

**GROWTH, ECONOMIC DEVELOPMENT AND
COMMUNITIES CABINET COMMITTEE**

Thursday, 9th November, 2023

2.00 pm

Council Chamber, Sessions House





AGENDA

GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE

Thursday, 9 November 2023 at 2.00 pm
Council Chamber, Sessions House

Ask for: **Hayley Savage**
Telephone: **03000 414286**

Membership (17)

Conservative (12): Mr A Sandhu, MBE (Chairman), Mrs R Binks, Mr D L Brazier, Mr C Broadley, Mr T Cannon, Mr D Crow-Brown, Mr S Holden, Mr S C Manion, Mr J Meade, Mr A M Ridgers and Mr R J Thomas and Vacancy

Labour (2): Ms K Grehan and Mr B H Lewis

Liberal Democrat (1): Mr M J Sole

Green and Independent (2): Mr M A J Hood and Mr M Baldock

UNRESTRICTED ITEMS

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

- 1 Introduction/Webcast announcements
- 2 Apologies and Substitutes
- 3 Election of Vice-Chair
- 4 Declarations of Interest by Members in items on the Agenda
- 5 Minutes of the meeting held on 26 September 2023 (Pages 1 - 8)
- 6 Verbal updates by the Cabinet Members and Corporate Director
- 7 District Visits Programme (Pages 9 - 22)
- 8 Initial Draft Budget 2024-25 and Medium Term Financial Plan 2024-27 (Pages 23 - 100)
- 9 23/00091 - Kent and Medway Integrated Care Strategy (Pages 101 - 164)
- 10 Positive Wellbeing Pilot Service - Evaluation Report (Pages 165 - 172)

11 Youth Unemployment and Apprenticeships (Pages 173 - 180)

12 Work Programme 2023/2024 (Pages 181 - 186)

EXEMPT ITEMS

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

Benjamin Watts
General Counsel
03000 416814

Wednesday, 1 November 2023

KENT COUNTY COUNCIL

**GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES
CABINET COMMITTEE**

MINUTES of a meeting of the Growth, Economic Development and Communities Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 26 September 2023.

PRESENT: Mr H Rayner (Vice-Chairman), Mr M Baldock, Mrs R Binks, Mr D L Brazier, Mr C Broadley, Mr D Crow-Brown, Ms K Grehan, Mr S Holden, Mr M A J Hood, Mr B H Lewis, Mr J Meade, Mr A M Ridgers, Mr R J Thomas and Mr A Sandhu, MBE

ALSO PRESENT: Mr D Murphy, Mrs C Bell and Sir Paul Carter, CBE

IN ATTENDANCE: Mr D Smith (Economic Advisor), Mrs S Holt-Castle (Director of Growth and Communities), Ms H Savage (Democratic Services Officer) and Mr S Jones (Corporate Director of Growth, Environment and Transport)

UNRESTRICTED ITEMS

150. Membership

(Item 2)

Mr Brazier and Mr Crow-Brown had joined the committee and replaced Mr Baker, Mr Robey, and Mr Watkins. Since the agenda was published a Conservative vacancy had arisen and been filled by Mr Sandhu.

RESOLVED that the change in membership be noted.

151. Apologies and Substitutes

(Item 3)

Apologies were received from Mr Cannon and Mr Sole.

152. Election of Chair

(Item 4)

1. Mr Brazier proposed, and Mr Meade seconded that Mr Sandhu be elected Chair of the Cabinet Committee.
2. Mr Baldock proposed, and Ms Grehan seconded that Mr Lewis be elected Chair of the Cabinet Committee.
3. Members voted on the election of Chair, and it was agreed by majority vote that Mr Sandhu be elected Chair of the Cabinet Committee.
4. The Vice-Chair, Mr Rayner, announced that he would be standing down as Vice-Chair and Member of the Cabinet Committee with immediate effect.

RESOLVED that Mr Sandhu be elected Chair of the Growth, Economic Development and Communities Cabinet Committee.

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

(Item 5)

Mr Meade declared an interest under Item 11 - 23/00089 - *Transition of Local Enterprise Partnership Responsibilities to Kent County Council* - in that he was a member of the Local Government Association People and Places Board which was undertaking work in this area.

154. Minutes of the meeting held on 28 June 2023

(Item 6)

RESOLVED that the minutes of the meeting held on 28 June 2023 were a correct record.

155. Verbal updates by the Cabinet Members and Corporate Director

(Item 7)

1. Mrs Bell, Cabinet Member for Community and Regulatory Services, provided an update on the following:
 - (a) Herne Bay Library would reopen to the public on Wednesday 4th October following essential maintenance works including internal and external improvements.
 - (b) The Library Summer reading Challenge 'Ready, Set, Read!' took place over the summer and libraries hosted a range of activities and events to support the challenge. Over 19,000 children take part in person in a library, an increase of 9% on last year, with just under 2,000 joining online. In total 20,106 children took part in Ready, Set, Read!
 - (c) The Council's social prescribing service, Positive Wellbeing, developed by the EU funded Connected Communities project ended in April and was now provided by all senior Community Wardens across Kent. The pilot was a great success with a significant overall reduction in social isolation and loneliness amongst service users. The next step was to complete an analysis of who in Kent needed the greatest support and identify potential delivery partners for the Positive Wellbeing service. Monitoring and evaluation across the service would take place to ensure results were measured and reported.
 - (d) The Community Warden consultation would close on 3 October 2023 and the Council was keen to ensure everyone had a chance to have their say, particularly those from vulnerable groups or individuals with protected characteristics. Mrs Bell urged Members to promote the consultation to their residents.
2. Members asked about the Community Wardens Consultation and how the potential drop in numbers of wardens would affect the delivery of the Positive Wellbeing Service, and Mrs Bell said social prescribing would continue to be

offered through Adult Social Care to promote support in the community and work was ongoing with the NHS to develop social prescribing and community navigation.

3. Mr Murphy, Cabinet Member for Economic Development, provided an update on the following:
 - (a) A number of visits had taken place including with the Portfolio Holder for Economic and Social Regeneration and Inward Investment at Medway Council, the Leader of Folkestone & Hythe District Council regarding Otterpool and small modular reactors in Dungeness, and the Cabinet member for Place Plan, Heritage, Tourism and District Economy at Folkestone & Hythe District Council regarding levelling up funds. More visits with counterparts within the districts were planned.
 - (b) On 26 July 2023 Mr Murphy attended the naming of a hybrid and double-ended P&O Pioneer Ferry at Dover Docks. The ferry was expected to reduce carbon emissions by 40% and had been designed for the Dover to Calais route.
 - (c) Along with the Leader Mr Murphy visited the Berkley Group factory in Gravesend in August which employed 90 people for the automated building of modular homes. At full production 1,000 home units per annum could be produced and work was also taking place regarding apprenticeships.
 - (d) Since December 2021, the Straits Committee member authorities had collectively committed over £200,000 to nine cross-Channel projects, allowing schools, universities, business, voluntary and public sector partners from Kent and the near continent to work together on themes that include education, social care, climate change, culture, heritage, and sport. Mr Murphy attended a commemoration to mark the 70th anniversary of the tragic 1953 North Sea flood which included a conference for water experts to exchange good practices on addressing climate challenges.
4. Mr Murphy responded to the following questions and comments from Members:
 - (a) Members discussed Manston Airport and requested that an update be presented to the Cabinet Committee at a future meeting.
 - (b) Members discussed the future consideration of apprenticeships at cabinet committees with reference to specific sectors. Mr Murphy said apprenticeships were discussed at the Employment Task Force and Mr David Smith confirmed that statistics were considered periodically by the Employment Task Force and the county was currently tracking the national average but within Kent the performance differed within districts.
5. Mr Jones, Corporate Director Growth, Environment and Transport, provided an update on the following:

- (a) The Libraries, Registration and Archive (LRA) Service was hosting its annual Customer Service Excellence inspection, the results of which would be provided in due course.
 - (b) The Community Warden Service was busy over the summer addressing anti-social behaviour in communities and undertaking a number of referrals to support vulnerable people. On 11th September the team delivered a community safety information session covering the Kent and Medway Domestic Abuse Strategy Consultation.
 - (c) The coroners and the staff supporting them had now moved into their new space at Oakwood House. Final works were underway to open the court rooms, collocating the courts with the service for the first time.
 - (d) The Economic Development team had been working on LEP transition and were preparing for the reopening of the Kent & Medway Business Fund. The team had been collating applications for a final round of 'Getting Building Fund' administered by SELEP. The Kent & Medway Economic Partnership (KMEP) had been working to rank the projects and submit a prioritised list of bids for later consideration by SELEP.
 - (e) Mr Jones had visited two sites in Dover transformed by loans from KCC's No Use Empty Scheme including the Tridax Business Park in Whitfield which had created a number of new commercial units and the Railway Bell site near River which had seen a derelict pub converted into 6 apartments with 6 high quality houses on the grounds.
 - (f) The Community Protection communications team continued to support the cost-of-living crisis and those it affected the most using alerts and social media messaging. Ongoing messaging and awareness raising of doorstep crime continued and the team was warning about high levels of illegal and unsafe e-cigarettes and vapes.
 - (g) The Trading Standards ports team continued to tackle the issue of illegal vapes imported through Kent ports.
 - (h) Kent Scientific Services had secured a further £100,000 grant from the Food Standards Agency as part of their drive to support the capacity and capability of Official Control Laboratories post EU Exit. Following the visit by the Prime Minister, the BBC had filmed a programme linked to the presence of allergens in vegan food.
 - (i) The film, The Wonderful World of Henry Sugar, filmed in Kent was being released on Netflix on 27 September and contributed £2.5million to the Kent economy.
6. A Member commented on potential opportunities available to the Council by promoting the films that were filmed in Kent.

RESOLVED to note the verbal updates.

156. Petition Scheme Debate - Folkestone Library

(Item 8)

Mr Bryan Rylands (Petitioner), Mr James Pearson, Head of Libraries, Registration and Archives, and Mr James Sanderson, Head of Property Operations, were in attendance for this item.

1. Mr Rylands, the lead Petitioner, presented the petition which requested that Folkestone Library, Grace Hill be repaired and re-opened to the public, and highlighted some key points. He explained the history and location of the library and expressed the disappointment of the local people caused by the closure. Mr Rylands said he understood the financial challenges the Council currently faced and said the campaign called for three things to happen: repair, retain and reopen. He said the facts had been examined in detail and with care, and a way forward could be found by working with local partners. Mr Rylands said the expectations of the campaign were not impossible and he felt no stone should be left unturned. He asked the Cabinet Committee for their support in moving forward the repair and reopening of the library.
2. The Chair expressed the views of Local Member, Mr Jeffrey, who had not been able to attend the meeting. He said Mr Jeffrey supported the petition for KCC to repair and reopen the library at some point in the future, if feasible, and welcomed the temporary library services in Folkestone town centre.
3. The Chair invited Members to discuss the petition and the following comments in support of the petition were made:
 - (a) Concern was expressed that temporary solutions may become permanent if an approach to repair the library was not progressed.
 - (b) The Council had a duty to maintain its listed buildings.
 - (c) Libraries unite young and old people, were an asset within communities and should not be undervalued.
 - (d) Members discussed the possibility of a phased approach in repairing the library due to budget constraints.
 - (e) Members supported collaboration with partners, groups, and local authorities to explore potential funding solutions.
4. The Cabinet Member for Community and Regulatory Services, Mrs Bell, thanked Mr Rylands for submitting the petition and said she understood and welcomed the views that were expressed. She said any solution would have to be collaborative with external organisations and she would take on board the points made during the debate to try and find a solution. Mrs Bell said potential funding costs to repair Folkestone Library could be explored by Infrastructure colleagues and the Cabinet Member for Finance, Corporate and Traded Services, and be reported back to the committee.
5. Mr Meade proposed, and Mr Ridgers seconded the recommendation set out in the report with the addition that a report be brought to a future meeting of the committee, and it was agreed unanimously.

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee debated the issues raised in the petition, commented to the Cabinet

Member for Community and Regulatory Services, and a report be brought to a future meeting of the committee.

157. Kent & Medway Business Fund Bi-Annual Monitoring - Q4 2022/23

(Item 9)

Mr Martyn Riley, Project Manager, and Ms Susan Berdo, Strategic Programme Manager, were in attendance for this item.

1. Mr Riley introduced the report which summarised the results of KCC's monitoring returns from businesses that had received loans and equity from KCC managed Government funded Business Investment Schemes, including the Kent and Medway Business Fund (KMBF) scheme and the former Regional Growth Fund (RGF) schemes, up until the end of Q4 2022/23.
2. Members asked about bad debts and costs, and whether any money would be owed back to the government should the scheme be ceased, Mr Riley said the Council did not have responsibility for bad debts under the scheme and the funding was ring fenced for the specific purpose of the fund, but there would be a contractual responsibility to recover the funds. Sir Paul Carter confirmed debt right off had been minimal and that administration costs had risen slightly recently due to the awaited confirmation from the Department for Levelling Up, Housing and Communities that the Council could continue to provide loans to business, which had now been received. Ms Berdo said a variety of costs were incurred in administering the funds, but financial modelling was carried out to ensure a 10% administration fee was the correct amount.

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee notes the report.

158. 23/00088 - Kent & Medway Business Fund 2023

(Item 10)

Ms Susan Berdo, Strategic Programme Manager, was in attendance for this item.

1. Ms Berdo introduced the report which proposes that the Council reopen the Kent & Medway Business Fund (KMBF) on 9 October 2023, to offer loans to businesses within Kent & Medway, following formal written approval from the Head of Regional Growth Fund (RGF), Department of Levelling Up, Housing and Communities received on 12 June 2023. This would allow the Council to continue managing the recycled KMBF/RGF investments to provide loans to local businesses until March 2032. Ms Berdo explained that since the report was published legal advice had been sought to ensure the funds were compliant with the UK Subsidy Control Act. She said funding was available under two schemes, the Kent and Medway Business Fund and the KMBF Small Business Boost.
2. Sir Paul Carter said the fund would also focus on marketing for, and attracting, businesses where the growth curve was good, and they wanted to get to the next level.

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee endorse the proposed decision to:

- (i) Reopen the Kent & Medway Business Fund (KMBF) in October 2023 and continue to provide loan finance to businesses until March 2032;
- (ii) Approve the KMBF Scheme Governance and decision-making arrangements; and
- (iii) Delegate authority to the Director of Growth and Communities to take relevant actions, including but not limited to entering into contracts or other legal agreements, as necessary to implement this decision.

159. 23/00089 - Transition of Local Enterprise Partnership Responsibilities to Kent County Council
(Item 11)

Mr Steve Samson, Interim Head of Economy, was in attendance for this item.

1. Mr Murphy introduced the item and explained that the government was withdrawing support from SELEP from April 2024 and responsibilities for functions delivered by SELEP, on behalf of Kent and Medway, would be transferred to the Council.
2. Mr Samson introduced the report and explained the Council's three prime functions, as a result of the LEP transition, included economic strategy, ensuring business representation and delivering certain government programmes. In addition to those core functions there would be a range of additional activities including the provision of business support services through the Kent & Medway Growth Hub service. He said the Kent and Medway Economic Partnership already had a lot of activity and processes in place to take on those functions and funding in the region of £5-10million would be available as a new capital programme scheme from repaid Growing Places Fund loans. Mr Samson explained that a draft Kent & Medway Integration plan was being worked on with support from KCC's Legal, Human Resources and Finance teams, to take into account the potential implications on KCC services.
3. A Member asked about the administration fees for any future funds managed by KCC and any funding to support the potential transfer of any SELEP staff to KCC on a fixed term basis and how this would be covered long term. Mr Samson said discussions were taking place through the County Council Network regarding the importance of government providing sufficient funding to support new activities and he was optimistic there would be funding beyond 2025. Funding would be provided by SELEP for any staff wishing to transfer to KCC as part of a specific recruitment process and an amount of government funding would be provided to KCC to cover new burdens.

RESOLVED that the Growth, Economic Development and Communities Cabinet Committee endorse the proposed decision to agree to:

- a) the transfer of relevant South East Local Enterprise Partnership (SELEP) responsibilities to Kent County Council from April 2024 including:
 - Business representation
 - Strategic economic planning

- The delivery of government programmes (where directed); and

b) to delegate authority to the Director for Growth and Communities to take other relevant actions, including but not limited to finalising the terms of and entering into required contracts or other legal agreements, as necessary to implement the decision.

160. Performance Dashboard

(Item 12)

Mr Matthew Wagner, Chief Analyst (interim), was in attendance for this item.

1. Mr Wagner introduced the performance report for Quarter 1 of 2023/24 and said one new KPI on the percentage of service users who report feeling safer due to warden support had been added and four had been removed from the Libraries, Registration and Archives (LRA) section which had been RAG rated green in the previous report. He said of the 22 Key Performance Indicators, 16 were rag rated green, 4 were amber and 2 were red.

RESOLVED that The Growth, Economic Development and Communities Cabinet Committee notes the performance report for Quarter 1 of 2023/24.

161. Work Programme 2023/24

(Item 13)

RESOLVED to note the Work Programme 2023/24.

From: Derek Murphy, Cabinet Member for Economic Development
Simon Jones, Corporate Director, Growth, Environment and Transport Directorate

To: Growth, Economic Development and Communities Cabinet Committee
9 November 2023

Subject: **District Visits Programme**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This report outlines the outcome of the recent visit to Dover district as part of this programme and key issues raised during these visit as well as potential future visits.

Recommendation: The Cabinet Committee is asked to note the report and make any recommendations to the Cabinet Member on the future visits programme and that invitations to attend the visits be extended to the Cabinet Member and Deputy Cabinet Member for Community & Regulatory Services.

1. Introduction

1.1 In 2017 Members of this Cabinet Committee agreed that officers arrange a programme of informal visits to Kent districts. The objective was to provide an opportunity for Cabinet Committee Members to gain an understanding of the economic development, regeneration, community and infrastructure opportunities and challenges within each of the Kent districts.

1.2 This report outlines the programme of future visits to Kent districts in 2024 and a proposed new formalised internal monitoring process for key issues raised during these visits.

2. The visit to Dover

2.1 The visit details of the visit are summarised in Appendix 1 of this report.

2.2 The key priorities for Dover District Council are:

- Dover town centre
- Emphasis on connectivity to the beach/seafront
- Dover Beacon building
- Proposed new/refurbished access to the seafront via underpass.
- Renewed emphasis on heritage and archaeology
- Renewed tourism strategy and economic development strategy
- Need to re-brand Dover and make more of the coast as a tourist and leisure attraction

- Key transport projects

2.3 The main asks of KCC from the visit were:

- Discovery Centre - continued close working on the redevelopment, including reaching an agreement on the presentation and access to Local Studies collections
- M2/A2 Brenley Corner improvements
- A2 Dualling – Lydden to Dover
- Bifurcation of lorry traffic to Port of Dover via M2 and Folkestone via M20
- Potential for improvements at Whitfield roundabout as a DDC priority to improve it

2.4 These asks are to be reported at the next available meetings of:

Growth & Communities Divisional Management Team
Highways & Transportation Divisional Management Team

to determine a response to Dover District Council and escalated, if required to:

Growth, Environment & Transportation Corporate Management Team for a response.

The initial response will be provided at the next meeting of the Growth, Economic Development & Communities Cabinet Committee meeting (January 2024)

2.5 An overview of the visit and an itinerary for the district are provided as Appendices 2 and 3 respectively.

3. Programme of Further Visits

3.1 Further Member visits to Kent districts are being arranged in collaboration with district and borough officers. The format for each visit involves a day-long tour of the principal economic development, regeneration, community and infrastructure within each district. The content of each visit is principally determined by the district council, but key county council initiatives or aspects may also be included.

3.2 The visit programme for 2023 was delayed due to Local Elections:

Dover	2 October 2023
Maidstone	11 December (postponed) now likely to be January 2024
Further district visits	To be arranged from February 2024

3.3 The Committee has in the past visited Swale, Ashford, Folkestone and Hythe, Dover, Dartford, Tunbridge Wells, Gravesham and Tonbridge & Malling, Sevenoaks and Thanet as well as the Ebbsfleet Development Corporation.

3.4 These visits will be continued for a new cycle, following Cabinet Committee's recommendation to the Cabinet Member.

3.5 As agreed by the Cabinet Committee, should places be available, invitations will be extended to the Chair and Members of the Environment & Transport Cabinet Committee. It is proposed here that this also now be formally extended to the Cabinet Member and Deputy Cabinet Member for Community & Regulatory Services.

4. Financial Implications

4.1 The cost of coach hire is approximately £525 per visit.

5. Recommendation

Recommendation: The Cabinet Committee is asked to note the report and make any recommendations to the Cabinet Member on the future visits programme and that invitations to attend the visits be extended to the Cabinet Member and Deputy Cabinet Member for Community & Regulatory Services.

6. Contact details

Report Author

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Highlights of the visit to Dover District Council:

Welcome

Leader Of Dover District Council Cllr Kevin Mills
Chris Townend Head of Growth and Place, Dover District Council
Apologies from Nadeem Aziz, Chief Executive of Dover District Council

Avtar Sandhu Chair of GEDCCC thanked DDC for facilitating the visit on behalf of KCC

Main focus of the visit was Dover town centre

DDC area is made up of three urban areas Dover, Deal and Sandwich but Dover is the priority from a growth perspective for the district council. DDC has a long list of projects with a collective approach working with partner organisations.

DDC Ten Year vision:

- increasing employment with higher pay retaining skills locally
- improved education standards generally
- broaden the employment base

DDC feel a more resilient local economy is key as well as keeping trained, qualified people living in the area. New East Kent College facilities locally to help young people train and stay local.

Dover's image: Queues at the port affects brand perception therefore need to rebrand

DDC feel Dover is now at a "tipping point" with:

- Major private sector investment
- Chris Townend quote 'our time is now'
- Momentum behind push for growth now
- Strategies in place
- Must ensure Dover does not miss out on the current opportunities
- Public sector investment to realise full potential
- Unlock potential of Dover town centre
- Lobbying for improved transport infrastructure
- Investing in our heritage and culture
- Reversing long-term deprivation and unemployment

Intention is to adopt the Local Plan early next spring with cross party support.

Public Funding and support

LUF £18.1million totalling a £20million project to increase jobs and establish links to sea front as the four lane road deters pedestrian access

DDC can only do so much itself needs to collaborate with Homes England and KCC

Positive working relationship with KCC and Locate in Kent

Emphasis on employment:

- Hospitality sector was worth £302million reduced by £80million in recent years with the loss of 2000 jobs
- 500 jobs lost at P&O
- Employment land critical - houses being built but also need jobs

Site visit to Tridax Business Park

- 24 business units all sold bar 4 units
- developer would like more land
- great location huge demand
- supported by KCC's No Use Empty Commercial
- 97 square metres individual units seems to be most popular opportunities

Transport Infrastructure

Morning tour of Fastrack route

Dover Fastrack services Whitfield urban extension via the new Leisure Centre and Connaught Barracks site to Dover town centre. Funding contributions includes Homes England £22.8m, DDC £1.14m, KCC £3m

DDC consider principle is that public transport should be used to meet rising housing numbers by providing East - West public transport such as Fastrack

DDC issues:

- To assist Dover Port at peak times - Ashford Sevington could be used as overflow?
- Potential funding issue for Fast Track post subsidy in a few years' time
- TAP is seen as critical
- Brenley Corner improvements
- A2 Dualling – Lydden to Dover
- Bifurcation of traffic to Port of Dover

DDC consider A2 dualling / bifurcation as best option to reduce the impact of traffic through the town centre A20 route to the Port.

Working Lunch

Tourism & Culture

Main issues

- Renewed emphasis on heritage and archaeology
- Renewed tourism strategy and economic development strategy
- Need to re brand Dover and make more of the coast as a tourist and leisure attraction
- UK's second busiest cruise terminal
- Tourism and economic benefit
- Investment in new leisure centre
- Investing in heritage/visitor assets:
 - Maison Dieu
 - Kearsney Parks
 - Roman Painted House

Walking Tour Dover Town Centre

Emphasis on heritage and connectivity to seafront

- Maison Dieu project now well underway
- Market Square – newly refurbished and transformed space for events
- Discovery Centre – continued close working on the redevelopment, including reaching an agreement on the presentation and access to Local Studies collections

Major new flagship projects:

- Proposed Dover Beacon building currently being constructed with business centre, campus, creative centre on Fishmongers Lane and Town Wall St
- Proposed new/refurbished access to the seafront via underpass.

Site visit to the Port of Dover

Talk by Doug Bannister CEO Port of Dover on their extensive and transformational initiatives around the use of the land making up the port.

Key Asks of KCC:

- Discovery Centre - continued close working on the redevelopment, including reaching an agreement on the presentation and access to Local Studies collections
- M2/A2Brenley Corner improvements
- A2 Dualling – Lydden to Dover
- Bifurcation of lorry traffic to Port of Dover via M2 and Folkestone via M20
- Potential improvements at Whitfield roundabout is a DDC priority.

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The Dover District covers an area of 31,484 hectares (123 square miles), with a coastline of around 20 miles.

The district is home to the internationally famous White Cliffs and is the UK's Gateway to Europe, with easy access to London and the continent.

Over a fifth (22%) of the district is designated as part of the Kent Downs Area of Outstanding Natural Beauty. Of this area, 3% is classed as Heritage Coast, centred on the white cliffs on either side of Dover.

With a resident population of 116,400, the Dover District has the third-smallest local authority population in Kent, equivalent to 7.4% of the Kent population.

There were around 75,960 people living in urban areas within district in 2020 and 42,560 people in the rural areas. People living in the urban areas comprise 64% of the district population.

The district is divided into seventeen wards. Eleven wards are classed as 'urban', and six wards are classed as 'rural':

The population density of the district is 3.7 persons per hectare. In the urban areas, the population density is 12.37 persons per hectare, and in the rural areas it is 1.68 persons per hectare.

The ward with the largest population is Aylesham, Eythorne and Shepherdswell, with 11,080 people – representing 9.4% of the total resident population of the district.

The ward with the smallest population is Alkham and Capel-le-Ferne, with 3,210 people - representing 2.7% of the total resident population of the district.

- The Dover Urban Area covers an area of 4,902 hectares and has a population of 46,210 (population density 9.43).
- The Deal Urban Area covers an area of 1,240 hectares and has a population of 29,740 (population density 23.99).
- The Aylesham Rural Settlement covers an area of 3,647 hectares with a population of 11,080 (population density 3.04).
- The Sandwich Rural Settlement covers an area of 3,028 hectares and has a population of 6,600 (population density 2.19).

There are an estimated 55,439 residential properties in the Dover District, most of which are owner-occupied or privately rented (86.4% or 47,876 homes). According to council tax records, the highest proportion of these properties are Terraced (17,300 homes or 32.2%). Over a quarter of properties (26.5% or 14,250 homes) were built before 1900.

Long-term vacant homes (6+ months) equate to approximately 1.3% of the estimated dwelling stock. About 2.3% of residential properties in the district are second homes.

House prices are historically lower in the Dover district than the county and regional averages. The average property price is £325,718, compared to Kent's £390,171 and the

South East's £435,976. Since 2001, the average property price in the district has increased by +233.8% (from £97,584 in 2001). The district also has the second-lowest average monthly private rental market rent in Kent.

The district is ranked 113th (out of 317) local authorities in the English Indices of Deprivation 2019 (IoD 2019). It is the fourth (out of twelve) most deprived area in Kent (using the 'Rank of Average Score' summary measure). The urban areas of Dover have the highest levels of deprivation in the district. Five (out of the 67) Lower-layer Super Output Areas (LSOAs) in the district are in the top 10% of most deprived areas in England.

People

Population

Over the past ten years, the district's population has risen more slowly than the county and national averages, growing by +4.2% (4,700 people) between 2011 and 2021, compared to +7.7% for Kent and +6.6% for England. The population is forecast to increase by +13.3% between 2020 and 2040, increasing the population size to 134,300. This growth is slower than the forecast population growth for Kent (+20.4%).

The district has an ageing population, with an average age of 46 years (up from 44 years between the last two censuses). This is higher than the average for the South East (41 years) and England (40 years).

The district has fewer young people aged 15 years and under (17.4%) and people aged 16 to 64 (58.6%) than the South East and national averages. Over a fifth (24%) of the district's population is of retirement age (65+), compared to 18.4% for England.

The population of the district is predominantly white, with 94.9% of all residents identifying their ethnic group within the "White" category. This is higher than the averages for Kent (89.4%), South East (86.3%) and England (81.0%). The largest ethnic minority group in the district is "Asian, Asian British or Asian Welsh", with 2.1% of the population identifying within this category. 95.8% of all adults in households in the district have English as a primary language.

Health

Self-reported health in the district is worse than the England average, with 79.2% of residents describing their health as either 'very good' or 'good' and 6.2% as 'bad' or 'very bad'. This compares with national averages of 82.2% for 'very good' or 'good' and 5.2% for either 'bad' or 'very bad'. Just over a fifth (21.0%) of the district's population have a long-term health problem or disability which limits their day-to-day activities in some way; this compares with 17.3% nationally.

Life expectancy at birth for males (78.6 years) and females (81.7 years) in the district is lower than the national averages (78.7 years for males and 82.6 years for females).

Inequality in life expectancy at birth, by deprivation level, is 7.3 years for males and 6.1 years for females (period 2018-20). At age 65, the values are 3.7 years for males and 2.4 years for females.

Employment

The number of people claiming out-of-work benefits in the district as of January 2023 is 2,630 (3.9%). This claimant count is higher than in the South East (2.8%) and Great Britain (3.6%). 58.6% (68,300 people) of the population in the district are of working age (aged 16 to 64 years), which is below the regional and national averages.

72.4% of the resident working-age population (54,000 people) are economically active, meaning they are either at work or actively looking for a job. This is below the averages for the South East (80.4%) and Great Britain (78.4%).

The remaining 27.4% (18,700 people) of the working-age population in the district are economically inactive. These people are not in employment, nor are they looking to work. This includes those who are retired, looking after their home and family, students, or permanently sick or unable to work. This is higher than the average for the South East (19.4%) and Great Britain (21.6%).

70.4% of the Dover district working-age population are employed, comprising 59.6% employees and 10.8% self-employed.

As of January 2023, district unemployment was 3.9% (2,630 people). Although this is up (+0.4%) from the previous month, it is down -14.2% (-425 people) from the prior year.

Youth unemployment (aged 18-24 years) in the district, at 6.3%, is above county (4.9%) and national (4.7%) averages.

In the district, as of January 2023, four Dover Urban wards (Town and Castle 8.6%, Tower Hamlets 7.3%, St. Radigunds 6.1%, and Buckland 5.0%) had the highest rates of unemployment. All of these wards are above the district average of 3.9%.

Educational attainment

Over a quarter of residents aged 16 years and over in the district have a level 4 qualification or above (27.0% or 25,951 people). This is below the averages for the South East (35.8%) and England (33.9%).

The percentage of those with no qualifications (19.5% or 18,706 people) is higher than the averages for the South East (15.4%) and England (18.1%).

Prosperity

GVA per head in the district, estimated to be £21,559, places Dover firmly in the middle of district GVA in Kent (sixth out of twelve) and the 19th lowest in the South East. For full-time workers, the average weekly earnings by place of work are £614.10. This is lower than the averages for the South East (£664.30) and Great Britain (£642.00). Male full-time workers (average £624.50 pw) earn more than female full-time workers (average £559.80 pw).

Businesses

As of 2021, there are 3,875 active enterprises based in the Dover District. Although this is up 90 enterprises (+2.4%) over the year, it is a fall of -715 enterprises (-20.4%) since 2016. The district had the lowest number of active enterprises in Kent.

In 2021, of the Kent districts, only Dover and Dartford saw a decrease in new enterprise births over the year (-9.5% and -12.8%, respectively). The enterprise birth rate in the district of 11.1% is lower than the averages for Kent (11.7%) and England (12.5%) but above the average for the South East (10.8%).

In 2021, although Dover saw the fewest enterprise deaths across the county (390), this is still 70 more than seen in 2020 (+21.9%). The enterprise death rate in the district of 10.1% is lower than the averages for Kent (10.6%), South East (10.8%) and England (11.2%).

The proportion of businesses in the district surviving three years following their birth has increased from 58.2% in 2020 to 65.4% in 2021. This is above the average for Kent (62.2%), South East (60.6%) and England (57.5%).

Most enterprises in the district are small businesses, as is the case nationally and regionally. Small and medium enterprises (SMEs), employing less than 250 people, account for 99.9% of firms in the district. Micro businesses (from 0-9 employees) account for 89.5% of total enterprises in the district. Only 0.13% of businesses have more than 250 employees.

Most enterprises in the district are private-sector companies (98.9%). Nearly 60% of enterprises in the district have a turnover of £100k and above. Seventy enterprises have a turnover of £5m plus.

Types of companies

The top five categories for enterprises in the district are the construction industry group (17.9%), professional, scientific and technical industry group (14.1%), retail (9.3%), accommodation and food services (9.0%), and business administration & support services (7.3%).

The Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles sector, Transportation and Storage, and Human Health and Social Work Activities sectors employ the highest proportion of people aged 16-64 years in the district (all three sectors 12.9%).

Information source: Dover District Council

Visit to Dover District Council 2 October 2023

Itinerary

<i>Time</i>	<i>Item</i>
8.45am	Depart County Hall, Maidstone
9.45am	Arrive at DDC Offices, White Cliffs Business Park, Whitfield, Dover CT16 3PJ
9.45am	Refreshments in the Brave Room
9.55am	Welcome and Introductions in the Council Chamber: 9.55am – Leader of DDC Cllr Kevin Mills 10am – Chief Executive Nadeem Aziz
10.05am	Dover District & KCC : <u>Challenge & Opportunity</u> Presentations & Discussions (‘Place & Growth’) - Dover District Overview - Current & Future Projects
10.25am	Dover District & KCC : <u>Challenge & Opportunity</u> Presentations & Discussions (‘Transport Infrastructure’)
	Dover District & KCC : <u>Challenge & Opportunity</u> Presentations & Discussions (‘Community & Housing’)
	Dover District & KCC: <u>Challenge & Opportunity</u> Presentations & Discussions (‘Brand Perception’)
11.00am	COACH TO AND VISIT TO <u>TRIDAX BUSINESS PARK</u> , <u>Honeywood Parkway</u> , <u>Whitfield, Dover CT16 3QX</u> - No Use Empty - Jobs & Employment
11.35am	COACH TO AND VISIT TO <u>FASTRACK</u> - KCC & DDC Project (Homes England) - Housing, Transportation & Growth
12.05pm	COACH BACK TO DDC Offices FOR <u>LUNCH</u> (in Brave Room)
1.05pm	COACH TO AND VISIT TO <u>MAISON DIEU</u> Central Dover After drop off at Maison Dieu, coach drives to Dover Seafront
1.35pm	<u>WALKING TOUR OF DOVER TOWN CENTRE</u> <u>MAISON DIEU TO DOVER SEAFRONT</u>
2.35pm	ARRIVE AT <u>PORT OF DOVER</u>
3.30pm	BOARD COACH (DOVER SEAFRONT) AND RETURN TO DDC OFFICES then MAIDSTONE
4.30pm	COACH ARRIVES BACK IN MAIDSTONE

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From: Derek Murphy, Cabinet Member for Economic Development
Clair Bell, Cabinet Member for Community and Regulatory Services
Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate & Traded Services

To: Growth, Economic Development and Communities Cabinet Committee – 9 November 2023

Subject: **Initial Draft Budget 2024-25 and MTFP 2024-27**

Classification: Unrestricted

Summary:

The attached report sets out the background to the setting of the capital programme, revenue budget and medium-term financial plan (MTFP) for the forthcoming year. The report includes fuller details of funding, spending, savings, income and reserves estimates in the initial draft revenue budget together with analysis of risks.

The same budget report is being presented to each Cabinet Committee as it is a standard report for the whole council, focussing on the key strategic considerations underpinning the decisions necessary for County Council to agree the budget at the Budget Meeting in February.

The relevant Cabinet Members will outline the key budget points relating to their portfolio as part of the Cabinet Committee consideration, to clarify the budget areas within scope of the Committee and to seek feedback on the relevant proposals.

To support ongoing budget consideration by Members, outside of the particular Cabinet Committee stage of the budget development process, a separate interrogatable dashboard is available to Members, setting out key information about individual elements of the initial draft revenue budget.

Recommendations:

The Growth, Economic Development and Communities Cabinet Committee is asked to:

- a) NOTE the initial draft capital and revenue budgets including responses to consultation
- b) SUGGEST any changes which should be made to the section of the budget related to the Cabinet Committee's portfolio area before the draft is considered by Cabinet on 25th January 2024 and presented to Full County Council on 19th February 2024

Contact details

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Initial Draft Budget 2024-25 and 2024-27 MTFP

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From Leader of the Council; Roger Gough
Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services; Peter Oakford
Cabinet Members

Relevant Director(s) Corporate Director Finance; Zena Cooke
Interim Chief Executive,
Corporate Directors, ASCH, CYPE and GET

Report author Head of Finance Policy, Planning and Strategy; Dave Shipton

Circulated to Cabinet Committees and Scrutiny Committee

Classification Unrestricted

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Directorates – abbreviations in this report

ASCH - Adult Social Care and Health	CYPE - Children, Young People and Education
GET - Growth, Environment & Transport	CED - Chief Executive's Department
DCED – Deputy Chief Executive's Department	NAC - Non-Attributable Costs

1.1 This report sets out the proposals in the administration's initial draft revenue budget 2024-25 and three-year medium term financial plan (MTFP) 2024-27. The report and appendices provide the essential information for the scrutiny process in advance of full Council approval in February 2024. As reported to Policy & Resources committee in July 2023 the draft budget for scrutiny is being published earlier than in recent years for the November 2023 cycle of meetings; initially enabled by the announcement of the settlement principles for 2024-25 in the 2023-24 local government finance settlement, and more importantly to free up capacity in the January 2024 cycle of meetings for key decisions on individual aspects of the budget proposals to be considered and agreed in principle pending County Council approval of the budget on 19th February 2024.

1.2 This timescale was planned before the challenge of further significant revenue overspends emerged in the first budget monitoring for 2023-24 as reported to Cabinet on 17th August 2023. These overspends are principally in adult social care (older persons and to a lesser extent vulnerable adults), home to school transport, and placement costs for children in care. The level of spending growth in these areas in recent years has been increasing at an unsustainable rate within the constraints of current government spending plans for local government. This growth has added significantly to the revenue budget challenge for 2024-25, not only from the need to reflect the full year effect of unbudgeted activity and costs during 2023-24 (and later stages of 2022-23) into 2024-25, but also on future forecasts for impact from cost drivers and demand. Inevitably an earlier publication for scrutiny also means that the initial draft budget is based on the best estimates available at the time and the final draft budget will need to be based on the latest information available in December/January (including the local government settlement announcement for 2024-25 and tax base estimates). Therefore, all the financials in the initial draft are necessarily provisional.

1.3 The report to Cabinet on 5th October "Securing Kent's Future – Budget Recovery Strategy" set out the necessity to address the structural budget deficits that have led to overspends in 2022-23 and 2023-24, and to bring the council back into financial sustainability based on securing the provision of services for Kent residents whilst meeting the statutory Best Value duties. The budget recovery plan set out the broad strategic approach with specific focus on the actions in 2023-24 that would have an immediate impact to bring current year spending back into balance as quickly as possible (many of which are one-offs and would not feed through into 2024-25).

1.4 The recovery plan set out separately the proposed strategies to meet the objective of delivering savings and future cost reductions over the medium to longer term impacting on 2024-25 budget and 2024-27 MTFP. Not all the detail of this second objective has yet been fully worked up in time for the publication of the initial draft budget for November scrutiny and delivering some of the structural changes to resolve deficits will take time. At this stage the administration's initial draft budget for 2024-25 and MTFP 2024-27 is unbalanced with budget gaps, and with indicative amounts from the broad strategic objectives in the recovery plan identified but with further detail to follow. However, this does not preclude scrutiny of the initial draft spending, savings, income and reserves estimates towards balancing the budget against the estimated 2024-25 settlement and council tax. An updated draft will need to be published in January 2024 with any missing detail for further scrutiny and consideration of key decisions in March 2024. As in previous years a final draft will be published on 9th February in accordance with publication deadlines for County Council consideration and approval on 19th February 2024.

1.5 The budget recovery strategy identified 3 main areas where there is the biggest opportunity for further substantial savings and to reduce costs in 2024-25 to resolve the gap and balance the budget. These include review of demand and cost drivers in adult social care, children's services and home to school transport leading to scope to reduce future cost growth; contract renewals in the next 12 months; and further targeted savings including bringing forward savings in later years of MTFP.

1.6 The financial sustainability of a number of councils is a national concern at this time, and many of the spending growth pressures impacting on KCC are common in other councils. Whilst KCC will seek to take all the necessary steps to manage future spending within resources available through savings, income and future cost avoidance this will not necessarily fully secure the Council's financial resilience and sustainability if future spending growth continues at unsustainable levels. In particular, if the structural deficits in key spending areas in adults and children's are not addressed there will become a point where the council is unable to balance the budget on a sustainable basis from savings in other spending areas.

1.7 The draft revenue estimates for spending, savings, income and reserves have been set out in a more accessible format. This change was planned alongside the earlier publication timescale and the development of outcomes based budgeting. It is designed to enable plans to be considered from the perspective of the main spending areas accounting for over 80% of revenue spending (excluding non-attributable costs), as well as the traditional directorate perspective. The main spending areas cover care support & preventative services for older persons, care support & preventative services for vulnerable adults, care support & preventative services for vulnerable and disabled children, public transport (including home to school transport), waste recycling & disposal, and highways management & maintenance. The more accessible format comprises of dashboards that allow interrogation in more detail of current spending and proposed changes from spending growth, savings, income and reserves that lead to draft net spending plans for 2024-25 and subsequent years, as well as providing background information on key impacts, risks, sensitivities and dependencies. These dashboards replace the previous tabular formats and are only available internally within the Council (link sent with budget papers). The estimates are an early forecast which can, and in all likelihood will, change in the final draft budget. Effectively this means the gap presented is a figure within a likely range.

1.8 The draft capital plan will not be published for November scrutiny. The final draft programme will be published in January to ensure that the plan can fully reflect grant notifications and the latest forecast spending on projects and rolling programmes including rollovers from the 2022-23 outturn.

1.9 As well as the impacts of current year overspends and future forecast cost drivers and demand, inflation is still forecast to remain at historically high levels during 2023-24 and into 2024-25. Inflation impacts on the costs of goods and services in revenue budgets and costs of labour, fees and materials on capital projects. At this stage the impact of inflation built into budget estimates is based on the March 2023 forecasts from the Office of Budget responsibility (OBR). The March 2023 OBR forecasts were for Consumer Price Index (CPI) to peak at 10.7% in quarter 4 2022, thereafter reducing to:

- 9.7% in quarter 1 2023
- 6.9% in quarter 2 2023
- 5.4% in quarter 3 2023
- 2.9% in quarter 4 2023
- 1.5% in quarter 1 2024

1.10 Inflationary uplifts are applied according to the terms of individual contracts including timing. This means that in many cases mid-year uplifts have a part year impact in 2023-24 and full year impact in 2024-25. The rate of inflation in 2023 has not reduced as quickly as the March 2023 OBR forecast, with reported CPI from Office for National Statistics (ONS) of 10.2% quarter 1, 8.4% quarter 2 and 6.7% quarter 3 2023. Revenue spending subject to inflation is around £1.4bn, so each 1% adds £14m to council costs.

1.11 The administration's initial draft budget includes a 4.992% assumed increase in Council Tax charge. This would increase the County Council share of the bill for a typical band D household by £1.47 per week (£76.59 per year). Council Tax is the council's most significant source of income to fund essential services, and whilst the administration seeks to keep increases to a minimum, the assumed amount is in line with the government's principles for 2024-25 announced in the 2023-24 local government finance settlement of a 3% referendum limit and 2% adult social care precept. The tax base (the number of dwellings liable for council tax after discounts, exemptions and assumed collection rates) is assumed to increase by 1.7%, which is around the normal level we would expect from growth in the number of households and anticipated changes to discounts. The council tax precept is based on combination of the council tax band D charge and the estimate of the net number of band D equivalent properties in the tax base for 2024-25. The tax base estimate is ultimately determined by collection authorities (district and borough councils) for the final draft budget and council tax precept for full Council approval on 19th February.

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

2.2 The overall strategy for the budget is to ensure that the Council continues to plan for revenue and capital budgets which are affordable, reflect the Council's strategic priorities, allow the Council to fulfil its statutory responsibilities and continue to maintain and improve the Council's financial resilience. This is consistent with the objectives set out in Securing Kent's Future – Budget Recovery Strategy. However, these aims are not always an easy combination and involves some difficult decisions about service levels and provision both for the forthcoming year and over the medium term. In reaching this balance it is essential that the Council has regard to bearing down on spending growth (future price inflation, non inflation related cost increases and demand increases), delivering efficiency/transformation savings, generating income to fund services, and agreeing changes in policies to reduce current recurring spending and/or avoid future spending while making the necessary investments to support service improvement. In this context it is worth clarifying that savings relate to reducing current recurring spend whereas bearing down on future growth is cost avoidance, both amount to the same end outcome of reducing future spending from what it would otherwise have needed to be without action and intervention. The initial draft budget should be assessed against these aims recognising that there are still gaps to close.

2.3 The Council is under a legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities. A MTFP covering the entirety of the resources available to the Council is considered to be the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty. However, it must also be acknowledged that the Government's Autumn Budget 2022 statement only covered a 2-year period, and the Local Government Finance settlement (LGFS) announcements to date only contained high level principles for 2024-25 with little detail and no indicative allocations for individual authorities. This means that the funding for 2024-25 is a best estimate at this stage and the forecasts for later years are speculative, consequently planning has to be sufficiently flexible to respond accordingly. Even so, it is clear that 2024-25 and medium term to 2026-27 are likely to continue to be exceptionally challenging and will require real terms reductions even though overall net cash spending is increasing. This will be a difficult message to convey.

2.4 As the Council develops its detailed proposals it must continue to keep under review those key financial assumptions which underpin the Council's MTFP particularly in the context of wider public spending and geo-economic factors. Over the previous decade the Council had to become ever more dependent on locally raised sources of income through Council Tax and retained business rates, and it is only in recent years that additional central government funding has been made available to local authorities primarily to address spending pressures in social care (albeit at a time when the national public sector deficit has been increasing). However, there is no certainty that this additional central government funding will be baselined for future years.

2.5 In accordance with Financial Regulations, a medium-term capital programme and financing plan is prepared on an annual basis. Where capital estimates are included, funding must be secured and approved prior to any expenditure being incurred.

2.6 Setting the annual budget is one of the most significant decisions the County Council takes each year. It sets the County Council's share of council tax and the overall resource framework in which the Council operates. The administration's budget is the financial expression of the council's strategic priorities. The budget gives delegated authority to manage the budget to Corporate Directors and Directors within the parameters set out in the Council's Constitution and Financial Regulations. Corporate Directors and Directors are accountable for spending decisions within delegated powers reporting to the Chief Executive, and these are monitored through the council's budget monitoring arrangements regularly reported to Cabinet. The draft budget is developed, scrutinised and ultimately approved in compliance with the following six key considerations:

A) Strategic Priorities – Strategic Statement

2.7 The County Council approved a new strategic statement "Framing Kent's Future (FKF)" on 26th May 2022. The statement sets out the challenges and opportunities Kent is faced with and the actions the Council will prioritise to address them over the next four years focussing on four key priorities. The 2023-24 budget recognised that the significant shift in the financial and operating landscape since FKF's approval meant that policy and service decisions had to be taken to balance the budget which could run counter to the priorities and ambition set out in Framing Kent's Future.

2.8 Securing Kent's Future (SKF) has explored these shifts in more depth and acknowledges that given the significance of adults and children's social care within the council's budget, and that spending growth pressures on the council's budget overwhelming (but not exclusively) come from social care, that the priority of delivering New Models of Care and Support within FKF must take precedence over the other priorities. This creates an expectation that council services across all directorates must collectively prioritise delivering the new models of care and support objective as a collective enterprise.

2.9 This does not mean that the other objectives of Levelling Up Kent, Infrastructure for Communities, and Environmental Step Change are not still important and all work on these must stop. However, the scope of these other three objectives will have to be scaled back in terms of additional investment and funding, and management time and capacity that can reasonably be given to them.

B) Best Value

2.10 SKF has recognised that the Council must prioritise its Best Value statutory responsibility. The expansion of the legislative framework in which councils operate in has extended statutory duties without the necessary additional financial resources through increased government funding or income generating/local tax raising powers to cover the additional costs. The government has recently issued revised statutory Best Value guidance (subject to consultation) reminding local authorities of the requirement to secure continuous improvement having regard to economy, efficiency and effectiveness. The revised guidance goes on to explicitly state that this covers delivering a balanced budget, providing statutory services, including adult social care and children's services, and securing value for money in all spending decisions.

2.11 The implication is clear. Those councils that cannot balance competing statutory duties, set a balanced budget, deliver statutory services, and secure value for money are not meeting their legal obligations under the Local Government Act 1999. Consequently, the statutory Best Value duty must frame all financial, service and policy decisions and the council must pro-actively evidence the best value considerations, including budget preparation and approval. The initial draft budget is a step towards this enhanced Best Value compliance and we will look to develop Best Value assessment of individual elements within budget proposals in later drafts (and subsequent budgets) but these will not be ready for this initial draft and until the further detail to resolve budget gaps has been completed.

C) Requirement to set a balanced budget

2.12 The Local Government Finance Act 1992 requires the Council to consult on and ultimately set a legal budget and Council Tax precept for the forthcoming financial year, 2024-25. This requirement applies to the final draft budget presented for County Council approval. It does not apply to interim drafts. Whilst there is no legal requirement to set a balanced MTFP, this is considered good practice with an expectation that the financial strategy is based on a balanced plan in the medium term (albeit the resource equation beyond 2024-25 is still highly uncertain)

2.13 Setting the Council's revenue and capital budgets for the forthcoming year will be incredibly challenging due to the economic circumstances and forecast levels of growth pressures on council services. This has made current year budgets significantly more volatile due to unpredictable cost of providing council services from inflation, market conditions, delivering statutory responsibilities and ultimately client and resident expectations. Demand is also unpredictable although currently this is less volatile in terms of client numbers in most services. This volatility has knock-on consequences for our ability to forecast future spending requirements and income levels.

2.14 The LGFS for 2023-24 provided some additional certainty and increase in the resources available to the local government sector as a whole (and social care in particular) through the announcement of core principles for council tax referendum and grant settlements for 2024-25. The announcement did not include any indicative amounts for individual authorities for 2024-25 although we are able to estimate the likely amount with a reasonable degree of certainty providing the allocation methodology is not significantly altered for 2023-24.

2.15 The Council has a statutory duty to set a balanced budget. However, what is meant by 'balanced' is not defined in law and relies on the professional judgement of the Chief Financial Officer to ensure that the budget is robust and sustainable. A prudent definition of a balanced budget would be a financial plan based on sound assumptions which shows how planned spending and income equals the available funding for the forthcoming year. Plans can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves. The government has confirmed that the Statutory Override for the Dedicated Schools Grant deficits is extended for a further 3 years from 2023-24 to 2025-26. However, despite this extension under the Safety Valve programme the Council will have to start to make provision for a contribution in the 2024-25 budget and subsequent years for the duration of the agreement towards the accumulated DSG deficit.

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

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

2.17 The administration's initial draft budget includes a significant increase in risks, due to the combination of the magnitude of overspends in the current year (including under delivery of savings plans), unsustainable levels of growth and the need to avoid/reduce these, the magnitude of savings/income required for 2024-25, and external factors including geo economic circumstances and the impact of a recent high court order that the Council must take all possible steps to care for all Unaccompanied Asylum Seeking (UAS) children arriving in the county under the Children's Act 1989, unless and until they are transferred to other local authorities under the National Transfer Scheme. The risks from the judgment not only arise from the cost of securing additional care provision for UAS children should government departments not fully compensate the council but also knock-on consequences on the availability and cost of care for other children already in Kent. To date the offer is circa £9m which is insufficient to cover forecast costs for caring for UAS children for the remainder of 2023-24 which if not resolved would leave a forecast deficit, and no offer has yet been made for 2024-25. This combination poses a major threat to the Council's financial sustainability.

2.18 The increased risks means there will need to be a very robust approach to negotiating and agreeing prices for a range of council services to stay within the inflation allocations in the draft budget, an enhanced emphasis on controlling the drivers of non-inflation related cost increases, a more rigorous approach to managing, monitoring and reporting on demand for council services and greater oversight, monitoring and reporting of savings delivery to reduce the risk of further calls on reserves. The level of savings required in 2024-25 and over the medium term continues to be higher than in recent years driven largely by growth in spending rather than cuts in funding, representing a new and very specific challenge.

2.19 To avoid the risk of an unbalanced budget the Council has to be financially resilient. Good financial management is fundamental in establishing confidence in the budget and ensuring that the finances can withstand unexpected shocks. The Council undertook a review of each Directorate's financial management arrangements, following the Council wide financial management review undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Council is also developing Outcomes Based Budgeting which will see a more integrated approach to budget and service planning over the MTFP period focussing on priority outcomes and value for money.

2.20 Setting a clear medium-term financial plan (MTFP) also strengthens the Council's financial resilience by identifying financial issues early and options for potential solutions.

D) Budget Consultation

2.21 The Council launched a consultation on the 2024-25 budget on 13th July 2023. The consultation was open until 6th September 2023 and can still be viewed via the <https://letstalk.kent.gov.uk/budget-consultation-2024-25> [Council's website](#).

2.22 2,620 responses were received which is higher than the 2,161 responses to last year's budget consultation. Responses were received from Kent residents, KCC staff and local businesses. 49.8% of respondents found out about the consultation via Facebook advertising, 19.4% via a KCC e-mail and/or website.

2.23 A supporting document set out the background to the consultation including key facts about Kent, KCC's strategic priorities, the financial challenges the council has had to address in recent years, the 2022-23 budget outturn, and the 2023-24 budget. The document included information on the council tax referendum principles together with the assumed levels for 2024-25 and impact on council tax bills. The document sets out the financial outlook for the forthcoming year and the difficult decisions that will be needed to balance significant forecast spending increases with the forecast resources from council tax and central government settlement.

2.24 The supporting document focuses on the six main spending areas which account for over 80% of revenue spending (excluding non-attributable costs):

- Care, support and preventative services for vulnerable adults (32%)
- Care, support and preventative services for vulnerable and disabled children (17%)
- Care, support and preventative services for older persons (15%)
- Public transport including home to school transport (8%)
- Waste recycling and disposal (7%)
- Highways management and maintenance (4%)

2.25 The consultation sought views on both the general council tax and the adult social care levy, and whether increases up to the referendum level are supported, increases should be less than referendum level, or any increase is opposed. The consultation sought views on spending priorities within the big six areas, and whether current spending is too little, too much or about right. The consultation sought views on if spending has to be reduced in one of the big six areas which should it be. The consultation also sought views on ideas for savings.

2.26 A separate detailed report setting out the responses received is included as a background document to this report.

E) Equalities Considerations

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

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

2.29 The amounts for some savings can only be confirmed following consultation and completion of an equalities impact assessment. Consequently, amounts are only planned at the time the budget is approved and can change. Any changes will be reported through the in-year budget monitoring reports which will include separate and specific consideration of delivery of savings plans.

F) Treasury Management Strategy

2.30 The Treasury Management Strategy Statement will be included as an appendix to the report for approval by full Council in accordance with the CIPFA Treasury Management Code of Practice. The Statement sets out the proposed strategy with regard to borrowing, the investment of cash balances and the associated monitoring arrangements.

2.31 The prudential indicators set out in the Treasury Management Strategy and Capital Strategy will be based on the first three years of the 10 year Capital Programme.

3.1 The provisional local government finance settlement for 2023-24 included guiding principles for 2024-25, although no indicative figures for individual councils were set out. The guiding principles related to council tax referendum principles, additional social care grants announced as part of a two-year package for 2023-24 and 2024-25 in the Autumn 2022 Budget, and uplifts to retained business rates and Revenue Support Grant (RSG) linked to business rate multipliers.

3.2 The guiding principle on council tax is that referendum limits for 2024-25 would be the same as 2023-24 i.e. for authorities with adult social care responsibilities an increase in the general precept of up to but not exceeding 3% without the requirement for a referendum, and adult social care levy of up to but not exceeding 2%. The initial draft budget assumes a council tax increase of 4.992%, the maximum that would be allowed without a referendum.

3.3 The additional grants for social care include:

- an extra £532m nationally in the Social Care Grant for adults and children's social care (increasing the total grant from £1,345m to £1,877m). If the same distribution methodology is used for 2024-25 as 2023-24 KCCs estimated share of the extra would be £14.4m (increasing Social Care grant from £88.8m to £103.2m).
- an extra £283m nationally in the Market Sustainability and Improvement Fund (increasing the total grant from £562m to £845m). If the same distribution methodology is used for 2024-25 as 2023-24 KCCs estimated share of the extra would be £7.3m (increasing Market Sustainability and Improvement Fund grant from £14.4m to £21.7m).
- an extra £200m nationally in the local authority 50% share of the Discharge Fund (increasing the total grant from £300m to £500m). If the same distribution methodology is used for 2024-25 as 2023-24 KCCs estimated share of the extra would be £4.7m (increasing Discharge Fund grant from £7.0m to £11.7m).

3.4 On 28th July 2023 the government announced a further £600m funding for adult social care over 2023-24 and 2024-25. £570m was added to the Market Sustainability and Improvement Fund (£365m in 2023-24 and a further £205m in 2024-25). KCC's share in 2023-24 was £9.4m with an estimated share of £5.2m in 2024-25. The remaining £30m is to be targeted to those authorities in the most challenged health systems (no details have yet been published).

3.5 The estimated increased social care grants have been included in the initial draft budget assumptions. The additional social care grants and increase in the adult social care council tax precept must be passported into social care budgets. This effectively sets a minimum increase in net spending on social care services between 2023-24 and 2024-25 and caps the amount that can be delivered from efficiency and transformation programmes in social care services to offset increasing costs.

3.6 The Non-Domestic Rating Bill is currently making its way through parliament. Most of this will not affect the retained funding for local authorities other than it will confirm that the annual indexation will be based on Consumer Price Index (CPI) rather than Retail Price Index (RPI) and the increase in the small business and standard multipliers would be decoupled. The impact of these changes on retained business rates funding is subject to technical consultation which closes on 2nd November. Ministers will still have the power to approve a lesser increase in the multiplier. Ministers have used the power of a lesser increase in recent years including using CPI rather than RPI (although local authorities have been compensated for the impact on retained business rates through a separate Section 31 grant).

3.7 The initial draft budget assumes that retained business rates (including top-up grant) and RSG will be uplifted by CPI (with no further compensation to RPI) as this was set out in the guiding principles. At this stage there has been no assumption about the decoupling of small business and standard multipliers pending the outcome of the consultation. This could mean that future uplifts are either based on local weighted average tailored for each authority according to the individual mix of small businesses and standard businesses within the tax base, or an England wide national weighted average. The initial draft budget assumes all increases are based on the un-decoupled small business rate multiplier (assumed 1.4p less than standard multiplier for 2024-25). The final impact of the decision on decoupled uplifts will need to be included in subsequent drafts once decisions have been confirmed.

4.1 Traditionally the revenue budget has been determined on an incremental basis. Incremental budgeting starts with the current year's budget and then adds/subtracts for known and forecast changes. These changes include the full year effect of current year forecast variances as well as future forecasts for pay/prices, service demands (largely driven by non-inflation related demand and cost drivers), service improvements and government legislation. These spending forecasts are then balanced against available funding by spending reductions through savings and income. Non inflation related demand and cost drivers would include things like increased costs of additional hours in care packages, longer journey routes, and supplier competition.

4.2 Incremental budgeting is relatively simple to understand and is appropriate if the primary cost drivers do not change from year to year, or changes can be robustly forecast. One of the big challenges in recent years has been the scale and unpredictability of changes in these non-inflation related demand and cost drivers and the difficulty in forecasting them accurately. This has resulted in overspends. There are also other problems with incremental budgeting as it tends to reinforce current practices and can lead to budget slack due to the inbuilt incentive to over-estimate incremental changes or failure to challenge the basis of current budgets. It is also highly susceptible to volatility from external factors.

4.3 Outcomes based budgeting (OBB) seeks to challenge the orthodoxy of incremental budgeting as it seeks to measure the difference that council spending is expected to make to the quality of life for local residents and communities and target spending accordingly. It will take some time to fully move to OBB due to the large amount of recurrent spending that is effectively fixed in the short to medium term due to existing care and support packages, contractual obligations, and long-standing agreements. This means that initially OBB is focused on an alternative approach to determining the distribution of the available year on year change in resources. This continues to be through the calculation of resource envelopes. For 2024-25 budget and MTFP resource envelopes were set for each of the next three years covering 2024-25 and indicative allocations for 2025-26 and 2026-27. The envelopes for 2024-25 are more predictable with the announcement of guiding principles within the 2023-24 settlement which confirmed increases in social care grants and council tax referendum principles for 2024-25.

4.4 The resource envelopes allocate the forecast available additional resources after taking account of corporate issues such as maintaining adequate and prudent reserves, provision for Kent scheme pay award and debt charges to fund capital programme. The resource envelopes for social care (adults and children's) need to ensure that additional resources from targeted government grants and specific council tax levy are passported in full.

4.5 Envelopes have been set on an Outcomes Based approach for the "big six" spending areas:

- care, support and preventative services for older persons
- care, support and preventative services for vulnerable adults
- care, support and preventative services for vulnerable and disabled children
- public transport (including home to school transport)
- waste recycling and disposal
- highways management & maintenance

4.6 The resource envelope calculation for the big six is based on a combination of unavoidable spending increases (largely contractual price increases) and savings from existing incremental MTFP, with the balance of available resources allocated according to outcomes. Effectively this replaces the previous incremental demographic demand growth and service improvements with an Outcomes basis. The envelopes for remaining spending outside the big six (other envelope) are set from the remaining resources based on historical spend and existing incremental MTFP growth and savings/income.

4.7 Services were tasked with identifying the actions they would need to take to manage spending within the resource envelopes. The initial draft plans to date have led to significant gaps in older people & vulnerable adults, integrated children’s and public transport envelopes where spending growth to date is forecast to be greater than the envelope and sufficient new savings/income have not been identified to manage within the envelope. It will be essential in closing the gap that the further outstanding actions seek to find ways to manage down the spending growth in these areas although this will take some time and it is inevitable that spending in other areas will also have to reduce below the levels expected in the envelope allocations. The council will need to engage additional external support to assist with identifying solutions that enable future spending growth in these key areas to be managed within the likely resources available within general fund from local taxation and government settlement and that these services do not take up an ever increasing and disproportionate share of the Council’s overall budget.

4.8 Currently there is a smaller gap in the waste recycling and disposal envelope and small surpluses in highways and other envelopes. The overall gap in the initial draft revenue budget of £48.8m will need to be closed across all envelopes for subsequent and final drafts through the objectives and actions identified in the strategy reported to Cabinet on 5th October 2023 “Securing Kent’s Future – Budget Recovery Strategy”. The latest position compared to the envelopes is set out in table 1 below.

Table 1 – Resource Envelopes compared to Initial Draft Spending Plans

	Resource Envelope £m	Initial Draft Plans £m	Gap / (surplus) £m
Older people & vulnerable adults	40.4	52.3	11.9
Integrated Children’s Services	3.7	21.4	17.8
Highways management & maintenance	4.8	4.3	-0.5
Waste recycling & disposal	0.7	3.0	2.3
Transport	3.9	26.3	22.3
Other	-0.4	-1.3	-0.9
Corporate for reserves, pay & financing	46.9	42.7	-4.2
Total	99.8	148.6	48.8

4.9 The spending plan submissions have been captured in a new way using sharepoint templates. This allows for more consistency with strategic business planning, enables more information to be collected and held centrally to inform budget decisions, and allows members to access more information about the draft budget proposals as part of the scrutiny process. The information from the templates is presented in a series of dashboards that can be interrogated. These dashboards have been designed to provide a high level of summary information which can then be drilled down. The information can be viewed from directorate, OBB service category, and the traditional MTFP categories (prices, demand, efficiencies, etc) perspectives.

4.10 A short video demonstration of the dashboards has been prepared to help to use them. The dashboards can only be accessed through a kent.gov e-mail account. The attached appendix C includes screen shots of examples from the dashboards. A brief description of each of the spending growth, savings & income, and reserves entries in the dashboard is set out in appendix D. The templates and dashboards are a new approach to gathering and presenting budget information. This means that inevitably further developments and improvements both to the design and presentation of them, and quality of information, will be needed as these evolve.

4.11 This approach is part of a transition towards Outcomes Based Budgeting ensuring a greater outcome focus on the most significant spending areas. This is not to say that other services are not necessarily a priority and cannot be added to the outcome based approach in later years. As the approach is developed increasingly future years envelopes will be based on finance and performance outcomes metrics. These metrics will need to be developed and agreed.

4.12 The core objectives of the revenue strategy are largely unchanged by an Outcome Based approach. The core budget objectives are as follows:

- Maintain a balanced budget and medium-term financial plan with net expenditure (after income and specific grants) not exceeding available funding from un-ringfenced grants and local taxation
- Set a council tax that does not exceed the government referendum limits
- Ensure the council is financially sustainable minimising the risk that the council could cease to be responsible for its financial and other affairs through government intervention or appointment of commissioners
- Maintain an adequate and prudent level of reserves commensurate with risks
- Maintain and improve the council's overall financial resilience through sustainability of reserves, levels of external borrowing and debt costs, balance of income compared to spend, proportion of council budget spent on social care
- Prudent management of cashflow and liquidity through Treasury Strategy which balances risks and returns on financial investments and low interest costs and certainty on borrowing
- Full cost recovery on charges for discretionary services other than where Cabinet agrees to provide services at a subsidy and/or concession
- Prudent capital investment programme
- Aligns resources to the council's strategic vision and priorities whilst allowing the council to fulfil statutory obligations

5.1 Council Tax income is a key source of funding for council services. The amount generated through Council Tax is based on precept on collection authorities derived from the estimated band D equivalent Council Tax Base (the number of weighted properties in each band adjusted for exemptions, discounts and assumed collection rates) and the county council share of the band D household charge.

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

5.3 The Council currently can, subject to legislative constraints, increase its Council Tax rate through two mechanisms, the Adult Social Care (ASC) precept and general tax rate increases. Each 1% increase in the Council Tax rate generates circa £8.9m per annum in 2024-25, which equates to an extra 29.5 pence per week for a band D property.

5.4 The guiding principles for 2024-25 allow for up to but not exceeding 3% general tax rate increases without a referendum plus an additional Adult Social Care precept of up to 2%. These increases are based on the total county council share of the household charge for 2023-24 (£1,534.23 for band D household). The administration’s initial draft budget 2023-24 includes an assumed 2.998% increase for the general precept (up to but not exceeding the referendum level) and a further 1.994% increase for the adult social care levy (ASCL). The impact of these assumed council tax increases on individual bands are shown in table 2.

Table 2 – Assumed Council Tax Band Charges

Band	Proportion of Band D Tax Rate	2023-24 (incl. ASCL)	2024-25 (excl. increase in ASCL)	2024-25 (incl. increase in ASCL)
A	6/9	£1,022.82	£1,053.48	£1,073.88
B	7/9	£1,193.29	£1,229.06	£1,252.86
C	8/9	£1,363.76	£1,404.64	£1,431.84
D	9/9	£1,534.23	£1,580.22	£1,610.82
E	11/9	£1,875.17	£1,931.38	£1,968.78
F	13/9	£2,216.11	£2,282.54	£2,326.74
G	15/9	£2,557.05	£2,633.70	£2,684.70
H	18/9	£3,068.46	£3,160.44	£3,221.64

5.5 The County Council’s 2023-24 council tax charge (including Fire and Rescue Authority to ensure valid like for like comparison) is currently 10th highest of the 21 counties and 4th of the 7 south east counties. We will not know KCC’s relative position on Council Tax for 2024-25 until all county councils have agreed their precept and Council Tax charge for 2024-25.

5.6 The assumed tax base in the initial draft budget is 1.7% increase. This is based on an assumed historical average increase of 1.5% for increases in number of dwellings and changes in discounts, exemptions and assumed collection rates plus a further 0.2% for the assumed impact if the remaining 9 councils remove the remaining discounts on empty dwellings. Removing such discounts would be consistent with reducing the number of empty dwellings and reducing collection costs. Removing empty property discounts would also be more consistent with reforms in the Levelling up and Regeneration Bill which would allow premiums to be charged on dwellings empty for more than one year as otherwise owners of empty dwellings would pay reduced or no council tax in the first year a property became empty but then double council tax in second year. At this stage the tax base includes no assumption of these increased premiums pending progress of the Bill through parliament.

5.7 The final council tax precept and council tax funding levels will have to be based on tax base estimates notified by the 12 collection authorities. This could change from the assumed tax base in the initial draft 2024-25 budget. Collection authorities also have to notify estimated collection fund balance for over/under collection. This must also be reflected in the final budget as over/under collection has to be taken into account as part of the final decision on council tax charge for 2024-25. The initial draft includes an assumed £7m collection fund balance.

6.1 The administration's initial draft capital and revenue budgets are subject to the budget scrutiny process in November (with scrutiny of further detail to follow in January). The estimates in the initial draft budget are early forecasts which can, and in all likelihood will, change in the final draft budget. Following the scrutiny process the administration's final draft budget for approval by County Council will be published by 9th February 2024. The full Council is responsible for agreeing the budget at the County Council meeting on 19th February 2024 (this is later than previous years to avoid the school holidays but does mean that the council tax precept must be agreed even if other aspects of the budget are deferred to the reserve date as district and borough councils need certainty over the county council precept for their budget setting which is scheduled in the days immediately after the county council meeting). As required by the Council's Constitution and Financial Regulations, the final draft budget for County Council approval will be proposed by the Leader and published in a format recommended by the Corporate Director, Finance and agreed by the Leader.

6.2 The draft proposed ten-year capital spending plans for 2024-34 are being updated to reflect the recent monitoring position and are currently work in progress. The updated plans will need to include some minor changes as detailed below, with the comprehensive refresh scheduled to be published in January:

- Roll overs from the 2022-23 outturn position,
- The transfer of small recurring annual spend to revenue,
- The addition of £26.1m between 2024-25 to 2026-27 to the corporate Modernisation of Assets programme, funded from additional capital receipts,
- Reflection of the 2025-26 basic need grant allocations which resulted in £20.5m additional grant in 2025-26,
- Replacement of £2.6m prudential borrowing with available grant in 2024-25.

6.3 The presentation of the administration's draft revenue budget 2024-25 and 2024-27 MTFP focuses on the key policy and strategic implications of the proposals. The revenue proposals are summarised in appendices A to D of this report. These appendices show the spending, income and savings changes from the current year's approved budget (2023-24) and the financing requirements. Appendix A provides a high-level summary of the proposed three-year plan for the whole council, showing separately the spending growth, savings & income, changes in reserves for core KCC funded activity (funding from the local government settlement and local taxation) from changes in externally funded activities (largely specific grant funded).

6.4 Appendix B provides a directorate high level summary of the proposed plan for 2024-25 again showing separately spending growth, savings & income, changes in reserves and funding for core KCC funded activity (funding from the local government settlement and local taxation) from changes in externally funded activities (largely specific grant funded). Throughout this report the focus is on core funded spending, savings, income and reserves as changes on externally funded spend are financially neutral.

6.5 Appendix C shows examples of the more detailed information available through the dashboards. Appendix D provides a full list of individual spending and savings & income items. Subsequent versions of the draft and final budget will provide more budget details in other formats as the dashboards can only be accessed via a kent.gov e-mail account. The dashboards have been designed specifically to address issues with previous budget presentations for scrutiny purposes.

6.6 The final draft budget presented to County Council will include the key service analysis. The original planned spending on key services is set out in appendix E of the final approved Budget Book for 2023-24 (published in March) and available on KCC website at https://www.kent.gov.uk/data/assets/pdf_file/0006/148947/Budget-Book-2023-24.pdf

It is not feasible or appropriate to produce a key service presentation in the initial draft budget for scrutiny as the scrutiny process needs to focus on the proposed changes to the approved budgets for 2023-24 before more detailed delivery plans are completed and these plans will inform the key service budgets for 2024-25.

6.7 Additional proposed spending growth includes the impact of decisions and activities already being delivered in the current year not included in the current base budget and known future contractual obligations. It also includes forecasts for future cost or activity changes for the forthcoming year, or changes in Council policy. These are set out in fuller detail in dashboards including an explanation of the reasons for the change, key impacts and risks, dependencies and sensitivities. As outlined in section 4, the dashboards have been designed as a new approach but inevitably will need further development on design, content and data quality.

6.8 The savings and income options in the dashboards follows a similar pattern with proposed savings amounts derived from the full year effect of 2023-24 plans already agreed; savings and income for 2024-25 in the original 2023-26 MTFP (albeit updated); savings/income from the application of existing policies; savings/income that do not require any changes in policy; and those that require policy changes presented as policy savings, efficiency/transformation savings, income or financing savings. Given the scale of the savings, enhanced detailed delivery plans will need to be prepared and monitoring arrangements will be put in place in addition to the arrangements already embedded through the monthly monitoring with budget managers and regular quarterly budget monitoring reports to Cabinet.

6.9 The high-level equation for changes in planned revenue spending for 2024-25 (growth and savings), income and net budget, together with the balancing changes in funding is shown in table 3 below. This summarises how the requirement to set a balanced budget will be met once the outstanding actions for 2024-25 outlined in Securing Kent's Future have been finalised and confirmed. To improve transparency the spending, savings and reserves from core KCC funds are shown separately from externally funded changes (consistent with revised presentation of appendices A and B).

Table 3 – Net Change in Spending and Funding

Change in Net Spending	Core Funded	External Funded	Change in Net Funding	Core Funded
Assumed additional spending	£201.5m	-£24.1m	Increase in Social Care grants	£31.7m
Proposed savings from spending reductions and future cost avoidance	-£59.2m*		Net Increase in other government grants	£7.9m
Proposed changes in income	-£10.1m*	-£0.3m	Change in council tax base	£14.9m
Savings & future cost avoidance from SKF to be identified	-£48.8m		Assumed increase in council tax charge	£44.5m
Assumed changes in specific government grants		£20.9m	Change in retained business rates	£3.0m
Proposed net change in reserves	£16.4m	£3.5m	Change in net collection fund balances/S31 compensation	-£2.2m
Total Change in Net Spending	£99.8m	£0.0m	Total Change in Net Funding	£99.8m

*Net figures from original 2023-26 plan updated and new proposals

6.10 The increased and additional grants have been set out in more detail in the section on the principles for 2024-25 local government finance settlement (section 3 of this report). This includes the ASC Discharge Fund, increases in Social Care Grant and Market Sustainability and Improvement Fund.

6.11 The initial draft MTFP does not show a balanced 3 year plan. The initial draft budget for 2024-25 has a gap of £48.8m due to spending growth after savings, income and reserves exceeding the estimated resources from the government settlement and local taxation. The early forecasts on which the initial draft budget is based means that effectively this means the gap presented is a figure within a likely range. The recovery plan has set out indicative amounts from the further actions to close this gap although at this stage these have not been worked in sufficient detail to include as savings and cost reduction plans for the initial draft budget. The recovery plan identified 3 main areas where there is the biggest opportunity for further savings and to reduce costs in 2024-25 to resolve the gap and balance the budget. These include:

- review of demand and cost drivers in adult social care, children's services and home to school transport leading to scope to reduce future cost growth with a particular focus on managing down demand and non-inflationary cost increases in line with the best value principles outlined in section 2B of this report
- Review of all contracts due for renewal in the next 12 months with particular regard to those that can be allowed to lapse and those where there can be a significant change in specification leading to lower tender prices
- Further targeted policy savings in areas of non-statutory spending (including elements of SEN, adult social care and children's services), efficiency/transformation savings such as planning of SEN transport routes, and bringing forward savings in later years of MTFP.

These further detailed plans will need to be presented for scrutiny in January in advance of the publication of final draft budget plans for full Council approval in February. The plans for 2025-26 and 2026-27 have further albeit lesser gaps although the funding and spending forecasts are less reliable for these later years.

6.12 Pressures arising from Special Education Needs & Disabilities (SEND) impact upon both the Dedicated Schools Grant (DSG) and the General Fund. Pressures on DSG are addressed primarily by the Safety Valve mechanism, whereby Department for Education provides a substantial contribution (up to £140m), in return for improvements to the SEND system. Pressures on the General Fund are reflected primarily on the number of requests to assess, produce and then annually review Education & Health Care Plans (EHCP) and the associated increased SEND home to school transport costs.

6.13 There is already substantial work being undertaken to manage down this financial pressure and additional work will focus on identifying and reviewing changes to existing policy and practice so that we are meeting statutory minimum requirements, but ceasing discretionary services where they are not cost effective and only issuing EHCPs where they are necessary, and needs cannot be met by other means.

6.14 Where required consultation and Equality Impact Assessments (EQIA) will need to be undertaken on individual new savings and income proposals. The final planned amounts can only be confirmed following consultation and EQIA. Any variances between the approved budget and final planned amounts will be included in the budget monitoring report to Cabinet, together with progress on delivery.

Proposed Initial Draft 2024-25 Revenue Budget – key numbers

£1,415.4m	Assumed net revenue budget for 2024-25. This represents a £99.8m increase on the final approved budget for 2023-24 of £1,315.6m.
£201.5m	Additional assumed core funded spending growth – see paragraph 7.1 for more detail.
-£69.3m	Assumed savings, income and future cost increase avoidance. Of this £28.3m relates to proposed savings, £10.1m additional income generation (mainly fees and charges), and £30.9m reductions in the amount assumed for future demand and cost increases in adult social care and home to school transport – see paragraph 7.2 for more detail.
£16.4m	Assumed net impact on the budget of changes in use of reserves including new contributions and removing previous years drawdown and contributions – see section 8 for more detail
-£48.8m	Outstanding actions yet to be finalised from Securing Kent’s Future – Budget Recovery Strategy. These additional reductions will need to mainly come from further avoidance of future spending increases from reviewing impact of cost and demand drivers, contract renewals and further service savings.
£936.2m	Assumed to be raised from Council Tax precept. An increase of £59.4m on 2023-24. £14.9m is due to a 1.7% assumed increase in the tax base due to additional dwellings, changes in discounts and exemptions and assumed collection rates. £44.5m is from the assumed increase in the household charge up to but not exceeding 5% (including £17.8m from the adult social care levy).
£39.6m	Assumed increase in the local government grant settlement. This comprises: <ul style="list-style-type: none"> • £14.4m increase in Social Care Grant announced in 2023-24 settlement from repurposed funding from social care charging reforms • £12.5m increase in Market Sustainability and Improvement Fund to support capacity and discharge (including £7.3m announced in 2023-24 settlement and £5.2m further announcement in summer 2023) • £4.7m ASC Discharge Fund • £10.2m indexed linked uplifts in business rate top-up, business rate compensation and Revenue Support Grant • -£2.3m removal of New Homes Bonus Grant

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

7.1 The additional assumed core funded spending growth (i.e. excluding changes arising from external funding changes) of £201.5m for 2024-25 is summarised in appendices A and B and set out in more detail in appendix D together with more detail in the dashboard. It has been subdivided into the following categories:

Net base budget changes £45.5m	Changes to reflect full year effect of variations in the current year's monitoring forecast compared to approved budget. These adjustments are necessary to ensure the draft budget is based on a robust and sustainable basis.
Demand and cost drivers £80.9m	Forecast estimates for future non-inflationary cost and demand increases such as additional care hours, increased journey length's, etc. across a range of services including adult social care, integrated children's services, home to school transport and waste tonnage.
Price uplifts £46.2m	Contractual and negotiated price increases on contracted services, including full year effect of planned mid-year uplifts in current year and forecast future price uplifts.
Pay £14.2m	Additional net cost of assumed pay award and progression after savings from appointing new staff lower in pay ranges.
Service Strategies & Improvements £13.2m	Other assumed spending increases to deliver strategic priorities and/or service improvements and outcomes including financing of capital programme
Government & Legislative £1.4m	Additional spending to meet compliance with legislative and regulatory changes

7.2 The proposed savings, income and future cost increase avoidance of £69.3m for 2024-25 are summarised in appendices A and B and set out in more detail in appendix D together with more detail in the dashboard. It has been subdivided into the following categories:

Policy Savings £6.6m	Savings arising from proposed changes in KCC policies including full year effect of 2023-24 savings and new proposals for 2024-25 (full year effect in later years will be shown in detail in future drafts). Savings in this category are changes to charging policies and changes in our service offer.
Transformation & Efficiency Savings £49.4m	Savings aimed at achieving improved or the same outcomes at less cost including full year effect of 2023-24 savings and new proposals for 2024-25 (full year effect in later years will be shown in detail in future drafts). Savings in this category include future cost increase avoidance as well as reductions to existing recurring spend. Transformation and efficiency savings include contracted spending as well as in-house spending on staffing and premises.
Financing Savings £3.3m	Review of amounts set aside for debt repayment (MRP) based on asset life and increased investment income returns.
Income Generation £10.1m	Increases in fees and charges for council services from applying existing policies on fee uplifts (including contributions from other bodies) and new income generation proposals. Existing policies include increases in client contributions in line with estimated 2024-25 benefits and other personal income increases and increases in contributions to Kent Travel Saver and 16+ pass linked to fare increases.

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

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

8.3 There are two main types of reserves:

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

8.4 The Council maintains reserves both for its General Fund activities and it accounts for the reserves of its maintained schools. Schools are funded by a 100% government grant, Dedicated Schools Grant (DSG). Local authorities cannot fund DSG activities from the general fund without express approval from the Secretary of State. The Statutory Override on DSG deficits has been extended for 3 years from 2023-24 to 2025-26, however during this period it is essential that the Council makes provision for the local authority contributions to the Safety Valve agreement. The Secretary of State has given the council the necessary approval for KCC's contribution to the Safety Valve to be funded from the general fund. The Safety Valve agreement does not fully eliminate the risk of DSG overspends until the plan has been fully delivered and high needs spending is contained within the block of funding available within DSG.

8.5 There remains a significant risk to reserves from the forecast overspend for 2023-24 and the gap in 2024-25 in the initial draft budget until all the actions to bring spending in 2023-24 back into balance have been delivered and the actions to balance planned spending in 2024-25 finalised and agreed. The level of reserves held is a matter of judgment which takes into account the reasons why reserves are maintained and the Council's potential financial exposure to risks. A Reserves Policy is included as Appendix E to this report. An analysis of budget risks is included as Appendix F, and risk register as Appendix G.

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

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

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

8.9 Reserves are therefore held for the following purposes:

- Providing a working balance
- Smoothing the impact of uneven expenditure profiles between years e.g. collection fund surpluses or deficits, local elections, structural building maintenance and carrying forward expenditure between years.
- Holding funds for future spending plans e.g. capital expenditure plans, and for the renewal of operational assets e.g. information technology renewal.
- Meeting future costs and liabilities where an accounting 'provision' cannot be justified.
- Meeting future costs and liabilities so as to cushion the effect on services e.g. the Insurance Reserve for self-funded liabilities arising from insurance claims.
- To provide resilience against future risks.
- To create policy capacity in the context of forecast declining future external resources.

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

8.11 The administration's Initial draft budget 2024-25 includes an assumed net £16.4m increase in reserves impacting on the budget including new contributions and removing previous years drawdown and contributions. These changes include the following main changes:

Increased/new contributions £36.7m

- £16.2m general reserves including £11.1m repayment of 50% of the amount drawn down to balance 2022-23 and £5.1m for the additional annual contribution to reflect the increase in net revenue budget to maintain general reserves at 5%. The phased repayment of 2022-23 drawdown means general reserves are not planned to be returned to 5% of net revenue until 2025-26
- £15.1m DSG reserve for the planned 2024-25 local authority contribution to the safety valve programme
- £4.3m repayment to smoothing reserves for planned drawdown to support 2023-24 budget
- £1.0m annual contribution to establish new Emergency Capital Events Reserve for emergency capital works and revenue costs related to capital spend such as temporary accommodation, and condition surveys which don't result in capital works

Drawdowns and Removal of Prior Year Drawdown and Contributions -£20.2m

- -£5.8m removal of 2023-24 contribution to general reserve for increase in net budget
- -£12m removal of contribution to risk reserve (now treated as contingent spend rather than reserve)
- -£5.6m removal of 2023-24 contribution to Local Taxation Equalisation reserve
- -£1.2m removal of annual contribution for phased repayment of long term reserves borrowed to fund grant reductions in 2011-12 as these are now fully repaid
- +£4.3m replace drawdown from reserves to support 2023-24 budget

Appendices and background documents



Appendices

High Level Summary 3 Year Draft Revenue Plan and Financing 2024-27	A
Directorate Summary of 2024-25 Spending, Savings & Income and Reserves	B
Budget 2024-25 Dashboard	C
List of individual spending growth and savings & income items	D
Reserves Policy	E
Budget Risks and Adequacy of Reserves	F
Budget Risk Register	G

Background documents

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

KCC's Budget webpage	1
KCC's Corporate Risk Register (item 9)	2
KCC's Risk Management Strategy, Policy and Programme (item 11)	
KCC's approved 2023-24 Budget	3
2024-25 Budget Consultation (Let's Talk Kent) including the Budget Consultation report	4
June 2023 (high level update for August 2023) Monitoring Report	5
Securing Kent's Future – Budget Recovery Strategy	6
Securing Kent's Future – Budget Recovery Report	7

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APPENDIX A: HIGH LEVEL 2024-27 REVENUE PLAN AND FINANCING

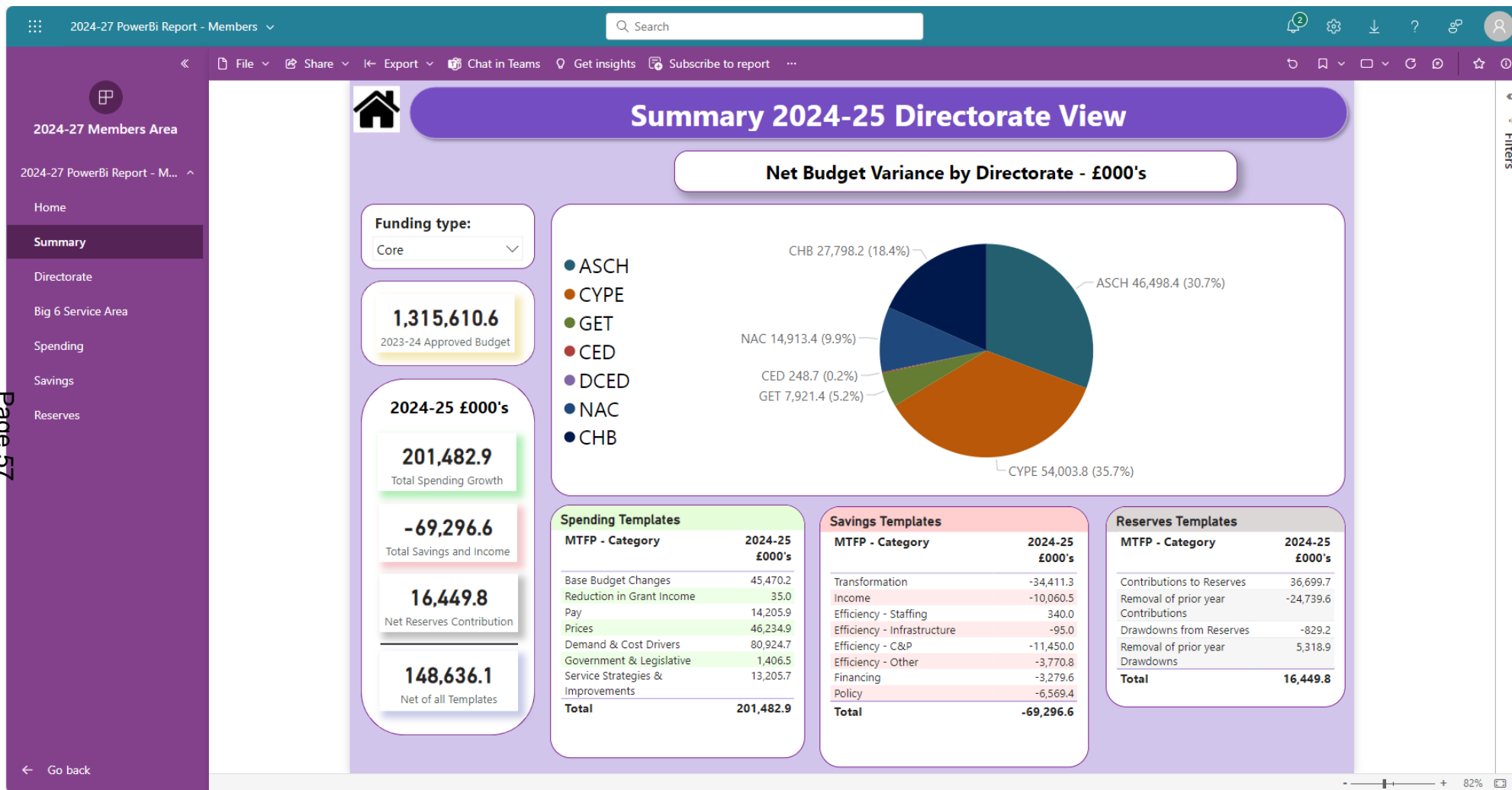
	2024-25			2025-26			2026-27		
	core funded	externally funded	TOTAL	core funded	externally funded	TOTAL	core funded	externally funded	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Revised Base Budget	1,315,610.6		1,315,610.6	1,415,450.7		1,415,450.7	1,473,162.2		1,473,162.2
Spending									
Base Budget Changes	45,470.2	0.0	45,470.2	20,355.0	0.0	20,355.0	20,400.0	0.0	20,400.0
Reduction in Grant Income	35.0	0.0	35.0	0.0	0.0	0.0	0.0	0.0	0.0
Pay	14,205.9	505.1	14,711.0	7,611.8	0.0	7,611.8	7,560.1	0.0	7,560.1
Prices	46,234.9	967.4	47,202.3	28,345.0	0.0	28,345.0	22,513.2	0.0	22,513.2
Demand & Cost Drivers	80,924.7	314.7	81,239.4	84,447.6	0.0	84,447.6	82,879.0	0.0	82,879.0
Service Strategies & Improvements	13,205.7	-2,568.8	10,636.9	572.6	-3,952.0	-3,379.4	738.8	0.0	738.8
Government & Legislative	1,406.5	-23,337.5	-21,931.0	126.5	-4,520.6	-4,394.1	0.0	0.0	0.0
Total Spending	201,482.9	-24,119.1	177,363.8	141,458.5	-8,472.6	132,985.9	134,091.1	0.0	134,091.1
Savings, Income & Grants									
Transformation & Efficiency	-49,387.1	0.0	-49,387.1	-46,852.2	-13.9	-46,866.1	-41,833.7	0.0	-41,833.7
Income	-10,060.5	-281.3	-10,341.8	-5,170.3	0.0	-5,170.3	-4,695.4	0.0	-4,695.4
Financing	-3,279.6	0.0	-3,279.6	222.4	0.0	222.4	-281.8	0.0	-281.8
Policy	-6,569.4	-9.2	-6,578.6	-14,499.1	0.0	-14,499.1	-5,032.9	0.0	-5,032.9
Total Savings & Income	-69,296.6	-290.5	-69,587.1	-66,299.2	-13.9	-66,313.1	-51,843.8	0.0	-51,843.8
Increases in Grants and Contributions		20,949.1	20,949.1		8,136.0	8,136.0		0.0	0.0
Total Savings & Income & Grant	-69,296.6	20,658.6	-48,638.0	-66,299.2	8,122.1	-58,177.1	-51,843.8	0.0	-51,843.8
RESERVES									
Contributions to reserves	36,699.7	0.0	36,699.7	29,910.0	0.0	29,910.0	15,560.0	0.0	15,560.0
Removal of prior year Contributions	-24,739.6	0.0	-24,739.6	-36,699.7	0.0	-36,699.7	-29,910.0	0.0	-29,910.0
Drawdowns from reserves	-829.2	-350.5	-1,179.7	0.0	0.0	0.0	0.0	0.0	0.0
Removal of prior year Drawdowns	5,318.9	3,811.0	9,129.9	829.2	350.5	1,179.7	0.0	0.0	0.0
Net impact on MTFP	16,449.8	3,460.5	19,910.3	-5,960.5	350.5	-5,610.0	-14,350.0	0.0	-14,350.0
NET CHANGE	148,636.1	0.0	148,636.1	69,198.8	0.0	69,198.8	67,897.3	0.0	67,897.3
Outstanding Actions for Securing Kent's Future (-ve)	-48,796.0		-48,796.0	-11,487.3		-11,487.3	-2,385.2		-2,385.2
NET BUDGET REQUIREMENT	1,415,450.7	0.0	1,415,450.7	1,473,162.2	0.0	1,473,162.2	1,538,674.3	0.0	1,538,674.3
MEMORANDUM:									
The net impact on our reserves balances is:									
Contributions to Reserves	36,699.7	0.0	36,699.7	29,910.0	0.0	29,910.0	15,560.0	0.0	15,560.0
Drawdowns from Reserves	-829.2	-350.5	-1,179.7	0.0	0.0	0.0	0.0	0.0	0.0
Net movement in Reserves	35,870.5	-350.5	35,520.0	29,910.0	0.0	29,910.0	15,560.0	0.0	15,560.0
FUNDING									
Revenue Support Grant			11,649.6			11,716.1			11,716.1
Business Rate Top-Up Grant			148,138.7			148,985.2			148,985.2
Business Rate Compensation Grant			46,546.6			46,812.6			46,812.6
Social Care Support Grant			103,212.0			103,212.0			103,212.0
Market Sustainability & Improvement Fund			26,969.4			21,703.9			21,703.9
Hospital Discharge Grant			11,686.6			11,686.6			11,686.6
Services Grant			7,599.4			7,599.4			7,599.4
Improved Better Care Fund			50,014.7			50,014.7			50,014.7
Other un-ringfenced grants			3,257.7			3,257.7			3,257.7
Local Share of Retained Business Rates			63,177.9			63,521.7			63,521.7
Business Rate Collection Fund			0.0			0.0			0.0
Council Tax Income (including increase up to referendum limit but excluding social care levy)			800,774.3			841,243.1			884,201.0
Council Tax Adult Social Care Levy			135,423.8			156,409.2			178,963.4
Council Tax Collection Fund			7,000.0			7,000.0			7,000.0
Total Funding			1,415,450.7			1,473,162.2			1,538,674.3

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APPENDIX B: HIGH LEVEL 2024- 25 REVENUE PLAN BY DIRECTORATE

	TOTAL			ASCH Adult Social Care & Health	PH Public Health	CYPE Children, Young People & Education			GET Growth, Environment & Transport	CED Chief Executive's Department			DCED Deputy Chief Executive's Department	NAC Non Attributable Costs	CHB Corporately Held Budgets		
	core funded	externally funded	TOTAL	core funded	externally funded	core funded	externally funded	TOTAL	core funded	core funded	externally funded	TOTAL	core funded	core funded	core funded	externally funded	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Revised Base Budget	1,315,610.6		1,315,610.6	527,430.4	0.0	360,353.0		360,353.0	194,949.0	33,118.9		33,118.9	83,989.0	116,062.2	-291.9		-291.9
Spending																	
Base Budget Changes	45,470.2	0.0	45,470.2	16,900.0	0.0	21,666.0	0.0	21,666.0	-468.9	-55.4	0.0	-55.4	-3,000.0	-3,369.7	13,798.2	0.0	13,798.2
Reduction in Grant Income	35.0	0.0	35.0	0.0	0.0	0.0	0.0	0.0	35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pay	14,205.9	505.1	14,711.0	0.0	505.1	553.0	0.0	553.0	85.0	0.0	0.0	0.0	0.0	67.9	13,500.0	0.0	13,500.0
Prices	46,234.9	967.4	47,202.3	28,482.3	967.4	13,384.0	0.0	13,384.0	2,841.5	0.0	0.0	0.0	1,482.1	45.0	0.0	0.0	0.0
Demand & Cost Drivers	80,924.7	314.7	81,239.4	50,602.0	314.7	29,181.5	0.0	29,181.5	1,141.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Service Strategies & Improvements	13,205.7	-2,568.8	10,636.9	296.1	-2,568.8	2,008.0	0.0	2,008.0	5,065.0	656.6	0.0	656.6	-320.0	5,500.0	0.0	0.0	0.0
Government & Legislative	1,406.5	-23,337.5	-21,931.0	0.0	-489.6	0.0	-777.0	-777.0	1,406.5	0.0	59.9	59.9	0.0	0.0	0.0	-22,130.8	-22,130.8
Total Spending	201,482.9	-24,119.1	177,363.8	96,280.4	-1,271.2	66,792.5	-777.0	66,015.5	10,105.3	601.2	59.9	661.1	-1,837.9	2,243.2	27,298.2	-22,130.8	5,167.4
Savings, Income & Grants																	
Transformation & Efficiency	-49,387.1	0.0	-49,387.1	-39,758.1	0.0	-9,240.0	0.0	-9,240.0	-94.0	-250.0	0.0	-250.0	-45.0	0.0	0.0	0.0	0.0
Income	-10,060.5	-281.3	-10,341.8	-8,773.9	-281.3	-417.7		-417.7	-868.9	0.0		0.0	0.0	-500.0	500.0		500.0
Financing	-3,279.6	0.0	-3,279.6	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0	-3,279.6	0.0		0.0
Policy	-6,569.4	-9.2	-6,578.6	-1,250.0	-9.2	-3,131.0		-3,131.0	-1,221.0	-102.5		-102.5	-864.9	0.0	0.0		0.0
Total Savings & Income	-69,296.6	-290.5	-69,587.1	-49,782.0	-290.5	-12,788.7	0.0	-12,788.7	-2,183.9	-352.5	0.0	-352.5	-909.9	-3,779.6	500.0	0.0	500.0
Increases in Grants and Contributions		20,949.1	20,949.1		-1,898.8		777.0	777.0			-59.9	-59.9			22,130.8		22,130.8
Total Savings & Income & Grant	-69,296.6	20,658.6	-48,638.0	-49,782.0	-2,189.3	-12,788.7	777.0	-12,011.7	-2,183.9	-352.5	-59.9	-412.4	-909.9	-3,779.6	500.0	22,130.8	22,630.8
RESERVES																	
Contributions to reserves	36,699.7	0.0	36,699.7	0.0	0.0	0.0		0.0	0.0	0.0		0.0	160.0	36,539.7	0.0	0.0	0.0
Removal of prior year Contributions	-24,739.6	0.0	-24,739.6	0.0	0.0	0.0		0.0	0.0	0.0		0.0	-160.0	-24,579.6	0.0	0.0	0.0
Drawdowns from reserves	-829.2	-350.5	-1,179.7	-567.2	-350.5	0.0		0.0	0.0	-262.0		-262.0	0.0	0.0	0.0	0.0	0.0
Removal of prior year Drawdowns	5,318.9	3,811.0	9,129.9	567.2	3,811.0	0.0		0.0	0.0	262.0		262.0	0.0	4,489.7	0.0	0.0	0.0
Net impact on MTFP	16,449.8	3,460.5	19,910.3	0.0	3,460.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16,449.8	0.0	0.0	0.0
NET CHANGE	148,636.1	0.0	148,636.1	46,498.4	0.0	54,003.8	0.0	54,003.8	7,921.4	248.7	0.0	248.7	-2,747.8	14,913.4	27,798.2	0.0	27,798.2
Outstanding Actions for Securing Kent's Future	-48,796.0		-48,796.0												-48,796.0		-48,796.0
NET BUDGET REQUIREMENT	1,415,450.7	0.0	1,415,450.7	573,928.8	0.0	414,356.8	0.0	414,356.8	202,870.4	33,367.6	0.0	33,367.6	81,241.2	130,975.6	-21,289.7	0.0	-21,289.7
MEMORANDUM:																	
The net impact on our reserves balances is:																	
Contributions to Reserves	36,699.7	0.0	36,699.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	160.0	36,539.7	0.0	0.0	0.0
Drawdowns from Reserves	-829.2	-350.5	-1,179.7	-567.2	-350.5	0.0	0.0	0.0	0.0	-262.0	0.0	-262.0	0.0	0.0	0.0	0.0	0.0
Net movement in Reserves	35,870.5	-350.5	35,520.0	-567.2	-350.5	0.0	0.0	0.0	0.0	-262.0	0.0	-262.0	160.0	36,539.7	0.0	0.0	0.0

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The screenshot shows a PowerBI report titled "2024-27 PowerBi Report - Members". The interface includes a top navigation bar with a search box and utility icons, and a left-hand navigation pane with the following items: "2024-27 Members Area", "2024-27 PowerBi Report - M...", "Home", "Summary", "Directorate" (highlighted), "Big 6 Service Area", "Spending", "Savings", and "Reserves".

The main content area features a filter panel with the following sections:

- Funding type:** A dropdown menu currently set to "Core".
- Directorate selected:** An empty text input field.
- Division selected:** A dropdown menu currently set to "--".
- Big 6 Service Area selected:** A dropdown menu currently set to "--".
- Director:** A list of checkboxes for ASCH, CYPE, GET, CED, DCED, NAC, CHB, and Public Health.
- Division:** A label with a menu icon.
- Big 6 Service Area:** A label.

Below the filters, a callout box states: "Click on the + to see the descriptions of the templates under that Category".

The "Spending Templates" section contains a table with the following data:

MTFP - Category	No. of Templates	2024-25 £000's
+ Base Budget Changes	23	45,470.2
+ Reduction in Grant Income	1	35.0
+ Pay	7	14,205.9
+ Prices	34	46,234.9
+ Demand & Cost Drivers	14	80,924.7
+ Government & Legislative	2	1,406.5
+ Service Strategies & Improvements	15	13,205.7
Total	96	201,482.9

A black callout box on the right side of the table contains the text: "Please select a Individual Spending Template".

2024-27 PowerBi Report - Members

Search

File Share Export Chat in Teams Get insights Subscribe to report

2024-27 Members Area

2024-27 PowerBi Report - M...

Home

Summary

Directorate

Big 6 Service Area

Spending

Savings

Reserves

Go back

Home

Funding type:
Core

Big 6 Service Area selected:
--

Big 6 Service Area:

- Older People
- Vulnerable Adults
- Integrated Children's Services
- Highways
- Transport
- Waste
- Adult Social Care Staffing
- Other

Click on the + to see the descriptions of the templates under that Category

Spending Templates

Directorate	No. of Templates	2024-25 £000's
+ ASCH	11	96,280.4
+ CYPE	23	66,792.5
+ GET	36	10,105.3
+ CED	3	601.2
+ DCED	10	-1,837.9
+ NAC	10	2,243.2
+ CHB	3	27,298.2
Total	96	201,482.9

Please select a Individual Spending Template

Filters

100%

2024-27 PowerBi Report - Members

Search

File Share Export Chat in Teams Get insights Subscribe to report

2024-27 Members Area

2024-27 PowerBi Report - M...

Home

Summary

Directorate

Big 6 Service Area

Spending

Savings

Reserves

Go back

Home

Funding type:
Core

MTFP Spending category selected:
--

Click on the + to see the descriptions of the templates under that Category

MTFP Spending Category:

- Base Budget Changes
- Reduction in Grant Income
- Pay
- Prices
- Demand & Cost Drivers
- Government & Legislative
- Service Strategies & Improvements

Please select a Individual Spending Template

Spending Templates

Directorate	No. of Templates	2024-25 £000's
ASCH	11	96,280.4
CYPE	23	66,792.5
GET	36	10,105.3
CED	3	601.2
DCED	10	-1,837.9
NAC	10	2,243.2
CHB	3	27,298.2
Total	96	201,482.9

Filters

100%

2024-27 PowerBi Report - Members

File Share Export Chat in Teams Get insights Subscribe to report

2024-27 Members Area

2024-27 PowerBi Report - M...

Home

Summary

Directorate

Big 6 Service Area

Spending

Savings

Reserves

Go back

Search

Home

Funding type:
Core

MTFP Savings category selected:
--

Click on the + to see the descriptions of the templates under that Category

MTFP Savings Category:

- Transformation
- Income
- Increases in Grants and Contribut...
- Efficiency - Staffing
- Efficiency - Infrastructure
- Efficiency - C&P
- Efficiency - Other
- Financing
- Policy

Please select a Individual Savings Template

Savings Templates

Directorate	No. of Templates	2024-25 £000's
ASCH	22	-49,782.0
CYPE	17	-12,788.7
GET	19	-2,183.9
CED	3	-352.5
DCED	3	-909.9
NAC	3	-3,779.6
CHB	1	500.0
Total	68	-69,296.6

Filters

100%

The screenshot displays a PowerBI report titled "2024-27 PowerBi Report - Members". The interface includes a top navigation bar with a search box and utility icons, and a left-hand navigation pane with the following items: "2024-27 Members Area", "2024-27 PowerBi Report - M...", "Home", "Summary", "Directorate", "Big 6 Service Area", "Spending", "Savings", and "Reserves" (which is currently selected). The main content area features a home icon, a "Funding type:" dropdown menu set to "Core", and an "MTFP Reserves category selected:" field showing "--". To the right, the "MTFP Reserves Category:" section contains four unchecked checkboxes: "Contributions to Reserves", "Removal of prior year Contributio...", "Drawdowns from Reserves", and "Removal of prior year Drawdowns". A callout box with a purple border contains the text: "Click on the + to see the descriptions of the templates under that Category". Below this is a dark blue banner with the text "Please select a Individual Reserves Template". The "Reserves Templates" section contains a table with the following data:

Directorate	No. of Templates	2024-25 £000's
+ ASCH	2	0.0
+ CED	2	0.0
+ DCED	2	0.0
+ NAC	13	16,449.8
Total	19	16,449.8

At the bottom left of the navigation pane, there is a "Go back" button. The bottom right corner of the report area shows a zoom level of 100%.

APPENDIX D: 2024-25 DRAFT BUDGET - SPENDING PROPOSALS

						177,363.8		
A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?	
Base Budget Changes	ASCH	Dan Watkins	Adult Social Care	Realignment of Vulnerable Adults budget to reflect underlying pressure forecast in 2023-24	9,900.0	Vulnerable Adults	Core	
Base Budget Changes	ASCH	Dan Watkins	Adult Social Care	Realignment of Older People budget to reflect underlying pressure forecast in 2023-24	7,000.0	Older People	Core	
Base Budget Changes	CED	Roger Gough	Safeguarding Adults	Removal of Review Manager at the end of the two year fixed term appointment for dealing with the increased number of Adult Safeguarding reviews being undertaken and to free up capacity to undertake development work for the Safeguarding Adults Board	-55.4	Adult Social Care staffing	Core	
Base Budget Changes	CHB	Peter Oakford	Corporately Held Contingency	Emerging pressures contingency for risk of inability to deliver against approved budget estimates due to unforeseen changes in external factors that arise after the budget is set	14,000.0	Other	Core	
Base Budget Changes	CHB	Dylan Jeffrey	Pay and Reward	Release of 2023-24 unallocated pay and reward allocation. The costs of the pay award and increase in annual leave entitlement for some staff were less than assumed when the 2023-24 budget was set	-201.8	Other	Core	
Base Budget Changes	CYPE	Rory Love	Home to school transport	Realignment of the home to school transport budget to reflect the full year effect of the cost and number of children being transported in 2023-24	10,900.0	Transport	Core	
Base Budget Changes	CYPE	Sue Chandler	Children's Social Care	Realignment of looked after children's placement budget to reflect the increase in cost of supporting children due to the market and complexity, and the number of children in different placement types in 2023-24	7,950.0	Integrated Children's Services	Core	
Base Budget Changes	CYPE	Sue Chandler	Children's Social Care	Realignment of children in need packages of care budget to reflect the cost of home support services including daycare and direct payments seen in 2023-24	2,121.0	Integrated Children's Services	Core	
Base Budget Changes	CYPE	Sue Chandler	18-25 placements	Realignment of the 18-25 Adult Learning & Physical Disability Community Services budget to reflect the increase in cost of supporting these clients in 2023-24	695.0	Vulnerable Adults	Core	
Base Budget Changes	DCED	Peter Oakford	KCC Estate Energy	Reduction in the price of gas and electricity for the KCC estate in 2023-24 compared to the assumptions at the time of setting the budget	-3,000.0	Other	Core	
Base Budget Changes	GET	Susan Carey	Waste prices	Realignment of prices for a variety of waste streams within the Materials Recycling Facilities contract	960.0	Waste	Core	
Base Budget Changes	GET	Susan Carey	Waste haulage costs	Right sizing of budget for waste haulage contracts due to inflation being higher than the increase assumed in the 2023-24 budget	623.9	Waste	Core	
Base Budget Changes	GET	Susan Carey	Waste Facilities	Right sizing of budget for household waste recycling centre and waste transfer station management fees and rent due to higher inflation than assumed in the 2023-24 budget	257.9	Waste	Core	
Base Budget Changes	GET	Clair Bell	Coroners	Rightsize budget for post mortems, Coroner's pay, Senior Coroner fees, pathologists fees and funeral director costs due to increasing number and complexity of cases	223.0	Other	Core	
Base Budget Changes	GET	Clair Bell	Trading Standards	Delay in achieving income from Trading Standards Checked service due to economic climate which was originally planned for 2021 -22	-40.0	Other	Core	

APPENDIX D: 2024-25 DRAFT BUDGET - SPENDING PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Base Budget Changes	GET	Neil Baker	Public Transport	Removal of budget for the public transport smartcard following the winding down of the scheme	-48.0	Transport	Core
Base Budget Changes	GET	Susan Carey	Waste income from paper & card	An increase in the price per tonne received for recycled paper and card	-485.8	Waste	Core
Base Budget Changes	GET	Neil Baker	Streetlight Energy	Figure has been adjusted to reflect additional costs of £475k to upgrade from 3g to 4g due to third party providers removing 3g capability in 24/25. This is required for functionality of the CMS and LED street lighting management	-1,959.9	Highways	Core
Base Budget Changes	NAC	Peter Oakford	Insurance	Rightsize budget for increase in insurance premiums	564.5	Other	Core
Base Budget Changes	NAC	Peter Oakford	Other Non Attributable costs	Payment to Kent Fire and Rescue Service of 3% share of the Retained Business Rates levy in line with the Kent Business Rates pool agreement	90.0	Other	Core
Base Budget Changes	NAC	Peter Oakford	Environment Agency Levy	Rightsize budget for the Environment Agency Levy as the increase in 2023-24 was lower than anticipated when the budget was set	-8.2	Other	Core
Base Budget Changes	NAC	Peter Oakford	Non Attributable Costs	Removal of budget for Transferred Services Pensions as these payments have now ceased	-16.0	Other	Core
Base Budget Changes	NAC	Peter Oakford	Capital Financing Costs	Reduction in debt charges from 2023-24 due to decisions taken by Members to contain the capital programme, significant levels of re-phasing of the capital programme in 2022-23 and changes in interest rates	-4,000.0	Other	Core
TOTAL BASE BUDGET CHANGES					45,470.2		Core
Demand & Cost Drivers	ASCH	Dan Watkins	Adult Social Care	Provision for impact of the full year effect of all current costs of care, further increases in client numbers including young people coming into Adult Social Care through transition, and additional costs arising for existing clients and for those new clients whose needs are becoming more complex- Vulnerable Adults	34,945.3	Vulnerable Adults	Core
Demand & Cost Drivers	ASCH	Dan Watkins	Adult Social Care	Provision for impact of the full year effect of all current costs of care, further increases in client numbers including young people coming into Adult Social Care through transition, and additional costs arising for existing clients and for those new clients whose needs are becoming more complex- Older People	15,656.7	Older People	Core
Demand & Cost Drivers	CYPE	Rory Love	Home to School transport - SEN	Estimated impact of rising pupil population on SEN Home to School and College Transport	15,500.0	Transport	Core
Demand & Cost Drivers	CYPE	Sue Chandler	Children's Social Care	Estimated impact of an increase in the population of children in Kent, leading to increased demand for children's social work and disabled children's services - number of children & increasing packages of support	6,371.5	Integrated Children's Services	Core
Demand & Cost Drivers	CYPE	Sue Chandler	Adult Social Care	Provision for impact of the full year effect of all current costs of care, further increases in client numbers expected through transition into adulthood from Children's Social Care, additional costs arising for existing clients and for those new clients whose needs are becoming more complex.	3,400.0	Vulnerable Adults	Core
Demand & Cost Drivers	CYPE	Sue Chandler	Children's Social Care	Estimated impact of an increase in the population of children in Kent, leading to increased demand for children's social work and disabled children's services - complexity of packages	2,260.0	Integrated Children's Services	Core

APPENDIX D: 2024-25 DRAFT BUDGET - SPENDING PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Demand & Cost Drivers	CYPE	Rory Love	Home to School transport - Mainstream	Estimated impact of rising pupil population on Mainstream Home to School transport	1,400.0	Transport	Core
Demand & Cost Drivers	CYPE	Sue Chandler	Care Leavers	Estimated increase in number of children supported by the care leaver service	250.0	Integrated Children's Services	Core
Demand & Cost Drivers	GET	Susan Carey	Waste - tonnage changes	Estimated impact of changes in waste tonnage as a result of population and housing growth	936.7	Waste	Core
Demand & Cost Drivers	GET	Clair Bell	Coroners	Increase in budget for toxicology analysis due to increasing number and complexity of cases	60.0	Other	Core
Demand & Cost Drivers	GET	Clair Bell	Trading Standards	Increase in legal costs as a result of more Crown Court cases	55.0	Other	Core
Demand & Cost Drivers	GET	Susan Carey	Planning Applications	Costs of the independent examination of the Minerals & Waste Local Plan by the Planning Inspectorate in the summer of 2024	50.0	Other	Core
Demand & Cost Drivers	GET	Neil Baker	Streetlight energy & maintenance	Adoption of new streetlights at new housing developments and associated increase in energy costs	27.5	Highways	Core
Demand & Cost Drivers	GET	Clair Bell	Public Rights of Way	Adoption of new routes	12.0	Other	Core
TOTAL DEMAND & COST DRIVERS					80,924.7		Core
Government & Legislative	GET	Neil Baker	Highways	Costs of meeting our statutory duties in relation to inspection of bridges and structures and complying with the Tunnels Regulations	960.0	Highways	Core
Government & Legislative	GET	Susan Carey	Waste charging	Loss of income from removal of charging for disposal of non DIY waste materials at Household Waste Recycling centres following change in legislation	446.5	Waste	Core
TOTAL GOVERNMENT & LEGISLATIVE					1,406.5		Core
Pay	CHB	Dylan Jeffrey	Pay and Reward	Contribution to pay pot and impact on base budget of uplifting pay grades in accordance with single pay reward scheme including the revision of lower Kent Scheme pay scales to further increase the differential between the lowest pay range and the Foundation Living Wage and increasing the annual leave entitlement for some staff. This is the subject of pay bargaining with Trade Unions.	13,500.0	Other	Core
Pay	CYPE	Sue Chandler	Agency Staff	Uplift in pay budget in line with average earnings for posts which are temporarily covered by agency staff- Integrated Children's Services	332.0	Integrated Children's Services	Core
Pay	CYPE	Rory Love	Agency Staff	Uplift in pay budget in line with average earnings for posts which are temporarily covered by agency staff - Special Educational Needs	181.0	Other	Core
Pay	CYPE	Sue Chandler	Agency Staff	Uplift in pay budget in line with average earnings for posts which are temporarily covered by agency staff - lifespan pathway 0-25	40.0	Integrated Children's Services	Core
Pay	GET	Clair Bell	Public Protection	Increase in staffing costs and consumables within Kent Scientific Services to deliver scientific testing which are offset by increased income	49.0	Other	Core
Pay	GET	Clair Bell	Coroners	Increase in pay for senior, area and assistant coroners in accordance with the pay award agreed by the national Joint Negotiating Committee for Coroners	36.0	Other	Core
Pay	NAC	Peter Oakford	Apprenticeship Levy	Increase in the Apprenticeship Levy in line with the pay award	67.9	Other	Core
TOTAL PAY					14,205.9		Core

APPENDIX D: 2024-25 DRAFT BUDGET - SPENDING PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Prices	ASCH	Dan Watkins	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments - Vulnerable Adults	14,317.2	Vulnerable Adults	Core
Prices	ASCH	Dan Watkins	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments - Older People	10,075.9	Older People	Core
Prices	ASCH	Dan Watkins	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages funded by the Market Sustainability and Improvement Fund included in the provisional local government finance settlement - Older People	2,155.1	Older People	Core
Prices	ASCH	Dan Watkins	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages funded by the Market Sustainability and Improvement Fund included in the provisional local government finance settlement - Vulnerable Adults	1,934.1	Vulnerable Adults	Core
Prices	CYPE	Rory Love	Home to School Transport	Provision for inflation on contracted services and season tickets for mainstream & SEN Home to School and College Transport	4,933.0	Transport	Core
Prices	CYPE	Sue Chandler	Children's Social Care	Provision for price negotiations with external providers, and uplift to in-house foster carers in line with DFE guidance - Integrated Children's Services	4,513.0	Integrated Children's Services	Core
Prices	CYPE	Sue Chandler	Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments - Vulnerable Adults 18-25	2,447.0	Vulnerable Adults	Core
Prices	CYPE	Sue Chandler	Children's Social Care	Provision for price negotiations with external providers, and uplift to in-house foster carers in line with DFE guidance - lifespan pathway 0-25	937.0	Integrated Children's Services	Core
Prices	CYPE	Rory Love	Kent Travel Saver & Kent 16+ Travel Saver	Provision for price inflation related to the Kent Travel Saver and Kent 16+ Travel Saver which is recovered through uplifting the charge for the pass - Kent 16+ Travel Saver	210.0	Transport	Core
Prices	CYPE	Rory Love	Non specific price provision	Non specific provision for CPI inflation on other negotiated contracts without indexation clauses - Children, Young People & Education	180.0	Other	Core
Prices	CYPE	Rory Love	Facilities Management	Estimated future price uplift to new Facilities Management contracts - schools	91.0	Other	Core
Prices	CYPE	Sue Chandler	Children's Social Care	Provision for price negotiations with external providers, and uplift to in-house foster carers in line with DFE guidance	73.0	Integrated Children's Services	Core
Prices	DCED	Peter Oakford	Facilities Management	Estimated future price uplift to new Facilities Management contracts - Corporate Landlord	867.7	Other	Core
Prices	DCED	Peter Oakford	Corporate Landlord	Provision for price inflation for rates for the office estate	417.4	Other	Core
Prices	DCED	Peter Oakford	Cantium Business Solutions (CBS)	Inflationary uplift on the CBS ICT contract	390.3	Other	Core
Prices	DCED	Peter Oakford	Technology contracts	Provision for price inflation on Third Party ICT related contracts	272.2	Other	Core
Prices	DCED	Peter Oakford	Corporate Landlord	Provision for price inflation for rent for the office estate	269.6	Other	Core
Prices	DCED	Peter Oakford	Kent Commercial Services (KCS)	Inflationary uplift on the KCS HR Connect contract	109.6	Other	Core

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A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Prices	DCED	Dylan Jeffrey	Contact Centre	Price inflation on Agilisys contract for provision of Contact Centre	103.9	Other	Core
Prices	DCED	Peter Oakford	KCC Estate Energy	Anticipated price change on energy contracts for the KCC estate as estimated by Commercial Services	-948.6	Other	Core
Prices	GET	Neil Baker	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - Highways contracts	1,170.3	Highways	Core
Prices	GET	Susan Carey	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - Waste contracts	1,117.6	Waste	Core
Prices	GET	Neil Baker	Other Transport Related inflation	Provision for price inflation related to other transport services including subsidised bus services - subsidised bus routes	584.0	Transport	Core
Prices	GET	Neil Baker	Kent Travel Saver	Provision for price inflation related to the Kent Travel Saver and Kent 16+ Travel Saver which is recovered through uplifting the charge for the pass - Kent Travel Saver	463.5	Transport	Core
Prices	GET	Neil Baker	Highways Management	The handing back of the urban grass cutting and rural verge mowing contract by Folkestone & Hythe District Council	100.0	Highways	Core
Prices	GET	Clair Bell	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - Public Rights of Way contracts	81.7	Other	Core
Prices	GET	Clair Bell	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - Coroners Funeral Directors contract	37.0	Other	Core
Prices	GET	Clair Bell	Coroners	Provision for inflationary increase in specialist pathologist fees	25.5	Other	Core
Prices	GET	Clair Bell	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - Coroners Post Mortem contract	21.2	Other	Core
Prices	GET	Clair Bell	Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices) - annual uplift to the SLA with Tunbridge Wells Borough Council for the running costs of the Amelia	13.0	Other	Core
Prices	GET	Clair Bell	Other Transport Related inflation	Provision for price inflation related to other transport services including subsidised bus services - Mobile libraries fuel	5.0	Other	Core
Prices	GET	Neil Baker	Streetlight Energy	Provision for price changes related to Streetlight energy as estimated by Commercial Services	-777.3	Highways	Core
Prices	NAC	Peter Oakford	Levies	Estimated increase in Environment Agency Levy together with impact of estimated change in taxbase	23.8	Other	Core
Prices	NAC	Peter Oakford	Non specific price provision	Non specific provision for CPI inflation on other negotiated contracts without indexation clauses - increase in Inshore Sea Fisheries Conservation Area (IFCA) Levy	21.2	Other	Core
TOTAL PRICES					46,234.9		Core
Reduction in Grant Income	GET	Clair Bell	EU funding	Replace a reduction in EU Funding ensuring sufficient resource is available to continue delivering the Positive Wellbeing Service at current levels	35.0	Older People	Core
TOTAL REDUCTION IN GRANT INCOME					35.0		Core

APPENDIX D: 2024-25 DRAFT BUDGET - SPENDING PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Service Strategies & Improvements	ASCH	Dan Watkins	Adult Social Care	Increase in the bad debt provision to reflect the anticipated impact of the high cost of living on our income collection rates from client contributions - Older People	256.3	Older People	Core
Service Strategies & Improvements	ASCH	Dan Watkins	Adult Social Care	Increase in the bad debt provision to reflect the anticipated impact of the high cost of living on our income collection rates from client contributions - Vulnerable Adults	81.8	Vulnerable Adults	Core
Service Strategies & Improvements	ASCH	Dan Watkins	Adult Safeguarding	Removal of two year pilot to combat Serious and Organised Crime	-42.0	Adult Social Care staffing	Core
Service Strategies & Improvements	CED	Peter Oakford	Partnership Arrangements with District Councils	Incentive payments for Kent District Councils to remove the remaining empty property discounts to maximise council tax, and reimburse Kent District Councils for temporary discretionary council tax discounts provided for properties affected by fire or flooding	541.1	Other	Core
Service Strategies & Improvements	CED	Peter Oakford	Member Allowances	Uplift to Member Allowances	115.5	Other	Core
Service Strategies & Improvements	CYPE	Rory Love	Special Educational Needs	Increase in staff numbers in SEN service to support improved quality of Education Health & Care Plans	2,000.0	Other	Core
Service Strategies & Improvements	CYPE	Sue Chandler	Adult Social Care	Increase in the bad debt provision to reflect the anticipated impact of the high cost of living on our income collection rates from client contributions - Vulnerable Adults 18-25	8.0	Vulnerable Adults	Core
Service Strategies & Improvements	DCED	Peter Oakford	Oakwood House Development	Removal of holding costs and loss of income in the short term once Oakwood House is no longer operational, offset by savings in the longer term following change of use	-320.0	Other	Core
Service Strategies & Improvements	GET	Neil Baker	Highways	<p>Increased highway spend in line with additional Outcome allocation for 2024/24. Activity focused on supporting the front line operational activities across the highway network as follows:</p> <p>Service improvement: £2.4m to enhance the national pothole funding</p> <p>Unavoidable (realignment): £1.2m committed HTMC operational impact on district teams £1.0m to drainage to realign budget for current activity levels £0.4m to winter service to realign for current activity projections</p>	5,000.0	Highways	Core
Service Strategies & Improvements	GET	Clair Bell	Country Parks	Change the funding of improvements and adaptations to country parks from capital to revenue	70.0	Other	Core
Service Strategies & Improvements	GET	Clair Bell	Sports Facilities	Change the funding of refurbishment and provision of sports facilities and community projects from capital to revenue	37.5	Other	Core
Service Strategies & Improvements	GET	Clair Bell	Village Halls & Community Centres	Change the funding of grants for improvements and adaptations to village halls and community centres from capital to revenue	37.5	Other	Core
Service Strategies & Improvements	GET	Derek Murphy	Economic Development Recovery Plan	Removal of time limited funding for re-design of the service and additional staffing and consultancy capacity to draft and deliver the Economic Recovery Plan/Economic Strategy following the Covid pandemic	-80.0	Other	Core

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A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Service Strategies & Improvements	NAC	Peter Oakford	Project Prime	Loss of income from a review of contract with Commercial Services Group, specifically due to the removal of buy back of services	3,000.0	Other	Core
Service Strategies & Improvements	NAC	Peter Oakford	Capital Programme	The impact on debt charges of the review of the 2021-24 capital programme.	2,500.0	Other	Core
TOTAL SERVICE STRATEGIES & IMPROVEMENTS					13,205.7		Core
Demand & Cost Drivers	Public Health	Dan Watkins	Public Health	Estimated increase in internal recharges for support services	375.1	Other	External
Demand & Cost Drivers	Public Health	Dan Watkins	Public Health - Healthy Lifestyles	Removal of additional temporary funding for reducing waiting lists for Postural Stability	-60.4	Other	External
TOTAL DEMAND & COST DRIVERS					314.7		External
Government & Legislative	CED	Roger Gough	Domestic Abuse New Burdens	Costs of undertaking domestic abuse support in safe accommodation duties funded by specific grant	59.9	Other	External
Government & Legislative	CHB	Peter Oakford	Household Support Fund	Removal of the extension of the Government funded Household Support Fund into 2023-24 as announced in the Chancellor's Autumn Statement on 17th November 2022	-22,130.8	Other	External
Government & Legislative	CYPE	Sue Chandler	Family Hubs	Estimated reduction in our share of the DfE/DHSC Family Hubs and Start for Life grant	-777.0	Integrated Children's Services	External
Government & Legislative	Public Health	Dan Watkins	Public Health - Substance Misuse	Targeted housing support interventions for people in drug and alcohol treatment funded by Drug Strategy Housing Support Grant from Office for Health Improvement & Disparities	23.1	Other	External
Government & Legislative	Public Health	Dan Watkins	Public Health - Substance Misuse	Investment in substance misuse services funded by Individual Placement and Support in Community Drug and Alcohol Treatment Grant from Office for Health Improvement & Disparities	7.5	Other	External
Government & Legislative	Public Health	Dan Watkins	Public Health - Substance Misuse	Removal of wraparound and engagement and community treatment funded by one-off Rough Sleeping Drug and Alcohol Treatment Grant from Office for Health Improvement & Disparities in 2023-24	-520.2	Other	External
TOTAL GOVERNMENT & LEGISLATIVE					-23,337.5		External
Pay	Public Health	Dan Watkins	Public Health Pay	Estimated net impact of KCC pay award and other adjustments for KCC Public Health staff	505.1	Other	External
TOTAL PAY					505.1		External
Prices	Public Health	Dan Watkins	Public Health contracts	Estimated increase in public health contract values linked to the NHS Agenda for change pay increases	614.2	Other	External
Prices	Public Health	Dan Watkins	Public Health - Sexual Health	Contractual increases in other services including Sexual Health and Health Improvement	353.2	Other	External
TOTAL PRICES					967.4		External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Substance Misuse	Investment in Substance Misuse services funded by Supplemental Substance Misuse Treatment and Recovery grant from Office for Health Improvement & Disparities	1,412.9	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Other	Removal of additional temporary investment in other minor service improvements	-20.0	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Healthy Lifestyles	Removal of temporary investment in Public Health services to promote and support health visiting	-118.4	Other	External

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A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of spending increase	A6iii - Brief description of spending increase	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Spending Template relate to?	E3i - Is this Externally or Core funded?
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Healthy Lifestyles	Removal of additional temporary investment in Public Health services to promote and support Healthy Lifestyles	-195.4	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Sexual Health	Removal of additional temporary investment in Public Health Sexual Health Services	-212.9	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Healthy Lifestyles	Removal of temporary public health contribution towards the voluntary sector in 2023-24	-350.0	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Children's Programme	Removal of additional temporary investment in counselling services for children	-1,085.0	Other	External
Service Strategies & Improvements	Public Health	Dan Watkins	Public Health - Mental Health	Removal of one-off public health investment in Live Well Kent in 2023-24	-2,000.0	Other	External
TOTAL SERVICE STRATEGIES & IMPROVEMENTS					-2,568.8		External

APPENDIX D: 2024-25 DRAFT BUDGET - SAVINGS PROPOSALS

						-48,638.0		
A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of saving/income	A6iii - Brief description of saving/income	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Saving/ Income Template relate to?	E3 - Is this Externally or Core Funded?	
Policy	ASCH	Dan Watkins	Adult Social Care Charging	Review of the Adults Charging Policy, in line with Care Act legislation and the statutory guidance	-1,250.0	Vulnerable Adults	Core	
Policy	CED	Peter Oakford	Partnership arrangements with District Councils	Cease Early Intervention Payments to District Councils	-82.5	Other	Core	
Policy	CED	Peter Oakford	Member Services	End Select Committees and Short Focused Inquiries	-20.0	Other	Core	
Policy	CYPE	Sue Chandler	Review of Open Access - Youth Services & Children's Centres	Review of open access services in light of implementing the Family Hub model	-1,500.0	Integrated Children's Services	Core	
Policy	CYPE	Rory Love	Services to Schools	Review our offer to schools in light of the latest DFE funding changes and guidance including exploring alternative funding arrangements and engaging in efficiency measure to reduce costs	-1,200.0	Other	Core	
Policy	CYPE	Rory Love	SEN Transport	Introduction of charging for post 16 SEN transport and reductions to the Post 19 transport offer	-781.0	Transport	Core	
Policy	CYPE	Sue Chandler	Children's Residential Care	Development of in-house residential units to provide an alternative to independent sector residential care placements (invest to save)	100.0	Integrated Children's Services	Core	
Policy	CYPE	Rory Love	Kent 16+ Travel Saver	Removal of undeliverable 2023-24 saving and review the Kent 16+ Travel Saver scheme	250.0	Transport	Core	
Policy	DCED	Peter Oakford	Corporate Landlord	Review of Office Assets	-763.9	Other	Core	
Policy	DCED	Peter Oakford	Corporate Landlord	Review of Community Delivery including Assets	-101.0	Other	Core	
Policy	GET	Susan Carey	Waste - Household Waste & Recycling Centres (HWRCs)	Review of the number and operation of HWRC sites	-616.0	Waste	Core	
Policy	GET	Clair Bell	Review of Community Wardens	Review of Community Warden Service to deliver a £1m saving which is likely to result in an overall reduction in wardens	-500.0	Other	Core	
Policy	GET	Clair Bell	Reduction of Trading Standards Budget	Adjustment of Trading Standards legal costs as Courts recover post-Covid	-55.0	Other	Core	
Policy	GET	Susan Carey	Planning Applications	Savings from delayed recruitment	-50.0	Other	Core	
TOTAL POLICY SAVINGS					-6,569.4		Core	
Income	ASCH	Dan Watkins	Review of Charges for Service Users - existing service income streams & inflationary increases	Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - Older People	-4,773.1	Older People	Core	
Income	ASCH	Dan Watkins	Adult Social Care	Estimated annual inflationary increase in Better Care Fund - Older People	-2,188.0	Older People	Core	
Income	ASCH	Dan Watkins	Review of Charges for Service Users - existing service income streams & inflationary increases	Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - Vulnerable Adults	-1,529.1	Vulnerable Adults	Core	
Income	ASCH	Dan Watkins	Adult Social Care	Estimated annual inflationary increase in Better Care Fund - Vulnerable Adults	-179.5	Vulnerable Adults	Core	

APPENDIX D: 2024-25 DRAFT BUDGET - SAVINGS PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of saving/income	A6iii - Brief description of saving/income	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Saving/ Income Template relate to?	E3 - Is this Externally or Core Funded?
Income	ASCH	Dan Watkins	Adult Social Care	Estimated annual inflationary increase in Better Care Fund - Adult Social Care Staffing	-99.8	Adult Social Care staffing	Core
Income	ASCH	Dan Watkins	Adult Social Care	Estimated annual inflationary increase in Better Care Fund - Integrated Community Equipment Service and Assistive Technology	-4.4	Other	Core
Income	CHB	Peter Oakford	Review of fees & charges	Removal of corporately held saving from a review of all fees and charges as these savings are reflected within the individual directorate proposals	500.0	Other	Core
Income	CYPE	Sue Chandler	Adoption Service	Adoption Service	-200.0	Integrated Children's Services	Core
Income	CYPE	Sue Chandler	Review of Charges for Service Users - existing service income streams & inflationary increases	Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - 0-25	-123.7	Vulnerable Adults	Core
Income	CYPE	Rory Love	Kent 16+ Travel Saver	Kent 16+ Travel Saver price realignment to offset bus operator inflationary fare increases	-94.0	Transport	Core
Income	GET	Neil Baker	Kent Travel Saver	Kent Travel Saver price realignment to offset bus operator inflationary fare increases	-463.5	Transport	Core
Income	GET	Neil Baker	Highways	Increase in net income from recovery of costs from third parties for streetworks and permit scheme	-100.0	Highways	Core
Income	GET	Neil Baker	Highways	Income from traffic management penalties including contravening traffic restrictions, box junctions and bus lanes	-100.0	Highways	Core
Income	GET	Clair Bell	Public Protection	Increased income within Kent Scientific Services for toxicology analysis for the Coroners Service	-60.0	Other	Core
Income	GET	Clair Bell	Review of Charges for Service Users - existing service income streams & inflationary increases	A review of fees and charges across all KCC services, in relation to existing service income streams	-50.0	Other	Core
Income	GET	Clair Bell	Review of Charges for Service Users - existing service income streams & inflationary increases	Increased contribution from Medway Council under SLA relating to increasing costs for provision of Coroner service in Medway	-49.0	Other	Core
Income	GET	Clair Bell	Public Protection	Inflationary increase in income levels and pricing policy for Kent Scientific Services	-45.0	Other	Core
Income	GET	Clair Bell	Trading Standards	Inflationary increase in fees and charges	-1.4	Other	Core
Income	NAC	Peter Oakford	Income return from our companies	Estimated increase in the income contribution from our limited companies	-500.0	Other	Core
TOTAL INCOME					-10,060.5		Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign phase 2 of the ASCH restructure	Review and reshape the ASCH savings plans set out in the sustainability plan to deliver new models of social care, and reducing costs associated with care and support with a specific focus on growth - Vulnerable Adults	-15,745.3	Vulnerable Adults	Core

APPENDIX D: 2024-25 DRAFT BUDGET - SAVINGS PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of saving/income	A6iii - Brief description of saving/income	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Saving/ Income Template relate to?	E3 - Is this Externally or Core Funded?
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign phase 2 of the ASCH restructure	Review and reshape the ASCH savings plans set out in the sustainability plan to deliver new models of social care, and reducing costs associated with care and support with a specific focus on growth - Older People	-8,856.7	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Older People's Residential & Nursing Care	Negotiate 5% reduction in Older People's Residential & Nursing contract expenditure	-8,000.0	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Care & Support in the Home	Negotiate 5% reduction in Care & Support in the Home contract expenditure	-3,400.0	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on increasing the take up of direct payments for use on micro-enterprises, Personal Assistants - Vulnerable Adults	-1,581.4	Vulnerable Adults	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on increasing the take up of Technology Enabled Care - Older People	-1,471.2	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on increasing the take up of direct payments for use on micro-enterprises, Personal Assistants - Older People	-1,459.7	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care Equipment contract	Efficiencies from new contract for the supply of equipment for adult social care clients	-900.0	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on increasing the take up of Technology Enabled Care - Vulnerable Adults	-577.8	Vulnerable Adults	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care	Regular review of new and existing care packages to ensure that they are achieving the best outcomes - Vulnerable Adults	-347.4	Vulnerable Adults	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care	Regular review of new and existing care packages to ensure that they are achieving the best outcomes - Older People	-309.4	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on digital self service - by developing new, accessible and user-friendly ways for people to access clear information and support from adult social care when they need it. Includes the use of self-assessment and financial assessment tools so people can access this remotely - Vulnerable Adults	-212.1	Vulnerable Adults	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Continuation of of savings from earlier years from the redesign of the Adult Social Care operating model. This saving focuses on digital self service - by developing new, accessible and user-friendly ways for people to access clear information and support from adult social care when they need it. Includes the use of self-assessment and financial assessment tools so people can access this remotely - Older People	-195.8	Older People	Core

APPENDIX D: 2024-25 DRAFT BUDGET - SAVINGS PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of saving/income	A6iii - Brief description of saving/income	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Saving/Income Template relate to?	E3 - Is this Externally or Core Funded?
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Rephasing of 2023-24 service redesign saving - Older People	1,356.6	Older People	Core
Transformation & Efficiency	ASCH	Dan Watkins	Adult Social Care service redesign	Rephasing of 2023-24 service redesign saving - Vulnerable Adults	1,942.1	Vulnerable Adults	Core
Transformation & Efficiency	CED	Peter Oakford	Historic Pension Costs	Reduction in the number of Historic Pension Arrangements within CED Directorate	-250.0	Other	Core
Transformation & Efficiency	CYPE	Rory Love	Home to School transport - SEN	Estimated reduction to the impact of rising pupil population on SEN Home to School and College Transport	-6,300.0	Transport	Core
Transformation & Efficiency	CYPE	Sue Chandler	Looked After Children	Implement strategies to reduce the cost of packages for looked after children, including working with Health	-1,000.0	Integrated Children's Services	Core
Transformation & Efficiency	CYPE	Sue Chandler	Adult Social Care	Review of 18-25 community-based services: ensuring strict adherence to policy, review of packages with high levels of support and enhanced contributions from health	-650.0	Vulnerable Adults	Core
Transformation & Efficiency	CYPE	Sue Chandler	Early Help & Preventative Services	Expanding the reach of caseholding Early Help services	-560.0	Integrated Children's Services	Core
Transformation & Efficiency	CYPE	Sue Chandler	Disabled Children's Placement and Support	Review of children with disability packages ensuring strict adherence to policy, review packages with high levels of support and enhanced contributions from health	-550.0	Integrated Children's Services	Core
Transformation & Efficiency	CYPE	Sue Chandler	Children's Social Care	Explore strategies, including statutory guidance, to reduce dependency on social work agency staff	-300.0	Integrated Children's Services	Core
Transformation & Efficiency	CYPE	Rory Love	Initiatives to increase use of Personal Transport Budgets	Initiatives to increase use of Personal Transport Budgets to reduce demand for Hired Transport	-300.0	Transport	Core
Transformation & Efficiency	CYPE	Rory Love	Historic Pension Costs	Reduction in the number of Historic Pension Arrangements - CYPE Directorate	-180.0	Other	Core
Transformation & Efficiency	CYPE	Sue Chandler	Open Access - Youth & Children's Centres	Removal of one-off saving in 2023-24 from vacancy management and avoiding all non-essential spend across open access	600.0	Integrated Children's Services	Core
Transformation & Efficiency	DCED	Peter Oakford	Corporate Landlord	Property savings from a review of specialist assets	-45.0	Other	Core
Transformation & Efficiency	GET	Susan Carey	Improved Food Waste Recycling Rates	Work with Kent District Councils to deliver savings from improving kerbside food waste recycling rates	-160.0	Waste	Core
Transformation & Efficiency	GET	Susan Carey	Waste - Household Waste & Recycling Centres (HWRCs)	Increased waste material segregation, increased re-use, black-bag splitting and trade waste recycling with a view to generating income or reducing cost	-105.0	Waste	Core
Transformation & Efficiency	GET	Neil Baker	Highways	Renegotiate income levels to include inflationary uplift for permit scheme, lane rental scheme & National Driver Offender Retraining Scheme	-50.0	Highways	Core
Transformation & Efficiency	GET	Susan Carey	Windmills	Temporary reduction in spend on weatherproofing windmills	-50.0	Other	Core
Transformation & Efficiency	GET	Clair Bell	Kent Sport	Withdraw the remaining contribution to the KCC hosted Active Kent and Medway.	-28.0	Other	Core

APPENDIX D: 2024-25 DRAFT BUDGET - SAVINGS PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of saving/income	A6iii - Brief description of saving/income	A8i - 2024-25 Amount £000's - LATEST Figure	B1i - What priority service area (Big 6) does the Saving/Income Template relate to?	E3 - Is this Externally or Core Funded?
Transformation & Efficiency	GET	Clair Bell	Libraries, Registration & Archives (LRA)	Removal of one-off reduction in 2023-24 in the Libraries Materials Fund and one year contribution holiday for the Mobile Libraries renewals reserve	-1.0	Other	Core
Transformation & Efficiency	GET	Susan Carey	Environment	Removal of one-off saving in 2023-24 from planned delay in recruiting to the new structure in the Environment Team	300.0	Other	Core
TOTAL TRANSFORMATION & EFFICIENCY SAVINGS					-49,387.1		Core
Financing	NAC	Peter Oakford	Investment Income	Increase in investment income largely due to the increase in base rate	-2,279.6	Other	Core
Financing	NAC	Peter Oakford	Debt repayment	Review amounts set aside for debt repayment (MRP) based on review of asset life	-1,000.0	Other	Core
TOTAL FINANCING SAVINGS					-3,279.6		Core
Policy	Public Health	Dan Watkins	Public Health	Review of Public Health Services principally related to Healthy Lifestyles to ensure spending is contained within ringfenced grant	-9.2	Other	External
TOTAL POLICY SAVINGS					-9.2		External
Income	Public Health	Dan Watkins	Additional income linked to HIV prevention	Additional income from NHSE to fund increased costs linked to HIV prevention	-275.2	Other	External
Income	Public Health	Dan Watkins	Public Health	Estimated additional income for externally funded posts	-6.1	Other	External
TOTAL INCOME					-281.3		External
Increases in Grants and Contributions	CED	Roger Gough	Domestic Abuse	Increase in Domestic Abuse Duty grant to fund new burdens in providing domestic abuse support in safe accommodation	-59.9	Other	External
Increases in Grants and Contributions	CHB	Roger Gough	Household Support Fund	Removal of the extension of the Government funded Household Support Fund into 2023-24 as announced in the Chancellor's Autumn Statement on 17th November 2022	22,130.8	Other	External
Increases in Grants and Contributions	CYPE	Sue Chandler	Family Hubs	Estimated reduction in our share of the DfE/DHSC Family Hubs and Start for Life grant	777.0	Integrated Children's Services	External
Increases in Grants and Contributions	Public Health	Dan Watkins	Public Health - Substance Misuse	Supplemental Substance Misuse Treatment and Recovery grant from Office for Health Improvement & Disparities	-1,412.9	Other	External
Increases in Grants and Contributions	Public Health	Dan Watkins	Public Health Grant	Estimated increase in Public Health Grant pending announcement from Department of Health and Social Care	-975.5	Other	External
Increases in Grants and Contributions	Public Health	Dan Watkins	Public Health - Substance Misuse	Drug Strategy Housing Support Grant from Office for Health Improvement & Disparities	-23.1	Other	External
Increases in Grants and Contributions	Public Health	Dan Watkins	Public Health - Substance Misuse	Individual Placement and Support in Community Drug and Alcohol Treatment Grant from Office for Health Improvement & Disparities	-7.5	Other	External
Increases in Grants and Contributions	Public Health	Dan Watkins	Public Health - Substance Misuse	Remove one-off Rough Sleeping Drug and Alcohol Treatment Grant from Office for Health Improvement & Disparities	520.2	Other	External
TOTAL INCREASES IN GRANTS & CONTRIBUTIONS					20,949.1		External

APPENDIX D: 2024-25 DRAFT BUDGET - RESERVES PROPOSALS

						19,910.3		
A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of reserve template	A6iii - Brief description of reserve template	A8i - 2024-25 Amount £000's - NEW Figure	B1 - What priority service area does the Reserve Template relate to?	E3 - Is this Externally or Core Funded?	
Contributions to reserves	NAC	Peter Oakford	Dedicated Schools Grant (DSG) Deficit - Safety Valve	KCC Contribution towards funding the DSG deficit as agreed with DfE as part of the Safety Valve agreement	15,100.0	Other	Core	
Contributions to reserves	NAC	Peter Oakford	General Reserves repayment	Repay the General Reserve over two years (2024-25 & 2025-26) for the drawdown required in 2022-23 to fund the overspend	11,050.0	Other	Core	
Contributions to reserves	NAC	Peter Oakford	General Reserves	Contribution to reserves in order to maintain general reserve at 5% of net revenue budget	5,100.0	Other	Core	
Contributions to reserves	NAC	Peter Oakford	Corporate Reserves	Contribution to reserves to repay the drawdown required to balance the budget in 2023-24 in order to maintain financial resilience	4,289.7	Other	Core	
Contributions to reserves	NAC	Peter Oakford	Emergency capital events reserve	Annual contribution to a new reserve for emergency capital works and revenue costs related to capital spend such as temporary accommodation, and condition surveys which don't result in capital works	1,000.0	Other	Core	
Contributions to reserves	DCED	Peter Oakford	Facilities Management	Contribution to reserves to smooth the impact of the mobilisation costs of the Facilities Management contracts over the life of the contracts (2022-23 to 2026-27)	160.0	Other	Core	
TOTAL CONTRIBUTIONS TO RESERVES					36,699.7		Core	
Drawdowns from reserves	ASCH	Dan Watkins	Drawdown corporate reserves	Fund the Kent Support and Assistance Service from Corporate Reserves for two years 2023-24 and 2024-25 - ASCH Directorate	-567.2	Other	Core	
Drawdowns from reserves	CED	Roger Gough	Drawdown corporate reserves	Fund the Kent Support and Assistance Service from Corporate Reserves for two years 2023-24 and 2024-25 - CED Directorate	-262.0	Other	Core	
TOTAL DRAWDOWNS FROM RESERVES					-829.2		Core	
Removal of prior year Contributions	NAC	Peter Oakford	Risk Reserve	Removal of prior year one-off contribution to risk reserve (2023-24 increase in annual contribution)	-7,000.0	Other	Core	
Removal of prior year Contributions	NAC	Peter Oakford	General Reserves	Removal of prior year one-off contribution to general reserve	-5,800.0	Other	Core	
Removal of prior year Contributions	NAC	Peter Oakford	Risk Reserve	Removal of prior year one-off contribution to risk reserve (original contribution)	-5,000.0	Other	Core	
Removal of prior year Contributions	NAC	Peter Oakford	Local Taxation Equalisation - Council Tax Collection Fund	Removal of prior year contribution to Local Taxation Equalisation smoothing reserve of Council Tax Collection Fund surplus above £7m assumed	-4,488.7	Other	Core	
Removal of prior year Contributions	NAC	Peter Oakford	Removal of contribution related to repayment of previous "borrowing" from reserves	Reduction & full removal of the annual repayment of the "borrowing" from reserves to support the budget in 2011-12, reflecting when the reserves will be fully repaid	-1,223.3	Other	Core	
Removal of prior year Contributions	NAC	Peter Oakford	Local Taxation Equalisation - Business Rates Collection Fund	Removal of prior year contribution to the Local Taxation Equalisation smoothing reserve of the Business Rates Collection Fund surplus	-1,067.6	Other	Core	
Removal of prior year Contributions	DCED	Peter Oakford	Facilities Management	Removal of prior year contribution to reserves to smooth the impact of the mobilisation costs of the Facilities Management contracts over the life of the contracts (2022-23 to 2026-27)	-160.0	Other	Core	
TOTAL REMOVAL OF PRIOR YEAR CONTRIBUTIONS					-24,739.6		Core	

APPENDIX D: 2024-25 DRAFT BUDGET - RESERVES PROPOSALS

A9 - MTFP Category	A2 - Directorate	A5 - Cabinet Member	A6ii - Headline description of reserve template	A6iii - Brief description of reserve template	A8i - 2024-25 Amount £000's - NEW Figure	B1 - What priority service area does the Reserve Template relate to?	E3 - Is this Externally or Core Funded?
Removal of prior year Drawdowns	NAC	Peter Oakford	Drawdown corporate reserves	Removal of one-off use of reserves in 2023-24	4,289.7	Other	Core
Removal of prior year Drawdowns	ASCH	Dan Watkins	Drawdown corporate reserves	Removal of use of corporate reserves in prior year to fund the Kent Support and Assistance Service - ASCH Directorate	567.2	Other	Core
Removal of prior year Drawdowns	CED	Roger Gough	Remove prior year drawdown from Covid reserve	Removal of use of corporate reserves in prior year to fund the Kent Support and Assistance Service - CED Directorate	262.0	Other	Core
Removal of prior year Drawdowns	NAC	Peter Oakford	Drawdown corporate reserves	Removal of one-off drawdown from No Use Empty reserve in 2023-24	200.0	Other	Core
TOTAL REMOVAL OF PRIOR YEAR DRAWDOWNS					5,318.9		Core
Drawdowns from reserves	Public Health	Dan Watkins	Public Health Reserves	Use of Public Health reserves to fund one-off costs and invest to save initiatives in 2024-25	-336.6	Other	External
Drawdowns from reserves	Public Health	Dan Watkins	Public Health Reserves	Use of Public Health reserves to balance 2024-25 budget plans	-13.9	Other	External
TOTAL DRAWDOWNS FROM RESERVES					-350.5		External
Removal of prior year Drawdowns	Public Health	Dan Watkins	Public Health Reserves	Removal of use of Public Health reserves to fund one-off costs in previous year	2,440.3	Other	External
Removal of prior year Drawdowns	Public Health	Dan Watkins	Public Health Reserves	Removal of use of Public Health (Kent Community Health NHS Foundation Trust) reserves to fund one-off costs in previous year	1,313.9	Other	External
Removal of prior year Drawdowns	Public Health	Dan Watkins	Public Health Reserves	Removal of use of Public Health (Maidstone & Tunbridge Wells NHS Trust) reserves to fund one-off costs in previous year	56.8	Other	External
TOTAL REMOVAL OF PRIOR YEAR DRAWDOWNS					3,811.0		External

Key

ASCH	Adult Social Care & Health
CED	Chief Executive's Department
CHB	Corporately Held Budgets
CYPE	Children, Young People & Education
DCED	Deputy ChiefExecutive's Department
GET	Growth, Environment & Transport
NAC	Non Attributable Costs

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Reserves Policy

1. Background and Context

- 1.1. Sections 32 and 43 of the Local Government Finance Act 1992 require councils to consider the level of reserves when setting a budget requirement. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (Section 151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement. The accounting treatment for reserves is set out in the Code of Practice on Local Authority Accounting.
- 1.2. CIPFA issued Local Authority Accounting Panel (LAAP) Bulletin No.99, Guidance Note on Local Authority Reserves and Balances in July 2014, which updated previous Bulletins to reflect the new requirements of the International Financial Reporting Standards (IFRS) Code of Practice. In addition, during the period of financial austerity for the public sector, the Local Authority Accounting Panel considered it necessary to update the guidance on local authority reserves and balances. Compliance with the guidance is recommended in CIPFA's Statement on the Role of the Chief Financial Officer in Local Government. In response to the above requirements, this policy sets out the Council's approach for compliance with the statutory regime and relevant non-statutory guidance for the Council's cash backed usable reserves.
- 1.3. All reserves are categorised as per the Local Authority Accounting Practice guidance, into the following groups:
 - **Smoothing** – These are reserves which are used to manage large fluctuations in spend or income across years e.g., PFI equalisation reserves. These reserves recognise the differences over time between the unitary charge and PFI credits received.
 - **Trading** – this reserve relates to the non-company trading entities of Laser and Commercial Services to cover potential trading losses and investment in business development.
 - **Renewals for Vehicles Plant & Equipment** – these reserves should be supported by an asset management plan, showing projected replacement profile and cost. These reserves help to reduce fluctuations in spend.
 - **Major projects** – set aside for future spending on projects.
 - **Insurance** - To fund the potential cost of insurance claims in excess of the amount provided for in the Insurance Fund provision, (potential or contingent liabilities)
 - **Unspent grant/external funding** – these are for unspent grants which the Council is not required to repay, but which have restrictions on what they may be used for e.g., the Public Health grant must be used on public health services. This category also consists of time limited projects funded from ringfenced external sources.
 - **Special Funds** – these are mainly held for economic development, tourism and regeneration initiatives.
 - **Partnerships** – these are reserves resulting from Council partnerships and are usually ringfenced for the benefit of the partnership or are held for investing in shared priorities.
 - **Departmental underspends** – these reserves relate to re-phasing of projects/initiatives and bids for use of year end underspending which are requested to roll forward into the following year.
- 1.4. Within the Statement of Accounts, reserves are summarised by the headings above. By categorising the reserves into the headings above, this is limited to the nine groups, plus Public Health, Schools and General. Operationally, each will be divided into the relevant sub reserves to ensure that ownership and effective management is maintained.

- 1.5 Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of ensuring the Council's strong financial standing and resilience. The Council's key sources of funding face an uncertain future and the Council therefore holds earmarked reserves and a working balance in order to mitigate future financial risks.
- 1.6 Earmarked reserves are reviewed regularly as part of the monitoring process and annually as part of the budget process, to determine whether the original purpose for the creation of the reserve still exists and whether or not the reserves should be released in full or in part or require topping up based on known/expected calls upon them. Particular attention is paid in the annual review to those reserves whose balances have not moved over a three-year period.

2. Overview

- 2.1. The Council's overall approach to reserves will be defined by the system of internal control. The system of internal control is set out, and its effectiveness reviewed, in the Annual Governance Statement (AGS). Key elements of the internal control environment are objective setting and monitoring, policy and decision-making, compliance with statute and procedure rules, risk management, achieving value for money, financial management and performance management. The AGS includes an overview of the general financial climate which the Council is operating within and significant funding risks.
- 2.2. The Council will maintain:
 - a general reserve; and
 - a number of earmarked reserves.
- 2.3. The level of the general reserve is a matter for the Council to determine having had regard to the advice of the S151 Officer. The level of the reserve will be a matter of judgement which will take account of the specific risks identified through the various corporate processes. It will also take account of the extent to which specific risks are supported through earmarked reserves. The level will be expressed as a cash sum over the period of the general fund medium-term financial strategy. The level will also be expressed as a percentage of the general funding requirement (to provide an indication of financial context). The Council's aim is to hold general reserves of 5% of the net revenue budget to recognise the heightened financial risk the Council is facing.

3. Strategic context

- 3.1. The Council continues to face a shortfall in funding compared to spending demands and must annually review its priorities in order to address the shortfall.
- 3.2. The Council also relies on interest earned through investments of our cash balances to support its general spending plans.
- 3.3. Reserves are one-off money. The Council aims to avoid using reserves to meet ongoing financial commitments other than as part of a sustainable budget plan and one of the Council's financial principles is to stop the use of one-off funding to support the base budget. The Council has to balance the opportunity cost of holding reserves in terms of Council Tax against the importance of interest earning and long-term future planning.

4. Management and governance

- 4.1 Each reserve must be supported by a protocol. All protocols should have an end date and at that point any balance should be transferred to the general reserve. If there is a genuine reason for slippage then the protocol will need to be updated.

A questionnaire is completed by the relevant budget holder and reviewed by Finance to ensure all reserves comply with legislative and accounting requirements. A de-minimis limit has been set to avoid small funds being set up which could be managed within existing budgets or declared as an overspend and then managed collectively. This has been set at £250k.

- 4.2 Reserves protocols and questionnaires must be sent to the Chief Accountant's Team within Finance for review and will be approved by the Corporate Director of Finance, Corporate Management Team and then by the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services. Protocols should clearly identify contributions to and drawdowns from reserves, and these will be built into the MTFP and monitored on a quarterly basis.

Accessing reserves will only be for significant unusual spend, more minor fluctuations will be managed or declared as budget variances. In-year draw-downs from reserves will be subject to the governance process set out in the revised financial regulations. Ongoing recurring costs should not be funded from reserves. Any request contrary to this will only be considered during the budget setting process. The short term use of reserves may be agreed to provide time to plan for a sustainable funding solution in the following financial year.

Decisions on the use of reserves may be delayed until financial year end and will be dependent on the overall financial position of the council rather than the position of just one budget area.

The current Financial Regulations state:

Maintenance of reserves & provisions

A.24 The Corporate Director of Finance is responsible for:

- i. proposing the Council's Reserves Policy.
- ii. advising the Leader and the Council on prudent levels of reserves for the Authority when the annual budget is being considered having regard to assessment of the financial risks facing the Authority.
- iii. ensuring that reserves are not only adequate but also necessary.
- iv. ensuring that there are clear protocols for the establishment and use of each earmarked reserve. Reserves should not be held without a clear purpose or without a planned profile of spend and contributions, procedures for the reserves managements and control, and a process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- v. ensuring that all renewals reserves are supported by a plan of budgeted contributions, based on an asset renewal plan that links to the fixed asset register.
- vi. ensuring that no money is transferred into reserves each financial year without prior agreement with him/herself.
- vii. ensuring compliance with the reserves policy and governance procedures relating to requests from the strategic priority and general corporate reserves.

- 4.3. All reserves are reviewed as part of the monitoring process, the budget preparation, financial management and closing of accounts processes. Cabinet is presented with the monitoring of reserves on a regular basis and in the outturn report and the Council will consider a report from the S151 Officer on the adequacy of the level of reserves in the annual budget setting process. The report will contain estimates of reserves where necessary. The Governance and Audit Committee will consider actual reserves when approving the statement of accounts each year.
- 4.4. The following rules apply:
- Any in year use of the General Reserve will need to be approved by Cabinet and any planned use will be part of the budget setting process.
 - In considering the use of reserves, there will be no or minimal impairment to the Council's financial resilience unless there is no alternative.
- 4.5. The Council will review the Reserves Policy on an annual basis.

Budget risks and adequacy of reserves

The assessment of budget risks and the adequacy of reserves is even more important for 2024-25 initial draft budget and the medium-term plan due to the priority to restore the council's financial resilience as set out in Securing Kent's Future – Budget Recovery Strategy". The strategy recognises that the current in-year overspend on the scale forecast and the underlying causes from rising costs most notably in adult social care, children in care and home to school transport represent a fundamental risk to the council's ability to set a balanced budget for 2024-25 and a sustainable MTFP to 2026-27. Those risks are assessed in more detail In this section of the budget. In the circumstances it is more essential than ever that the Council is sufficiently financially resilient to avoid the risk of financial failure leading to the Council losing the ability to manage its finances. This section includes a new and separate assessment of the current position of the council against the key symptoms of financial stress identified by CIPFA in its report entitled "Building Financial Resilience".

The administration's initial draft budget and MTFP is informed by the best estimate of service costs and income based on the information currently available. Publishing the initial draft in November inevitably means these estimates are longer range and thus more likely to change for the final budget or when actual costs are incurred. It is also acknowledged that this does not come without risks particularly as the recent trends for changes in key cost drivers makes forecasting them accurately under traditional incremental budgeting very difficult and we have not completed the full transition to an Outcomes Based Budgeting approach (which in any case would not in itself completely remove the risk from cost drivers). In addition, there will always be factors outside of the Council's direct control which have the potential to vary the key planning assumptions that underpin those estimates.

There are a number of significant risks that could affect either the cost of providing key services and/or level of service demand or its main sources of funding. In addition, there are general economic factors, such as the level of inflation and interest rates that can impact on the net cost of services going forward. Pressures from the main cost drivers and in some cases from service demand are evident in children's and adults social care, waste volumes, and home to school and special educational needs transport.

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

Risks

Cost of Living

- Extraordinary increases in the costs of goods and services procured by the Council
- Market instability due to workforce capacity as a result of recruitment and retention difficulties leading to exit of suppliers, increased costs, and supply chain shortages

- Increased demand for Council Services over and above demographic demands, including crisis and welfare support
- Reductions in income from fees and charges
- Under collection of local taxation leading to collection losses and reductions in tax base
- Claimants of Local Council Tax Reduction Scheme discounts

International Factors

- War in Ukraine and other conflicts causing instability
- Impact of the decision to leave the European Union
- Legacy impact of covid-19
- Ongoing supply chain disruption including energy supplies
- Breakdown of hosting arrangements under Homes for Ukraine scheme

Regulatory Risk

- **High Court ruling on Unaccompanied Asylum Seeking (UAS) Children** – the judgement that the council is responsible for supporting all UAS children arriving in the county until they are transferred under National Transfer Scheme impacts on the availability and therefore cost of carers for local children as well as risks of shortfalls in funding refugee schemes (see below)
- **Replacement Legislation and Regulation following Brexit** – including additional council responsibilities, impact on businesses and supply chains, and economic instability
- **Statutory overrides** – currently there are a number of statutory overrides in place which reduce short term risks e.g., high needs deficit, investment losses, etc. These are time limited and require a long-term solution
- **Funding settlements** - adequacy of the overall settlement and reliance on council tax over the medium term, and uncertainty over future settlements (especially beyond 2024-25)
- **Delayed Reforms to Social Care Charging** - uncertainty over future plans and funding, and providers' fee expectations
- **Other delayed legislative reforms** – impact on council costs and ability to deliver savings/spending reductions e.g. Extended Producer Responsibilities
- **Departmental Specific Grants** - Unanticipated changes in specific departmental grants and ability to adjust spending in line with changes
- **Asylum and Refugee Related** – increase in numbers of refugees (adults and families) accommodated within the community impacting on council services. Inadequate medium-term government funding for refugee schemes
- **New Burdens** – Adequacy of funding commensurate with new or additional responsibilities
- **Further delay of the Local Government Funding Review** - The government has committed to updating and reforming the way local authority funding is distributed to individual authorities. However, this has now been further delayed until 2025-26 at the earliest. The Fair Funding Review of the distribution methodology for the core grants

was first announced as part of the final local government settlement for 2016-17. The data used to assess funding distributions has not been updated for a number of years, dating from 2013-14 to a large degree, and even as far back as 2000.

General Economic & Fiscal Factors

- Levels of national debt and borrowing
- Inflation continues to be well above the government target for a sustained period with consequential impacts on contracted services (see below) and household incomes (including incomes of KCC staff)
- Economic recession
- Rise in unemployment
- A general reduction in debt recovery levels
- Reductions in grant and third-party funding
- Increase in fraud

Increases in Service Costs and Demand

- Long term impact of Covid-19 pandemic on clients and suppliers
- Higher cost for new clients coming into care than existing clients especially but not exclusively older persons residential and nursing care and children in care
- Adult Social Care demography from increased complexity
- Children's Social Care including sufficiency of Foster carers and numbers of UAS children or those with no recourse to public funds
- Significantly higher than the national average Education and Health Care Plans with consequential impact on both Dedicated Schools Grant High Needs placements/services and General Fund services for assessment and home to school transport
- Waste tonnage
- Public health services
- General demographic trends (including a rising and ageing population and growth in the number of vulnerable persons)

Contractual Price Increases

- Index linked contracts rise above budgeted amounts
- Containing locally negotiated contracts within the amounts provided in the budget
- Financial sustainability of contracted providers

Efficiencies and Savings Programme

- Slippage in the expected delivery of the savings programme
- Non-delivery of planned savings
- Shortfalls in income from fees and charges

Opportunities

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

Adequacy of Reserves

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

Assumptions for inflation



The direction of travel for this indicator was showing as deteriorating in last year's budget due to the historically high levels of inflation that arose during 2022. The annual rate of inflation (using CPIH) peaked at 9.6% in October 2022 and has been on a downward trajectory in the subsequent months (CPI peaked at 11.1% and RPI at 14.2% in October 2022).

The March Office for Budget Responsibility forecasts were for the rate of inflation to peak in quarter 4 of 2022 (CPI 10.7% in quarter 4 2022), before the rate of prices growth falls back reducing to 9.7% in quarter 1 2023, 6.9% quarter 2, 5.4% quarter 3, 2.9% quarter 4 and 1.5% quarter 1 2024. However, the rate of inflation in 2023 has not reduced as much as the March 2023 OBR forecast with reported CPI from Office for National Statistics (ONS) of 10.2% quarter 1, 8.4% quarter 2 and 6.7% quarter 3. Revenue spending subject to inflation is around £1.4bn so each 1% adds £14m to council costs. One of the principal reasons that inflation is not falling as much as forecast is due to the rise in petrol and diesel prices amid a sharp rise in in global oil costs over recent months offsetting falls in food price inflation.

The higher than forecast inflation is the reason why this measure is still showing as deteriorating for 2024-25 as it makes the impact on future price forecasts in budget plans uncertain and volatile.

Estimates of the level and timing of capital receipts



The Council uses receipts as part of the funding for the capital programme. The Council has not applied the flexible use of capital receipts to fund revenue costs since the 2018-19 budget and does not propose to use the permitted extension. Delivery of receipts against the target has continued to fall behind in recent years necessitating additional short-term borrowing/use of reserves.

Performance in the current year has been mixed with the rise in interest rates dampening large new-build housing developments. Although there is a reasonable pipeline of assets for disposal the risk profile for potential delays remains high therefore leading to a continued deterioration in this measure.

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



2022-23 ended with a revenue budget overspend for the first time in 23 years. The net overspend in 2022-23 was £47.1m after roll forwards (3.9% of net revenue). Overspends before roll forwards were reported in Adult Social Care & Health (ASCH) of £24.4m, Children, Young People and Education (CYPE) of £32.7m, Growth Environment and Transport (GET) of £0.9m, Deputy Chief Executive Department (DCED) of £1.6m. These were partly offset by underspends in Chief Executive Department (CED) of £3.5m and Non-Attributable Costs and Corporately held budgets (NAC) of £11.8m

The most significant overspends were:

- £30.5m older persons residential and nursing care in ASCH
- £16.1m home to school transport in CYPE
- £9.9m children in care in CYPE

The most recent 2023-24 revenue budget monitoring presented to Cabinet on 5th October 2023 showed a forecast overspend of £37.3m before management action. This overspend was largely driven by higher spending growth than the £182.3m (excluding spending on externally funded activities) provided for in the budget. The largest overspends are in the same main areas as 2022-23 (adult social care, children in care and home to school transport). This is despite including additional spending in the budget for the full year effect of recurring spend from 2022-23 and forecasts for future price uplifts, increases in demand and cost increases unrelated to price uplifts.

At the same Cabinet meeting on 5th October 2023 a separate report “Securing Kent’s Future – Budget recovery Strategy” set out the broad strategic approach to providing reassurance on the necessary action to bring 2023-24 budget back into balance and the opportunity areas for further savings and avoidance of future cost increases over the medium term 2024-27.

However, until this strategic plan has been converted into detailed plans and these have been delivered managing in-year spending and spending growth over the medium term presents the most significant risk to

the Council's financial resilience and sustainability and therefore the highest rating of deterioration.

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



There continues to be a reasonable degree of confidence in the validity of financial reporting despite the uncertainties and volatility as a result of overspends. However, the ability to activate contingency plans if planned savings cannot be achieved has to date been severely restricted as a result of these overspends, although every effort is being made to reduce the forecast overspend in 2023-24.

Reporting has been enhanced to include separate analysis of delivery of savings plans, treasury management and council tax collection. Further improvements are planned in terms of the timeliness of financial monitoring and reporting to ensure corrective action is taken as early as possible.

Some areas of spending can still be changed at short notice if required as a contingency response if planned savings cannot be achieved (or there are unexpected changes in spending). A significant plank of the 2023-24 recovery strategy is to reduce non committed spending for the remainder of the year. At this stage it is expected that managers across the whole organisation will exercise this restraint to reduce forecast spending for the remainder of the year. However, if this does not result in sufficient reductions to bring in-year spending back into balance further spending controls will have to be considered. These spending reductions are largely anticipated to be one-offs and will not flow through into 2024-25 or later years.

The increased focus on savings monitoring and delivery has had some impact and the majority of the overspend in 2022-23 and forecast for 2023-24 is due to unbudgeted spend rather than savings delivery, although savings delivery is still a contributory factor and remains a risk, this is no greater risk than in previous years, hence this measure has not been rated as deteriorating.

However, if the further savings necessary to bring 2023-24 back into balance are not proving to be achieved this measure would need to be reassessed for future drafts.

Risks inherent in any new partnerships, major outsourcing



Partnership working with NHS and districts has improved. However, further sustained improvements are still needed to change the direction of travel.

arrangements, and major capital developments

Trading conditions for Council owned companies continue to be challenging.

A number of outsourced contracts are due for retender and the Council is still vulnerable to price changes due to market conditions.

The ability to sustain the capital programme remains a significant challenge. It is essential that capital programmes do not rely on unsustainable levels of borrowing and additional borrowing should only be considered where absolutely essential to meet statutory obligations. This will impact on the condition of non-essential assets possibly resulting in the closure of facilities although the planned spending to limit modernisation programmes to essential measures to ensure buildings are safe warm and dry has proved to be inadequate and the programme needs to reflect a realistic level of spend on the assets the council needs to sustain necessary functions. Despite the action taken to limit additional borrowing, a third of the capital programme is still funded by borrowing. Slippage within individual projects remains an issue leading to lower than planned spending in the short-term but potentially higher medium to long term costs due to inflation. This slippage defers borrowing rather than reducing it.

The quarter 1 capital monitoring report showed a forecast net underspend on capital spending of £42.3m comprising net £8.2m increased spending on projects (real variance) and £50.5m reduction due to slippage. The real variance includes spending on grant and externally funded projects where funding has been announced after the capital programme was approved.

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



The financial standing of the Council has weakened significantly as a result of the overspend in 2022-23 that was balanced by the drawdown of £47.1m from general and risk reserves (39% of general reserve and all of the risk reserve). Usable reserves were also reduced through the transfer of £17m from earmarked reserves to Dedicated Schools Grant (DSG) reserve as part of KCC's contribution the Safety Valve agreement with DfE in March 2023 (with further transfer of £14.4m planned for 2023-24). Overall, the council's usable revenue reserves have reduced from £408.1m at 31/3/22 (40% of net revenue) to £355.1m at 31/3/23 (29.8% of net revenue) with further reduction to £316.3m (24% of net revenue) forecast for 31/3/24.

This forecast assumes 2023-24 revenue budget is brought back into balance by year end with no further draw down from reserves.

The reduction in usable reserves has significantly reduced the council's ability to withstand unexpected circumstances and costs, and reduced the scope to smooth timing differences between spending and savings plans. The levels of reserves now pose a more significant risk to the council's financial resilience than levels of debt. Levels of reserves are now considered to be the second most significant financial risk after capacity to deal with in-year budget pressures. Reserves will need to be replenished at the earliest opportunity and will need to be factored into future revenue budget plans.

The Council has an ongoing borrowing requirement of £1.1bn arising from its historic and ongoing capital expenditure, which is expected to remain broadly stable over the medium term. Most of this requirement is covered by existing external debt, which is forecast to decline gradually over the medium term (from around 72% in 2023/24 to 66% in 2026/27. The remaining portion is met via internal borrowing (namely the temporary use of internal cash balances in lieu of investing those balances with external counterparties).

Although the Council has been protected to a significant extent from the material increase in interest rates over the past two years (given that the majority of its borrowing requirement is already met by fixed rate debt) the higher rate environment has increased the expected costs of internal borrowing as well as costs associated with any new external borrowing over the near and medium term.

A small portion of the borrowing requirement (8.4% in 2023/24) is met via "LOBO" (Lender Option Borrower Option) loans. These instruments provide lower cost financing in exchange for giving the lender the periodic opportunity to reset the loan's interest rate. The Council manages the risks around these loans being "called" by restricting their use to only a minor portion of the borrowing portfolio and by avoiding any concentration in the loans' associated option dates.

In managing the structure of its borrowing (the balance between internal and external borrowing, and the portion of the latter that is made up of fixed-rate as opposed to variable-rate loans), the Council is chiefly concerned with risks arising from uncertainty around

interest rates as well as ensuring it has adequate liquidity over the medium term. The Council reviews its borrowing strategy formally on an annual basis to ensure its approach remains appropriate.

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



The direction of travel for this factor was shown as deteriorating in the final budget presented to County Council on 9th February 2023 due to the quarter 3 monitoring for 2022-23 showing a significant £53.7m forecast revenue overspend. The overspend reduced a little by year-end to £44.4m before roll forwards (£47.1m after roll forwards). However, this was not sufficient to change the direction of travel bearing in mind the scale further of the forecast overspends for 2023-24.

The most significant cause of the overspends is higher than budgeted spending growth despite significant increases already factored into the budget. The need to include for the full year effect of current year overspends as a variance to the published medium-term plan means that the capacity to manage in-year budget pressures (highest rated risk assessment) is the most significant factor in MTFP variances rather than robustness of MTFP forecasts. This is the only reason that this particular assessment has not been shown as a significant deterioration with a double arrow. Nonetheless, the robustness of forecasts included in the MTFP does need improvement (hence this assessment is still showing a deterioration until these are improved).

The initial draft budget for 2024-25 and MTFP for 2024-27 is not balanced. As outlined in the budget report this was an acknowledged risk from the earlier publication of the draft for scrutiny. At this stage the unbalanced initial draft has not been taken into account in the assessment of this risk as there is a strategy agreed to bring future drafts into balance. Should that strategy not be successful this aspect would need to be reassessed as further deterioration in future drafts.

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



The direction of travel for this factor was shown as deteriorating in last year's budget due to monitoring for 2022-23 forecast to overspend and ongoing issues with Whole Government Accounts. The forecast for 2023-24 is further forecast overspend and issues remain with Whole Government Accounts meaning there has not been sufficient progress to date to change the direction of travel on this assessment.

The Council continues to adhere to its virement and year end procedures as set out in its financial regulations. The Council's ability to close the year-end accounts early or even on time is becoming increasingly difficult. The audit certificate for 2020-21 was issued on the 4th September 2023, following confirmation that no further work was required on the Whole Government Accounts. The audit certificate for 2021-22 has not been issued due to the audit of the 2021-22 Whole Government Accounts being outstanding as the external auditors have prioritised the audit of the Council's 2022-23 accounts.

The draft outturn for 2022-23 was reported to Cabinet on 29th June 2023 outlining the main overspends and underspends together with roll-forward requests. This was presented alongside an update to the medium-term financial outlook. A net overspend of £47.1m was reported after roll forwards of £2.7m. The overspend was funded from a drawdown from earmarked and General reserves. The draft accounts for 2022-23 were published on 1st July 2023 and are still being audited. The audit is ongoing as there is still audit work to complete on group accounts and pensions.

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



As identified in the assessment of the financial standing of the authority the levels of usable reserves have reduced at the end of 2022-23 and are forecast to reduce further by the end of 2023-34. Furthermore, a number of significant risks remain unresolved (including at this stage balancing 2023-24 revenue budget) which could impact on reserves and the assessment of their adequacy if solutions are not found.

The most significant risk to reserves in previous years has been identified from the accumulated and growing deficit on the DSG reserve largely from the overspending high needs support within the DSG. This has now been addressed over a number of years through the Safety Valve agreement with DfE. However, at this stage the Safety Valve agreement is a recovery plan that will be delivered over a number of years with spending on high needs support gradually bought back into balance with the available grant funding and the historic accumulated deficit cleared with contributions from DfE and local authority. However, this does not fully mitigate the risk as should the plan not be fully delivered there is a risk that DfE could withhold contributions and a residue deficit would remain.

The reserves forecast includes the transfer to the DSG reserve of the local authority contribution for 2022-23 and a further forecast transfer for the local authority contribution in 2023-24. Provision is included in the 2024-25 initial draft budget and 2024-27 MTFP for the remaining local authority contributions. The DSG reserve forecast also includes the DfE contributions for 2022-23 to 2027-28. These contributions together with the recovery plan to reduce the in-year deficit on high needs spending would see the accumulated deficit cleared by 2027-28. However, resolving this aspect of risk to reserves does represent £82.3m over the term of the agreement of the authority's resources which would otherwise have been available to mitigate other risks.

A new risk has arisen during the course of 2023-24 following the high court order that the Council must take all possible steps to care for all Unaccompanied Asylum Seeking (UAS) children arriving in the county under the Children Act 1989, unless and until they are transferred to other local authorities under the National Transfer Scheme. The council is currently in negotiation with Department for Levelling Up Housing and Communities (DLUHC), Home Office and Department for Education (DfE) over a funding package to support compliance with the judgement. To date the offer is circa £9m which is insufficient to cover forecast costs for caring for UAS children for the remainder of 2023-24 which if not resolved would leave a forecast deficit and no offer has yet been made for 2024-25. This combination poses a major threat to the Council's financial sustainability.

Although this DSG risk has been addressed the risk of the requirement for further draw downs if the 2023-24 current year spend and gaps in 2024-25 initial draft budget and 2024-27 MTFP and the overall forecast level of reserves means the assessment of this risk cannot yet show an improvement and could be a further deterioration'

A register of the most significant risks is published as part of the initial draft 2024-25 revenue budget, 2024-27 medium term plan and 2024-34 capital programme.

The general financial climate including future expected levels of funding



The Autumn Statement 2022 included departmental spending plans up to 2024-25 and high-level spending plans up to 2027-28. The plans for 2023-24 and 2024-25 included significant additional support for local government including additional grants and increased assumptions for council tax. These plans will be

updated in the 2023 Autumn budget which is scheduled for 22nd November.

The local government finance settlement only included individual grant allocations and core spending power calculations for 2023-24. The settlement did include council tax referendum levels for 2024-25 as well as the overall additional amounts for the main grants for 2024-25 but did not include individual authority allocations. Other departmental specific grants were not included in the settlement..

The Autumn Statement and local government finance settlement confirmed that the planned reforms to social care charging have been delayed until 2025. It is this delay that has enabled Government to redirect the funding allocated for social care reform as a short term increase in funding for current pressures in adult social care. A further tranche of funding for the Market Sustainability and Improvement Fund for workforce reform for 2023-24 and 2024-25 was announced in July 2023.

However, the inadequacy of medium to long term sustainable funding for adults social care remains, and the lack of certainty that the additional funding available in 2023-24 and 2024-25 will be baseline for subsequent years cause the assessment of this risk to remain as a neutral direction of travel at this stage. This can be reassessed following the 2023 Autumn Budget statement.

The long-awaited update and reform to the funding arrangements for local government have also been delayed again until 2025 at the earliest.

Despite increased certainty of funding for 2023-24 and 2024-25 medium term financial planning remains uncertain, particularly future spending and income forecasts . The plans for 2025-26 include a higher level of uncertainty. Plans can only be prepared based on prudent assumptions and forecasts for later years remain highly speculative.

The adequacy of insurance arrangements



The Council's insurance policies were reviewed for January 2022. A hardening market along with changing levels of risk has resulted in a rise in premiums, with some deductibles being increased to mitigate this. The implications of limiting capital borrowing to absolutely essential statutory services increases the risk of insurance claims where assets have not been adequately maintained. A fund audit confirms the levels of insurance reserve are

adequate, however as the corporate contribution to the fund is remaining unchanged more reliance will be placed on the reserve to balance insurance claims.

Of the eleven factors used to assess risk and the adequacy of reserves, only one has shown no change from twelve months ago (the strength of financial reporting and ability to activate contingency plans, and even this is conditional on delivering the contingency plans to bring 2023-24 spending back into balance), the remaining ten are still deteriorating. In the case of capacity to manage in-year budget pressures and strategy for dealing with demand and service delivery in the longer term and financial standing of the Authority (level of borrowing, debt outstanding, use of reserves, etc.) the deterioration is now at a severe level and cause for serious concern. There are aspects of these deteriorations as well as number of the others that are largely due to outside factors but still need to be managed and mitigated as much as possible. No weighting has been applied to the individual factors, but the general financial risk to the Council should now be regarded as substantially and severely increased compared with a year ago, which in turn, was increased from the year before.

The amounts and purposes for existing reserves have been reviewed to ensure the Council achieves compliance with Local Authority Accounting Panel (LAAP) Bulletin 99. This bulletin sets out the recommendations on the purposes for holding reserves. Reserves are split between general reserves (working balance to help cushion the impact of uneven cashflows/avoiding unnecessary temporary borrowing and contingency to cushion the impact of unexpected events/emergencies) and earmarked reserves to build up funds for known/predicted specific events.

The administration's initial draft 2024-25 budget includes a £16.4m net increase from changes in contributions and draw down from reserves. This is largely for the to replenish the draw down from general reserves in 2022-23 over two years 2024-25 and 2025-26 and provision for the local authority contribution to DSG reserve under the safety valve agreement. A full reconciliation of all the changes to contributions and draw down from reserves for 2024-25 is available through the detailed dashboard of budget variations.

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Appendix G: Budget Risks Register 2024-25

TOTAL	499.7
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Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Estimated Maximum Financial
						£m
Significant Risks (over £10m)						
CYPE	High Needs Spending	The Dedicated Schools Grant (DSG) High Needs Block does not meet the cost of demand for placements in schools, academies, colleges and independent providers.	The Safety Valve programme does not deliver the reduction to the in-year deficit on spending to support children with high needs as planned leading to a higher deficit	The Department for Education withholds its contribution towards the accumulated deficit and/or the increased overspend leaves a residue deficit. The government requires that the total deficit on the schools budget to be carried forward and does not allow authorities to offset from general funds anything above the amounts included in the Safety Valve agreement without express approval from Secretary of State. This approach does not resolve how the deficit will be eliminated and therefore still poses a significant risk to the council	4	150.0
ALL	Non delivery of Savings and income	Changes in circumstances, resulting in delays in the delivery of agreed savings or income	Inability to progress with plans to generate savings or additional income as scheduled, due to changing circumstances	Overspend on the revenue budget, requiring alternative compensating in year savings or temporary unbudgeted funding from reserves. Potential recurring budget pressure for future years.	4	103.1
CYPE	Unaccompanied Asylum Seeking Children	The High Court has ruled that the council is responsible for the care of all Unaccompanied Asylum Seeking (UAS) children arriving in the county until such time as they are transferred to other councils under National Transfer Scheme	Failure to reach agreement with government departments (Home Office and Department for Education) to cover all costs incurred by the council in supporting UAS children	Overspend on the revenue and or capital budgets, requiring alternative compensating in year savings or temporary unbudgeted funding from reserves. Potential recurring budget pressure for future years.	3	60.0
ALL	2023-24 potential overspend impact on reserves	Under delivery of recovery plan to bring 2023-24 revenue budget into a balanced position by 31-3-24.	Overspend against the revenue budget in 2023-24 required to be met from reserves leading to a reduction in our financial resilience	Insufficient reserves available to manage risks in 2023-24 and future years	3	37.3
ALL	Revenue Inflation	The Council must ensure that the Medium Term Financial Plan (MTFP) includes robust estimates for spending pressures.	Price pressures rise above the current MTFP assumptions and we are unsuccessful at suppressing these increases.	Additional unfunded cost that leads to an overspend on the revenue budget, requiring compensating in year savings or temporary unbudgeted funding from reserves. Potential recurring budget pressure for future years.	4	21.0

Appendix G: Budget Risks Register 2024-25

TOTAL	499.7
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Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Estimated Maximum Financial
ASCH / CYPE	Market Sustainability	The long term impact of Covid-19 is still impacting on the social care market, and there continues to be concerns about the sustainability of the sector. At the moment all areas of the social care sector are under pressure in particular around workforce capacity including both recruitment and retention of staff especially for providers of services in the community, meaning that sourcing appropriate packages for all those who need it is becoming difficult. This is likely to worsen over the next few months with the pressures of winter, and increased activity in hospitals. Throughout this year we have continued to see increases in the costs of care packages and placements far greater than what would be expected and budgeted for, due to a combination of pressures in the market but also due to the increased needs and complexities of people requiring social care support.	If staffing levels remain low, vacancies unfilled and retention poor, then repeated pressure to increase pay of care staff employed in the voluntary/private sector in order to be able to compete in recruitment market. At the moment vacancy level said to be 1 in 10.	Care Homes closures are not an infrequent occurrence and whilst some homes that close are either too small or poor quality others are making informed business decisions to exit the market. The more homes that exit in this unplanned manner further depletes choice and volume of beds which can create pressures in the system regarding throughput and discharge from hospital thus potentially increasing price.	5	20.0
ALL	Full year effect of current overspends	The Council must ensure that the Medium Term Financial Plan (MTFP) includes robust estimates for spending pressures.	Increases in forecast current year overspends on recurring activities resulting in higher full year impact on following year's budget (converse would apply to underspends)	Additional unfunded cost that leads to an overspend on the revenue budget, requiring compensating in year savings or temporary unbudgeted funding from reserves. Potential recurring budget pressure for future years.	4	20.0
ALL	Capital	Capital project costs are subject to higher than budgeted inflation.	Increase in building inflation above that built into business cases.	Capital projects cost more than budgeted, resulting in an overspend on the capital programme, or having to re-prioritise projects to keep within the overall budget. For rolling programmes (on which there is no annual inflationary increase), the level of asset management preventative works will reduce, leading to increased revenue pressures and maintenance backlogs.	4	18.3
CYPE	Market Sustainability	Availability of suitable placements for looked after children. Availability in the market for home to school transport, due to reducing supplier base and increasing demand.	Continued use of more expensive and unregulated placements, where it is difficult to find suitable regulated placements as no suitable alternative is available. The cost of transport contracts continues to increase above inflation.	Unfunded cost that leads to an overspend on the revenue budget, requiring compensating in year savings or temporary unbudgeted funding from reserves.	5	10.0

Appendix G: Budget Risks Register 2024-25

TOTAL	499.7
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Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Estimated Maximum Financial
						£m
ALL	Demand & Cost Drivers	The Council must ensure that the Medium Term Financial Plan (MTFP) includes robust estimates for spending pressures.	Non inflationary cost increases (cost drivers) continue on recent upward trends particularly but not exclusively in adult social care, children in care and home to school transport above the current MTFP assumptions and the council is not able to suppress these	Additional unfunded cost that leads to an overspend on the revenue budget, requiring compensating in year savings or temporary unbudgeted funding from reserves. Potential recurring budget pressure for future years.	4	10.0
Other Risks (under £10m - individual amounts not included)						50.0

Likelihood Rating

Very Likely	5
Likely	4
Possible	3
Unlikely	2
Very Unlikely	1

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From: Roger Gough, Leader
Anjan Ghosh, Director of Public Health

To: **Growth, Economic Development and Communities Cabinet Committee, 9 November 2023**

Subject: **Kent and Medway Integrated Care Strategy**

Key decision: 23-00091 (New strategy or policy outside of the Policy Framework)

Classification: Unrestricted

Past Pathway of report: None

Future Pathway of report: Cabinet, 4 January

Summary: The Kent and Medway Integrated Care Strategy sets out shared outcomes for the health and wellbeing of our population that all partners in the Kent and Medway Integrated Care System will work together to deliver. The strategy has been refreshed from the interim version to reflect the views, priorities and needs of people across Kent and Medway and partners across the system who are working to support them. It is an important opportunity to do things differently, integrate our services and act together on the wider determinants of health. This paper explains how the strategy has been refreshed, highlights the main commitments and how it has been improved from the interim version based on feedback. It sets out how delivery and monitoring is being planned to ensure that the strategy makes a real impact on the health and wellbeing of people in Kent and Medway.

Recommendation(s):

The Cabinet Committee is asked to consider and endorse or make recommendations to Cabinet on the proposed decision to approve the Kent and Medway Integrated Care Strategy on behalf of KCC, attached as appendix A.

1. Introduction

- 1.1 Kent County Council is a lead partner in the Kent and Medway Integrated Care System (ICS), and a statutory member of the Kent and Medway Integrated Care Partnership (ICP). It is a statutory requirement for ICPs to prepare an Integrated Care Strategy. This paper presents the refreshed Integrated Care Strategy for Kent and Medway (appendix B).
- 1.2 The Kent and Medway Integrated Care Strategy has been developed by the three statutory partners of the ICP – KCC, Medway Council and NHS Kent and Medway. It will be approved by each of these partners through their own governance arrangements subject to recommendation for approval by the ICP at its meeting on 7 December 2023. Cabinet will be asked to approve the strategy for KCC on 4 January. Recommendation by the ICP and approval by all the three statutory partners will be required before the strategy can be

implemented. As the strategy takes a broad view of health and wellbeing, it is of relevance to several Cabinet Committees. It will be considered by the Health Reform and Public Health Cabinet Committee on November 7th, by Growth, Economic Development and Communities on 9 November, Adult Social Care on 16 November and Children, Young People and Education on 21 November. Where further feedback is received, minor additional changes will be made before the final draft is presented to the ICP.

- 1.3 The Kent and Medway Integrated Care Strategy also performs the role of the Kent Joint Local Health and Wellbeing Strategy. Given that the Kent area covers most of the Integrated Care System's footprint, having a single strategy for the health and wellbeing of the population of Kent will provide clarity and ensure that all partners are focused on delivering the shared outcomes that have been identified. The Kent Health and Wellbeing Board is responsible for approving the Joint Local Health and Wellbeing Strategy for Kent and will receive the Integrated Care Strategy at its next meeting in December.
- 1.4 The health of the people we serve is not improving in the way we would wish it to. In many areas we are now performing relatively less well than the England average. This is driven by the wide range of determinants of health discussed below, many of which are worsening locally, that in turn impact on health outcomes. We need a new approach to tackling health challenges, one that recognises the role that all partners can play in addressing these wider determinants. The requirement for a system Integrated Care Strategy is a timely opportunity to catalyse a system shift in this direction.
- 1.5 The purpose of an Integrated Care Strategy is to set the strategic direction and priorities for the health and wellbeing of the population across the ICS. The strategy presents an opportunity to do things differently, further integrating health and care services to better meet the needs of individuals and communities, support the sustainability of health and care services and go beyond 'traditional' NHS and social care services to enable action on the wider determinants of health with other partners. The wider determinants of health are critical because it is known that only about 20% of a person's health is related to clinical care, with the other 80% being attributable to health behaviours, socio-economic factors including education, employment and family/social support, and the built environment¹.
- 1.6 While the refresh of the strategy has been led by the statutory partners, it is a strategy for the whole system and all partners that play a role in supporting the health and wellbeing of people in Kent and Medway. Partners across the public, private and voluntary and community sector and people themselves have a vital role to play, and their views and priorities have shaped the refresh of the strategy.
- 1.7 In its Council Strategy, Framing Kent's Future, KCC has committed to seize the opportunity of integrating our planning, commissioning and decision making in adults', children's, and public health services through being a partner in the Kent and Medway Integrated Care System at place and system level. Through

¹ Robert Wood Johnson model, [Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute, US County health rankings model 2014](#)

its statutory requirements and the commitments it has made, KCC is a key partner in the development and implementation of the Integrated Care Strategy.

2. Strategy development, contents and delivery

Development

- 2.1 There was a national requirement for all ICSs to publish their first Integrated Care Strategy by the end of 2022. Due to the short time allowed for development, with ICSs only becoming formalised in July 2022, an Interim Integrated Care Strategy for Kent and Medway was produced and approved by the ICP and statutory partners in December 2022. When the Interim Strategy was approved, all partners committed to refreshing it by the end of 2023 to allow for full engagement and consultation to inform the final version.
- 2.2 During 2023, extensive consultation with stakeholders and the public has taken place and the findings have informed the refreshed version. The consultation report is attached as Appendix C. As part of the consultation, Public Health has delivered workshops in each of Kent's 12 districts, working closely with the District/Borough/City councils and their local system partners to understand local issues, strengths and challenges as well as their thoughts on the interim strategy. This has ensured that the strategy is informed by the diverse needs and experiences of Kent's local communities and acknowledges and supports the vital role of district councils in promoting health and wellbeing. The refresh has also been informed by workshops with KCC members and officers including Directorate Management Teams, and with other partners including the Office of the Police and Crime Commissioner, Kent Association of Local Councils and Kent Housing Group. Voluntary and Community Sector Alliance partners, Health and Care Partnerships and providers of health services across the system are amongst other stakeholders that have been engaged.
- 2.3 Feedback has shaped the principles that the refreshed Integrated Care Strategy is built around, including that the strategy will:
- Provide focus and clarity on the priorities we must deliver together, as a system, recognising the limited resources available and the scale of the challenge.
 - Be supported by strategies and delivery plans which are organisation or subject matter specific.
 - Recognise that local partners are best placed to understand local needs and the actions required to tackle them.
 - Focus the whole system in tackling the wider determinants of health including tackling inequalities.
 - Help deliver more integrated, joined up services across a wider group of partners to support people.
- 2.4 Feedback received from stakeholders on specific outcomes has been used to shape these sections of the refreshed strategy, as set out in the Contents section below.
- 2.5 The development of the Integrated Care Strategy has been jointly led by KCC, Medway Council and NHS Kent and Medway through a multiagency steering group and project group. The ICP has shaped the development of the Strategy

through an initial workshop and ongoing engagement. Development of the Strategy has followed the requirements set out in statutory guidance, including contents to be included and involvement of stakeholders. The Strategy has been informed by the Joint Strategic Needs Assessments for Kent and Medway.

Contents

2.6 The document is structured around the shared vision, six outcomes and three enablers that were agreed in the Interim Strategy. Feedback suggests that these are well supported as the shared outcomes that all partners want to work towards together. Some of the outcomes have been reworded in response to specific feedback to clarify or develop the priorities that partners will deliver. The main sections of the strategy are set out below:

2.7 **Introductory pages**

The introductory pages set the Kent and Medway context and explain the necessity of working together to support the health and wellbeing of the population and the new opportunity that coming together as an Integrated Care System presents. There is a summary of the purpose of the strategy and brief overview of the consultation activity that has informed it.

2.8 **Outcomes pages**

Each outcome is set out concisely on one page to aid focus and understanding of what we are aiming to achieve. There is a brief summary of the main points heard during the consultation activity around the outcome. Three or four priorities for delivery under each outcome have been carefully identified using the interim strategy as a starting point and refining this based on the feedback received from stakeholders on each outcome. There is a brief description of what we want to achieve, which focuses on the shared actions we need to take together. The priorities articulate the 'what' and allow for local and specialist delivery planning of 'how' this can best be delivered across the system. For each outcome, some examples of strategic indicators that will be used to measure impact have been included – there is more information on this in the section on delivery and monitoring below. 'I' statements from the point of view of a person receiving support or a member of the public have been included to help bring the outcome to life.

2.9 **Shared outcome 1: Give children and young people the best start in life**

This outcome has been developed working closely with KCC's Children, Young People and Education Directorate Management Team, health leads for children and young people and other partners. Compared to the interim version, it takes a more holistic approach to supporting the health and wellbeing of children and young people, encompassing support in communities and schools, and commitment to put the wider conditions in place for families to be able to raise physically and emotionally healthy children. The priorities are:

- Support families and communities so children thrive.
- Strive for children and young people to be physically and emotionally healthy.
- Help preschool and school-age children and young people achieve their potential.

2.10 Shared outcome 2: Tackle the wider determinants to prevent ill health

This outcome has been developed with input from KCC's Economic Development and Communities leads, KCC's Adult Social Care and Health Directorate Management Team and partners including the Office of the Police and Crime Commissioner. It is aligned to commitments in the developing Kent and Medway Economic Framework, reflecting the interconnectedness of health and economic outcomes. In the refresh this outcome has become more strongly focused on the wider determinants of health and the role that all partners have to play in improving them and in reducing health inequalities. The priorities are:

- Address the economic determinants that enable healthy lives including stable employment.
- Address the social determinants that enable healthy lives including social networks and safety.
- Address the environmental determinants that enable healthy lives including housing, transport and the natural and built environment.
- Address inequalities.

2.11 Shared outcome 3: Support happy and healthy living

This outcome has benefited from the input of KCC's Adult Social Care and Health Directorate Management Team to align with strategic priorities for adult social care. It focuses on supporting people to choose healthy behaviours and take control of their health throughout their lives to prevent, reduce or delay the need for health and care support and services. In the refresh this outcome covers mental health with the same importance as physical health, and sets out a shared ambition for people with health and care needs to live independently and safely in their home within their communities supported by care that is joined up between partners including vitally those provided by the voluntary and community sector. The priorities are:

- Support adoption of positive mental and physical health behaviours.
- Deliver personalised care and support centred on individuals providing them with choice and control.
- Support people to live and age well, be resilient and independent.

2.12 Shared outcome 4: Empower people to best manage their health conditions

This outcome is about supporting people when they have health, care and support needs, including through multidisciplinary teams of professionals from different services working together with the person at the centre. It also includes commitments on providing consistently high-quality primary care with access to the right healthcare professional at the right time. The commitments around supporting informal carers have been developed with input from KCC Adult Social Care and Health leads and are aligned to the KCC Carers Strategy. The priorities are:

- Empower those with multiple or long-term conditions through multidisciplinary teams.
- Provide high quality primary care.
- Support carers.

2.13 Shared outcome 5: Improve health and care services

This outcome has been significantly strengthened from the interim strategy which focused on hospital services, and now articulates the system's broader commitment to work together to improve the standard of all health, care and

support services, with input from Adult Social Care leads. It sets out how we can work better together to make the best use of our resources, improve communication and the transfer of care between services and settings, for example when someone is discharged from hospital. By integrating the way we work, we can improve the experience of people who need health, care and support services. The priorities are:

- Improve equity of access to health and care services.
- Communicate better between our partners especially when individuals are transferring between health and care settings.
- Tackle mental health issues with the same energy and priority as physical illness.
- Provide high-quality care.

2.14 **Shared outcome 6: Support and grow our workforce**

This outcome has been developed jointly by the workforce leads for KCC, Medway Council and NHS Kent and Medway. The priorities reflect the shared workforce pressures experienced by the statutory partners and the wider health and care workforce. By working together to plan, build and support this workforce, we will better support the sustainability of health and care services. Priorities are:

- Grow our skills and workforce.
- Build 'one' workforce.
- Look after our people.
- Champion inclusive teams.

2.15 **Enablers**

The three enablers that will underpin delivery of the strategy are:

- We will drive research, innovation and improvement across the system.
- We will provide system leadership to make the most of our collective resources.
- We will engage our communities on our strategy and in co-designing services.

These have been expressed more concisely but are largely unchanged from the interim strategy, as feedback suggested that these are well understood and supported.

Delivery and monitoring

2.16 The Integrated Care Strategy sets out the shared outcomes that the system will work towards. Many partners and partnerships across the system will play a role in delivering them through a number of delivery plans developed to meet the needs of a particular place (for example in the case of a district council or Health and Care Partnership,) or a specialist area (for example a new system strategy on children and young people). The strategy reflects locally agreed priorities and recognises the need for locally developed and owned action plans if it is to be successful, as well as system wide plans.

2.17 Delivery planning has already started over the last year based on the interim strategy and will be informed and prioritised by the refreshed version. Partners across the system are working on how we will bring together delivery planning and ensure accountability and monitoring of progress, with Public Health leading on coordinating the important role of KCC's services in delivery.

- 2.18 The Integrated Care Partnership has a role to monitor the impact that delivery of the shared outcomes in the strategy is having on improving the health and wellbeing of the population and highlight where this needs to go further. To support the ICP to do this, Public Health teams in KCC and Medway Council have worked with health colleagues to develop a draft set of strategic indicators using a 'logical framework' methodology. Some of these draft indicators have been included in the outcomes pages to illustrate the impact that successful delivery would bring. The indicators will be finalised based on the refreshed strategy, and the ICP will start to receive reports on these indicators.
- 2.19 The ICP is also considering how it can complement the information it will receive from the indicators with a qualitative approach to monitoring the impact of delivery, including through learning from the experiences of people receiving support and services and people working across the system, and sharing best practice.

3. Financial Implications

- 3.1 No direct costs are associated with the approval of the Integrated Care Strategy. Costs for consultation activity and officer time in developing the strategy have been managed within existing budgets.
- 3.2 The Integrated Care Strategy sets out the vision for further integration of our services to better meet health and care needs and make the best use of resources. Delivery of the strategy will be managed through more detailed delivery and commissioning plans across the system, where specific financial implications will be identified and managed.

4. Legal implications

- 4.1 KCC is a partner local authority in the Kent and Medway Integrated Care System and a statutory member of the Kent and Medway Integrated Care Partnership. The Health and Care Act 2022 requires Integrated Care Partnerships to produce an Integrated Care Strategy to set out how the assessed health and care needs of the area can be met through the exercise of the functions of the Integrated Care Board, partner local authorities or NHS England. Integrated Care Systems must draw on the Joint Health and Wellbeing Strategies and Joint Strategic Needs Assessments in producing their Integrated Care Strategies. Commissioners must have regard to the relevant Integrated Care Strategy when exercising any of their functions, so far as relevant.

5. Equalities implications

- 5.1 An Equality, Diversity and Inclusion Impact Assessment has been completed for the Integrated Care Strategy and is attached as appendix D. This has been led by colleagues at NHS Kent and Medway with input from KCC.
- 5.2 The Integrated Care Strategy aims to improve health and wellbeing outcomes for all people in Kent and Medway, with a particular emphasis on addressing health inequalities and providing more support for those with the greatest need including needs associated with protected characteristics. Subsequently, the

assessment identifies that there is potential for positive impact for all protected characteristic groups, to eliminate discrimination, harassment and victimisation, to advance equality of opportunity and to foster good relations between people who share a protected characteristic, and therefore meets the requirements of the Public Sector Equality Duty.

- 5.3 The assessment sets out an action to ensure that detailed equality analysis and mitigation is put in place for specific service changes or projects that happen as a result of the strategy.

6. Conclusions

- 6.1 The Kent and Medway Integrated Care Strategy has been refreshed and improved based on extensive public and stakeholder consultation. It represents an opportunity to work in a more integrated way, support prevention of health and care needs and involve a broad range of partners who play a role in improving the wider determinants of health and tackling health inequalities.

7. Recommendation(s):

The Cabinet Committee is asked to consider and endorse or make recommendations to Cabinet on the proposed decision to approve the Kent and Medway Integrated Care Strategy on behalf of KCC, attached as appendix A.

8. Background Documents

- 8.1 Statutory guidance on the development of Integrated Care Strategies (Department of Health and Social Care)-
<https://www.gov.uk/government/publications/guidance-on-the-preparation-of-integrated-care-strategies/guidance-on-the-preparation-of-integrated-care-strategies>
- 8.2 Details of the Decision 22/00097 taken by Cabinet to approve the Interim Integrated Care Strategy - <https://kcc-app610/ieDecisionDetails.aspx?ID=2662>

9. Appendices

- A: Proposed Record of Decision
B: Draft Kent and Medway Integrated Care Strategy
C: Consultation report
D: Equality Impact Assessment

10. Contact details

Dr Anjan Ghosh
Director of Public Health
Anjan.ghosh@kent.gov.uk
03000 412633

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Cabinet

DECISION NO:

23-00091

For publication [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

Key decision: YES

Key decision criteria. The decision will:

- a) result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or
- b) be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:
 - the adoption or significant amendment of major strategies or frameworks;
 - significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.

Subject Matter / Title of Decision

Approval of the Kent and Medway Integrated Care Strategy

Decision:

Cabinet:

approves the Kent and Medway Integrated Care Strategy, subject to final recommendation by the Kent and Medway Integrated Care Partnership; and delegates authority to the Director of Public Health to take the relevant actions to implement this decision.

Reason(s) for decision:

KCC is a partner local authority in the Kent and Medway Integrated Care System and a statutory member of the Kent and Medway Integrated Care Partnership (ICP). It is a statutory requirement for Integrated Care Partnerships to produce an Integrated Care Strategy, which sets the strategic direction and priorities for the health and wellbeing of the population. Recommendation by the ICP and approval by the three statutory partners (KCC, Medway Council and NHS Kent and Medway) is required before the strategy can be implemented. The Kent and Medway Integrated Care Strategy also performs the role of the Kent Joint Local Health and Wellbeing Strategy.

The strategy will be a vehicle for the further integration of health and care services to better meet the needs of individuals and communities, support the sustainability of health and care services and go beyond 'traditional' NHS and social care services to act on the wider determinants of health with other partners to bring real improvements in health outcomes. It will support KCC to achieve the commitments set out in *Framing Kent's Future* to integrate our planning, commissioning and decision making in adult's, children's, and public health services through being a partner in the Kent and Medway Integrated Care System at place and system level

Financial Implications

No direct costs are associated with the approval of the Integrated Care Strategy. Costs for consultation activity and officer time in developing the strategy have been managed within existing budgets.

The Integrated Care Strategy sets out the vision for further integration of our services to better meet health and care needs and make the best use of resources. Delivery of the strategy will be managed through more detailed delivery and commissioning plans across the system, where specific financial implications will be identified and managed.

Legal Implications

KCC is a partner local authority in the Kent and Medway Integrated Care System and a statutory member of the Kent and Medway Integrated Care Partnership. The Health and Care Act 2022 requires Integrated Care Partnerships to produce an Integrated Care Strategy to set out how the assessed health and care needs of the area can be met through the exercise of the functions of the Integrated Care Board, partner local authorities or NHS England. Integrated Care Systems must draw on the Joint Health and Wellbeing Strategies and Joint Strategic Needs Assessments in producing their Integrated Care Strategies. Commissioners must have regard to the relevant Integrated Care Strategy when exercising any of their functions, so far as relevant.

Equalities implications

An Equality Impact Assessment for the Integrated Care Strategy is in development alongside the development of the strategy. This is being led jointly by KCC, Medway Council and NHS Kent and Medway. The strategy aims to improve health and wellbeing outcomes for all people in Kent and Medway, with a particular emphasis on addressing health inequalities and providing more support for those with the greatest need including needs associated with protected characteristics. There is therefore expected to be a positive overall impact of the strategy. Detailed equality impact assessment and planning will need to be undertaken for the actions put in place by all partners to deliver the shared outcomes and priorities in the strategy.

Data Protection implications

A Data Protection Impact Assessment is not required.

Cabinet Committee recommendations and other consultation:

The Integrated Care Strategy will be considered by the following relevant Cabinet Committees:

- Health Reform and Public Health – 7 November
- Growth, Economic Development and Communities – 9 November
- Adult Social Care – 15 November
- Children, Young People and Education – 21 November

Extensive stakeholder and public consultation has taken place to inform the refresh of the Integrated Care Strategy. Details are provided in the Consultation Report.

Any alternatives considered and rejected:

N/A due to the statutory requirements set out above.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None.

.....
signed

.....
date

DRAFT



Kent and Medway Integrated Care Strategy

Draft Version 7
26 October 2023

Page 111



Foreword

'We will work together to make health and wellbeing better than any partner can do alone.' This is our vision for the Kent and Medway Integrated Care System, which brings together all our system partners to make a significant difference, improving local services and supporting healthier living.

We know that the wider determinants of health, for example education, housing, environment, transport, employment and community safety, have the greatest impact on our health. Variation in people's experiences of health, care and these wider determinants result in health inequalities, which are preventable, unfair and unjust differences.

Our [Interim Integrated Care Strategy](#) was published last year and set out a shared purpose and common aspiration of partners to tackle the full range of health determinants, working in increasingly joined up ways to improve health and address inequalities. Since then we have asked people, organisations and local partnerships to engage with us in shaping this final version. It has been refined through reflecting local priorities and work planned across Kent and Medway organisations to agree key system priorities. This strategy, which is also the Joint Local Health and Wellbeing Strategy for Kent, sets our vision for our system and all partners will tailor its delivery to meet local need, making a difference to the lives of the people of Kent and Medway.

Against a backdrop of increasing demand and challenging financial times we must change how we approach improving health and wellbeing, and as leaders in the Kent and Medway Integrated Care System we remain committed to our pledge.

Our Pledge

Recognising that citizens' health, care and wellbeing are impacted by economic, social and environmental factors more than the health and care services they can access, we pledge to bring the full weight of our organisational and individual efforts to collaborate to enable the people of Kent and Medway to lead the most prosperous, healthy, independent and contented lives they can.

Through this collaborative movement we will work together to reduce economic and health inequalities, support social and economic development, improve public service outcomes, and ensure services for citizens are excellent quality and good value for money. Together, we can.

Cedi Frederick,
NHS Kent and Medway

Cllr Vince Maple,
Medway Council

Cllr Roger Gough,
Kent County Council

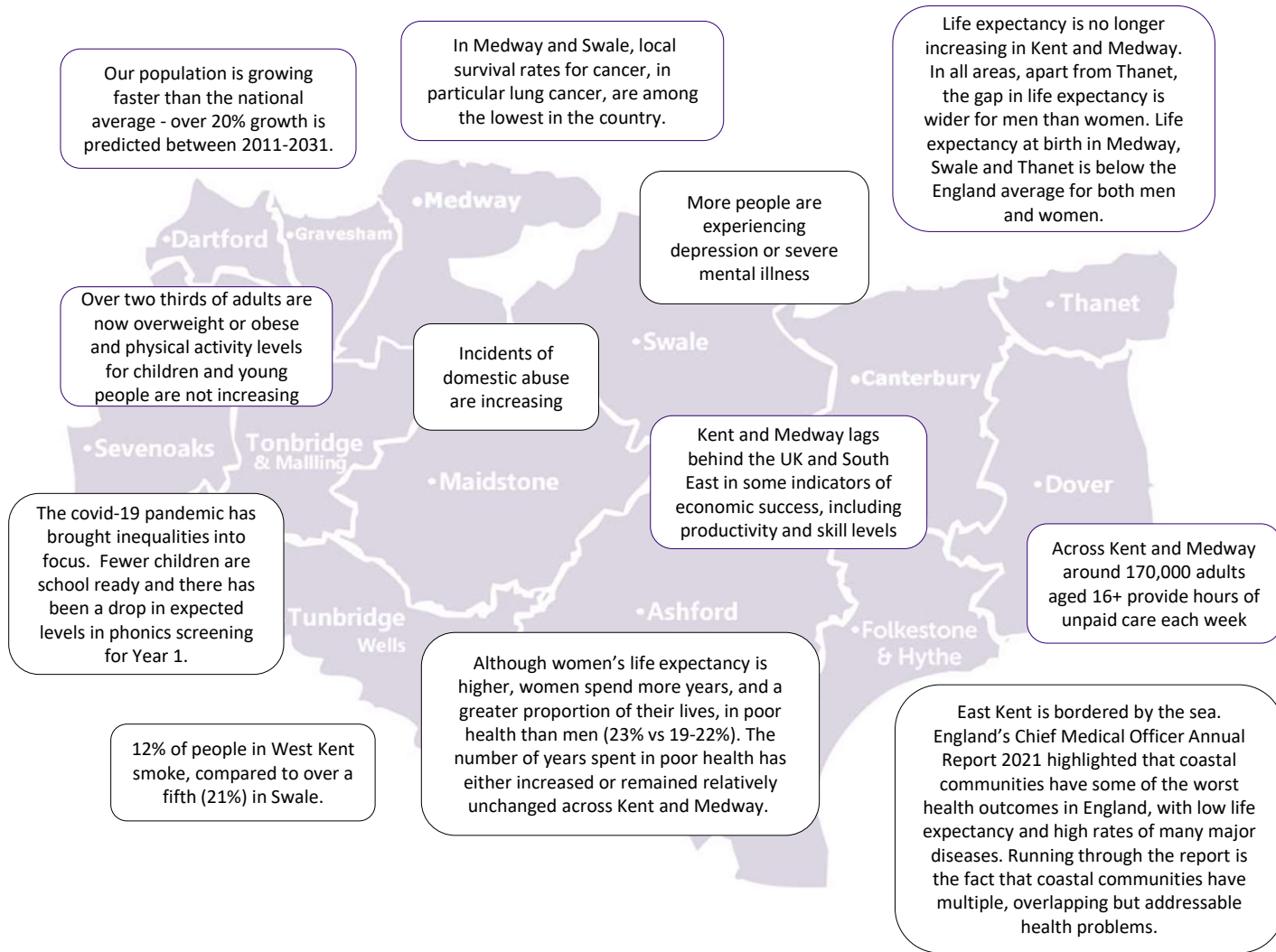




Introduction and context

Kent and Medway is an attractive place for so many who choose to make their lives here. With close proximity to London and mainland Europe, and a plethora of green spaces known as the 'garden of England', it is home to some of the most affluent areas of England. Nevertheless, it is also home to some of the most (bottom 10%) socially deprived areas in England. This correlates with the health outcomes achieved. With the current cost of living crisis, these disparities will persist or worsen without our concerted, collective effort.

Kent and Medway Integrated Care Partnership was formed in 2022 with a strong history of partnership working, and as a result we have started to see where this approach is making a difference. In the last year we have spoken to people, organisations and partnerships to produce this Integrated Care Strategy. It is underpinned by our Joint Strategic Needs Assessments, individual subject-specific strategies and the Medway Joint Local Health and Wellbeing Strategy. It also constitutes the Kent Joint Local Health and Wellbeing Strategy.



Why we need an Integrated Care Strategy now

- ✓ Key measures of health and wellbeing are getting worse, or not improving as fast as the national average. We must take a **different approach and all tackle the wider determinants of health** (see figure of Robert Wood Johnson model).
- ✓ We must seize the **enormous opportunity** that working as an integrated system presents to bring real improvements to the health and wellbeing of our population and put our services on a sustainable footing, given the resource and demand pressures we all face.
- ✓ This strategy uses a consensus to agree the **priorities we must deliver together as a system**, so all partners can target our limited resources and assets where we can make the biggest improvements together.
- ✓ This strategy should not provide the 'how'. We recognise that **local partners** are best placed to **understand local needs** and the actions required to tackle them. The strategy will be supported by delivery plans which are organisation or subject matter specific.
- ✓ The strategy will enable a balance between universal preventative services and bespoke additional support for those with greatest needs, also known as **proportionate universalism**.
- ✓ A logical framework (logframe) matrix will include system indicators and be used by all partners to **track progress on delivery** for each outcome. Examples of these indicators are included for each outcome.

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Based on: Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute, US County health rankings model 2014 https://www.countyhealthrankings.org/sites/default/files/media/document/CHRR_2014_Key_Findings.pdf

Delivering together as an Integrated Care System

The Kent and Medway Integrated Care System is made up of many organisations who play a role in supporting the health, care and wellbeing of people in our area.

To improve health and wellbeing, we must tackle the wider determinants of health and address increasing health inequalities. We can only do this if we all play our role and work together to maximise our collective impact. We can all contribute using the assets and opportunities we already have to promote health and wellbeing and prevent ill-health. This includes acting as anchor institutions to support the social and economic development of our local communities, promoting health and wellbeing in every contact with people and through initiatives such as the “Daily Mile” to build physical activity into the school day.

We also know that local communities, supported by the vital role of the local voluntary and community sector, are best placed to know their needs and to play a full role in improving health and wellbeing by involving and empowering them.

 <p>1.9 million people</p>	 <p>2 Healthwatch organisations</p>	 <p>Approx 4,000 registered charities</p>	 <p>90,000 staff working across health and care</p>
 <p>13 housing authorities</p>	 <p>Over 74,000 businesses and enterprises</p>	 <p>14 councils 1 county, 1 unitary, 12 districts</p>	 <p>184 GP practices in 41 Primary Care Networks</p>
 <p>694 schools and 1,713 nurseries/early years settings</p>	 <p>4 Health and Care Partnerships</p>	 <p>325 pharmacies</p>	 <p>1 medical school and 3 universities</p>
 <p>7 NHS provider trusts and 1 Integrated Care Board</p>	 <p>642 care homes</p>	 <p>321 parish and town councils</p>	 <p>1 Police Force and 1 Fire and Rescue Service</p>



How we listened to develop the strategy

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Work with system partners e.g. district councils, Kent Association of Local Councils, voluntary sector, Kent Housing, Police and Crime Commissioner

Online platform
'Have your say in Kent and Medway'
Over 350 responses

Nearly 9,000 clicks on social media links

Over 1,000 responses in total

Newsletters, staff bulletins, residents' news, social media promotion and paid advertising reached 1.5 million people

32 events
Family fun days, shopping centres, leisure centres, health bus, conferences

Focus groups led by community and voluntary sector organisations reaching over 300 people

Thank you!

What we heard...

The strategy needs to set a vision and enable local delivery

Focus on the wider determinants of health and health inequalities strongly supported

Need to recognise the financial challenges and difficulties of partnership working

Local partners, people and communities are best placed to lead development, delivery and evaluation

Communication between services needs to improve

Access to GPs, social care and mental health services needs to improve

Digital services are good but not accessible for everyone, there should be alternatives

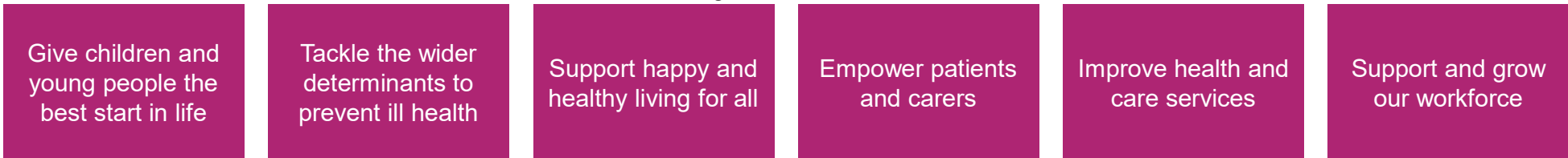
More support for carers

Further detail is included for each of the outcomes on the following pages.

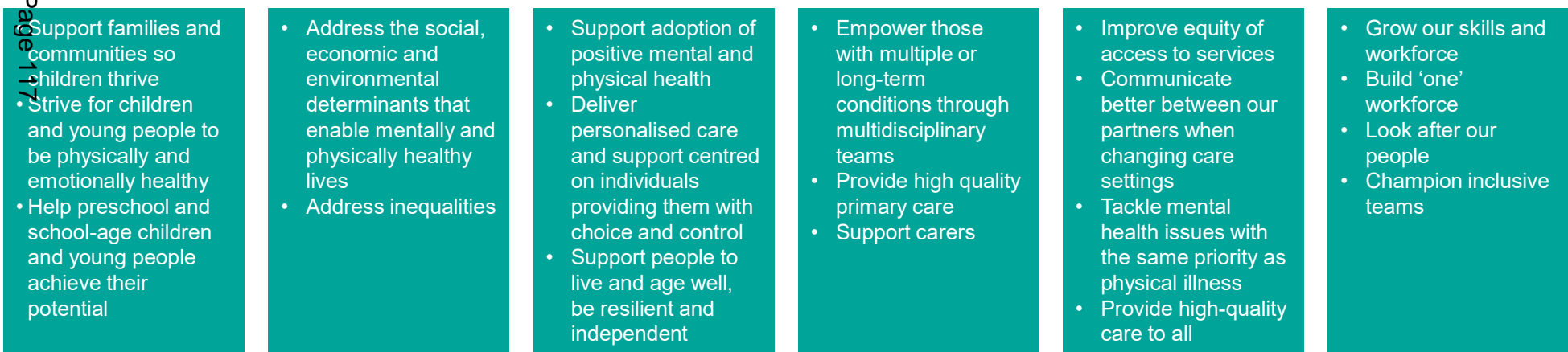
Overview of the Integrated Care Strategy

Our vision:
We will work together to make health and wellbeing better than any partner can do alone

Together we will...



What we need to achieve



Enablers:

We will drive research, innovation and improvement across the system
We will provide system leadership and make the most of our collective resources including our estate
We will engage our communities on our strategy and in co-designing services

Shared outcome 1: Give children and young people the best start in life

We will ensure that the conditions and support are in place for all children and young people to be healthy, resilient and ambitious for their future.

What we heard:

- Improve support for those with Special Educational Needs and Disabilities (SEND) and their families
- Support families with all aspects of the wider determinants of health including mental wellbeing, finance and childcare
- Safeguarding particularly the most at risk children
- Accessible Evidence Based Parenting support
- Ensure local access to support for families

Everyone plays a role in keeping children safe. Across the system we bring together our collective information, skills and resources to strengthen our early help and safeguarding arrangements and work together to identify and tackle safeguarding priorities in our communities.

Priorities to deliver this outcome: Together we will...

Support families and communities so children thrive

We will take a whole-family approach, coproducing with children, young people and families, and looking at all elements that families need to thrive, with support in safe, strong communities that addresses poverty, housing, education, health and social care. We will use our Family Hub model, bringing together universal children's services to include midwifery, health visiting, mental health, infant feeding, early help and safeguarding support for children and their families, including children with Special Educational Needs and Disabilities (SEND). We will transform how we help families access the right support, in the right place at the right time, and ensure the support they receive is joined up across organisations. We will improve the transition to adult services.

Strive for children and young people to be physically and emotionally healthy

We will set high aspirations for the health of children and young people and make this everyone's business. This will include a preventative approach to keep children physically healthy, promoting healthy eating, high levels of physical activity and improving air quality. We will address health inequalities including smoking in pregnancy, breastfeeding, immunisation and childhood obesity. Children who are more likely to experience poorer outcomes, including children in care and care leavers, refugees and those who have offended, will receive more support. We will work together to help communities and schools build emotional resilience, tackle bullying and loneliness and provide opportunities for children, young people and families to form supportive networks and take part in social and leisure opportunities. Children and young people at most risk of significant and enduring mental health needs will receive timely and effective interventions. We will protect young people from criminal harm and exploitation, tackle the challenges caused by domestic abuse and support victims.

Help preschool and school-age children and young people achieve their potential

We will make sure children are ready for school through co-produced, evidence-based support, including parenting support, and high-quality early years and childcare. We will tackle low school attendance, provide equal access to educational opportunities and ensure that young people are skilled and ready for adult life. We are committed to working together with families on our collective responsibility to support children with SEND. We will strengthen the capability of mainstream early years and education settings and universal services to ensure children with SEND are included, their needs are met and they can thrive. Where specialist help is required, this will be identified early and seamlessly coordinated.

Indicators for this outcome could include:

By 2028/29, the proportion of mothers smoking at time of delivery will have reduced from 10.2% to no more than 6%.

By 2028, the % of children in Year 6 who are healthy weight will have increased from 63.4% to more than 66%.

By 2028 pupil absence rates will have fallen from 7.9% to below 5%.

By 2028, pupils achieving a good level of development at the end of the Early Years Foundation Stage will have improved from 65.8% to at least 70%.

Outcome indicator relating to SEND to be added

I am happy and secure at school and at home

I am working hard to get the qualifications I need to achieve my ambitions

Shared outcome 2: Tackle the wider determinants to prevent ill health

Address the wider determinants of health (social, economic and environmental), to improve the physical and mental health of all residents, tackle inequalities, and focus on those who are most vulnerable

Priorities to deliver this outcome: Together we will...

Address the economic determinants that enable healthy lives including stable employment

We will attract and support new businesses and encourage all large employers to develop as anchor organisations within their communities including all public sector organisations, procuring and employing locally in a way that optimises social value. We will support people and small businesses with the cost-of-living crisis. We will help people achieve secure employment through education and skills development and by supporting businesses.

Address the social determinants that enable healthy lives including social networks and safety

We will build communities where everyone belongs. We will work with communities, building on their assets to address key health and social issues including loneliness, community safety and the economic burdens from misuse of drugs & alcohol. We will further develop social prescribing and local voluntary and community capacity to meet these challenges. The importance of Active Travel, access to services, work and leisure, and best use of local Libraries, Community Hubs, Arts and Heritage opportunities are recognised. In partnership we will promote community safety, tackling crime and preventing and reducing serious violence, antisocial behaviour and discrimination that can make people feel unsafe or unwelcome.

Address the environmental determinants that enable healthy lives including housing, transport and the natural and built environment

We will plan, develop and regenerate in a way that improves quality of life for new and existing communities – across built and natural infrastructures including housing, transport and the local environment. We will incorporate the impact of climate change in all planning. We will explore how we can better normalise sustainable ways of working and make best use of all our resources. We will work to provide accessible homes for life and services for all, through planning and with housing providers. We will plan to improve safety, air quality and promote physical activity.

Address inequalities

We will ensure people who need them will have access to benefits, housing, services and support through identification, signposting and a directory of local support as well as opportunities to access work through skills development and local transport. We will focus on prevention and help people, including those with mental health issues, learning disabilities and neurodiversity, to enter, re-enter and be retained in the workplace, to have secure homes, benefits and social networks and opportunities.

Indicators for this outcome could include:

By 2028, average income in Kent and Medway will be 5% higher than the national average.

By 2028/29, the proportion of people who feel lonely often or always will have reduced from [%] to no more than 5% across Kent and Medway.

By 2028/29, the percentage of the population who are in contact with secondary mental health services that are in paid employment (aged 18 to 69) will have increased from 8% to above 15% in Kent and Medway.

Environmental indicator to be added

By 2028/29, the percentage of the population who are in receipt of long-term support for a learning disability that are in paid employment (aged 18 to 64) is similar to, or better than, the national average.

There is lots to do around here and I feel safe

I have been diagnosed with depression but my employer has been great working with services so I can still manage work

What we heard:

- Target prevention activities for each community group, making the most of VCSE expertise and community assets
- Longer duration for prevention programmes
- Support for cost of living – housing, transport, food
- Extend use of social prescribing
- Improve transport access to services, jobs and social opportunities

Shared outcome 3: Supporting happy and healthy living

Help people to manage their own health and wellbeing and be proactive partners in their care so they can live happy, independent and fulfilling lives; adding years to life and life to years.

Priorities to deliver this outcome: Together we will...

Support adoption of positive mental and physical health behaviours

We will deliver evidenced based support to all at an appropriate scale to enable healthy weight, healthy diet choices, physical activity, good sexual health, and minimise alcohol and substance misuse and tobacco use to prevent ill health. We will work with communities to develop community led approaches and local active and sustainable travel to support this. We will increase the use of 'making every contact count' and social prescribing to signpost and offer bespoke support where needed to help tackle inequalities using a proportionate universal approach. Additionally, by addressing socioeconomic determinants and aiding mental wellbeing we will help people adopt healthy lifestyles. We will improve health through a system wide approach to crime reduction with victim and offender support, tackling drugs, domestic abuse, exploitation, harm and violence against women and girls.

Deliver personalised care and support centred on individuals providing them with choice and control

We will use data to identify those most at risk and ensure all care is focussed on the individual with seamless transition between services, good communication, timely care and understanding of user needs and experience. People living with dementia will be supported to live as well and as independently as possible with high quality, compassionate care from diagnosis through to end of life. We will improve the support we offer for women's health issues such as menopause. We will develop joined up holistic support for at risk groups including survivors of domestic abuse, people who are homeless, who misuse substances, who have mental health issues, who are veterans or who have offended.

Support people to live and age well, be resilient and independent

We will promote people's wellbeing to prevent, reduce or delay the need for care, focussing on the strengths of people, their families, their carers and their communities, enabling people to live independently and safely within their local community including by using technology. We will ensure accessible joined up multi agency working between services across health, social care, housing, criminal justice, the voluntary sector and others. With clear pathways and ongoing support for those with complex needs and overcoming barriers to data sharing. We will ensure people receive the care they need to preserve their dignity and wellbeing, to keep them independent for as long as possible and to be comfortable, dying in a place of their choosing. Further we will as a system work to ensure people, especially those who are most at risk are safe in their homes and communities.

Indicators for this outcome could include:

By 2028, the % of adults in Kent and Medway who are physically inactive will have fallen from 22.3% to 18%

By 2028, the % of adults in Kent and Medway who are overweight or obese will have fallen from 64.1% to 62%.

By 2028, hospital admissions in Kent and Medway due to alcohol will have fallen from 418.7 to 360 per 100,000.

By 2028, the rate of emergency admissions for those who are frail will have reduced by at least 1.5% to the rate it was in 2018.

By 2028, diabetes complications such as stroke, heart attacks, amputations, etc., will have reduced by at least 10%.

Social care indicator to be added

I lost weight with peer support from a local group I learnt about when I visited the hospital for something else

I have care and support that enables me to live as I want to

What we heard:

- Improve the transition between services – communication, user experience, timeliness
- Engage with communities to tailor communications and support for each community
- Joined up services to support people who are at risk including survivors of domestic abuse and people who are homeless
- Support veterans
- Focus on adult safeguarding

Shared outcome 4: Empower people to best manage their health conditions

Support people with multiple health conditions to be part of a team with health and social care professionals working compassionately to improve their health and wellbeing.

What we heard:

- Increase involvement of patients and carers in care plans
- Improve access to and consistency of primary care including general practice, dentistry and pharmacy provision.
- Increase offer of support and provide flexibility for carers

"We are not always superhuman. Someone to support us to support our child."

Priorities to deliver this outcome: Together we will...

Empower those with multiple or long-term conditions through multidisciplinary teams

We will support individuals to holistically understand and manage their conditions (such as cancer, cardiovascular disease, diabetes, dementia, respiratory disease and frailty) by using Complex Care Teams and Multi-Disciplinary Teams. This will help reduce or delay escalation of their needs. We will use a model of shared information and decision-making to empower individuals to only have to tell their story once and make informed choices about how, when and where they receive care, which will support individuals to achieve their goals. We will utilise developing technologies including telecare and telehealth, direct payments, personal health budgets, care packages and social prescribing where appropriate to support people to achieve their goals and live the life they want in a place called home.

Provide high quality primary care

We will work towards a system focused on prevention, health protection and early intervention to reduce the need for hospitalisation through ensuring people can readily access the services they need. We will ensure all pharmacies are supporting people with health care, self-care, signposting and healthy living advice. We will improve and increase access to dentist and eye health services. We want general practice to offer a consistently high-quality service to everyone in Kent and Medway. This means improving timely access to a health care professional with the skills and expertise to provide the right support and guidance, this could be a physiotherapist, doctor, nurse, podiatrist or other primary care health and care professional. We will work across the system to support the provision of primary care, responding to the needs of new, and growing, communities and making the most of community assets.

Support carers

We will value the important role of informal carers, involve them in all decisions, care planning and provide support for their needs. We will make a difference every day by supporting and empowering carers with ready access to support and advice. We recognise the potential impact of their responsibilities on young carers and commit to reducing these challenges.

Indicators for this outcome could include:

By 2025, the rising trend in the percentage of days disrupted by hospital care for those with long term conditions will have reversed.

By 2028, the people describing their overall experience of making a GP appointment as good will have increased from 49% to at least 60%.

Implement organisational carers strategies

By 2028, the proportion of carers who report that they are very satisfied with social services will have improved from 32.3% to at least 45%.

I can access the healthcare I need and know what options are available to me

I know what my rights as a carer are and can get timely information that is accurate, carer training and education and advice on all the possible options for my health and wellbeing, support needs and finance and housing

Shared outcome 5: Improve health and care services

Improve access for all to health and care services, providing services as locally as possible and creating centres of excellence for specialist care where that improves quality, safety and sustainability

What we heard:

- Broaden to incorporate all aspects of health care not just hospital services
- Timely access to all parts of health care particularly primary care services
- Improve communication and transition between all parts of health and care services
- Increase the services offered in the community and by social care

Priorities to deliver this outcome: Together we will...

Improve equity of access to health and care services

We will seek to improve the accessibility of all our services. We will ensure the right care in the right place providing care closer to home and services from a broader range of locations by making better use of our collective buildings and community assets. By taking services to individuals and continuing to offer digital help and advice, we hope to mitigate some of the social and economic reasons (such as travel costs, time off work and time out of education) why individuals do not seek (or attend) health and care services.

Communicate better between our partners especially when individuals are transferring between health and care settings

We will improve flow through the system by utilising end to end care and support planning, minimising hand offs and ensuring safe discharges by better supporting individuals leaving acute care settings when transferring to another location, sure that all partners (including individuals, carers and families) are aware of the care plan and by working as a team to minimise delays. We aim to ensure people are discharged to their home as a priority and linked to timely appropriate reablement, recovery and rehab services. Our ambition is that system partners jointly plan, commission, and deliver discharge services that maintain flow and are affordable pooling resources where appropriate and responding to seasonal pressures.

Tackle mental health issues with the same energy and priority as physical illness

We will support people of all ages with their emotional and mental wellbeing. We will improve how we support those with mental health conditions with their overall health and wellbeing, providing the integrated support they need from the right partner (such as housing, financial, education, employment, clinical care and police) when they need it and in a way that is right for them. We will work with VCSE partners to creatively support those at risk of suicide.

Provide high-quality care

We will continually seek to provide high quality of care by working in a more integrated way; expanding the skills and training of our staff; reducing the time waiting to be seen and treated and supported; streamlining our ways of working; improving the outcomes achieved; ensuring advocacy and enriching the overall experience of individuals, their carers and their families.

Indicators for this outcome could include:

By 2028, waits for diagnostics will meet national ambitions.

By 2028/29, the percentage of people aged 65 and over who were still at home 91 days after discharge from hospital into reablement services will have increased in Kent to at least 90% and in Medway to be in line with the national average.

By 2025 we will meet national expectations for patients with length of stay of 21+ days who no longer meet with criteria to reside.

Inappropriate out of area mental health placements will be at or close to zero.

Maintain the increasing trend in the ratio of time people spend living in a healthy condition compared to total lifespan.

My family/carers and I knew when I was being discharged from hospital and what my care plan was

My appointment was by video call but there was an option to attend in person if I needed to

Shared outcome 6: Support and grow our workforce

Make Kent and Medway a great place for our colleagues to live, work and learn

What we heard:

- Improve volunteering opportunities for staff
- Benefits for staff:
 - financial support
 - offers with local businesses
 - health and wellbeing support for example leisure facility membership offers
- Strengthen links and opportunities with education – schools, colleges and universities

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Priorities to deliver this outcome: Together we will...

Grow our skills and workforce

We will work as a system to plan and put in place a workforce with the right skills, values and behaviours to keep our services sustainable. We will attract people to live, study and work in Kent and Medway, promoting all that our area has to offer. We will work with education and training providers to develop and promote exciting and diverse career and training opportunities, provide talented and capable leadership and offer flexible and interesting careers to reduce long-term unemployment and support people to return in work.

Build 'one' workforce

We will implement a long-term workforce plan which supports integration across health and care services, enabled by digital technology, flexible working and cross sector workforce mobility. We will work in true partnership with our vital and valued volunteer workforce by seeking their input to shape, improve and deliver services.

Look after our people

We will be a great place to work and learn, with a positive shared culture where people feel things work well and they can make a real difference. We will ensure staff feel valued, supported and listened to. We will support our workforce, including helping them as their employer, to proactively manage their health and wellbeing.

Champion inclusive teams

We will foster an open, fair, positive, inclusive and supportive workplace culture that promotes respect. We will grow and celebrate diversity to be more representative of our communities, empower and develop colleagues from underrepresented groups.

Indicators for this outcome:

Shared workforce indicators will be developed by partners working across the system and are likely to include measures around:

- Vacancies
- Staff wellbeing
- Sickness absence
- VCSE workforce
- Supporting employment in under-represented groups

I feel valued by my team and believe my employer cares about my health and wellbeing

I hadn't realised how many opportunities there were in health and social care, and I've been able to complete further qualifications since joining



Enablers and approach to delivering the strategy

Enabler: We will drive research, innovation and improvement across the system

We will empower our workforce to use research evidence and develop and test innovative approaches to their work, both to improve services and to develop new knowledge. We will establish better ways to collaborate between all partner organisations and with academia for service improvement, research and innovation. This will include safely sharing data and embracing digital innovation.

Enabler: We will provide system leadership and make the most of our collective resources

We will embed sustainability in everything we do through our green plan by ensuring our strategies and decision-making support social, economic and environmental prosperity now and for future generations. We will make the most of our collective resource including our estate and play our role as 'anchor institutions'. The principle of subsidiarity will ensure our places and neighbourhoods lead the development and implementation of delivery plans for this strategy.

Enabler: We will engage our communities on our strategy and in co-designing services

In developing this strategy we sought to engage with our residents and as partners and we will continue to do this as we implement plans to meet these aims and improve health and wellbeing.

Delivering the strategy

The priorities set out have been agreed by the partners in the Kent and Medway Integrated Care System. We recognise that each place and neighbourhood is different, and delivery of the priorities will need to respond to specific needs and circumstances.

Local partners including districts have developed local alliances and networks that will deliver actions to tackle their key local health issues and which increasingly both recognise the challenges the local system faces and the need to tackle the wider determinants of health. The Medway Joint Local Health and Wellbeing Strategy outlines the similar approach for Medway.

This Integrated Care Strategy will help align system objectives and actions to support these endeavours.

Monitoring the delivery of the strategy

Each Health and Care Partnership and the organisations that comprise these will monitor their progress in supporting the delivery of the strategy. NHS Kent and Medway, Kent County Council and Medway Council will each monitor the delivery of their actions to deliver this strategy.

The Integrated Care Partnership will receive quantitative updates on the progress in achieving the outcomes through the logframe matrix. Themed meetings will also provide qualitative information on progress.



Conclusion

Thank you to everyone who helped us develop our final Integrated Care Strategy.

We recognise that change will not happen without our concerted, collective effort. We are determined to lead by example and create a culture of collaboration and trust, putting the health and wellbeing of the people of Kent and Medway at the heart of everything we do.

We will continue to use multiple channels to listen to our people and communities as we locally develop our delivery plans.

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Refresh of the Integrated Care Strategy

Findings from Engagement and Consultation

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Executive Summary

1. Introduction

1.1 The Integrated Care Partnership (ICP) is responsible for producing the Integrated Care Strategy. The ICP is committed to ensuring that engagement and inclusiveness is championed throughout the Integrated Care System (ICS). However, the short national deadline to produce the first Integrated Care Strategy in Autumn 2022 meant there was not sufficient time to fully involve the public and key stakeholders in its development. The ICP was keen to ensure that Kent and Medway's strategy included the voice of the public and people who work across the System. Therefore, a decision was made to adopt an Interim Strategy for 2022/3 to allow time to gather the views of a wide range of people to inform a final version of the Strategy.

1.2 This report summarises the extensive engagement that has taken place across a number of different channels and in different settings to ensure wide engagement from our communities and with people who work across the System. It captures the main themes that were raised, views on the Interim Strategy and, more generally, what people think about services and their experiences of accessing support.

Executive Summary Cont.

2. What we did

2.1 The 3 statutory partners of the ICP, (Medway Council, NHS Kent and Medway and Kent County Council) undertook engagement and consultation work between January and September 2023. It is estimated that over 2,000 people took part in the consultation, either making use of digital opportunities to feedback or by attending the many workshops that were organised. Some focus groups were particularly targeted at those vulnerable communities who are not always heard, such as the homeless. The findings were collated and presented to the Integrated Care Partnership on 6th September for discussion and reflection.

2.2 The findings from the engagement work underpin the refreshed Strategy. General feedback has shaped the principles including a focus on prevention, local delivery, wider determinants and integration. Specific feedback about the six outcomes that frame the Strategy highlighted what was most important to people who use services and informed priority setting for each Outcome. This was then refined by talking to expert stakeholders in that area.

2.3 A final draft Strategy, shaped by all the feedback was shared for comment at the Kent and Medway Symposium on 20th October which was attended by over 100 people who are part of our Health and Care System, including the Voluntary and Community Sector, District Councils and Police as well as staff from NHS Kent and Medway, Kent County Council and Medway Council for final comment. The draft strategy will now make its way through the Governance of the three Statutory partners to ensure that any final comments or thoughts are collected, but more importantly to ensure that the Leaders across the System commit to supporting the delivery of the Strategy.

Executive Summary: Cont.

3. Key Messages

3.1 This report sets out the collated feedback.

Some key messages include:

- There was support for addressing the wider determinants of health and taking a more preventative focus in our planning and delivery of services.
- Our partners and the public wanted us to know that enabling local solutions in their communities and places where they live should be an important element in planning and delivering services.
- People shared their experiences. There was frustration with accessing services and in repeating the same information across agencies or getting lost in the System as they moved between services.
- There was acknowledgement that these are difficult financial times for the public sector and wider partners and that resources are limited.

4. Conclusion

4.1 The Strategy has been significantly influenced by the results of the wide-ranging consultation that has occurred. The principle of championing engagement remains at the heart of the Integrated Care Partnership's approach, and we will continue to include the Public and our Stakeholders as we plan for delivery of our System wide priorities.

1. Engagement activity on the Interim Strategy

Medway Council, NHS Kent and Medway and Kent County Council, as the three statutory partners of the Integrated Care Partnership, undertook extensive system-wide engagement between January and September 2023 to inform the refresh of the Integrated Care Strategy.

This included:

- Public communication and engagement activity and 32 events resulted in feedback from over 1200 people
- Online engagement platform and survey – over 350 responses and many more social media comments
- 20 focus groups with vulnerable communities facilitated by Voluntary, Community and Social Enterprise organisations, including parents and carers of children with disabilities and additional support needs.
- Workshops with District Council’s local system partners, Parish and Town Councils (through the Kent Association of Local Councils) and Members
- Engagement on the development of the Medway Joint Local Health and Wellbeing Strategy
 - Online survey (Adults: 546; Children/Young People 148; Organisations 14 responses)
 - Focus group discussions with older people, sex workers, men and women experiencing homelessness, Brompton Barracks, parish council members, Imago service users made up of clients with mental health issues
- Gathering emerging priorities from Health and Care Partnerships
- Engagement with Children’s Services, Adult Social Care and Growth/Community services teams
- Voluntary, Community and Social Enterprise (VCSE) alliances
- Other partners including Kent Housing Group, Office of the Police and Crime Commissioner and Kent Police.

2. Feedback on the Interim Strategy to inform the refresh

- Feedback received has shaped the refresh of the Strategy.
- We have received both:
 - a) General feedback, on the purpose, scope and tone of the Interim Strategy**
 - This has been used to shape the principles that guided the refresh
 - b) Feedback on each of the 6 shared outcomes in the Interim Strategy**
 - This shaped the content of the refreshed Strategy. General response to the Shared Outcomes was positive so it was agreed that they would not radically change but would be reworded to develop or clarify the priority.
- The Interim Integrated Care Strategy is available here - <https://www.kmhealthandcare.uk/about-us/publications-and-foi>
- *Note for KCC Cabinet Committees: More detail on feedback received through the engagement activity is available in separate reports prepared by KCC, Medway Council and NHS Kent and Medway. Feedback received through the engagement activity led by KCC is attached as Appendix 1 at the end of this document. The reports from Medway Council and NHS Kent and Medway are available on request and will be published by these organisations shortly.*

3. General feedback

- “Together we will” not “together we can”
- Need bottom-up approach reflected in Strategy recognising local needs and challenge. Need local bespoke solutions not “one size fits all”
Incorporate District strategies and role of Parishes
- Strategy intro is too focused on KCC, Medway and NHS – all system partners are just as important and shouldn’t be grouped as ‘other’
- Focus on wider determinants of health
- Focus on Inequalities welcome and need retain this focus where already commitments in strategies Need to be honest and explicitly recognise and address real world financial challenges and barriers to prevention and holistic working. How do we ensure thought space for prevention when intellectual focus is waiting times/winter plans – recognise difficult decisions ahead
- Need for up-to-date service directory, single point of access
- No wrong door approach. Needs shouldn’t need to escalate to access support
- Estates and plans need to be coordinated across partners to meet all needs
- Develop strong data analytics
- Global warming as a threat to health
- Effective access to information and interpretation to services for people with sensory and physical disabilities with responsibility with service providers. Must include complaints systems
- Reallocate funding to System Strategy objectives recognising potential VCS and DCs – funding should be directed at areas of deprivation and VCSE
- Need to involve local people and communities in development, delivery and evaluation
- Need Adult Social Care and Adults Safeguarding to have a clearer place in the Strategy
- Need to translate into agreed action, deliver and monitor progress
- Will need to raise confidence strategy will be delivered

4. Public Online Survey – key themes across the Interim Strategy

- Access to GPs
- Improved communication between services
- Improved social care
- Improved mental health services – adult and children's
- Improved waiting times in general
- Transport to services
- Support for carers
- Support for – improved housing; heating/energy; exercise
- Digital but not always
- Active spaces, leisure facilities, green spaces
- More diverse, culturally aware/appropriate support (interpreters etc.)
- More youth clubs and support to encourage social interaction and learn skills

5. Feedback on Shared Outcome 1

We will give children and young people the best start in life

Summary of feedback received

Partners feedback -

- **General**
 - Strategy needs to cover all elements of children's health and wellbeing (not only health focused)
 - Work with schools more, relaunch Extended Schools
 - Parental support at a universal level
- **Best start in life**
 - How to deliver with accessible Evidence Based Parenting
 - Consider impact of changes to children's centres
 - Family Hubs and whole family approach
 - Maternity
 - Financial Planning and nutritional advice for young people and mothers
 - Foetal Alcohol Spectrum Disorder – avoidable with early intervention
- **Supporting the 0-5 stage**
- Improved communications between acute and primary care to address 0-4yr old admissions
- **Emotional health and wellbeing**
 - Loneliness in young adults
- **Safeguarding**
- **Support for Children with Special Educational Needs and Disabilities and their families**
 - Strong, effective support for children with disabilities within the school system
- **Public health priorities** including Poverty (and impacts on diabetes, obesity, tooth decay) neglect, mental health and asthma

Summary of feedback received

Public feedback -

- **Maternity** – more education for student midwives; improved postnatal support and breastfeeding advice; support birth plans and patient choice; better access for patients to ultrasound services; advice & exercise videos for post c-section mothers.
- **Support families to give children a good start** – free books/better access to reading; quality healthy meals; pre-school attendance; parent networks; access to health visitor/more frequent contact; enhanced SEN training within preschool settings. Help with parenting skills.
- **Help families thrive / prevent health inequalities** – childcare voucher schemes; more health professional support; SEN support in schools.
- **Child safeguarding /social care** – internet security; promote foster care including sufficient funding. Mental health/coping support for parents who have their children taken into care
- Library based services for mother and baby are great for meeting people, learning through shared experiences (Hartbeeps, Toddler sense, Baby Bounce, Rhyme)

6. Feedback on Shared Outcome 2

Tackle the wider determinants to prevent ill health

Summary of feedback received

Partners feedback -

- **Prevention and inequalities**
 - Emphasis on Prevention supported – Evidence that money and commissioning is moving to prevention
 - Community hubs to support action on WDH including loneliness, physical activity and breast feeding
 - Define CORE20plus5 focussed on prevention and including for children
 - Targeted intervention for the most vulnerable / highest need groups, understand and meet local needs at Health and Care Partnership (HCP) level, delegations
 - Role of libraries in tackling upstream wider determinants of health
 - Stop doing short term projects
- **Role of the Voluntary, Community and Social Enterprise sector**
 - key to delivery but reducing and short-term funding and engagement within the system leadership is not reflective of this - need for parity and support for infrastructure – Wigan Deal approach (community investment for bottom-up prevention)
 - Role VCSE in delivering sport and physical activity tackling social exclusion
 - Inverse Care Law with more volunteers in better off areas - Target more resources to VCSEs in areas of highest need
- **Social determinants / work**
 - Support for social prescribing to help people access benefits and tackle WDH
 - Need services for Social Prescribers to refer on to - Review of social prescribing
 - Support for people with mental and physical health issues to access or retain work with additional intense targeted support for those with greatest challenges.
 - Participation arts and culture-based interventions – Creative health approaches
 - Childcare as barrier to work, cost and number of places
 - Support Apprenticeships and pre-employment experience opportunities
 - Needs focus on tackling Domestic Abuse
- **Anchor institutions**
 - Partners should commission locally not from elsewhere
 - Encourage local innovation and med tech investment through simplified procurement
 - Local Anchor networks including housing associations, NHS, Councils and colleges
 - As a key anchor, simplify NHS jobs application process to encourage applications

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Physical environment / housing

- An Asset Based model should be used including optimal use community facilities and empty spaces
- Transport infrastructure and public transport barrier to access jobs, social opportunities and services especially in rural areas
- Focus on preventing homelessness with joined up system approach wrapped around individual to develop sustainable homes.
- Joined up services including primary care for people who are homeless
- Housing issues including houses of multiple occupation in former office premises – Better understand housing and health link
- Developer contributions for infrastructure to support health and wellbeing
- **Poverty / cost of living**
 - Tackling poverty is fundamental to improved health
 - Recognise holistic not compartmentalised nature of poverty
 - Support around cost-of-living issues needs to link with financial support, mental health, employment and skills and environment
 - Lunch groups for vulnerable
 - Support pockets deprivation in more affluent areas
 - Support to tap into unclaimed benefits
- **Mental health**
 - Need for better accessible MH services

Public feedback -

- Reduce differences in life expectancy – keep people warm; GPs to identify those who could benefit from insulation / funded home improvement works?; community allotments to support healthy sustainable eating; improve access to healthcare; resources & education to self-sustain.
- Help needed to stay well – free prescriptions e.g., for care leavers; support for vulnerable and elderly; signposting services; independent living.
- Improve K&M as place to thrive – rent control; transport; housing; education and healthcare centres; change the providers of services
- Help with money management
- Mental health needs for barracks not being met (in-house available but sappers won't seek support for fear of impact on promotion opportunities)

7. Feedback on Shared outcome 3

Support happy and healthy living for all

Summary of feedback received

Partners feedback –

- **Joining up services / data**
 - Joined up ongoing services needed around people with complex needs including housing with smooth referrals NHS and Local Authority
 - Joined up seamless services and removal silos to work – Community Hubs pilots No wrong door
 - Data sharing barriers need to be overcome
 - Integration health and social care
 - Commission joined up services with clear pathways and links and work with VCS as part of Multi agency working
 - Multi-Disciplinary Team (MDT) support and one stop approach around people who misuse substances
 - Systems need to intervene earlier. Frontline services to meet needs/signpost earlier
- **Empowering and engaging people and communities**
 - Empowering health choices
 - Consistent messaging to the community, including hyper-local communication and insight
 - Better support for personal choice around pathways – Reference One You.
 - System standards for co-production
 - Understand / promote role of community champions, trusted intermediaries and volunteers
 - Planning and design to help independence, housing to use NICE guidance around health
 - VCS engagement in dementia service planning and delivery
 - Challenge of Vaping
- **Focus on adult safeguarding**

Summary of feedback received

Public feedback -

- More support services targeted at men
- Support people to live healthy lives – education; reduce social isolation (e.g., shared working spaces); free exercise classes for targeted groups; combat disability discrimination; creative activities to support wellbeing; price cap on fruit and veg, give food vouchers
- Support people to age well – not everything to be digital; holistic approach to healthcare considering housing particularly; provider better information; improve public transport; encourage wide range of outdoor activities (e.g., rambling)
- How give people control over their care – whole family approach; access to services; easier to request prescriptions; regular health checks; patient choice; better communication between professionals; access to medical notes
- How to help those in last stages of life – access for families; patient choice; responsive end of life care; more staff experienced in pain management and respecting patient choice
- People not aware of services available. Posters/directory of services needed. Advertise in places attended by people, not just online
- More exercise equipment in parks
- Affordable exercise facilities
- Informal drop-in places to sit and chat – you can be around people without always joining in.
- Help for older people to get best energy tariffs – difficulties navigating online systems.

8. Feedback on Shared outcome 4

Empower patients and carers

Summary of feedback received

Partners feedback -

- **Primary care improvement and resourcing**
 - Need for better primary care
 - Need commitment to review resource allocation to improve primary care in areas with greatest need
 - Support for Fuller model
 - Develop Urgent Treatment Centres in areas with lowest GP capacity

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Specific points on GPs

- Improve access to GPs, both appointments and physical
- Improve GP recruitment to areas with lower rates by population with focus on areas high population growth

- **Better community-based End of Life support** with care homes to relieve pressure on primary care
- **Enable free parking for health and care workers on visits.**
- Central navigation point for identifying support services
- Breakdown barriers between secondary and primary care
- Tackle GDPR to support information sharing
- Rewrite clinical care and other pathways to embed prevention
- Recognise role that acute trusts have around prevention – advice/signpost/protected clinician time

Summary of feedback received

Public feedback -

- Improve GP services – easier to get an appointment; better use of staff for particular medical needs; signpost to right service if not the GP; repeat prescriptions; GPs with specialisms (e.g., dementia); improve communication with patients and secondary care; improved recording of notes, medical conditions and data sharing; prioritise vulnerable and disabled people; more social prescribers
- Support those with multiple conditions – promote and implement ESTHER model; more time e.g., double appointments with GP; better carer and nursing support in community; educate clinicians to understand other conditions; improve access to medication; better Multi-disciplinary Team (MDT) working
- How best to join up care – improved communication and clarity with MDTs; shared patient records
- What helps patients to feel empowered – patient choice, led by patients
- How to best support carers – flexible appointment times and location choice; more respite care and opportunities; someone to provide care when the carer has their own appointments

9. Feedback on Shared Outcome 5

Improve health and care services

Summary of feedback

Partners feedback -

- Appears focused on hospitals rather than healthcare
- Ensure timely access for all to specialist stroke services
- Allow access to elective care in NHS facilities with shortest waits even if distant

Public feedback –

What can we do to free up beds in hospitals, reduce the time people stay in them and support people when they are discharged?

- Social care: Increase social care funding, make sure social care are present at discharge assessments
- Halfway houses
- Get wider family involved
- Refer people to social prescribers
- Link in with GPs before discharge from hospital
- Better services in the community, especially frailty teams, physio, podiatry, occupational therapy
- Safeguarding issues
- Issues with council borders and which is the responsible authority
- Ensure all relevant healthcare staff can access the person in the community
- Change poor discharge processes with unrealistic expectations
- Better communication between specialist centres and local healthcare providers

Summary of feedback

What else should we do to provide quality healthcare as close to home as possible?

- Reduce waiting times
- Utilise empty buildings
- Pre-ops at home rather than in London hospitals
- Offer free parking at specialist centres
- Provide option of follow up appointments by phone with specialist centres to avoid long patient journeys.

What sort of specialist services would you be happy to travel to another part of Kent and Medway for?

- Any service
- Specialist
- Cancers

10. Feedback on Shared Outcome 6

Support and grow our workforce

Summary of feedback received

Public feedback on workforce:

- Improve volunteering opportunities for staff
- Benefits for staff – financial support, offers with local businesses, health and wellbeing support (e.g., support with fertility treatment and leisure facility membership offers)
- Respect in the workplace, flexible working, performance related bonus
- Strengthen links and opportunities with education – schools, colleges and universities

Public feedback on making Kent and Medway a great place to live and work for all:

- Improved leisure facilities
- Support for families with special educational needs
- Tackle environmental issues
- Improve transport and infrastructure
- Promote local business
- Good education and schools

Appendix 1 – Detailed feedback from engagement activity led by KCC

Interim Integrated Care Strategy Feedback

Partners

- A Ashford
- C Canterbury
- Da Dartford
- D Dover
- FH Folkestone and Hythe
- G Gravesham
- M Maidstone
- PCC Police, Office of the Police and Crime Commissioner
- S Sevenoaks
- SW Swale
- T Thanet
- TMBC Tonbridge and Malling
- TW Tonbridge Wells
- VCS Voluntary and Community Sector

General Points

- “Together we will” not “together we can” (T)
- Need bottom-up approach reflected in Strategy recognising local needs and challenge. Need local bespoke solutions not “one size fits all” (G)(SW)
- Consider a Life Course Approach (G)
- Focus on WDH (TW)(TMBC)(T)
- Focus Inequalities welcome and need retain this focus where already commitments in strategies eg Kent HWB (T)(SW)
- Need to be honest and explicitly recognise and address real world financial challenges and barriers to prevention and holistic working. How do we ensure thought space for prevention when intellectual focus is waiting times/winter plans (M)(T)(SW)
- Need to translate into agreed action, deliver and monitor progress (S)(TW)(T)
- Need clarity on reasoning for choice of outcomes (S)
- Need for up to date service directory, single point of access (TW)(T)(SW)(D)(FH)(A)

General Points Continued (1)

- Estates and plans need to be coordinated across partners to meet all needs, DC needs to be on Estate Strategy group and better engaged (FH)(T)(M)
- Develop strong data analytics(M)
- Will need to raise confidence strategy will be delivered (M)
- Global warming as a threat to health (M)
- Effective access to information and interpretation to services for people with sensory and physical disabilities with responsibility with service providers. Must include complaints systems (M)
- Reallocate funding to System Strategy objectives recognising potential of VCS and DCs (M)(VCS Alliances)(Da)
- Districts do not map well to new NHS structure (SW)
- Need to involve local people and communities in development, delivery and evaluation (A)(M)
- Need clarity around governance and accountability (G)

General Points Continued (2)

- Areas with future high population growth must have all services (e.g. health, sports, leisure) planned and delivered with this in mind (Da)
- Decision making should include assessment of impacts on other parts of the system (C)
- VCS need to be an equal partner and respected as such (C)
- Longer term funding is required to enable sustainable services (C)
- VCS must be part of the prioritisation and decision making process (C)
- Organisations must communicate and coordinate more with each other to combat current silo working (D)
- There needs to be stronger mention of COVID, especially long Covid (D)
- Need a commitment to improve collaborative working between NHS and VCS (S)(Da)
- Improve social cohesion (Da)
- Better engagement of hard-to-reach communities (Da)

Outcome 1

- How to deliver best start in life with accessible Evidence Based Parenting (TMBC)(M)
- Loneliness in young adults (TW)
- Support for young people (G)
- Work with schools more, relaunch Extended Schools (M)(T)
- Rethink/Consider impact of closure children's centres (M)(T)(D)
- Financial Planning and nutritional advice for young people and mothers(M)(A)
- Strong, effective support for children with disabilities within the school system (VCS)
- Focus on weight loss (G)
- SEND targets from the logframe should be highlighted in the strategy (Da)
- Protecting children from criminal harm and exploitation and supporting victims (PCC)
- Data informed decisions for location of family hubs (D)

Outcome 2

- Emphasis on Prevention supported (S)(T)(G)
- VCS key to deliver but reducing and short-term funding and level engagement within the system leadership not reflective of this need for parity with little support for VCS infrastructure (S)(TW)(TMBC)(FH)(A)(VCS)(C)(Da)
- Role VCS is delivering sport and physical activity to tackle social exclusion and diversion (FH)(M)
- Partners should commission locally not from elsewhere (S)
- Inverse Care Law with more volunteers in better off areas (VCS)
- An Asset Based model should be used including optimal use community facilities and empty spaces (S)(FH)(A)
- Community hubs to support action on WDH including loneliness, physical activity and breast feeding (M)
- Need for better accessible MH services (TW)
- Partnership working to promote community safety, tackle crime and antisocial behaviour, drug and alcohol misuse (PCC)
- Focus on MH supported (T)(D)(G)
- Support for people with mental and physical health issues to access or retain work with additional intense targeted support for those with greatest challenges. (VCS)
- Support pockets of deprivation in more affluent areas (TW)
- Ensure social value with local procurement (G)

Outcome 2 Continued (1)

- Tackling poverty is fundamental to improved health (M)(T)
- Recognise holistic not compartmentalised nature of poverty (SW)
- Support around cost of living issues needs to link with financial support, mental health, employment and skills and environment (VCS)
- Transport infrastructure, public transport and community transport barrier to access jobs, social and services especially in rural areas (TW)(FH)(M)(T)(A)(C)(D)(Da)
- Include Serious Violence duty (PCC)
- Participation arts and culture-based interventions (FH)(T)
- Focus on preventing homelessness with joined up system approach wrapped around individual to develop sustainable home. (VCS)
- Housing issues including HMOs in former office premises (M)
- Childcare as barrier to work, cost and number places (FH)
- Support Apprenticeships and pre-employment experience opportunities (FH)(SW)
- Encourage local innovation and med tech investment through simplified procurement (M)
- Local Anchor networks including housing associations, NHS, LA and colleges(M)
- As a key anchor, simplify NHS jobs application process to encourage applications (SW)

Outcome 2 Continued (2)

- Support for social prescribing to help people access benefits and tackle WDH (M)(A)
- Need services for Social Prescribers to refer on to (A)
- Needs focus on tackling Domestic Abuse (T)(SW)(D)
- Victim and offender support, tackling drug, domestic abuse, exploitation, and harm and violence against women (PCC)
- Joined up services including primary care for people who are homeless (S)(T)
- Role libraries in tackling upstream WDH (SW)
- Lunch groups for vulnerable (A)
- Systemize social prescribing and increase its use via GPs (Da)(D)
- Recognise the impact of social isolation, particularly on young adults and older adults, and the role of art and culture in tackling this (Da)
- Roll out trauma informed practice within workforce (C)
- Introduce mobile wellbeing hubs for wider reach (D)
- Explore the commercial determinants of health (Da)

Outcome 3

- Joined up ongoing services needed around people with complex needs including housing with smooth referrals NHS and LA. (S)(TMBC)(FH)(T)(SW)(A)
- Joined up seamless services and removal silos to work (TW)
- Data sharing barriers need to be overcome (S)
- More focus on Prevention (G)
- Empowering health choices (TW)
- MDT support and one stop approach around people who misuse substances (FH)
- Integration health and social care (M)
- Commission joined up services with clear pathways and links and work with VCS as part of MDT/Multi agency working (M)(T)(A)
- Planning and design to help independence, housing to use NICE guidance around health (M)
- Challenge of Vaping (M)
- VCS engagement in dementia service planning and delivery (VCS)
- Focus on adult safeguarding (Kent ASC)
- Effective support in the community must be ongoing for problems that can extend for many years (D)
- Support for young carers (G)

Outcome 4

- Need for better primary care (TW)
- Need commitment to review resource allocation to improve primary care in areas with greatest need (S)
- Improve access to GPs, both appointments and physical (FH)(D)
- Improve GP and dentist recruitment to areas with lower rates by population with focus on areas of high population growth (FH)(M)(D)
- Develop primary care access informed by needs and future population growth (Da)
- Develop Urgent Treatment Centres in areas with lowest GP capacity (M)
- Agree Right Care, Right Person approach (PCC)
- Support for Fuller model (M)
- Better community-based End of Life support with care homes to relieve pressure on primary care (M)
- Enable free parking for health and care workers on visits. (A)
- Ease pressure on GPs by allowing self-referral where no need to 'medicalise' through a GP appointment (e.g. housing referral) (Da)
- Ensure access for people who cannot use digital solutions (G)

Outcome 5

- Ensure housing and support in place for people prior to discharge (G)
- Reduced waits for appointments and diagnostics (G)

Outcome 6

- Recognise that support for carers can positively impact staff retention (C)
- Early retirees should be encouraged back into the workplace (C)
- Roll out of MECC and TIP to empower front line staff to help retain them in the workforce (C)

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Equality, Diversity and Inclusion Impact Assessment

Stage 1

Section 1: Policy, Function or Service Development Details

This section requires the basic details of the policy, function or service to be reviewed, amended or introduced.

Section 2: Assessing Impact

This section asks the author to consider potential differential impacts the policy, function or service could have on each of protected groups. There is a separate section for each characteristic, and each should be considered individually.

Authors should refer to relevant evidence to inform the assessment, and to understand the likely demographics of the patient population who will be impacted by the policy, function or service. For example, findings from the Joint Strategic Needs Assessment (JSNA). It may be that no evidence is available locally. In this case, relevant national, regional or county-wide data should be referred to.

Authors must consider what action they will take to mitigate any negative outcomes identified and what actions they will take to ensure positive impacts are realized.

A link is provided to the legal definition for each of the protected characteristic groups.

Section 3: Equality Act 2010

This section asks the ICB's equality, diversity and inclusion lead to consider compliance to the Equality Act (2010) having completed the impact assessment of each of the protected characteristics covered by the Act in section 2. Consideration should be given to whether the evidence included in the impact assessment demonstrates that the organisation has upheld its legal duty to eliminate discrimination and promote equalities and good community relations by having given due regard to equality, including all nine of the protected characteristics covered by the Act.

Section 4: Conclusions & Recommendations

Now the impact has been assessed, the reviewing panel is asked to consider whether, based on the findings, they agree with the findings and any mitigating actions.

Section 5: Planning Ahead

This section outlines the requirements for any next steps. This should be completed by the ICB's Equality, Diversity and Inclusion lead and the author of this impact assessment to ensure that requirements are reasonable and deliverable within project/programme timeframes.

Section 1: Policy, Function or Service Development Details (to be completed by the author)

Directorate: Strategy

Officer responsible for assessment:

Date of assessment: On-going

Is this a (please confirm): Updated assessment

Defining what is being assessed:

What is the title of the policy, function or service this impact assessment applies to?

- Kent and Medway Integrated Care Strategy

Please briefly describe the purpose and objectives of this policy, function or service

The Integrated Care Partnership (ICP) is required to write an integrated care strategy which sets out how commissioners in the ICB and local authorities will work with partners to deliver joined up and person-centered care across the Kent and Medway population. An interim strategy was developed and published in December 2022. Extensive engagement with both system partners and the public was completed during 2023, concluding by September, and the interim strategy has now been refreshed based on this feedback.

The Integrated Care Strategy, through joint, integrated ways of working, looks to reflect evidence-based, system wide priorities which address and improve health and wellbeing as well as reduce disparities. The strategy will meet the needs of the local population of all ages and will relate to all physical and mental health as well as social care needs and address the wider determinants of health.

Who is intended to benefit and in what way?

The strategy looks to improve the health and wellbeing of the entire Kent and Medway population. It considers a 'life course' approach by incorporating conception through to end-of-life care, considering different life phases and settings. There is a particular focus prevention and the need to promote and restore health and wellbeing as well as reduce disparities.

What is the intended outcome of this policy, function or service?

The strategy will be used to extend current work to further the needed transformative change to tackle challenges including reducing health disparities across health and social care, improving quality and performance, preventing mental and physical ill health, and promoting patient choice and flexibility in how care and support are delivered. The strategy will be used to agree the steps required to deliver system level, evidence-based priorities in the short, medium and long term.

Who are the main stakeholders in this piece of work?

Providers across adult and children's social care, primary care, local authorities, community health services, secondary care, public health services, voluntary and independent sector and other partners that influence the wider determinants of health have been involved in the development and will be key to its implementation.

What factors may contribute to the outcomes of this policy, function or service?

Ensuring the voice of the service user is used in the development of services.

An extensive engagement programme was run to seek the views of people who live and work in Kent and Medway to inform the strategy refresh. This included an online survey, interactive platform with digital ideas boards, travelling roadshows to, for example, family fun days, shopping centres and leisure centres using the

public health bus. Community organisations also led focus groups with people who need to be heard so we can address health inequalities. For example LGBTQ+ communities, people with low income, parents and carers of children with disabilities and additional support needs, people from ethnic minority groups, Funding and enhanced partnership working arrangements that will enable new ways of working/commissioning more support and services
 Workforce challenges may impact timescales and deliverability of some of the proposals outlined in the strategy

Who is responsible for implementing this change to policy, function or service? (Please provide contact details).

The Health and Care Act 2022 amends the Local Government and Public Involvement in Health Act 2007 and requires integrated care partnerships to write an integrated care strategy to set out how the assessed needs (from the joint strategic needs assessments) can be met through the exercise of the functions of the integrated care board, partner local authorities or NHS England (NHSE).

What factors may detract from the outcomes of this policy, function or service?

Some of the 'factors that contribute' above could also be factors that detract – e.g., funding, workforce shortages, need for enhanced partnership working. These factors continue to be considered as the ICP becomes established and the Integrated Care System matures.

Section 2: Assessing Impact (to be completed by the author)

When completing this section please give consideration to the fact that a differential impact may be positive or negative.

1. Could there be a differential impact due to racial/ethnic groups ?	Yes	
<p>The strategy will have a positive impact as it looks to reduce health inequalities across all services by considering the needs of the local populations to enable greater provision of care across both health and social care. The document outlines how Kent and Medway will proactively look to involve people who have lived experience, particularly those from underrepresented groups. The project governance includes endorsement from the Kent and Medway Inequalities, Prevention and Population Health Committee (IPPH) to ensure that the strategy sets a vision for how current programmes of work and future initiatives will help improve access, patient experience and patient outcomes for all racial/ethnic groups. Health prevention and living well are key areas within the strategy, for example community led approaches to support healthy weight, healthy diet choices, good sexual health and minimize alcohol and substance misuse and tobacco use. This work will include patient focused support services that understand and seek to address barriers that stop cohorts of patients engaging with health and wellbeing services.</p> <p>In addition, the strategy champions an inclusive workforce with all organisations creating a culture that promotes diversity, respect, shared learning, development, and opportunity.</p>		

2. Could there be a differential impact due to disability ?	Yes	
It is recognized that people with disabilities are more likely to require health and care services and so are more		

likely to be impacted by this strategy. It is felt that the strategy will have a positive impact as it looks to reduce health inequalities across all services by considering the needs of the local populations to enable greater provision of care across both health and social care. The strategy incorporates all aspects of health-related services, recognizing that not all services are health and/or social care. For example, the strategy includes a joined-up approach to the planning, commissioning, and delivery of housing arrangements to allow independent living for those who require additional support and housing arrangements. The strategy details how personalised care will allow for increased patient choice and flexibility and aims to allow greater independence for those living with a disability. Joined up working will allow people to access support that allows people with disabilities to work, again supporting the aim to allow people greater independence. In addition, there is a commitment to providing support for carers including young carers, acknowledging the huge benefits they provide to the people they look after as well as wider society but also recognizing the physical and emotional impact on them.

3. Could there be a differential impact due to gender ?	Yes	
<p>The strategy will have a positive impact as it looks to reduce health inequalities across all services by considering the needs of the local population to enable greater provision of care across both health and social care. For example, the strategy includes a commitment to address women’s health issues.</p>		

4. Could there be a differential impact due to sexual orientation ?	Yes	
<p>There will be a positive impact as the strategy looks to reduce health inequalities across all services by considering the needs of the local population to enable greater provision of care across both health and social care.</p>		

5. Could there be a differential impact due to religion or belief ?	Yes	
<p>There will be a positive impact as the strategy looks to reduce health inequalities across all services by considering the needs of the local population to enable greater provision of care across both health and social care.</p>		

6. Could there be a differential impact due to people’s age ?	Yes	
<p>What evidence exists for this?</p> <p>The strategy will encompass the needs of the whole population, of all ages. The strategy will consider the needs and outcomes of babies, children, young adults and their families by working collaboratively with partners including children’s services. There is a commitment to giving children and young people the best start in life with a particular focus on prevention including improving awareness, education, and support to decrease the levels of smoking during pregnancy. Giving children the best start, ensuring that the conditions and support are in place for all children and young people to be healthy, resilient and ambitious for their future, forms a key part of the overall strategy. This will be achieved through supporting families and adopting a whole family approach. The strategy identifies the need for a holistic and family approach that incorporates housing, communities, health, education, social care and the voluntary sector. A key area will be around key transitional points to ensure continuity of care as well as improve patient outcomes and patient experience. The strategy highlights the importance of increasing fitness, reducing childhood obesity, improving focus in schools and increasing the uptake of childhood vaccinations.</p>		

The strategy includes how Kent and Medway will help people manage their own health and wellbeing including how to live well and age well, encompassing health initiatives that promote positive health benefits. Technology will be a key tool in enabling people to achieve this goal and in continuity of care for older people who are at a higher risk of multiple co-morbidities and deteriorating health. Extending social prescribing, allowing people to connect with their community also forms a core part of the strategy.

7. Could there be a differential impact due to marital/civil partnership status ?	Yes	
The strategy will have a positive impact as it looks to reduce health inequalities across all services by considering the needs of the local population to enable greater provision of care across both health and social care.		
8. Could there be a differential impact due to a person being trans-gendered or transsexual ?	Yes	
The strategy will have a positive impact as it looks to reduce health inequalities across all services by considering the needs of the local population to enable greater provision of care across both health and social care.		
9. Could there be a differential impact due to a person being pregnant or having just had a baby ?	Yes	
There is a recognition that prevention of poor health starts before birth with good foundations leading to better health outcomes overall. The strategy outlines how a joined-up network of support will be provided to support parents and parents to be, including awareness around smoking during pregnancy, breastfeeding and childhood obesity as well as support being available around housing and education in line with providing a holistic and family approach.		
10. Are there any <i>other</i> groups that may be impacted by this proposed policy, function or service (e.g. speakers of other languages; people with caring responsibilities or dependants; those with an offending past; or people living in rural areas, homeless or war veterans) but are not recognised as protected characteristics under the Equality Act 2010?	Yes	
<p>The strategy furthers work and the required transformative change that is needed to tackle health inequalities across Kent and Medway. In addition to tackling and reducing health inequalities, the strategy looks to improve quality and performance, prevent physical and mental ill health and improve independence by promoting personalised care, choice and flexibility. This applies to the entire Kent and Medway population with partners aiming to deliver collaborative, joined up, person centered care throughout people’s lives. The strategy has a wide scope with focus on:</p> <ul style="list-style-type: none"> • quality improvement • joint working • personalised care • disparities in health and social care • population health and prevention • health protection • babies, children, young people, their families and health ageing • workforce 		

- research and innovation
- health related services
- data and information sharing

The scope encompasses, and will impact all groups of people including speakers of other languages, carers etc.

11. The FREDA principles (fairness, respect, equality, dignity and autonomy) are a way in which to understand Human Rights. What evidence exists to demonstrate that this initiative is in-keeping with these principles?

The strategy is underpinned by the Core20PLUS5 model which aims to support the reduction of health inequalities at system level (as well as national). There are 5 focus clinical areas that require accelerated improvement: maternity, severe mental illness, chronic respiratory disease, early cancer diagnosis and hypertension case finding. These clinical areas align with the Kent and Medway approach to health population management that aims to ensure that population groups who experience poorer than average health access, experience and/or outcomes are able to access an inclusive and holistic care.

There is a specific focus on health protection to ensure that vulnerable groups are being identified and their needs are addressed. These groups include refugees, asylum seekers, homeless people, Roma, Sinti, Travelers, and other groups.

A report on the consultation and engagement work that was undertaken with system partners and the public to understand their priorities will be published alongside the refreshed strategy.

NB: Remember to reference the evidence (i.e. documents and data sources) used

Section 3: The Equality Act 2010 (to be completed by the ICB equality, diversity and inclusion Lead)

Under The Equality Act 2010, the ICB is required to meet its Public Sector Equality Duty. Does this impact assessment demonstrate that this policy, function or service meets this duty as per the questions below? A 'no' response or lack of evidence will result in the assessment not being signed off.

12. The need to eliminate discrimination, harassment and victimisation	Yes	
<p>The content included in Section 2 of this report and the accompanying actions identified in Section 4 demonstrate that NHS Kent and Medway has given due regard to the local communities that it serves in a way that meets obligations under the Public Sector Equality Duty. The strategy seeks to improve services and highlight and reduce inequalities.</p>		
<p>Page 160</p>		
13. Advance equality of opportunity between people who share a protected characteristic	Yes	

and those who do not		
<p>The content included in Section 2 of this report and the accompanying actions identified in Section 4 demonstrate that NHS Kent and Medway has given due regard to the local communities that it serves in a way that meets obligations under the Public Sector Equality Duty. The strategy seeks to improve services and highlight and reduce inequalities.</p>		
14. Foster good relations between people who share a protected characteristic and those who do not	Yes	
<p>The content included in Section 2 of this report and the accompanying actions identified in Section 5 demonstrate that NHS Kent and Medway has given due regard to the local communities that it serves in a way that meets obligations under the Public Sector Equality Duty. The strategy seeks to improve services and highlight and reduce inequalities.</p>		

NB: Remember to reference the evidence (i.e. documents and data sources) used

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Section 4: Action Plan

The below action plan should be started at the point of completing the Impact Assessment (as impacts are identified), however, it is an ongoing action plan that should support the project throughout its lifespan and therefore, needs to be updated on a regular basis.

Potential Impact identified	Which Protected Characteristic group will be impacted upon?	Action required to mitigate against impact	Deadline	Who is responsible for this action (Provider/ICB- please include job title where possible)?	Update on actions (to be provided throughout project)	RAG rating
	All	Ensure that detailed equality analysis and mitigation is in place for specific service changes or projects that happen as a result of the strategy	On-going	Service commissioner – this may be any partner in the Integrated Care System for example NHS Kent and Medway, Kent County Council or Medway Council.		

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Section 5 Conclusions (to be completed by the author)

Could the differential impacts identified in questions 1-15 amount to there being the potential for adverse impact?	Yes	No
The strategy seeks to improve services and highlight and reduce inequalities.		
Can the adverse impact be justified on the grounds of promoting equality of opportunity for one group, or another reason?	Yes	No
The strategy seeks to improve services and highlight and reduce inequalities.		

Is there an opportunity to alter your proposal to meet the ICB duties?	Yes	No
Is there evidence of a disproportionate adverse or positive impact on any groups of protected characteristic?	Yes	No
Are there concerns that there may be an impact that cannot be easily mitigated or alleviated through the alterations?	Yes	No

For any 'Yes' answers, please amend your equality impact assessment and resubmit it for further review. For any 'No' answers, the ICB must now make a decision as to whether it considers this proposal to be viable.

Section 6: Sign Off (to be completed by author and ICB Equality, Diversity and Inclusion Lead)

Date of next review		
Areas to consider at next review (e.g. new census information, new legislation due)		
Is there <i>another</i> group (e.g. new communities) that is relevant and ought to be considered next time?		
Signed (Author) R Hewett	Date	
Signed (ICB E,D&I Lead) LS Brailey	Date	

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From: Clair Bell, Cabinet Member for Community & Regulatory Services
Simon Jones, Corporate Director Growth, Environment and Transport

To: Growth, Economic Development and Communities Cabinet Committee Meeting - 9 November 2023

Subject: Positive Wellbeing Pilot Service - Evaluation Report

Classification: Unrestricted

Past Pathway of report: Growth, Economic Development and Communities Cabinet Committee Meeting - January 2023

Future Pathway of report: N/A

Electoral Division: All

Summary: This report provides an update on the evaluation findings for the Positive Wellbeing social prescribing service delivered by the Community Warden service between June 2020 and December 2022.

Recommendation: The Cabinet Committee is asked to note the evaluation findings and comment on the future direction of the Positive Wellbeing service.

1. Introduction

- 1.1 There is clear evidence that loneliness and social isolation are harmful to health and are associated with a range of negative health outcomes. This in turn puts increased pressure on local health and social care services.
- 1.2 In 2022, 49.63% of adults (25.99 million people) in the UK reported feeling lonely occasionally, sometimes, often or always¹.
- 1.3 Older people who are socially isolated are:
- 1.8 times more likely to visit a GP
 - 1.6 times more likely to visit A&E
 - 1.3 times more likely to have emergency admissions
 - 3.5 times more likely to enter local authority funded residential care.²
- 1.4 Social isolation can carry health risks that are comparable to obesity, smoking 15 cigarettes a day or being an alcoholic.³

¹ [Campaign to End Loneliness with Dr Heather McClelland \(2023\)](#) Analysis of quarterly report data provided by the ONS from the Opinions and Lifestyle Survey for Jan-Dec 2022.

² Social Finance (2015) Investing to Tackle Loneliness: A Discussion Paper 21

³ Holt-Lunstad, J. (2010) Social Relationships and Mortality Risk: A Meta-Analytic Review

- 1.5 Loneliness has been found to increase the likelihood of mortality by 26%.⁴
- 1.6 Research commissioned by the Eden Project found that disconnected communities could be costing the UK economy £32 billion a year. This includes:
- £5.2 billion due to greater demands on health and care services.
 - £0.2 billion as a result of greater demands on policing.
 - £12 billion net cost to the economy due to a loss of productivity.^{5&6}
- 1.7 Statistical evidence and data showing the extent of the detriment caused by loneliness and social isolation is further detailed in a [previous report to Cabinet Committee in January 2023](#).
- 1.8 To address the issue of social isolation and loneliness in Kent, 'Positive Wellbeing', a social prescribing 'plus' service aimed at people aged over 65, was developed as part of the Connected Communities Interreg project. The EU funded intervention was delivered by a small cohort of Community Wardens, working part time as Community Connectors, for the project. The service was delivered for two years in four small pilot areas in Kent: Folkestone, Thanet, the Isle of Sheppey and Maidstone.
- 1.9 The results of the service have been academically and independently assessed by the University of Essex, led by [Professor Gina Yannitell Reinhardt](#). A full evaluation report for Kent, dated 2nd October 2023, is attached. It details the impact of Positive Wellbeing in the four pilot areas of Kent.
- 1.10 Positive Wellbeing continues to be delivered by the Community Warden service as business as usual and the plan is to expand the service to support more residents to live better and reduce the negative health outcomes associated with social isolation and loneliness.

2. Evaluation Findings

- 2.1 Kent recorded pre- and post- programme participation information on beneficiaries' levels of loneliness, social isolation/interaction, wellbeing, trust, and overall satisfaction with the social prescribing plus service. Basic demographic information was also collected during the programme.
- 2.2 The data was collected between June 2020 and December 2022, with the service being disrupted during the COVID-19 lockdown restrictions. Frequent and prolonged periods of social distancing affected programme participation and as a result reduced the amount of data that we aimed to capture.
- 2.3 Service user referrals came from numerous sources and across a wide sector of VCSE, social care, health care, family members, friends, neighbours, media, leaflets, and others. Referred cases are categorised into two groups:

⁴ Marmot, M. (2010) Fair Society, Healthy Lives: The Marmot Review

⁵ CEBR (2017) The Cost of Disconnected Communities: Report for the Big Lunch

⁶ Kent County Council (2018) Adult Social Care Cabinet Committee, 19 January 2018, Maidstone

Hard cases – individuals who received social prescribing via the Positive Wellbeing service.

Soft cases – individuals who were referred to the Positive Wellbeing service, whose needs were assessed as better addressed by other services and were therefore signposted to other providers.

Kent recorded **101** hard cases, with a full data set collected from **73**. Missing data is either due to a lack of continuation with the programme or due to a change in the beneficiary's personal circumstances, such as an illness that prevented the Connector from asking questions more than once.

Kent recorded **145** soft cases.

2.4 Top-level findings from the evaluation carried out by the University of Essex are below. All top-level findings demonstrate a statistically significant positive change as a result of the Positive Wellbeing service. A “statistically significant difference” is an observed difference in the outcomes which is unlikely to have occurred due to chance alone but is likely to have occurred due to the intervention that is being measured.

- **Loneliness**

There was a statistically significant reduction in loneliness, with beneficiaries reporting that they feel less lonely during the last visit compared to the first visit.

- **Isolation**

There was a statistically significant reduction in isolation relating to four aspects:

1. Beneficiaries report having more people they can depend on during the last visit in comparison to their first visit.
2. Beneficiaries report they are spending more time with people who do not live with them in the last visit in comparison to the first visit.
3. Beneficiaries report that they are talking more on the phone with someone who does not live with them in the last visit in comparison to the first visit.
4. Beneficiaries report they are going more often to club meetings, religious meetings, and other group events during the last visit in comparison to the first visit.

- **Wellbeing**

There were statistically significant improvements in three aspects of wellbeing:

1. Beneficiaries report feeling more satisfied with their life at the last visit in comparison to the first visit.
2. Beneficiaries report that they feel things they do in their life are more worthwhile at the last visit in comparison to the first visit.
3. Beneficiaries report feeling happier during the last visit in comparison to the first visit.

Assessing all aspects of wellbeing together, beneficiaries report greater overall wellbeing during the last visit in comparison to the first visit.

- **Trust**

There was a statistically significant improvement in feelings of Trust with beneficiaries reporting that they trust people more at the last visit in comparison to the first visit. Beneficiaries report that they trust public officials more during the last visit in comparison to the first visit.

- **Customer Satisfaction**

89% agree or strongly agree that they would recommend the service to others.

74% strongly agree or agree that they can maintain the lifestyle changes the Connectors helped them put in place.

- **Community Level Data**

Results show an increase in the costs of residential care in Kent over the last 2–3 year period, and an increase in the number of requests for home care services which demonstrates a continued need for preventative services, such as social prescribing, in Kent.

- **Demographics of service users**

Gender: a majority report identifying as female (71% female, 29% male).

Age: ranges from 64-96, the average age was 77.

Ethnicity: a majority report to identify as White (71% were White, 3% Black, Asian or from another ethnic minority and 26% declined to answer).

Marital status: participants reporting being widowed outnumbered each of the other categories of marital status (5% unmarried, 37% widowed, 19% divorced or separated, 8% married or civil partnership, 31% declined to answer).

Living status: a majority report living alone (56% live alone, 1% in sheltered accommodation, 1% in supported housing, 16% with relatives and 27% declined to answer).

2.5 As cited in the academic report attached, “Increases in costs of residential care and supported accommodation and in requests for homecare, residential care and supported accommodation demonstrate a continued need for preventative services, such as social prescribing, in Kent. The trends in the areas where Connected Communities were implemented (Pilot) in comparison to the areas where the programme was not implemented (Comp/Comparison/non-Pilot) indicate that the needs for homecare, residential and SIS/supported living as reflected in the number of care requests (Figure 20; Figure 21; Figure 22) and costs (Figure 23; Figure 24; Figure 25) are higher in Pilot when compared to non-Pilot areas throughout April 2018 – December 2022 period. This is not surprising given that the pilot areas were selected based on the level of need.”

2.6 An evidence summary on “The economic impact of social prescribing” was commissioned by the National Academy for Social Prescribing (NASP). The findings were as follows:

NET reductions in health and care service usage

- £24.20 - £77.37 per person per year in GP attendance
- £102,000 - £150,000 resource saving in GP staff time
- Hospital usage reductions valued at £106,000-£154,000⁶

Social Return on Investment (SROI)

- An average SROI was £3.41 - £8.54 per £1 spent (based on 13 studies)⁷

- 2.7 Building on the success of the pilot and to support more residents, the Community Warden service now offers Positive Wellbeing support to residents aged 18 and over as part of their business as usual. Since April 2023, and without any promotion, more than 50 residents have requested support from Positive Wellbeing showing a clear need for the service. It is anticipated that Positive Wellbeing will support up to 100 people per year based on the current service model.
- 2.8 We now propose to expand and develop the Positive Wellbeing service to be able to support individuals in Kent disproportionately affected by social isolation and loneliness. We are working with Kent analytics to carry out needs-based mapping exercise and understand who in Kent needs social prescribing support the most and where they are to focus the delivery of the service. The future direction of the service is to continue to collaborate with public and voluntary services in Kent to support them to deliver Positive Wellbeing and help reduce future demand on social care and public health services.
- 2.9 Another important collaboration is with ASCH MADE (Making a difference everyday). The core principles of consistent, high quality, person-centred and innovative support to those that need it is central to the success of Positive Wellbeing. Positive Wellbeing aligns with and supports MADE.

3. Financial Implications

- 3.1 Whilst the Connected Communities project and EU funding has now ended, Positive Wellbeing has now been mainstreamed into the Community Warden service and is delivered as part of their business as usual. There is no additional cost to the Warden Service.
- 3.2 Grant income is being used to fund a Positive Wellbeing Development Officer to the end of 2023/24. MTFP entry PGR02_23-24_037_XX (£35,000) refers to the replacement of this grant.
- 3.3 The average cost to KCC to provide home care for one person is £8,875 per year.⁸ The average cost to KCC to look after one person in residential care is £37,403 per year.⁸
- 3.4 Although there is a research gap in terms of the accurate financial impact of social prescribing on social care costs at this time, it is recognised amongst practitioners, leading academics and researchers on the subject that social prescribing reduces the number of people requiring social care or delays demand.

⁷ Evidence Review Economic Impact of Social Prescribing commissioned by NASP

⁸ KCC Adult Social Care & Health Performance

- 3.5 Positive Wellbeing in Kent can either prevent someone from needing care altogether or it can delay the need for care.
- 3.6 Based on the current provision of supporting 100 people per year (the expansion of the service would see a significant increase);
- Preventing the equivalent of 1% of service users from entering residential care, KCC would recover the cost of the Positive Wellbeing Development Officer for each year that that person can live independently.
 - Preventing 4% of service users requiring home care would also recover the cost of the Positive Wellbeing Development Officer for each year that that person can live independently.

4. Legal implications

4.1 N/A

5. Equalities implications

5.1 An EqIA has been undertaken. No adverse impact is foreseen for any protected characteristic.

6. Other corporate implications

6.1 In May 2022 the county council approved 'Framing Kent's Future' which includes the priority of New Models of Care and Support.

6.2 In October 2023, the paper 'Securing Kent's Future', taken to Cabinet, identifies New Models of Care and Support as the main priority for the Council going forward and the need for significant service reform to meet the challenges of the post Covid-19 global economy. Positive Wellbeing offers the County Council a unique, innovative, and evidence-based preventative solution to help tackle loneliness and isolation in Kent.

6.3 The Kent and Medway Social Prescribing and Community Navigation (SPCN) Strategy is currently being produced and the Positive Wellbeing pilot and service manager have played an active role in its development. The SPCN Strategy directly supports objectives set out in the Kent and Medway Integrated Care Strategy. The SPCN strategy sets out the shared purpose and common aspiration of partners to work in increasingly joined up ways to enable the people of Kent and Medway to lead the most prosperous, healthy, independent, and contented lives they can. Positive Wellbeing ensures that KCC will be at the forefront of delivering the objectives set out in both strategies and makes a strong commitment to delivering the ICS objectives.

6.4 The County Council's Adult Social Care and Health directorate commissions external providers to deliver different models of social prescribing & community navigation services. Positive Wellbeing complements these services by providing a social prescribing 'plus' service that supports those most in need who are not engaged with their GP or other agency. Wardens acting as Community Connectors go into people's home and reach people that would

otherwise not leave their house for support or for social reasons. Positive Wellbeing is well connected to and joined up with these services to cross-refer users when necessary.

7. Governance

7.1 N/A

8. Conclusions

8.1 The evaluation report produced by the University of Essex provides evidence as to how effective the Positive Wellbeing service in Kent is at reducing feeling of loneliness and social isolation and the positive impact it has on health and wellbeing. It also indicates the potential for Positive Wellbeing to prevent future demand on social care and to save money for KCC on home and residential care.

8.2 The proposal is to develop a blended model of care and support. By working with existing services and providers we will expand the Positive Wellbeing service, so all residents aged 18 and over in Kent who experience social isolation and loneliness are supported.

8.3 The main benefits of the service are:

- Social isolation and loneliness will reduce in Kent, with a positive impact on demand for care and health services.
- The financial cost of prevention is far less than the cost of long-term care and support.
- Positive Wellbeing contributes to improved health outcomes for residents in Kent. Improved health outcomes support a thriving economy, a more productive workforce, and healthier communities. If people are leading healthy, fulfilling, and connected lives, they are less likely to need support from public health, social care and NHS services.
- Positive Wellbeing contributes to the reduction of stigma surrounding social isolation and loneliness; the service will use a sophisticated communications strategy to raise awareness of the topic, and deliver an easy to access, non-invasive sign-up process. This addresses the first objective of the 2023 Tackling Loneliness annual report⁹.

⁹ Policy paper from the Department for Culture Media & Sport - [Tackling Loneliness annual report March 2023: the fourth year](#). Published 30 March 2023

- People’s lives will be more fulfilled and wellbeing will improve. Comments from service users in the pilot project include:
 ‘Life is better’
 ‘My life has opened up’
 ‘I am really, really grateful’
 ‘I feel human again’
 ‘Many people would benefit from this’
 ‘My Connector was amazing, kind and patient. I could not have had better treatment if I had gone privately’
 ‘I can believe in myself again’
 ‘She [Community Connector] has changed my life forever’.
- Services will be better connected for residents. By joining up public and voluntary services, there will be a seamless journey for the customer whereby they are offered a service they may not have been aware of or have accessed otherwise.

9. Recommendation:

9.1 The Cabinet Committee is asked to note the evaluation findings and comment on the future direction of the Positive Wellbeing service.

10. Background Documents

10.1 Evaluating the Pilot of Positive Wellbeing report, University of Essex, 2023:
<https://democracy.kent.gov.uk/documents/s121597/UoEPWEvaluationKentFinal.pdf>

11. Contact details

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From: **Derek Murphy, Cabinet Member, Economic Development**
Simon Jones - Corporate Director of Growth, Environment & Transport

To: Growth, Economic Development and Communities Cabinet Committee – 9 November 2023

Subject: **Youth Unemployment and Apprenticeships**

Classification: **Unrestricted**

Past Pathway of paper **N/A**

Future Pathway of paper **N/A**

Divisions Affected; **All**

Summary: This paper provides the Committee with updated information on unemployment statistics and apprenticeships: the Committee previously discussed these at its meeting on 11 January 2023. Prior to that, the Committee discussed these matters at its meeting on 20 September 2021, in the context of the impact on youth unemployment of the COVID-19 pandemic and the economic and health measures introduced at the time to mitigate the consequences.

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note the report and presentation and to note that the Cabinet Committee for Children, Young People and Education will be invited to consider the same issues at one of its future meetings. It is proposed that a further analysis should be presented to these Committees in the new year, taking into account changes in Government policies and funding.

1. Unemployment statistics

- 1.1 In August 2023, there were 31,440 people aged 18 and over claiming unemployment benefits in Kent, an increase of 1.55 per cent since November 2022 when the figures were last reported to the Committee in January 2023. (The data for August 2023 are the most recent unemployment figures for local authority districts published by the Office of National Statistics (ONS) at the time of writing this report. The ONS derives the data from the number of people claiming either Jobseekers Allowance or Universal Credit principally for the reason of being unemployed.)
- 1.2 Kent's unemployment rate was 3.3 per cent of the working age population, below the Great Britain rate of 3.7 per cent but higher than the South East's rate of 2.8 per cent. Over the past five years, the unemployment rate in Kent has consistently been approximately 0.5 percentage points below the Great Britain average.

1.3 Thanet had the highest unemployment rate in Kent at 5.5 per cent. Sevenoaks had the lowest, at 1.9 per cent. Similarly, Thanet had the highest numbers unemployed and Sevenoaks the fewest.

1.4 The youth unemployment rate in Kent (people aged 18 to 24 years) was 5.0 per cent compared with Great Britain's 4.9 per cent and the South East's 3.8 per cent. At 9.1 per cent, Thanet had the highest youth unemployment rate in any district in the South East of England. The number of young people unemployed in Thanet was 840; in Sevenoaks, the number was 210.

1.5 The table below shows these unemployment figures by district:

Kent Districts	18-24 year claimants	18-24-year claimant rate	25-49-year claimants	25-49-year claimant rate	50-64 year claimants	50-64 year claimant rate
Ashford	455	4.9 %	1,435	3.4 %	535	2.1 %
Canterbury	675	3.1 %	1,720	4.0 %	700	2.4 %
Dartford	380	4.9 %	1,420	3.2 %	425	2.1 %
Dover	505	6.7 %	1,440	4.4 %	635	2.5 %
Folkestone & Hythe	450	6.2 %	1,340	4.3 %	675	2.5 %
Gravesham	490	6.2 %	1,730	4.9 %	610	3.0 %
Maidstone	555	4.6 %	1,930	3.3 %	685	2.0 %
Sevenoaks	210	2.9 %	845	2.4 %	320	1.3 %
Swale	655	6.0 %	1,900	3.9 %	715	2.4 %
Thanet	840	9.1 %	2,665	6.5 %	1,010	3.5 %
Tonbridge & Malling	330	3.9 %	1,025	2.5 %	410	1.5 %
Tunbridge Wells	235	3.3 %	1,020	2.8 %	450	1.9 %
Kent Total	5,780	5.0 %	18,470	3.8 %	7,190	2.3 %

2. Apprenticeships

2.1 Based on third quarter data for 2022-23 and 2021-22, Kent has seen a decrease in apprenticeship starts of 3 per cent, from 7,320 in 2021-22 to 7,050 in 2022-23. Nationally, apprenticeship starts are down by 5%. Kent's numbers have declined, but not as much as the national trend. (Note: figures have been rounded up to nearest 10.)

2.2 Comparison of apprenticeship starts by age group (*figures rounded up to nearest 10.*).

	<i>Kent</i>	<i>England</i>
16-18	+4% 2021-22 =1560 2022-23 =1620	-0.3%
19-24	-2% 2021-22 = 2100 2022-23 =2050	-8%
25+	-6% 2021-22 =3620 2022-23 =3380	-5%

Data source: KCC Analytics

This highlights that the work currently supporting young people into apprenticeship by The Education People and Kent County Council is having a positive impact to ensure Kent is achieving above national results.

2.3 The following table shows the numbers of apprenticeship starts in Kent in 2021-22 and 2022-23, showing the level and age range:

Level	Age	2021-22 3rd Qtr	2022-23 3rd Qtr
Intermediate Apprenticeship Under 19	Under 19	680	660
Intermediate Apprenticeship 19 - 24	19-24	400	390
Intermediate Apprenticeship 25+	25+	620	380
Advanced Apprenticeship Under 19	Under 19	720	770
Advanced Apprenticeship 19-24	19-24	1000	940
Advanced Apprenticeship 25+	25+	1500	1400
Higher Apprenticeship Under 19	Under 19	160	190
Higher Apprenticeship 19 - 24	19-24	700	720
Higher Apprenticeship 25+	25+	1500	1600

The figures in the table reflect the Government's drive to increase the number of starts across level 3 and above and to reduce the number of level 2 starts. (A sectoral breakdown for Kent is not available: this data is only available nationally.)

KCC sharing the apprenticeship levy

3.1 Since summer 2018, all levy paying employers have been able to share up to 25 per cent of their levy contributions with other employers to support apprenticeship training. KCC has been sharing its contributions since 2019. Recipients of the KCC funding must show how they will deliver KCC's Strategic Outcomes by supporting:

- Children and Young People,
- Kent economic growth, or
- Older and vulnerable residents.

There are currently 104 employers in the KCC Programme supporting 254 apprenticeships. The largest number of apprentices (129) are in the adult social care sector.

3.2 This table shows the skills qualification levels for these apprenticeships:

Levels 2 & 3	186
Level 4	30
Level 5	26
Level 6	5
Level 7	7
TOTAL	254

The Annex to this paper summarizes the information on the Gov.Uk Website on the equivalence of these qualification levels to other qualifications.

3.3 KCC also uses its levy to support a Graduate Programme which offers the opportunity to develop professional learning pathway and is recognized as the top Charitable, Education and Public sector organization in the Top 100 Employers for graduates to work for.

3.4 KCC is also working in partnership with Mid-Kent College to receive industry placements with Kent Scientific Services and with Kent Training and Apprenticeships (KT&A) to pilot a Business and Administration Traineeship.

3.5 KCC offers face to face work experience opportunities in those areas whose working arrangements can support this. 31 have been arranged this year. KCC is also working with Kent Supported Employment (KSE) to create a tailored Supported Internship Programme for SEND students or those with an EHCP.

4. Labour and Skills Shortages: the Kent and Medway Employment Task Force

4.1 In 2020, the County Council's Leader, Roger Gough, established the Kent and Medway Employment Task Force to identify and progress actions that would mitigate the extent and impact of both employment shortages and unemployment. Membership of the Task Force includes the Cabinet Members responsible for Economic Development and for Education and Skills, as well as Council Leaders

representing other local authorities in Kent, two members of Parliament, and representatives from education, business, and employment support (including the Department for Work and Pensions). The Task Force meets regularly to identify and assess the most critical issues and problems and to initiate solutions through appropriate action. The actions that fall to the County Council are reported to the relevant Cabinet Committee. In cases where responsibility lies elsewhere, the Task Force seeks to exert influence for reform:

- 4.2 Employers have reported considerable difficulty in recruiting the numbers of staff they need with the right level of skills. This is a national issue and not one which is unique to Kent and Medway. Nonetheless, the Employment Task Force has considered what measures could be implemented to improve the situation in Kent and priority has been given to finding ways of increasing the numbers of apprenticeships in sectors with skills shortages.
- 4.3 The County Council itself plays a significant part in delivering that improvement and the Services involved, The Employment People, Education and Personnel, are represented in the Employment Task Force's discussions through the Reference Group.
- 4.4 As these KCC services report to separate Cabinet Committees, the chairs of the Children's, Young People and Education Committee and the Growth, Economic Development and Communities Committee have suggested that reports relevant to skills and employment should go to both Committees and that the relevant Corporate Directors should co-ordinate these reports.

5. Data Protection and Equalities

- 5.1 This report does not contain any information protected by GDPR; nor does it require an EQIA. The work of the KCC Apprenticeship Board is informed by an EQIA for each of its individual strands.

6. Financial implications

- 6.1 This report does not have financial implications for budgets which are the responsibility of the Cabinet Member for Economic Development and the Cabinet Member for Communities. Personnel Committee reviews the budgets for KCC Apprenticeships and the Cabinet Committee for CYPE reviews the education budgets.

7. Legal implications

- 7.1 This report makes no recommendations which have legal implications.

8. Recommendation

Recommendation:

The Growth, Economic Development and Communities Cabinet Committee is asked to note the report and to note that the Cabinet Committee for Children, Young People and

Education will be invited to consider the same issues at one of its future meetings. It is proposed that a further analysis should be presented to these Committees in the new year, taking into account changes in Government policies and funding.

9. Background Documents

None

10. Contact details.

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ANNEX

How the Apprenticeship Qualification Levels shown in paragraph 3.2 correspond to other qualification attainments in England, Wales and Northern Ireland

LEVEL 2	O level grades A, B or C GCSE grades 4 to 9, or A*, A, B, and C Music grades 4 and 5
LEVEL 3	A level and AS level International Baccalaureate diploma T level Music grades 6, 7 and 8
LEVEL 4	Certificate of Higher Education Higher National Certificate (HNC)
LEVEL 5	Diploma of higher education Foundation degree Higher National Diploma (HND)
LEVEL 6	Ordinary degree Honours degree Graduate diploma
LEVEL 7	Masters degree Postgraduate degree or diploma
LEVEL 8	Doctorate (eg PhD)

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From: Benjamin Watts, General Counsel

To: Growth, Economic Development and Communities Cabinet Committee – 9 November 2023

Subject: Work Programme 2023/2024

Classification: Unrestricted

Past and Future Pathway of Paper: Standard agenda item

Summary: This report gives details of the proposed work programme for the Growth, Economic Development and Communities Cabinet Committee.

Recommendation: The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its Work Programme for 2023/2024.

1. Introduction

- 1.1 The proposed work programme, appended to the report, has been compiled from items in the Future Executive Decision List and from actions identified during the meetings and at agenda setting meetings, in accordance with the Constitution.
- 1.2 Whilst the chairman, in consultation with the cabinet members, is responsible for the programme's fine tuning, this item gives all members of this cabinet committee the opportunity to suggest amendments and additional agenda items where appropriate.

2. Work Programme

- 2.1 The proposed work programme has been compiled from items in the Future Executive Decision List and from actions arising and from topics, within the remit of the functions of this cabinet committee, identified at the agenda setting meetings. Agenda setting meetings are held 6 weeks before a cabinet committee meeting, in accordance with the constitution.
- 2.2 The cabinet committee is requested to consider and note the items within the proposed Work Programme, set out in appendix A to this report, and to suggest any additional topics to be considered at future meetings, where appropriate.
- 2.3 The schedule of commissioning activity which falls within the remit of this cabinet committee will be included in the work programme and considered at future agenda setting meetings to support more effective forward agenda planning and allow members to have oversight of significant service delivery decisions in advance.
- 2.4 When selecting future items, the cabinet committee should consider the contents of performance monitoring reports. Any 'for information' items will be

sent to members of the cabinet committee separately to the agenda and will not be discussed at the cabinet committee meetings.

3. Conclusion

- 3.1 It is vital for the cabinet committee process that the committee takes ownership of its work programme to deliver informed and considered decisions. A regular report will be submitted to each meeting of the cabinet committee to give updates of requested topics and to seek suggestions for future items to be considered. This does not preclude members making requests to the chairman or the Democratic Services Officer between meetings, for consideration.

4. Recommendation: The Growth, Economic Development and Communities Cabinet Committee is asked to consider and agree its Work Programme for 2023/2024.

5. Background Documents: None

6. Contact details

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**GROWTH, ECONOMIC DEVELOPMENT AND COMMUNITIES CABINET COMMITTEE
WORK PROGRAMME 2024**

Item	Cabinet Committee to receive item
Work Programme	Standing item
Verbal Updates – Cabinet Members and Corporate Director	Standing item
District Visits Programme	Standing item
Final Draft Budget	Annually (November)
Risk Register – Strategic Risk Register	Annually (March)
Performance Dashboard	Quarterly
Kent and Medway Business Fund Monitoring	Bi-annual reporting (6 monthly)
Key Decision Items	

18 JANUARY 2024 at 10am

1	Intro/ Web announcement	Standing item
2	Apologies and Subs	Standing item
3	Declaration of Interest	Standing item
4	Minutes	Standing item
5	Verbal Updates – Cabinet Members and Corp. Dir.	Standing item
6	District Visits Programme	Standing item
7	Community Wardens Consultation Report	Key Decision
8	Kent and Medway Economic Framework	Key Decision
9	Trading Standards Checked	
10	Banking Hubs (LINK)	
11	KCC Infrastructure Funding Statement	
12	CIL Delivery against KCC asks	
13	Mass Fatality Emergency Mortuary Contract	
14	Work Programme	Standing item

5 MARCH 2024 at 2pm

1	Intro/ Web announcement	Standing item
2	Apologies and Subs	Standing item
3	Declaration of Interest	Standing item
4	Minutes	Standing item
5	Verbal Updates – Cabinet Members and Corp. Dir.	Standing item
6	District Visits Programme	Standing item
7	Risk Register	Annual item

8	Kent and Medway Business Fund Monitoring	Bi-annual report
9	KMBF recipients	
10	LEP Transition update	
11	Post LEP funding landscape (to encompass UK Shared Prosperity Fund and KCC's strategic role)	
12	New Border Operating Model	
13	Visit Kent and Locate in Kent commissions	Key Decision
14	Project Gigabyte Broadband Programme	
15	Ebbsfleet Development Corporation update	
16	Work Programme	Standing item
14 MAY 2024 at 2pm		
1	Intro/ Web announcement	Standing item
2	Apologies and Subs	Standing item
3	Declaration of Interest	Standing item
4	Minutes	Standing item
5	Verbal Updates – Cabinet Members and Corp. Dir.	Standing item
6	District Visits Programme	Standing item
7	No Use Empty update	
8	Brand Kent – An Approach	
9	Tourism in the county and economic impact	
10	Kent Film Office	
11	Work Programme	Standing item
3 JULY 2024 at 10am		
1	Intro/ Web announcement	Standing item
2	Apologies and Subs	Standing item
3	Declaration of Interest	Standing item
4	Minutes	Standing item
5	Verbal Updates – Cabinet Members and Corp. Dir.	Standing item
6	District Visits Programme	Standing item
7	Energy Infrastructure	
8	Work Programme	Standing item

Items for Consideration that have not yet been allocated to a meeting

Thames Estuary

TBC

Lower Thames Crossing	
Otterpool	Late 2023
Kent Design Guide	Deferred from September meeting – date TBC
Dungeness Nuclear Power Station	<i>(Mr Robey – agenda setting 31/01/23)</i>
Agriculture and farming economy – how can the Council assist the farming industry	<i>(Mr Sole – GED&C CC 14 March 2023)</i>
Gypsy and Traveller Sites	<i>(Mr Rayner – GED&C CC 14 March 2023)</i>
Faversham Creek Bridge	<i>(re-added – agenda setting 23/5/23)</i>
Manston Airport	<i>(Mr Lewis – GED&C CC 26/9/23)</i>

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