POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 11th March, 2026

10.00 am

Council Chamber, Sessions House, County Hall, Maidstone

AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 11 March 2026, at 10.00 am		Ask for:	**Hayley Savage**
Council Chamber, Sessions House, County Hall, Maidstone		Telephone:	**03000 414286**

Membership (13)

Reform UK (8):	Mr P Chamberlain (Vice-Chair), Mr W Chapman, Ms S Emberson, Mr L Evans, Mr J Finch, Mr M Mulvihill, Mrs B Porter and Mr N Wibberley
Liberal Democrat (1):	Mr A J Hook
Green (1):	Mr M A J Hood
Conservative (1):	Mr H Rayner
	Vacancy x 2

UNRESTRICTED ITEMS

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

1 Introduction/Webcast announcement

2 Election of Chair

3 Apologies and Substitutes

4 Declarations of Interest by Members in items on the Agenda

5 Minutes of the meeting held on 14 January 2026 (Pages 1 - 8)

6 Risk Management: Chief Executive's and Deputy Chief Executive's Departments (Pages 9 - 42)

7 Key Performance Indicator Review for 2026/27: Chief Executive's and Deputy Chief Executive's Departments (Pages 43 - 56)

8 Implementation of the Commercial Strategy - Feedback on Supplier Day (Pages 57 - 62)

9 Biodiversity Net Gain Overview (Pages 63 - 68)

10 26/00012 - Microsoft 365 Licences Enterprise Agreement and Azure Consumption 2026 – 2029 (Pages 69 - 78)

11 Work Programme (Pages 79 - 80)

12 26/00002 - Extension for Kent County Council's insurance arrangements (Pages 81 - 110)

Motion to exclude the press and public for exempt business

That, under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the press and public)

13 Cyber Security (Pages 111 - 128)

Benjamin Watts
Deputy Chief Executive
03000 416814

Tuesday, 3 March 2026

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KENT COUNTY COUNCIL

POLICY AND RESOURCES CABINET COMMITTEE

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 14 January 2026

PRESENT: Mr C Hespe (Chairman), Mr P Chamberlain (Vice-Chair), Mr D Burns, Mr M A J Hood, Mr A J Hook, Mr M Mulvihill, Mr H Rayner, Mr N Wibberley, Mr O Bradshaw, Mr T Mole and Mr T L Shonk

ALSO PRESENT: Mr B Collins

IN ATTENDANCE: Mr D Shipton (Head of Finance Policy, Planning and Strategy), Mrs A Beer (Chief Executive), Mrs R Spore (Director of Infrastructure), Mr B Watts (Deputy Chief Executive), Ms H Savage (Democratic Services Officer), Ms R Anderson (Head of Business Information, Strategy and Assurance), Mr M Cheverton (Head of Real Estate Services), Mr A Jeffery (Head of Resilience & Emergency Planning), Mr C Riley (Finance Business Partner), Ms C Starte (Head of Marketing and Resident Experience), Ms K Graham (Disposal, Acquisition and Investment Surveyor), Mr D Parkes (Principal Surveyor – Disposals, Acquisitions & Investments) and Mr M Wagner (Chief Analyst)

UNRESTRICTED ITEMS

33. Apologies and Substitutes
(Item 2)

The committee membership had been updated since the agenda was published. Mr Bradshaw from the Independent Group had joined the committee and there was a vacancy on the Independent Reformers Group.

Apologies were received from Mr Evans, Mr Finch and Ms Emberson. Mr Shonk was present as substitute for Mr Finch and Mr Mole was present as substitute for Ms Emberson.

34. Declarations of Interest by Members in items on the Agenda
(Item 3)

There were no declarations of interest.

35. Minutes of the meeting held on 13 November 2025
(Item 4)

RESOLVED that the minutes of the meeting held on 13 November were a correct record and that they be signed by the Chairman.

36. Draft Budget - Chief Executive's Department and Deputy Chief Executive's Department
(Item 5)

1. Mr Brian Collins (Deputy Leader) introduced the report and outlined the overall budget proposals for the forthcoming year. He explained that the draft budget included £179.5m of core funded spending growth and reversals of £28m of previous savings. These spending pressures were offset by £14.7m of net reserve movements, £61.7m of new or full year savings, and £14.6m of income generation, resulting in a net change of £116.5m in revenue spending. This was funded through £66.2m from central government and retained business rates, and £50.3m from council tax and collection fund balances. The capital programme was funded entirely from external sources or planned borrowing, with no new borrowing proposed. Mr Collins explained that most spending growth related to Adult Social Care (£89.6m), Children's Services (£50.3m), and Growth, Environment and Transport (£21.7m). He emphasised that demand and cost pressures continued to exceed government funding, requiring ongoing savings and income generation. The budget also included increased contributions to general reserves to improve resilience, alongside some drawdowns where earmarked reserves were no longer required. Although the Council welcomed reforms improving the distribution of government funding, overall settlement levels remained insufficient, necessitating council tax increases. The budget also outlined future financial challenges into 2027–28 and 2028–29.

2. Further to questions and comments from Members the discussion included the following:

   a) Asked about grants to district councils for council tax collection, Officers explained that the only remaining agreements related to counter fraud work on tax collection, which delivered a strong rate of return.
   b) Asked about counter fraud funding and whether future savings could be quantified, Mr Collins responded that counter-fraud work was ongoing and that further data would be developed.
   c) Members asked whether staff had been consulted on proposals relating to the provision of office plants, given potential links to staff wellbeing. Officers confirmed that there had been no formal consultation with staff but acknowledged the wellbeing considerations, stating that further review would follow if the budget was approved. The plant contract covered multiple buildings and involved significant volumes of planting. Mr Collins confirmed that the associated cost was one reason the service was under review.
   d) A Member asked whether the financial risk exposure outlined in the risk register—totalling £411m—was the highest level recorded. Officers confirmed that risks had been rising for several years and that this was likely the highest to date, though it remained unlikely all risks would materialise simultaneously. Regarding the definition of "likely" within the risk framework, it was confirmed that this meant a greater than 50% chance over the three year medium term plan period.
   e) Clarification was sought regarding apparent differences in reserve figures between the dashboard and the budget document. Officers explained the distinction between impacts on the budget and actual reserve levels, noting that planned contributions and drawdowns resulted in a net increase to reserves next year, while the budget effect appears as a net reduction due to removal of prior year one off items.

f) A Member raised concerns regarding the use of capital receipts to support the budget, the long term impact of not maximising council tax, and the risks associated with a managed decline in the estate.

g) Clarity was sought on funding reductions for windmill maintenance, the rationale behind changes relating to Sessions House, and car parking income. Mr Collins stated that the Administration was aware of pressures on the estate and remained committed to responsible financial management. Officers referred to the Council's "warm, safe and dry" estate strategy, the criteria for property disposal, and the ongoing review of car parking operations and charging models.

h) Regarding arrangements for the Contact Centre, Officers confirmed that the Contact Centre would transfer to a new supplier from April with no change in operating hours and that most daytime staff would remain Kent based.

i) Members asked about reserves and staff reductions, expressing concern about the scale of risks relative to reserve levels. Mr Collins stated his confidence in the budget's deliverability and that staffing levels were under review.

j) Clarification was sought on council tax assumptions and Mr Collins confirmed that a council tax freeze was an ambition rather than a commitment. Officers clarified the council tax assumptions within the medium term plan, highlighting that future years include only tax base growth, with no assumed council tax rises, and that resultant funding gaps were clearly identified for future decision making.

k) Regarding newly proposed legal posts it was explained that these were generalist roles aligned with the Council's ongoing insourcing strategy.

3. RESOLVED to note the Administration's draft capital and revenue budget proposals.

37. Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department
(Item 6)

1. Mr Matt Wagner, Chief Analyst, introduced the report, explaining that it was the second performance report for the 2025–26 financial year. Of the 30 Key Performance Indicators (KPI), 23 were rated green, one was amber, and six were rated red. Mr Wagner provided an overview of the six red KPIs and confirmed that over 75% of KPIs were rated green overall. He also updated the Committee on the review of KPIs for the next financial year, noting that services were being consulted on potential revisions, including the addition of a new section relating to the Commercial and Procurement Division.

2. Further to questions and comments from Members the discussion included the following:

(a) The Chairman expressed thanks to all Officers across the authority for their continued commitment and service improvement.

(b) Regarding the Oracle Cloud implementation, Officers confirmed that phase one reviews had already taken place and lessons were being fed into phase two, which would cover HR systems.

(c) Asked whether Artificial Intelligence (AI) could be used to help manage FOI workloads and whether ongoing red ratings carried reputational risk, Officers confirmed that AI tools, including Copilot, were already in use wherever appropriate, but increasing volumes and complexity limited the effect. It was noted that FOI and SAR performance was the strongest it had been for a decade, but pressures were expected to grow without additional resource. Whilst additional resources had been allocated, structural pressures across social care and education limited capacity. Although financial penalties from the Information Commissioner were uncommon, the risk remained, and reputational impacts were more likely.

(d) It was suggested that a future briefing for Members took place on the types and sources of FOIs and SARs to increase understanding of case complexity.

(e) Regarding complaints handling capacity and the distribution of workloads across directorates, Officers explained that resolving complaints depended heavily on staff within services gathering information, particularly in social care. Increased staffing within the central complaints team would not necessarily improve performance.

(f) Regarding the missed target for publication of budget papers linked to the October/November Cabinet Committee cycle, Officers explained that this reflected the unforeseen impact of the government's funding reform consultation. Members discussed subsequent delays in January committee papers, commenting that delays were due to political decision making. Mr Collins responded that the delay reflected careful financial consideration rather than indecision.

(g) Members raised concerns regarding the outstanding debt owed by the Integrated Care Board. Officers confirmed that any successor body would inherit the liability. Mediation outcomes were being progressed, but both parties' agreement was still required.

3. RESOLVED to note the performance position for the Chief Executive's Department and the Deputy Chief Executive's Department.

38. Resilience Update
(Item 7)

1. Mrs Rebecca Spore (Director of Infrastructure) introduced the report which provided an overview of incident responses and resilience activity over the previous six months. She explained that a Major Incident relating to water supply disruption across the county was currently ongoing and the Council was leading the multi-agency response to this incident including coordinating support for vulnerable settings and communities. She emphasised the complexity and rapidly changing nature of the situation. The update also outlined the Member emergency planning briefing sessions delivered by the Resilience and Emergency Planning Service for which further training dates had been scheduled and all Members were encouraged to attend.

2. Mr Andy Jeffery (Head of Resilience & Emergency Planning) explained that a multi-agency debrief had now been completed for the Portland Factory Club Fire in Northfleet, which identified both areas for improvement—such as welfare centre activation, communication and environmental considerations—and examples of effective practice, including multi agency liaison and strong

communication across the command structure. Recommendations were being reviewed and would be allocated to owners by the KMRF Lessons Identified, Lessons Learned group in early February. An internal KCC debrief had also been completed following the Tunbridge Wells water outage in December 2025, identifying the need to clarify out of hours processes and improve alerting arrangements, alongside examples of strong strategic leadership and staff engagement. A multi-agency debrief for that incident would follow once current resource pressures eased. Mr Jeffery paid tribute to staff across the organisation, noting the significant commitment shown by Officers both in and out of hours.

3. Further to questions and comments from Members the discussion included the following:

    (a) The importance of emergency-planning training for all Members was emphasised.
    (b) Officers confirmed that the Scrutiny Committee would be considering the remit of a Short Focused Inquiry into the water outages at its next meeting and that comments made by Members would be passed to the Committee for consideration. It was noted that any inquiry should not be limited solely to the earlier Tunbridge Wells outage, but should also encompass recent and ongoing incidents.
    (c) Members queried the Kent and Medway Resilience Forum (KMRF) protocol relating to water supply disruption and the process for declaring a major incident. Officers confirmed that a multi-agency water supply disruption plan was in place, developed in consultation with all water undertakers operating in Kent.
    (d) Members raised questions relating to repeated fires at a commercial premises, cybersecurity preparedness, international liaison in emergency scenarios involving cross Channel operations, and the management of maritime risks such as vessel collisions and hazardous cargo. Officers confirmed that cause of fire investigations were a matter for Kent Fire and Rescue Service, that cybersecurity recommendations from Exercise Troy would be reported back to a future meeting, and that international liaison sat primarily with central government, although KCC would explore whether related workstreams could sit within the KMRF.

4. The Chief Executive recognised the exceptional work undertaken by Officers across services in responding to daily and major incidents. She paid particular tribute to the Marketing and Resident Experience Service, the Resilience and Emergency Planning Service, the Director of Public Health, and the Director of Infrastructure.

5. RESOLVED to note the report.

39. Strategic Overview of Kent County Council's Peppercorn Lease Estate
(Item 8)

1. Mrs Rebecca Spore (Director of Infrastructure) introduced the report which provided a strategic overview of Kent County Council's peppercorn lease estate. She explained that it outlined the definition of a peppercorn lease, the reasons the Council may enter into such arrangements, and the number and

types of leases currently in place. She highlighted that some peppercorn leases were statutory requirements, particularly in relation to schools and academies established under specific legislation. Others were historical or linked to particular Council policies and regeneration projects.

2. Further to questions and comments from Members the discussion included the following:

   (a) It was noted that KCC does not operate a community asset transfer policy and only utilises peppercorn arrangements in limited, defined circumstances, ensuring compliance with statutory responsibilities and best value requirements.
   (b) Regarding Local Government Reorganisation (LGR) it was noted that consideration would need to be given to how existing peppercorn leases would transfer or be managed under any future structural changes. Members were reassured that all property related information and lease arrangements would be transparently shared between authorities as part of any formal transfer process.
   (c) More detail on the properties held on peppercorn rents was requested, including the frequency with which such leases were reviewed, and whether any subletting occurred. Concern was also raised about very long leases and the appropriateness of maintaining certain arrangements in the current financial climate. Officers confirmed that existing leases were contractual agreements and could only be varied by mutual consent. Most new peppercorn leases arise from statutory requirements, such as those associated with the Academies Act 2010. Some long leasehold arrangements were used to retain strategic control while enabling partners to operate a site. Historical leases, including those inherited from other bodies, continued to be managed within these constraints. The level of detail that could be shared publicly would need to reflect commercial confidentiality and data protection requirements.
   (d) The Chairman noted that further work on LGR would address many of the broader issues raised.

3. RESOLVED to note the report.

40. Decisions taken between Cabinet Committee meetings
(Item 9)

RESOLVED to note that Decision No. 25/00114, Disposal of the Former Gravesend Adult Education Centre, Darnley Road, Gravesend, DA11 0RX, was taken in accordance with sections 12.32 and 12.35 of the Council's constitution.

41. Work Programme 2026
(Item 10)

RESOLVED to note the Work Programme.

42. 25/00113 - Freehold disposal of Land at former Spires Academy, Bredlands Lane, Westbere, Canterbury CT2 0HD
(Item 11)

RESOLVED that the Cabinet Committee endorses the proposed decision to:

1. the disposal of Land at Former Spires Academy, Bredlands Lane, Westbere, Canterbury, CT2 0HD; and

2. to delegate authority to The Director of Infrastructure, in consultation with the Deputy Leader, to finalise the terms of the disposal and execution of all necessary or desirable documentation required to implement the above.

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From: Linden Kemkaran, Leader of the Council

Brian Collins, Deputy Leader of the Council

Amanda Beer, Chief Executive Officer

Ben Watts, Deputy Chief Executive Officer

To: Policy & Resources Cabinet Committee – 11 March 2026

Subject: Risk Management: Chief Executive's and Deputy Chief Executive's Departments

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary:
This paper presents the strategic risks relating to the Chief Executive's and Deputy Chief Executive's Departments, in addition to the risks featuring on the Corporate Risk Register that fall within the relevant Cabinet portfolios.

Recommendation(s):
The Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the risks presented.

1. Introduction

1.1 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are identified and controlled. The process of developing the registers is therefore important in underpinning service delivery planning, performance management and operating standards. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.

1.2 Directorate risks are reported to Cabinet Committees annually and contain strategic or cross-cutting risks that potentially affect several functions across the Chief Executive's and Deputy Chief Executive's Departments and often have wider potential interdependencies with other services across the Council and external parties.

1.3 Chief Executive's and Deputy Chief Executive's Department Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Directors in the Chief Executive's and Deputy Chief Executive's Departments are designated 'Risk Owners' (along with the rest of the Corporate Management Team (CMT)) for several corporate risks.

1.4 The majority of these risks, or at least aspects of them, will have been discussed in depth at relevant Cabinet Committee(s) throughout the year, demonstrating that risk considerations are embedded within core business.

1.5 A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact. Firstly, the current level of risk is assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced, with the aim of reducing the risk to a tolerable and realistic level. If the current level of risk is acceptable, the target risk level will match the current rating.

1.6 The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies is contained within the KCC Risk Management Policy and Strategy.

2. Corporate risks led by the Chief Executive's and Deputy Chief Executive's Departments

2.1 The Council, along with the local government sector, continues to operate amidst a challenging operating environment, experiencing significant uncertainty and organisational pressures relating to the cost-of-living crisis, economic volatility, workforce shortages and cost inflation, all of which impact financial sustainability.

2.2 There are nine corporate risks of particular relevance to this Committee. A summary, including changes over the past year, are outlined below, with more detail of the risks and their mitigations contained in Appendix 1.

2.3 These risks are reviewed regularly throughout the year and were presented to Cabinet along with the rest of the corporate risk register on 8 January 2026. In addition, the risk register was presented to Governance and Audit Committee for assurance on 28 January 2026.

2.4 There is a proposed new draft risk on the corporate risk register, CRR0069 – Implementation of Local Government Reorganisation (LGR). This risk is in early draft form and will be presented to the Devolution and LGR Cabinet Committee on 23 March for review and discussion.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0053	Asset Management and Degradation and associated impacts, linked to Capital Programme affordability	High (25)	High (16)

This risk is focused on the degradation of organisational assets due to financial pressures, affordability of the capital programme, and the uncertainty surrounding grant funding for capital expenditure, with particular concern relating to impacts on our ability to meet operational requirements and/or statutory duties and invest in infrastructure. The major risks and issues associated with the capital programme have been discussed as part of the budget process.

The risk has continued to remain at the maximum rating over the past 12 months. Despite the central Government funding settlement now being in place for the next three financial years, the risk causes and the lack of ability to meet infrastructure requirements remain.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0059	Significant failure to bring forecast budget overspend under control within budget level assumed	High (25)	Medium (9)

This risk is focused on the Council's legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities. The risk remains rated as High. The most significant overspend (and spending growth) in both the 2024-25 and 2025-26 financial years are in Adult Social Care & Health (ASCH) and controls are in place to reflect this, including the arrangements for annual fee uplifts for existing placements based on a differential approach for different settings, a more rigorous approach to managing placements including a review of previously self-funded arrangements and ongoing focus on assessments of eligible needs and the retendering of framework contracts with more robust guide prices and expectations for higher take-up of framework placements for new clients.

There are also strict spending controls in place across the organisation aimed at reducing the financial deficit in the current financial year.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating

CRR0014	Cyber and Information Security Resilience	High (20)	High (20)

This risk focuses on cyber and information security threats and the potential of malicious (intentional) actions against KCC from individuals, cyber criminals and state sponsored attacks, including within the Council's supply chain.

Each year, the National Cyber Security Centre's (NCSC) Annual Review details the key developments in cyber security nationally and abroad including an overview of emerging threats, risks and vulnerabilities which the Council reviews and takes the necessary action required to mitigate the risk.

The risk is at its target rating and remains a high rated risk. The risk rating reflects constantly evolving threats that require controls to remain effective and fit-for-purpose to protect the Council from threats to its information security.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0009	Future financial operating environment for Local Government	High (20)	High (16)

The risk focuses on the Council's ability to operate effectively within a challenging external environment and uncertainty around sufficiency of the council's core spending power when faced with service demand and other pressures.

The 2026-27 budget and the medium term financial plan to 2028-29 were approved by County Council in February, with significant risks and challenges acknowledged. Even though overall net cash is increasing, this is not sufficient to keep pace with forecast spending demands. Central Government have re-introduced a multi-year settlement covering 2026-29 and the risk rating has been reduced to reflect this. However, the overall amount of funding from central government and local taxation continues to be less than spending pressures, while there is also no certainty that additional central government funding to address spending pressures in social care will be clearly identified in future settlements, adding additional demands on core funding. The risk therefore remains at a High level at this time.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0058	Capacity and capability of the workforce	High (16)	Medium (12)

This risk is focused on the capacity and skills of the workforce. The Council continues to experience high demand for services, with the strain on the existing workforce impacting their capacity. The number of workforce related risks identified across the organisation equates to approximately a third of all risks being monitored by the Council, maintaining the position from last year.

Continuation of skill shortages nationally in key areas, create challenges with attracting suitably qualified and capable staff, retaining them to ensure sufficient capacity and capabilities to deliver services continues to be reported as a challenge across directorates.

The organisation continues to be subject to significant change across services while delivering ‘business as usual’ services.

Strict spending controls are currently in place, which include recruitment processes.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0045	Maintaining effective governance and decision making in a challenging financial and operating environment	High (16)	Medium (8)

This risk focuses on the need for effective governance and decision making as well as robust internal control mechanisms to support timely and difficult policy decisions, particularly as the Council, like many across the local government sector, are facing significant budgetary challenges relating to high spend areas of adult social care and delivery of services to children with Special Educational Needs and Disabilities (SEND).

The External Auditor’s annual report, published in autumn 2025, outlined their assessment of value for money arrangements at the council, under three key criteria: financial sustainability; governance; and improving economy, efficiency and effectiveness.

The *governance* assessment had improved from the previous year, with *“no significant weaknesses”* highlighted. The improvement in performance regarding implementation of Internal Audit recommendations was one area specifically highlighted. The External Auditor made four improvement recommendations to strengthen arrangements further which are being delivered.

The report also noted the large number of new members inducted since May 2025, with 30 training sessions and an induction program launched for members. All 81 Members were met by the Chief Executive Officer and Monitoring Officer to explain the importance and value of governance and appropriate decision making. Three training sessions and an information session for the Cabinet have been run alongside surgery style support.
The External Auditor commented that ongoing member training and engagement must remain a high priority.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating

CRR0039	Information Governance	Medium (15)	Medium (9)

This risk is focused on the obligations of the Council to meet requirements of the UK General Data Protection Regulations (GDPR) and ensuring that the appropriate processes, procedures and behaviours are embedded to meet requirements.

The Council continues to monitor and report on performance against targets for responding to increasing volumes of Freedom of Information and Subject Access Requests, which were both above expected volume range from June to September 2025. Whilst resources have been moved within the Information, Resilience and Transparency team to help improve response rates for Subject Access Requests (SARs), the pressures within services and with the volume and complexity of requests persist.

In response to innovative technological developments, the Council has developed a policy to provide direction on the use of Artificial Intelligence, ensuring that personal sensitive data from either residents, or people who use our services and commercially sensitive data is used correctly and appropriately.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0065	Implementation of fit-for-purpose Oracle Cloud system	Medium (10)	Low (5)

This risk is focused on the implementation of a fit-for-purpose Oracle Cloud system.

This is a critical programme for the organisation, replacing the current outdated infrastructure. It is a large and complex programme, which carries with it significant inherent risk.

It is essential that the programme demonstrates robust governance, change and programme management, especially at a time where organisational capacity is stretched, with several major change activities in train.

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating
CRR0049	Fraud and Error	Medium (10)	Low (5)

This risk acknowledges the risk of fraud and/or error that exists within any organisation and the need for the council, like all public bodies, to be attuned to the risks facing their organisations and the public sector.

The direction of travel for this risk has remained stable, and the Counter Fraud team continue their proactive and reactive work in mitigating the risks to KCC. Regular reports are presented to the Governance & Audit Committee and are being revised to make a clearer distinction between fraud and error, based on a judgement of probability in some cases.

3. Chief Executive's and Deputy Chief Executive's Departments' risk profile

3.1 The Chief Executive's and Deputy Chief Executive's Departments hold a total of five risks between them across their respective departmental registers. A summary of these risks is outlined in the table below.

3.2 Department Management Teams are currently in the process of reviewing their risk profiles as the majority of risks identified are relevant to both departments and there is potential for amalgamation.

Table 1 – Chief Executive's and Deputy Chief Executive's Departments Risk Register Summary

Risk Reference	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since March 2025
CED0003	Departmental resource capacity	High (16)	Medium (9)	⇔
CED0004	Modernisation of financial operations	High (16)	Medium (8)	⇔
DCEO0003	Departmental resource capacity	High (16)	Medium (9)	⇔
CED0007	Border controls – EU Entry and Exit system	Medium (9)	Low (6)	⇔
CED0008	Anti-bribery and corruption	Low (4)	Low (4)	⇔

3.3 The departmental risk registers are subject to in-year reviews with Departmental Management Teams, most recently completed in February 2026.

3.4 CED0007 'Border controls – EU Entry and Exit system' reduced in rating from Medium (9) to Low (6) but was subsequently increased back to Medium (9). KCC has been working closely with partners at a local and national level to assess potential implications for the county and prepare for various scenarios. The risk rating was reduced once it was clear that a phased approach would be adopted by the EU and further scenario modelling had been conducted at a national level, however there has been a subsequent delay in the implementation of passenger traffic checks.

4. Recommendation

Recommendation:

The Policy & Resources Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the risks presented.

5. Appendices

Appendix 1 – Chief Executive's Department and Deputy Chief Executive's Department Led Corporate Risks – Policy and Resources Cabinet Committee

6. Contact details

Report Author:
Mike Hand, Risk & Delivery Assurance Officer
Mike.hand@kent.gov.uk

Relevant Director:
David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance
David.whittle@kent.gov.uk

Appendix 1 - Chief Executive's Department and Deputy Chief Executive's Department Led Corporate Risks - Policy and Resources Cabinet Committee

Kent County Council
kent.gov.uk

Risk Register - Corporate Risk Register

Current Risk Level Summary

Green	0	Amber	3	Red	6	Total	9

Current Risk Level Changes

0	1	1	0	2
0	0	0	2	2
0	0	0	0	0
0	0	0	0	1
0	0	0	0	0

Risk Ref	*CRR0053*	Risk Title and Event	Assigned To	Last Review da	Next Review
		Asset Management and Degradation and associated impacts, linked to Capital Programme affordability	Cath Head	10/02/2026	10/05/2026

Impact on ability to meet operational requirements and/or statutory duties.

Increase in maintenance backlogs.

Emergency works on essential sites are prioritised to avoid serious health and safety incidents, with knock-on impacts for non-priority sites.

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
Assets not being invested in sufficiently or adequately maintained now will require future additional spend to maintain with the possibility of reactive costs which may create a revenue pressure. Ongoing investment to maintain and modernise our assets competes with the priority to protect frontline services from effects of public sector funding restraint. The level of borrowing to fund the capital programme and the impact on the revenue budget is significant. The uncertainty includes	Business interruption due to increasing level of reactive / emergency repairs, or parts of estate decommissioned (in whole or partially if deemed unsafe). Health and safety incidents (potentially serious) associated with asset degradation. Inability to meet statutory duties e.g. lack of appropriate school place provision. Non-priority sites may not be maintained to a sufficient standard and may not be safe and fit for purpose, leading to building closures. Delays result in additional	High 25 Major (5) Very Likely (5)		• Papers to Secretary of State seeking approval to increase school financial thresholds	Joanne Taylor	A -Accepted	31/03/2026	High 16 Serious (4) Likely (4)
				• 10-year capital programme published. This identifies projected costs for some of the rolling programmes and a separate section of potential stand-alone projects which are markers and will need to have a full business case and identified funding planned, evaluated and agreed.	Cath Head	Control		
				• Lobbying of Government in relation to capital funding.	Cath Head	Control		

capital expenditure funded by grants, many of which are crucial to delivery of statutory services. There are a number of geo-political uncertainties in the current environment which additionally impact on the financial and operating environment. Inflationary pressures impact on the capital programme significantly. Expectations of key stakeholders on capital spend. Risks associated with changes in legislation related to developer contributions. This could lead to a requirement for significant forward funding.	inflationary costs. Funding annual rolling programmes from borrowing is unsustainable. Reputational damage as a result of building closures or any impact on service delivery. The continued use of capital receipts flexibility for permitted revenue spending will impact on receipts available to fund capital projects.			• The capital programme 2026-36 includes no new borrowing above borrowing in the previous programme. New projects in the programme have been funded through removal of schemes that will no longer be progressed, alternative funding through grants, changes to plans for Strategic Headquarters and reprofiling spending for existing schemes. These measures are aimed at reducing financing costs from revenue.	Cath Head	Control		
				• The 2026-36 capital programme includes additional provision for priority highway schemes.	Cath Head	Control		
				• Asset safety factors associated with our assets are given priority during the budget setting process.	Cath Head	Control		
				• An annual programme of planned preventative maintenance is undertaken at KCC sites by the relevant Facilities Management contract partners	Tony Carty	Control		
				• Lobbying central Government re capital grants relating to Highways.	Simon Jones	Control		
				• Premises Officers in place to visit schools and support them with forecasting maintenance budgets.	Joanne Taylor	Control		
				• The most urgent works will be completed on the agreed, prioritised sites.	Joanne Taylor	Control		
				• Infrastructure works with Assistant Education Directors to communicate to schools regarding their obligations for maintenance and their responsibilities for repairs under financial thresholds	Joanne Taylor	Control		
				• External funding bid for 'schools rebuilding programme' (DfE) was submitted, and successful for Birchington Primary School.	Joanne Taylor	Control		
				• Health and Safety Team in place in advisory capacity to ensure compliance with Government and HSE guidelines.	Jonty Tindall	Control		
				• Review of KCC estate – Future Assets Programme.	Rebecca Spore	Control		

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Risk Ref	CRR0059	Risk Title and Event	Assigned To	Last Review da	Next Review
		Risk of significant adverse variance to the level of savings and income agreed in KCC's budget. Risk of significant adverse variance to the level of savings and income agreed in KCC's budget. Spending growth pressures significantly exceed forecasts.	Dave Shipton	10/02/2026	10/05/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
The Council is under a legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities. The most significant savings requirements are in adult social care. Urgent action is required to ensure revenue spending is at a sustainable level, both within the current financial year 2025-26 and over the medium term (see CRR0009) to safeguard the council's financial resilience and viability.	Council reserves further depleted below a sustainable position. Impact on service delivery, as urgent additional savings are required to be found. More imminent danger of financial failure – ultimately requesting Exceptional Financial Support from Government or issuing of section114 notice by Corporate Director Finance (s151 Officer). Negative impact on MTFP.	High 25 Major (5) Very Likely (5)		• Adult Social Care have a more rigorous approach to managing placements including a review of previously self-funded arrangements and ongoing focus on assessments of eligible needs through only meeting statutory local authority duties.	Sarah Hammond	A -Accepted	31/05/2026	Medium 9 Significant (3) Possible (3)
				• Finance and performance monitoring progress reports considered at Cabinet meetings.	Cath Head	Control		
				• Budget monitoring includes a full report on all budgets on a quarterly basis with exception reports in the intervening months focussing on the largest and most volatile areas of spending.	Cath Head	Control		
				• Savings delivery plans and monitoring processes in place.	Cath Head	Control		
				• Analysis and enhancements to financial reporting introduced to better identify the underlying drivers for the main budget variances and the impacts and dependencies of management action and policy choices to reduce the forecast overspend.	Cath Head	Control		
				• The Council's Financial Regulations (and delegation levels within), "Spending the Council's Money" and Code of Corporate Governance reviewed, to ensure they remain fit for purpose in the current environment.	Cath Head	Control		
				• Data is collected and analysed to benchmark against other local authorities.	Dave Shipton	Control		

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				• An alternative strategy has been developed for ASCH savings. Previously, growth forecasts for demand and cost of new client placements was based on assuming historical trends continue and savings were aimed at reducing demand. Under the new strategy there is a greater emphasis on demand and cost management with demand forecasts based on population forecasts and cost of new placements based upon an affordable levels with targets for average cost of new placements set below cost of recent current placements. Performance will be monitored against these new targets – milestones, risks, dependencies etc, and reported to Strategic Reset Programme Board.	Dave Shipton	Control		
				• Adult Social Care budget includes provision for Sustainability Fund to support the discharge of the Council's market shaping and sustainability duties under the Care Act 2014 through targeted, proportionate and time-limited interventions.	Sarah Hammond	Control		
				• Adult Social Care have reviewed the arrangements for annual fee uplifts for existing placements based on a differential approach for different settings. This approach includes market analysis and provider engagement considering the impacts of inflation and other cost pressures on providers, the sustainability of the market and the sustained investment in recent years that has resulted in higher fees compared to other councils.	Sarah Hammond	Control		
				• Analytics function used to undertake detailed analysis of the main areas of overspend.	Matthew Wagner	Control		
				• Regular Strategic Reset Programme (SRP) engagement with Directors following approval of delivery plans.	Elizabeth Sanderson	Control		

				• Equality Impact Assessment screening will be completed for any alternative and / or additional savings necessary under the recovery plan.	Corporate Management Team	Control		
				• Any adverse variations to agreed savings / income are swiftly identified with compensating actions agreed with management.	Corporate Management Team	Control		
				• Resource Accountability Statements signed off by Corporate Directors.	Corporate Management Team	Control		

Risk Ref	*CRR0014*	Risk Title and Event	Assigned To	Last Review da	Next Review
Cyber & Information Security Resilience Confidentiality, integrity and availability of data or systems is negatively impacted or compromised leading to loss of service, data breaches and other significant business interruptions.			Lisa Gannon	13/01/2026	13/04/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
Malicious (intentional) actions against KCC from individuals, cyber criminals and state sponsored attacks. Supply chain compromise including third party data transfers, vulnerabilities in purchased equipment and supplier system breaches. Human error leading to staff revealing information or taking actions which assist malicious actor in being able to affect systems or data, including responding to phishing emails and losing account credentials. Compromise of physical security controls and/or infrastructure including unauthorised access to data centres, network cables and natural disaster (flood, fires etc.) Gaps in existing resources and capabilities, including technological controls and resource challenges in providers' operational teams.	Data Protection breach and consequent Information Commissioner's Office (ICO) sanction. Damages claims. Reputational Damage. Potential significant impact on business interruption if systems require shutdown until magnitude of issue is investigated. Loss or corruption of data. Loss of key systems potentially impacting ability to deliver statutory services. Partners unable to discharge their duties Complaints	High 20 Major (5) Likely (4)		• Review visibility of Group Risk profile regarding cyber security, to provide reassurance that the use of any shared resources or other inter-dependencies from a cyber perspective are continually understood.	James Church	A -Accepted	31/03/2026	High 20 Major (5) Likely (4)
				• Cyber security to be added to the mandatory IG training as agreed with GLD.	James Church	A -Accepted	30/04/2026	
				• Supply chain risk management program including keeping an inventory of all ICT suppliers and third-party data transfers, cyber requirements built into procurement, regular assurance of supplier security to ISO 27001 and Cyber Essentials Plus, and regular risk assessments carried out to identify supply chain risks.	James Church	Control		
				• CBS risks, including cyber risks shared with KCC on a regular basis.	James Church	Control		
				• Security engagement, training and awareness. Ongoing program of security engagement, training and awareness, upskilling staff to reduce human error. This includes communications, e-learning and training for staff.	James Church	Control		
				• Frequent security audits, penetration tests and compliance submissions External review of security posture provides validation that our controls work and are being managed effectively.	James Church	Control		

Page 24				• Multiple layers of logical, physical and administrative security controls Defence in depth is a key cyber security concept that the Authority adheres to, involving multiple layers of security control for protection from various threats.	James Church	Control		
				• Cyber standards and risk assessment have been included into the central ICT commissioning framework	James Church	Control		
				• Internal assurance programme including audits, risk assessment and vulnerability management Completion of internal audits and assurance audits to ensure cyber is being managed effectively. Continuing to action audit recommendations via the Consolidated Security Action Plan. Risk assessments completed on new implementations to ensure that cyber risks are highlighted and treated. Vulnerability management activities to identify and treat vulnerabilities in good time.	James Church	Control		
				• Investment in and implementation of new controls and technologies including capabilities of Microsoft M365 E5 licenses.	James Church	Control		
				• Data Protection and Information Governance training is mandatory and requires staff to refresh periodically. Progress rates monitored regularly.	Benjamin Watts	Control		
				• Messages warning staff of cyber threats are sent out regularly.	Diane Christie	Control		
				• Messages to encourage increased awareness of information security amongst staff are communicated to align with key implementation milestones of the ICT Transformation Programme.	Diane Christie	Control		

Risk Ref	CRR0009	Risk Title and Event	Assigned To	Last Review da	Next Review
Future financial and operating environment for Local Government			Dave Shipton	10/02/2026	10/05/2026

Levels of revenue spending and growth pressures across services continue to exceed the Council's core spending power, threatening the financial sustainability of KCC, its partners and service providers.

In order to set a balanced budget, the council is likely to have to continue to make significant year on year savings and/or generate additional income and take all reasonable steps locally to manage financial pressures .

Quality of KCC commissioned / delivered services suffers as financial situation continues to worsen.

Should the Council be unable to address financial pressures and set a balanced budget, the Council would have to seek Exceptional Financial Support.

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
Despite re-introducing a multi-year settlement covering 2026-29, the overall amount of funding from central government and local taxation continues to be less than spending pressures. 2026-27 budget and the medium term to 2028-29 are likely to continue to be exceptionally challenging and will require further spending reductions and/or income generation and ultimately difficult decisions over Council Tax rates. Even though overall net cash is increasing, this is not sufficient to keep pace with forecast spending demands. There is also no certainty that additional central government funding to address spending pressures in social care will	Unsustainable financial situation and potential drawdown from reserves, ultimately resulting in need to request Exceptional Financial Support from Government, or issue a section 114 notice. Failure to deliver statutory obligations and duties or achieve social value. Potential for partner or provider failure – including sufficiency gaps in provision. Reduction in resident satisfaction and reputational damage. Reserves are reduced to below an adequate level. Impact on Council Tax, including increases above the referendum level becoming necessary.	High 20 Major (5) Likely (4)		• Adult Social Care have set out plans for the retendering of framework contracts with more robust guide prices and expectations for higher take-up of framework placements for new clients.	Sarah Hammond	A -Accepted	31/05/2026	High 16 Serious (4) Likely (4)
				• KCC Strategic Reset Programme established and reprioritised to focus on key budget delivery programmes.	Amanda Beer	Control		
				• Financial analysis conducted after each Chancellor of the Exchequer Budget Statement to review potential implications for future local government settlements.	Dave Shipton	Control		
				• Processes in place for monitoring delivery of savings and challenging targets to bear down on future cost growth, as well as the budget as a whole.	Dave Shipton	Control		
				• Ensure evidence of any additional KCC spend required to cover impacts relating to new burdens imposed.	Dave Shipton	Control		
				• Forecasts for future spending growth to be revised as necessary once estimates become more certain and only finalised in controllable budgets once uncertainties have been resolved. Greater consideration of affordability within growth forecasts.	Dave Shipton	Control		

be clearly identified in future settlements, adding additional demands on core funding. The level of savings required in 2026-27 and over the medium term continues to be challenging, driven largely by growth in spending rather than cuts in funding. A significant financial risk for the Council is the continuing and increasing underlying deficit and accumulated debt on the High Needs Block of Dedicated Schools Grant (DSG). Local Government Reorganisation proposals have been submitted, although structural changes on their own will not address the underlying causes of spending growth pressures.	Increased and unplanned pressure on resources. Decline in performance. Legal challenges resulting in reputational damage to the Council.			• Budget managers will be given clearer expectations regarding both affordable activity levels and cost/fee levels within budget assumptions.	Dave Shipton	Control		
				• Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process, including stakeholder consultation.	Dave Shipton	Control		
				• Ongoing enhancements to Section 25 Assurance Statement including review and updates to assessment criteria and key risks.	Dave Shipton	Control		
				• Developed better scrutiny of spending bids and savings plans, to improve the overall robustness of the budget setting process, thereby improving financial resilience.	Dave Shipton	Control		
				• Regular review of HM Treasury forecasts and Government planned spending levels for Local Government.	Dave Shipton	Control		
				• Engagement with CCN, Society of County Treasurers and other local authorities and Government of potential opportunities and issues around devolution, local government reorganisation and public service reform.	David Whittle	Control		
				• KCC Quarterly Performance Report monitors key performance and activity information for KCC commissioned or delivered services. Regularly reported to Cabinet.	Matthew Wagner	Control		
				• Ongoing monitoring and modelling of changes in supply and demand in order to inform strategies and service planning in key areas going forward.	Matthew Wagner	Control		
				• Regular monitoring and oversight of progress against KCC's 'Safety Valve' agreement with the Department for Education (DfE).	Christine McInnes	Control		
				• Regular analysis and refreshing of forecasts to maintain a level of understanding of volatility of demand which feeds into the relevant areas of the MTFP and business planning process.	Corporate Directors CD	Control		

				• Assessing impact and responding to Government plans with the potential for significant financial implications for the Council, including adult and children's social care, changes to waste collection arrangements etc.	Corporate Directors CD	Control		

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Risk Ref	CRR0058	Risk Title and Event	Assigned To	Last Review da	Next Review
Capacity and capability of the workforce Workforce capacity challenges - insufficient staff to meet service demands. Capacity pressures within the management, and leadership teams potentially impacting time for reflection and decision making. Impact on budgets from use of agency staff/contractors to fill roles to support service delivery. There is a risk that services may not have the capacity to deal with the additional demand and associated cost pressures or may have to reduce quality to meet the need. Complaints from Kent residents Lack of depth / resilience of key personnel or teams.			Amanda Beer	16/12/2025	16/03/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
KCC is experiencing increasing demand for services due to whole system pressures which placing pressure on the existing capacity of the workforce. As a result of the complexity and volatility of issues being faced in the organisation capacity in within the management, and leadership teams is stretched. Increasing complexity of issues being faced by KCC require capable and experienced officers with potentially different skill sets. The financial position of the Council limits the ability to manage in spikes operational demand by way of	Adverse impact on productivity Negative impact on performance and / or delivery of statutory functions or services. Lack of experienced staff with specialist skills Reliance on interim and agency staff potentially impacting stability of teams and consistency of service. Inability to progress service development. Low staff morale and negative impact on wellbeing, potentially leading to burn out. Loss of discretionary effort/goodwill.	High 16 Serious (4) Likely (4)		• Post implementation review of pay strategy to ensure it remains competitive and sustainable for the future.	Kerena Hunter	A -Accepted	30/04/2026	Medium 12 Serious (4) Possible (3)
				• Review spans and layers of management in order to make sure we have the right people in the right places doing the right things.	Kerena Hunter	A -Accepted	30/04/2026	
				• Promote learning opportunities including the coaching network, webinars and networking opportunities.	Diane Christie	A -Accepted	30/04/2026	
				• Promote the reward and recognition mechanism in place as part of communications about our new Pay Strategy, including individual recognition for exceptional work and the employee package.	Diane Christie	A -Accepted	30/04/2026	
				• Review our good conversation tool to look in more depth about the way career development conversation can be supported.	Kirsty Ireland	A -Accepted	30/04/2026	
				• Implementation of action plans arising from latest staff survey.	Corporate Management Team	A -Accepted	27/03/2026	

recruitment. Newly qualified professionals in services require adequate time and support from senior officers, which has secondary capacity impacts. Impacts of supporting secondments on teams and services with limited capacity or on difficult to resource roles. As well as national skills shortages in key areas, attracting suitably qualified, skilled and experienced staff, and retaining them to ensure sufficient capacity and capabilities to deliver services continues to be reported as a challenge across directorates. This is influenced by internal and external factors such as the financial position of the Council, local and national elections and the subsequent political uncertainty. Tightened spending controls have been introduced to respond to the council's financial situation, including restrictions on recruitment.	Impact on delivery of projects to expected time scales. Employer and Service Reputational damage Negative impact on budgets and savings plans			• Workforce planning and appropriate career development and succession planning mechanisms in place.	Kerena Hunter	Control		
				• Delivery of the People Strategy for 2022 2027 approved by Personnel Committee	Kerena Hunter	Control		
				• Delivery of Management Development activities to provide clarity and guidance for KCC managers on their responsibilities and accountabilities, including focus on key areas, such as digital, hybrid, equality, inclusiveness.	Kerena Hunter	Control		
				• KCC's Organisation Design principles set out and periodically refreshed and monitored to ensure they remain fit for purpose.	Kerena Hunter	Control		
				• Communication, implementation and measurement of the impact of the People Strategy.	Kerena Hunter	Control		
				• Regular staff survey conducted, followed by facilitation of engagement and action plans with senior management. Includes predictive analytics to explore key drivers of intention to leave to enable appropriate responses to develop.	Diane Christie	Control		
				• Targeted advice, support and interventions available via HR business partners for areas of particular recruitment / retention concern relating to key roles.	Diane Christie	Control		
				• Delivery of the Change Support Hub to provide suite of tools, knowledge, models, videos and change related resources to support leaders, managers, staff, and project delivery teams. The aim of the Change Hub is to aid employees to build change understanding and skills at a time right for them, to support the delivery of KCC ambitions through its many change programmes.	Diane Christie	Control		
				• Exit and retention surveys in place to identify drivers for both leavers and for those who chose to stay	Diane Christie	Control		

				• Workforce profile report for the Personnel Committee gives detailed analysis on staffing levels and provides comparator information on previous years – now being provided more regularly to Personnel Committee for Member oversight and scrutiny.	Diane Christie	Control		
				• Promoting even more regular communications between managers and their teams while working remotely via "Good Conversations" tools etc.	Diane Christie	Control		
				• Communications and engagement campaigns will be delivered to support the implementation and embedding of People Strategy priorities. In particular, building awareness, understanding and use of our employee package will support staff retention.	Kirsty Ireland	Control		

Risk Ref	CRR0045	Risk Title and Event	Assigned To	Last Review da	Next Review
Maintaining effective governance and decision making in a challenging financial and operating environment. Members are unwilling or unable to agree necessary policy (service) decisions within required timescales to deliver a legally balanced budget and sustainable medium term financial plan (MTFP). Members agree a budget requiring unrealistic and undeliverable efficiency savings leading to significant in year overspends. Statutory officers (S151, Monitoring Officer, Head of Paid Service) are required to use their powers to intervene or alert the Council to inappropriate/illegal decision making. Insufficient progress made against stakeholder recommendations.			Amanda Beer	24/02/2026	24/05/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
The continuation of a challenging financial and operating environment for Local Government (see risk CRR0009) requires difficult policy decisions to be made in a timely manner, which means continued effective governance and decision making is critical, as well as robust internal control mechanisms. Examples from other local authorities has shown the impact that ineffective decision making can have on financial resilience. KCC's constitution explicitly references the demarcation of Member and Officer roles, which consequently places dependency on the effectiveness of the member governance of the Council. Previous external auditor reports have highlighted	Decisions challenged under judicial review on the appropriateness of the decision-making within KCC. Monitoring Officer / Head of Paid Service statutory report to Council. Reputational damage to the Council. Exceptional Financial Support needs to be requested, or Section 114 Notice issued by the Section 151 Officer.	High 16 Serious (4) Likely (4)		• Medium Term Financial Plan and Budget Book agreed by Full Council and support/briefings provided for all political groups by officers on budget development options	Dave Shipton	Control		Medium 8 Serious (4) Unlikely (2)
				• Effective internal audit arrangements in place and robust monitoring arrangements for the delivery of internal audit recommendations to Governance & Audit Committee	Dave Shipton	Control		
				• Appropriately detailed and timely financial monitoring reports considered by Cabinet and Cabinet Committees	Dave Shipton	Control		
				• Appropriate performance reporting of corporate performance to Cabinet, Cabinet Committees and Full Council	David Whittle	Control		
				• Appropriate and effective corporate risk management procedures in place for the Council	David Whittle	Control		
				• Operating standards for KCC officers that support KCC's constitution published on KNet, signposting officers to essential policy information and additional guidance on specific topics, to help officers discharge their responsibilities effectively.	David Whittle	Control		

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recommendations relating to governance arrangements at the council, for which the External Auditor acknowledged the hard work undertaken by KCC to establish improved governance, including arrangements to support effective decision making and internal assurance. They also commented that further work is needed to complete the improvement journey, for which an action plan is being implemented. A large number of new members have been inducted following the May 2025 local elections, with further training plans developed.				• Informal governance arrangements authorised by the KCC Constitution have been published on KNet as a practical guide for how officers work with elected Members to help them support effective decision making for our service users, residents and communities.	David Whittle	Control		
				• Regular reporting to Governance & Audit Committee of implementation of the actions identified within Annual Governance Statements, and actions raised at Governance and Audit Committee. In addition, Members and key stakeholders have access to a Power BI suite which captures all actions and progress to date.	Petra Der Man	Control		
				• Annual Governance Statement (AGS) arrangements in place, providing an overview of the state of the Authority's governance and the controls that are in place to manage key governance risks.	Petra Der Man	Control		
				• Member and Officer Codes of Conduct in place and robustly monitored and enforced.	Petra Der Man	Control		
				• Member development and training programme in place and overseen by Selection and Member Services Committee.	Petra Der Man	Control		
				• Provision for Chief Officers to seek written direction from Executive Members within the KCC Constitution.	Petra Der Man	Control		
				• Appropriate officer development and training programme in place and overseen by CMT	Diane Christie	Control		
				• Key and significant decision-making process in place for Executive decisions and appropriately published Forward Plan of Executive Decisions.	Ben Watts & Petra Der Man	Control		
				• Democratic Services support effective Committee governance and scrutiny arrangements.	Ben Watts & Petra Der Man	Control		
				• Dedicated team in place within the Governance & Law functions to improve the awareness and application of governance and decision making across the council.	Ben Watts & Petra Der Man	Control		

				• Governance reviews from across the Local Government sector are analysed to identify any lessons learned and reported to relevant stakeholders, including Governance & Audit Committee.	Ben Watts & Petra Der Man	Control		

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Risk Ref	CRR0039	Risk Title and Event	Assigned To	Last Review da	Next Review
Information Governance			Benjamin Watts	16/12/2025	16/03/2026

Failure to embed the appropriate processes, procedures and behaviours to meet regulations.
Failure to meet regulatory reporting deadlines.
Information security incidents (caused by both human error and / or system compromise) resulting in loss of personal data or breach of privacy / confidentiality.
Council accreditation for access to government and partner ICT data, systems and network is withdrawn.
Providers and or suppliers processing KCC data fail to embed the appropriate processes and behaviours.
Poor data quality negatively impacts AI algorithms

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
The Council is required to maintain the confidentiality, integrity and proper use, including disposal of data under the Data Protection Act 2018, which is particularly challenging given the volume of information handled by the authority on a daily basis. The Council has regulatory obligations into the management of SAR/FOI/EIR requests United Kingdom General Data Protection Regulations (UK GDPR) came into effect that have introduced significantly increased obligations on all data controllers, including the Council. There is insufficient resource available to undertake comprehensive oversight / assurance activity that provides assurance on compliance with existing information governance standards. There is a dependency on the	Information Commissioner's Office sanction (e.g., undertaking, assessment, improvement, enforcement or monetary penalty notice issued against the Authority). Serious breaches under UK GDPR could attract a fine. Increased risk of litigation. Reputational damage. Bias presenting in AI algorithms impacting outcomes and decision making Loss of trust in automated decisions	Medium 15 Significant (3) Very Likely (5)		• Services to complete data mapping process for their respective areas	Information Asset Owners	Accepted	01/04/2026	Medium 9 Significant (3) Possible (3)
				• Supply chain risk management program including keeping an inventory of all ICT suppliers and third-party data transfers, cyber requirements built into procurement, regular assurance of supplier security to ISO 27001 and Cyber Essentials Plus, and regular risk assessments carried out to identify supply chain risks.	James Church	Control		
				• Data breach process enhanced by automated system, changes included auto reminders to services where further information is required. More data is available on service performance in relation to breach management and also allow for timely escalation where appropriate	Peter Healey	Control		
				• Senior Information Risk Owner for the Council appointed with training and support to undertake the role.	David Whittle	Control		
				• Caldicott Guardian appointed with training and support to undertake the role	Sarah Hammond	Control		
				• Overarching policy for use of Artificial Intelligence is in place and has been communicated to the wider organisation	Benjamin Watts	Control		

Council's Local Authority Trading Companies (CBS) and other material third parties to support Information Governance compliance for the KCC systems and network. KCC services' requirement for non-standard systems creates vulnerabilities. Failure to manage data lawfully when using automated decision making via algorithms.				• Staff are required to complete mandatory training on Information Governance and Data Protection and refresh their knowledge every two years as a minimum.	Benjamin Watts	Control		
				• IG policies and procedures have been consolidated supported by communications. Policies reviewed regularly. Data Protection Officer in place to act as a designated contact with the ICO.	Benjamin Watts	Control		
				• Management Guide/operating modules on Information Governance in place, highlighting key policies and procedures.	Benjamin Watts	Control		
				• Corporate Information Governance Group established, chaired by the DPO and including the SIRO and Caldecott Guardian acting as a point of escalation for information governance issues and further escalation to the Corporate Management Team if required	Benjamin Watts	Control		
				• Privacy notices as well as procedures/protocols for investigating and reporting data breaches reviewed and updated	Caroline Dodge	Control		
				• Information Resilience and Transparency team in place, providing business information governance support.	Caroline Dodge	Control		
				• The data capture mapping form is in place. Policy guidance requires Information Governance leads to review data maps with the services on a biannual basis, or as and when a new DPIA is created reflected on the data map.	Hannah Rumball	Control		
				• Data Protection Impact Assessment (DPIA) is supported with a matrix detailing the type of data and its usage. KCC testing of Microsoft Copilot is moving into its second phase, and the DPIA remains a live document and will be updated accordingly.	Hannah Rumball	Control		
				• Cross Directorate Information Governance Working Group in place.	Hannah Rumball	Control		

				• ICT Commissioning function has necessary working/contractual relationship with the Cantium Business Solutions to require support on KCC ICT compliance and audit.	Sverre Sverreson	Control		

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Risk Ref	CRR0065	Risk Title and Event	Assigned To	Last Review da	Next Review
Implementation of fit-for-purpose Oracle Cloud system. Oracle Cloud system not fit-for-purpose.			Simon Jones	15/01/2026	15/04/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
This is a critical programme for the organisation, replacing the current outdated infrastructure. It is a large and complex programme, which carries with it significant inherent risk. There have been reports in the public domain about other implementations that have been fraught with difficulties, so it is important that this organisation-wide risk features on the Corporate Risk Register for visibility and that the programme demonstrates robust governance, change and programme management, especially at a time where organisational capacity is stretched, with several major change activities in train.	1. Impact on finance - unable to carry out month/year end, paying suppliers/providers/clients and staff and receive payments into the Authority. 2. Impact on HR - unable to run payroll and pay staff expenses, phase 2 effects every KCC employee. 3. Services unable to carry out operational duties. 4. Costs to the Oracle Cloud programme will increase as resources to the programme extended. 5. Reputational impact to the Authority.	Medium 10 Major (5) Unlikely (2)		• Right skills in place to carry out User Acceptance Testing (UAT).	Lisa Gannon	Control		Low 5 Major (5) Very Unlikely (1)
				• UAT phases - control points for sign off (payroll has a single pass/fail criteria).	Lisa Gannon	Control		
				• Build & Functional Test phases for each module built into the programme with sign off required at end of each 'build' phase.	Lisa Gannon	Control		
				• Pre UAT & Training schedule as part of the programme.	Lisa Gannon	Control		
				• Any additional spend required for the programme to be discussed at the Oracle Cloud Programme Boards and approved by the SRO.	Simon Jones	Control		
				• Agree date of 'change freeze' across all applications that interface with Oracle	Simon Jones	Control		
				• Cloud readiness assessment (with Service Leads) phase undertaken to map out current processes and how these will fit to the new system taking on board 'ADOPT not ADAPT'	Simon Jones	Control		
				• Oracle Cloud Board Members to ask their respective areas to ensure that the programme is aware of any proposed changes to the current Oracle System or associated 3rd party systems to enable the programme to impact assess as otherwise it could result in additional costs.	Simon Jones	Control		
				• Programme Team to provide Internal communications with regular updates and key messages so that information is given in a timely matter.	Ben Sherreard	Control		
				• Transition / change managment planning to be completed.	Ben Sherreard	Control		

Risk Ref	CRR0049	Risk Title and Event	Assigned To	Last Review da	Next Review
Fraud and Error Failure to prevent or detect significant acts of fraud or error from internal or external sources, in that within any process or activity there are risks that: - false representations made to make a gain or expose another to a loss - failure to notify a change of circumstances to make a gain or expose another to a loss - abuses of position, in which they are expected to safeguard to make a gain or expose another to a loss. Given the size and complexity of KCC, with a significant number of payments going to a wide range of suppliers and other public bodies, whom have a legitimate need to amend their bank details, that this process is used to submit a fraudulent change of bank details (mandate fraud) to KCC in order to divert funds. Compromise of physical security controls and/or infrastructure including unauthorised access to ICT systems could lead to fraudulent access and/or use of data.			Dave Shipton	10/02/2026	10/05/2026

Cause	Consequence	Current Risk	Previous Current Risk	Control / Action		Control / Action	Target Date	Target Risk
As with any organisation, there is an inherent risk of fraud and/or error that must be acknowledged and proactively managed. The fraud threat posed during emergency situations is higher than at other times, and all public bodies should be attuned to the risks facing their organisations and the public sector. This is further impacted by inflation and the cost-of-living crisis. It is critical that management implements a sound system of internal control and always demonstrates commitment to it, and that investment in fraud prevention and detection technology and resource is sufficient. This includes ensuring that new emerging	Financial loss leading to pressures on budgets that may impact the provision of services to service users and residents. Reputational damage, particularly if the public see others gaining services or money that are not entitled to, leading to resentment by the public against others. Potential legal challenge. Reputational damage. Poor service delivery. Potentially enabling Serious Organised Crime.	Medium 10 Moderate (2) Very Likely (5)		• KCC is part of the Kent Intelligence Network (KIN), a joint project between 12 district councils, Medway Council, Kent Fire & Rescue and Kent County Council which analyses and data matches financial and personal information to allow fraudulent activity in locally administered services to be detected more proactively within Kent	Nick Scott	Control		Low 5 Minor (1) Very Likely (5)
				• An agreed Memorandum of Understanding is in effect with partners (District Councils, Police and Fire Service) outlining the minimum standards expected to be applied by collection authorities (District Councils) to address fraud and error relating to council tax and business rates. Additional work jointly funded to identify and investigate high risk cases based on each authority's share of the tax base. This supports the work of the KIN.	Dave Shipton	Control		
				• Multiple layers of logical, physical and administrative security controls. Linked to CRR0014 Cyber Security Corporate Risk.	James Church	Control		

fraud/error concerns are sufficiently risk assessed. As part of the Economic Crime and Corporate Transparency Act (ECCT), a new corporate criminal offence of 'Failure to Prevent Fraud' has been introduced. The offence is intended to hold large organisations to account if they profit from fraud. Under the offence, large organisations may be held criminally liable where an employee, agent, subsidiary, or other "associated person", commits a fraud intending to benefit the organisation.				• KCC reserves the right to carry out a dip sample of due diligence vetting checks in partnership with contract managers to verify declarations of non-involvement.	Clare Maynard	Control		
				• Scheme of Delegation - compliance with Delegation Matrix and Spending the Council's Money	Clare Maynard	Control		
				• Procurement standards reviewed, including rules relating to "Spending the Council's Money", which have been clarified, to ensure relevant controls are in place to mitigate e.g. declarations of interest for procurement fraud, authorisation levels etc.	Clare Maynard	Control		
				• All tendering specification now include a requirement for the tenderer to provide details on what procedures they have in place to prevent fraud from occurring within the contract, both in the service delivery and invoicing into KCC. Support in evaluating these procedures will be obtained from the Counter Fraud Team as part of the overall evaluation process.	Clare Maynard	Control		
				• Clear process within relevant Commissioning Departments for procurement under the PCR threshold	Clare Maynard	Control		
				• With supplier consent, within the Tender Selection Questionnaire and subsequent contract Terms and Conditions.	Clare Maynard	Control		
				• Communication of mandate fraud / cyber security to KCC supply chain.	Clare Maynard	Control		
				• Mandatory training - Data Protection and Information Governance training is mandatory and requires staff to refresh periodically. Linked to CRR0014 Cyber Security Corporate Risk.	Benjamin Watts	Control		

				• Communication, including messaging to encourage increased awareness of information security amongst staff. Linked to CRR0014 Cyber Security Corporate Risk.	Diane Christie	Control		
				• Internal Audit includes proactive fraud work in its annual audit plan, identifying potential areas where frauds could take place and checking for fraudulent activity.	James Flannery	Control		
				• Whistleblowing Policy in place for the reporting of suspicions of fraud or financial irregularity	James Flannery	Control		
				• Training and awareness raising is conducted periodically and is included in the Counter-Fraud action plan.	James Flannery	Control		
				• Preventing Bribery Policy in place, presenting a clear and precise framework to understand and implement the arrangements required to comply with the Bribery Act 2010.	James Flannery	Control		
				• Anti-fraud and corruption strategy in place and reviewed annually	James Flannery	Control		
				• Counter Fraud Action plan in place to manage resources in conducting reactive and proactive work across KCC.	James Flannery	Control		
				• Participate in the National Fraud Initiative exercise every two years to identify any fraud and error within key risk areas.	James Flannery	Control		
				• KCC Counter Fraud & Trading Standards are a member of the Kent Fraud Panel to help inform current fraud trends and emerging risks that may impact KCC and its residents.	James Flannery	Control		
				• Mandate fraud risks are communicated as part of the fraud awareness sessions.	James Flannery	Control		
				• Systems of internal control which aim to prevent fraud and increase the likelihood of detection e.g. financial controls such as authorisation of payments and spend.	Corporate Manageme nt Team	Control		

				• The Corporate Management Team is required to engage the Counter Fraud Team regarding all new policies, initiatives and strategies as per the anti-fraud and corruption strategy and have relevant fraud risk assessments and mitigating controls in place on specific fraud risks associated with their areas.	Corporate Management Team	Control		

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From: Linden Kemkaran, Leader of the Council

Brian Collins, Deputy Leader
Amanda Beer, Chief Executive Officer

To: Policy and Resources Cabinet Committee – 11 March 2026

Subject: Key Performance Indicator review for 2026/27

Classification: Unrestricted

Summary:

All Key Performance Indicators (KPIs) reported to Cabinet Committees and Cabinet are reviewed on an annual basis. This paper includes the review of those which are reported to this Committee, namely those covering the Chief Executive's Department (CED) and Deputy Chief Executive's Department (DCED).

Recommendation:

The Policy and Resources Cabinet Committee is asked to COMMENT on the KPIs and targets proposed for the Chief Executive's Department and Deputy Chief Executive's Department for 2026/27**,** and to NOTE the recommendation for a paper regarding the Government's Local Outcomes Framework to come before the Policy and Resources Cabinet Committee in July.

1. Introduction

1.1. Part of the role of Cabinet Committees is to review the performance of the functions of the Council that fall within the remit of the Cabinet Committee. To support this role, KPI dashboards are regularly reported to each Cabinet Committee throughout the year. To ensure the KPIs within those dashboards remain aligned with the strategic priorities of KCC, an annual review is undertaken before the start of each financial year.

2. Process

2.1. As in previous years, the Analytics team approached services across all directorates to consider any revisions to the existing KPIs within their respective cabinet committee dashboards. The Policy and Resources Cabinet Committee dashboard relates to services within the Chief Executive's and Deputy Chief Executive's Departments.

2.2. The review of KPIs considers both whether the right selection of KPIs and activity indicators are included as well as whether the targets and floor standards are set at the right level.

2.3. This year, attention was drawn to the priority within the Strategic Statement to improve performance management arrangements for all KCC services by reviewing current key performance indicators and targets, and ensuring that the drive towards value for money is reflected in these.

3. Outcome

3.1. Services have worked with their leadership teams during this review, and the proposed KPIs and activity indicators for 2026/27 are attached in appendix 1. This includes, for each service, a rationale as to why these indicators were selected.

3.2. One key outcome of the review process is a proposed new section for **Commercial and Procurement**. The KPIs in this section will cover: money saved during the procurement of KCC contracts; the percentage of contracted spend with SMEs, VCSEs and Kent-based businesses; and compliance with KCC's procurement standards.

3.3. For **Finance**, an additional debt activity indicator has been added to show the level of debt held by the authority which is being actively chased by Income Recovery. Other indicators remain largely unchanged.

3.4. KPIs for **Governance and Law** reflect statutory duties and with targets taking account of benchmarks stipulated by the Information Commissioner's Office.

3.5. **Infrastructure** KPIs monitor the delivery of the Asset Management Strategy, i.e. that we are performing well in terms of securing rent receipts and meeting standards on task completion and timeliness.

3.6. For **Marketing and Residence Experience**, the review needed to ensure there was alignment with the new contract for running the Contact Centre which was awarded to Capita. This resulted in some existing indicators being removed.

3.7. Those for **Human Resources and Organisational Development** evaluate the effectiveness of staff learning events, and the take-up of key training as well as activity levels in key functions of the Division.

3.8. **Technology** KPIs focus on critical elements delivered by ICT which enable staff to work effectively, including quick resolution of issues, availability of the public service network, and availability of email.

4. Local Outcomes Framework

4.1. The Ministry of Housing, Communities and Local Government released a policy paper on 12th February 2026 announcing the 'Local Outcomes Framework' (LOF) - a set of outcomes-based performance measures against key national priorities delivered at the local level and driven by councils as local leaders of place. The Framework is structured around 16 priority outcomes that represent government's top priorities for delivering outcomes by local government working with local partners. Each priority outcome is underpinned by a set of metrics to measure progress, with 132 metrics included in total, although 17 are placeholders and the 'Housing Supply' priority outcome metrics are still being considered.

4.2. The Framework makes use of existing published data – Official Statistics standard or similar quality, at local authority level. In some instances where data does not yet exist for a key priority that government wants to measure, a placeholder has been included to indicate ongoing development of a new data set

4.3. The outcomes and metrics for each local authority area will be published on gov.uk, with the aim that this will improve transparency and enable the public, government, local government and local partners to have a shared view of progress. Outcomes for each local area will be made comparable against that area's 'statistical neighbours', i.e. areas most similar in terms of their context and challenges. A statistical neighbours model is being developed for this purpose. The government intends to launch a digital tool later this year.

4.4. It is proposed that a paper is brought to the July meeting of the Policy and Resources Cabinet Committee, mapping the Local Outcomes Framework metrics against KCC's KPIs and activity indicators across all the Cabinet Committee dashboards and the Quarterly Performance Report. This will enable the committee to consider how KCC's performance indicators align to the priorities laid out in the LOF, upon which KCC's progress is likely to be monitored externally.

5. Recommendation

The Policy and Resources Cabinet Committee is asked to COMMENT on the KPIs and targets proposed for the Chief Executive's Department and Deputy Chief Executive's Department for 2026/27, and to NOTE the recommendation for a paper regarding the Government's Local Outcomes Framework to come before the Policy and Resources Cabinet Committee in July**.**

6. Contact details

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Proposed KPIs and Activity indicators for 2026/27

Key
KPIs, their targets and floors, and Activity indicators are the same as in 2025/26 unless otherwise stated. Any changes to KPIs, targets or floors are shown by the previous value being crossed through (e.g. ~~80%~~).

Chief Executive's Department

Key Performance Indicators – Finance

Ref	Indicator Description	2025/26 Dec 25	2026/27 Target	2026/27 Floor
FN06	% of outstanding debt due to KCC under 6 months old	35%	70%	65%
FN07	% of invoices received by accounts payable within 30 days of KCC received date	87%	85%	80%
FN08	% of invoices received by accounts payable on time processed within 30 days	85%	98%	95%
FN11	% of financial assessments fully completed within 15 workings days of receipt of the referral	86%	90%*	85%*
FN12	% of working days aggregate central bank balance is within approved overdraft limit.	99%	100%	90%
FN13	% working days average credit rating for internally managed cash portfolio is no lower than AA-	100%	100%	90%
FN14	% third-party insurance claims resolved within the designated timescales	99%	95%	85%
FN15	Publication of accounts deadlines met for draft and final statements	N/a	Deadlines met	N/a
FN16	Publication of budget deadlines met for draft and final proposals	N/a	Deadlines met	N/a

* April & May target is 60%, Floor 45% due to the Annual Reassessment process

<u>2026/27 Review</u>
The above KPIs have been reviewed with the Accountable Managers with the following changes for 2026/27:

- FN06: An additional Activity Indicator has been added – FN06c Value of debt which is being actively chased by Income Recovery.
- FN11: The denominator of the KPI (FN11b in table below) has been updated from number of financial assessments "received" to number of financial assessments "completed", to reflect how the KPI is actually calculated.
- FN13: The wording "Number of working days average credit rating for internally managed cash portfolio (as assessed by external independent provider) is no

lower than AA" has been amended from AA to AA-, as this is now the UK's rating and applies to Debt Management Account Deposit Facility / Treasury Bill deposits.

<u>Activity indicators – Finance</u>

Ref	Indicator Description
FN06b	Value of debt due to KCC (£000s)
FN06c (NEW)	Value of debt which is being actively chased by Income Recovery (£000's)
FN07b	Number of invoices received by KCC
FN11b	Number of financial assessments completed
FN14b	Number of third-party insurance claims resolved

<u>Rationale</u>
The activity indicators provide additional information which help to explain and contextualise the KPIs and are reported against previous year actuals for comparison.

<u>Key Performance Indicators - Governance and Law</u>

Ref	Indicator Description	2025/26 Dec 25	2026/27 Target	2026/27 Floor
GL01	Council and Committee papers published at least five clear days before meetings	99%	100%	96%
GL02	Requests for information under FOI/EIR* completed within 20 working days	86%	92%	90%
GL03	Data Protection Act Subject Access requests, completed within one month	61%	90%	85%

*FOI/EIR stands for Freedom of Information / Environmental Information Regulations

<u>Rationale and review for 2026/27</u>
The above KPIs cover core, measurable statutory requirements that fall under the Governance & Law Division, i.e. that we are performing well in terms of publishing Council and Committee papers and processing FOI/EIR and SARs to statutory timescales.

- GL01, is a statutory requirement and supports the smooth running of the democratic process. The current target of 100% published on time is proposed to remain.

- GL02 & 03, are statutory requirements; adherence with the Act reduces the risk of enforcement action against KCC by the Information Commissioner who oversees and monitors compliance. Targets are already challenging and will remain at the same level for 2025/26.

Activity indicators – Governance and Law

Ref	Indicator Description	Expected	Q1	Q2	Q3	Q4	2026/27 Total
GL01b	Number of Committee meetings	Actuals reported against last year's figures					
GL02b	FOI/EIR requests completed	Upper	590	590	590	590	2,360
		Lower	480	480	480	480	1,920
GL03b	Data Protection Act Subject Access requests	Upper	175	175	175	175	700
		Lower	145	145	145	145	580

Rationale
These show level of expected demand for each of these activities and help contextualise the KPIs.

Key Performance Indicators – Infrastructure

Ref	Indicator Description	2025/26 Dec 25	2026/27 Target	2026/27 Floor
PI01	Invoiced Rent Outstanding at 60 Days	6.6%	5%	10%
PI05	Planned Preventative Maintenance Tasks completed by due date	98%	90%	85%
PI06	Reactive Help Desk Tasks completed by due date	93%	80%	71%
PI07	Help Desk Telephone Response Times	99%	90%	85%
HR25	Percentage of completed Health and Safety audits sent to recipients within 7 working days	99%	95%	85%

Rationale
The above KPIs support monitoring of the delivery of the Asset Management Strategy, i.e. that we are performing well in terms of securing rent receipts and meeting SLA standards on task completion.

- PI01, supports monitoring of theme 3 of the Asset Management Strategy – effective asset and estate management

- PI05/6/7, supports monitoring of the Asset Management Strategy, specifically, theme 1 – innovation and customer focus, theme 2 – safe, warm, dry and proactively compliant, and theme 3 – effective asset and estate management.

- HR25, monitors our performance around Health & Safety audits through the extent to which audits are communicated within 7 working days of completion of the audit. Ensuring the outcomes of health and safety audits are communicated quickly, provides assurance that any issues highlighted can then be acted upon in a timely way.

2026/27 Review

The KPIs and targets have been checked to ensure that they align with the current facilities management contract.

Activity indicators – Infrastructure

Ref	Indicator Description
PI01b	Total rent invoiced
PI03	Capital receipts
PI05b	PPM tasks completed
PI06b	Reactive tasks completed
PI07b	Telephone calls handled

Rationale

- PI01b, provides context for PI01.
- PI03, supports monitoring of theme 4 of the Asset Management Strategy – an efficient, adequate and appropriate estate, as well as KCC's capital programme.
- PI05b, PI06b, PI07b provide context for their respective performance indicators.

Appendix 1

Deputy Chief Executive's Department

<u>Key Performance Indicators – Marketing and Resident Experience</u>

Ref	Indicator Description	2025/26 Dec-25	2026/27 Target	2026/27 Floor
~~CS01~~	~~Percentage of callers to Contact Point who rated the advisor who dealt with their call as good~~	~~97%~~	~~97%~~	~~90%~~
CS04 (a)	Percentage of daytime calls to Contact Point which were answered	92%	90%	85%
CS04 (b)	Percentage of out of hours calls to Contact Point which were answered	95%	95%	90%
CS06 (a)	Percentage of daytime calls to Contact Point achieving 85% of quality scorecard	75%	70%	65%
CS06 (b)	Percentage of out of hours calls to Contact Point achieving 85% of quality scorecard	77%	70%	65%
CS07	Percentage of complaints responded to in timescales	69%	85%	80%

<u>Rationale</u>
The first four proposed KPIs above relate to the new contract with Capita for the provision of Contact Point. They cover the core elements of good performance, i.e. that calls are answered, and then that the service provided is of good quality. The last KPI relates to the key area of complaints response.

- CS01 is no longer a contractual measure so is being removed.

- CS04a & b, monitor the performance of Contact Point in respect of answering calls. There are separate performance measures covering daytime and out of hours calls, so that the Committee is able to gain the assurance that a high proportion of calls to Contact Point are being answered regardless of whether they are placed during or outside of core working hours noting however the differing types of operation with Out Of Hours being an emergency line only.

- CS06a & b, are contractual KPIs with Agilisys to monitor the quality of the Contact Point service provided to the public via a quality scorecard that covers aspects of how calls are handled (information gathered, advice given, data protection and customer service). There are separate performance measures covering daytime and out of hours calls, so that the Committee is able to gain the assurance that callers receive a high-quality service, regardless of whether they contact us during or outside of core working hours.

- CS07, monitors our performance around complaint handling through the extent to which KCC is meeting complaint service standards as advertised to the public. These are that complaints are answered within 20 days, which is a service standard in the KCC customer feedback policy.

Appendix 1

2026/27 Review

The revisions to the KPIs reflect provisions in the new Contact Centre contract with Capita which commences on 1st April 2026.

Activity Indicators - Marketing and Resident Experience

Ref	Indicator Description	Expected	Q1	Q2	Q3	Q4	2026/27 Total
CS08	Number of calls answered by Contact Point	Upper	~~118,000~~ 115,050	~~121,000~~ 117,975	~~108,000~~ 105,300	~~113,000~~ 11,0175	~~460,000~~ 448,500
		Lower	~~96,000~~ 93,600	~~102,000~~ 99,450	~~108,000~~ 86,775	~~113,000~~ 93,600	~~383,000~~ 373,425
CS12	Number of visits (sessions) to KCC website (000s)	Upper	2,150	1,950	1,690	1,780	7,750
		Lower	1,750	1,500	1,390	1,460	6,350
~~CS13~~	~~Average speed of answer (ASA) by Contact Point – priority services (NEW)~~	~~Upper~~	~~2 mins~~				
		~~Lower~~	~~30 secs~~				
~~CS14~~	~~Average speed of answer (ASA) by Contact Point – all services (NEW)~~	~~Upper~~	~~5 mins~~				
		~~Lower~~	~~3 mins~~				

Rationale

Activity indicators provide the relevant context around the volume of demand being seen by services covered by the performance indicators, as well as providing oversight of activity and demand levels in the key services falling under the Marketing and Resident Team. Expected activity levels are articulated through upper and lower values, which provide an aid to interpretation of demand levels versus expectations.

- CS08, provides context for the Contact Point performance indicators (particularly CS04a & b), and shows demand for the service vs expectations. It is expected that calls answered will continue to trend downwards as contacts are made through other means.

- CS12 measures how many visits (sessions) the website receives so that the council can monitor digital take-up and web traffic vs expectations

- CS13 and CS14 are no longer being measured and so have been removed, to ensure a focus on the CS04 KPI above.

<u>Key Performance Indicators – Human Resources and Organisational Development</u>

Ref	Indicator Description	2025/26 Dec 25	2026/27 Target	2026/27 Floor
HR09	Percentage of live learning events evaluated by responding participants as having delivered stated learning outcomes	99.3%	97%	95%
HR10	Percentage of e-learning training programmes evaluated by responding participants as having delivered stated learning outcomes	99.7%	97%	95%

<u>Rationale</u>
The above KPI relates to our performance in the key area of training.

- HR09, provides assurance around the quality and purposefulness of the live learning events delivered to staff, by monitoring the extent to which staff feel that each piece of training they have received meets the stated learning outcomes of the course/activity.
- HR10 provides assurance around the quality and purposefulness of the e-learning available to staff, by monitoring the extent to which staff feel that each piece of e-learning training they have completed meets the stated learning outcomes of the course/activity.

<u>2026/27 Review</u>
The Human Resources and Organisational Development Division reviewed the current KPIs and targets and deemed them suitable to be carried forward to 2026/27.

<u>Activity Indicators - Human Resources and Organisational Development</u>

Ref	Indicator Description	Expected	Q1	Q2	Q3	Q4	2026/27 Total
HR12	Number of current change activities being supported	Upper	~~90~~ 80	~~90~~ 80	~~90~~ 80	~~90~~ 80	~~90~~ 80
		Lower	~~80~~ 70	~~80~~ 70	~~80~~ 70	~~80~~ 70	~~80~~ 70
HR13	Total number of E-learning training programmes completed	Upper	~~21,250~~ 23,750	~~21,250~~ 23,750	~~21,250~~ 23,750	~~21,250~~ 23,750	~~85,000~~ 95,000
		Lower	~~19,000~~ 20,000	~~19,000~~ 20,000	~~19,000~~ 20,000	~~19,000~~ 20,000	~~19,000~~ 80,000
HR16	Number of registered users of Kent Rewards	Upper	23,000	23,000	23,000	23,000	23,000
		Lower	19,000	19,000	19,000	19,000	19,000

HR21	Number of current people management cases being supported	Upper	~~100~~ 110	~~100~~ 110	~~100~~ 110	~~100~~ 110	~~100~~ 110
		Lower	~~90~~ 100	~~90~~ 100	~~90~~ 100	~~90~~ 100	~~90~~ 100
HR23	Percentage of staff who have completed all 3 mandatory learning events	Upper	90%	90%	90%	90%	90%
		Lower	85%	85%	85%	85%	85%
HR24	Total number of live learning events delivered	Upper	375	375	375	375	1,500
		Lower	250	250	250	250	1,000

<u>Rationale</u>
The indicators provide oversight of activity, uptake and demand levels in the key services falling under the Human Resources and Organisational Development Division. Expected activity levels are articulated through upper and lower values, which provide an aid to interpretation of demand levels versus expectations.

<u>2026/27 Review</u>
The activity indicators remain relevant, with the only changes being made to thresholds. For HR13, HR16 and HR23, the thresholds are based on past trends and future expectations.

For HR12 and HR21, the expected levels are set according to demand levels that the Human Resources and Organisational Development Team can adequately support. Both upper and lower expected levels have been amended for 2026/27 to show how resources are used across the function to meet higher demand. However, it is recognised that the volumes may not fully capture or reflect the complexity and required resources for each case or piece of change activity.

Key Performance Indicators – Technology

Ref	Indicator Description	2025/26 Dec-25	2026/27 Target	2026/27 Floor
ICT01	Calls to ICT Help Desk resolved at the first point of contact	87%	70%	65%
ICT02	Positive feedback rating with ICT help desk	96%	95%	90%
ICT03	Working hours where Kent Public Sector Network available to staff	Over 99.9%	99.8%	99.0%
ICT04	Working hours where ICT Service available to staff	99.8%	99.0%	98.0%
ICT05	Working hours where email is available to staff	100%	99.0%	98.0%

<u>Rationale</u>

The above KPIs relate to our performance around ICT, some aspects of which are included within our Service Level Agreement with Cantium. They cover the core elements of good performance, i.e. that the help desk is performing well (in terms of resolving issues and securing positive feedback) and that core ICT services/systems are available to staff.

- ICT01, measures to what extent service disruptions to staff and KCC are minimised by issues being dealt with at first point of contact.
- ICT02, measures to what extent the service provided to staff and KCC is of a high quality, by enabling them to appraise the service received at point of ServiceNow ticket closure.
- ICT03, measures the quality of service provided by a third party, which is fundamental to the provision of data and voice networking to all KCC and many partner buildings. As a key foundation to ICT services, monitoring network availability is critical.
- ICT04, ICT service availability is fundamental to the delivery of many of the services that KCC provides and as such, this indictor is a measure of how effectively ICT are able to support the Council.
- ICT05, Email is a business-critical communications tool that supports the whole of KCC's operations in delivering their strategic objectives.

2026/27 Review
These KPIs still reflect key service delivery and remain the same as in 2025/26.

Activity indicators – Technology

Ref	Indicator Description
ICT01b	Calls to ICT Help Desk
ICT02b	Feedback responses provided for ICT Help Desk

These show the level of demand for each of these activities and help contextualise the KPIs, and are reported against previous year actuals for comparison.

Key Performance Indicators - Commercial & Procurement (NEW)

Ref	Indicator Description	2026/27 Target	2026/27 Floor
C&P1	Value of procurement savings achieved (£m)	£20m	£5m
C&P2	Percentage of contracted spend with Small and Medium sized Enterprises (SMEs); Voluntary, Community, and Social Enterprises (VCSEs); and Kent-based businesses.	70%	50%
C&P3	Number of waivers issued	60	180

<u>Rationale</u>
This is a new section for the dashboard, aimed at monitoring key aspects of procurement.

- C&P1: Value added by the Commercial and Procurement Division, quantified as money saved through various mechanisms including but not limited to cost avoidance, negotiation, cost-cutting, and securing a contract below budget.

- C&P2: The amount of KCC Contracted spend With Small to Medium Sized Businesses, Voluntary Organizations or Kent-based businesses (combined, so a Kent Based Business that is 'Large' would be included in this figure).

- C&P3: This measure tracks the number of deviations from our mandatory procurement rules and provides the ability to track which categories and the reasoning behind any waivers submitted. This enables escalations where necessary and provides KCC with the information necessary to create solutions that drive down the number of future Waivers.

From: Chris Hespe, Cabinet Member for Local Government Efficiency

Clare Maynard, Chief Procurement Officer

To: Policy and Resources Cabinet Committee

Date: 11th March 2026

Subject: Implementation of the Commercial Strategy – Feedback on Supplier Day

Classification: Unrestricted

Summary:

This report provides Committee members with an overview of the Kent Supplier Day, including attendance and feedback, alignment with strategic outcomes and plans. The event was held to launch the Commercial Strategy and to demonstrate our commitment to strengthen our commercial relationships, support local economic growth and prepare suppliers for forthcoming commissioning and procurement opportunities.

The event was well attended and successfully strengthened engagement with local Small and Medium Enterprises (SMEs), Voluntary, Community and Social Enterprise (VCSE) organisations, and strategic suppliers. It reinforced the Council's commitment to transparent procurement, social value delivery, and inclusive economic growth across the county.

It demonstrated strong market interest in partnering with the Council, and provided valuable insight into supplier capability, innovation and the barriers to participation.

This report outlines the event's success and sets out proposals to expand provider engagement, with a particular focus on category areas, geographic inclusion, digital reach and underrepresented supplier groups.

Recommendation:

Policy and Resources Cabinet Committee is asked to **consider** and **note** this report.

1. Introduction

1.1 KCC spends approximately £1.47billion annually through third-party contracts, making commissioning and any resulting procurement a critical enabler of public service delivery, financial sustainability, and local economic growth. The Commercial Strategy was implemented in December 2025, setting out the clear vision for all commercial and procurement activity over the next three years.

1.2 The Inaugural Supplier Day, held at Kent Event Centre was our launch event to bring suppliers together with commissioners, Members and senior officers to showcase our procurement pipeline to begin a programme of stronger engagement with Kent suppliers. The event was publicised on social media platforms with all 700 tickets fully subscribed. The event was sponsored by Commercial Services Group.

2. Background

2.1. The aims of the day were to:

- Promote upcoming commissioning and procurement opportunities through meet the buyer sessions
- Support local businesses to navigate public sector procurement
- Encourage SME and VCSE participation in supply chains through networking
- Gain real insights from suppliers on what prevents them doing business with us and for them to share their real experiences of what it means to work with the local authority
- Encourage early market dialogue to shape future procurements.
- Strengthen strategic supplier relationships
- Promote KCC's policy priorities, including social value, sustainability, and innovation

3. Event Overview

3.1 The event was attended by over 300 businesses, representing a broad cross section of sectors including; construction, adult social care, children's services, highways, transport, and professional services sectors.

3.2 The programme included; Directorate-led procurement meet the buyer sessions, briefings, Kent Invicta Chamber of Commerce, overview of the Procurement Act, Social Value workshops, SME and VCSE support clinics, the importance of the circular economy, as well as a Q&A session from keynote speakers.

3.3 60% of attendees were Kent-based SMEs or VCSE organisations, demonstrating good local reach, with all workshops oversubscribed, indicating a strong desire for focused engagement.

3.4 Suppliers engaged positively with the Social Value workshop and provided insights into how our Social Value policy should build on the requirements of the National Procurement Policy Statement to develop a local framework for including, measuring and managing social value, including commitments to:

- Local employment and apprenticeships.
- Carbon reduction and environmental sustainability.
- Community investment initiatives.

3.5 The event directly supported the Council's ambition to retain public sector spend within Kent where possible, strengthening local supply chains and promoting inclusive growth. The high percentage of SMEs and VCSE organisations aligns with the ambition to broaden access to public contracts and reduce barriers to entry.

3.6 Post-event feedback indicated that over 88% of attendees would be interested in attending further similar events, with attendees reporting better understanding of procurement in the public sector and valuing the networking opportunities from stall holders, KCC stakeholders and each other. Key areas of interest were:

- transparency and clarity of upcoming opportunities and how to access them.
- early engagement, reducing perceived procurement barriers.
- technical deep-dives for larger or specialist contracts.
- ongoing, regular market engagement activities.

3.7 Analysis identified limited representation from micro-businesses (fewer than 10 employees), Kent rural providers and limited participation from digital and technology start-ups.

3.8 Feedback also highlighted that time constraints and travel barriers limited participation for some providers.

4. Potential Areas for Development

4.1 To increase engagement, improve the value offer to supplier, and create stronger connections across sectors, the following enhancements are proposed for further events.

4.2 To provide expanded networking opportunities, place a greater emphasis on structured and information networking, with dedicated spaces and time slots to encourage relationship building between suppliers and KCC teams.

4.3 The event must remain cost neutral to KCC, the introduction of a greater exhibition space, with an increased number of paid supplier stands, product demonstrations and workshops.

4.4 The meet the buyer sessions were the most valuable to attendees, additional sessions offering detailed insights into pipelines, procurement plans and supply chain opportunities. Several requests were made for IT practical engagement sessions and so should be included in any future events.

4.5 The main stage should be focused for key moments with opening and closing the event, the Question-and-Answer panel and a headline keynote speaker to inspire attendees.

4.6 In recognition of local and smaller providers, smaller events focused on the needs of the area, or category specific sessions will be evaluated.

4.7 There is a potential for hybrid and digital expansion with in person and live streamed sessions. With a Supplier digital hub with FAQs, guidance videos, and upcoming opportunities, supported by quarterly virtual supplier briefings to maintain engagement throughout the year.

4.8 To support Micro-Business Engagement, simplify procurement guidance for low-value contracts with “How to Bid in 60 Minutes” workshops, a mentoring scheme pairing experienced suppliers with new entrants, along with the provision of template documents and bid-writing guidance.

4.9 Sector-Specific Mini Supplier Days with smaller, sector-focused engagement events including social care, highways, digital innovation. Along with collaboration with public sector partners, including NHS, Police, Fire and other councils to broaden opportunities.

5 Financial Implications

5.1 Market engagement activities are delivered within existing budgets as part of commissioning and procurement plans. Additional whole market, or sector specific events must remain cost neutral and demonstrate improved competition, achievement of our Commercial strategy outcomes and better-informed commissioning decisions.

5.2 Ultimately events must show improved value for money across the Council's expenditure portfolio and support our vision to "*deliver the best possible services and outcomes for Kent residents, securing Best Value at the least possible cost. We will achieve this through smart, innovative, and efficient procurement that supports the local economy and strengthens our communities"*

6. Equalities Implications

6.1 Future iterations will incorporate Equality Impact Assessments to ensure accessibility, inclusive communications, and equitable access for diverse providers.

6.2 Outreach to underrepresented groups will be embedded within the three-year engagement plan.

7. **Legal Implications**

7.1 Supplier engagement activities remain compliant with the Public Contracts Regulations and the Procurement Act 2023. All engagement activity is conducted transparently and does not confer unfair competitive advantage.

7.2 Enhanced supplier engagement supports compliance with the Public Contracts Regulations and aligns with the anticipated reforms under the Procurement Act. The approach also strengthens equalities outcomes by enabling wider access to KCC markets, particularly for SMEs, micro-businesses, and VCSE organisations.

8. Data Protection Implications

8.1 No Data Protection Impact Assessment (DPIA) is required as Supplier Engagement does not involve processing of personal data and poses no data protection risks.

9. Conclusions

9.1 Kent Supplier Day 2026 delivered measurable benefits in market engagement, SME inclusion, and procurement transparency. It has the potential to become a key instrument in delivering strategic ambitions for economic growth, social value, and resilient local markets.

9.2 Potential further events should increase engagement from local suppliers and broaden geographic and sector participation. With a measurable increase in the proportion of spend with Kent suppliers.

10. Recommendations

Policy and Resources Cabinet Committee is asked to **consider** and **note** this report.

11. Contact Details

Report Author and Relevant Director:

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Chief Procurement Officer
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REPORT TO CABINET COMMITTEE

From: Brian Collins, Deputy Leader

Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee – 11 March 2026

Subject: Biodiversity Net Gain overview

Decision no: N/A

Classification: Unrestricted

Future Pathway of report: Policy and Resources Cabinet Committee

Electoral Division: All - Countywide

Summary: This report is an introduction to Biodiversity Net Gain and identifies the opportunity for Kent County Council (KCC) to deliver Biodiversity Net Gain (BNG) units across its wider land portfolio. The aim where appropriate is to generate sustainable revenue streams while enhancing biodiversity on KCC freehold land.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to NOTE this report and comment on the proposal to use KCC sites for Biodiversity Net Gain units.

1. Introduction

1.1. Biodiversity Net Gain (BNG) offers an opportunity for KCC to generate income by creating or improving habitats on its land. These habitats could then be leased to developers who need to fulfil the statutory requirement of a 10% increase in biodiversity.

1.2. BNG could provide a long-term income stream for KCC and support environmental stewardship, whilst maintaining ownership and control of the site/land. From KCC's perspective, BNG creates an opportunity to enhance habitats, such as grassland, woodland, wetlands, or hedgerows on land and have those improvements formally recognised and valued. KCC would flag hard-to-develop sites, such as green belt land, or areas with difficult topography, as they typically have low disposal value.

2. Key Considerations

2.1. The key considerations for BNG are:

- BNG requires a 30-year commitment to the ongoing management of any habitat created.
- Upfront costs will be required to create habitats, either directly through KCC, or indirectly through outsourcing.
- Income received is subject to the successful sale of BNG units.
- It will be necessary to review all sites that could potentially support a Biodiversity Net Gain project.
- The impact of any changes in national legislation relating to BNG requirements.

3. Background

3.1. In England, Biodiversity Net Gain (BNG) is mandatory under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021).

3.2. The Act requires developers to deliver a BNG of 10%. This means a development will result in more or better-quality natural habitat for wildlife than prior to the development.

3.3. Biodiversity value is measured and calculated using the statutory biodiversity metric[1] tool. The tool measures how many biodiversity units a habitat contains before development and calculates how many are needed to replace those lost and provide the statutory 10% biodiversity net gain.

3.4. If developers cannot achieve all of their BNG on-site, they can deliver through a mixture of on-site and off-site. Developers can either make off-site biodiversity gains on their own land outside the development site or buy off-site biodiversity units on the market.

3.5. For off-site gains and significant on-site gains, developers must maintain any habitats created or enhance for a minimum of 30 years and the responsibilities for this will be set out in a legal agreement.

3.6. Biodiversity Net Gain (BNG) offers landowners, in this case KCC, an opportunity to generate income by assessing their land's ecological value and improving it by creating or enhancing habitats, resulting BNG units that can be sold to developers who need off-site gains to meet their statutory 10% biodiversity uplift requirement.

3.7. KCC owns vacant land which could be utilised to create habitats to generate income. Eligible sites may include hard-to-develop areas, such as green belt land or sites with difficult topography or are otherwise challenging. Selling BNG

[1] The BNG metric tool is the statutory calculator used to measure changes in habitat value, converting habitat areas and features into standardised 'biodiversity units' to demonstrate whether a development achieves the required biodiversity net gain.

units can provide a long-term income stream, support environmental enhancement and maintenance, whilst maintaining ownership and control of the land. It is also a financially sustainable way to secure sites for longer term consideration for future use or development

3.8. Selling BNG units aligns with KCC's Asset Management Strategy and Reforming Kent's Future, supporting objectives to:

- Maximise income from underutilised assets.
- Deliver environmental benefits and statutory compliance.
- Reduce reliance on core budgets and external funding.

4. Options considered and associated risk

4.1. KCC will assess multiple approaches for delivering BNG, from in-house provision to fully outsourced models. Each option will be assessed using critical success factors with a weighted scoring system.

4.2. **Assessment Framework: Critical Success Factors (CSF)**
Each option will be evaluated using a structured scoring matrix against the following CSFs:

4.2.1. **Scalability** - The extent to which the option allows for expansion of BNG delivery across other KCC sites.

4.2.2 **Financial Return** - Assessment of short and long-term financial benefits including:

- Upfront costs and/or receipts
- Income potential
- Expenditure over 30 years
- Capital receipt versus BNG unit sale opportunity

4.2.3 **Non-Financial Benefit (Environmental)** - Evaluation of ecological outcomes, contribution to nature recovery, biodiversity uplift, and alignment with KCC's environmental objectives.

4.2.4 **KCC Use of BNG units for Projects** - How well the option supports KCC's internal demand for BNG units (e.g. school projects).

4.2.5 **Deliverability / Risk** - Assessment of:

- Feasibility
- Complexity
- Legal and regulatory considerations
- Market uncertainty
- Operational, financial, and environmental risks
- Long-term management obligations

1.1. **Associated risks for consideration**

- Land would be committed for 30 years.
- Income generation is dependent on units being sold.
- Changes to Environment Act 2021
- Changes to National Policies which could impact delivery of BNG.
- Deferred income model

5. Financial Implications

5.1 Biodiversity Net Gain (BNG) offers an opportunity for KCC to generate income.

5.2 Expenditure will be required to create habitats, either directly through KCC or indirectly through outsourcing.

5.3 Any income generated is subject to the successful sale of BNG units.

6 Legal implications

6.1 A number of legal implications will need to be considered before BNG units can be sold:

1.1.1. **Statutory powers and lawful basis** - KCC must be able to demonstrate a clear statutory power to operate a BNG habitat bank and sell units.

1.1.2. **Dual role conflict: regulator and seller** - Conflict of interest management is a legal implication to be considered. Where KCC determines planning applications as decision-maker and sells BNG units as provider.

1.1.3. **Restrictions on using Section 106 with own land** – KCC cannot usually enter into a Section 106 agreement with itself in its dual role as planning authority and landowner.

6.1.4 **30-year commitment** - Legally secure habitat delivery and management for a minimum of 30 years.

6.1.5 **Registration and exclusivity of units** - Sites must be registered on Natural England's Biodiversity Gain Site Register.

6.2 For any lease, sale or contract for a BNG unit, external legal advisors will be appointed in consultation with KCC legal services.

7. Equalities implications

7.1. No decision is required at this stage and therefore an Equalities Impact Assessment (EQIA) is not necessary.

8. Data Protection Implications

8.1. No decision is required at this stage and therefore an assessment of Data Protection implications is not required at this time.

9. Other corporate implications

9.1. None.

10. Governance

10.1. It is expected that the level of receipt/income for each BNG unit or site could be in excess of the Director's delegated threshold.

10.2. Since developers are required to maintain any habitats created or enhanced for a minimum of 30 years, any lease or contract arising will be in excess of the Director's delegated threshold.

10.3. As per the Constitution and the Council's governance processes, Key Decisions will therefore be required for BNG transactions These may be sought per site, as a collective grouped decision, or as a programme decision which gives authority to Director of Infrastructure within agreed limits. The best approach is to be determined.

10.4. In accordance with the property management protocol the views of the local Member, in each instance, will be sought and reported to the Cabinet Member taking the decision.

10.5. Delegated authority is to be given to the Director of Infrastructure, in consultation with the Deputy Leader, to finalise the terms of any BNG agreement and execution of all necessary or desirable documentation required to implement.

10.6. The Government has announced plans for Local Government Reorganisation (LGR), aiming to abolish two-tier government by 2028. At present, KCC has not received specific guidance from Central Government about how LGR will be implemented in Kent and Medway; further details are expected between May and August 2026. Until directed otherwise, KCC remains responsible for making decisions in the best interests of Kent taxpayers.

10.7. When any exchange of contracts is approaching, the Director of Infrastructure will consider all relevant factors including financial considerations, any pending LGR decisions, and applicable legislation before finalising any contract agreements.

10.8. If at any point prior to the exchange of contracts a KCC service requirement becomes apparent, the Director of Infrastructure has the authority to withdraw from the lease or sale and reallocate the asset to a KCC service user.

11. Next steps and Conclusions

11.1. The next steps are:

- To decide whether KCC selling BNG units is a viable option for the council.
- To review commercial viability and commitment.
- To develop each option further.
- To develop Business Case which explores piloting programme.
- Return to Policy and Resources Cabinet Committee in May 2026 for Key Decision on pilot scheme

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Recommendation(s):

The Policy and Resources Cabinet Committee is asked to NOTE this report and comment on the proposal to use KCC sites for Biodiversity Net Gain units.

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12. Background documents

12.1. Schedule 7A of the Town and Country Planning Act 1990
https://www.legislation.gov.uk/ukpga/1990/8/schedule/7A

13. Contact details

Report Authors:	Director:
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DECISION REPORT TO CABINET COMMITTEE

From: Brian Collins, Deputy Leader

Lisa Gannon, Director of Technology

To: Policy and Resources Cabinet Committee – 11 March 2026

Subject: Microsoft 365 Licences Enterprise Agreement and Azure Consumption 2026 – 2029

Decision no: **26/00012**

Key Decision: Yes, this decision involves expenditure or savings of maximum £1m

Classification: *Unrestricted*

Past Pathway of report: N/A

Future Pathway of report: *Cabinet Member Decision*

Electoral Division: *County-wide*

Is the decision eligible for call-in? *Yes*

Summary: KCC have heavily invested in Microsoft technology, to support the current working arrangements and to ensure that the Council is able to access the full security protections now available by Microsoft. With the current contract nearing its expiration, it is proposed to enter into a new three-year contract beginning on 1 July 2026. The new contract will licence KCC for the full use of the MS tool set over the next 3 years and offers enhanced security. As the Council strategy is Cloud First, the Azure platform enables us to move away from on-premise storage to the Cloud.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE, or MAKE RECOMMENDATIONS to the Deputy Leader, on the proposed decision, as detailed in the attached Proposed Record of Decision document (Appendix A)

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1. Introduction

1.1 This report outlines the proposal to enter into a new 3-year licencing agreement between July 2026 and June 2029. This agreement will also include the Azure Consumption.

2. Key Considerations

2.1 Since the Covid 19 pandemic, the Council's operating model and reliance on technology systems has shifted significantly. As a result, there is a continuing need to access the full capability of the M365 toolset, including the BI capabilities and external sharing with multiple agencies.

2.2 To support the current and future ways of working, continuation of the E5 licencing model is required, to ensure full access to business analytics (Power BI), additional external sharing functionality and enhanced security arrangements. Amongst other features, the E5 licencing arrangements enable KCC to benefit from the following features:

- Microsoft Teams Full Package including instant messaging, call functionality, voicemail, audio and video conferencing
- Enhanced analytics capability
- Identity and Access Management - enhanced control of user identities including the ability to detect vulnerabilities
- Advanced Threat Protection - providing addition protection for files, emails and outlook applications, real time checks if links and use of machine learning to identify trends.
- Advanced Data Governance with auto classification and labelling – includes scanning content to apply the appropriate governance protocols to data.
- Enhanced Cloud Security
- Additional support for secure external sharing

2.3 As the Council strategy is Cloud First, the Azure platform enables us to move away from on-premise storage to the Cloud.

2.4 In 2023, KCC entered into a 3-year contract with Bytes Software Services Ltd to provide corporate E5 licences and the Azure platform. The current contract and pricing come to an end in June 2026.

2.5 The new contract will be procured under the KCS (Kent Commercial Services) Framework Y23065 for Software Products and Associated Services.

3. Background

3.1 KCC have utilised the E5 licences since 2020, and there is a continuing need to access the full capability of the M365 toolset, including the BI capabilities and external sharing with multiple agencies.

4. Options considered and dismissed, and associated risk

4.1 Microsoft licencing is standard across the public sector and cannot be purchased directly, but only through a Licencing Solutions Partner. Following a procurement exercise undertaken in 2020, the Council has established a strong working relationship with the winning supplier, Bytes Software Services Ltd. This supplier also provides additional support in ensuring our licence and Azure estate is optimised and efficient.

4.2 Options considered:

- **Do nothing** – dismissed, as a licensing agreement is necessary for the day to day running of the Council. Microsoft licencing is standard across the public sector and cannot be purchased directly, but only through a Licencing Solutions Partner.

- **Run a procurement to enter into a new Microsoft licencing agreement with a new provider** – Microsoft licencing is standard pricing across the public sector. This would involve beginning a relationship with a new partner, whereby our current relationship is well established and trusted.

- **Enter into a new Microsoft licencing agreement with existing provider** – Following a procurement exercise undertaken in 2020, the Council has established a strong working relationship with Bytes Software Services Ltd. This supplier also provides additional support in ensuring our licence and Azure estate is optimised and efficient - *this is the recommended option.*

5. Financial Implications

5.1 Initial indication based on current usage is that the 3-year licencing costs (July 2026 – June 2029) will equate to approximately £12.3m and the Azure consumption will equate to approximately £3m. The contract costs will be accounted for within the Technology budgets through the third-party contract allocation.

6. Legal implications

6.1 The licensing agreement is for a Standard 3-year contract term with no extensions. This will be procured as a Direct Award through the KCS Framework Y23065 for Software Products and Associated Services. The framework runs from March 2024 to February 2028. This framework allows direct awards to its suppliers.

6.2 As this decision results in expenditure of over £1 million a Key Decision will be required.

7. Equalities implications

7.1 An Equalities Impact Assessment (EqIA) has been undertaken and has identified no direct equalities implications arising from this decision.

8. Data Protection Implications

8.1 A Data Protection Implication Assessment (DPIA) screener has confirmed that there are no DPIA implications and that a further DPIA assessment is not required in respect of this decision.

9. Other corporate implications

9.1 No corporate implications, this decision will not have any impact on other areas of the Council's work.

10. Governance

10.1 A Key Decision is being sought in line with the Constitution and the Council's governance processes. It is expected that the level of expenditure will be in excess of the delegated threshold and therefore a Key Decision is required.

10.2 Delegated authority is to be given to the Director of Technology, in consultation with the Deputy Leader, to take all necessary actions, including but not limited to, undertaking negotiations, finalising terms, entering into any required contracts or legal agreements, and executing all necessary or desirable documentation required to implement this decision.

11. Conclusions

11.1 KCC have heavily invested in Microsoft technology to support the current and future working arrangements and to ensure that the Council is able to access the full security protections now available by Microsoft. In order to secure these benefits, it is necessary to enter into a new 3-year contract from 1 July 2026.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE, or MAKE RECOMMENDATIONS to the Deputy Leader, on the proposed decision, as detailed in the attached Proposed Record of Decision document (Appendix A)

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12. Background documents / Appendices

12.1 Appendix A - Proposed Record of Decision

12.2 Appendix B - Equality Impact Assessment

13. Contact details

Report Author: Tina Lloyd Job title: Commercial Lead Telephone number: 03000 41 47 45 Email address: tina.lloyd@kent.gov.uk	Director: Lisa Gannon Job title: Director of Technology Telephone number: 03000 41 43 41 Email address: lisa.gannon@kent.gov.uk

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:	DECISION NUMBER:
Brian Collins, Deputy Leader	26/00012

Executive Decision – key

26/00012– Microsoft 365 Licences Enterprise Agreement and Azure Consumption 2026 - 2029

Decision:

The Deputy Leader to agree to:

1. enter into a new Microsoft licencing agreement for 3 years to meet KCC business and Infrastructure licensing requirements – including the Microsoft Azure Consumption; and

2. delegate authority to the Director of Technology, in consultation with the Deputy Leader to take all necessary actions, including but not limited to, undertaking negotiations, finalising terms, entering into any required contracts or legal agreements, and executing all necessary or desirable documentation required to implement this decision.

Reasons for decision:

KCC have heavily invested in Microsoft technology, to support the current working arrangements and to ensure that the Council is able to access the full security protections now available by Microsoft. With the current contract nearing its expiration, it is proposed to enter into a new three-year contract beginning on 1 July 2026. The new contract will licence KCC for the full use of the MS tool set over the next 3 years and offers enhanced security. As the Council strategy is Cloud First, the Azure platform enables us to move away from on-premise storage to the Cloud.

Financial implications:

Initial indication based on current usage is that the 3-year licencing costs (July 2026 – June 2029) will equate to approximately £12.3m and the Azure consumption will equate to approximately £3m. The contract costs will be accounted for within the Technology budgets through the third-party contract allocation.

Legal implications:

The licensing agreement is for a Standard 3-year contract term with no extension.

As this decision results in expenditure of over £1 million a Key Decision is required.

Equalities implications: An Equalities Impact Assessment (EqIA) has been undertaken and identified no direct equalities implications arising from this decision.

Data Protection implications: A Data Protection Implication Assessment (DPIA) screener has confirmed that there are no DPIA implications and that a further DPIA assessment is not required in respect of this decision.

Cabinet Committee recommendations and other consultation:

The proposed decision will be considered by the Policy and Resources Cabinet Committee on 11 March 2026.

Any alternatives considered and rejected:

Do nothing – dismissed, as a licensing agreement is necessary for the day to day running of the Council. Microsoft licencing is standard across the public sector and cannot be purchased directly, but only through a Licencing Solutions Partner.

Run a procurement to enter into a new Microsoft licencing agreement with a new provider – Microsoft licencing is standard pricing across the public sector. This would involve beginning a relationship with a new partner, whereby our current relationship is well established and trusted.

Enter into a new Microsoft licencing agreement with existing provider – Following a procurement exercise undertaken in 2020, the Council has established a strong working relationship with Bytes Software Services Ltd. This supplier also provides additional support in ensuring our licence and Azure estate is optimised and efficient - *this is the recommended option.*

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

………………………………………………..	………………………………………………
Signed	Date

EQIA Submission – ID Number
Section A

EQIA Title
Microsoft 365 Licences Enterprise Agreement and Azure Consumption 2026-2029

Responsible Officer
Tina Lloyd - DCED T

Approved by (Note: approval of this EqIA must be completed within the EqIA App)
Lisa Gannon - DCED T

Type of Activity

Service Change
No
Service Redesign
No
Project/Programme
No
Commissioning/Procurement
Commissioning/Procurement
Strategy/Policy
No
Details of other Service Activity
No

Accountability and Responsibility

Directorate
Strategic and Corporate Services
Responsible Service
Technology
Responsible Head of Service
Lisa Gannon - DCED T
Responsible Director
Lisa Gannon - DCED T

Aims and Objectives

KCC entered into an Enterprise Licencing Agreement with Microsoft via its reseller in June 2023, for a period of three years. This agreement provides access to a variety of M365 applications, tools and modules which are essential to supporting the Councils business operations. As part of this arrangement the Council will be able to take advantage of enhanced licensing which is critical to support its remote working policy and enhancing the security of KCC's infrastructure. This will also support the Council's Cloud First strategy.

KCC needs to enter into a new licensing agreement to ensure continuation of the use of the Microsoft Office 365 suite and all of the tools available, including security packages. This agreement will also include the Azure consumption

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?
Yes
It is possible to get the data in a timely and cost effective way?
Yes
Is there national evidence/data that you can use?
No
Have you consulted with stakeholders?

Not Applicable
Who have you involved, consulted and engaged with?
There will be no impact on staff on the basis of their protected characterisitics and no change to the current position.
Has there been a previous Equality Analysis (EQIA) in the last 3 years?
Yes
Do you have evidence that can help you understand the potential impact of your activity?
Yes
Section C – Impact
Who may be impacted by the activity?
Service Users/clients Service users/clients
Staff No
Residents/Communities/Citizens No
Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing?
Yes
Details of Positive Impacts
Staff have the potential to usee the full M365 Office suite of tools to enable continuation of working practices.
Negative impacts and Mitigating Actions
19.Negative Impacts and Mitigating actions for Age
Are there negative impacts for age?
No
Details of negative impacts for Age
Not Applicable
Mitigating Actions for Age
Not Applicable
Responsible Officer for Mitigating Actions – Age
Not Applicable
20. Negative impacts and Mitigating actions for Disability
Are there negative impacts for Disability?
No
Details of Negative Impacts for Disability
Not Applicable
Mitigating actions for Disability
Not Applicable
Responsible Officer for Disability
Not Applicable
21. Negative Impacts and Mitigating actions for Sex
Are there negative impacts for Sex
No
Details of negative impacts for Sex
Not Applicable
Mitigating actions for Sex
Not Applicable
Responsible Officer for Sex
Not Applicable

22. Negative Impacts and Mitigating actions for Gender identity/transgender
Are there negative impacts for Gender identity/transgender
No
Negative impacts for Gender identity/transgender
Not Applicable
Mitigating actions for Gender identity/transgender
Not Applicable
Responsible Officer for mitigating actions for Gender identity/transgender
Not Applicable
23. Negative impacts and Mitigating actions for Race
Are there negative impacts for Race
No
Negative impacts for Race
Not Applicable
Mitigating actions for Race
Not Applicable
Responsible Officer for mitigating actions for Race
Not Applicable
24. Negative impacts and Mitigating actions for Religion and belief
Are there negative impacts for Religion and belief
No
Negative impacts for Religion and belief
Not Applicable
Mitigating actions for Religion and belief
Not Applicable
Responsible Officer for mitigating actions for Religion and Belief
Not Applicable
25. Negative impacts and Mitigating actions for Sexual Orientation
Are there negative impacts for Sexual Orientation
No
Negative impacts for Sexual Orientation
Not Applicable
Mitigating actions for Sexual Orientation
Not Applicable
Responsible Officer for mitigating actions for Sexual Orientation
Not Applicable
26. Negative impacts and Mitigating actions for Pregnancy and Maternity
Are there negative impacts for Pregnancy and Maternity
No
Negative impacts for Pregnancy and Maternity
Not Applicable
Mitigating actions for Pregnancy and Maternity
Not Applicable
Responsible Officer for mitigating actions for Pregnancy and Maternity
Not Applicable
27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships
Are there negative impacts for Marriage and Civil Partnerships
No
Negative impacts for Marriage and Civil Partnerships
Not Applicable

Mitigating actions for Marriage and Civil Partnerships
Not Applicable
Responsible Officer for Marriage and Civil Partnerships
Not Applicable
28. Negative impacts and Mitigating actions for Carer’s responsibilities
Are there negative impacts for Carer’s responsibilities
No
Negative impacts for Carer’s responsibilities
Not Applicable
Mitigating actions for Carer’s responsibilities
Not Applicable
Responsible Officer for Carer’s responsibilities
Not Applicable

POLICY AND RESOURCES CABINET COMMITTEE - WORK PROGRAMME 2026

6 May 2026 – 10am		
Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle	*Regular item*
Kent & Medway Domestic Abuse Strategy	Iona Hunter-Whitehouse	*Annual update*
Regular Medium Term Financial Plan (MTFP) update	Dave Shipton	*Regular item*
Key decision – Langton Field Disposal	Rebecca Spore	
Exercise Troy (implementation of recommendations)	Rebecca Spore	
Work Programme 2026		*Standing item*
2 July 2026 – 10am		
Commercial and Procurement Division's Performance and Governance Update Report	Clare Maynard Michael Bridger	*Six monthly item*
Work Programme 2026		*Standing item*
September 2026 – TBC		
Asset Management Strategy	Rebecca Spore	
Freehold Property Assets Disposal Policy – Tbc	Rebecca Spore	
Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle	*Regular item*
Regular Medium Term Financial Plan (MTFP) update	Dave Shipton	*Regular item*
Work Programme 2026		*Standing item*

PATTERN OF REGULAR ITEMS

JANUARY	**Annual**	Draft Revenue and Capital Budget and Medium-Term Financial Plan	John Betts Dave Shipton
	Every other meeting	Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle Matt Wagner
	Six-monthly	Commercial and Procurement Division's Performance and Governance Update Report	Clare Maynard Michael Bridger
MARCH	**Annual**	Risk Management (Including RAG ratings)	David Whittle Mark Scrivener
	Six-monthly	Cyber Security	Lisa Gannon
MAY	**Every other meeting**	Regular Medium Term Financial Plan (MTFP) update	John Betts Dave Shipton
	Every other meeting	Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle Matt Wagner
JULY	**Six-monthly**	Commercial and Procurement Division's Performance and Governance Update Report	Clare Maynard Michael Bridger
SEPTEMBER	**Every other meeting**	Regular Medium Term Financial Plan (MTFP) update	John Betts Dave Shipton
	Every other meeting	Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle Matt Wagner

From: Brian Collins – Deputy Leader of Kent County Council

Dave Shipton – Acting S151 Officer

To: Policy & Resources Cabinet Committee – 11 March 2026

Subject: Extension of Kent County Council's insurance arrangements

Decision no: 26/00002

Key Decision: It involves expenditure or savings of maximum £1m

Classification: Unrestricted report with exempt appendix B, C and D, not for publication under paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 refers - information relating to the financial or business affairs of any particular person (including the authority holding that information)

Future pathway of report: Cabinet member Decision

Electoral Division: All

Summary:

This report seeks endorsement and/or comments on the Key Decision to be taken in relation to the extension for the Council's insurance programme.

Recommendation(s):
The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE or MAKE RECOMMENDATIONS to the Deputy Leader of Kent County Council in relation to the proposed decision as detailed in the attached Proposed Record of Decision document (Appendix A).

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1. Introduction

1.1 The Council's insurance programme is extensive and designed to protect its financial position in respect of losses it may suffer when undertaking the diverse nature of activities required to meet statutory duties and general business functions and income generating operations.

1.2 The current programme is held under a 5-year Long Term Agreement. This agreement will end on 31st December 2026, and a new programme is due to be tendered for 2027 onwards. Due to the impending changes arising from Local Government Reorganisation (LGR), it is anticipated that a tender would not attract competitive prices and a 2-year extension should be sought. This extension would not alter the nature of the contract and would provide the

Council with continued insurance cover through to 31st December 2028 and therefore past the anticipated LGR implementation date (April 2028).

1.3 This report outlines the availability of an extension and seeks endorsement for the proposed decision to be taken by the Deputy Leader of Kent County Council.

2. Key Considerations

2.1 The main objectives of the Council's insurance programme are to:

- Provide financial certainty in relation to the Council's maximum exposure to individual high value claims and overall cost of claims in any one year.
- Provide financial certainty for claims that have been incurred but may not be reported for many years in the future.
- Comply with the terms and conditions of contracts / agreements entered into by the Council.

It should be noted that in the absence of an appropriate insurance programme, the Council will be a risk of significant financial loss. The Council's current programme ends on 31st December 2026. In considering future arrangements, an assessment was undertaken to either go out to full tender or agree a 2-year extension. Following the evaluation, the 2-year extension is the proposal being taken forward, as tendering at this point in time would be unlikely to attract competitive pricing due to the uncertainties associated with the Local Government Reorganisation (LGR).

3. Background

3.1 The Council's current 5-year Long Term Agreement is shared across multiple insurers. The main policies are held with Risk Management Partners (RMP). The agreement requires RMP to provide the Council's insurance programme via insurers within their portfolio. The total premium for 2026 is approximately £6m. This cost is met from the Kent Insurance Fund which is financed from corporate contributions and a school recharge programme.

3.2 The cost of premiums is controlled by the Council retaining the first part of any loss through variable levels of self-insurance. This is currently £500k across the main policies. There will be an opportunity to consider excess levels as part of the extension process.

3.3 The Council currently holds a range of specific cover for matters including, but not limited to; Material Damage, Combined Liability, Officials Indemnity, Staff Travel, Motor, Crime, Terrorism, and Professional Indemnity.

4. Options considered and dismissed, and associated risk

4.1 The Council has two options to ensure insurance cover continues after 31st December 2026:

1. To undertake a full tender exercise to procure a new insurance programme.

2. To agree a 2-year extension to provide cover through to 31st December 2028.

A 2-year extension is recommended under PCR 2015 regulation 72. Whilst it would be possible to undertake a full tender exercise, it is anticipated that insurers would offer higher premiums or even choose not to bid, due to the likely short timeframe of the arrangement.

The Council's broker has indicated that this would be the recommended approach.

5. Financial Implications

5.1 The total premium cost for 2026 is approximately £6m. The 2-year extension value is therefore approximately £12m but with the benefit of discounted premiums. This saving is ringfenced to the insurance fund and will not impact the corporate position. The premium cost will not impact the MTFP as these are funded from the insurance fund and are already account for.

Further financial information is set out in the Exempt Appendix C.

6. Legal implications

6.1 The proposal is to extend the current insurance arrangements for an additional two years in line with PCR 2015, regulation 72, which sets out that a contract may be amended due to unforeseen circumstances by no more that 50% of the original value. LGR could not have been foreseen at the time of the Council agreeing its current 5-year agreement on 1st January 2022. The current agreement has a contract value of approximately £25m and therefore the cost of the extension will meet the 50% requirement. The proposed approach has been reviewed and is in accordance with KCC Procurement arrangements and Spending the Council's Money policies.

Further information is set out in the Exempt Appendix D.

7. Equalities implications

7.1 An Equalities Impact Assessment has been carried out, and no adverse impacts have been identified.

8. Data Protection Implications

8.1 Given the nature of the proposed decision, there are not considered to be any data protection implications.

9. Other corporate implications

9.1 There are not considered to be any other corporate implications.

10. Governance

10.1 A Key Decision is required due to the level of spend involved, as per the Constitution and the Council's governance processes.

Delegated authority is to be given to the Corporate Director Finance, in consultation with the Deputy Leader to take the required actions to implement the Key Decision.

11. Conclusions

11.1 The Council's main insurance programme is held under a 5-year Long Term Agreement that is due to end on 31st December 2026. Due to impending changes arising from Local Government Reorganisation (LGR), it is anticipated that a tender would not attract competitive prices and a 2-year extension should be sought.

11.2 A 2-year extension is recommended under PCR 2015 regulation 72. Whilst it would be possible to undertake a full tender exercise, it is anticipated that insurers would offer higher premiums or even choose not to bid, due to the likely short timeframe of the arrangement.

11.3 Consideration has been given to undertaking a full tender exercise, however this does not offer significant benefits to the Council in the current circumstances, particularly in relation to the future uncertainty around LGR.

11.4 In conclusion, a 2-year extension is recommended under PCR 2015 regulation 72.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE, or MAKE RECOMMENDATIONS to the Deputy Leader of Kent County Council in relation to the proposed decision as detailed in the attached Proposed Record of Decision document (Appendix A).

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12. Background Documents

Equality Impact Assessment

13. Appendices

Appendix A - Proposed Record of Decision

Appendix B – Exempt commercial business case
Appendix C – Exempt additional information
Appendix D – Exempt legal advice
Appendix E - EQIA

14. Contact details

Report Author: Lee Manser Job title: Insurance Manager Telephone number: 03000 416428 Email address: lee.manser@kent.gov.uk	Director: Cath Head Job title: Head of Finance Operations Telephone number: 03000 416934 Email address: cath.head@kent.gov.uk

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:	DECISION NUMBER:
Deputy Leader of Kent County Council	26/00002

Executive Decision – Key Decision

26/00002 – Extension for Kent County Council's insurance arrangements.

Decision:

As Deputy Leader of Kent County Council, I agree to:

(a) Extend the Council's current insurance arrangements for a further two years, through to 31st December 2028.

(b) Delegate authority to the Corporate Director of Finance, in consultation with the Deputy Leader of Kent County Council to, take relevant actions, including but not limited to negotiating, entering into and finalising the terms of relevant contracts, contract variations or other legal agreements, as required, to implement the decision.

Reasons for decision: The Council's insurance programme is extensive and designed to protect its financial position in respect of losses it may suffer when undertaking the diverse nature of activities required to meet statutory duties and general business functions and income generating operations.

The current programme is held under a 5-year Long Term Agreement. This agreement is due to end on 31st December 2026 and a new programme is due to be tendered for 2027 onwards. Due to the impending changes arising from Local Government Reorganisation (LGR), it is anticipated that a tender would not attract competitive prices and a 2-year extension should be sought. This extension would not alter the nature of the contract and would provide the Council with continued insurance cover through to 31st December 2028 and therefore past the anticipated LGR implementation date (April 2028).

Financial implications: The total premium cost for 2026 is approximately £6m. The proposed 2-year extension value is therefore approximately £12m, but with the benefit of discounted premiums. This saving is ringfenced to the insurance fund and will not impact the corporate position. The premium cost will not impact the MTFP as these are funded from the insurance fund and are already accounted for.

Legal implications: The proposal to extend the current insurance arrangements for an additional two years is in line with PCR 2015, regulation 72, which sets out that a contract may be amended due to unforeseen circumstances by no more that 50% of the original value. LGR could not have been foreseen at the time of the Council agreeing its current 5-year agreement on 1st January 2022. The current agreement has a contract value of approximately £25m and therefore the cost of the extension will meet the 50% requirement. The proposed approach has been reviewed and is in accordance with KCC Procurement arrangements and Spending the Council's Money policies

Equalities implications: An Equalities Impact Assessment has been carried out and no adverse impacts have been identified.

Data Protection implications: Given the nature of the proposed decision, there are not considered to be any data protection implications.

Cabinet Committee recommendations and other consultation:

The proposed decision will be considered by the Policy and Resources Cabinet Committee on 11 March 2026.

Any alternatives considered and rejected:

To undertake a full tender exercise to procure a new insurance programme. Due to the impending changes arising from Local Government Reorganisation (LGR), it is anticipated that a tender would not attract competitive prices

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

……………………………………………….. ………………………………………………

Signed Date

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EQIA Submission – ID Number
Section A

EQIA Title
Insurance Extension

Responsible Officer
Lee Manser - CED F

Approved by (Note: approval of this EqIA must be completed within the EqIA App)
Cath Head - CED F

Type of Activity

Service Change
No
Service Redesign
No
Project/Programme
No
Commissioning/Procurement
No
Strategy/Policy
No
Details of other Service Activity
A proposed extension to KCC's current insurance arrangements

Accountability and Responsibility

Directorate
Strategic and Corporate Services
Responsible Service
Insurance
Responsible Head of Service
Cath Head - CED F
Responsible Director
Cath Head - CED F

Aims and Objectives

The Council's insurance programme is extensive and designed to protect its financial position in respect of losses it may suffer when undertaking the diverse nature of activities required to meet statutory duties and general business functions and income generating operations.

The current programme is held under a 5-year Long Term Agreement. This agreement is due to end on 31st December 2026 and a new programme is due to be tendered for 2027 onwards. Due to the impending changes arising from Local Government Reorganisation (LGR), it is anticipated that a tender would not attract competitive prices and a 2-year extension should be sought. This extension would not alter the nature of the contract and would provide the Council with continued insurance cover through to 31st December 2028 and therefore past the anticipated LGR implementation date (April 2028).

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?
No

It is possible to get the data in a timely and cost effective way?
No

Is there national evidence/data that you can use?

Yes
Have you consulted with stakeholders?
Yes
Who have you involved, consulted and engaged with?
Procurement Legal Gallagher - KCC Broker
Has there been a previous Equality Analysis (EQIA) in the last 3 years?
No
Do you have evidence that can help you understand the potential impact of your activity?
Yes
Section C – Impact
Who may be impacted by the activity?
Service Users/clients Service users/clients
Staff Staff/Volunteers
Residents/Communities/Citizens Residents/communities/citizens
Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing?
Yes
Details of Positive Impacts
The Council will continue to have insurance cover in place for staff, service users and members of the public. The extension is considered to offer the Council the most financial benefit.
Negative impacts and Mitigating Actions
19.Negative Impacts and Mitigating actions for Age
Are there negative impacts for age?
No
Details of negative impacts for Age
Not Applicable
Mitigating Actions for Age
Not Applicable
Responsible Officer for Mitigating Actions – Age
Not Applicable
20. Negative impacts and Mitigating actions for Disability
Are there negative impacts for Disability?
No
Details of Negative Impacts for Disability
Not Applicable
Mitigating actions for Disability
Not Applicable
Responsible Officer for Disability
Not Applicable
21. Negative Impacts and Mitigating actions for Sex
Are there negative impacts for Sex
No
Details of negative impacts for Sex
Not Applicable
Mitigating actions for Sex

Not Applicable
Responsible Officer for Sex
Not Applicable
22. Negative Impacts and Mitigating actions for Gender identity/transgender
Are there negative impacts for Gender identity/transgender
No
Negative impacts for Gender identity/transgender
Not Applicable
Mitigating actions for Gender identity/transgender
Not Applicable
Responsible Officer for mitigating actions for Gender identity/transgender
Not Applicable
23. Negative impacts and Mitigating actions for Race
Are there negative impacts for Race
No
Negative impacts for Race
Not Applicable
Mitigating actions for Race
Not Applicable
Responsible Officer for mitigating actions for Race
Not Applicable
24. Negative impacts and Mitigating actions for Religion and belief
Are there negative impacts for Religion and belief
No
Negative impacts for Religion and belief
Not Applicable
Mitigating actions for Religion and belief
Not Applicable
Responsible Officer for mitigating actions for Religion and Belief
Not Applicable
25. Negative impacts and Mitigating actions for Sexual Orientation
Are there negative impacts for Sexual Orientation
No
Negative impacts for Sexual Orientation
Not Applicable
Mitigating actions for Sexual Orientation
Not Applicable
Responsible Officer for mitigating actions for Sexual Orientation
Not Applicable
26. Negative impacts and Mitigating actions for Pregnancy and Maternity
Are there negative impacts for Pregnancy and Maternity
No
Negative impacts for Pregnancy and Maternity
Not Applicable
Mitigating actions for Pregnancy and Maternity
Not Applicable
Responsible Officer for mitigating actions for Pregnancy and Maternity
Not Applicable
27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships
Are there negative impacts for Marriage and Civil Partnerships

No
Negative impacts for Marriage and Civil Partnerships
Not Applicable
Mitigating actions for Marriage and Civil Partnerships
Not Applicable
Responsible Officer for Marriage and Civil Partnerships
Not Applicable
28. Negative impacts and Mitigating actions for Carer's responsibilities
Are there negative impacts for Carer's responsibilities
No
Negative impacts for Carer's responsibilities
Not Applicable
Mitigating actions for Carer's responsibilities
Not Applicable
Responsible Officer for Carer's responsibilities
Not Applicable

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