



AGENDA

CABINET

Thursday, 21st March, 2024, at 10.00 am
Council Chamber

Ask for:
Telephone:

Georgina Little
Tel: 03000 414043
Email:
georgina.little@kent
.gov.uk

UNRESTRICTED ITEMS

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

1. Apologies
2. Declarations of Interest
3. Minutes of the Meeting held on 25 January 2023 (Pages 1 - 12)
4. Cabinet Member Updates
5. Late changes to the 2024-25 budget and 2024-27 Medium Term Financial Plan (MTFP) (Pages 13 - 20)
6. 24/00021 - Revenue and Capital Budget Monitoring Report - December 2023-2024 (Q3) (Pages 21 - 98)
7. Quarterly Performance Report, Quarter 3, 2023/24 (Pages 99 - 164)
8. European Union Entry Exit System (Pages 165 - 172)

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, 13 March 2024

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Council Chamber on Thursday, 25 January 2024.

PRESENT: Mr R W Gough (Chairman), Mr N Baker, Mrs C Bell, Mrs S Chandler, Mr D Jeffrey, Mr R C Love, OBE, Mr D Murphy, Mr P J Oakford and Mr D Watkins

ALSO PRESENT: Mr A Hills

UNRESTRICTED ITEMS**31. Apologies**

(Item 1)

No apologies were received.

32. Declarations of Interest

(Item 2)

No declarations of interest were received.

33. Minutes of the Meeting held on 4 January 2024

(Item 3)

RESOLVED that the minutes of the meeting on 4 January 2024 were a correct record and that they be signed by the Chair.

34. Cabinet Member Updates

(Item 4)

1. Mr Watkins, Cabinet Member for Adult Social Care and Public Health, provided an update on the following:
 - (a) Government had announced that there would be additional funding allocated to Kent County Council for the financial year 2024-2025 for both Adult Social Care and Children's Services. Mr Watkins expressed his thanks to the Leader and Deputy Leader of the Council who had been successful in their lobbying to Ministers. Mr Watkins reminded Members that there remained a £100m demand pressure for the year 2024-2025 due to demographics and rising costs, however, the additional funding was to be gratefully received and the directorate remained committed to bringing transformational projects to fruition with the aim of reducing demand, improving outcomes and reducing spend.
 - (b) Kent and Medway public health leaders have urged parents and carers to ensure children are up-to-date with their Measles, Mumps and Rubella (MMR) vaccinations. The UK Health Security Agency (UKHSA) declared a national

incident following a measles outbreak in the West Midlands and London. The NHS had also launched a national catchup campaign for those children who were unvaccinated. Kent's rate of MMR vaccinations was 90% for the first dose with Medway at 88%. However, statistics revealed that across Kent and Medway, the second dose dropped to 85%. Mr Watkins urged parents and carers to review their child's vaccination records and contact their GP to book an appointment.

(c) The Perinatal Mental Health Helpline had recently launched which also featured a text service. Statistics revealed that one in five women experience a perinatal mental health problem with 20% of men suffering from anxiety before or after birth. In Kent it was estimated that 6500 parents required moderate mental health support a year. The new services linked into the Family Hubs Start for Life investment in Kent and Mr Watkins expressed his delight in the rollout of the provision available to Kent families.

(d) Mr Watkins and the Leader of the Council visited the charity-based organisation, Spadework. The charity enabled adults with learning disabilities to develop their independence through a wide range of opportunities. Facilities at the site included a woodwork shop, café, kitchen and garden centre. Mr Watkins commented on the warm welcome received by all encountered.

2. Mrs Chandler, Cabinet Member for Integrated Children's Services provided an update on the following:

(a) The new Director of Operational Integrated Children's Services, Ingrid Crisan, had joined Kent County Council, having brought with her a wealth of knowledge and experience from her previous role at Medway Council. Mrs Chandler expressed her thanks to Carolann James, interim Director of Operational Integrated Children's Services who would remain with the service to oversee the implementation of the Family Hub work.

(b) The Office for Standards in Education, Children's Services and Skills (Ofsted) completed its focussed visit inspection at the Canterbury and Folkestone & Hythe sites. The inspection was carried out under the topic of the Front Door Service and focussed on Child in Need, Child Protection, Children's entry into Care and 16 -17 year old people who presented as homeless. The findings from the visit were due to be published on 27th February 2024 and the outcome would be shared with Members.

3. Mr Love, Cabinet Member for Education and Skills, provided an update on the following:

(a) The first progress review of Kent's Special Educational Improvement Plan, the Accelerated Progress Plan (APP), took place in November 2023 and feedback was received in January 2024 from the Department for Education (DfE) and NHS England (NHSE). The letter recognised the considerable work of staff and partners and provided confirmation that KCC had met its commitment to provide a clear plan for improvement, backed up by a permanent, suitably trained, SEND Casework team for sufficient capacity to deliver the service. The review also highlighted the increased evidence of stronger governance and strategic oversight. Mr Love advised that the enhanced relationship with

schools had started to positively impact on pupils with Special Educational Needs and Disabilities (SEND), with improved educational outcomes that were higher than the national average. Mr Love acknowledged that whilst further work needed to be done, he was confident that the Improvement Plan would provide the changes required to ensure a long term, sustainable future for all children and young people with SEND, whilst simultaneously protecting the interest of Kent’s Council Tax payer, through the application of best value for money in the Council’s education service.

(b) Mr Love attended the GCSE awards and presentation evening at Dover Grammar School for Girls and reiterated the inspirational words spoken by guest speaker, Her Honour Judge Catherine Moore, who urged the students not to impose their own limitations on their ambitions and acknowledged that even in a world more mindful than ever of inequality, there were still glass ceilings, and students should never be held back by a glass mirror.

4. Mr Baker, Cabinet Member for Highways and Transport, provided an update on the following:

(a) Comparative data on potholes and general enquiries between December 2022 and 2023 highlighted the following:

Enquiry	2022	2023
Pothole enquiries	2480	2718
Drainage enquiries	706	947
Insurance enquiries	170	339
Street work permits	1262	9337

(b) Road Minister, Guy Opperman, attended Aylesford depot to launch Government’s consultation on increased fines for utility companies. The consultation sought to improve traffic flow and fine companies in breach of overrun street works.

(c) The EU Entry/Exit system (EES) was expected to come into force from October 2024. Work was ongoing with the Department for Transport (DfT), including the creation of a number of Task and Finish Groups, to address traffic management enforcement, legislation and welfare, which would be meeting on a regular basis throughout the year, alongside a Steering Group. With no option for advanced registration, all travellers from non-EU countries would be required to register onto the EES prior to travel, creating possible congestion around the port of Dover. A Parliamentary enquiry was due to take place on Wednesday 31st January 2024 which the Leader of Kent County Council would be attending.

(d) Inflation amongst other pressures continued to impact the viability of Kent’s local bus services. The cost of operating buses had significantly risen since the Covid-19 pandemic with driver, vehicle and vehicle spare part costs driven by inflation and the cost-of-living crisis. Whilst Kent County Council had previously utilised DfT funding, the scope for further interventions was

severely limited. Dependent on the level of change, more services would likely be withdrawn without the financial resources to support them. Mr Baker advised that the future of public transport needed to be addressed.

5. Mr Hills, Deputy Cabinet Member for Environment, Provided an update on the following:
 - (a) Making Space for Nature in Kent and Medway had gained momentum . A number of meetings were scheduled to take place over the coming weeks to progress the next stage of the Local Nature Recovery Strategy in Kent and Medway.
 - (b) Biodiversity Net Gain was due to come into force from 1st February 2024, with at least 10% of planned development land being reserved for nature.
 - (c) The consultation on Windmills was due to conclude on 29th January. Over 1500 responses had been received to date. Mr Hills urged the public to submit their response to the consultation.

6. Mr Murphy, Cabinet Member for Growth and Economic Development, provided an update on the following:
 - (a) At the Growth, Economic Development and Communities Cabinet Committee on 18th January, a number of papers were presented for consideration:
 - 23/00121 – Kent and Medway Economic Framework – which would replace the Renewal and Resilience Plan
 - 2023 Infrastructure Funding statement – an annual and statutory report setting out the financial position in relation to Developer Contributions
 - Community Infrastructure Levy (CIL) positionMr Murphy thanked the officers for their work.

 - (b) Visit Kent had produced an Impact Study for 2022 which highlighted the following statistics:
 - There were 61 million combined day and overnight trips to the county (18% increase on 2021)
 - The visitor economy in 2022 was estimated to be worth £3.7billion (£4.1b in 2019)
 - There were 74,462 jobs within the tourism sector (10% of the total employment of Kent and an increase of 27% compared to 2021)

 - (c) Thanks and recognition was paid to Mr Steve Grimshaw and his team on the No Use Empty Scheme, with the following work noted:
 - The site on London Road in Deal was under refurbishment for residential accommodation.
 - The former Age and Son building in Ramsgate had been re-opened for community activity.

- The Baptist Church in Deal was undergoing renovation for high level residential accommodation.
- Conservation Road in Broadstairs provided 10,000 square foot of residential space, a site that had been empty for seven years
- 24 commercial units at Honeywood Parkway had been sold, which provided 70000 square meters of space.

The total investment into the economy was £4.5m.

7. Mrs Bell, Cabinet Member for Community and Regulatory Services, provided an update on the following:
- (a) Death registration appointments had increased. The service generally offered over 800 appointments per week with availability kept under review and increased where necessary in line with Kent County Council's winter planning.
 - (b) Mrs Bell visited the temporary Folkestone library whereby visitors had access to heritage and local study collections with the availability of public computers. The service had been well received by customers. However, work was underway with potential stakeholders regarding the long-term future of Folkestone library.
 - (c) Mrs Bell had also visited the Quarrywood site of the Libraries, Registration and Archive service which supported deliveries to residential homes, records management and the accessibility of materials to visually impaired residents.
 - (d) The Kent History and Library Centre along with Maidstone library housed Kent's archives and local history collection, along with extensive resources available to the community. Maidstone library was also a Business and Intellectual Property Centre, assisting entrepreneurs with creative ideas.
 - (e) Major works were underway at Dover Discovery Centre, however the temporary library, located at Dover Gateway was open and had been well received by customers.
 - (f) The winter mini reading challenge which encouraged children to keep up their reading habits over the winter holidays was due to conclude on 19th February.
 - (g) The Coroner service had moved to its bespoke facilities at Oakwood House in December 2023. The response received from staff was positive, with positive feedback also received from families who were going through a very difficult time.
 - (h) Following media coverage concerning the closure of KCC libraries, Mrs Bell issued a statement confirming that despite the financial pressures faced by the Council, there were no plans currently underway to close libraries across the county. KCC would continue to monitor and review the library services to ensure they were sustainable in the future and would be looking at all the options available, including the possibility of working with Parish Councils who had expressed an interest in running a library and KCC were looking at ways to support this.

- (i) Government had welcomed the recommendations proposed by Baroness Sanderson following an independent review on library services across England. The review would help to inform governments strategy on libraries which was due to be published later in the year.

8. Mr Jeffrey, Cabinet Member for Communications and Democratic Services, provided an update on the following:

- (a) The Council continued to receive a high number of Freedom of Information (FOI) requests (34% increase on figures from 2022). However, thanks and recognition was given to the team for their ability to maintain performance standards whilst operating with the same level of resource despite increased pressure.
- (b) The number of calls received by the Contact Centre had fallen, which was indicative of the degree of work that had been done around improved communication and the availability of information to residents.
- (c) The target rate for answering calls was exceptional with priority calls answered in less than half a minute (a target of two minutes) and overall daytime response times were answered within one minute (a target of five minutes). Mr Jeffrey highlighted the exceptional performance of the service.

There had been a decrease in the number of enquiries concerning Highways and Transport due to the proactive work that had been done in the service to improve communication. The level of complaints received within the Children's, Young people and Education directorate had also reduced, due to the extensive work undertaken by the service.

- (d) There were currently seven live consultations which had to date received 3200 responses.

9. The Leader thanked the Cabinet Members for their updates.

35. Revenue and Capital Budget Monitoring Report - November 2023-2024 (Item 5)

Dave Shipton (Head of Finance , Policy, Strategy and Planning) was in attendance for this item.

- 1. Mr Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services) introduced the November 2023-2024 budget monitoring report. The overall forecast position as at 30 November 2023 was a revenue overspend of £32.1m, an improvement of £3.5m since last reported to Cabinet on 4th January 2024. The forecast overspend represented 2.4% of the total revenue budget and continued to present a significant forecast overspend in Adult Social Care & Health totalling £29.7m, and in Children's, Young People and Education totalling £29.5m before management action. Planned management action had been identified across all directorates of £25.6m and restrictions to spend had been communicated across the Council with clear guidance and additional approvals

required for high value purchases and staff recruitment. The impact of spending controls continued to be closely monitored and reviewed every Monday however, the current position was a considerable challenge and presented the need for alternative solutions to be found to balance the budget for 2023-2024, including the possible use of reserves. It was essential that the identified management action was delivered as planned to minimise the need to use reserves and balance the budget by the end of the year. The budget reserve was £12m; any further use of reserves would weaken the Council's financial resilience and increase the requirement to replenish reserves in the future years. A majority of the management actions related to one-off measures which would not flow through to the 2024-2025 budget position. A full monitoring report setting out the position as of 31 December 2023 would be presented to Cabinet in March 2024.

2. Mr Shipton emphasised that the change in the overall forecast would include the delivery of the management actions along with any movement of costs for the remainder of the year.
3. RESOLVED to agree to the recommendations as outlined in the report.

36. Revised Draft Revenue Budget 2024-25 and 2024-27 Medium Term Financial Plan, Draft Capital Programme 2024-34 and Treasury Management Strategy

(Item 6)

Dave Shipton (Head of Finance, Policy, Strategy and Planning) and Ben Watts (General Counsel) was in attendance for this item.

1. Mr Oakford (Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services) introduced the item and highlighted the degree of lobbying that had been done through both the County Councils Network (CNN) and MPs which culminated in government providing additional funding to Kent County Council of circa £11m. Whilst we were extremely grateful, work still needed to be done to achieve the savings as identified through the management action plan to balance the budget. Mr Oakford thanked the officers, Cabinet Members and staff throughout the organisation in reducing the budget gap by £118m, however, further work needed to be done. The draft budget had been through the democratic process of Cabinet Committees, Scrutiny Committees and Cabinet with the final budget due to be presented to County Council on 19th February 2024.
2. Mr Shipton advised that the additional funding that had been granted to Kent County Council was circa £11.5m – £12.8m, however this would be allocated according to the Adult Social Care Relative Needs Formula and Council Tax Equalisation and would not be confirmed until publication of the final local government finance settlement. The final draft budget would be amended to reflect the additional allocation from government alongside any changes in the final grant and tax base notifications. The final draft was due to be published on 9 February 2024.

3. Mr Shipton reminded Members that prior to the funding announcement from Government, the Council had a funding gap of £85m. The additional funding would help to reduce the gap by 12%-15%, however, a significant amount of savings still needed to be achieved to balance the budget.
4. An All-Member Briefing was scheduled to take place on 13 February ahead of County Council on 19 February.
5. The Leader highlighted the extensive process that had taken place in the production of the budget proposals and welcomed the Government's announcement; however, the long-term pressures still remained and one-off measures were not a sustainable solution to address the challenges that were prevalent in the 2024-2025 budget. The Leader addressed the emphasis from Government concerning the efficiencies of Councils and said that it was an important opportunity to emphasise the work that Kent County Council were already doing within this area, particularly in relation to Objective 4 in Securing Kent's Future and reshaping the Council to ensure it functioned as effectively and efficiently as possible.
6. Mr Watts (General Counsel) advised that there were no formal amendments to the budget. Cabinet Members were reminded that there had been a number of requests for additional information throughout the course of the Cabinet Committee and Scrutiny Committee meetings which would need to be actioned. This was essential in demonstrating that the administration had taken into account all the concerns prior to the final proposal being agreed at County Council on 19 February 2024. A significant amount of decision making would be needed from a political perspective and Cabinet Members would need to be working closely with Officers to ensure preparation for those decisions following the outcome of County Council were underway. Mr Oakford confirmed that all comments and questions from the Scrutiny Committee held on 24th January would be collated and responded to.
7. Further to comments and questions from Members, it was noted:
 - Members commented on the commitment of the Directors to achieve the savings within the 2023-2024 budget and whilst the individual management actions could be perceived as considerably small, as a collective the savings achieved were considerable and indicative of the recognition throughout the organisation as to what was required to make lasting changes.
 - Members commented on the need to work collegially with opposition groups in bringing forward alternative budget proposals and identify solutions to the financial challenges faced by the Council.
8. RESOLVED to agree to the recommendations as outlined in the report.

37. 23/00105 - Commissioning Plan for Education Provision in Kent 2024-28
(Item 7)

Nick Abrahams, Assistant Director of Education – West Kent and Christine McInnes Director of Education and SEN were in attendance for this item.

1. Mr Love (Cabinet Member for Education and Skills) introduced the report which set out the Commissioning Plan for Education Provision in Kent 2024-2028. The Kent Commissioning Plan (KCP) was a live document which would undergo regular review to ensure Kent could continue to meet its responsibility for education provision in line with the forecast local plans and decisions made by the District, Borough and City councils. The KCP also detailed the national direction of travel and highlighted the ambition for schools to either join or form Multi-Academy Trusts due to the benefits that were inherent to schools in being part of a family of education providers. Mr Love thanked all those involved who had helped to shape the KCP.
2. Mr Abrahams advised that whilst there had been a slight increase in the number of births for 2022 compared to 2021, there had been 1000 fewer in 2022 compared to 2018 and almost 2000 fewer compared to the birth peak in 2012. Within the primary phase, from Reception class upward, there was sufficient provision across the county; however, demand was expected to rise in five years' time, largely within the rural areas due to the number of new housing developments coming to fruition. With regard to secondary school places, the population bulge from the 2012 birth peak was moving through the secondary school system with some areas of Kent expected to experience a deficit of places which would require commissioning action; these areas included Maidstone, Gravesham and Longfield. Much of the change in commissioning needs within education provision would be driven by the rate of house builds and people moving in and around the county as opposed to changes in birth rates.
3. The Leader commented on the importance of Developer Contributions and the Community Infrastructure Levy (CIL) in response to the anticipated demand in growth and ensuring funding was available.
4. Further to comments and questions from Members, it was noted:
 - That the Council would need to remain mindful of the changes proposed by a Labour government, concerning the introduction of charging VAT on Independent school fees. Members highlighted the potential impact this would have on public sector schools as parents unable to afford the increased costs could seek to move their child into state owned schools, thus impacting on availability of places. The proposed Labour policy could also negatively impact the smaller independent schools, where a slight change in pupil numbers could make the schools unviable and therefore cause them to close. It was also noted that there could be a disproportionate number of pupils with SEND moving into public sector schooling, which would place additional pressure on the Council to find appropriate provision quickly.

5. RESOLVED to agree to the recommendations as outlined in the report.

38. 23/00107 - Kent SEND Sufficiency Plan 2023

(Item 8)

David Adams (Assistant Director Education (South Kent) and Christine McInnes, (Director of Education and SEN) were in attendance for this item.

1. Mr Love (Cabinet Member for Education and Skills) introduced the report and advised Members that this was the first time that the Council had produced a Sufficiency Plan for Special Educational Needs (SEN) Provision. Whilst the Kent Commissioning Plan (KCP) for Education Provision had included a section on SEN, this document contained a detailed analysis to help inform and support SEND educational provision in the longer-term.
2. Mr Adams advised that the Sufficiency Plan had proven to be an effective tool that aided clarity and transparency around the future demand of SEN provision. The plan would enable better planning of local need via local solutions and was stringently linked to the KCP in regards to the capital programme and the commissioning recommendations. The plan also included a number of recommendations around further improvement and the associated activity to support this. Mr Adams noted that whilst responses to the consultation of the plan had been limited, they were generally supportive, particularly in relation to helping partners inform their planning.
3. Further to comments and questions from Members, it was noted:
 - The Sufficiency Plan would take into consideration the recent review of Early Years education provision in Kent which was presented to the Children's, Young People and Education Cabinet Committee in January 2024.
 - The Leader noted the importance of the Sufficiency Plan in relation to the Safety Valve work.
4. RESOLVED to agree to the recommendations as outlined in the report.

39. Kent and Medway Domestic Abuse Strategy 2024 - 2029

(Item 9)

Florah Shiringo (Assistant Director, Integrated Childrens Services) Serine Annan-Veitch (Projects & Partnership Manager, Domestic Abuse) and Iona Hunter-Whitehouse (Domestic Abuse Senior Project Officer, Projects & Partnerships Team) were in attendance for this item.

1. Ms Shiringo, Ms Annan-Veitch and Ms Hunter-Whitehouse introduced the report and presented a series of slides which set out the Kent and Medway Domestic Abuse Strategy. Following final approval of the Strategy, the next stage of work

included the creation of the delivery plan which would support the commitments within the strategy and monitor outcomes. Progress would be reported to the Policy and Resources Cabinet Committee on a yearly basis with additional representation to Cabinet when required.

2. The Leader commented on the strategy's recognition of support required from the early stages of prevention through to recovery.
3. Members commented on the collaborative work between partner organisations and the importance of recognising domestic abuse as a shared responsibility, which was reflected in the partnership strategy.
4. RESOLVED to agree to the recommendations as outlined in the report.

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

To: Cabinet – 21st March 2024

Subject: Late changes to the 2024-25 budget and 2024-27 Medium Term Financial
Plan (MTFP)

Classification: Unrestricted

Summary:

This paper provides details of late changes to the approved 2024-25 revenue budget. The changes to 2024-25 share of Retained Business Rates growth (+£1.9m), Business Rates collection fund (+£2.7m) and estimated 2024-25 share of Business Rate pool (+£1.0m) and other specific grants (+£0.3m) increase the net revenue budget requirement from £1,423.6m to £1,429.5m, an increase of £5.9m in 2024-25. The paper includes recommendation that collection fund is added to local taxation equalisation reserve in accordance with existing policy and the remainder is set aside in resilience reserves. This paper also updates Cabinet on some other late changes since the 19th February which do not impact on the net revenue budget requirement.

Recommendations:

Cabinet is asked to:

- 1) **NOTE** the budget updates and **ENDORSE** that they be progressed in accordance with the [Budget Decision](#) made at County Council on 19th February 2024.
- 2) **APPROVE** the transfer of £3,199k into reserves to improve the Council's financial resilience.

1. Introduction

1.1 The 2024-25 revenue budget for the Council was agreed by County Council on 19th February 2024. In accordance with the budget decision made at this meeting, this report provides information on late changes to the 2024-25 revenue budget, in relation to a net increase in the total budget requirement from Business Rates and a small increase in the Extended Rights to Free Travel grant. In addition, this report provides information on other changes from the continuation of the Household Support funding and other minor technical changes.

2. Business Rates

2.1 The retained business rates precept in our final 2024-25 budget must be based on the estimates from collection authorities' statutory government return (NNDR1s), along with estimates for any over/under collection of business rates from previous years notified to us through their collection fund balances. The NNDR1 sets out the business rate tax base including rateable values for new businesses, impact of any changes in rateable values due to change of use or following check/challenge/appeal process, and impact of

discount/exemptions/collection rates. The final value of the County Council's share of retained business rates was not available in time to include in the final draft budget report for County Council published on 9th February 2024.

2.2 Consistent with previous years and pending the final figures from the districts' NNDR1 returns, the funding estimate in the final draft budget approved by County Council on 19th February 2024 included an assumed overall increase in business rate funding (from top-up grant, retained baseline and local share, and compensation grant) in line with the anticipated inflationary uplift to business rates based on September 2023 CPI (+6.61%) and no assumption on any changes in the tax base. As set out in the January updated draft budget report (section on provisional local government finance settlement) the Non-Domestic Rating Act 2023 has now decoupled the inflationary uplift for small businesses (rateable value below £51k) from uplifts for larger businesses. The Chancellor's Autumn Statement on 22nd November 2023 announced that the small business rate multiplier would be frozen, and therefore as has been the case in previous years, the funding plans included the assumption that we would receive additional business rate compensation grant to offset this.

2.3 The table below sets out the County Council's updated net share of business rates for 2024-25 compared to the estimates included in the County Council papers of 19th February 2024. The increase between the estimate included in the final draft budget presented to County Council and the updated amount notified to us by districts through their NNDR1 returns relates to changes in the composition of the rateable value within each individual district. These changes could not have previously been planned for. The combination of the increase in the NNDR1 retained business rate baseline and local share, and business rate compensation grant results in a net increase in the available base funding for 2024-25 of £1,942.1k.

	Estimate included in County Council papers £'000	Updated figures for Cabinet £'000	Increase £'000
Business rates top up grant	147,382.5	147,382.5	
Retained business rates - baseline & local share	59,839.4	61,740.7	
Business rates compensation grant	51,039.4	51,080.2	
Total	258,261.3	260,203.5	1,942.1
% increase from 2023-24	6.61%	7.41%	

2.4 Collection fund estimated amounts are determined by collection authorities for over/under collection of the estimated business rates in previous NNDR1 returns. The County Council's share of the 2023-24 business rate collection fund surpluses and deficits notified to us by district councils is a net surplus of £2,682.8k. No surplus or deficit was assumed in the final draft papers presented to County Council on 19th February, and therefore this represents a one-off increase in the available funding for 2024-25 of £2,682.8k, as set out in the table below.

	Estimate included in County Council papers £'000	Updated figures for Cabinet £'000	Increase £'000
Business rate collection fund	0.0	2,682.8	2,682.8

2.5 The Council is part of a Business Rate pool with nine of the Kent district councils and Kent Medway Fire & Rescue Authority. The financial benefit for each authority that is part of the pool is estimated using a model, and informed by information submitted by districts in the NNDR1 returns. The estimate for the Council's share of the pool benefit in 2024-25 included in the final draft budget approved by County Council on 19th February was £3,000k. However, based on the latest estimates, and based on the pool returns in recent years, we now feel confident that the estimate for the Council's share of the pool benefit in 2024-25 can be increased to £4,000k. 3% of our share of this benefit is paid to the Fire & Rescue Authority as part of separate major preceptor agreement, and therefore the impact of this change on the Council's 2024-25 budget would be £970.0k, as set out in the table below.

	Estimate included in County Council papers £'000	Updated figures for Cabinet £'000	Increase £'000
Estimated share of pool benefit paid to the Council	3,000	4,000	1,000
Of which is paid to Fire & Rescue Authority (3%)	-90	-120	-30
Net share of pool benefit retained by the Council	2,910	3,880	970

3. Other changes to the 2024-25 budget

3.1 Paragraph 3.8 of the budget report taken to County Council on 19th February set out that the Council's Public Health grant allocation of £75,734.8k for 2024-25 was confirmed on 5th February 2024. It was noted that this was an increase of £728.2k on the indicative 2024-25 grant allocation and that this would be fully reflected in the final budget figures for 2024-25 following the completion of a review of how to allocate this additional funding across Public Health services. The review is now complete, and this report fully reflects the allocation of the final grant allocation for this service.

3.2 The Department of Health & Social Care issued a notification of the allocation and associated conditions and guidance for the new Local Stop Smoking Services and Support Grant for public health on 27th February 2024. The Council's grant allocation is £1,944.8k.

3.3 The Extended Rights for Home to School Travel grant determination was received from the Department for Education on 29th February 2024, and this showed that the Council will receive £286.9k more in 2024-25 than was estimated in the final draft budget presented to County Council on 19th February 2024. The Extended Rights for Home to School Travel grant is calculated by the Department for Education based on an estimated number of eligible pupils from the Spring schools census and a per pupil funding amount, and it is therefore difficult to calculate the exact amount we will receive in the budget before receiving the grant determination. The change is set out in the table below.

	Estimate included in County Council papers £'000	Updated figures for Cabinet £'000	Increase £'000
Extended Rights for Home to School Travel grant	3,257.7	3,544.6	286.9

3.4 The County Council is part of a Safety Valve agreement with the Department for Education which requires the Council to make a contribution to reserves until 2027-28. The 2024-25 budget and 2024-27 MTFP includes the annual contributions that the Council will make in each of the financial years of the MTFP (£15,100.1k in 2024-25, £14,600.0k in 2025-26 and £11,100.0k in 2026-27); these are shown in the 19th February County Council paper as part of the 'Contributions to reserves' section, under the headline 'Dedicated Schools Grant (DSG) Deficit - Safety Valve'. We have sought advice from CIPFA and have been advised that technically this shouldn't be treated as a contribution to reserves but instead as a spending increase. This is because it is not increasing our useable reserves. An alternative and clearer presentation is to move this line in the MTFP from the 'Contribution to reserves' to 'Government & Legislative' spending increase.

3.5 Following the Chancellor's announcement on the 6th March that the Household Support Fund is continuing for a further six months at the same funding levels as 2023-24. We anticipate receiving £11,065.4k in 2024-25 (individual local authority allocations have not yet been announced) as a ring-fenced grant with associated costs.

4. Summary

4.1 The combination of the business rates changes notified to us via the NNDR1 returns and the update to the business rate pool outlined in section 2; and the increase to Extended Rights to Free Travel grant outlined in section 3 results in a net increase in the available Core revenue funding (excluding specific grants) for 2024-25 of £5,881.8k.

- In accordance with existing policy, it is proposed to transfer the one-off Business Rate collection fund balance of £2,682.8k into the Local Taxation reserve.
- It is proposed that the additional: £1,942.1k from business rates retained baseline, local share and compensation grant; £970k from the business rate pool; and £286.9k from the Extended Rights for Home to School Travel grant, totalling £3,199k, is transferred into reserves to improve the Council's financial resilience.

4.2 The additional Public Health funding and Household Support funding outlined in section 3 are ringfenced and do not have an impact on the Council's core net budget. Following the review within the service, it is proposed that the additional Public Health Grant of £728.2k is used to fund an increase in public health contract values linked to the NHS agenda for change pay increases. Similarly, it is proposed that the Local Stop Smoking Services and Support Grant of £1,944.8k is treated as a Government & Legislative pressure and used to fund expenditure in accordance with the grant conditions.

4.3 It is proposed that the contributions to the Dedicated Schools Grant (DSG) deficit unusable reserve as per the Safety Valve agreement with the Department of Education of £15,100.1k in 2024-25, £14,600k in 2025-26 and £11,100k in 2026-27 are moved from the 'Contribution to reserves' section of the 2024-27 MTFP to the 'Government & Legislative Changes' section. This would have no impact on the Council's net budget and is merely a presentational change.

4.4 In addition to reflecting the impact of the recommendations above in 2024-25, we have updated our planning assumptions for 2025-26 and 2026-27 as a consequence of the 2024-25 changes set out in this paper and attached a revised high level summary three year plan at appendix 1. Cabinet is asked to note that these updated figures will be our starting point in building our detailed 2025-26 budget which will be presented to Members for approval in February 2025.

4.5 The changes set out in this report are as a result of late announcements which could not have been known at the time budget papers for County Council were prepared. Some of these late announcements have become common in recent years. We will be undertaking a review during 2024 of the processes surrounding late but necessary changes to the final budget to ensure that it aligns with the formal Executive Decision process.

Background Documents

- 1 KCC's Budget webpage
[KCC's Budget webpage](#)
- 2 2024-25 Budget approved by County Council on 19th February 2024
[19th February County Council papers](#)

Contact details

Report Author
Dave Shipton (Head of Finance Policy, Planning and Strategy)
03000 419418, dave.shipton@kent.gov.uk

Relevant Corporate Director:
John Betts (Acting Corporate Director, Finance)
03000 410066, john.betts@kent.gov.uk

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APPENDIX 1: UPDATED HIGH LEVEL 2024-27 REVENUE PLAN AND FINANCING

2023-24			SUMMARY REVENUE PLAN	2024-25			2025-26			2026-27		
core funded £000s	externally funded £000s	TOTAL £000s		core funded £000s	externally funded £000s	TOTAL £000s	core funded £000s	externally funded £000s	TOTAL £000s	core funded £000s	externally funded £000s	TOTAL £000s
1,191,493.8		1,191,493.8	Revised Base Budget	1,315,610.6		1,315,610.6	1,429,506.8		1,429,506.8	1,494,108.3		1,494,108.3
			Spending									
63,485.7	24.6	63,510.3	Base Budget Changes	31,721.5	0.0	31,721.5	23,855.0	0.0	23,855.0	19,900.0	0.0	19,900.0
1,919.8	1,186.6	3,106.4	Reduction in Grant Income	35.0	0.0	35.0	0.0	0.0	0.0	0.0	0.0	0.0
14,189.5	664.1	14,853.6	Pay	10,798.4	505.1	11,303.5	7,830.4	0.0	7,830.4	7,844.7	0.0	7,844.7
65,154.4	4,316.2	69,470.6	Prices	49,568.4	1,695.6	51,264.0	30,545.0	0.0	30,545.0	22,559.9	0.0	22,559.9
33,500.6	501.1	34,001.7	Demand & Cost Drivers	85,349.7	284.7	85,634.4	83,845.6	0.0	83,845.6	82,277.0	0.0	82,277.0
4,232.9	-370.5	3,862.4	Service Strategies & Improvements	15,712.2	-1,538.8	14,173.4	2,080.3	-4,952.0	-2,871.7	3,131.9	0.0	3,131.9
-221.6	30,703.9	30,482.3	Government & Legislative	16,393.1	-10,327.3	6,065.8	-820.0	-17,530.8	-18,350.8	-3,500.0	0.0	-3,500.0
182,261.3	37,026.0	219,287.3	Total Spending	209,578.3	-9,380.7	200,197.6	147,336.3	-22,482.8	124,853.5	132,213.5	0.0	132,213.5
			Savings, Income & Grants									
0.0	0.0	0.0	Transformation & Efficiency - Future Cost Increase Avoidance	-36,454.8	0.0	-36,454.8	-51,232.8	0.0	-51,232.8	-38,530.7	0.0	-38,530.7
-9,741.1	-1,558.0	-11,299.1	Transformation & Efficiency - Other	-14,126.3	0.0	-14,126.3	-6,949.3	-13.9	-6,963.2	-2,521.0	0.0	-2,521.0
15,556.2	-85.1	-15,641.3	Income	-15,406.6	-281.3	-15,687.9	-3,935.5	0.0	-3,935.5	-5,044.0	0.0	-5,044.0
-3,893.3	0.0	-3,893.3	Financing	-10,967.6	0.0	-10,967.6	7,910.4	0.0	7,910.4	-281.8	0.0	-281.8
-23,328.9	-608.4	-23,937.3	Policy	-11,910.2	-9.2	-11,919.4	-34,432.5	0.0	-34,432.5	-5,402.9	0.0	-5,402.9
-52,519.5	-2,251.5	-54,771.0	Total Savings & Income	-88,865.5	-290.5	-89,156.0	-88,639.7	-13.9	-88,653.6	-51,780.4	0.0	-51,780.4
660.0	-35,372.1	-34,712.1	Increases in Grants and Contributions	7,210.7	7,210.7	7,210.7	21,146.2	21,146.2	21,146.2	0.0	0.0	0.0
-51,859.5	-37,623.6	-89,483.1	Total Savings & Income & Grant	-88,865.5	6,920.2	-81,945.3	-88,639.7	21,132.3	-67,507.4	-51,780.4	0.0	-51,780.4
			RESERVES									
23,516.3	0.0	23,516.3	Contributions to reserves	27,481.5	0.0	27,481.5	18,509.0	0.0	18,509.0	7,659.0	0.0	7,659.0
-29,458.7	0.0	-29,458.7	Removal of prior year Contributions	-24,739.6	0.0	-24,739.6	-27,481.5	0.0	-27,481.5	-18,509.0	0.0	-18,509.0
-5,318.9	-3,198.1	-8,517.0	Drawdowns from reserves	-14,877.4	-1,350.5	-16,227.9	0.0	0.0	0.0	0.0	0.0	0.0
4,976.3	3,795.7	8,772.0	Removal of prior year Drawdowns	5,318.9	3,811.0	9,129.9	14,877.4	1,350.5	16,227.9	0.0	0.0	0.0
-6,285.0	597.6	-5,687.4	Net impact on MTFP	-6,816.6	2,460.5	-4,356.1	5,904.9	1,350.5	7,255.4	-10,850.0	0.0	-10,850.0
124,116.8	0.0	124,116.8	NET CHANGE	113,896.2	0.0	113,896.2	64,601.5	0.0	64,601.5	69,583.1	0.0	69,583.1
1,315,610.6	0.0	1,315,610.6	NET BUDGET REQUIREMENT	1,429,506.8	0.0	1,429,506.8	1,494,108.3	0.0	1,494,108.3	1,563,691.4	0.0	1,563,691.4
			MEMORANDUM:									
			The net impact on our reserves balances is:									
23,516.3	0.0	23,516.3	Contributions to Reserves	27,481.5	0.0	27,481.5	18,509.0	0.0	18,509.0	7,659.0	0.0	7,659.0
-5,318.9	-3,198.1	-8,517.0	Drawdowns from Reserves	-14,877.4	-1,350.5	-16,227.9	0.0	0.0	0.0	0.0	0.0	0.0
18,197.4	-3,198.1	14,999.3	Net movement in Reserves	12,604.1	-1,350.5	11,253.6	18,509.0	0.0	18,509.0	7,659.0	0.0	7,659.0

2023-24		2024-25	2025-26	2026-27
	FUNDING			
11,072.6	Revenue Support Grant	11,806.0	12,195.6	12,390.8
140,802.3	Business Rate Top-Up Grant	147,382.5	152,092.1	154,308.4
44,241.4	Business Rate Compensation Grant	51,080.2	52,712.5	53,480.6
88,770.7	Social Care Support Grant	117,046.1	117,046.1	117,046.1
14,435.1	Market Sustainability & Improvement Fund	26,969.4	21,703.9	21,703.9
7,012.0	Hospital Discharge Grant	11,686.6	11,686.6	11,686.6
7,599.4	Services Grant	1,311.9	1,311.9	1,311.9
50,014.7	Improved Better Care Fund	50,014.7	50,014.7	50,014.7
2,272.8	New Homes Bonus Grant	2,058.5		
3,257.7	Other un-ringfenced grants	3,544.6	3,544.6	3,544.6
60,197.7	Local Share of Retained Business Rates	65,740.7	67,713.6	68,642.1
1,067.6	Business Rate Collection Fund	2,682.8		
-1,127.6	Business Rate Collection Fund 2020-21 3-Year Deficit Write-off	N/A	N/A	N/A
2,347.5	Drawdown from reserves of S31 grant for compensation for irrecoverable local taxation losses due to Covid-19	N/A	N/A	N/A
761,106.4	Council Tax Income (including increase up to referendum limit but excluding social care levy)	800,320.3	840,766.3	883,699.8
115,672.9	Council Tax Adult Social Care Levy	135,347.0	156,320.4	178,861.9
11,488.7	Council Tax Collection Fund	2,515.5	7,000.0	7,000.0
-4,621.3	Council Tax Collection Fund 2020-21 3-Year Deficit Write-off			
1,315,610.6	Total Funding	1,429,506.8	1,494,108.3	1,563,691.4

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

To: Cabinet, 21 March 2024

Subject: Revenue and Capital Budget Monitoring Report – December 2023-24 (Quarter 3)

Classification: Unrestricted

Summary:

The attached report sets out the revenue and capital budget monitoring position as at December 2023-24 (Quarter 3).

Recommendation(s):

Cabinet is asked to:

- a) NOTE the forecast Revenue position of £30.0m overspend
- b) NOTE management action to bring the Council to a balanced position
- c) NOTE the projected Schools' monitoring position of £15.4m overspend
- d) NOTE the progress on the delivery of £65.3m savings
- e) NOTE the forecast Capital monitoring position of -£143.4m underspend
- f) AGREE the Capital budget adjustments
- g) NOTE the Treasury Monitoring report
- h) NOTE the Prudential Indicators report
- i) NOTE the Reserves monitoring position

1. Introduction

- 1.1 The December 2023-24 budget monitoring report being presented sets out the revenue and capital forecast position.

2 Revenue and Capital Budget Monitoring Report – December 2023-24 (Quarter 3)

- 2.1 The attached report sets out the overall forecast position as at 31 December 2023-24, which is a revenue overspend of +£30.0m before management action, and a capital underspend of £143.4m.
- 2.2 2023-24 continues to be an extremely challenging time for local government and KCC is no exception. The latest revenue forecast outturn position for 2023-24 before further management action is an overspend of £30.0m (excluding schools). The forecast overspend represents 2.3% of the revenue budget and continues to present a serious and significant risk to the Council's financial sustainability. Within the overall outturn position there are still significant forecast overspends in Adult Social Care & Health

totalling £31.3m, and in Children's, Young People and Education totalling £28.3m. Application of the of the risk reserve contribution of £12.0m and planned management action has been identified to bring the forecast outturn to within budget by the end of the financial year. The full delivery of all of the management action detailed in the report is the minimum amount necessary to avoid the additional use of reserves.

- 2.3 The Schools' Delegated budgets are reporting an overspend of +£15.4m. This reflects the impact of high demand for additional SEN support and greater demand for specialist provision. In 2022-23 the Council entered into a "Safety Valve" agreement with the Department for Education (DfE) and the accumulated DSG deficit will reduce from an estimated £174m to £73m as at 31st March 2024 as a result of contributions from the Council and DfE. The forecast overspend is within the agreed plan with DfE for the cumulative deficit as outlined in the Safety Valve agreement.

3. Recommendation(s)

Cabinet is asked to:

- a) NOTE the forecast Revenue position of £30.0m overspend
- b) NOTE the application of the risk reserve contribution and management action to bring the Council to a balanced position
- c) NOTE the projected Schools' monitoring position of £15.4m overspend
- d) NOTE the progress on the delivery of £65.3m savings
- e) NOTE the forecast Capital monitoring position of -£143.4m underspend
- f) AGREE the Capital budget adjustments
- g) NOTE the Treasury Monitoring report
- h) NOTE the Prudential Indicators report
- i) NOTE the Reserves monitoring position

4. Contact details

Report Author

Joe McKay
Acting Chief Accountant
03000 419601
joe.mckay@kent.gov.uk

Relevant Director

John Betts
Acting Corporate Director Finance
03000 410066
John.betts@kent.gov.uk



Finance Monitoring Report

As at December 2023-24 (Quarter 3)

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

To Cabinet – 21 March 2024

Unrestricted

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- A1 Key Service Summary
 - A2 Monitoring of Prudential Indicators
 - A3 Reserves Monitoring
-

Contact Details

Acting Corporate Director Finance – John Betts
Head of Finance Operations – Cath Head
Acting Chief Accountant – Joe McKay
Capital Finance Manager – Jo Lee
Capital Finance Manager – Julie Samson

03000 410 066 | john.betts@kent.gov.uk
03000 416 934 | cath.head@kent.gov.uk
03000 419 601 | joe.mckay@kent.gov.uk
03000 416 939 | joanna.lee@kent.gov.uk
03000 416 950 | julie.samson@kent.gov.uk

1 Introduction

This report sets out an update of the Council's financial position as at the end December 2023 (Quarter 3).

Revenue

The Quarter 3 forecast outturn position for 2023-24 is an initial overspend of £30.0m (excluding schools) This is a substantial reduction of £6.0m since Quarter 2 and a £2.0m improvement since the last reported position as at November 2023. The forecast overspend represents 2.3% of the revenue budget and continues to present a significant risk to the Council's financial sustainability. Within the overall outturn position there are significant forecast overspends in Adult Social Care & Health totalling £31.3m, and in Children's, Young People and Education totalling £28.2m.

Whilst the overall forecast has reduced by £2.0m since the last report (providing evidence that spending controls and management action is having an impact) there continue to be movements in the forecast, particularly in adults and children's. The latest forecast impact of management action in Adult Social Care & Health shows the amounts from actions have now been delivered and reflected in the revised forecast, the amounts still expected to be achieved before the end of the year, and the amount that is now considered unachievable.

The November report indicated the possible use of reserves as an alternative solution to balance the budget. Whilst this is not the position we wanted to be in, it is now realistic that some use of reserves will be required. This report shows the application of the risk contingency of £12m, which considerably reduces the in-year overspend. The risk reserve is an earmarked smoothing reserve established in 2021-22 to mitigate increased risk and uncertainty in budget setting. The £12m contribution to the risk reserve was included in the 2023-24 budget to mitigate the volatility in inflation and other cost forecasts. As the full £12m will be required this year, the contribution to the reserve will not be made and will be shown as an additional underspend in Non-Attributable Costs. The reserves monitoring in Appendix 3 shows this £12m movement.

The use of reserves is a one-off solution. The full delivery of all the management action detailed below is the minimum amount necessary to avoid additional use of reserves. In addition to what has already been delivered, there is further management action forecast to be achieved before the end of the financial year in Adult Social Care & Health of £4.6m and in Children Young People & Education of £1.7m. This is detailed in Section 12.

The removal of the contribution to the risk reserve and management action within the directorates totals £18.3m (£12m risk reserve and £6.3m in Adult Social Care & Health and Children, Young People & Education). The remaining £11.7m to balance the position has been shown as management action in Corporately Held Budgets and requires a final effort from all directorates to stop spending wherever possible in 2023-24. This has been communicated across the Council with clear guidance for all staff and additional approvals are required for high value purchases (over £10,000) and staff recruitment. The strengthening of controls now includes reviewing requisitions raised, with analysis undertaken and queries raised with budget managers as appropriate.

The revenue and capital budget for 2024-25 and medium-term financial plan 2024-27 was published on 9 February 2024 and approved at County Council on 19 February 2024.

Capital

The capital budget is forecasting an underspend of £143.4m, of which £10.7m is a real overspend and £154.1m is a rephasing underspend.

Capital budget adjustments are also included which require Cabinet approval.

1 Introduction

- 1.1 The overall Revenue forecast before management action and removal of the £12m contribution to the risk reserve, is +£30.0m overspend. The Revenue General Fund projected year end position is a net overspend of +£30.0m. Overspends are forecast in ASCH and CYPE with underspends in GET, DCED, CED, and GET. The largest overspends are +£31.3m (5.9%) in ASCH and +£28.3m (7.8%) in CYPE. NAC including Corporately Held Budgets is forecasting an underspend of -£17.6m, DCED is forecasting an underspend of -£7.7m, CED is forecasting an underspend of -£2.3m and GET is forecasting an underspend of -£2.0m. Details can be found in the individual directorate sections.
-
- 1.2 The £18.0m of planned management action and application of risk contingency of £12.0m balances the position. To bring the forecast outturn to within budget by the end of the financial year will require management action totalling £18.0m, made up of £4.6m in ASCH, £1.7m in CYPE and £11.7m across all directorates as a result of spending controls. Until this action has been implemented and delivered there will continue to be a reported overspend before planned management action. Details of the management action can be found in Section 12.
- The application of the risk contingency reduces the position by £12.0m. This is a one-off measure.
-
- 1.3 Schools' Delegated Budgets are reporting a +£15.4m overspend. The overspend position is +£15.4m. The forecast in year deficit on the High Needs budget is +£44.9m due to a combination of higher demand for additional SEN support and higher cost per child resulting from the use of more specialist provision. In 2022-23 the Council entered into a "Safety Valve" agreement with the Department for Education (DfE) and the accumulated DSG deficit will reduce from an estimated £174m to £76m as at 31st March 2024 as a result of contributions from the Council and DfE. The overspend highlighted above is slightly above the in-year Safety Valve plan (by £2.2m), but still within the cumulative plan to date (by £9.8m). The Council's contributions for 2023-24 will be met through a transfer from other reserves which will reduce usable revenue reserves.
-
- 1.4 The Capital budget forecast is a net underspend of -£143.4m. The net underspend is made up of +£10.7m real overspend and -£154.1m slippage, which represents 36% of the budget.
- The largest real variance is an overspend of +£7.2m in DCED. Details can be found in the Section 13.
- The major slippage is -£90.3m in GET and -£49.9m in CYPE. Details can be found in Section 13.
-

2 Recommendations

Cabinet is asked to:

2.1	Note the forecast revenue monitoring position of £30.0m overspend before management action	Please refer to Sections 3 to 9 for details
2.2	Consider and note the management action of £30.0m identified to bring the Council to a balanced position	Please refer to Sections 12 for details
2.3	Note the projected Schools' monitoring position of £15.4m overspend	Please refer to Section 10 for details
2.4	Consider and note the progress on the delivery of savings and increased income forecast of £61.0m	Please refer to Section 11 for details
2.5	Note the forecast Capital monitoring position of £143.4m underspend	Please refer to Section 13 for details
2.6	Note and agree the Capital budget adjustments	Please refer to Section 14 for details
2.7	Note the Treasury Monitoring report	Please refer to Section 15 for details
2.8	Note the Prudential Indicators report	Please refer to Appendix 2 for details
2.9	Note the Reserves monitoring position	Please refer to Appendix 3 for details

3 Revenue

General Fund projected +£30.0m overspend
Dedicated Schools Grant (DSG) +£15.4m overspend

General Fund		Forecast position as overspend/(underspend)				
Directorate	Revenue Budget	Revenue Forecast Outturn	Net Revenue Forecast Variance	Last reported position	Movement (+/-)	
	£m	£m	£m	£m	£m	
Adult Social Care & Health	528.9	560.2	31.3	29.7	1.6	
Children, Young People & Education	362.2	390.5	28.2	29.5	(1.3)	
Growth, Environment & Transport	195.6	193.6	(2.0)	(0.8)	(1.2)	
Deputy Chief Executive's Department	84.7	77.0	(7.6)	(7.1)	(0.5)	
Chief Executive's Department	31.4	29.1	(2.2)	(1.9)	(0.3)	
Non Attributable Costs	115.8	97.8	(18.0)	(17.7)	(0.3)	
Corporately Held Budgets	(0.3)	0.1	0.4	0.4	0.0	
General Fund	1,318.3	1,348.3	30.0	32.1	(2.1)	
Ringfenced Items						
Schools' Delegated Budgets	0.0	15.4	15.4	15.4	0.0	
Overall Position	1,318.3	1,363.7	45.4	47.5	(2.1)	

Position after management action:

General Fund		Revenue Budget	Revenue Forecast Outturn	Net Revenue Forecast Variance	Management Action	Updated Net Revenue Variance
Directorate		£m	£m	£m	£m	£m
Adult Social Care & Health	528.9	560.2	31.3	(4.6)	26.7	
Children, Young People & Education	362.2	390.5	28.2	(1.7)	26.5	
Growth, Environment & Transport	195.6	193.6	(2.0)	0.0	(2.0)	
Deputy Chief Executive's Department	84.7	77.0	(7.6)	0.0	(7.6)	
Chief Executive's Department	31.4	29.1	(2.2)	0.0	(2.2)	
Non Attributable Costs	115.8	97.8	(18.0)	0.0	(18.0)	
Corporately Held Budgets	(0.3)	0.1	0.4	(11.7)	(11.3)	
Total	1,318.3	1,348.3	30.0	(18.0)	12.0	
Other Actions						
Application of risk contingency				(12.0)	(12.0)	
General Fund	1,318.3	1,348.3	30.0	(30.0)	0.0	
Ringfenced Items						
Schools' Delegated Budgets	0.0	15.4	15.4		15.4	
Overall Position	1,318.3	1,363.7	45.4	(30.0)	15.4	

General Fund

The General Fund forecast position is a net overspend of +£30.0m, with significant overspends in Adult Social Care & Health of £31.3m and Children, Young People and Education of £28.3m. The projected overspend represents 2.3% of the Revenue Budget and presents a serious and significant risk to the Council's financial sustainability. The majority of the remaining planned management action to reduce the overspend is from one-off measures which means these spending reductions will not flow through into 2024-25.

The overspends in Adult Social Care & Health and Children, Young People & Education are offset by underspends in the other directorates. Growth, Environment & Transport shows an underspend of £2m, the Deputy Chief Executive's Department shows an underspend of £7.7m, predominantly as a result of a reduction in utilities costs in Corporate Landlord and vacancy management, the Chief Executive's Department shows an underspend of £2.3m, and Non-Attributable Costs shows an underspend of £15.8m, £8m of which relates to the recalculation of debt charges and £7.1m relates to a higher forecast income return on investments. More detail can be found in the Directorate sections of the report.

The November report indicated the possible use of reserves as an alternative solution to balance the budget. Whilst this is not the position we wanted to be in, it is now realistic that some use of reserves will be required. This report shows the application of the risk contingency of £12m, which considerably reduces the in-year overspend. The risk reserve is an earmarked smoothing reserve established in 2021-22 to mitigate increased risk and uncertainty in budget setting. The £12m contribution to the risk reserve was included in the 2023-24 budget to mitigate the impact of volatility in inflation and other cost forecasts. As the full £12m will be required this year, the contribution to the reserve will not be made and will be shown as an additional underspend in Non-Attributable Costs. The reserves monitoring in Appendix 3 shows this £12m movement.

The use of reserves is a one-off solution. The full delivery of all the management action detailed below is the minimum amount necessary to avoid additional use of reserves. In addition to what has already been delivered, there is further management action forecast to be achieved before the end of the financial year in Adult Social Care & Health of £4.6m and in Children Young People & Education of £1.7m. This is detailed in Section 12.

The removal of the contribution to the risk reserve and management action within the directorates totals £18.3m (£12m risk reserve and £6.3m in Adult Social Care & Health and Children, Young People & Education). The remaining £11.7m to balance the position has been shown as management action in Corporately Held Budgets and requires a final effort from all directorates to stop spending wherever possible in 2023-24. This has been communicated across the Council with clear guidance for all staff and additional approvals are required for high value purchases (over £10,000) and staff recruitment. The strengthening of controls now includes reviewing requisitions raised, with analysis undertaken and queries raised with budget managers as appropriate.

Schools' Delegated Budgets

The overspend position is +£15.4m. The forecast in year deficit on the High Needs budget is +£44.9m due to a combination of higher demand for additional SEN support and higher cost per child resulting from the use of more specialist provision.

In 2022-23 the Council entered into a "Safety Valve" agreement with the Department for Education (DfE) and the accumulated DSG deficit will reduce from an estimated £174m to £76m as at 31st March 2024 as a result of contributions from the Council and DfE. The Council's contributions for 2023-24 will have to be met through a transfer from other reserves which will reduce usable revenue reserves and means the Council is less resilient to withstand unexpected circumstances and costs.

	Forecast Variance				
	Budget	Revenue Forecast Outturn	Net Revenue Forecast Variance	Last reported position (Jun)	Movement (+/-)
	£m	£m	£m	£m	£m
Adult Social Care & Health Operations	488.4	532.5	44.1	41.1	3.0
Strategic Management & Directorate Budgets (ASCH)	16.1	3.4	(12.7)	(11.3)	(1.4)
Strategic Commissioning (Integrated and Adults)	14.4	15.6	1.2	1.2	0.0
Public Health	0.0	0.0	0.0	0.0	0.0
Business Delivery	10.0	8.7	(1.3)	(1.3)	0.0
Adult Social Care & Health	528.9	560.2	31.3	29.7	1.6

The Adult Social Care & Health directorate has a forecast net overspend of +£31.3m

Management action has been identified to reduce the overall overspend – the detail of the management action is set out in section 12. The recurring management actions, the savings proposals and the reductions in cost drivers for adult social care are key to reducing the structural deficit and avoiding future costs. As stated in the Budget Recovery Plan within Securing Kent's Future, external support is required to help deliver the level of service transformation and cost reduction required over the medium term financial plan period. Significant progress has been made with securing transformation partners through the Constellia Natural Vendor Framework. The Home to School Transport work has been prioritised and we are currently evaluating received bids. The process to select partners for Adult and Children's social care is progressing and we anticipate a successful supplier to be appointed in April/May2024. It is expected that the majority of the savings and future cost reductions will be delivered by 2025-26.

The Adult Social Care & Health Operations division is forecasting a net overspend of +£44.1m which is predominately due to Older People Residential Care Services which is forecasting a net overspend of +£17.1m and Younger People in Supported Living £13.9m.

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

Key Service (Division)	Variance	Summary	Detail
Older People - Residential Care Services (Adult Social Care & Operations)	+£17.1m	Activity and price pressures beyond budgeted levels	<p>+£14.3m of this overspend is driven by costs of older people accessing residential and nursing care services, where the average cost of 'beds' is continuing to increase due to new placements being made at a higher cost than those leaving care. It is considered that this is in part due to the current hospital discharge process, where discussions around responsibility for costs between social care and health are currently taking place to ensure costs are shared appropriately.</p> <p>Other pressures on this service line include a +£0.7m increase in contributions to the provision for bad and doubtful debts, +£4.0m from costs relating to the previous financial year due to additional backdated client activity, +£0.5m from a contribution to the provision for backdated costs for the current financial year, and +£0.2m from savings no longer expected to be achieved this financial year.</p> <p>Pressures on this service line have been offset by -£2.7m released from centrally held funds.</p>
Adult Learning Disability - Community Based Services & Support for Carers (Adult Social Care & Operations)	+£7.5m	Increases in Supported Living care packages	<p>+£7.3m of the overspend relates to clients receiving supported living services which is driven in the main by increased activity in terms of hours of support being provided as well as average costs being higher than anticipated, which in part will be due to continued use of non-framework providers where there is insufficient capacity in the framework at a local level or to meet specific client needs. A review of the use of non-framework providers is being undertaken as part of the management action.</p> <p>Other pressures include +£1.0m across other community services, predominantly day services, and +£1.3m from savings which are no longer anticipated to be achieved.</p> <p>The above pressures are offset by -£0.8m released from centrally held funds, and -£1.4m from 22-23 unrealised creditors.</p>
Adult Mental Health - Community Based Services (Adult Social Care & Operations)	+£6.5m	Increases in Supported Living care packages	<p>+£5.2m of the overspend relates to more clients receiving supported living care packages, including an increase in average hours provided per client to meet more complex needs.</p> <p>Other pressures include +£1.0m across other community services, and +£0.9m from savings which are no longer anticipated to be achieved.</p> <p>The above pressures are offset by -£0.2m released from centrally held funds, and -£0.5m from 22-23 unrealised creditors.</p>

Adult Mental Health – Residential Care Services (Adult Social Care & Operations)	+£2.8m	Activity and price pressures beyond budgeted levels	<p>+£2.6m overspend relates to clients accessing nursing and residential care services, with increases in activity and average cost of packages exceeding budgeted levels.</p> <p>Other pressures include +£0.3m from savings no longer anticipated to be achieved, which is offset by -£0.1m released from centrally held funds.</p>
Adult Physical Disability – Residential Care Services (Adult Social Care & Operations)	+£2.7m	Activity pressures beyond budgeted levels	<p>+£2.4m overspend relates to clients accessing nursing and residential care services, with increases in activity exceeding budgeted levels.</p> <p>Other pressures include +£0.3m from savings no longer anticipated to be achieved.</p>
Adult Physical Disability - Community Based Services (Adult Social Care & Operations)	+£2.6m	Increases in Supported Living care packages	<p>+£2.5m of the overspend relates to clients receiving supported living services with higher cost packages, and +£0.9m overspend relates to pressures across other community services, predominantly homecare which is seeing an increase in the average number of hours being provided. Other pressures include +£0.5m from savings which are no longer anticipated to be achieved.</p> <p>The above pressures are offset by -£0.4m released from centrally held funds, and -£0.9m from 22-23 unrealised creditors.</p>
Older People - Community Based Services (Adult Social Care & Operations)	+£2.5m	Increases in Homecare packages	<p>+£5.5m overspend relates to homecare services where there has been an increase in both the number of people receiving homecare services and an increase in the average number of hours of support provided. Further to this there is also an increase in average costs which is higher than anticipated, most likely due to the on-going use of non-framework providers who are typically higher cost, and are used where there is insufficient capacity in the framework at a local level or to meet specific client needs. A review of the use of non-framework providers is being undertaken as part of the management action.</p> <p>Other pressures include +£3.3m from savings which are no longer anticipated to be achieved, and a +£0.2m increase on contributions to the provision for bad and doubtful debts.</p> <p>The above pressures are offset by a forecast underspend of -£1.4m across other older people community services, -£1.5m from 22-23 unrealised creditors, and -£3.7m released from centrally held funds.</p>
Provision for Demographic Growth - Community Based Services (Strategic Management & Directorate Budgets (ASCH))	-£10.4m	Release of centrally held funds.	This is the release of centrally held funds to partly offset pressures across ASCH operations.

Forecast Variance

	Budget £m	Revenue Forecast Outturn £m	Net Revenue Forecast Variance £m	Last reported position (Nov) £m	Movement (+/-) £m
Integrated Children's Services (Operations and County Wide)	264.6	277.1	12.5	13.1	(0.6)
Education & Special Educational Needs	94.4	110.2	15.9	16.5	(0.6)
Strategic Management & Directorate Budgets (CYPE)	3.2	3.1	(0.1)	(0.1)	(0.0)
Children, Young People & Education	362.2	390.5	28.2	29.5	(1.3)
Earmarked Budgets Held Corporately	(0.2)	0.0	0.2	0.2	0.0
Net Total incl provisional share of CHB	362.1	390.5	28.4	29.6	(1.3)

The Children, Young People & Education directorate is forecasting to be overspent by +£28.4m, an improvement of £1.3m on the previously reported position. Whilst the costs of children’s social care placements continue to rise (+£0.7m) this has been more than offset by the impact of management actions across the directorate in response to the Council’s directive to reduce spending and redirecting income to fund existing services, where possible. One-off additional underspends have also arisen from difficulties in recruiting suitable and experienced interim staff to support with the development of Family Hubs.

Integrated Children’s Services (Operations and County Wide) is forecasting a net overspend of +£12.5m, predominately in Looked After Children Care & Support, which is forecasting an overspend of +£13.2m. Education and Special Educational Needs are forecasting a net overspend of £15.9m, +£12.2m of which relates to Home to School & College Transport.

Earmarked Budgets Held Corporately relates to an estimated saving from increased fees and charges following the adoption of a revised fees and charges policy. This policy was aimed at improving the transparency of discretionary services where charges include an element of concession or subsidy, and to adopt a more consistent approach to full cost recovery where no concessions/ subsidies are agreed. Achieving the saving always required increases in some fees and charges in line with the policy. Changes in fees and charges will require a decision and a fuller assessment of full cost, and these need to be brought forward to deliver the saving.

Management action has been identified to reduce the overall overspend – the detail of the management action is set out in section 12. The impact of the majority of the management actions have now been reflected in the monitoring position the recurring actions have been reflected in the 24-25 Medium Term Financial Plan where relevant. The recurring management actions, the savings proposals and the reductions in cost drivers for children’s social care and home to school transport are key to reducing the structural deficit and avoiding future costs. Whilst the services continue to put in place actions to support the Budget Recovery Plan within Securing Kent’s Future, external support is being procured to help deliver the level of service transformation and cost reduction required over the medium term financial plan period. External support will also be needed for Adult Social Care, with a combined approach to transform services for young people transitioning from Children’s Services to Adult Social Care. It is expected that the savings and future cost reductions will be delivered from 2025-26, but for home to school transport the external partner will be tasked with identifying any immediate savings and future cost avoidance which could impact the 2024-25 budget.

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

Key Service (Division)	Variance	Summary	Detail
Looked After Children Care & Support (Integrated Children's Services)	+£13.2m	Increase in cost of individual packages of care for looked after children and numbers not reducing in line with plans	The number of Looked After Children (excluding Unaccompanied Asylum-Seeking Children) continued to rise during the latter part of 2022-23 whereas it had been anticipated these numbers would stabilise and start to reduce as the delays in the courts started to clear. Due to the ongoing challenges of recruiting in-house foster carers, children are being placed in increasingly more expensive alternatives including independent fostering agencies, unregulated semi-independent placements or residential care. Pressures in the market for suitable children's social care placements are also causing the costs of placements to rise at a higher rate than inflation, compounded by placements made by other Local Authorities in the County and UASC numbers. The number of looked after children reached a peak at the end of April and has started to slowly reduce although not at the pace provided for in the budget. The forecast assumes the costs of placements will continue to rise and the number of LAC remains relatively constant leading to an overall pressure of £11.2m. Invicta Law have increased their prices but have not been able to match this with efficiencies leading to a cost pressure around £1.0m, the remaining £1.0m overspend is resulting from spend continuing to remain at a higher level during 2023-24, whilst it had been assumed in the budget this would reduce resulting from efficiencies and reduction in court delays.
Looked After Children (with a disability) – Care & Support (Integrated Children's Services)	+£1.8m	Increase cost of looked after children	The number of children supported has increased and more cost-effective fostering solutions are being used where possible, however the higher than budgeted average cost of residential and semi-independent placements offsets these savings.
Adult Learning & Physical Disability Pathway – Community Based Services (Integrated Children's Services)	+£1.8m	Increased cost of Supported Living, Direct Payments and Day Care	The number of supported living, direct payments and homecare packages have remained relatively static, however the average cost of packages continues to increase. The numbers and cost of support have continue to rise in a similar way as 2022-23, whilst savings are now expected to take longer to realise than initially anticipated. The service has seen a reduction in the use of residential care (see compensating saving) but this has resulted in higher packages of community support contributing to the higher cost.

Home to School & College Transport (Education & Special Educational Needs)	+£12.2m	Increases in demand and costs of transport contracts	<p>The forecast includes +£2.7m overspend on mainstream home to school transport and +£9.4m on SEN transport services.</p> <p>Forecasts have been based on the current cost of transport. The average cost per child of both mainstream and SEN transport has continued to increase higher than inflation leading to an estimated pressure of £1.3m and £9.7m respectively, as a result of transport requirements and capacity limitations.</p> <p>The number of children requiring SEN transport has continued to increase in line with historic trends with the number travelling increasing by around 8%. This is a consequence of the higher EHCP numbers and greater number of children with SEN not being educated in their local school. Work to slow this trend is underway but it is not expected to impact significantly in the short-term and this has been reflected in the budget plans.</p> <p>The mainstream home to school transport forecast reflects the full year effect of the increasing costs of transporting children in 2022-23, resulting from a combination of increasing numbers of children travelling during the Autumn and Spring Term coupled with the use of more expensive hired transport (+£1.2m). The forecast assumes the numbers travelling will continue to remain high leading to a further +£0.2m pressure.</p>
Other School Services (Education & Special Educational Needs)	+£1.6m	Use of temporary school accommodation. Increased cost of legal services and costs of surveys in schools	<p>Delays in basic need projects have resulted in use of more temporary accommodation to ensure sufficient school places are available (+£1.5m). The balance of +£0.1m relates to a variety of other school related costs and use of income to meet the costs of existing services, many of which are one-off in nature or vary annually.</p>
Educational Needs & Psychology Services (Education & Special Educational Needs)	+£1.8m	Use of agency staff to support delivery of Accelerated Progress Plan	<p>To support the delivery of the Accelerated Progress Plan, the service is using agency staff to create additional capacity to support the implementation of the new SEN operating model and support permanent staff recently recruited to the new structure. This includes additional support for the processing of both annual reviews and Education, Health and Care Plan (EHCP) assessments.</p>
Adult Learning & Physical Disability Pathway – Residential Care Services & Support	-£1.1m	Reduction in the number of residential care placements	<p>The number of residential care placements has continued to reduce where young people are preferring to live in the community with support. This saving partially offsets the pressure on community services outlined above.</p>

for Carers (Integrated Children's Services)

Children in Need (Disability) – Care & Support (Integrated Children's Services)	+£2.0m	Daycare & direct payments trend in spend and delay in achieving savings	The cost of packages for disabled children continued to increase in the latter part of 2022-23 due to additional support required, whilst savings assumed the costs and numbers would start to stabilise and reduce where packages started to return to pre-COVID levels.
Children's Social Work Services – Assessment & Safeguarding Service (Integrated Children's Services)	-£1.5m	Savings on the costs of agency staff.	The costs of agency staff have not increased in line with inflation as anticipated leading to a saving of £0.6m. The remaining underspend of £0.9m relates to various vacancies and reductions in non-staffing spend across the service.
Children's Centres (Integrated Children's Services)	-£2.0m	Upskilling Children Centre workforce to deliver Family Hub outcomes	Children Centre workforce are receiving additional training and upskilling (funded by the DfE Family Hub grant) to deliver outcomes as required under the DfE Family Hub programme; providing KCC with an enhanced skilled workforce to ensure future sustainability of our Family Hub model within Kent. We are recruiting interim staff to ensure the smooth running of the Family Hubs during the transitional period. This has resulted in a one-off underspend of £1.9m due to the timing of provision of the training versus the recruitment of the interim staff. The balance of £0.1m relates to other vacancies and underspends on non-staffing spend.

	Forecast Variance			Movement (+/-)	
	Budget	Revenue Forecast	Net Revenue Forecast	Last reported position (Nov)	
	£m	£m	£m	£m	£m
Highways & Transportation	70.8	67.8	(2.9)	(1.8)	(1.1)
Growth & Communities	31.2	29.5	(1.8)	(1.6)	(0.2)
Environment & Circular Economy	92.2	95.0	2.8	2.6	0.2
Strategic Management & Directorate Budgets (GET)	1.4	1.3	(0.1)	(0.1)	(0.0)
Growth, Environment & Transport	195.6	193.6	(2.0)	(0.8)	(1.2)
Earmarked Budgets Held Corporately	-0.3	0.0	0.3	0.3	0.0
Net Total incl provisional share of CHB	195.3	193.6	(1.7)	(0.5)	(1.2)

The Growth, Environment & Transport Directorate is projected to be underspent by -£2.0m, which is a significant improvement on the last reported position of -£0.8m which is as a result of the spending controls imposed as well as a proposed drawdown from reserves in relation to the recent unbudgeted storm events and adverse weather. All services/budgets across the directorate will continue to review their staffing and spend levels to ensure only essential spend is incurred and income/activity levels will continue to be reviewed and reflected.

Earmarked Budgets Held Corporately relates to an estimated saving from increased fees and charges following the adoption of a revised fees and charges policy by County Council. This policy was aimed at improving the transparency of discretionary services where charges include an element of concession or subsidy, and to adopt a more consistent approach to full cost recovery where no concessions/ subsidies are agreed. Achieving the saving always required increases in some fees and charges in line with the policy. Changes in fees and charges will require a decision and a fuller evaluation of full costs, at this stage, no such decisions over and above what was already reflected in the MTFP, have yet been presented or taken and which largely related to inflationary increases to fees and charges.

GET identified £1.5m of management action and this has been delivered in full, some areas such as income and vacancy management are actually over-delivering, with all recurring impacts also reflected in the draft budget for 2024-25.

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

Key Service (Division)	Variance	Summary	Detail
Waste Facilities & Recycling Centres (Environment & Circular Economy)	+£2.8m	Paused HWRC saving, plus price pressures and reduced income	Part of the projected overspend is due to the proposed consultation on the review of HWRC sites (Waste) being delayed (+£0.5m). The overspend is the non-delivery of the 2023-24 part-year effect of the planned 2-year £1.5m budget reduction. In addition, there was a savings target from Reuse and Small Business trade waste. Reuse activities have been delivered; however, to meet the full target requires investment of capital to develop a shop facility. There is no capital finance for this which has resulted in an overspend this year (+£0.2m). Small Business trade waste is an ongoing project with active plans of work to develop small trade waste through the districts/contractors at Dover Transfer

Station and Dunbrik through Sevenoaks District Council. Strikes have disrupted any opportunity to introduce a small business waste service at the Canterbury HWRC (already permitted to take trade waste). Environmental permits for other HWRCs can only be pursued once the HWRC Review has been concluded, which as set out above has been delayed. It is taking the Environment Agency circa one year to issue variations on current permits. An overspend has arisen this year as a result (+£0.2m).

Increased prices on the Material Recycling Facilities contract have resulted in an overspend (+£0.8m). These are highly variable and based on market commodity prices and volumes of materials. There is also an overspend within haulage where prices are higher than budgeted (+£0.7m).

Residual Waste, (Environment & Circular Economy)	+£0.2m	Increased tonnes offset by lower than budgeted price	An overspend primarily resulting from additional tonnes (+£0.7m) is offset by a reduced price for Allington Waste to Energy plant, as the contractual uplift based on April RPI was lower than the budgeted estimate (-£0.5m).
Public Protection (Growth & Communities)	-£0.3m	Additional income and other minor variances	A small overspend on Coroners on postmortem fees (+£0.2m) are more than offset by additional income within Kent Scientific Services and Trading standards budget (-£0.3m), plus vacancies and other minor variances across several budgets (-£0.2m).
English National Concessionary Travel Scheme (ENCTS) (Highways & Transportation)	-£0.5m	Activity and price below budgeted level	The underspend results from a combination of lower journey numbers, with usage not recovering as quickly as anticipated, together with a lower than budgeted increase in price.
Libraries Registration & Archives (Growth & Communities)	-£0.7m	Additional Registration income	Continued higher than budgeted levels of Registration income (-£0.6m).
Growth and Support to Businesses (Growth & Communities)	-£0.8m	Vacancy management and other minor variances	Underspend primarily from vacancy management and other minor variances.
Transportation (Highways & Transportation)	-£0.8m	Management actions and other minor variances	The implementing of management actions, primarily vacancy management and reducing spend in areas such as traffic modelling, together with additional income and reduced energy costs for traffic signals, have helped to create a forecast underspend.
Highway Assets Management (Highways & Transportation)	-£1.4m	Favourable energy prices and income offset by HTMC price uplift and additional activities	The main reason for this variance is an underspend on Streetlight and Tunnels energy following confirmation of a reduced summer price for electricity plus estimated savings on the winter rate for the proportion of energy that has already been

purchased; both are below budgeted rates (-£2.7m). This higher than required budget allocation, together with additional income (-£1.5m), more than offset projected price uplifts in the Highways Term Maintenance Contract and Winter Service (+£1.4m), and additional activities for tunnels and structures (+£0.5m) and other highways budgets (+£0.9m).

The significant unbudgeted costs of named storms, especially Storm Ciaran, together with the impact of exceptionally wet and adverse weather (+£1.1m) were previously forecast to be funded from within the Directorate's net underspends but these are now assumed to be offset by a drawdown from reserves (-£1.1m) which has improved the Highways & Transportation position overall.

Forecast Variance

	Budget	Revenue Forecast	Net Revenue Forecast	Last reported position (Nov)	Movement (+/-)
	£m	£m	£m	£m	£m
Infrastructure	8.6	7.5	(1.1)	(1.0)	(0.1)
Strategic Management & Departmental Budgets (DCED)	5.4	5.0	(0.4)	(0.4)	(0.0)
Technology	25.5	25.2	(0.3)	(0.6)	0.3
Corporate Landlord	33.1	27.6	(5.5)	(4.8)	(0.7)
Marketing & Resident Experience	6.8	6.7	(0.1)	(0.0)	(0.1)
Human Resources & Organisational Development	5.3	5.0	(0.2)	(0.2)	(0.0)
Deputy Chief Executive's Department	84.7	77.0	(7.6)	(7.1)	(0.6)
Earmarked Budgets Held Corporately	-0.1	0.0	0.1	0.1	0.0
Net Total incl provisional share of CHB	84.6	77.0	(7.6)	(7.0)	(0.6)

The Deputy Chief Executive's Department is forecasting to underspend by -£7.6m.

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

Key Service (Division)	Variance	Summary	Detail
Corporate Landlord	-£5.5m	Utilities underspend due to revised price variance.	This variance is principally due to a reduced utilities forecast of -£3.6m. The budget for utilities was calculated using estimates from our utilities provider (Laser). The forecasts have been reduced due to a reduction in wholesale energy prices and is reflected in the MTFP. Within the new facilities management contract, the contract manager has been in negotiation with the new provider to agree a lower than budgeted CPI increase for 23/24. Although not finally agreed it is likely to be accepted and will create an underspend of c. £0.5m. Additionally, there is a one – off credit from rates revaluations.
Infrastructure	-£1.1m	Vacancy management.	Majority of the variance is due to management action to reduce spend and rephase appointments to new posts. Reduced activity on condition surveys.
Strategic Management and Departmental Budgets (DCED)	-£0.4m	Vacancy management.	Vacancy management within SRP and reduced expenditure on specialist and consultancy spend.

Technology	-£0.3m	One – off saving on 3 rd Party Contracts.	The main reasons for this variance are: an underspend against 3rd Party Contracts, largely due to decision not to renew Unified Support contract as a one-off saving in 2023-24, also a staffing underspend and reduced specialist fees spend on ICT Core Client. These are offset in part by increased costs on Mobile Handheld Devices as more devices are in circulation for hybrid working and increased Managed Print fixed costs.
Human Resources & Organisational Development	-£0.2m	Management action and cost reduction.	Forecast underspend represents a saving to KCC resulting from vacancy management, deferred graduate recruitment and an increased engagement with salary sacrifice schemes.
Marketing & Resident Experience	-£0.1m	Management action to reduce expenditure.	Variance mainly due to reduced activity on Commissioned Services and a staffing saving, as several vacancies are currently being held.

Forecast Variance

	Budget	Revenue Forecast Outturn	Net Revenue Forecast Variance	Last reported position (Nov)	Movement (+/-)
	£m	£m	£m	£m	£m
Finance	13.2	13.0	(0.1)	(0.3)	0.1
Strategic Commissioning	4.9	4.7	(0.2)	0.0	(0.3)
Governance, Law & Democracy	8.3	7.9	(0.5)	(0.3)	(0.1)
Strategy, Policy, Relationships & Corporate Assurance	5.4	4.3	(1.1)	(1.0)	(0.0)
Strategic Management & Directorate Budgets (CED)	(0.5)	(0.8)	(0.3)	(0.3)	(0.0)
Chief Executive's Department	31.4	29.1	(2.2)	(1.9)	(0.3)

The Chief Executive's Department is forecasting to underspend by -£2.2m.

Management action has been identified to reduce the overspend across the whole Council – the detail of the management action is set out in section 12. The management action will need to be delivered to get the Council to a balanced position with the actions that have a recurring impact helping to close the 2024-25 budget gap.

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

Key Service (Division)	Variance	Summary	Detail
Strategy, Policy, Relationships & Corporate Assurance	-£1.1m	Vacancy management.	Management action to reduce spend by deferring appointments to new posts.
Governance, Law & Democracy (Governance & Law)	-£0.5m	Schools appeals, vacancy management, and income recovery.	The forecast underspend in Governance and Law is mainly due to reduced costs of appeals due to the loss of some of the larger schools not using KCC, staff vacancy management, and additional income recovery.
Strategic Management & Directorate Budgets (S&CS)	-£0.3m	Reduced early retirement costs.	This underspend is due primarily to reduced early retirement costs and is reflected in the MTFP.
Strategic Commissioning	-£0.2m	Vacancy management.	Re-phasing of appointments to vacant posts in the Commercial and Procurement Division, previously shown under management action.
Finance	-£0.1m	One off salary recharge.	Underspend due to a backdated recharge of salary costs to the Pension Fund.

Forecast Variance

	Budget £m	Revenue Forecast Outturn £m	Net Revenue Forecast Variance £m	Last reported position (Nov) £m	Movement (+/-) £m
Non Attributable Costs	115.8	97.8	(18.0)	(17.7)	(0.3)
Earmarked Budgets Held Corporately	0.2	0.1	(0.1)	(0.1)	(0.1)
Net Total incl provisional share of CHB	116.0	97.9	(18.1)	(17.8)	(0.4)

The Non-Attributable Costs are forecasting to be underspent by -£18.0m.

-£8m of the underspend relates to the annual recalculation of debt charges and is due to the decisions that Members have taken to contain the capital programme, the significant levels of re-phasing of the capital programme in 2022- 23, and changes in interest rates. £8m can be released from the debt charges budget; because re-phasing happens every year it is now considered that £4m of this can be on a permanent basis, £2m on a two-off basis in 2023-24 and 2024-25 and £2m on a one-off basis in 2023-24. This has been reflected in the 2024-27 MTFP published on 12 February 2024.

-£7.1m of the underspend relates to the estimated impact of the net debt costs budget of the increase in the Bank of England base rate since the time of setting the budget, leading to a significantly higher forecast income return on investments.

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

Key Service (Division)	Variance	Summary	Detail
Non-Attributable Costs	-£18.0m	Recalculation of debt charges and increase in forecast return from investments	<p>-£8.0m relates to the recalculation of debt charges.</p> <p>-£7.1m is the estimated impact on the net debt costs budget of the increase in the Bank of England base rate since setting the budget, leading to a significantly higher forecast income return on investments.</p> <p>-£1.1m estimated increase in Retained Business Rates levy for 2022-23 compared to the level of debtor raised at the end of the financial year.</p> <p>-0.6m following a review of the balance sheet, resulting in the reversal of historic unreceipted purchase orders</p> <p>-0.6m following release of unclaimed income from the balance sheet</p> <p>-£0.5m provisional adjustments for the 2022-23 and 2021-22 Business Rates Compensation Grants including Covid Additional Relief Fund, based on provisional NNDR3 information.</p>

In addition to the £15.8m underspend there are other significant items to report that have a net nil impact on the NAC projected position, as detailed below.

Minimum Revenue Provision (MRP) has been recalculated based on assets completed in 2022-23. This has resulted in a saving of £0.3m. In line with usual practice, it is intended that this underspend is transferred to the MRP smoothing reserve to be used to fund future fluctuations in MRP, therefore there is no overall impact in the current year.

A forecast overspend of £1.0m against the Insurance Fund mainly due to increased cost of premiums and an increase in potential recorded claims which will be offset by a drawdown from the Insurance Reserve. The increase cost of the premiums has been factored into the 2024-27 MTFP as it is not sustainable to continue to fund this from reserves.

Corporately Held Budgets	+£0.3m	Delayed delivery of savings related to increased fees and charges and uncommitted residual Pay Pot	<p>+£0.5m relating to estimated saving of £0.5m from increased fees and charges following the adoption of revised fees and charges policy. Achieving this saving requires increases in some fees and charges, which require a decision. At this stage, no such decisions have been presented or taken.</p> <p>-£0.2m Uncommitted residual pay pot after funding staff pay increases in accordance with policy.</p>
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10 Schools' Delegated Budgets

The Schools' Budget reserves are forecast to end the financial year with a surplus of £60.4m on individual maintained school balances, and a deficit on the central schools' reserve of £76m. The total Dedicated Schools' Grant for 2023-24 is £1,623.8m and is forecast to overspend by £43.3m.

The balances of individual schools cannot be used to offset the overspend on the central schools' reserve and therefore should be viewed separately.

The Central Schools' Reserve holds the balance of any over or underspend relating to the Dedicated Schools Grant (DSG). This is a specific ring-fenced grant payable to local authorities to support the schools' budget. It is split into four main funding blocks: schools, early years, high needs and central, each with a different purpose and specific rules attached. The Council is required to hold any under or overspend relating to this grant in a specific reserve and is expected to deal with any surplus or deficits through future years' spending plans. The tables below provide the overall position for the DSG in 2023-24 (table 1) and an overview of the movements on both the central schools' reserve and individual schools' reserves (table 2).

Table 1 Dedicated Schools' Grant (DSG) 2023-24 Forecast Summary:

DSG Block	2023-24 Total Budget* £m's	2023-24 Forecast £m's	2023-24 Forecast Variance £m's
Schools' Block	1,190.1	1,189.2	-0.9
High Needs Block	323.1	368.0	+44.9
Early Years Block	98.7	98.0	-0.7
Central Services to Schools' Block	11.9	11.9	0.0
Total DSG 2023-24	1,623.8	1,667.1	+43.3

*Before recoupment and other DfE adjustments including additional funding from the Safety Valve Programme. Budgets include the impact of moving £12m from the Schools' block to the High Needs Block as agreed by the Secretary of State.

Table 2: Overall Forecast Position for the Schools' Budget Reserves:

	Individual Maintained School Reserves £m's	Central Schools' (DSG) Reserve £m's
Reserve Balance as at 1 st April 2023*	61.1	-61.4
<i>Forecast contribution to/(from) reserves:</i>		
Academy Conversions	-0.68	
Change in School Reserve Balances	0	
Overspend on DSG 2023-24		-43.3
Safety Valve: Local Authority Contribution		14.4
Safety Valve: Payment from DfE		14.2
Reserve Balance as at 31 st March 2024*	60.4	-76.0

*Positive figure is a surplus balance & negative balance is a deficit balance

In accordance with the statutory override implemented by the Department of Levelling Up, Housing and Communities (DLUHC), and in line with the Department for Education (DfE) advice that local authorities cannot repay deficits on the DSG from the General Fund without Secretary of State approval, the central schools (DSG) forecast deficit balance of £76.0m is held in a separate unusable reserve from the main council reserves (see appendix 3). DLUHC have confirmed this statutory override will be in place until March 2026 whilst Councils implement recovery plans.

In 2022-23, the Council entered the DfE's Safety Valve Programme for those Councils with the highest deficits to support the development of a sustainable plan for recovery; this includes annual funding from the DfE, totalling

£140m by 2027-28, to pay off part of the deficit but only if the Council can demonstrate and deliver a credible plan. Over the same period the Council is also expected to contribute towards the residual deficit estimated to total over £80m. The DSG deficit is the Council's single biggest financial risk; therefore, the successful implementation of the Council's deficit recovery plan is critical. It is recognised, the Government's proposals to reform the SEND and alternative provision (AP) system to support a more sustainable high needs funding will not impact immediately and local actions are required.

In 2023-24, the Council is expecting to receive £14m from the DfE, the second tranche of the £140m safety valve commitment, with the Council required to contribute a further £14m from reserves. This additional funding, along with the extra funding from the DfE and the Council in 2022-23 will have reduced the accumulated deficit from an estimated £174m to £76m as at 31st March 2024.

10 Schools' Delegated Budgets

Key Issues	Details
Individual Maintained Schools Reserves	<p>As at 31st March 2023, there were 299 maintained schools with a surplus reserve balance and 5 schools with a deficit reserve balance. Maintained Schools are required to submit a six & nine-month monitoring return each financial year and these forecasts will be reported in future reports. The Council commissions The Education People to support Schools with their recovery plans.</p> <p>This forecast includes 7 schools converting to academy status during 2023-24. When a maintained school converts to an academy status, the council is no longer responsible for holding the schools' reserve and the school's remaining school balance is either transferred to the academy trust, or in the case of a deficit, may have to be retained and funded by the Council depending on the type of academy conversion.</p>
Schools' Block: Underspend falling roll funding	<p>The Schools' Block funds primary and secondary core schools' budgets including funding for additional school places to meet basic need or to support schools with significant falling rolls.</p> <p>The majority of the Schools' Block underspend is due to an anticipated underspend on the Falling Roll fund based on eligibility to access the fund.</p>
Early Years Block: general underspend	<p>The Early Years Block is used to fund early years' providers the free entitlement for eligible two, three and four-year olds, along with the funding of some council led services for early years.</p> <p>Each year, when setting the funding rate an estimate must be made as to likely hours that will be provided to ensure it is affordable within the grant provided. This can lead to under or overspends if activity is slightly lower or higher than expected. This has led to an underspend of £0.7m against a budget of £98m, and in line with DFE guidance (on the use of DSG), this will be used to partly fund spend on the Early Years SEN Inclusion Fund, which is currently funded from the High Needs Block, and reduces the overspend on High Needs Block.</p>
High Needs Block: Higher demand and higher cost for high needs placements. Safety Valve Payment & Local Authority Contribution.	<p>The High Needs Block (HNB) is intended to support the educational attainment of children and young people with special educational needs and disabilities (SEND) and pupils attending alternative education provision. The HNB funds payments to maintained schools and academies (both mainstream and special), independent schools, further education colleges, specialist independent providers and pupil referral units. Some of the HNB is also retained by KCC to support some SEND services (staffing/centrally commissioned services) and overheads. Costs associated with the EHCP assessment and annual review process are met from the General Fund and are not included in this section of the report.</p> <p>The in-year funding shortfall for High Needs placements and support in 2023-24 is +£45m due to a combination of both higher demand for additional SEN support and higher cost per child resulting from greater demand for more specialist provision. Levels of growth are expected to be similar to previous years whilst actions to support future financial sustainability are implemented.</p> <p>Many other councils are also reporting deficits on their high needs block, despite extra monies from the Government in recent years, resulting from significant increases in their numbers of EHCPs and demand for SEN services. However, the increases locally have been increasing at a significantly faster rate than other comparative councils and the council is placing a greater proportion of children in both special and independent schools compared to other councils, and a smaller proportion of children with SEND in mainstream schools.</p>

The tables below detail the trend in both spend and number of HNB funded places or additional support across the main placement types.

Table 3: Total Spend on High Needs Block by main spend type

	20-21 £'ms	21-22 £'ms	22-23 £'ms	23-24 £'ms
Maintained Special School	106	123	137	152
Independent Schools	49	60	68	77
Mainstream Individual Support & SRP* **	46	54	61	66
Post 16 institutions***	17	19	21	24
Other SEN Support Services	49	43	48	48
Total Spend	264	299	334	36

Table 4: Average number of HNB funded pupils receiving individualised SEN Support/placements. This is not the total number of children with SEN or number of EHCPs.

	20-21 No	21-22 No	22-23 No	23-24 No
Maintained Special School	5,118	5,591	6,019	6,417
Independent Schools	1,126	1,348	1,485	1,610
Mainstream Individual Support & SRP*	4,510	5,258	5,772	6,381
Post 16 institutions***	1,281	1,453	1,569	1,685
Total Number of Pupils	12,035	13,650	14,845	16,093

Table 5: Average cost of HNB funded pupils receiving individualised SEN Support or placement cost.

	20-21 £s per pupil	21-22 £s per pupil	22-23 £s per pupil	23-24 £s per pupil
Maintained Special School	£20,629	£21,648	£22,640	£23,424
Independent Schools	£43,734	£44,799	£44,911	£47,993
Mainstream Individual Support & SRP* **	£10,294	£10,245	£10,578	£10,396
Post 16 institutions***	£13,309	£13,090	£12,927	£14,523

*Specialist Resource Provision

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

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

The Safety Valve agreement, sets out the key actions the Council intends to take to achieve a positive in-year balance on its central schools' DSG reserve by the end of 2027-28 and in each subsequent year. The actions are aligned with our strategy to support improvements across the SEN system in response to the SEN Improvement Notice through the delivery of the Accelerated Progress Plan. The impact of these actions will not be immediate and will take several years to be fully embedded.

The budget agreed at County Council included the requirement to deliver savings and increased income totalling £65.3m during 2023-24. A further £4.4m of undelivered savings from the previous year are included in the overall 2023-24 savings requirement of £69.7m. This section does not include changes to Grant Income, savings of less than £50k totalling £0.2m and £10.7m for the removal of one-off or undelivered savings from 2022-23. Due to the presentation of figures to one decimal place, some totals are rounded. The net forecast saving across all directorates is £61.0m. The breakdown of the position is as follows:

- £41.3m of the overall total £65.3m agreed savings are on track to be delivered as planned.
- £4.4m of savings in ASCH brought forward from the previous year are not now forecast to be delivered in year.
- The Public Health and CED savings for 2023-24 are £3.2m and are on track to be delivered as planned.
- The NAC overachieved saving of £7.1m relating to investment income saving is due to increases in the base interest rate.
- £24.0m in ASCH, CYPE, GET and DCED as not achieved in 2023-24 and will slip into future years. This has been reflected in the MTFP for 2024-27.
- £0.7m has been identified in CYPE and CHB as undeliverable.
- £9.0m of alternative one-off savings has been identified in ASCH, CYPE and GET.

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Adult Social Care & Health	(4.4)	(30.0)	13.1		(2.0)				(23.3)
Public Health		(2.2)							(2.2)
Children, Young People & Education		(14.5)	6.4		(2.6)		0.2		(10.4)
Growth, Environment & Transport		(11.0)	4.4		(4.4)				(11.0)
Deputy Chief Executive's Department		(0.1)	0.1						0.0
Chief Executive's Department		(1.0)							(1.0)
Non Attributable Costs		(5.9)						(7.1)	(13.0)
Corporately Held Budgets		(0.5)					0.5		0.0
Total	(4.4)	(65.3)	24.0	0.0	(9.0)	0.0	0.7	(7.1)	(61.0)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Adult Social Care & Health	(4.4)	(30.0)	13.1	0.0	(2.0)	0.0		0.0	(23.3)
Commissioning - 2022-23 Slipped Savings - review of all contracts	(4.4)	0.0	4.4						0.0
Efficiency: Adult Social Care - Consistently adhere to our policy framework in relation to areas such as: Third Party Top Ups; arranging support and debt for self-funders; transport and maximisation of relevant benefits; use of in-house provision and occupancy to reduce reliance on external purchasing of short term beds; people in residential care in receipt of other services; timely reviews of Section 117 status with regard to charging		(1.3)	0.7						(0.6)
Income: Adult Social Care -Estimated annual inflationary increase in Better Care Fund		(2.3)							(2.3)
Income: Review of Charges for Service Users - existing service income streams & inflationary increases		(8.5)							(8.5)
Policy: Adult Social Care contracts with Voluntary Sector		(4.3)	3.2		(2.0)				(3.1)
Policy: Adult Social Care PFI		(0.2)	0.2						0.0
Policy: Housing Related Support - Homelessness		(2.3)							(2.3)
Policy: Redesign of In House Adult Social Care Services		(3.6)	0.9						(2.7)
Transformation: Adult Social Care service redesign - Redefine our Adult Social Care operating model to align to our strategic direction of travel and ambitions		(7.5)	3.7						(3.8)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Public Health	0.0	(2.2)	0.0	0.0	0.0	0.0	0.0	0.0	(2.2)
Efficiency: Public Health - Estimated efficiency savings from Public Health Partnership working with Health		(1.0)							(1.0)
Efficiency: Public Health - Healthy Lifestyles		(0.1)							(0.1)
Efficiency: Public Health - Sexual Health		(0.2)							(0.2)
Efficiency: Public Health - Substance Misuse		(0.1)							(0.1)
Income: Public Health - Increase in external income to cover annual pay increases and new expenditure funded by external income		(0.1)							(0.1)
Policy: Public Health - Review of Public Health Services principally related to Healthy Lifestyles to ensure spending is contained within ringfenced grant		(0.4)							(0.4)
Policy: Public Health - Family Drug & Alcohol Court		(0.2)							(0.2)
Children, Young People & Education	0.0	(14.5)	6.4	0.0	(2.6)	0.0	0.2	0.0	(10.4)
Efficiency: Adult Social Care – Consistently adhere to our policy framework in relation to areas such as: Third Party Top Ups; arranging support and debt for self-funders; transport and maximisation of relevant benefits; use of in-house provision and occupancy to reduce reliance on external purchasing of short term beds; people in residential care in receipt of other services; timely reviews of Section 117 status with regard to charging		(0.3)	0.3						0.0

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Efficiency: Children's Services – Review of the Practice Development Service		(0.4)							(0.4)
Efficiency: Children's Services – Reconfigure the Family Drug & Alcohol Court Services into the main Children's Social Work Teams		(0.2)							(0.2)
Efficiency: Children's Social Care – Review of Legal Services Spend through cost efficiencies by Invicta Law and review of the use of legal services by social workers		(1.0)	1.0						0.0
Efficiency: Community Learning & Skills – Development of income earning activities within the CLS service and engage in efficiency measures to reduce costs		(0.2)							(0.2)
Efficiency: 18-25 Adult Social Care Supporting Independence Service – 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		(1.8)	1.0		(0.8)				(1.6)
Efficiency: Early Help & Preventative Services – Expanding the reach of case holding Early Help services		(0.5)							(0.5)
Efficiency: Early retirements – Reduction in the number of Historic Pension Arrangements		(0.3)							(0.3)
Efficiency: Open Access – Youth & Children's Centres – Continue to implement vacancy management and avoid all non-essential spend across open access		(0.6)							(0.6)
Income: Kent 16+ Travel Saver		(0.3)	0.3		(0.2)				(0.2)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Policy: Review of Open Access – Youth Services & Children’s Centres – review of open access services in light of implementing the Family Hub model		(0.2)	0.2		(0.2)				(0.2)
Policy: Review of Open Access Estate – Youth Provision & Children’s Centres		(0.1)	0.1		(0.1)				(0.1)
Policy: Review Services Charged to Schools		(0.1)							(0.1)
Policy: 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		(0.8)	0.4		(0.4)				(0.8)
Transformation: Children’s Social Care – Explore strategies, including statutory guidance, to reduce dependency on social work agency staff		(1.0)							(1.0)
Transformation: Looked After Children – Reduce the recent increase in the number of Looked After Children placements through practice reviews & improved court proceedings		(1.5)	1.5						0.0
Growth, Environment & Transport	0.0	(11.0)	4.4	0.0	(4.4)	0.0	0.0	0.0	(11.0)
Efficiency: Environment – Planned phasing of the new structure in the Environment Team		(0.3)							(0.3)
Efficiency: Highways – Renegotiate income levels to include inflationary uplift for permit scheme, lane rental scheme & National Driver Offender Retraining Scheme		(0.1)							(0.1)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Efficiency: Libraries, Registration & Archives (LRA) – One-off reduction in Libraries Materials Fund and a one year contribution holiday for the Mobile Libraries renewals reserve		(0.2)							(0.2)
Efficiency: Transportation -Use developer agreement income to maintain current level of transportation services		(0.3)							(0.3)
Efficiency: Waste -Increased waste material segregation, increased re-use, black-bag splitting and trade waste recycling with a view to generating income or reducing cost		(0.6)	0.4		(0.4)				(0.6)
Efficiency: Waste – New waste contract efficiencies including reduction in payments to Kent Resource Partnership; new contract enabling separate disposal of currently co-mingled food waste; segregation of other waste materials		(0.2)							(0.2)
Income: Highways – Increase in net income budgets for streetworks and permit scheme		(0.6)							(0.6)
Income: Kent Travel Saver – Kent Travel Saver price realignment to offset an increase in bus operator inflationary fare increases in 2022-23 above the budgeted amount		(1.0)	1.0		(1.0)				(1.0)
Income: Kent Travel Saver (formerly Young Person’s Travel Pass) – Kent Travel Saver price realignment to offset bus operator inflationary fare increases		(1.5)	1.5		(1.5)				(1.5)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Directorate	Previous year saving delivered in 2023-24 £m	2023-24 Target £m	Not achieved in 2023-24 £m	Alternative Saving (ongoing) £m	Alternative Saving (one-off) £m	Saving no longer required £m	Saving not Deliverable £m	Over Recovery of Saving £m	Forecast Savings 2023-24 £m
Policy: Highways Winter Service – Review of highways winter service policy including service levels, salting runs and network, resulting in reduced network coverage and detrimental impact on Keeping Kent Moving policy		(0.5)	0.5		(0.5)				(0.5)
Policy: Household Waste Recycling Centres (HWRC) – Review of the number and operation of HWRC sites		(0.5)	0.5		(0.5)				(0.5)
Policy: Review of Community Wardens		(0.5)	0.5		(0.5)				(0.5)
Deputy Chief Executive’s Department	0.0	(0.1)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Income: Resilience and Emergency Planning - Additional income from reservoir work		(0.1)	0.1						0.0
Policy: Marketing & Resident Engagement – Review KCC’s presence at external events		(0.1)							(0.1)
Chief Executive’s Department	0.0	(1.0)	0.0	0.0	0.0	0.0	0.0	0.0	(1.0)
Efficiency: Early retirements – Reduction in the number of Historic Pension Arrangements		(0.5)							(0.5)
Policy: Member Community Grants – Reduce Member Community Grants from £10k to £3.6k per Member		(0.5)							(0.5)
Non Attributable Costs	0.0	(5.9)	0.0	0.0	0.0	0.0	0.0	(7.1)	(13.0)
Financing: Debt repayment		(1.0)							(1.0)

11 Savings

Target for year £69.7m
£61.0m savings to be delivered

Financing: Investment Income		(2.9)						(7.1)	(9.9)
Income: Income return from our companies		(2.0)							(2.0)
Corporately Held Budgets	0.0	(0.5)	0.0	0.0	0.0	0.0	0.5	0.0	0.0
Income: Review of fees & charges		(0.5)					0.5		0.0
Total	(4.4)	(65.3)	24.0	0.0	(9.0)	0.0	0.7	(7.1)	(61.0)

Explanation of the Directorate Savings variances are shown below:

Page 58	11.1	The ASCH budget savings for 2023-24 are £30.0m, with a further £4.4m carried forward from 2022-23. £23.3m is on track to be delivered within 23-24, including £2.0m as alternative savings. £13.1m is forecast to slip into future years.	£4.4m of commissioning review of contracts savings carried forward from 2022-23 will not now be achieved and will slip into 2024-25. £3.7m relates to the non-delivery of service redesign savings, management action of £1.6m is forecast to be achieved to offset this in the current year (See section 12 for further details on the management action). This has been taken into consideration with further redesign savings that will be delivered in 2024-25. £3.2m relates to the voluntary sector contracts not being able to achieve the full year effect of the savings, but one-off public health funding of £2m has been agreed to fund the continuation of the contracts in 2023-24, and the other £1.2m is now not achievable in year. £0.9m of In-house provision savings and £0.9m of policy and practice savings are also slipping into 2024-25.
	11.2	The CYPE budget savings for 2023-24 are £14.5m. £10.4m is on track to be delivered within 23-24, including £2.6m as alternative savings. £6.4m is forecast to slip into future years.	£1.3m is due to estimated delays in delivery of savings from the review of community-based packages of support including the delay in reviewing the charging policy for client transport (described in section 11.1). The review of high cost packages is ongoing and high costs panels are taking place to support delivery of the saving in 2024-25 onwards. Review of cases to identify where health contributes may be appropriate has resulted in £0.8m one-off backdated income relating to previous years helping to offset some of this saving in 23-24. £2.3m is due to estimated delays in delivery of placement related savings across integrated children's services (including disability services) where the number of Looked After Children and reductions in placement costs has not

reduced as expected at the time of setting the budget. Use of High-cost panels and review of high cost packages is taking place to support delivery of the saving in 2024-25.

£0.7m is due to delays in implementing a strategy in supporting independence by the age of 19. The implementation of this strategy is linked to the new accommodation contract for shared housing which was implemented from the 28th October in line with the wider regulation changes in supported accommodation for looked after children. This saving is anticipated to be delivered in 2024-25. In the meantime, the service is continuing to identify appropriate accommodation and support for young people turning 18, previously residing in a high cost placements, providing alternative savings in 23-24 of £0.7m.

£1.0m delivery of legal services savings for Children Social Care continues to be challenging, spend has continued to follow a similar trend to 2022-23. The service continues to work with Invicta law to improve the data quality of activity to support the service to identify key cost drivers and determine appropriate actions to deliver in 2024-25.

£0.3m is due to delays in the review of open access services. This saving is being reviewed following the recent consultation on family hubs. Over-delivery of vacancy management & ceasing non-essential spend, along with delivery of activities that will be funded from the family hubs grant, is delivering an one-off alternative to this saving for 2023-24.

£0.2m is due to non-delivery of the Section 17 saving. This saving has been reconsidered in light of other strategies to avoid possible entrance into care. It is therefore possible spend may increase rather than decrease in future to avoid higher placement related spend.

£0.4m is due to the delay in the review of some services to schools. This saving is still expected to be delivered in 2024-25 and is expected to be offset by other alternative savings in 2023-24.

£0.6m is due to delays in increasing the charges for the Kent 16+ Travel Saver to ensure Kent meets the requirement of the BSIP grant. £0.4m is estimated to be achieved through the use of the BSIP grant and other general underspends.

11.3 The GET budget savings for 2023-24 are £11.0m.

£11.0m is on track to be delivered within 23-24, including £4.4m as alternative savings.

£4.4m is forecast to slip into future years.

£0.5m is due to the proposed consultation on the review of HWRC sites (Waste) being delayed.

In addition, and also in Waste, there was a £390k savings target from Reuse and Small Business trade waste. Reuse activities have been delivered; however, to meet the full target requires investment of capital to develop a shop facility. There is no capital finance for this. Small Business trade waste is an ongoing project with active plans of work to develop small trade waste through the districts/contractors at Dover Transfer Station and Dunbrik through Sevenoaks District Council. Strikes have disrupted any opportunity to introduce a small business waste service at the Canterbury HWRC (already permitted to take trade waste). Environmental permits for other HWRC's can only be pursued once the HWRC Review has been concluded, which as per above has been delayed. It is taking the Environment Agency circa one year to issue variations on current permits.

Due to required consultation timescales, both public and staffing, none of the £0.5m budget reduction from the Community Warden review will be delivered in 23-24 as the revised timescale would not commence, subject to consultation, until at least April 2024. The £0.45m management action is to hold all existing and future vacancies to part offset this re-phasing of the proposed budget reduction. Current vacancy levels are higher than normal as some staff have chosen to leave for alternative employment ahead of any decisions being finalised.

Within the £3.9m of savings that will now be delivered in 24-25, and within the £3.45m of mitigations, is £2.5m relating to the Kent Travel Saver (KTS). At February County Council, and in line with a previous decision, the KTS pass price would need to increase to offset the operator fare inflation. This consisted of £1.5m for 23-24 inflation and £1m for 22-23 inflation that was under-estimated. However, after the budget was set, KCC agreed to accept the Bus Services Improvement Plan (BSIP) grant from Government which allowed initiatives around ticketing to sustain and enhance the bus network and it was agreed that the KTS pass price could be held for one year. In 23-24 the grant will be used in lieu of additional income and also represents a benefit for the users of the scheme, as well as sustaining the level of patronage which supports KCC's net zero and vision zero initiatives.

11.4 The NAC budget savings for 2023-24 are £5.9m.

The £7.1m overachievement relates to increased investment income due to increases in base rate.

£13.0m is on track to be delivered within 23-24, including 7.1m of overachievement relating to investment income.

11.5 CHB budget savings for 2023-24 of £0.5m is not deliverable.

The 2023-24 budget included an estimated saving of £0.5m from increased fees and charges following the adoption of revised fees and charges policy. This policy was aimed at improving the transparency of discretionary services where charges include an element of concession or subsidy, and to adopt a more consistent approach to full cost recovery where no concessions/ subsidies are agreed. Achieving the saving always required increases in some fees and charges in line with the policy. Changes in fees and charges will require a decision and a fuller assessment of full cost, and at this stage no such decisions have been presented or taken.

This saving has been removed for 2024-25 and reflected within individual directorate proposals.

Alternative savings of £5.7m have been identified to offset the savings that will not be delivered. The table below shows the breakdown by Directorate of the alternative savings in 2023-24:

Overview of saving	Alternative saving identified	Alternative savings value £000s
Adult Social Care & Health		2,000.0
Review of Discretionary Voluntary Sector Contracts	Alternative one off public health funding has been identified to fund continuation of contracts	2,000.0
Children, Young People & Education		2,550.0
Review of open access services through Family Hub model	Over-delivery of saving on vacancy management and ceasing non-essential spend across children's centres and youth hubs (in line with 2022-23 underspend).	300.0
Review the Kent 16+ Travel Saver scheme	Estimated cost of scheme for 23-24 estimated to be slightly lower than initially budgeted	100.0
Price Realignment of Kent 16+ Travel Saver in line with operator inflationary increases	Replaced through Bus Strategy Grant	250.0
Services to Schools	Alternative savings from The Education People company & ceasing of current arrangement with Kent Association of Headteachers. More detail will follow in the next monitoring report.	400.0
Care Leavers Placements	Review of existing care leavers placements.	700.0
18-25 Placement prior year health recharges	One-off recovery of prior year 18-25 placements from Health	800.0

Overview of saving	Alternative saving identified	Alternative savings value £000s
Growth, Environment & Transport		4,350.0
Income: Kent Travel Saver	Bus Services Improvement Plan (BSIP) grant has been utilised in lieu of increasing the pass price for 23-24 only	1,000.0
Income: Kent Travel Saver (formerly Young Person's Travel Pass)	Bus Services Improvement Plan (BSIP) grant has been utilised in lieu of increasing the pass price for 23-24 only	1,500.0
Review of Community Warden Service	Hold further future vacancies, and other operational savings.	450.0
Further reduction of spend and increased income across the Directorate	Deferral of spend and projects, generation of further income and vacancy management	1,400.0
Total Alternative savings for all Directorates		9,000.0

12 Management Action

This section sets out the remaining management action to reduce the Council's forecast overspend of £30.0m. The actions identified are expected to deliver a reduction in spend and with a drawdown from the risk reserve, aim to bring the Council to a balanced position by the end of the financial year. £27.8m are one-off reductions including the use of £12m from reserves and only affect the 2023-24 position. £2.3m in Adult Social Care & Health has a recurring impact that has a positive impact in 2024-25 and is reflected in the approved 2024-25 budget. The £11.7m management action shown against Corporately Held Budgets relates to stopping spend across all directorates. This requires a final effort from all directorates to stop spending wherever possible in 2023-24. This has been communicated across the Council with clear guidance for all staff and additional approvals are required for high value purchases (over £10,000) and staff recruitment. The strengthening of controls now includes reviewing requisitions raised, with analysis undertaken and queries raised with budget managers as appropriate.

The use of reserves is a one-off solution. The full delivery of all the remaining management action detailed below is the minimum amount to be achieved to avoid additional use of reserves, which would further weaken the authority's financial resilience and increase the requirement to replenish reserves in future years.

Management action which has been delivered is reflected in each Directorate's forecast before management action and is shown in the table below, alongside undeliverable or unapproved management action. In some Directorates, management action delivered exceeds the original target amount that is shown in the table.

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Directorate	One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
Adult Social Care & Health	-2,353.1	-2,260.0	-4,613.1	-4,722.4	-5,495.3
Children, Young People & Education	-1,700.0		-1,700.0	-1,550.0	0.0
Growth, Environment & Transport				-1,480.0	0.0
Deputy Chief Executive's Department				-320.0	0.0
Chief Executive's Department				-900.0	-600.0
Corporately Held Budgets	-11,700.0		-11,700.0		
Use of Risk Reserve	-12,000.0		-12,000.0		
Total	-27,753.1	-2,610.0	-30,013.1	-8,972.4	-6,095.3

12 Management Action

Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
ASCH	Working collaboratively with NHS Colleagues to ensure the most appropriate and cost-effective pathways are in place for those people being discharged from hospital settings and ensuring that the necessary joint funding arrangements are in place, which makes clear who the lead commissioner of care and support is.		-1,600.0	-1,600.0	-2,573.6	-1,576.4
ASCH	Working collaboratively with NHS Colleagues to ensure the most appropriate and cost-effective pathways are in place for those people being discharged from hospital settings and ensuring that the necessary joint funding arrangements are in place, which makes clear who the lead commissioner of care and support is. Initial focus will be on those individuals who have been discharged through the Transforming Care Programme.	-1,310.7	-660.0	-1,970.7		
ASCH	Maximise the use of framework providers which will reduce new support being commissioned from non-framework providers. This will help reduce the administrative burden on front line social care staff and reduce overall unit costs of care and support. Harmonise processes to create capacity within framework providers to pick up support required for people who draw on care and support.	-172.3		-172.3		-2,227.8
ASCH	Data Quality: resolving data quality issues on records and files. This will significantly improve accuracy of information available for reporting.	-314.8		-314.8	-185.2	
ASCH	Social Care Debt: - External support being commissioned to assist with Court of Protection deputyship applications, meaning that those debts relating to ' non-discretionary funding' can be settled more quickly	0.0		0.0		-500.0
ASCH	Use of Rolled Forward and uncommitted Disabled Facilities Grant to support funding of new Technology Enabled Lives Programme	0.0		0.0	-910.0	
ASCH	Explore alternatives for those people requiring low level of support	0.0		0.0		-200.0
ASCH	Review payments for community based services to ensure that invoices represent delivered hours of support	-400.0		-400.0	-756.5	-443.5
ASCH	Ensure all people are assessed promptly in assessment (non chargeable) beds, to allow charging for residential care	-155.3		-155.3	-297.1	-547.6
ASCH	Total	-2,353.1	-2,260.0	-4,613.1	-4,722.4	-5,495.3

12 Management Action

Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
CYPE	Work is continuing with the NHS to explore joint commissioning opportunities (including tier 4 admissions) and joint funding agreements for eligible young people (further review of existing savings profiles)			0.0	-1,000.0	
CYPE	Panels have been established in every district across both Integrated Children Services and Disability Services to review suitability and level of support for all looked after children's placements. This is in addition to a further peer review focused on high cost placements. (further review of existing savings profiles)			0.0	-250.0	
CYPE	Development of a Placement Framework to explore alternative ways to support children at risk of coming into care including increasing the role of family members.			0.0	-50.0	
CYPE	Signposting of families to community services where it is available and appropriate (further review of existing savings profiles).			0.0	-100.0	
CYPE	Review of 18-25 community-based services (i.e. direct payments, supporting living, daycare and transport): Reduction in expenditure on non-framework packages of care for 18-25 year olds and ensuring strict adherence to policy (further review of existing savings profiles)			0.0	-100.0	
CYPE	Use of grant to meet statutory responsibilities	-1,700.0		-1,700.0		
CYPE	Increase in use of personal transport budgets			0.0	-50.0	
CYPE	Total	-1,700.0	0.0	-1,700.0	-1,550.0	0.0

12 Management Action

Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
GET	Holding vacancies across all divisions			0.0	-350.0	
GET	Review demand and operational expenditure (public transport and highways)			0.0	-650.0	
GET	Increased income from fees, charges and income raising activities (eg LRA)			0.0	-250.0	
GET	Proactive management of operational expenses, projects and backlog (LRA, Environment, Highways)			0.0	-130.0	
GET	Use of available grants			0.0	-100.0	
GET	Contract renegotiation and rescopeing with focus on waste and highways			0.0		
GET	Total	0.0	0.0	0.0	-1,480.0	0.0

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Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
DCED	SRP Option 1: Delete the vacant KR13 Programme Manager role (£81,039 p/a with on costs)			0.0	-41.0	
DCED	SRP Option 2: Delete the second KR12 Dependency Manager role (£70,752 p/a with on costs) when the postholder leaves and becomes a vacancy in November.			0.0	-29.0	
DCED	Hold vacancies within Infrastructure for the remainder of the year. This will be reflected in the next monitoring.			0.0	-250.0	
DCED	Total	0.0	0.0	0.0	-320.0	0.0

12 Management Action

Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
CED	Cease the allocation of any more Member Grants in the current year and take the current underspend of c.£600k ie do not roll forward to 2024/25.			0.0		-600.0
CED	Re-phase the appointments to vacant posts within SPRCA			0.0	-500.0	
CED	Re-phase the appointments to vacant posts within the newly structured Commercial and Procurement Division			0.0	-250.0	
CED	Release of Early retirement budget			0.0	-150.0	
CED	Total	0.0	0.0	0.0	-900.0	-600.0

Directorate	Actions to be taken	2023-24			2024-25	
		One-off management action to be delivered £k	Recurring management action to be delivered £k	Total £k	Delivered and in forecast £k	Not Deliverable or Unapproved £k
Corporate	Spending controls across all Directorates	-11,700.0		0.0		
Corporate	Use of Risk Reserve	-12,000.0		0.0		
Corporate	Total	-23,700.0	0.0	0.0	0.0	0.0

Directorate	Capital Budget £m	Variance £m	Real Variance £m	Rephasing Variance £m
Adult Social Care & Health	1.7	-0.6	-0.4	-0.2
Children, Young People & Education	116.8	-50.6	-0.7	-49.9
Growth, Environment & Transport	256.0	-85.3	5.0	-90.3
Chief Executive's Department	1.6	-1.9	-0.4	-1.5
Deputy Chief Executive's Department	23.5	-5.0	7.2	-12.2
TOTAL	399.6	-143.4	10.7	-154.1

The total approved General Fund capital programme including roll forwards for 2023-24 is £399.6m.

The current estimated capital programme spend for the year is forecast at £256.1m, which represents 64.1% of the approved budget. The spend to date is £142.1m, representing 35.6% of the total approved budget.

The directorates are projecting a -£143.4m underspend against the budget, this is split between a net +£10.7m real variance and -£154.1m re-phasing variance. £5m of the real variance is due to funding that has not yet been included within the cash limits because funding announcements were made after the budget book was agreed. Such changes to cash limits will be requested in the Capital budget Changes section of the report. At least £9.2m of the rephasing variance is outside of KCC control, due to projects being managed by external parties.

The major variances to note across the life of the programme are as follows:

Thanet Parkway (GET) – The overall project costs are still being reviewed with Network Rail and so the final costs are not yet finalised. Network Rail have made further funding requests for 2023-24 which are not included in the forecast, and KCC has engaged an independent expert to carry out a review of costs. As with all major projects, final outturn costs are only confirmed when the project's accounts with contractors are finalised and closed.

Basic Need (CYPE) - The quarter 2 monitoring reported a predicted overspend on the overall basic need programme of £21.1m over the next three years 2023-24 to 2025-26. A cash limit change has since been actioned to add the £20.5m basic need allocations for 2025-26 to the basic need programme. This, alongside some rephasing of projects, has now negated the previously reported overspend.

The major in-year variances (real variances of >£0.1m and rephasing >£1m) are described below, previously reported variances which have not changed are shown *in italics*:

Adult, Social Care & Health:

Project	Real Variance £m	Rephasing Variance £m	Detail
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New variances to report:

None to report.

Children, Young People & Education:

Project	Real Variance £m	Rephasing Variance £m	Detail
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New Variances to Report:

Annual Planned Enhancement Programme	1.8	-2.0	The real variance is due to RACC costs which are expected to be funded from the DfE, but currently there is no budget or banked funding for these works. The rephasing is due to a number of projects each under £1m which have started in 2023-24 and are forecast to complete in 2024-25.
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Modernisation Programme	-1.1	-4.0	The real variance is due to: -£0.6m John Mayne CEPS as the project is no longer progressing. -£0.4m Lydden Primary costs lower than expected as the electrical upgrade works were not required and inflation costs were lower than expected. -0.1m Leeds and Broomfield CEPS – following a cost cutting exercise the contingency was deemed not required. The rephasing is due to: -£1.1m Bidborough Primary – this was originally a school managed project but the planning was difficult and KCC took over project management which lead to delays in project delivery. -£0.8m Langdon Primary – feasibilities were requested from two different contractors causing delays at the start of the project. -£0.6m Meadowfield School – planning delays as permitted development was not allowed and full planning permission was required. -£1.5m Mobile replacement programme - communication was sent to all KCC schools to gather information on what
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mobiles were on site and what they were being used for. Units used for teaching were RAG rated. Following site visits over the summer, 44 mobiles were identified as requiring replacement or repair. Of these, 8 mobiles now require a detailed feasibility for replacement with works likely to commence in the Spring. 29 mobiles require significant repair, feasibilities will be carried out on these and the remaining rephased budget will be used to address the mobile repairs. It is a lengthy process from identifying mobiles which need either replacement or repair to works being delivered, this combined with reliance on consultants supporting the programme and also competing demands within Infrastructure has led to rephasing of projects.

Overall Basic Need Programmes

The quarter 2 monitoring reported a predicted overspend on the overall basic need programme of £21.1m over the next three years 2023-24 to 2025-26. A cash limit change has since been actioned to add the £20.5m basic need allocations for 2025-26 to the basic need programme. This, alongside some rephasing of projects, has now negated the previously reported overspend.

Basic Need Kent Commissioning Plan 2018	0.4	-2.9	The real variance is due to: -£0.1m Simon Langton Boys Grammar – additional costs for works requested by the school have been met by the school. +£0.5m Gravesend Boys Grammar. Inflation has been added due to the extended project delivery timescale.
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The rephasing is due to:
-£1.5m Pilgrims Way Primary. This is being delivered by the DfE and KCC are contributing. The contribution is dependent on DfE delivery timescales.
-£1.0m Isle of Sheppey Special School - This is being delivered by the DfE and KCC are contributing. The contribution is dependent on DfE delivery timescales.

Basic Need Kent Commissioning Plan 2019	0.4	-24.1	The real variance is due to: +£0.4m Borden Grammar due to additional project scope to include kitchen and hall works, and abnormalities have been identified on site. The rephasing is due to: -£6.8m Maidstone Grammar School for Girls - the site of the new building has to be relocated due to Network Rail restrictions. New planning application is required and the project is currently on hold. -£6.0m Highsted Grammar – the school is requesting additional funds which has caused a delay to the start of the project. -£3.0m Chilmington Green Secondary, this is a DfE managed project and the KCC contribution is dependent on DfE delivery timescales. -£2.6m Cable Wharf, replacement school for Rosherville, has been selected under the school rebuild programme. KCC
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are adding an additional 1FE and the KCC contribution to the scheme is dependent on DfE delivery.

-£1.6m Teynham Primary. The current 1FE school is being replaced with a 2FE. Agreeing project scope with school and planning issues caused delays. Planning has been submitted, costs have been finalised and the ROD has been submitted for approval.

-£2.2m Thanington Primary. This project is in design contract but is not yet in build contract. It is due to open in September 2025.

Basic Need KCP 2021-25	-0.5	<p>The real variance is due to: -£0.6m Cornwallis Academy. A change of scope and works are now being school managed at a lower cost. +£0.1m St Peter’s Aylesford. The project tenders are higher than anticipated.</p>
Basic Need KCP 2022-26	-0.2	<p>-6.3 The real variance is due to: -£0.2m The Archbishop’s School – contractor discount was applied and a prefabricated modular was used resulting in less onsite construction works. The rephasing is due to: -£2.9m Marden Primary. Funding agreement with the school and forecasts have been aligned with provision requirement date of September 2024. -£2.3m Cornwallis Academy. Forecasts have been aligned with the provision requirement date of September 2025. -£1.0m Sittingbourne. A school has not yet been identified to provide additional places.</p>
Basic Need KCP 2023-27	-1.9	<p>0.7 The real variance is on Maidstone temporary secondary provision, where places are being provided at Cornwallis Academy. The rephasing variance is on 5 projects, each of which is below £1m.</p>
High Needs Provision 2022-24	0.5	<p>-10.3 The real variance is due to: -£0.1m to fund the overspend on the High Needs Provision line for the Callum Centre. +£0.6m Stone Bay – an additional reception year class is required for complex needs pupils. The rephasing variance is due to: -£7.3m The Beacon Satellite Provision. Space analysis was recently completed to confirm Special Educational Needs and Disability (SEND) spaces still required. Contracts for the next phase of works were not able to be entered into until this was completed. -£1.0m Five Acre Woods. This is being held for possible further works. -£0.8m Oakley Satellite Provision and -£0.5m Nexus Satellite Provision - sites for these satellites have not yet been identified.</p>

Youth Modernisation of Assets	-0.1	The budget has been removed.
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Previously Reported Variances:

High Needs Provision	0.2	The real variance relates to an increase in contribution to the Callum Centre, Canterbury Primary. This is to be funded from the High Needs Provision 2022-24 budget line.
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Growth, Environment & Transport:

Project	Real Variance £m	Rephasing Variance £m	Detail
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New Variances to Report:
Highways and Transportation

Highway Asset Management, Annual Maintenance and Urgent Safety Critical Works	0.4	-3.9	<p>The real variance of £0.4m is a funded overspend from external contributions for trees and a revenue contribution to capital to cover a balancing of suspense codes from previous years.</p> <p>There is a predicted overspend for the Road Inspections budget of £2.9m and £0.9m relating to the pressures on the Highways Operations Teams to repair the roads. This is not shown in these figures as it is being offset by rephasing that is not included in the rephasing amount shown here.</p> <p>A grant of £4.3m from Department for Transport (Network North funding) has been received and this, along with the 2024-25 allocation, will be used to fund a new Pothole Blitz Programme.</p> <p>The rephasing variance relates to:</p> <ul style="list-style-type: none"> - structures and the inability to recruit to senior posts, - some schemes that are in or have completed the design phase will be constructed in future years - some schemes take more than one year to construct, - delays due to KCC waiting for access to be granted by Network Rail. - rephasing of Challenge Fund grant for specific schemes.
Integrated Transport Schemes	0.1	-2.0	The real variance is due to various smaller Integrated Transport schemes that will be funded from additional external funding.
A299 Bluebell Hill M2 and M20 Interchange Upgrades		-5.0	The scheme is reliant on external funding and the profile has been updated to align with the latest monitoring return submitted to the Department for Transport (DfT). The project has been pushed back due to delays in DfT approving funding.

Bath Street Fastrack		1.1	The scheme is on site and making good progress. Some of the funding from 2024-25 is required in 2023-24 to cover potential risk, however the overall scheme remains within budget and is on target to be delivered on time.
Bearsted Road	0.4	-5.1	The formal award to Colas is expected in January 2024 with a contract price agreed. Offline works are continuing to construct the new Harvestore access roads. Reductions in scope and value engineering opportunities are still being explored to meet the increased risk and contingency budget required on this project.
Dover Inter Border Facility	-0.6		The forecast has been adjusted to expected spend. Any residual grant will be repaid to the funders and cash limits will be adjusted accordingly.
Green Corridors		-5.8	The spend for this project has been re-profiled into 2024/25 to reflect the updated construction timescales for the Green Corridors 3 programme. Several sites have had construction pushed back to 2024/25 due to environmental issues, design challenges and requirement for agreements with landowners.
Housing Infrastructure Fund (HIF) Swale		-15.0	The rephasing variance is due to delays in the commencement of the works contract whilst awaiting the sign off from National Highways, which has now been granted. There have also been delays due to poor weather and streetworks due to avoiding the major diversion required by the M2 Junction 5 works. This project is externally funded by the HIF fund from Homes England.
Kent Active Travel Fund Phase 2		-1.4	Rephasing for these projects is due to the need for additional consultations on 4 of the 5 projects. Active Travel England have agreed extended deadlines with further change control to be requested by KCC.
Kent Active Travel Fund Phase 4		-1.3	An extension of time has been requested of Active Travel England for all schemes in phase 4 to 24/25 as development and works are not expected to start this year.
National Bus Strategy – Bus Service Improvement Plan		-3.1	The rephasing has been split between the following schemes and has been approved by Department for Transport: Superbus - extended time to September 2024 - the scheme is in two phases and the second phase will require extended timescale to implement. Mobility as a Service (MaaS) - the full allocation of MaaS funding has been rephased to 2024 due to complications with project with respect to commissioning and governance.

Maidstone Integrated Transport (MIT)	-1.2	The forecast has been updated to reflect the remaining work that is expected and despite delays a construction contract has now been awarded for circa £5m to deliver the Coldharbour Improvement scheme. The overall budget shows an overspend against the current LGF and s106 budget allocations but KCC have recently been advised by MBC that there are additional s106 allocations that Maidstone Borough Council (MBC) have already drawn down and are holding or have additional allocations to draw down. A full review of all s106 contributions covering the Maidstone Integrated Transport Plan (MITP) projects is currently underway, and steps being taken to recover any monies that currently sit with MBC. Refunds have also been sought from utilities for advance payments for those projects no longer coming forward, some refunds have already been processed, the remaining should be processed by end of March 2024.
Sturry Link Road, Canterbury	-1.9	The project has been rescheduled based on the current programme for the design and build contract. There is a potential increase in the estimated cost of this project of approximately £12m. This is higher than the cost that was submitted as part of the business case approval process and is predominantly due to inflation and increased construction costs. This cost estimate will be refined through the design process and any increase is expected to be covered by S106 that are index linked and possible more S106 which has been identified. Further confidence in the delivery programme is a requirement of SELEP this in turn safeguards the £5.9m Local Growth Fund (LGF) contribution, so progress with land negotiations and design work must be suitably demonstrated. The position will continue to be closely monitored and updated once the Design and Build Contract has been awarded.
A228 and B2160 Junction Improvements with B2017 Badsell Road	-1.1	Flood Risk modelling has identified significant issues with the current scheme design. Alongside the review of drainage modelling, an alternative design is currently be explored that utilises the current road alignment, and land that had been set aside for the new road alignment will instead be used for drainage mitigation. If an alternative scheme is delivered this is unlikely to require a planning application. This matter is currently affecting the overall programme for the project but it is hoped that a decision will be made in February.
Diversion Routes for Unplanned Events (DRUE)	0.3	This Project is in relation to the upgrade of signage on the tactical diversion route for the A20/M20 funded by grant from National Highways.
Galley Hill Road Collapse	0.2	This scheme is about the reinstatement of the road and cliff face in Galley Hill Rd Swanscombe that collapsed last year. The funding of this project is yet to be identified.

Environment and Waste

Local Authority treescape Fund	0.2		The real variance does not represent an overspend, but the fact that the project funding is not all in the cash limit as it is reimbursed once the spend has been incurred. A cash limit change is requested for the funding due in before 31 st March 2024.
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Growth & Communities

Gypsy & Traveller Site Improvements	0.1	-2.5	Rephasing variance: The construction contract award was completed in the summer of 2023 resulting in works planned and programmed to end by December 2025. This has resulted in rephasing due to the scale of the improvement scheme and availability of contractors to carry out the works.
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Real variance: This reflects works due to fire damage, which will be covered by insurance.

Kent Empty Property Initiative	0.4	-6.1	The real variance is due to additional external and grant income available, for which a cash limit adjustment will be made. The rephasing reflects adjusted loan repayments in line with expected receipts.
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Broadband Contract 2		-1.3	Timescales for closing the contract have slipped due to delays in national assurance and supplier reporting processes for all BDUK projects. The final spend has therefore been rephased to 2024-25.
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Javelin Way Development	-0.2		Contingency allowances originally budgeted have been removed as the risks have fallen away.
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Tunbridge Wells Cultural Hub	-0.2		The project is complete. The real variance is not an underspend, the works are being undertaken by the district council for which KCC will transfer the funds.
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Previously Reported Variances:
Highways and Transportation

Fastrack Full Network – Bean Road Tunnels		-10.1	<i>The estimate to deliver the scheme has increased significantly following the pre-construction phase, particularly due to inflation pressures. The works are now beyond the available budget and a review is in hand to determine if additional funding can be achieved. Construction is on pause pending resolution of the funding gap. The Bus Service Improvement Plan II grant is expected to become available later this year which could allow the scheme to move forward.</i>
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<i>Faversham Swing Bridge</i>	-1.8	<i>There are ongoing complex legal discussions with Peel Ports relating to the project therefore the budget is being rephased to 2024-25.</i>
<i>Kent Active Travel Fund Phase 3</i>	-1.0	<i>The rephasing is for the Sevenoaks East/West Cycle improvements part of the project. The delay is due to continuing work in developing and consulting on proposals. Active Travel England have agreed extended deadlines with further change control to be requested by KCC.</i>
<i>LED Conversion</i>	-1.3	<i>Rephasing is required as the budget is to convert newly adopted assets to LED where the approved design was prior to the LED conversion project. The date for adopting new developments is an unknown quantity, therefore the carry forward reflects that less assets will be adopted this year than expected.</i>
<i>Urban Traffic Management Control</i>	-1.4	<i>The spend for this project has been reprofiled based on the programme of works. This programme is funded by Ebbsfleet Development Corporation.</i>
<i>Zero Emission Bus Regional Areas (ZEBRA)</i>	-2.9	<i>The purchase of the electric vehicle chargers for this project will now take place in 2024-25. The reprofiling is due to procurement and supply delays. It is now also expected that the buses relating to the Dover element of the project will be purchased early in 24-25.</i>
<i>Kent Thameside Strategic Transport Programme (STIPS)</i>	-3.2	<i>The Thamesway project is on hold pending outcome of the Ebbsfleet Central and Northfleet Harbourside planning applications. This follows a decision by the Cabinet Member following Environment and Transport Cabinet Committee in January 2023, to amend the Thamesway project.</i>
<i>A28 Chart Road, Ashford</i>	-2.8	<i>Based on estimated occupation levels it is currently anticipated that construction will commence in early 2025 for a duration of 2 years, hence the rephasing. This is reliant on the developer producing a financial bond to give KCC certainty of funds to award a construction contract. The design is now largely finalised except matters relating to the technical approval of the bridge by KCC structures team which is now likely to happen in January 24.</i>
<i>Dartford Town Centre</i>	-3.1	<i>Dartford Borough Council (DBC) are managing this scheme and have provided an updated programme for the construction of phases 3 and 4, and the spend profile is now aligned with their intended draw down of the funding. DBC will be procuring phase 3 in late 2023, and construction will commence in Spring 2024.</i>
<u><i>Environment & Waste</i></u>		

Transfer Station Folkestone & Hythe	0.1	There is a small requirement to bring £0.1m funding forward in 2023-24 to carry out survey and pre-planning work on a preferred site.
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Growth & Communities

Kent and Medway Business Fund (KMBF)	-2.1	The rephasing is due to a lower value of loans likely to be defrayed during 2023-24, given the time available following the launch of the new round in October 2023.
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Digital Autopsy	-2.7	Digital Autopsy (DA) funds have been re-phased as the project tender for the DA and body store delivery has failed. The project is now looking at alternative options to bring in the necessary providers. Given the amount of time this will take to bring forward, the capital spend has been deferred as the capital element can only be entered into at the same time as the revenue contracts to ensure the project is de-risked.
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Deputy Chief Executive's Department:

Project	Real Variance £m	Rephasing Variance £m	Detail
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New variances to report:

Modernisation of Assets (MOA)	1.2		The real variance is due to: +1.4m Additional Salix funding expected in and the associated works. -£0.2m costs associated with the Oakwood House project that will be moved.
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Asset Utilisation – Oakwood House	0.8		The real variance is due to costs that were originally coded to Modernisation of Assets (£0.2m) which relate to this project so will be moved. The remaining £0.5m is spend on the adoption block which was originally forecast against MOA. A virement is requested from modernisation of assets to cover this (see Capital Budget Changes section).
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Dover Discovery Centre		-4.0	The rephasing is due to delays in procurement.
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Unaccompanied Asylum-Seeking Children (UASC) Accommodation Requirements	5.3		These are additional accommodation requirements and will be funded by Central Government grant.
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Previously Reported Variances:

<i>Strategic Reset Programme</i>	-2.9	<i>Rephasing is expected as the project is still at feasibility stage.</i>
<i>Strategic Estate Programme</i>	-4.2	<i>The rephasing is due to a delay in the release of the Sessions House Masterplan which has resulted in a postponement of the original planned commencement date for any refurbishment.</i>

Chief Executive’s Department:

Project	Real Variance £m	Rephasing Variance £m	Detail
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Previously Reported Variances:

<i>Feasibility Fund</i>	-0.4	-1.5	<i>The real variance reflects costs relating to demolition at the Aylesford site which are to be written off in year and funded from a revenue reserve. The rephasing reflects latest forecast feasibility costs in line with project plans.</i>
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14 Capital Budget Changes

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

Project	Year	Amount (£m)	Reason
<u>ASCH Directorate:</u>			
Learning Disability Good Day Programme	23-24 24-25	0.05 0.242	Additional developer contributions available to be used for this project.
<u>CYPE Directorate:</u>			
Basic Need KCP 18	23-24	-0.292	Transfer of developer contributions to ASCH.
<u>GET Directorate:</u>			
Kent Empty Property Initiative	23-24	0.370	Additional grant funding available.
Local Authority Treescape Fund	23-24	0.060	Grant funding due in.
Highway Asset Management, Annual Maintenance and Urgent Safety Critical Works	23-24 24-25 23-24	4.296 4.296 0.377	Additional grant funding inn 23-24 and 24-25. Revenue contribution
Integrated Transport Schemes	23-24	0.03	Additional grant funding
Diversion Routes for Unplanned Events	23-24 24-25	0.299 0.035	Additional grant funding
Trees Outside Woodlands	23-24	0.005	Additional grant funding
<u>DCED Directorate:</u>			
Modernisation of Assets	23-24	-0.749	Virement of prudential borrowing to Asset Utilisation Oakwood House to cover costs that were originally coded to MOA but related to the Oakwood House project.
Oakwood House Transformation	23-24	0.749	Virement of prudential borrowing from MOA to cover costs that were originally coded to MOA but related to the Oakwood House project.
Modernisation of Assets	23-24	-0.211	Virement of prudential borrowing to Dover Discovery Centre to cover costs that were originally coded to MOA but related to the Dover Discovery Centre project.
Dover Discovery Centre	23-24	0.211	Virement of prudential borrowing to Dover Discovery Centre to cover costs that were originally coded to MOA but related to the Dover Discovery Centre project.

15 Treasury Management Monitoring

Treasury management relates to the management of the Council's debt portfolio (accumulated borrowing to fund previous and current capital infrastructure investments) and investment of cash balances. The Council has a comparatively high level of very long-term debt, a significant proportion of which was undertaken through the previous supported borrowing regime.

15.1 Total external debt outstanding in December was £773.48m down by £28.99m since 31st March 2023

KCC debt includes £457.60m of borrowing from the Public Works Loans Board (PWLB). The vast majority is maturity debt (debt is only repaid upon maturity) at a fixed rate of interest. The average length to maturity of PWLB debt is 15.13 years at an average interest rate of 4.41%.

Outstanding loans from banks amount to £216.10m. This is also at fixed term rates with average length to maturity of 38.48 years at an average interest rate of 4.54%.

The council has £90m of Lender Option Borrower Option (LOBO) loans. These loans can only be renegotiated should the lender propose an increase in interest rates. The average length to maturity of LOBO loans is 40.13 years at an average interest rate of 4.15%.

The balance of debt relates to loans for the LED streetlighting programme. The outstanding balance is £9.79m with an average of 14.89 years to maturity at an average rate of 2.55%.

KCC's principal objective for borrowing is to achieve an appropriately low risk balance between securing low interest rates and certainty of financing costs. This is achieved by seeking to fund capital spending from internal resources and short-term borrowing, only considering external long-term borrowing at advantageous interest rates.

15.2 Majority is long term debt with only 8.03% due to mature within 5 years

Maturity 0 to 5 years £62.11m (8.03%)¹
Maturity 5 to 10 years £25.00m (3.23%)
Maturity 10 to 20 years £254.47m (32.90%)
Maturity over 20 years £431.90m (55.84%)

15.3 Total cash balance at end of December was £495.73m, down by £3.36m from the end of March

Cash balances accrue from the council's reserves and timing differences between the receipt of grants and other income and expenditure. Balances are forecast to decline over the remainder of the year in line with the typical trend observed in previous years.

¹ Split across the next five years is as follows: Year 1 £0.00m, Year 2 £21.11m, Year 3 £24.00m, Year 4 £17.00m, and Year 5 £0.00m

15.4 Cash balances are invested in a range of short-term, medium term and long-term deposits

Investments are made in accordance with the Treasury Management Strategy agreed by full Council alongside the revenue and capital budgets. The treasury management strategy represents a prudent approach to achieve an appropriate balance between risk, liquidity and return, minimising the risk of incurring losses on the sum invested. Longer term investments aim to achieve a rate of return equal or exceeding prevailing inflation rates.

Short term deposits (same day availability) are held in bank accounts and money market funds. Current balances in short-term deposits in December were £109.14m (22.02% of cash balances). Short-term deposits enable the Council to manage liquidity. Bank accounts and money market funds are currently earning an average rate of return of 5.28%.

Deposits are made through the Debt Management Office (an executive agency responsible for debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds). As at the end of December, the Council had £101.05m in UK treasury bills and other deposits with the UK government. These deposits represent 20.38% of cash investments with an average rate of return of 5.25%.

Medium term deposits include covered bonds, a form of secured bond issued by a financial institution that is backed by mortgages or public sector loans. In the UK the covered bond programmes are supervised by the Financial Conduct Authority (FCA). King and Shaxson acts as the Council's broker and custodian for its covered bond portfolio. As at the end of December, the Council has £96.80m invested in covered bonds earning an average rate of return of 4.80%.

The Council has outstanding loans of £15.02m through the No Use Empty Loans programme which achieves a return of 4.50% that is available to fund general services. This total includes £7.53m of loans made (£6.60m received) since March.

The Council has now agreed 2 rolling credit facilities (RCF) with registered providers totalling £15m, for which we are receiving a fee of 0.40%. None of the facilities have been drawn so far.

Long term investments are made through Strategic Pooled Funds. These include a variety of UK and Global Equity Funds, Multi Asset Funds and Property Funds. In total the Council has £172.41m invested in pooled funds (34.78% of cash balances) as at 31 December 2023.

15 Treasury Management Monitoring

15.5	Treasury Management Advice	The Council secures external specialist treasury management advice from Link Group. They advise on the overall strategy as well as borrowing options and investment opportunities. Link Group provide regular performance monitoring reports.
15.6	Quarterly and Bi-annual reports	A fuller report is presented to Governance and Audit Committee on a regular bi-annual basis. A report on treasury performance is reported twice a year to full Council.

15 Treasury Management Monitoring

1. Treasury Management Indicators

1.1 The Council measures and manages its exposures to treasury management risks using the following indicators:

1.2 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its internally managed investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Actual 31/12/2023	Target
Portfolio average credit rating	AA	AA-

1.3 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity risk indicator	Actual 31/12/2023	Minimum
Total cash available within 3 months	£198.87m	£100m

1.4 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates was:

Interest rate risk indicator	Actual 31/12/2023	Limit
One-year revenue impact of a 1% <u>rise</u> in interest rates	£2.19m	£10m
One-year revenue impact of a 1% <u>fall</u> in interest rates	-£2.19m	-£10m

1.5 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing were:

	Actual 31/12/2023	Upper limit	Lower limit
Under 12 months	0.00%	100%	0%
12 months and within 5 years	8.03%	50%	0%
5 years and within 10 years	3.23%	50%	0%
10 years and within 20 years	32.90%	50%	0%
20 years and within 40 years	26.25%	50%	0%
40 years and longer	28.59%	50%	0%

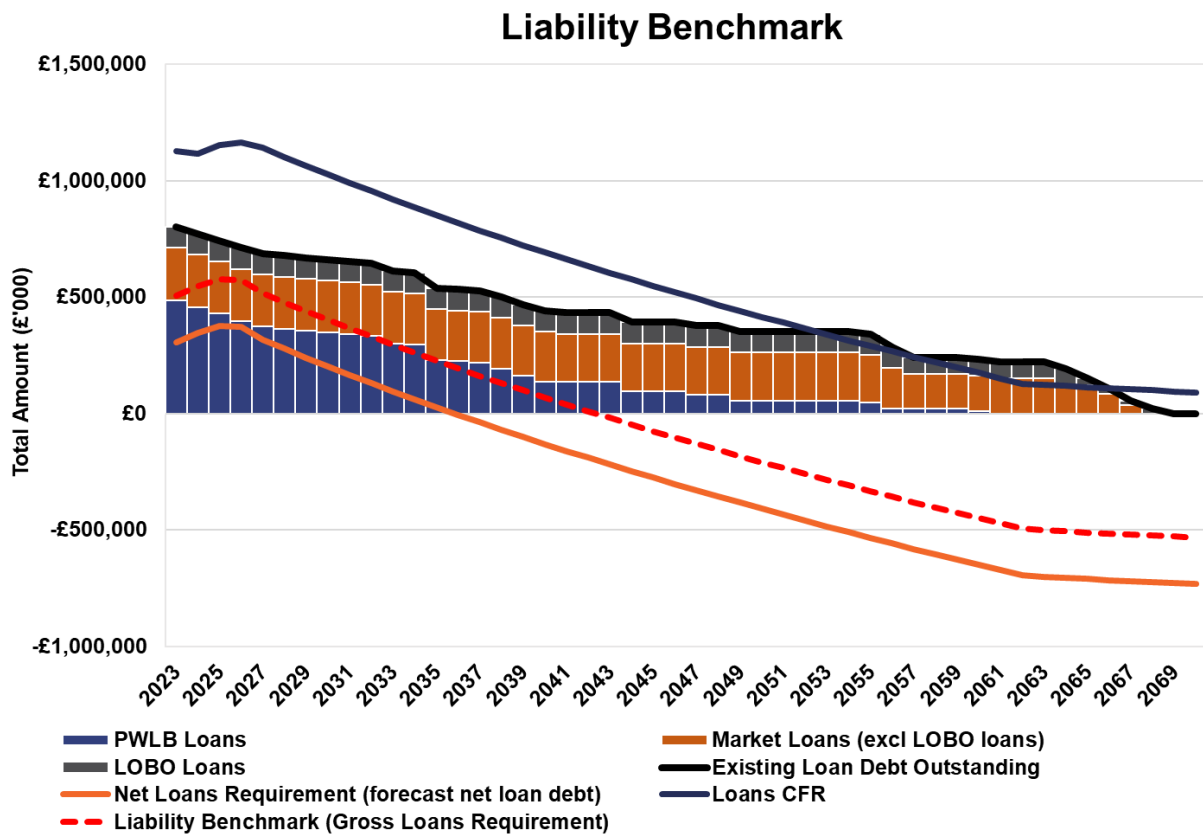
Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

15 Treasury Management Monitoring

1.6 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Price risk indicator	2023/24	2024/25	2025/26	No Fixed Date
Limit on principal invested beyond year end	£150m	£100m	£50m	£250m
Actual as at 31 December 2023	£108.1m	£53.1m	£32.1m	£188.7m

2. Prudential Indicator: Liability Benchmark



2.1 The liability benchmark chart shows the Council should be able to accommodate the movement in Loans CFR through additional internal borrowing given the resources on the balance sheet if it wants to maintain treasury investments at the £200m liquidity allowance. However, this is based on the current assumption with regards to movement in reserves and that the working capital position remains at the 31/03/2023 level of £300m. It also assumes that the liquidity allowance of £200m remains appropriate given the £172m of external investments currently invested with fund managers over a long-term investment time horizon.

2022-23			Appendix 1 - Key Service Summary			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-
Revenue Budget	Outturn	Variance				£m	£m	£m	£m	£m
1.2	1.6	0.3		Provision for Demographic Growth - Community Based Services		10.7	0.3	-10.4	-9.6	-0.8
10.2	0.0	-10.2		Strategic Management & Directorate Support (ASCH)		5.5	3.1	-2.3	-1.7	-0.6
39.3	23.6	-15.6		Strategic Management & Directorate Budgets		16.1	3.4	-12.7	-11.3	-1.4
13.3	11.8	-1.6		Community Based Preventative Services		8.5	10.1	1.6	+1.6	-0.0
4.5	3.6	-0.9		Housing Related Support		1.5	1.4	-0.1	-0.1	-0.0
6.8	3.9	-2.9		Social Support for Carers		3.0	2.8	-0.3	-0.3	-0.0
3.2	2.7	-0.5		Partnership Support Services		0.0	0.0	0.0	+0.0	+0.0
0.0	0.0	0.0		Strategic Commissioning (Integrated and Adults)		1.3	1.4	0.0	+0.0	+0.0
0.0	0.0	0.0		Strategic Commissioning (Integrated and Adults)		14.4	15.6	1.2	1.2	+0.0
0.0	-0.1	-0.1		Public Health - Advice and Other Staffing		0.0	0.0	0.0	+0.0	-0.0
0.0	0.0	0.0		Public Health - Children's Programme		0.0	0.0	0.0	+0.0	+0.0
0.0	0.0	0.0		Public Health - Healthy Lifestyles		0.0	0.0	0.0	-0.0	-0.0
0.0	0.0	0.0		Public Health - Mental Health, Substance Misuse & Community Safety		0.0	0.0	0.0	+0.0	-0.0
0.0	0.0	0.0		Public Health - Sexual Health		0.0	0.0	0.0	+0.0	-0.0
0.0	-0.1	-0.1		Public Health		0.0	0.0	0.0	0.0	0.0

2022-23

Appendix 1 - Key Service Summary

2022-23			Appendix 1 - Key Service Summary						
Revenue Budget	Outturn	Variance		Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-	
£m	£m	£m		£m	£m	£m	£m	£m	
0.0	0.0	0.0		2.4	2.6	0.2	+0.2	+0.0	
2.4	2.6	0.2	Adult In House Carer Services	5.8	5.8	0.0	+0.0	-0.0	
5.9	5.6	-0.4	Adult In House Community Services	6.4	6.5	0.2	+0.2	-0.0	
2.8	1.7	-1.1	Adult In House Enablement Services	25.6	24.2	-1.4	-1.2	-0.1	
5.7	5.5	-0.2	Adult Case Management & Assessment Services	0.5	0.5	0.0	+0.0	+0.0	
101.7	105.3	3.7	Adult Learning Disability - Case Management & Assessment Service	116.3	123.8	7.4	+7.6	-0.2	
72.3	72.5	0.2	Adult Learning Disability - Community Based Services & Support for Carers	76.6	78.1	1.4	+1.5	-0.1	
10.0	9.8	-0.2	Adult Learning Disability - Residential Care Services & Support for Carers	3.2	3.5	0.2	+0.3	-0.1	
11.4	17.8	6.4	Adult Mental Health - Case Management & Assessment Services	17.9	24.4	6.5	+6.2	+0.3	
15.6	18.0	2.3	Adult Mental Health - Community Based Services	18.5	21.3	2.8	+2.8	-0.0	
21.0	21.8	0.9	Adult Mental Health - Residential Care Services	31.3	34.0	2.6	+2.6	+0.0	
17.9	20.8	3.0	Adult Physical Disability - Community Based Services	21.3	24.0	2.7	+2.4	+0.3	
6.9	6.3	-0.6	Adult Physical Disability - Residential Care Services	6.1	6.2	0.1	+0.1	-0.0	
38.7	36.9	-1.8	ASCH Operations - Divisional Management & Support	1.0	1.0	0.0	+0.0	-0.0	
9.4	9.8	0.4	Independent Living Support	42.7	45.2	2.5	+2.7	-0.3	
49.0	79.5	30.5	Older People - Community Based Services	16.1	17.3	1.2	+0.7	+0.6	
21.8	21.9	0.1	Older People - In House Provision	78.0	95.1	17.1	+14.4	+2.6	
0.0	0.0	0.0	Older People - Residential Care Services	10.2	10.9	0.6	+0.6	+0.0	
1.2	1.9	0.7	Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	1.6	1.6	0.0	+0.1	-0.1	
5.9	6.0	0.0	Older People & Physical Disability Carer Support - Commissioned	1.6	1.2	-0.4	-0.4	+0.0	
1.1	1.3	0.2	Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Community Based Services	0.2	0.2	0.0	+0.0	-0.0	
0.0	0.0	0.0	Physical Disability 26+ Lifespan Pathway & Sensory and Autism 18+ - Residential Care Services	0.7	0.7	0.0	-0.0	+0.0	
0.7	0.7	0.0	Sensory & Autism - Assessment Service	1.7	2.0	0.3	+0.3	-0.0	
0.6	0.4	-0.2	Statutory and Policy Support	0.8	0.8	-0.1	-0.1	+0.0	
5.1	1.6	-3.4	Strategic Safeguarding	1.7	1.8	0.1	-0.0	+0.1	
407.2	447.8	40.6	Adaptive & Assistive Technology	488.4	532.5	44.1	41.1	+3.0	
8.6	8.1	-0.5	Adult Social Care & Health Operations	10.0	8.7	-1.3	-1.3	-0.0	
8.6	8.1	-0.5	Business Delivery	10.0	8.7	-1.3	-1.3	-0.0	
455.8	480.2	24.4	Business Delivery Unit	528.9	560.2	31.3	29.7	1.6	
0.0	0.0	0.0	Adult Social Care & Health	0.0	0.0	0.0	0.0		
			Earmarked Budgets Held Corporately						

2022-23

Appendix 1 - Key Service Summary

Revenue Budget £m	Outturn £m	Variance £m
2.3	1.9	-0.3
15.5	15.1	-0.4
32.9	37.3	4.4
9.3	9.3	0.1
-0.1	-0.1	0.0
6.0	5.2	-0.8
3.3	3.2	0.0
5.5	6.7	1.1
4.6	3.6	-1.0
1.7	1.1	-0.6
51.2	51.9	0.7
9.0	9.3	0.2
6.9	6.1	-0.8
5.7	4.9	-0.8
66.8	76.7	9.9
16.4	17.7	1.3
3.6	4.0	0.4
5.7	4.2	-1.5
244.2	256.5	12.3

	Revenue Budget £m	Forecast £m	Variance £m	Last Reported Position (Nov) £m	Movement +/- £m
Strategic Management & Directorate Budgets	3.2	3.1	-0.1	-0.1	-0.0
Adoption & Special Guardianship Arrangements & Service	17.1	16.6	-0.5	-0.4	-0.1
Adult Learning & Physical Disability Pathway - Community Based Services	40.1	41.9	1.8	+1.8	-0.0
Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	9.2	8.1	-1.1	-1.0	-0.1
Asylum	-0.1	-0.1	0.0	+0.0	-0.0
Care Leavers Service	5.1	5.1	0.0	+0.0	-0.0
Children in Need - Care & Support	3.1	3.6	0.5	+0.5	-0.0
Children in Need (Disability) - Care & Support	5.9	7.9	2.0	+2.1	-0.1
Children's Centres	4.6	2.6	-2.0	-1.6	-0.3
Childrens Disability 0-18 Commissioning	1.7	1.4	-0.3	-0.3	+0.0
Children's Social Work Services - Assessment & Safeguarding Service	53.4	51.9	-1.5	-1.4	-0.1
Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	9.7	9.2	-0.5	-0.5	-0.0
Early Help & Preventative Services	5.2	5.2	0.0	-0.0	-0.0
Integrated Services (Children's) Management & Directorate Support	5.9	4.9	-1.0	-0.6	-0.3
Looked After Children - Care & Support	76.5	89.7	13.2	+12.7	+0.4
Looked After Children (with Disability) - Care & Support	18.9	20.6	1.8	+1.4	+0.3
Looked After Children (with Disability) - In House Provision	3.8	4.1	0.3	+0.3	-0.0
Youth Services	4.5	4.4	-0.1	+0.0	-0.1
Integrated Children's Services (Operations and County Wide)	264.6	277.1	12.5	+13.1	-0.6

2022-23			Appendix 1 - Key Service Summary			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-
Revenue Budget	Outturn	Variance			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-	
£m	£m	£m			£m	£m	£m	£m	£m	
1.4	1.3	-0.1		Strategic Management & Directorate Budgets	1.4	1.3	-0.1	-0.1	-0.0	
4.7	5.1	0.4		Growth and Support to Businesses	6.2	5.4	-0.8	-0.7	-0.1	
2.8	2.9	0.1		Community (Assets & Services)	2.2	2.1	0.0	-0.0	+0.0	
11.4	11.0	-0.4		Public Protection	11.8	11.5	-0.3	-0.3	-0.0	
9.5	8.6	-0.9		Libraries, Registration & Archives	10.5	9.8	-0.7	-0.6	-0.1	
0.8	0.8	0.0		Growth and Communities Divisional management costs	0.5	0.5	0.0	+0.0	-0.0	
29.1	28.4	-0.8		Growth & Communities	31.2	29.5	-1.8	-1.6	-0.2	
33.0	33.8	0.7		Highway Assets Management	37.1	35.7	-1.4	-0.2	-1.2	
6.6	6.0	-0.6		Transportation	6.6	5.8	-0.8	-0.8	-0.1	
4.7	6.2	1.5		Supported Bus Services	5.3	5.2	-0.1	-0.1	-0.0	
13.8	11.8	-2.0		English National Concessionary Travel Scheme (ENCTS)	13.0	12.5	-0.5	-0.7	+0.2	
4.8	6.2	1.4		Kent Travel Saver (KTS)	5.1	5.1	0.0	-0.0	-0.0	
3.6	3.2	-0.4		Highways & Transportation divisional management costs	3.7	3.5	-0.2	-0.2	-0.0	
66.6	67.1	0.6		Highways & Transportation	70.8	67.8	-2.9	-1.8	-1.1	
2.4	2.3	-0.1		Environment	3.3	3.2	-0.1	-0.1	-0.0	
45.8	45.9	0.2		Residual Waste	50.5	50.6	0.2	+0.3	-0.2	
31.6	32.9	1.2		Waste Facilities & Recycling Centres	36.4	39.1	2.8	+2.4	+0.4	
1.8	1.8	0.0		Environment and Circular Economy Divisional management costs	2.1	2.1	0.0	-0.0	-0.0	
81.6	82.8	1.2		Environment & Circular Economy	92.2	95.0	2.8	+2.6	0.2	
178.6	179.6	0.9		Growth, Environment & Transport	195.6	193.6	-2.0	-0.8	-1.2	
0.0	0.0	0.0		Earmarked Budgets Held Corporately	-0.3	0.0	0.3	0.3	0.0	

2022-23			Appendix 1 - Key Service Summary			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-
Revenue Budget	Outturn	Variance			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-	
£m	£m	£m			£m	£m	£m	£m	£m	
0.0	0.0	0.0		Strategic Reset Programme	1.6	1.5	-0.1	-0.1	-0.0	
0.5	0.5	0.0		Strategic Management & Departmental Support	1.1	0.9	-0.3	-0.3	-0.0	
0.4	0.4	0.0		Health & Safety	0.4	0.3	0.0	-0.0	-0.0	
2.1	2.0	0.0		Business & Client Relationships	2.3	2.3	0.0	-0.0	-0.0	
2.9	2.9	0.0		Strategic Management & Departmental Budgets (DCED)	5.4	5.0	-0.4	-0.4	0.0	
5.1	4.8	-0.3		Human Resources & Organisational Development	5.3	5.0	-0.2	-0.2	-0.0	
				Marketing & Digital Services	2.0	2.0	0.0	+0.1	-0.0	
				Resident Experience - Contact Centre; Gateways; Customer care & Complaints	4.8	4.7	-0.1	-0.1	-0.0	
6.0	5.8	-0.2		Marketing & Resident Experience	6.8	6.7	-0.1	0.0	-0.1	
5.9	5.6	-0.4		Property related services	8.2	7.1	-1.1	-1.0	-0.1	
0.0	0.0	0.0		Kent Resilience	0.3	0.2	0.0	-0.0	+0.0	
0.2	0.2	-0.1		Emergency Planning	0.2	0.2	0.0	+0.0	+0.0	
6.2	5.8	-0.4		Infrastructure	8.6	7.5	-1.1	-1.0	-0.1	
23.5	23.5	0.0		Technology	25.5	25.2	-0.3	-0.6	+0.3	
0.0	0.0	0.0		Business Services Centre	0.0	0.0	0.0	+0.0	+0.0	
26.5	29.0	2.5		Corporate Landlord	33.1	27.6	-5.5	-4.8	-0.7	
70.1	71.7	1.6		Total - Deputy Chief Executive Department	84.7	77.0	-7.6	-7.1	-0.6	
				Earmarked Budgets Held Corporately	-0.1	0.0	0.1	0.1	0.0	

2022-23			Appendix 1 - Key Service Summary			Revenue Budget	Forecast	Variance	Last Reported Position (Nov)	Movement +/-
Revenue Budget	Outturn	Variance				£m	£m	£m	£m	£m
0.0	-0.7	-0.7		Strategic Management & Departmental Budgets		-0.5	-0.8	-0.3	-0.3	-0.0
3.2	3.1	0.0		Grants to Kent District Councils to maximise Council Tax collection		3.2	3.2	0.0	-0.0	+0.0
21.6	21.3	-0.3		Finance		10.0	9.9	-0.1	-0.3	+0.1
12.4	12.2	-0.2		Finance		13.2	13.0	-0.1	-0.3	0.1
6.9	6.4	-0.5		Governance & Law		7.3	6.8	-0.5	-0.3	-0.1
1.4	0.7	-0.8		Local Member Grants		1.0	1.0	0.0	-0.0	-0.0
8.3	7.1	-1.2		Governance, Law & Democracy		8.3	7.9	-0.5	-0.3	-0.1
8.1	7.2	-0.9		Strategic Commissioning		4.9	4.7	-0.2	+0.0	-0.3
0.0	0.0	0.0		Childrens and Adults Safeguarding Services		0.4	0.4	0.0	-0.0	+0.0
0.0	0.0	0.0		Resettlement Schemes, Domestic Abuse and Civil Society Strategy		0.4	0.3	-0.1	-0.1	+0.0
9.0	8.1	-1.0		Strategy, Policy, Relationships & Corporate Assurance		4.6	3.6	-1.0	-1.0	0.0
4.5	4.0	-0.5		Strategy, Policy, Relationships & Corporate Assurance		5.4	4.3	-1.1	-1.0	-0.0
33.4	29.9	-3.5		Total - Chief Executive Department		31.4	29.1	-2.2	-1.9	-0.3
156.7	144.7	-12.0		Non Attributable Costs		115.8	97.8	-18.0	-17.7	-0.3
-0.3	0.0	0.3		Corporately Held Budgets (to be allocated)		0.2	0.1	-0.1	-0.1	-0.1
1,199.8	1,244.4	+44.4		Total excluding Schools' Delegated Budgets		1,318.3	1,348.3	+30.0	+32.1	-2.1

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

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

	22-23 Actuals	23-24 Budget	23-24 Forecast	24-25 Estimate	25-26 Estimate	26-27 Estimate
Total	235.3	393.8	258.90	382.90	254.60	247.1

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

The CFR is the total outstanding capital expenditure not yet financed by revenue or capital resources.

It is a measure of the Council's underlying borrowing need.

	22-23 Actuals	23-24 Budget	23-24 Forecast	24-25 Estimate	25-26 Estimate	26-27 Estimate
Total CFR	1,292.42	1,345.30	1,274.12	1,317.60	1,307.75	1,273.26

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

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

	22-23 Actuals	23-24 Budget	23-24 Forecast	24-25 Estimate	25-26 Estimate	26-27 Estimate
Other Long-term Liabilities	222.40	235.80	222.40	222.40	222.40	222.4
External Borrowing	802.47	771.80	771.89	742.56	710.34	685.11
Total Debt	1,024.87	1,007.60	994.29	964.96	932.74	907.51
Capital Financing Requirement	1,292.42	1,345.30	1,274.12	1,317.60	1,307.75	1,273.26
Internal Borrowing	267.55	337.70	279.83	352.64	375.01	365.75

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

The Authority is legally obliged to set an affordable borrowing limit (the authorised limit for external debt).

A lower "operation boundary" is set should debt approach the limit.

	22-23 Actuals	23-24 Budget	23-24 Forecast	24-25 Estimate	25-26 Estimate	26-27 Estimate
Authorised Limit - borrowing	802	946	946	905	875	849
Authorised Limit - Other long term liabilities	222	232	222	222	222	222
Authorised Limit - total external debt	1,024	1,178	1,168	1,127	1,097	1,071
Operational Boundary - borrowing	802	896	822	855	825	799
Operational Boundary - Other long term liabilities	222	232	222	222	222	222
Operation Boundary - total external debt	1,024	1,128	1,044	1,077	1,047	1,021

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

Financing costs comprise interest on loans and minimum revenue provision (MRP) and are charged to revenue.

This indicator compares the net financing costs of the Authority to the net revenue stream.

	22-23 Actuals	23-24 Budget	23-24 Forecast	24-25 Estimate	25-26 Estimate	26-27 Estimate
Proportion of net revenue stream	9.18%	8.40%	8.24%	7.56%	7.29%	6.85%

Prudential Indicator 6: Estimates of Net Income from Commercial and Service Investments to Net Revenue Stream

	22-23 Actual	23-24 Estimate	24-25 Estimate	25-26 Estimate
Net income from commercial and service investments to net revenue stream	0.64	0.52	0.6	0.38

Appendix 3 - Reserves Monitoring as at Q3 (December 2023)

	Balance as at 1 April 2023 £m	Forecast Contribution to/(from) Reserve £m	Projected Balance at 31 March 2024 £m
General Fund (GF) Balance	36.9		36.9
Budgeted contribution to/(from) in MTFP		5.8	5.8
	36.9	5.8	42.7
Earmarked reserves :			
Vehicle, Plant & Equipment (VPE)	20.3	1.5	21.8
Smoothing	109.2	8.4	117.6
Major Projects	68.9	(13.8)	55.1
Partnerships	31.4	(17.9)	13.5
Grant/External Funds	53.2	(11.3)	41.9
Departmental Under/Overspends	3.3	(2.7)	0.6
Insurance	13.2	(1.0)	12.2
Public Health	16.9	(0.9)	16.0
Trading	1.1	0.0	1.1
Special Funds	0.7	(0.0)	0.7
Total Earmarked Reserves	318.2	(37.6)	280.7
Total GF and Earmarked Reserves	355.1	(31.8)	323.4
	Balance as at 1 April 2023 £m	Forecast Contribution to/(from) Reserve £m	Projected Balance at 31 March 2024 £m
Individual Maintained Schools Reserves			
School delegated revenue budget reserve - committed	19.0	0.0	19.0
School delegated revenue budget reserve - uncommitted	41.8	(0.7)	41.1
Community Focussed Extended Schools Reserves	0.3	0.0	0.3
Total Individual Maintained School Reserves	61.1	(0.7)	60.4

DSG Adjustment Account - Unusable Reserve

	Balance as at 1 April 2023 £m	Forecast Contribution to/(from) Reserve £m	Projected Balance at 31 March 2024 £m
DSG Adjustment Accounts	(61.4)	(14.7)	(76.0)

The General fund Reserve was increased as agreed by County Council in the 2023-24 MTFP.

The earmarked reserves are decreasing mainly due to the following:

- £14.4m drawdown from the Kings Hill Smoothing Reserve to fund the 2023-24 safety valve (within the Partnerships category).
- Removal of the planned £12m contribution to the Risk Reserve to reduce the 2023-24 in-year overspend (within the Smoothing category)
- £5.6m drawdown from the Covid-19 emergency grant reserve to fund the continuation of projects (within the Grant/External Funds category).
- The Smoothing reserves show a net increase of £8.4m, this includes the transfer of £6m from Major Projects reserves, £2m of which is used to set up the Emergency capital events & abortive costs reserve (along with further £1m contribution agreed in the Q1 budget monitoring report) and £4m for the recategorization of Capital Feasibility reserve as a smoothing reserve.

Within the smoothing reserves, £2m has been moved from the Earmarked Reserve to Support Future Years Budgets to create a new reserve, also within the smoothing category, entitled Budget Recovery Reserve. This is to support the plan for Securing Kent's Future.

The DSG Adjustment Account deficit has increased due to pressures in Schools Funding. More details can be found in Section 10.

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Cabinet

DECISION NUMBER:

24/00021

For publication**Key decision: NO**

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: Finance Monitoring Report**Decision:**

The Cabinet is asked to agree to:

- a) note the capital and revenue budget position; and
- b) approve required budget adjustments (Capital budget adjustments as per Section 14)

Reason(s) for decision:

Given the Council's financial position, Cabinet now receives a monthly monitoring report setting out the latest forecast and actions being taken to balance the budget by the end of the financial year. Adjustments to the capital budgets require approval from Cabinet.

Cabinet Committee recommendations and other consultation:**Any alternatives considered and rejected:****Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:**

.....
signed

.....
date

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From: Roger Gough – Leader of the Council
Amanda Beer – Chief Executive Officer

To: Cabinet – 21 March 2024

Decision No: n/a

Subject: **Quarterly Performance Report, Quarter 3, 2023/24**

Classification: Unrestricted

Summary: The purpose of the Quarterly Performance Report (QPR) is to inform CMT and Cabinet about key areas of performance for the authority. This report presents performance to the end of December 2023 (Quarter 3, 2023/24).

Of the 38 Key Performance Indicators (KPIs) contained within the QPR, 17 achieved target (Green), 12 achieved or exceeded the floor standard but did not meet target (Amber). 9 KPIs did not meet the floor standard (Red).

Recommendation(s): Cabinet is asked to NOTE the Quarter 3 Performance Report and the actions being taken to address areas where performance is not as targeted.

1. Introduction

- 1.1. The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council. The report summary for Quarter 3, 2023/24 is attached at Appendix 1, and includes data up to the end of December 2023.
- 1.2. The QPR includes 38 Key Performance Indicators (KPIs) where results are assessed against Targets set at the start of the financial year.

2. Quarter 3 Performance Report

- 2.1. Results for KPIs compared to Target are assessed using a Red/Amber/Green (RAG) status.
- 2.2. Of the 38 KPIs included in the report, the latest RAG status are as follows:
 - 17 are rated Green (two more than the previous Quarter) - the target was achieved or exceeded.
 - 12 are rated Amber (three fewer than the previous Quarter) – performance achieved or exceeded the expected floor standard but did not meet target.
 - 9 are rated Red (one more than the previous Quarter) – performance did not meet the expected floor standard.

2.3. The 9 indicators where the RAG rating is Red, are in:

- Customer Services
 - Percentage of complaints responded to within timescale
- Governance and Law
 - Percentage of Freedom of Information Act (Fol) requests completed within 20 working days
 - Percentage of Data Protection Act (DPA) Subject Access requests completed within statutory timescales
- Children, Young People and Education
 - Percentage of Education, Health Care Plans (EHCPs) issued within 20 weeks
 - Percentage of pupils (with EHCP's) being placed in independent or out of county special schools
 - Percentage of case holding posts filled by permanent qualified social workers
 - Percentage of foster care placements which are in-house or with relatives and friends (excluding UASC)
- Adult Social Care
 - Percentage of new Care Needs Assessments delivered within 28 days
 - Long Term support needs of older people (65 and over) met by admission to residential and nursing care homes

2.4. With regards to Direction of Travel, seven indicators show a positive trend (the same as the previous Quarter), 20 are stable or with no clear trend (one more than the previous Quarter), and 11 are showing a negative trend (one fewer than the previous Quarter).

3. Recommendation(s)

Cabinet is asked to NOTE the Quarter 3 Performance Report

4. Contact details

Matthew Wagner
Chief Analyst (interim)
Strategy, Policy, Relationships & Corporate Assurance
Telephone: 03000 416559
Matthew.Wagner@kent.gov.uk

David Whittle
Director of Strategy, Policy, Relationships & Corporate Assurance
Telephone: 03000 416833
David.Whittle@kent.gov.uk

Kent County Council

Quarterly Performance Report

Quarter 3

2023/24

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



Key to KPI Ratings used

This report includes 38 Key Performance Indicators (KPIs), where progress is assessed against Targets which are set at the start of the financial year. Progress against Target is assessed by RAG (Red/Amber/Green) ratings. Progress is also assessed in terms of Direction of Travel (DoT) using arrows. Direction of Travel is based on regression analysis across the whole timeframe shown in the graphs.

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

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

Key to Activity Indicator Graphs

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

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

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

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

Executive Summary

17 of the 38 indicators are rated as Green, on or ahead of target (two more than last Quarter). 12 indicators reached or exceeded the floor standard and are rated Amber (three fewer than last Quarter) with nine indicators not achieving the floor standard and so RAG rated Red (one more than last Quarter). Seven indicators were showing an improving trend (the same as last Quarter), with eleven showing a worsening trend (one fewer than last Quarter).

The performance indicators giving greatest concern are closely aligned with the services where the financial strains and demand are most acute (particularly Special Educational Needs and Disabilities, children in care placements and Adult Social Care). This affirms that the right indicators are being used to assess performance, with KPI results reflecting the areas of greatest challenge. Due to this being a reflective report on the last Quarter, performance may not always correspond to what people are experiencing at the current time, particularly when demand fluctuates on a seasonal basis, such as for Highways indicators.

	G	A	R	↑	⇒	↓
Customer Services	2		1		3	
Governance and Law			2		1	1
Growth, Economic Development & Communities	1	1			2	
Environment and Transport	4	2		2	4	
Children, Young People and Education	5	5	4	1	6	7
Adult Social Care	1	3	2	2	2	2
Public Health	4	1		2	2	1
TOTAL	17	12	9	7	20	11

Customer Services – Satisfaction with Contact Point advisors maintained above target performance. The percentage of phone calls answered improved, moving back above target. The percentage of complaints responded to within timescale improved for the second Quarter running but remains below floor standard and so still RAG rated Red.

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

Governance and Law - Freedom of Information (FOI) / Environmental Information Regulation (EIR) requests responded to in timescale, and Data Protection Act Subject Access requests completed within timescale, remain below floor standards, with the latter KPI on a declining trend.

<u>Governance and Law KPIs</u>	RAG rating		DoT
	Latest	Previous	
% of Freedom of Information Act (Fol) requests completed within 20 working days	RED	RED	⇒
% of Data Protection Act (DPA) Subject Access requests completed within statutory timescales	RED	RED	⇩

Growth, Economic Development & Communities – The number of properties brought back into active use through the No Use Empty programme improved significantly to move above target. The amount of s106 Developer Contributions secured as a percentage of amount sought was 87%, which is below target.

<u>Growth, Economic Development & Communities KPIs</u>	RAG rating		DoT
	Latest	Previous	
Number of homes brought back to market through No Use Empty (NUE)	GREEN	AMBER	⇒
Developer contributions secured as a percentage of amount sought	AMBER	GREEN	⇒

Environment & Transport For Quarter 3, two of the Highways KPIs are RAG rated Green, and two Amber, an improvement from last Quarter when all were Amber. Municipal Waste recycled or converted to energy, continues to be above target, and the reduction in Greenhouse Gas emissions also remains ahead of target.

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

Education & Wider Early Help – Schools continue to exceed the inspection target, but Early Years settings remain slightly below, although 97% are still rated good or outstanding. Completion of Education, Health and Care Plan (EHCP) assessments in timescale decreased further below the floor standard and is RAG rated red. The new KPI measuring annual EHCP reviews waiting over 12 months improved for the second Quarter in a row, moving from a Red RAG rating to Amber. Pupils with EHCPs who are placed in independent or out of county special schools is little changed and so continues to miss floor standard. Permanent pupil exclusions increased further this Quarter, breaching the floor standard to give a Red RAG rating. The number of first-time entrants to the youth justice system increased and remains Amber rated.

<u>Education & Wider Early Help KPIs</u>	RAG rating		DoT
	Latest	Previous	
% of all schools with Good or Outstanding Ofsted inspection judgements	GREEN	GREEN	⇒
% of Early Years settings* with Good or Outstanding Ofsted inspection judgements	AMBER	AMBER	↑
% of Education, Health Care Plans (EHCPs) issued within 20 weeks – rolling 12 months	RED	RED	↓
% of annual EHCP reviews waiting over 12 months	AMBER	RED	⇒
% of pupils (with EHCP's) being placed in independent or out of county special schools	RED	RED	↓
% of pupils permanently excluded from school – rolling 12 months	AMBER	AMBER	↓
Number of first-time entrants to youth justice system – rolling 12 months	AMBER	AMBER	↓

* childcare on non-domestic premises

Children's Social Care & Early Help – Four of the seven indicators met target, the same as the previous two Quarters. Percentage of case holding posts filled by permanent qualified social workers decreased, moving further below floor standard. The percentage of foster care placements which are in-house or with relatives declined and moved back below floor standard. The percentage of Care Leavers in education, employment remains below target, and is on a negative trend.

<u>Children's Social Care & Early Help KPIs</u>	RAG rating		DoT
	Latest	Previous	
% of Early Help cases closed with outcomes achieved that come back to social care teams within 3 months	GREEN	GREEN	↓
% of case holding posts filled by permanent qualified social workers	RED	RED	⇒
% of children social care referrals that were repeat referrals within 12 months	GREEN	GREEN	↓
% of child protection plans that were repeat plans	GREEN	GREEN	⇒
Average no. of days between becoming a child in care and moving in with an adoptive family – rolling 12 months	GREEN	GREEN	⇒
% of foster care placements which are in-house or with relatives and friends (excluding UASC)	RED	AMBER	⇒
% of care leavers in education, employment or training (of those KCC is in touch with)	AMBER	AMBER	↓

Adult Social Care – One KPI met target and is RAG rated Green. The proportion of new Care Needs Assessments delivered within 28 days improved, but remains below floor standard. Long Term support needs of older people met by admission to residential and nursing care homes increased, breaching floor standard and is now RAG rated red. The number of people in short-term beds decreased for the second Quarter in a row. The number of people accessing services who have a mental health need continues to grow.

Adult Social Care KPIs	RAG rating		DoT
	Latest	Previous	
% of people who have their contact resolved by ASCH but then make contact again within 3 months	GREEN	GREEN	↑
% of new Care Needs Assessments delivered within 28 days	RED	RED	⇒
% of people receiving a long-term community service who receive Direct Payments	AMBER	AMBER	↑
Proportion of older people (65+) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	AMBER	AMBER	⇒
Long Term support needs of older people (65 and over) met by admission to residential and nursing care homes, per 100,000	RED	AMBER	↓
% of KCC supported people in residential or nursing care where the CQC rating is Good or Outstanding	AMBER	AMBER	↓

Public Health – Four out of five KPIs are meeting or exceeding target, and two of these are on an improving trend. The percentage of Live Well clients who would recommend the service to family, friends or someone in a similar situation, fell slightly below target and so is RAG rated Amber. The number of mandated checks delivered by the health visiting service, and successful completions of drug and alcohol treatment, are only just above target and remain on a declining trend.

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

Customer Services						
Cabinet Member	Dylan Jeffrey					
Corporate Director	Amanda Beer					
KPI Summary	GREEN	AMBER	RED	↑	→	↓
	2		1		3	

Customer contact through Contact Point (KCC's call centre) is provided via a strategic partnership, whilst Digital services are provided by KCC. The percentage of callers who rated their advisor as good remained at 98%, exceeding the target.

The call answer rate improved to 91% in Quarter 3, moving above target. The daytime service was severely impacted on the morning of Tuesday 31st October due to Kent Server issues which prevented anyone accessing external websites, with the telephony system being one of them. This was resolved by Cantium around 11am. At the beginning of November high call volumes were experienced due to storm Ciaran, with additional staff being brought in to cover overnight shifts.

For the new activity indicators on average speed of answer, this remains quicker than expectations for all calls at 1 minute 38 seconds. Priority calls average speed of answer at 47 seconds is towards the quicker end of the expected range. Average call time showed an increase to 6 minutes 56 seconds, but since November this includes a set automatic aftercall time (the period of time immediately after completing the contact with a customer but where more work is required to finalise the transaction: e.g. entering details such as comments about the conversation, follow-up actions, etc).

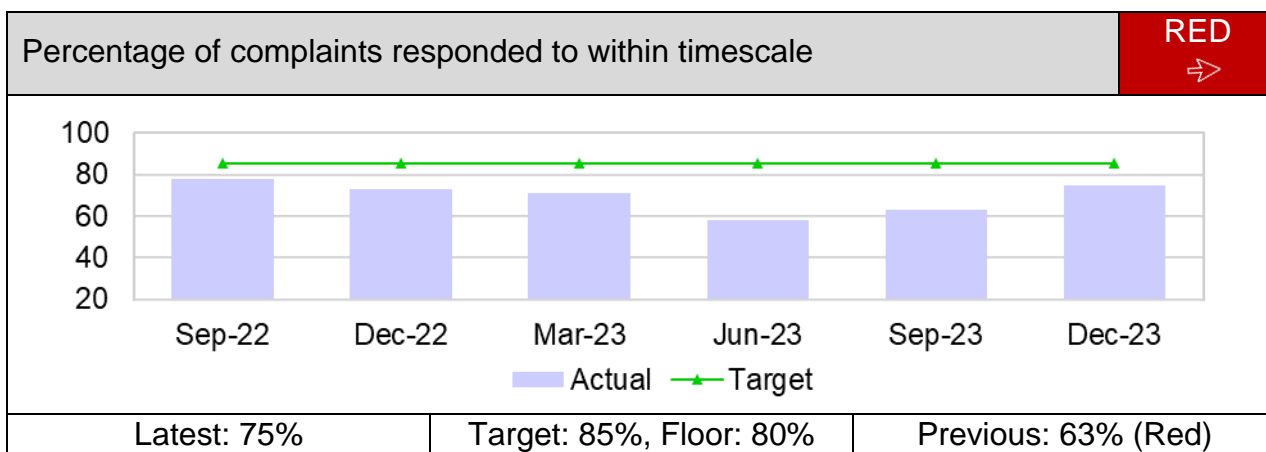
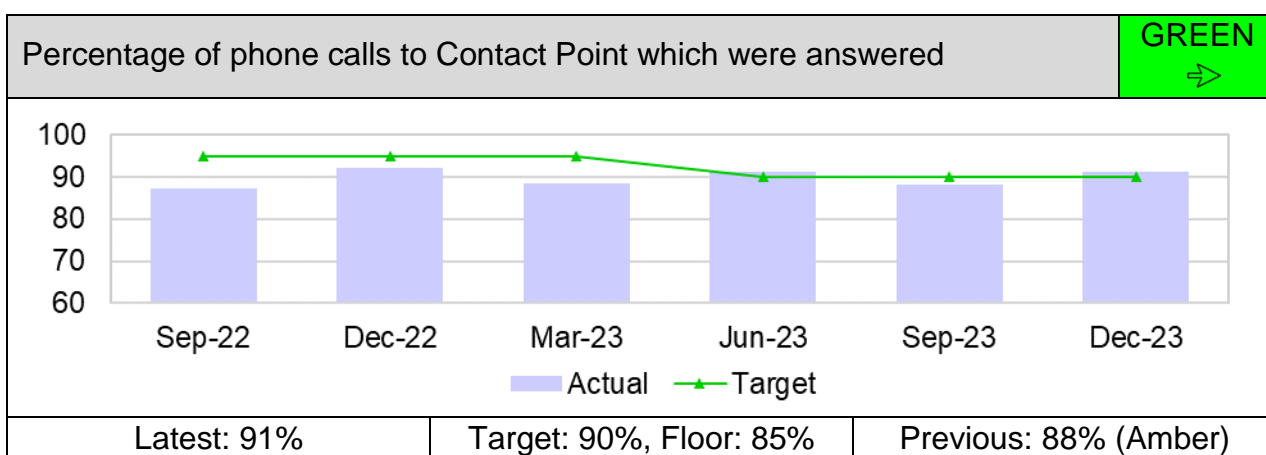
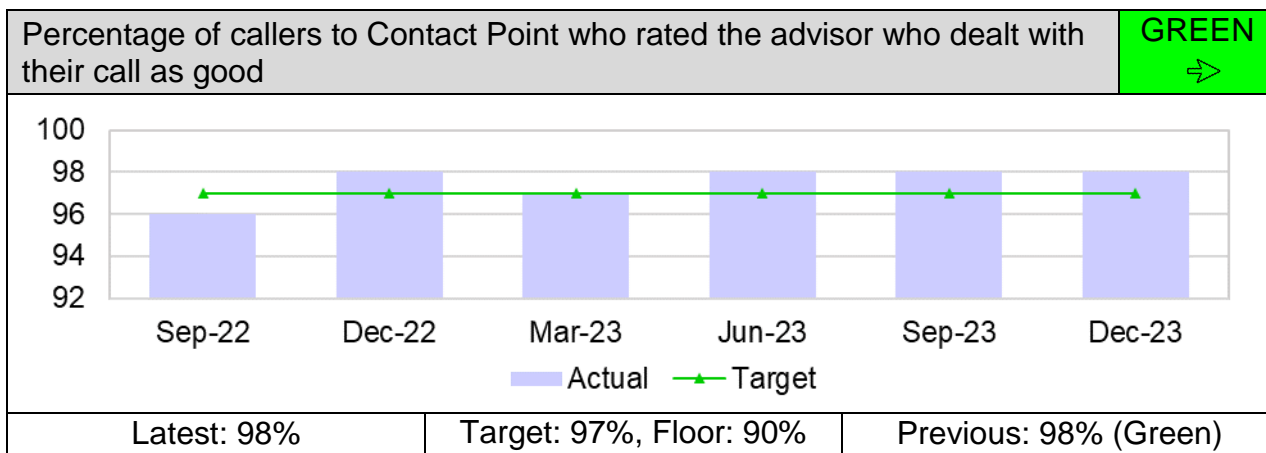
Contact Point received 17% fewer calls compared to the previous Quarter and 4% fewer calls than Quarter 3 last year. The 12 months to December 2023 saw a 7% decrease in calls compared to the 12 months to December 2022.

The number of visits (sessions) to the kent.gov website was 17% lower than the same Quarter the previous year, however this is likely to be due to a change in the website's cookie control mechanism rather than an actual reduction in website usage. This change was made by the Marketing and Residence Experience Team in December 2022 following customer feedback and recent case law, to include a clear and obvious "Reject cookies" button on the cookie control mechanism. This makes it even easier for users to tell us that they don't want us to use cookies, which are needed to count website traffic. Pages relating to Household Waste Recycling Centres continue to be the most visited.

Quarter 3 saw a 4% decrease in the number of complaints received compared with the previous Quarter and a 2% decrease on the same Quarter last year. Between October and December, 75% of complaints were responded to within timescales. This is an improvement on last Quarter's performance as the backlog starts to reduce in some areas. **The focus on older cases does have an impact on the closure of new cases in timescale however, and we expect this to continue at least until the end of the financial year. A concerted effort is being made to clear the backlog.**

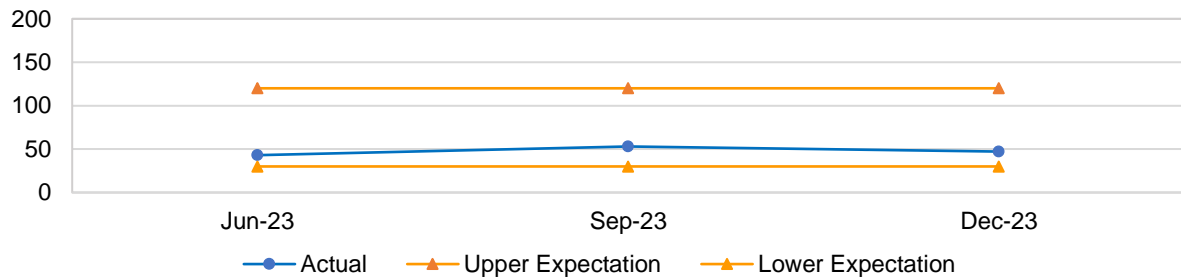
In terms of Directorate performance, the Chief Executive's Department and Deputy Chief Executive's Departments, together achieved 74% of responses within timescale; Growth, Environment and Transport, 80%; Adult Social Care and Health, 56%; and Children, Young People and Education, 50%.

Key Performance Indicators

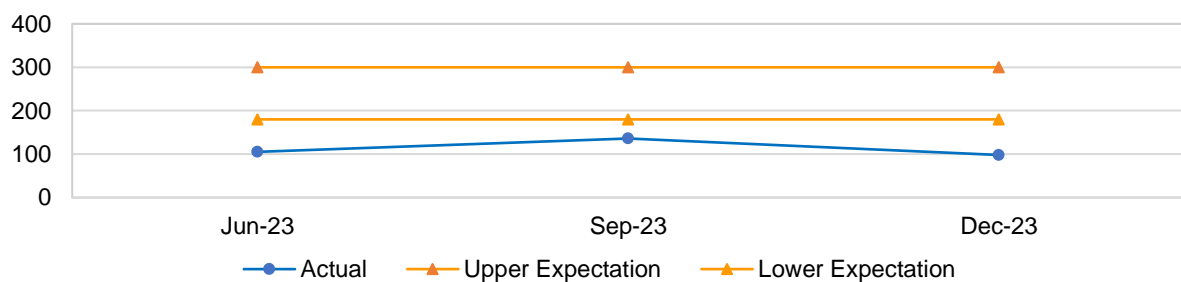


Activity indicators

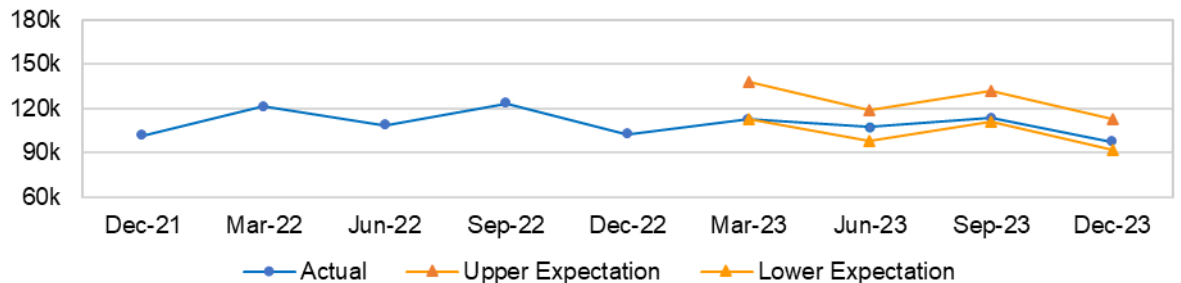
Average speed of answer (ASA) by Contact Point in seconds – **priority services**



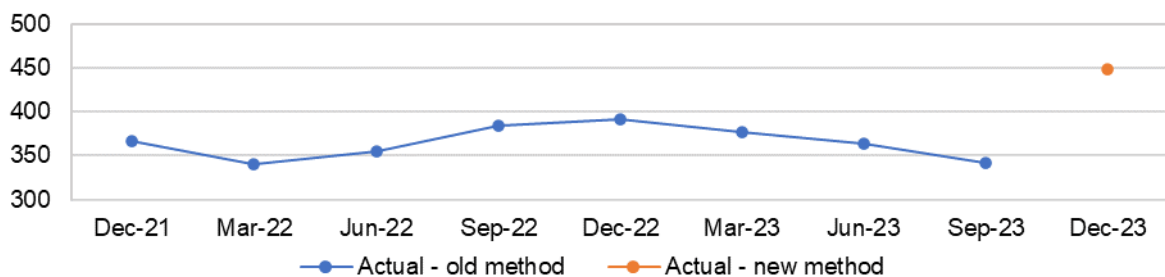
Average speed of answer (ASA) by Contact Point in seconds – **all services**



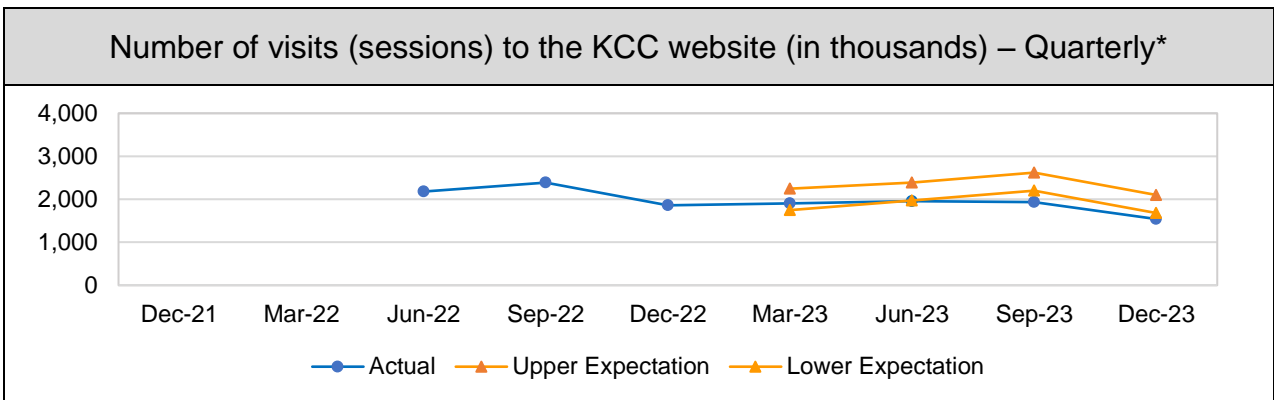
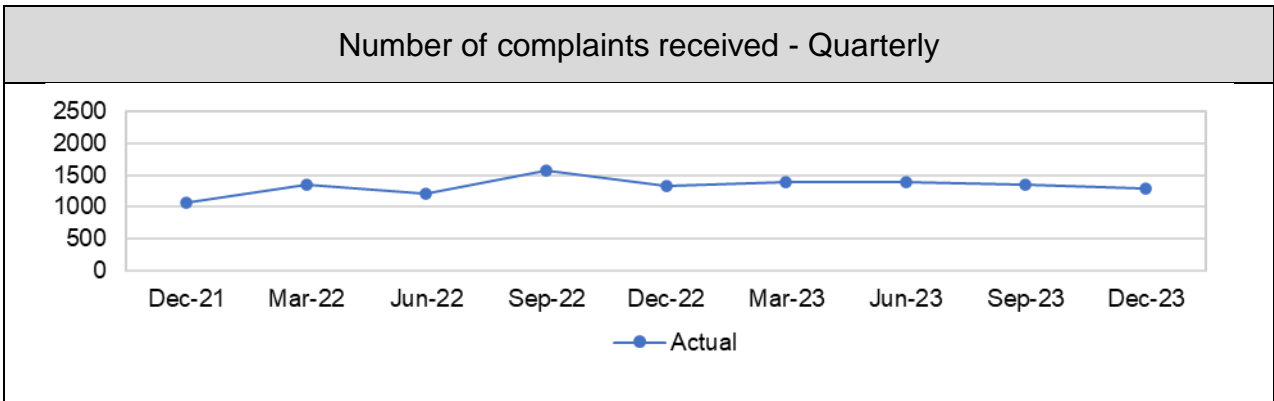
Number of phone calls responded to by Contact Point – Quarterly



Average Contact Point call handling time in seconds – Quarterly



Agilisys changed the way call handling time was recorded from November 2023, by adding a set automatic aftercall time (the period of time immediately after completing the contact with a customer but where more work is required to finalise the transaction: e.g. entering details such as comments about the conversation, follow-up actions, etc). This contributed to the increase in handling time in the Quarter to December 2023.



* Due to a review of KCC’s use of cookies on kent.gov.uk no visitor data was available from October 2021 until February 2022. Reporting of this data recommenced from the June 2022 Quarter.

Customer Services – Call Activity

Number of phone calls to Contact Point (thousands)

Contact Point received 17% fewer calls compared to the previous Quarter and 4% fewer calls than Quarter 3 last year. The 12 months to December 2023 saw a 7% decrease in calls compared to the 12 months to December 2022.

Service area	Jan – Mar 23	Apr- Jun 23	Jul - Sep 23	Oct - Dec 23	12m to Dec 23	12m to Dec 22
Adult Social Care	27	25	26	23	100	107
Integrated Children's Services	18	19	20	19	75	73
Highways	17	14	15	15	61	55
Blue Badges	10	9	12	9	41	52
Schools and Early Years	6	7	9	8	29	21
Transport Services	13	10	11	7	41	46
Registrations	8	7	5	5	26	30
Libraries and Archives	7	5	6	5	23	27
Waste and Recycling	6	9	9	5	29	35
Adult Education	5	4	6	4	19	20
Main line	4	3	3	3	14	14
Driver improvement	3	2	3	2	10	14
KSAS*	3	2	2	2	8	18
Other Services	1	2	3	1	7	9
Total Calls (thousands)	128	118	130	107	484	521

Figures may not add up to totals due to rounding.

* Kent Support and Assistance Service

Customer Services – Complaints Monitoring

Quarter 3 saw the number of complaints received decrease from the previous Quarter by 4% and by 2% on the same Quarter last year. Over the 12 months to December 2023 there has been an 4% increase in complaints received compared to the 12 months to September 2022.

In Quarter 3, frequently raised issues included SEN provision, road closures, potholes and drainage issues.

Service	12 mths to Dec 22	12 mths to Dec 23	Quarter to Sep 23	Quarter to Dec 23
Highways, Transportation and Waste Management	2,807	2,902	677	679
Adult Social Services	908	969	257	233
Integrated Children's Services	338	371	144	105
SEN	534	596	149	123
Education & Young People's Services	230	148	6	30
Libraries, Registrations and Archives	225	226	41	45
Chief Executive's Department and Deputy Chief Executive's Department	148	227	41	38
Environment, Planning and Enforcement & Economic Development	153	161	26	37
Adult Education	79	47	13	6
Total Complaints	5,422	5,647	1,354	1,297

Customer Services – Digital Take-up

The table below shows the digital/online or automated transaction completions for key service areas where there are ways to complete other than online.

Transaction type	Online Jan 23 - Mar 23	Online Apr 23 - Jun 23	Online Jul 23 - Sep 23	Online Oct 23 - Dec 23	Total Transactions Last 12 Months
Renew a library book*	83%	83%	83%	84%	1,067,049
Report a Highways Fault	73%	70%	63%	65%	129,194
Book a Driver Improvement Course	89%	89%	88%	87%	41,779
Book a Birth Registration appointment	89%	49%**	70%	67%	22,833
Apply for or renew a Blue Badge	79%	81%	82%	81%	22,024
Apply for a Concessionary Bus Pass	77%	75%	78%	86%	16,439
Report a Public Right of Way Fault	89%	87%	87%	89%	6,064
Apply for a HWRC recycling voucher	99%	100%	99%	99%	5,468

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

** The online booking system for birth registrations was unavailable for part of April 2023 due to the migration to a new system and caused a reduction in those completed online for that Quarter

Governance, Law & Democracy

Cabinet Member	Dylan Jeffrey
Corporate Director	Amanda Beer

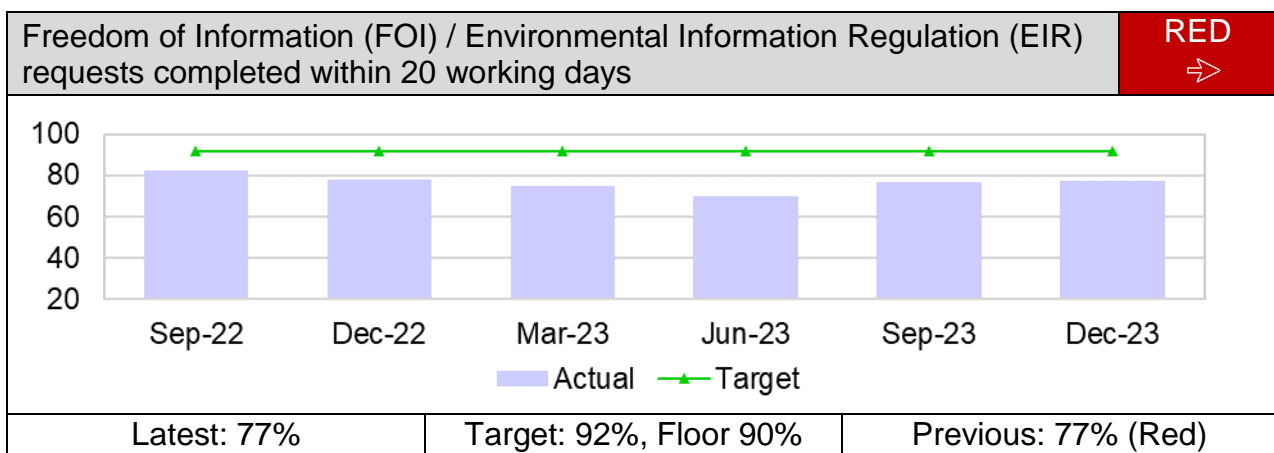
KPI Summary	GREEN	AMBER	RED			
			2		1	1

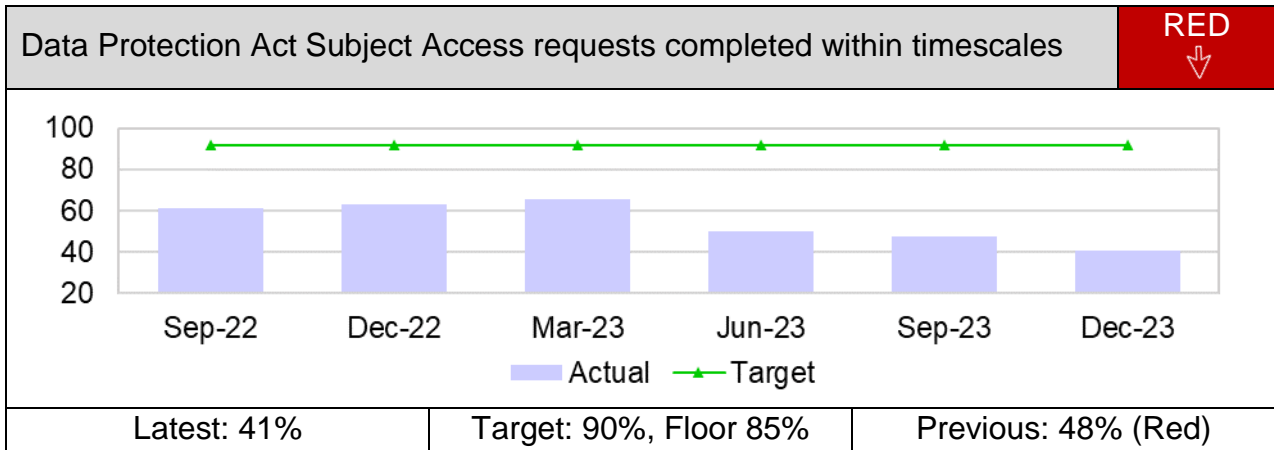
Both Freedom of Information (FOI) / Environmental Information Regulation (EIR) requests, and Data Protection Act Subject Access requests completed within timescales remain below floor standard.

The percentage of FOI / EIR requests completed has not met target for several years. With regards to performance between April and December, no Directorate achieved target, with the best performing being Growth, Environment and Transportation with 77% completed in timescale, this Directorate also had the highest number of requests (560 requests). Reasons for delays in dealing with requests include prioritisation of other work, and time taken to produce a thorough response to complex requests.

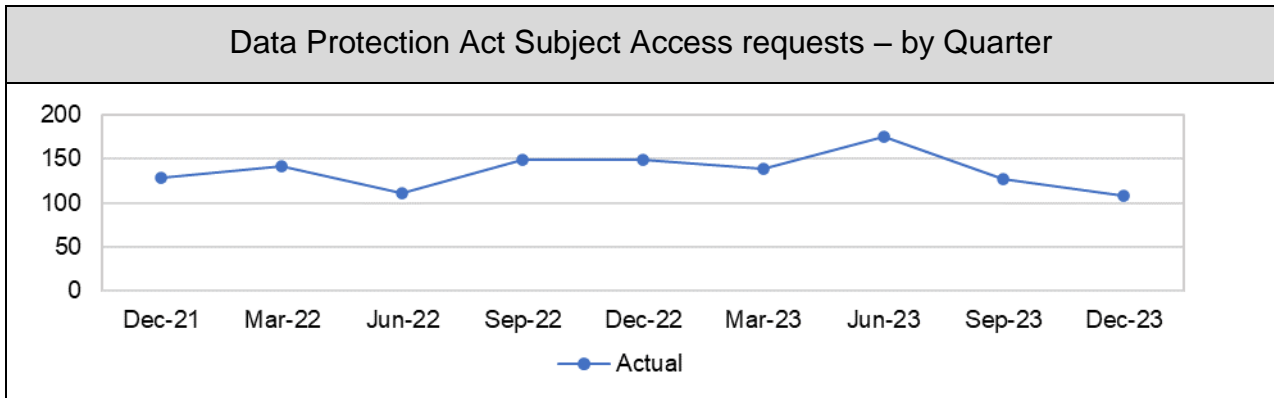
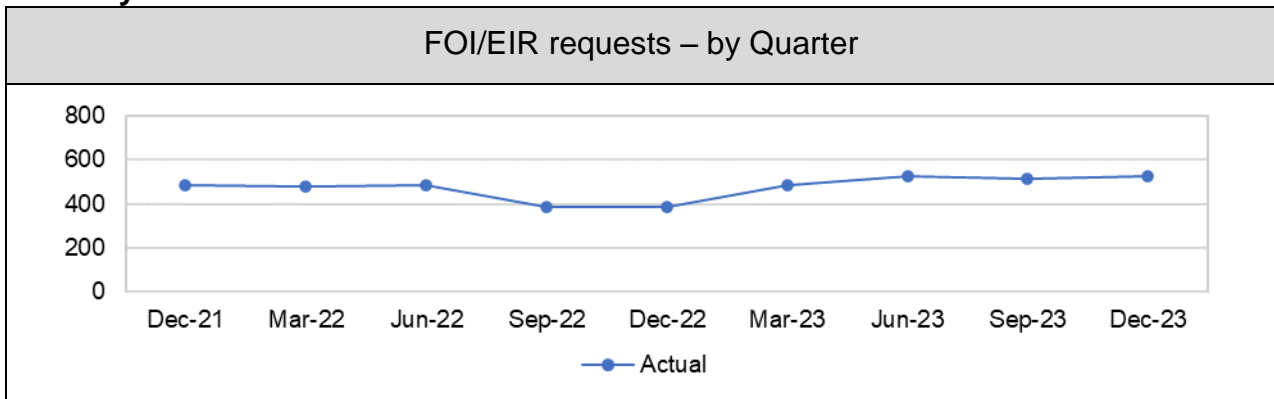
For Subject Access Requests (SARs) since April, nearly 80% of these came under the Children, Young People and Education Directorate. Reasons for delays in responding to requests include complexity of some requests, prioritising of other work, and the significant amount of time it takes to appropriately redact records. Acquisition of an electronic redacting tool could significantly reduce the time taken to respond.

Key Performance Indicators








Activity indicators



Growth, Economic Development & Communities

Cabinet Members	Derek Murphy, Clair Bell
Corporate Director	Simon Jones

KPI Summary	GREEN	AMBER	RED			
	1	1			2	

Support for Business

KCC continued to use funds from the Government's Regional Growth Fund (RGF) to create and sustain employment opportunities in Kent.

Since 2017 the latest figures (to the end of Quarter 2, 2023/24), show the Kent and Medway Business Fund (KMBF) has provided finance of £18.8m to 132 Kent and Medway businesses, creating 564 new jobs and safeguarding a further 162 jobs in the Kent and Medway area.

We have however seen a relatively steady continual growth in job creation by companies funded by the KMBF, helped by new investments and projects coming into the portfolio, which should improve once the full pipeline of new applications from the relaunched KMBF come through since it's re-opening in November 2023.

At the end of December 2023, since the reopening of the KMBF Loan Schemes on 21st November 2023, 92 pre-applications had been received to a value of over £11.6m of which 72 are KMBF SBB (£5m) and 20 are KMBF (Standard) Loans (£6.6m).

Of these, 49 pre-applications are still active and 10 full applications to the value of £1.5m have been received so far, with a further 14 pre-applications invited to submit a full application, also to a value of £1.5m. The remaining 25 pre-applications are at various stages within the pre-application assessment process. The first full applications submitted since the reopening of the KMBF are to be presented and reviewed by the Investment Advisory Board and its Sub-Group in Quarter 4.

The South-East Local Enterprise Partnership (SELEP) has, in addition, provided funding for the Innovation Investment Loan scheme which the KMBF team manages for applications from companies in Kent and Medway. Since 2017, over £6.6 million of loans have been made to 29 businesses creating 159 Full-time Equivalent (FTE) jobs and safeguarding 67 FTE jobs.

Economy

During Quarter 3, the Economy Team made significant progress with plans and preparations for KCC taking on new responsibilities with the closure of the South East Local Enterprise Partnership (SELEP) in March 2024. New functions for KCC to begin from April 2024 include responsibility for strategic economic planning, business representation and managing government programmes where directed. Part of this will include the transfer of accountable body responsibilities for the 'Growing Places Fund' (GPF capital loans) from SELEP to KCC from 1 April 2024.

Following the team's work to organise a call for proposals under a final round of Getting Building Fund applications coordinated by SELEP, two Kent-based projects were recently approved by SELEP. Subject to approval from government the following two projects will receive a combined total of £670,000:

- Gravesend Tech Hub – creating new flexible workspace in the town centre
- Maidstone Business Suite Phase 2 – creating 'grow on' space in the town centre for expanding local businesses.

The construction-ready projects need to be completed by the end of 2024.

Developer Investment Team

For Quarter 3, a total of 51 planning applications were received. Twenty-one s106 legal agreements have been completed securing a total of £30.5m, an 87.4% success ratio against the amounts originally requested. There are significant contributions being received to mitigate the impacts of two large sites at Bushey Woods, Eccles and Fort Halstead near Sevenoaks. The KPI figure is slightly down due to viability issues at the Nicholls Quarry application in Hythe. For this application, the education contribution requests are subject to a viability review mechanism and as such are not recorded as being secured.

Officers attended a Public Inquiry in October to defend KCC's request for Primary Education Contributions for a planning application at Pound Lane, Ashford. The Appellant was refuting the need to pay any primary contributions, on the basis that there was surplus capacity in the education planning group of Ashford East. Following intense negotiations, the team were successful without the need for cross examination. The appeal decision allowing the development was issued on the 6th November.

No Use Empty - Converting derelict buildings for new housing and commercial space

In Quarter 3, a total of 177 long term empty properties were made fit for occupation through the No Use Empty (NUE) Programme bringing the total to 8,185 since the programme began in 2005.

The total NUE investment in converting derelict properties has increased to £103.1m (£59.4m from KCC recycled loans and £43.7m from private sector leverage). All available funds for the current financial year have been allocated. New applications received in the final Quarter will be processed and held until the new financial year commences.

NUE were awarded £2.5m under the SELEP Growing Places Fund (GPF) to convert additional derelict properties. As at the end of Quarter 3, loans to the value of £2.4m had been approved, funding 91 new homes. GPF awarded a separate £2m for NUE Commercial Phase II. The target is to return 18 empty commercial units back into use and create 36 new homes. A total of 17 projects have been approved at the end of Quarter 3 and these will return 22 empty commercial units back into use and create 52 homes. There remains £31k left to allocate (NUE C Phase II).

KCC Treasury made available £24m for NUE to bring forward empty/derelict sites with planning permission for new builds. Following the recycling of £14.7m loan repayments, at the end of Quarter 3, the number of new homes funded is 230 across eight Kent districts. There remains a strong pipeline of projects across all NUE schemes.

Libraries, Registration and Archives (LRA)

Quarter 3 is generally a quieter period for LRA, but this year the service continued to see growth in many areas and also a number of significant projects coming to fruition.

The long-awaited refurbishment of Herne Bay Library was completed and the new look library opened on 4 October 2023, with increased usage and much positive feedback from customers. Folkestone Library Heritage and Digital Access opened on 20 November 2023 in the former Youth Hub building. This temporary service point provides access to the library's extensive local studies collection, public computers and Wi-Fi, and a free library reservation pick-up point, and was welcomed by customers who had been missing access to these services in the town centre. Dover Discovery Centre closed for refurbishment on 30 October 2023, with library and registration services moving to the nearby Gateway until works are completed. The temporary library opened on 13 November 2023, again with very positive feedback from customers.

Libraries welcomed 740,186 visitors during Quarter 3, an increase of 6.4% on the same period last year. Attendance at events and activities in particular has increased (by 20%) highlighting the demand for people coming together. While physical issues have decreased slightly by 1.8%, this is more than balanced out by the growing take-up of the e-offer, with a 6.3% increase in e-book loans, 33.9% in e-audiobooks, 3% in e-newspapers and 219% in e-magazines.

Following a busy summer, Kent Archives welcomed just over 670 researchers during Quarter 3, an increase of 38% on the same period last year. Despite the continued increase in physical usage of the service, remote enquiries also continue to rise, increasing by 11% on Quarter 3, 2022/23. The Archive Distance Enquiry survey was carried out from November 2023, and yielded a customer satisfaction rating of 100% for the service, reflecting customer satisfaction.

Death registrations have fallen by 10% from last year, when they were particularly high in number, and are back to pre-pandemic levels with 4,045 appointments delivered during Quarter 3. Similarly, birth registrations have levelled out, also falling by 10% from last year with a total of 3,982 appointments delivered.

Ceremony figures naturally drop during Quarter 3 and there were 2% fewer ceremonies than Quarter 3, 2022/23, with numbers more akin to pre-Covid levels. The 1,385 ceremonies that were delivered included 98 Citizenship Ceremonies, a much higher number than previous years due to the increasing popularity of the individual ceremonies offered at Bexley (but delivered by KCC) for the past few years and at Oakwood House since June 2023. A total of 856 new citizens were welcomed to the United Kingdom during Quarter 3, an increase of 30% on the same period last year.

In December, LRA secured a grant from the Arts Council funded LibraryOn programme, instigated with a view to increase the number of people who use libraries. The funding will be used to create virtual tours in 31 library sites in order to enhance the online visibility of library services and provide opportunities for potential customers to look at the spaces before visiting. This will improve accessibility for customers with mobile, auditory or visual impairments with the added benefit that it will also enable us to better manage and increase the hire and use of library meeting and event spaces.

Active Kent and Medway

October saw Active Kent and Medway's annual conference attract record numbers. The event (at the Kent Showground in Detling) was preceded by a breakfast briefing for local authority colleagues and district councillors on Move Together, Kent and Medway's 2023–27 strategy for sport and physical activity. We were delighted to have both Councillor Clair Bell and Dr Anjan Ghosh with us as contributors to the day, alongside sessions showcasing a wide range of fantastic projects aimed at tackling the inequalities so many across the county face when it comes to accessing and participating in sport and physical activity.

We also hosted a networking event in Quarter 3, an opportunity for organisations to get together and explore the increasing challenge of sustainability given the current financial climate. Increased costs are something that not only organisations face, but individuals too – and Active Kent and Medway is delighted to still be able to offer our FANS scheme (Free Access for National Sports People) to talented performers through our ongoing relationships with a number of leisure centres across the county. Especially relevant as we look towards the 2024 Olympic and Paralympic Games in Paris.

Active Kent and Medway continue to work with colleagues in Public Health, and supported the Whole Systems Approach to Obesity reflect and refresh sessions that took place before Christmas. Collaboration also continues with colleagues across KCC to promote active design and healthy place making and at a more local level, promoting best practice through initiatives such as the Active Practice Charter, to which Kent has its first signatory through Charing GP Surgery.

We are continuing to develop Everyday Active – our flagship campaign to encourage us all to move more in our everyday lives. We are delighted to now have recruited champions to help us with local promotion of activities in all but one district.

Community Safety

Focus areas during this period for the Kent Community Warden Service (KCWS) include the cost of living, with wardens assisting with food and pet food banks, warm hubs and supporting residents to access grants and funds. Wardens are also assisting residents and communities in relation to a rise in homelessness, reports of environmental and financial crime (fraud and loan sharks), anti-social behaviour and scams, working closely with Kent Police whilst the new Neighbourhood policing model is implemented.

Wardens continue to deliver the social prescribing model, 'Positive Wellbeing' across the service as part of their wider offer of support to residents and communities. Also, during this period, the service has been making preparations to transition to a new case management system in early 2024, undertaking training in new functionality for the system that has been in development.

The Kent Community Safety Team (KCST) delivers virtual Community Safety Information Sessions (CSIS) via MS Teams for community safety partners across the county. These are lunch-time sessions (max. 1hr) with a focus on one or two main topics each time. Two CSIS events were held in October and November with a focus on Hate Crime; eScooters; concurring conditions and healthy relationships; and compulsive obsessive behaviour interventions (COBI). Over 80% of those who responded to the event polls on each date rated them as 4 or 5 (out of 5).

The KCST delivered a virtual Data Workshop on 6th December 2023 for district/borough community safety colleagues to help with the annual strategic assessment process and inform the priority setting for CSP Community Safety plans. The biggest input on the day came from the Kent Police Central Analytical Team but other speakers covered Serious Violence, Youth Justice, Hospital Admissions and Counter-Terrorism.

The Coroners Service

The coroner service achieved a long-term goal of relocating to purpose-built facilities at Oakwood House in Quarter 3, 2023, with courts moving from Sessions House in December. The co-location of the operational delivery and courts has been a long-term vision of the service. Previously, courts were in various locations, not all ideal for the purpose. Oakwood House has proved already to be beneficial for the communities of Kent and Medway, providing a place that is not only appropriate but offers space to meet with family members, quietness to understand the process and the flexibility to meet, and be supported by, their dedicated coroner's officer.

Being able to meet with the families in private to understand circumstances offers new opportunities to provide a better and more empathetic service to bereaved families that were not possible in the old accommodation; this is already receiving positive feedback from families going through one of the most difficult times of their lives. It has met all of the service's expectations and is proving to be the asset we knew it would be to the benefit of the people we serve.

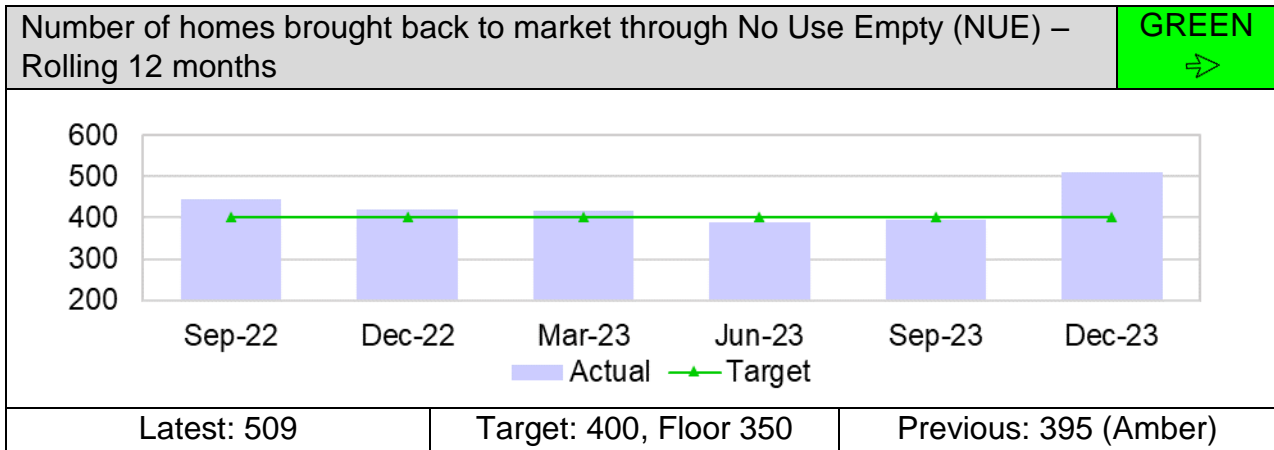
Kent Scientific Services

The Kent Scientific Services laboratory carried out a record number of tests during this Quarter, the highest level since records began being kept some 30 years ago. Samples numbers reported were 2,793, 35% up on the same Quarter last year and 140% up on the same period in 2019, pre-pandemic.

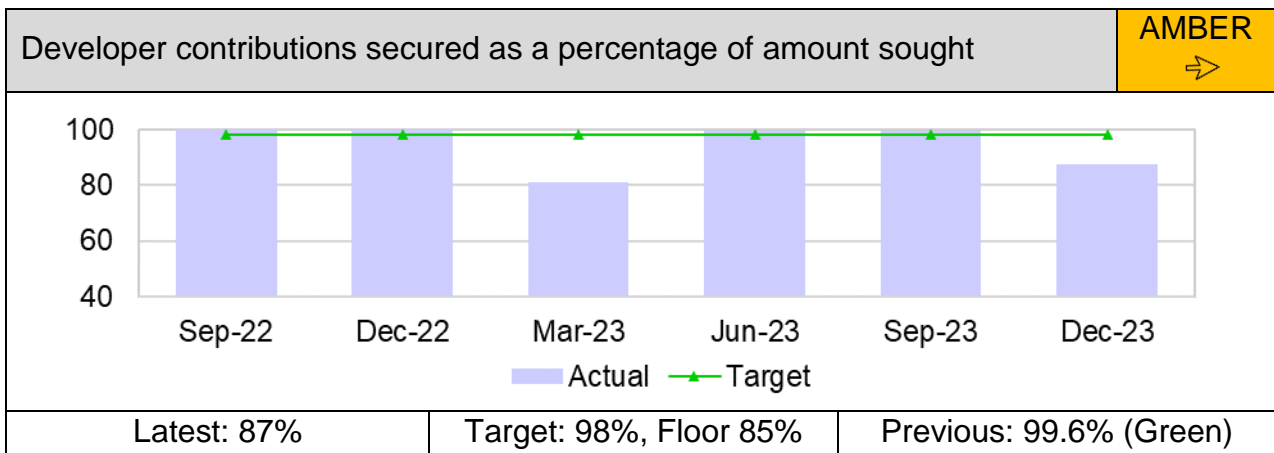
Kent Country Parks

The team have planted a total of 7,900 trees this year, which equates to 12,000 over the past 2 years. This will enhance the biodiversity by providing pollen and nuts for a diverse array of species. In East Kent we were gifted 86 disease resistant Elm trees by KCC's Plan Tree project. These trees were planted at both Brockhill and Pegwell Bay Country Parks.

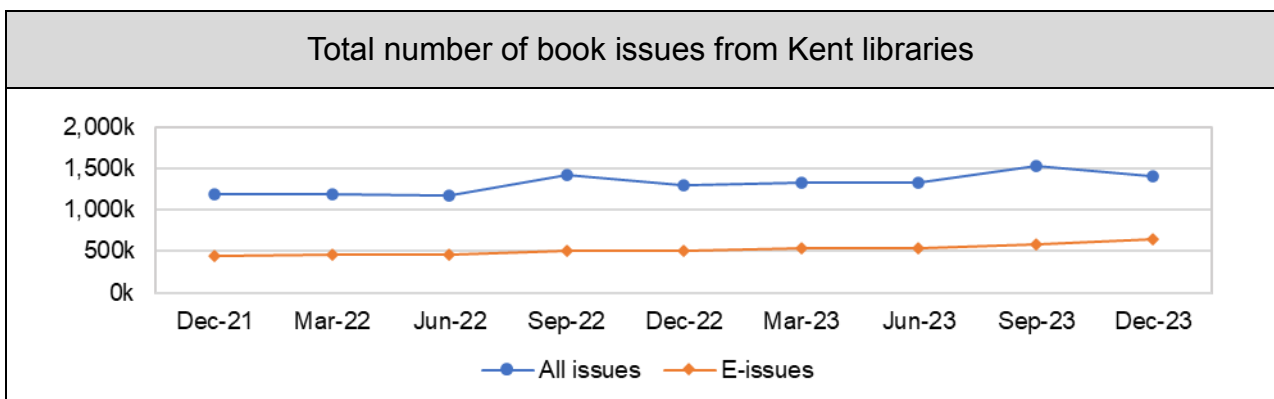
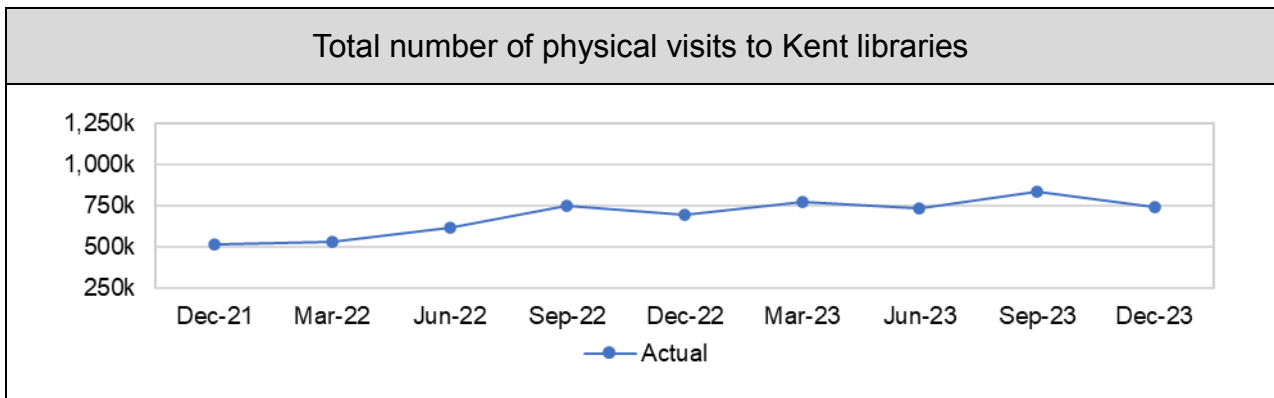
Key Performance Indicators



Actuals are totals for 12 months to end of Quarter shown.



Activity indicators



Environment and Transport

Cabinet Members	Neil Baker, Rob Thomas
Corporate Director	Simon Jones

KPI Summary	GREEN	AMBER	RED			
	4	2		2	4	

Highways

For Quarter 3, two of the Highways KPIs are RAG rated Green and two Amber. Highways teams and front-line staff continue to work at high capacity due to higher-than-expected numbers of enquiries.

Potholes repairs

To improve customer service and highway safety during the winter period when we have a peak demand on pothole repairs, we have empowered KCC Highways staff to complete minor and urgent repairs where it is safe to do so; this has created additional capacity in addition to repairs undertaken by our contractor (Amey). Staff have suitable material and tools in their vans to make repairs and this enables a faster response as our highway staff repair them as they come across them during regular inspections or when Stewards visit site following a fault reported by a customer. This data is now included in the KPI and gives a more accurate reflection of the repairs we have completed on time. The number of potholes requiring repairs this Quarter were 5,783, of which 5,329 faults were completed on time (Green RAG rating). **We continue to critically monitor the performance of Amey (our contractor), through the Contract Board and the Strategic Partnership Board to ensure improvements in service delivery.**

Emergency incidents

Attendance at Emergency Incidents within two hours of notification missed its target of 98% and delivered 95% (Amber RAG rating). The service attended 727 callouts with 36 failing the target attendance time but with all incidents made safe. There were periods of unsettled weather during the Quarter including persistent rain, strong winds and medium risk of flooding, which all increased demand. **Amey have put in place a roadmap to improve this service as well as the delivery of other routine repairs and we are working with them to ensure results get back on track as quickly as possible.**

Routine Faults

The total number of faults reported for repairs in Quarter 3 was 14,510, 15% higher than last year and at the high end of expectations due to adverse weather. 13,157 of these faults were completed on time 91%, (Green RAG rating). **As outlined above, this service is also part of the Amey improvement roadmap.**

Call back survey

The 100 call back survey was moved to bi-monthly in September 2023. The number of customers satisfied with the Highways & Transportation service fell sharply in that month (83%) but improved to just under target in November (93%). All feedback is passed onto service managers and our contractors to investigate and remedy.

Contacts and enquiries

The total number of customer contacts regarding highway issues in Quarter 3 was slightly down on last year's totals with 44,680 (compared to 46,931 for the same period last year). 24,085 of these were identified as faults requiring action by front line teams (compared to just under 24,336 for the same period last year) both are in line with expectations.

Use of the online reporting tool remains high with 65.5% of all enquiries in Quarter 3 coming directly from the public via the tool (compared to 64% for the same period last year). Work on a new reporting tool (My Kent Highways) has been delayed with a pause on the current program due to rising costs and delays from the supplier. It is anticipated that a decision on next steps will be taken during Quarter 4.

At the end of Quarter 3, there were 9,374 open enquiries (work in progress), which compares to 7,318 at the same time last year, reflecting the increased workload in some parts of the business. Overall workload has remained high through the last year and remains above expected levels.

Street Works

Dedicated road closure inspectors have now been recruited and are currently going through a training programme. Pressure on the teams remains high with ongoing high levels of emergency works which impacts the team's ability to effectively coordinate. Street Works are having a particular issue with Southern Gas Networks due to many large schemes, which would ordinarily be planned, coming in as emergency permits, many of which are affecting the strategic network. The Government have released a consultation which presents a series of reforms to street works regulations, which include:

- requiring at least 50% of any surplus lane rental funds to be spent on repairing potholes
- raising the level of fixed penalty notices that can be issued for 5 street works offences
- allowing overrun charges to apply at weekends and bank holidays

Road Safety

The casualty figures for Quarter 3, show an overall decrease of 207 casualties compared to the same quarter the previous year, and a decrease of 343 compared with the same Quarter in 2019/20 (pre-pandemic). For those casualties that were Killed or Seriously Injured (KSI), these were down by 1 compared to the previous year and down by 1 compared to the same Quarter pre-pandemic.

Quarter 3											
2023/24				2022/23				2019/20			
Fatal	Serious	Slight	Total	Fatal	Serious	Slight	Total	Fatal	Serious	Slight	Total
8	173	829	1010	17	165	1035	1217	6	176	1171	1353

Bikeability continues to be busy; across Kent over 8,000 children have received a Bikeability course, from Learn to Ride courses to Level 3 out on the road. We are hoping to reach 12,000 children by the end of the financial year.

Work undertaken as part of the KCC Vision Zero programme supports the five elements of the Safe System:

- Safer Roads and Streets
- Safer Speeds
- Safer Behaviours
- Safer Vehicles
- Post Collision Response (Working Group not yet formed)

In support of the Safer vehicles and Safer Speeds themes, our Safe Speeds and Enforcement (SSE) Team is continuing to provide minibus driver assessments for local schools and is currently trialling a new, streamlined, booking system. The team is also exploring a refresh of our in-house driving for work policy and options are currently being discussed with Union and HR representatives.

The SSE Team are also continuing with the temporary average speed camera trial. The cameras have been moved to a second test site and enforcement is about to go live. The Kent and Medway Safety Camera Partnership digital upgrade of equipment is almost complete with new Detling Hill average speed cameras now installed and operating.

In support of the Safer Behaviour theme, our Safer Road User Team has delivered various educational interventions:

- 'Road Safety Club' intervention to 4,654 Primary School Pupils across 53 different schools.
- 8 Secondary schools are currently piloting the new 'Road Sense' programme in year 7, reaching 1,477 pupils during this Quarter.
- Young Driver and Passenger courses were delivered to 1,110 young people embarking on their driving journey.
- 4 Mature driver presentations were delivered to 130 experienced drivers within Kent communities.
- The partnership Drink Drive campaign produced 2.3 impressions (potential views).
- Our new 'Young driver & Passenger - Speak Out' campaign produced 7.1 million impressions across social media.

Crash Remedial Measures & Local Transport Plan (LTP)

The 2023/24 Crash Remedial Measures (CRM) Cluster Site programme is now complete with final schemes being completed by our contractor. Not all schemes could be completed to programme this year due to competing demands for road space but regular communication with stakeholders is taking place and funds for committed schemes will be rolled forward to ensure these schemes can be delivered early in the Spring. The latest data from our annual review of crash cluster sites has been prepared and sites are being looked at where there could be engineering measures designed and delivered to reduce the likelihood and severity of collisions occurring.

In addition to the Cluster Site programme, the Highway Improvements Team (HIT) are also carrying out analysis of routes and junctions that have been identified as 'high risk' by a series of factors that identify them as having a higher than 'normal' level of collisions compared with similar sites. Schemes will begin to go through the design and associated engagement process in the coming months for delivery the next financial year. This cluster, junction and route review work forms a suite of Crash Remedial Measures (CRM) carried out by the authority in line with our Vision Zero approach.

The Highway Improvements Team (HIT) are also working with elected officials, members and parishes to assist them in delivering items that have been prioritised within their local Highway Improvement Plans. The HIT is currently tasking their small but focussed Community Engagement teams to support Parishes in their efforts to realise highway improvements that our communities are promoting. A high number of Parishes are now engaging with the HIT to develop their own prioritised Highways Improvement Plans.

The team continue to support Speedwatch activity, school travel plans and business grants. The team have continued regular dialogue looking at targeting their enforcement efforts based on representations received and also based on speed data.

The Active Travel team are continuing to work with the Member walking and cycling group and assist districts and boroughs with their walking and cycling plans and develop a Kent-wide Cycling and Walking Implementation Plan (KCWIP). The public consultation on the emerging KCWIP closed on 10th January and the findings will be looked at in Quarter 4. The team are developing and delivering schemes funded under Tranches 2, 3 and 4 of the Active Travel Capital Grant Fund. Further updates on our active travel fund programmes can be sought from activetravel@kent.gov.uk.

Traffic Management

Work continues with preparations for undertaking enforcement of moving traffic offences. The procurement process has taken longer than expected but we aim to commence enforcement around March/April at our first locations, which will be preceded by a press release. Additional proposed enforcement locations are out for consultation on our newly setup Moving Traffic Enforcement consultation hub on the Let's Talk Kent consultation page.

The Network Innovation team are working on developing Kent's strategy for the delivery of on-street charging infrastructure. The team have recently worked on a business case proposal and have been to our Environment and Transport Cabinet Committee, gaining approval to proceed with accepting £12m Capital funding from the Government's Local Electric Vehicle Infrastructure (LEVI) funding, from the Department for Transport. This will support the delivery of Electric Vehicle chargers for those residents without access to off-street parking and driveways.

Local Growth Fund (LGF) Transport Capital Projects

Through SELEP, KCC is managing £128m of Government funding from rounds 1 to 3 of the LGF. There are currently two schemes causing concern, Sturry Link Road and the Maidstone Integrated Transport Package.

For Sturry Link Road project, the Compulsory Purchase Order was enacted in November 2023 and 6 objections were received; however current information indicates that the project is likely to remain on programme for the land acquisition. The design and build contract has been issued to the contractor for signing. A further update was presented to the last SELEP Accountability Board in February 2023, prior to SELEP disbanding.

Transport Strategy

The National Highways' Development Consent Order (DCO) application for the new Lower Thames Crossing completed its six-month Examination on 20th December 2023. Open Floor, Compulsory Purchase, and Issue Specific Hearings on the project's construction and operational effects, environment and biodiversity, traffic and transportation, social, economic and project delivery, and on the draft DCO, took place in October and November. In total there were 14 Issue Specific Hearings over the Examination period.

Work funded by National Highways on the desktop study to develop local road mitigations for the wider network impacts also concluded and this helped to inform KCC's oral and written submissions to the Issue Specific Hearings, responses to the Examining Authority's Written Questions and commentary on the draft DCO with suggested draft text put forward for additional Requirements. In total there were 12 written deadlines during the Examination.

The Section 106 offer from National Highways was not agreed by KCC as it did not provide most of what KCC requested. Instead, a Unilateral Undertaking provides funding for KCC to draw down on for staff time for work required on the Local Road Network as part of the scheme, funding for a pedestrian crossing on Valley Drive in Gravesend to address severance issues, funding for a study on potential HGV restrictions on local roads in Gravesham and funding for projects in the Kent Downs National Landscape. An Urgent Decision was taken in December to allow KCC to enter into a legal Side Agreement with National Highways for financial compensation for the potential impact on visitor numbers to Shorne Woods Country Park during the construction phase. It is expected that this Side Agreement will be sealed in the next Quarter. A decision on whether consent is granted for the new Lower Thames Crossing will be taken by the Secretary of State following the recommendations of the Examining Authority, but this is not expected until June 2024 at the earliest.

Work to develop a new Local Transport Plan 5 (LTP5) for Kent has continued with the resumption of the Member Task and Finish Group to guide the development of the full plan following completion of the 12-week public consultation on a draft emerging plan in the previous Quarter.

Gatwick Airport's Development Consent Order (DCO) application for routine use of its Northern Runway, in combination with its main runway to increase the airport's capacity, was accepted by the National Planning Inspectorate and progressed through its pre-Examination stage. KCC registered as an Interested Party and submitted a Principal Areas of Disagreement Summary Statement and a Relevant Representation summarising the issues it wants to be examined, which mainly concern the noise impacts over west Kent, when the Examination commences next Quarter.

Resource Management & Circular Economy

The KPI target on diversion of waste from landfill continues to be met, with 99.9% of waste over the last 12 months being recycled, composted, or used for energy generation. For comparison, Essex and Hampshire achieved 53.2% and 98.8% respectively for the latest year information is available (2021/22). The 0.1% going to landfill includes asbestos, with landfill being the only approved way to dispose of this material.

The total volume of waste collected over the previous 12 months increased for the third Quarter in a row following previous reductions. Kerbside waste volumes are 8% above pre-pandemic levels and HWRC volumes down by 32%, with total waste collected similar to pre-pandemic levels.

Energy and Climate Change

Over 10,900 residents have registered for the third phase of the Solar Together collective buying scheme and the second registration window this year was open until the end of October. Over 2,700 homes have been installed with solar panels and/or batteries since the first phase opened in 2020 and the first 2 schemes leveraged over £15m of resident investment in renewable energy.

The greenhouse gas emission target for Quarter 2 2023/24 has been met with a total of 11,773 tCO₂e of greenhouse gas emissions compared with the target of 13,454 tCO₂. Electricity generated by KCC's Bowerhouse II solar farm is having a very positive impact on offsetting KCC's emissions. Emissions remain ahead of the target, placing us in a good position to deliver our Net Zero target by 2030, however, KCC and our traded companies still need to continue to reduce estate and vehicle emissions to ensure we meet our target.

Natural Environment and Coast

Plan Tree

Following a strategic workshop in October, the Kent and Medway Plan Tree Partnership (KMPTP) decided to focus on green finance, agroforestry, planning policy, and trees for streets. We hope to support the development of green finance and nature markets in Kent to enable private investment in the delivery of ecosystem services and a range of profitable environmental outcomes.

We are now nine months into the Woodland Creation Accelerator Fund (WCAF) project, managing three rounds of the Local Authority Treescape Fund (LATF):

- 2021 LATF1 £300K: Planting has finished. The final claim was approved and paid. The Forestry Commission have issued a new agreement for three years maintenance (aftercare) up 2026/27.
- 2022 LATF2 £100K: Year 1 planting complete. Interim claim approved and paid. Year 2 planting at 9 sites is in progress. Maintenance will continue until 2027/28.
- 2023 LATF3 £300K: Received formal offer of funding in November. Year 1 planting at 23 sites is in progress. Maintenance will continue until 2028/29.

We have begun the bid application for round 4 of the LATF, with a focus on replacing failed or felled street trees, planting disease-resistant elm cultivars (emerging from hedgerows), and riparian planting along riverbanks. We are also hoping to externally fund the Members Trees Scheme and collaborate with district councils which have low canopy cover and social deprivation.

In November, we successfully transplanted 350 disease-resistant elm cultivars targeting sites with colonies of the rare White-letter Hairstreak butterfly with partners from our 'Elm Heritage Kent' project.

The project continues to engage with community groups and school children through volunteer planting events and aftercare days hosted by Kent's Plan Tree team and the Countryside Management Partnerships. Together we will enable a further 60,777 trees over the 2023-2024 planting season, bringing the predicted cumulative total to 223,634 trees by end of 2024.

Kent & Medway Local Nature Recovery Strategy (LNRS)

The Project was launch on 5th October in Lenham with over 150 people attending from a wide range of stakeholders from the public, private and voluntary sectors.

Between October and December the project has focussed on building the stakeholder database, promoting the start of the project, establishing communication channels and getting in place the various project delivery structures. This includes the establishment of four technical advisory groups focusing on data, mapping & evidence, species recovery, landowners and communication & engagement – initial meetings of these were held in December. Partnership agreements have been drawn up with Kent Wildlife Trust and Kent & Medway Biological Records Centre for their technical input to the project.

Project officers have also attended numerous meetings, forums and networks to introduce the project and how to get involved. There has also been a number of instructional webinars for the development of the LNRS.

Work has commenced on the first map – areas of particular importance for biodiversity – and the development of an “action for nature” mapping tool. Online sector specific briefings have been prepared and are also underway for the stakeholder workshops on pressures and priorities in Quarter 4.

Biodiversity Net Gain (BNG) and Ecological Advice Service

Work has continued on finalising the interim strategic significance guide for Kent & Medway, the online BNG sites register and detailed guidance for the county's planning authorities. Introductory training has also now been provided but this will need to be repeated, following publication of the BNG regulations and statutory guidance in November.

Recruitment to build capacity of the Ecological Advice Service team, in response to the anticipated demand as a result of BNG has also been concluded. Funded by the district's BNG grants, we have recruited two graduate Biodiversity Officers and two Biodiversity Officers.

Explore Kent

Explore Kent's digital channels saw strong engagement with over 22,500 followers on X (previously Twitter). Over 6,500 followers on Instagram (280 new followers), and over 10,800 followers on Facebook (260 new followers). Our website [ExploreKent.org](https://www.explorekent.org) had a total of 137,583 page views and 9,589 of our route guides were downloaded.

In October, Explore Kent coordinated the Green Social Prescribing Network. Drawing together partners from health, social prescribing and providers of green space, interested in developing green social prescribing initiatives across the county. Around 50 partners were represented at the network. Funding was the main theme of the agenda, with guest speakers from the Office for Health Improvement and Disparities (Southeast Regional Public Health Group), and the Medway and Swale Health and Care Partnership, who shared information about a new funding model where funding follows referrals. Information was also shared with the network about the [Positive Wellbeing project](#), a social prescribing project utilising Kent Community Wardens to combat social isolation.

Throughout the quarter on our social media channels, we highlighted important campaigns including Purple Tuesday (improving accessibility), World Mental Health Day and Four-Wheel Fridays. Throughout December we promoted family walks and seasonal blogs, which included ways to boost wellbeing and getting active during the winter season.

We continued to promote the enjoyment and respect of the public rights of way network, through use of short promotional films, for example: [Explore Kent's Trails \(youtube.com\)](#) and [Explore Easy Access Trails \(youtube.com\)](#). We also promoted the newly opened sections of the King Charles III England Coast Path from Ramsgate to Whitstable. This included planning to promote health and wellbeing in GP practices. We promoted footpath and bridleway improvements on our social media channels to highlight the public rights of way improvements being undertaken by the team.

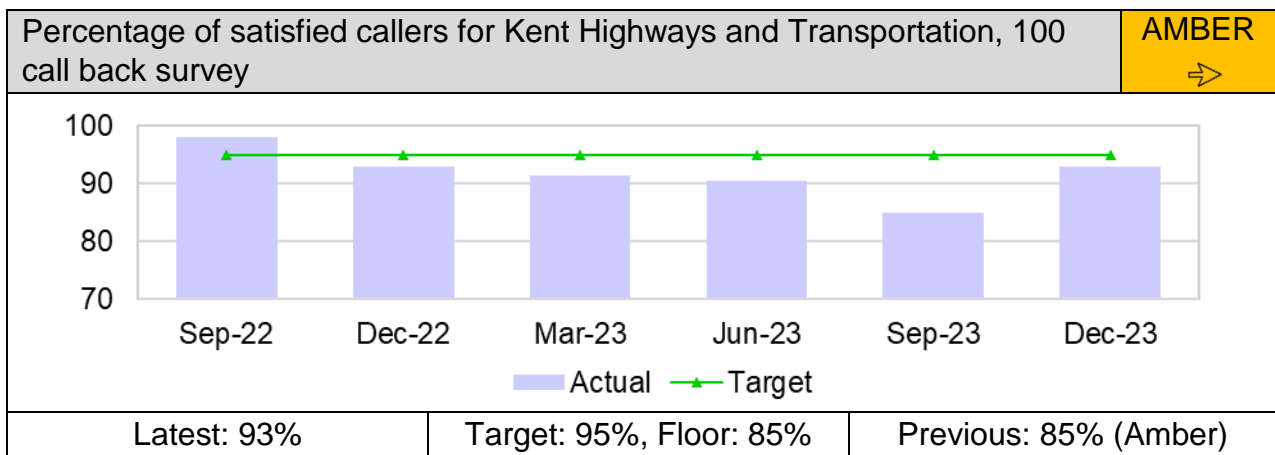
We have started working with Medway Council to create an 'Explore Medway' section of our website, promoting the benefits to being outdoors, having access to green and blue spaces and local walking and conservation volunteering opportunities in the area.

We continued working with the Active Travel Team and partners to promote walking and wheeling for short journeys, utilising a range of promotional films, for example: [What is Active Travel? \(youtube.com\)](#) and [The Big Bike Revival \(youtube.com\)](#). We also implemented a social media campaign promoting our town maps to encourage residents to walk and cycle in their local area which reached more than 83,000 people.

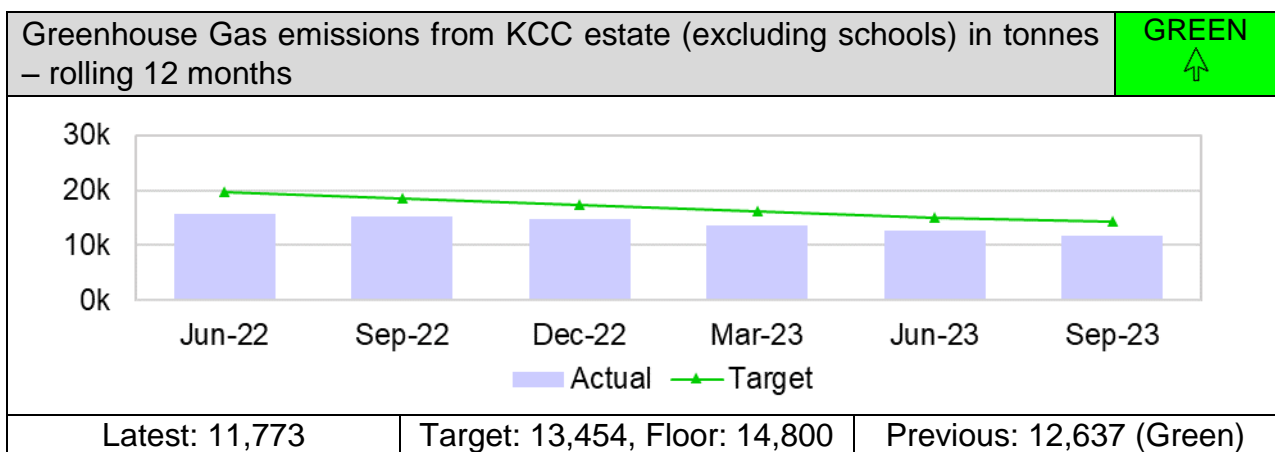
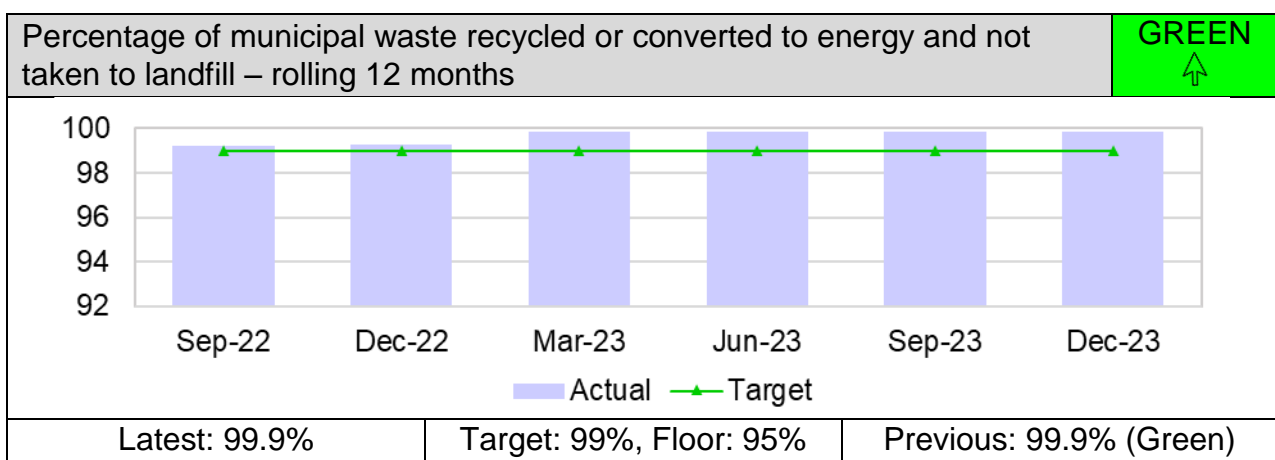
We worked to promote the mental and physical health benefits of being active outdoors, working with partners, including coordinating a Countryside Communications group (Active Kent and Medway, Country Parks, Kent Downs National Landscapes) to collaborate on campaigns.

Key Performance Indicators

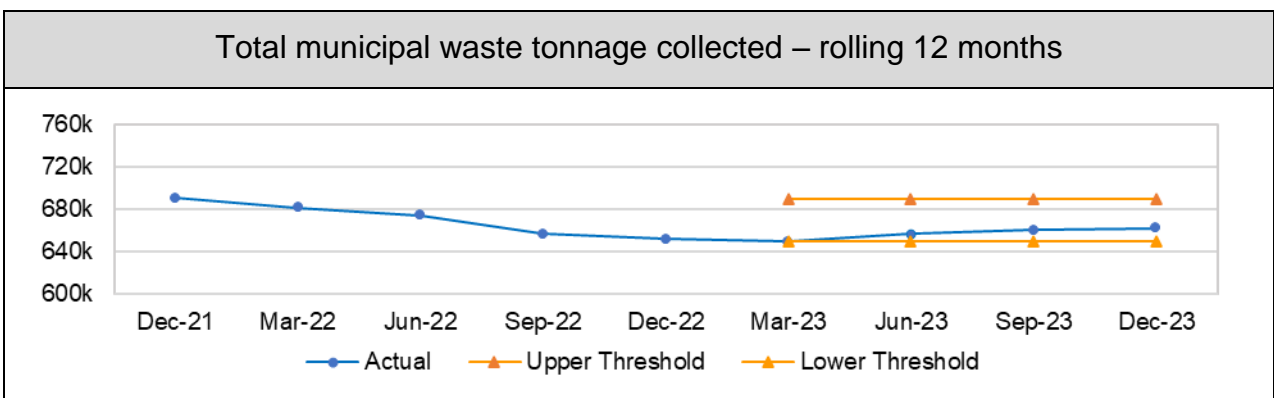
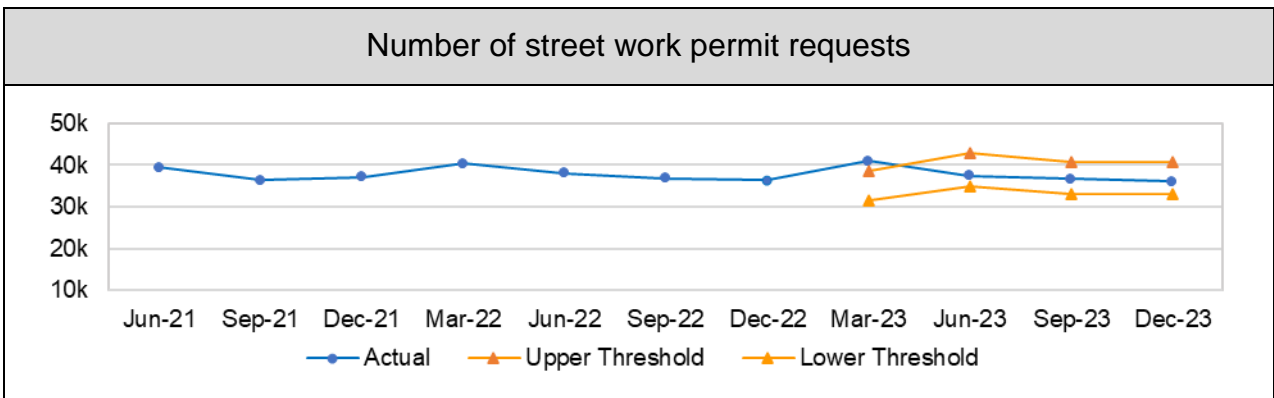
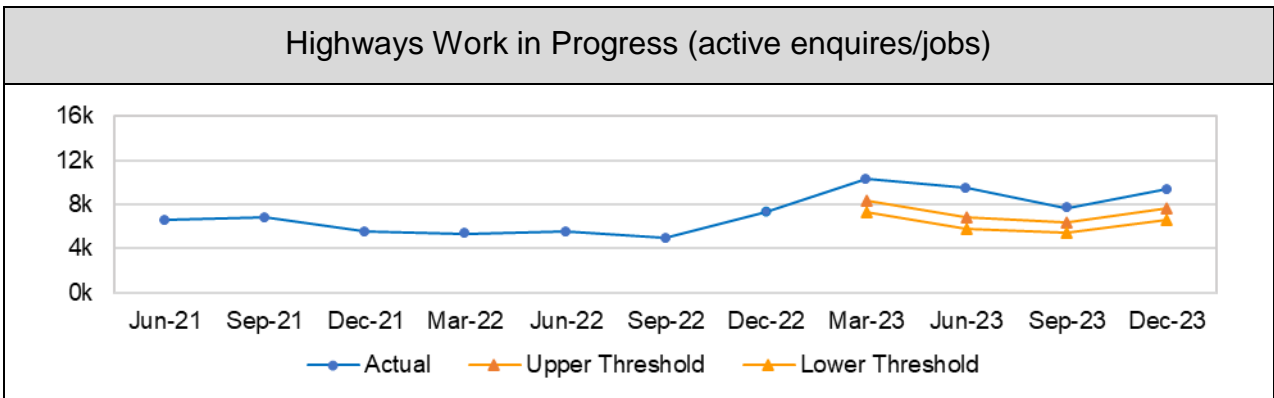
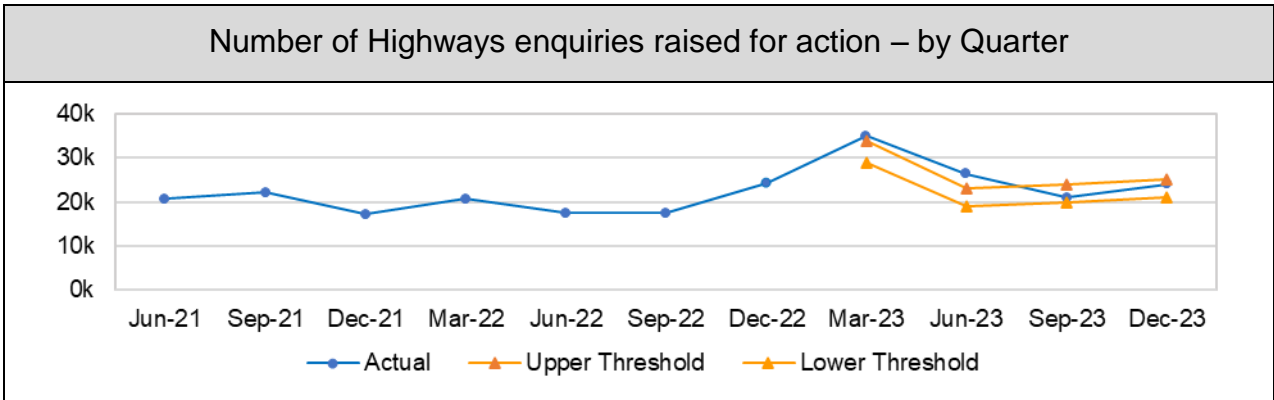
Percentage of routine pothole repairs completed within 28 days			GREEN ⇒																					
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Percentage of routine highway repairs reported by residents completed within 28 days			GREEN ⇒																					
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NB: The September 2022 Quarter includes results for July 2022 only; the September 2023 Quarter includes results from July and September only. The survey was paused in the other months so the Contact Centre could prioritise incoming calls. The survey has moved from monthly to bimonthly from the December 2023 Quarter onwards.



Activity indicators



Children, Young People and Education

Cabinet Member	Rory Love, Sue Chandler
Corporate Director	Sarah Hammond

KPI Summary	GREEN	AMBER	RED	↑	⇒	↓
	5	5	4	1	6	7

Schools

Based on the inspection data as at the 31st December 2023, 91% of schools in Kent (540 of the 591) were Good or Outstanding, compared to the national figure of 89%. The percentage of Primary schools judged as Good or Outstanding at 92% is similar to the national figure of 91%. 88% of Secondary schools were judged to be Good or Outstanding which compares favourably to 83% nationally. The percentage for Special schools, at 92%, was two percentage points higher than the national position. All six Alternative Provision schools (100%) were good or outstanding compared to the national figure of 86%.

Implementation of the Education Inspection Framework (EIF) this quarter continues to focus on attendance, in particular persistent absence and attendance for disadvantaged pupils and pupils not in school, with some slight changes to the inspection of safeguarding to ensure there is a proportionate response to safeguarding concerns where these are easily rectified. Personal development, equality and diversity, and relationships and sex education (RSE) remain a focus of inspection, especially in special schools, where Personal, Social, Health and Economic (PSHE) can be a deep dive subject. Mitigation around shifts in the framework continue to be communicated to school leaders through all our usual communication channels and adviser visits. This will be even more vital in Quarter 4 with the new HMCI (His Majesty's Chief Inspector), and the changes announced following the inquest for Ruth Perry. New guidance was issued in January 2024 advising of Ofsted's policy for deferring or pausing a school inspection.

Early Years

The latest inspection data for the percentage of Early Years settings rated Good or Outstanding is 97%, one percentage point below the target but two percentage points higher than the national average of 95%.

For early years group settings, The Education People (TEP) continues to support all good and outstanding settings through Annual Conversations, but prioritises those due an Ofsted inspection to assist them in retaining a good or better Ofsted judgement, making clear recommendations where appropriate and offering the 'Securing Good' programme to those in their inspection and not meeting at least Good Ofsted grade descriptors. Settings with a Requires Improvement or Inadequate judgement receive targeted and bespoke support, with support for plans of action and follow up visits as required. New settings are also offered support in readiness for first inspection.

In the 2023 Autumn term, the take up of Free for Two claims against those potentially eligible on the Department for Work and Pensions (DWP) list increased to 79.0% with 3,335 children being funded. Last year the take up figures for Autumn 2022 were 74.1%.

Established and regular communications with the Early Years and Childcare Sector continue, including the scheduled termly (six times annually) generic Early Years and Childcare Bulletin, with communications in between these being sent when appropriate and necessary with ongoing contact with individual providers as required. Three times annually, a county-wide round of Briefing and Networking Sessions are offered. The Early Years and Childcare Service's Threads of Success training offer continues to be delivered principally on virtual platforms, as recruitment and retention challenges continue to make it very difficult for providers to attend face-to-face training, even when this is funded and therefore free for providers to attend.

SEND (Special Educational Needs and Disability)

Based on the rolling 12-month average to December 2023, 17% of Education, Health and Care Plans (EHCPs) were issued within 20 weeks excluding exceptions (336 out of 2,002). The percentage of annual EHCP reviews waiting over 12 months is 54%, four percentage points above the target of 50%

The number of Education Health and Care Plans (EHCP) completed within 20 weeks is expected to remain below the target while the service balances completion of the backlog of older cases for those children and their families who have been waiting the longest. **A dedicated backlog team identified 1,080 out of timescale cases on 1 September 2023, which had been reduced to 521 by the end of December. This backlog is expected to be cleared by April.** In all of these cases the 20-week timescale had already been exceeded and have therefore significantly contributed to the current performance.

While 20-week performance remains low, there has been a steady month-on-month improvement since new training was implemented in September. **Overall staff output has considerably increased, with output September to November each exceeding previous records for the year. Output is on track to achieve a sustainable level to fulfil average demand levels by the end of the financial year.**

Quarter 3 saw 11% more requests for assessments than the same period last year, which highlights that staff capacity and training are still subject to external factors that can impact plans unexpectedly. Application requests return to "normal" levels in December, but the impact of the increased workload should be expected to impact performance in 20+ weeks, as applications work through the system.

Phase transfer is the process for arranging placements for children or young people who are moving from one phase of education to the next. **This year's phase transfer project is continuing with the aim to support more children with EHCPs in mainstream settings, particularly their nearest mainstream school, and ensure maintained special school places are available for those children with the most complex needs. This strategy will reduce the number of children transitioning into specialist settings and contribute to reducing pupils placed in the independent sector over time.**

Wider Early Help

Eighty-nine pupils were permanently excluded during the rolling 12-month period to December 2023, which equates to 0.04% of the school population. 24 were issued to 'primary' phase pupils and 65 to 'secondary' phase pupils. The current level of pupils excluded is comparable with the rolling 12-month period to March 2016 (86 pupils – 0.04% of the school population). Dartford district accounted for 19 (2 'primary' phase and 17 'secondary' phase) of the 89 pupils excluded across the County, followed by Maidstone district with 14 pupils (3 'primary' phase and 11 'secondary' phase) and Tonbridge and Malling district with 10 pupils (3 'primary' phase and 7 'secondary' phase) in the rolling 12-month period to December 2023.

There have been 42 permanent exclusions in Kent since the start of the academic year 2023/24, of which 13 have been at primary phase and 29 secondary phase. 40% of these exclusions have involved physical assault by pupils towards staff and/or their peers. This figure could have been higher, however some robust, proactive and creative multi-agency partnership working has resulted in 14 pupils seeing their permanent exclusions being cancelled by Headteachers due to other pathways being pursued.

The PRU, Inclusions and Attendance Service (PIAS) is working in partnership with an Inclusion Champion from a Kent primary school to analyse a cross section of permanent exclusions issued this academic year to identify common themes and develop additional processes to support schools to ensure all interventions are exhausted and exclusion remains a last resort as detailed in the Department for Education guidance on suspensions and exclusions issued in September 2023. PIAS continues to provide regular training to governing boards and academy trustees across the county's schools to ensure all cases of permanent exclusion are thoroughly scrutinised and is promoting the use of data to address cases where suspensions are occurring on a regular basis.

The number of First-Time Entrants to the Youth Justice System in Kent in December, at 330 (rolling 12-month figure), continues to be above the target of 270 and is RAG-rated Amber.

Despite the Kent Youth Justice partnership (including Adolescent Early Help, Youth Justice, and Police) launching 'Outcome 22' (O22 - Diversionary, educational or intervention activity) the previous Quarter, this has not been promoted by Kent Police as much as anticipated, as it has been announced that O22 is under national review. There are consequently small numbers of O22 referrals thus far, which means we are not seeing a significant decrease in first time entrants into the youth justice system. We work closely with Kent Police to stay up to date with national and local developments in respect to this.

The Youth Justice service manager is working with quality assurance and information governance colleagues within KCC to introduce a performance framework to scrutinise the success of diversion work to reduce first time entrants. This will be presented to the County Youth Justice Board on a quarterly basis for oversight and scrutiny.

Kent continues to deliver the 'Turn around' prevention programme, and has increased the numbers of children supported. The programme works with providers to promote a suitable education, training or employment offer for each child, and works with children and their families, alongside Early Help, to work towards full-time participation. In the longer term, by engaging those children in full time education, training or employment, this programme will safeguard those children, prevent their offending, and further reduce numbers of First Time Entrants.

Early Help

At the end of December 2023, there were 2,370 open family cases with Early Help units providing support for 4,747 children and young people under the age of 18. This is a 5.9% increase in the number of families supported compared to the end of the previous Quarter but 7.2% fewer families compared to Quarter 3 last year.

The performance measure for 'Percentage of Early Help cases closed with outcomes achieved returning to Early Help / Social Work teams within 3 months was 14.4% for the rolling 12 months to December 2023, similar to the previous Quarter (14.2%) but continuing to achieve the target of below 15.0%.

Children's Social Care - Staffing and Caseloads

The number of open cases (including those for care leavers above the age of 18) was 11,385 on 31st December, a decrease of 829 children and young people (629 of whom were UASC) when compared to the end of the previous Quarter.

There were 5,632 referrals to children's social care services in the Quarter, a reduction of 11.4% when compared to the previous Quarter but an increase of 3.7% when compared to the same period last year. The rate of re-referrals within 12 months for the 12 months to December 2023 was 23.8%, compared to 23.2% the previous Quarter, continuing to achieve the target of below 25.0%. This compares to the England average of 22.4% for 2022/23.

The percentage of case-holding social worker posts held by permanent qualified social workers employed by Kent County Council (73.0%) fell further below the floor standard of 75.0%. **Management actions being taken, regarding the recruitment and retention of Social Workers, include: a focus on reducing caseloads and administrative burdens to assist with the retention of social workers; participation in the Frontline programme which funded 12 Social Work Apprenticeships along with Kent's own Step-up to Social Work Apprenticeship programme.** The average caseload for Social Workers in Children's Social Work Teams was 21 cases in December 2023, the same as the previous Quarter and above target caseload of no more than 18 cases. This has reduced from an average of 25 cases at the end of Quarter 1 (June 2023).

Child Protection

On 31st December 2023, there were 1,180 children subject to a child protection plan, a decrease of 114 from the end of the previous Quarter. The rate per 10,000 children (aged 0-17) was 35.1 which remains below the last published rate for England of 43.2 (31st March 2023). The percentage of children subject to a Child Protection Plan for a second or subsequent time reduced by 1.3% in the Quarter, from 20.4% in September 2023 to 19.1% in December 2023. This is within the target range of between 17.5% and 22.5% and compares to an average for England of 23.6% (March 2023).

Children in Care

The number of non-UASC children in care increased by 152 in the Quarter to 1,466. The number of unaccompanied asylum seeking children (UASC) in care decreased by 272 to 531 with some of these young people awaiting transfer to another local authority under the National Transfer Scheme. The number of children in care placed in Kent by other local authorities (OLA) decreased by 14 children over the Quarter to 1,246.

Status	Mar 23	Jun-23	Sep-23	Dec-23
Non-UASC	1,505	1,491	1,314	1466
UASC	448	491	803	531
Total	1,953	1,982	2,117	1997
Gender				
Male	1,254	1,296	1,514	1329
Female	696	683	600	666
Non-binary	3	3	3	2
Age Group				
0 to 4	272	253	175	253
5 to 9	220	233	189	231
10 to 15	689	690	717	665
16 to 17	772	806	1,036	848
Ethnicity				
White	1,392	1,392	1,235	1344
Mixed	109	104	99	109
Asian	26	31	26	23
Black	93	100	194	110
Other	333	355	563	411

The percentage of Children in Care (excluding UASC) placed in KCC in-house foster care or with family/friends decreased in the Quarter from 75.2% in September 2023 to 74.5% in December 2023, below the floor standard of 75.0%. **Performance against this measure is impacted by extended timescales of care proceedings and the availability of in-house foster placements, which is a national issue. Kent Fostering is part of a cluster of Local Authorities who received DfE funding to support a national approach to the recruitment and retention of Local Authority Foster Carers. A national recruitment hub is in development, alongside funding to set up a Mockingbird Scheme to provide additional support to existing foster carers. From 1st April 2024, Kinship assessment and support services will be centralised and move into the fostering service, to improve the offer to all types of kinship carers including Special Guardians and Connected Person Foster Carers. The aim will be to increase the numbers of children placed with family and friends within their community network and reduce those needing a mainstream in house foster placement.**

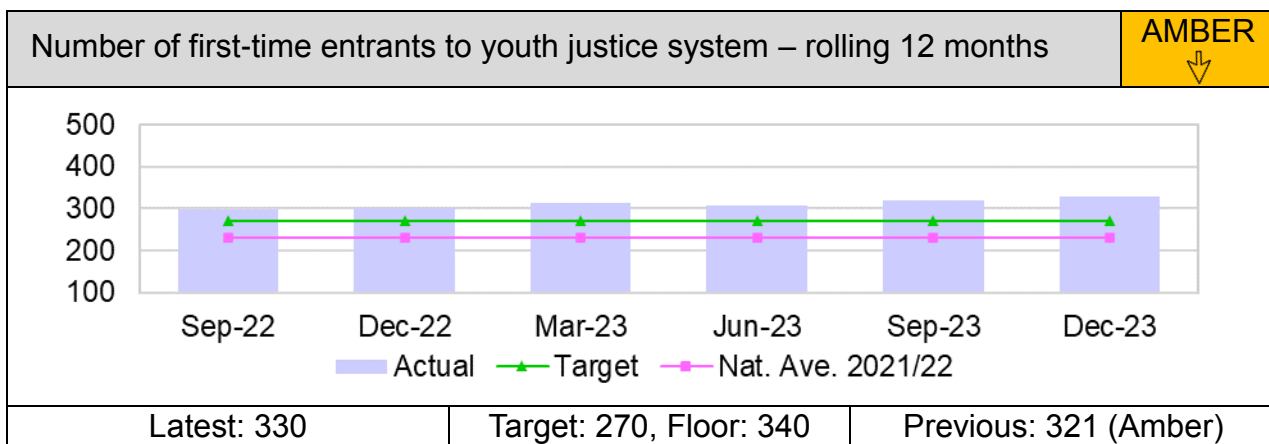
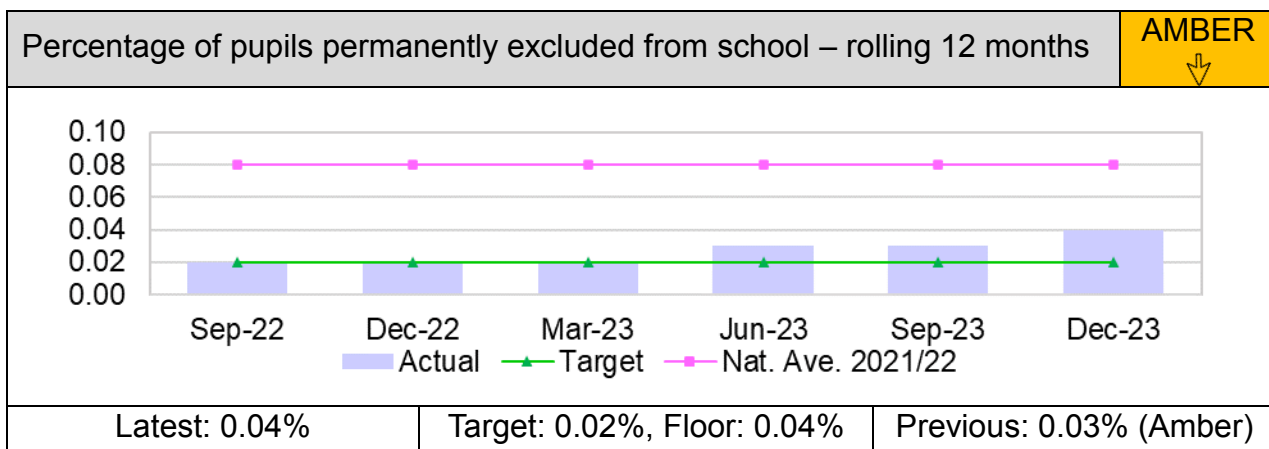
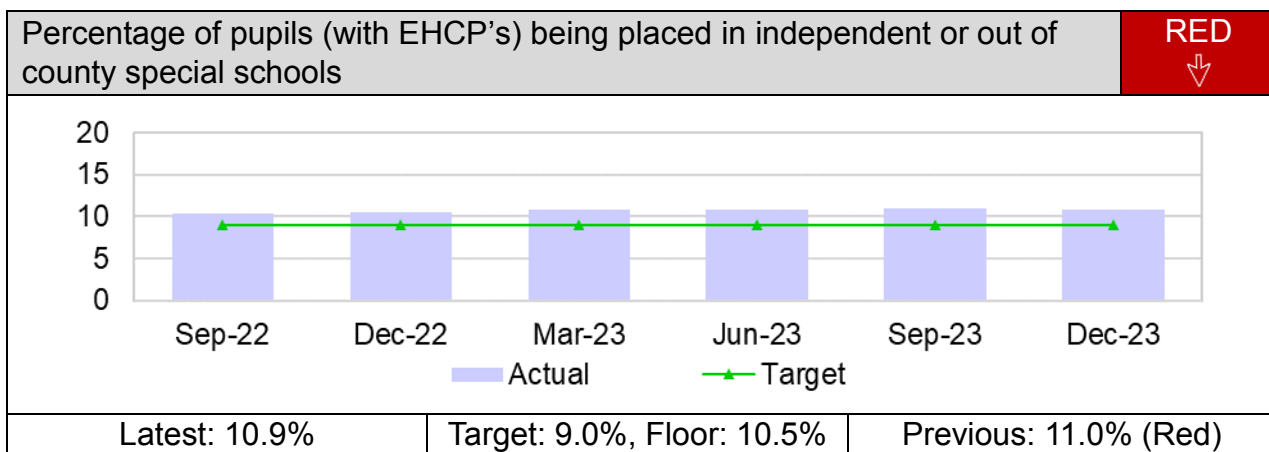
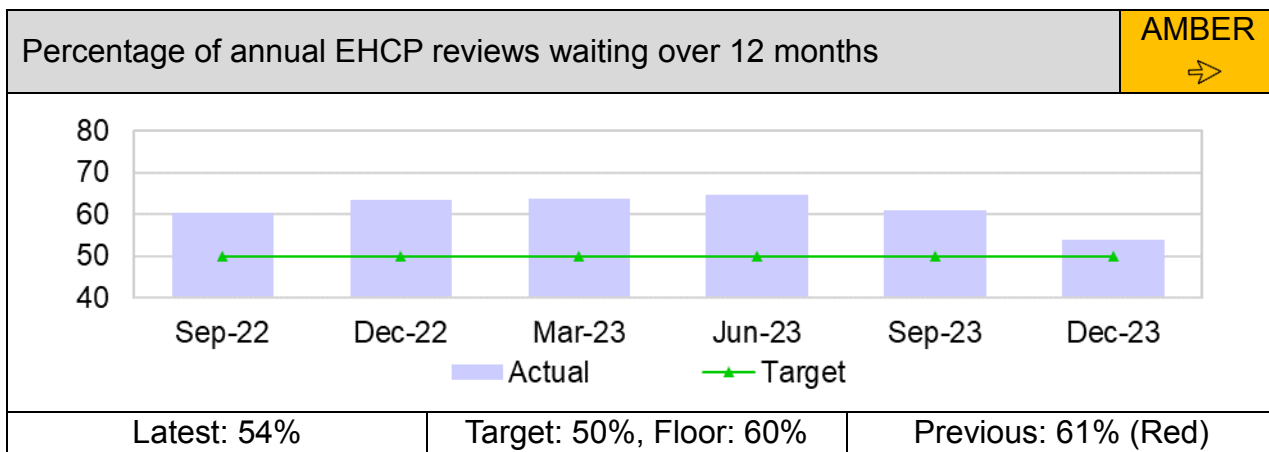
For children adopted in the last 12 months, the average number of days between coming into care and moving in with their adoptive family continues to outperform the nationally set target of 426 days. The average number of days for Kent's children at the end of December 2023 was 354 days, a decrease when compared to the average of 363 days at the end of the previous Quarter.

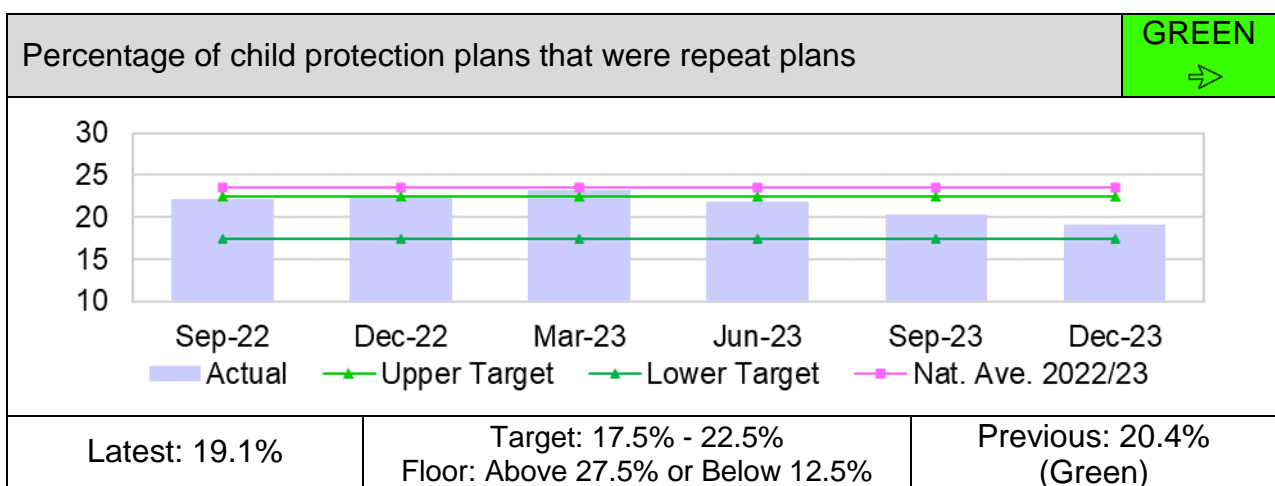
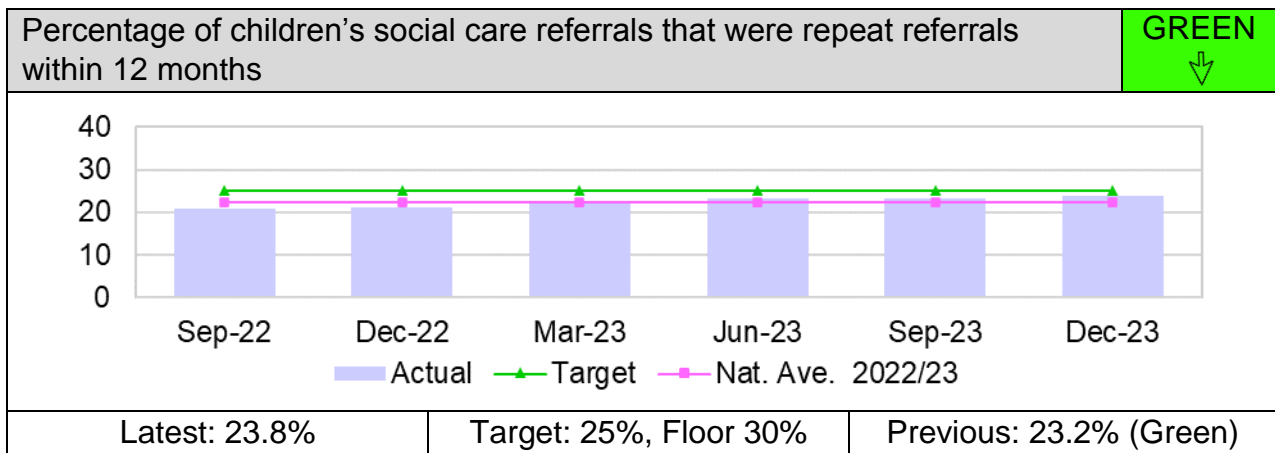
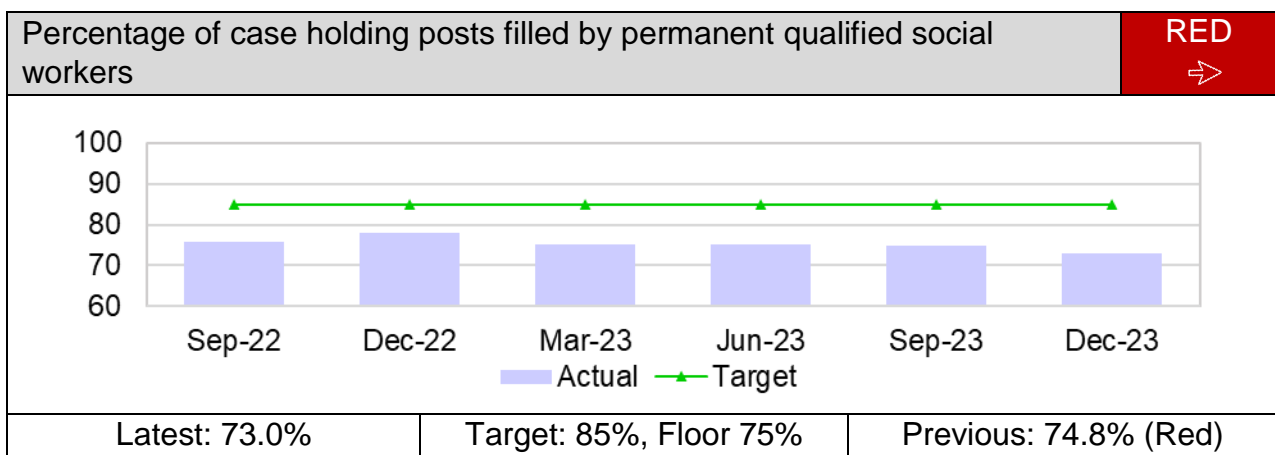
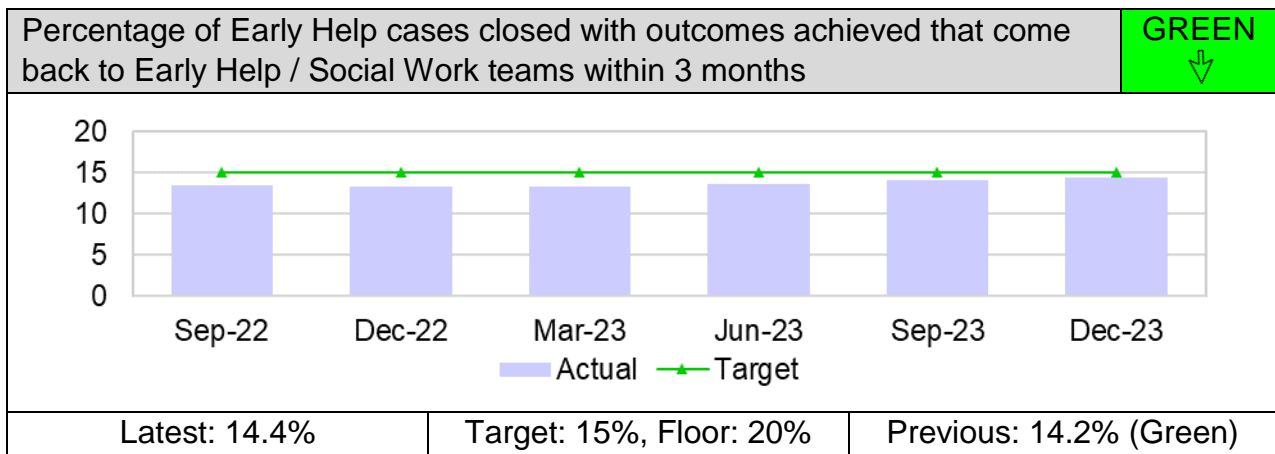
Care Leavers

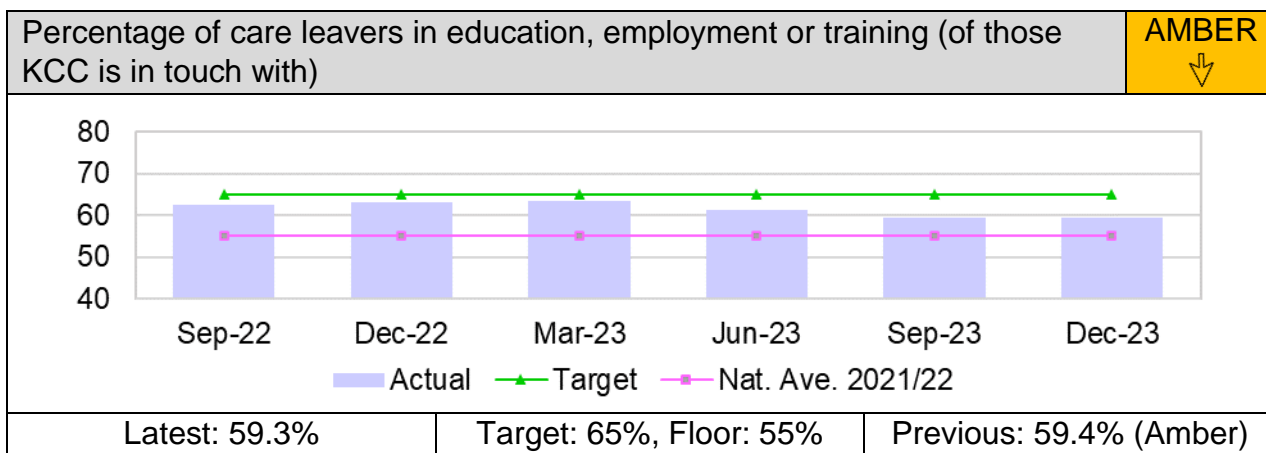
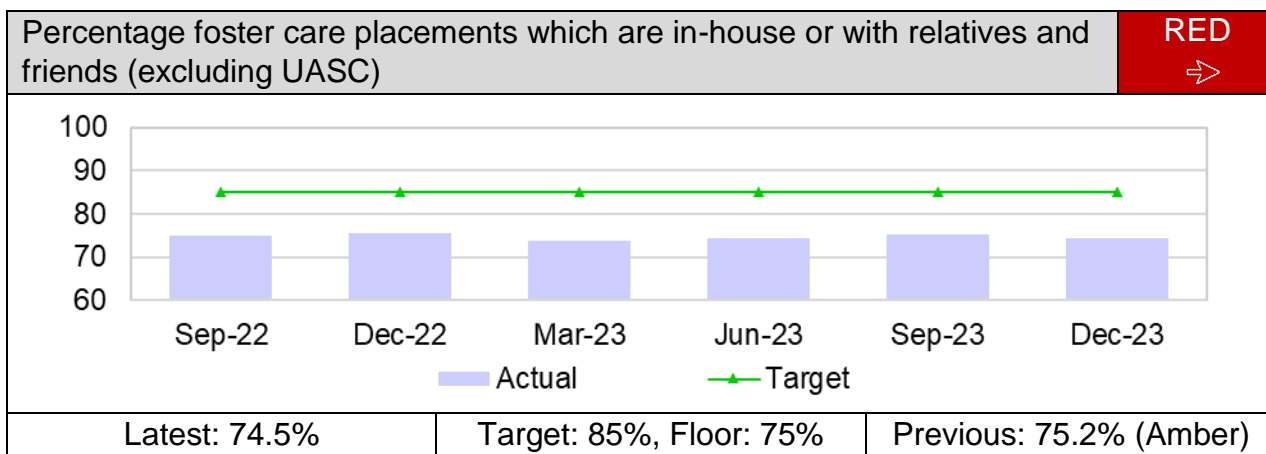
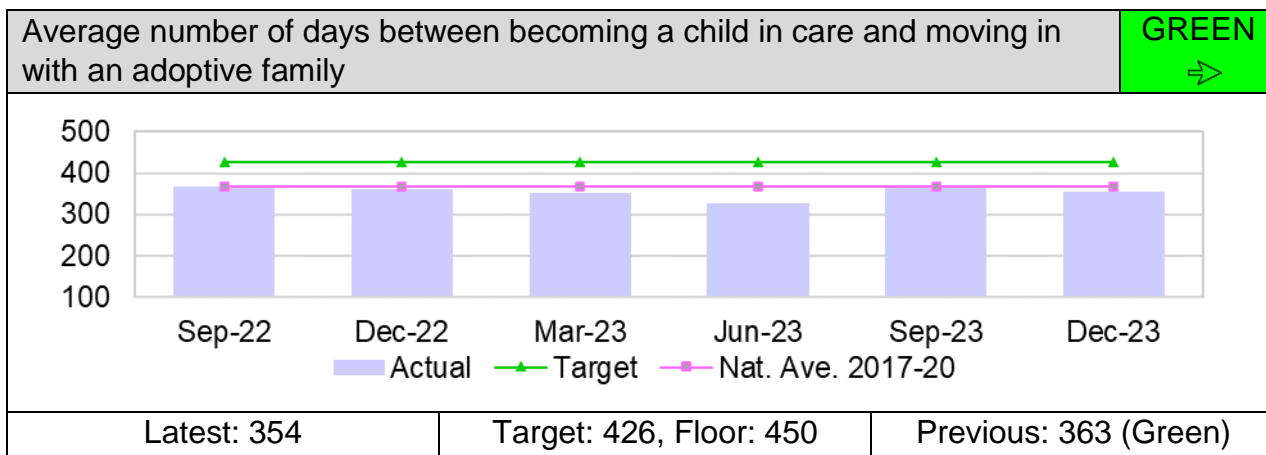
The number of care leavers at the end of December 2023 was 2,043, a decrease of 60 from the previous Quarter. Of the 2,043 care leavers, 1,008 (49.3%) were non-UASC care leavers and 1,035 (50.7%) were UASC. The percentage of care leavers in education, employment or training, at 59.3%, has remained below the target of 65.0%.

Key Performance Indicators

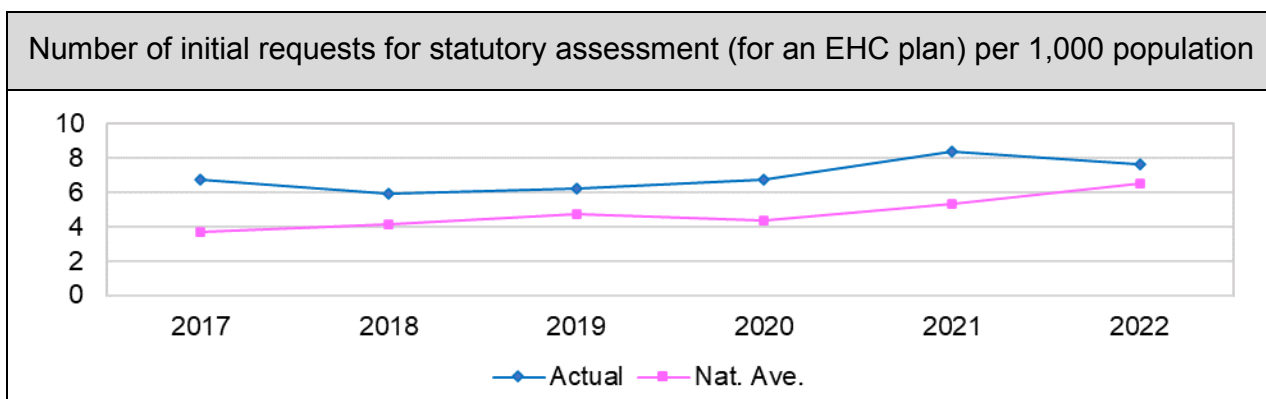
Percentage of all schools with Good or Outstanding Ofsted inspection judgements		GREEN ➔																												
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Latest: 91%	Target: 90%, Floor: 87%	Previous: 91% (Green)																												
Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises)		AMBER ⬆																												
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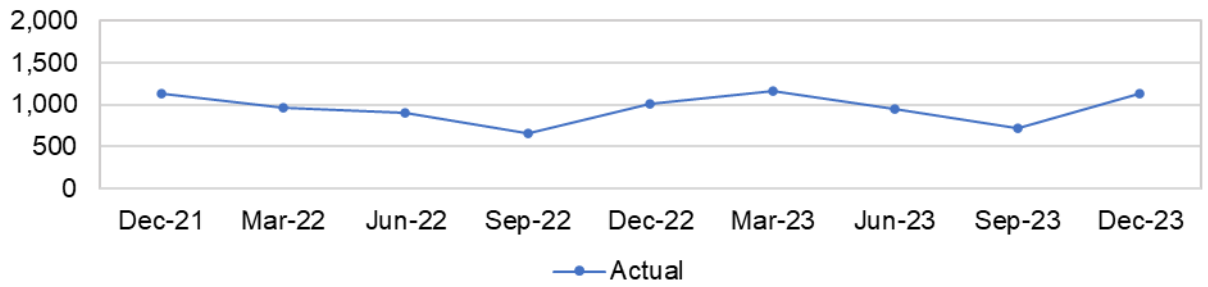




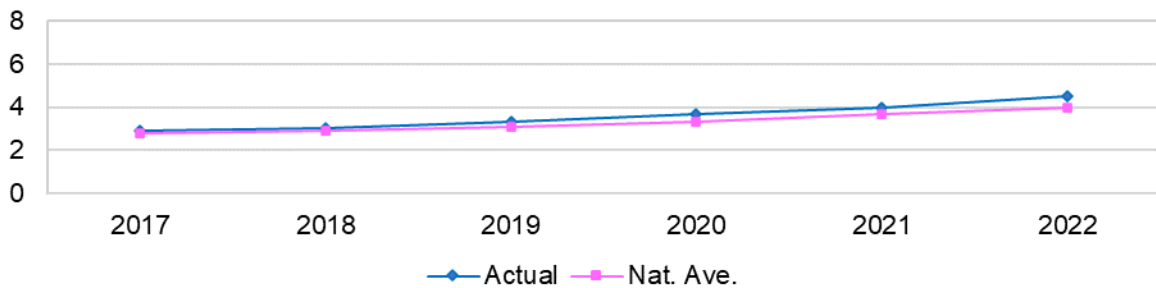
Activity indicators



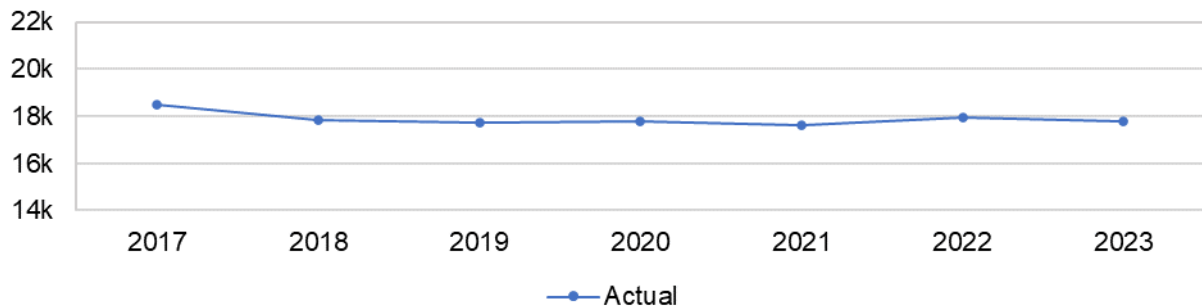
Number of initial requests for statutory assessment for an EHC plan (Quarterly)



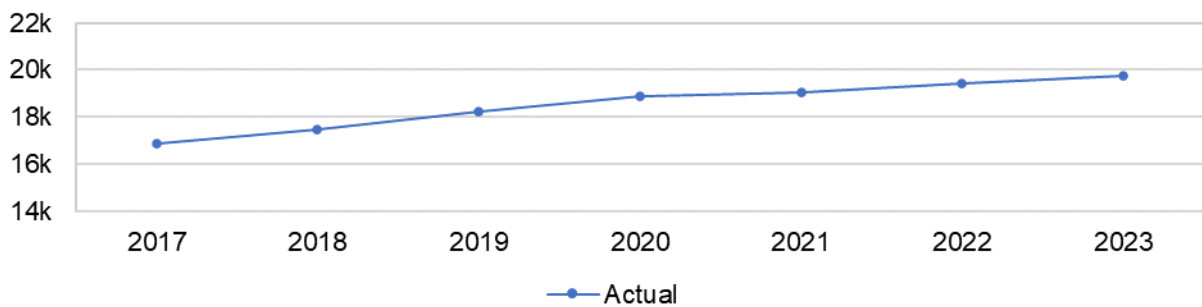
Percentage of pupils with an EHCP



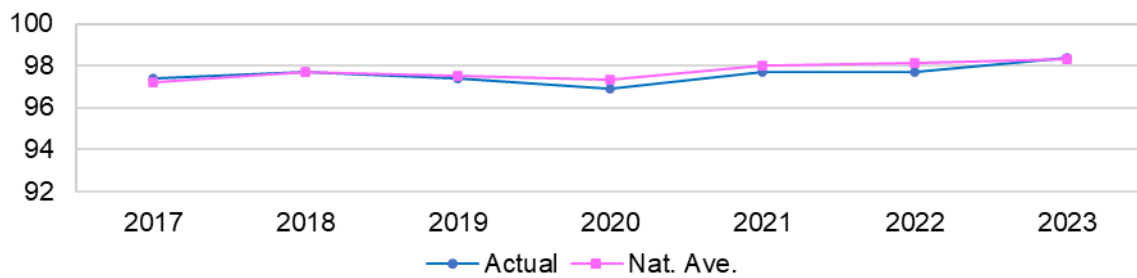
Number of pupils in Reception year (Kent state funded schools)



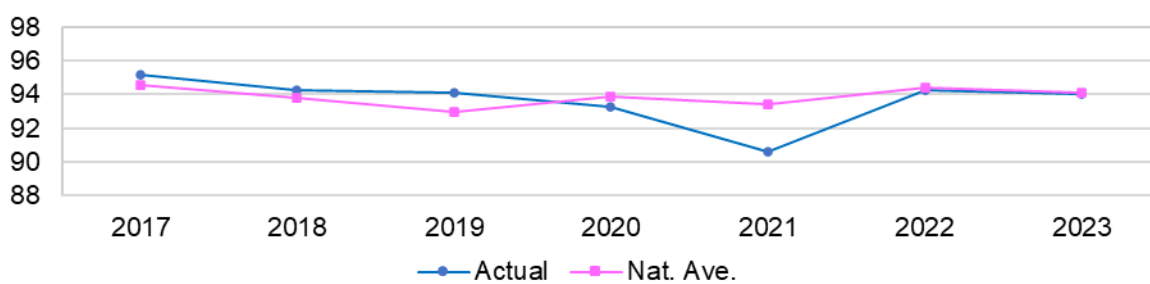
Number of pupils in Year 7 (Kent state funded schools)



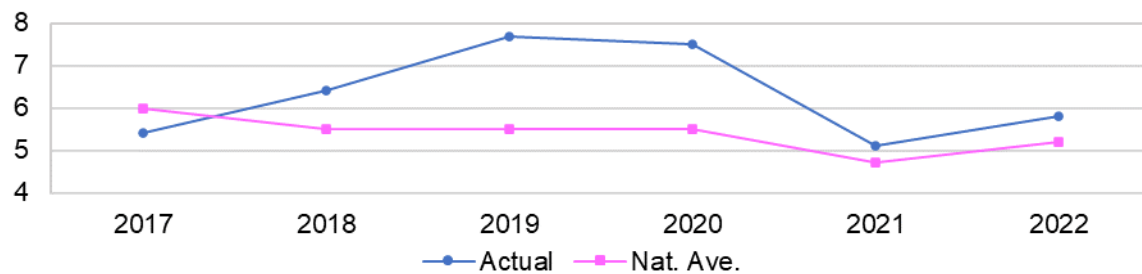
Percentage of Primary school applicants offered one of top three preferences



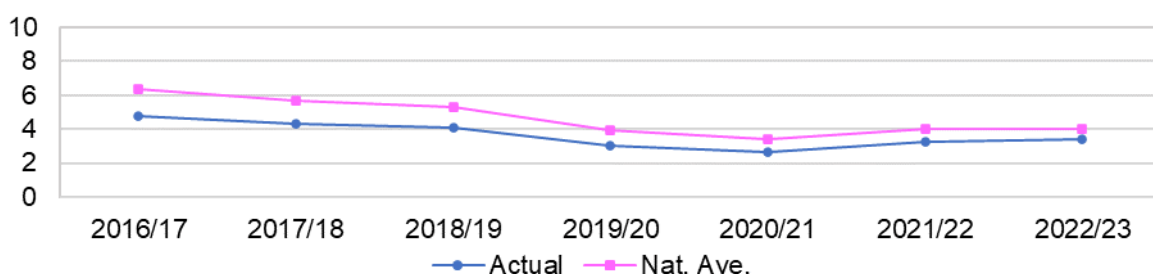
Percentage of Secondary school applicants offered one of top three preferences



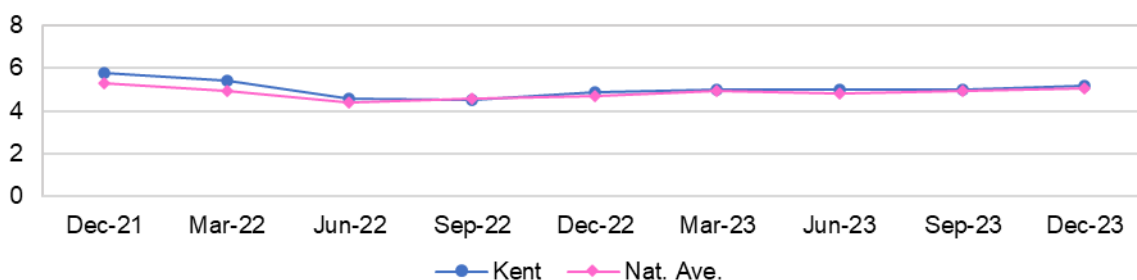
Percentage of 16-17 years olds Not in Education, Employment or Training (NEETs) or whose activity is Not Known



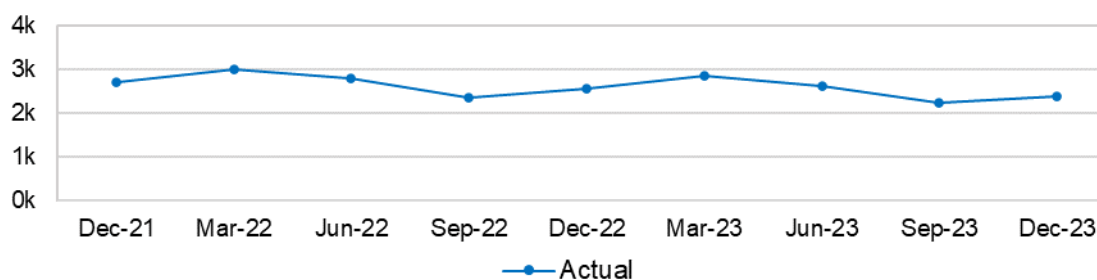
Percentage of 16-18 year olds who start an apprenticeship



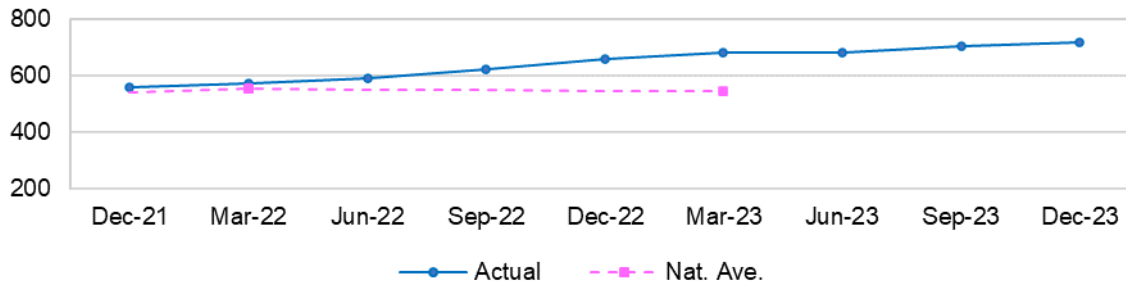
Percentage of 18-24 year olds claiming Universal Credit



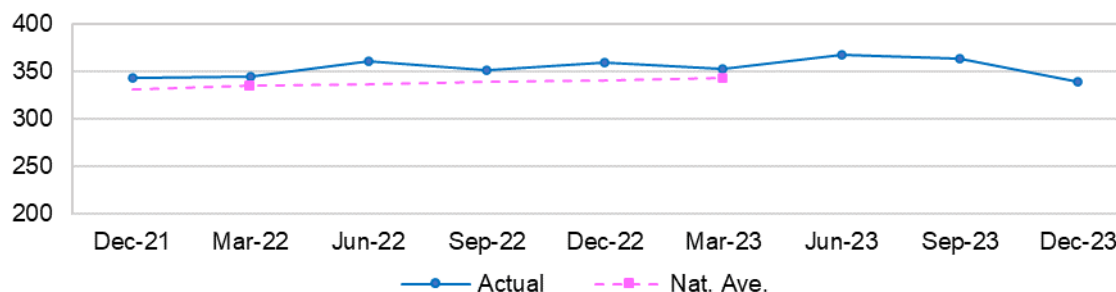
Number of open Early Help cases managed by Units



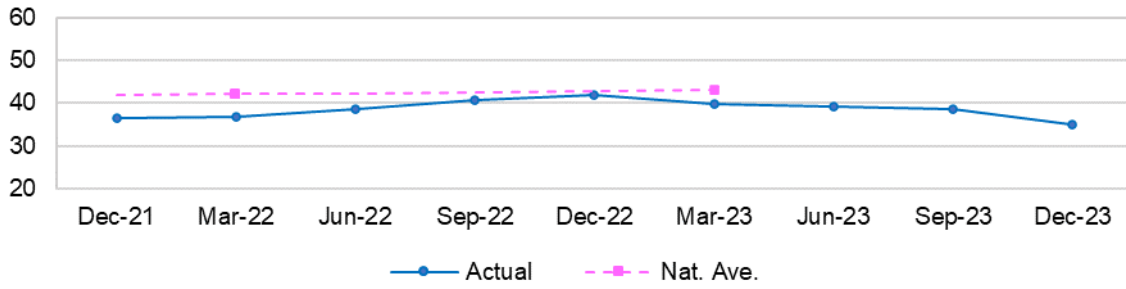
Rate of CSW referrals per 10,000 population aged under 18 – rolling 12 months



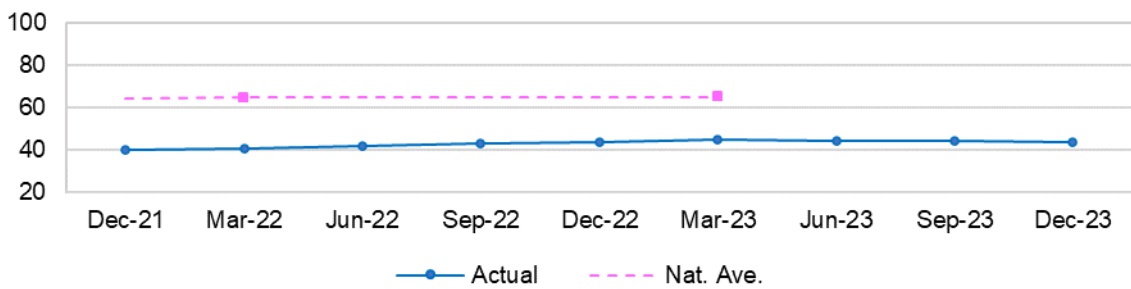
CSW caseload per 10,000 child population – snapshot at Quarter end



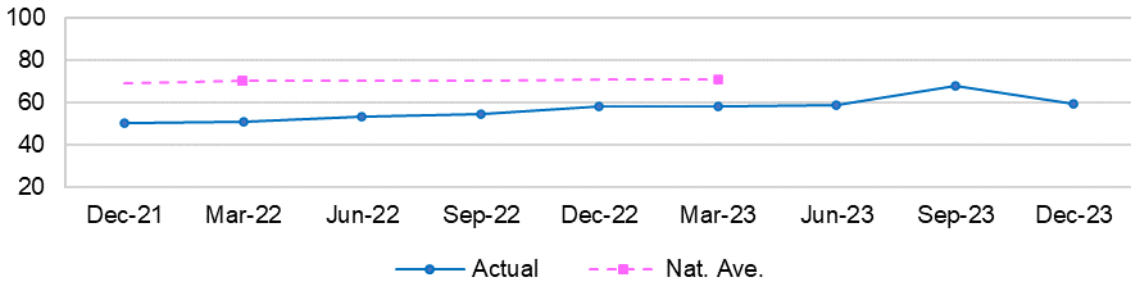
Rate of children with Child Protection Plans per 10,000 child population – snapshot at Quarter end



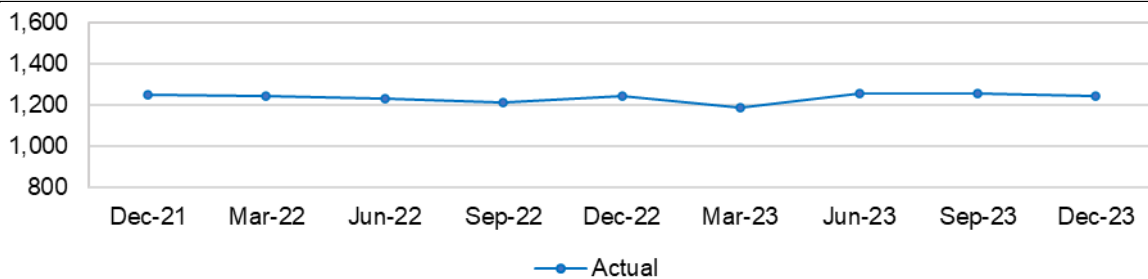
Rate of Children in Care (excluding UASC) per 10,000 child population – snapshot at Quarter end

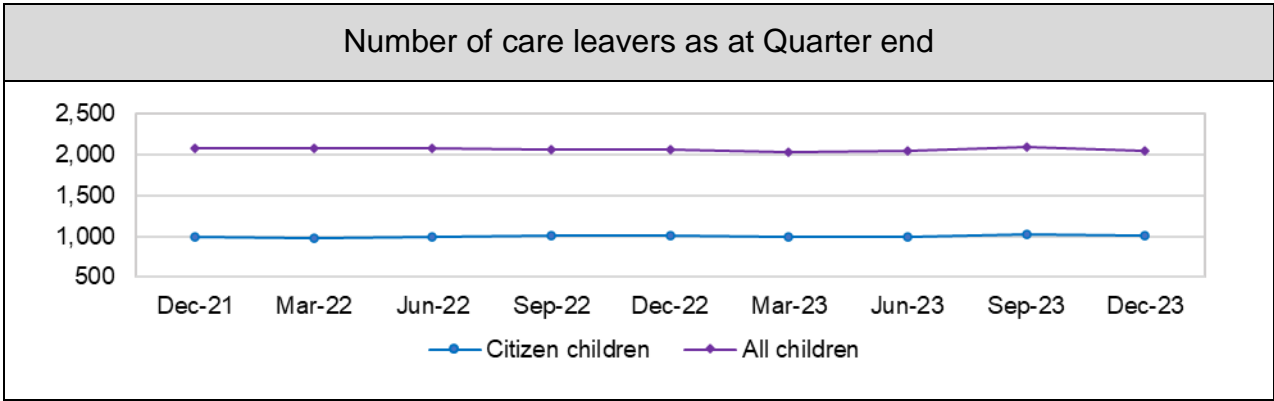


Rate of Children in Care (including UASC) per 10,000 child population – snapshot at Quarter end



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





Adult Social Care						
Cabinet Member	Dan Watkins					
Corporate Director	Richard Smith					
KPI Summary	GREEN	AMBER	RED	↑	⇒	↓
	1	3	2	2	2	2

Contacts

Adult social care (ASC) continues to have over 21,000 people contacting them each Quarter, with 21,246 people making contact in Quarter 3. The KPI on the percentage of people who re-contacted ASC, having had a previous contact resolved with advice and information, moved to 5%, although this is an increase on the previous quarter in the wrong direction (the lower the better) it does remain below the threshold of 9% and continues to be RAG rated Green, indicating that ASC continue to resolve appropriately on first contact.

Assessments and Support Packages

Quarter 3 saw ASC complete 4,340 Care Needs Assessments and for the second successive Quarter the number to be undertaken has decreased, 370 less than the previous Quarter. Of the incoming Care Needs Assessments for Quarter 2 (latest data), 71% were completed within 28 days which is an increase of 5 percentage points on the previous Quarter, however this KPI continues to perform below the floor standard of 80% and is RAG Rated Red. **The Community Teams in ASC continue to focus on ensuring people do receive their Care Needs Assessments, with Teams in West Kent completing more Care Needs Assessments than they have incoming, increasingly since August, as they work to ensure people receive them in a more timely manner.**

There was a decrease in incoming demand for carers' assessments which was reflected in fewer assessments being completed by ASC and the Carers' organisations in Quarter 3, with 769 completed versus an incoming demand of 780 assessments.

Following a Care Needs Assessment, where eligible for support, people receive a Care and Support Plan (C&SP) which details how a person will be supported and the services they may receive. ASC had 16,555 people with an active C&SP at the end of Quarter 3; this is a decrease of 1% on the previous Quarter, but is still higher than the number seen in Quarter 3 last year. Following assessment, not everyone will go on to need a support package and ASC has seen varying numbers of new support packages being arranged each Quarter. This is reported a quarter in arrears and in Quarter 2 it was 2,510 with the average weekly cost of a new support package being £651, this a 5% increase on the same period last year.

Annual reviews of the Care and Support Plan

The number of completed annual C&SP reviews was 2,352 in Quarter 3, which was a 10% increase on the previous Quarter. However, this continues to be below the number of ongoing reviews becoming due at the end of Quarter which remains at over 6,000. The Community Teams are prioritising delivery of reviews, both the first review at 6-8 weeks (which have also seen increased completions) and the annual reviews. Delivery of reviews are part of the Performance Assurance Framework.

Enablement

Where people need short-term enablement services, ASC has the Kent Enablement at Home Service (KEaH) which aims to keep people independent and in their home. Quarter 3 saw a decrease of 3% on the previous Quarter in the number of people actively receiving this support to 1,730. Overall there is an increasing trend in the number of people having KEaH and when comparing this Quarter 3 to last year's, there was a 10% increase. For Quarter 3, 86% of those in receipt of KEaH had their needs met by this service.

There will be people who require residential or nursing care on a temporary basis (a short-term bed), either while their longer-term needs or circumstances are assessed or to provide respite; this will be via the hospital discharge pathways or from community settings. ASC has been working to reduce the use of short-term beds as well as the amount of time people spend in them, ensuring opportunities are maximised for people to remain independent in their own homes. Following a decrease last Quarter, there was a further decrease in Quarter 3 (of 13% on the previous Quarter), with 1,156 people in a short-term bed at the end of December 2023, this is the lowest number since Quarter 2, 2021/22.

Hospital Discharge Pathway

Through reducing the time spent in short-term beds, and through the work by the enablement services, including Occupational Therapists, there was an increase to 84% in Quarter 3 of people aged 65 and over at home 91 days after discharge from hospital having had reablement services. With winter pressures starting in Quarter 3, work continues with partners in the Transfer of Care Hubs, and cross-working by the Short-Term Pathways Teams and Health colleagues.

In terms of national comparison on an annual basis, between 2019/20 and 2021/22 Kent had a higher percentage of older people being at home 91 days following discharge from hospital having had reablement services, when compared to national. However, in 2022/23 Kent dropped below, being at 81% compared to the national rate of 82% (based on performance in Quarter 3 that year). Kent remained above the regional value of 79% (ASCOF 2B1)¹.

Direct Payments

Direct Payments are nationally recognised as an effective way to enable people to remain independent and in their own homes with clear personal choice of their support. For Quarter 3, this proportion of people receiving a long-term community service who receive Direct Payments is RAG Rated Amber at 25%, the same delivery as the previous Quarter; there were increases in the numbers of carers, people with learning disabilities, and mental health needs, receiving a Direct Payment.

Residential and Nursing care

ASC has seen increases in the number of people aged over 65 years old going into long-term residential and nursing care. In the 12 months to the end of Quarter 2 (latest data), the admission rate was 633 per 100,000 of the population and is RAG Rated Red, an increase from 617. In Quarter 2 there was an increase in the number of people moving from a short-term bed to a long-term placement, however this was not the main reason for the overall increase, with an increase in new starts accounting for this. The service are developing plans to reduce long-term residential and nursing placements, which will be implemented in 2024/25.

¹ Source: [Measures from the Adult Social Care Outcomes Framework - NHS Digital](#)

The percentage of Kent County Council supported people in a care home with a Care Quality Commission (CQC) rating of Good or Outstanding continued its slow downward trend and decreased by 1% on the previous Quarter to 75%. This KPI is RAG Rated Amber, and is now at its floor standard. However, there has been a decrease in the proportion of those in an Inadequate home from 2% in the previous Quarter to 1% this Quarter, with the remaining 24% being in homes rated as Requires Improvement.

At present, twelve care homes (four older person care homes and eight learning disability, physical disability, and mental health care homes) have contract suspensions in place to prevent further placements. Three of the Learning Disability/Physical Disability/Mental Health homes have suspensions in place due to either refurbishment of the service, pending closure or the service being dormant with CQC (temporarily stopped providing services) . **A collaborative approach between Kent County Council, Health colleagues and external agencies is being taken to support providers to deliver on comprehensive multi agency action plans to improve CQC ratings.**

Mental Health needs

The number of people accessing support who have a mental health need continues to increase each Quarter with 1,429 people being supported by ASC in Quarter 3, this is 100 more (8% higher) than at the same time last year. Supporting Independence Services/Supported Living continue to be the most prevalent service provision.

Deprivation of Liberty Safeguards (DoLS)

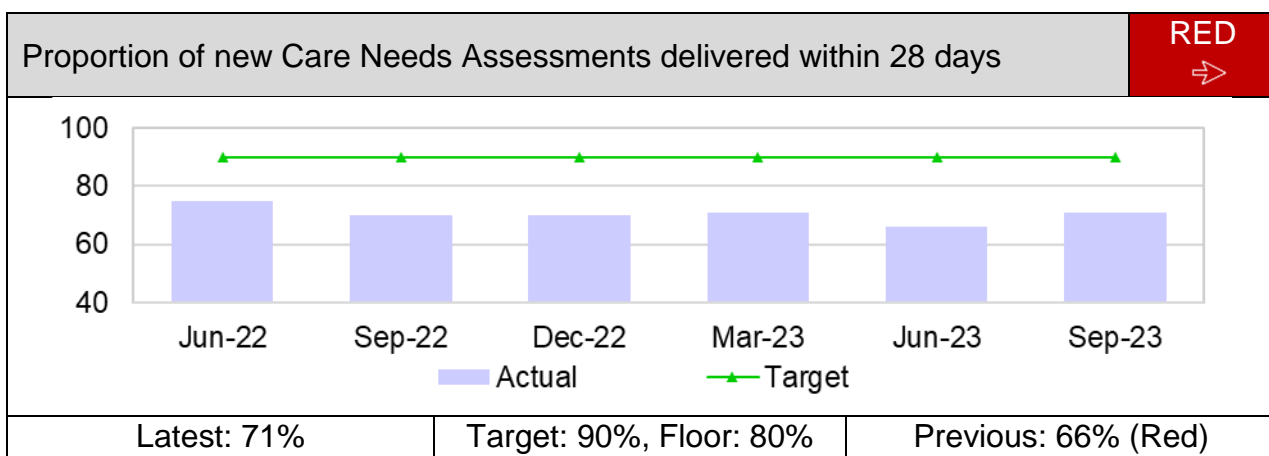
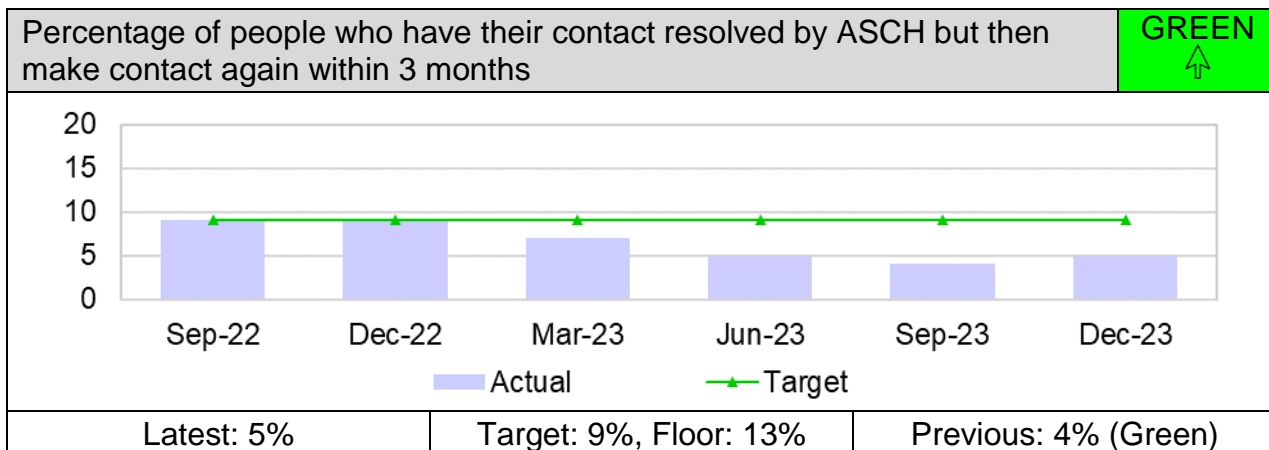
ASC received 2,441 Deprivation of Liberty Safeguards (DoLS) applications in Quarter 3, which was a 17% increase on the previous Quarter. They completed 2,018 assessments, which included applications received within this Quarter and in previous ones. Although the number completed was a decrease on Quarter 2, it was an increase on the same Quarter last year.

Safeguarding

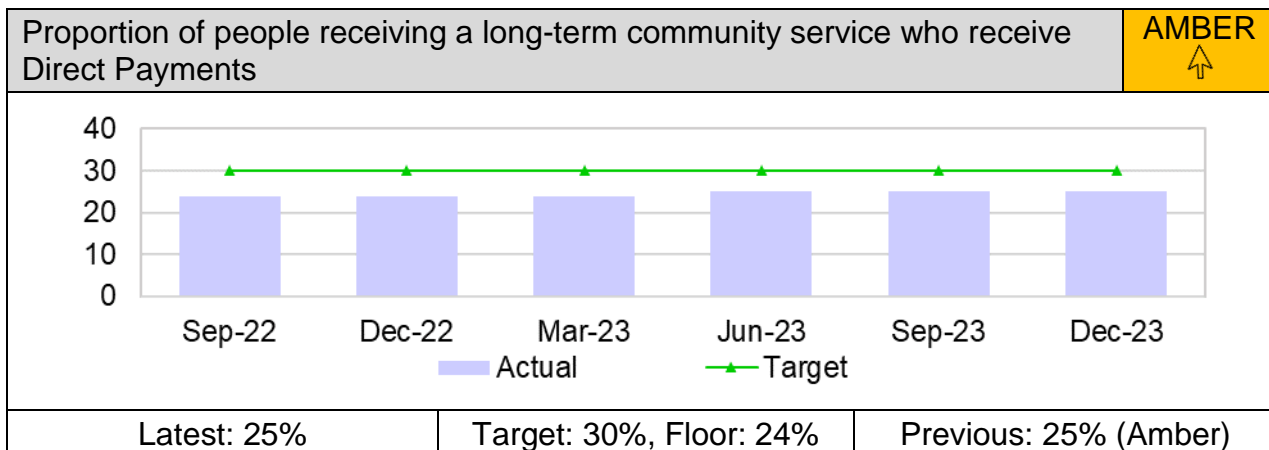
The number of safeguarding enquiries open on the last day of the Quarter has continued to increase. The number open has increased in part due to staffing capacity in teams. The skill mix within teams is varied because of the capacity issues, and specific workshops and learning is continuing to support practitioners to be competent in responding to enquiries.

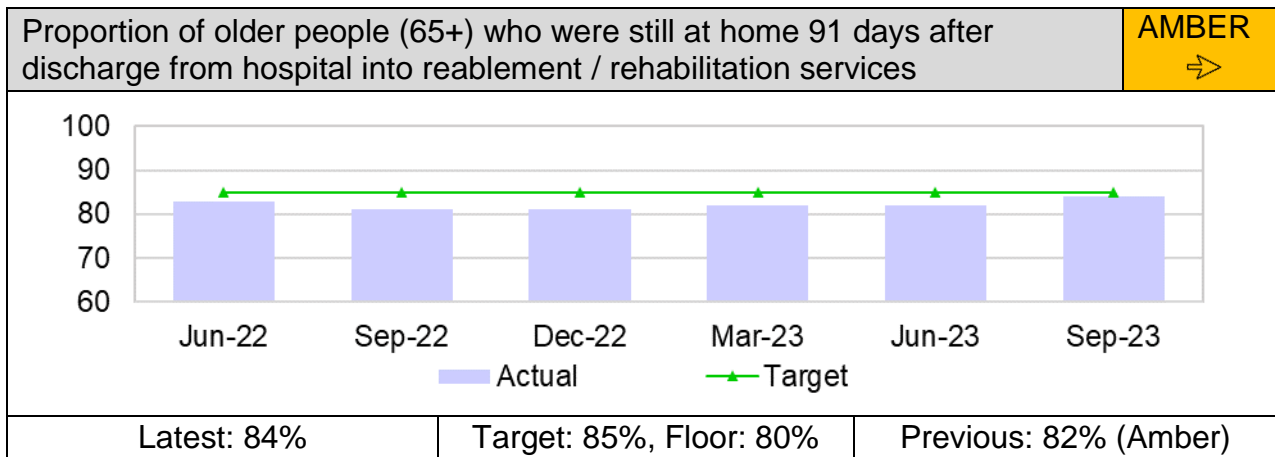
The area referral service/safeguarding transformation project is making good progress. Extensive research with other Local Authorities has informed our way forward and we are working towards Safeguarding Hubs with optimised staffing levels being part of our Front Door provision? to manage new safeguarding concerns being received. Operational Assistant Directors are beginning to mobilise staff into the area referral service in preparation for the Safeguarding Hubs being fully operational before the end of the financial year. Strategic Safeguarding continue to work with partners on the quality of safeguarding referrals and the online safeguarding form has been revised and streamlined to ensure the right information is being received.

Key Performance Indicators

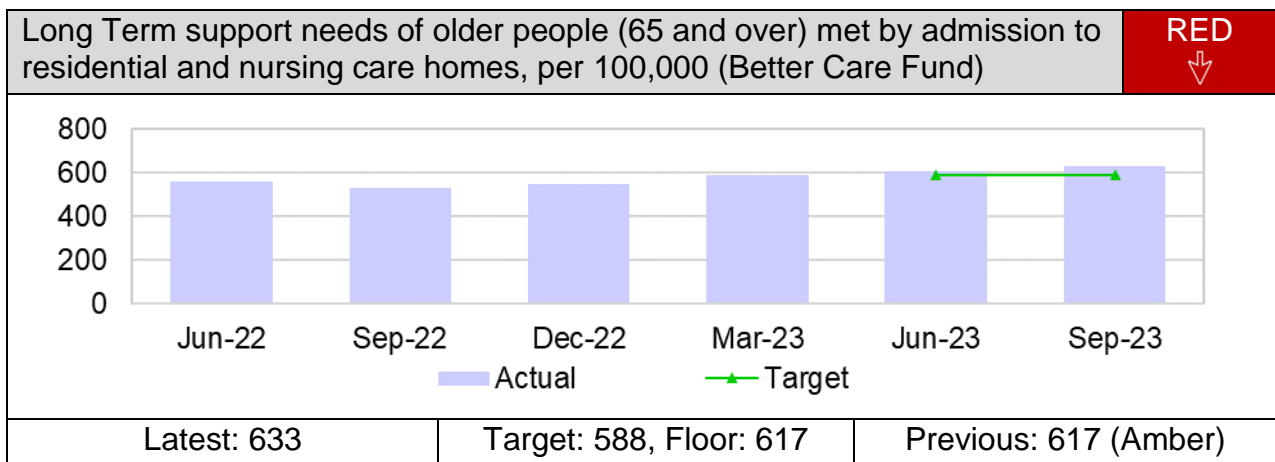


KPI Reported one Quarter in arrears.

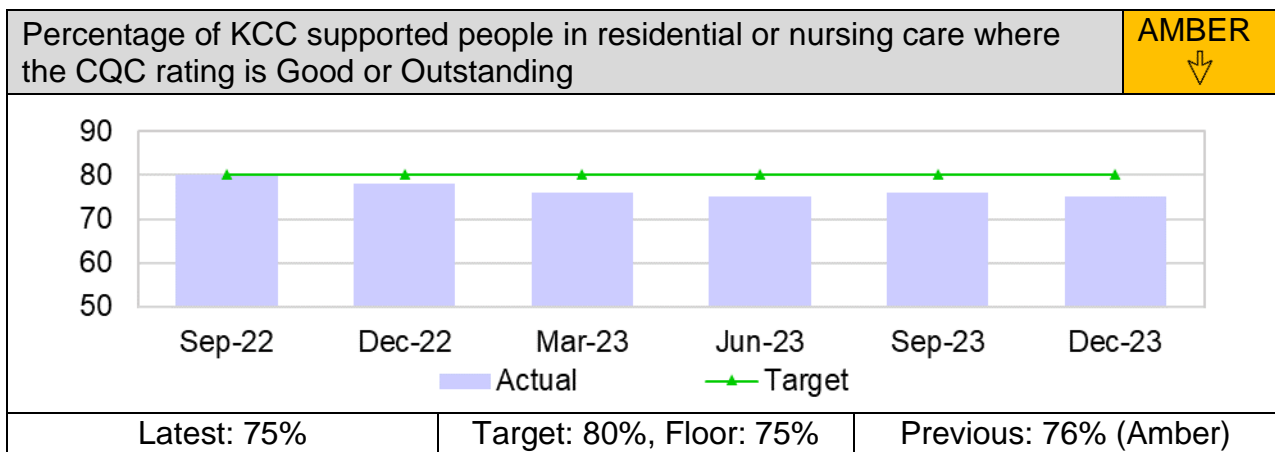




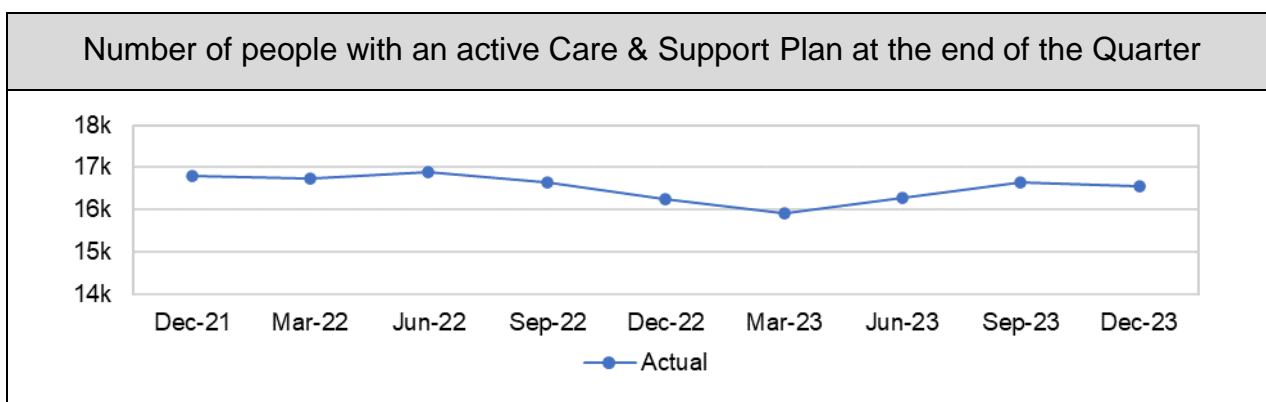
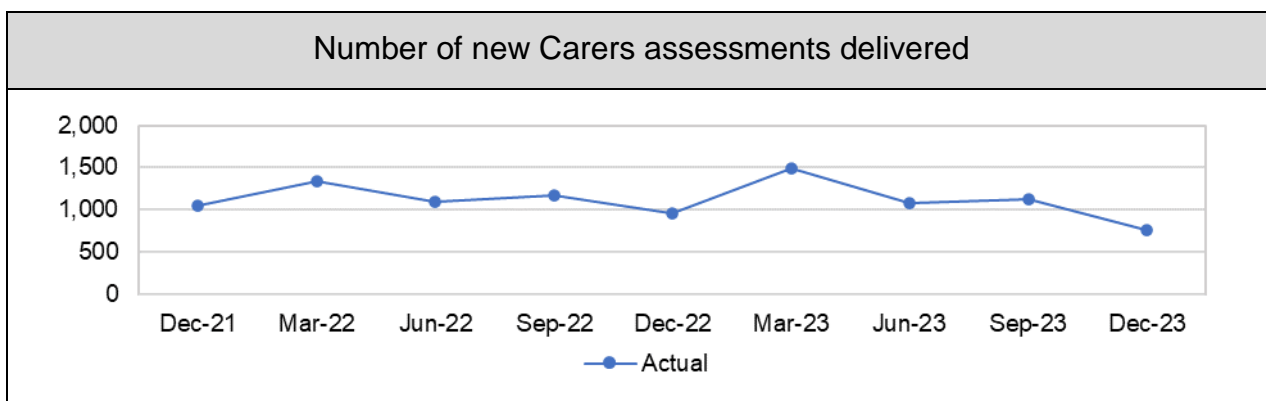
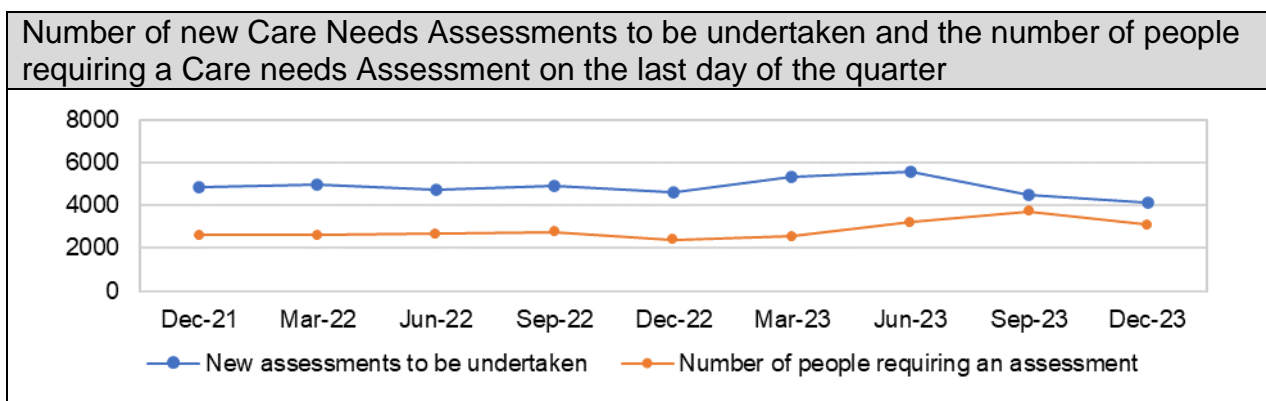
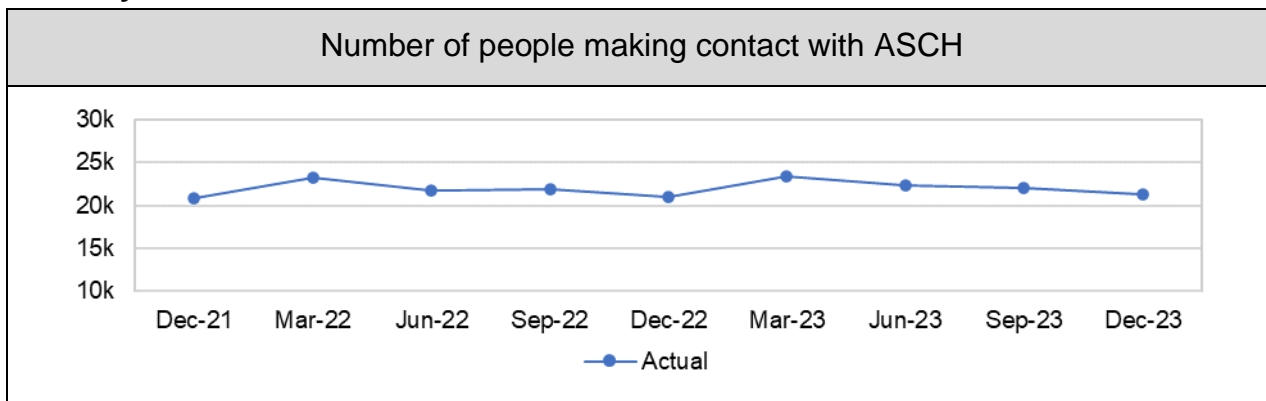
KPI Reported one Quarter in arrears.



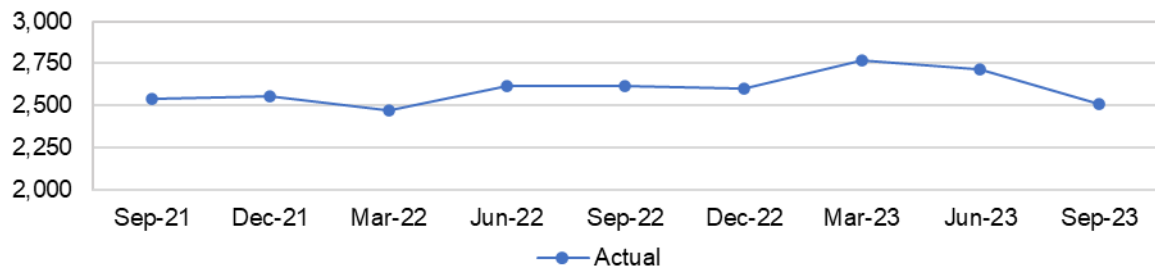
To ensure consistent comparison with previous Quarters by removing seasonality, this KPI is now being reported on a rolling 12-month basis, and one Quarter in arrears.



Activity indicators

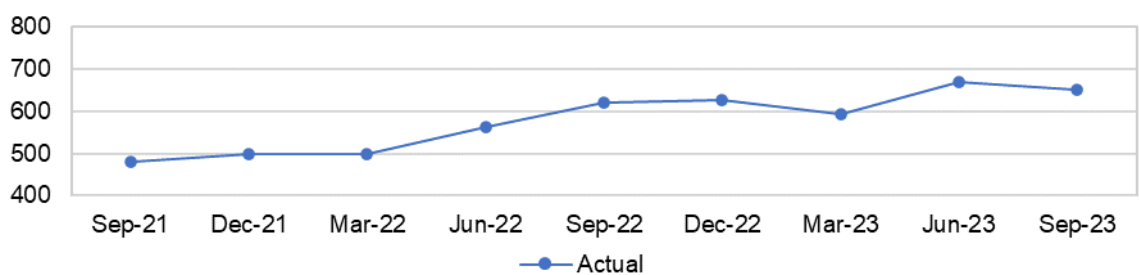


Number of new support packages being arranged for people in the Quarter



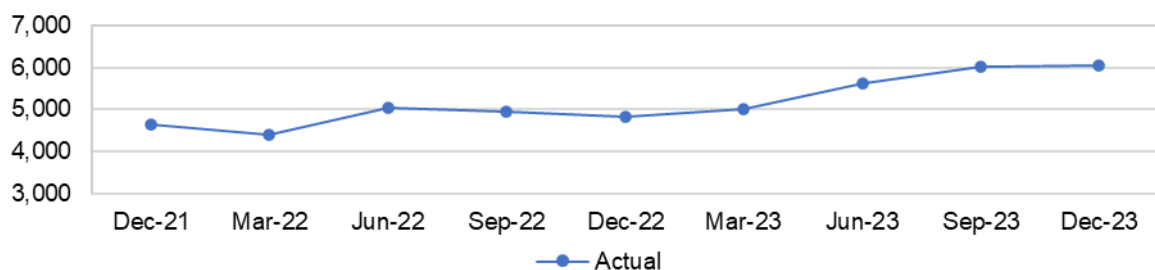
Reported one Quarter in arrears.

Average cost (£s per week) of new support packages arranged for people in the Quarter

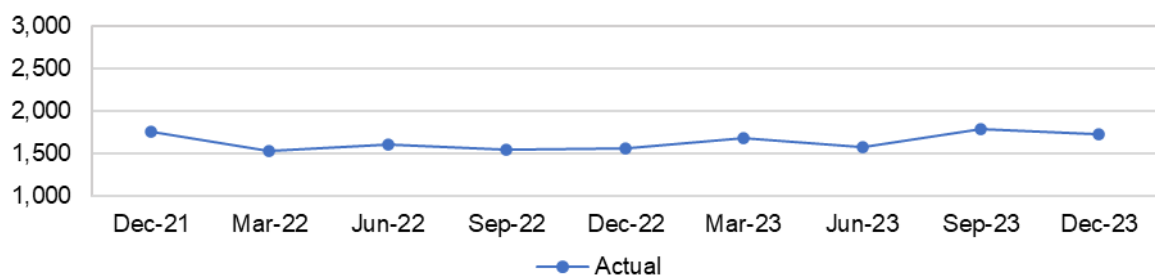


Reported one Quarter in arrears.

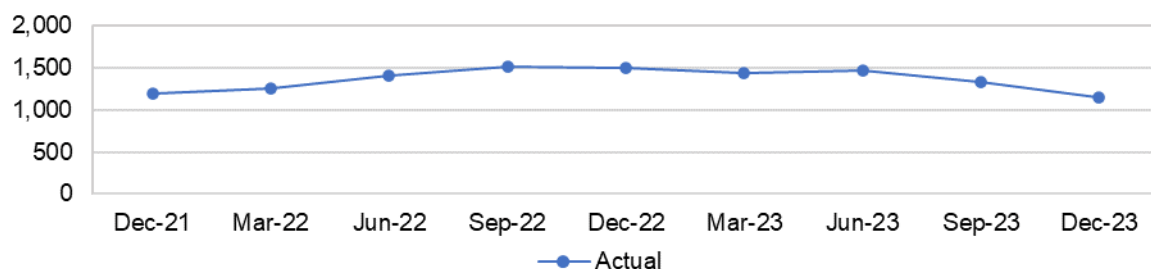
Number of people requiring an annual review to be completed on the last day of the Quarter



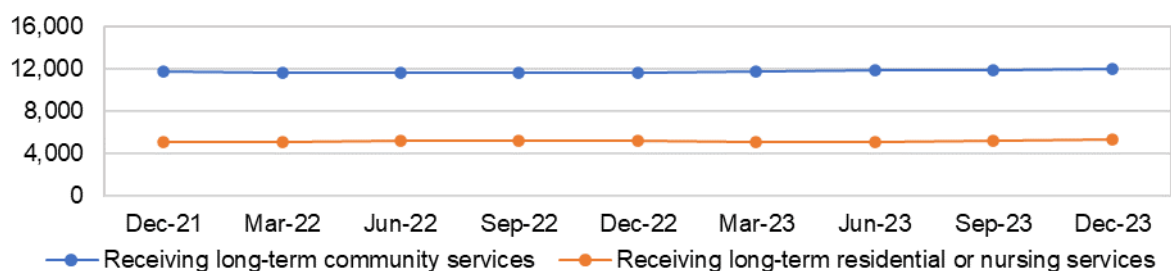
Number of people in Kent Enablement at Home (KeaH)



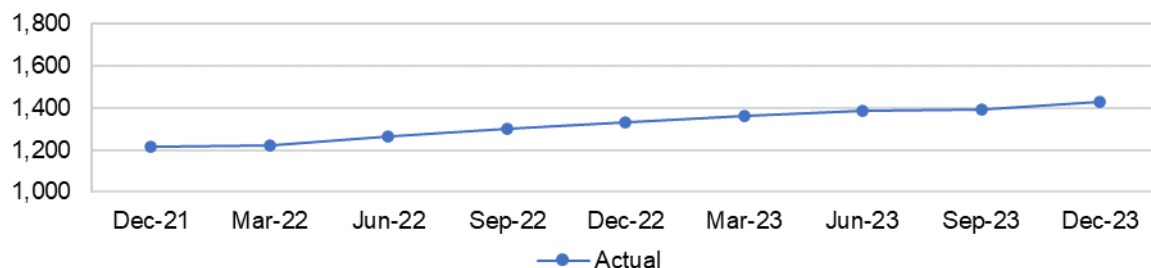
Number of people in Short Term Beds during the Quarter



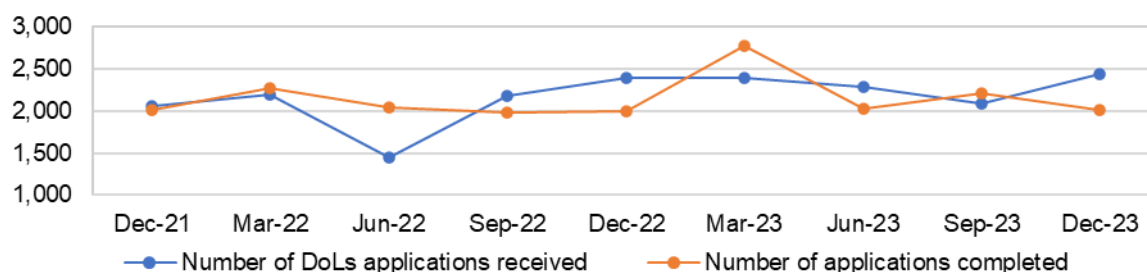
Number of people in Long Term Services

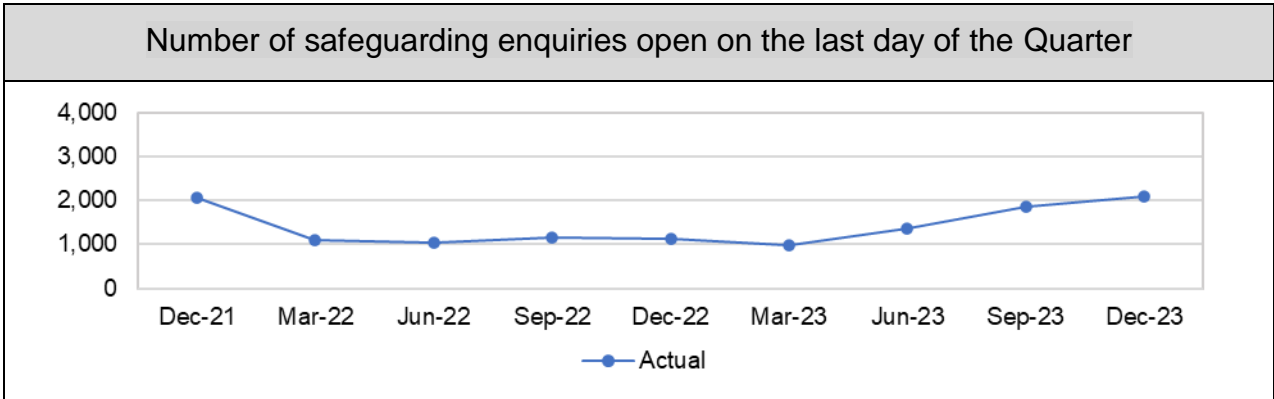


Number of People accessing ASCH Services who have a Mental Health Need



Number of DoLS applications received and completed





Public Health						
Cabinet Member		Dan Watkins				
Director		Anjan Ghosh				
KPI Summary	GREEN	AMBER	RED	↑	⇒	↓
	4	1		2	2	1

NHS Health Check

In Quarter 3, there were 7,322 NHS Health Checks delivered to the eligible population. This represents a slight reduction from 7,767 checks delivered in the previous quarter. However, this aligns with the historical lower uptake seen in December each year. A total of 30,188 checks were delivered in the 12 months to December 2023, exceeding the target of 23,844. Additionally, the number of first invitations sent out during this quarter was 20,433 compared to 20,020 (Quarter 2) and 18,607 (Quarter 1).

Health Visiting

In Quarter 3, the Health Visiting Service delivered 17,198 mandated universal health and wellbeing reviews, slightly lower than the previous quarter (17,320). The service remains on track to meet the annual target of 68,000 reviews (by the end of the year). Four of the five mandated contacts met or exceeded the targets with the proportion of new birth visits delivered within 10–14 days at 94%, slightly below the 95% target. Overall, 99% of new birth visits were delivered within 30 days and families with additional needs are always prioritised.

Sexual Health Service

In Quarter 3, the service continued to perform well with 8,458 (99%) patients offered a full sexual health screen, which achieved the 95% target. In this Quarter, a total of 10,414 online STI testing kits were ordered and sent to Kent residents.

Drug and Alcohol Services

Community Drug and Alcohol Services continue to perform above target for successful completions from drug and alcohol treatment. In Quarter 3, 5,422 people accessed structured treatment representing an 8.7% increase compared to Quarter 3 2022/23, demonstrating the continued focus of services to increase accessibility of services.

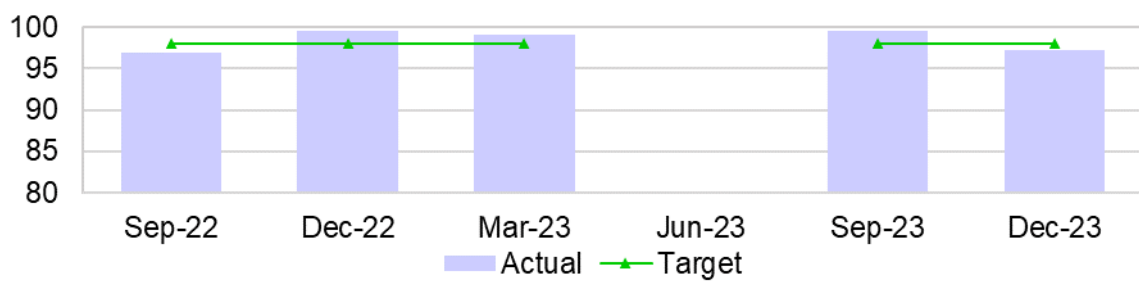
Live Well Kent and Medway

In Quarter 3, Live Well Kent and Medway (LWKM) continued to achieve good outcomes with 87% of people maintaining or improving their SWEMWBS (short Warwick & Edinburgh Mental Wellbeing Scale) and wider wellbeing scores during the quarter. The service continued to prepare to play an integral role in the Community Mental Health Framework (Community Mental Health Transformation) with Thanet chosen as a trailblazer site starting delivery of new ways of working in January 2024. This Quarter also saw the beginning of a transition to DIALOG+, a new approach to measuring people's satisfaction with their mental health and wellbeing that fully integrates with health partners.

Performance Indicators

Number of eligible people receiving an NHS Health Check (Rolling 12 months)			GREEN ↑																					
<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Sep-22</td> <td>20,000</td> <td>23,844</td> </tr> <tr> <td>Dec-22</td> <td>22,000</td> <td>23,844</td> </tr> <tr> <td>Mar-23</td> <td>24,000</td> <td>23,844</td> </tr> <tr> <td>Jun-23</td> <td>26,000</td> <td>23,844</td> </tr> <tr> <td>Sep-23</td> <td>28,000</td> <td>23,844</td> </tr> <tr> <td>Dec-23</td> <td>30,188</td> <td>23,844</td> </tr> </tbody> </table>				Period	Actual	Target	Sep-22	20,000	23,844	Dec-22	22,000	23,844	Mar-23	24,000	23,844	Jun-23	26,000	23,844	Sep-23	28,000	23,844	Dec-23	30,188	23,844
Period	Actual	Target																						
Sep-22	20,000	23,844																						
Dec-22	22,000	23,844																						
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Jun-23	26,000	23,844																						
Sep-23	28,000	23,844																						
Dec-23	30,188	23,844																						
Latest: 30,188	Target: 23,844, Floor: 18,999	Previous: 28,722 (Green)																						
Number of mandated universal checks delivered by the health visiting service – rolling 12 months			GREEN ↓																					
<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Sep-22</td> <td>70,000</td> <td>68,000</td> </tr> <tr> <td>Dec-22</td> <td>69,000</td> <td>68,000</td> </tr> <tr> <td>Mar-23</td> <td>68,000</td> <td>68,000</td> </tr> <tr> <td>Jun-23</td> <td>68,000</td> <td>68,000</td> </tr> <tr> <td>Sep-23</td> <td>68,000</td> <td>68,000</td> </tr> <tr> <td>Dec-23</td> <td>68,050</td> <td>68,000</td> </tr> </tbody> </table>				Period	Actual	Target	Sep-22	70,000	68,000	Dec-22	69,000	68,000	Mar-23	68,000	68,000	Jun-23	68,000	68,000	Sep-23	68,000	68,000	Dec-23	68,050	68,000
Period	Actual	Target																						
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Jun-23	68,000	68,000																						
Sep-23	68,000	68,000																						
Dec-23	68,050	68,000																						
Latest: 68,050	Target: 68,000, Floor: 54,400	Previous: 68,579 (Green)																						
Percentage of first-time patients (at any sexual health clinics or telephone triage) who are offered a full sexual health screen			GREEN ↑																					
<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Sep-22</td> <td>95%</td> <td>95%</td> </tr> <tr> <td>Dec-22</td> <td>96%</td> <td>95%</td> </tr> <tr> <td>Mar-23</td> <td>98%</td> <td>95%</td> </tr> <tr> <td>Jun-23</td> <td>98%</td> <td>95%</td> </tr> <tr> <td>Sep-23</td> <td>98%</td> <td>95%</td> </tr> <tr> <td>Dec-23</td> <td>99%</td> <td>95%</td> </tr> </tbody> </table>				Period	Actual	Target	Sep-22	95%	95%	Dec-22	96%	95%	Mar-23	98%	95%	Jun-23	98%	95%	Sep-23	98%	95%	Dec-23	99%	95%
Period	Actual	Target																						
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Jun-23	98%	95%																						
Sep-23	98%	95%																						
Dec-23	99%	95%																						
Latest: 99%	Target: 95%, Floor: 75%	Previous: 98% (Green)																						
Successful completion of drug and alcohol treatment – rolling 12 months			GREEN ⇒																					
<table border="1"> <thead> <tr> <th>Period</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Sep-22</td> <td>28%</td> <td>25%</td> </tr> <tr> <td>Dec-22</td> <td>26%</td> <td>25%</td> </tr> <tr> <td>Mar-23</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Jun-23</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Sep-23</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Dec-23</td> <td>25.9%</td> <td>25%</td> </tr> </tbody> </table>				Period	Actual	Target	Sep-22	28%	25%	Dec-22	26%	25%	Mar-23	25%	25%	Jun-23	25%	25%	Sep-23	25%	25%	Dec-23	25.9%	25%
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Mar-23	25%	25%																						
Jun-23	25%	25%																						
Sep-23	25%	25%																						
Dec-23	25.9%	25%																						
Latest: 25.9%	Target: 25%, Floor: 20%	Previous: 25.6% (Green)																						

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

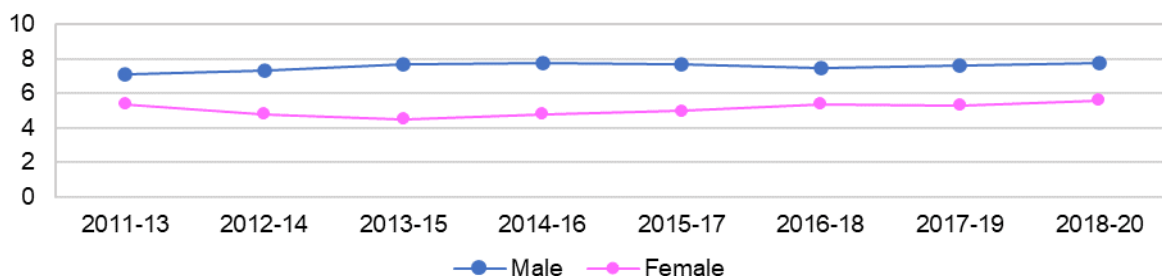


Latest: 97.3% Target: 98%, Floor: 91% Previous: 99.6% (Green)

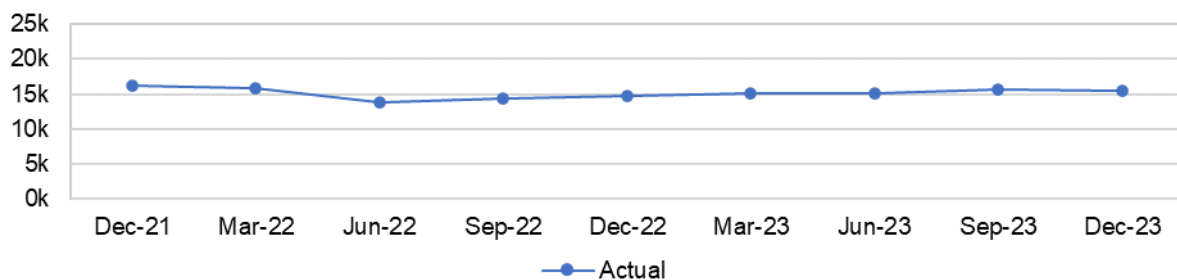
The transfer of clients due to a new service contract necessitated a data reset for the exit survey completions. As a result, data is not available for Jun-23.

Activity indicators

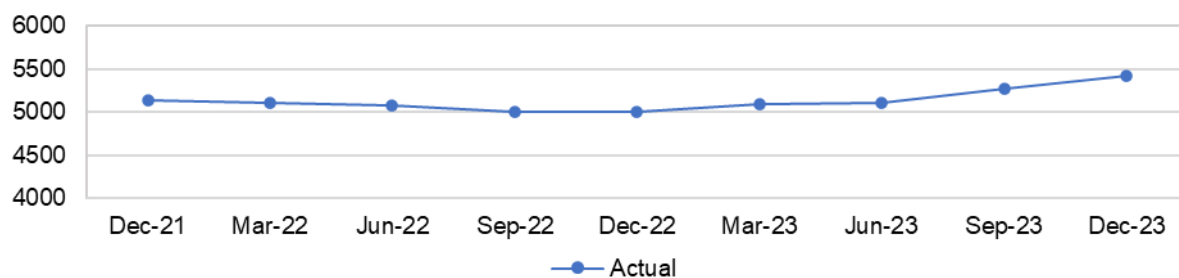
Life expectancy gap in years between least and most deprived areas



Number of attendances at KCC commissioned Sexual Health Clinics



Number of adults accessing structured Substance Misuse Treatment Services



Corporate Risk Register – Overview

The Council, along with the local government sector, continues to operate in an increasingly challenging financial and operating environment, which carries significant risk implications for the achievement of the Authority’s objectives

The table below shows the number of corporate risks in each risk level (based on the risk score) in February 2024, compared with November 2023.

	Low Risk	Medium Risk	High Risk
Current risk level November 2023	0	9	14
Current risk level February 2024	0	9	12

CHANGES DURING LAST QUARTER

WITHDRAWN RISKS

CRR0062: Provider Failure

This risk was specifically focused on the impact to the Councils ability to deliver services in the event that one or more major care providers fail or be subject to temporary closure. This was initially rated as a high risk, but now rated as medium due to recent examples of closures that have demonstrated that the controls in place to mitigate the risk are effective. As such it has been agreed with the risk owner that the risk is de-escalated from the corporate risk register and be retained in the Adult Social Care Directorate risk register for monitoring purposes.

CRR0057 Home to School Transport

This risk was focused on operational concerns in the wake of a major re-tendering exercise. This has been removed as a standalone corporate risk, as the predominant risk now relates to increases in costs for Home To School Transport (SEND and Mainstream). Therefore, the cost pressures and plans being progressed to mitigate them are to be included as part of the corporate budgetary and SEND delivery improvement and high needs funding shortfall risks.

MITIGATING ACTIONS

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

Updates have been provided for 19 actions to mitigate elements of Corporate Risks that were due for completion or review up to February 2024. These are summarised below.

Due Date for Review or Completion	Actions Completed / Closed	Actions Partially complete	Actions subject to Regular Review	Actions Outstanding
Up to and including February 2024	7	8	3	1

CRR0003: Securing resources to aid economic recovery and enabling infrastructure

Actions Outstanding

Kent Design Guide

Kent Design Guide to be published – work has been paused due to reprioritisation of activity in the current challenging financial and operational environment.

Complete

Kent and Medway Economic Framework

A Kent and Medway economic framework was presented to Cabinet Committee in January 2024 after extensive consultation with partners.

Action Closed

Development of the Kent and Medway Infrastructure Proposition

Development of an infrastructure plan for the county – Dec 2023. (to be updated for Corporate Board)

CRR0004: Simultaneous Emergency Response, Recovery and Resilience

Partially Complete

Restructure of Emergency Planning functions is complete, recruitment is underway for a number of vacant posts. It is anticipated that recruitment to the vacant roles will be completed by April 2024.

CRR0009: Future financial and operating environment for Local Government

Complete

Robust planning 2024/25

Robust plan for 2024/25 and medium term was developed earlier in the planning cycle, including delivery plans to support major savings.

CRR0014: Cyber & Information Security ResilienceComplete**Migration from physical infrastructure**

Remaining services have been migrated from physical infrastructure to the cloud which has increased resilience and stronger physical security controls.

CRR0042: Border fluidity, infrastructure and regulatory arrangementsRegular Review**Planning with Government**

The organisation is working with the Government to develop short, medium and long-term plans for border resilience looking at infrastructure and technological solutions.

Regular Review**Preparation for impacts**

The organisation is preparing for two separate but interconnected schemes that will affect non-EU citizens travelling to most EU countries; of the EU Entry/Exit System (EES - October) and the EU European Travel Information and Authorisation System (ETIAS).

CRR0052: Impact of climate change on KCC servicesPartially Complete**Adaptation Programme actions**

A revised KCC adaptation strategy is being developed for consultation in Spring 2024

CRR0056: SEND and High Needs FundingRegular Review**Implementation of SEND Improvement Programme**

A six-month review of progress has been conducted by the DfE. The resulting letter acknowledged the collective determination to make sustainable improvements. Their judgement of the evidence provided is that Kent is making progress in all areas of the improvement plan. The next review will take place at the end of April 2024 and preparation is well underway to provide a robust evidence base of the further progress that is being made. Action agreed as part of the Safety Valve agreement remains on track and DfE has agreed to release £14m of funding for this financial year, alongside the £56m received last year.

CRR0057: Home to School Transport PressuresComplete**Management action plan**

A progress report was received by Governance and Audit Committee in February 2024. A further follow up report will be provided to the committee in early 2025.

CRR0059: Significant failure to deliver agreed budget savings and manage demandPartially Complete**Maximise scope of effective scrutiny by all Members**

A report on decision making will be submitted to the Governance and Audit Cabinet Committee in March 2024, and a report on scrutiny to the Scrutiny Committee in early 2024. In addition, a Members Governance Working Party has begun to meet.

Complete**Review of Financial Regulations and Code of Corporate Governance**

Review completed and presented to Governance and Audit 1st February.

CRR0060: Reinforced Autoclaved Concrete (RAAC)Partially Complete**Corporate landlord estate**

Assessment and where appropriate surveying of the corporate landlord estate is ongoing and is anticipated to be completed by end of March 2024.

CRR0061: CQC AssuranceComplete**Staff Events**

Staff events facilitated by the Local Government Association to support front line workers with example questions and responses from Care Quality Commission assurance reviews have taken place. Themes from the workshops will be factored into Self-assessment.

CRR0063: Capacity to accommodate and care for Unaccompanied Asylum Seeking (UAS) childrenComplete**Judicial Review**

A recent High Court ruling found that the Government's National Transfer Scheme (NTS) and the management of the scheme by the Home Office was inadequate and for large periods was unlawful. The Home Office must now resolve the issues and ensure that it works fairly and sustainably in the future.

Partially Complete**DfE Negotiations**

Intensive negotiations taking place with Home Office and Department for Education on how to ensure suitable placements are provided for unaccompanied children, in line with our duties.

Partially Complete**Reception centre commissioning**

Commissioning of a new facility to operate as a safe care reception centre has commenced.

CRR0064: Risk of Failing to Deliver Effective Adult Social Care ServicesPartially Complete**Workstream review**

Ongoing review of workstreams across the ASCH Directorate to ensure that all available resources are directed towards the delivery of statutory functions, savings and efficiency plans and all non-essential work is stepped down.

Partially Complete**Workforce deployment**

Phase three of the workforce deployment has commenced, incorporating a review of team size, and composition in terms of skills to ensure we are achieving the full benefit of the restructure, this work programme is anticipated to continue over the coming financial year, with a completion date of April 2024.

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From: Neil Baker, Cabinet Member for Highways and Transport
Clair Bell, Cabinet Member for Community and Regulatory Services
Derek Murphy, Cabinet Member for Economic Development
Simon Jones, Corporate Director for Growth, Environment and Transport

To: Cabinet - 21 March 2024

Subject: European Union Entry Exit System

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of report: N/A

Electoral Division: Countywide impacts

Summary: This year will see the introduction of a new European Union Entry Exit System which will bring in new border controls for tourists and freight. This paper provides a summary of the Entry Exit System, the operational risks to Kent and the response to date from Kent County Council in preparing for EES implementation and proposed solutions and future actions.

Recommendation(s):

Cabinet is asked to make **comment on** and **note** the report.

1. Introduction

- 1.1 EES is a new electronic system that will collect and process data on the entry, exit, and refusal of third-country nationals crossing the external borders of the Schengen Area. EES will be used by border guards and enforcement authorities to track the movements of non-EU citizens and to prevent irregular migration and security threats.
- 1.2 EES is currently scheduled to be implemented in the Autumn of 2024, with October 6th being highlighted as a probable date. The Port of Dover and Eurotunnel have juxtaposed borders, meaning that at these two exit points all checks are carried out the UK side of the channel.
- 1.3 Prior to a first crossing, all UK nationals must register for the system, which includes providing biometric data such as a facial photograph and fingerprint identification. Under current plans, this registration must happen at the point of exit and must be supervised by officers from Police aux Frontières (PaF). Eurotunnel are developing a location within their site to be able to carry out registration, but Port of Dover has very limited space in the buffer zone between the Eastern Docks roundabout and the French Customs booths.

- 1.4 These checks will mean regular and routine lengthy delays for all tourist traffic. Such queues will create welfare concerns for passengers as well as having a significant effect on the local transport networks, businesses, public services, and communities, specifically in and around the towns of Dover and Folkestone.
- 1.5 The impact of EES on Kent is expected to be far greater than what was forecast for the exit from the EU. EU Exit planning was focussed on delays to freight whereas the impact of EES will be an impact on all travellers to the EU.
- 1.6 EES will also affect the travel experience of non-EU nationals travelling by rail. The absence of operations at Ebbsfleet and Ashford will add significant pressure upon St Pancras international station.

2. Impact on Kent Services and operational response

Kent Highways and Public Transport

- 2.1 The Short Straits is the most important entry and economically advantageous link to Europe for the UK economy, and it is imperative both locally and nationally that the impact of the introduction of EES is properly and fully mitigated in Kent.
- 2.2 From a transport perspective, there is need for additional infrastructure, increased facilities and equipment, plus further legislation to direct and hold UK bound traffic, so that the strategic and local road networks in Kent do not become fully congested and overwhelmed.
- 2.3 When there is disruption at either Eurotunnel or the Port of Dover, the Kent Resilience Forum (KRF) will deploy, initially the Traffic Access Protocol (TAP) and if necessary, Operation Brock. The purpose of both is to hold freight and create capacity across the highway networks and to manage the flow of HGVs toward Folkestone and Dover.
- 2.4 The consequence of using these traffic management facilities results in significant journey time delay, wide scale disruption and a far-reaching prolonged congestion across much of Kent's highway networks.
- 2.5 Additional border controls implemented following the UK leaving the EU have led to an increased use of TAP and whilst this has provided an effective mitigation for parts of Dover, this has meant that the residents of Aycliffe suffer when HGVs are stationary overnight, with both littering and noise pollution from vehicle horns and refrigeration units. National Highways have installed signage for 'No horns between 23:00 hours and 07:00 hours' and are considering options to move the front of the queue further back from the Aycliffe Roundabout. The additional burden for litter collection continues to fall on Dover District Council.
- 2.6 Operation Brock is a moveable concrete barrier that can be used to create a contraflow on the London bound M20 between junctions 9 and 8. Brock implementation is both expensive and resource heavy and requires up to two weeks' notice to secure resource availability. In emergency situations, Kent

Police can implement Brock Zero which is like an element of Operation Stack, does not provide a contraflow layout and results in widespread traffic dispersal and displacement onto the local highway network.

- 2.7 Brock has the benefit of holding freight safely away from the Port of Dover and Eurotunnel when there are delays crossing the Short Straits. However, its use means the capacity of the M20 is severely restricted and this impacts the local road network and local communities. KCC, alongside other stakeholders, are working with the Department for Transport to look at long term options to permanently remove Brock. This includes, but is not limited to, the use of on road technology and further off-road facilities and infrastructure.
- 2.8 New registration requirements at the Port of Dover and the limited space in the buffer zone between the Eastern Docks roundabout and the French customs booths is expected to increase times to process both tourist traffic entering the port and outbound freight, 85% of which is from the Schengen areas. Such delays present a risk of widespread congestion across both the national and local highway networks.
- 2.9 Remote registration is technologically possible, but it is not currently available. While the EU is developing a universal 'back-end' digital platform for managing this data, the customer 'front-end' has been left to the various local countries and commercial organisations. Intelligence suggests that this will not be available by the introduction of EES in October 2024 and it is considered that remote registration will not be available for some time.

Trading Standards

- 2.10 Since the signing of the Maastricht Treaty in 1992, EU goods have flowed through the channel ports in both directions without the need for any kind of border controls or checks. There have, therefore, been no checks, or infrastructure to carry them out, on goods at Dover for over thirty years and, because it opened after that date, there have never been checks at the Channel Tunnel.
- 2.11 The EU introduced checks on goods flowing from the UK at the end of the transition period on 1st January 2021, applying the EU's normal third country customs and regulatory regime to UK goods.
- 2.12 As a result, the UK has developed a new 'Borders Target Operating Model' (BTOM) which will harmonise controls in relation to the safety and security of incoming goods from all trading partners, including the EU. The introduction of the BTOM has been delayed several times but we will start to see its impact from the end of January 2024.
- 2.13 There are three specific areas of interest for Kent Trading Standards.
 - Imports of consumer goods
 - Animal health
 - Imported feeds

- 2.14 These impose a statutory duty upon the County Council, which Trading Standards discharge, to enforce the legislation imposing controls on these areas of trade which will require some element of physical checking at a Border Control Post (BCP). The designated BCP for both Dover and the Channel Tunnel is at Sevington, Ashford. This means that goods vehicles requiring checks to be carried out will be directed to Sevington from both ports.
- 2.15 At present the volume of checks to be carried out remains unclear. Because of the previous free flow of goods, there is no accurate data available. It is known that the UK imports approximately 46% of the food it consumes and that 28% of the food consumed in the UK comes from EU countries. Around a quarter of UK food imports pass through the Short Straits ports of Dover and the Channel Tunnel.
- 2.16 It should be also noted that the final part of the BTOM implementation timeline is that, from 31st October there is a new requirement for safety and security declarations for imports from the EU. This is likely to generate more requirements to check, for example, the safety of consumer goods by Trading Standards.
- 2.17 This date falls at around the same time as the EES implementation date. While this change is for incoming goods and the EES change is for outgoing people, the road space, particularly around Sevington, is likely to be shared, seriously exacerbating disruption and, potentially, placing unsustainable stress and delay on UK wide supply chains.

Impact on Kent communities, public services, and businesses

- 2.18 EES is anticipated to increase queuing times at Kent's borders, creating congestion on the local highway network. These queues will create welfare concerns for passengers as well as having a significant effect on the provision of public services, delivery of business operations and the impact will be felt within many Kent communities.
- 2.19 Delays could affect the provision of critical health, education, sanitary and emergency/safety services, with similar impacts expected upon the ability to access employment, community services/support, and retail/business facilities.
- 2.20 While Eurotunnel has more space to manage the flow of tourist traffic, lengthy delays at the Port of Dover is likely to see queues extending along the A20 and M20. This will subsequently impact Eurotunnel, blocking access for staff and customers.
- 2.21 In the summer of 2022, delays on the approaches to the Port of Dover and to Eurotunnel in Kent caused long delays with tourists stuck in queues for over 15 hours. The impact of EES on tourist traffic crossing the short straits is expected to be greater and to persevere for a longer duration. Operation Brock could become a longstanding installation rather than only being deployed at peak times.

- 2.22 Operation Brock has a far reaching and negative impact on businesses in Kent. A business survey undertaken in 2022 received 333 responses from Kent companies. 76% of firms reported that Operation Brock had a negative effect on their business, 1 in 6 indicated plans to relocate away from Kent and Medway because of Operation Brock and 70% of businesses reported that their revenue and income had been impacted negatively.
- 2.23 Additionally, businesses in the visitor economy sector report that potential customers avoid travelling during times when Operation Brock is in force leading to lost revenues. Brock causes reputational damage for the county with regular negative media coverage and travel delays reducing visitor numbers to Kent. This significantly impacts leisure and hospitality businesses and attendance at local attractions.
- 2.24 The increased complexity of inbound border controls is also likely to discourage international visitors to Kent from nearby European markets (France, Belgium, and the Netherlands) which had historically contributed to the Kent economy. Local tourism businesses and the wider local economy will feel the impact of a reduction of international visitors and associated spend.
- 2.25 EES will affect the travel experience of non-EU nationals travelling by rail. This carries further importance as the existing stations at Ashford International and Ebbsfleet International remain unserved by international services since 2020 due to the Covid pandemic, with the risks of EES now cited by Eurostar International as a further factor weighing against the prospect of future services.
- 2.26 Kent County Council strongly urges that these critical facilities are permanently reopened as a matter of urgency to help mitigate the potential impact of the introduction of the EES, in particular at St Pancras.

3 Planning for EES

- 3.1 Planning for the implementation of the EES is underway; working with Department for Transport, several task and finish groups have been set up to:
- *Understand border demand,*
 - *Maximise traffic fluidity,*
 - *Keep everyone safe,*
 - *Mitigate the impact on communities and businesses, and*
 - *Educate and inform.*

These groups will be meeting regularly throughout 2024 and will be overseen by a multi-stakeholder Steering Group which feeds into Central Government. KCC is feeding into these groups to support the planning as appropriate.

- 3.2 To ensure all government officials in direct contact with the European Commission and different branches of the French administration have a full understanding of Kent's issues, KCC officers have regular contact with the British embassy in Paris and UK mission to the European Union. The KCC

Leader has also engaged the UK ambassador to France on the issue. The Cabinet Member for Economic Development has also arranged briefings for the Straits Committee from the Port of Dover and Getlink.

- 3.3 The Leader of Kent County Council attended the parliamentary European Scrutiny Committee chaired by Sir William Cash MP on 31st January, and outlined the impacts on Kent and government interventions needed to mitigate negative impacts.
- 3.4 Multi agency infrastructure as part of the Kent and Medway Resilience Forum led by KCC will be ramping up over the next 6 months. This will support the assessment of EES implementation on partner services and Kent's communities and services. This will inform the risk assessments and plans that are put in place in response to the border changes and it is essential that Government are aware of the wider consequences that border disruption may have across Kent.
- 3.5 Preparations in relation to KCC's own planning and preparedness is increasing across KCC services utilising the cross-directorate resilience planning groups to assess KCC impacts and plans across all its services, providers, and supply chains.

4 Next Steps and Actions

- 4.1 The introduction of EES is expected in October 2024. The impact in Kent is expected to be significant on Kent's residents, public services, businesses, and transport users as well as upon the wider UK economy.
- 4.2 Multi-agency and KCC planning will be increasing leading up to the implementation of the new border checks in October 2024. The impact on service delivery is currently being assessed; however, without government intervention should there be traffic disruption as set out in this paper the disruption to essential services will be hugely significant and will prevail for a prolonged and consistent period.
- 4.3 Government support, investment, and leverage is needed to ensure that a comprehensive and properly resourced response remains available to mitigate the impact of these new controls.
- 4.4 Against this backdrop KCC requires that everything is done to:
 - Improve journey times across Kent's borders, reducing congestion and its impacts in Kent and to maintain critical international supply chains and tourism with strengthened infrastructure, resources, legislation, and intelligence.
 - Ensure everyone travelling through and across the county are prepared, kept safe, and are fully informed so they can reliably reach their destinations as quickly as possible.
 - Protect all communities by strengthening trading standards and local port health authorities' ability to target and enforce so only safe products cross the UK border.

- Support local communities, businesses, public services, and residents by enhancing and improving the local transport networks, local services and community infrastructure to keep Kent moving, working, and connected.
- Be clear with local and national stakeholders and work closely with EU and neighbouring countries to educate, inform, and encourage the sensible and sustainable introduction of the new controls at the right time.

5 Recommendation(s)

5.1 Cabinet is asked to make comment on and note the report.
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6. Background Documents

6.1 None

7. Contact details

Report Authors
 Toby Howe Strategic Resilience
 Manager
 Telephone number 03000 410219
 Email address toby.howe@kent.gov.uk

Relevant Director: Simon Jones,
 Corporate Director, Growth,
 Environment and Transport
 Telephone number 03000 411683
 Email address simon.jones@kent.gov.uk

Mark Rolfe Interim Head of Community
 Protection
 Telephone number 03000 410336
 Email address mark.rolfe@kent.gov.uk

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