To: CABINET – 14 June 2010

By: John Simmonds, Cabinet Member – Finance
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(1) REVENUE AND CAPITAL BUDGET OUTTURN 2009-10

(2) REVENUE BUDGET ROLL FORWARD

(3) CAPITAL BUDGET ROLL FORWARD

(4) 2009-10 FINAL MONITORING OF KEY ACTIVITY INDICATORS

(5) 2009-10 FINAL FINANCIAL HEALTH INDICATORS

(6) 2009-10 FINAL MONITORING OF PRUDENTIAL INDICATORS

(7) IMPACT OF 2009-10 REVENUE BUDGET OUTTURN ON RESERVES

(8) CAPITAL BUDGET OUTCOMES & ACHIEVEMENTS IN 2009-10

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1. Summary

1.1 This report sets out the provisional revenue and capital budget outturn for 2009-10. It details:

- where revenue projects have been rescheduled and/or are committed
- where there is under or overspending.

The provisional outturn on the revenue budget shows an underspend of £8.826m (excluding schools). This is £0.959m higher than the projected underspend reported in May.

1.2 Details of the proposals for the use of £1.453m of the revenue budget underspending are provided in Appendix 2. This identifies those projects where there is already a commitment to spend in 2010-11. It is also recommended that £2m of the underspend is held in a new Corporate Restructuring reserve and the balance of the underspending of £5.373m is set aside in the earmarked Economic Downturn reserve.

1.3 Details of the capital roll forwards are provided in Appendix 3.

1.4 Final monitoring of key activity indicators for 2009-10 is detailed in Appendix 4.

1.5 The report also provides the year-end financial health indicators in Appendix 5, prudential indicators in Appendix 6 and impact on reserves in section 3.6.

1.6 Capital Budget Outcomes and Achievements in recent years are detailed in Appendix 7.

2. Recommendations

Cabinet is asked to:

2.1 **Note** the provisional outturn position for 2009-10.

2.2 **Agree** the £1.453m requests for roll forward of the 2009-10 revenue underspending to fund existing commitments, as detailed in Appendix 2.

2.3 **Agree** that £2m of the revenue underspending within the Finance portfolio is held in a new Corporate Restructuring Reserve (further details are provided in section 3.4.1).

2.4 **Agree** that the £5.373m remainder of the 2009-10 revenue underspending is set aside in the Economic Downturn reserve.

2.5 **Note** that £2.415m of capital re-phasing from 2009-10 will be added into 2010-11 and later years, as detailed in Appendix 3 and the 2010-11 Capital Programme will also be adjusted to reflect other 2009-10 variances as reported in the outturn.

2.6 **Note** the final monitoring of the key activity indicators for 2009-10 as detailed in Appendix 4.

2.7 **Note** the final financial health indicators for 2009-10 as detailed in Appendix 5.

2.8 **Note** the final monitoring of the prudential indicators for 2009-10 as detailed in Appendix 6.

2.9 **Note** the impact of the 2009-10 provisional revenue budget outturn on reserves as detailed in section 3.6.

2.10 **Note** the capital budget outcomes and achievements in 2009-10 as detailed in Appendix 7.

2.11 **Note** that the schools' revenue and capital reserves have reduced by some £6.791m. Details are provided in this report.

3. BUDGET OUTTURN 2009-10

3.1 INTRODUCTION

3.1.1 This report sets out the provisional revenue and capital budget outturn for 2009-10. There may be minor variations in figures during the final stage of the closing of accounts process and the accounts are also still subject to external audit.

3.1.2 For the 10th consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools).

3.2 REVENUE BUDGET OUTTURN 2009-10

3.2.1 The provisional outturn is a net underspend of £8.826m against portfolio budgets and a £11.430m reduction in school reserves, giving a total overspend of £2.604m.

3.2.2 This -£8.826m outturn compares with the net variance of -£7.867m last reported to Cabinet at its meeting on 17 May, which represents a movement since the last report of -£0.959m. In addition, the 17 May report included a £2.780m pressure on Asylum which is now shown as breakeven following negotiations with Central Government and funding from the Asylum reserve. This approach is consistent with previous years. The net provisional outturn by portfolio and the movement since the last report are shown below in table 1.

TABLE 1: PROVISIONAL FINAL REVENUE OUTTURN BY PORTFOLIO

Portfolio	Budget	Provisional Outturn	Variance	Variance per last report	Movement
	£k	£k	£k	£k	£k
CFE	**-697,871**	**-700,109**	**-2,238**	-1,915	-323
KASS	**+335,122**	**+335,304**	**+182**	0	+182
E,H&W	**+151,946**	**+151,226**	**-720**	-645	-75
Communities	**+58,600**	**+57,782**	**-818**	-450	-368
Localism & Partnerships	**+6,565**	**+6,451**	**-114**	-22	-92
Corporate Support & Performance Mgmt	**+10,069**	**+9,238**	**-831**	-530	-301
Finance	**+123,603**	**+119,460**	**-4,143**	-4,122	-21
Public Health & Innovation	**+790**	**+676**	**-114**	-124	+10
Regen & Economic Dev	**+8,096**	**+8,066**	**-30**	-59	+29
SUB TOTAL (excl Schools)	**-3,080**	**-11,906**	**-8,826**	**-7,867**	**-959**
Asylum note 1	**0**	**0**	**0**	+2,780	-2,780
TOTAL (excl Schools)	**-3,080**	**-11,906**	**-8,826**	**-5,087**	**-3,739**
Schools note 2	**+897,380**	**+908,810**	**+11,430**	+6,000	+5,430
TOTAL	**+894,300**	**+896,904**	**+2,604**	**+913**	**+1,691**

Note 1. The Asylum Service is now showing a nil variance as, following successful negotiations with Government about future funding levels, we have funded the residual 09-10 pressure of £3.029m from the Asylum reserve.

Note 2. Although schools reserves have reduced by £11.430m, this is made up of £14.702m drawdown of reserves by schools against schools delegated budgets offset by an underspend on the unallocated schools budget of £3.272m.

3.2.3 The forecast has moved by -£0.959m (excluding Asylum & Schools) since the last monitoring report to Cabinet. Detailed below are the main reasons for the movement in the portfolio forecasts since the last monitoring report to Cabinet on 17 May, as shown in Table 1:

3.2.4 **Children, Families & Education:**

The overall position for the portfolio has moved by -£0.323m since the last report to Cabinet. The main changes are:

- -£0.149m School Organisation – an increase in the underspend on this service to £0.178m due to a combination of staff vacancies and other minor net variances.
- -£0.139m Mainstream Home to School Transport – an increase in the underspend to £1.087m mainly due to on-going renegotiation of contracts.
- -£0.148m Local Children's Services Partnerships – an increase in the underspend to £0.304m resulting from a combination of further gross pressures of £0.739m which are more than offset by additional income of £0.887m. The Children's Centres have incurred additional expenditure of £0.518m fully funded from additional external income. This has not been previously forecast as each Centre variance is relatively small in isolation and therefore not flagged up by them. The balance of both the gross (+£0.221m) and income (-£0.369m) variances is due to other minor movements on various budgets within the LCSPs.
- -£0.468m SEN Home to School Transport – an increase in the underspend to £0.855m due to the further renegotiation of contracts and revised figures on the impact of the heavy snow in January and February which closed special schools for a number of days. Special schools tend to be more prone to closure during bad weather due to the needs of the pupils and the longer journeys involved. The closure of schools for even short periods of time can have a significant impact on costs and many schools were shut for a number of days.
- +£0.256m Other Preventative Services – this is mainly due to £0.103m on unforeseen section 17 payments and £0.102m on community based projects including day care.
- +£0.660m Grant income and contingency – this is mainly due to the unforeseen requirement to increase the bad debt provision in line with the agreed protocol (+£0.505m) and the cancellation of two very old accounts receivable invoices (+£0.150m).

There are a number of smaller movements, all below £0.1m, across the other budget lines within this portfolio.

3.2.5 **Kent Adult Social Services Portfolio:**

The overall position for the portfolio has moved by +£0.182m since the last report to Cabinet. The overall gross position for the portfolio has only marginally moved since the last report to Cabinet, with a net reduction of £0.013m from the £0.195m last reported, however as highlighted as a risk in recent reports to Cabinet, KASS were unable to achieve all of the management action required to reach a balanced outturn position. However, within this there have been some larger compensating movements between service lines. The main movements are:

- +£0.403m Older People Residential Care – approximately half of this movement relates to the final adjustments to the bad debt provision. Although estimates of the impact on each budget line are made throughout the year, it is only at year end that the split between client groups is actually known, so there are always likely to be movements. Client numbers have also increased from 2,729 in January to 2,740 in February and again to 2,751 by the end of March with a subsequent impact on expenditure. There have also been small increases against preserved rights, in-house provision and integrated care centres as well as a decrease in the actual income against what was expected.
- +£0.421m Older People Nursing Care – this is mainly because an additional £0.134m is required for the bad debt provision and there have also been increases in the number of clients in permanent nursing care and the amount of non permanent weeks of care required. The amount of income is approximately £200k less than previously expected.
- -£0.225 Older People Domiciliary Care – this is primarily as a result of releasing the balance of the creditor provision made in 2008-09 in respect of the Transaction Data Matching (TDM) system. The provision was made last year following a detailed review of payments to suppliers against the number of hours ordered through Swift (the client activity system), which suggested that additional costs could be invoiced for. The calculation of this provision was agreed with the council's external auditors. The position has been monitored and discussed with providers throughout the year and as a result some of the creditor has proved not to be needed and has therefore been released to reduce the revenue position.

- +£0.180m Learning Disability Residential Care – this is primarily due to income being lower than expected.
- -£0.421m Learning Disability Domiciliary Care – of this movement £0.088m relates to the TDM issue already referred to within Older People Domiciliary Care, and a further £0.060m relates to re-phasing of expenditure against the Social Care Reform Grant.
- -£0.446m Learning Disability Supported Accommodation – of this £0.227m relates to additional continuing healthcare funding for a placement following arbitration. The number of clients is also less than anticipated with a number of placements not now starting until the new year.
- -£0.114m Physical Disability Domiciliary Care – this is primarily as a result of releasing the balance of the creditor provision made in 2008-09 in respect of the TDM issue referred to above.
- -£0.161m All Adults Assessment & Related – this is mainly due to further slippage in posts funded through the Social Care Reform and the Learning Disability Campus Grant.
- -£0.115m Strategic Business Support – this is mainly due to further slippage in posts funded through the Social Care Reform and the Learning Disability Campus Grant.
- +£0.300m Specific Grant Income – this is because more grant income is being rolled forward as a receipt in advance to cover the costs that have re-phased in to 2010-11, as referred to above. Of this £0.170m relates to the Learning Disability Campus Grant and £0.130m relates to the Social Care Reform Grant.

3.2.6 **Environment**, **Highways & Waste Portfolio:**
The overall underspend for the portfolio has increased by a further £0.075m, to £0.720m since the last report to Cabinet, made up of a number of small movements across units.

3.2.7 **Communities Portfolio:**
The underspend on this portfolio has increased by £0.368m to £0.818m since the last report. The main movements are:

- -£0.118m Registration Service – this is largely due to a lower shortfall in income for marriage ceremonies than previously forecast due to more ceremonies performed during February and March than previously anticipated and the writing back to revenue of a provision which is no longer required.
- -£0.076m Kent Drugs and Alcohol Team – this is due to re-phasing on the S31 pooled treatment budget and Partnership Support Grant. Under the terms of the partnership agreement KCC have an obligation to contribute this funding to the KDAAT Board and therefore this is included as a committed roll forward request in Appendix 2 of this report.

There are a number of smaller movements, all below £0.1m, across the other budget lines within this portfolio.

3.2.8 **Localism & Partnerships Portfolio:**
The underspend on this portfolio has increased by £0.092m to £0.114m since the last report, which is mainly due to re-phasing of Local Scheme spending recommended by Local Boards and Member Community Grants. This is purely a timing issue and therefore is included in the committed roll forward requests in appendix 2.

3.2.9 **Corporate Support & External Affairs Portfolio:**
The underspend for the portfolio has increased by £0.301m since the last report to Cabinet. This is mainly due to:

- -£0.212m due to a large rates rebate within the Property Group relating to the last 5 years rates paid for 17 Kings Hill Avenue and Invicta House.
- -£0.060m further income achieved within Legal Services.
- -£0.108m underspending on the External Audit and subscriptions budget.

3.2.10 **Finance Portfolio:**
The underspend for the portfolio has only marginally increased by £0.021m to £4.143m since the last report to Cabinet.

3.2.11 **Asylum:**
The final pressure for the Asylum Service was £3.029m, which compares to £2.780m reported to Cabinet in May. The reason for this change of £0.249m is an unforeseen backlog in invoices for Agency Staff and Interpreting (£0.150m) and delays in receiving accommodation invoices (£0.090m). Following successful negotiations with Government regarding future funding levels,

and an increase in the per capita grant and full funding for the intake team for 2008-09 and 2009-10, this residual pressure for 2009-10 of £3.029m has been funded from the Asylum reserve.
In addition, the overall funding position for 2008-09 has improved by a further £0.075m since the previously reported position to Cabinet in March of additional funding of £0.551m, due to a revision of the 2008-09 special circumstances settlement and this has been repaid to the Asylum reserve. Overall therefore the repayment to the reserve in 2009-10, in respect of 2008-09, was £0.626m.

3.3 A reconciliation of the revenue gross and income cash limits to the last full monitoring report, as reported to Cabinet on 29 March, is provided in Appendix 1.

3.4 REVENUE BUDGET ROLL FORWARD PROPOSALS

3.4.1 Table 2 below provides a summary of the revenue outturn position and shows that of the £8.826m underspend, £1.453m relates to committed/re-phased projects, leaving £7.373m of uncommitted underspending. It is recommended that this be used as follows:

- A sum of £2m is held in a new Corporate Restructuring Reserve to be held within the Finance Portfolio. Given the anticipated savings required in Local Government over the next years, it is recommended that a specific reserve will be vital to help us re-engineer our business efficiently. The main funding is expected to be for "spend to save" projects that can be supported by a robust business case. Some temporary staffing costs may also be necessary.
- The balance of £5.373m is set aside in the earmarked Economic Downturn reserve, in the light of the recent announcements on the £6bn efficiency savings in 2010-11 and the imminent Emergency Budget.

TABLE 2: SUMMARY OF REVENUE ROLL FORWARDS:

PORTFOLIO	Provisional Outturn Variance	Committed/ re-phasing	transfers to/from	UNALLOCATED
	£k	£k	£k	£k
CF&E	-2,238			**-2,238**
KASS	182	119	-301	**0**
E,H&W	-720	717		**-3**
Communities	-818	126		**-692**
Localism & Partnerships	-114	256	-142	**0**
Corporate Support & Performance Management	-831	199	142	**-490**
Finance	-4,143		301	**-3,842**
Public Health & Innovation	-114	6		**-108**
Regen & Economic Development	-30	30		**0**
	-8,826	**1,453**	**0**	**-7,373**

3.4.2 Appendix 2 provides details of the £1.453m roll forward proposals, which identify projects that have been re-scheduled and are committed – this is simply a matter of rolling budgets forward in line with expected delivery. Cabinet is asked to approve these proposals.

3.5 DELEGATED SCHOOLS BUDGET

3.5.1 The previously forecast draw down from reserves of £6m was our estimate of the reduction in schools reserves. Schools nine month monitoring returns indicated a much larger drawdown than this but, based on past experience that their estimates tend to be significantly overstated, the figure was scaled back. It is very difficult to predict this with any accuracy, especially this year when factoring in the recovery of £0.762m from 8 schools earlier in the financial year and the introduction of the tighter 'balance control mechanism'. This process limits the level of reserves that schools can carry forward from one year to the next and allows the LA to claw back funding over and above a specified level. The introduction of the tighter rules has proved to have the required effect with schools reducing their reserves by £11.430m in 2009-10. The CFE Directorate is now going through the balance control mechanism process to review all schools balances, as part of the 2009-10 closure of accounts, and early indications are that only 10 schools have exceeded the limit with a total anticipated recovery of around £0.2m.

3.5.2 The £11.430m reduction in schools reserves in 2009-10 is made up of £14.702m drawdown of reserves by schools against schools delegated budgets and an underspend on the unallocated schools budget of £3.272m, which is largely due to £1.083m rates rebates, £1m higher than expected school recoupment income and £0.735m clawback of schools reserves as a result of the balance control mechanism. This has reduced total school revenue reserves to £51.753m of which £14m relates to unallocated schools budget. Of the remaining £37.8m, the schools returns show that of this balance, £9.3m is committed for specific revenue projects, Standards Fund phasing and contributing towards larger capital projects.

3.6 IMPACT ON RESERVES

These are provisional figures and are subject to change during the final stages of the closing of accounts process.

Account	Balance at 31/3/10 £m	Balance at 31/3/09 £m
Earmarked Reserves	110.9	102.0
General Fund balance	25.8	25.8
Schools Reserves	51.8	63.2

3.6.1 The general reserves position at 31 March 2010 is estimated at £25.8m, which is unchanged from the position as at 31 March 2009, and amounts to 3.05% of the 2010-11 revenue budget (excluding schools). This is reviewed formally as part of the annual budget process.

3.6.2 The provisional movement of +£8.9m in earmarked reserves since 31 March 2009 is mainly due to:

• Increase in Rolling Budget Reserve	+£1.3m	
• Increase in the Economic Downturn Reserve	+£7.7m	reflects decisions taken during 2009-10
• Increase in the Prudential Equalisation Reserve	+£4.7m	to cover PEF 2 costs
• New reserve for Turner Contemporary Investment	+£3.4m	to be used to provide an annuity over the next 20 years
• Increase in the PFI Reserves	+£2.5m	to equalise costs
• Increase in Commercial Services Earmarked Reserves	+£1.5m	
• Increase in Workforce Reduction Reserve	+£1.1m	
• Increase in the reserve for projects previously classified as capital but now considered revenue	+£1.0m	includes Member Highway Fund
• Reduction in Insurance reserve	-£3.3m	£1m budgeted reduction & £2.3m to cover deficit on Insurance Fund
• Reduction in the Supporting People Reserve	-£2.8m	
• Reduction in the reserve to support next year's budget	-£2.6m	
• Reduction in the Asylum Reserve	-£2.4m	
• Reduction in the Kingshill Smoothing Reserve	-£2.0m	
• Reduction in the Performance Reward Grant Reserve	-£0.9m	
• Reduction in the Elections Reserve	-£0.8m	
	+£8.4m	

3.7 CAPITAL BUDGET OUTTURN 2009-10

3.7.1 The following changes have been made to the capital programme since the last report to Cabinet:

		£000s	*£000s*
		2009-10	*2010-11*
1	Cash Limits as reported to Cabinet on 17th May	353,583	*486,032*
2	Re-phasing as agreed at Cabinet on 17th May		
	Children, Families & Education (CFE)	-1,350	*1,224*
	Kent Adult Social Services	-134	*134*
	Environment, Highways & Waste	-1,433	*1,308*
	Communities	-1,969	*1,849*
	Regeneration & Economic Development	-695	*695*
	Corporate Support Services & Performance Management	-528	*584*
3	Harnessing Technology - now deemed as revenue funded, the expenditure and funding has been transferred - CFE portfolio	-3,120	*-2,050*
4	Transformation in Adult Social Care - additional grant received - KASS portfolio		*730*
5	Schools Devolved Capital – following the consolidation of the schools accounts it is apparent that the capital resources available to schools have increased:		
	- further grant funding from the DCSF	14,508	
	- additional external funding contributions	2,473	
	- additional revenue contributions from the schools delegated budgets	-281	
6	Kent History Centre – transfer of lease, no expenditure incurred, memorandum note below - CMY portfolio	-1,830	
		359,224	***490,506***
7	PFI	54,983	*27,101*
8	Kent History Centre – transfer of lease, no expenditure incurred, memorandum note - CMY portfolio	1,830	
		416,037	517,607

3.7.2 The provisional outturn for the capital budget, excluding schools devolved capital and the Property Enterprise Fund is £297.1m, a variance of -£1.703m. This outturn compares with the variance (after re-phasing) of -£0.921m last reported to Cabinet at its meeting on 17 May. In addition, the Schools' have underspent their available capital resources by some £14.1m, having previously forecast a balanced position. The provisional outturn by portfolio and the movement since the last report are shown below in table 3.

TABLE 3: PROVISIONAL FINAL CAPITAL OUTTURN BY PORTFOLIO

Portfolio	Budget	Provisional Outturn	Variance	Variance per last report exc re-phasing	Movement
	£k	£k	£k	£k	£k
CFE	+171,124	+169,798	-1,326	-1,061	-265
KASS	+3,708	+3,398	-310	-350	+40
E,H&W	+98,645	+99,151	+506	+413	+93
Communities	+12,046	+12,381	+335	+20	+315
Regen & ED	+4,331	+4,018	-313	-387	+74
Corporate Support & PM	+8,284	+7,695	-589	+511	-1,100
Localism & Partnerships	+665	+659	-6	-67	+61
TOTAL (excl Schools)	+298,803	+297,100	-1,703	-921	-782
Schools	+60,421	+46,314	-14,107	0	-14,107
TOTAL	+359,224	+343,414	-15,810	-921	-14,889

Property Enterprise Fund 1		+121	+121		+121
Property Enterprise Fund 2		+530	+530		+530
TOTAL incl PEF	+359,224	+344,065	-15,159	-921	-14,238

3.7.3 Table 4 shows how the capital spend of £344.065m, including Schools and Property Enterprise Fund has been funded.

TABLE 4: PROVISIONAL FUNDING OF CAPITAL OUTTURN

Funding Source	Capital Cash Limit			Capital Variance			
	KCC portfolios	Schools Devolved	TOTAL	KCC portfolios	Schools Devolved	Property Enterprise Fund (1&2)	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Supported Borrowing	61,596		**61,596**	438			**438**
Prudential	39,125		**39,125**	758			**758**
Prudential/Revenue (directorate funded)	9,690		**9,690**	513			**513**
PEF2	11,411		**11,411**	-11,411			**-11,411**
Grant	152,819	47,652	**200,471**	-1,650	-13,867		**-15,517**
External Funding - Other	11,728	3,050	**14,778**	-386	-240		**-626**
External Funding - Developer contributions	5,051		**5,051**	547			**547**
Revenue & Renewals	4,188	9,719	**13,907**	-1,671			**-1,671**
Capital Receipts	2,330		**2,330**	-300			**-300**
General Capital Receipts (generated by Property Enterprise Fund 1)	865		**865**	-732		121	**-611**
PEF2 Capital Receipts	0		**0**	12,191		530	**12,721**
TOTAL	**298,803**	**60,421**	359,224	**-1,703**	**-14,107**	**651**	**-15,159**

3.7.4 The main reasons for the movement in the forecast since the last monitoring report to Cabinet on 17 May, as shown in table 3, are as follows*:*

3.7.5 **Children, Families and Education Portfolio:**

The overall capital position for the portfolio (excluding capital devolved to schools) has moved by -£0.265m since the last report. The main movements are:

- Childrens Centres and Early Years (-£1.587m): the major rephasings on this programme are:
    a. Play Equipment – round 2 shop (-£0.861m): two of the elements of this project (the grants to childminder and phase 2 of the online shop) have been delayed due to administration difficulties and delays in processing orders. Both elements will be rolled out in the new financial year.
    b. Round 2 Childrens Centre builds (-£0.743m): this rephasing is mainly due to the Brent YMCA and East Stour (South Willesborough Childrens Centre) projects where lease and grant agreements are still being finalised by the KCC legal team
    c. Development & Sustainability (+£0.404m): the programme is progressing ahead of schedule due to private providers completing works ahead of the original dates they submitted.
    d. Sensory Boxes (-£0.192m): due to shipping problems encountered this project has rephased.
    e. Round 3 Childrens Centre builds (-£0.113m): this is due to the recharging to revenue for abortive development fees on the earlier stages of the programme and the delays whilst decisions were being taken on how Phase 3 should progress.

  Overall this leaves a residual balance of -£0.082m on this project.
- Building Schools for the Future & Academy development fees (+£1.003m): most of this overspend (+£0.870m) relates to Wave 5 development costs where a significant amount of additional work on planning and the outline business case has been required by Partnerships for Schools. There is also a further overspend (+£0.418m in total) on Wave 3 and 4 and New Line Learning development costs which is due to a greater reliance on external consultants than anticipated. This is offset, by a saving of -£0.131m on the internal team costs.

  Overall this leaves a residual balance of -£0.154m on this project.
- Building Schools for the Future Wave 3 build costs (-£0.147m): the main variances on this project are detailed below:-
    a. King Ethelbert and Charles Dickens (total -£2.457m) is a result of the collapse of the contractor, William Verry, during the year.
    b. Work on Herne Bay High School, although behind schedule, has progressed better than projected, resulting in an overspend of +£1.146m.
    c. Account has been taken of the work in progress at St George's leading to an overspend of +£0.870m.
    d. Expenditure on ICT is slightly lower than projected (-£0.641m) as a direct result of the construction programme.
    e. There were small variations on contracts at Dane Court Grammar School and The Community College Whitstable (total +£0.956m).

  Overall this leaves a residual balance of -£0.021m on this project.
- Academies (-£0.120m): the main rephasing is due to the following projects; an overspend of +£1.153m on Longfield Academy which is currently ahead of schedule, an underspend on Cornwallis of -£0.419m, which results from a revision to their payment profile and an underspend on New Line Learning of -£0.794m which although is on schedule and due for completion in the early part of 2010/11, is behind the projected expenditure.

  Overall this leaves a residual balance of -£0.060m on this project.
- Practical Cookery Spaces (+£0.125m): the main reason for this variance is the monitoring information supplied by one of the schools being incorrect.
- Swanscombe/6 Schools lifecycle costs (PFI) (+£0.95m): the accounting for PFI has changed and part of the unitary costs are now capitalised.

Overall this leaves a residual balance of +£0.366m on a number of minor projects.

3.7.6 **Kent Adult Social Services Portfolio:**

The capital outturn for the portfolio has moved by +£0.040m since the previous reported position. This main changes being:-

- Flexible and Mobile Engagement/SWIFT enhancement projects (rephasing -£0.114m): elements of these projects are joint working partnerships with the NHS. A decision was taken very late in the financial year not to order remaining permanent hardware until interim solutions had been tested and verified with the NHS.

- Westview/Westbrook/Better Homes lifecycle costs (PFI) (+£0.249m): the accounting for PFI has changed and part of the unitary costs are now capitalised.

Overall this leaves a residual balance of -£0.095m on minor projects.

3.7.7 **Environment, Highways and Waste Portfolio:**

The overall capital position for the portfolio has moved by +£0.093m since the last report. This is mainly due to:

- Salt Storage Infrastructure (+£0.140m): the movement against this scheme relates to being able to obtain some of this equipment early than expected.

Overall this leaves a residual balance of -£0.047m on minor projects.

3.7.8 **Communities Portfolio:**

The overall capital position for the portfolio has moved by +£0.315m since the last report. The main movement is:

- Turner Contemporary (+£0.390m): progress on the Turner Gallery has gathered pace around the year end and some works that had initially thought to be commencing in Quarter 1 2010-11 were actually in progress at the year end. The project remains on budget and on schedule to complete prior to the end of the year.

Overall this leaves a residual balance of -£0.075m on minor projects.

3.7.9 **Corporate Support Services and Performance Management Portfolio:**

The capital outturn for the portfolio has moved by -£1.100m since the previous reported position. This main changes are:-

- Commercial Services VPE (-£0.819m): this is matched by a decreased contribution to their renewals fund so there are no funding implications.
- Connecting with Kent (-£0.138m): procurement for the video conferencing project became delayed and will now be purchased in the new financial year.

Overall this leaves a residual balance of -£0.143m on a number of more minor projects

3.7.10 **Regeneration & Economic Development Portfolio:**

The capital outturn for the portfolio has moved by +£0.074m since the previous reported position. All variances are on a number of minor projects.

3.8 CAPITAL PROJECT ROLL FORWARDS:

The 2010-11 Capital Programme will now be revised to reflect the re-phasing and other variations of the 2009-10 Capital Programme that resulted in the -£1.703m variance in 2009-10. The rephasing details are included in appendix 3 and will be adjusted in the first monitoring report of the 2010-11 budget to be reported to Cabinet on 12 July 2010.

3.9 CAPITAL RECEIPTS:

Capital Receipts realised in 2009-10 were £4.455m from the sale of property and £0.240m from the repayment of loans. All of these receipts are required to fund existing capital programme commitments. This position excludes the receipts generated through the Property Enterprise Fund which are referred to in section 3.11 below.

3.10 SCHOOLS DEVOLVED CAPITAL

3.10.1 Capital expenditure incurred directly by schools in 2009-10 was £46.3m. Schools have in hand some £14.1m of capital funding which will be carried forward as part of the overall schools reserves position. This represents an increase in schools capital reserves of £4.6m.

3.11 PROPERTY ENTERPRISE FUND (PEF)

3.11.1 **PEF1**

At the end of 2008-09 the fund was in deficit by £5.234m, and this was covered by temporary borrowing.

In 2009-10, the costs of disposal activity undertaken within PEF1 amounted to £0.121m, as shown in table 3 above. In addition, PEF1 was earmarked to fund £0.848m of capital spend in 2009-10 on the completion of the Gateway programme. Therefore, total costs to be met from PEF1 were £0.969m. Due to the slowdown in the property market, capital receipts realised through PEF1 from the sale of non-operational property were £0.255m, leaving a further £0.714m to be funded from the £10m temporary borrowing facility. When taken together with the deficit brought forward from 2008-09, the deficit on PEF1 at the end of 2009-10 was £5.948m.

Further details of the Property Enterprise Fund are provided in section 5.2 of Appendix 4.

3.11.2 **PEF2**

At the end of 2008-09 the fund was in deficit by £35.303m, and this was covered by temporary borrowing.

Costs associated with PEF2 in 2009-10 were £0.530m, as shown in table 3 above, and PEF2 funding support to the capital programme was £7.296m. This was offset by £12.721m of capital receipts realised through the Fund, therefore during 2009-10, there was a surplus of £4.895m on PEF2. When taken together with the deficit brought forward from 2008-09, the deficit on PEF2, against the £85m overdraft limit, at the end of 2009-10 was £30.408m.

Further details of the PEF2 are provided in section 5.3 of Appendix 4.

4. 2009-10 FINAL MONITORING OF KEY ACTIVITY INDICATORS

4.1 Details of the final monitoring of key activity indicators for 2009-10 are detailed in Appendix 4.

5. FINANCIAL HEALTH INDICATORS

5.1 The final financial health indicators for 2009-10 are detailed in Appendix 5.

6. PRUDENTIAL INDICATORS

6.1 The final monitoring of the 2009-10 prudential indicators is detailed in Appendix 6.

7. CAPITAL BUDGET OUTCOMES & ACHIEVEMENTS

7.1 A report highlighting the main achievements delivered by the capital programme in 2009-10 is attached at Appendix 7.

APPENDIX 1

Reconciliation of Gross and Income Cash Limits to the 29 March 2010 Cabinet Report

	CASH LIMIT			VARIANCE		
Portfolio	**Gross**	**Income**	**Net**	**Gross**	**Income**	**Net**
	£k	£k	£k	£k	£k	£k
Children, Families & Educ	+409,365	-1,107,236	**-697,871**	+3,019	-5,257	**-2,238**
Kent Adult Social Services	+444,229	-109,107	**+335,122**	+1,852	-1,670	**+182**
Environ, Highways & Waste	+168,586	-16,640	**+151,946**	-748	+28	**-720**
Communities	+146,012	-87,412	**+58,600**	-18	-800	**-818**
Localism & Partnerships	+6,970	-405	**+6,565**	-209	+95	**-114**
Corporate Support & Performance Mgmt	+53,839	-43,770	**+10,069**	+6,384	-7,215	**-831**
Finance	+142,671	-19,068	**+123,603**	+1,440	-5,583	**-4,143**
Public Health & Innovation	+1,410	-620	**+790**	-425	+311	**-114**
Regen & Economic Dev	+11,518	-3,422	**+8,096**	+139	-169	**-30**
SUB TOTAL (excl Schools)	+1,384,600	-1,387,680	**-3,080**	+11,434	-20,260	**-8,826**
Asylum	+14,129	-14,129	**0**	+4,677	-4,677	**0**
TOTAL (excl Schools)	+1,398,729	-1,401,809	**-3,080**	+16,111	-24,937	**-8,826**
Schools	+978,347	-80,967	**+897,380**	+9,919	+1,511	**+11,430**
TOTAL	+2,377,076	-1,482,776	**+894,300**	+26,030	-23,426	**+2,604**

	Gross	**Income**	**Net**	
	£k	£k	£k	
Reconciliation:				
Cash Limits Per Mar report	+2,367,894	-1,473,594	**+894,300**	
Subsequent changes:				
				Changes to grant/income allocations:
CFE	-1,657	1,657	0	DCLG PFI Credits adjustment
CFE	472	-472	0	Further school contributions to PFI costs
CFE	-181	181	0	Reduced interest income for PFI scheme
CFE	77	-77	0	DCSF Rural Transport Coordinator funding
CFE	138	-138	0	Teacher Development Agency grant
CFE	191	-191		Contact point income prior year adjustment
CFE	106	-106	0	DCSF Poverty Pilot funding
CFE	394	-394	0	Skills Studio income from schools
CFE	152	-152	0	Department of Transport Walking to School initiative
CFE	2,117	-2,117	0	Additional SEN recoupment income from other local authorities
CFE	154	-154	0	Learning & Skills Council additional grant allocation
CFE	157	-157	0	DCSF Schools Standards Grant & Personalisation adjustment
CFE	477	-477	0	Sure Start Two year old pilot grant
CFE	-530	530	0	Sure Start Local Programmes unspent grant to be paid back to DCSF
CFE	-9	9	0	Sure Start Transition Support Programme unspent grant to be paid back to DCSF
CFE	-824	824	0	Unspent academic year diploma grant treated as a receipt in advance
CFE	-8,140	8,140	0	Unspent Standards Fund grant treated as a receipt in advance
KASS	18	-18	0	DoH grant for Kent & Medway Dementia Demonstrator
KASS	-498	498	0	correction to Kent Supported Employment income target (base budget issue)

	Gross	Income	Net	
	£k	£k	£k	
KASS	281	-281	0	OP Residential - further increased costs of Integrated Care Centres which are rechargeable to Health
KASS	3,079	-3,079	0	OP Other Services - PFI credits and unitary charge for Better Homes Active Lives
KASS	649	-649	0	LD Supported Accommodation - PFI credits and unitary charge for Better Homes Active Lives
KASS	78	-78	0	MH Supported Accommodation - PFI credits and unitary charge for Better Homes Active Lives
KASS	1,600	-1,600	0	Strategic Business Support - PFI credits for Better Homes Active Lives
KASS	519	-519	0	OP Residential - adj to PFI credits for Westbrook and Westview Integrated Care Centres
EH&W	79	-79	0	DfT grant: Delivering a Sustainable Transport System
CMY	-26	26	0	Reduction of funding for the festival of learning projects from Local Education Authorities Forum for the Education of Adults (LEAFEA)
CMY	-279	279	0	Youth: correction to Qtr 3 adjustment for funding from GOSE to fund Youth Opportunities Fund.
CMY	-48	48	0	Youth: correction to Qtr 3 adjustment for funding from Sanctuary Housing to support youth work in the Canterbury area.
				Technical Adjustments:
CFE	4,674	-4,674	0	Kent Public Services Network - change in treatment of grant and expenditure from capital to revenue as agreed with the external auditors
CFE	1,369	-1,369	0	Internal Commissioning arrangements with LCSPs
CFE	130	-130	0	Internal recharging of costs within 14-24 unit
CFE	-101	101	0	Removal of historic internal income budget for Alternative Curriculum
KASS	898	-898	0	LD Domiciliary - recharge of Supporting People to Communities following tfr of budget
KASS	240	-240	0	LD Supported Accommodation - recharge of Supporting People to Communities following tfr of budget
KASS	96	-96	0	All Adults A&R - recharge of Supporting People to Communities following tfr of budget
CS&PM	3,837	-3,837	0	Kent Public Services Network - change in treatment of grant and expenditure from capital to revenue as agreed with the external auditors
CS&PM	-507	507	0	Income for Interreg partners not now coming through KCC accounts
Revised Budget	2,377,076	-1,482,776	894,300	

APPENDIX 2

2009-10 REVENUE BUDGET ROLL FORWARDS

1. CHILDREN, FAMILIES & EDUCATION:

		£k
Provisional outturn variance:	CF&E portfolio	-2,238
		-2,238

Committed roll forwards:

- None

	0
UNCOMMITTED	**-2,238**

2. KENT ADULT SOCIAL SERVICES:

		£k
Provisional outturn variance:	KASS portfolio	182
	Transfer from Finance portfolio	-301
		-119

Committed roll forwards:

- Contribution to Integrated Community Equipment Store pooled budget — 119

  This represents KCC's share of the underspend of the ICES Board. Under the terms of the S75 agreement, we have an obligation to provide this funding to the pooled budget. The underspending relating to partners contributions has been 'rolled forward' as a receipt in advance.

	119
UNCOMMITTED	**0**

3. ENVIRONMENT, HIGHWAYS & WASTE:

		£k
Provisional outturn variance:	EH&W portfolio	-720
		-720

Committed roll forwards:

▪ Signs & Lines Project Part of this £850k project has re-phased into 2010-11. This funding is required to complete the project. The project was temporarily halted as lining is not recommended during the winter months as reported to Cabinet in January.	432
▪ Permit Scheme from the Traffic Management Act The set up costs for the introduction of the Permit Scheme in Kent, which became operational in February 2010, will be recovered from future income streams from the charges for permits. Therefore a deficit is being rolled, as reported to Cabinet in January, which will be offset by the new permit income.	-441
▪ Land Use Survey There have been delays to the land use survey (as reported to Cabinet in November 2009). This money is being used to match fund against a successful Interreg bid. The external funding has been used first where appropriate and the KCC contribution will be needed to complete the project in 2010-11.	225
▪ Surface Water Management Plan The SWMP is funded from a two year increase to Area Based Grant which was not notified until late in 2009-10 so it was not possible to spend the 2009-10 allocation by 31 March. The funding is required to roll forward to complete this project in 2010-11.	57
▪ Replacement of MIDAS Financial & Management Information System Re-phasing of the replacement project. The replacement of the MIDAS financial system was only partially completed in 2009-10. Waste and PROW have transferred to ORACLE but Highways has yet to do so because of the added complexities of this budget and the link with WAMS (KHS Works Ordering System). This project is expected to complete by 31-03-2011 and it is requested that the funding is rolled forward in order to pay for the final phase.	405
▪ Kent Waste Partnership This represents KCC's share of the underspend of the KWP that KCC holds on behalf of the partnership. Under the terms of the partnership agreement, we have an obligation to provide this funding to the pooled budget.	39
	717
UNCOMMITTED	**-3**

4. COMMUNITIES:

		£k
Provisional outturn variance:	Communities portfolio	-818
		-818

Committed roll forwards:

- Kent Drugs & Alcohol Team:
  - KCC share of the underspend on the S31 pooled treatment budget. Under the terms of the partnership agreement, KCC has an obligation to contribute this funding to the KDAAT Board. The underspending relating to partners contributions has been 'rolled forward' as a receipt in advance. — 61
  - Underspend on the Partnership Support Grant paid via Area Based Grant. This forms part of the KCC contribution to the KDAAT Board. Under the terms of the partnership agreement KCC has an obligation to contribute this funding to the KDAAT Board. All underspends (KCC & partners) are reported to the Board for them to consider\approve future treatment i.e. whether monies are used to support services in the new financial year or returned to funding partners (incl. KCC) — 15
- Supporting Independence — 50
  One-off costs in relation to the restructuring of the unit and the change in emphasis and direction of a number of the projects that are to be delivered following the 2009-10 mid year review. The base budget reflects the position going forward but one-off funding is necessary to enable the transition.

	126
UNCOMMITTED	**-692**

5. LOCALISM & PARTNERSHIPS:

		£k
Provisional outturn variance:	L&P portfolio	-114
	transfer from CS&PM portfolio	-142
		-256

Committed roll forwards:

- Member Community Grants — 13
  Grants which have been committed in 09-10 for projects internal to KCC, but the work was not completed by 31 March
- Local Priorities — 175
  Grants to District Councils for Local Priorities from 2009-10 second homes money, which have been requested to roll forward to 2010-11. Under the terms of the scheme, roll forward for one year is permitted.
- Local Scheme spending recommended by Local Boards — 68
  Grants which have been committed in 2009-10 for projects internal to KCC, but the work was not completed by 31 March.

	256
UNCOMMITTED	**0**

6. CORPORATE SUPPORT & PERFORMANCE MANAGEMENT:

		£k
Provisional outturn variance:	CS&PM portfolio	-831
	Transfer to L&P portfolio	142
		-689

Committed roll forwards:

- P&D - Well Being Health checks — 75
  Due to lower than expected take-up in 2009-10, roll forward is required in order to complete the programme in 2010-11.
- P&D - Kent Leadership Programme (3rd cohort) — 45
  This roll forward is required to complete/finance the Kent Leadership Programme, which overlaps two financial years.
- Strategic Development Unit - Route Development Fund — 4
  Re-phasing of the project
- Property - Room Booking System — 40
  Roll forward is required to pay for new application software to superceed and upgrade the Computer Aided Booking Stsyem (CABS). Tender and evaluation began in early March, we are now in a position to award the contract.
- Property Group Review — 35
  The Property Group Review started in the 4th quarter of 2009-10 with a final report due in late May.

199

UNCOMMITTED **-490**

7. FINANCE:

		£k
Provisional outturn variance:	Finance portfolio	-4,143
	transfer to KASS portfolio	301
		-3,842

Committed roll forwards:

- None

0

UNCOMMITTED **-3,842**

8. PUBLIC HEALTH & INNOVATION:

		£k
Provisional outturn variance:	Public Health & Innovation portfolio	-114
		-114

Committed roll forwards:

- Public Health - Health Service Standards — 6

  To fund a collaboration with Patient's Association to improve health service standards in Kent. This was slightly delayed and will happen early in the new financial year.

	6
UNCOMMITTED	**-108**

9. REGENERATION & ECONOMIC DEVELOPMENT:

		£k
Provisional outturn variance:	R&ED portfolio	-30
		-30

Committed roll forwards:

- Research & Intelligence — 30

  The need to halve the R+I team budget set in train formal Personnel processes to reduce the head count of the team. From a start point of 22 February, when formal consultation with staff commenced, the reduction of head count will only be achieved by w/c the 2 August through redeployment or redundancy. Overall the head count will be reduced but there is a need to find the resources to pay for these staff, not budgeted for in the 2010/11 Budget, through to 2 August. The team budget is primarily staff costs and there is no scope to find these savings elsewhere in the team's budget. Nor is there scope to add further to an existing ambitious income generation target. The roll forward is required to meet the projected overspend in 2010/11 due to unbudgeted and unavoidable costs.

	30
UNCOMMITTED	**0**

APPENDIX 3

CAPITAL RE-PHASING

The 2010-11 Capital Programme will be adjusted to reflect the total re-phasing of -£2.415m as follows:-

CFE	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Building Schools For Furture - BSF Unit Costs					
Amended total cash limits	+6,168	+1,500	+1,600	+4,200	+13,468
re-phasing	+1,003	-1,003			0
Revised project phasing	**+7,171**	**+497**	**+1,600**	**+4,200**	**+13,468**
Special Schools Review - approval to spend					
Amended total cash limits	+13,846	+2,969	+57		+16,872
re-phasing	-405	+404	+1		0
Revised project phasing	**+13,441**	**+3,373**	**+58**	**0**	**+16,872**
Children Centres					
Amended total cash limits	+11,766	+18,753	+7		+30,526
re-phasing	-1,550	+1,550			0
Revised project phasing	**+10,216**	**+20,303**	**+7**	**0**	**+30,526**
Buliding Schools for the Future wave 3					
Amended total cash limits	+61,172	+39,059	+1,315	+4,183	+105,729
re-phasing	-147	+147			0
Revised project phasing	**+61,025**	**+39,206**	**+1,315**	**+4,183**	**+105,729**
Practical Cooking Spaces					
Amended total cash limits	+1,036	+2,654			+3,690
re-phasing	+125	-125			0
Revised project phasing	**+1,161**	**+2,529**	**0**	**0**	**+3,690**
Academy projects - Maidstone New Line Learning new build					
Amended total cash limits	+13,580	+7,162	+214		+20,956
re-phasing	-211	+211			0
Revised project phasing	**+13,369**	**+7,373**	**+214**	**0**	**+20,956**
Academy projects - Maidstone Cornwallis new build					
Amended total cash limits	+12,113	+19,853	+3,184	+178	+35,328
re-phasing	-283	+283			0
Revised project phasing	**+11,830**	**+20,136**	**+3,184**	**+178**	**+35,328**

CFE	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Academy projects - Longfield new build					
Amended total cash limits	+4,885	+17,602	+1,575		+24,062
re-phasing	+1,426	-1,426			0
Revised project phasing	**+6,311**	**+16,176**	**+1,575**	**0**	**+24,062**
Academy projects - Tunbridge Wells new build					
Amended total cash limits	+206	+1,899	+10,416	+8,485	+21,006
re-phasing	+114	-114			0
Revised project phasing	**+320**	**+1,785**	**+10,416**	**+8,485**	**+21,006**
Total re-phasing >£100k	**+72**	**-73**	**+1**	**0**	**0**
Other re-phased Projects below £100k	**-641**	**+762**	**-96**	**-25**	**0**
TOTAL RE-PHASING	**-569**	**+689**	**-95**	**-25**	**0**

KASS	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Modernisation of Assets					
Amended total cash limits	533.0	1,107.0	267.0	275.0	2,182.0
re-phasing	-153.0	153.0	0.0	0.0	0.0
Revised project phasing	**380.0**	**1,260.0**	**267.0**	**275.0**	**2,182.0**
Total re-phasing >£100k	**-153.0**	**153.0**	**0.0**	**0.0**	**0.0**
Other re-phased Projects below £100k	**-407.0**	**407.0**			
TOTAL RE-PHASING	**-560.0**	**560.0**	**0.0**	**0.0**	**0.0**

EHW	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Kent Highway Partnership - Co-Location depots					
Amended total cash limits	+274	+4,195			+4,469
re-phasing	-105	+105			0
Revised project phasing	**+169**	**+4,300**	**0**	**0**	**+4,469**
Total re-phasing >£100k	**-105**	**+105**	**0**	**0**	**0**
Other re-phased Projects below £100k	**-416**	**+384**	**+32**		**0**
TOTAL RE-PHASING	**-521**	**+489**	**+32**	**0**	**0**

CMY	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Modernisation of Assets					
Amended total cash limits	+1,493	+2,587	+1,746	+2,084	+7,910
re-phasing	-460	+347	+113		0
Revised project phasing	**+1,033**	**+2,934**	**+1,859**	**+2,084**	**+7,910**
Turner Contemporary					
Amended total cash limits	+5,391	+8,831	+286		+14,508
re-phasing	+390	-390			0
Revised project phasing	**+5,781**	**+8,441**	**+286**	**0**	**+14,508**
Total re-phasing >£100k	**-70**	**-43**	**+113**	**0**	**0**
Other re-phased Projects below £100k	**-173**	**+269**		**-96**	
TOTAL RE-PHASING	**-243**	**+226**	**+113**	**-96**	**0**

CED	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	
Modernisation of Assets - (CSS&PM)					
Amended total cash limits	+2,232	+605	+1,250	+1,250	+5,337
re-phasing	-117	+117			0
Revised project phasing	**+2,115**	**+722**	**+1,250**	**+1,250**	**+5,337**
Connecting with Kent - (CSS&PM)					
Amended total cash limits	+273	+35			+308
re-phasing	-138	+138			0
Revised project phasing	**+135**	**+173**	**0**	**0**	**+308**
Maintaining the Infrastructure - (CSS&PM)					
Amended total cash limits	+2,123	+6,327	+1,150	+500	+10,100
re-phasing	+101	-101			0
Revised project phasing	**+2,224**	**+6,226**	**+1,150**	**+500**	**+10,100**
Oracle Release 12 - (CSS&PM)					
Amended total cash limits	+530	+1,203			+1,733
re-phasing	-114	+114			0
Revised project phasing	**+416**	**+1,317**	**0**	**0**	**+1,733**
Total re-phasing >£100k	**-268**	**+268**	**0**	**0**	**0**
Other re-phased Projects below £100k	**-254**	**+254**			**0**
TOTAL RE-PHASING	**-522**	**+522**	**0**	**0**	**0**

Total re-phasing by portfolio:

Portfolio totals	2009-10	2010-11	2011-12	Future Years	Total
	£k	£k	£k	£k	£k
CFE					
Amended total cash limits	171,124	220,827	233,556	402,942	1,028,449
Re-phasing	72	-73	1	0	0
Revised cash limits	**171,196**	**220,754**	**233,557**	**402,942**	**1,028,449**
KASS					
Amended total cash limits	3,708	12,222	7,857	1,488	25,275
Re-phasing	-153	153	0	0	0
Revised cash limits	**3,555**	**12,375**	**7,857**	**1,488**	**25,275**
E,H&W					
Amended total cash limits	98,645	167,253	119,550	308,266	693,714
Re-phasing	-105	105	0	0	0
Revised cash limits	**98,540**	**167,358**	**119,550**	**308,266**	**693,714**
Communities					
Amended total cash limits	13,876	28,459	10,198	3,506	56,039
Re-phasing	-70	-43	113	0	0
Revised cash limits	**13,806**	**28,416**	**10,311**	**3,506**	**56,039**
Regen & ED					
Amended total cash limits	4,331	11,929	4,230	6,222	26,712
Re-phasing	0	0	0	0	0
Revised cash limits	**4,331**	**11,929**	**4,230**	**6,222**	**26,712**
Corporate Support & PM					
Amended total cash limits	8,284	15,626	9,317	13,703	46,930
Re-phasing	-268	268	0	0	0
Revised cash limits	**8,016**	**15,894**	**9,317**	**13,703**	**46,930**
Localism & Partnerships					
Amended total cash limits	665	500	500	500	2,165
Re-phasing	0	0	0	0	0
Revised cash limits	**665**	**500**	**500**	**500**	**2,165**
TOTAL RE-PHASING >£100k	**-524**	**410**	**114**	**0**	**0**
Other re-phased Projects below £100k	-1,891	+2,076	-64	-121	0
TOTAL RE-PHASING	**-2,415**	**+2,486**	**+50**	**-121**	**0**

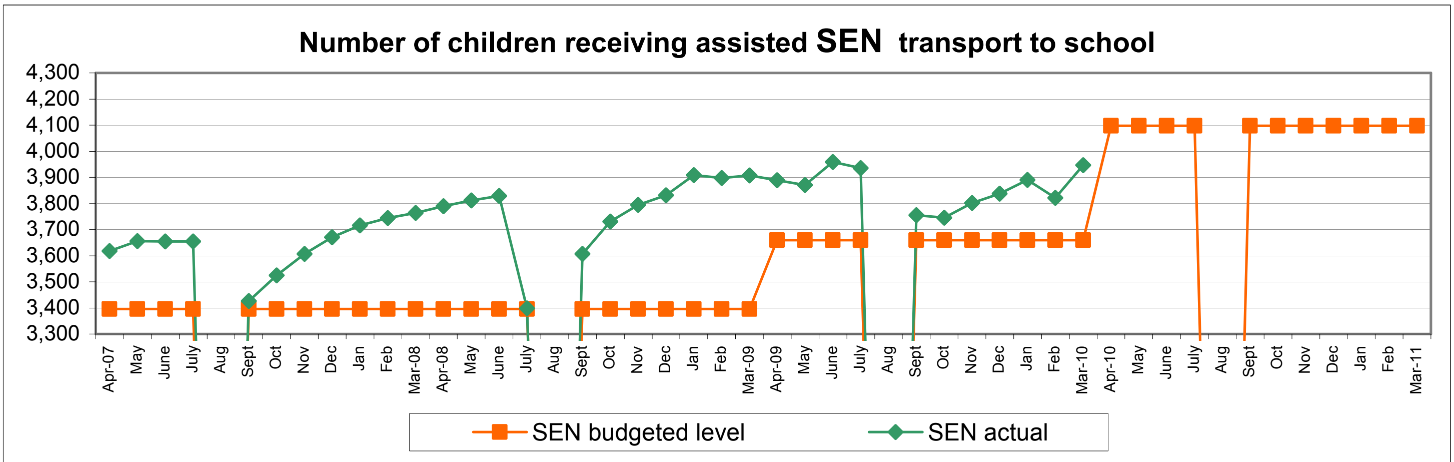
APPENDIX 4

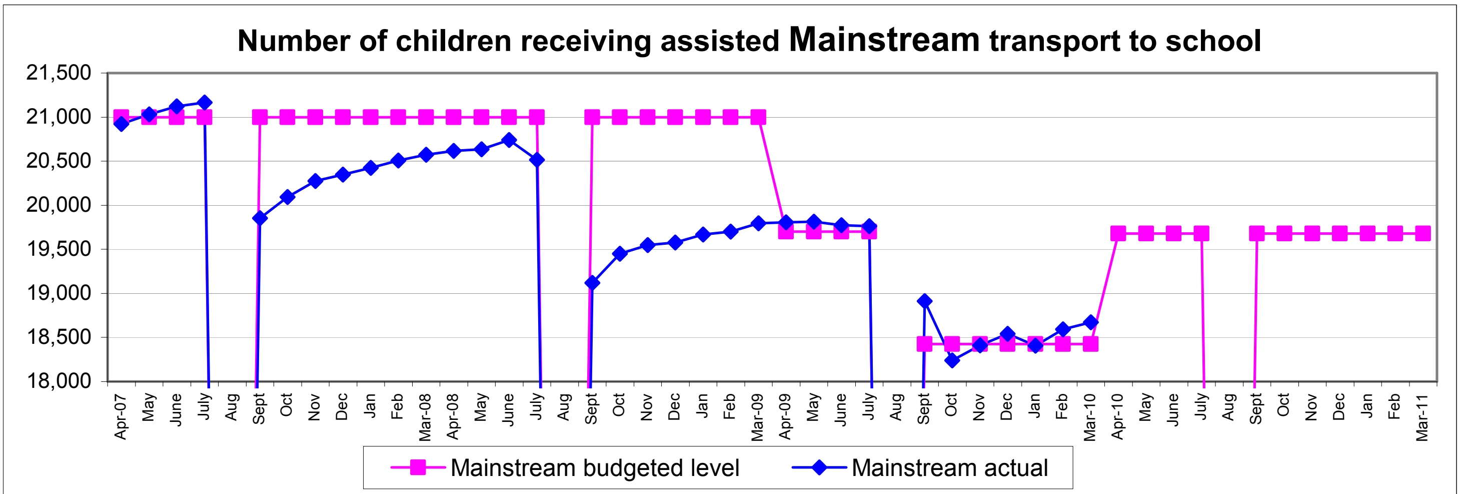
2009-10 FINAL MONITORING OF KEY ACTIVITY INDICATORS

1. CHILDREN, FAMILIES & EDUCATION DIRECTORATE

1.1 Numbers of children receiving assisted SEN and Mainstream transport to school:

	2007-08				2008-09				2009-10				2010-11	
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream		SEN	Mainstream
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget Level	Budget Level
April	3,396	3,618	21,000	20,923	3,396	3,790	21,000	20,618	3,660	3,889	19,700	19,805	4,098	19,679
May	3,396	3,656	21,000	21,032	3,396	3,812	21,000	20,635	3,660	3,871	19,700	19,813	4,098	19,679
June	3,396	3,655	21,000	21,121	3,396	3,829	21,000	20,741	3,660	3,959	19,700	19,773	4,098	19,679
July	3,396	3,655	21,000	21,164	3,396	3,398	21,000	20,516	3,660	3,935	19,700	19,761	4,098	19,679
Aug	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sept	3,396	3,426	21,000	19,855	3,396	3,607	21,000	19,118	3,660	3,755	18,425	18,914	4,098	19,679
Oct	3,396	3,525	21,000	20,093	3,396	3,731	21,000	19,450	3,660	3,746	18,425	18,239	4,098	19,679
Nov	3,396	3,607	21,000	20,276	3,396	3,795	21,000	19,548	3,660	3,802	18,425	18,410	4,098	19,679
Dec	3,396	3,671	21,000	20,349	3,396	3,831	21,000	19,579	3,660	3,838	18,425	18,540	4,098	19,679
Jan	3,396	3,716	21,000	20,426	3,396	3,908	21,000	19,670	3,660	3,890	18,425	18,407	4,098	19,679
Feb	3,396	3,744	21,000	20,509	3,396	3,898	21,000	19,701	3,660	3,822	18,425	18,591	4,098	19,679
Mar	3,396	3,764	21,000	20,575	3,396	3,907	21,000	19,797	3,660	3,947	18,425	18,674	4,098	19,679





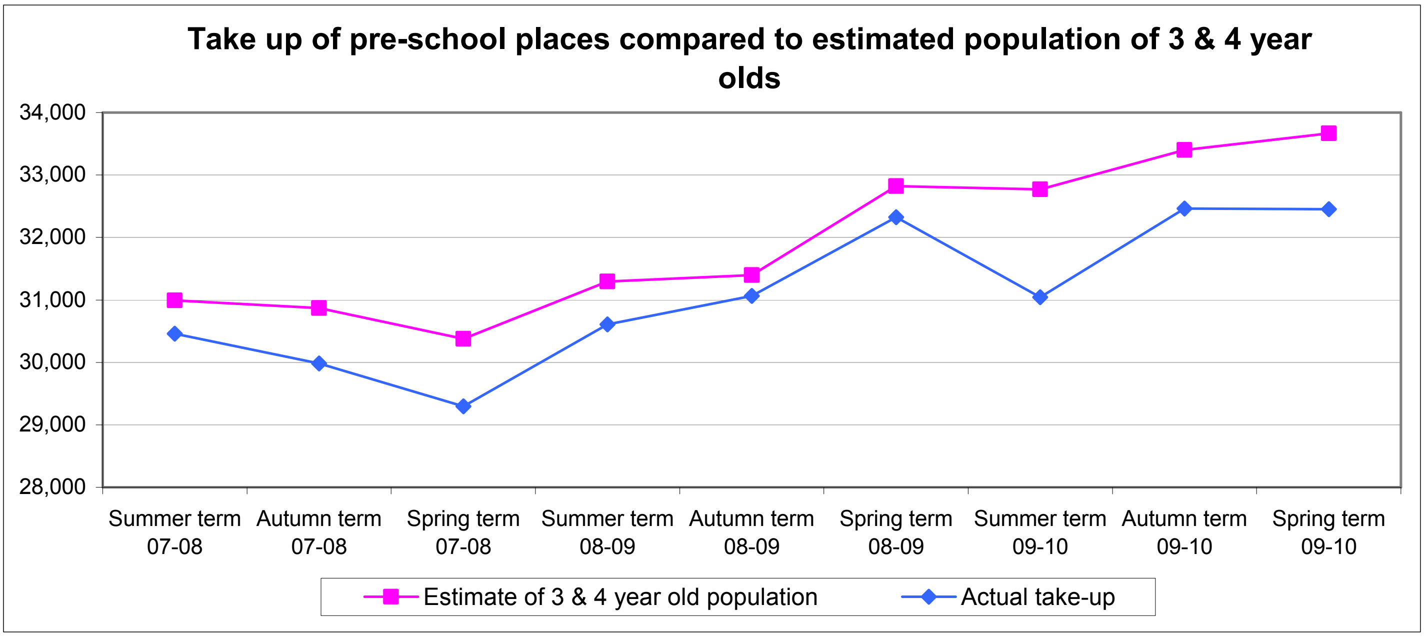
Comments:

- **SEN HTST** – The number of children requiring SEN transport continues to be higher than budgeted levels, however the outturn is an underspend of £855k. This is partly due to the cancellation of transport during the period of snow in December and January and also due to a high level of savings achieved from very successful contract renegotiations.

- **Mainstream HTST** – The activity suggests the number of children requiring mainstream transport is approximately equivalent to the budgeted level. However, savings have been generated through the contract renegotiation which means we can now afford more travellers than the budgeted level suggests. In addition, extra savings have been generated following the reduced costs of transport during the snow in December. Overall the underspend is £1,087k.

1.2.1 **Take up of pre-school places against the number of places available, split between Private Voluntary and Independent Sector (PVI) places and School places**:

	PVI places taken up	*School places taken up*	Total places taken up	Estimate of 3 & 4 year old population	% take up
2007-08					
Summer term	*20,675*	*9,485*	30,460	30,992	98%
Autumn term	*14,691*	*15,290*	29,981	30,867	97%
Spring term	*17,274*	*12,020*	29,294	30,378	96%
2008-09					
Summer term	*20,766*	*9,842*	30,608	31,294	98%
Autumn term	*14,461*	*16,604*	31,065	31,399	99%
Spring term	*19,164*	*13,161*	32,325	32,820	98%
2009-10					
Summer term	*21,175*	*9,868*	31,043	32,770	95%
Autumn term	*15,211*	*17,254*	32,465	33,401	97%
Spring term	*18,948*	*13,503*	32,451	33,668	96%



Comments:

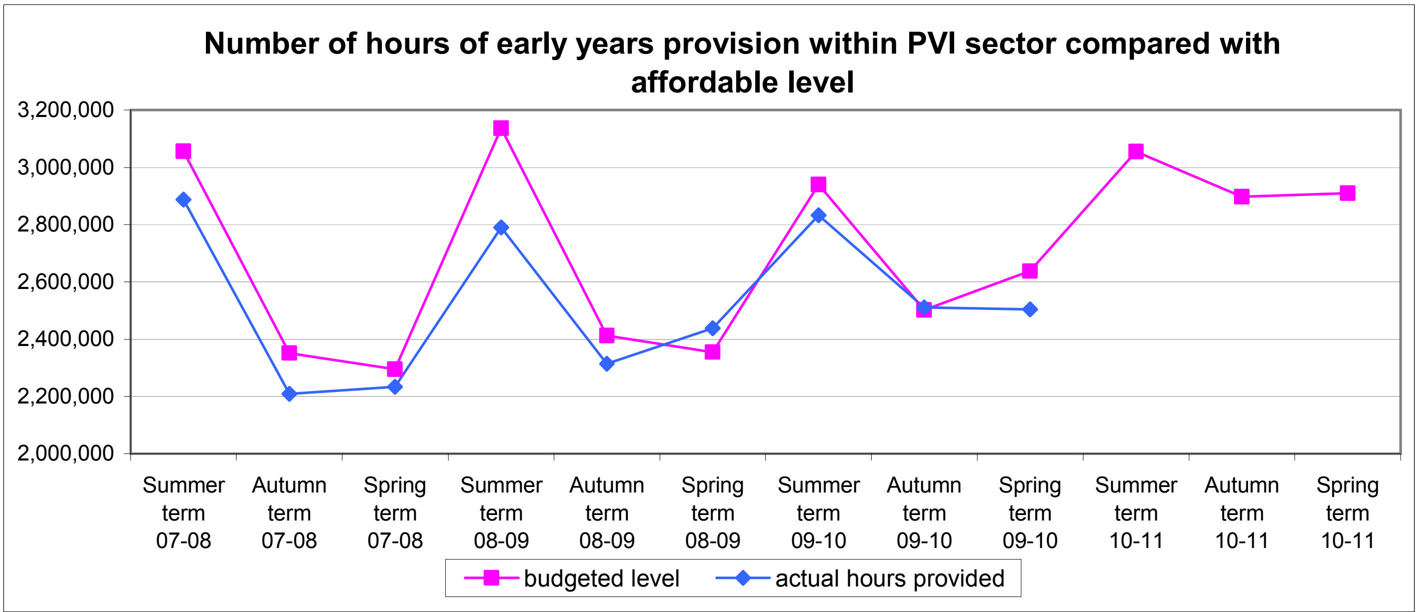
- This graph shows that currently 96% of the estimated population of 3 and 4 year olds are receiving some level of early years provision, whether this be one session per week for 33 weeks or five sessions per week for 38 weeks.
- This activity indicator is based on headcount and provides a snapshot position at a point in time, whereas the activity data in 2.2.2 below provides details of the number of hours provided in the Private, Voluntary & Independent sector, and will correlate with the variance on the Early Years budget within the Management Information Unit. However as this budget is funded entirely from DSG/standards fund, any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, and cannot be used to offset over or underspending elsewhere in the directorate budget. Therefore, as any unspent DSG Early Years funding has to be returned to schools, in 2009-10 an underspend of £1.078m was transferred to the schools unallocated reserve. Expenditure relating to the increase in the free entitlement from 12.5hrs to 15hrs a week has been funded from Standards Fund, a

17month ring-fenced specific grant, which requires any resulting underspends to be carried forward to the next financial year to be spent by 31st August 2010.

- It should be noted that in the Autumn term each year, there is a shift in actual places taken up from PVI sector to schools due to the movement of 4 year olds into reception classes in mainstream schools.

1.2.2 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:

	2007-08		2008-09		2009-10		2010-11
Term	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours
Summer	3,056,554	2,887,134	3,136,344	2,790,446	2,939,695	2,832,550	3,054,794
Autumn	2,352,089	2,209,303	2,413,489	2,313,819	2,502,314	2,510,826	2,897,016
Spring	2,294,845	2,233,934	2,354,750	2,438,957	2,637,646	2,504,512	2,909,688
	7,703,488	**7,330,371**	**7,904,583**	**7,543,222**	**8,079,655**	**7,847,888**	**8,861,498**



Comments:

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks.
- The phased roll-out of the increase in the number of free entitlement hours from 12.5hrs to 15 hrs per week began from September 2009-10. The estimated increase in the number of hours has been factored into the budgeted number of hours for 2009-10. This increase in hours is funded by a specific DCSF Standards Fund grant.
  For the Autumn Term there were 39,859 more hours than budgeted for, but this relates entirely to a greater take up of the increase from 12.5 to 15 hours than assumed in the budgeted level and therefore all of this increase has been funded by additional DCSF standards fund grant and has had no impact on our net financial forecast position.
- The DSG underspent by £1.078m on this budget, and this has been transferred to the DSG reserve in accordance with the terms of the grant.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

1.3 **Number of schools with deficit budgets compared with the total number of schools**:

	2005-06 as at 31-3-06	**2006-07** as at 31-3-07	**2007-08** as at 31-3-08	**2008-09** as at 31-3-09	**2009-10** as at 31-3-10	**2010-11** projection
Total number of schools	600	596	575	570	564	558
Total value of school reserves	£70,657k	£74,376k	£79,360k	£63,184k	£51,753k	£49,000k
Number of deficit schools	9	15	15	13	23	20
Total value of deficits	£947k	£1,426k	£1,068k	£1,775k	£2,409k	£2,000k

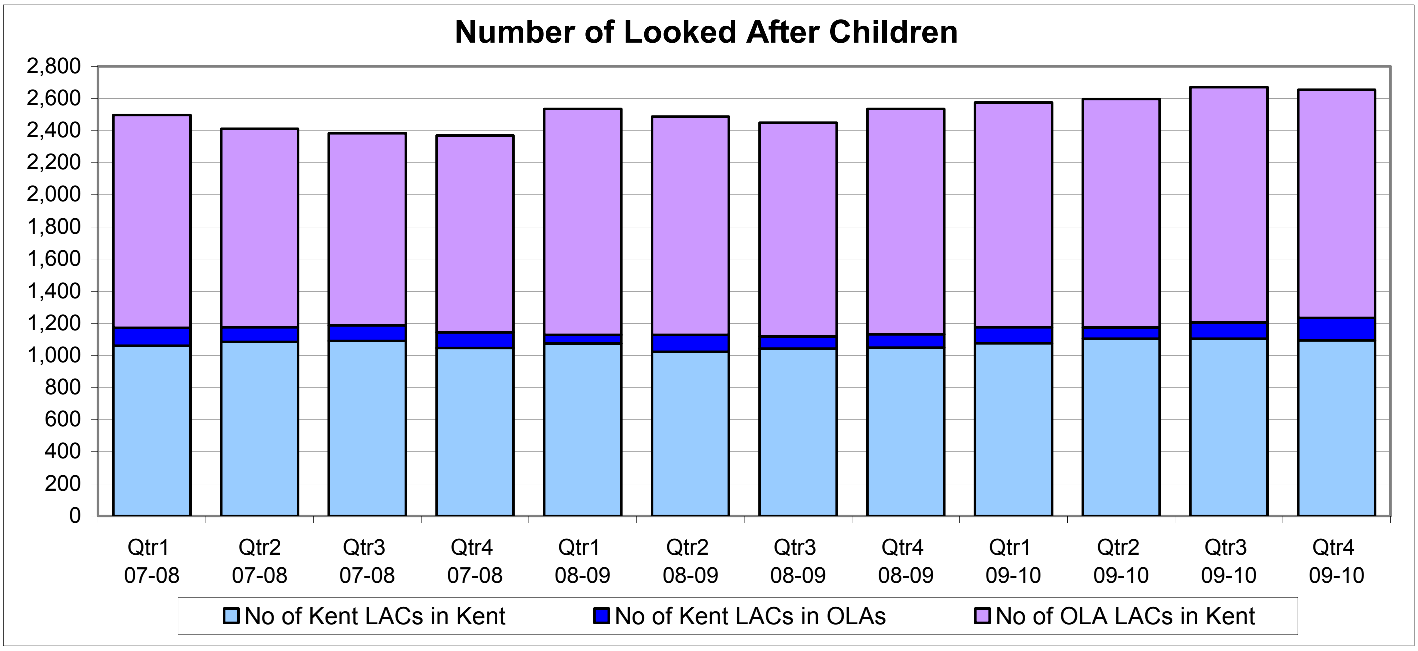
Comments:

- The CFE Statutory team are working with all schools currently reporting a deficit with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.

- KCC now has a "no deficit" policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year's budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.

1.4 **Numbers of Looked After Children (LAC)**:

	No of Kent LAC placed in Kent	No of Kent LAC placed in OLAs	TOTAL NO OF KENT LAC	No of OLA LAC placed in Kent	TOTAL No of LAC in Kent
2007-08					
Apr – Jun	1,060	112	**1,172**	1,325	**2,497**
Jul – Sep	1,084	91	**1,175**	1,236	**2,411**
Oct – Dec	1,090	97	**1,187**	1,197	**2,384**
Jan – Mar	1,047	97	**1,144**	1,226	**2,370**
2008-09					
Apr – Jun	1,075	52	**1,127**	1,408	**2,535**
Jul – Sep	1,022	105	**1,127**	1,360	**2,487**
Oct – Dec	1,042	77	**1,119**	1,331	**2,450**
Jan – Mar	1,048	84	**1,132**	1,402	**2,534**
2009-10					
Apr – Jun	1,076	100	**1,176**	1,399	**2,575**
Jul – Sep	1,104	70	**1,174**	1,423	**2,597**
Oct – Dec	1,104	102	**1,206**	1,465	**2,671**
Jan – Mar	1,094	139	**1,233**	1,421	**2,654**

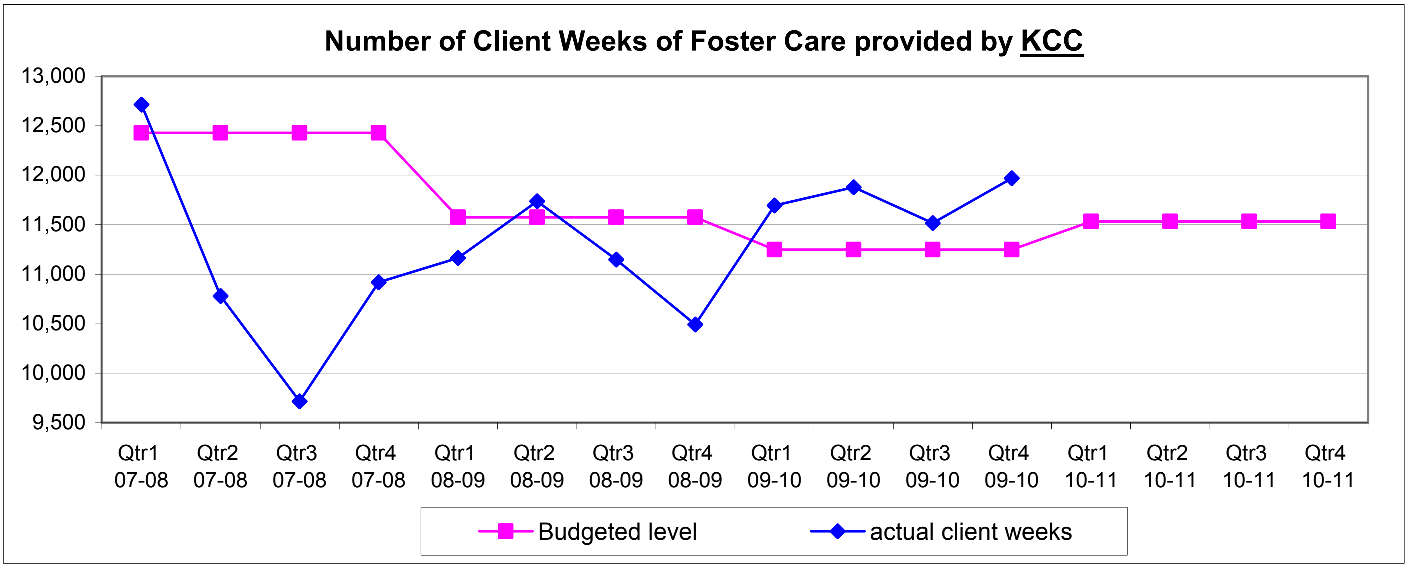


Comments:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken. The majority (over 99%) of Looked After Children placed out of the Authority are either in adoptive placements, placed with a relative, specialist residential provision not available in Kent or living with KCC foster carers based in Medway.
- Please note, the number of looked after children for each quarter represents a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore although the number of Kent looked after children has increased by 101 since the beginning of the year, there could have been more during the period.
- The increase in Kent looked after children has placed additional pressure on the fostering service and 16+ services budget.

1.5.1 **Number of Client Weeks of Foster Care provided by KCC**:

	2007-08		2008-09		2009-10		2010-11
	Budgeted level	**Actual Client Weeks**	**Budgeted level**	**Actual Client Weeks**	**Budgeted level**	**Actual Client Weeks**	**Budgeted level**
Apr - Jun	12,427	12,711	11,576	11,166	11,249	11,695	11,532
Jul - Sep	12,427	10,781	11,576	11,735	11,249	11,880	11,532
Oct - Dec	12,427	9,716	11,576	11,147	11,249	11,518	11,532
Jan - Mar	12,427	10,918	11,576	10,493	11,249	11,969	11,532
	49,709	**44,129**	**46,304**	**44,541**	**44,996**	**47,062**	**46,128**



Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time.

- The budgeted level has been calculated by dividing the 2009-10 budget for all in-house fostering (including 16+) by the 2008-09 average weekly cost adjusted for inflation. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks.

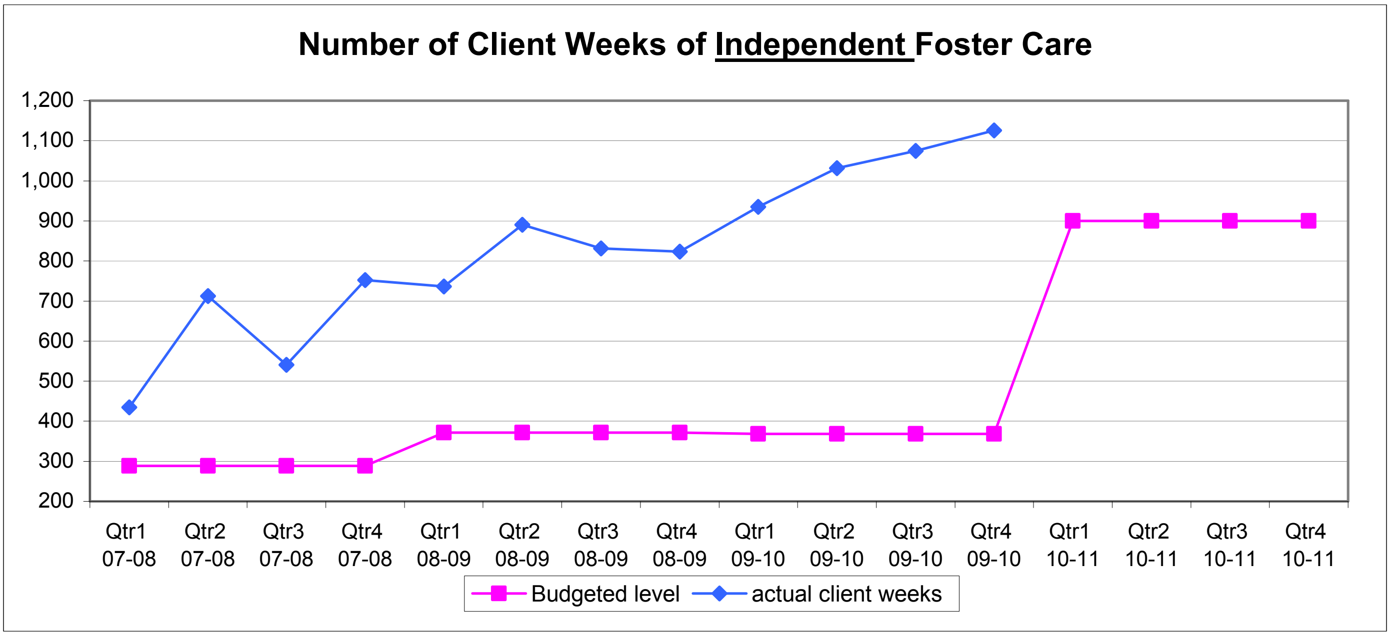
- It should be noted that the data relating to 2007-08 was manually produced due to problems with the IT system and should be treated with some caution.

- The overall net pressure on in-house fostering at the end of 2009-10 was £1,275k, combining both 16+ and fostering service forecasts and corresponds with activity levels.

- It must be noted there is a move to increase the number of in-house foster carers to reduce the dependence on more costly independent sector provision. This has not happened as quickly as hoped due to delays in the recruitment of relevant staff. However the number of in-house foster carers has now started to increase, but the dependence on independent sector provision is unlikely to reduce in the short term due to the rise in the overall number of fostering placements and the need to maintain placement stability.

1.5.2 **Number of Client Weeks of Independent Foster Care**:

	2007-08		2008-09		2009-10		2010-11
	Budgeted level	Actual Client Weeks	Budgeted level	Actual Client Weeks	Budgeted level	Actual Client Weeks	Budgeted level
Apr - Jun	289	435	372	737	369	935	900
Jul - Sep	289	712	372	890	369	1,032	900
Oct - Dec	289	540	372	831	369	1,075	900
Jan - Mar	289	752	372	823	369	1,126	900
	1,156	**2,439**	**1,488**	**3,281**	**1,476**	**4,168**	**3,600**

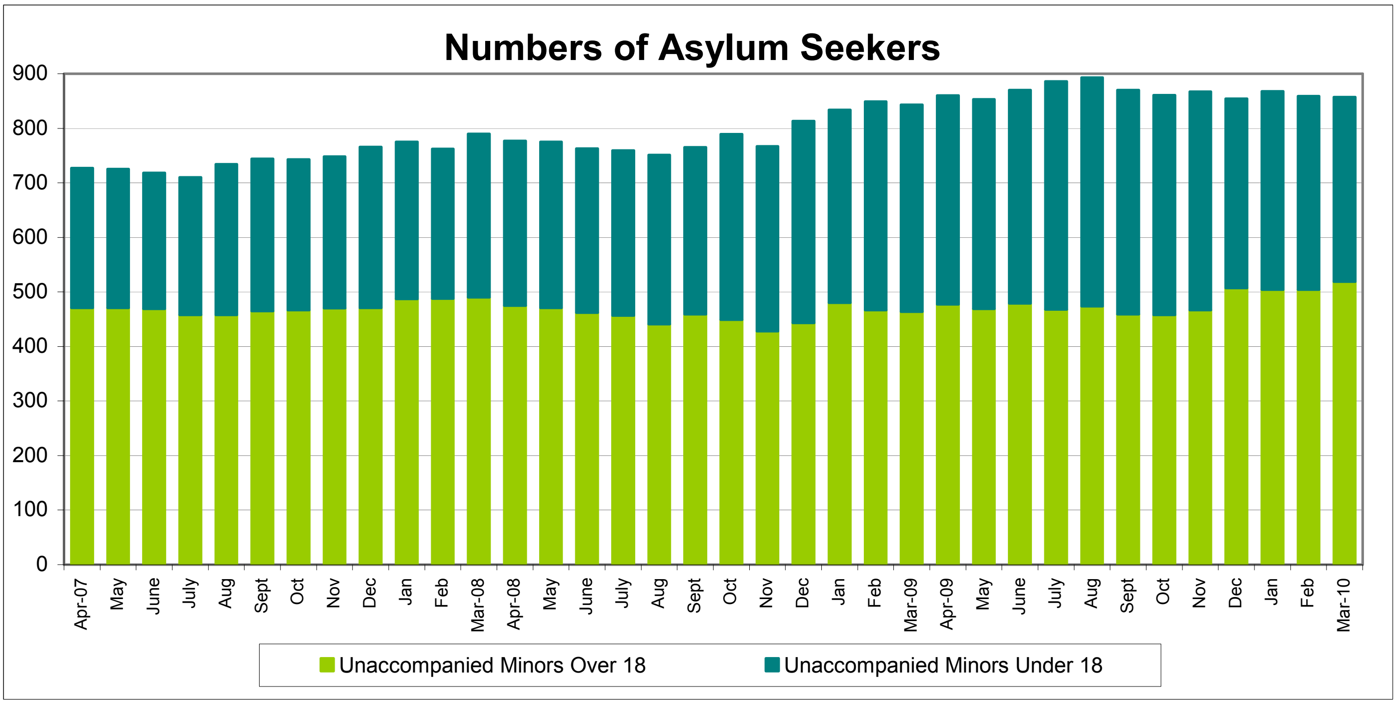


Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time.
- The budgeted level has been calculated by dividing the 2009-10 budget by the 2008-09 average weekly cost adjusted for inflation. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- The number of independent sector fostering placements has increased steeply during 2009-10 with a 37% increase in the number of weeks purchased in the fourth quarter of 2009-10 compared with the final quarter of the previous year. The overspend on independent sector fostering payments is £2,754k combining both 16+ and fostering service forecasts.
- The activity relating to Independent Sector Provision is expected to reduce once the number and skill level of in-house foster carers has begun to increase. However this is unlikely to happen in the short term due to the rise in the overall number of fostering placements and the need to maintain placement stability.

1.6 **Numbers of Unaccompanied Asylum Seeking Children (UASC)**:

	2007-08			2008-09			2009-10		
	Under 18	Over 18	**Total Clients**	Under 18	Over 18	**Total Clients**	Under 18	Over 18	**Total Clients**
April	256	471	**727**	302	475	**777**	383	477	**860**
May	254	471	**725**	304	471	**775**	384	469	**853**
June	249	469	**718**	301	462	**763**	391	479	**870**
July	252	458	**710**	302	457	**759**	418	468	**886**
August	276	458	**734**	310	441	**751**	419	474	**893**
September	279	465	**744**	306	459	**765**	411	459	**870**
October	276	467	**743**	340	449	**789**	403	458	**861**
November	278	470	**748**	339	428	**767**	400	467	**867**
December	295	471	**766**	370	443	**813**	347	507	**854**
January	288	487	**775**	354	480	**834**	364	504	**868**
February	274	488	**762**	382	467	**849**	355	504	**859**
March	300	490	**790**	379	464	**843**	338	519	**857**



Comment:

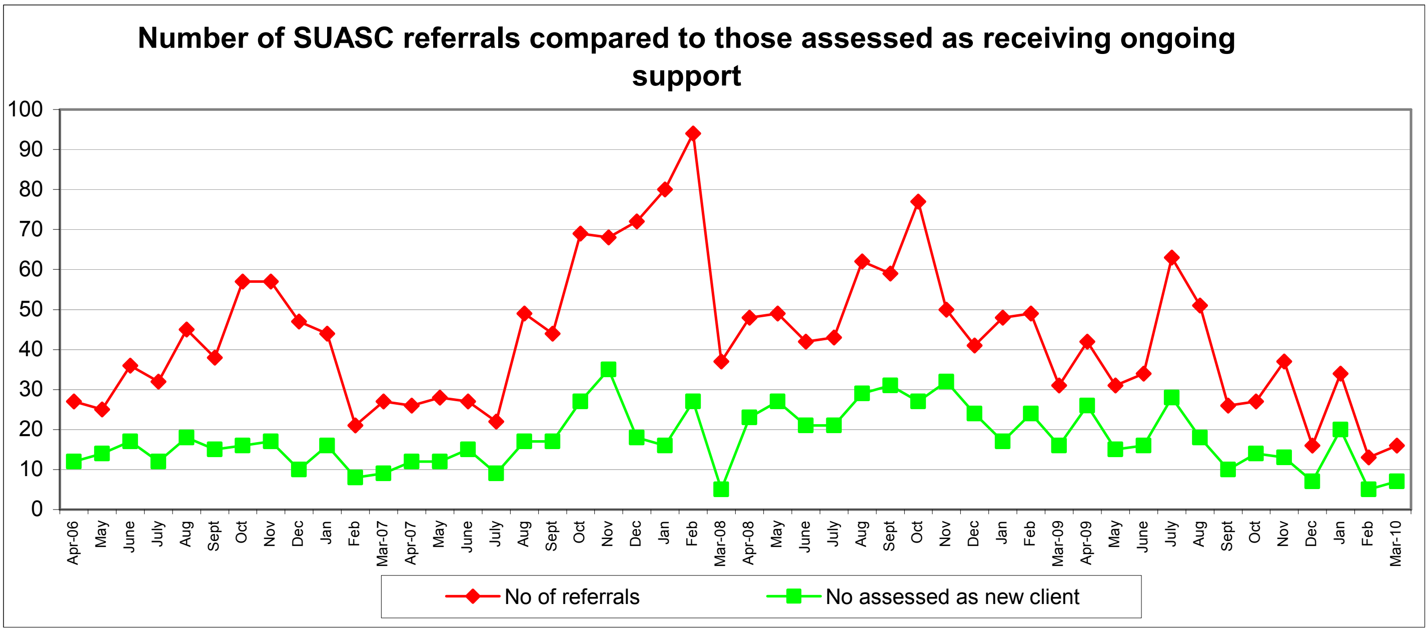
- Client numbers have risen as a result of higher referrals and are higher than the projected number, which for 2009-10 is an average of 820 clients per month (approx 6% higher). It is unclear at this time whether this trend will continue.

- The age profile suggests the number of over 18s is increasing and it is this service which is experiencing the shortfall of funding. In addition the age profile of the under 18 children has reduced, with significantly higher numbers being placed in foster care.

- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim but once their assessment has been completed, or when successfully appealed, their category may change.

1.7 **Numbers of Asylum Seeker referrals compared with the number assessed as qualifying for on-going support from Service for Unaccompanied Asylum Seeking Children (SUASC) ie new clients**:

	2006-07			2007-08			2008-09			2009-10		
	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%
April	27	12	44%	26	12	46%	48	23	48%	42	26	62%
May	25	14	56%	28	12	43%	49	27	55%	31	15	48%
June	36	17	47%	27	15	56%	42	21	50%	34	16	47%
July	32	12	38%	22	9	41%	43	21	49%	63	28	44%
August	45	18	40%	49	17	35%	62	29	47%	51	18	35%
Sept	38	15	39%	44	17	39%	59	31	53%	26	10	38%
Oct	57	16	28%	69	27	39%	77	27	35%	27	14	52%
Nov	57	17	30%	68	35	51%	50	32	64%	37	13	35%
Dec	47	10	21%	72	18	25%	41	24	59%	16	7	44%
Jan	44	16	36%	80	16	20%	48	17	35%	34	20	59%
Feb	21	8	38%	94	27	29%	49	24	49%	13	5	38%
March	27	9	33%	37	5	14%	31	16	52%	16	7	44%
	456	**164**	**36%**	**616**	**210**	**34%**	**599**	**292**	**49%**	**390**	**179**	**46%**



Comments:

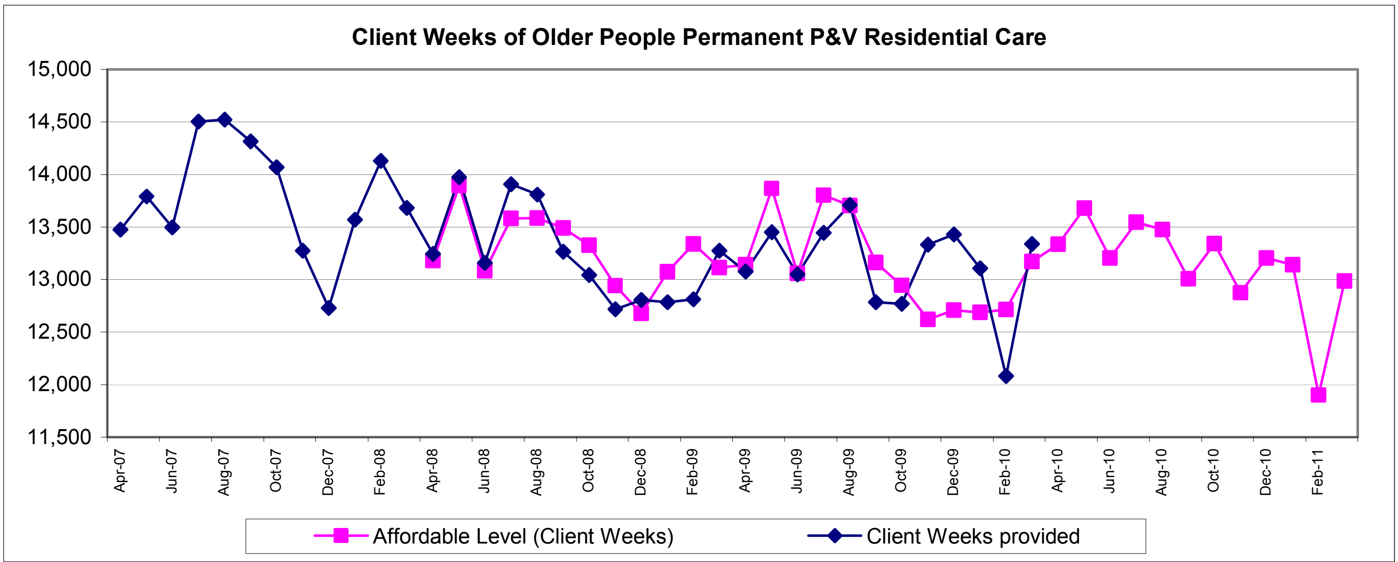
- The number of referrals has fluctuated during the year from 63 in July to 13 in February reflecting the very volatile nature of this budget.
- The number of applicants assessed as new clients during January has been restated due to two children who were previously thought to be over 18.
- The number of referrals has been lower since September which coincides with the French Government's action to clear asylum seeker camps around Calais.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 50% of the referrals will be assessed as a new client. The number assessed as a new client has been consistently higher than the budgeted level, of 15 new clients a month, for the past 18 months however this trend reversed from September and has remained below the budgeted level in every month since except for January.

2. KENT ADULT SOCIAL SERVICES DIRECTORATE

The affordable levels included for 2010-11 are based on the approved budget, however KASS will be reviewing the split of their budget across service groups in light of the outturn and any changes will be requested in the first full monitoring report for 2010-11, to be reported to Cabinet in September. The affordable levels of activity will therefore change as a result of this exercise.

2.1.1 **Number of client weeks of older people permanent P&V residential care provided compared with affordable level**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Client Weeks)	**Client Weeks of older people permanent P&V residential care provided**	**Affordable Level (Client Weeks)**	**Client Weeks of older people permanent P&V residential care provided**	**Affordable Level (Client Weeks)**	**Client Weeks of older people permanent P&V residential care provided**	**Affordable Level (Client Weeks)**
April		13,476	13,181	13,244	13,142	13,076	13,335
May		13,789	13,897	13,974	13,867	13,451	13,679
June		13,495	13,084	13,160	13,059	13,050	13,204
July		14,502	13,581	13,909	13,802	13,443	13,543
August		14,520	13,585	13,809	13,703	13,707	13,475
September		14,316	13,491	13,264	13,162	12,784	13,007
October		14,069	13,326	13,043	12,943	12,768	13,340
November		13,273	12,941	12,716	12,618	13,333	12,875
December		12,728	12,676	12,805	12,707	13,429	13,206
January		13,568	13,073	12,784	12,685	13,107	13,140
February		14,131	13,338	12,810	12,712	12,082	11,899
March		13,680	13,114	13,275	13,172	13,338	12,987
TOTAL	**169,925**	**165,546**	**159,287**	**158,793**	**157,572**	**157,568**	**157,690**

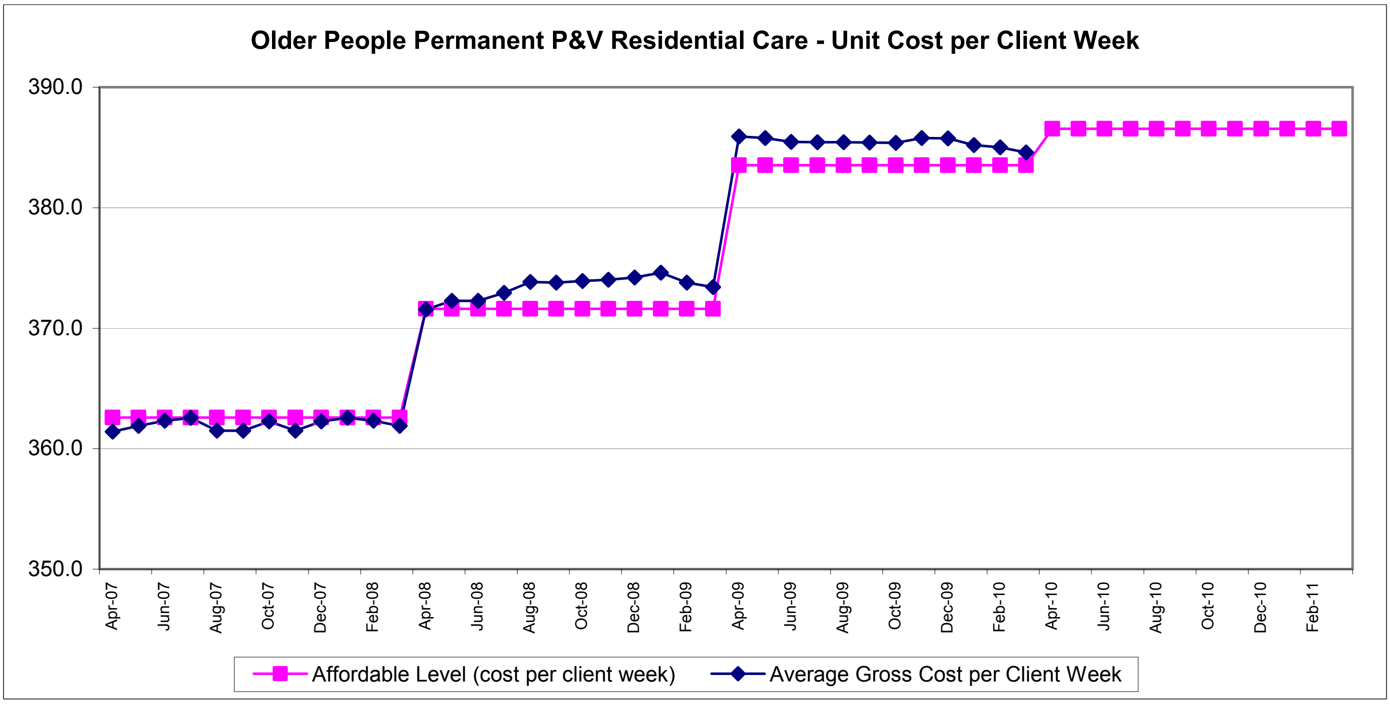


Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2007-08 was 2,917 and at the end of March 2009 it was 2,832. In December, the number was 2,774 and the numbers continued to decrease to 2,751 in March.
- The outturn position is 157,568 weeks of care against an affordable level of 157,572, a difference of four weeks. Using the actual unit cost of £384.59, this reduced level of activity generated an underspend of £2k.

2.1.2 **Average gross cost per client week of older people permanent P&V residential care compared with affordable level**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)
April	362.60	361.41	371.60	371.54	383.52	385.90	386.54
May	362.60	361.90	371.60	372.28	383.52	385.78	386.54
June	362.60	362.31	371.60	372.27	383.52	385.47	386.54
July	362.60	362.56	371.60	372.94	383.52	385.43	386.54
August	362.60	361.50	371.60	373.84	383.52	385.44	386.54
September	362.60	361.50	371.60	373.78	383.52	385.42	386.54
October	362.60	362.27	371.60	373.91	383.52	385.39	386.54
November	362.60	361.50	371.60	374.01	383.52	385.79	386.54
December	362.60	362.27	371.60	374.22	383.52	385.76	386.54
January	362.60	362.56	371.60	374.61	383.52	385.20	386.54
February	362.60	362.31	371.60	373.78	383.52	385.01	386.54
March	362.60	361.90	371.60	373.42	383.52	384.59	386.54



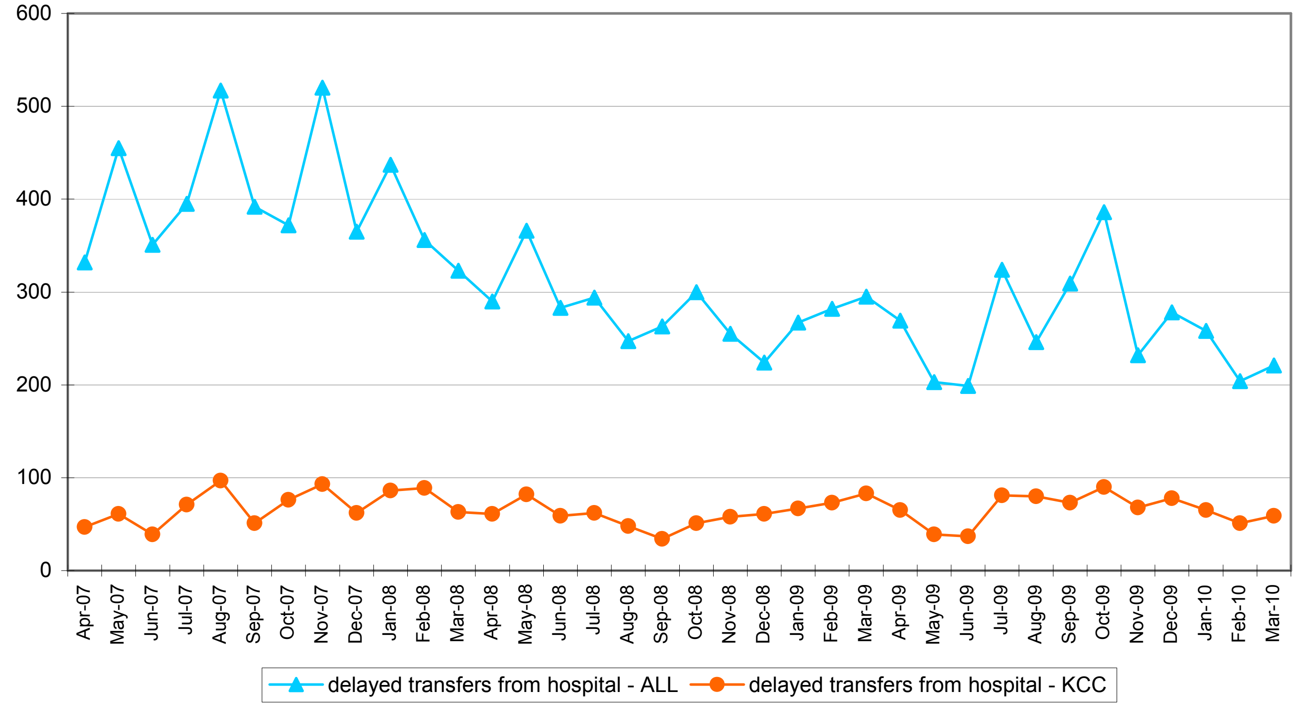
Comments:

- The increase in unit cost over the last year is higher than inflation, but reflects the increasing proportion of clients with dementia.
- The unit cost of £384.59 is higher than the affordable cost of £383.52 and this difference of +£1.07 added £169k to the outturn position when multiplied by the affordable weeks.

2.1.3 **Total of All Delayed Transfers from hospital compared with those which are KASS responsibility**:

	2007-08		2008-09		2009-10	
	ALL	**KASS responsibility**	**ALL**	**KASS responsibility**	**ALL**	**KASS responsibility**
April	332	47	290	61	269	65
May	455	61	366	82	203	39
June	351	39	283	59	199	37
July	395	71	294	62	324	81
August	517	97	247	48	246	80
September	392	51	263	34	309	73
October	372	76	300	51	386	90
November	520	93	255	58	232	68
December	365	62	224	61	278	78
January	437	86	267	67	258	65
February	356	89	282	73	204	51
March	323	63	295	83	221	59

Total number of delayed transfers from hospital and number of delayed transfers which are responsibility of KASS



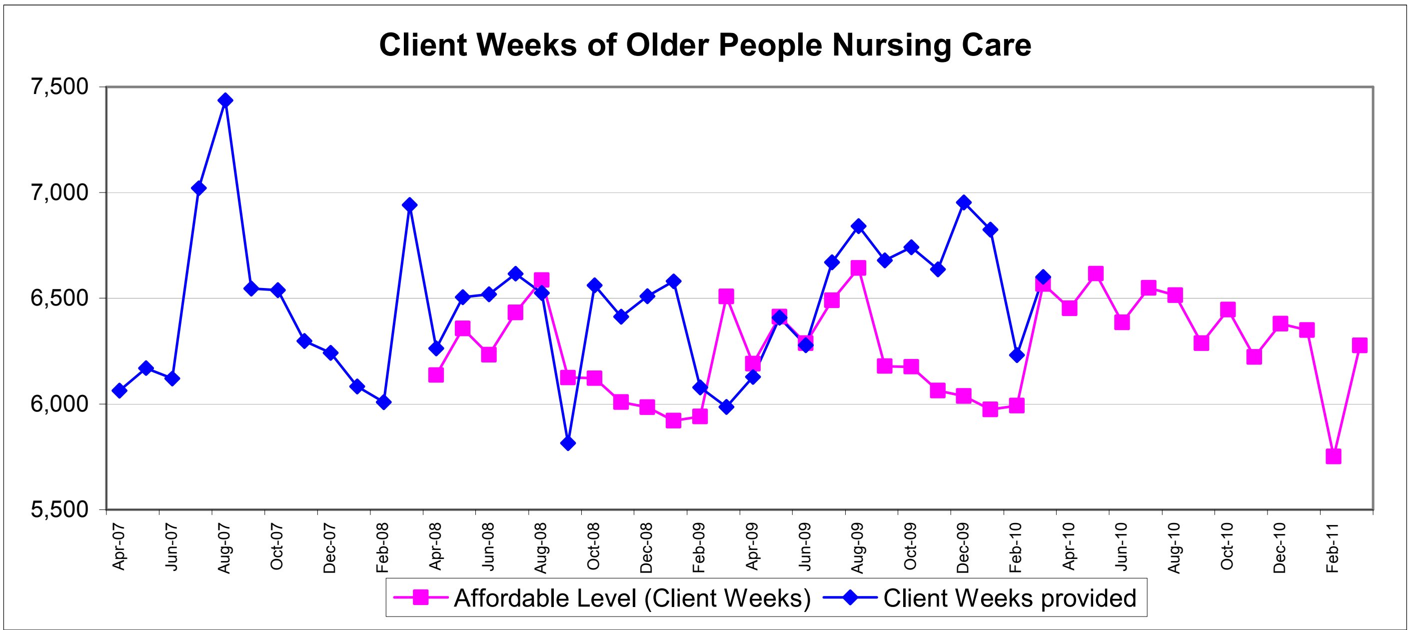
Comments:

- The Delayed Transfers of Care (DTCs) show the numbers of people whose movement from an acute hospital has been delayed. Typically this may be because they are waiting for an assessment to be completed, they are choosing a residential or nursing home placement, or waiting for a vacancy to become available. This figure shows all delays, but those attributable to Adult Social Services, and therefore subject to the reimbursement regime, are a minority. There are many reasons for fluctuations in the number of DTCs which result from the interaction of various different factors within a highly complex system across both Health and Social Care.

- This activity information is obtained from a national database based on data provided by the PCTs.

2.2.1 **Number of client weeks of older people nursing care provided compared with affordable level:**

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)
April		6,062	6,137	6,263	6,191	6,127	6,452
May		6,170	6,357	6,505	6,413	6,408	6,616
June		6,120	6,233	6,518	6,288	6,279	6,386
July		7,020	6,432	6,616	6,489	6,671	6,548
August		7,436	6,586	6,525	6,644	6,841	6,514
September		6,546	6,124	5,816	6,178	6,680	6,288
October		6,538	6,121	6,561	6,175	6,741	6,446
November		6,298	6,009	6,412	6,062	6,637	6,222
December		6,243	5,984	6,509	6,037	6,952	6,380
January		6,083	5,921	6,580	5,973	6,824	6,349
February		6,008	5,940	6,077	5,992	6,231	5,752
March		6,941	6,507	5,985	6,566	6,601	6,277
TOTAL	**74,707**	**77,463**	**74,351**	**76,367**	**75,008**	**78,992**	**76,230**

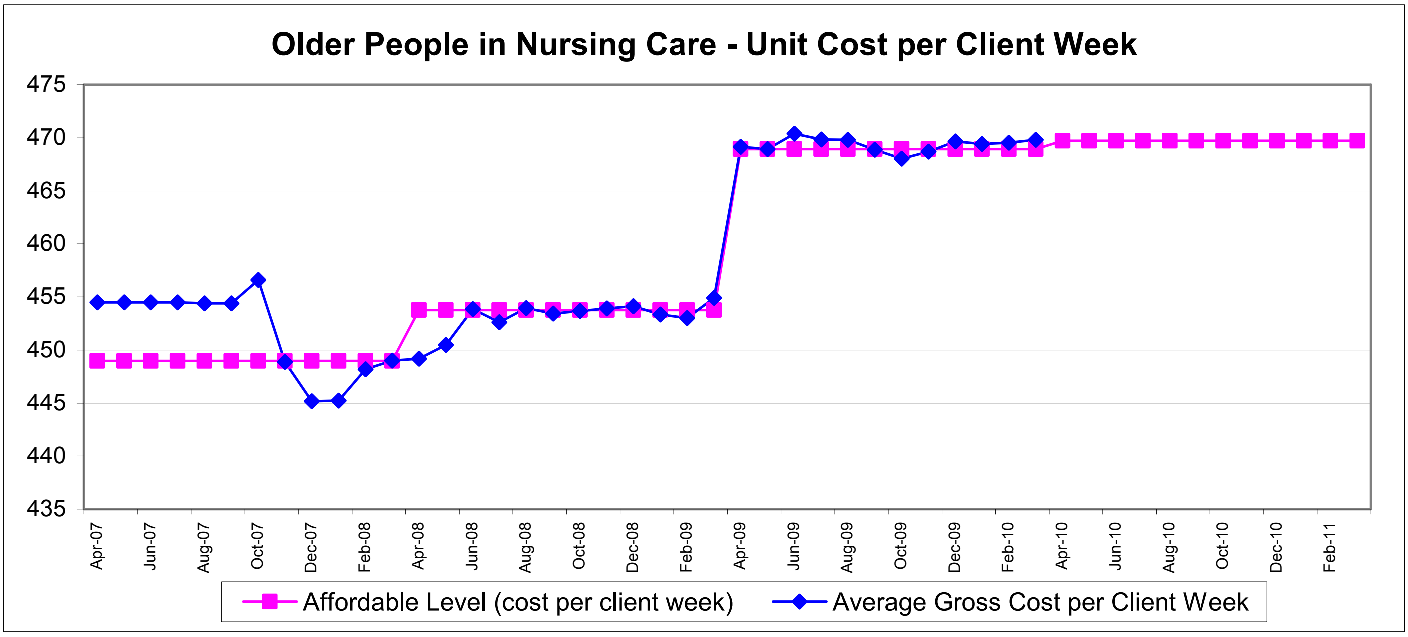


Comment:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2007-08 was 1,386, at the end of March 2009 it had decreased to 1,332, and in December it had increased slightly to 1,386, but decreased again to 1,374 in March.
- The outturn position is 78,992 weeks of care against an affordable level of 75,008, a difference of 3,984 weeks. Using the actual unit cost of £469.80, this additional activity added £1,872k to the outturn position.
- There are always pressures in permanent nursing care which may occur for many reasons. Increasingly, older people are entering nursing care only when other ways of support have been explored. This means that the most dependent are those that enter nursing care and consequently are more likely to have dementia. In addition, there will always be pressures which the directorate face, for example the knock on effect of minimising delayed transfers of care. Demographic changes – increasing numbers of older people with long term illnesses – also means that there is an underlying trend of growing numbers of people needing nursing care.

2.2.2 **Average gross cost per client week of older people nursing care compared with affordable level**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Cost per Week)	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**
April	448.98	454.50	453.77	449.18	468.95	469.15	469.71
May	448.98	454.50	453.77	450.49	468.95	468.95	469.71
June	448.98	454.50	453.77	453.86	468.95	470.37	469.71
July	448.98	454.50	453.77	452.61	468.95	469.84	469.71
August	448.98	454.40	453.77	453.93	468.95	469.82	469.71
September	448.98	454.40	453.77	453.42	468.95	468.88	469.71
October	448.98	456.60	453.77	453.68	468.95	468.04	469.71
November	448.98	448.88	453.77	453.92	468.95	468.69	469.71
December	448.98	445.16	453.77	454.13	468.95	469.67	469.71
January	448.98	445.22	453.77	453.33	468.95	469.42	469.71
February	448.98	448.17	453.77	453.02	468.95	469.55	469.71
March	448.98	449.00	453.77	454.90	468.95	469.80	469.71

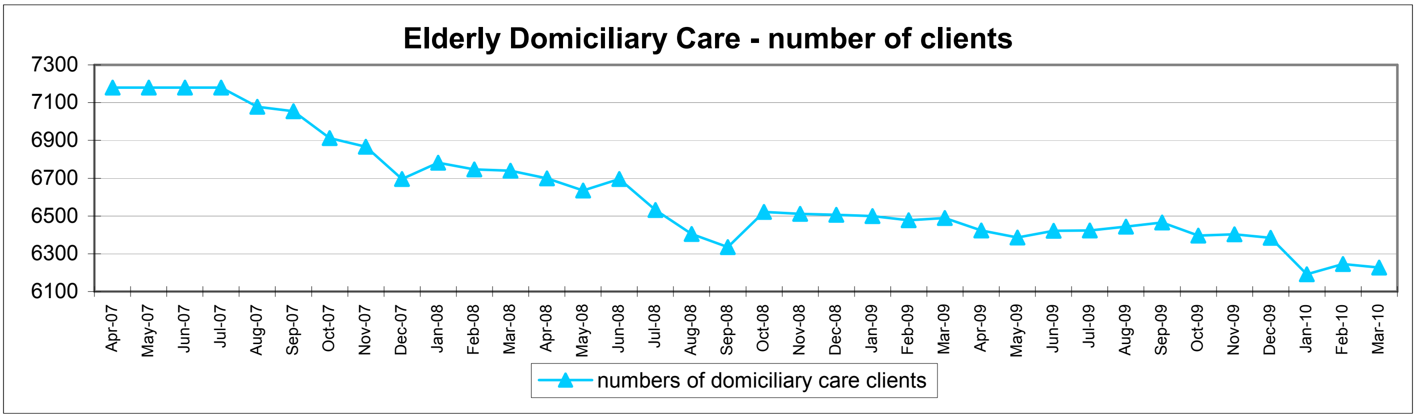


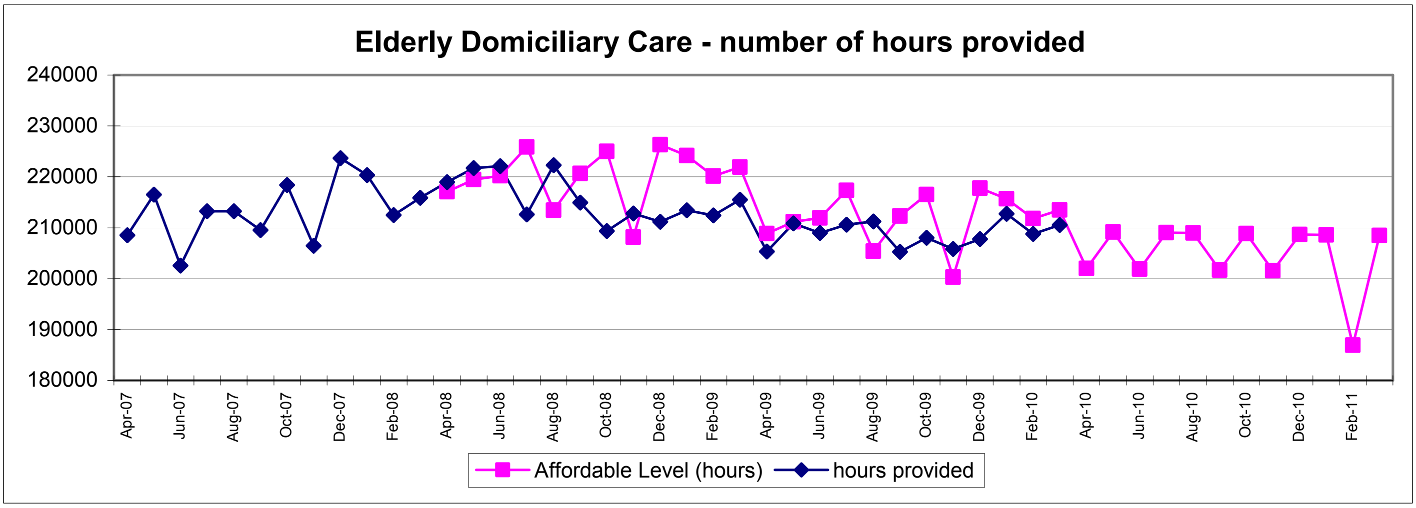
Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care
- The unit cost of £469.80 is slightly above the affordable cost of £468.95 but does fluctuate with the differing placements within it (non OPMH, OPMH and non permanent). The difference in unit cost of £0.85 caused an overspend of £63k when multiplied by the affordable weeks.

2.3.1 **Elderly domiciliary care – numbers of clients and hours provided in the independent sector**:

	2007-08			2008-09			2009-10			2010-11
	Affordable level (hours)	**hours provided**	**number of clients**	**Affordable level (hours)**	**hours provided**	**number of clients**	**Affordable level (hours)**	**hours provided**	**number of clients**	**Affordable level (hours)**
April		208,524	7,179	217,090	218,929	6,700	208,869	205,312	6,423	201,963
May		216,477	7,180	219,480	221,725	6,635	211,169	210,844	6,386	209,137
June		202,542	7,180	220,237	222,088	6,696	211,897	208,945	6,422	201,836
July		213,246	7,180	225,841	212,610	6,531	217,289	210,591	6,424	209,006
August		213,246	7,079	213,436	222,273	6,404	205,354	211,214	6,443	208,941
Sept		209,504	7,054	220,644	214,904	6,335	212,289	205,238	6,465	201,646
Oct		218,397	6,912	225,012	209,336	6,522	216,491	208,051	6,396	208,810
Nov		206,465	6,866	208,175	212,778	6,512	200,292	205,806	6,403	201,520
Dec		223,696	6,696	226,319	211,189	6,506	217,749	207,771	6,385	208,680
Jan		220,313	6,782	224,175	213,424	6,499	215,686	212,754	6,192	208,614
Feb		212,499	6,746	220,135	212,395	6,478	211,799	208,805	6,246	186,892
March		215,865	6,739	221,875	215,488	6,490	213,474	210,507	6,227	208,487
TOTAL	**2,610,972**	**2,560,774**		**2,642,419**	**2,587,139**		**2,542,358**	**2,505,838**		**2,455,532**





Comments:

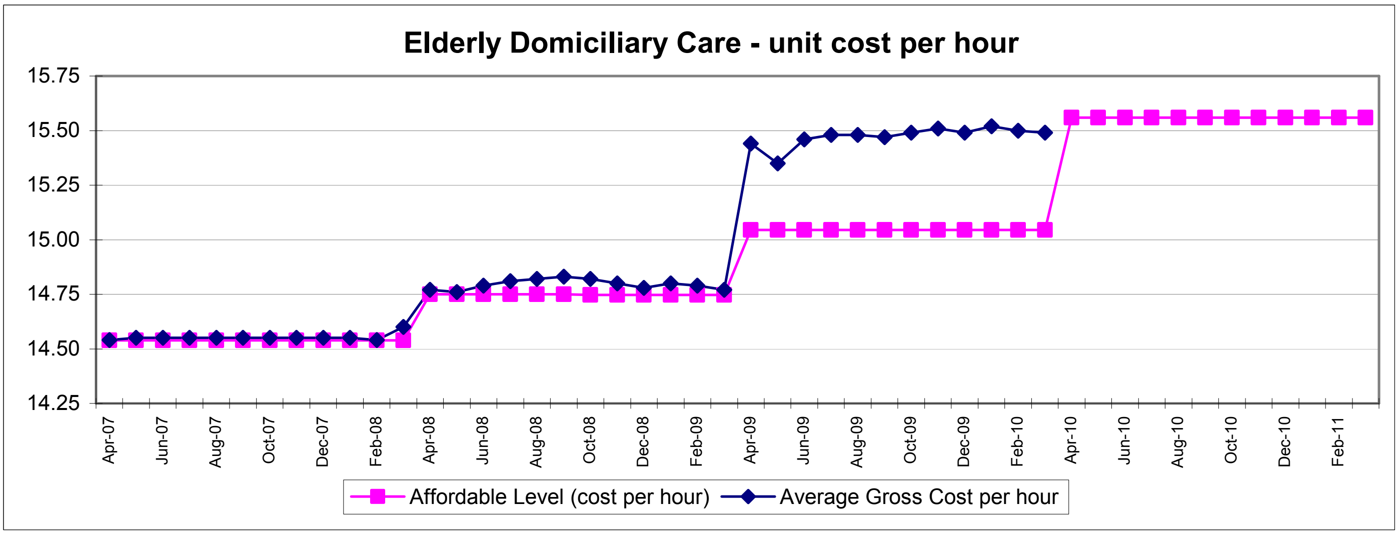
- Figures exclude services commissioned from the Kent HomeCare Service.
- At outturn, 2,505,838 hours of care had been delivered against an affordable level of 2,542,358, a difference of 36,520 hours. Using the actual unit cost of £15.491 this reduction in activity generated an underspend of £566k.
- The number of people receiving domiciliary care has decreased since 2008/09, and we would not expect the number of domiciliary care clients to be significantly increasing for several reasons. Firstly, the success of preventative services such as intermediate care, rapid response and ongoing service developments with the voluntary sector and other organisations mean that we continue to prevent people from needing 'mainstream' domiciliary care. The LAA target focuses on how we can ensure

that people are helped back to their own homes successfully with very minimal support. In the voluntary sector, people can access services, very often involving social inclusion (e.g. luncheon clubs and other social activities), without having to undergo a full care management assessment. Secondly, public health campaigns and social marketing aimed at improving people's health is already starting to result in healthier older people. Increase in the use of Telecare and Telehealth similarly reduces the need for domiciliary care, and it is possible that this trend will continue despite the growth in numbers of older people. Thirdly, in Kent, as well as nationwide, the take up of direct payments by older people, has for the first time, reached similar levels as people with physical disabilities.

- With the implementation of Self directed support within the Directorate and a key emphasis on enablement services, which is a short term but intensive service, we would expect the average hours per person to increase and this is starting to happen.

2.3.2 **Average gross cost per hour of older people domiciliary care compared with affordable level**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)
April	14.50	14.54	14.75	14.77	15.045	15.44	15.56
May	14.50	14.55	14.75	14.76	15.045	15.35	15.56
June	14.50	14.55	14.75	14.79	15.045	15.46	15.56
July	14.50	14.55	14.75	14.81	15.045	15.48	15.56
August	14.50	14.55	14.75	14.82	15.045	15.48	15.56
September	14.50	14.55	14.75	14.83	15.045	15.47	15.56
October	14.50	14.55	14.75	14.82	15.045	15.49	15.56
November	14.50	14.55	14.75	14.80	15.045	15.51	15.56
December	14.50	14.55	14.75	14.78	15.045	15.49	15.56
January	14.50	14.55	14.75	14.80	15.045	15.52	15.56
February	14.50	14.54	14.75	14.79	15.045	15.50	15.56
March	14.50	14.60	14.75	14.77	15.045	15.49	15.56



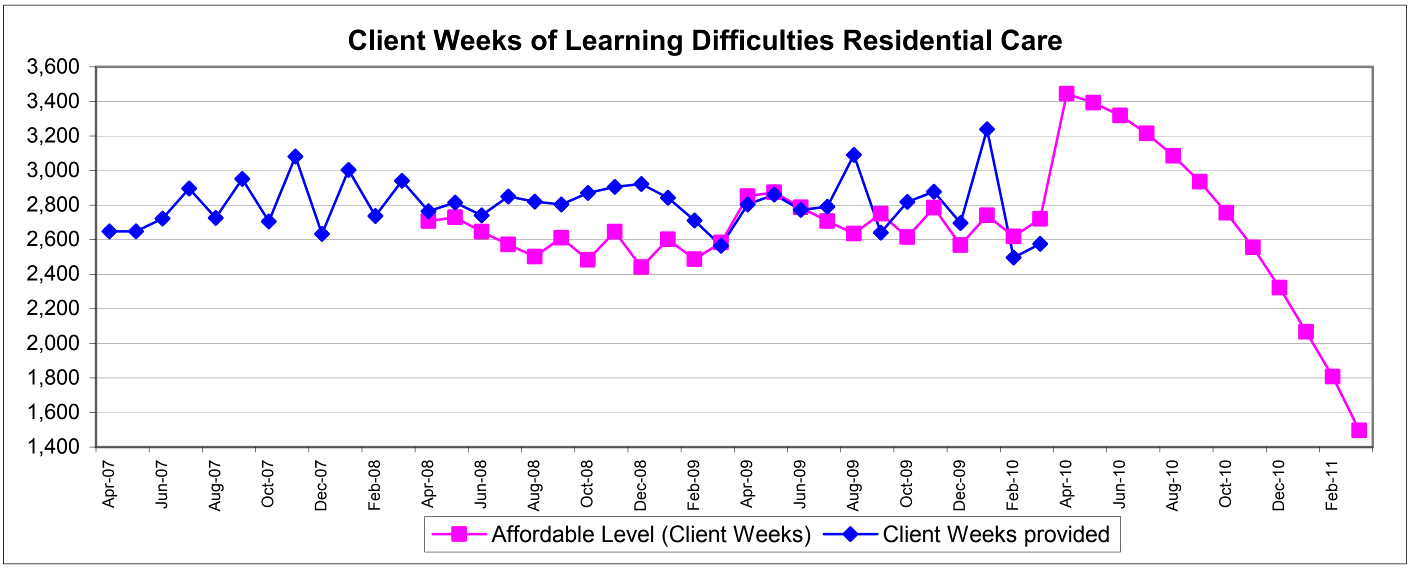
Comments:

- Average unit cost per week has increased more than inflation and is likely to reflect the same issues outlined above concerning more intense packages and higher levels of need.

- The actual unit cost of £15.491 is slightly higher than the affordable cost of £15.045 and this difference of £0.446 gave an overspend of £1,136k when multiplied by the affordable hours.

2.4.1 **Number of client weeks of learning difficulties residential care provided compared with affordable level (non preserved rights clients):**

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)
April		2,648	2,707	2,765	2,851	2,804	3,445
May		2,648	2,730	2,815	2,875	2,861	3,393
June		2,722	2,647	2,740	2,787	2,772	3,318
July		2,897	2,572	2,850	2,708	2,792	3,215
August		2,725	2,502	2,821	2,635	3,091	3,086
September		2,952	2,611	2,803	2,750	2,640	2,936
October		2,706	2,483	2,870	2,615	2,818	2,755
November		3,081	2,646	2,906	2,786	2,877	2,555
December		2,633	2,440	2,923	2,569	2,696	2,323
January		3,004	2,602	2,842	2,740	3,238	2,066
February		2,737	2,487	2,711	2,619	2,497	1,807
March		2,941	2,584	2,565	2,721	2,576	1,497
TOTAL	**30,984**	**33,695**	**31,011**	**33,611**	**32,656**	**33,662**	**32,396**



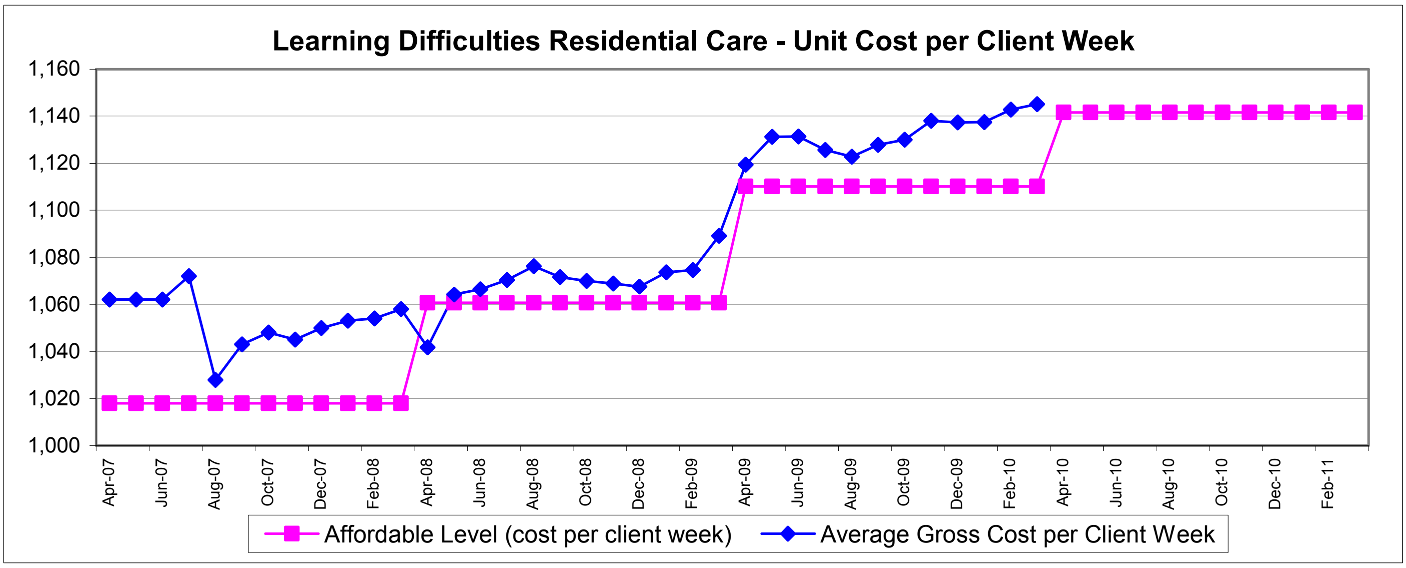
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care at the end of 2007-08 was 633, at the end of 2008-09 it was 640 (with some much higher numbers during the year) and at the end of March 2010, 632.

- The outturn is 33,662 weeks of care against an affordable level of 32,656, a difference of 1,006 weeks. Using the actual unit cost of £1,145.12 this additional activity added £1,153k to the outturn position.

2.4.2 **Average gross cost per client week of Learning Difficulties residential care compared with affordable level (non preserved rights clients)**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Cost per Week)	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**
April	1,018.00	1,062.00	1,060.70	1,041.82	1,110.15	1,119.42	1,141.54
May	1,018.00	1,062.00	1,060.70	1,064.19	1,110.15	1,131.28	1,141.54
June	1,018.00	1,062.00	1,060.70	1,066.49	1,110.15	1,131.43	1,141.54
July	1,018.00	1,072.00	1,060.70	1,070.50	1,110.15	1,125.65	1,141.54
August	1,018.00	1,028.00	1,060.70	1,076.27	1,110.15	1,122.81	1,141.54
September	1,018.00	1,043.00	1,060.70	1,071.59	1,110.15	1,127.79	1,141.54
October	1,018.00	1,048.00	1,060.70	1,070.02	1,110.15	1,130.07	1,141.54
November	1,018.00	1,045.00	1,060.70	1,068.95	1,110.15	1,137.95	1,141.54
December	1,018.00	1,050.00	1,060.70	1,067.59	1,110.15	1,137.28	1,141.54
January	1,018.00	1,053.00	1,060.70	1,073.71	1,110.15	1,137.41	1,141.54
February	1,018.00	1,054.00	1,060.70	1,074.67	1,110.15	1,142.82	1,141.54
March	1,018.00	1,058.00	1,060.70	1,089.10	1,110.15	1,145.12	1,141.54



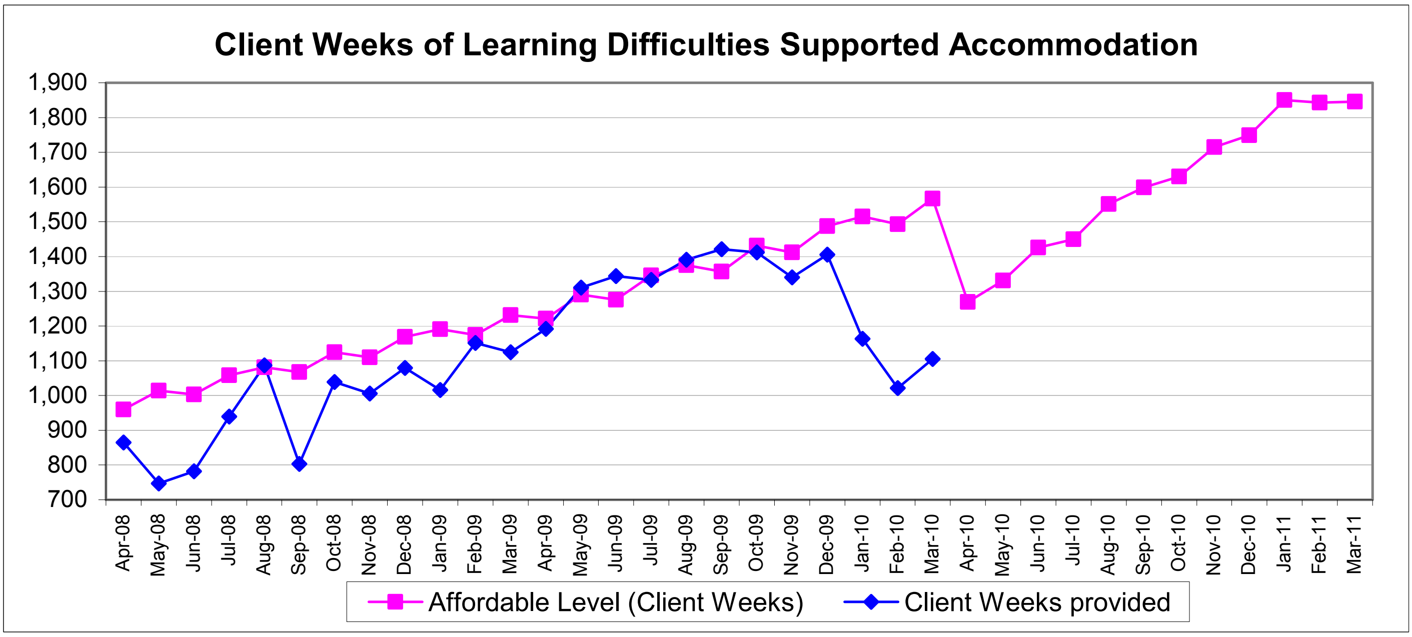
Comments:

- Clients being placed in residential care are those with very complex and individual needs which makes it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,100 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high costs – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases.

- The unit cost of £1,145.12 is higher than the affordable cost of £1,110.15 and this difference of £34.97 added £1,142k to the outturn position when multiplied by the affordable weeks.

2.5.1 **Number of client weeks of learning difficulties supported accommodation provided compared with affordable level:**

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Client Weeks)	Client Weeks of LD supported accommo-dation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommo-dation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommo-dation provided	Affordable Level (Client Weeks)
April			960	865	1,221	1,192	1,269
May			1,014	747	1,290	1,311	1,331
June			1,003	782	1,276	1,344	1,426
July			1,058	939	1,346	1,333	1,450
August			1,081	1,087	1,375	1,391	1,551
September			1,067	803	1,357	1,421	1,599
October			1,125	1,039	1,431	1,412	1,630
November			1,110	1,006	1,412	1,340	1,715
December			1,169	1,079	1,487	1,405	1,749
January			1,191	1,016	1,515	1,163	1,850
February			1,174	1,151	1,493	1,021	1,843
March			1,231	1,125	1,567	1,105	1,846
TOTAL	**7,618**	**11,156**	**13,183**	**11,639**	**16,770**	**15,438**	**19,259**

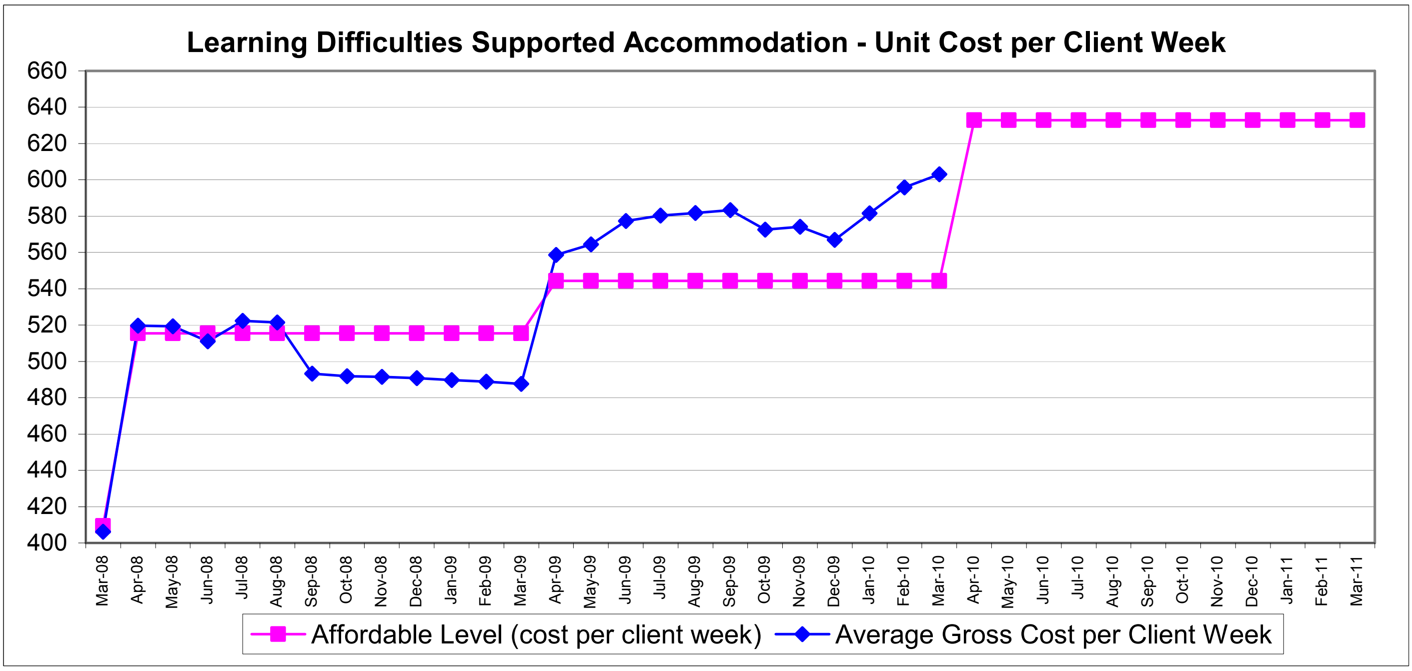


Comments:

- The above graph reflects the number of client weeks of service. The actual number of clients in LD supported accommodation at the end of 2007-08 was 193 and at the end of March 2009 it was 233. As at the end of March 2010, the numbers had increased to 309.
- The outturn position is 15,438 weeks of care against an affordable level of 16,770, a difference of 1,332 weeks. Using the final unit cost of £603.08 this reduction in activity provided a saving of £804k.
- Like residential care for people with a learning disability, every case is unique and varies in cost, depending on the individual circumstances. Although the quality of life will be better for these people, it is not always significantly cheaper. The focus to enable as many people as possible to move from residential care into supported accommodation means that increasingly complex and unique cases will be successfully supported to live independently.

2.5.2 **Average gross cost per client week of Learning Difficulties supported accommodation compared with affordable level (non preserved rights clients)**:

	2007-08		2008-09		2009-10		2010-11
	Affordable Level (Cost per Week)	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**	**Average Gross Cost per Client Week**	**Affordable Level (Cost per Week)**
April			515.41	519.60	544.31	558.65	632.92
May			515.41	519.40	544.31	564.49	632.92
June			515.41	511.10	544.31	577.33	632.92
July			515.41	522.30	544.31	580.27	632.92
August			515.41	521.40	544.31	581.76	632.92
September			515.41	493.33	544.31	583.26	632.92
October			515.41	491.85	544.31	572.59	632.92
November			515.41	491.47	544.31	574.24	632.92
December			515.41	490.83	544.31	566.87	632.92
January			515.41	489.75	544.31	581.53	632.92
February			515.41	488.90	544.31	595.89	632.92
March	409.31	406.18	515.41	487.60	544.31	603.08	632.92

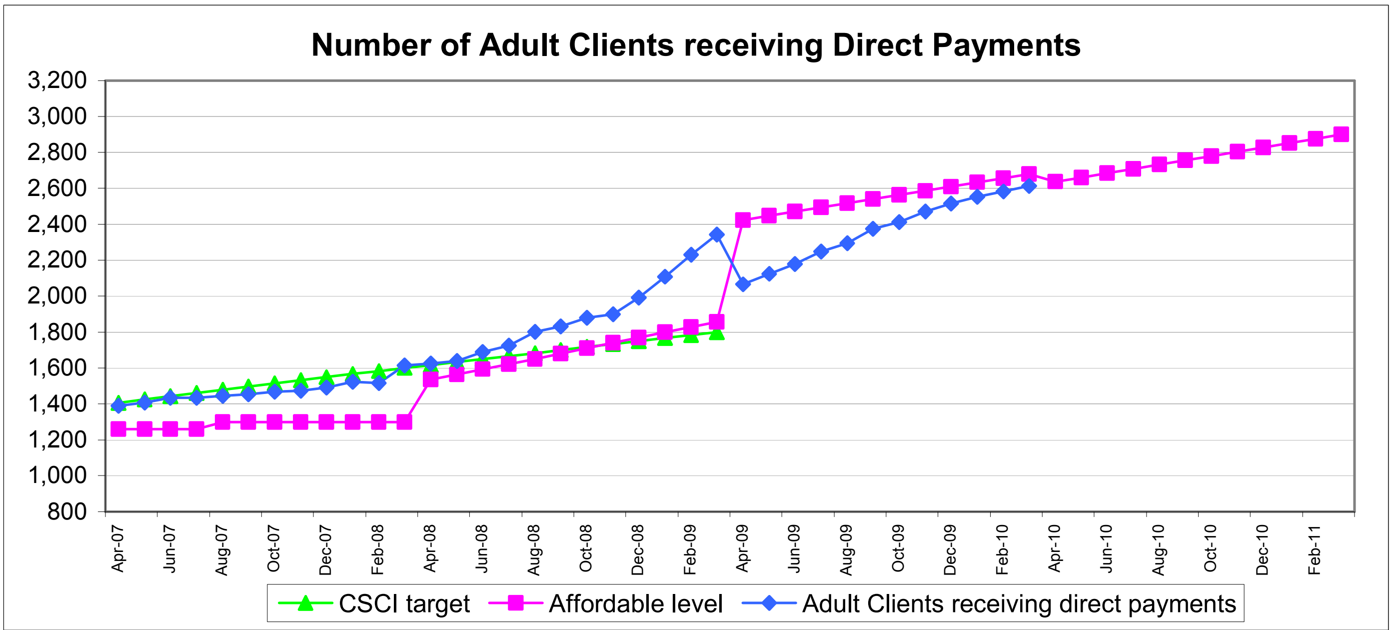


Comments:

- The actual unit cost of £603.08 is lower than the affordable cost of £544.31 and this difference of £58.77 generated an overspend of £986k when multiplied by the affordable weeks.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.

2.6 **Direct Payments – Number of Adult Social Services Clients receiving Direct Payments:**

	2007-08			2008-09			2009-10		2010-11
	CSCI Target	Affordable Level	Adult Clients receiving Direct Payments	CSCI Target	Affordable Level	Adult Clients receiving Direct Payments	Affordable Level	Adult Clients receiving Direct Payments	Affordable Level
April	1,406	1,259	1,390	1,617	1,535	1,625	2,400	2,065	2,637
May	1,424	1,259	1,407	1,634	1,564	1,639	2,447	2,124	2,661
June	1,442	1,259	1,434	1,650	1,593	1,689	2,470	2,179	2,685
July	1,460	1,259	1,434	1,667	1,622	1,725	2,493	2,248	2,709
Aug	1,478	1,299	1,444	1,683	1,651	1,802	2,516	2,295	2,733
Sept	1,496	1,299	1,454	1,700	1,681	1,832	2,540	2,375	2,757
Oct	1,514	1,299	1,467	1,717	1,710	1,880	2,563	2,411	2,780
Nov	1,532	1,299	1,472	1,734	1,740	1,899	2,586	2,470	2,804
Dec	1,549	1,299	1,491	1,750	1,769	1,991	2,609	2,515	2,828
Jan	1,566	1,299	1,522	1,767	1,799	2,108	2,633	2,552	2,852
Feb	1,583	1,299	1,515	1,783	1,828	2,231	2,656	2,582	2,876
March	1,600	1,299	1,615	1,800	1,857	2,342	2,679	2,613	2,900



Comments:

- From April 2008, the national measure for direct payments counted the permanent placements and the number of one-off payments within the year. The position reported for March 2009 represented the total activity for 2008-09 i.e. of the 2,342 adult clients reported as receiving a direct payment, 2,055 were in receipt of ongoing payments and 287 were clients that had received one-off payments at some point throughout the year. From April 2009, we have gone back to again reporting only the permanent placements in line with the requirements for Core Monitoring. For purposes of comparison, the ongoing placements as at March were 2,055, as at March 2010 this had increased to 2,613. The previously reported affordable level of 3,042 for March 2010 assumed 2,679 on-going placements and 363 one-off payments. In order to provide a direct comparison with the actual activity for 2009-10, the affordable figures in the graph and table above have been revised to show the monthly trend of these on-going figures only, over the year. The actual activity for 2009-10 has also been revised from data previously reported to take account of changes in operational processes as a result of the implementation of Self Directed Support which have caused delays in information being provided or updated on the client activity system. Therefore as at March we were 66 placements below the affordable level for on-going placements across all client groups.

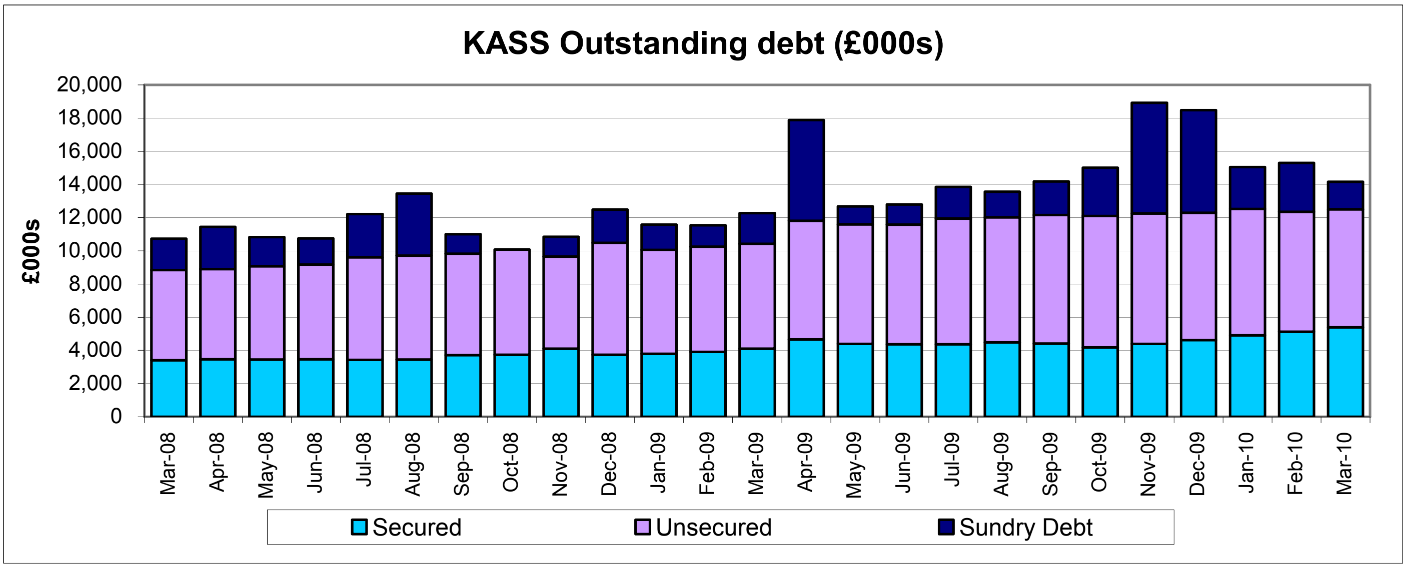
- From 2009-10, we no longer have a CSCI target for direct payments.

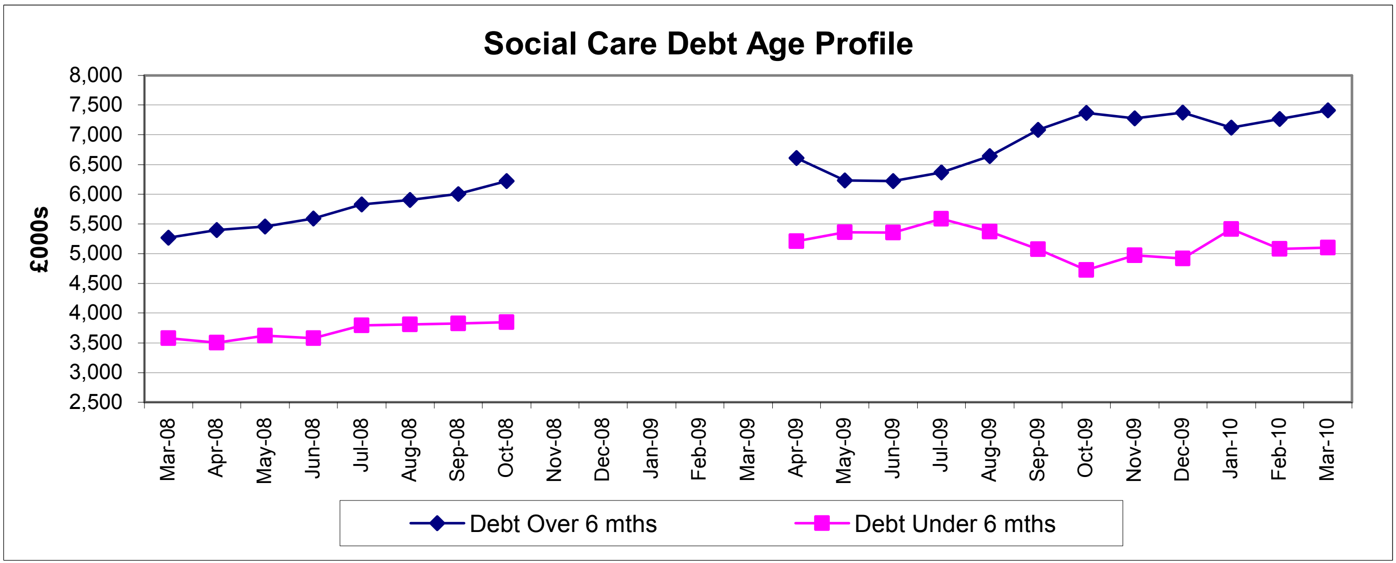
2.7 KASS OUTSTANDING DEBT

The outstanding debt as at the end of March was £14.157m compared with January's figure of £15.054m (reported to Cabinet in March) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £1.643m of sundry debt compared to £2.521m in January. The amount of sundry can change significantly for large invoices to health; for example it increased significantly in November and December due to two large invoices to Health secured through Section 256 agreements, which were then paid in January. Also within the outstanding debt is £12.514m relating to Social Care (client) debt which is a small reduction of £0.019m from the last reported position to Cabinet in March. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. It also means that as the Directorate moved onto the new Client Billing system in October 2008, the balance will differ from that reported by Corporate Exchequer who report on a calendar month basis, apart from the period November 2008 to March 2009, when the figures are based on calendar months, as provided by Corporate Exchequer, because reports at that time were not aligned with the four weekly billing runs. From April 2009 the debt figures revert back to being on a four weekly basis to coincide with invoice billing runs. The age of debt cannot be completed for the months between November 2008 and March 2009 as the switch to Client Billing meant that all debts transferring on to the new system became "new" for purposes of reporting therefore it was not possible to show ageing until April.

			Social Care Debt				
Debt Month	**Total Due Debt (Social Care & Sundry Debt) £000s**	**Sundry Debt £000s**	**Total Social Care Due Debt £000s**	**Debt Over 6 mths £000s**	**Debt Under 6 mths £000s**	**Secured £000s**	**Unsecured £000s**
Mar-08	**10,727**	**1,882**	8,845	5,268	3,577	3,410	5,435
Apr-08	**11,436**	**2,531**	8,905	5,399	3,506	3,468	5,437
May-08	**10,833**	**1,755**	9,078	5,457	3,621	3,452	5,626
Jun-08	**10,757**	**1,586**	9,171	5,593	3,578	3,464	5,707
Jul-08	**12,219**	**2,599**	9,620	5,827	3,793	3,425	6,195
Aug-08	**13,445**	**3,732**	9,713	5,902	3,811	3,449	6,264
Sep-08	**11,004**	**1,174**	9,830	6,006	3,824	3,716	6,114
Oct-08	*	*	10,071	6,223	3,848	3,737	6,334
Nov-08	**10,857**	**1,206**	9,651			4,111	5,540
Dec-08	**12,486**	**2,004**	10,482			3,742	6,740
Jan-09	**11,575**	**1,517**	10,058			3,792	6,266
Feb-09	**11,542**	**1,283**	10,259			3,914	6,345
Mar-09	**12,276**	**1,850**	10,426			4,100	6,326
Apr-09	**17,874**	**6,056**	11,818	6,609	5,209	4,657	7,161
May-09	**12,671**	**1,078**	11,593	6,232	5,361	4,387	7,206
Jun-09	**12,799**	**1,221**	11,578	6,226	5,352	4,369	7,209
Jul-09	**13,862**	**1,909**	11,953	6,367	5,586	4,366	7,587
Aug-09	**13,559**	**1,545**	12,014	6,643	5,371	4,481	7,533
Sep-09	**14,182**	**2,024**	12,158	7,080	5,078	4,420	7,738
Oct-09	**15,017**	**2,922**	12,095	7,367	4,728	4,185	7,910
Nov-09	**18,927**	**6,682**	12,245	7,273	4,972	4,386	7,859
Dec-09	**18,470**	**6,175**	12,295	7,373	4,922	4,618	7,677
Jan-10	**15,054**	**2,521**	12,533	7,121	5,412	4,906	7,627
Feb-10	**15,305**	**2,956**	12,349	7,266	5,083	5,128	7,221
Mar-10	**14,157**	**1,643**	12,514	7,411	5,103	5,387	7,127

* In October 2008, KASS Social Care debt transferred from the COLLECT system to Oracle. The new reports were not available at this point, hence there is no data available for this period. The October Social Care debt figures relate to the last four weekly billing run in the old COLLECT system.





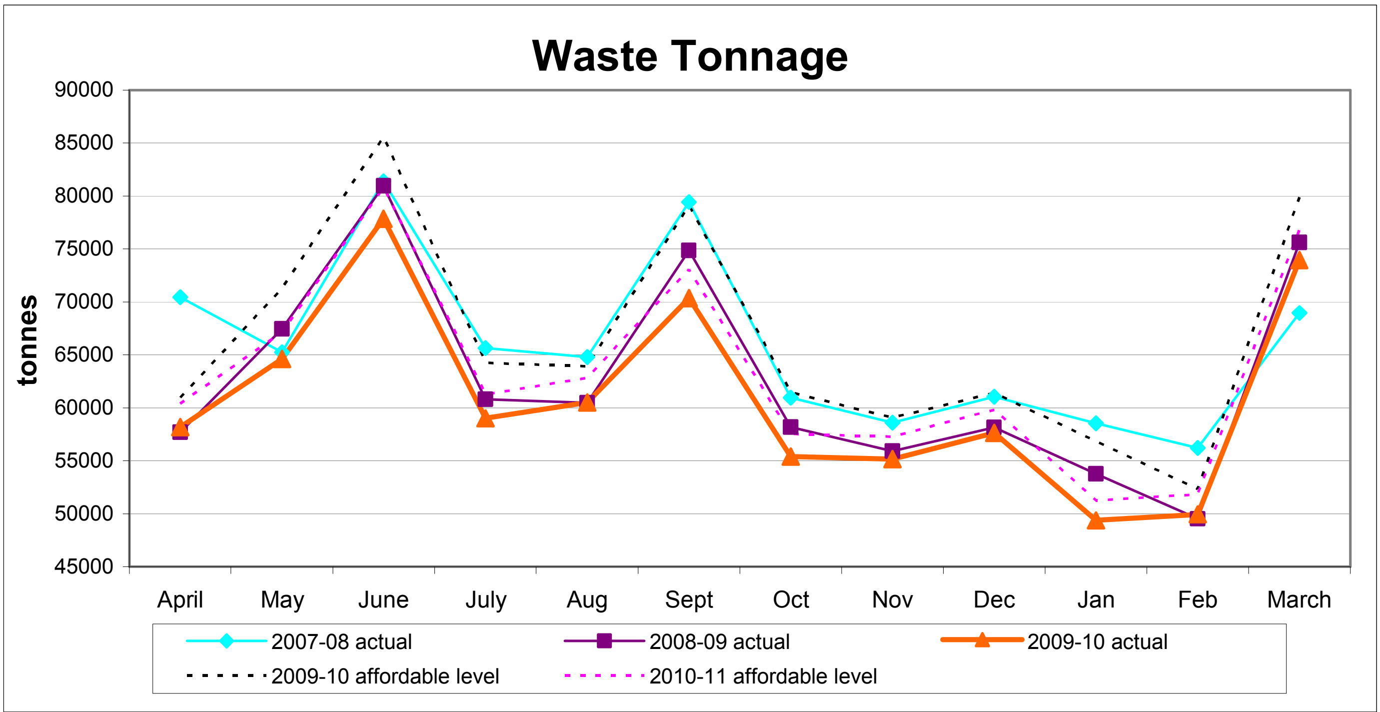
* The age of debt cannot be completed for the months between November 2008 and March 2009 as the switch to Client Billing meant that all debts transferring on to the new system became "new" for purposes of reporting therefore it was not possible to show ageing until April (i.e. once these debts became 6 months old in the new system).

3. ENVIRONMENT & REGENERATION DIRECTORATE

3.1 Waste Tonnage:

	2006-07	2007-08	2008-09	2009-10		2010-11
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Waste Tonnage*	Affordable Level	Affordable Level
April	69,137	70,458	57,688	58,164	60,957	60,394
May	69,606	65,256	67,452	64,618	71,274	67,096
June	82,244	81,377	80,970	77,842	85,558	80,826
July	63,942	65,618	60,802	59,012	64,248	61,274
August	62,181	64,779	60,575	60,522	63,921	62,842
September	77,871	79,418	74,642	70,367	79,100	73,065
October	61,066	60,949	58,060	55,401	61,465	57,526
November	60,124	58,574	55,789	55,138	59,065	57,252
December	64,734	61,041	58,012	57,615	61,414	59,825
January	60,519	58,515	53,628	49,368	56,798	51,260
February	58,036	56,194	49,376	49,930	52,313	51,845
March	73,171	68,936	76,551	73,959	79,887	76,795
TOTAL	**802,631**	**791,115**	**753,545**	**731,936**	**796,000**	**760,000**

** Note: waste tonnages are subject to slight variations between quarterly reports as figures are refined and confirmed with Districts*

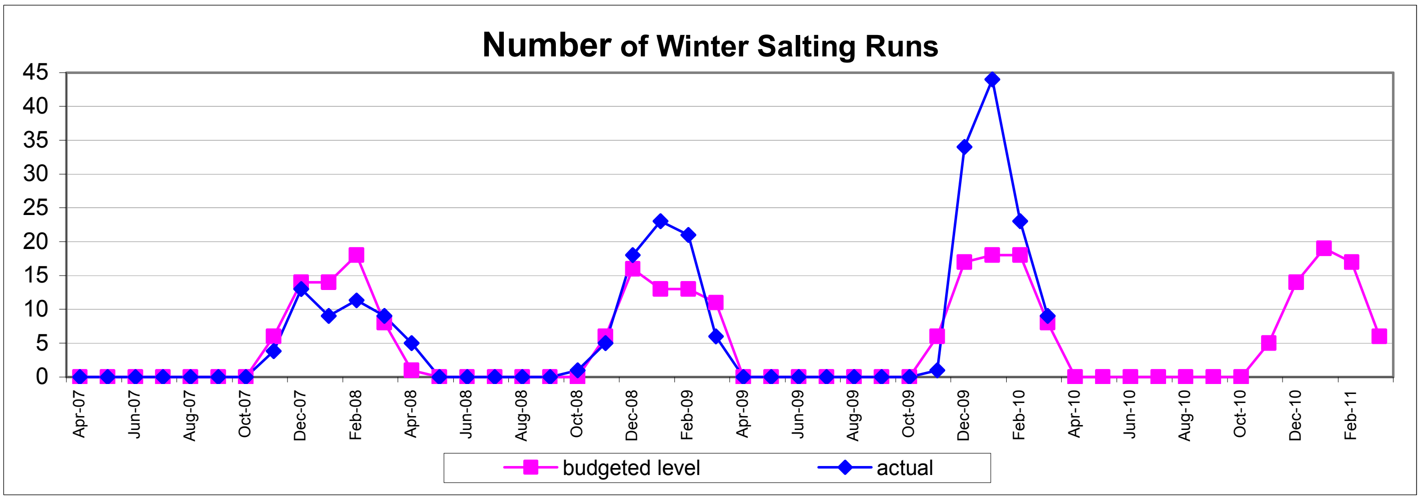


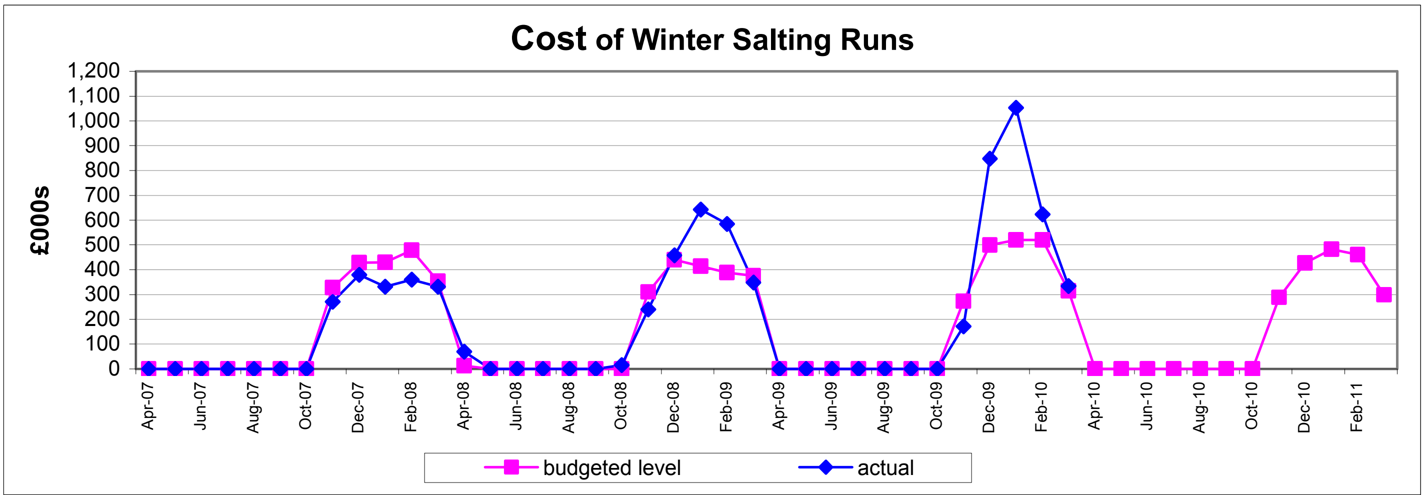
Comments:

- The 2009-10 outturn tonnage figures are significantly lower than the budgeted level as has been reported throughout the year and has resulted in a significant underspend of £4.1m against the Waste Management budget. The January and February figures are particularly low but it is thought that this is due to the adverse weather, and there appears to be a corrective spike in March. The “reducing waste” campaigns may have contributed to the tonnage reduction, along with the reduction in packaging that some manufacturers have started to pursue. Waste tonnage continues to be very difficult to predict accurately but we have built into our 2010-11 budget a 4.5% reduction. This represents a target reduction of 36,000 tonnes, of which we expect around 13,000 tonnes to be a permanent reduction because of changes of behaviour.

3.2 **Number and Cost of winter salting runs**:

	2007-08				2008-09				2009-10				2010-11	
	Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs		No of salting runs	Cost of salting runs
	Actual	Budget Level	Actual £000s	Budget Level £000s	Actual	Budget Level	Actual £000s	Budget Level £000s	Actual	Budget level	Actual £000s	Budget Level £000s	Budget Level	Budget Level £000s
April	-	-	-	-	5	1	70	13	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sept	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	1	-	16	-	-	-	-	-	-	-
Nov	3.8	6	270	328	5	6	239	310	1	6	171	273	5	288
Dec	13.0	14	380	428	18	16	458	440	34	17	847	499	14	427
Jan	9.0	14	332	429	23	13	642	414	44	18	1,052	519	19	482
Feb	11.3	18	360	479	21	13	584	388	23	18	622	519	17	461
Mar	9.0	8	332	354	6	11	348	375	9	8	335	315	6	299
TOTAL	**46.1**	**60**	**1,674**	**2,018**	**79**	**60**	**2,357**	**1,940**	**111**	**67**	**3,027**	**2,125**	**61**	**1,957**





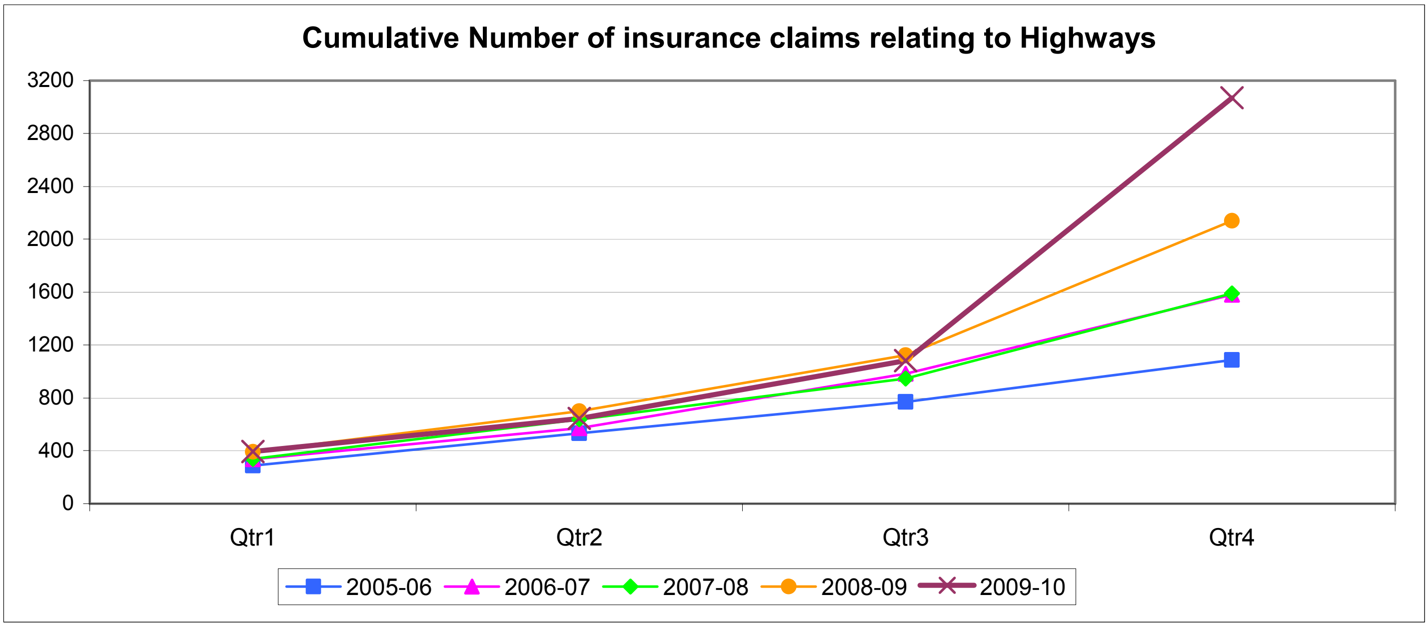
Comments:

- The charges for the Winter Maintenance Service reflect two elements of cost: the smaller element being the variable cost of the salting runs undertaken; the major element of costs, relating to overheads and mobilisation within the contract, have been apportioned equally over the 5 months of the normal salting period.

- The number of salting runs in December and January was significantly above the expected levels caused by the bad weather, but this was followed by a return to near the predicted number of salting runs for February and March. The table above shows outturn costs of £3,027k compared to a budgeted position of £2,125k i.e. an overspend of £902k. In addition we incurred £621k of costs relating to snow clearance, giving an overspend of £1,523k on winter weather.

3.3 **Number of insurance claims arising related to Highways with accident dates during these periods**:

	2005-06	**2006-07**	**2007-08**	**2008-09**	**2009-10**
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
April – June	286	335	337	392	394
July – Sept	530	570	636	700	645
Oct – Dec	771	982	947	1,121	1,082
Jan - Mar	1,087	1,581	1,590	2,138	3,070



Comments:

- Numbers of claims will change continually as new claims are received relating to accidents occurring in previous quarters. Claimants have 3 years to pursue an injury claim and 6 years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 31 March 2010.

- The number of claims rose sharply at the end of 2008-09. The particularly adverse weather conditions and the consequent damage to the highway seems a major factor with this along with some possible effect from the economic downturn. It has been reported during the year that the number of claims for the first three quarters of 2009-10 was back below the average but this figure was likely to rise as claims continue to be submitted for that period. The outturn figures show that this is in fact the case with a major leap in claims in the 4th quarter as a result of the adverse weather.

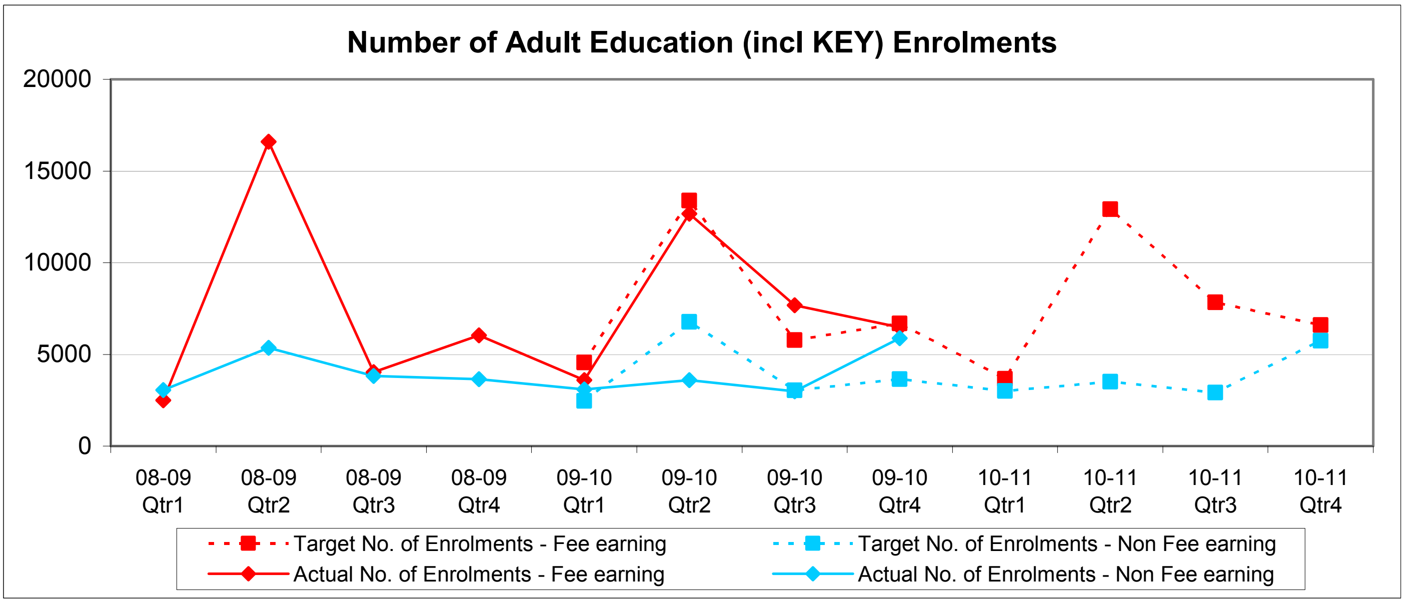
- The Insurance section continues to work closely with Highways to try to reduce the number of successful claims and currently the Authority manages to achieve a rejection rate of claims where it is considered that we do not have any liability, of about 75%.

- A new way of charging KHS for highways related insurance claims is being introduced for 2010-11 in order to more accurately reflect the risk and reward associated with managing risk within the Highways service.

4. COMMUNITIES DIRECTORATE

4.1 Number of Adult Education & KEY Enrolments:

	2008-09			2009-10						2010-11		
	ACTUALS			TARGET			ACTUALS			TARGET		
	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL	Fee earning	Non fee earning	TOTAL
Apr-Jun	2,496	3,049	**5,545**	4,560	2,456	**7,016**	3,589	3,087	**6,676**	3,661	3,010	**6,671**
Jul-Sept	16,590	5,360	**21,950**	13,377	6,774	**20,151**	12,667	3,598	**16,265**	12,920	3,508	**16,428**
Oct-Dec	4,024	3,816	**7,840**	5,776	3,029	**8,805**	7,680	2,986	**10,666**	7,834	2,911	**10,745**
Jan-Mar	6,039	3,639	**9,678**	6,689	3,651	**10,340**	6,474	5,880	**12,354**	6,603	5,733	**12,336**
TOTAL	**29,149**	**15,864**	**45,013**	**30,402**	**15,910**	**46,312**	**30,410**	**15,551**	**45,961**	**31,018**	**15,162**	**46,180**



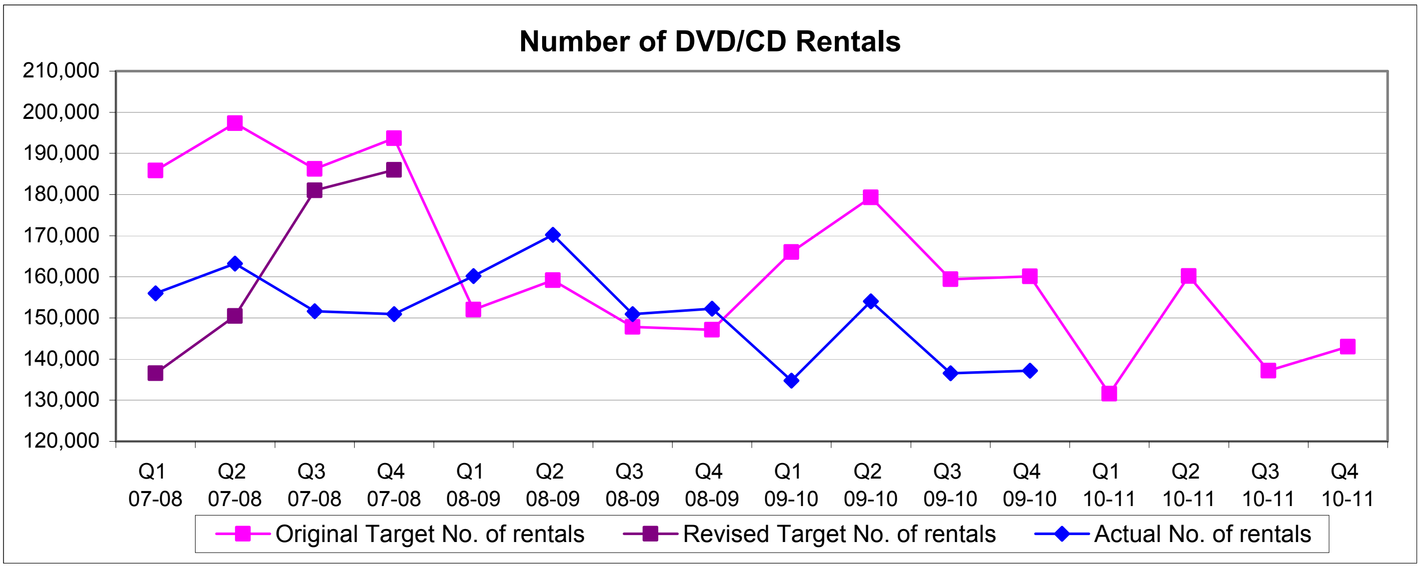
Comments:

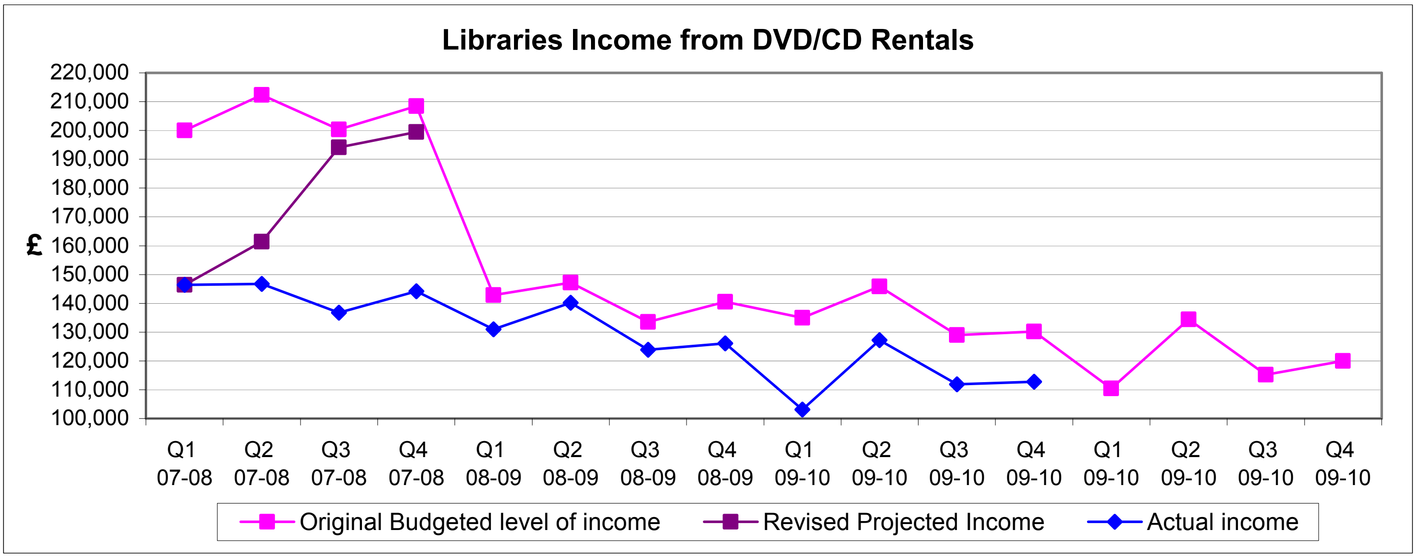
- The LSC grants depend partly on enrolments to courses and are subject to a contract agreement with LSC. Students taking courses leading to a qualification are funded via Further Education (FE) grant based upon the course type and qualification. However, students taking non-vocational courses not leading to a formal qualification are funded via a block allocation not related to enrolments, referred to as Adult and Community Learning Grant (ACL) grant. Student enrolments are gathered via a census at three points during the academic year.
  Students pay a fee to contribute towards costs of tuition and examinations. There is a concession on ACL tuition fees for those aged under 19, those in receipt of benefits and those over 60. FE courses are free for those aged under 19 or in receipt of benefits undertaking Basic Skills or Skills for Life Courses.
- The enrolment figures reported this year represent actual enrolments in the quarter rather than enrolments for courses started during the quarter, which is what has previously been reported. This should resolve the issue of previous quarter's figures constantly changing. The figures also now include KEY training enrolments as well as Adult Education enrolments.
- Total 2009-10 enrolments achieved 99% of the target. Enrolments on fee paying courses have increased by 4.3% over that achieved last year and are very slightly above target. This small increase has no impact on the forecast for tuition fee income, as the income due for enrolments during this period will partly be deferred into the new financial year, based on start and end dates of courses. Enrolments on courses where fees are not payable are at 98% of target for 2009-10. The majority of these enrolments are for family learning and skills for life programmes which are wholly funded by LSC contracts. Performance on the contracts is regularly monitored to ensure the services will draw down the total contract values for the academic year. Enrolment patterns are different this year, due to changes in administrative processes but the service expects to deliver both contracts to full value by the end of the academic year 2009-10 (July 2010).
- The actual number of fee paying enrolments reported for the period April to June 2009 has been amended from 3,572 to 3,589 to correct an earlier error.

4.2 **Number of Library DVD/CD rentals together with income raised:**

	2007-08						2008-09			
	No of rentals			Income (£)			No of rentals		Income (£)	
	Budgeted target	revised target	Actual	budget	revised projected income	actual	Budgeted target	actual	Budget	actual
April–Jun	185,800	136,556	155,958	200,000	146,437	146,437	152,059	160,162	142,865	130,920
July–Sep	197,300	150,500	163,230	212,300	161,390	146,690	159,149	170,180	147,232	140,163
Oct–Dec	186,200	181,000	151,650	200,400	194,096	136,698	147,859	150,968	133,505	123,812
Jan–Mar	193,700	186,000	150,929	208,500	199,458	144,136	147,156	152,249	140,533	126,058
TOTAL	**763,000**	**654,056**	**621,767**	**821,200**	**701,381**	**573,961**	**606,223**	**633,559**	**564,135**	**520,953**

	2009-10				2010-11	
	No of rentals		Income (£)		No of rentals	Income (£)
	Budgeted target	actual	Budget	actual	Budgeted target	Budget
April–Jun	166,000	134,781	135,000	103,135	131,600	110,400
July–Sep	179,300	154,044	145,800	127,156	160,200	134,400
Oct–Dec	159,400	136,516	129,000	111,827	137,200	115,200
Jan–Mar	160,100	137,172	130,200	112,775	143,000	120,000
TOTAL	**664,800**	**562,513**	**540,000**	**454,893**	**572,000**	**480,000**





Comments:

- Rentals of audio visual materials (especially videos and CDs) continue to decline as videos become more obsolete and alternative sources for music become more widely available, which has resulted in a reduction in AV income of £85k.
  Demand for spoken word materials and DVDs has remained reasonably stable.

- Research undertaken by the service in order to mitigate this actual and forecast decline, indicates issues can be increased if loans are offered for longer periods at a reduced fee. The service has also identified that it has a niche market for certain genres where demand can be sustained and there is little competition e.g. old TV shows.

- The service has reviewed its marketing strategy and set more realistic levels of rentals both in terms of volume and value. The service reduced expenditure on consumables in 2007-08 to offset the estimated loss of £120k income from the original budget.

- The roll out of the revised strategy in 2007-08 was not as successful as the research indicated and we fell just over 30,000 issues short of the revised target. The service was able to generate additional income from other merchandising in libraries not included in the original or revised budget to offset the £127k shortfall against the revised income budget for 2007-08.

- Targets and income budgets set for 2008-09 were based on a continued decline but these were increased slightly for 2009-10. The service increased income budgets from other merchandising to offset the loss of income from AV issues. Issues in 2008-09 exceeded the target but income fell short, due to an increase in the spoken word issues for which no fees are charged and this trend has continued in 2009-10. The correlation between issues and income is subject to an ongoing review and mitigating action will be taken accordingly.

- The actual number of rentals includes those from visits to lending libraries, postal loans and reference materials.

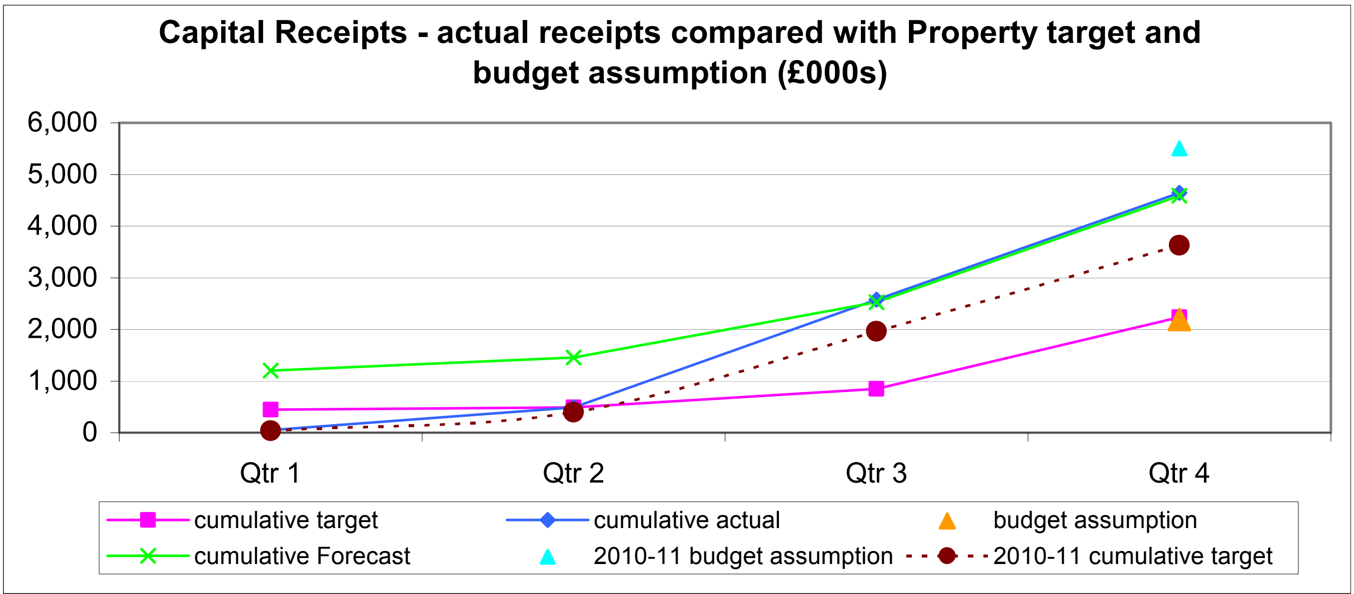
- To enable better comparison of AV issues and income data, the actual income reported for the previous quarter is changed from the figure previously reported, to reflect the late banking of income which has taken place during the current quarter but relates to rentals issued within the previous quarter. The number of rentals reported previously remains unchanged. It is likely that this adjustment will be required in each report.

5. CHIEF EXECUTIVE DIRECTORATE

5.1 Capital Receipts – actual receipts compared to budget profile:

	2009-10				2010-11	
	Budget funding assumption £000s	Cumulative Target profile £000s	Cumulative Actual receipts £000s	Forecast receipts £000s	Budget funding assumption £000s	Cumulative Target profile £000s
April - June		447	47	1,200		36
July - Sept		492	513	1,455		399
Oct - Dec		850	2,577	2,524		1960
Jan - March		2,235	4,643	4,586		3,630
TOTAL	***2,194***	**2,235**	**4,643**	**4,583**	**5,503**	**3,630**

The budget funding assumption figures reflect the proposed 2010-13 capital budget.
The cumulative target profiles for 2009-10 and 2010-11 show totals of £2,235k and £3,630k respectively. The difference between this and the budget funding assumption is mainly attributable to timing differences between when the receipts are anticipated to come in and when the spend in the capital programme will occur.
Across the two years, we require £7.7m and expect to get £8.3m



Comments:

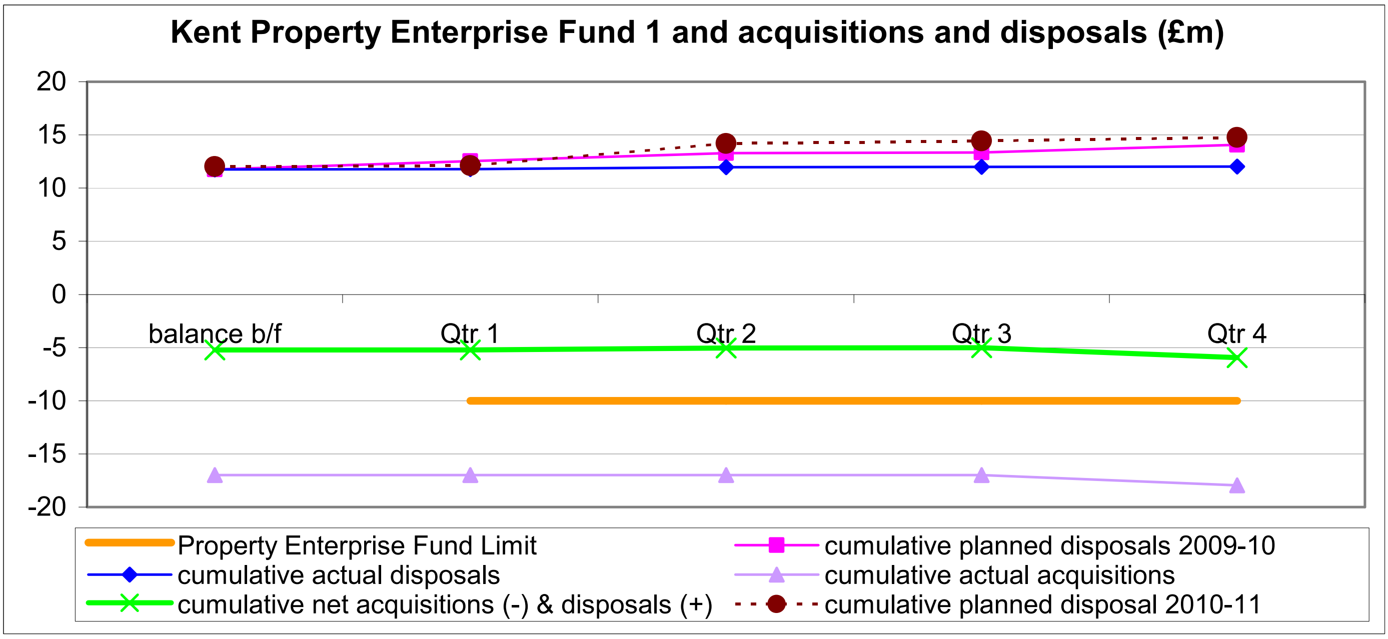
- The table below shows a surplus of £4.2m in 2009-10. This is due to receipts coming in during 2009-10 which are not required until future years. Therefore, this is a timing issue rather than a real overall surplus.
- Similarly there is a surplus forecast of £2.8m in 2010-11 for the same reason mentioned in the paragraph above.
- The budget assumption shows a deficit of £0.8m, this is not a real deficit as the funding is reflected in the actual receipts for 2009-10.

	2009-10 £'000	**2010-11 Budget Assumption £'000**	**2010-11 Current Forecast £'000**
Capital receipt funding per revised 2010-13 MTP	2,194	5,503	5,503
Property Group's actual (forecast for 10-11) receipts	4,442	0	3,630
Receipts banked in previous years for use	765	1,822	1,822
Capital receipts from other sources	1,201	2,896	2,896
(Potential for 09-10) surplus/(deficit) receipts	**4,214**	**-785**	**2,845**

5.2 **Capital Receipts – Kent Property Enterprise Fund 1**:

	2009-10					2010-11
	Kent Property Enterprise Fund Limit £m	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions (-) £m	Cumulative Net Acquisitions (-) & Disposals (+) £m	Cumulative Planned Disposals (+) £m
Balance b/f		11.764	11.764	-16.999	-5.234	12.019
April - June	*-10*	12.529	11.771	-16.999	-5.228	12.102
July – Sept	*-10*	13.295	11.966	-16.999	-5.033	14.199
Oct – Dec	*-10*	13.341	11.986	-16.999	-5.013	14.420
Jan – Mar	*-10*	14.084	12.019	-17.120	-5.101	*14.778
Other Commitments against Property Enterprise Fund 1					-0.848	
Revised Property Enterprise Fund balance after funding commitments					**-5.948**	

* *The value of disposals for 2010-11 is £2,759k.*



Background:

- County Council approved the establishment of the Property Group Enterprise Fund No.1, with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
  - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
  - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

  Any temporary deficit will be offset as disposal income from assets is realised. It is anticipated that the Fund will be in surplus at the end of the 10 year period.

Comments:

<u>Actual Disposals</u>

The deficit balance brought forward from 2008-09 on the Property Group Enterprise Fund No. 1 was **£5.234m**.

A value of **£2.320k** was identified for disposal in 2009-10. This was the risk adjusted figure to take on board the potential difficulties in disposing some of the properties.

Actual disposals for 2009-10 total **£0.255m** from the disposal of 5 non-operational properties.

Acquisitions\Costs

There were no committed acquisitions to report. The cost of disposal was **£0.121m**. These costs include estates fees to prepare properties for disposal in future years.

Forecast Outturn

Taking all the above into consideration, the Fund deficit position is £5.948m at the end of 2009-10.

Opening Balance – 01-04-09	-£5.234m
Actual receipts	£0.255m
Costs	-£0.121m
Acquisitions	-
Other Funding: - Gateways	 -£0.848m
Closing Balance – 31-03-10	**-£5.948m**

Other Fund Commitments

The fund provided **£0.848m** for Gateways in 2009-10, it is expected to provide a further £0.309m and £0.256m for Gateways in 2010-11 and 2011-12 respectively. The fund is also earmarked to provide £1m for Ashford Library in 2010-11 and £0.300m for Upper Stone Street Lay-by, within the Integrated Transport Programme in 2011-12.

Revenue Implications

In 2009-10 the fund generated £0.020m of low value revenue receipts but, with the need to fund both costs of borrowing (£0.373m) against the overdraft facility and the cost of managing properties held for disposal (net £0.139m), the PEF1 carried forward a £0.935m deficit on revenue which has been rolled forward to be met from future income streams.

5.3 **Capital Receipts – Kent Property Enterprise Fund 2 (PEF2)**:

County Council approved the establishment of PEF2 in September 2008 with a maximum permitted overdraft limit of £85m, but with the anticipation that the fund was to broadly breakeven over a rolling five year cycle. However, due to the slower than expected recovery, breakeven is likely to occur over a rolling seven to eight year cycle. The purpose of PEF2 is to enable Directorates to continue with their capital programmes as far as possible, despite the downturn in the property market. The fund will provide a prudent amount of funding up front (prudential borrowing), in return for properties which will be held corporately until the property market recovers.

Overall forecast position on the fund

	2009-10 Actual	2010-11 Forecast
	£m	£m
Capital:		
Opening balance	-42.939	-33.274
Properties agreed into PEF2	-2.526	-26.686
Actual sale of PEF2 properties	12.721	16.055
Disposal costs	-0.530	-0.803
Closing balance	-33.274	-44.708
Revenue:		
Opening balance	-0.375	-2.153
Interest on borrowing	-1.541	-1.560
Holding costs	-0.237	-1.101
Closing balance	-2.153	-4.814
Overall closing balance	-35.427	-49.522

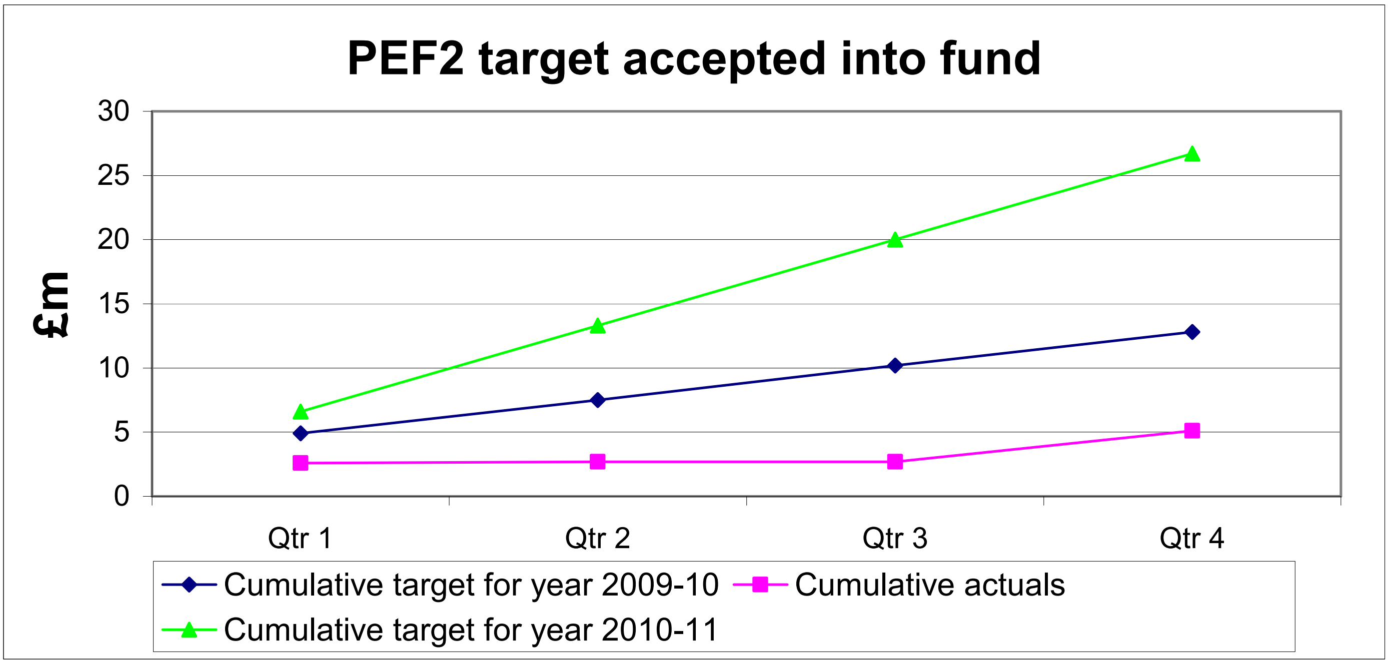
The 2009-10 closing balance for PEF2 is -£35.427, this is within the overdraft limit of £85m. The revenue closing balance of -£2.153m will be offset against the balance in the Prudential Equalisation Reserve, until such time PEF2 comes into surplus.

The target receipts to be accepted into PEF2 during 2009-10 equate to the PEF2 funding requirement in the proposed 2010-13 budget book, and achievement against this is shown below:

	2009-10		**2010-11**
	Cumulative target for year	Cumulative actuals	Cumulative target for year
	£m	£m	£m
Balance b/fwd	2.6	2.6	-2.6
Qtr 1	4.9	2.6	6.6
Qtr 2	7.5	2.7	13.3
Qtr 3	10.2	2.7	20.0
Qtr 4	12.8	5.1	26.7

Comments:

- The table above shows that £12.8m needed to be transferred into PEF2 during 2009-10, but only £5.1m was transferred, leaving a deficit of £7.7m. This deficit is reduced to £2.6m, after taking into consideration the 2008-09 roll forwards of £5.1m.
- The £2.6m deficit is the net of a £5.4m deficit within CFE and £2.8m of PEF2 achieved in 2008-09 by KASS and EH&W was not required until later years.
- The deficit in 2009/10 is purely timing and Corporate Finance, Corporate Property and CFE have agreed that sufficient asset values are held by CFE which can be transferred into PEF2 during the early part of 2010-10 to cover the shortfall in 2009-10 plus the required amount for 2010-11.



Comments:

To date four PEF2 properties have been sold and four properties are in the process of completing. The cumulative profit on disposal to date is £0.988m. Large profits or losses are not anticipated over the lifetime of the fund.

Interest costs

At the start of the year interest costs on the borrowing of the fund for 2009-10 were expected to total £1.77m.

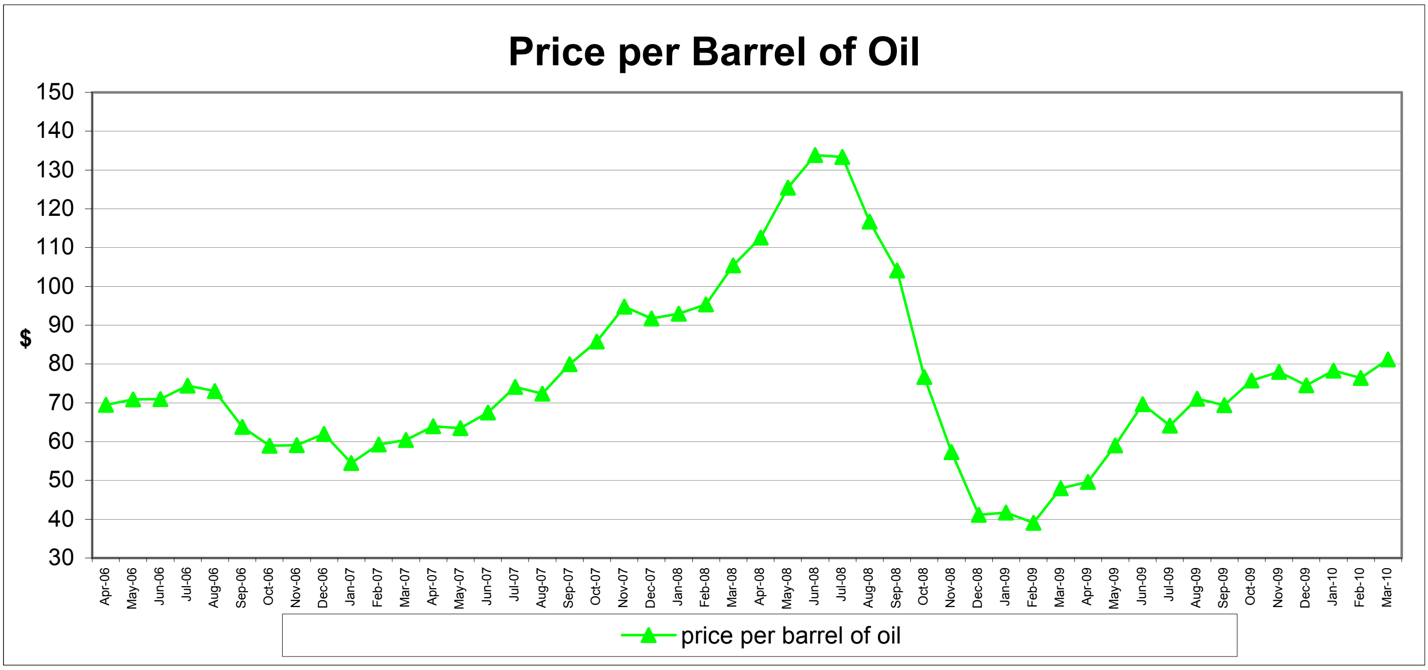
The actual interest costs for the year are £1.52m, a decrease of £0.25m. This is due to a reduced net closing balance on the fund caused by reduced purchases and increased disposals.

Interest costs on the fund are calculated at a rate of 4% and are reviewed on a regular basis.

6. FINANCING ITEMS

6.1 Price per Barrel of Oil - average monthly price in dollars since April 2006:

	Price per Barrel of Oil			
	2006-07	2007-08	2008-09	2009-10
	$	$	$	$
April	69.44	63.98	112.58	49.65
May	70.84	63.45	125.40	59.03
June	70.95	67.49	133.88	69.64
July	74.41	74.12	133.37	64.15
August	73.04	72.36	116.67	71.05
September	63.80	79.91	104.11	69.41
October	58.89	85.80	76.61	75.72
November	59.08	94.77	57.31	77.99
December	61.96	91.69	41.12	74.47
January	54.51	92.97	41.71	78.33
February	59.28	95.39	39.09	76.39
March	60.44	105.45	47.94	81.20



Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.

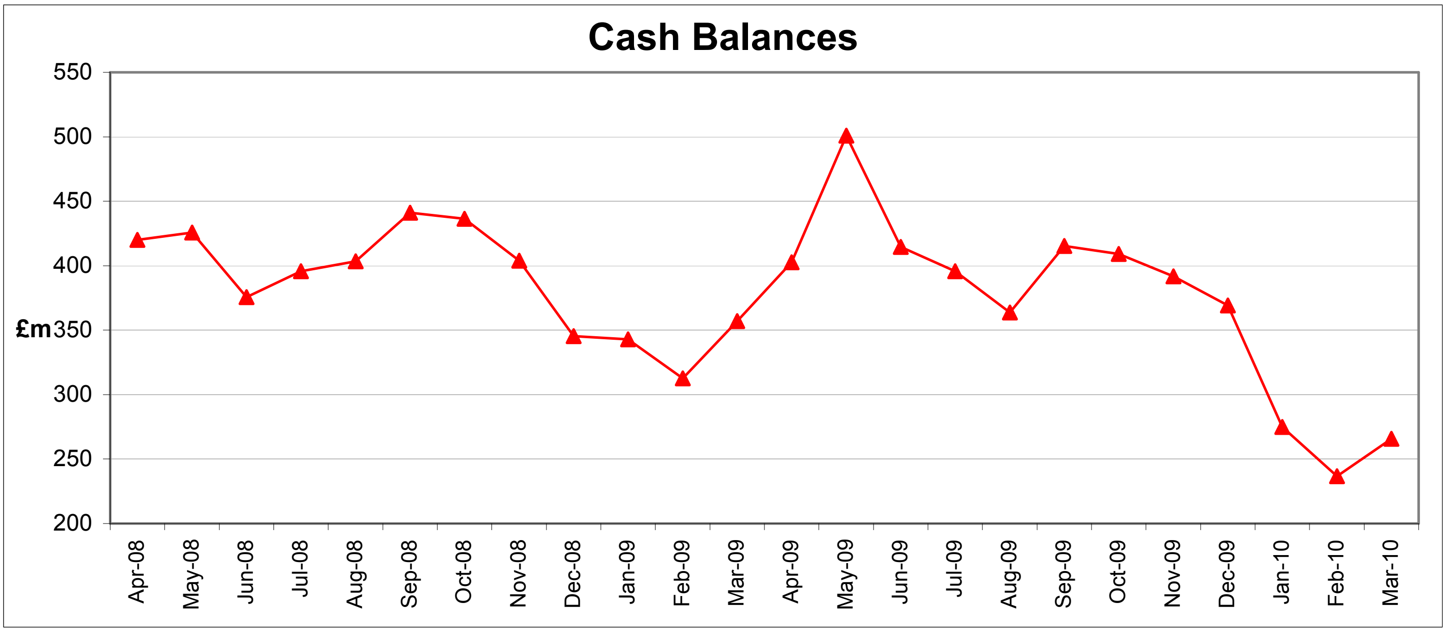
APPENDIX 5

FINANCIAL HEALTH INDICATORS

1. CASH BALANCES

The following graph represents the total cash balances under internal management by KCC at the end of each month in £m. This includes principal amounts currently at risk in Icelandic bank deposits (£43.931m), Pension Fund cash (£53m), balances of schools in the corporate scheme (£58.153m), other reserves, and funds held in trust. Kent Fire and Rescue balances (£14m) were disaggregated from KCC balances on 29 March 2010. KCC will have to honour calls on all held balances such as these, on demand. The remaining deposit balance represents KCC working capital created by differences in income and expenditure profiles.
The reducing cash balance since September 2009 reflects the Council's policy of deferring borrowing and using available cash balances to fund new capital expenditure (i.e. internalising the debt).

	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2008-09	419.9	425.7	375.7	395.8	403.5	441.1	436.3	403.9	345.5	342.8	312.6	357.0
2009-10	402.7	500.9	414.6	395.7	363.6	415.4	409.1	391.7	369.1	275.0	236.7	265.8

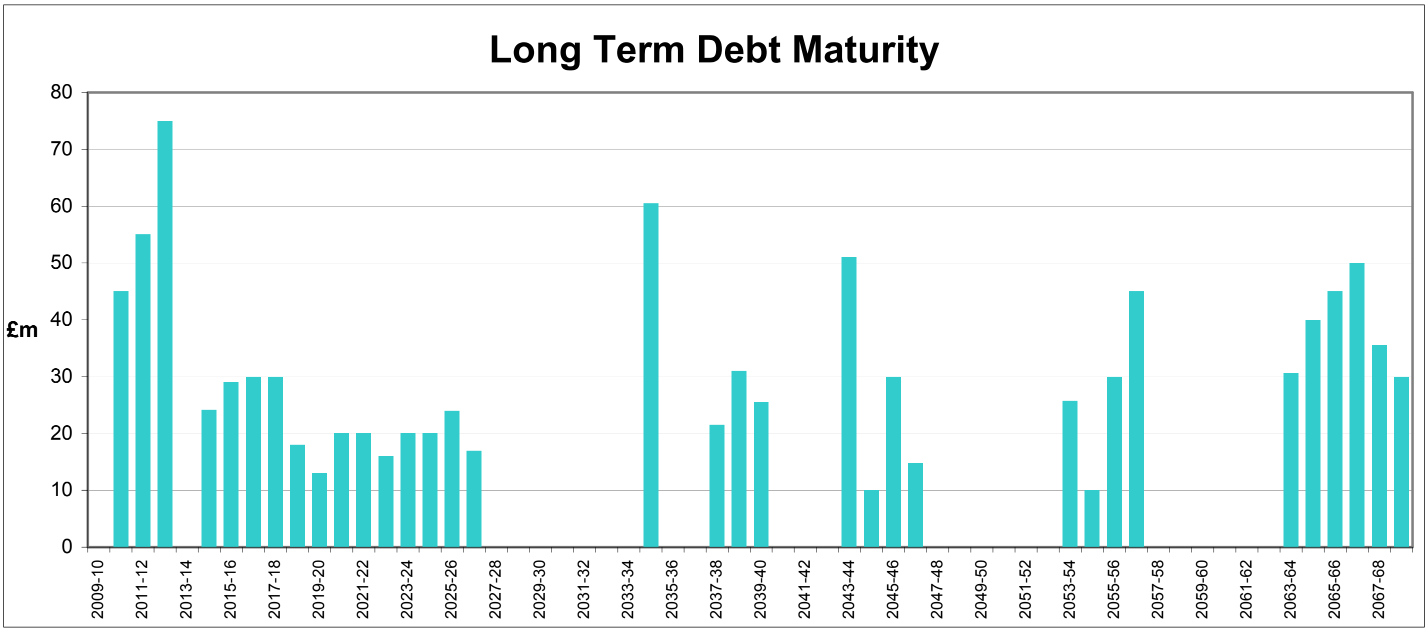


2. LONG TERM DEBT MATURITY

The following graph represents the total external debt managed by KCC, and the year in which this is due to mature. This includes £49.135m pre-Local Government Review debt managed on behalf of Medway Council. Also included is pre-1990 debt managed on behalf of the Further Education Funding council (£2.6m), Magistrates Courts (£1.4m) and the Probation Service (£0.24m). These bodies make regular payments of principal and interest to KCC to service this debt. The graph shows total principal repayments due in each financial year. Small maturities indicate repayment of principal for annuity or equal instalment of principal loans, where principal repayments are made at regular intervals over the life of the loan. The majority of loans have been taken on a maturity basis so that principal repayments are only made at the end of the life of the loan. These principal repayments will need to be funded using available cash balances (i.e. internalising the debt), by taking new external loans or by a combination of the available options.

The total debt principal repaid in 2009-10 was £60.505m, £60.47m maturity loan and £0.035m relating to small annuity and equal instalment of principal loans.

Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2009-10	0.000	*2022-23*	16.001	*2035-36*	0.000	*2048-49*	0.000	*2061-62*	0.000
2010-11	45.031	*2023-24*	20.001	*2036-37*	0.000	*2049-50*	0.000	*2062-63*	0.000
2011-12	55.024	*2024-25*	20.001	*2037-38*	21.500	*2050-51*	0.000	*2063-64*	30.600
2012-13	75.021	*2025-26*	24.001	*2038-39*	31.000	*2051-52*	0.000	*2064-65*	40.000
2013-14	0.015	*2026-27*	17.001	*2039-40*	25.500	*2052-53*	0.000	*2065-66*	45.000
2014-25	24.193	*2027-28*	0.001	*2040-41*	0.000	*2053-54*	25.700	*2066-67*	50.000
2015-16	29.001	*2028-29*	0.001	*2041-42*	0.000	*2054-55*	10.000	*2067-68*	35.500
2016-17	30.001	*2029-30*	0.001	*2042-43*	0.000	*2055-56*	30.000	*2068-69*	30.000
2017-18	30.001	*2030-31*	0.001	*2043-44*	51.000	*2056-57*	45.000	*2069-70*	0.000
2018-19	18.001	*2031-32*	0.000	*2044-45*	10.000	*2057-58*	0.000		
2019-20	13.001	*2032-33*	0.000	*2045-46*	30.000	*2058-59*	0.000	**TOTAL**	**1,042.364**
2020-21	20.001	*2033-34*	0.000	*2046-47*	14.800	*2059-60*	0.000		
2021-22	20.001	*2034-35*	60.470	*2047-48*	0.000	*2060-61*	0.000		



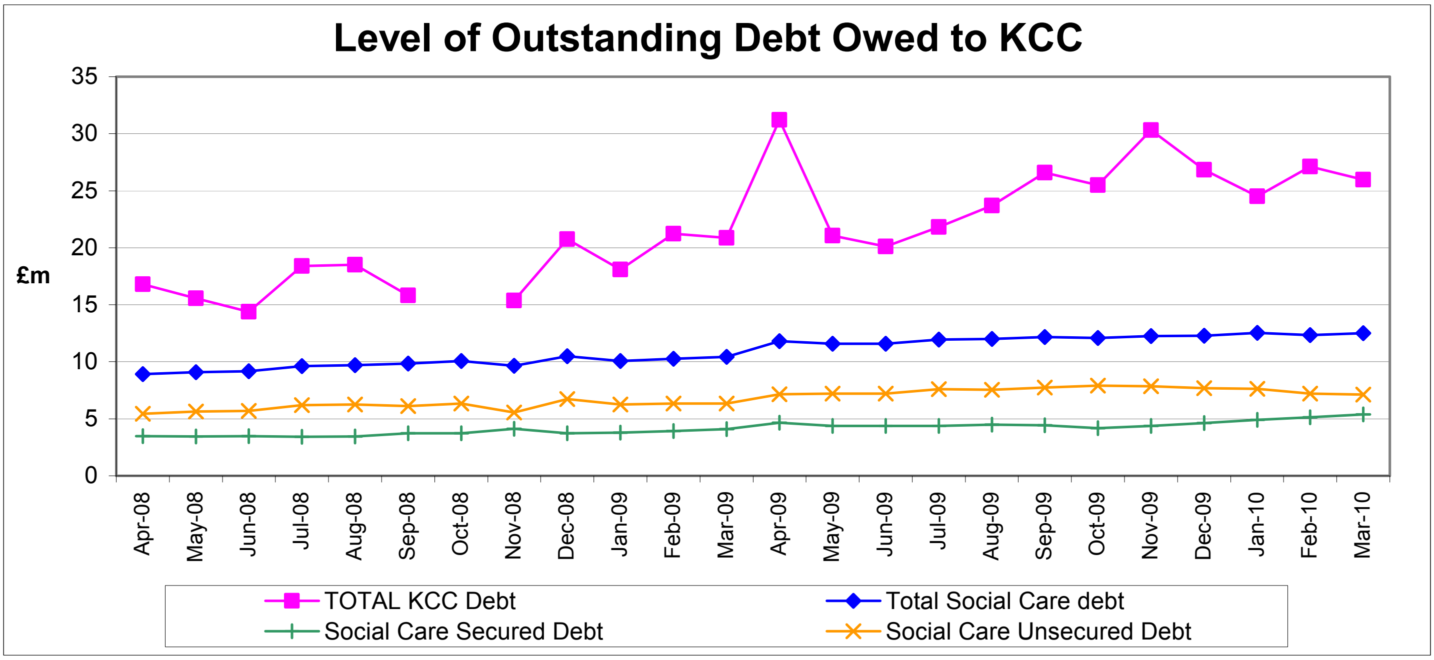
3. OUTSTANDING DEBT OWED TO KCC

The following graph represents the level of outstanding debt due to the authority, which has exceeded its payment term of 28 days. The main element of this relates to Adult Social Services and this is also identified separately, together with a split of how much of the Social Care debt is secured (i.e. by a legal charge on the clients' property) and how much is unsecured.

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care debt £m	KASS Sundry debt £m	**TOTAL KASS debt £m**	All Other Directorates Debt £m	**TOTAL KCC Debt £m**
April 08	3.468	5.437	8.905	2.531	**11.436**	5.369	**16.805**
May 08	3.452	5.626	9.078	1.755	**10.833**	4.736	**15.569**
June 08	3.464	5.707	9.171	1.586	**10.757**	3.619	**14.376**
July 08	3.425	6.195	9.620	2.599	**12.219**	6.174	**18.393**
Aug 08	3.449	6.264	9.713	3.732	**13.445**	5.075	**18.520**
Sept 08	3.716	6.114	9.830	1.174	**11.004**	4.800	**15.804**
Oct 08	3.737	6.334	10.071	*	*	6.021	*
Nov 08	4.111	5.540	9.651	1.206	**10.857**	4.504	**15.361**
Dec 09	3.742	6.740	10.482	2.004	**12.486**	8.269	**20.755**
Jan 09	3.792	6.266	10.058	1.517	**11.575**	6.519	**18.094**
Feb 09	3.914	6.345	10.259	1.283	**11.542**	9.684	**21.226**
March 09	4.100	6.326	10.426	1.850	**12.276**	8.578	**20.854**

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care debt £m	KASS Sundry debt £m	**TOTAL KASS debt £m**	All Other Directorates Debt £m	**TOTAL KCC Debt £m**
April 09	4.657	7.161	11.818	6.056	**17.874**	13.353	**31.227**
May 09	4.387	7.206	11.593	1.078	**12.671**	8.383	**21.054**
June 09	4.369	7.209	11.578	1.221	**12.799**	7.323	**20.122**
July 09	4.366	7.587	11.953	1.909	**13.862**	7.951	**21.813**
Aug 09	4.481	7.533	12.014	1.545	**13.559**	10.126	**23.685**
Sept 09	4.420	7.738	12.158	2.024	**14.182**	12.391	**26.573**
Oct 09	4.185	7.910	12.095	2.922	**15.017**	10.477	**25.494**
Nov 09	4.386	7.859	12.245	6.682	**18.927**	11.382	**30.309**
Dec 09	4.618	7.677	12.295	6.175	**18.470**	8.376	**26.846**
Jan 10	4.906	7.627	12.533	2.521	**15.054**	9.445	**24.499**
Feb 10	5.128	7.221	12.349	2.956	**15.305**	11.801	**27.106**
March 10	5.387	7.127	12.514	1.643	**14.157**	11.818	**25.975**

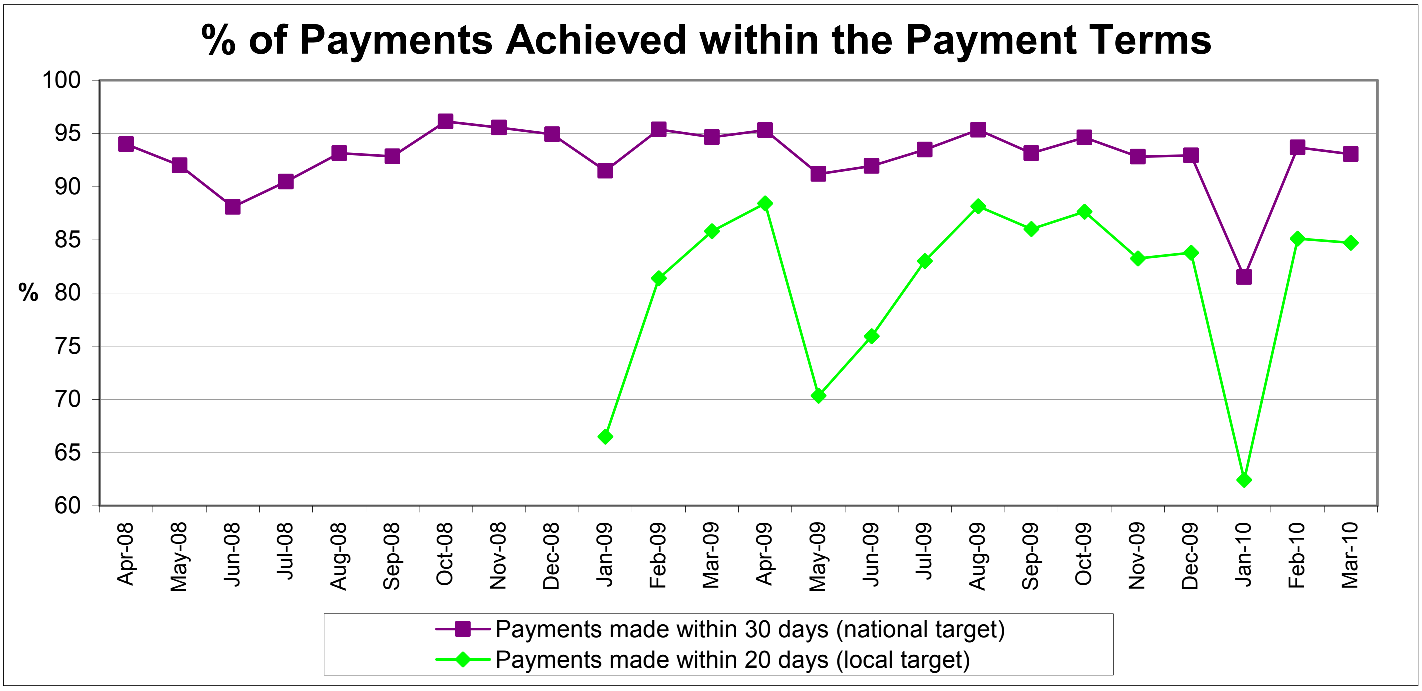
* In October 2008, KASS Social Care debt transferred from the COLLECT system to Oracle. The new reports were not available at this point; hence there is no data available for this period. The October Social Care debt figures relate to the last four weekly billing run in the old COLLECT system



4. PERCENTAGE OF PAYMENTS MADE WITHIN THE PAYMENT TERMS

The following graph represents the percentage of payments made within the payments terms – the national target for this is 30 days, however from January 2009, we have set a local target of 20 days in order to help assist the cash flow of local businesses during the current tough economic conditions.

	2008-09		2009-10	
	Paid within **30** days %	Paid within **20** days %	Paid within **30** days %	Paid within **20** days %
April	94.0	N/A	95.3	88.4
May	92.0	N/A	91.2	70.4
June	88.1	N/A	91.9	75.9
July	90.5	N/A	93.5	83.0
August	93.1	N/A	95.3	88.2
September	92.8	N/A	93.1	86.0
October	96.1	N/A	94.6	87.6
November	95.5	N/A	92.8	83.3
December	94.9	N/A	92.9	83.8
January	91.5	66.5	81.5	62.4
February	95.4	81.4	93.7	85.1
March	94.7	85.8	93.0	84.7



The percentages achieved for January were lower than other months due to the Christmas break. This is evident in both 2008-09 and 2009-10. This position was exacerbated in 2009-10 due to the snow. The 2009-10 overall performance for invoices paid within 20 days is 81.9%, and for 30 days is 92.6%. This compares with overall performance for payments within 30 days in 2008-09 of 93.3%.

APPENDIX 6

2009-10 Final Monitoring of Prudential Indicators

1. Estimate of capital expenditure (excluding PFI)

Actual 2008-09	£309.368m
Original estimate 2009-10	£435.918m
Actual 2009-10	£344.065m (schools inc)

2. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)

	2008-09 Actual	2009-10 Original Estimate	2009-10 Revised Estimate in 2010-13 MTP	2009-10 Actual
	£m	£m	£m	£m
Capital Financing Requirement	1,167.532	1,285.728	1,250.296	1,230.100
Annual increase in underlying need to borrow	96.442	106.475	83.922	62.568

In the light of actual capital expenditure incurred, net borrowing by the Council did not exceed the Capital Financing Requirement.

3. Estimate of ratio of financing costs to net revenue stream

Actual 2008-09	9.67%
Original estimate 2009-10	11.42%
Actual 2009-10	12.36%

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management.

The operational boundary for debt was not exceeded in 2009-10.

(a) Operational boundary for debt relating to KCC assets and activities

	Prudential Indicator 2009-10	Actual 2009-10
	£m	£m
Borrowing	1,128.0	993.3
Other Long Term Liabilities	0.0	0
	1,128.0	993.3

(b) Operational boundary for total debt managed by KCC including that relating to Medway Council etc

	Prudential Indicator 2009-10	Actual 2009-10
	£m	£m
Borrowing	1,113.0	1,042.4
Other Long Term Liabilities	0.0	0
	1,113.0	1,042.4

5. Authorised Limit for external debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the County Council. The limits for 2009-10 were:

(a) Authorised limit for debt relating to KCC assets and activities

	£m
Borrowing	1,168
Other long term liabilities	0
	1,168

(b) Authorised limit for total debt managed by KCC including that relating to Medway Council etc

	£m
Borrowing	1,219
Other long term liabilities	0
	1,219

The additional allowance over and above the operational boundary was not utilised in 2009-10 and external debt, was maintained well within the authorised limit.

6. Compliance with CIPFA Code of Practice for Treasury Management in the Public Services

The Council has adopted the Code of Practice on Treasury Management and has adopted a Treasury Management Policy Statement. Compliance has been tested and validated by our independent professional treasury advisers.

7. Upper limits of fixed interest rate and variable rate exposures

The Council determined the following upper limits for 2009-10

(a) Borrowing

Fixed interest rate exposure	100%
Variable rate exposure	30%

(b) Investments

Fixed interest rate exposure	100%
Variable rate exposure	20%

These limits have been complied with in 2009-10. Total external debt is currently held at fixed interest rates.

8. Upper limits for maturity structure of borrowings

	Upper limit %	Lower limit %	Actual %
Under 12 months	25	0	0
12 months and within 24 months	40	0	4.3
24 months and within 5 years	60	0	12.5
5 years and within 10 years	80	0	12.6
10 years and above	100	40	70.6

9. Upper limit for principal sums invested for periods longer than 364 days

	Indicator	Actual
1 year to 2 years	£45m	£20m
2 years to 3 years	£45m	£0m
3 years to 4 years	£40m	£15m
4 years to 5 years	£40m	£0m
5 years to 6 years	£20m	£0m
	£190m	**£35m**

There has been some movement in the position since the last monitoring as call options have been exercised by borrowing banks and some deals have been replaced with deals with differing maturity.

Capital Budget Outcomes and Achievements in 2009-10

During 2009-10, Kent County Council, with a range of partners, invested over £340 million to fund projects across the county which will improve life for thousands of Kent residents. Ever wondered where that money goes? Here are just a few of the projects taking place and making Kent an even better place to live, work and visit.

Children and Families services

Budget Challenge: The delay in the announcement of the Comprehensive Spending Review coupled with current and anticipated future public spending pressures has influenced the delivery of our spending programmes, particularly those rolling programmes such as the Primary Capital Programme where we must have some certainty of future government support in order to commit to significant major building projects which can take 18 months to two years to deliver from contract commitment. We have sought to maximise what funding is available by the joining up of funding streams including school devolved capital as well as making use of capital receipts where available. Recorded maintenance backlog for D1 work (worse condition, most urgent) shows a significant reduction from £36.1m to £23.3m. Whilst ongoing maintenance will have had some impact, the significant reduction is a result of the stream of project completions from Modernisation, Special School Review, PFI and Academy programmes. Delivery of the initial waves of BSF as well as the Primary Capital Programme will make further impact on the backlog.

Building Schools for the Future (BSF): Construction work has now commenced on the delivery of Kent's first BSF wave which at £200m will see the rebuild and refurbishment of 11 secondary schools in Gravesham and Thanet, namely Ifield Special School, Northfleet Technology College, Northfleet School for Girls, St John's Catholic Comprehensive School, Thamesview School, The Charles Dickens School, The Community College Whitstable, Herne Bay High School, Dane Court Grammar School, King Ethelbert School and St Georges CE Foundation School Broadstairs. The outline business case has been approved by Government and detailed proposals are being developed for the next phase (Wave 4) of the Kent BSF project, this will see the rebuild of the remainder of Thanet and Gravesham secondary schools (14 schools). Alongside this, early planning work has commenced for the delivery of the Wave 5 and 6 BSF works which will cover a further 25 schools and over £350m of investment.

Vocational Education: We continue to develop the provision of vocational centres attached to clusters of schools. To date there are 25 centres, a mixture of school and off site provision.
The Dover Skills Centre opened in March 2010 (£0.200m). Situated on the Glenmore Industrial Estate at Whitfield in Dover, the centre comprises of three industrial units which have been converted into a large construction skills training centre. This centre has been developed in partnership with South Kent College and secondary schools from Dover, Deal and Sandwich. The anticipated numbers of learners to access the centre during 2010-11 is estimated to be 250-300.
A £0.250m project is set to commence at Swan Valley School to provide a retail outlet for the sale of bicycles and a bicycle maintenance workshop to be run as a business by students at the school. This project is being sponsored by Giant Bicycles who are a leading manufacturer in the industry. This new centre is due to open in October 2010.
Construction work on a new Vocational Skills Centre in Maidstone will be commencing shortly (£0.650m). This centre will be offering vocational training for young people and adults in the sectors of hospitality and catering, hair and beauty, engineering and motor bike repair and maintenance.

Special Schools Review (SSR): Projects completed in 2009-10 include Rowhill (£5.7m) and Valence Schools (£7.7m). A major project to replace Grange Park School on a new site adjoining Wrotham School is now under construction and due to finish in August 2010. Interim works pending the delivery of more substantial projects have been completed at Broomhill Bank, Five Acre Wood, Ridge View and Wyvern.

Modernisation Programme: There were no new modernisation starts within the financial year, but projects starting in earlier years still continue to reach completion. This included a £1.9m project at Sussex Road Primary School in Tonbridge. The scheme replaces four poorly insulated, stand alone hutted classrooms with a two storey, light, airy modern extension with toilet facilities and DDA compliant lift. As part of the project the school funded a full sized staffroom and, through new build and adaptations to the existing building, two fit for purpose reception classrooms. In addition the school received separate DCSF "joinedupdesignforschools" funding to remodel and extend the front entrance. Pupils designed the building in association with an architect from the Sorrell Foundation. This project undertaken in tandem with the modernisation project provided a lobby, large reception/administration area, meeting room and head teacher's room.

Primary Strategy/Primary Capital Programme (PCP): The Primary Capital Programme is planned to roll out over 14 years. Funding has been confirmed through to 2010-11. The development and delivery of projects within this programme is now underway.
Work is complete on a £6.1m project at Oakfield Primary School providing fit for purpose accommodation through new build and refurbishment. This scheme supports the amalgamation of the former Infants and Junior School.
Work is also well underway and due to complete on The Manor Primary School for a similar project costing £6.7m providing a largely new-built 2FE Primary School with some refurbishment.

Development Opportunities: The economic downturn and specifically the reduction in land values has slowed the number of new projects identified.
Work is now drawing to a conclusion on the Dartford Campus project; the £25.7m scheme provides an all through learning campus with nursery, primary, secondary and adult education provision all in new or refurbished accommodation.
In East Malling the new St James The Great school buildings were officially opened in October. The £3.3m scheme jointly funded by the disposal of land and a contribution from the modernisation programme provides modern fit for purpose school buildings. This new primary school was created from the amalgamation of the former St James Infants School and Mill Stream Junior School.

Developer Contributions: We are able to use S106 developer contributions to fund the provision of new school facilities in areas of growth. In February 2010 The Bridge Learning Campus was officially opened. This £9.9m state of the art project provides on one site a new 2FE school, youth space, library, adult education, children's social services and community facilities with shared facilities management and is the first of its kind in Kent. The facility has good public transport links served by the Fast Track service.

Children's Centres: Identifying viable locations for a very small number of centres has led to some delays in the Round 2 programme, but this phase of development is nearing completion. The 52 Round 2 centres are being developed in less disadvantaged areas than the previous phase of development, building on and enhancing existing good practice and services, extending the benefits to more families and bringing an integrated approach to service delivery to areas where it is needed most.
KCC is working towards a goal to provide children's centre services to all 83,000 0-4 year olds and their families by 2011. To this end, in September 2009, a review took place to determine how the third and final phase of the programme (2008–2011) could be delivered. The purpose of the review was to ensure resources, both capital and revenue, are appropriately levelled at the children and families who need them most and that Round 3 centres and the services they offer are sustainable.
The agreed approach to this phase focused on minimising the number of new builds as far as possible and extending and maximising of the number of centres delivered in facilities that currently exist, such as libraries, clinics and Gateways. To this end there will be 10 new children's centres built as part of this phase and a further 15 developed in existing accommodation, bringing the total number of centres across the county to 97.

Maintenance (CF&E): The maintenance funding stream supports both planned and reactive maintenance at schools and is targeted at projects to keep schools safe, warm and dry. Coupled with the delivery of a series of major project completions we have made significant reductions in the maintenance backlog.
In addition to money retained centrally, schools have both revenue and capital funding for building maintenance and improvement work. The Government added to schools 2009-10 allocations by bringing forward 40% of schools 2010-11 DFC (Devolved Formula Capital) allocations. Including this brought-forward funding, LA schools DFC allocations for 2009-10 totalled £31m.

Children's Social Services: The rationalisation of the Children's Social Services property portfolio continued to support the service realignment, setting up of the Local Children Services Partnership Boards and the CFE Restructure.
During previous years both Lodge House and Northcourt Family Centre in Gravesend and 4 Essex Road in Dartford were made available for disposal.
This year, the Kings Farms Family Centre in Gravesend was extended and the Adolescence Resource Centre moved there, thus freeing up 5 Manor Road, Gravesend for disposal.

During 2009-10, a condition survey of Brockman Family Centre in Shepway revealed it would need significant investment to meet Health and Safety and DDA compliance. One of the teams based there has already been relocated to Westchurch House in Ashford and we are planning to move the three other remaining teams during 2010-11 and free up this site for disposal.
In supporting the BWP (Better Workplaces) strategy, the restructuring of space at The Willows Swanley, has allowed CSS staff to be relocated there from St Lawrence House.

Adult Social Care Services

Princess Christian Farm (PCF): continues to provide an opportunity for the learning disabled service users to learn life and employment skills within a supported working environment.
Due to a lack of investment PCF was in need of a capital injection into the farm buildings in order to develop its potential and bring it in line with Health and Safety standards.
PCF remains an exemplar to other Authorities in promoting inclusive social care with service users on a waiting list for a placement.
During 2006, an external consultant was commissioned to undertake a review of the service. The option appraisal identified that a procurement exercise would potentially provide a partnership arrangement, in this case, with Hadlow college for the management of the farm whilst providing capital investment into the facilities and improved skill development opportunities for the service users attending PCF.

Learning Disabled Development Fund (LDDF): Thanington Community Centre is owned by Canterbury City Council but leased to Thanington Neighbourhood Resource Centre (TNRC) which manages it through a Board of Trustees. The building completed in January 2010 and includes an extension to the ground floor to facilitate a Youth area and a computer suite. The KASS contribution paid for stairs, lift and adaptations to fittings and equipment on the ground and first floors. The facility fits in with the new service model for people with a learning disability in Canterbury (refer to the report *A New Service Model for the Re-provision of Day Activities for People with a Learning Disability in the Canterbury District*, decision number 08/01217).

Maintenance (KASS): The maintenance funding stream supports both planned and reactive maintenance within our establishments and is targeted at projects to keep service users safe, warm and dry. Whilst the funding stream enables us to manage the backlog of maintenance, significant reductions are only made through the delivery of major modernisation and replacement projects. This year KASS have carried out major heating, water and floor replacement works at Sampson Court (£0.138m) and urgent health & safety water treatment works at Ashford Day Opportunities Centre (£0.065m), both of which allowed the services to continue to remain open.

Home Support Fund: Greater independence is usually achieved by the provision of equipment and adaptations, within existing accommodation and local communities. The Home Support Fund can provide both minor adaptations/equipment including grab and stair rails, through to major adaptations like changing room layout/use of rooms and extending a property. Major work is carried out in conjunction with the district councils, through the Disabled Facilities Grant or local housing associations. At a cost of up to £1m annually, the work carried out through the Home Support Fund, enables between 80-100 people, to continue to live in their own homes with increased confidence, and an improved sense of wellbeing.

The development of community inclusive opportunities at Trinity Foyer: The main purpose of the Maidstone modernisation project has always been to develop partnerships and a community that has inclusive opportunities, so that people with learning disabilities have greater choice.
The Trinity Foyer was one of those partnerships that facilitated a joint working arrangement between social services and 3rd Sector organisations, in providing opportunities for people with learning/physical disabilities, young people and older people. Not only in utilising the building but also in overcoming any negative perceptions of each other, by promoting a natural networking opportunity with increased levels of awareness and respect. The proposal involved KCC making a capital investment of £60,000 to fund improvement works to the shared lounge, kitchen and changing facilities and also to create a quiet room.

Roads and Transport

Maintenance (EH&W): Kent Highway Services had an initial budget allocation of £42.6m to spend on planned repairs on carriageways, footways, bridges, street lights, drains, signs and signals. These works on various infrastructure asset types are aimed to keep Kent's transport networks safe and prolong the life of each asset. In addition to the original budget provision, the Council has delivered an additional £7.1m worth of maintenance works. This included £2.1m of extra investment funded through a revenue underspend and £5.0m brought forward from the 2010-11 budget provision, to tackle a significant backlog of essential resurfacing works. Despite the prolonged adverse weather during the winter months, the Council completed both the original repairs programme and this additional work on time, which is a major achievement considering this was twice the level of normal spend.

Integrated Transport schemes: The Council spent £12.0m on integrated transport schemes to achieve a number of key objectives:

- casualty reduction schemes have been carried out in order to reduce the number of people killed or seriously injured;
- improving access to key services by sustainable modes of transport including cycle-ways and footways.
- tackling the occurrence of peak hour congestion, particularly in larger urban areas
- pedestrian crossings have been upgraded to meet current DDA standards .
- "Kickstart" funding has been made available in Ashford and Thanet area to purchase new low-floor easy access buses. This has improved the quality and frequency of bus services helping passengers to access local facilities;
- a financial contribution to bus operators for equipping their fleets with Smartcard compatible ticket machines; and
- a minibus has been purchased to be operated by Thanet Community Transport who will be offering services for people with disabilities and those living over 500m away from regular bus services.

Major Schemes – development and construction: This year has been dominated by getting Rushenden Relief Road, East Kent Access Phase 2 and Sittingbourne Northern Relief Road to the construction stage; progressing Drovers Roundabout – M20 J9 and Victoria Way, Ashford to contract award stage by early 2010-11 and developing the major scheme business case for Smartlink.

Preliminary design fees: Smartlink, Ashford. This bus based scheme is a key part of the transport strategy for Ashford's growth agenda. It will be a flexible high technology, high frequency bus-based system with zero or low emissions that will have segregation and priority on the network with the aim of achieving modal shift (a shift from using the road network to using public transport). The development of the outline and business case for this scheme has been completed and will be submitted to DfT in June 2010 seeking Programme Entry for Local Transport Plan funding. The scheme development is being funded by Ashford Growth Area partnership and the County Council.

Sittingbourne Northern Relief Road (SNRR) - £35m: This is a Kent Thameside scheme and is intended to support existing and future commercial and housing development. The new road will connect two sections of relief road built by developers. The scheme is funded by the DfT as a Local Transport Plan scheme, the Homes and Community Agency and a S106 developer contribution. Following confirmation of statutory orders, DfT granted full approval to funding. A contract was awarded to Jackson Civils Ltd in September 2009 and work started on site in November 2009. Environmental mitigation and archaeological works have been completed. The main activity is in-advance works for piling for the Milton Creek bridge. The scheme is on programme for completion in September 2011.

Rushenden Relief Road - £13m: The County Council has designed and is implementing this scheme to provide a new direct link between the A249 at Neats Court and Rushenden Road on behalf of SEEDA. Access to the existing development through Queenborough is poor and the new road will support 2000 new homes and 180,000 sq m of employment space. SEEDA has secured Homes and Community Agency, other government and private sector funding. A construction contract was awarded to Birse Civil Ltd in June 2009 and work started in July 2009. New access from the A249 to the Neats Court gateway developments has been completed. On the rest of the route the railway bridge has been completed and approach embankment is close to being completed. These will need to have a settlement period of 9 months before the carriageway works can commence subject to SEEDA securing the remaining funding. The programme is for the road to be fully open to traffic in August 2011.

East Kent Access Phase 2 - £87m: This scheme will improve the A299 and A256 leading to the Minster roundabout and the Lord of the Manor junction and connecting with Phase 1 by the old Richborough power station. This new road will be to dual carriageway standard and features an underpass beneath Foads Hill and the railway at Cliffsend, and over the railway at Cottington Lane. The purpose of the scheme is to improve accessibility, safety and support the economy of east Kent. It will provide connectivity between the ports of Dover and Ramsgate and the Kent International Airport. This will complete the improvements of the A299 Thanet Way and A256 that were started in the 1980s.
Following confirmation of statutory orders, DfT granted full approval of the funding. Construction tenders were higher than expected and the Department for Transport increased its funding to £81.25m, leaving the County Council to fund the remaining £5.75m. A contract for construction of the road was awarded to a joint-venture of Volker Fitzpatrick and Hochtief in August 2009 and work started in November. The area is an archaeological site and the main activity during the end of 2009 and start of 2010 was detailed investigation following a topsoil strip. The contractor also progressed the design and technical approvals for the complex structures which are a 'design & build' aspect of the contract. The main construction activity will commence in spring 2010. The road is programmed to be completed and open to traffic in autumn 2011.

Victoria Way, Ashford - £17m: Victoria Way is a scheme to connect Victoria Road from the International Station at Beaver Road to the A28 Chart Road at the Matalan roundabout. The aim is to provide a new high quality town centre street, to support the growth of the town centre southwards, and to provide some additional traffic capacity lost by the changes to the ring road. It will also provide a route to the future Smartlink bus system and future development will be expected to fund and broaden out the boulevard concept.
The scheme has secured £16.5m from the Community Infrastructure Fund (CIF) managed by the Homes and Communities Agency. The scheme received planning consent in August 2009 and most activity has been directed at securing all the land by voluntary negotiation as the funding deadline of 31 March 2011 does not allow the opportunity for a contested compulsory purchase order process.
The design has been completed and construction tenders returned that give confidence that the scheme can be delivered within the CIF funding and its deadline. VolkerFitzpatrick is the preferred contractor and it is anticipated that a contract will be awarded in early May when all the land has been secured. The key task will be to deliver the scheme within the funding period.

Ashford Drovers Roundabout - £17m: Drovers Roundabout – M20 J9 is a scheme to improve the main strategic access route into Ashford from the west. A feature bridge will be provided over the M20 to replace the existing unsatisfactory pedestrian route at J9. It will also facilitate the route of the future Smartlink and provide access to the associated Warren Park & Ride site.
The scheme has secured £15.1m from the Regional Infrastructure Fund (RIF) provided by DfT but managed by SEEDA. Growth Area Funding has provided £2.5m for the extra costs of the feature bridge. The objective of RIF is to forward fund a comprehensive improvement and avoid incremental developer funded improvements with the grant repayable by Ashford Borough Council through S278/S106 and tariff funding.
Most activity has been directed at completing the RIF agreement and securing all the land by voluntary negotiation as the funding deadline of 31 March 2011 does not allow the opportunity for a contested compulsory purchase order process. Only the bridge required planning consent and that has been achieved. The design has been completed and construction tenders returned that give confidence that the scheme can be delivered within the RIF funding and its deadline. BAMNuttall is the preferred contractor and it is anticipated that a contract will be awarded in early May when all the RIF agreement has been completed and all the land has been secured. The key task will be to deliver the scheme within the funding period.

Reshaping Kent Highways Accommodation: Initial work has started to modernise the existing office and depot at Aylesford to create the appropriate facilities to serve the West Kent highway operation. As part of the reshaping Kent Highways accommodation, the County Council has also spent £0.299m on the Works Asset Management system, to improve service delivery and efficiency of the highway works programmes.

Salt saturators: We have purchase a number of salt saturators so that we can use "pre-wetted" salting treatment across the county. This will be a cost saving by reducing the amount of salt used for each salting run and improve application.

Safety Camera Partnership: The DfT grant has been used to provide equipment which helps reduce the speed of vehicles at hazardous locations. The equipment includes speed cameras, interactive signs, and speed indicator devices. The council also made a contribution to enable a Life Skills Centre to be established at Ramsgate to enhance road safety across the County.

Community Services

Turner Contemporary gallery: We have continued to make significant progress during the year. The superstructure of the building is almost complete and the contractor is now making good progress with the cladding and roofing, with a view to making the building watertight by early summer. Completion is expected before the end of the year and the building is due to open in late spring 2011.

Kent History and Library Centre: a £12m project in Maidstone, which is part of a larger £30m innovative development in partnership with the second largest developer in the world – Bouygues - providing some 60 residential homes in addition to our building which will encompass the Kent Archive facility. KCC funding is being supported by some groundbreaking initiatives for KCC involving a land transfer, a long term lease with Bouygues as well as revenue savings that will be delivered by rationalising existing facilities. Work commenced on site in March and the new building is anticipated to open in summer 2012.

Ashford Gateway Plus: is being built on the old library site and will offer a combination of library, adult learning, registration, social day services, Ashford Borough Council services and a new Gateway. The building will cost £7.6m and will be completed by summer 2011. Preliminary work started in April 2010, with a temporary library opening in the nearby mall. The groundbreaking ceremony occurred on Friday 30th April. KCC financial support is being supplemented by contributions, Ashford Futures and developers.

The Beaney in Canterbury: is an innovative joint £12m project with Canterbury City Council to bring together the library, museum and gallery in an extended and refurbished Grade II listed building. Funding for the project includes in excess of £6m Heritage Lottery Funding, almost £1m from SEEDA with the balance from both Canterbury CC and KCC. This project is due to commence in Quarter 1 2010-11.

Gravesend library: is now being refurbished and partly rebuilt at a cost of £2.5m. This project will see the Carnegie Library refurbished and the adjacent shop unit completely rebuilt. Work began on site in March 2010, with a temporary library opening in the nearby shopping centre, and the new revamped library is due to re-open in 2011. It is being funded in part by developer contributions but predominantly by KCC.

Libraries Modernisation Programme: Further capital investment has continued to benefit both existing customers, as well as attract new customers, through the new improved aesthetic environment. Improved footfall in recently refurbished libraries has led to an increase in issues during 2009-10, for example, by 80% at Ramsgate and 13% at East Peckham when compared to 2007-08. The modernisation programme will continue in 2010-11.
Marling Cross Library refurbishment project was completed in May 2009 at a cost of £0.110m. The interior and exterior of the building have been significantly improved and new books have been added to the stock. The space is now larger, incorporating a formerly disused property next door into a bright new community facility. A number of partners are supporting this project and are using the new space. These include Gravesham Borough Council, NHS West Kent PCT, Surestart and Kent Police. Increase in levels of use is shown in the 15% rise in issues in 2009-10 compared to 2008-09.

Dover Big Screen/Live Site: was secured for Dover by the KCC Sport, Leisure and Olympics service from the BBC and the London Organising Committee for the Olympic and Paralympic Games. The screen, installed at Market Square in Dover, is the only screen of 20 nationwide that is in a town, rather than a city, and is only the second such screen in the South East region. The screen is valued at £0.650m and the cost to local partners of planning and installation was £0.205m, which included partnership funding from Dover Pride and the East Kent and Coastal PCT, as well as from KCC.
The screen shows a combination of BBC News 24, Olympic related programmes, major events and locally-generated content.
Since the screen went `live` in mid-2009, it has shown a number of major events including the Wimbledon Tennis Finals, Last Night of the Proms, the Michael Jackson Tribute, the Vancouver Olympic and

Paralympic Games 2010 and Opera, as well as Christmas carols from 32 local schools; and the screen and the `live site` in front of it has accommodated sports, dance, cookery and gardening events.

Country Parks: The funding was made available to build a new cafe and toilet facilities at Manor Park Country Park, West Malling, which opened in October 2009. Visitor numbers to the park are on the increase as a result of this and feedback from the public has been extremely positive. The cafe also gave the opportunity for a Kent resident to start up a new business, running the cafe on our behalf. The new facilities will also mean that we will be able to offer more public events at the park in coming years.
Other projects include improvements to the visitor centre at Lullingstone Country park to enhance the visitor experience, further detailed work extending the car park to accommodate visitors all year round will come into fruition in 2010.
The facilities at Shorne have been modified to be able to cope with the increasing visitor numbers.

Improvements to Waste recycling facilities:

- Swanley: completion of a major refurbishment/re-design of an existing site to ease site congestion from a health and safety viewpoint, extend the range of recycling facilities and to improve the site layout to make recycling easier for the public.
- Southwall Road, Deal: additional land purchased to extend the range of recycling facilities on site and to ease the movement of compactors whilst on site, therefore ensuring recycling containers remain operational for the public to use.
- Lydd/New Romney: professional fees for securing land purchase and design. Construction of new site due to start in 2010/11.
- North Farm Transfer Station: professional fees and scheme feasibility study carried out. Construction of site improvements due to start in 2010/11.

ICT Capital Programme (Sustaining Kent - maintaining the infrastructure): is a multi-year programme to deliver a modern, flexible and sustainable core ICT infrastructure capable of supporting KCC's business needs. It builds on the Kent Public Service Network (KPSN) to deliver enhanced and resilient data centre capacity, improved file storage, consolidated and improved applications support, improved Local Area Networks (LANs), a successor service to the TRP contract, and new telephony-based services. The £2.371m spend in 2009-10 has delivered the first steps in this programme - provisioning data centre capacity at Gun Wharf in Medway and the first phase of the upgrade to the Sessions House data centre (delivering a resilient design for critical services such as Swift, e-mail services and file storage); starting the process of upgrading office LANs (necessary to support the new telephony services etc.); rolling out consolidation and virtualisation of business applications (reducing hardware and support costs for individual applications); and initial work provisioning the new file storage and the new telephony service (Unified Communications).

Corporate Modernisation of Assets: has been used primarily to maintain the condition of and to ensure statutory compliance in the corporate office estate. In the current year money has been expended on significant projects that included the new windows to the front elevation of Sessions House. The work was part of a planned programme and was essential from a health and safety perspective as windows were in danger of falling onto the public footpath and highway in front of the building and staff were working in offices with little or no comfort in the winter and limited or restricted ventilation in the summer.
Funding was also allocated to complete DDA adaptations to all of the lifts in Sessions House and Invicta House to improve accessibility. The power optimisation project to Sessions House was completed and these projects will result in reduced energy use and support corporate targets for carbon reduction.
Funding was also utilised to part fund the modernisation works at Thistley Hill as part of the better workplace initiative. This project was very successful and supported the better workplaces planned rationalisation of the office estate.
The final major project funded from this budget was the refurbishment of the bedroom block at Oakwood house and this has been very successful in generating more income and utilisation whilst maintaining and renewing what is a significant asset to the Authority.

Gateways: £0.848m outturn spend has enabled the completion of Phase 1 of the Gateway Programme – the customer focused, cross agency outlets, – with Dover opening in June 2009 and increasing transactions every quarter. Phase 2 of the programme has started with Tonbridge Gateway also opening in June 2009. Work is in progress for a Gateway in Gravesham, due to open mid September 2010 and targeted for mid 2011 are Sheerness, Swanley, Edenbridge, Herne Bay and Ashford Gateway Plus. Satellite opportunities are developing with Health and Social Housing projects including greater focus on multi-agency outreach using the Gateway Mobile. During May 2010 the 1millionth customer will go through Thanet's Gateway Plus. 5 of our 7 Gateway are performing at over 90% satisfaction rate with the exception of Tenterden who are only performing at 86% satisfaction rate and at present no data is being collected from Dover. The profile of Gateway is now embedding in local communities.

Conclusion

Kent has a huge responsibility to spend its budget wisely. These projects are just a few examples of the many projects that have improved services and lives for the people of Kent, and helped to make Kent an even better county in which to live, work and visit.