCH	CYPE	GET	S&CS	NAC	Total
	£m	£m	£m	£m	£m	£m
Forecast Real spend	4.595	8.635	5.955	2.488	0.000	**21.673**
Underspends	0.000	(2.940)	(14.732)	(1.287)	0.000	**(18.960)**
Loss of income	0.240	1.317	1.225	0.909	0.469	**4.160**
Unrealised savings	0.000	2.100	0.105	0.000	0.000	**2.205**
Market sustainability - loans	0.000	0.000	0.000	0.000	0.000	**0.000**
Market sustainability - one off payments	0.000	0.118	0.000	0.000	0.000	**0.118**
Payments for undelivered services (fixed fee)	0.000	0.000	0.000	0.000	0.000	**0.000**
Payments for undelivered services (variable fee)	0.000	0.083	8.710	0.000	0.000	**8.793**
Total Provisional Covid-19 Revenue Outturn	**4.835**	**9.313**	**1.263**	**2.110**	**0.469**	**17.990**
Contribution from Reserves	(4.835)	(9.313)	(1.263)	(2.110)	(0.469)	(17.990)
Total Covid-19 Position	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

There was £71.718m held in the Covid-19 emergency grant reserve, comprising the £55.583m balance as at 31st March 2021 and £16.135m budget allocated to fund Covid-19 which has been transferred in at the end of the year.

During 2021-22 the net spend on the Covid-19 response and recovery was £17.990m and this has been funded from a drawdown from the reserve. No Covid-19 related variances are shown within the Directorates.

4 Covid-19

Total impact of Covid-19 is breakeven

The balance held in the Covid-19 emergency grant reserve as at 31st March 2022 is £53.728m. There are £38.782m of commitments to be met from the reserve during 2022-23 and are detailed in summary 1 above. This leaves £14.946m to support Covid-19 related costs during 2022-23. The impact and use of the Covid-19 emergency grant reserve will be reported in the quarterly budget monitoring reports.

We had £147.617m additional grant income to support the Covid-19 pandemic which has no impact on the Council's base budget. These are specific, ring-fenced grants to support a range of additional activities, primarily relating to Public Health. An additional S31 compensation grant has been received and set aside to fund the collection fund deficit.

There are additional capital costs of around £5.3m, the majority of this relates to construction of schools.

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

4.1	£4.595m actual real spend in ASCH	The cost of supporting additional demand for services resulting from Covid-19, including a range of projects to tackle backlogs in addition to increased staffing requirements.
4.2	£8.635m actual spend in CYPE	Latent demand estimates for Children Social Services: increased complexity of both looked after children and children in need cases. Court delays resulting in higher legal costs due to protracted court proceedings & increased number of hearings. Delays in the basic need capital programme resulting in greater use of temporary accommodation to meet demand for school places and higher contractor costs.
4.3	-£2.940m underspend in CYPE	Delays in recruitment in detached youth workers, in the commissioning of the SEND parenting programme. Savings from the phased re-opening of children centres, youth services, and adult learning services at the start year.
4.4	£2.100m unrealised savings in CYPE	Children social care savings delayed due to COVID restrictions delaying or reducing the impact of new initiatives to increase the number of children supported in in-house foster care rather than more expensive alternatives. The demand for children's social workers increasing during COVID, due to increased staff sickness and increased complexity of children in need cases therefore delaying the planned reduction in agency staff.
4.5	£5.955m actual spend in GET	Primarily relates to the sustained increase in kerbside tonnes being presented at Waste Transfer Stations (including increased cost of haulage) (£4.9m overall), Helping Hands schemes within Economic Development (0.3m), together with other minor costs within Highways, Libraries, and Economic Development.

4.6	-£14.732m underspends in GET	Public Transport costs eligible for Government grant and a reduction in English National Concessionary Travel Scheme (ENCTS) journeys are the primary elements. Other general underspends across the directorate due to reduced activity. Reduced activity levels have been reflected in the 2022-23 budget build, on the assumption that this will be the budgeted level of usage going forward.
4.7	£2.488m actual spend in S&CS	The main areas of spend are: increased revenue contribution to capital because of delays to capital projects due to Covid-19; Members' Local Covid Support Grants; Crowd funding match funding; Additional ICT cost for mobile handheld devices and call diversion costs on SIP exchange; early implementation of Microsoft E5 licences; New chairs for Hybrid working; Costs of social distancing in elections; Security at former county transport workshop for temporary place of rest.

4.8 **During 2021-22 we received additional specific grants and receipts in advance from 2020-21 amounting to £147.617m to support the response to the Covid-19 pandemic. The table below shows all the grants available during 2021-22.**

The Covid-19 Compensation for Covid related business rate reliefs grant amounting to £15.3m has been transferred to reserves to be earmarked to fund the collection fund deficit and fall outside the scope of reserves earmarked for services.

COVID-19 GRANT 2021-22

Grant Name	Amount Received £m
Covid 19 Test & Trace grant	2.711
Covid 19 Adult Social Care Infection Control grant - tranche 2	-0.092
Covid 19 Bus Services Support Grant Restart scheme	1.322
Covid 19 School & College Transport Capacity funding	2.403
Covid 19 Wellbeing for Education Return project	0.177
Covid 19 Contain Outbreak Management Fund	39.157
Covid 19 Compensation for Loss of Sales, Fees & Charges	-0.759
Covid 19 Winter Grant Scheme	1.600
Covid 19 Clinically Extremely Vulnerable	0.379
Covid 19 NHS Hospital Discharge claim Part 2	-0.046
Covid 19 Asymptomatic Community Testing	5.060
Covid 19 Adult Social Care Rapid Testing Fund	-0.071
Covid 19 Adult Social Care Workforce Capacity Fund	-0.103
Covid 19 Compensation for irrecoverable local taxation losses (local tax income guarantee for 2020-21)	0.030
Covid 19 Local Council Tax Support Grant	14.289
Covid 19 Compensation for Covid related business rate reliefs	16.513
Covid 19 Adult Social Care Infection Prevention and Control Fund 2021	5.982
Covid 19 Adult Social Care Rapid Testing Fund 2021	3.870
Covid 19 Working in Partnership to support the vaccination delivery programme	0.053
Covid 19 Practical Support for those self isolating	3.673
Covid 19 Local Support Grant (Winter Support Grant extension 17 Apr to 20 Jun 21)	5.299
Covid 19 NHS Hospital Discharge claim Part 3	3.057
Covid 19 Adult Social Care Extended Infection Control grant (tranche 4)	4.400
Covid 19 Adult Social Care Extended Rapid Testing Fund (tranche 3)	3.366
Covid 19 Recovery Household Support Fund	9.162
Covid 19 Adult Social Care Infection Prevention & Control Fund (tranche 5)	7.169
Covid 19 Adult Social Care Testing fund (tranche 4)	3.891

Covid 19 Care Workers Access to Vaccines Fund	0.743
Covid 19 Adult Social Care Workforce Retention & Recruitment Fund	4.175
Covid 19 Local Transport Authority Bus Recovery Grant	0.960
Covid 19 Adult Social Care Workforce Recruitment & Retention Fund (Round 2)	7.706
Covid 19 Adult Social Care Omicron Support Fund (Infection Control)	1.541
TOTAL GRANT RECEIVED 2021-22	**147.617**

5 Adult Social Care & Health

	Budget	Provisional Outturn	Net Revenue Variance
	£m	£m	£m
Adult Social Care & Health Operations	378.084	385.379	7.295
Strategic Management & Directorate Budgets (ASCH)	35.240	27.547	(7.693)
Public Health	0.052	0.021	(0.031)
Business Delivery	9.537	9.084	(0.453)
Adult Social Care & Health	**422.913**	**422.031**	**(0.882)**
Roll forward requests			0.371
Revised Variance			**(0.511)**

	Budget	Provisional Outturn	Net Covid Revenue Variance	Contribution to/(from) Reserves	**Net impact on General Fund**
	£m	£m	£m	£m	**£m**
Covid-19 Outturn position	**0.000**	**4.835**	**4.835**	**(4.835)**	**0.000**

The Adult Social Care & Health directorate provisional revenue outturn variance, excluding Covid-19 is an underlying underspend of -£0.511m after roll forwards. Details of the underspend of -£0.882m before roll forwards of +£0.371m is detailed below and the roll forward requests are set out in Appendix 1.

The Covid-19 underlying additional expenditure is £4.835m, mainly due to the cost of supporting additional demand. The net spend has been funded from the Covid-19 emergency grant reserve. Uncertainty remains around the ongoing impact that Covid-19 will have on services.

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

Division	Variance	Summary	Detail
Strategic Management & Directorate Budgets (ASCH)	-£7.693m	Centrally held funds released to cover underlying overspends elsewhere.	A significant portion of this underspend relates to central funds held for new initiatives which have been released to cover underlying overspends in commissioned client services. A budget realignment process has corrected this for 2022-23. -£0.848m relates to an underspend in Housing Related Support services as a result of alternative one-off funding. -£0.751m relates to additional income from external sources not recognised in the budget. -£3.173m of un-ringfenced Clinically Extremely Vulnerable grant has not been spent in the year and will be part of the wider consideration of all Covid related spend going forward into 2022-23. It is proposed that this is funded from the Covid-19 emergency grant reserve.

Division	Variance	Summary	Detail
Adult Social Care & Health Operations	+£7.295m	There are significant overspends against Older People's services and Learning Disability Residential Care.	The majority of the overspend in the ASCH Operations division relates to commissioned services for Older People. Residential Care Services for Older People are showing an overspend of +£20.626m. This is due to people leaving hospital with highly complex needs requiring additional support. The impact of lockdown restrictions resulted in individuals delaying receiving support and having less access to the use of preventative services. There was also an increase in situations where it was considered detrimental to move an individual to a lower cost placement as a result of Covid restrictions. Community Based Services for Older People are showing an underspend of -£10.846m. There has been severe pressure in the social care market throughout 2021-22 relating to workforce capacity. This has manifested partially due to a lack of available suitable homecare packages and more clients receiving alternative support. The 21-22 budget anticipated increasing numbers of clients receiving support in the community rather than residential care. This has not been achieved due to delays in delivering the service redesign savings. In-House services are reporting an underspend of -£3.517m; several units have continued to operate at reduced service levels during 2021-22 due to the pandemic, with services levels increasing toward the end of the year. There have been vacancy slippages and delays in recruitment. The number and costs of Learning Disability clients in Residential care was higher than budgeted levels. This was mainly due to the high level of additional complex needs seen in young people transitioning from Children's Services into Adult Social Care which resulted in a significant increase in care costs above negotiated contract price increases.
Business Delivery Unit)	-£0.453m	A roll forward has been requested, and there are variances against several projects.	Within the Business Delivery Unit there is an overspend of +£0.837m due to additional expenditure incurred delivering the Directorate's Social Care Activity System (Mosaic) Digital Implementation project. This has been largely offset by underspends against other projects delivered by the Projects and Innovation Delivery Teams (-£0.476m) and slippages on staff vacancies and recruitment. -£0.341m has been requested as a roll forward into 2022-23 as legally committed match funding for ongoing Interreg projects.
Public Health	-£0.031m	A roll forward has been requested.	-£0.031m has been requested as a roll forward into 2022-23 as legally committed match funding for ongoing Interreg projects.

Details of the Covid-19 provisional outturn are shown here:

Grant Category	Provisional Outturn	Explanation
Additional Spend	£4.595m	The cost of supporting additional demand for services resulting from Covid-19, including a range of projects to tackle backlogs in addition to increased staffing requirements.
Loss of income	£0.240m	Relates to where day services are still not providing the same level and type of service as before meaning that clients cannot be charged for those periods.
Total Covid-19 Revenue Outturn	£4.835m	
Contribution from Reserves	(£4.835m)	
Revised Covid-19 position	**£0.000m**	

Provisional Outturn Variance

	Budget £m	Provisional Outturn £m	Net Revenue Variance £m
Integrated Children's Services (East & West)	159.334	158.602	(0.732)
Special Educational Needs & Disabilities	82.769	86.471	3.702
Education	41.223	46.503	5.279
Strategic Management & Directorate Budgets (CYPE)	4.209	3.917	(0.292)
Children, Young People & Education	**287.534**	**295.492**	**7.958**
Roll forward requests			2.355
Revised Variance			**10.313**

	Budget £m	Provisional Outturn £m	Net Covid Revenue Variance £m	Contribution to/(from) Reserves £m	**Net impact on General Fund £m**
Covid-19 Outturn position	**0.000**	**9.313**	**9.313**	**(9.313)**	**0.000**

The Children, Young People & Education directorate's provisional revenue outturn variance, excluding Covid-19 is +£10.313m after roll forwards. Details of the overspend of +£7.958m before roll forwards of +£2.355m are set out below and the roll forward requests are set out in Appendix 1.

The overspend is due to a delay in the implementation of the Special Educational Needs (SEN) transport re-procurement coupled with higher demand along with pressures across the children social work service and higher costs of supporting looked after children. This is partially offset by lower accommodation costs of supporting Care Leavers.

The Covid-19 underlying additional expenditure is £9.313m, mainly due to COVID restrictions at the start of the year, have meant a greater dependency on use of temporary accommodation to provide sufficient school places and reductions in income from adult education courses. Greater complexity of children's cases and delays in the ability to achieve budgeted social care savings have also contributed to this spend. The net spend has been funded from the Covid-19 emergency grant reserve. Uncertainty remains around the ongoing impact that Covid-19 will have on services.

6 Children, Young People & Education

General Fund Provisional Outturn position +£7.9m overspend
Covid-19 Provisional Outturn position breakeven

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

Key Service (Division)	Variance	Summary	Detail
Home to School Transport (Education)	+£5.781m	Delays in re-procurement of transport contracts and increase in demand	The 2021 MTFP also included an estimated saving relating to the re-procurement of the SEN transport contracts. The re-procurement was put back to the end of the financial year due to delays in the implementation of new software to support this project, therefore any financial benefits were no longer expected to impact in 2021-22 In addition, there continues to be a significant increase in the number of children requiring SEN transport with over a 10% year on year increase in the number travelling. This is a consequence of a greater number of children with SEN not being educated in their local school (total pressure of +£2.8m).
Other School Services (Education)	-£0.376m	Various school related costs	Delays in basic need projects due to archaeological/environmental factors have resulted in use of more temporary accommodation to ensure sufficient school places from September (+£0.6m). Feasibility and abortive costs of school projects which are no longer progressing and can no longer be capitalised (+£0.5m). This is offset by underspend of -£1.5m on the School Improvement Grant to be requested as a roll forward to 22-23 (£1.055m) with the residual amount to be used to meet the costs of existing services.
Care Leaver Services (Integrated Children Services)	-£2.713m	Lower accommodation related costs of supporting care leavers	The service has been working to reduce the number of children in semi-independent placements to ensure young people are placed in the most cost-efficient placements. This has resulted in an underspend of approximately -£1.4m. The number of young people requiring support with their council tax continues to remain lower than initially estimated leading to a further -£0.6m underspend. The balance relates to an underspend on staffing (-£0.4m) and the block contract for floating support (-£0.3m).
Looked After Children - Care & Support (Integrated Children Services)	+£3.823m	Increased number and cost of residential placements	The number of looked after children has remained fairly static but the cost of placements continues to rise with a greater number being placed in more expensive external settings as no suitable alternative is available. The average cost of residential placement has risen by over 20% in 2 years.

6 Children, Young People & Education

General Fund Provisional Outturn position +£7.9m overspend
Covid-19 Provisional Outturn position breakeven

Key Service (Division)	Variance	Summary	Detail
Youth Services (Integrated Children Services)	-£1.242m	Underspend on Secure Accommodation Grant	The grant for secure accommodation is based on historic levels of children on remand. Where actual demand is lower than the grant available a request to roll forward the unspent grant is made to support possible future fluctuations in demand (£0.7m) and to provide further resources for prevention & management of high-risk cases (£0.3m).
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers (Special Educational Needs & Disabilities)	+£0.563m	Increased cost of residential placements	The number of young people has reduced in residential care, but the average cost of placements has increased due to complexity and lack of availability of suitable placements.
Adult Learning & Physical Disability Pathway – Community Based Services (Special Educational Needs & Disabilities)	+£0.500m	Increased cost of supported living packages	The average cost of supported living packages has increased due to complexity and where additional support is required for those individuals who would previously have required residential care.
Looked After Children (with Disability) - Care & Support (Special Educational Needs & Disabilities)	+£0.952m	Increased number and cost of residential and unregulated placements	We have seen a significant number of new placements earlier in the year than expected. The average cost of residential placement has risen by over 20% in 2 years. High-cost unregulated placements have been used as an alternative where it has not been possible to find suitable residential placements for children with complex needs.
Children in Need (Disability) - Care & Support (Special Educational Needs & Disabilities)	+£0.480	Increase Direct Payments & Homecare packages of support	Demand for direct payments & homecare packages had been rising but was suppressed last financial year whilst COVID restrictions reduced access to clients and limited supply of providers. Demand is now higher than initially expected and includes several exceptionally high costed packages to meet increasingly complex cases. The lack of supply has also meant the use of higher cost agencies which has partly contributed to the higher unit cost for day care.
Special Educational Needs & Psychology Services (Special Educational Needs & Disabilities)	+£0.716m	Increased use of agency	Difficulties in the recruitment of suitably qualified Education Psychologist and SEN officers has led to an increasing use of agency staff.

Details of the Covid-19 forecast are shown here:

Grant Category	Provisional Outturn	Explanation
Additional Spend	£8.635m	• Latent demand estimates for Children Social Services: increased complexity of both looked after children and children in need cases. Court delays resulting in higher legal costs due to protracted court proceedings & increased number of hearings. • Delays in the basic need capital programme resulting in greater use of temporary accommodation to meet demand for school places and higher contractor costs.
Underspends	(£2.940m)	• Delay in recruitment in detached youth workers • Delay in the commissioning of the SEND parenting programme • Savings from the phased re-opening of children centres and youth services at the start year • Savings from the phased re-opening of adult learning services at the start of the year
Loss of income	£1.317m	• Reduction in income whilst the adult learning services recovers following prolonged closures due to COVID restrictions. • Reduction in 16+ travel saver income where numbers of children have not yet recovered to pre-COVID levels • Reduction in income from Duke of Edinburgh whilst COVID restrictions were in place.
Unrealised savings	£2.100m	Delay in the delivery of children social care savings due to: • COVID restrictions delaying or reducing the impact of new initiatives to increase the number of children supported in in-house foster care rather than more expensive alternatives. • The demand for children's social workers increasing during COVID, due to increased staff sickness and increased complexity of children in need cases therefore delaying the planned reduction in agency staff.
Market sustainability - one off payments	£0.118m	Additional payments to support tutors in adult learning services
Payments for undelivered services (variable fee)	£0.083m	Catering reimbursements for Free School Meals
Total Covid-19 Revenue Outturn	£9.313m	
Contribution from Reserves	(£9.313)	
Revised Covid-19 Position	**£0.000m**	

	Budget	Provisional Outturn	Net Revenue Variance
	£m	£m	£m
Highways, Transportation & Waste	150.428	146.187	(4.241)
Environment, Planning & Enforcement	17.732	16.470	(1.261)
Libraries, Registration & Archives	8.589	8.250	(0.338)
Economic Development	4.598	4.469	(0.128)
Strategic Management & Directorate Budgets (GET)	1.409	1.449	0.040
Growth, Environment & Transport	**182.755**	**176.826**	**(5.929)**
Roll forward requests			3.114
Revised Variance			**(2.815)**

Provisional Outturn Variance

	Budget	Provisional Outturn	Net Covid Revenue Variance	Contribution to/(from) Reserves	**Net impact on General Fund**
	£m	£m	£m	£m	**£m**
Covid-19 Outturn position	0.000	1.263	1.263	(1.263)	(0.000)

The Growth, Environment & Transport directorate provisional revenue outturn variance, excluding Covid-19 is -£2.815m after roll forwards. Details of the underspend of -£5.929m before roll-forwards of +£3.114m is detailed below and the roll forwards are set out in Appendix 1.

The roll forwards are predominantly due to projects that have been re-phased and will now occur in 2022-23, or where there is committed funding for on-going project delivery.

The Covid-19 underlying net additional expenditure is +£1.263m which has been funded from the Covid-19 emergency reserve. Uncertainty remains around the ongoing impact that Covid-19 will have on services.

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

Key Service (Division)	Variance	Summary	Detail
Highway Asset Management (Other), (Highways, Transportation & Waste)	+£0.137m	Additional Drainage spend offset by income and streetlight energy savings.	Overspend within drainage (+£2.1m) offset by additional permit and street works income (-£1.7m) plus volume and price savings in streetlights energy (-£0.4m) where these were below budgeted levels. Within this position are underspends of -£0.3m relating to inspection costs of Structures and Tunnels that could not be delivered in 2021-22 due to Covid and two years' worth will now be conducted in 2022-23.
Kent Travel Saver (Highways, Transportation & Waste)	-£0.392m	Payments to operators lower than anticipated.	This is due to anticipated additional costs not materialising.
Environment & Planning (Environment, Planning & Enforcement)	-£0.516m	Underspends on projects to be rolled forwards	Within this position are underspends totalling -£0.7m that the division would like to request to be rolled forward, including -£0.4m committed spend relating to the Barnfield Gypsy and Traveller site, as well as -£0.3m of committed funding for on-going projects.
Public Protection (Enforcement) (Environment, Planning & Enforcement)	-£0.742m	Staffing, additional income and other minor variances.	Staffing vacancy management and several other minor variances including additional income within Kent Scientific Services and Trading Standards. Within this position are underspends totalling -£0.3m that include -£0.2m for the Connected Communities Interreg project and -£0.1m relating to the Serious and Organised Crime pilot. These are requested to be rolled forward.
Waste Facilities & Recycling Centres (Highways, Transportation & Waste)	-£1.994m	Favourable recycling prices offset by one-off costs.	Favourable prices relating to the material recycling facility and anaerobic digestor contracts, as well as additional income for paper, card and metal (-£2.7m). This improved position has been reflected in the 2022-23 budget build. These savings are offset in part by pressures including one-off costs relating to new contracts in East Kent and some refurbishments at HWRCs (+£0.7m).
Highways, Transport & Waste Management Costs & Commercial Operations (Highways, Transportation & Waste)	-£2.084m	Underspends on environmental works and staffing, additional income and other minor variances.	Environmental and other works at Closed Landfill Sites will not be completed until 2022-23 and are a committed roll forward (-£1.1m). Staffing vacancy management and several other minor variances, including additional grant income within Public Transport, comprise the balance.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Additional Spend	£5.955m	Primarily relates to the sustained increase in kerbside tonnes being presented at Waste Transfer Stations (including increased cost of haulage) (£4.9m overall), Helping Hands schemes within Economic Development (0.3m), together with other minor costs within Highways, Libraries, and Economic Development. The increase in kerbside waste tonnages has been reflected in the 2022-23 budget build as whilst linked to Covid, this appears to be the new baseline going forward given more people are home-working and will continue to do so, so this represents a shift from commercial waste disposal (not KCC) to KCC waste disposal costs.
Underspends	(£14.732m)	Public Transport costs eligible for Government grant (-£9.6m) and a reduction in English National Concessionary Travel Scheme (ENCTS) and Kent Travel Saver (KTS) journeys (-£2.8m) are the primary elements. Other general underspends across the directorate due to reduced activity including in some Waste Recycling contracts (-£2.3m). Reduced journey levels have been reflected in the 2022-23 budget build, on the assumption that this will be the budgeted level of usage going forward.
Loss of income	£1.225m	Income loss primarily relating to the KTS, less passes in issue due to the pandemic and more parents home-working and dropping their children to school, with some offset from one-off additional Registration bookings. This is not deemed to be the new-normal baseline but a reduction in the backlog of cancelled or deferred bookings during the pandemic.
Unrealised savings	£0.105m	These may continue into 2022-23 as they will have a negative impact on economic recovery.
Payments for undelivered services (variable fee)	£8.710m	Support to maintain financial stability, mainly in public transport (ENCTS and KTS), partially offset by Government grant. This is in line with the Government request to continue paying operators at budgeted levels, even if activity is lower than expected/budgeted. Therefore, the charge to the Covid grant reflects the payments that have been made to operators, even where journeys did not occur, which in turn created an underspend on business as usual activity. The cost is therefore shown within 'payments for undelivered services' and the underspend is included within the £14.7m 'underspends due to Covid' section above. This accounted for £7.3m of the £8.7m charge, the other element related to additional capacity payments to allow social distancing etc to occur.
Total Covid-19 Revenue Outturn	£1.263m	
Contribution from Reserves	(£1.263m)	
Revised Covid-19 position	**£0.000m**	

Provisional Outturn Variance

	Budget	Provisional Outturn	Net Revenue Variance
	£m	£m	£m
Infrastructure	29.052	28.041	(1.011)
Corporate Landlord	24.745	24.085	(0.659)
Business Services Centre	0.000	(0.007)	(0.007)
People & Communication	13.412	12.976	(0.436)
Finance	12.030	11.704	(0.326)
Strategic Commissioning	7.451	6.601	(0.850)
Governance, Law & Democracy	6.891	6.046	(0.845)
Strategy, Policy, Relationships & Corporate Assurance	3.830	3.537	(0.294)
Strategic Management & Directorate Budgets (S&CS)	(1.741)	(2.299)	(0.558)
Strategic & Corporate Services	**95.671**	**90.684**	**(4.986)**
Roll forward requests			1.087
Revised Variance			**(3.899)**

	Budget	Provisional Outturn	Net Covid Revenue Variance	Contribution to/(from) Reserves	Net impact on General Fund
	£m	£m	£m	£m	£m
Covid-19 Outturn position	**0.000**	**2.110**	**2.110**	**(2.110)**	**0.000**

The Strategic & Corporate Services directorate provisional revenue outturn variance, excluding the impact of Covid-19 is -£3.899m after roll forwards. Detail of the underspend of -£4.986m before roll forwards of +£1.087m is detailed below and the roll forward requests are set out in Appendix 1.

The Covid-19 underlying additional expenditure is £2.110m, mainly due to increased revenue contributions to capital where capital projects have been delayed, Members' Local Covid Support Grants and Managed Print loss of income offset by reduced costs for printing and copying. The net spend has been funded from the Covid-19 emergency grant reserve. Uncertainty remains around the ongoing impact that Covid-19 will have on services.

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

Key Service (Division)	Variance	Summary	Detail
Infrastructure	-£1.011m	Staff vacancies held whilst new structures within Property and ICT were finalised.	Underspend against staffing budgets in both Property and ICT services due to vacancies unfilled until new structure is agreed. One-off underspend on Kent Enterprise Partnership Shared Workspace project delayed start which is the subject of a roll forward request £0.098m. Unbudgeted income from school meals contract rebates related to prior years. Staffing underspend on emergency planning service due to the early delivery of a 2022-23 saving from ending the on-call payments scheme.
Strategic Commissioning	-£0.850m	Staff savings from rephasing of initiatives and additional income above budget from new burdens grant funding.	Additional grant New Burdens funding for Domestic Violence Team; Inclusion recharges to CYPE and other non-forecasted income; staff saving due to vacancy management; underspend on CIPS £0.070m and it is proposed that this is funded from the Covid-19 emergency reserve in 2022-23. Re-phasing of initiatives to meet audit requirements £0.370m is a requested roll forward.
Governance, Law & Democracy	-£0.845m	Underspend on Local Member Grants and additional income from school admissions appeals	The main element of this underspend is on Local Member Grants which is subject to a roll forward request of £0.620m; Appeals income greater than budget.
Corporate Landlord	-£0.659m	Refunds due to business rates reviews	One off income due to business rates reviews. Review of open purchase orders leading to cancellation of accruals no longer needed.
Strategic Management & Directorate Budgets	-£0.558m	Reduced early retirement costs and unused contingency	Due primarily to reduced early retirement costs and reduced spend on controllable budgets to offer an underspend.
People & Communication	-£0.436m	Additional income from several sources	Human Resources Related Services: mostly due to income from sales, fees & charges together with a slight underspend on the hire of venues for training courses. Customer Contact Communications & Consultations: internal income from reallocation above budgeted figure offsetting pressures elsewhere within the division.

Key Service (Division)	Variance	Summary	Detail
Finance	-£0.326m	Additional grant income	Additional income from grants, contributions, sales, fees, and charges; purchase card rebate; salary contribution from Infection Control Grant.
Strategy Policy Relationships & Corporate Assurance	-£0.294m	Mainly staff vacancy management	Underspend within Policy team due to Vacancy Management awaiting restructure; underspend within KSCB and KSAB

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Additional Spend	£2.488m	The main areas of spend are: increased revenue contribution to capital because of delays to capital projects due to Covid-19; Members' Local Covid Support Grants; Crowd funding match funding; Additional ICT cost for mobile handheld devices and call diversion costs on SIP exchange; early implementation of Microsoft E5 licences; New chairs for Hybrid working; Costs of social distancing in elections; Security at former county transport workshop for temporary place of rest.
Underspends	(£1.287m)	The main areas of underspend are reduced costs for printing and copying with an offsetting reduction included in Loss of Income (below). There are savings on Total Facilities Management and utility costs due to some properties being closed for the early part of the year; reduced travel costs.
Loss of income	£0.909m	For Managed Print there is forecast reduced income with an offsetting cost saving in underspends (above); Loss of rental income on various properties whilst used for testing centres.
Total Covid-19 Revenue Outturn	£2.110m	
Contribution from Reserves	(£2.110m)	
Revised Covid-19 position	**£0.000m**	

9 Non-Attributable Costs

Provisional Outturn Variance

	Budget	Provisional Outturn	Net Revenue Variance
	£m	£m	£m
Non Attributable Costs	156.722	153.462	(3.260)
Earmarked Budgets Held Corporately	0.521	0.000	(0.521)
Net Total incl provisional share of CHB	**157.243**	**153.462**	**(3.781)**
Roll forward requests			0.200
Revised Variance			**(3.581)**

	Budget	Provisional Outturn	Net Covid Revenue Variance	Contribution to/(from) Reserves	**Net impact on General Fund**
	£m	£m	£m	£m	£m
Covid-19 Outturn position	**0.000**	**0.469**	**0.469**	**(0.469)**	**0.000**

The Non-Attributable Costs provisional revenue outturn variance, excluding Covid-19 is -£3.581m after roll forwards. Details of the underspend of +£3.781m before roll forwards of +£0.200m is detailed below and the roll forward requests are set out in Appendix 1.

The underspend is due to a number of factors including release of reserves, release of unclaimed income from the Balance Sheet, additional grant income and underspend on debt charges due to slippage on the capital programme.

The Covid-19 underlying additional expenditure is £0.469m, mainly due loss of investment income. The net spend has been funded from the Covid-19 emergency grant reserve. Uncertainty remains around the ongoing impact that Covid-19 will have on services.

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

Key Service (Division)	Variance	Summary	Detail
Non-Attributable Costs	-£3.781m	Range of underspends	The underspend is due to the following: • Release of reserves and distribution following the unwinding of the Royal Mail site partnership with Maidstone District Council. • Release of reserves related to the 2020-21 List C roll forward requests that are no longer required. • Release of unclaimed income held on the Balance Sheet following the annual review which is undertaken as part of the closure of the accounts. • Late notification and/or additional grant income which was assumed to have ceased for the 2021-22 budget but continued. • Increase in underspend on debt charges due to slippage on the capital programme.

Key Service (Division)	Variance	Summary	Detail
			• Re-phasing of costs related to the settlement of Term Time only staff following a change to how term time only annual leave is calculated.

Details of the Covid-19 forecast are shown here:

Grant Category	Forecast	Explanation
Loss of income	£0.469m	Loss of investment income
Total Covid-19 Revenue Outturn	£0.469m	
Contribution from Reserves	(£0.469m)	
Revised Covid-19 position	**£0.000m**	

10 Schools' Delegated Budgets

The Schools' Delegated Budget reserves has ended the financial year with a surplus of £61.3m on individual maintained school balances, and a deficit on the central schools' reserve of £97.6m.

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

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

	Individual School Reserves	Central Schools Reserve
Balance brought forward	56.0	-51.0
Movement in reserves:		
Academy conversions and closing school deficits	0.0	
Reduction in School deficit balances	0.7	
Increase in School surplus balances	4.6	
School Block Related Spend		-7.6
High Needs Placements, Support & Inclusion Fund		-39.8
Underspend on Early Years		0.4
Overspend on Central DSG Budgets		0.4
Reserve Balance	61.3	-97.6

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

In accordance with the statutory override implemented by the Ministry of Housing, Communities & Local Government (MHCLG) during 2020-21, and in line with the Department for Education (DfE) advice that local authorities are not expected to repay deficits on the DSG from the General Fund and can only do so with Secretary of State approval, the central DSG deficit of £97.6m will be held in a separate unusable reserve from the main council reserves. This statutory override is expected to be in place until April 2023 whilst Councils implement recovery plans. The Council continues to work with the Schools Funding Forum to set out the challenge and agree a plan to address the deficit. The DfE have recently invited the Council to take part in the second round of the Safety Valve Programme for those Councils with the highest deficits to support the development of sustainable plan for recovery; this may include further funding from the DfE to pay off historic deficits but only if the Council can demonstrate a credible plan. The DSG deficit is the Council's single biggest financial risk; therefore, the finalisation and successful implementation of the Council's deficit recovery plan is critical.

10 Schools' Delegated Budgets

Reserves estimate -£36.3m deficit

Key Issues	Details
School Block: One-off Settlement	The DSG Reserve as at 31st March 2021 of £51m is formed from a net surplus on the Schools Block of £11m and a net deficit on the High Needs block of £62m. The two blocks of funding have different purposes and rules and Secretary of State Approval is needed to transfer funding from the schools' block to other funding blocks. The Schools Block funds primary and secondary schools' budgets, and the accumulated balance from previous years underspend of £11m, has been fully committed to be paid to schools as a one-off additional payment to support the cost of changes to the calculation of pay for term time only staff. A total of £7.6m has been drawdown to fund these payments in 2021-22 with the balance to be paid in 2022-23.
Early Years: general underspend	The Early Years Block is used to fund early years' providers the free entitlement for eligible two, three and four-year olds. Each a year, when setting the funding rate an estimate must be made as to likely hours that will be provided to ensure it is affordable within the grant provided. This can lead to minor under or overspends if activity is slightly lower or higher than expected. This has led to an underspend which has been used to fund the Inclusion Fund for children with Special Educational Needs which is normally charged to the High Needs Block and leaving the remaining £0.4m underspend, which will be used to offset 20-21 overspend on this grant.
Reduction in government funding for Central Services	Since 2020-21, the Government has reduced the funding used to support some of the central services currently funded from the DSG (£2.5m). In the short-term this has been addressed through the Medium-Term Financial Plan (£1.8m) without any direct impact to schools; however, during the next year we will need to review our relationship with schools in line with Government policy and funding and implement changes that will eliminate the funding shortfall.

10 Schools' Delegated Budgets

Higher demand and higher cost for high needs placements	The High Needs Block (HNB) is intended to support the educational attainment of children and young people with special educational needs and disabilities (SEND) and pupils attending alternative education provision. The HNB funds payments to maintained schools and academies (both mainstream and special), independent schools, further education colleges, specialist independent providers and pupil referral units. Some of the HNB is also retained by KCC to support some SEND services (staffing/centrally commissioned services) and overheads. The net deficit on the high needs block was £62m as at 31st March 2021 and has grown to £104m by 31st March 2022. The overspend on the high needs block has been growing significantly over recent years and is the most significant financial risk to the council. The in-year funding shortfall for High Needs placements and support in 21-22 is +£50m due to a combination of both higher demand for additional SEN support and higher cost per child resulting from greater demand for more specialist provision. One consequence of this is the council now placing a greater proportion of children in both special and independent schools compared to other local authorities, and a smaller proportion of children with SEND included in mainstream schools. The levels of growth are similar to previous years, since the introduction of the legislative changes in 2014, which also saw the expansion of duties to the age of 25 without sufficient extra funding. The tables below detail the trend in both spend and number of HNB funded places or additional support across the main placement types. In 2021-22 this pressure is being partially offset by a one-off underspend on activities to support inclusive practices in mainstream schools (-£9m). Work has been underway to establish how this fund should be used but activity in relation to this programme of spend did not start until September 2021 due to Covid-19 related delays.

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

	18-19 £'ms	19-20 £'ms	20-21 £'ms	21-22 £'ms
Maintained Special School	87	97	106	123
Independent Schools	36	40	49	60
Mainstream Individual Support & SRP* **	31	38	46	54
Post 16 institutions***	16	16	17	19
Other SEN Support Services	42	44	49	43
Total Spend	212	234	264	299

*Specialist Resource Provision
** Please note this data excludes any costs incurred by primary & secondary schools from their own school budget.
***Individual support for students at FE College and Specialist Provision Institutions (SPIs)

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

	18-19 No	19-20 No	20-21 No	21-22 No
Maintained Special School	4,349	4,751	5,118	5,333
Independent Schools	796	907	1,126	1,333
Mainstream Individual Support & SRP*	3,278	39,22	4,510	5,258
Post 16 institutions***	1,046	1,196	1,281	1,453
Total Number of Pupils	9,468	10,776	12,035	13,377

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

	18-19 £s per pupil	19-20 £s per pupil	20-21 £s per pupil	21-22 £s per pupil
Maintained Special School	£20,010	£20,330	£20,629	£21,991
Independent Schools	£44,871	£43,851	£43,734	£45,303
Mainstream Individual Support & SRP* **	£9,461	£9,691	£10,294	£10,245
Post 16 institutions***	£15,723	£13,393	£13,309	£13,090

The Government recently published its review into support for children with SEN after a two-year delay which sets out a number of recommendations which are intended to achieve a sustainable SEN support system. Although Further funding has been provided; as can be seen from the forecast, this has been insufficient to meet the demand and Kent will need to take further actions to ensure we are able to support children with SEN sustainably, in partnership with the Schools Funding Forum.

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

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

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

11 Capital

Directorate	Capital Budget	Variance excl. Covid-19	Real Variance	Rephasing Variance	Covid-19 Spend
Adult Social Care & Health	3.7	-3.2	-0.2	-3.0	0.0
Children, Young People & Education	163.1	-87.7	-30.8	-56.9	4.2
Growth, Environment & Transport	310.1	-76.9	19.8	-96.7	0.3
Strategic & Corporate Services	24.9	-3.9	9.0	-12.9	0.8
TOTAL	**501.8**	**-171.7**	**-2.2**	**-169.5**	**5.3**

The total approved General Fund capital programme excluding Covid in 2021/22 is £501.8m. This includes a total of £58.3m slippage rolled forward from the previous year.

The actual capital programme spend for the year excluding Covid is £330.1m, which represents 65.8% of the approved budget.

There is a -£171.7m underspend against the budget, this is split between a -£2.2m real variance and -£169.5m re-phasing variance.

The major variances (>£0.1m real variances and >£1.0m rephasing variances) are described below. Previously reported variances are shown in italics:

Adult Social Care & Health:

Project	Real Variance £m	Rephasing Variance £m	Detail
Previously Reported Variances:			
Learning Disability Good Day Programme		*-1.8*	*The majority of projects within this programme are on hold pending review. Smaller scale projects have been agreed and are progressing at Southfields and Meadowside. Developer contributions have been used in 2021-22 instead of £200k prudential that was previously vired from Modernisation of Assets (MOA) in S&CS. The prudential will therefore be returned to S&CS MOA. (Previously reported -£1.8m).*

Children, Young People & Education:

Project	Real Variance £m	Rephasing Variance £m	Detail
New Variances to Report:			
Basic Need Kent Commissioning Plan 2016	-1.2	-0.5	The main projects making up the real underspend are as follows: -£1.6m Wilmington Grammar due to a contribution from the school. +£0.3m Wilmington Academy, due to an additional highways works. -£0.2m Sellindge Primary, final costs are less than expected. The remainder of the real variance is made up of minor variances across a number of schemes.
Basic Need Kent Commissioning Plan 2017	-26.3	-16.2	The main projects making up the real variance are: -£1.2m savings due to 3 projects completing early. -£3.5m Skinners Kent Academy, the project is no longer progressing. -£19.0m Park Crescent Academy, the project is no longer required. +£0.2m Canterbury Academy, due to original budget allocation being incorrect. -£0.2m St Gregory's – project is complete. Costs were negotiated due to variations added without approval. -£0.2m River Mill – project was completed by the DfE. *(Previously reported -£21.9m).* The main projects making up the rephasing variance are: -£5.4m Meopham School, delays due to a highways planning objection, redesign required and re-submission for planning approval. -£3.9m Thamesview School, school not now required until 2023. -£3.8m Beacon Satellite, commercial strategy with procurement has led to delays in obtaining approval. -£2.3m Ursuline College, rephasing due to design clarifications required. *(Previously reported -£18.8m).*
Basic Need Kent Commissioning Plan 2018	-0.4	-12.6	The main projects making up the rephasing variance are: +£1.5m Sevenoaks Selective School – early completion on the main project. -£4.5m Gravesend Grammar School, first design has been rejected and a redesign is required. -£2.3m Simon Langton Boys School, rephasing due to planning issues. -£3.9m The Abbey School, although internal works have been completed during the summer of 2021, the main scheme has been deferred until next year.

			-£3.0m Dartford Bridge Primary, project rephased as it is not now required until a later year. *(Previously reported -£14.7m).*
Basic Need Kent Commissioning Plan 2019	-0.1	-15.1	The main projects making up the rephasing variance are: -£3.6m Wrotham School, rephasing pending a funding agreement. -£1.0m Highsted Grammar, pending a funding agreement with the school. -£3.1m Chilmington Green Secondary – the agreement required to forward fund the early works has been delayed. -£2.4m Invicta Grammar, rephasing pending funding agreement with the school. -£2.1m Queen Elizabeth's Grammar, rephasing due to feasibilities being re-done. -£1.5m Nexus, rephasing due to feasibility studies taking longer than anticipated due to site constraints and project costs have come in too high. -£1.0m Borden Grammar – there have been design delays and abnormals have been identified. *(Previously reported -£14.2m).*
Basic Need Kent Commissioning Plan 2021-25	-3.0	-5.4	Real variance is due to: -£2.5m the budget has been reallocated to other projects as they have been confirmed, and some projects have been removed. -£0.3m St Peter's Aylesford costs coming in below budget. *(Previously reported -£2.5m).* Rephasing is due to: -£3.5m the Abbey School, subsequent phase of this project has been deferred. -£0.5m St Peters Primary, Aylesford – due to a delay in receiving a formal instruction to proceed. -£0.5m Dover Christ Church Academy – the project has been pushed back to 2022-23. -£0.5m Guston CEPS – the project has been pushed back to 2022-23. -£0.4m St Mary of Charity – a change of headteacher has required a revised feasibility. *(Previously reported -£5.5m).*

Previously Reported Variances:

Annual Planned Enhancement Programme	*+0.3*	*+0.5*	*The real variance reflects schemes to be completed under the Decarbonisation Fund, for which there is additional funding (+£1.2m), additional developer contributions of £0.2m, -£0.3m to be vired to Basic need KCP19, -£0.5m to be transferred for Maidstone Girls Grammar School and -£0.3m to be vired to Basic need KCP18. (Previously reported +£0.9m).* *The rephasing forwards is due to improved internal process, collaboration and financial monitoring resulting in quicker project delivery. (Previously reported -£2.4m).* Due to budget pressures identified for this programme it is proposed that £6.1m of banked grant be added to the 2022-23 budget. This is detailed in the capital cash limit changes tables.
High Needs Provision		*-1.9*	*Rephasing is across a number of projects, none of which are above £1m individually. (Previously reported -£1.3m).*
School Roofs		*-4.1*	Project costs for Birchington CEPS being reviewed as original plan included covid restrictions which are no longer required. Birchington CEPS due for completion Summer 2023. *(Previously reported -£4.3m).*
Priority School Build Programme	*0.5*		*Real variance is due to additional costs across a number of projects to be funded from banked grant. (Previously reported +£0.3m).*
Nest 2		*-1.5*	*The project is still at discussion/planning stage hence the rephasing.*

Growth, Environment & Transport:

Project	Real Variance £m	Rephasing Variance £m	Detail
New Variances to Report:			
Integrated Transport Schemes (Highways, Transportation & Waste)	0.2	-1.8	The real variance is due to various small schemes that are externally funded. The rephasing is due to construction delays as a result of the pandemic, as well as the war in Ukraine, meaning that prices have increased so the service are seeking additional quotes to ensure budgets are sufficient.
Kent Thameside LST – Integrated Door to Door Journeys (Highways, Transportation & Waste)		-1.5	There have been delays to this project due to utility delays and also material shortages. There are remedial works to be completed which will be completed in early 22/23.
Dover Bus Rapid Transit (Highways, Transportation & Waste)		-2.1	The rephasing is because the project is linked directly to the Inland Border Facility (IBF) and alignment has caused some delays. The award of the construction contract was delayed, and mobilisation has reduced anticipated spend in 21/22. Works are now progressing on site.
Kent Active Travel Fund Phase 2 (Highways, Transportation & Waste)		-2.7	There have been delays on the design and construction (and eventual implementation) of the Active Travel Funded schemes in Kent. These delays have been partly caused by feedback from our extensive public consultation and the need to make substantial design changes to ensure community and political buy-in to the proposed Schemes. This has all been done with regular dialogue with the Department for Transport.
Old Scheme Residual Works (Highways, Transportation & Waste)	-0.1		The real variance is due to small underspends on various old schemes which have been transferred to the Bearsted Road project.
Decarbonisation Fund – Kings Hill and West End Solar Farms (Economic Development)	+2.9	-3.0	The real variance reflects the funding that has not yet been added to the cash limit *(previously reported +£2.9m).* The rephasing is due to delays on the Kings Hill Solar Farm pending governance sign off. This was due to a series of issues including uncertainty in the market around inflation costs as well as around the purchase of the land where the Solar Farm will be located. The use of the grant funding has been extended with agreement by Salix to 30th June 2022.

Javelin Way Development (Economic Development)	0.8		Real variance due to an increased overall cost for the project that will ultimately be funded from enhanced capital receipts of the industrial units. This is further down the line and therefore forward funding of these enhanced capital receipts is required.
Zebra Funding			£9.5m grant funding has been received for electric buses and associated infrastructure which is proposed to be added to the cash limits in 2022-23 and 2023-24, as detailed in the capital cash limit change tables.
<u>*Previously Reported Variances:*</u>			
Highway Major Enhancement (Highways, Transportation & Waste)	*0.1*	*-21.1*	*Real variance is due to additional developer contributions and external funding.* *Rephasing variance (previously reported -£17.9m) is primarily due to:* - *works on the Thanet Way cannot be undertaken until the start of 2022-23 due to COVID recovery of businesses and lack of road space during the period of recovery (-£3.4m).* - *works on structures/tunnels and lighting have been reprofiled to 2022-23 due to both internal and external resource shortages (-£11.9m).* - *street lighting works are to be carried forward into 2022-23 due to the inability to recruit to specialist roles within both KCC and the external contractor, plus COVID sickness levels (-£4.9m). This has resulted in backlogs of works both internal and external. These are grant funded projects.* - *the remainder the variance is asset management works that will be completed in the early part of 2022-23.*
Government Transition Works (Highways, Transportation & Waste)	*6.4*		*This project is fully grant funded from the Department for Transport who have requested further works at the Ashford Sevington site. Additional grant funding is being claimed to cover these works. (Previously reported +£16.5m with cash limits changed accordingly so +£6.4m is on top).*
Dover Inland Border Facility (Highways, Transportation & Waste)	*7.9*		*The project is fully grant funded, initially from the Department of Transport, and now from Department for Environment, Food and Rural Affairs (Defra) for the remainder of the works. (Previously reported +£4.6m).*
Dartford Town Centre (Highways, Transportation & Waste)		*-4.1*	*This project is delayed due to COVID resulting in contracting and procurement delays. (Previously reported -£3.2m).*

Faversham Swing Bridge (Highways, Transportation & Waste)	*-1.2*	*The outline design on this project has been progressed but there are delays with the engagement of partners therefore the budget has been rephased to 2022-23. (Previously reported -£1.2m).*
Kent Thameside Strategic Transport Programme (Highways, Transportation and Waste)	*-5.1*	*There has been a delay to the Thames Way project due to a master planning delay caused by the designation of a Site of Special Scientific Interest (SSSI) of the Swanscombe peninsular and the Ebbsfleet Central area, therefore the budget has been rephased to future years. (Previously reported -£5.1m).*
Maidstone Integrated Transport (Highways, Transportation and Waste)	*-3.4*	*The whole programme for the MITP is currently under review but construction works have slipped considerably, with construction not commencing until the autumn of 2022. A full overhaul of the programme and spend profile is currently underway. The slippage is due to various planning issues and amendments to the programme. (Previously reported -£3.4m).*
Market Square, Dover (Highways, Transportation and Waste)	*-1.4*	*The delays on the project are due to more extensive archaeology surveys being required. Works are now progressing well on site and the bulk of the work should be complete in summer 2022, although there is a slight delay in the fabrication of the steel spirals and these may not be ready for installation until late summer 2022. (Previously reported -£1.1m rephasing).*
Fastrack Full Network – Bean Road Tunnels (Highways, Transportation and Waste)	*-10.0*	*The construction start has been delayed due to the design being more challenging than originally expected. Construction will now start at the end of 2022. (Previously reported -£10.0m).*
Housing Infrastructure Fund – Swale (Highways, Transportation and Waste)	*-5.2*	*Spend was reprofiled to reduce KCC liability and risk in year 20-21, with a knock-on effect of delays on the programme through planning and construction. Although a funding agreement has been signed with Homes England this is conditional on the M2 Junction 5 project being delivered by National Highways coming forward. An extension to the funding agreement has been accepted by Homes England with funding extension granted until June 2024. This scheme is grant funded. (Previously reported -£5.0m).*
Herne Relief Road (Highways, Transportation and Waste)	*-1.9*	*The rephasing is due to planning delays and delays securing the land agreements which are now in place. (Previously reported -£1.9m).*

Kent Strategic Congestion Management (Highways, Transportation and Waste)	*0.5*		*The A2/A251 priority junction scheme was added to this project within the Local Growth Fund programme in 20/21 following approval by KMEP and SELEP Boards. It aims to make improvements to the junction capacity and promote journey time improvements through the signalisation of the junction. The real variance is the external funding that has been received into the programme and which is required to complete this scheme. The scheme is now largely complete. (Previously reported +£0.9m).*
Bearsted Road (National Productivity Investment Fund – Kent Medical Campus) (Highways, Transportation and Waste)		*-5.5*	*The dualling option for this scheme was recently approved. There are some pre-commencement planning conditions to be finalised with the main construction commencing in summer 2022, so some rephasing was required as a result of these delays and additional considerations. (Previously reported -£4.6m).*
Sturry Link Road (Highways, Transportation & Waste)		*-6.5*	*The project has been delayed by approximately 6 months due to waiting for planning permission, which has now been granted. (Previously reported -£6.0m).*
Green Corridors (Highways, Transportation and Waste)		*-3.6*	*The programme is just getting started and some stages will not begin until 2022-23. (Previously reported -£3.0m).*
A2 Off Slip Wincheap, Canterbury (Highways, Transportation and Waste)		*-1.5*	*All budgets rephased to future years as the Homes England bid was not successful but alternative funding is being sought. (Previously reported -£1.5).*
Leigh Flood Storage Areas (Environment, Planning & Enforcement)		*-1.5*	*The rephasing is due to the decision from the Secretary of State on this scheme following a public enquiry earlier in the year. (Previously reported -£1.5m).* *Alternative options for spending this funding, to achieve the same/similar outcomes, are being worked up should this not be granted.*
Thanet Parkway (Environment, Planning & Enforcement)		*9.5*	*Phasing of the scheme has been brought forward in line with the latest project plans.* *The overall cost of the scheme has increased due to Network Rail cost increases and higher than expected costs for the level crossings. Alternative funding is being sought and will be closely monitored. (Previously reported +£8.8m).*
Kent Scientific Services Equipment & Vehicles (Environment, Planning & Enforcement)	*0.3*		*Purchase of new equipment and a vehicle funded from revenue. (Previously reported +£0.4m).*
Digital Autopsy (Environment, Planning & Enforcement)		*-2.1*	*Delivery of this project has been pushed back due to delays in the procurement of the digital autopsy provider as the revenue and capital elements are inter-linked. (Previously reported -£2.2m).*

Innovation Investment Fund (i3) (Economic Development)		*-2.6*	*There was not another application round at the end of the financial year, this is likely to be spent in 2022-23. (Previously reported -£2.6m).*
Kent & Medway Business Fund (Economic Development)	*2.2*	*-10.4*	*Real variance is due to transfer the from Recovery Loan Fund and Capital Growth Fund, both of which have come to an end. (Previously reported +£2.2m) Rephasing variance is due to funds not being able to be defrayed in the current environment due to availability of other grant and loan schemes during the pandemic. (Previously reported -£9.4m).*
Kent & Medway Business Fund – Recovery Loan Fund (Economic Development)	*-1.2*		*Transferred back to the Kent & Medway Business Fund as this fund has come to an end. (Previously reported -£1.2m).*
Kent & Medway Business Fund – Capital Growth Fund (Economic Development)	*-1.0*		*Transferred back to the Kent & Medway Business Fund as this fund has come to an end. (Previously reported -£1.0m).*
Kent Empty Property Initiative (Economic Development)	*0.9*		*Additional external funding received. (Previously reported +£0.5m).*

Strategic & Corporate Services:

Project	Real Variance £m	Rephasing Variance £m	Detail
New variances to report:			
Corporate Property Strategic Capital	-0.6		The costs from the property team working predominantly on education projects have come in below budget. This is funded from education grant.
Disposal Costs	-0.2		This represents costs of working up properties for disposal (up to 4% per property) and is funded by capital receipts. The actual costs for the year have come in at less than budget.
Modernisation of Assets	0.4	-3.7	The real variance is due to additional funding from Salix and revenue contributions. The rephasing is due to delays due to covid.

Asset Utilisation		-1.1	Due to the ongoing KCC SRP programme we were unable to make decisions on individual asset projects as the Kent Communities programme is working with services about their future service delivery models, so we were not in a position to progress any projects and rephased £1.1m to 22/23.
Strategic Estate Programme		-3.2	Expenditure is being rephased as a business case is being prepared for the next phases of this project.
Strategic Reset Programme		-1.0	Most of the expenditure to date has been revenue. Capital expenditure is being rephased until it is known what works are required going forwards.
Former Royal School for the Deaf Site	9.5		The site was originally purchased under the CYPE basic need programme. There is no longer the need for secondary provision in the area and therefore the costs and site have been transferred to corporate landlord to be worked up for disposal. This is being forward funded by borrowing until the site is sold and will be replaced by capital receipt funding.
Previously reported variances:			
Dover Discovery Centre		*-2.0*	*Rephasing due to refining of planning and change in primary contractor. (Previously reported -£1.9m).*
Live Margate		*-1.7*	*Plots from the Royal School for the Deaf site were being considered to be brought into this scheme but that is no longer an option, hence the money is being rephased while other opportunities are explored. (Previously reported -£1.7m).*

2021-22 REVENUE BUDGET PROPOSED ROLL FORWARDS

			£'000
1	**2021-22 provisional business as usual underspend**		**-7,620.1**
2	**Details of committed projects where we have a legal obligation or contractual commitment:**		
a)	**Adult Social Care & Health**		
i)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	340.7
ii)	Public Health - Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	30.8
b)	**Children, Young People & Education**		
i)	Secure Accommodation	Underspend to be used to develop intensive supervision & surveillance resource as well as education/training/employment resources	305.8
ii)	Regional Adoption Agency	Committed for ongoing delivery of the RAA Project.	222.4
iii)	BHC21 - INTERREG VA 2 SEAS externally funded project	Committed match-funding for on-going project delivery.	43.5
c)	**Growth, Environment & Transport Directorate**		
i)	Various external funded projects	This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	821.5
ii)	Environmental and other works at Closed Landfill Sites (including at North Farm)	Spend/contract was due to go to Cabinet Committee for pre-scrutiny but GET cannot take the paper if the funding stream is not secure.	1,100.0
iii)	Barnfield GTS site	Outstanding costs relating to Phase 2 of the Barnfield works. Works are in progress and we are legally committed to make payment.	381.3
iv)	Structures & Tunnels	Statutory obligations relating to structures principally bridge inspections including confined spaces, network rail trackside, and underwater structures. Due to resource issues within KCC and the consultants these have not been fully delivered this year but are essential inspections that are required to be undertaken.	290.0
v)	Serious & Organised Crime	A two year project across 2021-22 and 2022-23. The start was delayed and only £1.5k of the £130k allocation spent in 2021-22.	128.5
vi)	Thanet Parkway station carpark	Capital project has been re-phased and the station will complete in May 2022, but will not open until 2023, when the upgrades to the level crossings are complete. There is a requirement to cover car park operating costs which have not been budgeted by the Corporate Landlord or Infrastructure teams.	100.0
vii)	Greater North Kent partnership	Commitment for partnership funding.	90.0
viii)	Highway Inspections	Statutory Obligation Inspectors safety critical works. The recent storm event has caused a delay on routine works with insufficient time remaining to deliver this year.	60.0
ix)	Kent Resource Partnership	KCC's element of underspend on the project.	42.3
d)	**Strategic & Corporate Services**		
i)	Kent Safeguarding Adults Board	KCC's element of underspend on project.	54.8
ii)	Kent Safeguarding Childrens Board	KCC's element of underspend on project.	42.7
	Total of committed projects		**4,054.3**

3	**Details of re-phasing required to continue/complete an initiative where we are not yet legally/contractually committed**		
			£'000
a)	**Children, Young People & Education**		
i)	School Improvement Grant	To be used to fund planned school improvement related activity in 2022-23.	1,055.4
ii)	Secure Accommodation	Underspend to be used to develop intensive supervision & surveillance resource as well as education/training/employment resources.	728.1
b)	**Growth, Environment & Transport**		
i)	Highways Term Maintenance Contract Procurement	Procurement costs of recommissioning the HTMC which has been deferred.	100.0
c)	**Strategic & Corporate Services**		
i)	Additional Procurement Resource to support Implementation of Procurement Regulations and Additional Capacity in Commercial and Standards Team	Recruitment delays & difficulties in 2021-22 led to underspend and bid to roll-forward funding of 12 month temp roles to support Adult Social Care providers for management of Indis, provider payments & system set up in line with recent audit reports	370.0
d)	**Non-Attributable Costs**		
i)	Term Time Only	Re-phasing of costs related to the settlement of back pay for Term Time only staff following a change to how term time only annual leave entitlement is calculated.	200.0
	Total of re-phasing		**2,453.5**

4	**Bids for Roll Forward not already committed**		
			£'000
a)	**Strategic & Corporate Services**		
i)	Members Grants	Combined Member Grant of £10k per Member. This represents the value of grants funding that was unspent by 31 March 2022.	619.5
	Total of Bids		**619.5**

5	**Remaining uncommitted balance of underspending**		**-492.8**

APPENDIX 2 - CAPITAL RE-PHASING

CYPE	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Annual Planned Enhancement Prog	524	-524			0
School Roofs	-4,111	4,111			0
Basic Need KCP16	-515	515			0
Basic Need KCP17	-16,192	10,903	5,289		0
Basic Need KCP18	-12,616	7,376	5,240		0
Basic Need KCP19	-15,054	4,966	10,088		0
Basic Need KCP21-25	-5,386	2,442	-556	3,500	0
High Needs Provision	-1,935	1,935			0
Barton Court Free School	604	-604			0
DfE Fully Funded Projects	-178	178			0
John Wallis Academy	-341	341			0
Priority School Build Programme					0
Nest 2	-1,550	1,550			0
Management & Modernisation of Assets - Youth	-72	72			0
Modernisation Prog	-44	44			0
Special School Review Phase2	-39	39			0
					0
TOTAL CYPE REPHASING	**-56,905**	**33,344**	**20,061**	**3,500**	**0**
Rephasing already actioned through Budget Build	-53,423	51,873	1,550		0
Remaining rephasing to action from outturn	**-3,482**	**-18,529**	**18,511**	**3,500**	**0**

ASCH	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
					0
Learning Disability Good Day Programme	-1,847	-253	2,101		0
Hedgerows	-665	-270		935	0
Community Sexual Health Services	-505	505			0
Policy & Quality Assurance - software purchase	-10	10			0
TOTAL ASCH REPHASING	**-3,027**	**-8**	**2,101**	**935**	**0**
Rephasing already actioned through Budget Build	-2,541	-1,135	3,676		0
Remaining rephasing to action from outturn	**-486**	**1,127**	**-1,575**	**935**	**0**

GET - Highways, Transportation & Waste	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Major Schemes Prelim Design Fees	-21	21			0
Highway Major Enhancement	-21,092	21,092			0
Integrated Transport	-1,818	1,818			0
Old Schemes Residual	-134	120		14	0
Energy & Water Efficiency Investment Fund (External)	-78	95	-279	262	0
Energy Reduction & Water Efficiency Investment	-95	96	-153	152	0
Kent Medical Campus (NPIF)/Bearsted Road	-5,484	4,609	855	20	0
Street Lighting Concrete Column Replacment	-9	9			0
LED	-527	-223	750		0
Live Labs	-67	67			0
Thanet Parkway Railway Station	9,546	-8,391	-1,155		0
Electric Vans	-411	411			0
Windmill Weatherproofing	-86	86			0
Leigh Flood Stoarge Areas	-1,500	1,500			0

GET - Highways, Transportation & Waste	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Kent Thameside Strategic Transport (STIPS)	-5,079	-996	-386	6,461	0
Urban Traffic Mangement Control	-854	854			0
Rathmore Road Link	-194	101	63	30	0
A226 St Clements Way	-76	64	-12	24	0
A28 Chart Road	-320	1,036	1,011	-1,727	0
Maidstone Integrated Transport	-3,431	-366	3,672	125	0
M20 J4 Eastern Overbridge	-85	85	0		0
Sturry Link Road, Canterbury	-6,484	-7,620	-847	14,951	0
West Kent LSTF	-10	10			0
Kent Strategic Congestion Management	-90	90			0
Kent Thameside LSTF - Integrated Door to Door Journeys	-1,515	1,515			0
Kent Sustainable Interventions	0	0			0
Dartford Town Centre	-4,070	4,070			0
A2500 Lower Road Improvements	-62	51	11		0
A2 Off Slip Wincheap	-1,500	-2,199	-701	4,400	0
Herne Relief Road	-1,821	1,746	1,315	-1,240	0
A252 Safer Rds Fund	-127	127			0
A290 Safer Rds Fund	-27	27			0
M2 Junction 5	0				0
Housing Infrastructure Fund - Swale Infrastructure Projects	-5,182	-7,535	3,809	8,908	0
Dover Bus Rapid Transit	-2,112	1,655	363	94	0
Fastrack Full Network - Bean Road Tunnels	-10,023	7,264	2,759		0
A28 Birchington	35	1,145	-47,000	45,820	0
New Transfer Station - Folkestone & Hythe		-4,788	4,788		0
Green Corridors	-3,574	689	2,885		0
Bath Street Gravesend	-946	-1,512	2,458		0
Faversham Swing Bridge	-1,204	1,204			0
Kent Active Travel Fund Ph2	-2,708	767	1,941		0
Maidstone Heat Network	-76	76			0
Market Square Dover	-1,438	1,433	5		0
A228 and B2160 Junction Imps	-304	500	-196		0
Waste Compactor Replacement	-357	357			0
Thanet Way			-50,000	50,000	0
					0
TOTAL HIGHWAYS, TRANSPORTATION & WASTE REPHASING	**-75,410**	**21,160**	**-74,044**	**128,293**	**0**
Rephasing already actioned through Budget Build	-37,101	-9,340	-63,050	109,491	0
Remaining rephasing to action from outturn	**-38,309**	**30,500**	**-10,994**	**18,802**	**0**

GET - Environment, Planning & Enforcement	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Country Parks	-51	23	28		0
Public Rights of Way	-318	318			0
Tunbridge Wells Cultural Hub	-199	199			0
Herne Bay Gateway - Library Plus	-398	398			0
Essella Road Foot Bridge	-236	236			0
Digital Autopsy	-2,096	2,096			0
Public Sports Facilities Grants	-26	26			0
Southborough Hub	-42	42			0
Sandgate Library	-48	48			
TOTAL ENVIRONMENT, PLANNING & ENFORCEMENT REPHASING	**-3,413**	**3,385**	**28**	**0**	**0**
Rephasing already actioned through Budget Build	-2,683	2,683			0
Remaining rephasing to action from outturn	**-730**	**702**	**28**	**0**	**0**

GET - Economic Development	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Innovation Investment Initiative (I3)	-2,557	1,432	1,125		0
Broadband Contract 2 Superfast Extension Prog					0
Javelin Way Development	-595	595			0
Kent & Medway Business Fund	-10,434	-4,791	8,122	7,103	0
Kent Empty Property Initiative	-305	305	7,080	-7,080	0
Kent Broadband Voucher Scheme	-404	-596	1,000		0
Marsh Million	-336	259	39	38	0
Turner	60	-60			0
Kings Hill Solar Farm	-3,021	3,021			0
Workspace Kent	-175	175			0
Village Halls	-73		73		0
					0
TOTAL ECONOMIC DEVELOPMENT REPHASING	**-17,840**	**340**	**17,439**	**61**	**0**
Rephasing already actioned through Budget Build	-5,617	-8,755	8,625	5,747	0
Remaining rephasing to action from outturn	**-12,223**	**9,095**	**8,814**	**-5,686**	**0**

S&CS	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future years £'000	Total £'000
Modernisation of Assets	-3652	-2,079	5731		0
Asset Utilisation	-1,110	1,110			0
Oakwood House Transformation	-566	566			0
Dover Discovery Centre	-2,012	-618	2,630		0
Live Margate	-1,653	1,653			0
Strategic Estate Prog	-3,241	3,241			0
Feasibility Fund	524	-524			0
Property Investment & Acquisition Fund (PIF)	-170	170			0
Strategic Re-set Programme	-1,000	1,000			0
Maximising value from the disposal of Council Assets	-32	32			
TOTAL S&CS REPHASING	**-12,912**	**4,551**	**8,361**	**0**	**0**
Rephasing already actioned through Budget Build	-5,846	2,795	3,051		**0**
Remaining rephasing to action from outturn	**-7,066**	**1,756**	**5,310**	**0**	**0**

GRAND TOTAL

TOTAL REPHASING	**-169,507**	**62,771**	**-26,054**	**132,789**	**0**
Total Rephasing already actioned through Budget Build	-107,211	38,121	-46,148	115,238	0
Total Remaining rephasing to action from outturn	**-62,296**	**24,650**	**20,094**	**17,551**	**0**

APPENDIX 3 - CAPITAL CASH LIMIT CHANGES

To reflect revised funding/phasing since budget

	2021-22	2022-23	2023-24	Future Yrs	Total
CYPE	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Management & Modernisation of Assets - Youth	0	0	0	0	0
Basic Need KCP16	-120	1,967	0	0	1,847
Basic Need KCP17	-22,341	8,974	-5,062	0	-18,429
Basic Need KCP18	6,679	-6,362	4,164	0	4,482
Basic Need KCP19	440	-3,983	-9,745	2,000	-11,288
Basic Need KCP21-25	3,287	1,222	-6,104	0	-1,595
Basic Need KCP22-26	15	6,456	5,300	6,000	17,771
DfE Fully Funded Projects	-95	191	0	0	96
High Needs Provision	79	0	0	0	79
High Needs Provision 22-24	0	2,025	0	0	2,025
Barton Court Free School	0	-376	0	0	-376
Priority School Build Programme	184	10	0	0	194
Academy Unit Costs	7	0	0	0	7
Annual Planned Enhancement	286	6,100	0	0	6,386

Total Other Cash Limit Changes	**-11,579**	**16,224**	**-11,447**	**8,000**	**1,199**

	2021-22	2022-23	2023-24	Future Yrs	Total
ASCH	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Home Support Fund	-37	0	0	0	-37
Developer Funded Community Schemes	-45	0	0	0	-45
Total Other Cash Limit Changes	**-82**	**0**	**0**	**0**	**-82**

GET - Highways, Transportation & Waste	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future Yrs £'000	Total £'000
Major Schemes Preliminary Design Fees	-451	-150	0	0	-601
Highway Major Enhancement	127	0	0	0	127
Integrated Transport Schemes	239	0	0	0	239
Old Schemes Residual	-103	0	0	0	-103
Government Transition Works Ashford	6,433	2,911	0	0	9,344
Dover Inland Border Facility	7,909	11,807	0	0	19,716
Street Lighting Concrete Column Replacment	10	0	0	0	10
Live Labs	59	0	0	0	59
Thanet Parkway	79	0	0	0	79
Energy & Water Efficiency Investment Fund (External)	0	0	0	131	131
Energy Reduction & Water Efficiency Investment	-2	0	0	0	-2
Herne Relief Road	-1	0	0	101	100
West Kent LST	14	0	0	0	14
Kent Medical Campus (Bearsted Rd) (NPIF)	0	2,667	0	0	2,667
Windmill Weatherproofing	6	-130	-125	0	-249
Kent Strategic Congestion Management across growth areas	-462	0	0	0	-462
Kent Sustainable Interventions Programme for Growth	6	0	0	0	6
A2500 Lower Road Improvements	0	-42	-9	0	-51
Dover Bus Rapid Transit	86	589	637	-94	1,218
Fastrack Bean Tunnels	132	0	0	0	132
A229 Bluebell Hill	0	0	0	0	0
Trees Outside Woodlands	-85	115	0	0	30
Zebra Funding - Electric Buses and Infrastructure		8,453	1,072	0	9,525
Total Other Cash Limit Changes	**13,999**	**26,219**	**1,575**	**137**	**41,930**

GET - Environment, Planning & Enforcement	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future Yrs £'000	Total £'000
Country Parks	0	57	59	0	116
PROW	-363	327	0	0	-37
Digital Autopsy	0	0	0	0	0
Herne Bay Gateway - Library Plus	0	445	0	0	445
KSS Equipment & Vehicles	-17	0	0	0	-17
Sustainable accss to Education & Employment	-29	0	0	0	-29
Southborough Hub	-48	0	0	0	-48
Total Other Cash Limit Changes	**-458**	**828**	**59**	**0**	**429**

GET - Economic Development	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future Yrs £'000	Total £'000
Javelin Way Development	99	770	-8	-8	853
Kent & Medway Business Fund	2,180	0	25	32	2,237
Kent & Medway Business Fund - Recovery Loans	-13	0	0	0	-13
Kent & Medway Business Fund - Capital Growth	1	0	0	0	1
Kent Empty Property Initiative	20	-200	0	0	-180
Marsh Million	342	87	0	6	435
Broadband Contract 2	3,200	-1,851	0	0	1,349
Kings Hill Solar Farm	-274	411	0	0	137
West End Solar Farm	-315	0	0	0	-315
Turner	-58	60	0	0	2
Workspace Kent	0	0	0	-235	-235
Total Other Cash Limit Changes	**5,182**	**-723**	**17**	**-205**	**4,271**

SCS	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future Yrs £'000	Total £'000
Modernisation of Assets	312	-194	0	0	118
Oakwood House Transformation	-223	0	0	0	-223
Corporate Property Strategic Capital	-584	0	0	0	-584
Disposal costs	-238	0	0	0	-238
Dover Discovery Centre	169	0	0	0	169
MOA Plus	-33	0	0	0	-33
The Royal School of Deaf	9,479	0	0	0	9,479
Total Other Cash Limit Changes	**8,882**	**-194**	**0**	**0**	**8,688**

	2021-22 £'000	2022-23 £'000	2023-24 £'000	Future Yrs £'000	Total £'000
Total Other Cash Limit Changes	**15,944**	**42,354**	**-9,796**	**7,932**	**56,435**

Appendix 4 – 2021-22 Reserves Provisional Outturn Position

	Balance as at 1 April 2021 £m	Contribution to/(from) Reserve £m	Balance at 31 March 2022 £m
General Fund (GF) Balance	42.5	(0.3)	42.2
Budgeted contribution to/(from) in MTFP		14.0	14.0
	42.5	13.7	56.2
Earmarked reserves:			
Vehicle, Plant & Equipment (VPE)	17.6	1.1	18.7
Smoothing	121.8	2.9	124.7
Major Projects	53.3	9.0	62.3
Partnerships	26.9	(0.6)	26.3
Grant/External Funds	90.8	(11.7)	79.1
Departmental Under/Overspends	13.7	(5.3)	8.4
Insurance	13.8	0.0	13.8
Public Health	11.1	5.7	16.8
Trading	0.7	0.5	1.2
Special Funds	0.6	0.0	0.6
Total Earmarked Reserves	350.3	1.6	351.9
Total GF and Earmarked Reserves	392.8	15.3	408.1

Schools Reserves	Balance as at 1 April 2021 £m	Contribution to/(from) Reserve £m	Balance at 31 March 2022 £m
School delegated revenue budget reserve - committed	21.9	0.0	21.9
School delegated revenue budget reserve - uncommitted	33.9	5.31	39.2
Community Focussed Extended Schools Reserves	0.1	0.1	0.2
Total School Reserves	55.9	5.4	61.3

DSG Adjustment Account - Unusable Reserve

	Balance as at 1 April 2021 £m	Contribution to/(from) Reserve £m	Balance at 31 March 2022 £m
Unallocated Schools Budget	**(51.0)**	**(46.6)**	**(97.6)**

The General fund Reserve has been increased as agreed by County Council in the 2021-22 MTFP.

The DSG Adjustment Account is an unusable reserve specifically to hold the DSG deficit. The statutory override is in place until April 2023. The Council is taking part in the Safety Valve programme to develop a sustainable plan for recovery. The deficit held in the reserve has increased due to pressures in Schools Funding. More details can be found in Section 10.

Appendix 5 - Monitoring of Prudential Indicators as at 31 March 2022

The prudential indicators consider the affordability and impact of capital expenditure plans, in line with the prudential code.

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

	20-21 Actuals	21-22 Budget	22-23 Actuals
Total	340.63	424.2	335.30

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

The CFR is the total outstanding capital expenditure not yet financed by revenue or capital resources. It is a measure of the Council's underlying borrowing need.

	20-21 Actuals	21-22 Budget	21-22 Actuals
Total CFR	1,269.16	1,402.50	1,294.10

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

Projected levels of the Authority's total outstanding debt (which comprises borrowing, PFI liabilities, leases and transferred debt) are shown below, compared with the CFR.

	20-21 Actuals	21-22 Budget	21-22 Actuals
Other Long-term Liabilities	235.80	245.20	245.20
External Borrowing	853.73	826.00	825.97
Total Debt	1,089.53	1,071.20	1,071.17
Capital Financing Requirement	1,269.16	1,402.50	1,294.10
Internal Borrowing	179.63	331.30	222.93

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

The Authority is legally obliged to set an affordable borrowing limit (the authorised limit for external debt). A lower "operation boundary" is set should debt approach the limit.

	20-21 Actuals	21-22 Limit	21-22 Actuals
Authorised Limit - borrowing	854	1,016	826
Authorised Limit - PFI and leases	246	245	245
Authorised Limit - total external debt	1,100	1,261	1,071
Operational Boundary - borrowing	854	991	826
Operational Boundary - PFI and leases	246	245	245
Operation Boundary - total external debt	1,100	1,236	1,071

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

Financing costs comprise interest on loans and minimum revenue provision (MRP) and are charged to revenue. This indicator compares the net financing costs of the Authoity to the net revenue stream.

	20-21 Actual	21-22 Budget	21-22 Actuals
Proportion of net revenue stream	9.57%	9.59%	9.18%

From:	Roger Gough – Leader of the Council David Cockburn – Corporate Director, Strategic and Corporate Services
To:	Cabinet – 23 June 2022
Decision No:	n/a
Subject:	**Quarterly Performance Report, Quarter 4, 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 March 2022 (Quarter 4, 2021/22).

Of the 33 Key Performance Indicators (KPIs) contained within the QPR, 24 achieved target (Green), 6 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 4 Performance Report and proposed indicators for 2022/23.

1. Introduction

1.1. The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council. The report for Quarter 4, 2021/22 is attached at Appendix 1, and includes data up to the end of March 2022.

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 4 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:

- 24 are rated Green – the target was achieved or exceeded. A decrease of 3 on the previous Quarter.
- 6 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, 10 indicators show a positive trend, 18 are stable or with no clear trend, and 5 are showing a negative trend.

2.4. The 3 indicators RAG rated Red, are:

- Customer Services
  - Percentage of complaints responded to within timescale.
- Growth, Economic Development & Communities
  - Developer contributions secured as a percentage of amount sought
- Children, Young People and Education
  - Percentage of Education, Health Care Plans (EHCPs) issued within 20 weeks.

3. Proposed KPIs and Targets for 2022/23

3.1. Key changes for 2022/23 are:

3.1.1 The addition of six new KPIs

- Two under a new Governance & Law section
  - Freedom of Information Act (FoI) requests completed within 20 working days
  - Data Protection Act (DPA) Subject Access requests completed within statutory timescales
- One under Education and Wider Early Help
  - Percentage of pupils (with an EHCP) being placed in independent or out of county special schools
- Three under Adult Social Care (with two of the existing KPIs removed)
  - Percentage of people who have their contact resolved by ASCH but then make contact again within 3 months.
  - Percentage of new Care Needs Assessments delivered within 28 days
  - Long Term support needs of older people met by admission to residential and nursing care homes, per 100,000

3.1.2 Nine targets for existing KPIs are being made more challenging.

3.2 Detail on proposed KPIs and activity indicators can be found in Appendix 2.

4 Recommendation(s)

Cabinet is asked to NOTE the Quarter 4 Performance Report and proposed indicators for 2022/23.

5 Contact details

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Kent County Council

Quarterly Performance Report

Quarter 4

2021/22

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

Key to KPI Ratings used

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

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

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

Key to Activity Indicator Graphs

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

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

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

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

Executive Summary

24 of the 33 indicators are rated as Green, on or ahead of target, a decrease of 3 on the previous Quarter. 6 indicators reached or exceeded the floor standard (Amber) with 3 indicators not achieving the floor standard (Red), the same number as the previous Quarter. 10 indicators were showing an improving trend, with 5 showing a worsening trend.

	G	A	R	⇧	⇨	⇩
Customer Services	1	1	1		3	
Growth, Economic Development & Communities	1		1		2	
Environment and Transport	6			2	4	
Children, Young People and Education	7	4	1	5	2	5
Adult Social Care	4	1			5	
Public Health	5			3	2	
TOTAL	**24**	**6**	**3**	**10**	**18**	**5**

Customer Services - Satisfaction with Contact Point advisors continued to meet target. The percentage of calls answered improved to move above floor standard. The percentage of complaints responded to within timescale improved but remains 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	AMBER	⇨
% 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 65% of the total sought, which is below floor standard. The total number of books issued by the Library service (physical and e-issues) is 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	RED	⇨

Environment & Transport – All four indicators for Highways and Transport achieved or exceeded target. Highways enquiries and work in progress continue to be below expected levels, with fewer severe weather episodes than expected. The percentage of waste diverted from landfill over the last 12 months continues to exceed 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 continue to exceed the inspection target, but Early Years settings dropped below, although 97% are still rated good or outstanding. 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 continues to decrease ahead of target and is on an improving trend. There was a marked improvement in the percentage of secondary school applicants being offered one of their top three preferences following a fall last year. There was also improvement in the percentage of 16-17 year olds Not in Education, Employment or Training (NEETs) or whose activity is Not Known.

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)	AMBER	⇩
% of Education, Health Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED	⇧
% of pupils permanently excluded from school – rolling 12 months	GREEN	⇨
No. of first-time entrants to youth justice system – rolling 12 months	GREEN	⇧

Children's Social Care & Early Help – Four of the seven indicators met target, one less than last quarter, with the other three achieving the floor standard but all three are on a negative trend. Percentage of foster care placements which are in-house or with relatives and friends (excluding UASC), and Percentage of care leavers in education, employment or training (of those KCC is in touch with), have not met target for over a year. The number of children in care increased.

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	AMBER	⇩
% 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 was a decrease in the number of people receiving enablement.

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 three 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	1	1		3	

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

The percentage of callers who rated their advisor as good, remained at 97% and met target. The percentage of calls answered by Contact Point improved to 91% for the Quarter, moving above the floor standard. Sickness levels continue to be higher than expected, and particular pressure on the call centre occurred in February due to calls relating to Storm Eunice and Special Educational Needs transport. Average call time decreased to 5 minutes 40 seconds, which is within the target of 5 minutes 45 seconds.

Contact Point received 15% more calls than the previous quarter and 12% more calls than the same period last year. The 12 months to March 2022 saw a broadly similar number of calls to the 12 months to March 2021 (1% fewer).

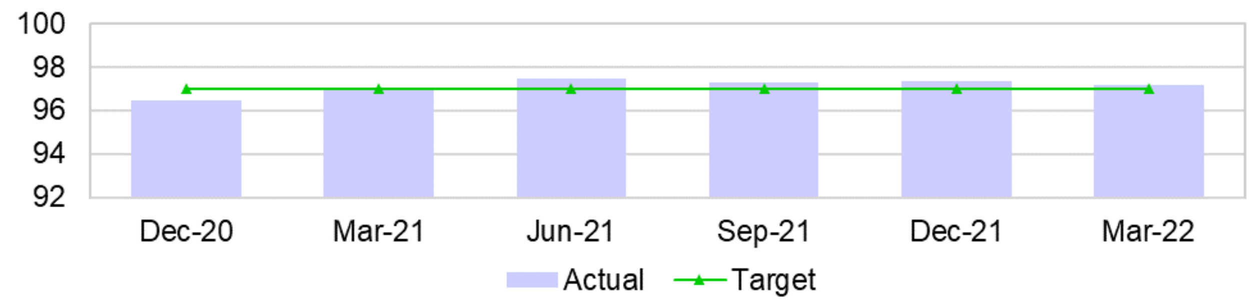
We are unable to report on web visitor numbers for Quarter 4 due to the review of KCC's use of cookies on kent.gov.uk. This review is now complete, and information is being collected and will be reported on from Quarter 1 2022/23.

Quarter 4 saw the number of complaints received increase on the previous Quarter, to be at a similar number to Quarter 4 last year. Between January and March, 77% of complaints were responded to in time, and so this indicator remains below the floor standard of 80% but shows an improvement on the previous Quarter. In terms of Directorate performance, Children, Young People and Education achieved 52% within timescale, Adult Social Care and Health 76%, Growth, Environment and Transport 84%, and Strategic and Corporate Services 82%.

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 address performance, however it may take some time as the backlog of cases is dealt with.

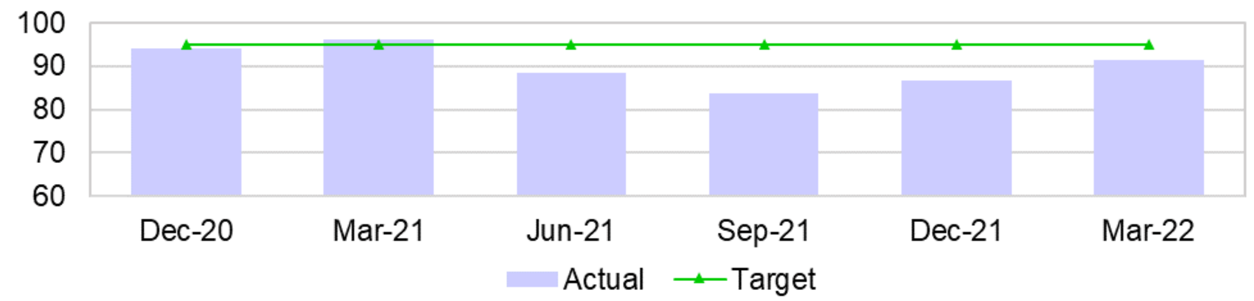
Key Performance Indicators

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



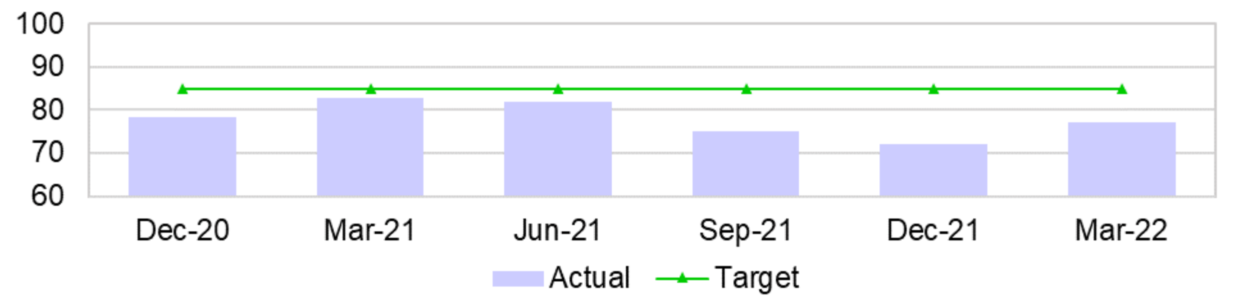
Current: 97%	Target: 97%	Previous: 97%

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



Current: 91%	Target: 95%	Previous: 87%

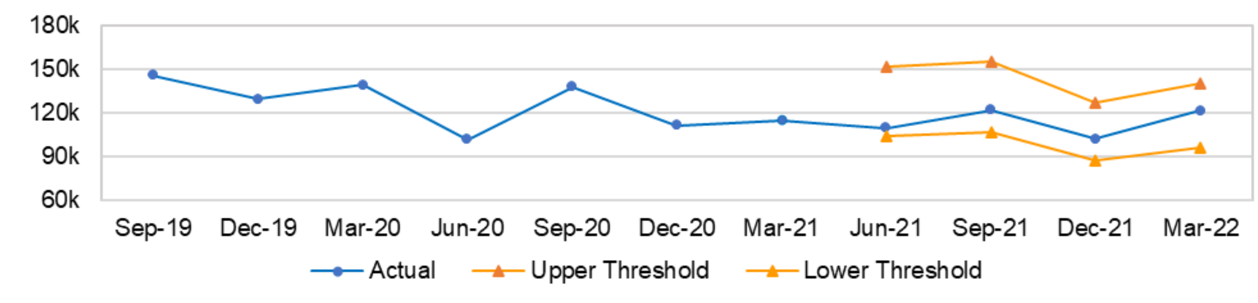
Percentage of complaints responded to within timescale	RED ⇨



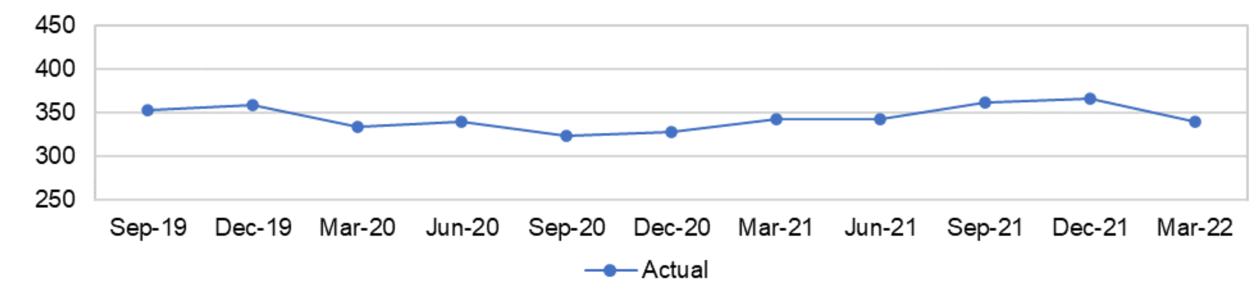
Current: 77%	Target: 85%	Previous: 72%

Activity indicators

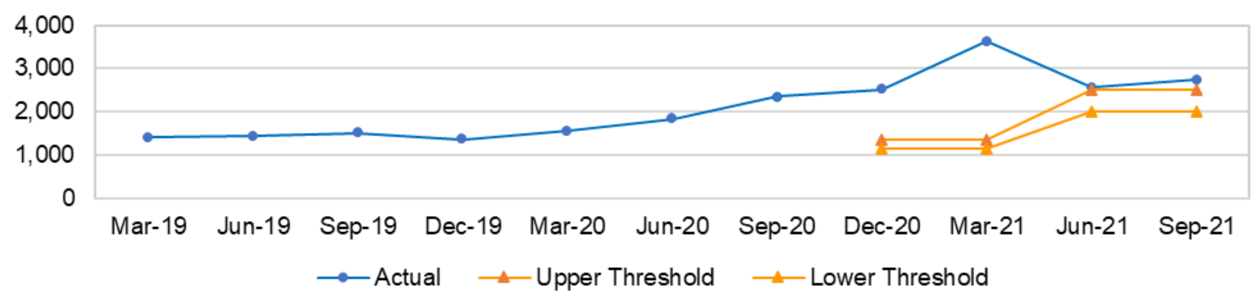
Number of phone calls responded to by Contact Point – by quarter



Average Contact Point call handling time in seconds – by quarter

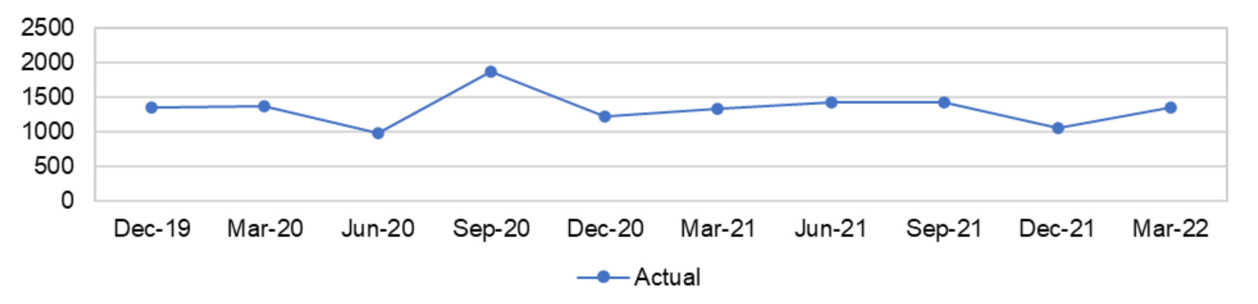


Number of visits to the KCC website (in thousands) – by quarter*



* Due to a review of KCC's use of cookies on kent.gov.uk no visitor data was not available from October until February. This information is now being collected again and will be reported on from Quarter 1 2022/23 onwards.

Number of complaints received each quarter



Customer Services – Call Activity

Number of phone calls to Contact Point (thousands)

Contact Point received 15% more calls than the previous quarter and 12% more calls than the same period last year. The 12 months to March 2022 saw a similar number of calls to the 12 months to March 2021 (1% fewer).

Service area	Apr – Jun 21	Jul – Sep 21	Oct – Dec 21	Jan – Mar 22	Yr to Mar 22	Yr to Mar 21
Adult Social Care	29	27	25	27	112	118
Integrated Children's Services	18	19	18	19	73	71
Blue Badges	8	10	10	14	36	39
Highways	17	17	12	14	62	62
Transport Services	8	16	8	10	38	36
Waste and Recycling	12	16	9	9	48	44
KSAS*	4	4	7	8	19	12
Libraries and Archives	8	10	7	7	31	29
Registrations	5	6	4	6	21	24
Schools and Early Years	5	5	4	5	19	24
Adult Education	1	5	4	5	12	9
Driver improvement	3	4	4	4	14	17
Main line	3	4	3	3	13	12
Other Services	2	2	1	2	7	8
Kent together	0.4	0.5	0.4	0.5	2	7
Total Calls (thousands)	**124**	**147**	**116**	**134**	**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

Quarter 4 saw the number of complaints received increase from Quarter 3, to be at a similar number to Quarter 4 last year.

Over the last 12 months there has been a 3% decrease in complaints received compared to the previous year.

In Quarter 4, frequently raised issues included SEN provision, Household Waste and Recycling Centres and complaints relating to school transport following the change of transport providers.

Service	12 months to Mar 21	12 months to Mar 22		Quarter to Dec 21	Quarter to Mar 22
Highways, Transportation and Waste Management	3,114	2,793		512	764
Adult Social Services	759	746		198	194
Integrated Children's Services	711	828		173	220
Libraries, Registrations and Archives	141	176		44	30
Education & Young People's Services	230	269		46	50
Strategic and Corporate Services	166	179		37	37
Environment, Planning and Enforcement & Economic Development	242	176		43	34
Adult Education	21	46		7	14
Total Complaints	**5,384**	**5,213**		**1,060**	**1,343**

Customer Services – Digital Take-up

The table below shows the digital/online or automated transaction completions for key service areas.

Transaction type	Online Apr 21 - Jun 21	Online Jul 21 - Sep 21	Online Oct 21 - Dec 21	Online Jan 22 - Mar 22	Total Transactions Last 12 Months
Renew a library book*	82%	82%	80%	80%	836,751
Report a Highways Fault	59%	61%	58%	58%	94,123
Book a Driver Improvement Course	88%	86%	85%	88%	32,112
Book a Birth Registration appointment	86%	87%	89%	86%	23,644
Apply for a KCC Travel Saver (Rolling 12 months)	99%	100%	100%	100%	23,374
Report a Public Right of Way Fault	87%	85%	89%	91%	21,271
Apply for or renew a Blue Badge	70%	66%	68%	73%	16,555
Apply for a Concessionary Bus Pass	74%	65%	67%	70%	13,483
Highways Licence applications	99%	99%	100%	100%	8,279
Apply for a HWRC recycling voucher	99%	99%	99%	99%	5,171

* 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	⇧	⇨	⇩
	1		1		2	

Support for business

Kent's Regional Growth Fund (RGF) investments have continued to create and sustain employment opportunities during Quarter 4. 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 early following the resumption of repayments in October 2021 (10 companies, total repayments during Quarter 3 and Quarter 4 were over £1.5m), others moving towards pre-pandemic trading levels; and the majority commencing their repayments as scheduled.

Since 2017 to the end of Quarter 3 of 2021/22, the KMBF has provided funding of £15.2 million to 107 Kent and Medway businesses, creating 392 new jobs and safeguarding 150 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 50 pre-applications to the value of £11,471,597 have been received, of these 16 businesses have submitted full applications to the value of £4 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 3 of 2021/22, 137 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 4, 96 long term empty properties were made fit for occupation through the No Use Empty (NUE) Programme bringing the total to 7,352 since the programme began in 2005. NUE processed a further five loan applications in Quarter 4 (41 in total which equalled the loans processed last financial year) increasing the total NUE investment in converting derelict properties to £85.1m (£47.2m from KCC recycled loans and £37.9m from private sector leverage). £7m of loans were repaid during 21/22.

NUE received confirmation from SELEP in December 2021 that a £2.5m bid to the Growing Places Fund had been approved. The contract is now in place with the accountable body (Essex County Council). The full £2.5m was received by KCC in March 2022 and will be 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. Two new projects were approved in Quarter 4 increasing the number of projects supported to eight (covering Dover (2), Folkestone, Herne Bay, Hythe, Ramsgate, Sittingbourne, and Sheerness) and these will return eight empty commercial units back into use and create 36 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 total of 35 applications at the end of Quarter 4. The value of loans awarded was £19m. This was 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.

NUE has identified 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 4 of 2021/22, the following capital funding decision was made by the South East Local Enterprise Partnership's (SELEP) Accountability Board:

- The award of £1,009,000 Getting Building Funding to Dover Citadel Ltd for the Techfort project, subject to the project spending all Getting Building Funding by 30th September 2022. The Techfort project sees the refurbishment of 10,890 sq ft (1,012 sq.m.) of the historic Citadel in Dover's Western Heights. Casemates buildings (# 51 and 52) in the Citadel will be upgraded to accommodate a mix of cultural uses including a gallery, market, recording studio and bar, and the project will act as the first step of delivering the ambitious TechFort vision to see the entire Citadel brought back into use.

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 £203m 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 are currently forecasting that the Kent and Medway project will cover circa 109,000 properties and have advised that the invitation to tender will be launched this summer, with the contracted work commencing in April 2023. The pre-procurement work (which is required to meet current subsidy control and procurement legislation) is underway.

In the meantime, the infrastructure build for the final phase of the Kent BDUK Project continues. As of March 2022, over 144,600 faster broadband connections had been delivered by the project.

Funding Kent's Infrastructure

KCC has a statutory right to seek financial contributions for capital investment from developers of new housing sites. In Quarter 4, eighteen Section 106 agreements were completed and a total of £9.4 million was secured. This represents 65% of the amount sought, which is below the floor standard and is mainly due to one site off Shottendane Road in Thanet. Concerns at this site relate to viability which was shaped by the challenging topography and the policy requirement for the site to deliver essential on-site highway infrastructure. It was originally refused permission but the Inspector overturned Thanet District Council's decision. KCC is currently in the process of bidding for infrastructure funding through the Department for Transport's Major Road Network (MRN) Programme, which, if successful, will significantly improve the prospects of this and other development sites in Thanet being able to meet future KCC financial contribution requests. In the meantime, Highways and Education are being prioritised for payments received.

s.106 contributions secured £000s	Apr to Jun 2021	Jul to Sep 2021	Oct to Dec 2021	Jan to Mar 2022
Primary Education	5,296	4,292	6,675	4,047
Secondary Education	5,464	4,554	5,333	4,716
Adult Social Care	108	128	153	92
Libraries	223	173	80	170
Community Learning	58	23	25	41
Youth & Community	52	63	79	60
Waste	47	89	15	26
Highways	464	420	3,537	242
Total	**11,713**	**9,742**	**15,897**	**9,395**
Secured as % of Amount Sought	96%	99%	98%	65%

Kent Film Office

In the 4th quarter of 2021/22, the film office handled 134 filming requests and 169 related enquiries. We logged 126 filming days bringing an estimated £1.2 direct spend into Kent & Medway, giving a total of £8.2m for the year. Highlights for the Quarter included, Netflix Luther, Marvel's Spiral, BBC comedy Pru and Gangs of London 2.

Libraries, Registration and Archives

During Quarter 4 the Business and Intellectual Property Centre (BIPC) Hub opened in Kent History and Library Centre, with the team providing support to new businesses both virtually and in person. Cheriton and Paddock Wood Libraries have been fully refurbished, and The Amelia Scott in Tunbridge Wells, comprising Library services, Adult Education, Museum, Art Gallery, Gateway and Tunbridge Wells Borough Council services, opened on 28 April 2022. In March, Wi-Fi printing was rolled out across all libraries following requests for this service from the public.

While recovery from pandemic restrictions continues, footfall across libraries has improved, and is now at 61% of pre-pandemic levels, exceeding the latest national average of 50%. Physical issues are now at 85% of pre-pandemic levels, compared to the latest national figure of 70%. Digital issues have dipped by 8% from the same period last year (which was an exceptional lockdown period when at times it was our only library offer), but have reached the milestone of 3 million loans in total, just over a year since the 2 million mark was hit. Total issues are now 8% higher than they were pre-pandemic. Both visitors and issues have come within the forecast parameters for Quarter 4, and the recent library customer satisfaction survey has yielded a satisfaction rate of 94%.

The Registration Service remained busy with 4,437 birth registrations carried out across Quarter 4, an increase of 11% on the pre-pandemic figure as teams continue to deal with the backlog of registrations. Death registrations remained high, at 4,172. There were 872 ceremonies, an increase of 22% on the same period pre-pandemic, and this figure includes 57 citizenship ceremonies in which over 1,000 new citizens were welcomed. Customer satisfaction with registration is 94%, which is 1 percentage point below target.

After a dip during the winter period, Archive Search Room bookings are beginning to pick up again, with 161 bookings in March 2022, the most bookings in one month since the Search Room reopened. Parallel to this, remote enquiries have also seen an increase, having risen by 48% on the same Quarter last year to 2,123, exceeding upper expectations for the number of Archive enquiries answered.

Phase 2 of the "Let's Talk about Kent Libraries" engagement has been completed in Quarter 4 and analysed by Lake Market Research. This exercise sought feedback from the public and staff on the future priorities for the service, with over 1,800 people responding to the survey, as well as 600 non-users. Their feedback will be used to help inform and shape the LRA Strategy.

Community Safety

Now that all restrictions have been lifted, a particular focus is rebuilding confidence and reducing social isolation through social engagement. Clubs, events, projects and meeting points (surgeries) are being restarted or initiated. Other focus areas include the rising cost of living and Ukraine conflict related support. The KCWS undertook just under 4,500 tasks in support of these activities during this quarter.

Explore Kent

The popularity of public rights of way (PRoW) and green spaces continues with over 19,000 route downloads during this quarter. Through collaboration with Kent Downs AONB and funding from the Experience project the new Explore Kent website continues to engage Kent's residents. In this Quarter there were 88,000 visitors to the website and our social media engagement continued to grow as below via Facebook, Instagram and Twitter.

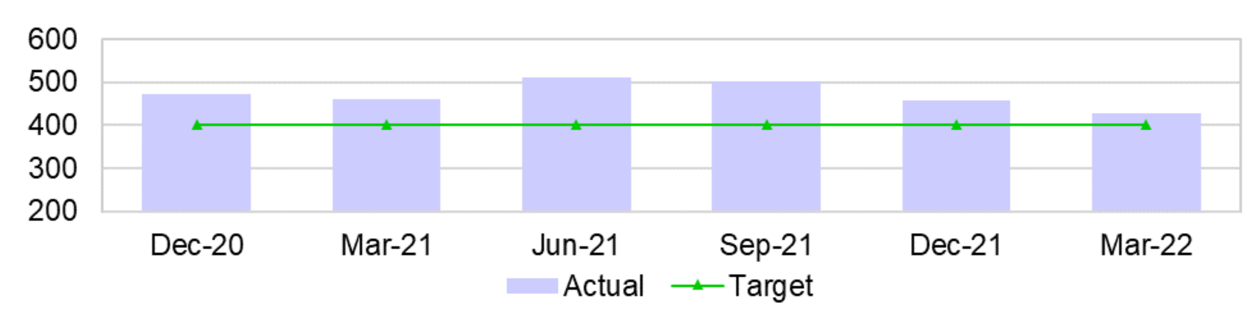
Explore Kent worked with partners this Quarter to provide campaigns for: Transport Innovation, Contain the Outbreak Management Fund, the physical and mental health benefits of access to the PRoW network, and Kent Sport and Physical Activity.

Kent Country Parks
Kent County Council is investing in new and improved play areas across most of its country parks. Kent Country Parks have received £1.1million of Public Health Covid-19 recovery funding to invest in its play provision. The money will be used to improve existing play areas as well as install new play equipment. More details and schedule of works are available in the press release of 6th March.

Sport and Physical Activity
Quarter 4 began with our Everyday Active campaign delivering its most successful challenge to date. With the 375 people that signed up managing to log over 57 million steps and covering close to 20,000 miles between them whilst saving 1,020kg of CO2 through active travel. This Quarter has also seen Sport England agree £3.4 million investment into the Active Partnership for the 2022–2027 period to support getting more people, more active, more often across Kent and a further £200k through the Together Fund has been awarded to support projects targeting the most disadvantaged.

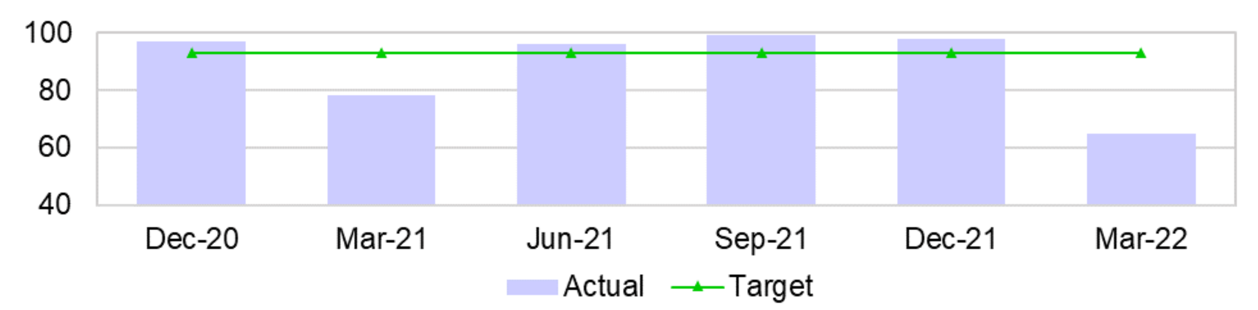
Key Performance Indicators

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



Current: 428	Target: 400	Previous: 458

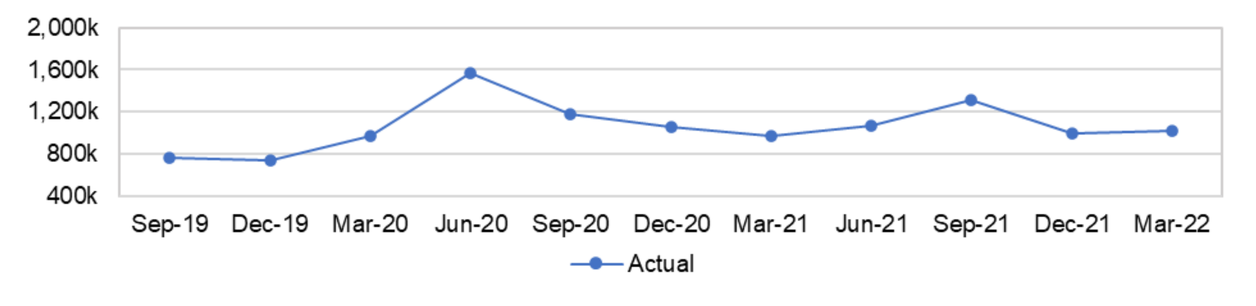
Developer contributions secured as a percentage of amount sought	RED ⇨



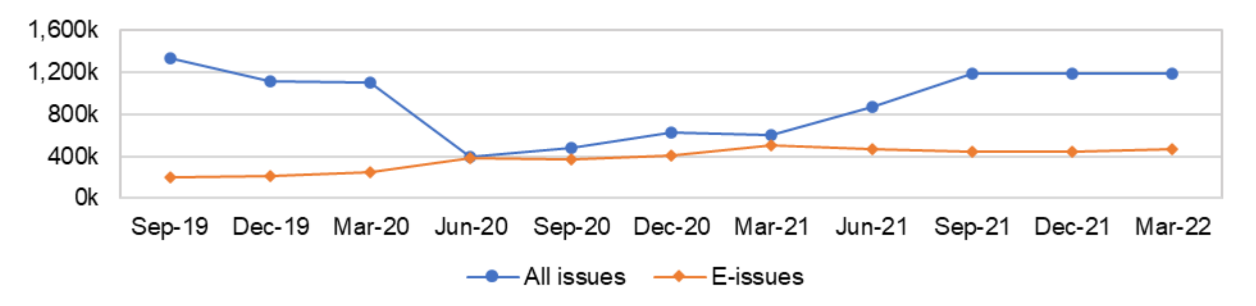
Current: 65%	Target: 93%	Previous: 98%

Activity indicators

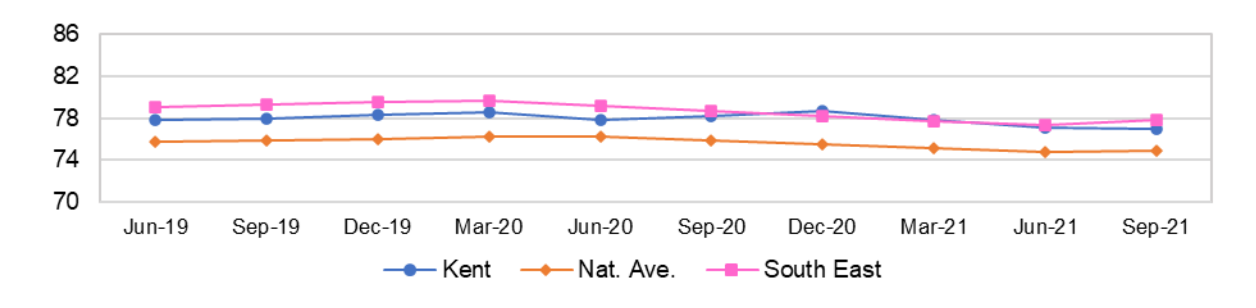
Total number of online contacts with Kent libraries



Total number of book issues from Kent libraries

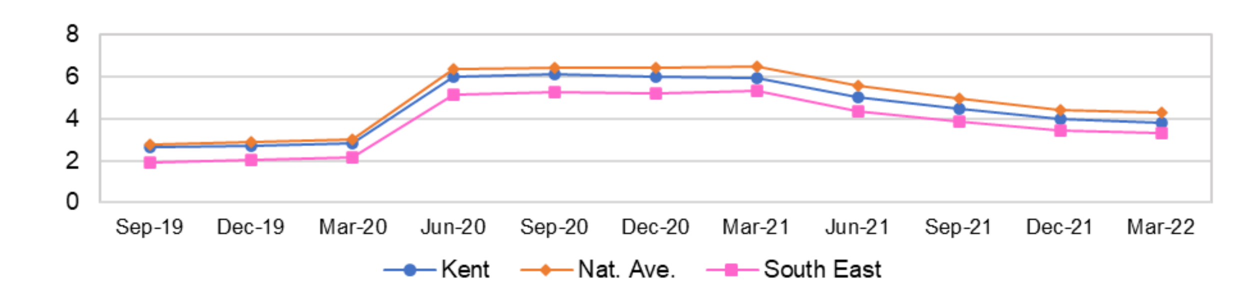


Percentage of population aged 16 to 64 in employment (from the Annual Population Survey)



NB: 95% confidence interval of figures are, Kent (+/- 2.1), 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			2	4	

Highways
For the Quarter to the end of March, 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% (above the target of 98%). The Service received 671 reports of emergency incidents in this Quarter, with the contractor Amey unable to attend just 7 of these within the 2-hour response time window and several of these missed the target by just a few minutes. This represents continued good work from Amey to ensure response times remain on target.

Routine faults responded to in 28 days remains on target at 90% in this quarter, with 11,843 requests from customers. Less severe weather than usual for most of this Quarter led to a quieter period for the service overall, although storms in February increased the volume of emergencies reported over one particular week. 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 increased to 43,103 with 20,646 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 March there were 5,330 open enquiries (work in progress), and this compares to 6,681 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, remained at 98% satisfaction for the latest Quarter with an improving trend over the last 6 Quarters. This is well above our 85% target and really pleasing to see following the Covid recovery. 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 approximately 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. Further improvements to the reporting tool are being investigated at present.

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 153,500 Streetwork permits issued in the 2021/22 period. This is well above expected levels of around 120,000. This is placing pressure on the team and additional resources are being sourced.

Asset Management
In July 2021, KCC published its new Highways Asset Management Plan (HAMP) covering 2021/22-2025/26. It explains how effective and efficient highways asset management, as a key enabling service, facilitates the delivery of Kent's strategic objectives. It also includes asset condition forecasts based on current investment levels, what maintenance services Highways provides and what it does not, an assessment of associated risk and a five-year forward works programme. Importantly, it was used as a key tool to inform Kent's capital budget for 2022/23 during these difficult financial times. It also enabled Kent to maximise available funding from the Department for Transport.

The HAMP also describes a range of future actions to further improve our 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 have developed a project plan to implement the various actions in the HAMP and have started implementing key ones including improving our knowledge of assets and their condition and introducing new maintenance hierarchies.

Casualty Reduction
The team are undergoing a reorganisation in order to be better placed to deliver on Vision Zero objectives, which includes the creation of a Safe Vehicles Team.

Working in partnership with National Highways, Kent Police and Kent Fire and Rescue Service, we have launched the Driving for Better Business Kent pilot scheme, targeting fleet managers in Kent to encourage safer operations, driving and vehicles in their fleets.

The casualty figures for the Quarter below are an increase on the same Quarter in 2020/21, but that was during Covid restrictions and thus a period of lower traffic volumes. They are similar to figures for the same Quarter in 2018/19 (pre-pandemic).

January to March 2022 Casualty Data – Kent roads and National Highways in Kent

Month	Fatal	Serious	Slight	Total
January	4	53	339	396
February	4	39	259	302
March	2	53	251	306

Provisional data subject to change.

We have had a productive year delivering Bikeability, having trained more than 4,100 children in Levels 1 and 2, and 125 children in Level 3. With the exception of the 2020/21 Covid affected year, we have increased our numbers of children (and schools) every year since 2016.

To assist with increasing take-up of Walking Buses and in line with the Vision Zero (VZ) Strategy of increasing safer walking to school, the team have launched a new campaign video to encourage parents to sign up as walking bus. The campaign has been a success with schools contacting the team to find out more about walking buses and we are now in the process of risk assessing routes and speaking to schools about the next steps.

Crash Remedial Measures & Local Transport Plan (LTP)
Development of the 2022/23 Crash Remedial Measures (CRM) and Local Transport Plan (LTP) programme has now taken place.
There are over 33 CRM schemes programmed around the County identified for delivery by the end of March 2023. The team also have an additional 31 schemes to implement, having worked with the parishes and elected community bodies to help them identify improvements they feel are needed in their local areas.

The team have recently undergone a redesign to incorporate all the County's Road Safety and Active Travel services into one new Group. The main intention from this redesign is to ensure all responses to road safety are addressed. When concerns around safety and accessibility are raised, the group will be able to consider the appropriate response, whether that be behaviour change interventions or engineering measures and to ensure that we begin to embed the safe systems principles of our new VZ Strategy into our working practises.

Journey time reliability/Congestion Strategy
A programme of schemes within the Local Growth Fund (LGF) to improve the reliability of localised journey times are complete and post-scheme monitoring is taking place. The Department for Transport opened a process for applying for new moving traffic enforcement powers and work is well underway developing Kent's application and future use of powers. The County Council aims to submit an application in May, once we have met the statutory requirements for making an application. It is anticipated that the earliest Kent could be designated powers is Autumn 2022.

The service remains engaged with National Highways to identify opportunities for new or improved collaborative traffic management, for example, where National Highways can utilise KCC's electronic Variable Message Signs out of hours. We are also participating in a National Highways project to review Diversion Routes for Emergency Use, where Kent's local road network is utilised as a diversion route in emergency scenarios, for example, when the motorway network is closed for a period due to a serious road traffic accident/fatality.

Local Growth Fund (LGF) 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 was transferred to KCC in March 2022. This is still subject to the condition that the land acquisition is completed by 31st August 2023.
The procurement of the design and build contract is now live and closes in June 2022. A further update on progress with the project will be provided at the July 2022 Accountability 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 May meeting regarding the positive news that the consent to relocate the ragstone wall on the boundary of Mote Park was granted by MBC's Planning Committee. The Accountability Board will be further updated on progress at the July 2022 meeting.

Transport Strategy
Work with National Highways on the Lower Thames Crossing continued with the scope of works agreed for the desktop study for developing local road mitigations through a modification to the existing Planning Performance Agreement (PPA). Procurement of the study will take place next quarter funded by the grant from National Highways. 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 summer 2022).

Partnership working with Transport for the South East (TfSE) continued with their work on a Strategic Investment Plan (public consultation expected in June) and a Key Decision was taken by the Leader for KCC to continue to participate in the Sub-national Transport Body as a voluntary partnership following rejection by government of TfSE's application for statutory status. 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 2021, with the Member Task and Finish Group having had regular meetings to develop a draft ambition statement and draft objectives for the new plan. Further work on the new LTP5 will now be paused until the government publishes its new guidance for local transport plans (expected this summer) to ensure that KCC's draft plan is compliant. KCC has also received grant funding from the Department for Transport to develop its new LTP, therefore alignment with the new guidance is critical for unlocking this additional funding.

Delivery of the Thanet Parkway railway station has continued to progress with substantial completion of the station and car park expected by June. The station is on track to be open by May 2023 following the planned upgrading of level crossing and signalling infrastructure required for the operation of the new station.

Public Transport
The Department for Transport (DfT) announced the Bus Service Improvement Plan (BSIP) allocations for the National Bus Strategy in April 2022. Half of the authorities who submitted a BSIP received funding and in the case of Kent, we received a provisional allocation of £35.1m over three years, split into capital and revenue. This allocation was less than the amount requested, and we were required to submit a revised submission in May, followed by detailed negotiations with the DfT later before final agreement in June.

Use of local buses has not returned to pre-pandemic levels. Overall operators are reporting use at 80% of pre-pandemic levels, however off-peak travel, in particular those with an older persons/disabled bus pass (ENCTS), is only back to 55% of pre-pandemic levels and use of some evening/weekend services is particularly poor. This presents significant challenge to the bus market and although additional government funding is being provided until the end of October 2022, there is the potential for more bus route withdrawals by operators if traffic levels do not return.

Local transport operators including taxi/private hire continue to find the recruitment of staff difficult and combined with Covid, service reliability has not been as good as many operators would have hoped and is stopping operators taking up new opportunities.

Waste Management
The KPI target on diversion from landfill continues to be met, with 99.2% of waste over the last 12 months being recycled, composted, or used for energy generation. The 0.8% 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 March, is slightly lower than the 12 months to December and within the expected range. Onsite service demand at HWRCs continues to be well managed through the booking system.

Natural Environment and Communities
In January 2022, the Kent Nature Partnership appointed its new Chair, following the retirement of Caroline Jessel after 10 years. Matthew Balfour will now Chair the Partnership, leading it through a critical period as the Environment Act is implemented.

Also in January 2022, Plan Bee launched its Kent Children's University Kent's programme, 12 months of pollinator themed activities that can be completed by anyone but that can also be used to earn learning credits for the Children’s University initiative. In February, the Plan Bee Fastrack bus made its debut on the route between Dartford and Gravesend. It features England’s rarest bumblebee, the Shrill carder bee, chosen as Thameside is part of only two small areas left in England where it is still found. KCC’s Fastrack transit service and the Plan Bee team are working together to create a number of features throughout the Dartford, Ebbsfleet and Gravesend network that will help to boost the local populations of this rare wild bee and other pollinators.

The public consultation for Plan Tree was held between March and May, and the first four trees of a jubilee wood were planted at Sandwich Junior School. This wood, to become part of the Queen’s Green Canopy, will see further trees planted later in 2022 and has been designed to represent the 1,768 children who are in KCC’s care.

Our bid to the Tree Call to Action Fund to enable capacity building against this agenda within the authority was unsuccessful. The fund was hugely oversubscribed (£26.25 million of bids to a fund that had only £6 million). In feedback we have been told that the bid was robust with good deliverability but our existing tree canopy cover went against us. Given the extent of (unsuccessful) bids, a fund is expected to be launched in early summer for funding that will support the establishment of trees. We will be submitting a reworked bid to this fund. In the meantime, we are working on a Local Authority Treescapes Fund bid to progress tree planting at a number of school sites across the county.

Sustainable Business and Communities
Up to December 2021, reductions of greenhouse gas emissions were well ahead of where we expected to be and confirms very good progress towards the KCC Net Zero by 2030 target. In the coming year, the results of the £20.6 million investment of Government grant funding in energy projects, including two solar parks, will be seen with more significant reductions in emissions.

KCC relaunched its Environmental Champion Network (staff-to-staff support network for the environment) in January 2021. There are now 186 registered KCC Environment Champions with plans to introduce an ambassador scheme and training sessions. The network is also holding green lunches, with the first held in March 2021 on Plan Bee.

Lord Deben (Chair of the UK Committee on Climate Change) came to Kent on 8 March and visited the Cool Towns Project in Margate, a solar PV installation at Herne Bay High School, green energy projects at Worrall House, and Preston Farm in the Darent Valley to see the flood and drought management solutions in place.

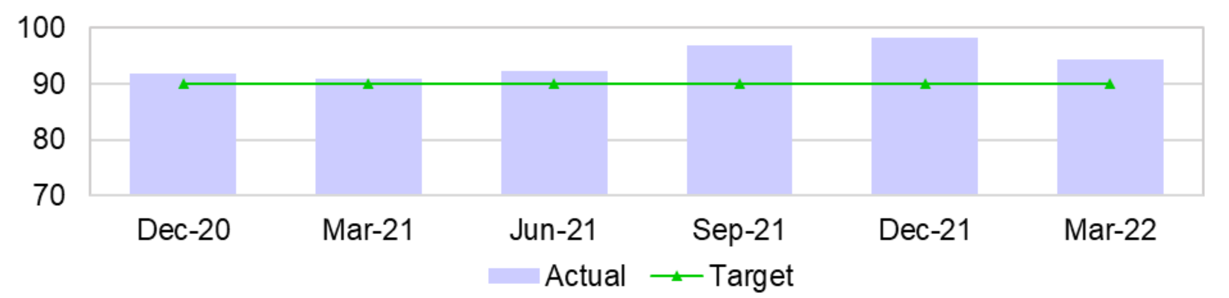
Phase Two of the group-buying scheme Solar Together has started, with over 11,000 registrations in the first stage during Quarter 4. Registrants were contacted in April 2022 with personalised recommendations for their property. The number of registrations was higher than anticipated and is likely a reflection of concerns about the rising costs of energy. Officers are working with the scheme delivery partner (iChoosr) to ensure that the chosen installers can meet demand.

Several new initiatives have been launched by the Low Carbon Kent business team:

- The Growing Green pilot project working with 40 SMEs in the food and drink sector to reduce carbon from their businesses.
- C-Care, a cross Channel Interreg Project which aims to provide support to Kent businesses which have been impacted by the pandemic. As part of this project, a Green Recovery Voucher pilot scheme was launched (March 2022) to implement a sustainable solution or project to help with business resilience and green economic recovery for 100 Kent based SMEs. The voucher scheme is worth £150,000 (£1,500 for each of 100 SMEs).
- A grant stream from Southeast New Energy, providing businesses with high energy use with up to £10,000 grant to fund projects to reduce carbon emissions with a focus on community energy.

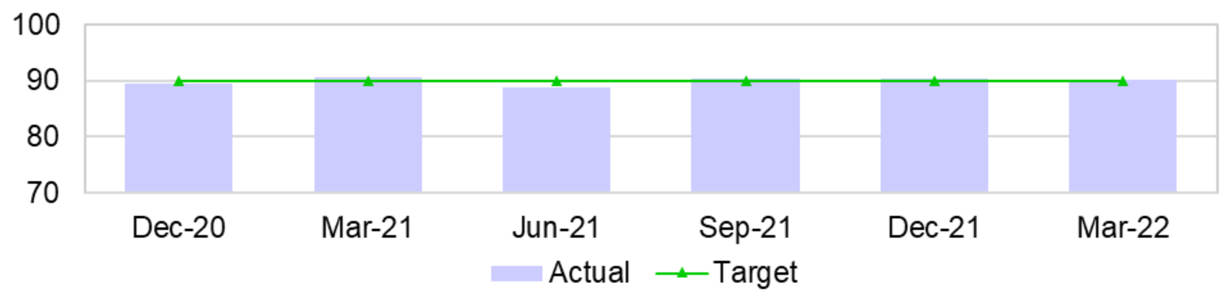
Key Performance Indicators

Percentage of routine pothole repairs completed within 28 days		GREEN ⇨



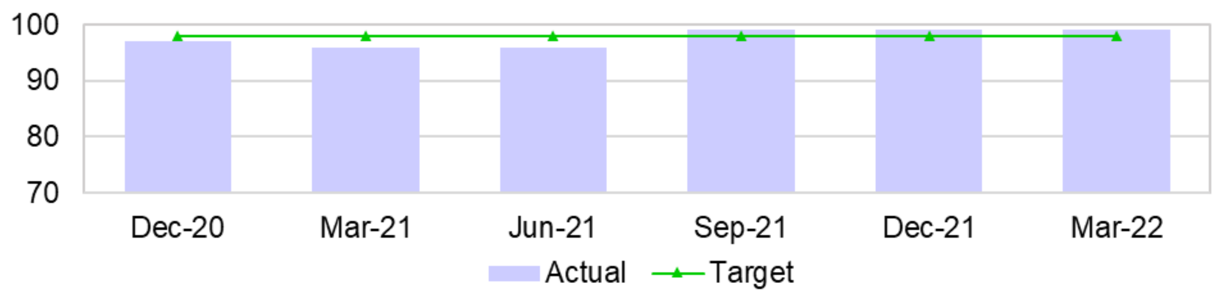
Current: 94%	Target: 90%	Previous: 98%

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



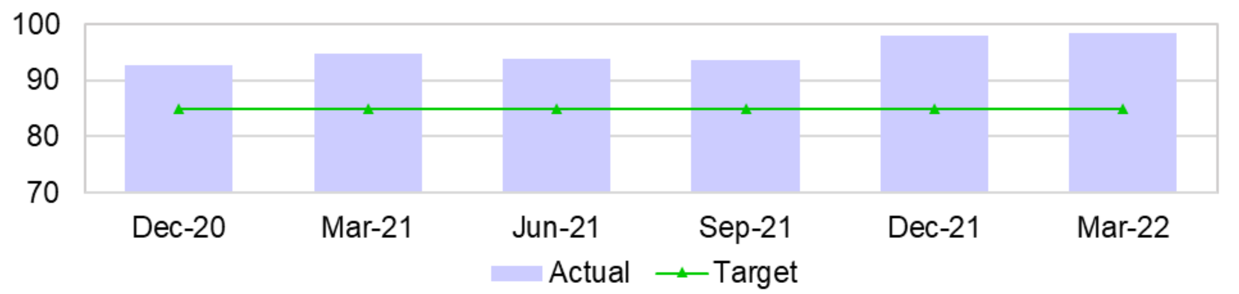
Current: 90%	Target: 90%	Previous: 90%

Emergency highway incidents attended within 2 hours of notification	GREEN



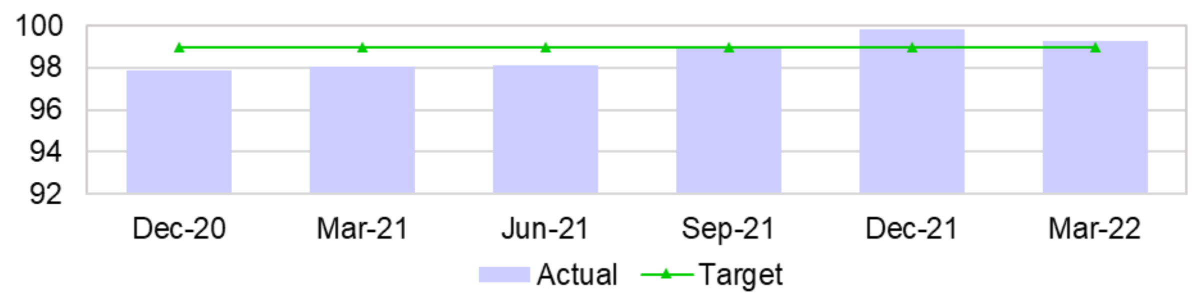
Current: 99%	Target: 98%	Previous: 99%

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



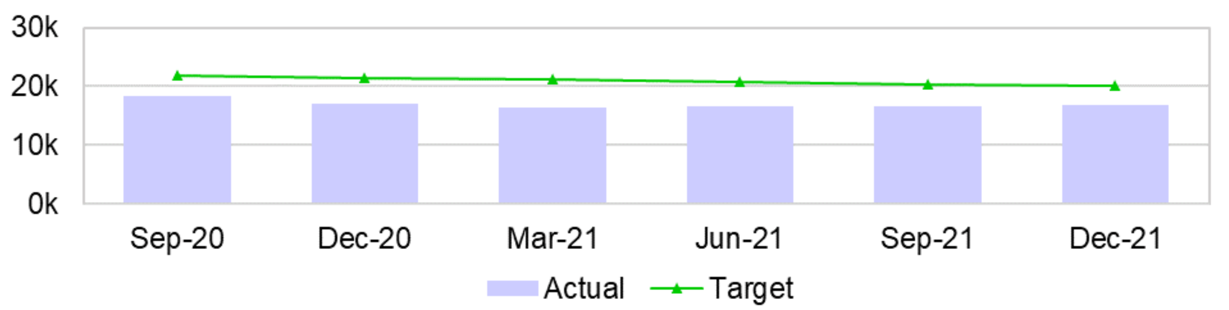
Current: 98%	Target: 85%	Previous: 98%

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



Current: 99.2%	Target: 99%	Previous: 99.8%

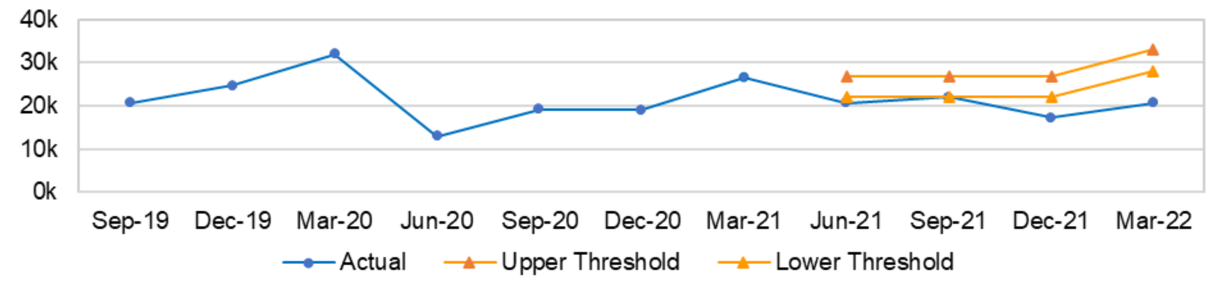
Greenhouse Gas emissions from KCC estate (excluding schools) in tonnes – rolling 12 months	GREEN



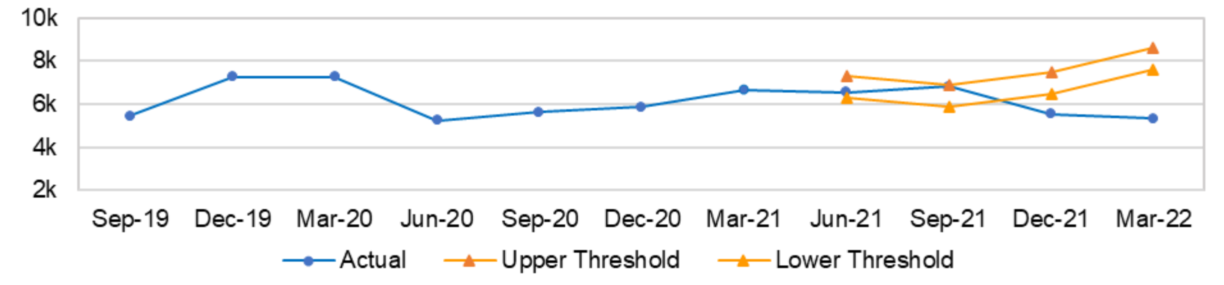
Current: 16,774	Target: 20,433	Previous: 16,601

Activity indicators

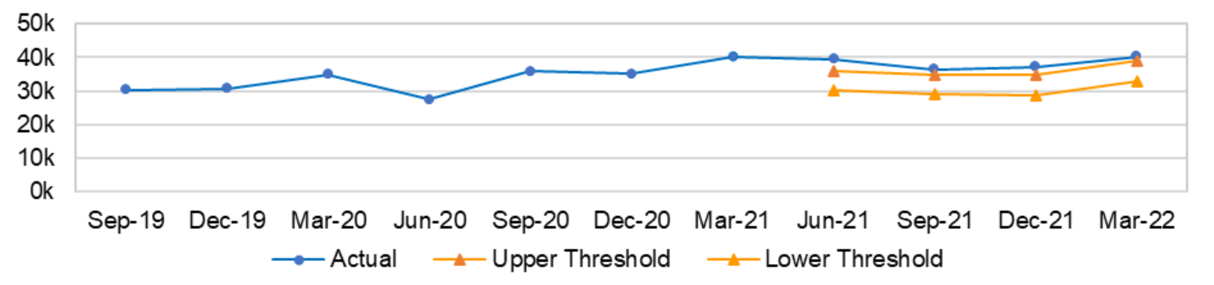
Number of Highways enquiries raised for action – by quarter



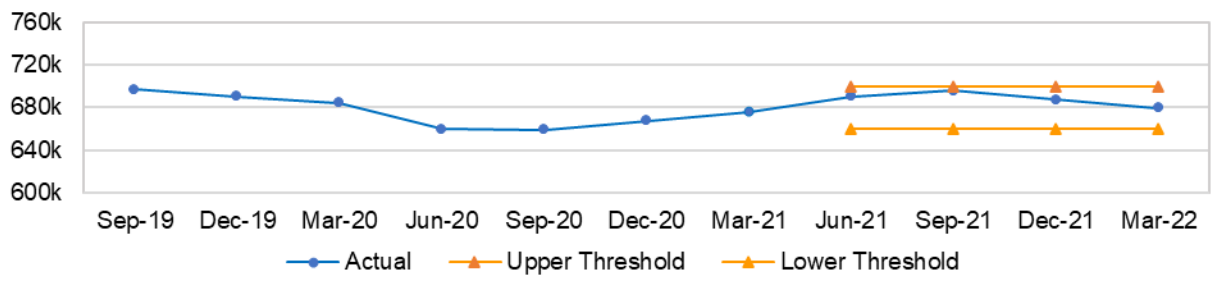
Highways Work in Progress (active enquires/jobs)



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	⇧	⇨	⇩
	7	4	1	5	2	5

Schools

Absence from primary and secondary schools, on Thursday 31st March 2022, due to Covid was 2.1% (based on 183 schools submitting their data to the Department for Education) compared to 5.2% in the fourth week of the Spring term. Absenteeism for reasons other than Covid was much higher at 20.4%. 8.7% of teachers were absent for any reason. Children aged 5 to 11 are now eligible for a Covid-19 vaccination. This should help to reduce the need for children to have time off school and should reduce the risk of spread of Covid within schools

This summer will see the return of statutory end of year tests and assessments for pupils in Reception (Early Years Foundation Stage), Year 2 (Key Stage One), Year 6 (Key Stage 2), Year 11 (GCSE) and Year 13 (A Levels and equivalents). Kent County Council are asking secondary schools to share their headline results on results days in August.

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 March 2022, 92% of schools in Kent (535 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 89%. 88% of Secondary schools were judged to be Good or Outstanding compared to 79% nationally. The percentage for Special schools at 96% was six percentage points higher than the national position.

Over the last Quarter, ongoing Covid-19 infection rates leading to staff and pupils' absence, continued to impact on the consistency of provision and progress. This risk is outside of The Education People's (TEP) control although the service offers advice and support to schools around provision. Additional specialist adviser visits for early reading, maths and EYFS have been rolled out across targeted primary schools. These visits have helped identify common misconceptions in Kent schools such as a lack of cohesion in maths, a lack of pace in schools moving to a validated phonics scheme, a lack of understanding around maths prioritisation materials and headteachers' knowledge gaps around Early Years and assessment. On the back of additional visits, TEP have been able to prioritise and signpost appropriate training both as a traded offer or through the maths and phonics hubs.

Secondary schools network meetings for curriculum leaders of maths and English continued with the delegates shaping the agenda. TEP supported the end of the current phase of the 16-19 review, the recommendations of which were published in April 2022. Kent will look afresh at post-16 provision and collaborate on improving the offer in accordance with the Kent Pledge ("Making Kent a county that works for all children").

SENCO forums have continued to run on a termly basis. These forums are well attended and provide both the national and local picture in terms of SEND. As a result of feedback, these have now been split into primary and secondary forums.

School Places and Admissions

The parents and carers of 17,592 children who applied for a place at a Kent primary school received their offers via email or online on Tuesday 18th April. Of the 17,175 Kent applicants, 16,787 (97.7%) will receive one of their three named schools and 15,486 (90.1%) will be offered their first preference. Last year 97.7% of applicants were offered a place at one of their three named schools with 89.2% securing their first preference.

More than 95% of pupils received an offer from one of their four preferred secondary schools. The percentage of pupils offered a place at their first-choice school has gone up to 79.6% (14,574 pupils). Last year parents/carers selected their secondary schools before knowing their child's Kent Test results, leading to a result that was significantly lower than usual at 69.7% (12,736 pupils).

Early Years

The latest inspection data for the percentage of Early Years settings rated Good or Outstanding is 97%, one percentage point below the target but in line with the National figure.

3,207 two-year olds have been funded through the Free for Two (FF2) scheme equating to a 65.7% take up. This is an increase of 7.6 percentage points compared to the same period last year.

Supply and demand have continued to be regularly monitored, with supply in general terms still meeting demand. During January, February and March 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. We are particularly concerned about and monitoring reductions in the number of childminders and will be meeting with representatives from the sector to see if there is something we can do to stem the number of Ofsted registered childminders resigning, and to attract new people to the profession. The percentage of settings with good and outstanding judgments has declined slightly since the end of December 2021 (previously 98.9%, now at 98.6% across all types of provision). We are targeting good and outstanding settings due an Ofsted inspection to support them to retain a good or better Ofsted judgement, making clear recommendations where appropriate. There have been the usual established regular communications with the Early Years and Childcare Sector as a whole, including the weekly topical 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 on virtual platforms but with the resumption of increasing levels face to face, including continuing support for providers in relation to their implementation of the Early Years Foundation Stage.

Skills and Employability

Provisional data for the percentage of children who are not in employment, education or training (NEET) or whose activity is not known, over the three-month period of December, January and February (2021/22), is 5.1%. This comprises of 2.8% NEETS and 2.3% Not Knowns. Compared to the same period last year this is an overall improvement of 2.4 percentage points from 7.5%. The improvement is largely due to reducing the number of not knowns through enhanced tracking. There were 758 fewer young people whose activity was not known than in the previous year.

Engagement Officers are now able to go into schools to support Year 11 students with officers seeing an increase in schools approaching them to support reducing the number of NEETs. There has been an 80% increase of the number of schools where engagement activities have taken place in comparison to last year. This equates to 53 schools, against 29 schools for the same period last year.

The service saw an increase in the number of apprenticeships starts possibly indicating that businesses are feeling more confident about the economic landscape and the team continue to support LA maintained schools to offer such opportunities. There were 96 apprentice starts in Kent Schools, a 20% increase on the previous year. In total there have been 7,930 apprenticeship starts across all age ranges (representing a 5% increase on 2020/21)

SEND (Special Educational Need and Disability)

Based on the rolling 12-month average to March 2022, 44.9% of EHCPs were issued within 20 weeks excluding exceptions (1,221 out of 2,721) an increase of four percentage points on the previous quarter. In the single month of March, performance was 59.8% with 159 plans out of 266 being issued within timescale.

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 has been as high as 72% in recent months. This increases the capacity of the service to be able to issue new EHC plans within 20 weeks

Timely advice and information are still one of the major problems in the issuing of EHC plans and timely decisions made. The SEND/ICS Co-ordinators and Communication Officers have had a great impact not only on the timely advice on Social Care (SC), with over 95% of Advice & Information (A&I) being received within 6 weeks, but also on the quality of the A&I. Currently there is work being completed between SEND and SC to train staff and to produce an on-line form for SC to complete which will help ensure that quality and timely advice is assured.

Over the last Quarter, timeliness of Education Psychology advice has been more variable, and this has directly impacted on the number of EHC plans over 20 weeks. Steps are being taken to streamline administration and to address the volume of referrals in as efficient a way as possible.

Work continues to improve the quality of EHC plans issued. We have now completed five cycles of audit with cycle six in progress. The process has had a big impact on the quality of Kent's EHCPs which compare favourably with national data of other authorities using the same audit tool.

Stability of staffing within SEND remains an issue. We were hoping to embark on a campaign with Human Resources to drive recruitment as well as retention of committed, experienced staff, but this has been delayed due to the business redesign.

School-age phase transfer (when a pupil moves from one stage of education to another) was a success. SEN completed 97% of all amendments within the statutory deadline of 15th Feb.

Wider Early Help

Thirty-eight pupils were permanently excluded for the rolling 12-month period to March 2022; fourteen were 'primary' phase and twenty-four 'secondary' phase pupils. The percentage of pupils excluded from a school equates to 0.02%. The latest 12-month period is not directly impacted on by the Covid-19 'National 3.0' school closures, and therefore, is more reflective of the level of permanent exclusions pre-pandemic, with the rolling 12-month period to March 2020 seeing thirty-six pupils permanently excluded, seventeen 'primary' phase pupils and nineteen 'secondary' phase.

The number of first-time entrants to the Youth Justice System in Kent has declined for the fourth consecutive quarter, with the rolling 12 month figure at 229. The service has been focussing on risk assessment and planning training for all practitioners and managers and we are seeing a positive impact of this in our records.

The Community Rehabilitation Company (CRC), now that it has merged with the National Probation Service, will stop delivering unpaid work to children. This service will now be delivered in-house, and will link with our Reparation Service, which accredits (through AQAs) community reparation activity. As this activity is not only restorative, but also addresses the education, training and employment needs of children, it is a welcome opportunity to deliver unpaid work in a more meaningful and positive way.

Collaboration continues with the Police and Medway Local Authority to plan the implementation of 'Outcome 22.' We have agreed referral processes and are awaiting Police guidance so we can then devise our own inputting, reporting and practitioner guidance and agree a launch date.

Early Help

At the end of March 2022, 2,987 families were open to Early Help units, providing support for 6,252 children and young people under the age of 18. This is a 10.4% increase in the number of families supported compared to the end of the previous quarter (2,706 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 13.4% for the rolling 12 months to March 2022, 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 11,927 at 31st March 2022, an increase of 50 (0.4%) children and young people when compared to end of the previous quarter (11,877).

There were 5,119 referrals to children's social care services in the quarter, an increase of 4.6% when compared to the previous quarter (4,786) and an increase of 9.0% compared to January to March 2021 (4,696). The rate of re-referrals within 12 months for the 12 months to March 2022 was 22.0%, an improvement on performance in the previous quarter of 22.9% 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 has continued to reduce and for March 2022 was 83.3% which is below the target of 85.0%. The proportion of case-holding social work posts filled by agency staff was 12.2%, which is a reduction from the end of Quarter 3 when it was 13.8%. The average caseload for Social Workers in Children's Social Work Teams increased by an average of 3 cases in the quarter, from 22.9 cases in December 2021 to 25.9 cases in March 2022, remaining outside of the target of no more than 18 cases.

Child Protection

On 31st March 2022 there were 1,276 children subject to a child protection plan, an increase of 14 from the end of the previous quarter (1,262). The rate per 10,000 children (aged 0-17) was 36.8 which remains below the last published rate for England of 41.4, at 31st March 2021. The percentage of children who were subject to a Child Protection Plan for a second or subsequent time increased slightly, from 19.7% in December 2021 to 19.8% in March 2022, continuing to remain 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 23 in the quarter, to 1,403. The number of unaccompanied asylum seeker children (UASC) in care increased by 1 in the quarter to 362. The number of children in care placed in Kent by other local authorities (OLA) decreased by 4 to 1,248.

Status	Jun 21	Sep 21	Dec 21	Mar 22
Citizen	1,384	1,379	1,380	1,403
UASC	378	350	361	362
Total	**1,762**	**1,729**	**1,741**	**1,765**
Gender				
Male	1,131	1,098	1,105	1,114
Female	631	629	633	648
Non-binary		2	3	3
Age Group				
0 to 4	223	221	226	232
5 to 9	193	189	185	194
10 to 15	691	691	669	714
16 to 17	655	628	661	625
Ethnicity				
White	1,233	1,213	1,215	1,228
Mixed	87	96	94	103
Asian	84	72	60	54
Black	78	58	44	43
Other	280	290	328	337

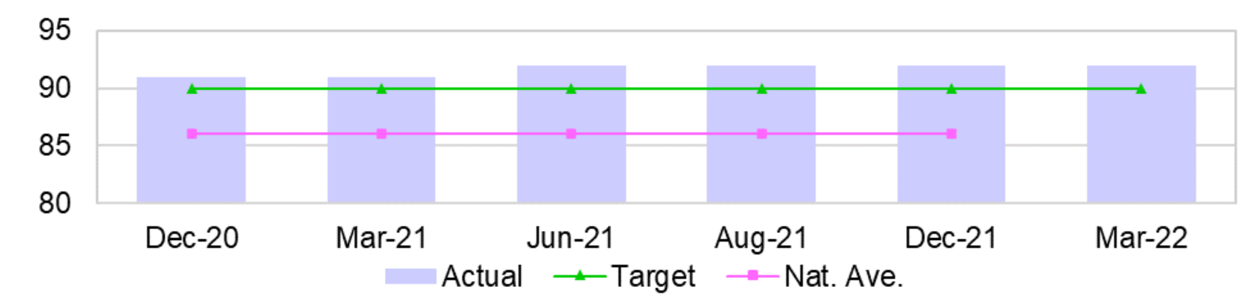
The percentage of Kent's children placed in KCC in-house foster care or with family/friends reduced by 0.9% in the quarter, from 79.2% at the end of December 2021 to 78.3% at the end of March 2022. This remains below the target of 85.0%.

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 March 2022 was 377 days slightly higher compared to December 2021 (372 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 March 2022 was 2,076 which is a decrease of 8 from the previous quarter (2,084). Of the 2,076 Care leavers 977 (47%) were citizen care leavers and 1,099 (53%) were unaccompanied asylum-seeking young people. The percentage of care leavers in education, employment or training remained stable in the Quarter at 57.9%, staying below the 65.0% target.

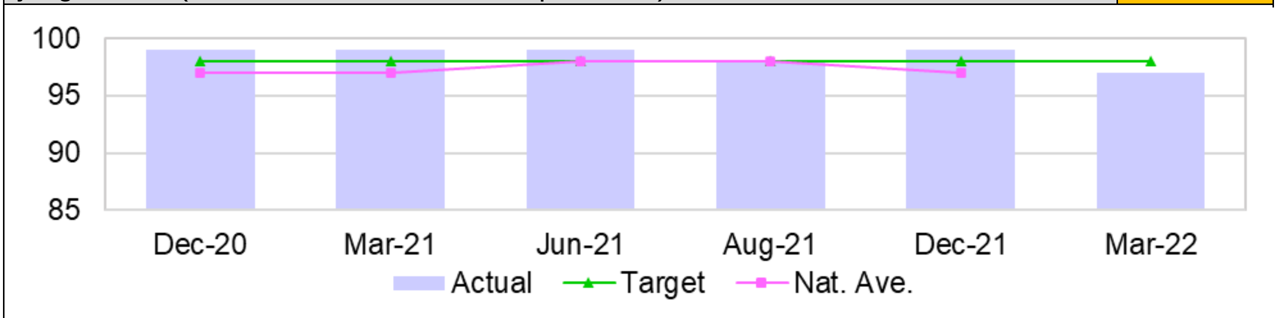
Key Performance Indicators

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



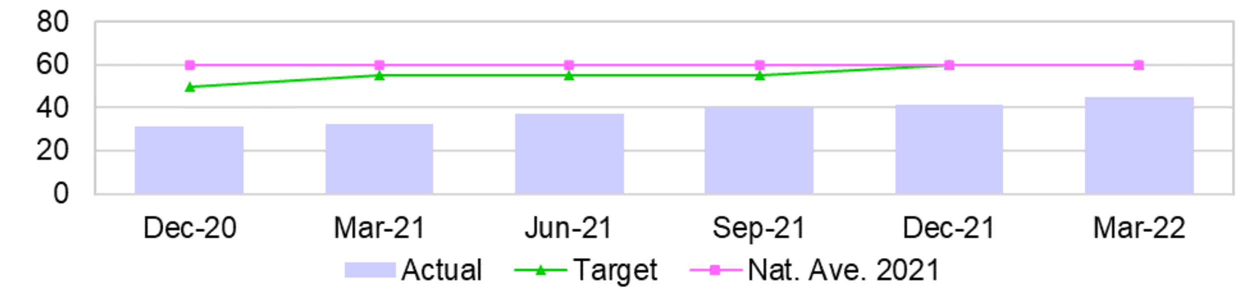
Current:92%	Target: 90%	Previous: 92%

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



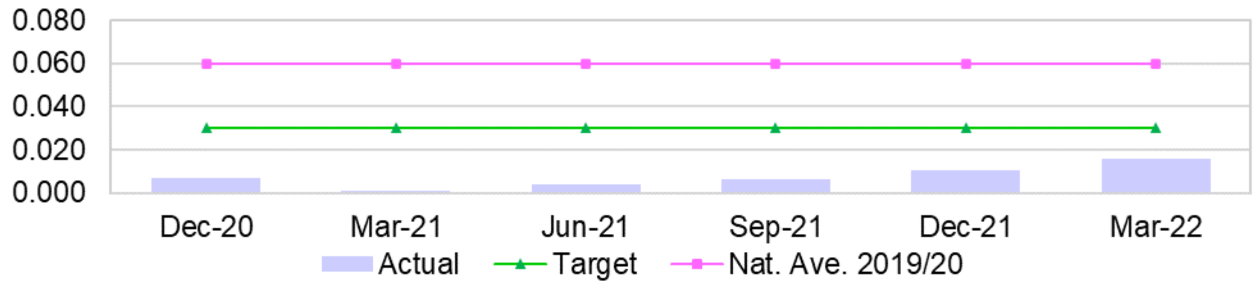
Current: 97%	Target: 98%	Previous: 99%

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



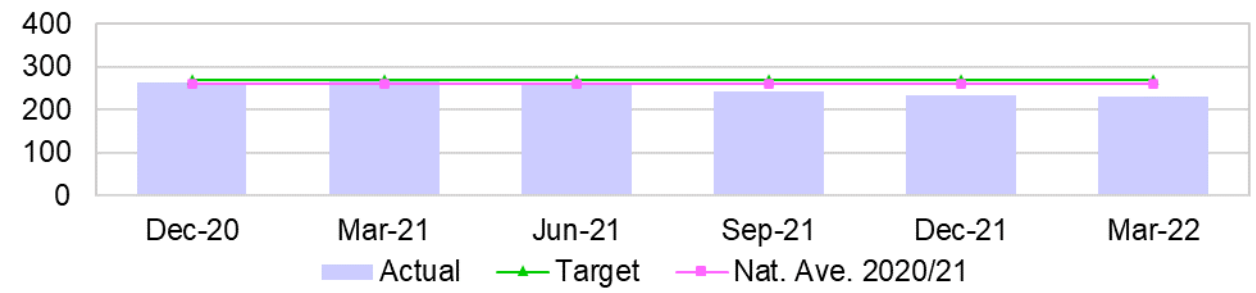
Current: 45%	Target: 60%	Previous: 41%

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



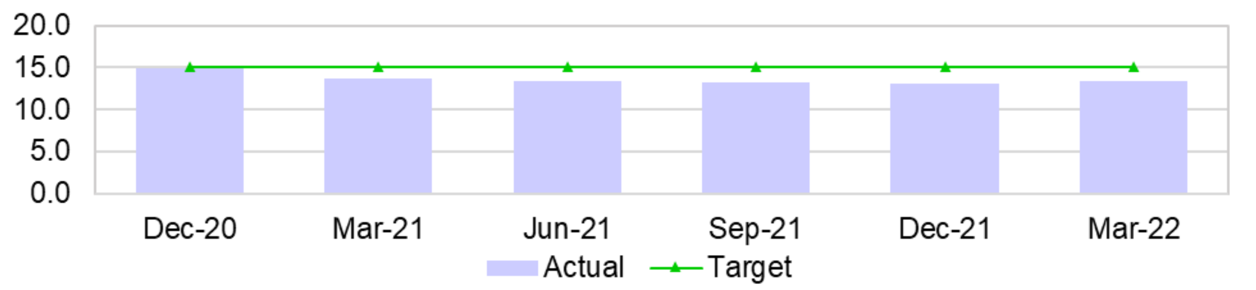
Current: 0.02%	Target: 0.03%	Previous: 0.01%

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



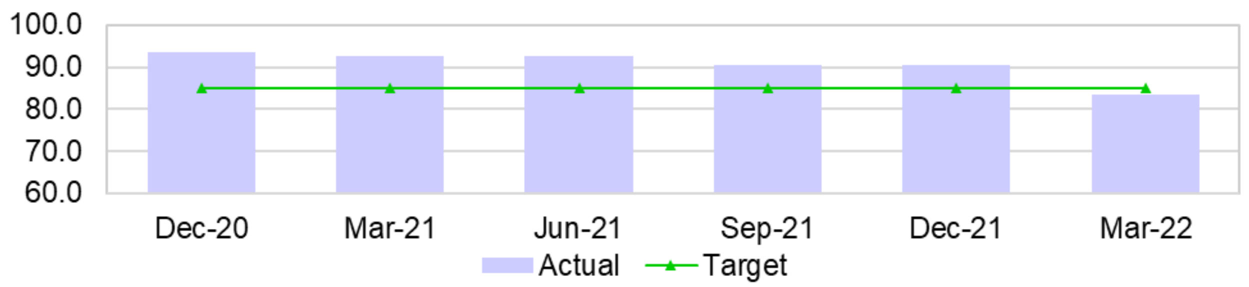
Current: 229	Target: 270	Previous: 233

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



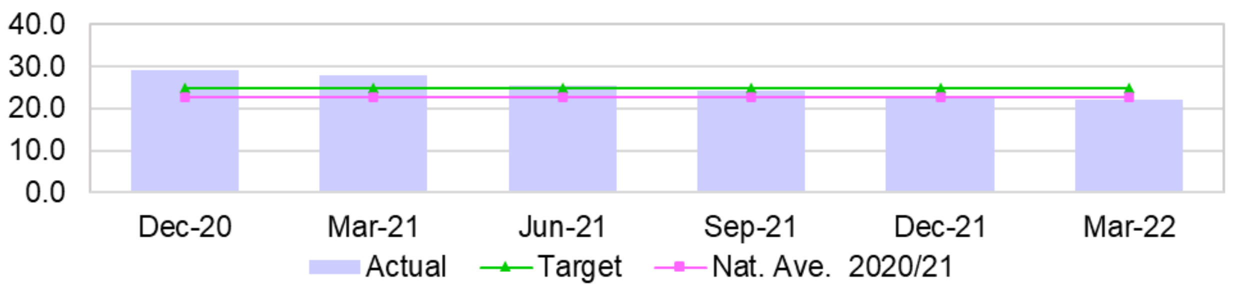
Current: 13.4%	Target: 15%	Previous: 13.1%

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



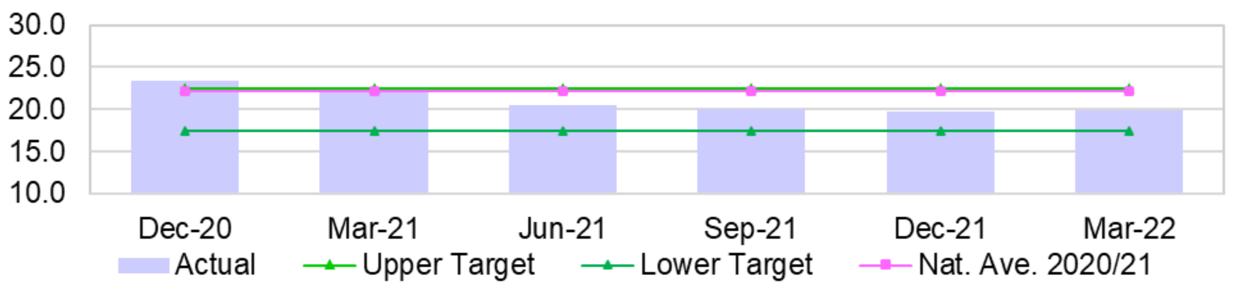
Current: 83.3%	Target: 85.0%	Previous: 90.5%

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



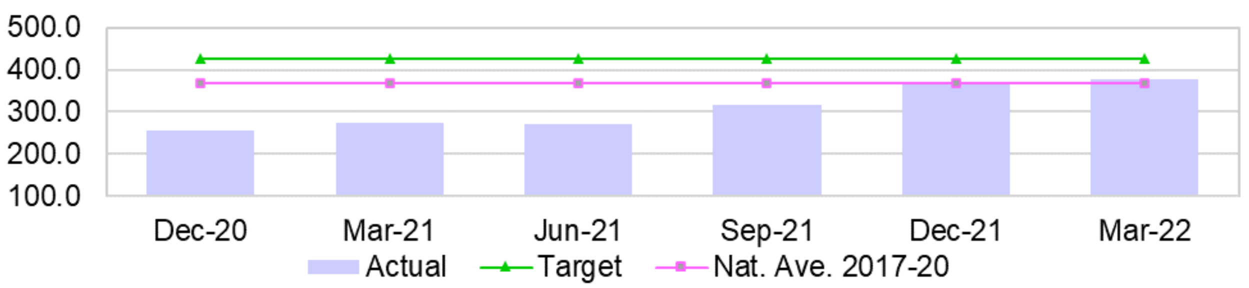
Current: 22.0%	Target: 25.0%	Previous: 22.9%

Percentage of child protection plans that were repeat plans	GREEN ⇧



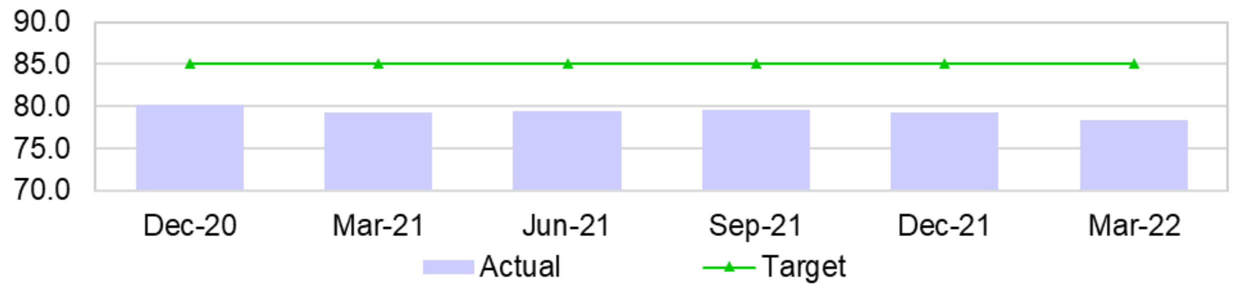
Current: 19.8%	Target: 17.5% - 22.5%	Previous: 19.7%

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



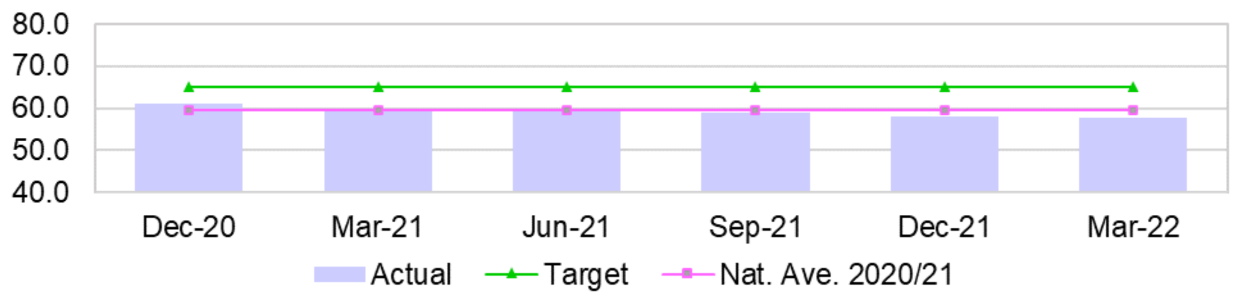
Current: 376.8	Target: 426	Previous: 372.1

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



Current: 78.3%	Target: 85.0%	Previous: 79.2%

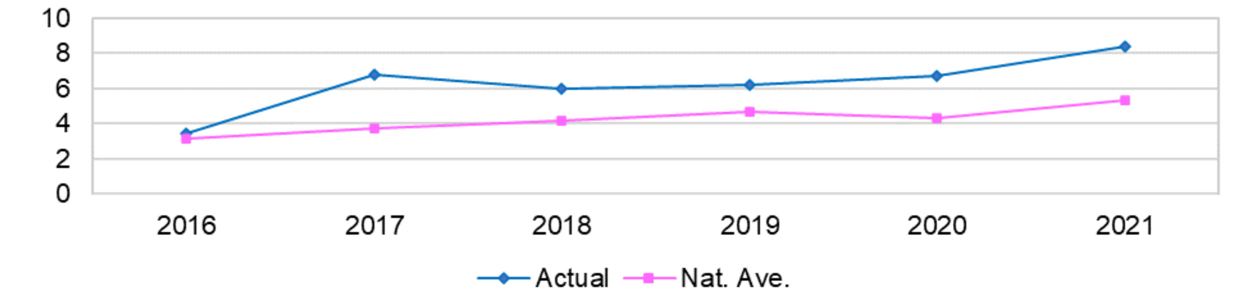
Percentage of care leavers in education, employment or training (of those KCC is in touch with)	AMBER ⇩



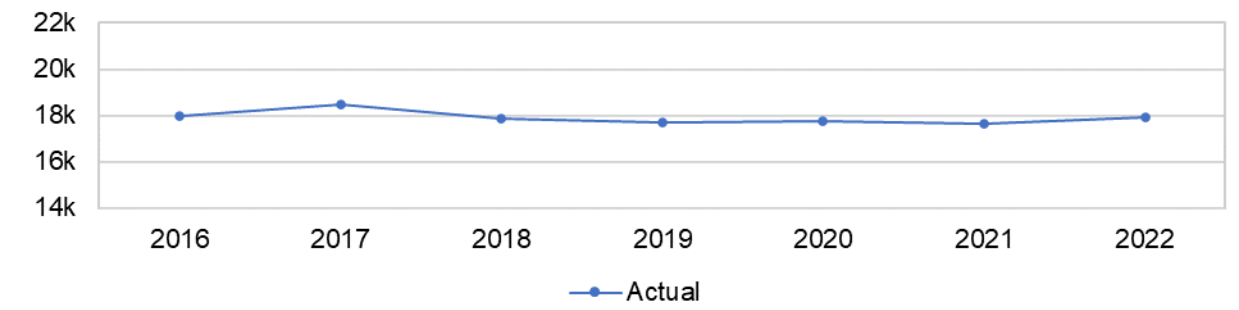
Current: 57.9%	Target: 65.0%	Previous: 58.0%

Activity indicators

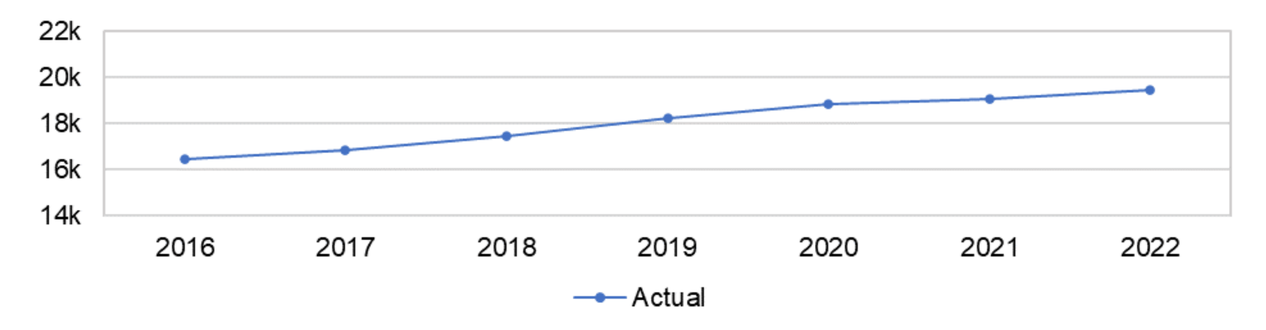
Number of initial requests for statutory assessment (for an EHC plan) per 1,000 population



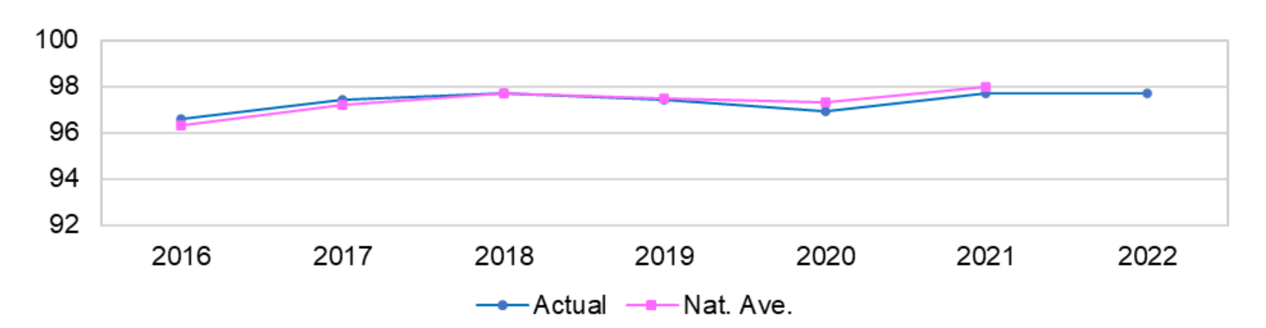
Number of pupils in Reception year (Kent state funded schools)



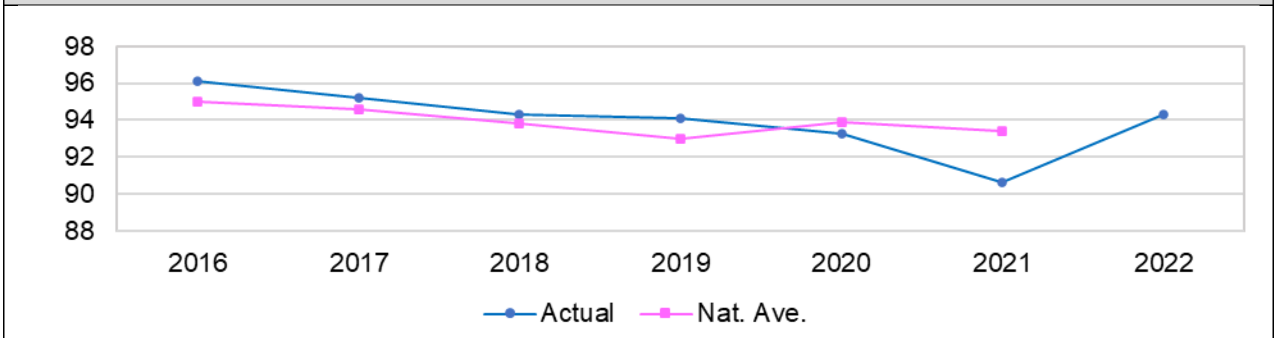
Number of pupils in Year 7 (Kent state funded schools)



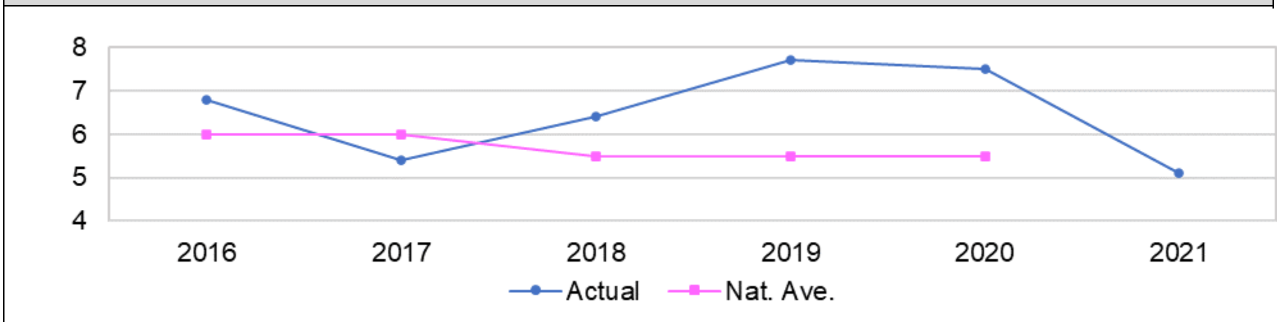
Percentage of Primary school applicants offered one of top three preferences



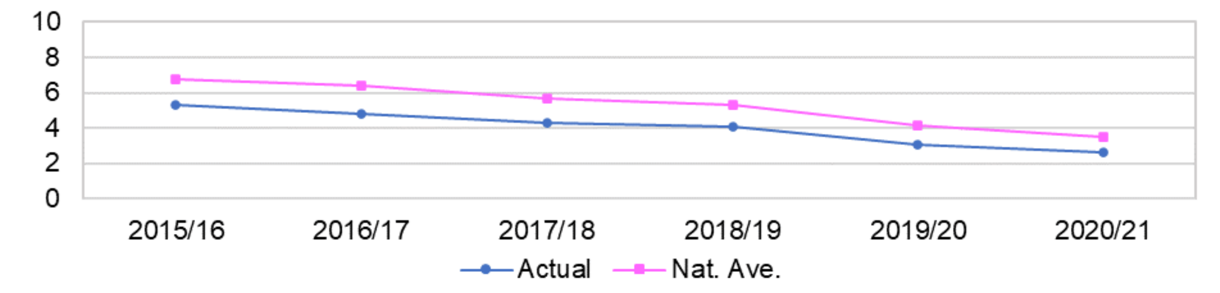
Percentage of Secondary school applicants offered one of top three preferences



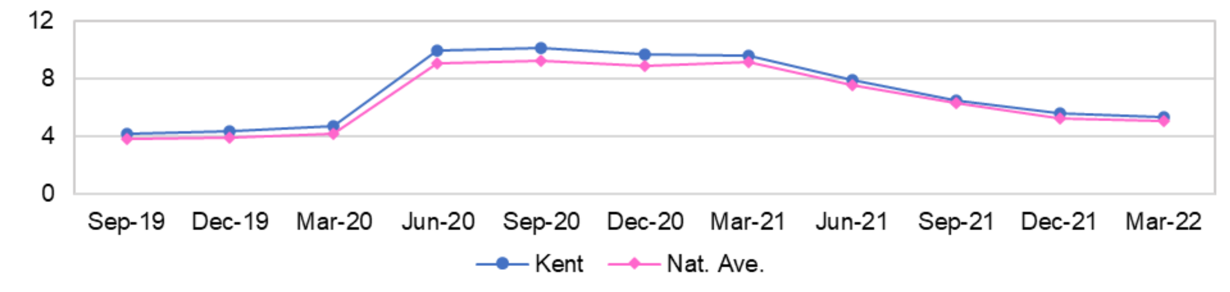
Percentage of 16-17 years olds Not in Education, Employment or Training (NEETs) or whose activity is Not Known



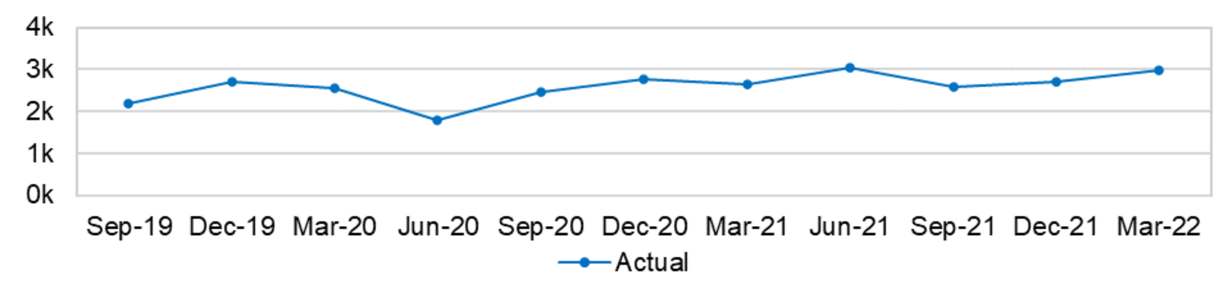
Percentage of 16-18 year olds who start an apprenticeship



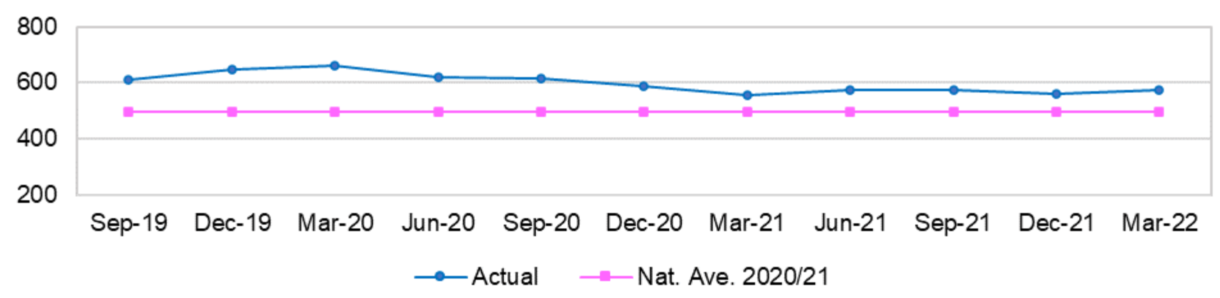
Percentage of 18-24 year olds claiming Universal Credit



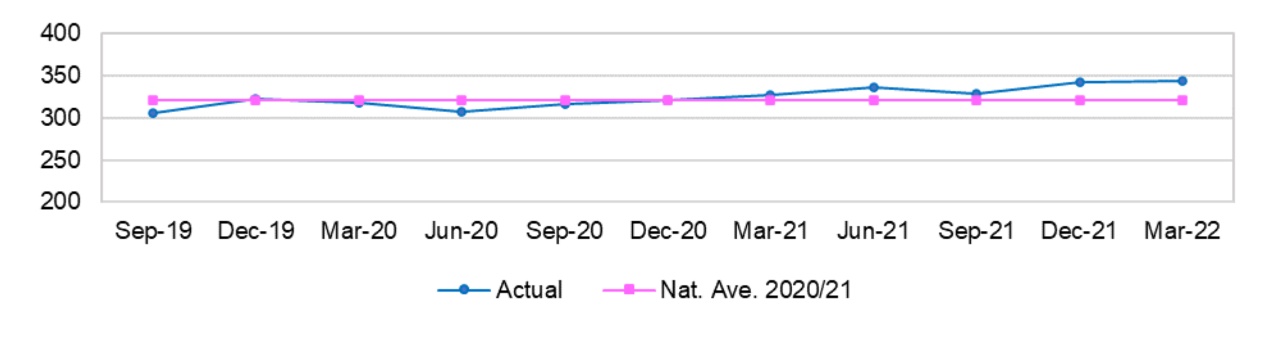
Number of open Early Help cases managed by Units



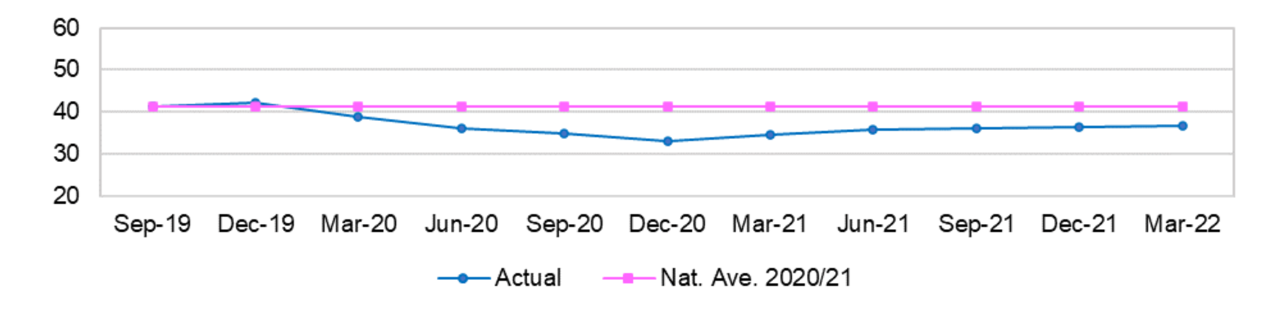
Rate of CSW referrals per 10,000 population aged under 18 – rolling 12 months



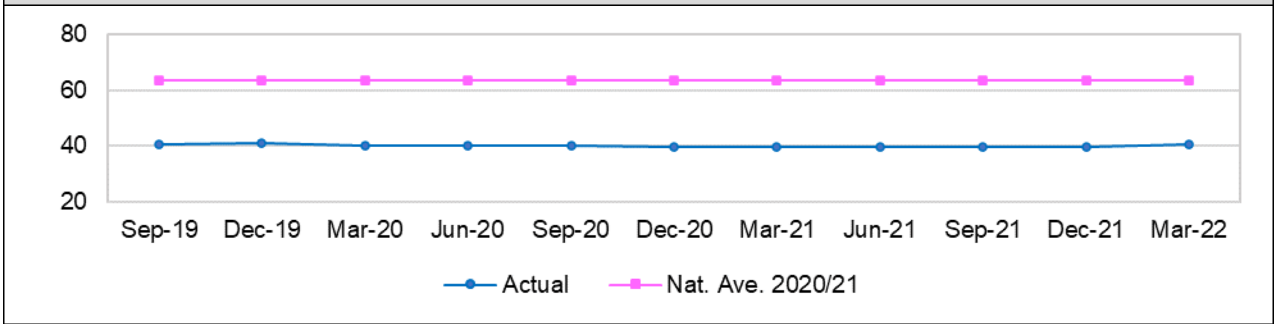
CSW caseload per 10,000 child population – snapshot at quarter end



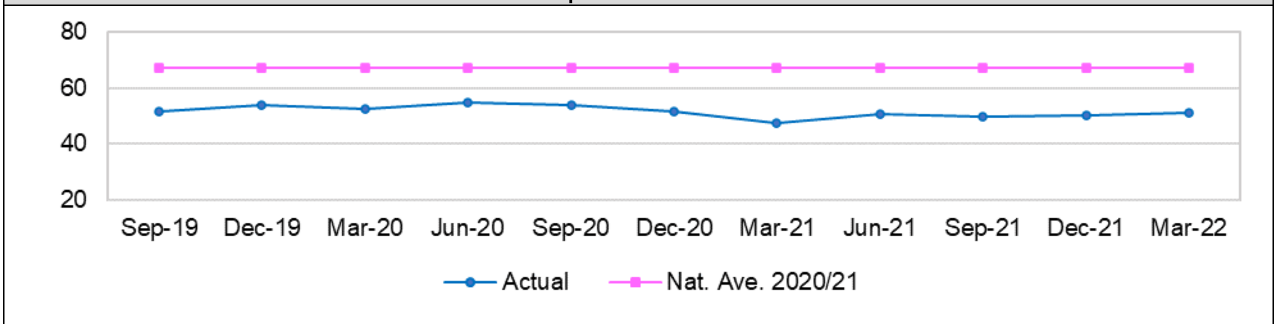
Rate of children with Child Protection Plans per 10,000 child population – snapshot at quarter end



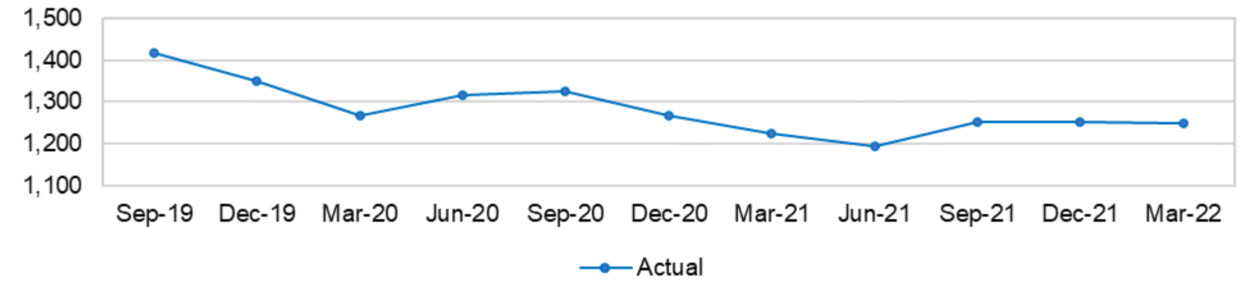
Rate of Children in Care (excluding UASC) per 10,000 child population – snapshot at quarter end



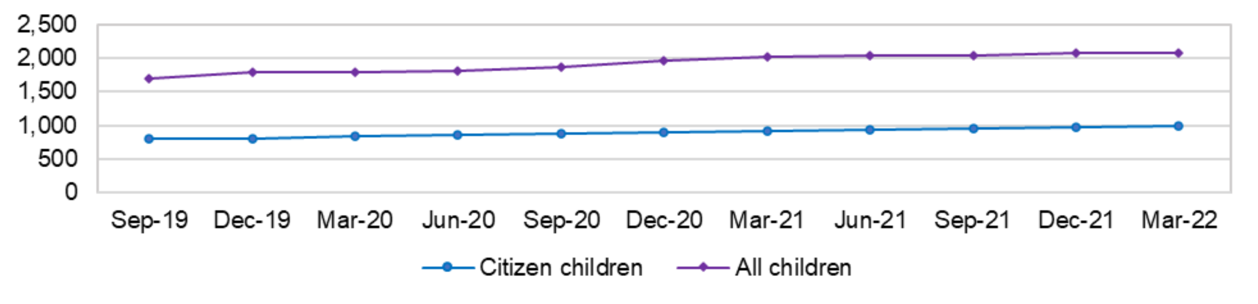
Rate of Children in Care (including UASC) per 10,000 child population – snapshot at quarter end



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



Number of care leavers as at quarter end



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

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	4	1			5	

Adult Social Care and Health (ASCH) experienced increased activity levels during Quarter 4, which included increases in the number of people making contact. This is a seasonal trend so the increased contacts are expected, however this was the highest in almost 2 years. There was also an above average number of referrals and Care Needs Assessments delivered in the Quarter to March 2022

More people identified themselves as Carers to ASCH following recent work by ASCH on producing and consulting on a new Carers Strategy and reflecting the pressures on home care provision as family members help loved ones while care is sourced and arranged.

There was also an increase in the number of Deprivation of Liberty Safeguards (DoLS) in Quarter 4, with a particular increase in urgent DoLS. During 2021/22, over 8,400 DoLS referrals were received, over 7,500 completed, and there were over 11,000 active applications running through the year.

Over the course of 2021/22, demand for mental health support has increased and in Quarter 3 the number of people with a mental health need accessing ASCH services peaked at just over 1,200; Quarter 4 saw the first period for over 2 years where the numbers of people we support did not increase. The majority of people with a mental health need are being supported through Supporting Independence Services and Supported Living.

Four of the five ASCH KPIs have remained above target throughout 2021/22, the measure on Direct Payments (DPs) however has stayed below target and is RAG rated Amber. The proportion of people in receipt of a DP increased to 25% in Quarter 4 having remained stable at 24% for the first 9 months of 2021/22, 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 continue to promote the use of DPs, for those currently receiving support, those awaiting a service, and those new to ASCH. DPs are an important delivery mechanism to support people to have choice over their support and maintain their independence, and are key to Making a Difference Every Day.

ASCH have been scoping and implementing new digital solutions to improve the uptake, pathways and use of DPs throughout 2021/22. A new Information and Guidance platform has been developed and will improve the availability of advice and information on DPs and self-directed support for Kent residents. The platform will also link to the community catalyst website for micro-enterprises which is where people can find out what is available in their community; a digital self-service pathway is also being developed which will include the assessments, and care and support planning, which will allow people to start to set up a DP as early as possible.

The KCC Kent Enablement at Home Team (KEaH) have developed training with the DP Team to enhance conversations they have with people whilst they are being supported by our enablement service, and it has provided a greater understanding of DPs and the benefits to the people we support.

ASCH, during 2021/22, has experienced differing trends in the numbers of people accessing enablement services, with increases in the those receiving support via short-term beds, but lower and reducing numbers accessing the KeaH service. Reductions in those accessing the enablement element of the service is due to a combination of service availability, lower numbers of referrals and providing support to people where other services are unable to, for example the NHS or Homecare providers.

The KeaH Service has implemented a series of actions to help address the reduced service availability; one successful action has been a new recruitment campaign. Commencing in February 2022, the service worked with the KCC Communications Team and Stakeholder Engagement Team, using Social Media for the first time to proactively advertise for new workers. A video was produced and released depicting one of our support workers discussing the benefits of working in the Service. This generated much interest and they were able to recruit to around 95% of their vacancies in most areas of Kent.

The KPI measuring the outcomes of those receiving a short-term service in Quarter 4 continued at 65% with just over 700 people not needing ongoing support or needing support at a lower level. Although this is a lower proportion than experienced in the first 2 Quarters of the year, it is comparable to Quarter 4 in 2020/21. 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; this spilt has been consistent throughout 2021/22.

Where people are at home 91 days after discharge from hospital having received an enablement service, there was an increase in people on this care pathway in Quarter 3 and although more people were at home 91 days later, the proportion has decreased to 85%. ASCH continues to work with colleagues in the 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; this will maximise opportunities to increase people's independence and ensure people are on the pathway that is the right course of action for them.

The indicator related to the proportion of KCC people in residential or nursing care in homes that the Care Quality Commission (CQC) have rated as Good or Outstanding decreased in Quarter 4 to 81%. Although this remains above the target of 75% it is lower than the 83% recorded in the previous two quarters. Quarter 4 saw a corresponding increase in people we support in homes that were rated as Requiring Improvement by 2%. This includes new care homes being assessed and those whose rating decreased.

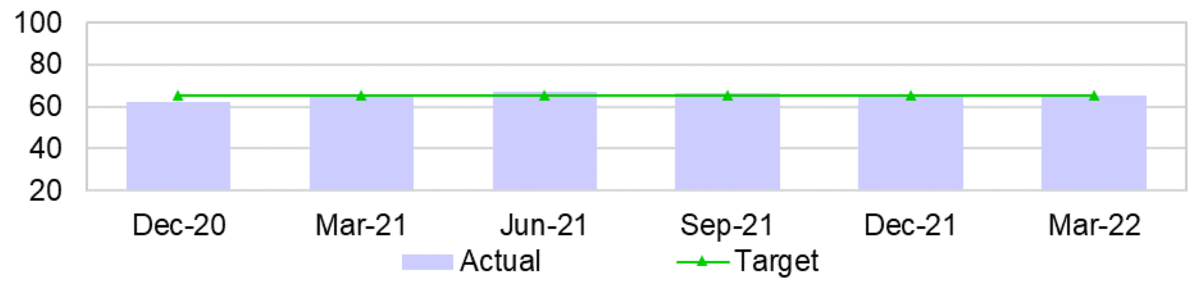
KCC Commissioners and the Care Home Support Team continue to work to improve the quality of these services by working with providers, giving advice and support, and ensuring action plans are in place that respond to CQC findings. Commissioners use a KCC Care Home Risk Matrix, triangulating data and intelligence to ensure resource is focussed on supporting those rated, or at risk of being rated, as Requiring Improvement or considered at high risk in terms of poor quality.

KCC commissioners continue to work 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.

The proportion of people we support with learning disabilities who live in their own home or with family continues to remain above target at 82% for Quarter 4. This measure forms part of the national Adult Social Care Outcomes Framework for which measures are collated from all Local Authorities on an annual basis. For 2020/21, Kent compares well to both the national average (78%) and the South East average (76%). All Care Needs Assessments and annual Reviews are focussed upon the provision of person-centred outcomes and ASCH actively support and enable adults with a learning disability to remain in their own home or with their family, as opposed to hospital or residential care.

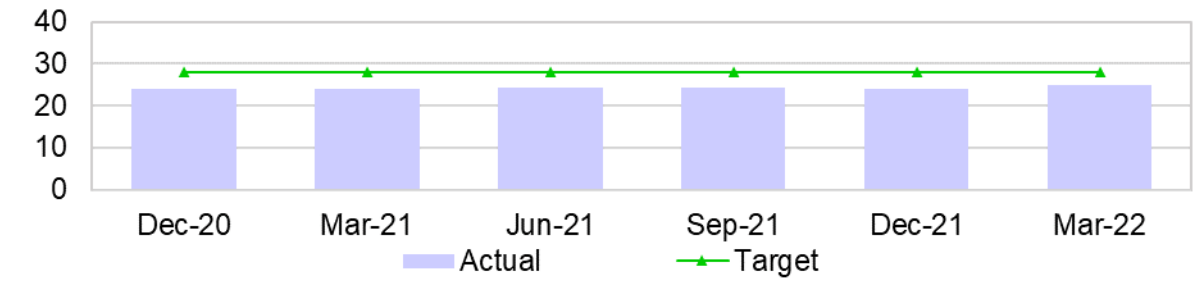
Key Performance Indicators

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 ⇨



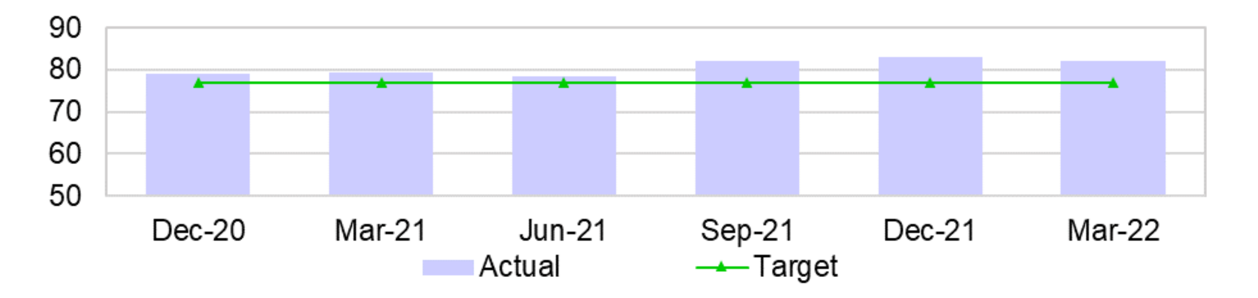
Current: 65%	Target: 65%	Previous: 65%

Proportion of clients receiving Direct Payments	AMBER ⇨



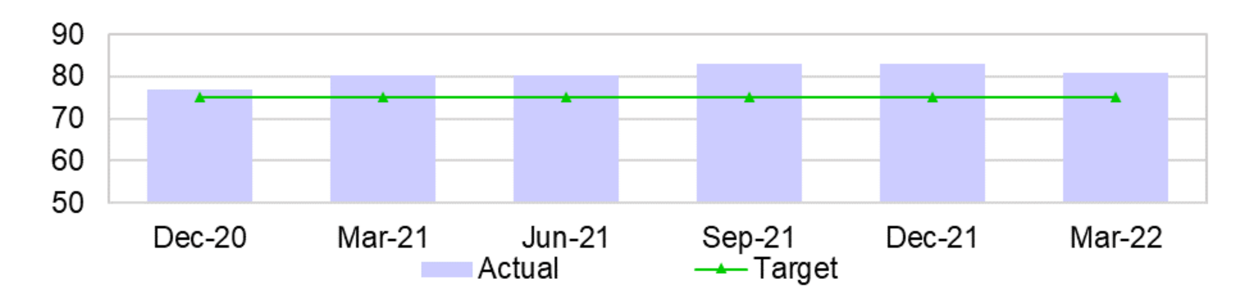
Current: 25%	Target: 28%	Previous: 24%

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



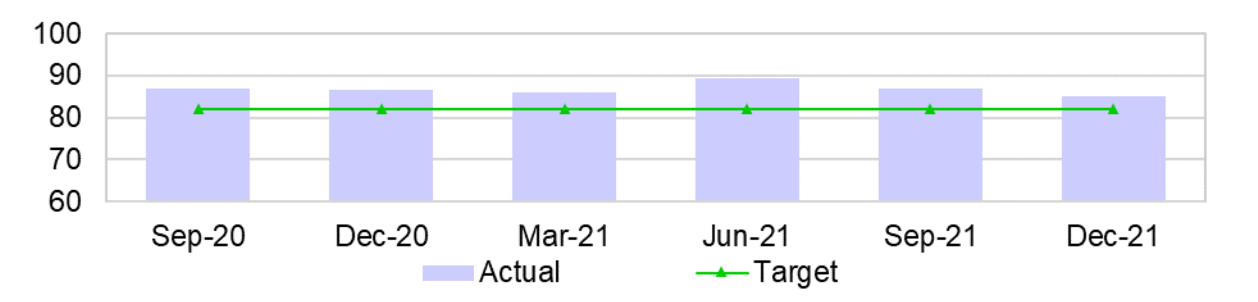
Current: 82%	Target: 77%	Previous: 83%

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



Current: 81%	Target: 75%	Previous: 83%

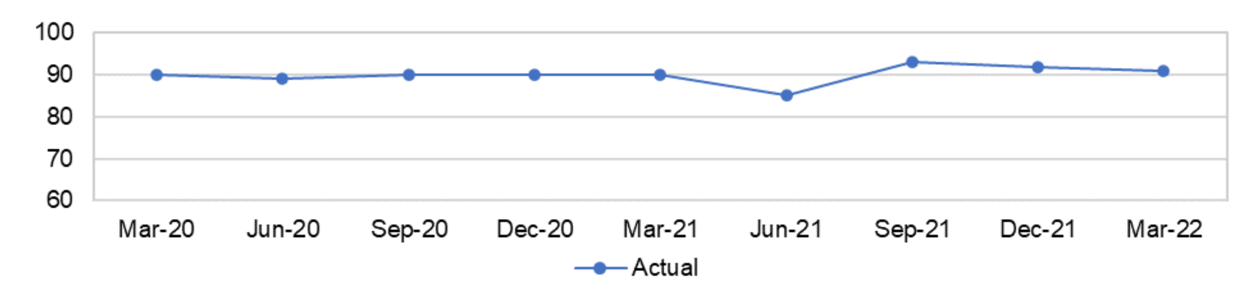
Proportion of older people (65+) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	GREEN ⇨



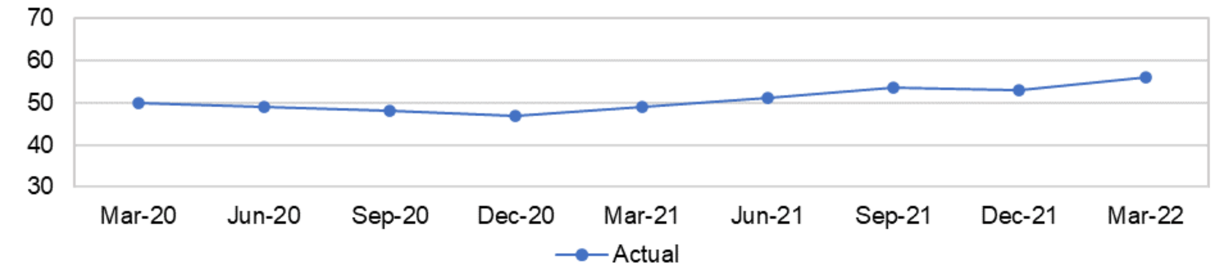
Current: 85%	Target: 82%	Previous: 87%

Activity indicators

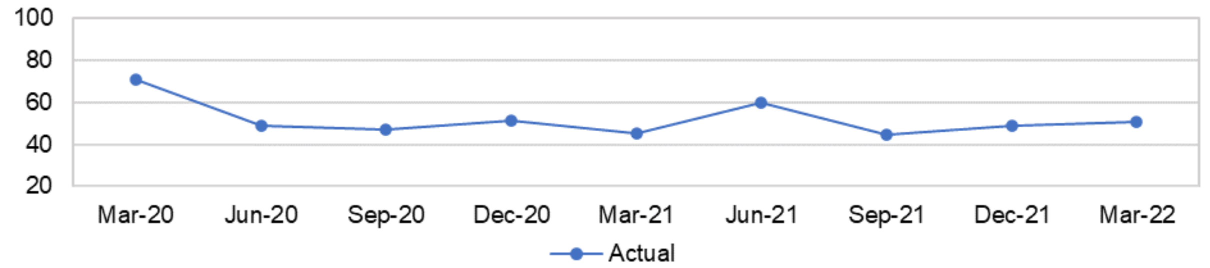
Percentage of Safeguarding enquires where a risk was identified, and the risk was either removed or reduced



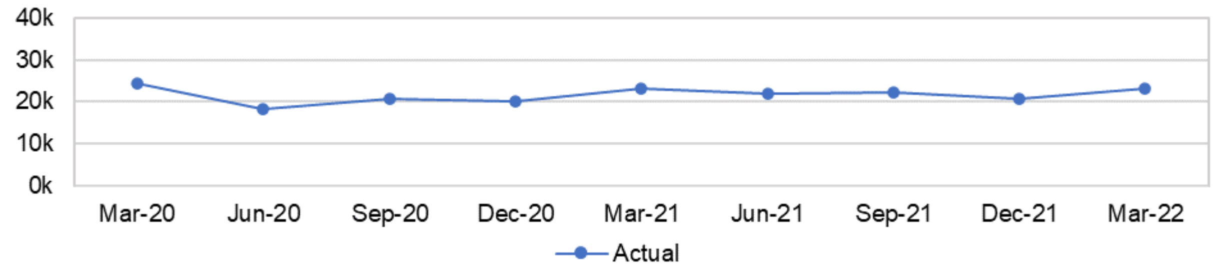
Percentage of carers who are receiving services, and who had an assessment or review during the year



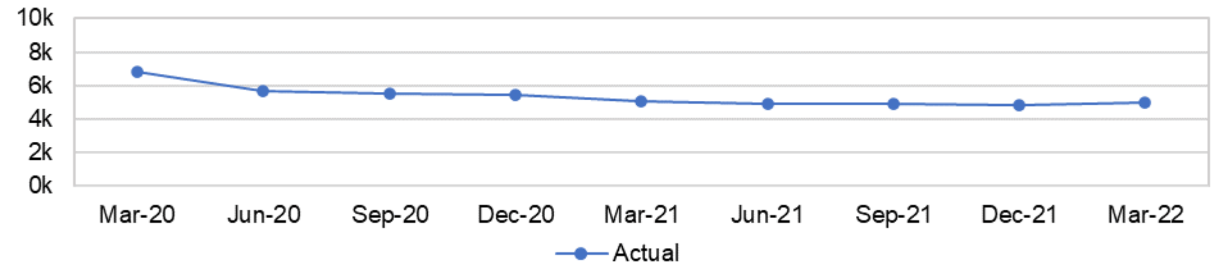
Percentage of complaints upheld (upheld and partially upheld)



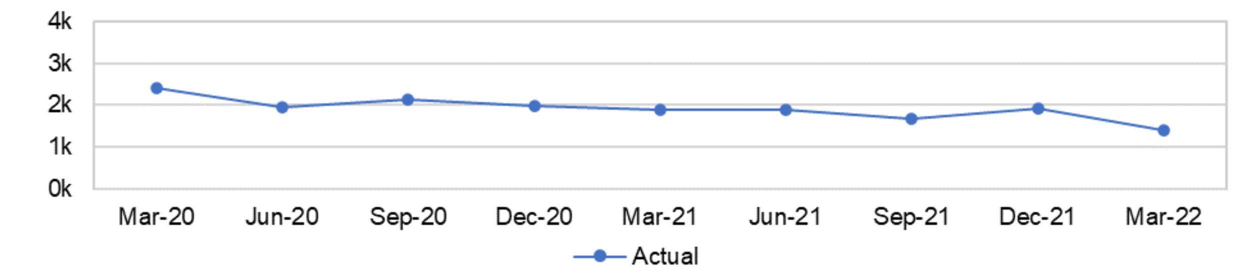
Number of people making contact with ASCH



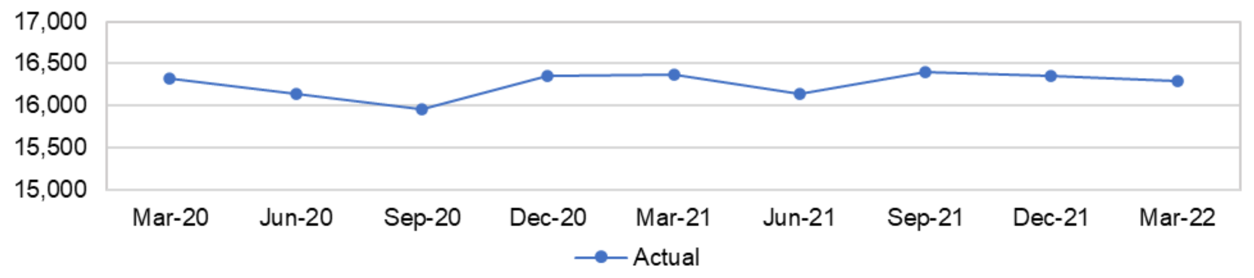
Number of assessments delivered (Care Needs Assessment)



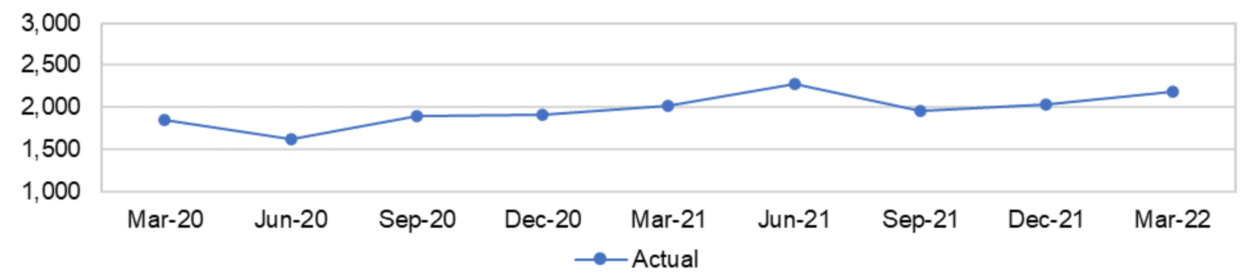
Number receiving enablement



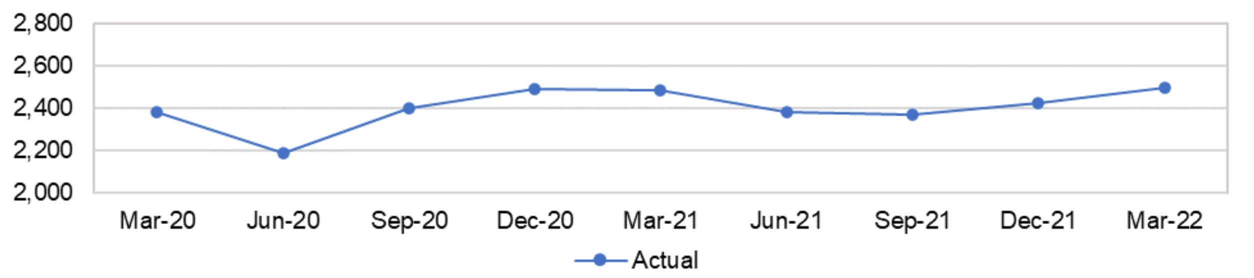
Number receiving Long Term Services



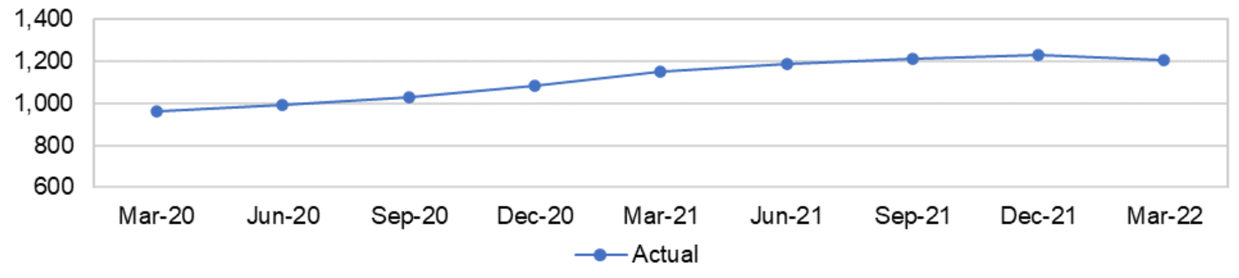
Number of Deprivation of Liberty safeguards (DoLs) applications received



Number of carers known to Adult Social Care



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



Public Health	
Cabinet Member	Clair Bell
Director	Anjan Ghosh

KPI Summary	GREEN	AMBER	RED	⇧	⇨	⇩
	5			3	2	

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. There were 4,844 Health Checks carried out in Quarter 4, which exceeds the target. A risk stratified approach to NHS Health Checks is being developed which targets those at highest risk of cardiovascular disease and the pilot phase is due to be rolled out in Quarter 1 2022/23.

The Health Visiting Service delivered 16,980 mandated contacts in Quarter 4, reaching a total of 72,530 for 2021/22. All five mandated contacts met or exceeded target. Face-to-face delivery has increased for all contacts from 31.3% in Quarter 4 2020/21 to 58.7% in Quarter 4 2021/22. Calls to the duty line remain high, with 13,428 calls received in Quarter 4 and 50,897 calls received in total throughout 2021/22. Referrals to the Specialist Infant Feeding service have remained elevated throughout the year (4,040 in total for 2021/22).

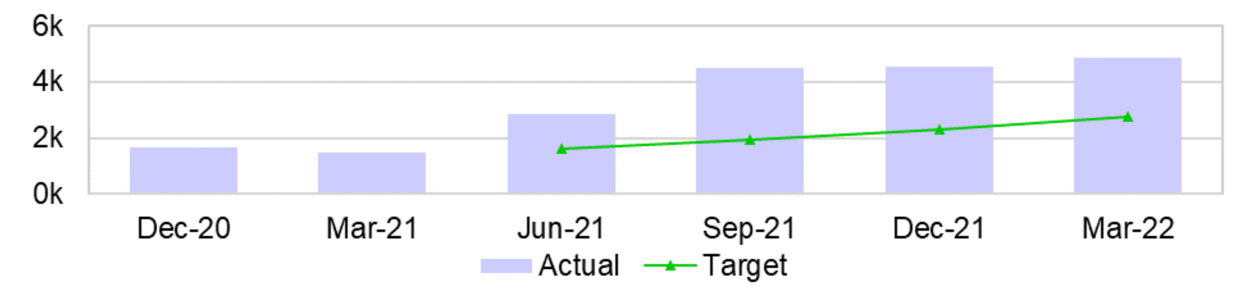
In Quarter 4, the Sexual Health Service has continued to perform well. This is reflected in the continued increase in the use of online services, with in-person testing only taking place once a telephone triage is completed. A full sexual health screen can be completed through the home testing service or at a clinic. In Quarter 4, the indicator recorded 96% of first-time patients being offered a full sexual health screen; exceeding the target of 92%.

The community drug and alcohol data for Quarter 4 shows continued above target performance. The Services have resumed all face-to-face interventions and continue with a blended approach with digital interventions available to those who have a preference for this method of service delivery.

Live Well Kent (LWK) referrals increased in Quarter 4, with self-referrals continuing to be the most common referral route. Client satisfaction rates remain above target at 99%. Mental health awareness week was promoted across the Live Well network, and a further timetable of events is in development which will link to KCC social media promotion.

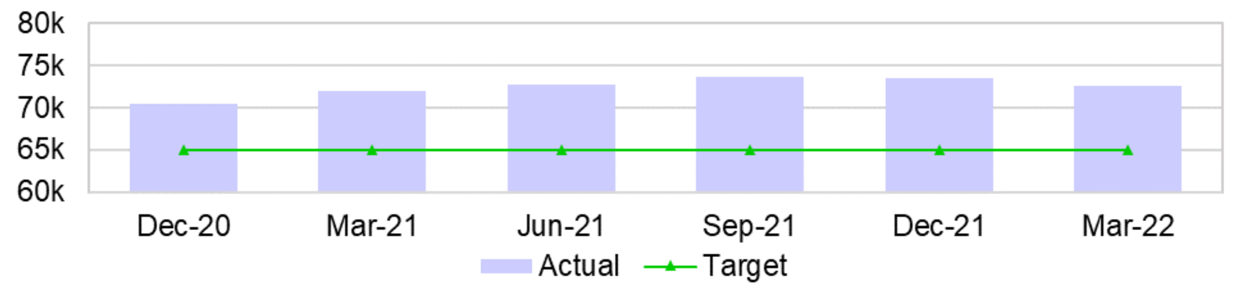
Performance Indicators

Number of eligible people receiving an NHS Health Check	GREEN



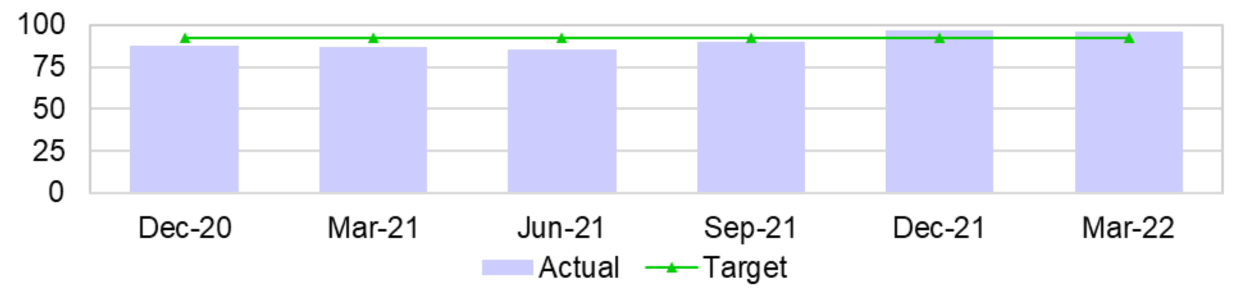
Current: 4,844	Target: 3,073	Previous: 4,547

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



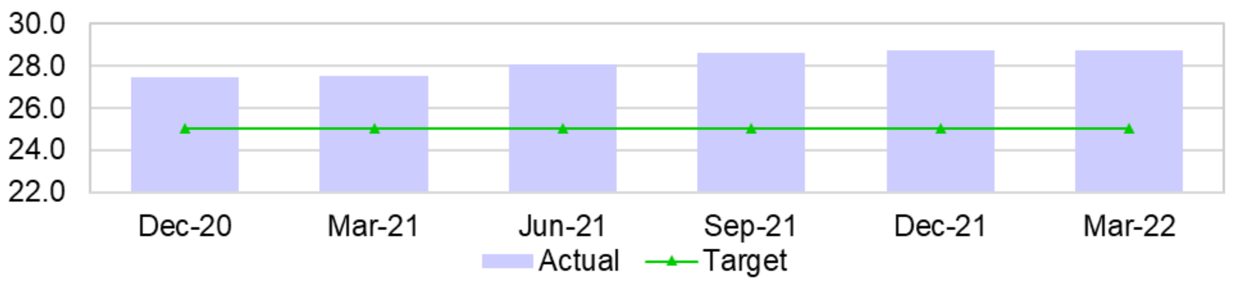
Current: 72,530	Target: 65,000	Previous: 73,559

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



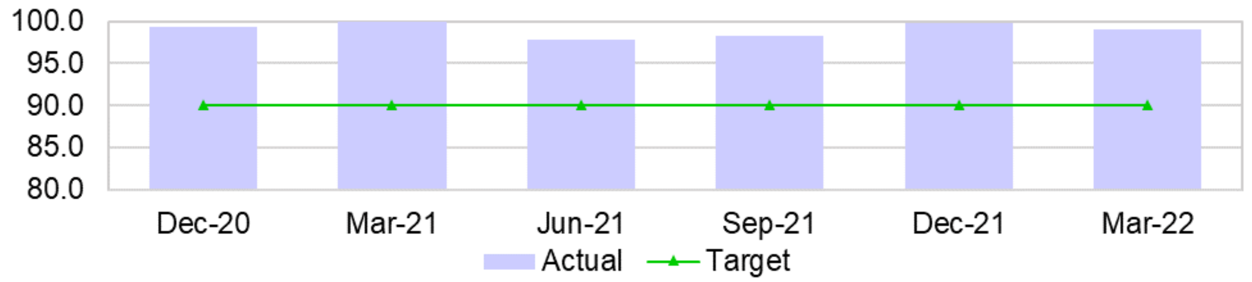
Current: 96%	Target: 92%	Previous: 97%

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



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

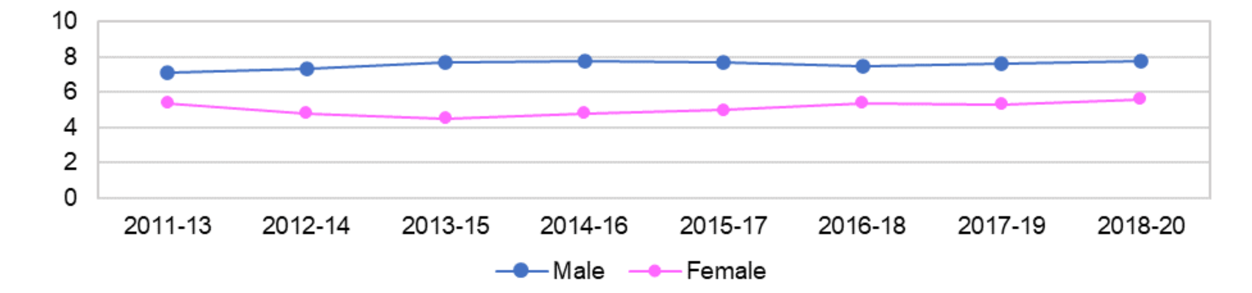
Percentage of Live Well clients who would recommend the service to family, friends, or someone in a similar situation	GREEN ⇨



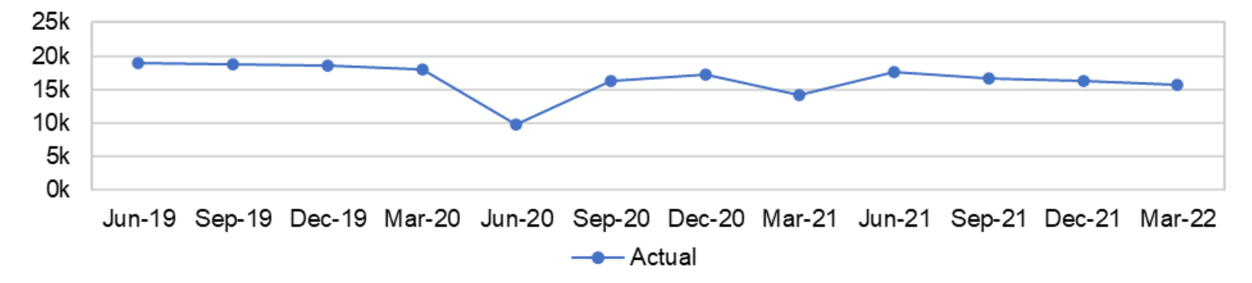
Current: 99.0%	Target: 90%	Previous: 99.7%

Activity indicators

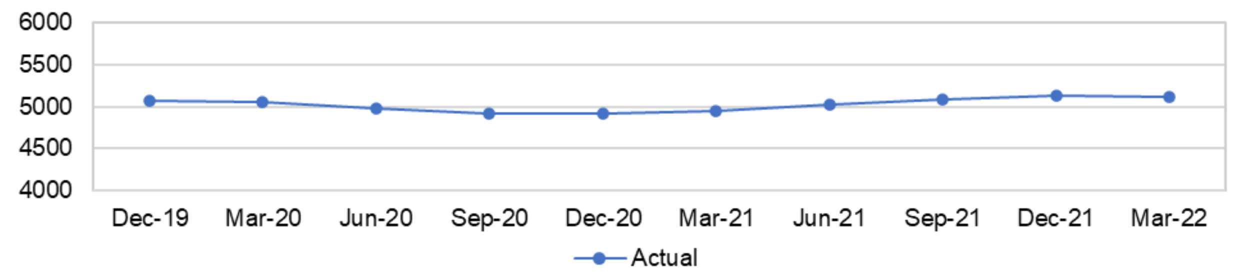
Life expectancy gap in years between least and most deprived areas



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 in a challenging environment of inflationary pressures, increasing fuel prices and labour shortages in some areas.

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

	Low Risk	Medium Risk	High Risk
Current risk level February 2022*	0	3	13
Current risk level April 2022*	0	3	14

*Two risks have ratings to be decided

CHANGES DURING LAST QUARTER

A 'current' risk rating has been proposed for the new corporate risk 'CRR0054 Supply Chain and market challenges'. The risk has been rated as 'High' with work underway to identify mitigating controls and appropriate actions to reduce this risk where possible, initially focusing on our organisational standards.

A new short-term risk is proposed to be added relating to the council's response to the Ukraine resettlement schemes, which presents resourcing challenges as well as potential safeguarding / welfare concerns, which KCC is working with partners to address. Consideration is also being given as to how implications of adult social care reform are to be reflected in the corporate risk profile.

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

Due Date for Completion	Actions Completed	Actions Partially complete	Regular Review
Up to and including April 2022	4	5	-

CRR0002: Safeguarding – Protecting adults at risk
Partially Complete Recommendations from the recent Kent and Medway PREVENT Peer review to improve and promote best practice are being implemented. This has been reported to Kent and Medway Prevent Duty Delivery Board and to KCC's Corporate Management Team. All relevant remaining actions are incorporated within the 2022/23 PREVENT Partners action plan

CRR0014: Technological Resilience and Information Security
Partially Complete Progress continues to be made on implementation of actions within the Consolidated Security Action plan **Partially Complete** Continuation of roll out of Microsoft Security and Compliance package

CRR0039: Information Governance
Partially Complete Data mapping exercise to understand the movement of KCC data both internally and externally is partially complete. Mapping for Infrastructure directorate is in progress. **Partially Complete** Continuation of roll out of Microsoft Security and Compliance package (cross-reference to CRR0014 above)

CRR0045: Maintaining effective governance and decision making in a challenging financial and operating environment for local government
Outstanding Review of KCC Operating Standards – action being reviewed as part of broader context of CEO Operating Model approved by County Council at end of May.

CRR0051 – Supporting the workforce transition to hybrid working
Complete The People Strategy for 2022-2027 has been approved by Personnel Committee. It is designed to create the conditions for excellence across the workforce, underpinning how KCC acts as an employer, and the approach and delivery of organisation objectives.

CRR0053 – Impacts on fulfilling statutory duties due to capital programme affordability
Complete The ten-year capital programme has been published as part of the 2022-2032 capital programme. This has identified projected costs for some of the rolling programmes and a separate section of potential stand-alone projects which are markers and will have full business cases and identified funding planned, evaluated and agreed. **Complete** The Infrastructure service, with support from Area Education Officers, has written to schools regarding their obligations for maintenance and their responsibilities for repairs under financial thresholds **Complete** External funding bid for 'priority school' build programme has been submitted to the Department for Education. The outcome is awaited as to whether the bid was successful or not.

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Proposed KPIs and Activity Indicators for QPR 2022/2023

Customer Services

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Percentage of callers to Contact Point who rated the advisor who dealt with the call as good	97%	97%	90%
Percentage of phone calls to Contact Point which were answered	91%	95%	90%
Percentage of complaints responded to within timescale	77%	85%	80%

Activity indicators

Indicator description
Number of phone calls responded to by Contact Point
Average Contact Point call handling time
Number of visits to the KCC website
Number of complaints received

Governance and Law

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Freedom of Information Act (FoI) requests completed within 20 working days*	80%	92%	90%
Data Protection Act (DPA) Subject Access requests completed within statutory timescales*	71%	90%	85%

* To include individual Directorate performance

Activity indicators

Indicator description
Total number of FoI requests
Total number of DPA Subject Access requests

Economic Development & Communities

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Number of homes brought back to market through No Use Empty	428	400	350
Developer contributions received as a percentage of amount sought	65%	98%	85%

Activity indicators

Indicator description
Total number of physical visits to Kent libraries
Total number of book issues from Kent libraries (e-issues and physical)

Environment and Transportation

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Percentage of routine potholes repaired in 28 days	94%	90%	80%
Percentage of routine highway repairs reported by residents completed within 28 days	90%	90%	80%
Emergency incidents responded to within 2 hours of notification (%)	99%	98%	95%
Percentage of satisfied callers for Kent Highways 100 call back survey	98%	95%	85%
Percentage of municipal waste recycled or converted to energy and not taken to landfill	99.8%	99%	95%
GHG emissions (KCC estate/services and Traded Companies) in tonnes, to measure progress towards Net Zero by 2030	16,744	15,000	16,500

Activity indicators

Indicator description
Number of Highways enquiries raised for action
Highways enquiries work in progress (Routine and Programmed works)
Number of Street work permit requests
Total municipal tonnage collected (rolling 12 month)

Education and Wider Early Help

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Percentage of Primary, secondary, Special and PRUs with good or outstanding Ofsted inspection judgements	92%	90%	87%
Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements	97%	98%	93%
Percentage of EHCPs issued within 20 weeks	45%	60%	55%
Percentage of pupils (with EHCP's) being placed in independent or out of county special schools	10.8%	9%	10.5%
Number of pupils permanently excluded from school	0.02%	0.02%	0.04%
Number of first-time entrants to youth justice system	229	270	340

Activity indicators

Indicator description
The number of initial requests for statutory assessment (for an EHC plan) per 1,000 population
Percentage of pupils with an EHCP
Percentage of Primary school applicants offered one of top three preferences
Percentage of Secondary school applicants offered one of top three preferences
Number of pupils in Reception year (Kent state funded schools)
Number of pupils in Year 7 (Kent state funded schools)
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

Integrated Children's Services

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
% of Early Help (EH) cases closed with outcomes achieved that come back to EH or Children's Social Care within 3 months	13.4%	15%	20%
Percentage of Case holding posts filled by permanent qualified social workers	83.3%	85%	75%
Percentage of children's social care referrals that were repeat referrals within 12 months	22%	25%	30%
Children subject to a child protection plan for the second or subsequent time	19.8%	Between 17.5% and 22.5%	Above 27.5% or below 12.5%
Average number of days between becoming looked after and moving in with adoptive family	376.8	426	450
Percentage foster care placements which are in-house or with relatives and friends (excluding UASC)	78.3%	85%	75%
Percentage of care leavers in education, employment or training (of those KCC is in touch with)	57.9%	65%	55%

Activity indicators

Indicator description
Number of open Early Help cases managed by Units
Rate of Children's Social Work (CSW) referrals per 10,000 population aged under 18
CSW caseload per 10,000 child population
Children with Child Protection Plans per 10,000 population
Children in Care (excluding Unaccompanied Asylum Seeking Children (UASC)) per 10,000 child population
Children in Care including UASC per 10,000 child population
Other local authority children in care placed into Kent
Number of care leavers

Adult Social Care

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
The percentage of people in receipt of a Direct payment with Adult Social Care & Health	25%	30%	24%
The % of KCC supported people in residential or nursing care where the CQC rating is Good or Outstanding.	81%	80%	75%
Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services (Better Care Fund)	85%	85%	80%
The percentage of people who have their contact resolved by ASCH but then make contact again within 3 months.	New Indicators	9%	13%
The proportion of new Care Needs Assessments delivered within 28 days		90%	80%
Long Term support needs of older people (65 and over) met by admission to residential and nursing care homes, per 100,000 (Better Care Fund)		111 per 100,000	138 per 100,000

Activity indicators

Indicator description
Number of people making contact with ASCH
Number of new Care Needs Assessments to be undertaken
Number of people requiring a Care needs Assessment on the last day of the Quarter
Number of new Carers assessments delivered
Number of people with an active Care & Support Plan at the end of the Quarter
Number of new support packages being arranged for people in the Quarter.
Average cost of new support packages arranged for people in the Quarter.
Number of people in Long Term Residential or Nursing Services, and the number receiving long term community services in the Quarter
Number of people in Short Term Beds.
Number of people in Kent Enablement at Home
Number of people accessing ASC Services who have a Mental Health need
Number of people requiring an annual review to be completed on the last day of the Quarter
Number of Deprivation of Liberty Safeguards applications received and completed
Number of safeguarding enquiries open on the last day of the Quarter

Public Health

Key Performance Indicators

Indicator description	2021/22 Q4 Actual	2022/23 Target	2022/23 Floor
Number of eligible population aged 40-74 years old receiving an NHS Health Check – rolling 12 months	16,740	23,844	18,999
Number of mandated universal checks delivered by the health visiting service – rolling 12 months	72,530	65,000	52,000
Proportion of first-time patients (at any sexual health clinic or telephone triage) who are offered a full sexual health screen.	96%	95%	75%
Successful completion of drug and alcohol treatment	27%	25%	20%
Percentage of Live Well clients who would recommend the service to family, friends or someone in a similar situation	99%	98%	91%

Activity indicators

Indicator description
Life expectancy gap between least and most deprived 10% wards
Number of people accessing KCC commissioned sexual health clinics
Number of adults accessing structured substance misuse treatment services

From: **Roger Gough**
Leader

Derek Murphy
Cabinet Member for Economic Development

To: **Cabinet**
23 June 2022

Subject: **KENT AND MEDWAY ECONOMIC STRATEGY**

Classification: **N/A**

Summary

This report sets out the background to the development of a new Kent and Medway Economic Strategy, following earlier discussion with the Growth, Economic Development and Communities Cabinet Committee and consultation with the sub-county partnerships.

It presents a draft 'strategic framework' for discussion, setting out a series of proposed high-level ambitions for the Strategy, and outlines the next steps in taking the Strategy forward.

Cabinet is recommended to consider the draft Strategic Framework, provide comments on its content and consider how it may be translated into practical actions.

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1. Introduction: the case for developing a new Economic Strategy

In autumn 2021, Kent and Medway Leaders agreed to progress a new Kent and Medway Economic Strategy. It was agreed that this would replace the *Economic Renewal and Resilience Plan,* adopted in 2020 to coordinate the county's response to the economic impact of the Covid-19 pandemic, and that the new strategy would take a longer-term view, looking forward to 2030.

The Strategy is intended to provide a basis for joint working between the Kent and Medway local authorities, as well as with the business community. It should also support the case for future Government and private investment, both at county-wide and local level. It is anticipated that it will be jointly owned by Kent and Medway Leaders and endorsed by Kent and Medway Economic Partnership.

2. The process so far

Since the autumn, work has taken place to assemble an evidence base to support the Strategy, which will be published as a separate *Kent and Medway Economic Review*.

A first round of consultation on the key issues for the county and potential areas of focus took place in February and March, via KMEP and its Business Advisory Board, and with the Kent Districts.

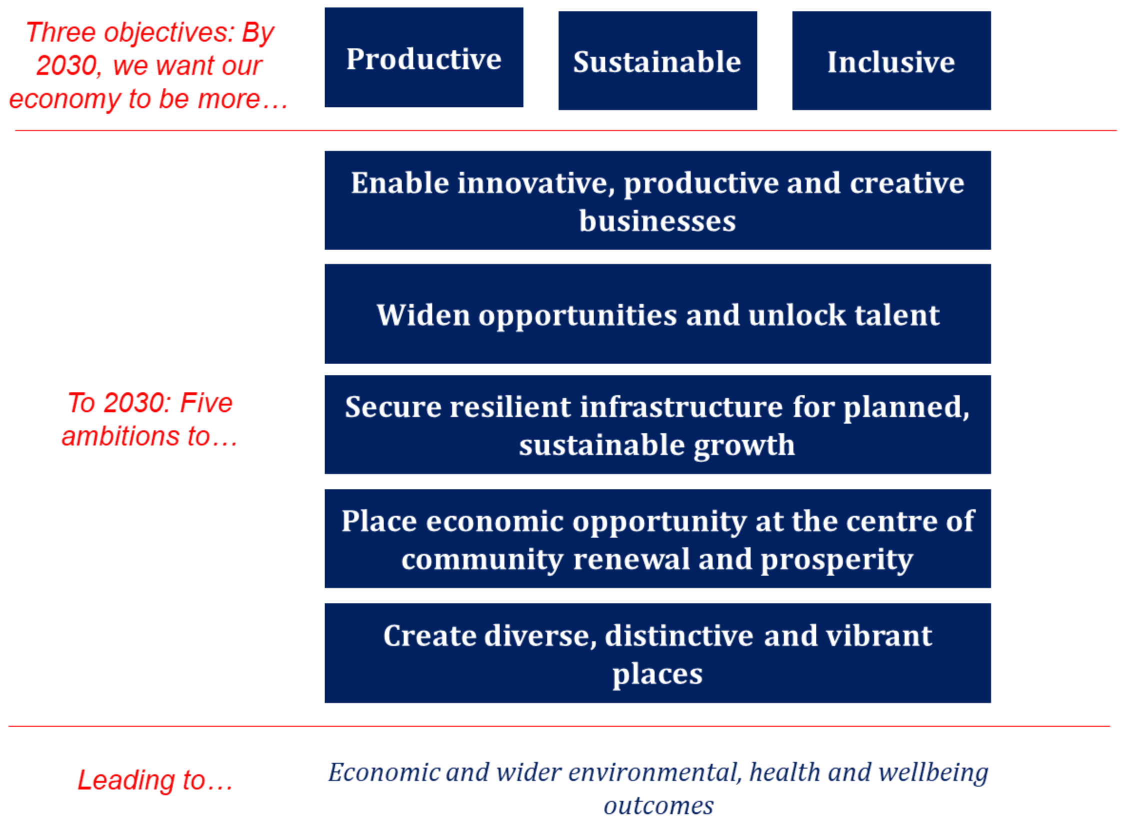
Subsequently, a draft 'strategic framework' was prepared, setting out a series of strategy themes. This was considered by the Growth, Economic Development and Communities Cabinet Committee on 10 May. Subsequently, it has also been considered by the three sub-county partnerships in East Kent, West Kent and Greater North Kent.

The Cabinet Committee was supportive of the direction of travel. However, it did request some further presentation of the evidence base to support the themes identified in the strategic framework. Members also suggested a greater emphasis on innovation, reference to 'looking outwards' (to the rest of the UK, Europe and wider export markets) and opportunities in the 'green economy'.

3. The draft strategic framework

In the light of these comments, the draft strategic framework has been updated and is attached at Annex 1. It sets out a summary analysis of the strengths, weaknesses, opportunities and threats facing the county, in the context of the overall national approach to economic development reflected in the Government's recent Levelling Up White Paper and existing national commitments (especially the drive to net zero by 2050). Based on this, it outlines three objectives for a more 'productive, sustainable and inclusive' economy, supporting five thematic ambitions:

Fig. 1: Summary of the draft strategic framework



Annex 1 provides further detail on the direction and potential content of each of these objectives and ambitions.

In preparing the Economic Strategy and identifying these objectives and ambitions, there is a balance to be struck between:

- Flexibility and specificity, setting out a 'direction of travel', while recognising that the economic and policy landscape will change over time
- Distinctiveness and 'universal' opportunities and challenges: within the 'SWOT' analysis, we have highlighted those opportunities and challenges that are distinctive to Kent and Medway and it will be important that the Strategy responds to them. But some of the issues we face are shared across the UK (for example, in relation to some of our workforce skills challenges), although still demand a local response
- County-wide coherence and local relevance: Kent and Medway has a large, complex and polycentric economy, and it is important that the Economic Strategy is relevant to, and can achieve consensus across, the whole.

These issues will need to be taken into account in the detailed drafting of the Strategy, and it will be important that the Strategy is 'brought to life' through case studies and examples that reflect the county's geography and diversity. It is anticipated that the final Economic Strategy output will be a concise (40-50 page) strategy document, supported by a supplementary Economic Review containing the evidence base.

Once drafted, the Strategy is likely to have several 'routes to implementation'. Within KCC, the Strategy should inform the Council's direct economic development activities. It may also support joint action plans (such as the Workforce Skills Evidence Base Action Plan recently developed under the direction of the Kent and Medway Employment Task Force), and it should be helpful in informing partners' strategies and providing a context and framework for investment proposals. It should also help to 'make the case' for joint priorities and joint working, including a 'county deal', if appropriate.

4. Next steps and key questions for discussion

Subject to discussion by Cabinet and revision as appropriate, the next step is to secure Kent and Medway Leaders' endorsement of the framework, ahead of a complete draft Strategy.

Within the strategic framework in Annex 1, a series of questions are highlighted:

- Do you agree with the overall SWOT assessment (in headline terms)? Is anything missing or over/ under-emphasised?
- What are your views on the overall suggested framework?
- Do the high-level objectives make sense? What should be added, if anything?
- Do the five 'Ambitions' capture the breadth of the agenda that the Economic Strategy should address? What else would you add?
- Do you agree that the Strategy should go beyond narrowly-defined 'economic development' actions and how best can these be achieved through the framework?
- How can we best ensure alignment with existing/ emerging strategy work in other fields of activity?
- What are your initial thoughts on priority areas for action?

5. Recommendations

Cabinet is recommended to consider the draft Strategic Framework, provide comments on its content and consider how it may be translated into practical actions.

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Kent and Medway Economic Strategy

Draft Outline Strategic Framework – Version 2

Cabinet

23 June 2022

Introduction

Introduction

- In autumn 2021, Kent and Medway Leaders decided to progress a new **Kent and Medway Economic Strategy.** This will replace the Economic Renewal and Resilience Plan prepared in summer 2020 to support recovery from the Covid-19 pandemic, taking a longer-term view to 2030 and identifying county's shared priorities for sustainable economic growth.

- It is anticipated that the new Economic Strategy ought to provide a basis for joint working between Kent County Council. Medway Council and the Kent Districts, as well as with the business community, and it is expected that the Strategy will eventually be endorsed by Kent and Medway Economic Partnership (KMEP) as well as by the Kent and Medway Leaders. It should also help to support discussions with Government, in relation to future investment opportunities and potential devolutionary asks associated with a 'county deal' or similar arrangements.

- This pack presents the **draft structure** for the Economic Strategy, within which priorities can be identified. It sets out a **'logic chain'** for the development of the Strategy; works through a **'SWOT' analysis** of the county's economy to identify a series of high-level overarching **objectives**, and translates these into a number of county-wide **ambitions** within which more granular actions can be taken forward. It also sets out the **next steps** in taking the structure forward and translating it into a draft Strategy.

- The Strategic Framework was considered by the Growth, Economic Development and Communities Cabinet Committee on 10 May, and subsequently by the sub-county partnerships in East Kent, West Kent and Greater North Kent. This version incorporates the comments made in these fora.

The starting point: Some key parameters…

- The overall approach to the Economic Strategy is set out in a Scoping Report considered by Leaders in the autumn. This set out some **principles** on which the Strategy should be based. These are:
  - Shared ownership: Jointly 'owned' by the Kent and Medway Leaders and endorsed by KMEP.
  - Based on evidence: Line of sight between the evidence and the policies and actions that it sets out.
  - Looking to 2030
  - An 'economic strategy', rather than a 'community plan': The 'economy' is a broad concept (it is not just about 'business growth' for example), but the Strategy isn't intended to be an all-embracing 'Vision for Kent' type of document
  - Links to impact: Ambitious and aspirational, but avoiding 'asks' and proposals that are unlikely to have a credible business case
- **The Strategy must also align with *Framing Kent's Future***, the KCC's Strategic Statement adopted in May. It should also be consistent with other linked strategy work currently underway (including the Infrastructure Proposition, the Kent Environment Strategy and the new Local Transport Plan)

What it is…

- A partnership strategy
- An overall framework that partners can get behind
- Medium-to-long term (so recognising that policies and programmes will change over time and new ideas and investments will come forward)
- Covering the whole of Kent and Medway
- Helping to strengthen the 'case for Kent and Medway' in the context of future Government investment

What it isn't…

- A 'KCC' strategy (although KCC is a leading partner)
- A detailed action plan (although it should set the context for action, and an action plan could follow)
- A funding bid (although it should inform funding proposals)
- Mandated by Government (although we would be sensible to recognise the direction of Government policy)

The starting point: The UK policy context

- The **Levelling Up White** Paper, published earlier in the year, provides important strategic context, given that it will 'set the tone' for the Government's approach to sub-national economic development over the next few years. Key points to note include:
  - The breadth of the concept of 'levelling up': making the links between productivity, pay and employment; health and wellbeing outcomes; and 'community pride' and sense of place are important.
  - Emphasis on reducing spatial disparities (locally as well as regionally)
  - Some risks to Kent, given the focus on increasing the relative balance of investment towards the North
  - Alignment of time horizon (with the White Paper also setting missions with an outlook to 2030)
  - County geographies are likely to be important as the next phase of devolution progresses – and there is clearer guidance regarding the nature of devolutionary opportunities that might be available.
- However, the consensus in consultation to date is that while the Levelling Up White Paper is an important part of the context, the Strategy should be **distinctive** to Kent and Medway and **flexible** to changing Government priorities.

The Levelling Up White Paper sets out four key objectives (set out below), supported by 12 missions:

Boost productivity, pay, jobs and living standard by growing the private sector, especially in places where they are lagging

Spread opportunities and improve public services, especially in those places where they are weakest

Restore a sense of community, local pride and belonging, especially in those places where they have been lost

Empower local leaders and communities, especially in those places lacking local agency

An initial analysis of the implications of the White Paper for the Economic Strategy is set out in a separate pack

Developing the Strategy: A logic sequence

Issues

What is the context in which the Strategy is being developed?

Economic context (UK, London & SE and Kent & Medway)
Population and demographics
Environmental change and net zero
Impact of technology
Policy (existing strategy base and UK policy landscape)

Objectives

What do we want the county's economy to be (more) like)?

What do we want to maintain, accelerate or change, and why? (recognising that much of what happens in the economy is unplanned, 'path dependent' and subject to multiple drivers

Key ambitions

Where should our areas of focus be?

Where do we need a concerted focus – *at county-wide level* – to achieve our objectives, over the next decade?

Actions

What do we need to do?

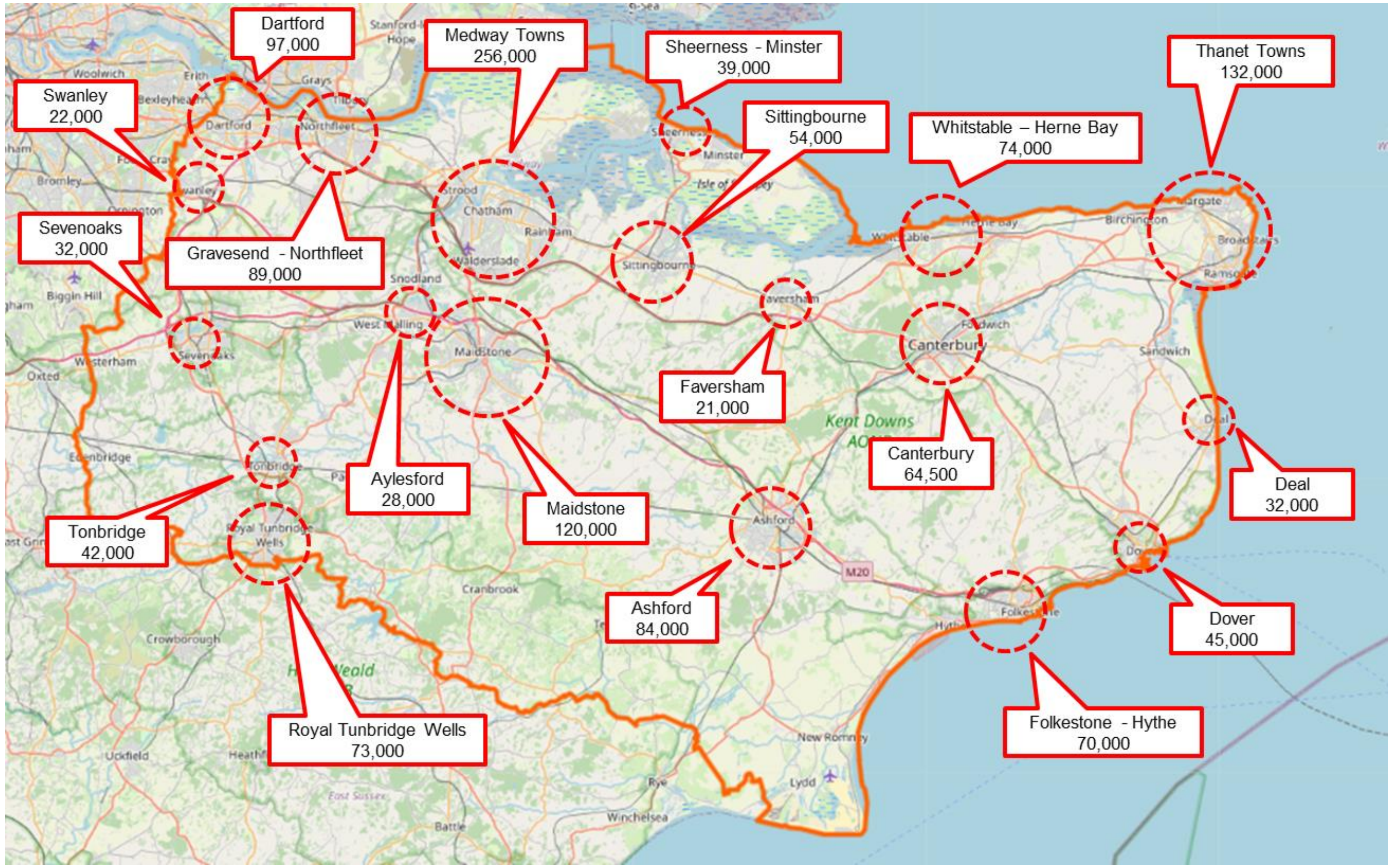
What is our 'collective' framework for bringing forward actions to deliver against the identified Ambitions (NB – this obviously has governance implications which may take longer to work through…)

Kent and Medway's economy: Some headlines from the evidence

A ‘polycentric’ and diverse economy…

- The county is ‘polycentric’: while Medway is the largest single urban area, Kent and Medway is characterised by a network of medium-sized towns, smaller settlements and an extensive rural area, with no single place dominating or acting as a central ‘focal point’ for regional services. This is also reflected in the county’s historic industrial structure.
- The consequence is that the county’s asset base is decentralised and travel patterns (within a relatively densely populated area overall) are complex. It also means that Kent and Medway averages mask substantial local variation (in terms of growth capacity, sectoral balance, relative deprivation, and so on) and this is in itself an important characteristic of the county)
- ‘Outward-facing’ links are important – especially to London, and reflected in linear road and rail patterns – and in Kent’s international gateway role.

Settlements with population of over 20,000

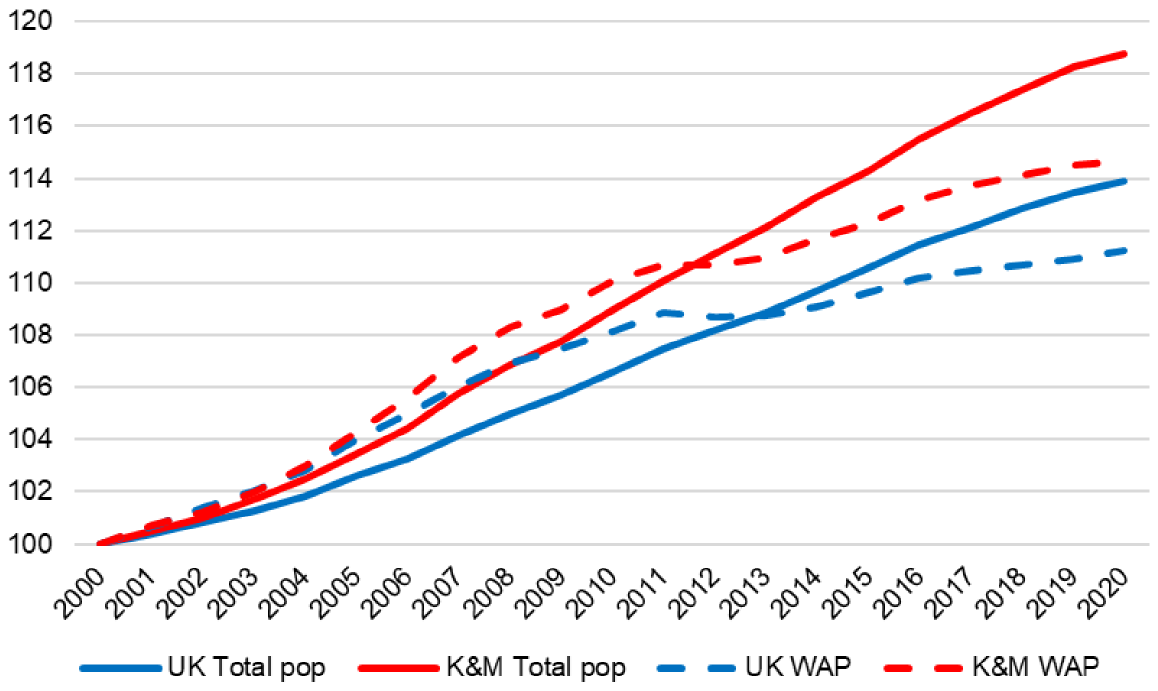


Source: ONS Mid Year Population Estimates for Built Up Areas and Subdivisions, 2020. Some contiguous urban areas are merged in the analysis. Combined settlements of 20,000 pop. minimum

… with rapid population and workforce growth

- **Kent and Medway had a population of around 1.87 million in 2020**. For comparison, that makes the county roughly the size of Northern Ireland, and a little larger than neighbouring Essex, Thurrock and Southend.
- **Kent and Medway's population has grown rapidly in recent years**, increasing by 295,000 between 2000 and 2020 (equivalent to an additional city the size of Medway). This level of growth equates to a 19% increase in the county's population, compared with around 14% nationally.
- The 'working age' population has grown more slowly, reflecting a steadily ageing population – although it is worth noting that the concept of 'working age' (defined as people aged between 16 and 64) is becoming more fluid as people expect to work for longer, and more flexibly. However, the working age population also grew at a faster rate in Kent and Medway than the national average (with growth of 15%, compared with 11% across the UK).
- Around 61% of the population are of 'working age' (slightly below the UK average). Across the county, this varies from 57% in Thanet to 64% in Canterbury.

Index of population growth (2000 = 100)



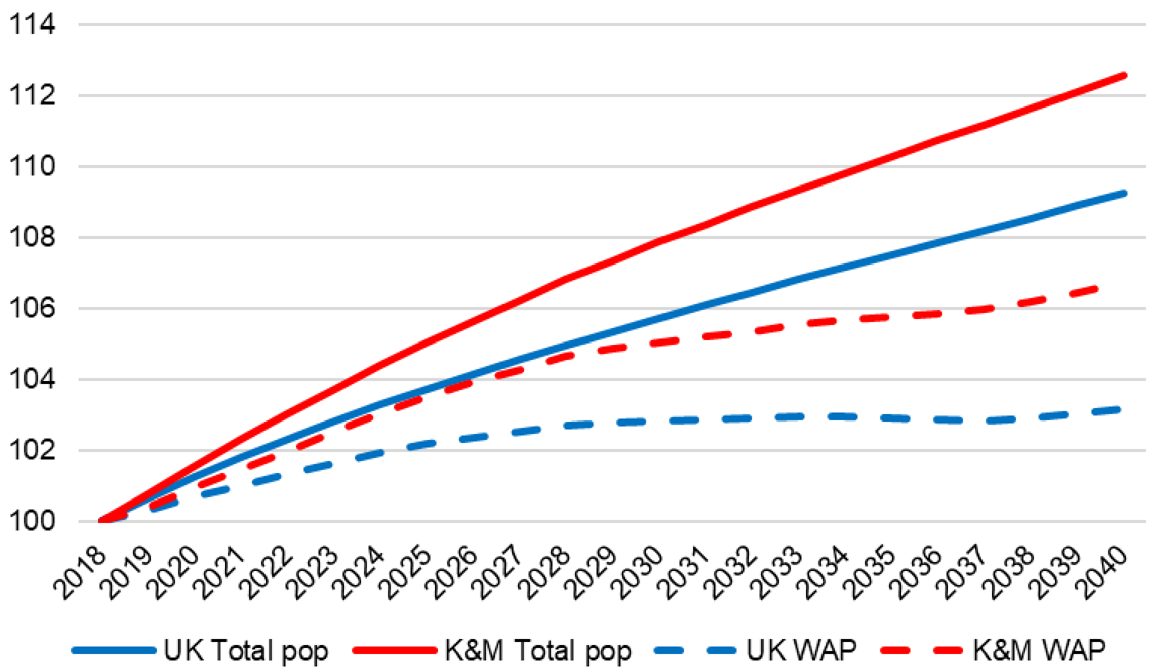
Source: ONS Mid Year Population Estimates

… forecast to continue into the future

- Looking ahead to the next 20 years, ONS projections anticipate strong continued population growth of around 13% between 2018-30 (compared with around 9% growth nationally).
- Over the same period, the working age population is also expected to grow, by around 6% (double the UK rate of increase). The consequence is that the county's share of the national working age population is rising steadily over time, from around 2.6% in 2000, to 3.3% by 2040.
- Independent of the national ONS projections, Kent County Council prepares population forecasts which take into account the impact of planned housing growth. These 'housing-led' forecasts anticipate substantially higher population growth:

Comparison of population projections				
	2019	2029	2039	Change 2019-39
ONS	1,860,000	1,982,000	2,070,000	11%
KCC	1,860,000	2,074,000	2,221,000	19%

Index of projected population growth (2018 = 100)



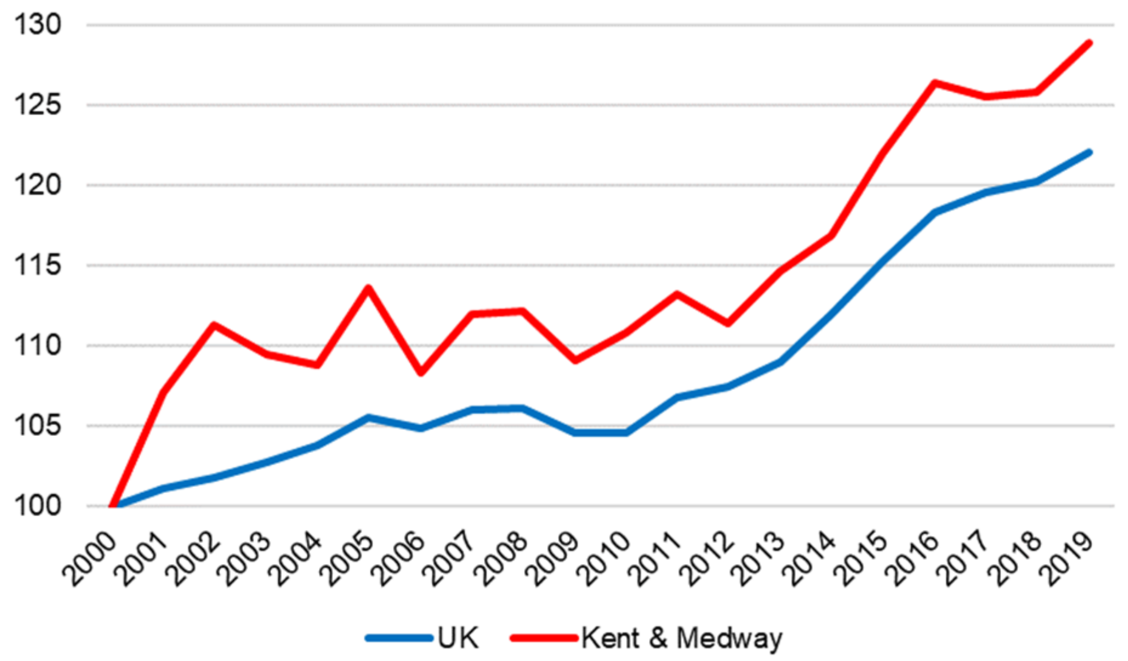
Source: ONS Population projections (based on 2018 estimates)

Key issue for strategy: Securing the connectivity and community infrastructure needed to support sustained growth over time

We have a strong record in job creation…

- In 2019, there were **880,000 jobs** in Kent and Medway - an increase of 82,000, or 10%, in the five years since 2014.
- Jobs growth has been consistently stronger in Kent and Medway than the rest of the UK over the past twenty years, reflecting relatively rapid population growth. Following the 2009 recession, jobs growth accelerated rapidly to 2016, although (in line with the national picture) slowed somewhat in the years leading up to the pandemic.
- The **job density** (the number of jobs per working age resident) has also increased over time. However, it is lower than the national average (at 0.78, compared with 0.87 in the UK overall). Some of this is accounted for by out-commuting, although the county's overall jobs density is substantially lower than in some counties on the edge of London.
- **Unemployment** is relatively low, with a 'claimant count' of 3.7% of residents aged 16-64 (below the UK average of 4%), and employers report challenges in filling vacancies – but workforce participation has fallen following the pandemic.

Jobs growth index (2000 = 100)



Source: ONS, Jobs Density dataset

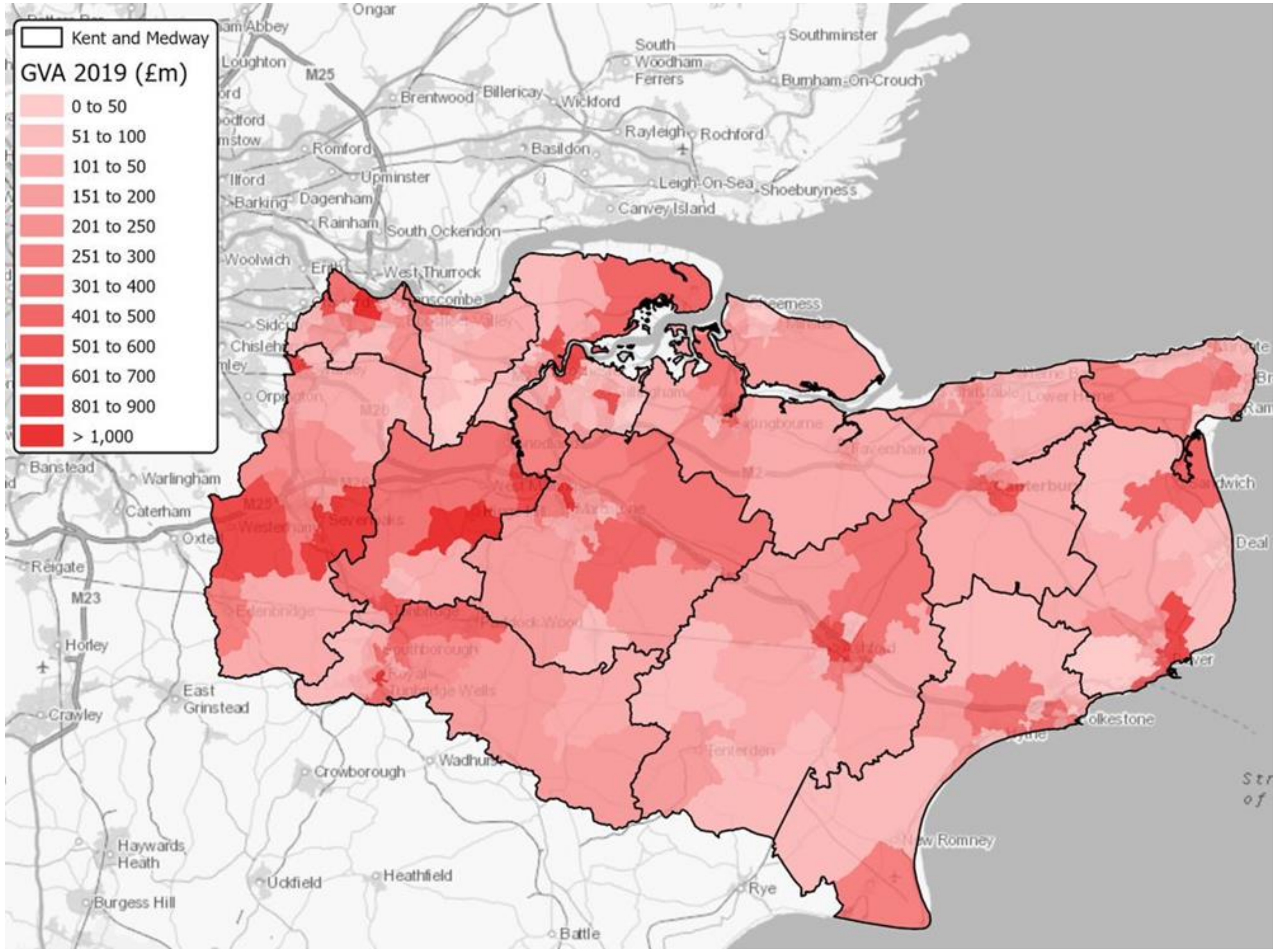
Key issue for strategy: Enabling more people to enter the workforce and progress in work, as the labour market tightens

… and a relatively large, distributed economy

- Economic output (measured in gross value added) in Kent and Medway was around **£44.2 billion** in 2019, equivalent to about 2.3% of national output. Over the past twenty years, output has grown more slowly than in the UK overall, despite fast population growth – although if London is taken out of the equation, the growth rate is in line with the national average

- The distribution of output across Kent and Medway is relatively dispersed, although with a somewhat higher concentration in key locations in the west of the county. In 2019, the two largest concentrations of GVA were around the major business parks at Crossways (near the M25 at Dartford) and Kings Hill. The areas surrounding the town centres at Maidstone, Tunbridge Wells, Sevenoaks and Ashford also generated substantial output, along with Chatham Maritime, Sandwich/ Discovery Park and the area including the Port of Dover.

Local concentrations of output (GVA, £, 2019)

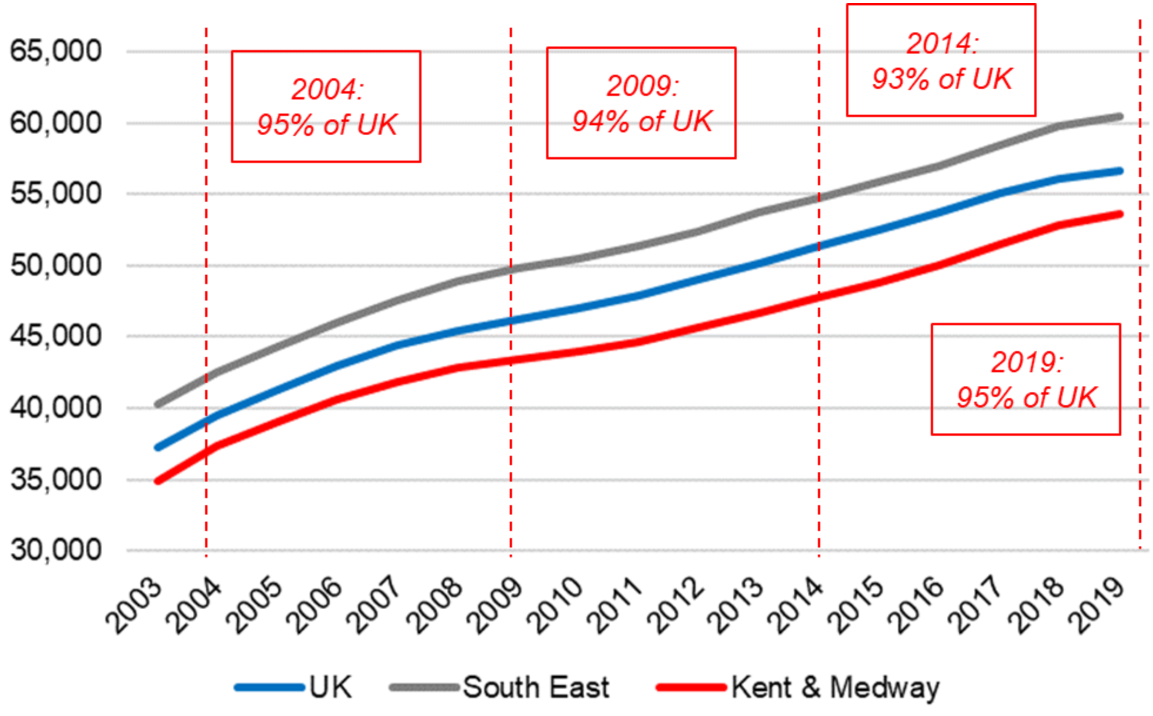


Source: ONS, Experimental Sub-national GVA, 2019 data (December 2021)

There should be scope to increase productivity…

- **Productivity is the main driver of economic growth and prosperity**: essentially, increased productivity (more output per hour or per job) drives salary growth and tax take. Increasing productivity is therefore a key policy goal, especially in the context of generally weak UK productivity growth (relative to historical and international comparators) over recent years.
- Kent and Medway's GVA per filled job (a conventional measure of productivity) was around £53,600 in 2019. This equates to around 95% of the UK average, with a somewhat wider gap with the rest of the South East.
- This 'productivity gap' has remained broadly constant over time. Following the 2009 recession, the gap widened somewhat, although has closed slightly more recently.
- National productivity data is skewed by London and few 'high-productivity' outliers such as the Thames Valley. This means that most regions are 'below UK average' and Kent is in the middle of the pack. But there should still be scope to increase productivity over time.

GVA per filled job (£), 2002-19

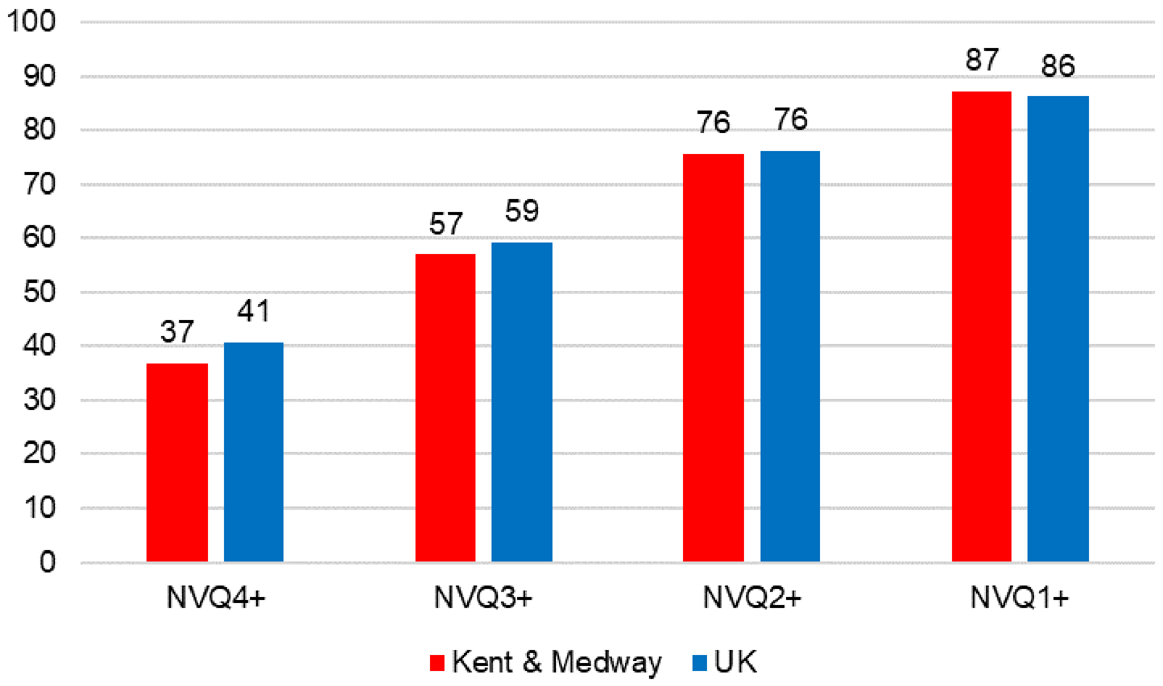


Source: ONS, Nominal (smoothed) GVA (B) per filled job by ITL2 region

… especially through skills investment

- Workforce qualifications in Kent and Medway lag behind the rest of the UK at intermediate and higher qualification levels. At Level 2, attainment levels are comparable, but at Level 3, there is a two percentage point gap, widening to four percentage points at Level 4. The percentage of the workforce qualified to both Levels 3 and 4 is lower than the UK rate in nine of Kent and Medway's 13 local authority areas (with especially low rates in Swale and Thanet).
- In 2020, around 69,000 people of 'working age' had no formal qualifications (5.5%, somewhat better than the UK average of 6.4%), and a further 121,000 were only qualified to Level 1.
- However, there has been steady and consistent improvement over time: In 2004, around 13% of the working age population had no formal qualifications, a figure which had fallen to around 6% by 2020. The share of the 16-64 population qualified to NVQ4+ also almost doubled over the same period.

% of 16-64 population qualified to NVQ1-4+, 2020



Source: ONS, Annual Population Survey

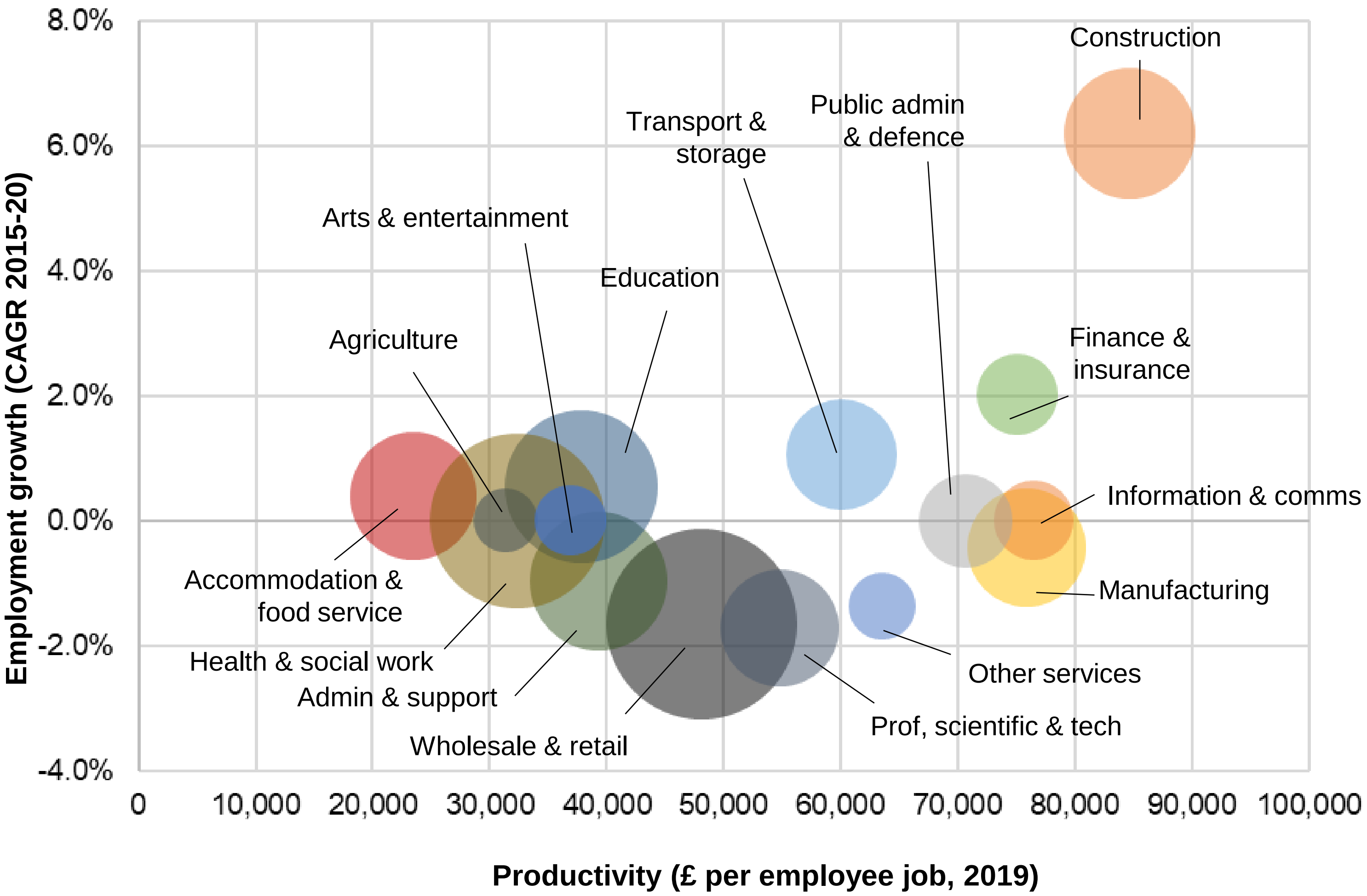
Key issue for strategy: Increasing skills at all levels, as a route to increased productivity and better individual outcomes

We have a diverse sectoral base…

- Within a largely SME-based economy, **construction** (substantially 'over-represented' in Kent & Medway) has seen rapid employment growth and is relatively productive, with relatively high productivity in **manufacturing, finance** and **information & communications**.
- But while productivity varies significantly *between* sectors, there is scope for productivity gain across the board: incremental productivity gains in large employment sectors such as accommodation and food service are important, as well as success in attracting firms at the 'leading edge'.

Source: ONS, BRES, GVA chained volume measure. Productivity estimated by SQW based on GVA per employee job. Utilities are also highly productive (beyond the scale of the chart) although are small employers.

Sector employment and productivity (bubble size = total employee jobs



… and some distinctive capabilities

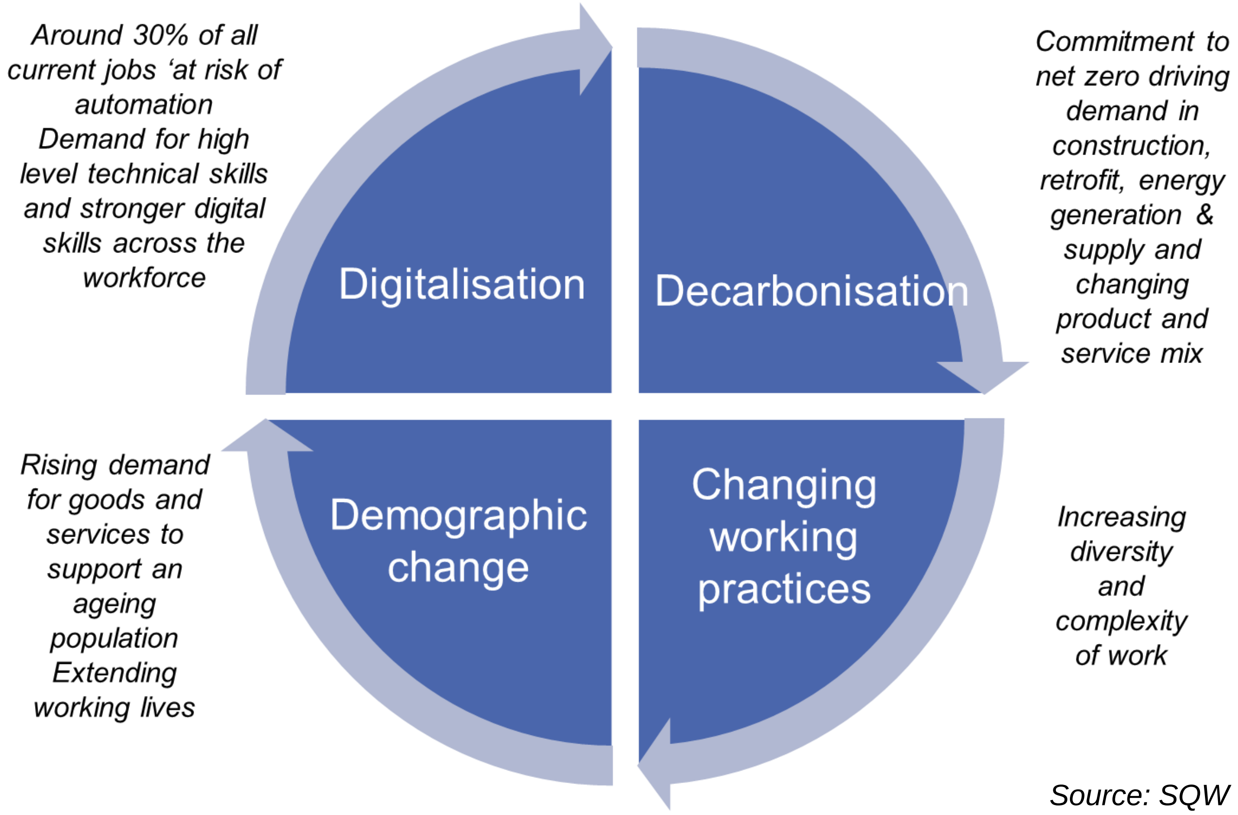
Key issue for strategy: How do we understand our key capabilities and support nascent opportunities?

- ‘Standard’ sectoral data tells us about the current composition of the economy, but it doesn’t necessarily tell us about future opportunities, some of which are in relatively small sectors in terms of overall employment numbers, or which are simply not captured adequately in the ‘standard’ data. Key capabilities include:

Life sciences and health innovation	Distinctive strengths in life sciences, especially concentrated at Discovery Park and underpinned by growing university bioscience and medicine offer. Opportunities for wider innovation through population growth and the use of health data
Manufacturing and engineering	Largely SME-based manufacturing sector which has been resilient in recent years. Some significant concentrations (e.g., Swale), recent investment in engineering skills and research infrastructure, and major planned new investments (for example, Brompton at Ashford)
‘Low carbon’ technologies	A wide range of capabilities, rather than a defined ‘sector’, but including opportunities for low carbon construction (linked with the size of the sector in Kent and the extensive development programme) and opportunities for energy generation (e.g., the hydrogen potential in the Thames Estuary)
Food and drink and agritech	‘Agriculture’ is a small employer, but the wider food and drink sector is extensive and strongly linked with the Kent ‘brand’. Key R&D asset at NIAB-EMR, recently reinforced through industry collaboration via Growing Kent & Medway
Creative industries	Broad category of activity that extends beyond a narrow ‘arts and culture’ definition (although includes it) and contributes to Kent’s visitor economy offer as well as the creative exploitation of digital technologies.

In the context of wider technology trends…

- Across the economy, prospects to 2030 will be influenced by a range of wider technology trends, linked with:
  - The **digitalisation** of industry, which is impacting all sectors, creating new ones and blurring conventional industrial boundaries
  - **Decarbonisation**, both as a long-term trend driven by technology and regulation, and as a positive goal in the light of Kent's sustainability objectives
  - **Demographic change**, as working lives get longer and dependency ratios rise (leading to further pressure to drive productivity as well as demand for health, social care and related activities.
  - **Changing working practices**, including increased locational flexibility and more frequent career changes



Source: SQW

Key issue for strategy: Promoting opportunities and mitigating the negative impacts of change on individuals

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Consolidating the issues: Summary of strengths, weaknesses, opportunities and threats

Issues: Introduction

- Building on the evidence base, the following pages summarises the county's economic strengths and weaknesses and the opportunities and threats that it faces.

- Many of these are shared with other parts of the UK: Kent and Medway has a large and diverse economy which is highly integrated into the rest of the Greater South East, and some major opportunities and threats (for example associated with decarbonisation and new technology) are universal and will impact all regions. On many indicators, Kent and Medway also performs around the UK average, even if that masks substantial local diversity. But some assets are more locally distinctive, and the combination of local characteristics will determine the way in which the county is able to respond.

- The next few pages work through each of the identified strengths, weaknesses, opportunities and threats to set out the nature of these, where they are locally distinctive and specific and their relevance for the development of the Strategy.

Issues: Strengths

Strength	Is this strength specific and distinctive to Kent and Medway?
Diverse, growing and resilient business base	Partly. Kent and Medway's business profile is strongly oriented to small and medium enterprises (although this is true of the UK as a whole, and Kent's profile is not dissimilar to the national average) But the SME stock is growing; general population growth drives opportunities for expansion.
Some major concentrations of economic activity	Partly. Linked with Kent's polycentricity, these are dispersed across the county (with business parks such as Crossways and Kings Hill especially significant). The pattern of activity (polycentric and complex) is more distinctive than the overall scale.
Strong record of job creation and increasing economic activity	Partly. The UK generally has a good record of job creation in recent years, although Kent's job numbers have expanded at a faster rate than in the UK overall.
Proximity to London and the wider employment and business opportunities of the Greater South East	Partly. The whole of the Greater South East has strong connections with London, and counties to the west are (on average) better connected and integrated. But London and the GSE is an important commuter destination and market for local services, and parts of Kent have some cost advantages over other parts of the wider region.
Recent and current infrastructure investment	Yes, in terms of the specifics – e.g. High Speed 1 as a nationally-significant infrastructure investment (substantially removing the historic deficit in rail connectivity, and although now well established, leading to further investment (e.,g.. Thanet Parkway)
Natural and built environmental quality and 'quality of life' offer	Yes, in terms of the specifics (AONB, coast and heritage assets) and the wider cultural offer, contributing to the county as a visitor and investment destination and source of spatial 'distinctiveness'
Some established sectoral strengths and capabilities	Partly. Generally, the county is characterised more by sectoral diversity than by key concentrations. But there are some localised concentrations, and distinctive assets in some smaller sector groups (e.g., land-based industry and the food sector, and life sciences)
Substantial university offer, supported by recent investment	Partly – some distinct strengths (e.g. bioscience at Kent, engineering at Greenwich), with prospects for future development. Strong investment in recent years (e.g.. EDGE, KMMS), despite current funding challenges.

Issues: Weaknesses

Weakness	Is this weakness specific and distinctive to Kent and Medway?
Moderate productivity gap	No. Most of the UK has ‘below average’ productivity, due to the skewing effect of London, and Kent’s performance in recent years has not been much different from the rest of the UK. But it is still weaker than neighbouring counties in the South East and there is scope to catch up.
Relatively weak workforce skills	Yes. The ‘deficit’ in the proportion of the workforce qualified to NVQ4+ is long-standing and persistent: although the qualifications trajectory is in the right direction, the difference between Kent & Medway *(as a whole)* remains significant, and is especially pronounced in North and coastal Kent).
Weak performance on most measures of innovation	Partly. To some extent driven by the absence of larger firms; Kent performs worse than other parts of the GSE (and much of the UK) in R&D spend, Innovate UK investment, etc.
Relatively high costs	Partly. Reflects Kent’s South East location, and similar issues apply elsewhere – but housing affordability ratios are high and rising (esp. in West Kent), and relatively high living costs relative to workplace wages can impact on staff recruitment and retention (e.g., in sectors such as Health)
High and localised inequalities and concentrations of disadvantage	Yes. The spatial pattern is quite distinctive, both across the county as a whole (economic indicators in Thanet (for example) tend to mirror those of coastal towns in the North, rather than the GSE), and at local level. Relationships between employment, skills, health and wider wellbeing outcomes are likely to be important.
Industrial transition legacies	Partly. Spatial patterns of inequality are partly determined by long-term patterns of deindustrialisation, which have been persistent over time. This is a UK-wide issue, although Kent (esp. North and East Kent) are relatively more impacted than the wider South East.
Market change impacting on viability and vitality of town centres	No. This is a structural issue affecting towns and cities everywhere, although the impacts are highly distinctive at individual town level (e.g., linked with the physical configuration of the town)
Relative peripherality	Partly. Objectively, Kent isn’t peripheral. But perceptions can be important (linked with some of the issues above), even as measures to improve connectivity etc. come forward

Issues: Opportunities

Opportunity	Is this opportunity specific and distinctive to Kent and Medway?
Opportunities for growth associated with technology development and adoption	No. Largely shared across the UK as firms adapt to new technology and respond to regulatory and market pressures to decarbonise and increase efficiency. The challenge is to enable Kent's SMEs to respond effectively and take advantage of and supplement where necessary national incentive measures
Green economy opportunities	Yes. Decarbonisation is universal – but there are distinctive opportunities associated with Kent's large construction industry and with some of the county's energy generation potential.
Some distinctive innovation assets with prospects for future development	Yes. These include the concentration of life science activity at Discovery Park, NIAB-EMR at East Malling, some of University of Kent's data science assets. These are relatively small in the context of the county's economy as a whole, but have prospects for growth and wider policy traction.
Population growth driving workforce growth and demand	Yes. Kent & Medway's working age population is growing much faster than the UK average. This creates demand for local goods and services, including those of a strategic nature that concentrate in areas of high population (e.g. specialist medicine)
Transformational investments associated with nationally-significant regeneration	Yes. The continuing development of Ebbsfleet Valley and major investments such as London Resort are of bigger-than-local significance; and within the county, developments such as Otterpool Park also present specific growth opportunities.
Locally-specific regeneration opportunities	Yes, at local level – e.g. town centre investments which may be locally transformational (although diverse and locally specific, given the county's polycentricity).
Potential to retain and develop talent building on the university base	Partly. Graduate retention is a challenge and objective in lots of places (and ought to be a consequence of increased demand). But there are opportunities through general economic and population growth, perhaps linked with increasing productivity and adoption among SMEs.
Opportunities arising from increased flexible working	Partly. The benefits from hybrid/ home working apply everywhere, although there may be some specific opportunities for Kent, given proximity to London and the opportunity to work on a more flexible basis.
Improved collaboration and partnership working	Partly. This might include measures linked to a 'County Deal'. But there is scope to work collaboratively more broadly, building on the experience of institutions during the pandemic and recent experience in relation to employment and skills activity

Issues: Threats

Threat	Is this threat specific and distinctive to Kent and Medway?
Infrastructure pressures	Yes, through the combination of existing population distribution patterns, housing and population growth and nationally-important strategic infrastructure (e.g., linked with the Channel ports). This impacts on perceptions of accessibility and resilience as well as constraints on connectivity
Economic impact of environmental pressures and climate change	Partly, although flood risk issues are especially significant across the county and impact on existing employment locations as well as new development.
Changing export markets and supply chain pressures	Partly. In general, trade-related risks apply everywhere (and perhaps less to Kent than to some other parts of the country, given the county's mostly service-oriented economy). But port-related challenges are locally significant and contribute to the infrastructure resilience issues highlighted above.
Government prioritisation and consideration of local need	Partly. From a 'regional policy' perspective, Kent and Medway is not a Government 'priority', and it is not likely to be. This presents some challenges, given that some of the issues that the county has are distinct in relation to the rest of the South East, and have the potential to be overlooked in the context of national rebalancing. This possibly means that i) Government investment should probably not be central to the Economic Strategy; and ii) 'making the case' for investment probably needs to be clearly focused.
Loss of competitiveness in London and the Greater South East	Partly. This is relevant to the whole of the GSE (and the UK), but given London's importance as a commuter destination and service market, London's economic health is important to Kent. While there are opportunities for Kent in terms of the *flexibility* of London-based jobs (e.g., home working etc.), any net loss of jobs in London would likely have a negative impact on the county.
Risk that existing inequalities could be exacerbated	No. This is a generic risk, although linked with the Government funding risk above.
Changing working practices	Partly. Highlighted previously as an opportunity, but also a threat in the potential dispersal of activities currently concentrated in Kent and the challenges associated with developing and integrating employees.

Issues: Bringing it together

- Overall, **Kent and Medway has a diverse and dynamic economy**, which has been successful in recent years in increasing employment, growing its business stock and attracting investment

- **Recent and forecast population growth (including *working age* population growth) is substantially higher than the UK average, and is transformational in parts of the county**. Linked with this, Kent's 'share' of the UK population is rising fairly rapidly. It's a place where people want to live, and it enjoys a substantial stock of 'quality of life' assets which are important to enhance and protect.

- However, the county is **polycentric and complex**: while the Kent 'brand' is easily recognisable ('garden of England', 'gateway to the UK', etc.), in *economic geography* terms it is quite complicated: there is scope for rural, urban, suburban and coastal narratives, but there are strong connections across all of them. **Local distinctiveness and diversity** is likely to be important to the strategy – but so are the **complex links across places and industries** within a dense geography that is both 'peninsular' and integrated into London and the wider South East.

- Across the county, there is **some underperformance on conventional measures of innovation, significant underperformance in workforce skills** (although, reflecting the county's diversity, not *everywhere*), and, partly reflecting this. **average performance on productivity**.

- **There are important opportunities for innovation and growth** linked with (for example) Kent's life science and agritech capabilities. But **productivity growth won't just come from the 'leading edge'** – the ability of the county's SMEs to adapt to new markets, changing technology and the decarbonisation imperative will be important across sectors and places.

- **Making best use of the county's workforce will be critical in supporting that.** Local inequalities are quite high, there is scope for raising aspirations and the supply of and demand for an increasingly skilled workforce at all levels.

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Towards a framework: Potential Objectives and Ambitions

Towards a framework…

Three objectives: By 2030, we want our economy to be more…

Productive | **Sustainable** | **Inclusive**

To 2030: Five ambitions to…

- **Enable innovative, productive and creative businesses**
- **Widen opportunities and unlock talent**
- **Secure resilient infrastructure for planned, sustainable growth**
- **Place economic opportunity at the centre of community renewal and prosperity**
- **Create diverse, distinctive and vibrant places**

Leading to…

Economic and wider environmental, health and wellbeing outcomes

Narrative principles

In drafting the Strategy…

- We start from an optimistic and ambitious perspective: building on assets and capabilities, rather than mitigating deficits
- We recognise that 2030 isn't far away – ambitions are longer-term, but action in the next few years will set the course for the future
- We link to wider policy, in relation to the wider benefits highlighted opposite
- We recognise diversity, but the narrative is county-wide
- We're not locked into specific funding streams (unlike, for example, the former Strategic Economic Plans). That means the Strategy is at relatively high level

Objectives

Three objectives: By 2030, we want our economy to be more…

Productive | **Sustainable** | **Inclusive**

- Overall statements of 'what we want our economy to be (more) like over the next few years. These are likely to be uncontentious, and could apply anywhere (i.e., they aren't distinctively 'Kentish', although the way in which they are might be). But they set out the parameters for the Ambitions that follow – so *all* the actions that are taken in support of the Strategy should support an economy which is more…

  - **Productive:** Overall, productivity is the main driver of economic growth. Increased productivity (more output per hour or per job) drives salary growth and tax take – and it is especially important in the context of weak productivity growth in the UK as a whole. Formal measures of productivity are driven by the sectoral balance and activities taking place within sectors – but more broadly, local productivity is influenced by skills, infrastructure, housing markets and so on.

  - **Sustainable:** Across the Strategy, the climate emergency and achieving net zero is a central contextual factor. This impacts all aspects of the 'economy' (i.e., it relates to the promotion of those business activities at the leading edge of low carbon innovation, as well as adaption across the business base, but it also relates to all other factors in the economic system (energy systems, housing, transport, skills and so on. So it impacts across the whole Strategy and the subsequent Ambitions.

  - **Inclusive:** Inequalities in Kent are relatively sharp and impact on most other wellbeing outcomes. But while higher productivity and higher investment should drive higher pay in aggregate, it won't automatically benefit everyone - and all technological advances have transitional downsides which need to be mitigated.

Ambitions (i)

To 2030, we aim to…

Enable innovative, productive and creative businesses

Why?

- Jobs and GVA growth are ultimately driven by existing firms expanding, new firms starting, or through inward investment.
- Kent and Medway has a generally strong and diverse business base, which has grown in recent years. University-industry links have strengthened (c.f., EDGE at Canterbury Christ Church) and there are emerging concentrations of innovative/ high-value activity.
- While Kent's productivity challenges are well cited, there are opportunities for productivity growth across the board. Direct local public intervention might only make a marginal difference – but stronger links with the 'knowledge base and incremental change can build over time.

What?

- Understanding and developing the county's core innovation assets and building connections to the wider business base.
- Supporting expansion and 'scaling up', especially through addressing barriers to growth (e.g., in the supply of commercial property, especially where current constraints have negative environmental impacts; or in access to finance and wider support
- Supporting resilience (technology adoption, management capacity, etc.
- Recognising and optimizing the role of the public sector, where it is a key purchaser of goods and services (and where it has a dominant market role, e.g., in respect of Health and social care)

Ambitions (ii)

To 2030, we aim to…

Widen opportunities and unlocking talent

Why?

- Kent and Medway's workforce skills profile is moving in the right direction – but there is still a deficit against the UK average, and this is persistent over time. This impacts on the ability of residents to command higher rates of pay and better progression prospects, and is a barrier to business growth (although supply and demand are not independent).
- There is a strong policy and strategy basis for action, linked with the Employment Task Force, recent consolidation of the FE sector, new initiatives (such as the LSIP) and the traction provided by the Skills White Paper.

What?

- Delivering the actions within the Workforce Skills Evidence Base Action Plan as that develops
- Continuing to build stronger relationships between the FE and HE sectors and employers (building on and broadening out from the LSIP process)
- Coordinating funding (for example through the Adult Education Budget, where this may be amenable to devolution, although potentially leading to wider opportunities.

Ambitions (iii)

To 2030, we aim to…

Secure resilient infrastructure for planned, sustainable growth

Why?

- Kent and Medway has some unique infrastructure resilience challenges, given its ‘gateway’ function, rapid growth and development and complex existing travel patterns.
- At the same time, infrastructure constraints (in terms of environmental infrastructure and community infrastructure) act as a barrier to bringing forward planned growth.
- Over time, infrastructure demands will continue to evolve, linked with a increasing shift towards sustainable transport and demand for increased digital capacity.

What?

- Taking forward the Infrastructure Proposition (securing investment in advance of development, and developing the business case and securing a funding route for this)
- Securing investment in the county’s primary infrastructure priorities *[NB – the Economic Strategy shouldn’t aim to duplicate existing/ planned strategy. But it could provide the hooks to support it, and act as a basis for articulating the wider economic benefits of key investment priorities]*

Ambitions (iv)

To 2030, we aim to…

Place economic opportunity at the centre of community renewal and prosperity

Why?

- Recent economic strategy has tended not to emphasise community economic development, or the interface with wider community renewal issues (other than in the context of skills), partly because this has not been central to the Government's funding approach. However, the Levelling Up White Paper provides some change in direction.
- Spatial inequalities are relatively sharp in Kent and Medway. These impose public costs and impact wider wellbeing outcomes – and there is a key role for public policy in mitigating them and supporting wider economic participation and inclusion

What?

- Community economic development activity (through supply of support services, business space, etc.)
- Securing investment in wider regeneration
- Supporting community-focused intervention through the Shared Prosperity Fund
- From a longer-term strategic perspective, recognising the inter-relationship between employment, pay and wider aspects of prosperity and wellbeing (in terms of health and housing outcomes and so on) and developing a stronger framework across public service and other partners to better coordinate action.

Ambitions (v)

To 2030, we aim to…

Create diverse, distinctive and vibrant places

Why?

- Kent and Medway's town and city centres have been challenged recently by structural shifts in the retail sector and by the experience of the pandemic. However, they are central to local identity and pride and as commercial, cultural and public service centres and economic opportunity – and are important locations for housing growth.
- More broadly, Kent has a complex typology of urban, rural and semi-rural communities, which are strongly interconnected. We want to see sustainable growth across the county.

What?

- Coordinated use of public sector assets to support town centre regeneration
- Coordinated approaches to investment (potentially linked with, but going beyond specific Government funding streams).
- Likely to be geared around distinctive strategies for different places, with District leadership.

Next steps and questions for discussion

Next steps: Implementation

- The Strategy itself is a partnership document, ‘owned’ by the Kent Leaders and with a time horizon out to 2030. This means that:
  - There are likely to be several routes to delivery, via the local authorities individually, via the private sector and through collective action
  - There will need to be flexibility as Government funding sources and priorities change over time, within the context of the ‘ambitions’ we have set out
  - The Strategy *could* form the basis for a ‘County Deal’. But it shouldn’t be limited to this (and discussions about a County Deal will take longer to work through).
- **KCC’s role** will be two-fold:
  - First, in the direct delivery of specific action areas within the Strategy (alone or in partnership). Some of these are highlighted on the preceding slides.
  - Second, in providing coordination and programme management services at county-wide level (building on the role that KCC already plays in (for example) coordinating Kent and Medway Economic Partnership)
- Following the recent round of consultation, the next step is for Kent and Medway Leaders to consider and endorse the overall approach and to prepare the Strategy document.

Questions for discussion

- Do you agree with the overall SWOT assessment (in headline terms)? Is anything missing or over/ under-emphasised?
- What are your views on the overall suggested framework:
  - Do the high-level objectives make sense? What should be added, if anything?
  - Do the five 'Ambitions' capture the breadth of the agenda that the Economic Strategy should address? What else would you add?
  - Do you agree that the Strategy should go beyond narrowly-defined 'economic development' actions and is this achieved through the framework?
- How can we best ensure alignment with existing/ emerging strategy work in other fields of activity?
- What are your initial thoughts on priority areas for action?

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