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Corporate Directors

To: CABINET - 25 April 2016

Subject:

- (1) **REVENUE AND CAPITAL BUDGET MONITORING FOR 2015-16 - JANUARY**
- (2) **KEY ACTIVITY MONITORING FOR 2015-16 - JANUARY**

Classification: **Unrestricted**

1. SUMMARY

1.1 This report provides the budget monitoring position for January 2015-16 for both revenue and capital budgets, including an update on key activity data.

1.2 The format of this report is:

- An executive summary which provides a high level financial summary and highlights only the most significant issues
- There are seven annexes to this executive summary report, as detailed below:
 - **Annex 1** **Education & Young People's Services**
 - **Annex 2** **Social Care, Health & Wellbeing** - Specialist Children's Services
 - **Annex 3** **Social Care, Health & Wellbeing** - Adults
 - **Annex 4** **Social Care, Health & Wellbeing** - Public Health
 - **Annex 5** **Growth, Environment & Transport**
 - **Annex 6** **Strategic & Corporate Services**
 - **Annex 7** **Financing Items**

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.

3. SUMMARISED REVENUE MONITORING POSITION

- 3.1 The net projected variance against the combined directorate revenue budgets is an underspend of -£2.612m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2016-17 to fulfil our legal obligations, detailed in section 3.7, therefore this changes the position to an underspend of -£2.226m as shown in the headline table below. There is also some significant underspending within the forecast, detailed in section 3.8, which we would ideally like to roll forward in order to continue with these initiatives in 2016-17. If we allow for this, then this changes the position to a small **underlying underspend of -£0.111m**. This shows that the Authority as a whole is currently forecasting an underspend sufficient to allow for all of these roll forwards, but these roll forwards will only be possible if the position does not deteriorate before year end. The annexes to this report provide the detail of the overall forecast position which is summarised in table 1 below.
- 3.2 Although the position has improved again this month, by -£0.572m, after allowing for an increase in the roll forward requirements this changes to a slight worsening of the position by +£0.030m. All proposed management action has now been implemented and is included within these forecasts. After allowing for roll forwards, we are forecasting only a very small underspend, so we are not out of danger yet and with the budget savings already required over the medium term, we must do all we can to avoid going into 2016-17 with any overspend.
- 3.3 This report does not attempt to explain movements month on month, but explains why we have a forecast variance. However, we will report the headline movement, which for this month is a £0.572m reduction in the forecast position (excluding schools), as shown in table 1 below. This is mainly due to:

E&YP (excluding schools) - the position has deteriorated by £0.229m this month, but this is largely due to a reduction in the underspend on the Kent Youth Employment programme of £0.644m, which has also reduced the requirements for roll forward to 2016-17. In addition, there have been many other smaller movements totalling -£0.415m, the most significant being within Early Intervention & Prevention, mainly due to further staffing savings; within School Improvement predominately due to further underspending on the Intervention Fund and Advisor vacancies; together with improvements in the positions of Youth Offending Service, Children's Centres, Strategic Management & Directorate Support budgets and Mainstream Home to School Transport. There are also a number of movements in the forecasts against the DSG funded budgets totalling -£0.5m, but in accordance with regulations these will be matched by a transfer to the central DSG reserve of £0.5m as we cannot use this underspending to offset pressures elsewhere within the directorate budget.

E&YP (schools delegated budgets) - the position has deteriorated by £0.047m this month which reflects an increased drawdown from the schools unallocated DSG reserve to fund a small pressure on Early Years Education for two year olds.

SCH&W (SCS - Asylum) - a small reduction in the Asylum costs of £0.057m following a further slow down in migrant activity since the last report, with 28 referrals in February and 17 for the first 16 days of March, whereas the previous forecast assumed 50 referrals for each of these two months. The forecast now assumes 25 referrals for March.

SCH&W (SCS) - Within the other Specialist Children's Services (excluding Asylum), the underspend has increased by £0.504m this month. This is mainly due to a reduction in the Children's social care staffing pressure of -£0.160m, predominately within non disability teams; an increase in the underspending within Adoption & other permanent care arrangements service of -£0.146m predominately due to vacancy management within the County Adoption Team, and an increase in the underspend within Strategic Management & Directorate Support budget of -£0.120m including increased savings from vacancy management. In addition, there are lower than anticipated costs for Safeguarding (-£0.108m) and Family Support (-£0.116m). These improvements are partially offset by an increased pressure on the Fostering service of +£0.116m.

SCH&W (Adults) - the overall Adult Social Care position has deteriorated by £0.189m this month, which predominately relates to the cancellation of an outstanding debt relating to Ordinary Residence, based on latest legal advice. In addition, an increase in the pressure on nursing & residential care (+£0.4m) is offset by an improvement in the forecast for direct payments (-£0.3m) and domiciliary care (-£0.1m). A reduction in the underspend on Adaptive & Assistive Technology (+£0.1m) is offset by an increase in the underspend on Adult Social Care staffing (-£0.1m), but this underspend relates to the delay in undertaking Deprivation of Liberty Safeguard (DOLS) assessments and is required to roll forward.

SCH&W (Public Health) - the underspend on the Public Health services has increased by £0.457m this month which will be matched by an increased transfer to the Public Health reserve. This is mainly due to reductions in spend within the 0 -5 year olds health visiting service and sexual health services, which is predominately because of a reduction in the revenue contribution to capital due to re-phasing of the Community Sexual Health Services capital scheme to 2016-17.

GE&T - the underspend has marginally increased by £0.041m this month, however within this are a number of larger offsetting movements, the main ones being: a worsening in the positions for Concessionary Fares (+£0.106m) and Young Person's Travel Pass (+£0.273m) based on early indications of usage in quarter 4 and a number of YPTP passes having not yet been renewed for the second half of the academic year; and reduction in income expected from the European Regional Development Fund within Environmental Management (+£0.254m). These have been more than offset by further underspending on streetlight maintenance (-£0.407m), where the underspending because of a delay in works due to resource issues with our external provider has increased, resulting in an increase in the amount of roll forward required; an increase in the underspending on the Libraries, Registration & Archives service of -£0.113m mainly due to savings against staffing budgets; underspending on Development Planning of -£0.095m and a number of other smaller movements totalling -£0.059m.

S&CS - the underspend has marginally improved by £0.043m this month due to a number of minor movements, of which £0.055m is required to roll forward (see section 3.7).

FI - the underspend has increased by £0.345m this month due to a further increase in the forecast interest on cash balances as a result of higher cash balances, investing for longer durations and increased dividends. In addition, the underspend on the Insurance Fund has increased by -£0.5m, due to a reduction in the forecast for claims settlements to be paid in year. This will result in an increase in the transfer to the Insurance reserve at the end of the financial year of +£0.5m.

3.4 HEADLINE POSITION (EXCL SCHOOLS) (£'000)

| | Cash Limit | Variance Before Mgmt Action | Management Action - already in place | Net Variance after Mgmt Action | Last Report | Movement |
|--|-----------------|-----------------------------|--------------------------------------|--------------------------------|---------------|-------------|
| Directorate Totals | +931,015 | -2,612 | - | -2,612 | -2,040 | -572 |
| Adjustments: - Legally committed roll fwd (see section 3.7 for detail) | | +386 | - | +386 | +314 | +72 |
| Underlying position (incl. legally committed roll fwd requirements only) | +931,015 | -2,226 | - | -2,226 | -1,726 | -500 |
| - Roll fwd / re-phasing required to continue / complete existing initiatives (see section 3.8 for detail) | | +2,115 | - | +2,115 | +1,585 | +530 |
| Underlying position (incl. ALL roll fwd requirements) | +931,015 | -111 | - | -111 | -141 | +30 |

3.5 Table 1 Directorate position - net revenue position before and after management action together with comparison to the last report

| Annex | Directorate | Budget | Net Variance (before mgmt action) | Management Action already in place | Net Variance (after mgmt action) | Last Report | Movement |
|-------|--|------------------|-----------------------------------|------------------------------------|----------------------------------|----------------|-------------|
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 1 | Education & Young People's Services | 72,083.8 | -60 | - | -60 | -289 | +229 |
| 2 | Social Care, Health & Wellbeing - Specialist Children's Services | 133,084.8 | -1,188 | - | -1,188 | -684 | -504 |
| | Social Care, Health & Wellbeing - Asylum | 280.0 | +1,972 | - | +1,972 | +2,029 | -57 |
| | <i>Sub Total SCH&W - Specialist Children's Services</i> | <i>133,364.8</i> | <i>+784</i> | <i>-</i> | <i>+784</i> | <i>+1,345</i> | <i>-561</i> |
| 3 | Social Care, Health & Wellbeing - Adults | 350,266.1 | +5,450 | - | +5,450 | +5,261 | +189 |
| 4 | Social Care, Health & Wellbeing - Public Health | - | - | - | - | - | - |
| 5 | Growth, Environment & Transport | 173,505.5 | -1,635 | - | -1,635 | -1,594 | -41 |
| 6 | Strategic & Corporate Services | 71,952.2 | -2,397 | - | -2,397 | -2,354 | -43 |
| 7 | Financing Items | 129,842.5 | -4,754 | - | -4,754 | -4,409 | -345 |
| | TOTAL (excl Schools) | 931,014.9 | -2,612 | - | -2,612 | -2,040 | -572 |
| 1 | <i>Schools (E&YP Directorate)</i> | <i>-</i> | <i>+14,113</i> | <i>-</i> | <i>+14,113</i> | <i>+14,066</i> | <i>+47</i> |
| | TOTAL | 931,014.9 | +11,501 | - | +11,501 | +12,026 | -525 |

3.6 The **Revenue** Budget Monitoring headlines are as follows:

- a) We have suffered in year government funding cuts in relation to Public Health grant of £4.033m and Youth Justice Board grant of £0.139m. See section 3.10 below for further details.
- b) The position included in this report for Asylum is a pressure of £1.972m, and this reflects the latest grant offer from the Home Office of the new weekly rates of £200 for age 18 and over (from £150), £700 for 16 and 17 year olds (from £637) and £1,050 for under 16's (from £798). A condition of this grant offer is that it is subject to a Home Office audit of our costs. The position also reflects the impact of migrant activity up to the end of February and assumes 25 new referrals for March. Provisional figures show that there were 28 referrals in February and 32 for March, so we remain close to this forecast. Also included within the forecast is the fit out costs for a new temporary reception centre. National dispersal of some young people to other local authorities is helping to mitigate the pressure on this service. However, it is likely that the increased migrant activity levels since June 2015 will produce an additional pressure on our Asylum budget in future years as more Asylum young people reach age 18, because our costs have consistently exceeded the grant receivable for this age group.
- c) There is a forecast underspend on Specialist Children's Services (exc. Asylum). The net position of -£1.188m includes an underspend of -£0.159m relating to the re-phasing of Kent Safeguarding Children Board costs into 2016-17 which is required to roll forward in order to meet our obligation to the board under the terms of the multi agency agreement. The underlying £1.029m underspend mainly relates to underspending on adoption, partly due to fewer children requiring this permanent care arrangement, fostering, safeguarding, Virtual School Kent, Family Support Services and strategic management & directorate support budgets. These underspends are partially offset by pressures on children's social care staffing, as a result of increased costs of agency social workers due to the ongoing difficulties in recruiting to posts and the establishment of additional Adolescent Support Team posts targeted at increasing the proportion of young people re-united with their families within the early weeks of care, together with pressures on Residential Care, which result from a lack of suitable independent foster care placements and small pressures on Care Leavers and Legal Charges. The position assumes that the transformation savings will be delivered in line with the savings profiles agreed with our transformation partner, however there is a risk that, due to recent increases in numbers of Looked After Children, the savings on Fostering and Residential care will not be fully achieved, which could result in a deterioration of the current forecast position.
- d) The pressure of £5.450m within Social Care, Health & Wellbeing - Adults is largely the net effect of a continuation of increased activity experienced in the final quarter of 2014-15 on residential and homecare services for older people and physically disabled clients, together with significant pressures on residential care for mental health clients, the supported living service for learning disabled and physically disabled clients, day care for learning disability clients and support for carers. In addition, revised phasing of the anticipated delivery of phase 2 transformation savings is adding to this pressure in the current year, although progress against these phase 2 savings plans in 2015-16 to date is better than we anticipated earlier in the year. These pressures are partially offset by further delivery of phase 1 transformation savings, increased non residential charging income as a result of the pressures on domiciliary care, supported living and day care, staff vacancy savings, underspending on direct payments for older people and learning disability clients, learning disability residential care, Community Support services for Mental Health clients, Adaptive & Assistive Technology and the use of so-far uncommitted funding held within Other Adult Services and Adult Social Care Staffing, including the release of £4.2m of Care Act funding following the Government announcement to delay implementation of phase 2 Care Act reforms and some of the funding provided in the budget for social care prices following completion of the prices review (see Annex 3 for further information).

- e) As previously reported, a high profile social care provider has recently failed their Care Quality Commission inspection and are in the process of going into liquidation. This may result in additional costs against the adult social care budget as we need to find alternative placements for clients who are currently with this provider. However, existing placements can continue for the remainder of 2015-16, so any impact of this will be in the new financial year.
- f) Within Education & Young People's Services, a pressure on the SEN Home to School Transport budget of £2.183m is partially offset by a continuation from last year of the reduced demand for mainstream home to school transport (-£0.782m) and an underspend on the Kent 16+ Travel Card mainly due to a reduction in estimated journey costs and increased income from sale of passes (-£0.270m). In addition, the Directorate is showing a net pressure in relation to costs associated with the new Early Help Module; refurbishment costs for Youth Centres and costs of cabling and wireless routers in Children's Centres; a staffing pressure with the Youth Offending Service partly due to staffing levels not reducing in line with reductions in income streams; shortfalls against income targets for nursery provision, early years training and school improvement, together with a pressure on the Community Learning & Skills service due to costs associated with service redesign and a reduction in contract/grant income. These pressures are partially offset by lower than budgeted annual pension capitalisation costs; an underspend across the area and district Early Help & Preventative Services teams due to vacancies and staff appointed below the budget assumption of mid point of grade; advisor vacancies within School Improvement; increased income from non statutory psychology traded services; savings on commissioned services and legal fees, and delivery of management action relating to the Intervention Fund and maximising the use of DSG within Assessment & Support of Children with SEN and Early Years & Childcare. In addition, significant underspending is forecast relating to the Troubled Families Programme and to a lesser extent, the Kent Employment Programme but, if possible, roll forward is required to continue these schemes in 2016-17. As a result, the directorate as a whole is forecasting a net underspend excluding schools of £0.060m. However, in order to fund the roll forward requirements, an underspend of £0.715m is required, so the directorate is investigating options to cover the shortfall of £0.655m in order to achieve this position, particularly from maximising trading income from schools and academies through aggressive marketing campaigns as well as reviewing all discretionary non staffing expenditure.
- g) A net pressure on the high needs education budgets (+£2.378m), a pressure on Early Years Education for 2 year olds (+£0.047m) and other schools related pressures (+£2.958m) will be met by a drawdown from the schools unallocated DSG reserve. School reserves are also forecast to reduce by £1.309m as a result of an expected 12 schools converting to academies, and by £7.421m for the remaining Kent schools based on their 9 month monitoring returns. Overall the school reserves are therefore currently forecast to reduce by £14.113m to £39.896m.

- h) The Growth, Environment and Transport Directorate is forecasting an underspend of £1.635m. Within this position are some larger offsetting variances, the most significant are a pressure on Concessionary Fares of +£0.632m due to increased usage; a pressure on the highways maintenance budgets of +£0.715m, mainly due to pothole and drainage works following an extension to the find and fix campaign (+£1.462m) offset by underspending on streetlight maintenance (-£0.306m) and underspending on adverse weather (-£0.522m); a pressure on the Environmental Management budget of +£0.212m mainly due to a reduction in income expected from European Regional Development Fund and a net pressure on the waste management budgets of +£0.232m (see item (i) below for further details). These pressures are more than offset by underspending on the highways management budgets of -£1.286m mainly due to a rebate following a reconciliation of winter 2014-15 and summer 2015-16 usage of streetlight energy and a lower than budgeted electricity price increase for 2015-16 (-£0.574m), together with an underspend on traffic management largely relating to increased income from the Kent Permit Scheme and streetworks (-£0.337m) and undrespending on Development Planning (-£0.159m) and Highway Improvements (-£0.142m); an underspend on the Young Person's Travel Pass of -£0.464m due to fewer than budgeted passes in circulation; additional registration income mainly from ceremonies of -£0.440m; underspending within Libraries, Registration & Archives of -£0.322m partly due to staff vacancy savings and an underspend against the budget allocation to deliver transformation projects due to a delay in the transfer of libraries to trust status, and underspends within the strategic management & directorate support budgets of -£0.547m mainly as a result of an underspending on staffing and early retirement costs; together with a number of smaller variances across the other service units.
- i) The high waste volumes experienced during 2014-15 have continued into the first ten months of 2015-16 with a forecast overspend of £2.260m currently reported. This is largely offset by savings on management fees at waste facilities sites, in-vessel composting, higher than anticipated income from recyclables, lower cost of waste to energy disposal, contract savings at Household Waste Recycling Centres and transfer stations, savings from a new haulage contract and a re-phasing of works at closed landfill sites into 2016-17, giving an overall net pressure on the waste budgets of +£0.232m. The tonnage for the first ten months of 2015-16 was 13,800 tonnes above the affordable level for this period and the current forecast pressure on waste tonnage of £2.142m assumes tonnage will be 709,900 tonnes for the full year, 19,400 tonnes above the budgeted level of 690,500 tonnes. This forecast appears high when comparing to year to date tonnage, but it assumes that the profile of waste volumes for the remainder of the year will be higher than that experienced this time last year, as a result of Easter falling in March 2016. Waste tonnage for the first ten months of the year is 1.4% below waste tonnage for the same period last year.
- j) The forecast underspend for Public Health has increased by £0.457m to £1.224m which will be transferred to the Public Health reserve in line with government guidelines, for use in future years. This position is after the cash limits have been reduced to reflect the £4.033m in year government funding cut as a result of the Government's austerity measures. Please see section 3.10 (i) for further details.
- k) Within Strategic & Corporate Services an underspend of £2.397m is now reported with pressures within the Contact Centre, Gateways & Customer Relationship and ICT being more than offset by underspending mainly within Property & Infrastructure, Communications & Consultation, Business Services Centre, Finance & Procurement, Business Strategy and Human Resources. In addition an underspend is forecast against the budget for Member Community Grants based on the level of projects anticipated to be approved before the end of the financial year.

- l) Within Financing Items, increased interest on cash balances; a forecast increase in Education Services Grant as fewer schools are anticipated to convert to academy status this financial year than assumed at the time the budget was set; higher than expected Business Rate compensation grant for the impact of measures introduced by the Government in the 2012, 2013 and 2014 Autumn Statements; a retained levy as a result of being in a business rate pool with 10 of the Kent District Councils and an underspend against the external audit fee all contribute to a forecast underspend of £4.754m. The accounting treatment for the retained levy has only been agreed this financial year, hence why this was not factored into the 2015-16 budget build, but it has been reflected in the recently approved 2016-17 budget. The final figure for the retained levy will not be known until the final stages of closing the 2015-16 accounts, so this forecast position could change.
- m) The centrally held procurement and commissioning saving has transferred in year from Finance & Procurement, within Strategic & Corporate Services (annex 6) to Financing Items (annex 7). The detailed action plan from our project partner (KPMG) on how this will be delivered has been finalised. This contains a number of proposals for delivering these savings in future years, but for the current year the recommendation is that this be delivered from tactical savings across the authority. The impact of these savings is also currently being reported within Financing Items.
- n) Many of the pressures and savings highlighted in the headlines above have implications for the 2016-19 MTFP, as they are expected to be ongoing. The approved 2016-17 budget, includes an element of budget re-basing for these pressures and savings.

3.7 Details of Committed Roll Forward/Re-phasing requirements

The headline table on page 4 shows that within the current forecast revenue position there is a requirement to roll forward £0.386m to 2016-17, relating to initiatives where we have a legal obligation to provide the funding. This relates to:

| | |
|---|--------|
| ▪ re-phasing of Kent Youth Employment programme in to 2016-17 (see annex 1) | +113 k |
| ▪ re-phasing of Kent Children's Safeguarding Board in to 2016-17. This represents KCC's share of the underspend of the KCSB. Under the terms of the multi-agency agreement, KCC has an obligation to provide this funding to the Board. The underspending relating to partners contributions is held in a Fund (see annex 2) | +159 k |
| ▪ re-phasing of Kent & Medway Safeguarding Vulnerable Adults Committee in to 2016-17. This represents KCC's share of the underspend of the Committee. Under the terms of the multi-agency agreement, KCC has an obligation to provide this funding to the Committee. The underspending relating to partners contributions is held in a Fund (see annex 3) | +59 k |
| ▪ Re-phasing into 2016-17 of costs relating to setting up the Property LATCo (see annex 6) | +55 k |
| | +386 k |

These roll forward requirements are included as we have a legal obligation and therefore legally we have no choice.

3.8 Details of Roll Forward/Re-phasing required to complete existing initiatives, if the outturn position allows:

In addition to the roll forward requirements that we are legally obliged to provide for, which are detailed above, there is some significant underspending within the forecast which we would ideally like to roll forward in order to continue with these initiatives in 2016-17. The Authority as a whole would need to achieve an underspending position at year end of at least -£2.501m in order to fund all of these (£2.115m as detailed below and +£0.386m per section 3.7 above). We are currently forecasting an underspend of -£2.612m, so we have a surplus of £0.111m as highlighted in the headline table on page 4. Our forecast underspend must remain at least equal to the value of the roll forward requirements in order for roll forward for these initiatives to be considered. These initiatives are:

| | |
|--|----------|
| ▪ Kent Youth Employment programme (see annex 1) | +16 k |
| ▪ Tackling Troubled Families (see annex 1) | +586 k |
| ▪ Re-phasing of Deprivation of Liberty Safeguard assessments funded by one-off grant (see annex 3) | +261 k |
| ▪ Highways Maintenance - re-phasing of streetlight maintenance (see annex 5) | +277 k |
| ▪ Emergency Response & Resilience (incl Flood Risk Management) - Sustainable Urban Drainage Scheme works (see annex 5) | +55 k |
| ▪ re-phasing of Local Member Grants (see annex 6) | +920 k |
| | <hr/> |
| | +2,115 k |

In line with usual practice, **all** roll forward proposals will be subject to Cabinet approval in the summer, in view of the overall outturn position and the pressures facing the authority over the medium term.

3.9 Revenue budget virements/changes to budgets

All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process, including the inclusion of new 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set.
- Cash limits for the A-Z service analysis have been adjusted since the budget was set to reflect a number of technical adjustments, including the further centralisation of budgets and to reflect where responsibility for providing services has moved between directorates/divisions.

3.10 In year cuts to Government funding levels

Making an early start on tackling the public finances in this Parliament, the Chancellor announced in the Queen's Speech in early June that the in-year budget review process was completed and provided details of the savings by Government Department. Some of these cuts have had a direct impact on our finances in the current year and, potentially, future years. Details announced include:

i) **Public Health**

- As reported to Cabinet on 6 July in the first monitoring report for 2015-16, the Government announced that £200m of in year savings from the Department of Health are to come from public health budgets devolved to local authorities. National consultation setting out possible options on reducing Local Authority (LA) public health allocations ran from 31 July to 28 August. The options included:
 - (1) take a larger share from LAs that are significantly above their target allocation;
 - (2) take a larger share of the savings from LAs that carried forward unspent PH reserves into 2015-16;
 - (3) apply a flat rate percentage reduction to all LAs allocations;
 - (4) apply a standard percentage reduction to every LA unless an authority can show that this would result in particular hardship.The Department of Health's stated preferred option was to apply a 6.2% reduction across the board (option 3 above), which for Kent equates to a cut in funding of £4.033m. On this basis, the service identified options for dealing with an in-year 2015-16 budget reduction of this level, but a reduction of this size requires cuts to service levels. Our response to the consultation was that option 1 was our preferred option. Kent is currently below our target allocation. On 4 November, the DoH announced that, despite their preferred option only being backed by a quarter of respondents to the consultation, on balance this remained their preference as it is the option most consistent with the underpinning principles for managing the saving that the DoH has set out: it delivers the £200 million, it is the least disruptive to services and it is compliant with the Public Sector Equality Duty and the health inequality duty. The saving has therefore been taken via a reduction to the fourth quarterly instalment of the PH grant and the PH cash limits shown in annex 4 have been reduced accordingly.

ii) **Adult Education**

- The Skills Funding Agency (SFA) announced a 3.9% cut to adult skills budget and discretionary learner support allocations, which was made in response to the £450m in year savings required of the Department for Business, Innovation & Skills. Additionally, the SFA will attempt to save money by withdrawing all funding for mandated English for speakers of other languages (ESOL) provision for the 2015-16 funding year. This 3.9% cut has been made across the board to non-apprenticeship allocations. The impact on the Community Learning & Skills budget was a reduction in funding of £0.359m but the service has been able to cease some direct service costs and with the implementation of management action, the residual impact is estimated at £0.1m, and this is included in the E&YP directorate forecast reflected in this report.

iii) **Youth Offending Service**

- The formal consultation regarding a 14% (£12m) in year government cut in Youth Offending Team grant from Youth Justice Board (YJB) concluded in September. We, and other local authorities, responded to YJB stating that an in year cut in grant would be too detrimental to the service and suggested that the reduction should be taken from the central YJB budget. The YJB met on 28 October to consider the consultation responses and to make a decision on how to achieve the reduction. On 5 November the YJB announced that £9m of the required reduction will need to be taken from the 2015-16 grant, which equates to a 10.6% reduction in the annual allocation. This equates to approximately a £0.139m reduction in our YJB funding and the impact is reflected in the E&YP directorate forecast included within this report.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2015-16 Capital Programme is £266.042m (£262.299m excluding PFI). This has now been updated to reflect the budget approved in February 2016. The forecast outturn against this budget is £254.198m (£250.455m excluding PFI) giving a variance of -£11.844m (-£11.844m excluding PFI). The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Directorate capital position

| Directorate | 2015-16 Cash Limit per Budget Book £'000 | 2015-16 Working Budget £'000 | 2015-16 Variance £'000 | Real Variance £'000 | Re-phasing Variance £'000 | Annex |
|--|---|------------------------------------|------------------------------|---------------------------|---------------------------------|-------|
| Education & Young People's Services | 145,060 | 124,854 | -5,357 | 84 | -5,441 | 1 |
| Social Care, Health & Wellbeing - Specialist Children's Services | 626 | 827 | - | - | - | 2 |
| Social Care, Health & Wellbeing - Adults | 30,049 | 10,169 | -1,898 | 9 | -1,907 | 3 |
| Social Care, Health & Wellbeing - Public Health | - | 180 | -180 | | -180 | 4 |
| Growth, Environment & Transport | 102,134 | 108,444 | -3,730 | 1,374 | -5,104 | 5 |
| Strategic & Corporate Services | 20,155 | 21,568 | -679 | 869 | -1,548 | 6 |
| Financing Items | - | - | - | | | 7 |
| TOTAL | 298,024 | 266,042 | -11,844 | 2,336 | -14,180 | |

4.3 The **Capital** Budget Monitoring headlines are as follows:

- a) The majority of schemes are rated green, meaning they are within budget and on time.
- b) +£2.336m of the -£11.844m variance is due to **real** variances as follows:

Integrated Transport Schemes (GET) +£0.465m for purchase of additional buses and community transport minibuses to be funded from a revenue grant.

Marsh Millions (GET) +£0.377m reflects expected match funding from partners.

Libraries Wi-Fi Project (GET) +£0.313 reflects new funding from the Arts Council to add or upgrade Wi-Fi in 66 libraries.

Customer Relationship Management Solution (S&CS) +£0.858m reflects costs that have now been identified as capital rather than revenue, to be funded by revenue contribution.

The remaining +£0.323m of real variances are made up of a number of minor real over and underspends on projects across the capital programme. The annexes to this report provide the detail.

- c) -£14.180m of the -£11.844m variance relates to **rephasing** on a number of projects. The main projects comprising the rephasing are as follows:

Trinity Free School, Sevenoaks (EYP) +£2.000m. Works are proceeding ahead of schedule due to good weather.

Basic Need Programme (EYP) -£3.000m. Following a review of the Kent Commissioning Plan, some projects that were due to commence with pre-construction activities in the current year will now start in 2016-17.

Special School Review Phase 2 (EYP) -£2.989m. Rephasing following significant delays at the planning and contract execution stages of a number of complicated projects which has impacted on start dates.

Modernisation Programme (EYP) -£1.112m. Rephasing of some works due to a delay in the procurement of contractors and changes made to the scoping of projects. No delivery delays are expected.

Lowfield Street (SCH&W Adults) -£0.976m. The project is on hold due to the development of the site not progressing. Further negotiations are underway with all parties on how to proceed.

Wheelchair Accessible Housing (SCH&W Adults) -£0.533m. This budget is being managed alongside other priorities within the service and will now be spent in the following financial year.

Learning Disability Good Day Programme - Community Hubs and Initiatives (SCH&W Adults) -£0.441m. The KCC Asset Management Strategy stipulates a requirement to review all KCC properties when looking for alternative accommodation. In order to meet this requirement some projects are being rephased into next year.

Highway Major Enhancement (GET) -£0.970m. -£-0.770m due to delays with procurement on Grosvenor Bridge, and -£0.200m works design and procurement delays on Clapham Hill.

Swale Transfer Station (GET) -£0.866m to reflect rephasing to allow the scheme to complete in 2016/17.

Empty Property Initiative (GET) -£0.347m rephasing to reflect realignment of the loan payment spend profile to match that of the expected loan repayments.

Major Road Schemes (GET):

East Kent Access Phase 2 -£0.639m;

Sittingbourne Northern Relief Road -£0.399m; and

Victoria Way -£0.319m.

Rephasing to cover land compensation payments in future years; the timing of which is notoriously difficult to predict.

SELEP Projects (GET):

Sittingbourne Town Centre Regeneration -£0.250m;

A26 London Road/Staplehurst Road/Yew Tree Junction +£0.305m;

A28 Chart Road, Ashford -£0.574m; and

Maidstone Gyratory Bypass: -£0.256m.

Rephasing of schemes following realignment of cost and associated funding due to nature of SELEP schemes.

Property Investment & Acquisition Fund (S&CS) -£1.415m. Due to the removal or revaluation of some properties as a result of the restrictions on title and use.

The remaining -£1.399m rephasing comprises minor rephasing across the capital programme. The annexes to this report provide the detail.

4.4 Capital budget virements/changes to cash limits

- Any cash limit changes due to virements are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.
- There are no proposed cash limit changes to the capital programme in this report.

5. CONCLUSIONS

- 5.1 The overall forecast position after taking into account the requirements to roll forward, has slightly worsened this month by £0.030m from -£0.141m to -£0.111m. Within this position is a -£0.057m reduction in the Asylum forecast reflecting the impact of a continuation of the slowing down of migrant activity in recent weeks from the high levels experienced from June through to October. The forecast includes 28 referrals for February and assumes 25 for March. Provisional figures show that migrant activity was close to these assumptions, so we appear to be on track against this latest forecast. Excluding Asylum, the position for all other services has therefore marginally deteriorated this month, after allowing for roll forward requirements, by £0.087m. However, in view of where we were only a few months ago, a small forecast underspend after roll forward requirements is still a great achievement, but with the further substantial budget savings included in the approved 2016-17 budget and more government funding cuts in the medium term we must do all we can to enter 2016-17 with as big an underspend as possible.
- 5.2 There are a number of ongoing emerging issues that have been addressed in the approved 2016-17 budget / 2016-19 MTFP and these are highlighted in the annexes to this report and/or in the headlines above.

6. RECOMMENDATIONS

Cabinet is asked to:

- Note** the report, including the latest monitoring position on both the revenue and capital budgets.

7. BACKGROUND DOCUMENTS

None

8. CONTACT DETAILS

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EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
|----------------------------------|----------------|--------------------------------|-------------|-----------------------------------|---------------|-------------|--|
| | | | | | committed | uncommitted | |
| Total (excl Schools) (£k) | +72,084 | -60 | - | -60 | +113 | +602 | +655 |
| Schools (£k) | - | +14,113 | - | +14,113 | - | - | +14,113 |
| Directorate Total (£k) | +72,084 | +14,053 | - | +14,053 | +113 | +602 | +14,768 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|----------------|-----------------|--------------|--------------|-------------|--|--|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | £'000 | | |
| Education & Young People's Services | | | | | | | |
| Delegated Budget: | | | | | | | |
| Schools & Pupil Referral Units Delegated Budgets | 673,975.2 | -673,975.2 | 0.0 | +14,113 | +1,309 | Drawdown from school reserves for 12 expected academy converters | |
| | | | | | +7,421 | Expected drawdown of reserves for remaining Kent schools based on schools nine month monitoring | |
| | | | | | +2,958 | Expected drawdown from the schools unallocated reserve to fund other in year schools related pressures | |
| | | | | | +2,425 | Expected drawdown from the schools unallocated reserve to fund in year High Needs and Early Years pressures | |
| TOTAL DELEGATED | 673,975.2 | -673,975.2 | 0.0 | +14,113 | | | |
| Non Delegated Budget: | | | | | | | |
| E&YP Strategic Management & directorate support budgets | 9,746.7 | -8,704.2 | 1,042.5 | +356 | +316 | Pressure on the Information and Intelligence team budget including £220k of costs associated with the new Early Help Module (<i>includes a DSG variance of +£82k</i>) | The Early Help Module pressure has been reflected in the approved 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|----------------|-----------------|--------------|--------------|--|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | £'000 +250 Additional Area Education staffing costs together with plans to capitalise staffing costs for basic need provision not now going ahead <i>(includes a DSG variance of +£230k)</i> -219 Underspend on legal fees +9 Other minor variances | Part of this saving is expected to be ongoing and has been reflected in the approved 2016-19 MTFP |
| <u>Children's Services - Early Help</u> | | | | | | |
| - Children's Centres | 8,389.1 | -2,076.5 | 6,312.6 | -131 | +129 Underachievement of savings on commissioned contracts due to only a part year effect being delivered in 2015-16 and the percentage saving applied being lower than anticipated -140 Underspend on Commissioned services -120 Other minor variances, each less than £100k, across a number of centres | |
| - Early Intervention & Prevention | 20,447.9 | -5,353.1 | 15,094.8 | -919 | -909 Underspend across area and district EH&PS teams, mainly due to staffing vacancies and staff budgeted to be at mid point of scale but appointed at the bottom of scale <i>(includes a DSG variance of -£228k)</i> +140 ICT costs for wireless routers, cabling etc in Children's Centres +100 Refurbishment costs for Youth Centres including Whitstable and Tunbridge Wells -160 Net savings on commissioned services <i>(includes a DSG variance of -£11k)</i> -89 DSG variance - underspend on Family Liaison Officers (FLOs) -1 Other minor variances | |
| | 28,837.0 | -7,429.6 | 21,407.4 | -1,050 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|----------|---------|----------|---|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | | |
| Children's Services - Education & Personal | | | | | | |
| - 14 - 24 year olds | 2,986.0 | -941.0 | 2,045.0 | -156 | -129 Kent Youth Employment programme placements; £113k of this underspend will need to be rolled forward to fund our legal obligation to continue with the current placements. If the directorate and the authority as a whole achieve an underspending position sufficient to allow it, roll forward of the remaining £16k will be requested in order to fund future placements. -27 Other minor variances | |
| - Attendance & Behaviour | 2,587.9 | -2,449.3 | 138.6 | -404 | -332 <i>DSG variance - underspend on individual tuition due to staff vacancies and fewer tutors being used</i> -106 Increased penalty notice income from pupils being absent from school <i>(includes a DSG variance of -£96k)</i> +34 Other minor underspends | |
| - Early Years & Childcare | 6,369.7 | -4,939.8 | 1,429.9 | -189 | +332 Shortfall in the budgeted surplus for the 3 nursery provisions +308 Under recovery of Early Years Training income -369 Underspend on Sufficiency and Sustainability non staffing budget, as bid to be a pilot area to increase the free entitlement for 3 & 4 year olds from 15 to 30 hours per week was unsuccessful <i>(includes a DSG variance of -£317k)</i> -228 Underspend on Sufficiency and Sustainability staff <i>(includes a DSG variance of -£196k)</i> | A management action plan has been put in place to improve the premises through building renovation work, alongside a marketing campaign, which should increase the level of income in 2016-17. |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--------------------------------|----------------|-----------------|--------------|--------------|---|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | £'000 -90 <i>DSG variance - underspend on collaboration projects between early years settings</i> -86 Underspend on Every Child a Talker project -300 Re-badging of eligible base funded Early Years expenditure now to be funded from DSG +300 <i>DSG variance - re-badging of eligible Early Years expenditure to be funded from DSG</i> -56 Other minor variances | |
| - Early Years Education | 56,493.0 | -56,493.0 | 0.0 | +47 | +47 <i>Schools unallocated DSG variance on early years provision to 2 year olds</i> | |
| - Education Psychology Service | 2,966.8 | -675.0 | 2,291.8 | -270 | -245 Increased income for non statutory psychology traded services -25 Other minor variances | |
| - Individual Learner Support | 7,151.5 | -6,671.4 | 480.1 | +1 | | |
| - Statemented Pupils | 4,809.8 | -4,809.8 | 0.0 | -240 | -202 <i>DSG variance - reduced therapy statemented support costs</i> -230 <i>DSG variance - recoupment income received for other local authority pupils in Kent schools</i> -281 <i>DSG variance - an increase in places in SEN provision has led to a reduction in Individual Tuition costs</i> +366 <i>DSG variance - increase in Severe Complex Accessibility Funding (SCAF) agreements for 2 year old nursery pupils</i> +107 <i>DSG variance - Other minor variances</i> | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|-----------|----------|----------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Youth Service | 2,962.2 | -1,726.2 | 1,236.0 | +119 | +114 | Net shortfall in the budgeted surplus for the outdoor education sites. The shortfall reported in July associated with the change of use of the Appledore Unit at the Swattenden Centre to a reception centre for unaccompanied asylum seeking children, is now being fully reimbursed from the Asylum service. +5 Other minor variances |
| - Youth Offending Service | 2,063.7 | -1,632.1 | 431.6 | +669 | +672 | Staffing pressure, due partly to staff being budgeted at mid point of scale but existing staff are being paid above this, and partly as staffing levels have not reduced in line with reduced income streams. This position has also been exacerbated by an in year reduction to the grant from the Youth Justice Board (YJB). -3 Other minor variances |
| | 88,390.6 | -80,337.6 | 8,053.0 | -423 | | |
| <u>Children's Services -Other Children's Services</u> | | | | | | |
| - Safeguarding | 512.1 | -150.0 | 362.1 | -94 | | |
| <u>Community Services</u> | | | | | | |
| - Community Learning & Skills (CLS) | 13,826.4 | -15,366.1 | -1,539.7 | +793 | +632 | Pressure due to costs associated with the service redesign, a reduction in contract income with no corresponding reduction in costs and a requirement to fund the additional costs of total contribution pay. +100 An in year cut of £359k by the Skills Funding Agency is partially being offset by ceasing some direct service delivery costs and implementing management action to reduce other costs but this leaves a residual problem of £100k. +61 Other minor variances |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|---|------------|-----------|---------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Supporting Employment | 806.6 | -335.0 | 471.6 | 0 | | | |
| - Troubled Families Programme | 4,783.2 | -2,514.9 | 2,268.3 | -586 | -586 | Underspend due to projects supporting families spanning financial years. In addition, due to the payment by results element of the programme, the grant has increased in year but the projects associated with this increase do not begin until the income is received. If the directorate and the authority as a whole achieve an underspending position sufficient to allow it, roll forward of this £586k will be requested in order to continue supporting families, in 2016-17, as part of the Tackling Troubled Families government initiative. | |
| | 19,416.2 | -18,216.0 | 1,200.2 | +207 | | | |
| School & High Needs Education Budgets | | | | | | | |
| - Exclusion Services | 2,495.4 | -2,495.4 | 0.0 | 0 | | | |
| - High Needs Further Education Colleges - Post 16 year olds | 2,338.0 | -2,338.0 | 0.0 | +397 | +397 | <i>Schools unallocated DSG variance - increased costs of high needs placements for post 16 students in colleges</i> | <i>This pressure has been included in the approved 2016-17 budget</i> |
| - High Needs Independent Sector Providers - Post 16 year olds | 4,591.0 | -4,591.0 | 0.0 | -590 | -590 | <i>Schools unallocated DSG variance - reduction in costs of independent sector placements for post 16 students</i> | <i>This saving has been included in the approved 2016-17 budget</i> |
| - High Needs Independent Special School placements | 19,650.4 | -19,650.4 | 0.0 | +2,781 | +2,781 | <i>Schools unallocated DSG variance - increase in costs of independent special school places</i> | <i>This pressure has been included in the approved 2016-17 budget</i> |
| - PFI Schools Scheme | 23,810.0 | -23,810.0 | 0.0 | 0 | | | |
| | 52,884.8 | -52,884.8 | 0.0 | +2,588 | | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|----------------|-----------------|--------------|--------------|--|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| <u>Schools Services:</u> | | | | | | |
| - High Needs Pupils - Recoupment | 1,500.0 | -1,500.0 | 0.0 | -210 | +281 Schools unallocated DSG variance - increase in costs of Kent children with high needs receiving education in other local authority schools -491 Schools unallocated DSG variance - additional income from other local authorities with pupils in Kent schools | <i>This pressure has been included in the approved 2016- 17 budget</i> <i>This saving has been included in the approved 2016-17 budget</i> |
| - Other Schools Services | 6,779.3 | -6,885.5 | -106.2 | +327 | +310 DSG variance - Pressure on budget for mobile classrooms to fulfil basic need +17 Other minor variances | |
| - Redundancy Costs | 1,363.7 | -1,363.7 | 0.0 | -501 | -501 DSG variance - reduction in the expected number of school staff redundancies | |
| - School Improvement | 8,909.1 | -6,108.6 | 2,800.5 | -809 | +270 Shortfall in budgeted income targets for teams across the units +59 Increased costs of moderation training and school visits -668 DSG variance on school collaboration projects which will continue into the summer term -255 Underspend on the Intervention Fund following the delivery of management action -172 Net underspend on advisor vacancies partially offset by the costs of consultants covering some of the vacant posts -66 Support team staff vacancies +23 Other minor variances | |
| - Schools Staff Services | 2,617.6 | -2,514.6 | 103.0 | -35 | | |
| - Teachers & Education Staff Pension Costs | 8,416.3 | -2,684.0 | 5,732.3 | -911 | -911 Reduced annual capitalisation costs | Part of this saving is expected to be ongoing has been reflected in the approved 2016- 19 MTFP |
| | 29,586.0 | -21,056.4 | 8,529.6 | -2,139 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|---|------------------|-------------------|-----------------|-------------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| <u>Transport Services</u> | | | | | | | |
| - Home to School/College Transport (SEN) | 21,599.5 | -900.0 | 20,699.5 | +2,183 | +1,861 | Higher than budgeted numbers of pupils travelling and savings from re-tendered contracts not being as high as anticipated | This pressure has been reflected in the approved 2016-19 MTFP |
| | | | | | +328 | Rise in college transport costs due to increased number of SEN students | |
| | | | | | +103 | Lower than budgeted recoupment income from other local authorities | |
| | | | | | -109 | Other minor variances | |
| - Mainstream HTST | 8,795.0 | -50.0 | 8,745.0 | -782 | -782 | Fewer than budgeted numbers of pupils travelling | This saving has been reflected in the approved 2016-19 MTFP |
| - Kent 16+ Travel Card | 3,452.4 | -2,575.0 | 877.4 | -270 | -150 | Reduction in estimated journey costs | |
| | | | | | -120 | Increased income from the sale of passes | |
| | 33,846.9 | -3,525.0 | 30,321.9 | +1,131 | | | |
| <u>Assessment Services</u> | | | | | | | |
| - Assessment & Support of Children with Special Education Needs | 8,503.1 | -7,336.0 | 1,167.1 | +65 | +67 | <i>DSG variance - additional Occupational Therapy and Communication equipment</i> | |
| | | | | | -73 | Underspend on general non staffing costs to offset the pressure on Occupational Therapy and Communication equipment (<i>includes a DSG variance of -£66k</i>) | |
| | | | | | -300 | Re-badging of eligible base funded SEN expenditure, now to be funded from DSG | |
| | | | | | +300 | <i>DSG variance - re-badging of eligible SEN expenditure to be funded from DSG</i> | |
| | | | | | +71 | Other minor variances | |
| | 8,503.1 | -7,336.0 | 1,167.1 | +65 | | | |
| TOTAL NON DELEGATED | 271,723.4 | -199,639.6 | 72,083.8 | +641 | | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------------|-------------------|-----------------|----------------|---|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| - <i>Transfer to(+)/from(-) DSG reserve</i> | | | | -701 | £'000 <i>Net transfer to the Central DSG reserve to offset:</i> +1,545 <i>DSG variances of -£1,545k explained above</i> +179 <i>A number of other smaller DSG variances totalling +£179k</i> <i>Net transfer from the Schools Unallocated DSG reserve to offset:</i> -2,425 <i>DSG variances of +£2,425k on High Needs Education & recoupment and Early Years</i> | |
| TOTAL NON DELEGATED after tfr to/from DSG reserve | 271,723.4 | -199,639.6 | 72,083.8 | -60 | | |
| Total E&YPS | 945,698.6 | -873,614.8 | 72,083.8 | +14,053 | | |
| Assumed Mgmt Action | | | | | Delivery of £800k of management action is now reflected within School Improvement, Early Years & Childcare and the Assessment of Children with SEN, in the latter two areas by maximising the use of DSG. Whilst the forecast at this stage is an underspend of £60k (excl. schools), a roll forward of £113k is required to fund the continuation of current placements under the Kent Youth Employment Programme, and if possible roll forward of the remaining £16k underspend against this programme and £586k against the Troubled Families Programme is required for these schemes to continue into 2016-17. To enable this an underspending position of £715k (£113k+£16k+£586k) for the directorate will need to be achieved, as well as an underspending position for the overall authority as a whole. The directorate continues to look at options to cover the remaining £655k required to achieve this position. | |
| Total E&YPS Forecast <u>after</u> mgmt action | 945,698.6 | -873,614.8 | 72,083.8 | +14,053 | | |

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of schools with deficit budgets compared with the total number of schools:

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--------------------------------|------------------|------------------|------------------|---------------------------|
| | as at 31-3-13 | as at 31-3-14 | as at 31-3-15 | projection for 31-3-16 |
| Total number of schools | 463 | 449 | 412 | 395 |
| Total value of school reserves | £48,124k | £45,730k | £54,009k | £39,896k |
| Number of deficit schools | 8 | 18 | 8 | 20 |
| Total value of deficits | £364k | £2,017k | £2,650k | £2,767k |

Comments:

- The information on deficit schools for 2015-16 has been obtained from the schools nine month monitoring and show 20 schools predicting a deficit. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. Schools' Financial Services are working with these 20 schools to reduce the risk of a deficit in 2015-16 and 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 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.
- The total number of schools is based on the assumption that 12 primary schools will convert to academies before the 31st March 2016, 4 schools are closing and 2 are merging.
- The value of schools reserves is forecast to reduce by £14,113k this financial year. This movement includes a reduction in the schools unallocated reserve to fund both a pressure on the high needs & early education budgets of £2,425k and other schools related items of £2,958k. There is an estimated drawdown of £1,309k due to 12 schools expected to convert to academy status this financial year. In addition, a drawdown of £7,421k is forecast against the remaining individual Kent schools reserves.

2.2 Number of children receiving assisted SEN and Mainstream transport to schools

| | 2013-14 | | | | 2014-15 | | | | 2015-16 | | | |
|-----|--------------|--------|--------------|--------|--------------|--------|--------------|--------|--------------|--------|--------------|--------|
| | SEN | | Mainstream | | SEN | | Mainstream | | SEN | | Mainstream | |
| | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual |
| Apr | 3,934 | 4,145 | 14,667 | 14,119 | 3,808 | 4,051 | 12,493 | 11,400 | 3,752 | 3,896 | 9,866 | 9,426 |
| May | 3,934 | 4,172 | 14,667 | 14,119 | 3,808 | 4,056 | 12,493 | 11,436 | 3,752 | 3,877 | 9,866 | 9,454 |
| Jun | 3,934 | 4,206 | 14,667 | 14,106 | 3,808 | 4,073 | 12,493 | 11,468 | 3,752 | 3,904 | 9,866 | 9,491 |
| Jul | 3,934 | 4,167 | 14,667 | 14,093 | 3,808 | 4,041 | 12,493 | 11,307 | 3,752 | 3,913 | 9,866 | 9,505 |
| Aug | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sep | 3,934 | 3,761 | 14,667 | 10,300 | 3,808 | 3,725 | 12,493 | 8,969 | 3,752 | 3,599 | 9,866 | 6,576 |
| Oct | 3,934 | 3,981 | 14,667 | 11,258 | 3,808 | 3,785 | 12,493 | 9,123 | 3,752 | 3,847 | 9,866 | 7,422 |
| Nov | 3,934 | 4,010 | 14,667 | 11,267 | 3,808 | 3,826 | 12,493 | 9,237 | 3,752 | 3,840 | 9,866 | 7,571 |
| Dec | 3,934 | 4,021 | 14,667 | 11,296 | 3,808 | 3,816 | 12,493 | 9,220 | 3,752 | 3,875 | 9,866 | 7,671 |
| Jan | 3,934 | 4,037 | 14,667 | 11,314 | 3,808 | 3,853 | 12,493 | 9,258 | 3,752 | 3,898 | 9,866 | 7,751 |
| Feb | 3,934 | 4,086 | 14,667 | 11,368 | 3,808 | 3,885 | 12,493 | 9,357 | 3,752 | 3,901 | 9,866 | 7,802 |
| Mar | 3,934 | 4,041 | 14,667 | 11,375 | 3,808 | 3,899 | 12,493 | 9,388 | 3,752 | 0 | 9,866 | 0 |

Comments:

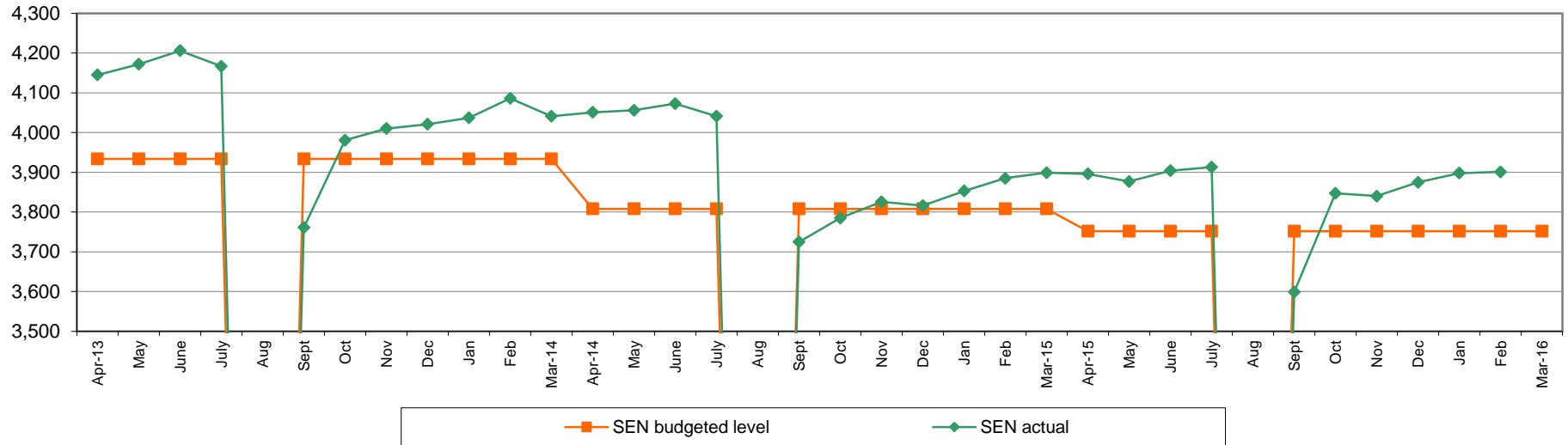
SEN HTST

- Apart from in September, the number of children travelling is higher than the budgeted level. There are also a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel. A pressure of +£1,861k is therefore reported in table 1, which is offset by minor underspends totalling -£109k on independent travel training and personal transport budgets. There are also additional pressures of +£103k due to anticipated lower than budgeted recoupment income from other local authorities for the transport of their pupils to Kent schools and +£328k on home to college transport for SEN students.
- Changes in the commissioning of SEN transport during 2014-15, where some special schools and PRUs are given an allocation to provide their own transport, mean that since September 2014 these journeys are not included within the budgeted levels or the actual numbers travelling.

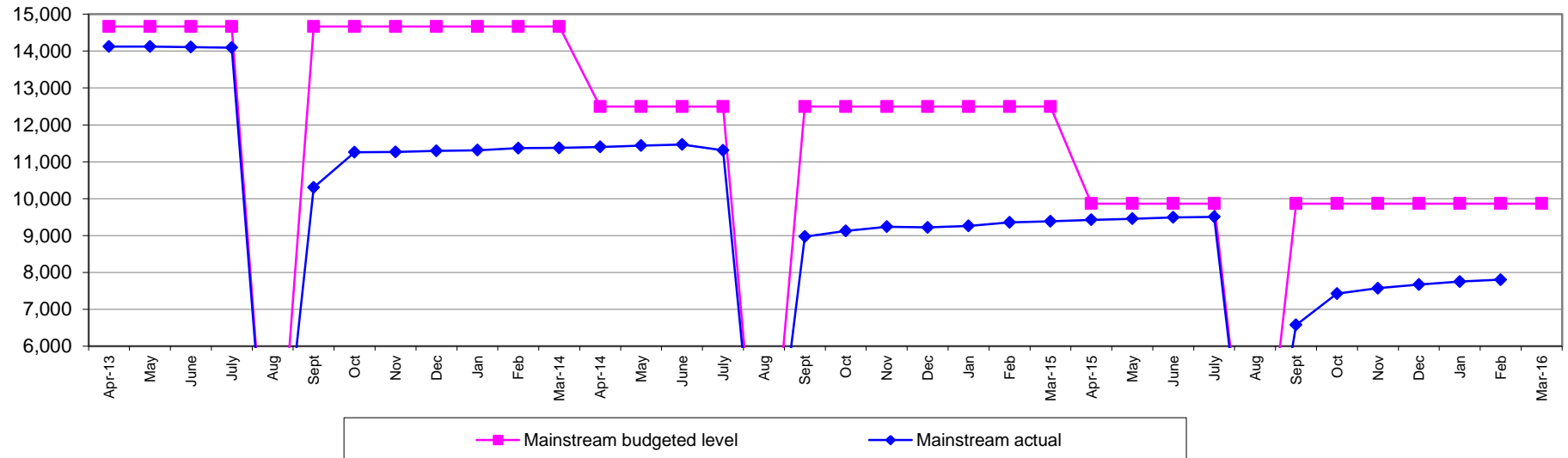
Mainstream HTST

- The number of children receiving transport is lower than the budgeted level, therefore an underspend of -£782k is reported in table 1. As expected, the number of children requiring transport has reduced for the new academic year due to a reduction in the secondary aged population and the impact of a further school year cohort affected by the selective and denominational school transport policy change implemented in 2012-13.

Number of children receiving assisted SEN transport to school



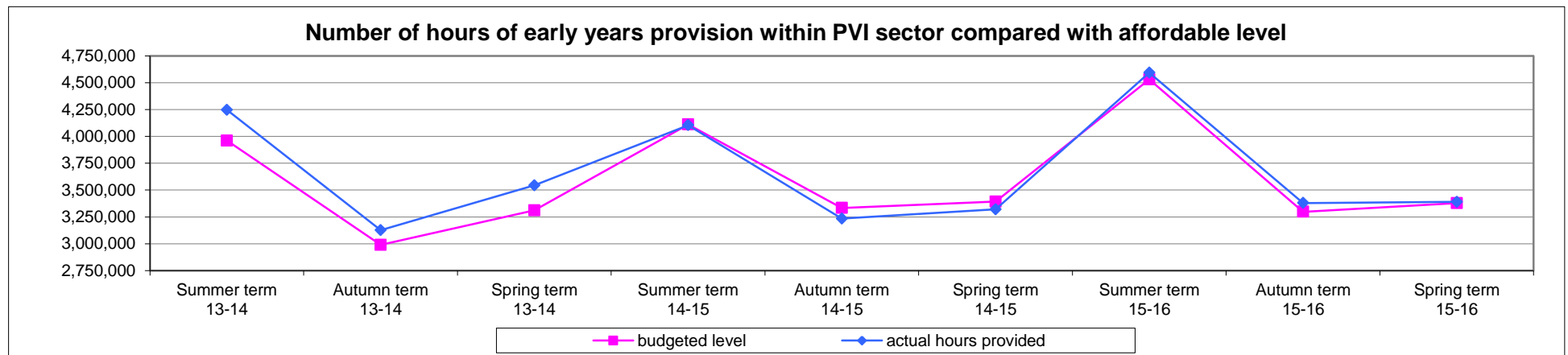
Number of children receiving assisted Mainstream transport to school



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

| | 2013-14 | | 2014-15 | | 2015-16 | |
|--------------|--------------------------|-----------------------|--------------------------|-----------------------|--------------------------|-------------------------|
| | Budgeted number of hours | Actual hours provided | Budgeted number of hours | Actual hours provided | Budgeted number of hours | Actual hours provided * |
| Summer term | 3,961,155 | 4,247,461 | 4,110,576 | 4,104,576 | 4,531,281 | 4,592,273 |
| Autumn term | 2,990,107 | 3,126,084 | 3,333,465 | 3,234,394 | 3,297,864 | 3,379,525 |
| Spring term | 3,310,417 | 3,543,567 | 3,392,138 | 3,320,479 | 3,378,367 | 3,390,313 |
| TOTAL | 10,261,679 | 10,917,112 | 10,836,179 | 10,659,449 | 11,207,512 | 11,362,111 |

* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



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 forecast number of hours of early years provision for 3 & 4 year olds is 11,362,111 which is 154,599 hours more than budgeted.
- The affordable number of hours was uplifted in the July monitoring report, presented to Cabinet in October, as a result of an increase in Dedicated Schools Grant to reflect the January 2015 pupil numbers. Although actual hours provided are more than budgeted, the Dedicated Schools Grant will be uplifted before the end of the financial year to reflect January 2016 pupil numbers and therefore no overspend is currently forecast for early years provision to 3 & 4 year olds. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore any pressure or saving will be transferred to the schools unallocated DSG reserve at year end.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

3. CAPITAL

3.1 The Education and Young People's Services Directorate has a working budget (excluding schools) for 2015-16 of £124,854k (this has now been updated to reflect the 2016-19 budget set by County Council on 11 February 2016). The forecast outturn against the 2015-16 budget is £119,497k giving a variance of -£5,357k.

3.2 **Table 2** below details the Education and Young People's Services Capital Position by Budget Book line

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--------------------------------------|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|---|---------|
| Rolling Programmes | | | | | | | | | |
| Annual Planned Enhancement Programme | 9,000 | 10,778 | 0 | 0 | | | Green | | |
| Pupil Referral Units | 1,209 | 514 | -65 | -65 | Rephasing | The requirements for the North West Kent PRU provision have been revised, work will commence next summer. Works for West Kent PRU cannot commence until April 2016 when new premises can be accessed. | Green | Rephasing has previously been reported and there are no further anticipated delays to completion dates. | |
| Youth - Modernisation of Assets | 0 | 0 | 0 | 0 | | | | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| Individual Projects | | | | | | | | | |
| Basic Need Schemes - to provide additional pupil places: | | | | | | | | | |
| Basic Need Programme | 61,767 | 61,145 | -3,000 | -3,000 | Rephasing | Following a review of the Kent Commissioning Plan, some projects that were due to commence with pre-construction activities in the current year will now start in 2016/17. | Green | This has not impacted on the completion dates. | |
| Basic Need - Aylesham Primary School | 0 | 0 | 0 | 0 | | | | Project to commence in later years. | |
| Goat Lees Primary School, Ashford | 0 | 25 | 0 | 0 | | | Green | | |
| Repton Park Primary School, Ashford | 0 | 109 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms: | | | | | | | | | |
| Modernisation Programme - Future Years | 2,000 | 1,935 | -1,112 | -1,112 | Rephasing | Rephasing of some works due to a delay in the procurement of contractors and changes made to the scoping of projects. No delivery delays are expected. | Green | | |
| St Johns / Kingsmead Primary School, Canterbury | 0 | 70 | 0 | 0 | | | Amber | A £650k payment due from Canterbury Diocese as part of the contract is overdue. | |
| Special Schools Review - major projects supporting the special schools review: | | | | | | | | | |
| Special Schools Review phase 1 | 0 | 628 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--------------------------------|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|-------------------------------|---------|
| Special Schools Review phase 2 | 47,200 | 29,076 | -2,989 | -2,989 | Rephasing | <p>Foreland School - delays in contract execution and agreement has impacted on commencement of works and expected completion date which has moved from September 2016 to December 2016.</p> <p>Ridge View - delays due to planning issues at the original site, an alternative has now been found.</p> <p>Portal House - review and redesign was necessary following objections to planning permission. Enabling works are underway and a revised planning application has now been submitted.</p> <p>Five Acre Wood - delays at planning stage, planning approval has now been given and work will commence on the school follow.</p> | Amber | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| Academy Projects: | | | | | | | | | |
| Astor of Hever (St Augustine's Academy), Maidstone | 0 | 19 | 0 | 0 | | | Green | | |
| Dover Christ Church | 3,000 | 2,760 | 0 | 0 | | | Green | | |
| Skinnners Academy | 0 | 140 | 0 | 0 | | | Green | | |
| Spires Academy | 0 | 0 | 0 | 0 | | | Green | Project complete except for clearance of remaining creditors. | |
| John Wallis | 0 | 0 | 0 | 0 | | | Green | Project complete. | |
| Wilmington Enterprise College | 0 | 0 | 0 | 0 | | | Green | Project complete except for clearance of remaining creditors. | |
| The Knole Academy | 0 | 0 | 0 | 0 | | | Green | Project complete except for clearance of remaining creditors. | |
| Duke of York Academy | 0 | 0 | 0 | 0 | | | Green | Project complete except for clearance of remaining creditors. | |
| Academy Unit Costs | 233 | 798 | 0 | 0 | | | Green | | |
| BSF Wave 3 Build Costs | 500 | 498 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| BSF Unit Costs | 0 | 51 | 0 | 0 | | | Green | | |
| Other Projects: | | | | | | | | | |
| Primary Improvement Programme | 0 | 4 | 0 | 0 | | | Green | | |
| Canterbury Family Centre | 0 | 0 | 0 | 0 | | | Green | Project complete. | |
| Integrated Youth Service - Youth Hub Reprovision | 0 | 760 | 13 | 13 | Real - £13k Prudential | | Amber | <p>Unforeseen additional project costs. To be funded from underspends elsewhere within the programme.</p> <p>A £200k payment due from Dover District Council is outstanding due to a delay in KCC signing the lease agreement relating to the land on which the Youth Hub is built.</p> | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|-------------------------------------|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| Nursery Provision for Two Year Olds | 0 | 271 | -81 | -81 | Rephasing | New premises being sought for additional nursery provision in Gravesham, works to commence in 2016/17. There will be no impact on overall cost. Nursery provider previously required to vacate a KCC building but this is no longer the case. Funding to be provided at alternative settings in 2016/17. | Green | The majority of rephasing has been previously reported. | |
| One-off Schools Revenue to Capital | 0 | 63 | 0 | 0 | | | Green | | |
| Platt CEPS | 0 | 85 | -85 | -85 | Rephasing | | Green | Rephasing has been previously reported. | |
| Grammar School Annex at Sevenoaks | 10,000 | 500 | 0 | 0 | | Works had halted pending the outcome of the Secretary of State decision. Following approval, contract documentation will now be worked through prior to any construction contract being agreed. | Green | Sevenoaks Grammar was approved by the Secretary of State for Education on 15 October 2015. | |
| Trinity Free School, Sevenoaks | 7,000 | 11,898 | 2,000 | 2,000 | Rephasing | Works proceeding ahead of programme due to good weather. | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|---|---------|
| EYPS Single System (previously known as Early Help Single System) | 1,800 | 343 | -109 | -109 | Rephasing | A decision has been made to go out to a full procurement which has lead to a delay in purchasing products and services. | Amber | | |
| Ashford North Youth Centre | 0 | 50 | 0 | 0 | | | Green | | |
| Priority School Build Programme | 0 | 250 | 0 | 0 | | | Green | The PSBP is managed by the EFA. KCC's contribution relates to works required for schools to increase their PAN since submission in 2011, and any works required under the Town and Country Planning Act 1990. | |
| Universal Infant Free School Meals | 1,075 | 1,207 | 16 | 16 | Real - Grant | | Green | | |
| The Piggery, Swattenden | 0 | 40 | 0 | 0 | | | Green | | |
| Vocational Education Centre | 0 | 148 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|----------------------------------|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| Tunbridge Wells Youth Centre Hub | 0 | 0 | 55 | 55 | Real - Developer Contribution | | Green | | |
| Early Help Module | 276 | 689 | 0 | 0 | | | Green | Phase 1 went live in June 2015. Phase 2 went live in November 2015. Phase 3 to go live in May 2016. Phase 4 will be delivered next financial year as the Commissioning Services function is currently being redefined. Phase 4 to go live in September 2016. | |
| Total | 145,060 | 124,854 | -5,357 | -5,357 | | | | | |

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
SPECIALIST CHILDREN'S SERVICES
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
|-------------------------------|-----------------|--------------------------------|-------------|-----------------------------------|---------------|-------------|--|
| | | | | | committed | uncommitted | |
| Total excl Asylum (£k) | +133,085 | -1,188 | - | -1,188 | +159 | - | -1,029 |
| Asylum (£k) | +280 | +1,972 | - | +1,972 | - | - | +1,972 |
| Total (£k) | +133,365 | +784 | - | +784 | +159 | - | +943 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|--------|----------|----------|-------------|--|--|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Specialist Children's Services | | | | | | | |
| Strategic Management & Directorate Support budgets | 5,459.6 | -257.9 | 5,201.7 | -659 | -205 | Lower than anticipated spend in the Access to Resource Team, the Central Support Team and the Management Information Unit, principally due to vacancy management | |
| | | | | | -381 | Appropriate recharge of overheads to the Asylum Service | |
| | | | | | -73 | Other minor variances | |
| Children's Services - Children in Care (Looked After) | | | | | | | |
| - Fostering - In house service | 24,165.6 | -252.2 | 23,913.4 | +20 | -126 | Forecast -330 weeks below affordable level of 52,485 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +626 | Forecast average unit cost +£11.92 above affordable level of £371.10 | |
| | | | | | -229 | Lower than anticipated costs in the County Fostering Team relating primarily to recruitment and training costs, including lower use of specialists | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------|----------|----------|----------|---|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | -72 Higher than anticipated income from recharges to the Asylum Service owing to greater Asylum activity | |
| | | | | | -188 Lower than anticipated Fostering related costs, including transport costs | |
| | | | | | +9 Other minor variances | |
| - Fostering - Commissioned from Fostering Agencies | 8,184.3 | 0.0 | 8,184.3 | -194 | -269 Forecast -287 weeks below affordable level of 8,812 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +105 Forecast average unit cost +£11.90 above affordable level of £925.36 | |
| | | | | | -30 Other minor variances | |
| - Legal Charges | 6,769.0 | 0.0 | 6,769.0 | +102 | +118 Pressure related to ongoing cases which were previously part of the special operation that has now concluded | |
| | | | | | -16 Other minor variances | |
| - Residential Children's Services - in house services (short breaks units) | 3,227.4 | -682.4 | 2,545.0 | -181 | -139 Higher than anticipated income from venue hire and funding from health & other local authorities | |
| | | | | | -42 Other minor variances | |
| - Residential Children's Services - commissioned from independent sector | 13,625.9 | -2,567.7 | 11,058.2 | +642 | +195 Forecast +59 weeks above affordable level of 2,660 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +620 Forecast average unit cost +£233.18 above affordable level of £3,079.85 | |
| | | | | | +345 Children with a Disability: Forecast +133 weeks above affordable level of 1,489 weeks | |
| | | | | | -558 Children with a Disability: Forecast average unit cost -£374.51 below affordable level of £2,968.70 | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|-----------------------|------------|----------|----------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | +462 | Lower than anticipated service income for Children with a Disability, mainly relating to fewer contributions for care costs from Health & Education as a result of an increase in split payments of care at source, resulting in lower costs and recharge income. As such, this reduction in income should be considered alongside the reduced unit cost variance for Children with a Disability reported above. |
| | | | | | -367 | Lower than anticipated spend on Secure Accommodation based on year to date usage |
| | | | | | -55 | Other minor variances |
| - Virtual School Kent | 4,914.3 | -3,481.9 | 1,432.4 | -115 | -104 | Underspending on core business predominately due to fewer non-asylum looked after children requiring this service |
| | | | | | -11 | Other minor variances |
| | 60,886.5 | -6,984.2 | 53,902.3 | +274 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|----------|---------|----------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Children's Services - Children in Need | | | | | | |
| - Family Support Services | 10,944.5 | -1,660.0 | 9,284.5 | -85 | +195 | Informal Arrangements: Following the rates and charges reviews the majority of Informal Arrangements were expected to become Child Arrangement Orders, the budget for which is within the "Adoption & other permanent care arrangements" A-Z service line below. However, the rates and charges reviews of these current informal arrangements have only recently been completed resulting in higher than expected costs for Informal Arrangements and a compensating lower than expected cost for Child Arrangement Orders (see "Adoption & other permanent care arrangements" below). |
| | | | | | -215 | Disability Commissioned Services: Renegotiation and rationalisation of current commissioned services contracts, including bringing the Information and Advice Service in-house |
| | | | | | -280 | Children with a Disability Direct Payments: Forecast -2,961 weeks below affordable level of 36,299 weeks |
| | | | | | +140 | Children with a Disability Direct Payments: Forecast average unit cost +£3.86 above affordable level of £90.87 |
| | | | | | +75 | Other minor variances |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------|--------|----------|----------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Children's Services - Other Social Services | | | | | | |
| - Adoption & other permanent care arrangements | 12,908.8 | -104.0 | 12,804.8 | -897 | +701 | Guardianship: Primarily due to the full year effect of an increase in Special Guardianship Orders (SGOs) in the previous year. In addition, finalising the rates and charges review in 2015-16, has increased the number of SGOs. (Part of the remit of the Rates & Charges reviews is to establish the type of legal arrangement in place and re-categorise accordingly) |
| | | | | | -661 | County Adoption Team: fewer adoption arrangements are being made due to fewer children requiring this permanent care arrangement, so current vacancies are being managed |
| | | | | | -417 | Inter-agency placement variance predominately due to more adoption arrangements being made on behalf of other local authorities than those carried out by other local authorities on KCC's behalf |
| | | | | | -125 | Adoption Allowances underspend due to fewer adoptions arrangements being made which require financial support |
| | | | | | -200 | Child Arrangement Orders: As a result of the Rates and Charges Review, most continuing services were expected to become Child Arrangement Orders, so the cash limit was held on this A-Z service line, awaiting further information. This underspend partly offsets increases in Guardianship, which has been one of the outcomes of the Rates and Charges Review. |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|---------------------|------------|-----------|-------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| | | | | | -195 | Child Arrangement Orders: offsets the pressure relating to Informal Arrangements within the "Family Support Services" A-Z service line above. | |
| - Asylum Seekers | 19,619.1 | -19,339.1 | 280.0 | +1,972 | -207 | There is currently a small projected surplus on the under 18 Unaccompanied Asylum Seeking Children (UASC) who are eligible for grant funding. Within the overall forecast it is assumed that this can be kept to offset the greater shortfall on eligible Care Leavers. | National dispersal of some young people to other local authorities is mitigating part of the current pressure on this service. Recent increased migrant activity levels are likely to produce an additional pressure in future years as more young people reach age 18. |
| | | | | | +409 | Expenditure on UASC who are no longer deemed eligible for grant funding due to their Asylum status. Each of these cases is currently being reviewed and discussed with the Home Office. | |
| | | | | | +849 | Expenditure for Care Leavers including the first 25 (aged 18 and over) being greater than the grant payable by the Home Office (see activity section 2.6 below), mainly due to the fact that the grant rate does not adequately recognise the level of infrastructure that is required to support the 350+ eligible young people being supported. | |
| | | | | | +1,201 | Cost of supporting those Care Leavers whose rights to appeal are now exhausted, (£342k relates to direct costs for All Rights Exhausted (ARE) clients), and those who are ineligible for grant funding due to their Asylum status. Similarly these cases are all being reviewed on an individual basis. | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---------------------|------------|----------|---------|----------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | -280 | The Asylum budget was originally set based on the Council being required to fund the first 25 Care Leavers, this is no longer the case, hence the underspend against this specific budget. |
| - Care Leavers | 6,657.1 | -2,105.4 | 4,551.7 | +48 | +381 | Higher than expected costs for 16 and 17 year old Looked After Children (LAC) requiring this service in order to provide stability and continuity whilst they continue their education as they prepare to leave care. This is partly due to individuals being placed in a broader variety of placements including 'step down' placements from residential care. |
| | | | | | -429 | Lower than expected costs for Care Leavers (non LAC), mainly aged 18+, requiring this service in order to provide stability and continuity whilst they continue their education. This is partly due to individuals being helped towards independence quicker than anticipated. |
| | | | | | +280 | Higher than anticipated staffing and related costs |
| | | | | | -184 | Lower than anticipated costs on Supported Lodging provision contract |
| - Safeguarding | 5,819.3 | -1,003.9 | 4,815.4 | -444 | -159 | <i>Pooled Budget variance:</i> KCC's share of re-phasing into 2016-17 of Kent Safeguarding Children Board (KSCB) funding. This will be required to roll forward to meet our obligation to the board under the terms of the multi-agency agreement. |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|-----------------------------------|------------|-----------|----------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | -101 | <i>KCC Base Funded Budget variance:</i> Lower level of activity than anticipated for KSCB, although this is partly offset by a higher level of provision of immersive learning training than planned. |
| | | | | | -110 | Lower than anticipated spend for Safeguarding staffing, resulting from the implementation of a new structure |
| | | | | | -74 | Other minor variances |
| | 45,004.3 | -22,552.4 | 22,451.9 | +679 | | |
| <u>Assessment Services</u> | | | | | | |
| - Children's social care staffing | 46,410.7 | -3,886.3 | 42,524.4 | +575 | +4,565 | Pressure on staffing budgets for Non-Disability teams due to appointment of agency staff due to difficulties in recruiting to salaried posts. Part of this forecast overspend is linked to the increased numbers of Asylum young people and is offset by the increased recharge below. |
| | | | | | -3,822 | Higher than expected recharged costs to Asylum service for social care staffing (offsetting part of the above staff costs) due to increased Asylum activity |
| | | | | | +170 | Establishment of additional Adolescent Support Team posts targeted at increasing the proportion of young people re-united with their families within early weeks of care. |
| | | | | | +289 | Pressure on staffing budgets for Disability teams due to appointment of agency staff as a result of difficulties in recruiting to salaried posts |
| | | | | | -166 | Lower other non-staffing spend in Disability teams predominately due to lower than anticipated staff travel costs |
| | | | | | | This pressure has been addressed in the approved 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------------|------------------|------------------|-------------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | -168 | Lower other non-staffing spend in Non-Disability teams mostly due to lower than anticipated staff travel costs |
| | | | | | -100 | Additional income relating to Occupational Therapy equipment for 2014-15, for which no debtor was raised in the 2014-15 accounts |
| | | | | | -193 | Other minor variances each below £100k, including income for Non-Disability teams and Children's Equipment |
| Total SCH&W (SCS) | 168,705.6 | -35,340.8 | 133,364.8 | +784 | | |
| Assumed Mgmt Action | | | | | | |
| Total SCH&W (SCS) Forecast after mgmt action | 168,705.6 | -35,340.8 | 133,364.8 | +784 | | |

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

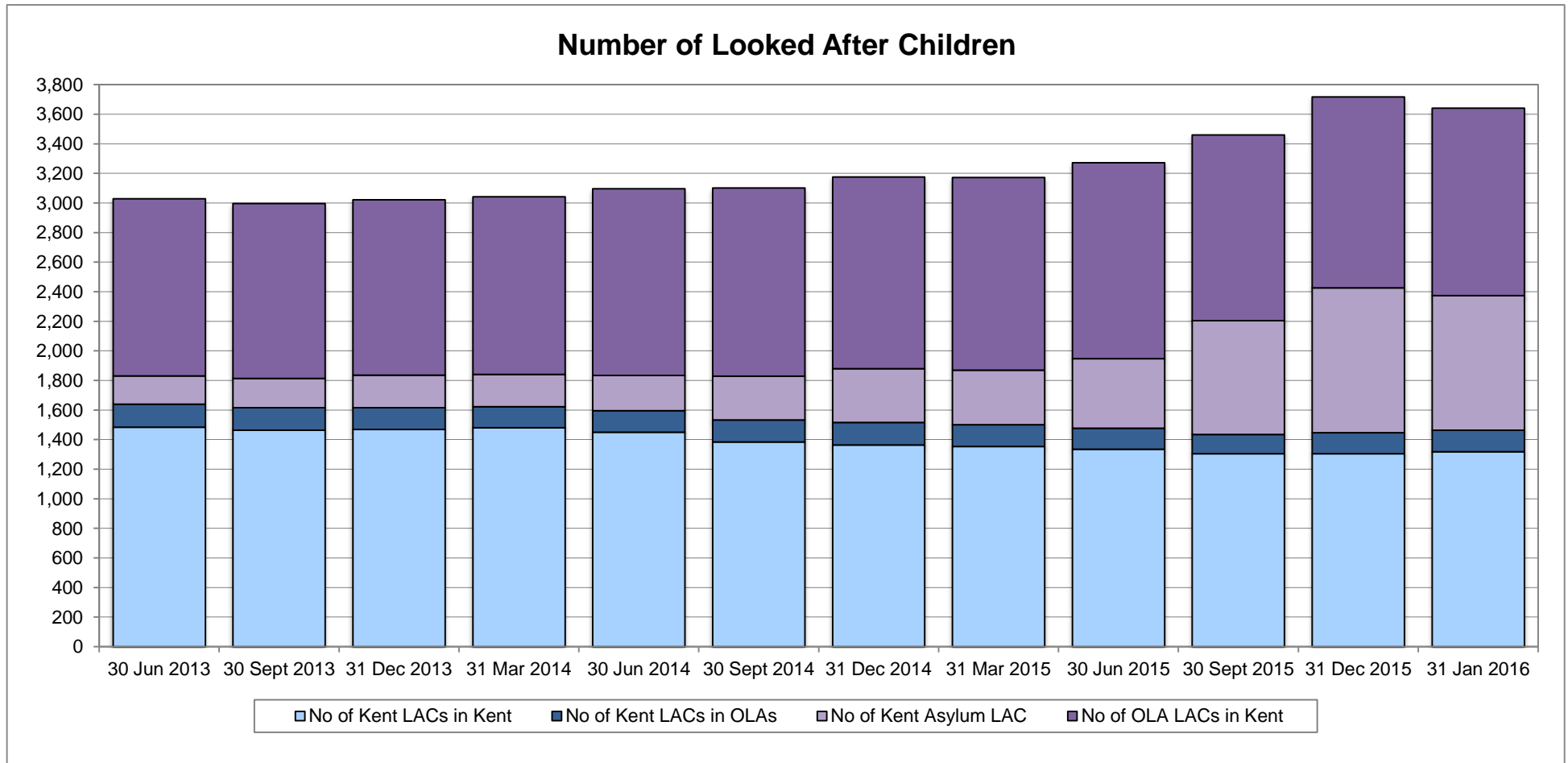
2.1 Number of Looked After Children (LAC) :

| | | No. of Kent LAC placed in Kent | No. of Kent LAC placed in OLAs | TOTAL NO. OF KENT LAC (excluding Asylum) | No of Kent Asylum LAC | TOTAL NUMBER OF LAC IN KENT | No. of OLA LAC placed in Kent | TOTAL NUMBER OF LAC IN KENT |
|---------|---------------|--------------------------------|--------------------------------|--|-----------------------|-----------------------------|-------------------------------|-----------------------------|
| 2013-14 | 30-Jun | 1,485 | 155 | 1,640 | 192 | 1,832 | 1,197 | 3,029 |
| | 30-Sep | 1,465 | 152 | 1,617 | 198 | 1,815 | 1,182 | 2,997 |
| | 31-Dec | 1,470 | 146 | 1,616 | 221 | 1,837 | 1,185 | 3,022 |
| | 31-Mar | 1,481 | 143 | 1,624 | 218 | 1,842 | 1,200 | 3,042 |
| 2014-15 | 30-Jun | 1,450 | 147 | 1,597 | 238 | 1,835 | 1,261 | 3,096 |
| | 30-Sep | 1,385 | 148 | 1,533 | 296 | 1,829 | 1,273 | 3,102 |
| | 31-Dec | 1,365 | 152 | 1,517 | 364 | 1,881 | 1,296 | 3,177 |
| | 31-Mar | 1,354 | 148 | 1,502 | 368 | 1,870 | 1,303 | 3,173 |
| 2015-16 | 30-Jun | 1,336 | 141 | 1,477 | 471 | 1,948 | 1,324 | 3,272 |
| | 30-Sep | 1,305 | 130 | 1,435 | 771 | 2,206 | 1,254 | 3,460 |
| | 31-Dec | 1,306 | 141 | 1,447 | 980 | 2,427 | 1,290 | 3,717 |
| | 31-Jan | 1,319 | 146 | 1,465 | 909 | 2,374 | 1,267 | 3,641 |

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 figures represent 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 had reduced by 37 as at January of this financial year, there could have been more (or less) during the period.
- Following the reduction in the number of Kent LAC, there is no longer an overall forecast pressure on the SCS budget. After taking into account anticipated transformation savings, however, there are still some pressures primarily relating to the LAC headings of residential care and legal charges and non-LAC headings such as staffing and care leavers.

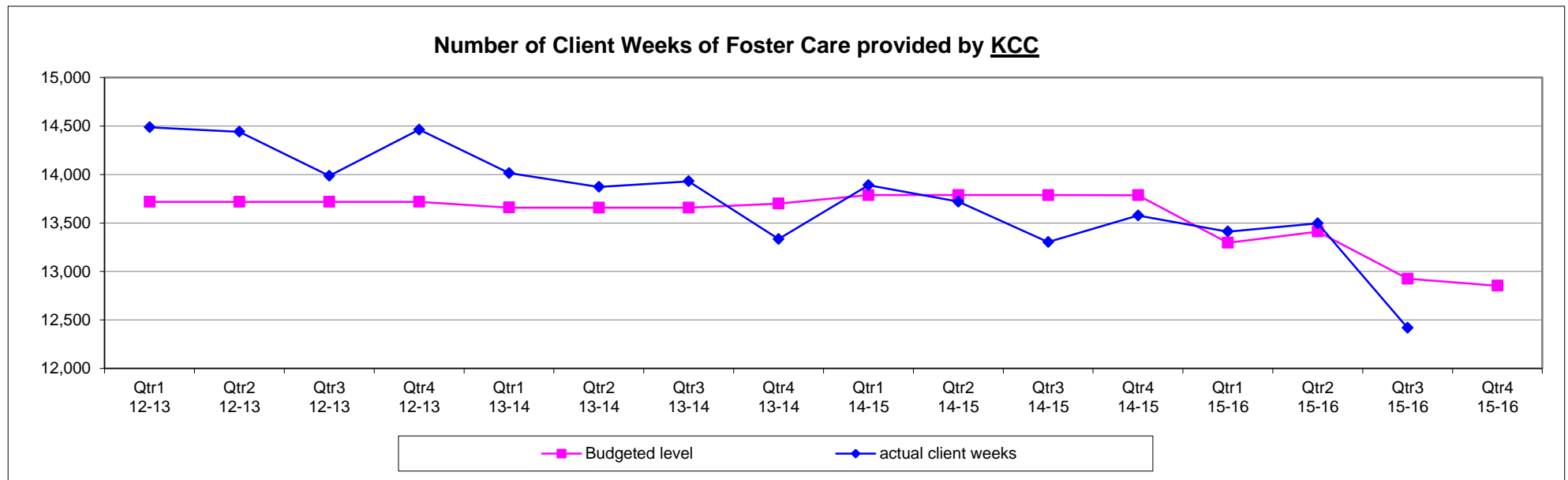
- The OLA LAC information has a confidence rating of 53% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.

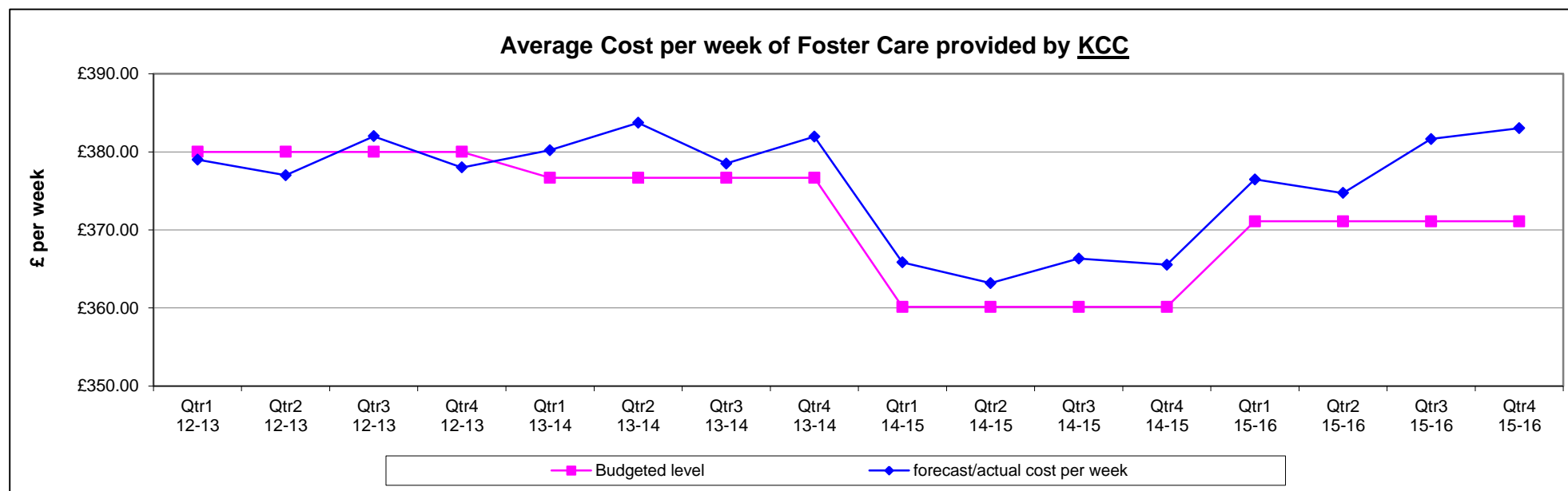


2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC:

| | 2013-14 | | | | 2014-15 | | | | 2015-16 | | | |
|------------|---------------|---------------|------------------------------|------------------|---------------|---------------|------------------------------|------------------|---------------|---------------|------------------------------|----------------|
| | No of weeks | | Average cost per client week | | No of weeks | | Average cost per client week | | No of weeks | | Average cost per client week | |
| | Budget level | actual | Budget level | forecast /actual | Budget level | actual | Budget level | forecast /actual | Budget level | actual | Budget level | forecast |
| Apr to Jun | 13,659 | 14,014 | £376.67 | £380.22 | 13,787 | 13,889 | £360.14 | £365.85 | 13,296 | 13,411 | £371.10 | £376.47 |
| Jul to Sep | 13,658 | 13,871 | £376.67 | £383.72 | 13,787 | 13,719 | £360.14 | £363.19 | 13,411 | 13,496 | £371.10 | £374.73 |
| Oct to Dec | 13,658 | 13,929 | £376.67 | £378.50 | 13,787 | 13,304 | £360.14 | £366.33 | 12,925 | 12,418 | £371.10 | £381.65 |
| Jan to Mar | 13,700 | 13,334 | £376.67 | £381.94 | 13,786 | 13,577 | £360.14 | £365.54 | 12,853 | 4,534 | £371.10 | £383.02 |
| | 54,675 | 55,148 | £376.67 | £381.94 | 55,147 | 54,489 | £360.14 | £365.54 | 52,485 | 43,859 | £371.10 | £381.65 |

January position





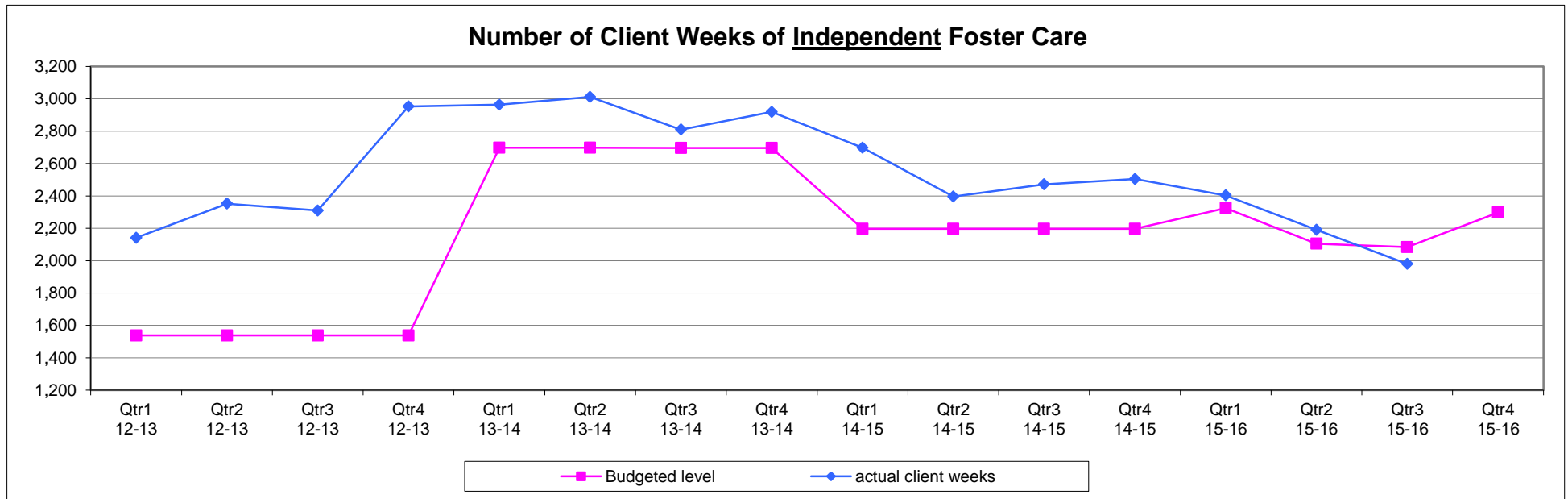
Comments:

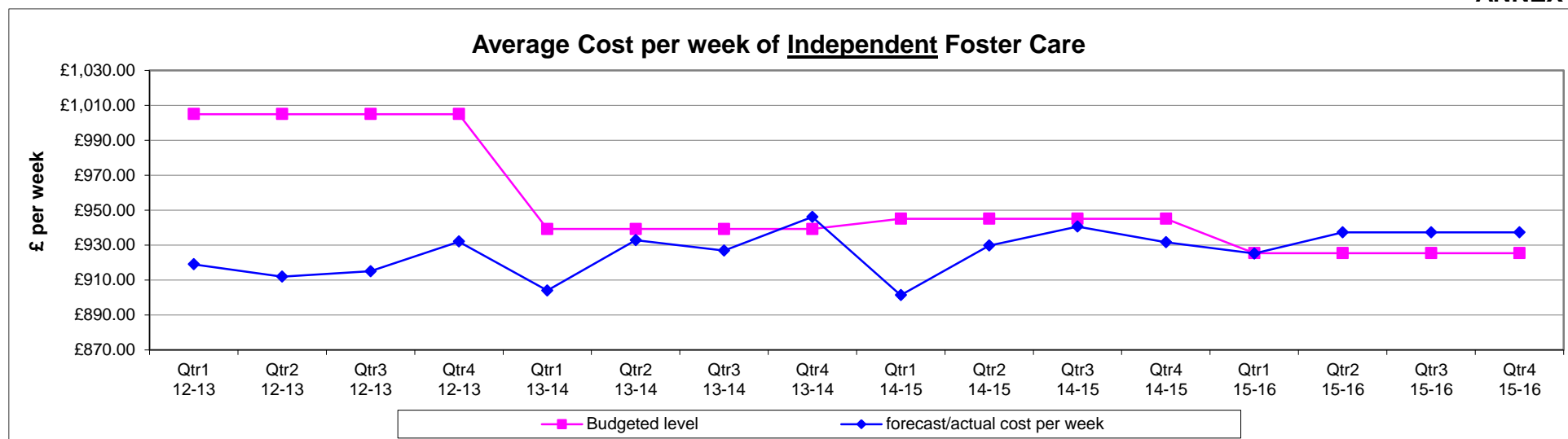
- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2015-16 budgeted level reflects the 2015-16 Quarter 1 realignment of budgets reported to Cabinet on 21 September.
- The forecast number of weeks (excluding asylum) is 52,155 weeks against an affordable level of 52,485, a difference of -330 weeks. At the forecast unit cost of £383.02 per week, this reduced activity decreases the forecast position by -£126k, as shown in Table 1. The current year to date activity suggests a slightly higher level of activity than forecast, although early indications are that the number of in-house fostering placements are increasing in the final weeks of 2015-16, but this is as yet unvalidated, which will have a limited impact on 2015-16, but a more significant impact on 2016-17.
- The forecast unit cost of +£383.02 is higher than the affordable level of +£371.10 and this difference of +£11.92 gives a pressure of +£626k when multiplied by the affordable weeks, as shown in Table 1.
- Overall, therefore, the combined gross underspend on this service is +£500k (-£126k +£626k).
- The reduction in activity and corresponding increase in unit cost between Quarter 2 and Quarter 3 of 2015-16 is thought to be due to more timely activity data and improved forecasting resulting from the use of the ContrOCC payments system as the primary source of data. This means that the forecast is now more closely linked to payments and activity data.
- The special operation which was previously excluded from this activity indicator has concluded, so from April 2015-16 this indicator reflects all In House Foster Care activity.

2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care:

| | 2013-14 | | | | 2014-15 | | | | 2015-16 | | | |
|------------|---------------|---------------|------------------------------|------------------|--------------|---------------|------------------------------|------------------|--------------|--------------|------------------------------|----------------|
| | No of weeks | | Average cost per client week | | No of weeks | | Average cost per client week | | No of weeks | | Average cost per client week | |
| | Budget level | actual | Budget level | forecast /actual | Budget level | actual | Budget level | forecast /actual | Budget level | actual | Budget level | forecast |
| Apr to Jun | 2,697 | 2,964 | £939.19 | £904.01 | 2,197 | 2,697 | £945.07 | £901.37 | 2,325 | 2,403 | £925.36 | £925.17 |
| Jul to Sep | 2,697 | 3,012 | £939.19 | £932.83 | 2,197 | 2,396 | £945.07 | £929.73 | 2,105 | 2,191 | £925.36 | £937.35 |
| Oct to Dec | 2,696 | 2,810 | £939.19 | £926.83 | 2,197 | 2,471 | £945.07 | £940.61 | 2,084 | 1,980 | £925.36 | £937.26 |
| Jan to Mar | 2,696 | 2,919 | £939.19 | £946.08 | 2,197 | 2,504 | £945.07 | £931.60 | 2,298 | 660 | £925.36 | £937.26 |
| | 10,786 | 11,705 | £939.19 | £946.08 | 8,788 | 10,068 | £945.07 | £931.60 | 8,812 | 7,234 | £925.36 | £937.26 |

January position



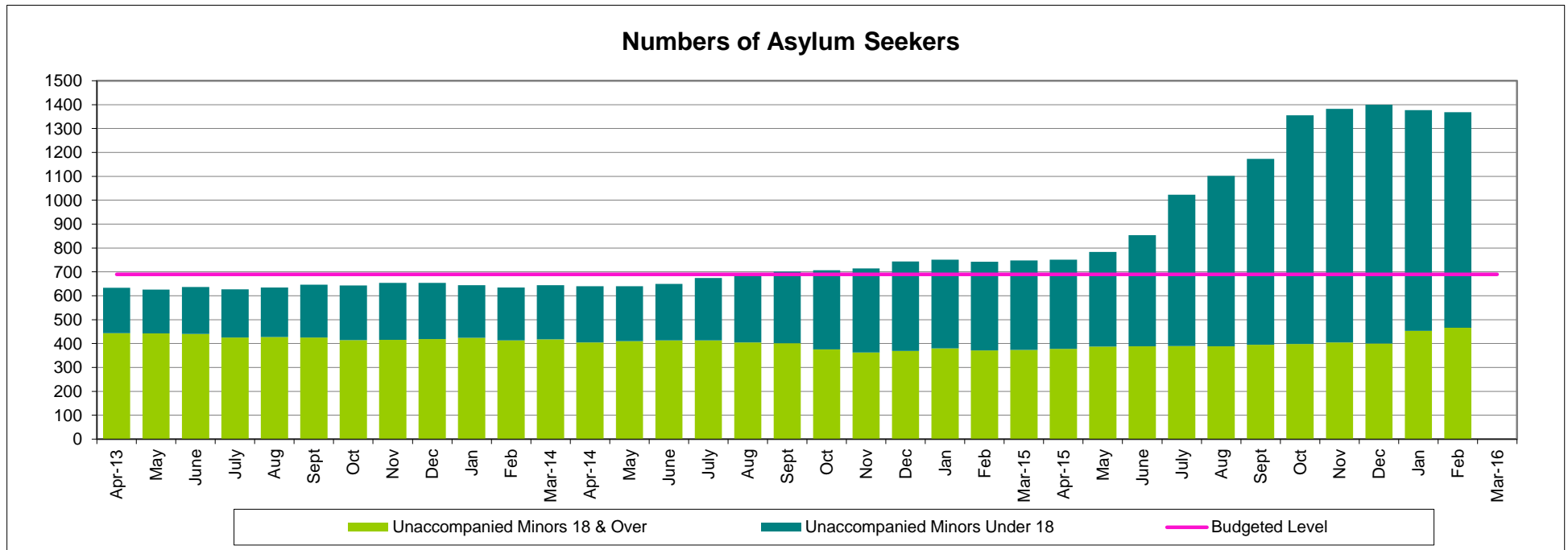


Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2015-16 budgeted level reflects the 2015-16 Quarter 1 realignment of budgets reported to Cabinet on 21 September.
- The forecast number of weeks (excluding asylum) is 8,525 weeks against an affordable level of 8,812, a difference of -287 weeks. At the forecast unit cost of £937.26 per week, this reduced activity decreases the forecast position by -£269k, as shown in Table 1. The forecast is based on the transformation savings profiles which assume a range of durations of care/placement end dates. The current year to date activity suggests a higher level of activity for the year than currently forecast. This is chiefly because the forecast assumes an overall reduction in usage of independent fostering due to targeted action to reduce numbers coming into care and to reunify families after only a short period of care. However, early indications are that the number of independent fostering placements are increasing in the final weeks of 2015-16, which will have a limited impact on 2015-16, but a more significant impact on 2016-17.
- The forecast unit cost of +£937.26 is higher than the affordable level of +£925.36 and this difference of +£11.90 gives a pressure of +£105k when multiplied by the affordable weeks, as shown in Table 1.
- Overall therefore, the combined gross underspend on this service is -£164k (-£269k +£105k).
- The forecast average unit cost of £937.26 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- The special operation which was previously excluded from this activity indicator has concluded, so from April 2015-16 this indicator reflects all Independent Foster Care activity.

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

| | 2013-14 | | | 2014-15 | | | 2015-16 | | |
|-----|----------|-----------|------------|----------|-----------|------------|----------|-----------|--------------|
| | Under 18 | 18 & Over | Total | Under 18 | 18 & Over | Total | Under 18 | 18 & Over | Total |
| Apr | 190 | 443 | 633 | 235 | 405 | 640 | 373 | 378 | 751 |
| May | 184 | 442 | 626 | 230 | 410 | 640 | 396 | 387 | 783 |
| Jun | 197 | 440 | 637 | 237 | 413 | 650 | 466 | 388 | 854 |
| Jul | 202 | 425 | 627 | 261 | 413 | 674 | 633 | 390 | 1,023 |
| Aug | 208 | 427 | 635 | 282 | 405 | 687 | 713 | 389 | 1,102 |
| Sep | 221 | 425 | 646 | 301 | 401 | 702 | 778 | 395 | 1,173 |
| Oct | 229 | 414 | 643 | 332 | 375 | 707 | 958 | 398 | 1,356 |
| Nov | 238 | 416 | 654 | 351 | 363 | 714 | 978 | 405 | 1,383 |
| Dec | 235 | 419 | 654 | 375 | 369 | 744 | 1,000 | 400 | 1,400 |
| Jan | 220 | 424 | 644 | 371 | 380 | 751 | 924 | 453 | 1,377 |
| Feb | 222 | 413 | 635 | 372 | 371 | 743 | 903 | 466 | 1,369 |
| Mar | 226 | 418 | 644 | 375 | 373 | 748 | | | |



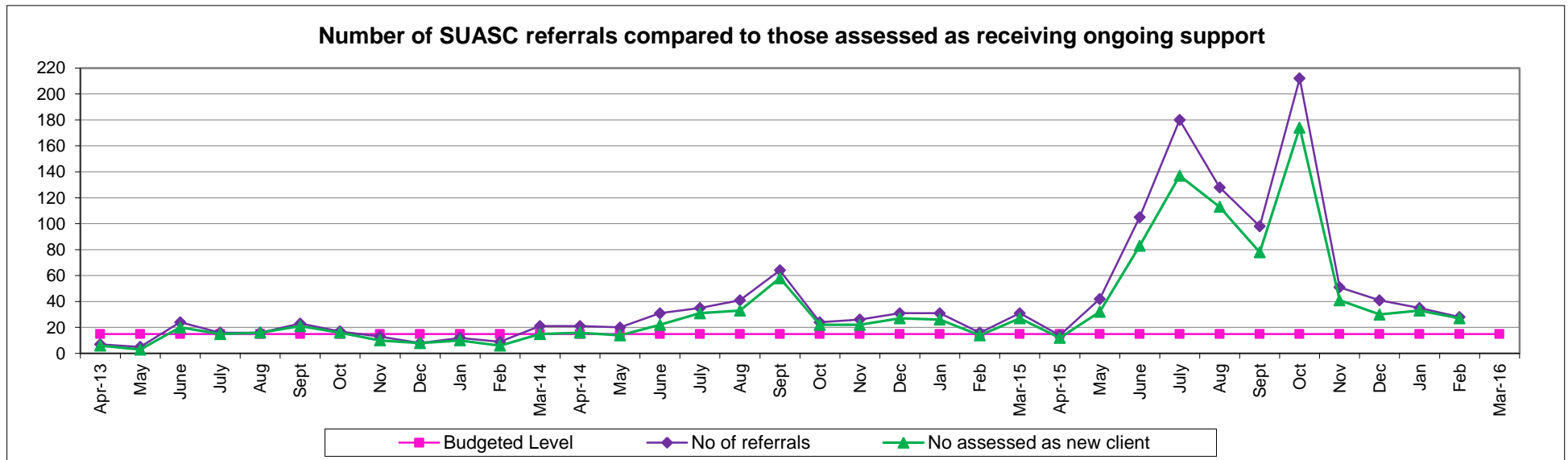
Comments:

- The overall number of children is increasing, with numbers peaking in December at the highest level they have been since August 2003, but numbers are now slowly declining again. The current number of clients supported is above the budgeted level of 690.
- The budgeted number of referrals for 2015-16 is 15 per month, with 9 (60%) being assessed as under 18.
- We are responsible for those aged 18 and over if they are a Former Relevant Child and have eligibility for Care Leaver status. These are those young people who had been looked after for at least 13 weeks which began after they reached age 14 and ended after they reached age 16. Additionally young people over 18 may qualify for advice or assistance if they have been in care for at least 24 hrs aged 16 or 17.
- The numbers of 18 and over young people who are All Rights of appeal Exhausted (ARE) or Certified Refusals have been steadily decreasing, particularly since the introduction of Human Rights Assessments (HRAs). Certified Refusals are similar to ARE in that these individuals are expected to leave the UK immediately and have no recourse to public funds, but they have never had in-country appeal rights. On the 29th of February 2016 there were 56 ARE or Certified Refusal cases in Kent, compared to 67 in February 2015 and 85 in February 2014.
- The number of young people leaving the service at age 21 rather than remaining in the service up to age 24 has increased in recent months. In previous years, the number of young people supported who are 18 and over has been larger than those aged under 18, but this trend is reversing due to the current high numbers of arrivals of under 18's and the numbers leaving the service at age 21. The number of young people who became 18 on the 1st of January 2016 (the first of January is used where the real Date of Birth is not known) was 64, reflecting the high numbers of arrivals over the Summer and Autumn of 2015. A further 28 young people turned 18 during February, highlighting the significant proportion of the total under 18's who are only just under 18.
- 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.
- The number of Asylum LAC shown in table 2.1 above is different to the number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17 year old Care Leavers.
- The February UASC numbers shown in the table above include approximately 223 clients who are ineligible for grant funding.

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

| | 2013-14 | | | 2014-15 | | | 2015-16 | | |
|-----|-----------------|----------------------------|------------|-----------------|----------------------------|------------|-----------------|----------------------------|------------|
| | No of referrals | No. assessed as new client | % | No of referrals | No. assessed as new client | % | No of referrals | No. assessed as new client | % |
| Apr | 7 | 6 | 86% | 21 | 16 | 76% | 14 | 12 | 86% |
| May | 5 | 3 | 60% | 20 | 14 | 70% | 42 | 32 | 76% |
| Jun | 24 | 20 | 83% | 31 | 22 | 71% | 105 | 83 | 79% |
| Jul | 16 | 15 | 94% | 35 | 31 | 89% | 180 | 137 | 76% |
| Aug | 16 | 16 | 100% | 41 | 33 | 80% | 128 | 113 | 88% |
| Sep | 23 | 21 | 91% | 64 | 58 | 91% | 98 | 78 | 80% |
| Oct | 17 | 16 | 94% | 24 | 22 | 92% | 212 | 174 | 82% |
| Nov | 13 | 10 | 77% | 26 | 22 | 85% | 51 | 41 | 80% |
| Dec | 8 | 8 | 100% | 31 | 27 | 87% | 41 | 30 | 73% |
| Jan | 12 | 10 | 83% | 31 | 26 | 84% | 35 | 33 | 94% |
| Feb | 9 | 6 | 67% | 16 | 14 | 88% | 28 | 27 | 96% |
| Mar | 21 | 15 | 71% | 31 | 27 | 87% | | | |
| | 171 | 146 | 85% | 371 | 312 | 84% | 934 | 760 | 81% |

Since the 2014-15 Q3 monitoring report, a revised methodology has been adopted - UASC are now only included when their Looked After Child (LAC) status has formally commenced.



Comments:

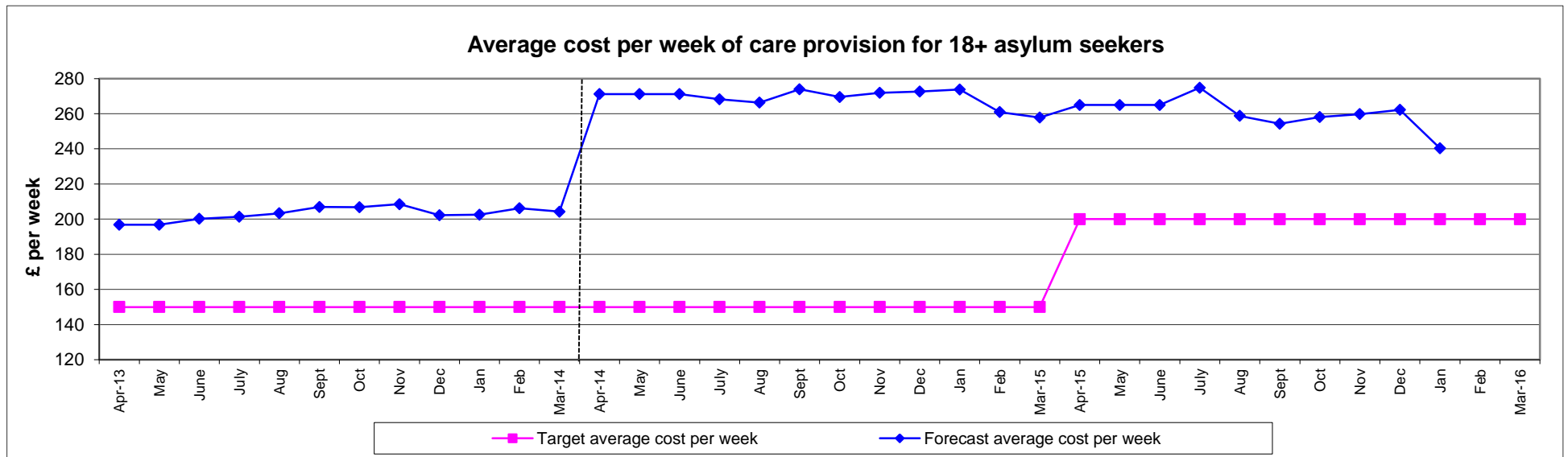
- Please note that UASC Referrals are assumed to be new clients until an assessment has been completed, which usually can take up to 6 weeks, however, as a result of the recent high number of referrals it is currently taking longer to complete individual assessments. Therefore the number of UASC assessed as new clients shown in the table may change once the assessment has taken place.
- The average number of referrals per month for the year to date is 85, which is above the budgeted number of 15 referrals per month. However within this average, as can be seen in the graph above, there is a significantly increasing trend reflecting the volatility in migrant activity during 2015-16.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average proportion assessed as new clients in 2015-16 is
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is 69 i.e. 667% higher than budgeted.
- Where a young person has been referred but does not become an ongoing client this may be for various factors. The number of these cases is relatively low but would include those where an age assessment has determined the young person to be aged 18 or above (and therefore they have been returned to immigration for dealing with through the asylum process for Adults) and more recently, transfers of case responsibility to Other Local Authorities. We are only able to claim grant for 28 days for an Asylum Seeker who, on arrival to the UK, is assessed as age 18 or over, but due to the current high number of arrivals it is taking longer than this for the assessments to be completed, resulting in an increased unfunded pressure on the Asylum budget.
- The information on numbers of Unaccompanied Asylum Seeking Children is provided by the Management Information unit within SCH&W directorate.
- Please note that due to the time taken to validate referrals on the database (particularly at this stage given the high volumes encountered since June), the number of new clients and number of referrals for any given month may change, therefore the activity data is refreshed in each report to provide the most up to date information.

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|---------------------------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|------------------------------------|
| | Target average weekly cost £ | Forecast average weekly cost £p | Target average weekly cost £ | Forecast average weekly cost £p | Target average weekly cost £ | Forecast average weekly cost £p |
| Apr | 150 | 196.78 | 150 | 271.10 | 200 | 264.91 |
| May | 150 | 196.78 | 150 | 271.10 | 200 | 264.91 |
| Jun | 150 | 200.18 | 150 | 271.10 | 200 | 264.91 |
| Jul | 150 | 201.40 | 150 | 268.15 | 200 | 274.77 |
| Aug | 150 | 203.29 | 150 | 266.33 | 200 | 258.73 |
| Sep | 150 | 206.92 | 150 | 273.87 | 200 | 254.29 |
| Oct | 150 | 206.74 | 150 | 269.47 | 200 | 258.05 |
| Nov | 150 | 208.51 | 150 | 271.85 | 200 | 259.78 |
| Dec | 150 | 202.25 | 150 | 272.56 | 200 | 262.24 |
| Jan | 150 | 202.49 | 150 | 273.75 | 200 | 240.38 |
| Feb | 150 | 206.24 | 150 | 260.94 | 200 | |
| Mar | 150 | 204.27 | 150 | 257.79 | 200 | |

The current forecast average weekly cost for 2015-16 is £240.38, +£40.38 above the £200 claimable under the grant rules. This adds +£2,050k to the forecast outturn position, (+£849k for eligible clients and +£1,201k for ineligible/AREs as shown in table 1), for which we have a cash limit of £280k, giving a variance of +£1,770k.

The weekly cost has increased significantly since 2013-14. Previously the average weekly cost was based on direct client costs only, as the gateway grant was used for staff and infrastructure costs. From 2014-15 onwards we no longer receive a Gateway Grant, so all staff and infrastructure costs have been allocated to age groups. Therefore, the increased weekly cost since April 2014 reflects ALL costs associated with 18+.

A dotted line has therefore been added to the graph to show that the unit costs pre and post April 2014 are not directly comparable.



Comments:

- The 2015-16 target average weekly cost was increased in the Quarter 2 report from £150 to £200 based on the latest offer from the Home Office received in early November.
- The reduction in unit cost between January and February 2015 follows a restructure of the service that took place at the start of December 2014 to bring Asylum support alongside mainstream care. Following this restructure a data cleansing exercise was performed. This revealed a number of elements that required revision, including changes to weekly costs for those in independent accommodation and a reassessment of the level of void placements. In addition, the amount paid via the Essential Living Allowance has reduced, which is likely to be in part due to ongoing work to improve take-up of benefits for those able to claim them.
- The local authority (LA) has agreed that the funding levels for the Unaccompanied Asylum Seeking Children's Service 18+ grant agreed with the Government rely on us achieving an average cost per week of £200, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The number of AREs supported has fallen in recent months. The LA has continued to meet the cost of the care leavers in order that it can meet its' statutory obligations to those young people under the Leaving Care Act until the point of removal.
- The issue remains that for various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs. In addition, the increase in numbers over recent months has reduced the availability of lower cost properties.
- As part of our strive to achieve a net unit cost of £200 or below, we will be insisting on take-up of state benefits for those entitled. The proportion of young people being accepted for asylum has begun to increase in recent months (reversing a previous decline), meaning that a higher proportion of young people are able to claim state benefits, bringing down the average cost. In addition, the service has improved forecasts around the costs of support for those who have recently turned 18 for whom the cost of support arrangements has changed (e.g. ending foster care arrangements and commencing supported lodging placements or independent living; they may be entitled to benefits, which are netted off against the support costs). The costs for these cases were on average lower than predicted, which has also resulted in a decrease to the average cost.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Children's Services has a working budget for 2015-16 of £827k (this has now been updated to reflect the 2016-19 budget set by County Council on 11 February 2016). The forecast outturn against the 2015-16 budget is £827k giving a variance of £0k.

3.2 **Table 2** below details the Social Care, Health & Wellbeing Directorate's - Children's Services Capital Position by Budget Book line.

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|----------------------------|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|-------------------------------|---------|
| Individual Projects | | | | | | | | | |
| Transforming Short Breaks | 70 | 112 | 0 | 0 | | | Green | | |
| ConTROCC | 556 | 715 | 0 | 0 | | | Green | | |
| Total | 626 | 827 | 0 | 0 | | | | | |

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
ADULTS SERVICES
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| 1.1 | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
|-------------------|-----------------|--------------------------------|-------------|-----------------------------------|---------------|-------------|--|
| | | | | | committed | uncommitted | |
| Total (£k) | +350,266 | +5,450 | - | +5,450 | +59 | +261 | +5,770 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|----------|----------|----------|-------------|---|---|
| | Gross | Income | Net | Net | £'000 | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Social Care, Health & Wellbeing - Adult Social Care | | | | | | | |
| Strategic Management & Directorate Support budgets | 8,104.1 | -1,144.5 | 6,959.6 | -840 | -272 | Staff vacancies within Access to Resources Team | Savings are expected to be ongoing & have been reflected in the approved 2016-19 MTFP |
| | | | | | -339 | Staff vacancies across teams within operational support | |
| | | | | | -281 | Reduced demand for a number of office support services (including postage, printing and stationery) | |
| | | | | | +52 | Other minor variances | |
| <u>Support to Frontline Services:</u> | | | | | | | |
| - Adults Social Care Commissioning & Performance Monitoring | 4,045.2 | -623.8 | 3,421.4 | -206 | -146 | Delays in recruitment to vacancies within the Performance & Information Management team | |
| | | | | | -60 | Other minor variances | |
| <u>Adults & Older People:</u> | | | | | | | |
| - Direct Payments | | | | | | | |
| - Learning Disability (aged 18+) | 18,346.6 | -730.0 | 17,616.6 | -411 | +318 | Forecast +1,109 weeks above affordable level of 63,723 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -50 | Forecast average unit cost -£0.79 below affordable level of £287.44 | |
| | | | | | +1,032 | One-off direct payments | |
| | | | | | -1,690 | Recovery of unspent funds from clients | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|------------------------------------|------------|----------|----------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| | | | | | -143 | Other local authority income relating to prior year costs for a client who has recently been transferred under Ordinary Residence status | |
| | | | | | +122 | Other minor variances including prior year costs where insufficient creditors were raised | |
| - Mental Health (aged 18+) | 1,052.9 | -84.3 | 968.6 | +20 | +78 | Forecast +737 weeks above affordable level of 9,998 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +6 | Forecast average unit cost +£0.61 above affordable level of £105.31 | |
| | | | | | +70 | One-off direct payments | |
| | | | | | -161 | Recovery of unspent funds from clients | |
| | | | | | +27 | Other minor variances | |
| - Older People (aged 65+) | 14,572.8 | -140.2 | 14,432.6 | -1,560 | -1,310 | Forecast -6,830 weeks below affordable level of 78,548 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +504 | Forecast average unit cost +£6.41 above affordable level of £185.42 | |
| | | | | | +389 | One-off direct payments | |
| | | | | | -1,136 | Recovery of unspent funds from clients | |
| | | | | | -7 | Other minor variances | |
| - Physical Disability (aged 18-64) | 12,837.8 | -739.9 | 12,097.9 | +239 | +865 | Forecast +4,184 weeks above affordable level of 60,937 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -184 | Forecast average unit cost -£3.02 below affordable level of £209.77 | |
| | | | | | +661 | One-off direct payments | |
| | | | | | -1,141 | Recovery of unspent funds from clients | |
| | | | | | +38 | Other minor variances | |
| Total Direct Payments | 46,810.1 | -1,694.4 | 45,115.7 | -1,712 | | | |
| - Domiciliary Care | | | | | | | |
| - Learning Disability (aged 18+) | 989.5 | -14.0 | 975.5 | -312 | -254 | Forecast -18,409 hours below affordable level of 63,945 hours | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -3 | Forecast average unit cost -£0.05 below affordable level of £13.84 | |
| | | | | | -55 | Other minor variances | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|-----------|---------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Older People (aged 65+) - in house service (KEaH) | 7,888.9 | -5,415.4 | 2,473.5 | +82 | +82 | Higher usage of Kent Enablement at Home Service (KEaH) than anticipated for Older People clients | |
| - Older People (aged 65+) - Commissioned Service | 17,275.3 | -10,168.6 | 7,106.7 | +9,353 | +6,966 | Forecast +476,162 hours above affordable level of 1,175,404 hours | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP The revised timing of the anticipated delivery of phase 2 transformation savings has been reflected in the approved 2016-19 MTFP This pressure is expected to be ongoing & has been addressed in the approved 2016-19 MTFP. |
| | | | | | +35 | Forecast average unit cost +£0.03 above affordable level of £14.60 | |
| | | | | | +1,696 | Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme. The actual savings delivered may vary from these assumptions but any deviation is/will be reflected within the activity variances (no of hours/unit cost) shown above. | |
| | | | | | +588 | Commissioning additional block domiciliary related contracts primarily related to providing additional support within Extra Care Sheltered Housing and at home following a hospital discharge. | |
| | | | | | +68 | Other minor variances | |
| - Physical Disability (aged 18-64) - in house service | 579.4 | 0.0 | 579.4 | 0 | | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|---|------------|-----------|----------|----------|-------------|---|--|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Physical Disability (aged 18-64) - Commissioned Service | 2,334.8 | -21.3 | 2,313.5 | +2,901 | +2,515 | Forecast +180,964 hours above affordable level of 193,031 hours | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -23 | Forecast average unit cost -£0.12 below affordable level of £14.02 | |
| | | | | | +372 | Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme. The actual savings delivered may vary from these assumptions but any deviation is/will be reflected within the activity variances (no of hours/unit cost) shown above. | The revised timing of the anticipated delivery of phase 2 transformation savings has been reflected in the approved 2016-19 MTFP |
| | | | | | +37 | Other minor variances | |
| Total Domiciliary Care | 29,067.9 | -15,619.3 | 13,448.6 | +12,024 | | | |
| - Non Residential Charging | | | | | | | |
| - Learning Disability (aged 18+) | 0.0 | -3,191.3 | -3,191.3 | -419 | -419 | The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other learning disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report. | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| - Older People (aged 65+) | 0.0 | -7,516.3 | -7,516.3 | -1,445 | -1,445 | The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other older people community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report. | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|---|------------|-----------|-----------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Physical Disability (aged 18-64) / Mental Health (aged 18+) | 0.0 | -1,298.5 | -1,298.5 | -493 | -440 | The forecast over-recovery of client contributions towards non-residential care services is linked to the current net pressure being forecast on other physical disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Living) highlighted in this report. | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -53 | Other minor variances | |
| Total Non Residential Charging Income | 0.0 | -12,006.1 | -12,006.1 | -2,357 | | | |
| - Nursing & Residential Care | | | | | | | |
| - Learning Disability (aged 18+) | 80,876.3 | -6,597.4 | 74,278.9 | -1,780 | -2,561 | Forecast -2,111 weeks below affordable level of 67,787 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +202 | Leading to a shortfall in client contributions | |
| | | | | | +1,199 | Forecast average unit cost +£17.69 above affordable level of £1,195.61 | |
| | | | | | -179 | Independent Sector: forecast average unit client contribution -£2.64 above affordable level of -£93.02 | |
| | | | | | -595 | Release of unrealised creditors | |
| | | | | | +153 | Health income is specific to individual clients and following changes in clients supported, there is a reduction in income expected from health | |
| | | | | | +1 | Other minor variances | |
| - Mental Health (aged 18+) | 8,414.1 | -1,006.5 | 7,407.6 | +1,324 | +1,339 | Forecast +2,032 weeks above affordable level of 12,776 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -81 | Leading to an increase in client contributions | |
| | | | | | +9 | Forecast average unit cost +£0.74 above affordable level of £658.02 | |
| | | | | | +61 | Independent Sector: forecast average unit client contribution +£4.76 below affordable level of -£44.62 | |
| | | | | | -4 | Other minor variances | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|--|------------|-----------|----------|----------|---|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Older People (aged 65+) - Nursing | 37,654.6 | -16,250.7 | 21,403.9 | -89 | -2,951 +1,134 +949 +754 +113 -88 | Forecast -5,765 weeks below affordable level of 73,811 weeks Leading to a shortfall in client contributions Forecast average unit cost +£12.86 above affordable level of £499.03 Independent Sector: forecast average unit client contribution +£10.21 below affordable level of -£206.98 Prior year costs where insufficient creditors were raised Other minor variances | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| - Older People (aged 65+) - Residential - in house service | 20,057.6 | -5,468.8 | 14,588.8 | +474 | +215 +155 +90 +200 -186 | Additional agency staff to cover staff vacancies, along with higher than anticipated usage of agency staff for specialist care/nursing roles at Gravesham Place. Increase in running costs for Gravesham Place associated with a recharge from Health for staff, clinical items, utilities and unitary charge. Other minor variances for Gravesham Place including reduced health income associated with Registered Nursing Care Contributions (RNCC) Health are disputing their share of the contribution towards the running costs of an integrated care centre. Although negotiations continue with Thanet CCG, it is considered prudent to reflect this as a pressure until the situation is resolved. Other minor variances within other residential units | This may result in an ongoing pressure which is not provided for in the 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|--|------------|-----------|----------|----------|-------------|---|--|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Older People (aged 65+) - Residential - commissioned service | 55,564.5 | -29,367.8 | 26,196.7 | +2,438 | -3,031 | Forecast -7,074 weeks below affordable level of 139,087 weeks | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +1,404 | Leading to a shortfall in client contributions | |
| | | | | | +801 | Forecast average unit cost +£5.76 above affordable level of £422.68 | |
| | | | | | +476 | Independent Sector: forecast average unit client contribution +£3.42 below affordable level of -£201.94 | |
| | | | | | +1,941 | Revised phasing of anticipated delivery of phase 2 transformation savings resulting from work completed by our Transformation Partners during the design stage of the savings programme. The actual savings delivered may vary from these assumptions but any deviation is/will be reflected within the activity variances (no of hours/unit cost) shown above. | The revised timing of the anticipated delivery of phase 2 transformation savings has been reflected in the approved 2016-19 MTFP |
| | | | | | +607 | Prior year costs where insufficient creditors were raised | |
| | | | | | +188 | Health (Thanet CCG) have confirmed they will no longer contribute to an element of running costs for an integrated care centre following a review of current contractual agreements. | This pressure has been addressed in the approved 2016-19 MTFP |
| | | | | | +118 | Health have indicated that they will no longer contribute towards the cost of short term residential placements within East Kent, previously received through a long standing agreement. Although negotiations continue with South Kent Coast CCG, it is considered prudent to reflect this as a pressure until the situation is resolved. | This pressure has been addressed in the approved 2016-19 MTFP |
| | | | | | -66 | Other minor variances | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|-----------|-----------|----------|--|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Physical Disability (aged 18-64) | 13,489.3 | -1,729.9 | 11,759.4 | +15 | -124 Forecast -146 weeks below affordable level of 15,843 weeks +16 Leading to a shortfall in client contributions +57 Forecast average unit cost +£3.62 above affordable level of £851.42 -24 Independent Sector: forecast average unit client contribution -£1.49 above affordable level of -£109.19 +90 Other minor variances | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| Total Nursing & Residential Care | 216,056.4 | -60,421.1 | 155,635.3 | +2,382 | | |
| - Supported Living | | | | | | |
| - Learning Disability (aged 18+) - in house service | 3,787.4 | -1,593.7 | 2,193.7 | -354 | -100 Completion of the Pathway to Independence project pilot at lower cost than anticipated -297 Local action plans in place to pool resources in preparation for move to Kent Pathways Service, leading to overall reduction in staffing costs as vacancies and secondments are not being filled +43 Other minor variances | |
| - Learning Disability (aged 18+) - shared lives scheme | 3,579.3 | -246.9 | 3,332.4 | +145 | +170 Forecast +60,858 hours above affordable level of 1,068,310 hours -43 Forecast average unit cost -£0.04 below affordable level of £2.84 +18 Other minor variances | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| - Learning Disability (aged 18+) - other commissioned supported living arrangements | 31,448.5 | -189.2 | 31,259.3 | +3,460 | +3,887 Forecast +397,419 hours above affordable level of 3,177,961 hours -254 Forecast average unit cost -£0.08 below affordable level of £9.86 -610 Release of unrealised creditors +193 Estimated costs of unfilled block-purchased supported living placements | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|----------|----------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| | | | | | +227 | Cancellation of outstanding debt relating to ordinary residence based on latest legal advice | |
| | | | | | +17 | Other minor variances | |
| - Older People (aged 65+) - in house service | 4,825.0 | -4,825.0 | 0.0 | +10 | | | |
| - Older People (aged 65+) - commissioned service | 395.9 | 0.0 | 395.9 | +52 | +29 | Forecast +3,887 hours above affordable level of 48,756 hours | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | -38 | Forecast average unit cost -£0.78 below affordable level of £8.12 | |
| | | | | | +61 | Other minor variances | |
| - Physical Disability (aged 18-64) / Mental Health (aged 18+) - in house service | 107.4 | -107.4 | 0.0 | 0 | | | |
| - Physical Disability (aged 18-64) / Mental Health (aged 18+) - commissioned service | 4,416.2 | -221.9 | 4,194.3 | +1,842 | +603 | Mental Health forecast +47,531 hours above affordable level of 177,735 | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +158 | Mental Health forecast average unit cost +£0.89 above affordable level of | |
| | | | | | +1,497 | Physical Disability forecast +267,744 hours above affordable level of 312,847 hours | |
| | | | | | -460 | Physical Disability forecast average unit cost -£1.47 below affordable level of £7.06 | |
| | | | | | +44 | Other minor variances | |
| Total Supported Living | 48,559.7 | -7,184.1 | 41,375.6 | +5,155 | | | |
| - Other Services for Adults & Older People | | | | | | | |
| - Adaptive & Assistive Technology | 6,106.6 | -3,666.2 | 2,440.4 | -453 | -297 | Estimated savings from reduced prices and quantity being purchased following the renegotiation of the equipment contract, affecting occupational therapy equipment, telecare and the pooled budget arrangement with health to provide equipment. | Savings are expected to be ongoing & have been reflected in the approved 2016-19 MTFP |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|--------|---------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| | | | | | -341 | Lower than anticipated demand for telecare leading to a reduction in anticipated revenue contribution to capital | |
| | | | | | +185 | Other minor variances, each below £100k in value | |
| - Community Support Services for Mental Health (aged 18+) - in house service | 1,383.8 | -64.4 | 1,319.4 | -131 | -131 | Delay in the recruitment to vacancies within the short term recovery team | |
| - Community Support Services for Mental Health (aged 18+) - commissioned service | 1,716.5 | -693.9 | 1,022.6 | -72 | | | |
| - Day Care | | | | | | | |
| - Learning Disability (aged 18+) - in house service | 6,627.5 | -70.7 | 6,556.8 | -210 | -102 | Countywide reduction in Agency and contracted staffing costs resulting from 1:1 costs now being commissioned externally within the supported living service (now within the activity reported on the Learning Disability - other commissioned supported living A-Z line) | Savings are expected to be ongoing & have been reflected in the approved 2016-19 MTFP |
| | | | | | -141 | Reduced costs of staff following the recent restructure of day care services and more effective management of resources | |
| | | | | | +33 | Other minor variances | |
| - Learning Disability (aged 18+) - commissioned service | 7,043.6 | -13.9 | 7,029.7 | +897 | +763 | Pressure reflecting current demand for services provided by the independent sector | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| | | | | | +219 | Leading to an increase in transport related costs | |
| | | | | | -85 | Other minor variances | |
| - Older People (aged 65+) - in house | 877.9 | -45.0 | 832.9 | -40 | | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|--|------------|----------|----------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Older People (aged 65+) - commissioned service | 945.1 | 0.0 | 945.1 | -145 | -145 | Underspend reflecting current demand for services provided by the independent sector including transport related costs | Demographic pressures & savings are expected to be ongoing & have been addressed in the approved 2016-19 MTFP |
| - Physical Disability (aged 18-64) | 974.2 | 0.0 | 974.2 | -28 | | | |
| Total Day Care | 16,468.3 | -129.6 | 16,338.7 | +474 | | | |
| - Other Adult Services | 3,864.8 | -3,695.3 | 169.5 | -3,013 | -3,275 | Use of so-far uncommitted funding, held within Other Adult Services, to offset increased activity on Older People A-Z budget lines. | |
| | | | | | +203 | Meals service pressure, primarily due to lower than anticipated client contributions | |
| | | | | | +59 | Other minor variances including additional mental health client support costs | |
| - Safeguarding | 2,331.7 | -702.1 | 1,629.6 | -78 | -135 | Delays in the commissioning of Deprivation of Liberty Safeguard (DOLS) assessments by an external agency, along with a phased approach to recruitment, due to difficulties in finding suitable candidates, have led to a request to re-phase the one-off DOLS Grant received in 2015-16, for use in 2016-17. The roll forward of £135k will be required to enable higher levels of DOLS assessments to be completed. There has been a significant rise in the number of DOLS assessments required in both care homes and hospital settings following a legal judgement and this grant has been given in recognition of this pressure on local councils. | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|------------------------------------|----------------|-----------------|--------------|--------------|-------------|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | +57 | Other minor variances, each below £100k, including -£59k relating to KCC's share of re-phasing into 2016-17 of Kent & Medway Safeguarding Vulnerable Adults Committee. This will be required to roll forward to meet our obligation to the Committee under the terms of the multi-agency agreement. |
| - Social Support | | | | | | |
| - Carers - in house service | 3,550.9 | -0.3 | 3,550.6 | +87 | | |
| - Carers - commissioned service | 10,440.9 | -6,172.1 | 4,268.8 | +876 | +768 | Higher than anticipated spend on supporting carers via external provision (including services provided by voluntary organisations) |
| | | | | | +398 | Lower than anticipated client income for Social Support to Carers |
| | | | | | -290 | Lower than anticipated demand for Carers direct payments |
| - Information & Early Intervention | 6,517.0 | -2,254.9 | 4,262.1 | -608 | -362 | Lower than anticipated demand for advocacy services |
| | | | | | -300 | A review of the process required to complete the Deprivation of Liberty Safeguard assessments of clients in a domestic setting, has resulted in only part year costs being incurred in 2015-16 although the budget allows for the full year effect. |
| | | | | | +54 | Other minor variances |
| - Social Isolation | 6,269.2 | -2,288.5 | 3,980.7 | +30 | +115 | Payments to voluntary organisations as a result of higher than anticipated demand for Learning Disability services |
| | | | | | -85 | Other minor variances |
| Total Social Support | 26,778.0 | -10,715.8 | 16,062.2 | +385 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|-----------|----------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Support & Assistance Service (Social Fund) | 1,481.5 | 0.0 | 1,481.5 | 0 | | | |
| Total Other Services for Adults & Older People | 60,131.2 | -19,667.3 | 40,463.9 | -2,888 | | | |
| <u>Community Services</u> | | | | | | | |
| - Local Healthwatch & NHS Complaints Advocacy | 1,138.4 | -705.9 | 432.5 | -105 | -105 | Reduction in the anticipated demand for advocacy services, along with staff savings | |
| <u>Housing Related Support for Vulnerable People (Supporting People)</u> | | | | | | | |
| - Administration | 536.1 | -150.0 | 386.1 | -54 | | | |
| - Adults - Learning Difficulties | 3,352.2 | 0.0 | 3,352.2 | -26 | | | |
| - Adults - Physical Difficulties | 138.5 | 0.0 | 138.5 | 0 | | | |
| - Adults - Mental Health (aged 18+) | 2,904.3 | 0.0 | 2,904.3 | -58 | | | |
| - Older People (aged 65+) | 3,891.5 | 0.0 | 3,891.5 | -46 | | | |
| - Other Adults | 7,421.6 | -193.2 | 7,228.4 | 0 | | | |
| - Young People | 3,677.9 | 0.0 | 3,677.9 | 0 | | | |
| Total Housing Related Support for Vulnerable People | 21,922.1 | -343.2 | 21,578.9 | -184 | | | |
| <u>Public Health</u> | | | | | | | |
| - Drug & Alcohol Services (LASAR) | 429.9 | 0.0 | 429.9 | -35 | | | |
| <u>Assessment Services</u> | | | | | | | |
| - Adult Social Care Staffing | 44,648.7 | -11,237.9 | 33,410.8 | -5,784 | -980 | Delays in the recruitment to vacancies within the Mental Health assessment teams and the usage of locum/agency staff. This is partly due to recent staffing reviews along with general difficulties in recruiting to speciality mental health practitioners. | |
| | | | | | -463 | Delays in the recruitment to vacancies across Learning Disability assessment teams | |

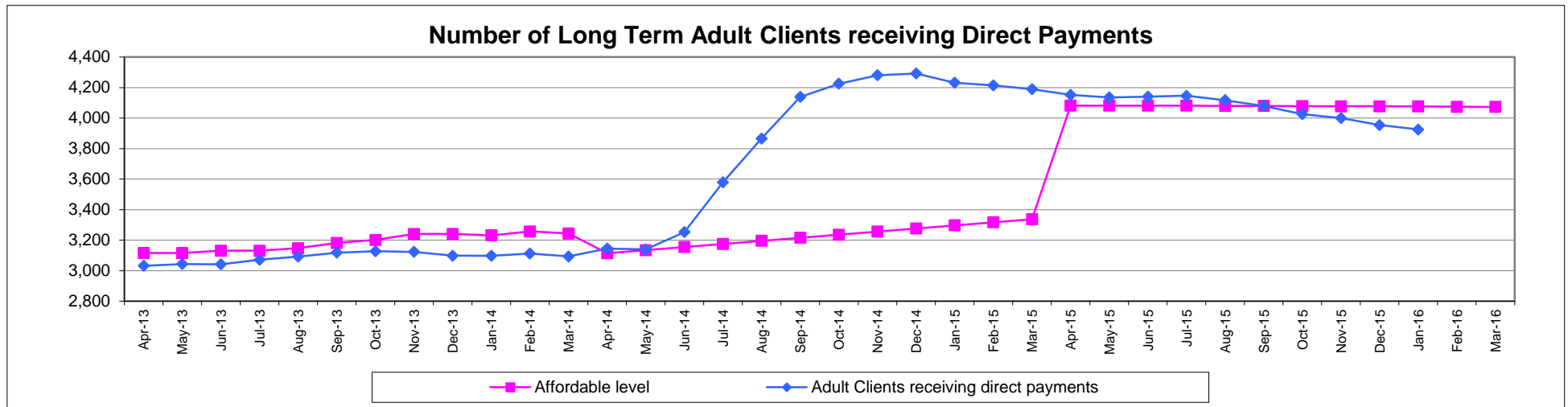
| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---------------------------------|------------------|-------------------|------------------|---------------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| | | | | | +349 | Use of agency staff within the Older People and Physical Disability teams partly due to delays in the recruitment to vacancies along with general difficulties in recruiting within specific |
| | | | | | -190 | Delay in implementation of new Care Planning Management System |
| | | | | | -126 | Delays in undertaking the Deprivation of Liberty Safeguard (DOLS) assessments due to a review of the process required, have led to a request to re-phase the one-off DOLS Grant received in 2015-16, for use in 2016-17. The roll forward of £126k will be required to enable higher levels of DOLS assessments to be completed. There has been a significant rise in the number of DOLS assessments required in both care homes and hospital settings following a legal judgement and this grant has been given in recognition of this pressure on local councils. |
| | | | | | -154 | Use of so-far uncommitted funding held within Adult Social Care staffing to offset spending on new Care Act responsibilities within the Older People Domiciliary Care A-Z budget line above |
| | | | | | -4,227 | Use of so-far uncommitted funding following the Government announcement to delay the implementation of phase 2 Care Act |
| | | | | | +150 | Provision for the possible outcome of a legal case |
| | | | | | -143 | Other minor variances, each below £100k |
| Total SCH&W (Adults) | 480,913.7 | -130,647.6 | 350,266.1 | +5,450 | | |

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

The affordable levels for 2015-16 were updated in the December Monitoring Report, presented to Cabinet in March 2016, to reflect the outcome of the work undertaken by the Procurement and Commissioning teams on the adult social care prices review, which includes the impact of additional price pressures resulting from current market conditions.

2.1 Direct Payments - Number of Adult Social Services Clients receiving Direct Payments:

| | 2013-14 | | | 2014-15 | | | 2015-16 | | |
|-----|--|--|--|--|--|--|--|--|--|
| | Affordable level for long term clients | Snapshot of long term adults rec'ing direct payments | Number of one-off payments made during the month | Affordable level for long term clients | Snapshot of long term adults rec'ing direct payments | Number of one-off payments made during the month | Affordable level for long term clients | Snapshot of long term adults rec'ing direct payments | Number of one-off payments made during the month |
| Apr | 3,116 | 3,032 | 164 | 3,114 | 3,145 | 216 | 4,081 | 4,152 | 153 |
| May | 3,116 | 3,043 | 169 | 3,134 | 3,139 | 160 | 4,081 | 4,135 | 137 |
| Jun | 3,130 | 3,042 | 120 | 3,155 | 3,253 | 184 | 4,081 | 4,140 | 214 |
| Jul | 3,130 | 3,072 | 173 | 3,175 | 3,579 | 215 | 4,081 | 4,146 | 229 |
| Aug | 3,147 | 3,092 | 158 | 3,195 | 3,866 | 200 | 4,080 | 4,117 | 191 |
| Sep | 3,181 | 3,118 | 134 | 3,215 | 4,139 | 209 | 4,080 | 4,080 | 202 |
| Oct | 3,201 | 3,127 | 179 | 3,235 | 4,225 | 204 | 4,078 | 4,026 | 173 |
| Nov | 3,240 | 3,123 | 144 | 3,256 | 4,281 | 167 | 4,077 | 4,000 | 155 |
| Dec | 3,240 | 3,098 | 159 | 3,276 | 4,292 | 115 | 4,077 | 3,954 | 102 |
| Jan | 3,231 | 3,097 | 176 | 3,297 | 4,232 | 135 | 4,076 | 3,925 | 97 |
| Feb | 3,257 | 3,112 | 135 | 3,317 | 4,214 | 128 | 4,074 | | |
| Mar | 3,244 | 3,093 | 121 | 3,337 | 4,189 | 144 | 4,073 | | |
| | | | 1,832 | | | 2,077 | | | 1,653 |

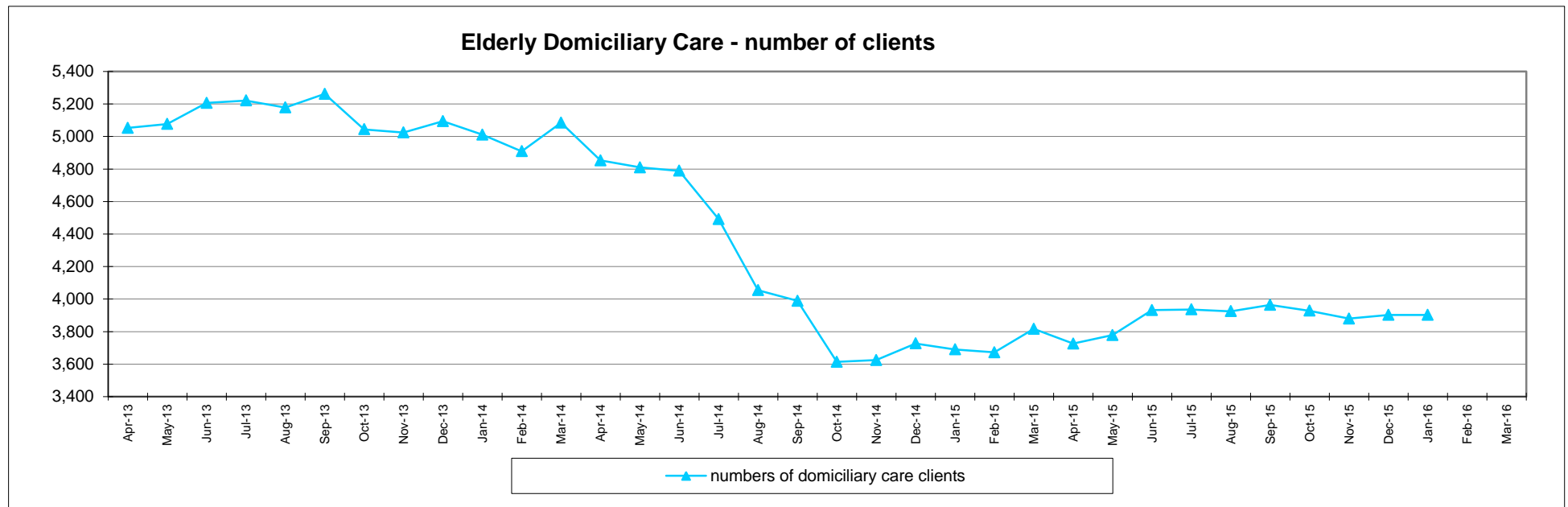


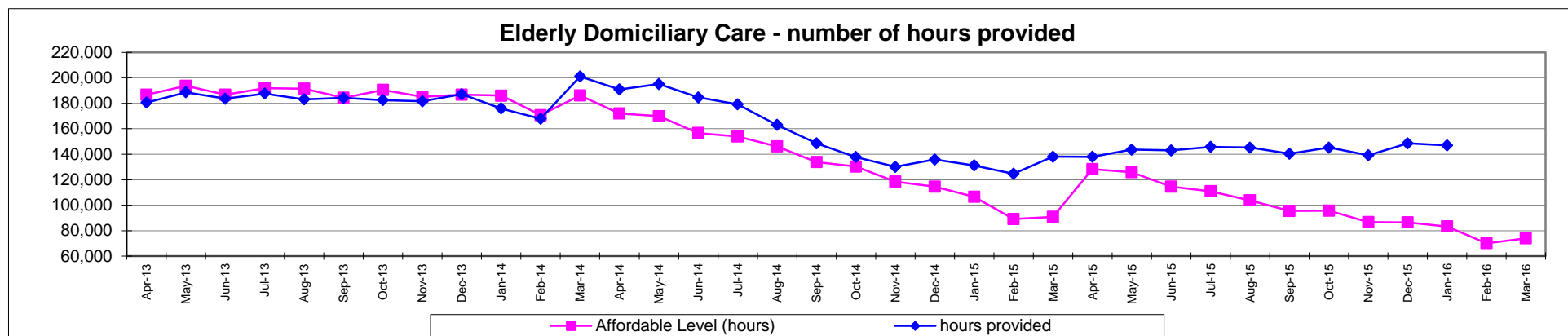
Comments:

- A long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- Please note that due to the time taken to record changes in direct payments onto the client database the number of clients and one-off direct payments for any given month may change, therefore the current year to date activity data is refreshed in each report to provide the most up to date information.
- Current activity to date compared against the profiled budget would suggest a lower level of activity than currently forecast on this service, however the current forecast includes a number of known clients not yet recorded on the activity database. This position is being offset by recoveries of unspent funds from clients. The overall effect of these factors across individual client groups is reflected in Table 1, which shows a forecast underspend of -£1,712k against the overall direct payments budget.
- The affordable level was updated in the quarter 3 monitoring report, presented to Cabinet in March, to reflect the transfer of responsibilities for former independent living fund clients, along with the outcome of the prices review (referred to at the start of section 2 of this annex).

2.2 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

| | 2013-14 | | | 2014-15 | | | 2015-16 | | |
|-----|--------------------------|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|------------------|-------------------|
| | Affordable level (hours) | hours provided | number of clients | Affordable level (hours) | hours provided | number of clients | Affordable level (hours) | hours provided | number of clients |
| Apr | 186,809 | 180,585 | 5,053 | 171,979 | 190,804 | 4,853 | 128,349 | 138,025 | 3,726 |
| May | 193,717 | 188,656 | 5,077 | 169,813 | 195,051 | 4,810 | 125,833 | 143,582 | 3,778 |
| Jun | 186,778 | 183,621 | 5,206 | 156,692 | 184,572 | 4,789 | 114,538 | 143,059 | 3,932 |
| Jul | 191,791 | 187,621 | 5,221 | 154,016 | 179,105 | 4,492 | 110,944 | 145,708 | 3,936 |
| Aug | 191,521 | 183,077 | 5,178 | 146,118 | 163,006 | 4,054 | 103,747 | 145,224 | 3,925 |
| Sep | 184,242 | 184,208 | 5,262 | 133,761 | 148,649 | 3,989 | 95,449 | 140,360 | 3,964 |
| Oct | 190,446 | 182,503 | 5,044 | 130,322 | 137,790 | 3,614 | 95,708 | 145,262 | 3,928 |
| Nov | 185,082 | 181,521 | 5,025 | 118,474 | 130,108 | 3,625 | 86,749 | 139,234 | 3,880 |
| Dec | 186,796 | 187,143 | 5,094 | 114,525 | 135,832 | 3,727 | 86,556 | 148,514 | 3,902 |
| Jan | 186,006 | 175,916 | 5,011 | 106,627 | 131,261 | 3,690 | 83,287 | 146,990 | 3,903 |
| Feb | 170,695 | 167,774 | 4,909 | 89,174 | 124,714 | 3,672 | 70,204 | | |
| Mar | 186,184 | 201,069 | 5,085 | 90,829 | 138,077 | 3,817 | 74,040 | | |
| | 2,240,067 | 2,203,694 | | 1,582,330 | 1,858,968 | | 1,175,404 | 1,435,958 | |





Comments:

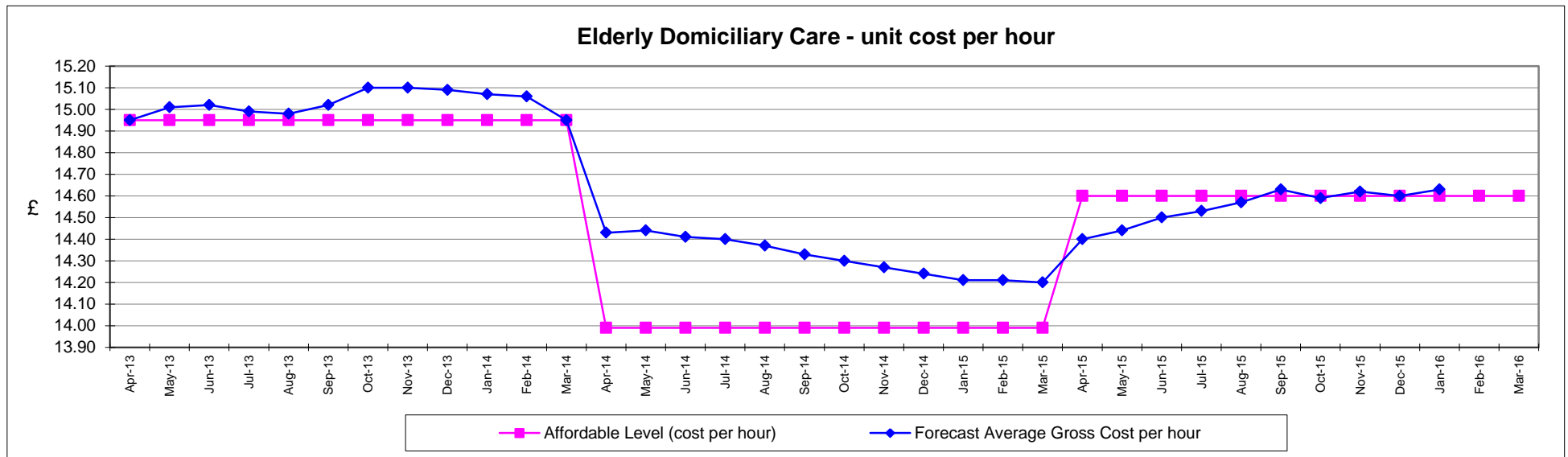
- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The current forecast is 1,651,566 hours of care against an affordable level of 1,175,404, a difference of +476,162 hours. Using the forecast unit cost of £14.63 this increase in activity increases the forecast by +£6,966k, as shown in table 1.
- The affordable level for 2015-16 reflects both the full year effect of phase 1 transformation changes, along with further reductions in relation to the phase 2 transformation programme based on the revised savings plans agreed with our transformation partners. Due to the anticipated revised phasing of the second tranche of savings, based on work undertaken by our Transformation partners during the design stage of the savings programme early in this financial year, a separate pressure of £1,696k is reported in table 1. However, this was based on a best estimate at the time and actual savings delivered may vary from this. Any deviation from these assumptions is/will be reflected within the forecast activity shown within this activity indicator.
- To the end of January 1,435,958 hours of care have been delivered against an affordable level of 1,031,160, a difference of +404,798 hours. The budgeted level assumes a continual reduction in client numbers in line with transformation plans and the general trend experienced in recent years. Current activity suggests that the forecast should be lower on this service when compared to the budgeted profile, however the forecast reflects the continuation of the higher levels of activity experienced in 2014-15 and in the first ten months of 2015-16, which have offset the effect of the transformation savings that are built in to the affordable profile. Based on current activity levels, the forecast appears low but it is likely the activity to date is overstated due a delay in closing domiciliary packages on the system.
- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service. However, as a result of this, clients who are receiving domiciliary care are likely to have greater needs and require more intensive packages of care than historically provided - the 2012-2013 average hours per client per week was 8.0, whereas the average figure for 2013-14 was 8.3 and 8.7 for 2014-15. For 2015-16, the current actual average hours per client per week is 8.5.
- The affordable level was updated in the quarter 3 report, presented to Cabinet in March, to reflect the transfer of responsibilities for former independent living fund clients, along with the outcome of the prices review (referred to at the start of section 2 of this annex).

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

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|-------------------------------------|---|-------------------------------------|---|-------------------------------------|---|
| | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p |
| Apr | 14.95 | 14.95 | 13.99 | 14.43 | 14.60 | 14.40 |
| May | 14.95 | 15.01 | 13.99 | 14.44 | 14.60 | 14.44 |
| Jun | 14.95 | 15.02 | 13.99 | 14.41 | 14.60 | 14.50 |
| Jul | 14.95 | 14.99 | 13.99 | 14.40 | 14.60 | 14.53 |
| Aug | 14.95 | 14.98 | 13.99 | 14.37 | 14.60 | 14.57 |
| Sep | 14.95 | 15.02 | 13.99 | 14.33 | 14.60 | 14.63 |
| Oct | 14.95 | 15.10 | 13.99 | 14.30 | 14.60 | 14.59 |
| Nov | 14.95 | 15.10 | 13.99 | 14.27 | 14.60 | 14.62 |
| Dec | 14.95 | 15.09 | 13.99 | 14.24 | 14.60 | 14.60 |
| Jan | 14.95 | 15.07 | 13.99 | 14.21 | 14.60 | 14.63 |
| Feb | 14.95 | 15.06 | 13.99 | 14.21 | 14.60 | |
| Mar | 14.95 | 14.95 | 13.99 | 14.20 | 14.60 | |

Comments:

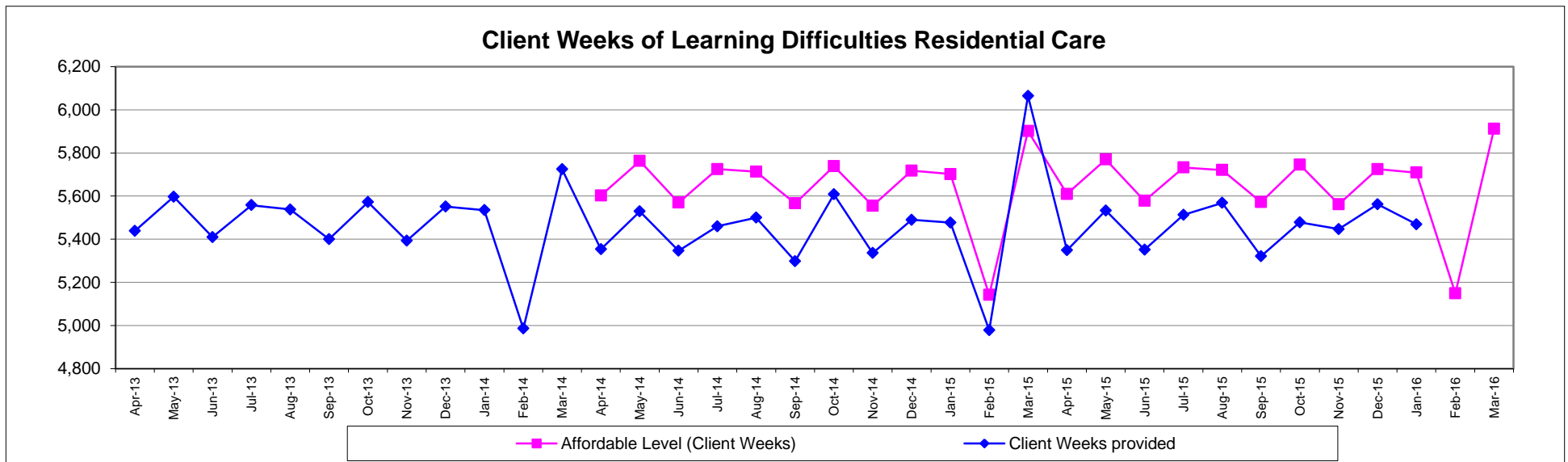
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£14.63 is higher than the affordable cost of +£14.60, and this difference of £0.03 increases the position by £35k when multiplied by the affordable hours, as is shown in table 1.
- The affordable unit cost for 2015-16 reflects the result of the domiciliary re-let during 2014-15, along with the recent outcome of the prices review and funding of current market pressures.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level:

| | 2013-14 | 2014-15 | | 2014-15 | |
|-----|-----------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided |
| Apr | 5,439 | 5,603 | 5,354 | 5,610 | 5,349 |
| May | 5,597 | 5,763 | 5,529 | 5,770 | 5,533 |
| Jun | 5,410 | 5,570 | 5,347 | 5,578 | 5,351 |
| Jul | 5,558 | 5,725 | 5,460 | 5,733 | 5,513 |
| Aug | 5,538 | 5,713 | 5,500 | 5,721 | 5,569 |
| Sep | 5,400 | 5,566 | 5,298 | 5,572 | 5,321 |
| Oct | 5,572 | 5,739 | 5,608 | 5,746 | 5,479 |
| Nov | 5,393 | 5,555 | 5,336 | 5,562 | 5,447 |
| Dec | 5,551 | 5,718 | 5,490 | 5,725 | 5,562 |
| Jan | 5,535 | 5,702 | 5,477 | 5,709 | 5,469 |
| Feb | 4,986 | 5,142 | 4,978 | 5,149 | |
| Mar | 5,724 | 5,901 | 6,064 | 5,912 | |
| | 65,703 | 67,697 | 65,441 | 67,787 | 54,594 |

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to provide comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



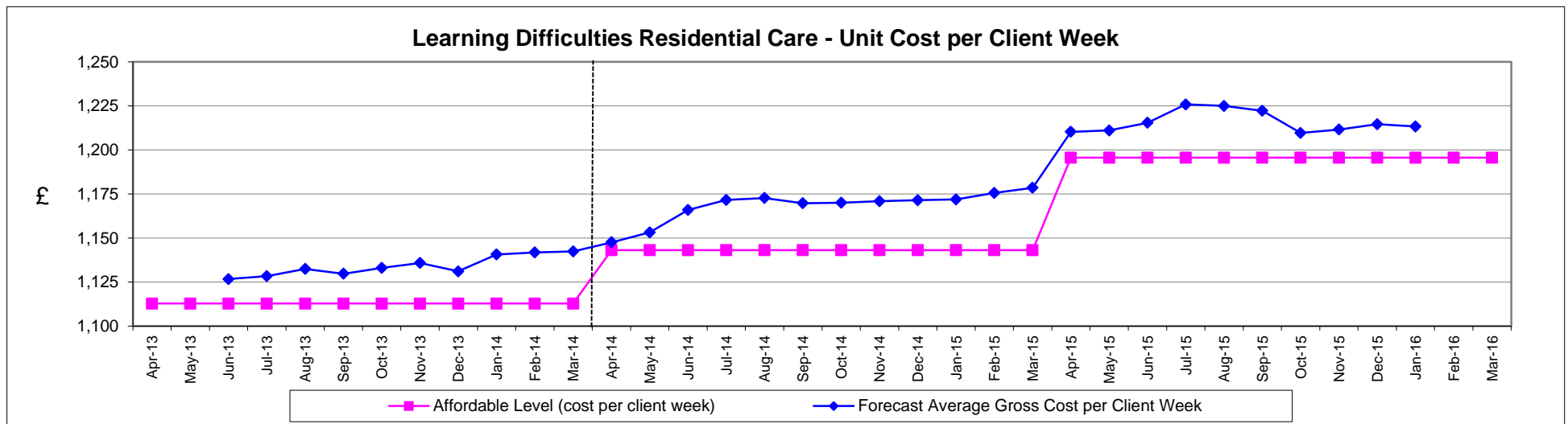
Comments:

- 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 (including preserved rights clients) at the end of 2013-14 was 1,254, at the end of 2014-15 it was 1,258 and at the end of January 2016 it was 1,226. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 65,676 weeks of care against an affordable level of 67,787, a difference of -2,111 weeks. Using the forecast unit cost of £1,213.30, this reduced activity decreases the forecast by -£2,561k, as shown in table 1.
- The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.
- To the end of January 54,594 weeks of care have been delivered against an affordable level of 56,726, a difference of -2,132 weeks. The year to date activity suggests a lower level of activity than currently forecast, however, this is mainly due to delays in the recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated. In addition, the forecast assumes that some activity for transitional and provisional clients will, by necessity, need to be backdated due to bespoke contracts that have to be agreed individually with providers.

2.5 Average gross cost per client week of learning disability residential care compared with affordable level

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|----------------------------------|---|----------------------------------|---|----------------------------------|---|
| | Affordable Level (Cost per Week) | Forecast Average Gross Cost per Client Week | Affordable Level (Cost per Week) | Forecast Average Gross Cost per Client Week | Affordable Level (Cost per Week) | Forecast Average Gross Cost per Client Week |
| | £p | £p | £p | £p | £p | £p |
| Apr | 1,112.86 | | 1,143.16 | 1,147.62 | 1,195.61 | 1,210.33 |
| May | 1,112.86 | | 1,143.16 | 1,153.21 | 1,195.61 | 1,211.12 |
| Jun | 1,112.86 | 1,126.76 | 1,143.16 | 1,165.91 | 1,195.61 | 1,215.42 |
| Jul | 1,112.86 | 1,128.39 | 1,143.16 | 1,171.61 | 1,195.61 | 1,225.85 |
| Aug | 1,112.86 | 1,132.54 | 1,143.16 | 1,172.74 | 1,195.61 | 1,224.95 |
| Sep | 1,112.86 | 1,129.75 | 1,143.16 | 1,169.82 | 1,195.61 | 1,222.21 |
| Oct | 1,112.86 | 1,133.04 | 1,143.16 | 1,170.10 | 1,195.61 | 1,209.68 |
| Nov | 1,112.86 | 1,135.86 | 1,143.16 | 1,170.90 | 1,195.61 | 1,211.57 |
| Dec | 1,112.86 | 1,131.13 | 1,143.16 | 1,171.47 | 1,195.61 | 1,214.58 |
| Jan | 1,112.86 | 1,140.70 | 1,143.16 | 1,171.99 | 1,195.61 | 1,213.30 |
| Feb | 1,112.86 | 1,141.90 | 1,143.16 | 1,175.62 | 1,195.61 | |
| Mar | 1,112.86 | 1,142.45 | 1,143.16 | 1,178.59 | 1,195.61 | |

- From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.



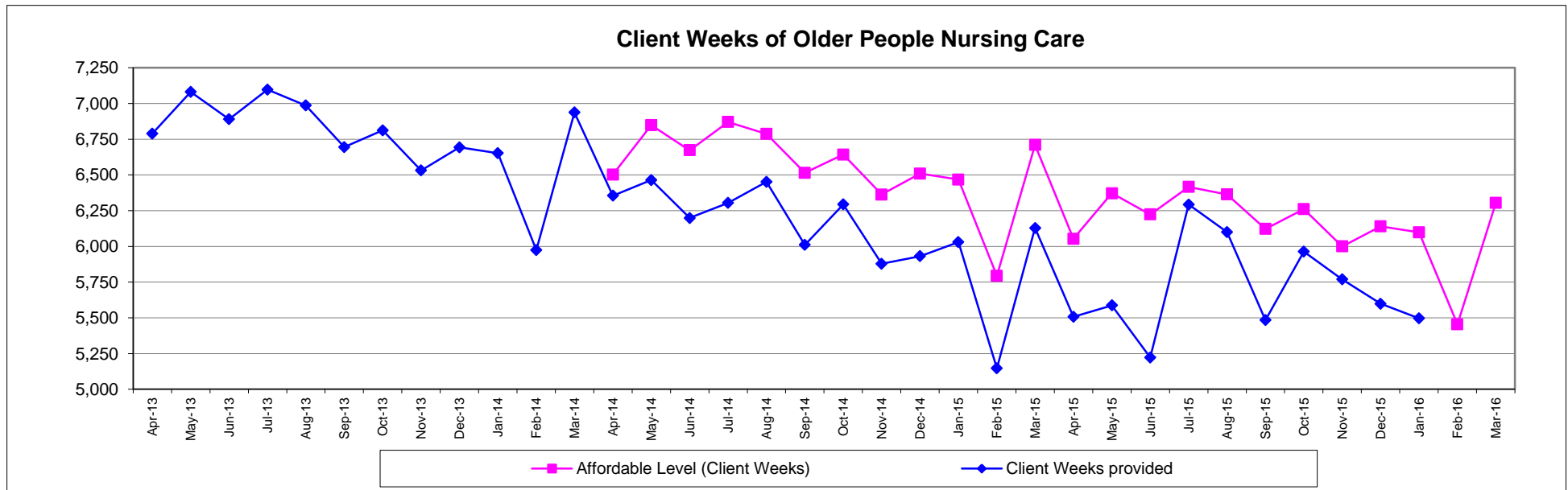
Comments:

- Clients being placed in residential care are those with very complex and individual needs which make 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 £1,200 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 cost – 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 forecast unit cost of +£1,213.30 is higher than the affordable cost of +£1,195.61 and this difference of +£17.69 adds +£1,199k to the position when multiplied by the affordable weeks, as shown in table 1.
- The steep price increase in July has been influenced by a home closure requiring the clients to be transferred to new settings. As a result of the short notice of closure, many of these new placements are more expensive.
- The reduction in the forecast unit cost in October reflects the outcome of the prices review whereby the actual price uplift applied was less than anticipated in previous monitoring reports.

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

| | 2013-14 | 2014-15 | | 2015-16 | |
|-----|-----------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided |
| Apr | 6,789 | 6,502 | 6,355 | 6,053 | 5,507 |
| May | 7,081 | 6,848 | 6,464 | 6,372 | 5,587 |
| Jun | 6,891 | 6,673 | 6,199 | 6,224 | 5,222 |
| Jul | 7,097 | 6,871 | 6,304 | 6,416 | 6,293 |
| Aug | 6,986 | 6,788 | 6,452 | 6,364 | 6,100 |
| Sep | 6,695 | 6,515 | 6,011 | 6,123 | 5,484 |
| Oct | 6,812 | 6,643 | 6,294 | 6,261 | 5,964 |
| Nov | 6,532 | 6,363 | 5,878 | 6,000 | 5,770 |
| Dec | 6,693 | 6,510 | 5,932 | 6,141 | 5,599 |
| Jan | 6,653 | 6,468 | 6,030 | 6,098 | 5,496 |
| Feb | 5,975 | 5,795 | 5,147 | 5,455 | |
| Mar | 6,937 | 6,710 | 6,129 | 6,304 | |
| | 81,141 | 78,686 | 73,195 | 73,811 | 57,022 |

From April 2014 there was a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to provide comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



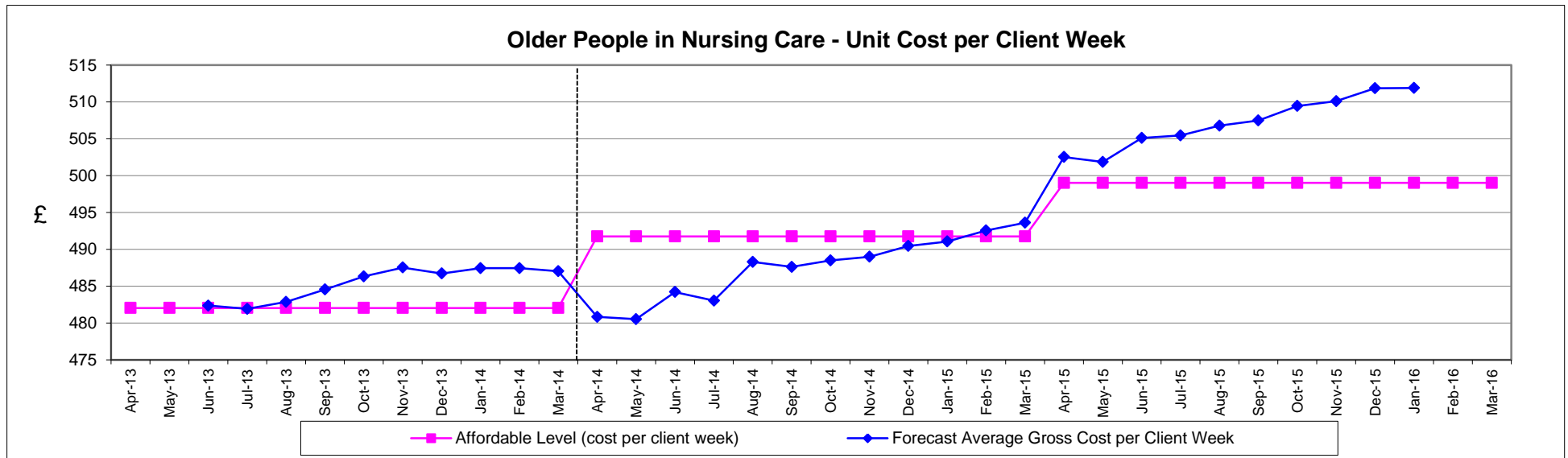
Comments:

- The 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 2013-14 was 1,423, at the end of 2014-15 it was 1,253 and at the end of January 2016 it was 1,212.
- The current forecast is 68,046 weeks of care against an affordable level of 73,811, a difference of -5,765 weeks. Using the forecast unit cost of £511.89, this reduced activity decreases the forecast by -£2,951k, as shown in table 1.
- To the end of January 57,022 weeks of care have been delivered against an affordable level of 62,052, a difference of -5,030 weeks. The year to date activity suggests a lower level of activity than currently forecast. However, it is believed the year to date activity reported for short term beds is still understated due to delays in updating the activity database. The sharp increase in activity in July is due to the initial impact of this work and therefore the July activity reported in the table above not only reflects July activity but also some activity relating to previous months. This is also true, but to a lesser extent, of the activity quoted for August to November.
- We are now making contributions under the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

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

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|--|---|--|---|--|---|
| | Affordable Level (Cost per Week) £p | Forecast Average Gross Cost per Client Week £p | Affordable Level (Cost per Week) £p | Forecast Average Gross Cost per Client Week £p | Affordable Level (Cost per Week) £p | Forecast Average Gross Cost per Client Week £p |
| Apr | 482.05 | | 491.75 | 480.83 | 499.03 | 502.53 |
| May | 482.05 | | 491.75 | 480.53 | 499.03 | 501.86 |
| Jun | 482.05 | 482.37 | 491.75 | 484.21 | 499.03 | 505.11 |
| Jul | 482.05 | 481.93 | 491.75 | 483.04 | 499.03 | 505.46 |
| Aug | 482.05 | 482.87 | 491.75 | 488.31 | 499.03 | 506.79 |
| Sep | 482.05 | 484.55 | 491.75 | 487.62 | 499.03 | 507.49 |
| Oct | 482.05 | 486.34 | 491.75 | 488.50 | 499.03 | 509.45 |
| Nov | 482.05 | 487.54 | 491.75 | 489.00 | 499.03 | 510.10 |
| Dec | 482.05 | 486.72 | 491.75 | 490.45 | 499.03 | 511.87 |
| Jan | 482.05 | 487.46 | 491.75 | 491.06 | 499.03 | 511.89 |
| Feb | 482.05 | 487.44 | 491.75 | 492.57 | 499.03 | |
| Mar | 482.05 | 487.05 | 491.75 | 493.62 | 499.03 | |

- From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.



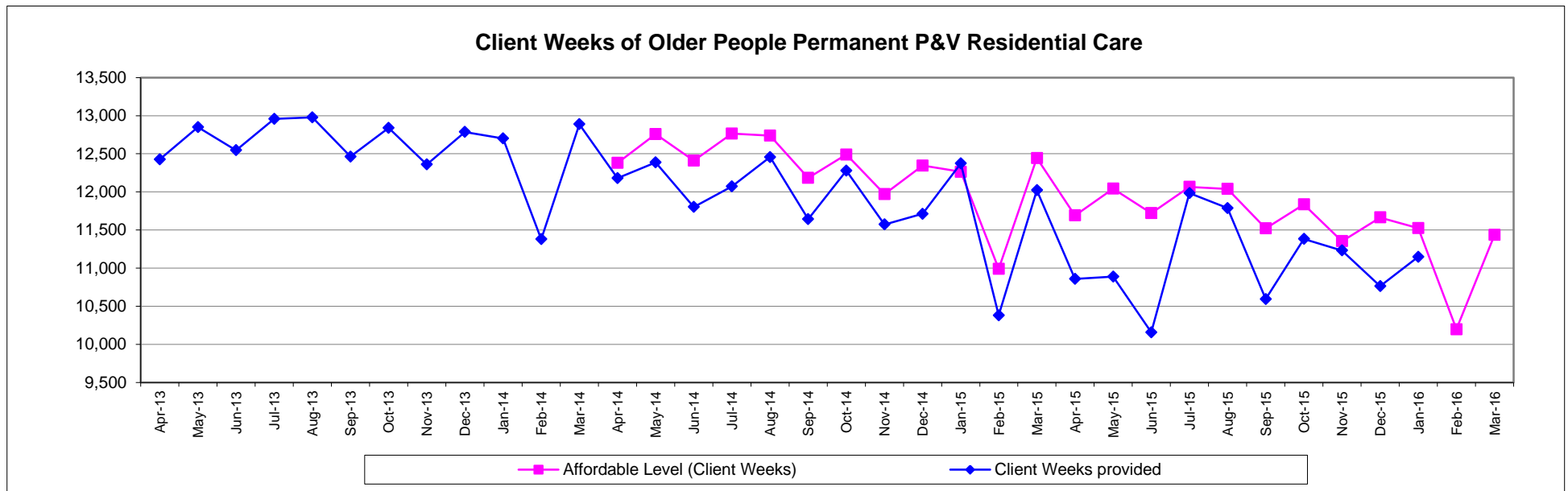
Comments:

- 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, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The forecast unit cost of +£511.89 is higher than the affordable cost of +£499.03 and this difference of +£12.86 increases the position by +£949k when multiplied by the affordable weeks, as shown in table 1.
- The unit cost for 2015-16 includes the full year effect of the price increase which took effect from October 2014, whereas the unit cost in 2014-15 is an average for the year and therefore only includes a part year effect of this price uplift.

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

| | 2013-14 | 2014-15 | | 2015-16 | |
|-----|-----------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided | Affordable Level (Client Weeks) | Client Weeks provided |
| Apr | 12,427 | 12,381 | 12,179 | 11,690 | 10,858 |
| May | 12,849 | 12,757 | 12,388 | 12,043 | 10,888 |
| Jun | 12,547 | 12,409 | 11,802 | 11,720 | 10,157 |
| Jul | 12,959 | 12,764 | 12,071 | 12,065 | 11,983 |
| Aug | 12,978 | 12,739 | 12,456 | 12,038 | 11,787 |
| Sep | 12,463 | 12,184 | 11,644 | 11,521 | 10,594 |
| Oct | 12,839 | 12,490 | 12,279 | 11,836 | 11,382 |
| Nov | 12,360 | 11,972 | 11,573 | 11,353 | 11,231 |
| Dec | 12,787 | 12,345 | 11,712 | 11,664 | 10,764 |
| Jan | 12,701 | 12,264 | 12,373 | 11,524 | 11,147 |
| Feb | 11,380 | 10,991 | 10,381 | 10,197 | |
| Mar | 12,887 | 12,443 | 12,022 | 11,436 | |
| | 151,177 | 147,739 | 142,880 | 139,087 | 110,790 |

From April 2014 there was a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



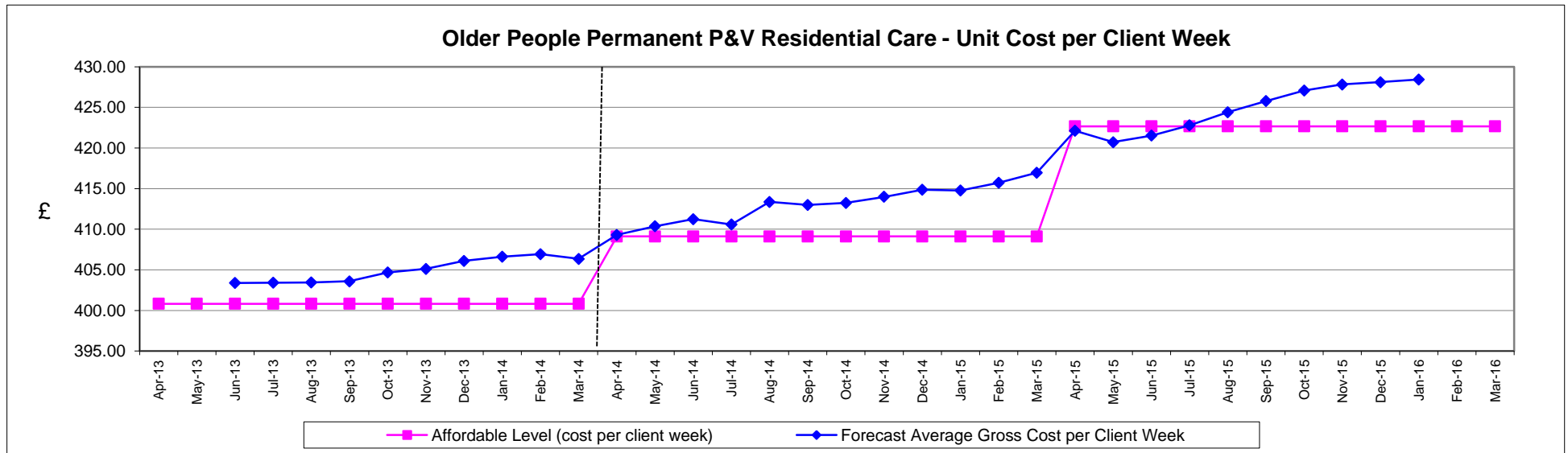
Comments:

- 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 2013-14 was 2,704, at the end of 2014-15 it was 2,480 and at the end of January 2016 it was 2,380. It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.
- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.
- The current forecast is 132,013 weeks of care against an affordable level of 139,087, a difference of -7,074 weeks. Using the forecast unit cost of £428.44, this reduced activity decreases the forecast by -£3,031k, as shown in table 1.
- To the end of January 110,790 weeks of care have been delivered against an affordable level of 117,454 a difference of -6,664 weeks. Current activity suggests that the forecast should be lower on this service when compared to the budgeted profile, however the forecast assumes a continuation of current levels of activity for the remainder of the financial year.
- Due to delays earlier in the year in updating the activity database, work is being undertaken to clear this backlog. The sharp increase in activity in July is due to the initial impact of this work and therefore the July activity reported in the table above not only reflects July activity but also some activity relating to previous months. This is also true, but to a lesser extent, for the activity quoted for August to November.
- We are now making contributions to the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

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

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|---|---|--|---|--|---|
| | Forecast Average Gross Cost per Client Week £p | Forecast Average Gross Cost per Client Week £p | Affordable Level (Cost per Week) £p | Forecast Average Gross Cost per Client Week £p | Affordable Level (Cost per Week) £p | Forecast Average Gross Cost per Client Week £p |
| Apr | 400.83 | | 409.12 | 409.31 | 422.68 | 422.12 |
| May | 400.83 | | 409.12 | 410.36 | 422.68 | 420.72 |
| Jun | 400.83 | 403.38 | 409.12 | 411.25 | 422.68 | 421.54 |
| Jul | 400.83 | 403.43 | 409.12 | 410.59 | 422.68 | 422.80 |
| Aug | 400.83 | 403.46 | 409.12 | 413.36 | 422.68 | 424.41 |
| Sep | 400.83 | 403.59 | 409.12 | 413.00 | 422.68 | 425.79 |
| Oct | 400.83 | 404.67 | 409.12 | 413.25 | 422.68 | 427.07 |
| Nov | 400.83 | 405.12 | 409.12 | 413.99 | 422.68 | 427.83 |
| Dec | 400.83 | 406.10 | 409.12 | 414.86 | 422.68 | 428.11 |
| Jan | 400.83 | 406.62 | 409.12 | 414.76 | 422.68 | 428.44 |
| Feb | 400.83 | 406.94 | 409.12 | 415.73 | 422.68 | |
| Mar | 400.83 | 406.35 | 409.12 | 416.97 | 422.68 | |

- From April 2014 there was a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable.

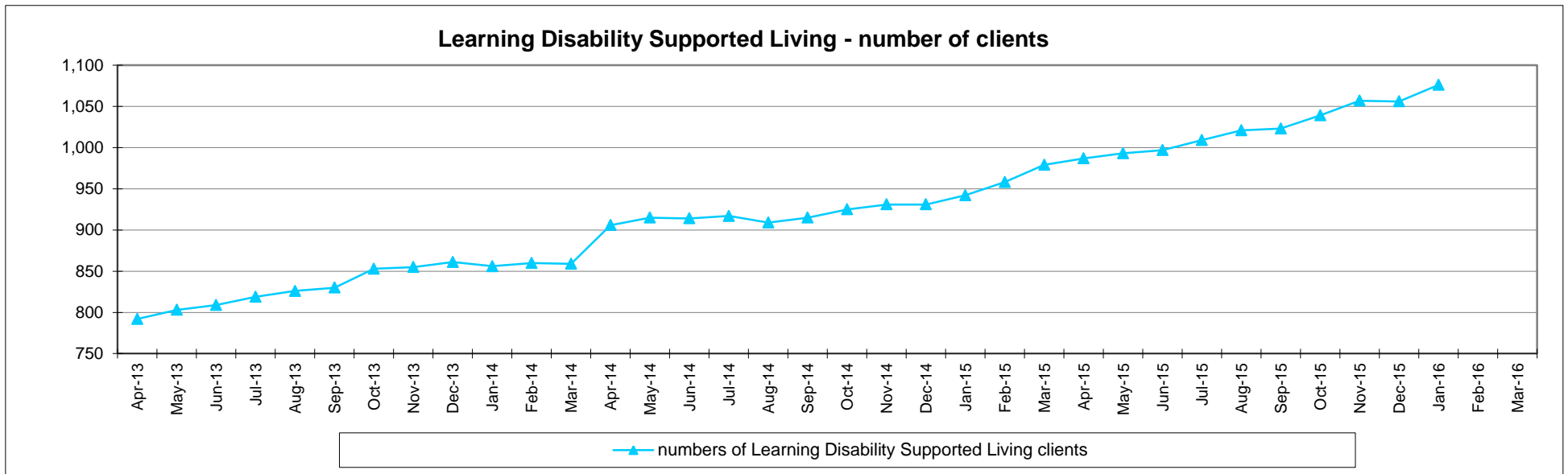


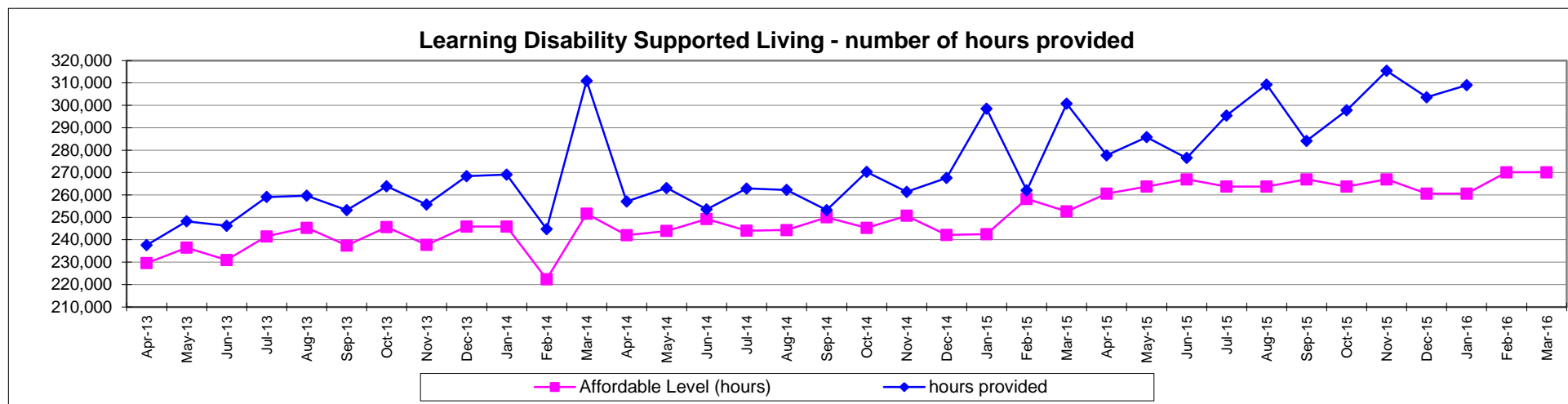
Comments:

- The forecast unit cost of +£428.44 is higher than the affordable cost of +£422.68 and this difference of +£5.76 adds +£801k to the position when multiplied by the affordable weeks, as shown in table 1.
- This general increasing trend in average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above. New cases are likely to enter the service at higher unit costs, reflecting the fact that only those with higher needs are directed towards residential care, while those with lower needs are directed towards other forms of support.

2.10 Learning Disability Supported Living – numbers of clients and hours provided in the independent sector

| | 2013-14 | | | 2014-15 | | | 2015-16 | | |
|-----|--------------------------|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|------------------|-------------------|
| | Affordable level (hours) | hours provided | number of clients | Affordable level (hours) | hours provided | number of clients | Affordable level (hours) | hours provided | number of clients |
| Apr | 229,595 | 237,586 | 792 | 242,016 | 257,102 | 906 | 260,593 | 277,711 | 987 |
| May | 236,463 | 248,239 | 803 | 243,920 | 263,101 | 915 | 263,771 | 285,786 | 993 |
| Jun | 230,924 | 246,245 | 809 | 249,306 | 253,552 | 914 | 266,949 | 276,507 | 997 |
| Jul | 241,526 | 259,125 | 819 | 244,064 | 262,906 | 917 | 263,771 | 295,434 | 1,009 |
| Aug | 245,366 | 259,688 | 826 | 244,360 | 262,245 | 909 | 263,771 | 309,295 | 1,021 |
| Sep | 237,459 | 253,230 | 830 | 250,030 | 253,263 | 915 | 266,949 | 284,119 | 1,023 |
| Oct | 245,710 | 263,849 | 853 | 245,304 | 270,298 | 925 | 263,771 | 297,797 | 1,039 |
| Nov | 237,732 | 255,747 | 855 | 250,730 | 261,412 | 931 | 266,949 | 315,436 | 1,057 |
| Dec | 245,833 | 268,439 | 861 | 242,207 | 267,598 | 931 | 260,593 | 303,594 | 1,056 |
| Jan | 245,925 | 269,112 | 856 | 242,547 | 298,520 | 942 | 260,593 | 309,019 | 1,076 |
| Feb | 222,397 | 244,716 | 860 | 258,264 | 262,038 | 958 | 270,124 | | |
| Mar | 251,616 | 310,965 | 859 | 252,712 | 300,749 | 979 | 270,127 | | |
| | 2,870,543 | 3,116,941 | | 2,965,460 | 3,212,783 | | 3,177,961 | 2,954,698 | |





Comments:

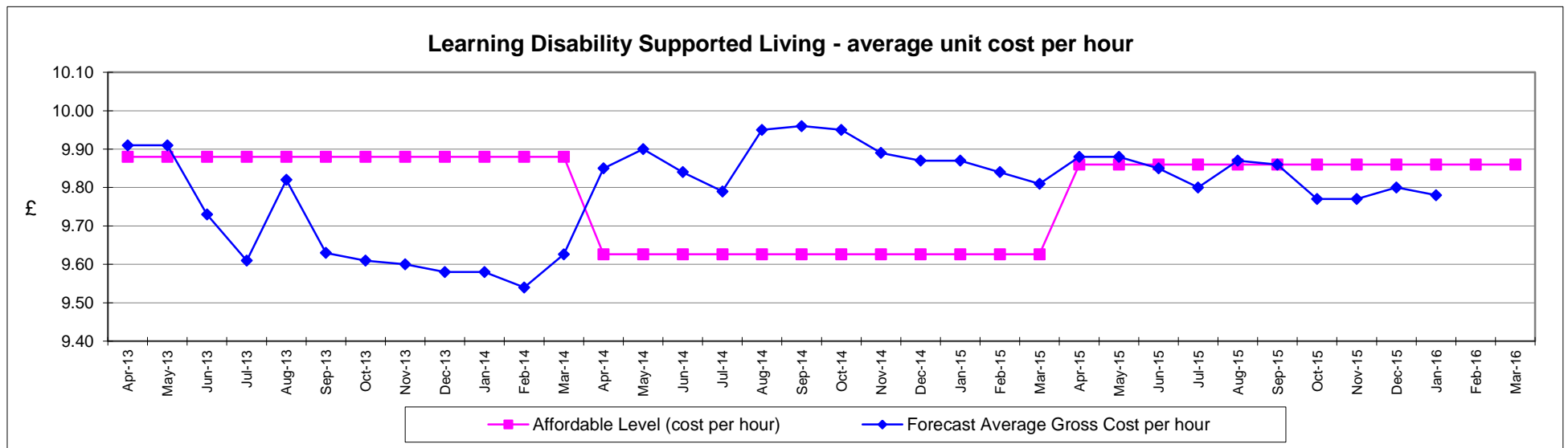
- This indicator has changed for 2015-16 and now excludes activity relating the adult placement scheme as this is now reported within a separate budget line. This measure continues to incorporate 2 different supported living arrangements; supported accommodation (mainly S256 clients) and Supporting Independence Service. Services for individual clients are commissioned in either sessions or hours, however for the purposes of this report, sessions are converted into hours on a standard basis. In addition, the details of the number of clients in receipt of these services is given on a monthly basis. Activity for 2013-14 and 2014-15 has also been restated to exclude the adult placement scheme to ensure data is directly comparable.
- The current forecast is 3,575,380 hours of care against an affordable level of 3,177,961, a difference of +397,419 hours. Using the forecast unit cost of £9.78, this increased activity increases the forecast by +£3,887k, as shown in table 1.
- To the end of January 2,954,698 hours of care have been delivered against an affordable level of 2,637,710, a difference of +316,988 hours. The forecast number of hours reflects an increase in activity expected in future months which is also reflected in the profile of the budgeted level. However, the year to date activity still suggests a lower level of activity than currently forecast, which is mainly due to a delay in the recording of transitional and provisional clients on the activity database. Such delays are intrinsic to this service as a result of the channels through which referrals take place, i.e. ordinary residence cases, where complex negotiations are involved to determine the point at which different local authorities have responsibility for clients, in addition to the number of bespoke contracts that have to be agreed individually with providers.
- The affordable level was updated in the quarter 3 monitoring report, presented to Cabinet in March, to reflect the transfer of responsibilities for former independent living fund clients, along with the outcome of the prices review (referred to at the start of section 2 of this annex).

2.11 Average gross cost per hour of Supported Living service compared with affordable level:

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-----|-------------------------------------|---|-------------------------------------|---|-------------------------------------|---|
| | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p | Affordable Level (Cost per Hour) £p | Forecast Average Gross Cost per Hour £p |
| Apr | 9.88 | 9.91 | 9.63 | 9.85 | 9.86 | 9.88 |
| May | 9.88 | 9.91 | 9.63 | 9.90 | 9.86 | 9.88 |
| Jun | 9.88 | 9.73 | 9.63 | 9.84 | 9.86 | 9.85 |
| Jul | 9.88 | 9.61 | 9.63 | 9.79 | 9.86 | 9.80 |
| Aug | 9.88 | 9.82 | 9.63 | 9.95 | 9.86 | 9.87 |
| Sep | 9.88 | 9.63 | 9.63 | 9.96 | 9.86 | 9.86 |
| Oct | 9.88 | 9.61 | 9.63 | 9.95 | 9.86 | 9.77 |
| Nov | 9.88 | 9.60 | 9.63 | 9.89 | 9.86 | 9.77 |
| Dec | 9.88 | 9.58 | 9.63 | 9.87 | 9.86 | 9.80 |
| Jan | 9.88 | 9.58 | 9.63 | 9.87 | 9.86 | 9.78 |
| Feb | 9.88 | 9.54 | 9.63 | 9.84 | 9.86 | |
| Mar | 9.88 | 9.63 | 9.63 | 9.81 | 9.86 | |

Comments:

- This measure comprises 2 distinct client groups and each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report. 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.
- The forecast unit cost of +£9.78 is lower than the affordable cost of +£9.86 and this difference of -£0.08 reduces the position by -£254k when multiplied by the affordable hours, as shown in table 1.
- The reduction in the forecast unit cost in October reflects the outcome of the prices review whereby the actual price uplift applied was less than anticipated in previous monitoring reports.



2. SOCIAL CARE DEBT MONITORING

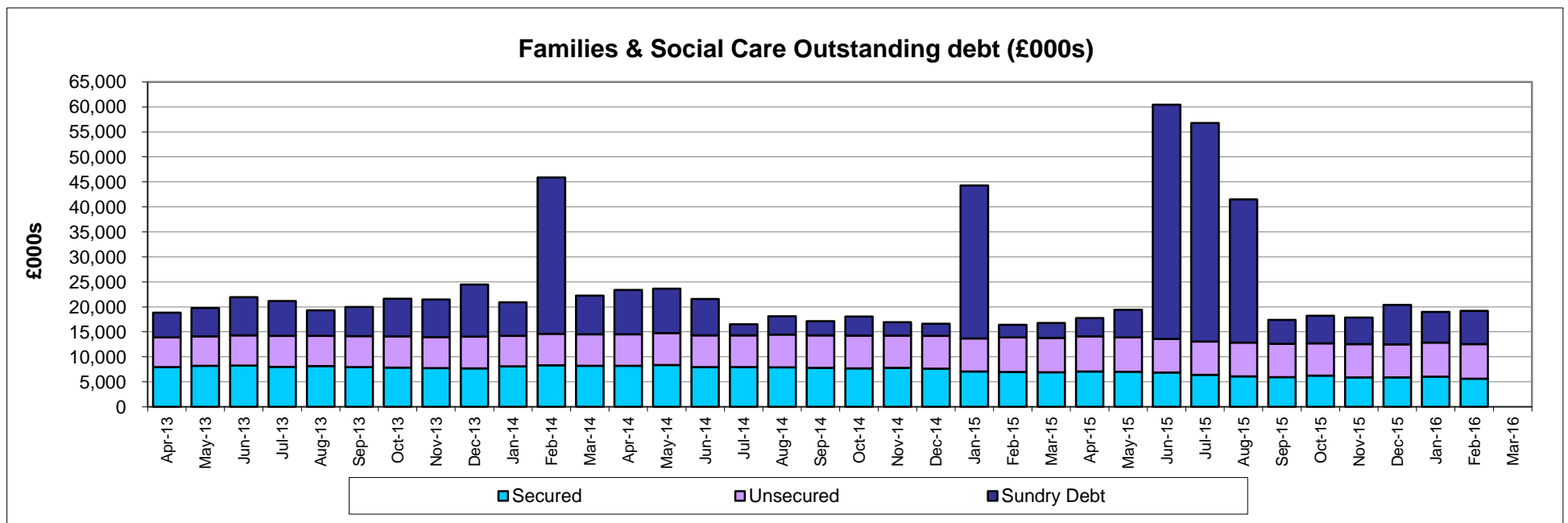
The outstanding debt as at the end of February was £19.213m compared with January's figure of £19.003m excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £6.668m of sundry debt compared to £6.138m in January. It is not unusual for sundry debt to fluctuate for large invoices to Health. As previously reported, in June invoices were raised across the East Kent Clinical Commissioning Groups (CCGs) for the Better Care Fund (BCF) totalling £43m. There is minimal risk around this debt as it is secured by a signed Section 75 agreement, meaning that the CCGs are legally obliged to pay. Payments are being received monthly. From September, the remaining BCF debt moved onto a payment plan to reflect the agreed monthly profile of anticipated income receipts and will only show as outstanding debt in the table below if an instalment is not received on time.

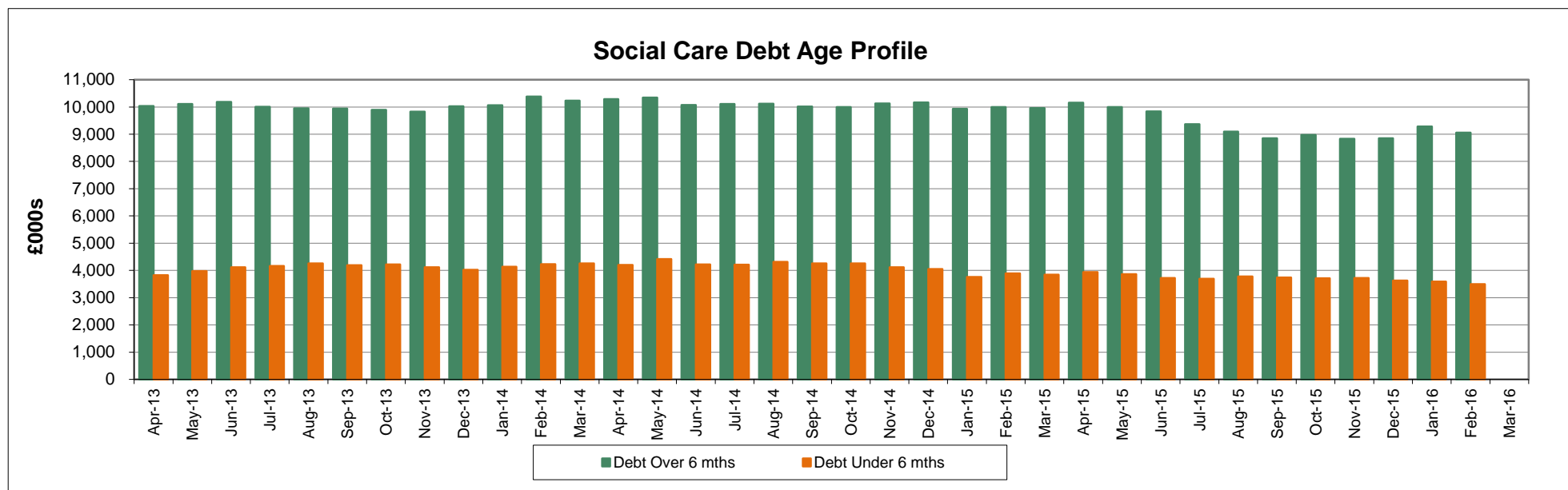
Also within the outstanding debt is £12.545m relating to Social Care (client) debt which is a reduction of £0.320m from the January position. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together 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. The sundry debt figures are based on calendar months.

| | Total Due Debt (Social Care & Sundry Debt) £000s | Sundry Debt £000s | Social Care Debt | | | | |
|--------|---|----------------------|-------------------------------------|-----------------------------|------------------------------|------------------|--------------------|
| | | | Total Social Care Due Debt £000s | Debt Over 6 months £000s | Debt Under 6 months £000s | Secured £000s | Unsecured £000s |
| Apr-14 | 23,374 | 8,884 | 14,490 | 10,288 | 4,202 | 8,220 | 6,270 |
| May-14 | 23,654 | 8,899 | 14,755 | 10,342 | 4,413 | 8,353 | 6,402 |
| Jun-14 | 21,579 | 7,289 | 14,290 | 10,071 | 4,219 | 7,944 | 6,346 |
| Jul-14 | 16,503 | 2,187 | 14,316 | 10,108 | 4,208 | 7,927 | 6,389 |
| Aug-14 | 18,138 | 3,707 | 14,431 | 10,122 | 4,309 | 7,882 | 6,549 |
| Sep-14 | 17,119 | 2,849 | 14,270 | 10,015 | 4,255 | 7,805 | 6,465 |
| Oct-14 | 18,060 | 3,808 | 14,252 | 9,992 | 4,260 | 7,709 | 6,543 |
| Nov-14 | 16,907 | 2,658 | 14,249 | 10,131 | 4,118 | 7,777 | 6,472 |
| Dec-14 | 16,612 | 2,406 | 14,206 | 10,160 | 4,046 | 7,624 | 6,582 |
| Jan-15 | 44,315 | 30,632 | 13,683 | 9,926 | 3,757 | 7,079 | 6,604 |
| Feb-15 | 16,425 | 2,538 | 13,887 | 9,996 | 3,891 | 6,973 | 6,914 |
| Mar-15 | 16,757 | 2,955 | 13,802 | 9,962 | 3,840 | 6,915 | 6,887 |
| Apr-15 | 17,764 | 3,669 | 14,095 | 10,155 | 3,940 | 7,069 | 7,026 |

| | Social Care Debt | | | | | | |
|--------|--|-------------|----------------------------|--------------------|---------------------|---------|-----------|
| | Total Due Debt (Social Care & Sundry Debt) | Sundry Debt | Total Social Care Due Debt | Debt Over 6 months | Debt Under 6 months | Secured | Unsecured |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| May-15 | 19,391 | 5,534 | 13,857 | 9,994 | 3,863 | 7,009 | 6,848 |
| Jun-15 | 60,443 | * 46,885 | 13,558 | 9,837 | 3,721 | 6,885 | 6,673 |
| Jul-15 | 56,795 | * 43,741 | 13,054 | 9,366 | 3,688 | 6,417 | 6,637 |
| Aug-15 | 41,514 | * 28,648 | 12,866 | 9,090 | 3,776 | 6,075 | 6,791 |
| Sep-15 | 17,391 | 4,794 | 12,597 | 8,854 | 3,743 | 5,913 | 6,684 |
| Oct-15 | 18,214 | 5,532 | 12,682 | 8,969 | 3,713 | 6,231 | 6,451 |
| Nov-15 | 17,848 | 5,298 | 12,550 | 8,831 | 3,719 | 5,905 | 6,645 |
| Dec-15 | 20,408 | 7,934 | 12,474 | 8,849 | 3,625 | 5,888 | 6,586 |
| Jan-16 | 19,003 | 6,138 | 12,865 | 9,281 | 3,584 | 6,012 | 6,853 |
| Feb-16 | 19,213 | 6,668 | 12,545 | 9,052 | 3,493 | 5,631 | 6,914 |
| Mar-16 | | | | | | | |

* incl. BCF debt of £42,867k
 * incl. BCF debt of £39,295k
 * incl. BCF debt of £25,006k
 From Sept 15, the remaining BCF debt has been moved onto a payment plan and will only show in these figures if a monthly instalment is not received on time.





With regard to Social Care debt, the tables below show the current breakdown and movement since last month of secured, unsecured and health debt, together with a breakdown of unsecured debt by client group.

| Social Care debt by Customer Credit Status | January £000s | February £000s | Movement £000s |
|---|--------------------------|---------------------------|---------------------------|
| Secured | 6,012 | 5,631 | -381 |
| Unsecured - Deceased/Terminated Service | 1,950 | 2,092 | 142 |
| Unsecured - Ongoing | 4,845 | 4,799 | -46 |
| Caution/Restriction (Unsecured) | 58 | 23 | -35 |
| Health (Unsecured) | 0 | 0 | 0 |
| TOTAL | 12,865 | 12,545 | -320 |

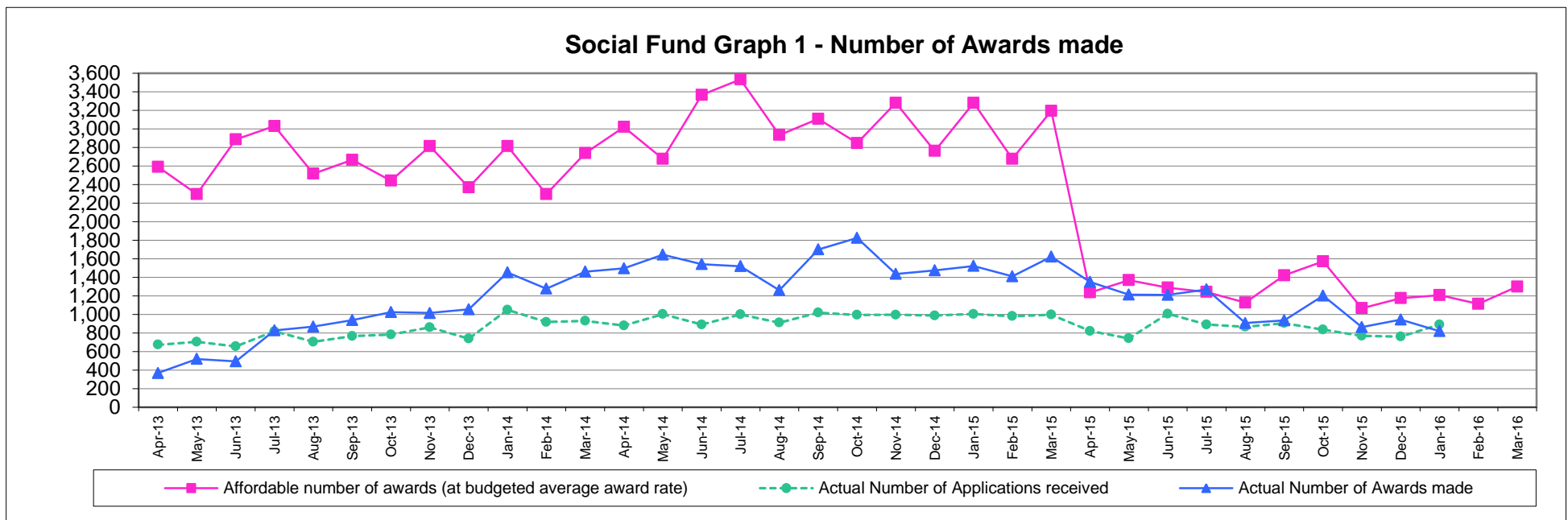
| Unsecured debt by Client Group | January £000s | February £000s | Movement £000s |
|---------------------------------------|--------------------------|---------------------------|---------------------------|
| Older People/Physical Disability | 6,300 | 6,369 | 69 |
| Learning Disability | 417 | 392 | -25 |
| Mental Health | 136 | 153 | 17 |
| TOTAL | 6,853 | 6,914 | 61 |

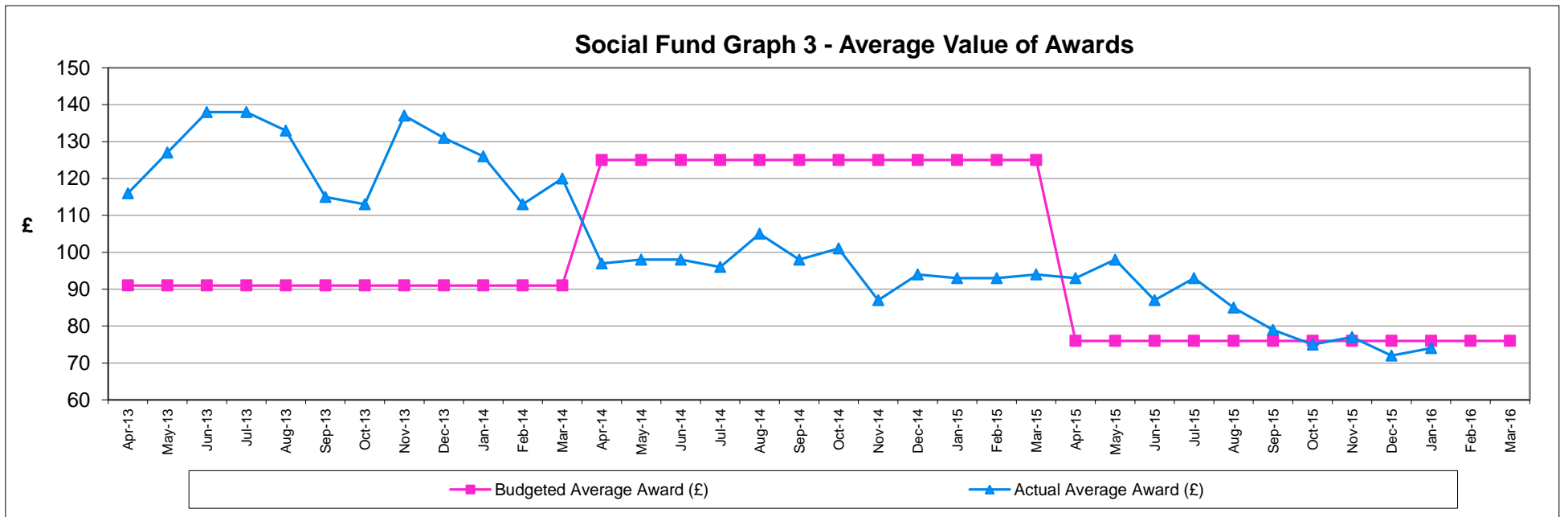
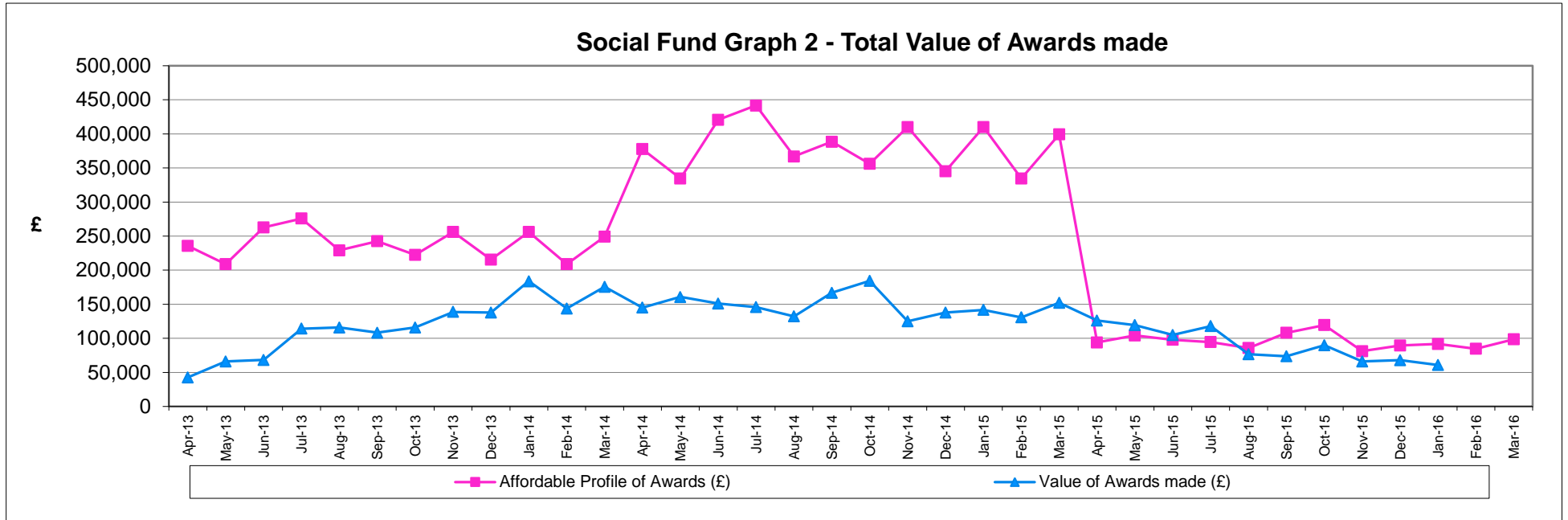
2.13 Number and Value of Social Fund awards made

| | | (a) * | (b) | (c) | (d) * | (e) | (d) / (a) | (e) / (c) |
|---------|-----|--|--|------------------------------|----------------------------------|--------------------------|----------------------------|--------------------------|
| | | Affordable number of awards (at budgeted average award rate) | Actual number of applications received | Actual number of awards made | Affordable profile of awards (£) | Value of awards made (£) | Budgeted average award (£) | Actual average award (£) |
| 2013-14 | Apr | 2,591 | 673 | 368 | 235,800 | 42,620 | 91 | 116 |
| | May | 2,296 | 704 | 520 | 208,900 | 65,907 | 91 | 127 |
| | Jun | 2,887 | 655 | 494 | 262,700 | 68,201 | 91 | 138 |
| | Jul | 3,031 | 818 | 828 | 275,800 | 114,188 | 91 | 138 |
| | Aug | 2,518 | 704 | 869 | 229,100 | 115,811 | 91 | 133 |
| | Sep | 2,666 | 766 | 939 | 242,600 | 108,237 | 91 | 115 |
| | Oct | 2,443 | 783 | 1,025 | 222,300 | 115,778 | 91 | 113 |
| | Nov | 2,813 | 861 | 1,015 | 256,000 | 138,738 | 91 | 137 |
| | Dec | 2,369 | 738 | 1,054 | 215,600 | 137,748 | 91 | 131 |
| | Jan | 2,813 | 1,050 | 1,453 | 256,000 | 183,774 | 91 | 126 |
| | Feb | 2,296 | 918 | 1,278 | 208,900 | 143,813 | 91 | 113 |
| | Mar | 2,739 | 930 | 1,460 | 249,300 | 175,416 | 91 | 120 |
| | | | 31,462 | 9,600 | 11,303 | 2,863,000 | 1,410,231 | 91 |
| 2014-15 | Apr | 3,021 | 880 | 1,496 | 377,600 | 145,043 | 125 | 97 |
| | May | 2,677 | 1,003 | 1,644 | 334,600 | 160,674 | 125 | 98 |
| | Jun | 3,366 | 891 | 1,541 | 420,700 | 151,071 | 125 | 98 |
| | Jul | 3,534 | 1,001 | 1,520 | 441,700 | 145,708 | 125 | 96 |
| | Aug | 2,935 | 911 | 1,261 | 366,900 | 132,206 | 125 | 105 |
| | Sep | 3,108 | 1,018 | 1,701 | 388,500 | 166,819 | 125 | 98 |
| | Oct | 2,848 | 994 | 1,826 | 356,000 | 184,200 | 125 | 101 |
| | Nov | 3,280 | 996 | 1,436 | 410,000 | 125,165 | 125 | 87 |
| | Dec | 2,762 | 988 | 1,474 | 345,300 | 137,907 | 125 | 94 |
| | Jan | 3,280 | 1,004 | 1,523 | 410,000 | 141,708 | 125 | 93 |
| | Feb | 2,677 | 981 | 1,410 | 334,600 | 130,743 | 125 | 93 |
| | Mar | 3,194 | 997 | 1,622 | 399,300 | 152,114 | 125 | 94 |
| | | | 36,682 | 11,664 | 18,454 | 4,585,200 | 1,773,358 | 125 |

* Columns (a) and (d) are based on available funding which has been profiled by month and type of award (excluding cash awards) in the same ratio as the previous DWP scheme. As the criteria and awards for the scheme differ to the DWP scheme, this does not represent the anticipated demand for the scheme, but represents the maximum affordable level should sufficient applications be received which meet the criteria. *Please note as the data for 2013-14, the first year of our pilot scheme, includes increasing levels of activity as the service commenced, it is not considered to represent a typical year.* One application may result in more than one award, e.g. an award for food & clothing and an award for utilities, hence the number of awards in column (c) may exceed the number of applications in column (b).

| | (a) * | (b) | (c) | (d) * | (e) | (d) / (a) | (e) / (c) | |
|---------|--|--|------------------------------|----------------------------------|--------------------------|----------------------------|--------------------------|-----------|
| | Affordable number of awards (at budgeted average award rate) | Actual number of applications received | Actual number of awards made | Affordable profile of awards (£) | Value of awards made (£) | Budgeted average award (£) | Actual average award (£) | |
| 2015-16 | Apr | 1,237 | 821 | 1,350 | 94,000 | 125,979 | 76 | 93 |
| | May | 1,370 | 742 | 1,214 | 104,100 | 119,356 | 76 | 98 |
| | Jun | 1,288 | 1,007 | 1,210 | 97,900 | 104,865 | 76 | 87 |
| | Jul | 1,242 | 891 | 1,269 | 94,400 | 117,923 | 76 | 93 |
| | Aug | 1,128 | 865 | 907 | 85,700 | 76,786 | 76 | 85 |
| | Sep | 1,422 | 905 | 936 | 108,100 | 73,593 | 76 | 79 |
| | Oct | 1,571 | 835 | 1,202 | 119,400 | 89,806 | 76 | 75 |
| | Nov | 1,067 | 768 | 863 | 81,100 | 66,164 | 76 | 77 |
| | Dec | 1,176 | 761 | 945 | 89,400 | 67,964 | 76 | 72 |
| | Jan | 1,208 | 891 | 820 | 91,800 | 60,900 | 76 | 74 |
| | Feb | 1,114 | | | 84,700 | | 76 | |
| | Mar | 1,299 | | | 98,700 | | 76 | |
| | | 15,122 | 8,486 | 10,716 | 1,149,300 | 903,336 | 76 | 84 |





Comments:

- The pilot scheme commenced in Kent on 1 April 2013 and differed from the previous cash-based Social Fund scheme, previously administered by DWP. The Kent Local Welfare Scheme offers emergency help to those experiencing a crisis; a disaster; or who are in need of help to make the transition into or remain within the local community. This scheme offers 4 types of award including food & clothing, furniture & white goods, energy vouchers and advice & guidance. In addition, all applicants, regardless of whether they receive an award or not, are signposted to the appropriate service to address any causal or underlying needs. This is an emergency fund and is targeted towards the most vulnerable in society. The figures provided in the table and represented in the graphs above reflect a combined average of these 4 types of award.
- All applications are immediately prioritised with the intention that high priority applications should receive the award within 24 hours. Medium and low priority applications are assessed within a longer timeframe e.g. applications for furniture from low risk households. Therefore, actual awards made in any month can exceed the number of applications for the month, either due to the processing of low priority cases from previous months, or as a result of individual applications resulting in multiple awards being granted, as referred to above.
- From April 2013 to March 2015, the scheme was funded from a Government grant. Due to uncertainty about both future levels of demand and government funding, the funding for awards in 2013-14 was ring-fenced and rolled forward to 2014-15 to provide some stability to the service and this roll forward is reflected in the 2014-15 affordable level as shown in the table above. Following the Government announcement to incorporate the Local Welfare Assistance Grant within the Revenue Support Grant (RSG) from 2015-16, the budget for this service as shown in table 1 is now £1,481.5k, in line with the amount identified by Government as being included within our RSG for welfare provision. Within this, £332.2k is the cost of administering the scheme, including signposting applicants to alternative appropriate services, and £1,149.3k is available to award where appropriate (column d in the table above).
- **Graph 1** above represents the number of individual awards granted, (there could be multiple awards arising from an individual application), compared to (i) the number of applications received and (ii) the affordable number of awards, as calculated using the budgeted average award rate, which is the maximum number of awards that can be afforded, not the anticipated level of demand. In the early months of 2013-14 the number of applications received was higher than the number of awards made, which predominately reflected that applications for cash awards were being received in line with the old DWP scheme, but this type of award is not generally offered as part of the Kent Local Welfare Scheme. Initially there were also a number of inappropriate referrals being made whereby the applicant did not qualify. However, the number of awards made is now higher than the number of applications received illustrating that a greater proportion of relevant applications are being received along with some applications resulting in more than one award e.g. an award for food and clothing and an award for energy vouchers.

- **Graph 2** represents the value of awards made against the maximum profiled funding available. In the first four months of the year, the value of the awards made was higher than the affordable level, as the service adjusted to the reduction in budget. However in the past six months this trend has reversed, and is likely to be in part due to the recently agreed changes to the scheme aimed at reducing the overall value of individual awards. The graph illustrates the rise in total monthly award values as the scheme matured during the first year and as the service has successfully signposted applicants to support and advice in their own communities. Changes to welfare reform may impact on the number and overall value of awards in future months. The number and value of awards shown in the table above represents the number and value of awards approved. Although awards are approved for individuals in dire need, not all approved awards are taken up for a variety of reasons. The financial outturn will reflect the value of awards actually paid, therefore will not necessarily match the value of awards approved as shown in the table above.
- **Graph 3** compares the budgeted average award value, based on the anticipated mix and value of awards, to the actual average award. Using DWP data, and excluding cash awards, it was anticipated that the majority of awards for this scheme would be for food & clothing, high volume & low value, and therefore the budgeted average award for 2013-14 was set with this in mind at £91. The affordable average award value was revised for 2014-15 to match the actual average award value for 2013-14 of £125. This increase in the budgeted average award value from £91 to £125 reflected a higher than expected number of awards in 2013-14 for furniture & equipment which have a higher award value. In line with the revised funding arrangement from 2015-16 the overall cash limit for awards has been reduced to £1,149.3k. Accordingly, the affordable average award value has been reduced to £76 (from the previously reported figure of £96 included in the 2014-15 Outturn report presented to Cabinet in July) to reflect recently agreed changes to the scheme aimed at reducing the overall value of individual awards. To the end of January 2015, 43% of the number of awards have been for food & clothing representing 38% of the value of awards (the percentages were 36% and 32% respectively in 2014-15). Whilst, Furniture & equipment (incl white goods) accounts for 39% of the number of awards but 50% of the value of awards (the percentages were 39% and 57% respectively in 2014-15). The reduction in the percentage of total value of awards for higher cost items, such as white goods and furniture is also reflected in the reduction of the average award value, from £93 in July 2015 to £74 in January 2016, resulting from the recently agreed changes to the scheme. The forecast for this service assumes higher levels of awards in the final months of the financial year resulting in a balanced position currently being forecast for this service, as reflected in table 1. The awards figures across the Christmas periods include the impact of both energy and food awards being issued for 14 days rather than the normal 7 days to ensure continuity of provision. The scheme has also responded to peaks in demand from civil emergencies such as the floods in December 2013 and more recently the Canterbury fire in July 2015.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Adult Services has a working budget for 2015-16 of £10,169k (£6,426k excluding PFI) (this has now been updated to reflect the 2016-19 budget set by County Council on 11 February 2016). The forecast outturn against the 2015-16 budget is £8,271k (£4,528k excluding PFI) giving a variance of -£1,898k (-£1,898k excluding PFI).

3.2 **Table 2** below details the Social Care Health & Wellbeing Directorate's - Adult Services Capital Position by Budget Book line.

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|-------------------------------|---------|
| Rolling Programmes | | | | | | | | | |
| Home Support Fund & Equipment | 3,120 | 3,616 | 0 | | | | Green | | |
| Individual Projects | | | | | | | | | |
| Kent Strategy for Services for Older People (OP): | | | | | | | | | |
| Think Autism | 0 | 2 | 0 | | | | Green | | |
| OP Strategy - Specialist Care Facilities | 4,089 | 0 | 0 | | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|---|---|-----------------------------|-------------------------------|---------|
| Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities: | | | | | | | | | |
| Learning Disability Good Day Programme-Community Hubs | 0 | 728 | -284 | -284 | -£291k Rephasing +£7k Real - Developer Contributions | The KCC Asset Management Strategy stipulates a requirement to review all KCC | Green | Rephasing previously reported | |
| Learning Disability Good Day Programme-Community Initiatives | 0 | 159 | -150 | -150 | Rephasing | properties when looking for alternative accommodation. In order to meet this requirement some projects are being rephased into next year. | Green | Rephasing previously reported | |
| Active Care / Active Lives Strategy: | | | | | | | | | |
| PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent | 19,071 | 3,743 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|-------------------------------|---------|
| Developing Innovative and Modernising Services: | | | | | | | | | |
| Information Technology Projects | 0 | 257 | 43 | 43 | Rephasing | | Green | | |
| Lowfield St (formerly Trinity Centre, Dartford) | 968 | 976 | -976 | -976 | Rephasing | Project on hold due to development of site not progressing. In further negotiations with all parties on how to proceed. | Green | Rephasing previously reported | |
| Care Act ICT Implementation | 1,312 | 0 | | | | This project has been removed from the Budget. | Green | | |
| Wheelchair Accessible Housing | 600 | 533 | -533 | -533 | Rephasing | This budget is being managed alongside other priorities within the service and will now be spent in the following financial year. | Amber | | |
| Developer Funded Community Schemes | 889 | 155 | 2 | 2 | Real - developer contributions | | Green | | |
| Total | 30,049 | 10,169 | -1,898 | -1,898 | | | | | |

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
PUBLIC HEALTH
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| 1.1 | Cash Limit | Variance Before transfer to Public Health Reserve | Transfer to Public Health Reserve | Net Variance after transfer to Public Health Reserve |
|-------------------|------------|--|--------------------------------------|---|
| Total (£k) | - | -1,224 | +1,224 | - |

1.2.1 As reported to Cabinet on 6 July in the first monitoring report for 2015-16, the Government announced that £200m of in year savings from the Department of Health are to come from public health budgets devolved to local authorities. National consultation setting out possible options on reducing Local Authority (LA) public health allocations ran from 31 July to 28 August. The options included:

- (1) take a larger share from LAs that are significantly above their target allocation;
- (2) take a larger share of the savings from LAs that carried forward unspent PH reserves into 2015-16;
- (3) apply a flat rate percentage reduction to all LAs allocations;
- (4) apply a standard percentage reduction to every LA unless an authority can show that this would result in particular hardship.

The Department of Health's stated preferred option was to apply a 6.2% reduction across the board (option 3 above), which for Kent equates to a cut in funding of £4.033m. On this basis, the service identified options for dealing with an in-year 2015-16 budget reduction of this level, but a reduction of this size requires cuts to service levels.

Our response to the consultation was that option 1 was our preferred option. Kent is currently below our target allocation.

On 4 November, the DoH announced that, despite their preferred option only being backed by a quarter of respondents to the consultation, on balance this remained their preference as it is the option most consistent with the underpinning principles for managing the saving that the DoH has set out: it delivers the £200 million, it is the least disruptive to services and it is compliant with the Public Sector Equality Duty and the health inequality duty. The saving has been implemented through a reduction in the fourth quarterly instalment of the PH grant and the cash limits in table 1 below have been reduced accordingly, as approved by Cabinet in November.

1.2.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|-----------|-------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Social Care, Health & Wellbeing - Public Health | | | | | | | |
| Strategic Management & Directorate Support Budgets | 1,095.0 | -1,095.0 | 0.0 | -60 | -60 | Public health grant variance: Other minor variances. | |
| Public Health: | | | | | | | |
| - Children's Public Health Programmes: 0-5 year olds Health Visiting Service | 11,718.0 | -11,718.0 | 0.0 | -94 | -94 | Public health grant variance: Other minor variances. | |
| - Other Children's Public Health Programmes | 9,266.5 | -9,266.5 | 0.0 | -17 | -17 | Public health grant variance: Other minor variances. | |
| - Drug & Alcohol Services | 15,250.3 | -15,250.3 | 0.0 | 0 | -221 | Re-phasing of Family Drug and Alcohol Court costs into 2016-17 together with other minor variances. | |
| | | | | | +221 | Reduced draw down from KDAAT reserve. | |
| - Obesity & Physical Activity | 2,347.8 | -2,347.8 | 0.0 | +190 | +194 | Public health grant variance: Additional costs of Tier 3 Weight Management activity. | |
| | | | | | -4 | Public health grant variance: Other minor variances. | |
| - Public Health - Mental Health Adults | 2,401.2 | -2,401.2 | 0.0 | +19 | +19 | Public health grant variance: Other minor variances. | |
| - Public Health Staffing, Advice & Monitoring | 3,472.3 | -3,472.3 | 0.0 | -10 | -10 | Public health grant variance: Other minor variances. | |

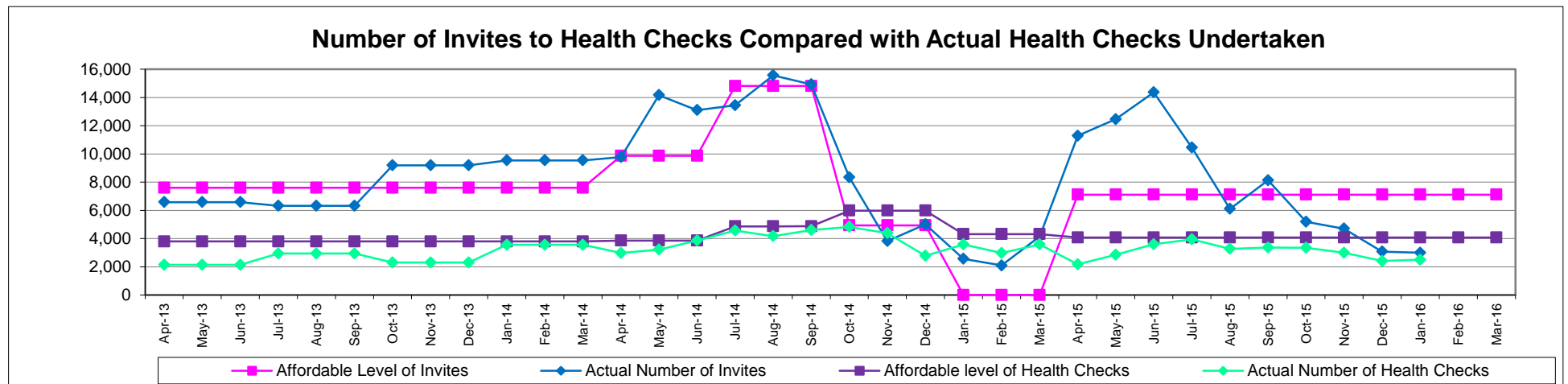
| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---------------------------------|------------|-----------|-------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Sexual Health Services | 13,750.1 | -13,750.1 | 0.0 | -810 | -360 | <i>Public health grant variance: Reduction in revenue contribution to capital due to re-phasing of the Community Sexual Health Services capital scheme to 2016-17.</i> |
| | | | | | -303 | <i>Public health grant variance: reduced forecast in activity.</i> |
| | | | | | -100 | <i>Public health grant variance: Reduction in accommodation costs of community sexual health services as finding suitable premises that meet the standards for delivery of clinical services has been challenging. This has meant that the service has operated at a reduced capacity in a number of locations, particularly in West and North Kent which has contributed to the underspend on premises.</i> |
| | | | | | -47 | <i>Public health grant variance: Other minor variances.</i> |
| - Targeting Health Inequalities | 5,261.7 | -5,261.7 | 0.0 | +121 | -266 | <i>Public health grant variance: Number of health checks is below budget.</i> |
| | | | | | -54 | <i>Public health grant variance: Actual cost of checks is below budgeted level.</i> |
| | | | | | +320 | <i>Public health grant variance: prior year costs for Dental Health not previously accounted for (insufficient creditors raised in 2014-15).</i> |
| | | | | | +121 | <i>Public health grant variance: Other minor variances.</i> |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|-----------------|------------------|------------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Tobacco Control & Stop Smoking Services | 2,975.9 | -2,975.9 | 0.0 | -563 | -466 | Public health grant variance: Unrealised (prescribing) creditors set up in 2014-15. |
| | | | | | -108 | Public health grant variance: reduced prescribing costs in 2015-16. |
| | | | | | +11 | Public health grant variance: Other minor variances. |
| | 67,538.8 | -67,538.8 | 0.0 | -1,224 | | |
| - tfr to(+)/from(-) Public Health reserve | | | | +1,224 | +1,224 | Net transfer to the Public Health reserve to offset the public health variances of -£1,224k shown above. |
| Total SCH&W (Public Health) | 67,538.8 | -67,538.8 | 0.0 | 0 | | |

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Health Check invites compared to number of Health Checks undertaken

| | 2013-14 | | | | 2014-15 | | | | 2015-16 | | | |
|--------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Invites | | Checks | | Invites | | Checks | | Invites | | Checks | |
| | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual | Budget level | actual |
| Apr | | | | | 9,877 | 9,776 | 3,860 | 2,984 | 7,121 | 11,287 | 4,074 | 2,189 |
| May | 22,810 | 19,761 | 11,405 | 6,455 | 9,877 | 14,169 | 3,860 | 3,225 | 7,120 | 12,464 | 4,075 | 2,855 |
| Jun | | | | | 9,878 | 13,108 | 3,862 | 3,865 | 7,120 | 14,363 | 4,074 | 3,601 |
| Jul | | | | | 14,816 | 13,457 | 4,874 | 4,572 | 7,120 | 10,463 | 4,075 | 3,948 |
| Aug | 22,810 | 18,996 | 11,405 | 8,836 | 14,816 | 15,577 | 4,875 | 4,179 | 7,120 | 6,117 | 4,074 | 3,279 |
| Sep | | | | | 14,816 | 14,933 | 4,876 | 4,613 | 7,120 | 8,127 | 4,075 | 3,372 |
| Oct | | | | | 4,939 | 8,345 | 5,987 | 4,837 | 7,120 | 5,198 | 4,074 | 3,343 |
| Nov | 22,810 | 27,608 | 11,405 | 6,924 | 4,939 | 3,831 | 5,988 | 4,389 | 7,120 | 4,708 | 4,075 | 2,994 |
| Dec | | | | | 4,938 | 5,014 | 5,989 | 2,782 | 7,120 | 3,079 | 4,074 | 2,421 |
| Jan | | | | | 0 | 2,568 | 4,324 | 3,594 | 7,120 | 3,000 | 4,075 | 2,506 |
| Feb | 22,811 | 28,639 | 11,406 | 10,709 | 0 | 2,099 | 4,325 | 2,988 | 7,120 | | 4,074 | |
| Mar | | | | | 0 | 4,153 | 4,325 | 3,595 | 7,120 | | 4,074 | |
| TOTAL | 91,241 | 95,004 | 45,621 | 32,924 | 88,896 | 107,030 | 57,145 | 45,623 | 85,441 | 78,806 | 48,893 | 30,508 |

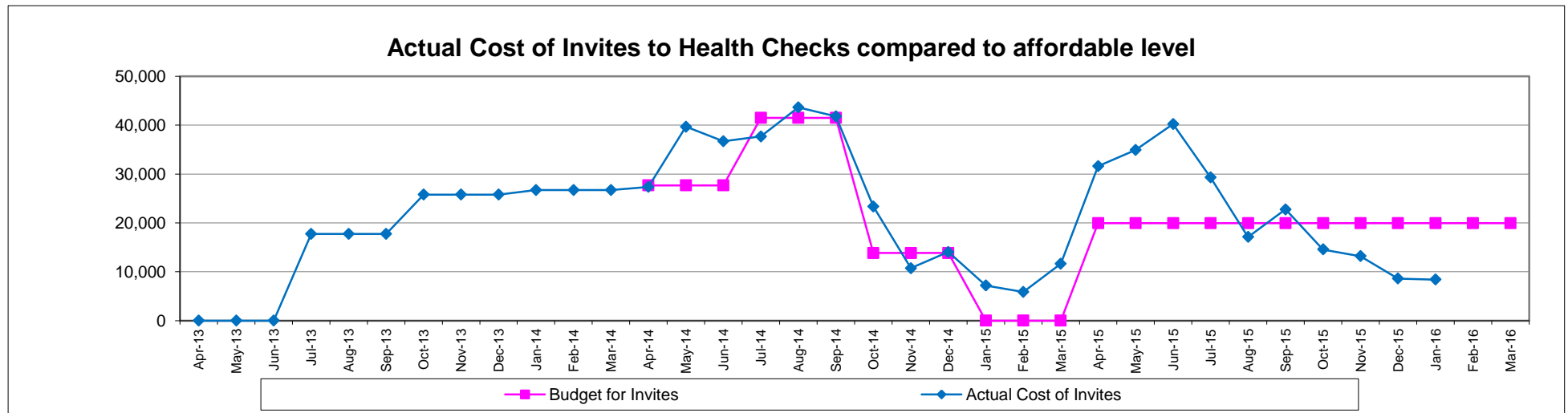


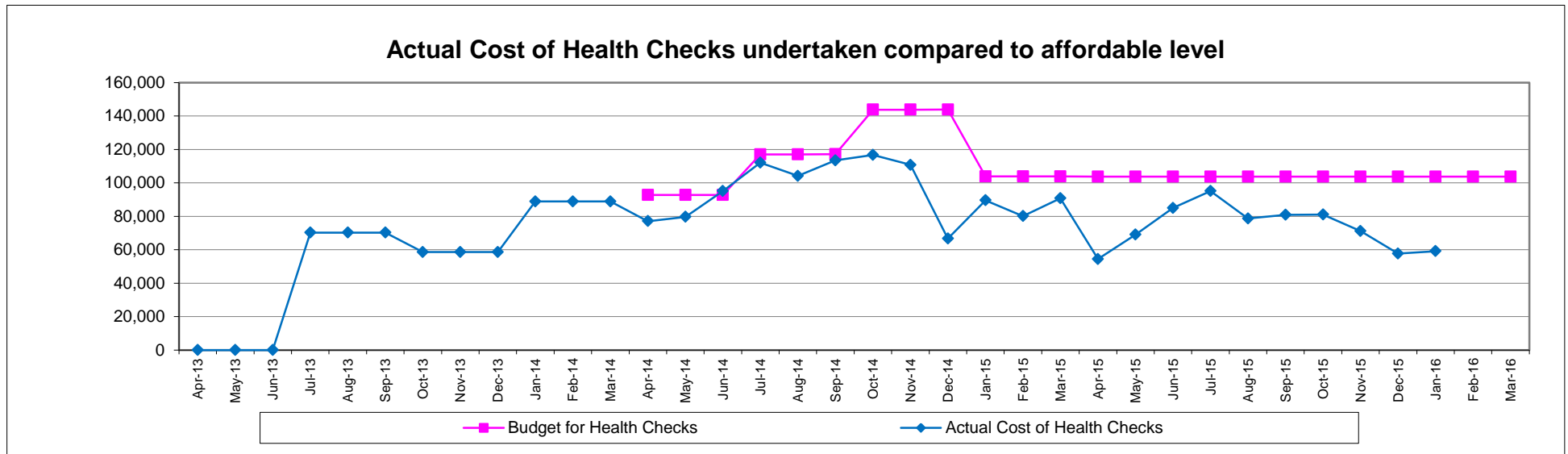
Comments:

- As can be seen from the difference in total budgeted activity for invites and checks, not all people invited for a health check attend a check and there is often a delay between the invite and the health check taking place.
- In 2014-15, the invites planned activity was weighted towards the early part of the year to give time for the follow-up process to maximise the number of people attending a health check.
- The planned number of invites for 2014-15 was based on 20% of eligible population (as it is a 5 year programme) and was based on DoH estimates, but more recent GP data showed an increase in the eligible population. In 2014-15, this activity was therefore above budget for the year by 18,134 invites, as shown in the table above.
- For 2015-16 the budgeted level of invites and checks has been profiled equally across the months to give a more consistent approach and to reflect that this is a rolling programme across financial years, therefore invites sent out in March may result in checks being taken up in the following financial year. This revised approach will also enable the service to more accurately track progress against targets.
- The planned number of invites is lower than 2014-15 (and lower than the 91,000 invites stated in the 2015-16 budget book) because the eligible population based on the GP registered population is lower this year than last. The population can fluctuate because although everyone between the ages of 40 and 74 will be invited (once every five years) to have a check to assess their risk of heart disease, stroke, kidney disease and diabetes, individuals already diagnosed with any of these conditions become ineligible for a general invite. Also some residents are screened outside of their expected year due to targeted outreach programmes and therefore are removed from the invite list in their year.
- The affordable checks have increased from the figure of 45,000 in the budget book because some standard checks will now be carried out by Kent Community Health NHS Foundation Trust staff, rather than through GPs/Pharmacies, who are able to provide this service cheaper than GPs/Pharmacies.
- Although the actual number of invites is 7,605 above the budgeted level for April to January, the service expect activity to tail off over the remaining months to stay within the overall budgeted level for the year. However the actual number of health checks is well below the budgeted level by 10,237 checks and the current forecast assumes this will increase to 10,445 below budgeted level. This is reflected in the financial forecast as an underspend of -£266k, as reflected in Table 1 .

2.2 Cost of Health Check invites and Health Checks undertaken compared to budget

| | 2013-14 * | | 2014-15 | | | | 2015-16 | | | |
|--------------|-----------------|-----------------|----------------|-----------------|------------------|------------------|----------------|-----------------|------------------|-----------------|
| | Invites | Checks | Invites | | Checks | | Invites | | Checks | |
| | actual cost (£) | actual cost (£) | Budget (£) | actual cost (£) | Budget (£) | actual cost (£) | Budget (£) | actual cost (£) | Budget (£) | actual cost (£) |
| Apr | | | 27,656 | 27,373 | 92,700 | 77,081 | 19,939 | 31,604 | 103,720 | 54,397 |
| May | 0 | 0 | 27,656 | 39,673 | 92,700 | 79,696 | 19,936 | 34,899 | 103,745 | 69,061 |
| Jun | | | 27,658 | 36,702 | 92,748 | 95,130 | 19,936 | 40,216 | 103,720 | 84,985 |
| Jul | | | 41,485 | 37,680 | 117,052 | 112,119 | 19,936 | 29,296 | 103,745 | 95,124 |
| Aug | 53,189 | 210,746 | 41,485 | 43,616 | 117,076 | 104,137 | 19,936 | 17,128 | 103,720 | 78,668 |
| Sep | | | 41,485 | 41,812 | 117,100 | 113,424 | 19,936 | 22,756 | 103,745 | 80,851 |
| Oct | | | 13,829 | 23,366 | 143,781 | 116,768 | 19,936 | 14,554 | 103,720 | 81,003 |
| Nov | 77,302 | 175,920 | 13,829 | 10,727 | 143,805 | 110,779 | 19,936 | 13,182 | 103,745 | 71,162 |
| Dec | | | 13,826 | 14,039 | 143,829 | 66,666 | 19,936 | 8,621 | 103,720 | 57,655 |
| Jan | | | 0 | 7,190 | 103,843 | 89,540 | 19,936 | 8,400 | 103,745 | 59,130 |
| Feb | 80,189 | 266,524 | 0 | 5,877 | 103,869 | 80,140 | 19,936 | | 103,720 | |
| Mar | | | 0 | 11,628 | 103,869 | 90,829 | 19,936 | | 103,720 | |
| TOTAL | 210,680 | 653,190 | 248,909 | 299,683 | 1,372,372 | 1,136,309 | 239,235 | 220,656 | 1,244,765 | 732,036 |





Comments:

- * In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.
- The 2014-15 budget for Health Checks was made up of a fixed cost element £465,756 and a performance element £1,621,281. The performance element is shown in the activity data above, with a budget of £248,909 for invites and £1,372,372 for health checks (totalling £1,621,281).
- The budgeted activity level for invites is based on the eligible population. The budgeted activity level for health checks was higher in 2014-15 than 2013-14 as the provider was expected to make up for the underperformance in the previous year. The number of health check invites was greater than budgeted in 2014-15 due to an increase in eligible population. The resulting pressure of £50,774 was more than offset by a saving on checks of £236,063 leaving an underspend of £185,289 within the Targeting Health Inequalities budget in 2014-15.
- The 2015-16 budget for Health Checks is made up of a fixed cost element £456,912 and a performance element £1,484,000. The performance element is shown in the activity data above, with a budget of £239,235 for invites and £1,244,765 for health checks (totalling £1,484,000).
- The higher than affordable number of invites to January has generated a pressure of +£21,293 but this is more than offset by an underspend on checks in the same period of -£305,289. The pattern is similar to last year suggesting an overall underspend of -£320k by the end of the financial year on the combined invites and checks activity as reflected in table 1. The -£320k comprises -£266k resulting from reduced activity and also -£54k as the average cost per check is below the budgeted level.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Public Health has a working budget for 2015-16 of £180k (this has now been updated to reflect the 2016-19 budget set by County Council on 11 February 2016). The forecast outturn against the 2015-16 budget is £0k giving a variance of -£180k.

3.2 **Table 2** below details the Social Care, Health and Wellbeing Directorate's - Public Health Capital Position by Budget Book line.

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|----------------------------------|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|-------------------------------|---------|
| Community Sexual Health Services | 0 | 180 | -180 | -180 | Rephasing | The lease arrangements for the capital project in Dartford have been completed. A change in contractors has meant that the project will now commence in the new financial year. | Amber | | |
| Total | 0 | 180 | -180 | -180 | | | | | |

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| | | | | | | | | |
|-----|-------------------------------|-----------------|--------------------------------|-------------|-----------------------------------|---------------|-------------|--|
| 1.1 | | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
| | Directorate Total (£k) | +173,506 | -1,635 | - | -1,635 | - | +332 | -1,303 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|--------|---------|----------|----------------------------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Growth, Environment & Transport | | | | | | |
| Strategic Management & Directorate Support budgets | 4,635.6 | -93.6 | 4,542.0 | -547 | -197 -181 -85 -76 -8 | This is expected to be ongoing and has been reflected in the approved 2016-19 MTFP. |
| Children's Services - Education & Personal | | | | | | |
| - 14 - 24 year olds (Kent Foundation) | 111.9 | -59.3 | 52.6 | 0 | | |
| Community Services: | | | | | | |
| - Arts Development (incl. grant to Turner Contemporary) | 2,042.3 | 0.0 | 2,042.3 | -28 | | |
| - Gypsies & Travellers | 563.0 | -424.4 | 138.6 | -5 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------|--------|----------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Bridges & Other Structures | 2,186.5 | -221.9 | 1,964.6 | -39 | | |
| - General maintenance & emergency response | 11,786.9 | -475.8 | 11,311.1 | +1,193 | +1,062 | Additional expenditure relating to the extension to the potholes find and fix campaign. |
| | | | | | +101 | Traffic management costs at junctions on high speed roads where additional grass cutting and weed control has been required. |
| | | | | | -207 | Income from highways consultancy and maintenance contractors where performance measures have not been met. <i>This has been reinvested as part of the extension to the potholes find and fix campaign.</i> |
| | | | | | +237 | Other minor variances, each less than £100k in value. |
| - Highway drainage | 2,981.8 | 0.0 | 2,981.8 | +389 | +400 | Additional expenditure on drainage projects as part of the extension to the potholes find and fix campaign. |
| | | | | | -11 | Other minor variances. |
| - Streetlight maintenance | 3,419.0 | -154.0 | 3,265.0 | -306 | +196 | Ongoing review of old balance sheet balances resulting in a net write-back to revenue. |
| | | | | | -277 | Works expected to be carried out by the end of 2015-16 look likely to be delayed due to resource issues with our external service provider. This work will not be completed until next year and will therefore create a pressure on next year's allocation. This is essential work that is not covered by the general maintenance budget and includes more complex repairs and replacements that are required to keep assets in light, and in a safe condition. This underspend will therefore be requested to roll-forward. |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|----------------|-----------------|--------------|--------------|---------------|---|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | | |
| | | | | | £'000 -271 | Underspend against maintenance and electrical/structural testing due to resource issues with our external service provider. | |
| | | | | | +46 | Other minor variances. | |
| | 23,605.0 | -851.7 | 22,753.3 | +715 | | | |
| - Highways Management: | | | | | | | |
| - Development Planning | 1,894.9 | -2,135.2 | -240.3 | -159 | -159 | Minor variances, each less than £100k in value. | |
| - Highways Improvements | 1,673.9 | -33.3 | 1,640.6 | -142 | -142 | Minor variances, each less than £100k in value. | |
| - Road Safety | 2,834.3 | -2,145.4 | 688.9 | -50 | | | |
| - Streetlight energy | 6,007.7 | 0.0 | 6,007.7 | -574 | -411 | Lower than budgeted impact of electricity price increase. | This is expected to be ongoing and has been reflected in the approved 2016-19 MTFP. |
| | | | | | -210 | Rebate from LASER following price reconciliation of Winter 2014-15 and Summer 2015-16 usage. | |
| | | | | | +156 | Impact of the climate change levy with effect from 1 October 2015 as renewable energy is no longer exempt. | |
| | | | | | -109 | Other minor variances, each less than £100k in value. | |
| - Traffic management | 5,022.4 | -3,363.2 | 1,659.2 | -337 | -269 | Revised estimates of income relating to the Traffic Systems, Kent Permit Scheme and streetworks budgets, including additional penalties imposed on utility companies. | |
| | | | | | -68 | Other minor variances. | |
| - Tree maintenance, grass cutting & weed control | 3,234.0 | 0.0 | 3,234.0 | -24 | | | |
| | 20,667.2 | -7,677.1 | 12,990.1 | -1,286 | | | |
| <u>Planning & Transport Strategy:</u> | | | | | | | |
| - Planning & Transport Policy | 1,321.6 | 0.0 | 1,321.6 | -124 | -128 | Savings on staffing budgets resulting from vacancies. | |
| | | | | | +4 | Other minor variances. | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|--|------------|--------|---------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Planning Applications | 1,112.7 | -650.0 | 462.7 | +73 | | | |
| | 2,434.3 | -650.0 | 1,784.3 | -51 | | | |
| <u>Public Protection</u> | | | | | | | |
| - Community Safety (incl Community Wardens) | 2,436.8 | -68.8 | 2,368.0 | -71 | -173 | Vacancy savings primarily within Community Wardens. | |
| | | | | | +102 | Other minor variances primarily within Community Wardens non-staffing budgets. | |
| - Coroners | 3,737.0 | -985.7 | 2,751.3 | +93 | +93 | Pressure on staffing costs resulting from: backfilling long-term sickness absences, extra staff to deal with a back log of cases, and additional supervision and staffing required following transfer of Coroners Officers from Police to deal with current levels of activity. | This is expected to be ongoing and has been reflected in the approved 2016-19 MTFP. |
| - Emergency Response & Resilience (incl Flood Risk Management) | 1,425.8 | -180.7 | 1,245.1 | -63 | -55 | KCC has taken on new duties from April 2015 regarding planning applications for major developments in relation to surface water drainage where we must satisfy ourselves that Sustainable Urban Drainage Systems (SuDS) are put in place. The grant funding received this year to build capacity and develop standing advice will not be fully spent, and as this is an un-ringfenced grant and the grant is reducing in 2016-17, the service will request that the balance is rolled forward to support the new responsibilities next year without the need to call on existing funding for flood risk management projects. | There will be a future MTFP bid to cover the shortfall on a permanent basis. |
| | | | | | -8 | Other minor variances. | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------|----------|----------|----------|-------------|---|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Trading Standards (incl. Kent Scientific Services) | 3,817.4 | -1,014.8 | 2,802.6 | -71 | -241 | Staffing saving resulting from early implementation of, and holding vacancies pending, the Trading Standards restructure. |
| | | | | | +120 | Expected shortfall in Proceeds of Crime income target based on known court cases. |
| | | | | | +50 | Other minor variances. |
| | 11,417.0 | -2,250.0 | 9,167.0 | -112 | | |
| <u>Regeneration & Economic</u> | | | | | | |
| - Regeneration & Economic Development Services | 5,427.1 | -1,578.1 | 3,849.0 | +57 | +55 | Staffing pressure due to delay in implementing new structure, offset against underspend on Directorate Management and Support A-Z service line above. |
| | | | | | +2 | Other minor variances. |
| <u>Schools Services</u> | | | | | | |
| - Other Schools Services (road crossing patrols) | 453.3 | 0.0 | 453.3 | -1 | | |
| <u>Transport Services:</u> | | | | | | |
| - Concessionary Fares | 16,206.0 | -27.0 | 16,179.0 | +632 | +632 | Increased bus operator costs due to fare increases and journeys being taken are above the affordable level following the reconciliation of data provided by the bus companies for quarter 3 and early indications of activity levels for quarter 4. |
| - Subsidised Socially Necessary Bus Services (incl Kent Karrier) | 9,329.2 | -2,348.8 | 6,980.4 | 0 | | |
| - Transport Operations | 1,427.6 | -77.5 | 1,350.1 | -54 | | |
| - Transport Planning | 1,238.5 | -918.8 | 319.7 | -38 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|---|------------|----------|----------|----------|-------------|--|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| - Young Person's Travel Pass | 14,393.1 | -5,595.6 | 8,797.5 | -464 | -464 | Journey numbers to quarter 3, and early indications for quarter 4, show activity in excess of the budgeted level, but any variance is more than offset as the number of passes in issue is currently below the budgeted level. | Gross and income budgets have been increased in the approved 2016-17 budget to reflect the impact of the £50 increased charge per pass from September 2015. |
| | 42,594.4 | -8,967.7 | 33,626.7 | +76 | | | |
| Waste Management | | | | | | | |
| - Waste Compliance, Commissioning & Contract Management | 845.4 | 0.0 | 845.4 | -35 | | | |
| - Partnership & development | 728.6 | -114.2 | 614.4 | -74 | | | |
| - Closed Landfill Sites | 772.2 | -16.0 | 756.2 | -165 | -146 | Underspend as works have been delayed until next financial year. | |
| | | | | | -19 | Other minor variances. | |
| - Waste Processing | | | | | | | |
| - Landfill Tax | 4,745.3 | 0.0 | 4,745.3 | -725 | -769 | A reduction of -9,300 tonnes of residual waste sent to landfill. | The net pressure resulting from an overall increase in tonnage has been addressed in the approved 2016-19 MTFP. |
| | | | | | +44 | Budgeted price increase is below actual requirements | This has been addressed in the approved 2016-17 budget. |
| - Operation of Waste Facilities | 16,893.7 | -746.4 | 16,147.3 | -1,355 | -940 | Management fees at waste facilities sites. | This underspend is expected to be ongoing and has been reflected in the approved 2016-19 MTFP. |
| | | | | | -492 | Contract changes at household waste recycling centres and transfer stations. | |
| | | | | | -128 | Savings resulting from a new haulage contract. | |
| | | | | | +158 | Essential site refurbishments related to environmental improvements to ensure compliance with Environment Agency requirements. | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|----------------|-----------------|--------------|--------------|--|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | £'000 +41 Shortfall in income resulting from a reduction in the volume of waste metal which is recycled. +32 Pressure resulting from increased volume of waste. -26 Other minor variances. | The net pressure resulting from an overall increase in tonnage has been addressed in the approved 2016-19 MTFP. |
| - Payments to Waste Collection Authorities (District Councils) | 6,178.9 | 0.0 | 6,178.9 | +121 | +207 Increased tipping away payments primarily to do with the Church Marshes Waste Transfer Station in Swale. It was hoped that the site would be able to take food waste from December however this has been delayed until next year, meaning that Swale Borough Council's contractor must continue to dispose of this at a different site and incur additional costs in doing so. KCC has agreed to reimburse these costs until problems at the site are resolved. -55 A -800 tonne reduction in the amount of waste on which recycling credits are paid. -31 Other minor variances. | |
| - Recycling Contracts & Composting | 7,211.6 | -1,149.9 | 6,061.7 | -484 | +29 Although a small pressure relating to volume of waste is being forecast the actual volume is -1,600 tonnes below the budgeted level. This budget covers a mixture of waste types and costs, some of which are income generating, and currently it is the less costly lines that are showing the reductions in volumes with the underspends being more than offset by pressures in higher cost/lower volume areas such as mechanical (street) sweepings. | The net pressure resulting from an overall increase in tonnage has been addressed in the approved 2016-19 MTFP. |

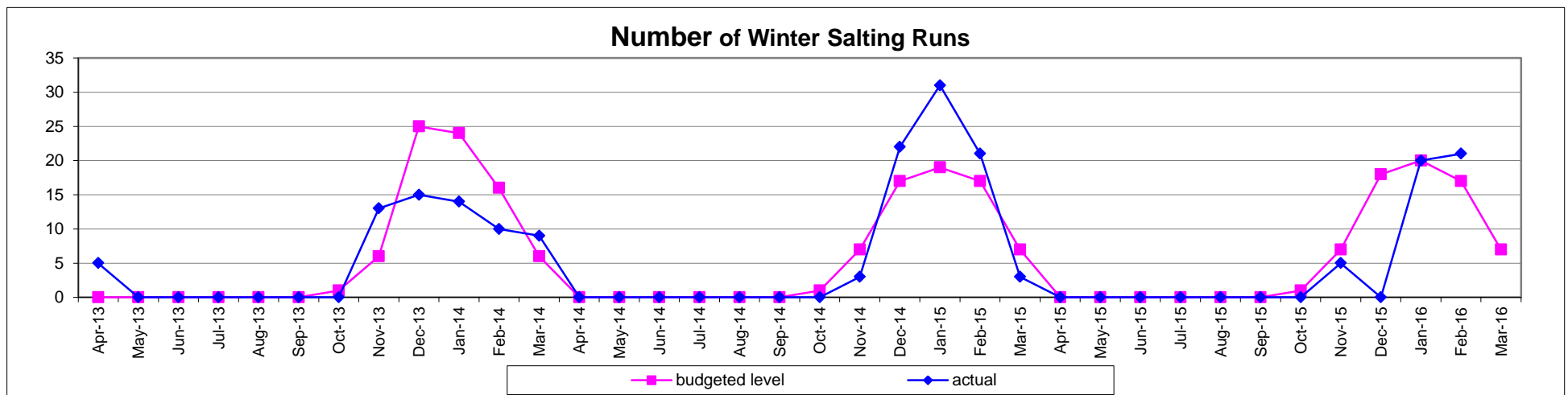
| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------------|------------------|------------------|---------------|--|---|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | -401 Price paid is below budgeted estimate; this relates primarily to in-vessel composting. -109 Additional income as the price received for recyclables, especially for paper and card, is greater than budgeted. -3 Other minor variances. | This underspend is ongoing and has been reflected in the approved 2016-19 MTFP. |
| - Treatment & Disposal of Residual Waste | 30,713.3 | -480.2 | 30,233.1 | +2,949 | +3,121 An additional +31,100 tonnes of residual waste dealt with at Allington Waste to Energy plant. -245 Price variance on Waste to Energy tonnage. -139 A reduction of -9,300 tonnes of residual waste sent to landfill. +20 Budgeted price increase for landfill tax is below actual requirements +116 Shortfall in trade waste income +76 Other minor variances | The net pressure resulting from an overall increase in tonnage has been addressed in the approved 2016-19 MTFP. This saving is expected to be ongoing and has been addressed in the approved 2016-17 budget. The net pressure resulting from an overall increase in tonnage has been addressed in the approved 2016-19 MTFP. This has been addressed in the approved 2016-17 budget. |
| | 68,089.0 | -2,506.7 | 65,582.3 | +232 | | |
| Total GE&T | 208,904.3 | -35,398.8 | 173,505.5 | -1,635 | | |
| Assumed Mgmt Action | | | | | | |
| Total Forecast <u>after</u> mgmt action | 208,904.3 | -35,398.8 | 173,505.5 | -1,635 | | |

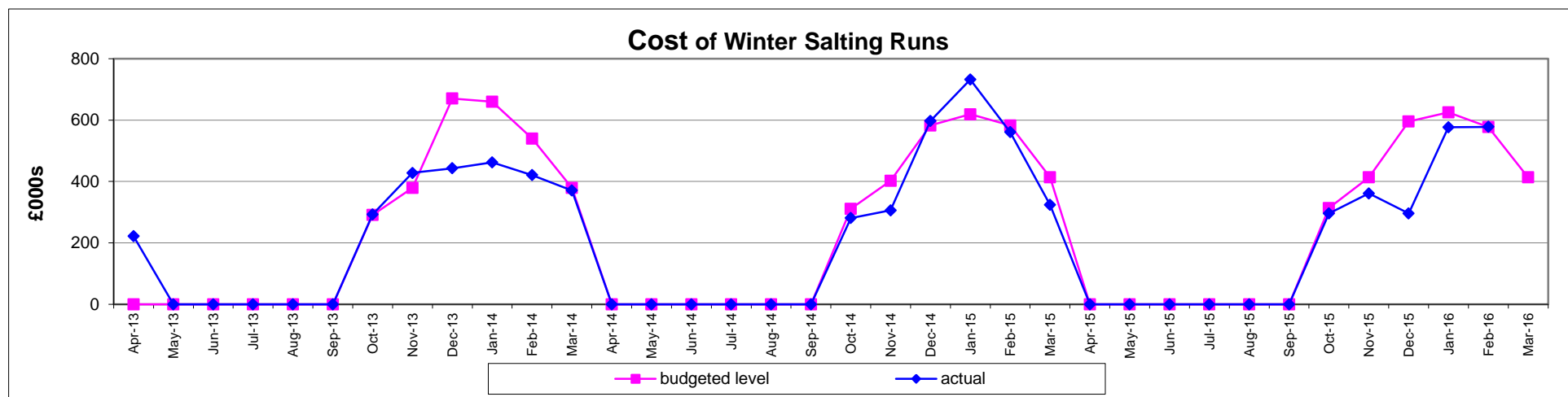
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

| | 2013-14 | | | | 2014-15 | | | | 2015-16 | | | |
|-----|---------------------|-----------|----------------------|--------------|---------------------|-----------|----------------------|--------------|---------------------|-----------|----------------------|--------------|
| | No. of salting runs | | Cost of salting runs | | No. of salting runs | | Cost of salting runs | | No. of salting runs | | Cost of salting runs | |
| | Budgeted level | Actual | Budgeted level £'000 | Actual £'000 | Budgeted level | Actual | Budgeted level £'000 | Actual £'000 | Budgeted level | Actual | Budgeted level £'000 | Actual £'000 |
| Apr | - | 5 | - | 222 | - | - | - | - | - | - | - | - |
| May | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul | - | - | - | - | - | - | - | - | - | - | - | - |
| Aug | - | - | - | - | - | - | - | - | - | - | - | - |
| Sep | - | - | - | - | - | - | - | - | - | - | - | - |
| Oct | 1 | - | 291 | 293 | 1 | - | 311 | 281 | 1 | - | 314 | 296 |
| Nov | 6 | 13 | 379 | 428 | 7 | 3 | 402 | 306 | 7 | 5 | 413 | 361 |
| Dec | 25 | 15 | 670 | 443 | 17 | 22 | 583 | 597 | 18 | - | 595 | 296 |
| Jan | 24 | 14 | 660 | 462 | 19 | 31 | 619 | 732 | 20 | 20 | 625 | 577 |
| Feb | 16 | 10 | 540 | 421 | 17 | 21 | 583 | 561 | 17 | 21 | 578 | 578 |
| Mar | 6 | 9 | 379 | 371 | 7 | 3 | 414 | 324 | 7 | | 413 | |
| | 78 | 66 | 2,919 | 2,640 | 68 | 80 | 2,911 | 2,801 | 70 | 46 | 2,938 | 2,108 |

The budgeted number of salting runs assumes county wide coverage but in some cases, the actual number includes salting runs for which only part county coverage was required.





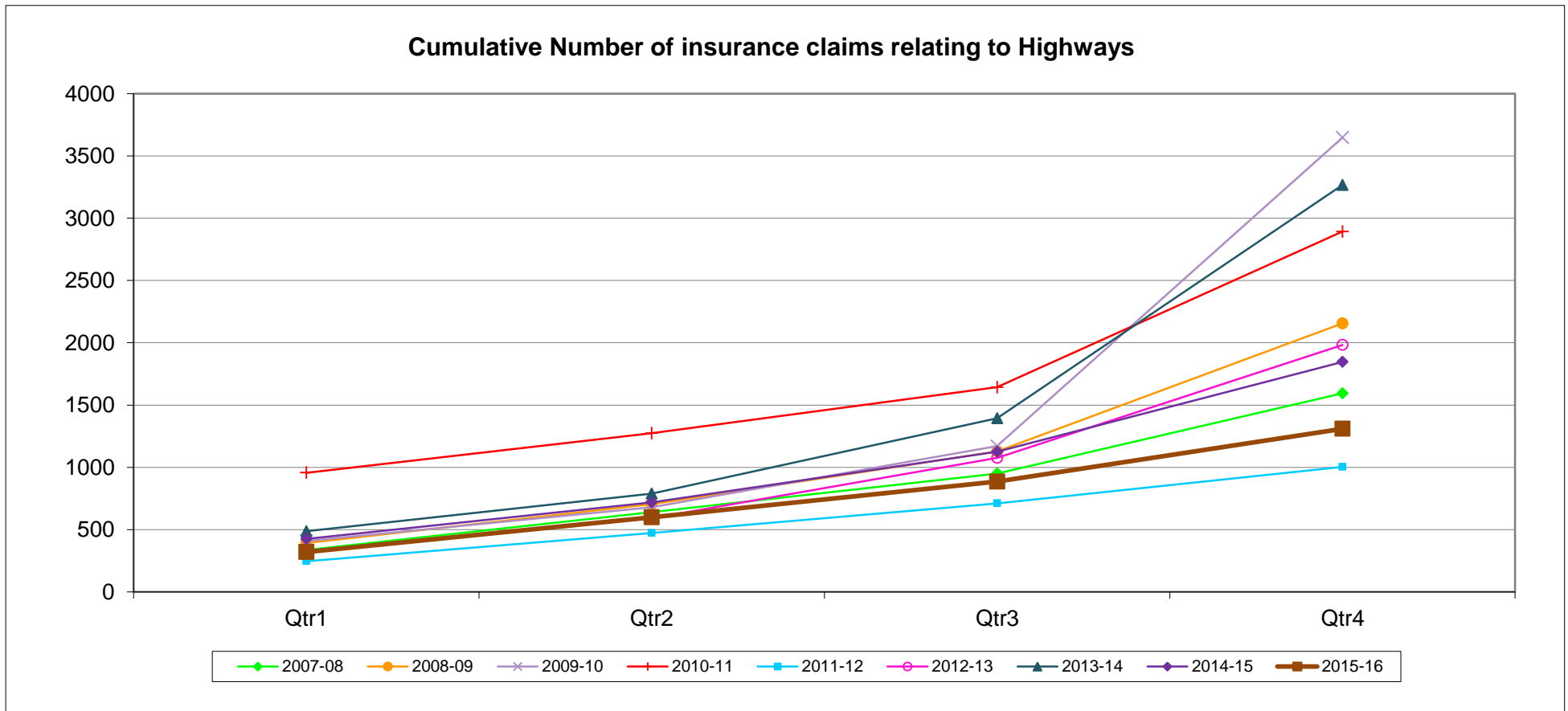
Comments:

- As a result of the prolonged hard winter in 2012-13 which extended into April 2013, unbudgeted salting runs were required at the start of 2013-14 resulting in additional expenditure of £222k. However the actual number of salting runs was below budgeted levels due to the mild winter of 2013-14. Overall there was a net underspend of -£176k on the adverse weather budget in 2013-14 which was due to an underspend of -£280k on winter salting runs (as shown in the table above), an overspend of £146k due to insufficient provision being made for 2012-13 salting costs and an underspend of £42k on other costs associated with adverse weather, not directly attributed to salting runs. The 2014-15 and 2015-16 budgeted number of salting runs look low in comparison with the 2013-14 budgeted level, despite the budgeted costs being similar; this is due to a greater proportion of fixed cost to the total cost per run, which results in fewer overall runs being affordable.
- The final activity for 2014-15 was 12 salting runs above the affordable level but £110k below budget. Many of the runs required a lower spread of salt than assumed in the budget and also on a number of occasions the whole county had not been treated, which again resulted in reduced costs. Together, this resulted in the costs of salting runs not being as high as the number of runs may suggest. Overall there was a net underspend of -£309k on the adverse weather budget in 2014-15 due to an underspend on salting runs of £110k, as reflected in the activity table above, together with an underspend of £199k on other costs associated with adverse weather, not directly attributed to salting runs, such as supply and maintenance of salt bins.
- Due to the generally mild winter up to the end of February, the activity for 2015-16 is well below the budgeted level, with only 46 runs being required against a budget for this period for 63 runs, none of which required a secondary run. This has so far resulted in an underspend of -£417k.

2.2 Number of insurance claims arising related to Highways

| | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims | Cumulative no. of claims |
| Apr to Jun | 337 | 393 | 408 | 956 | 245 | 328 | 487 | 425 | 319 |
| Jul to Sep | 640 | 704 | 680 | 1,273 | 473 | 591 | 788 | 718 | 598 |
| Oct to Dec | 950 | 1,128 | 1,170 | 1,643 | 710 | 1,075 | 1,393 | 1,126 | 885 |
| Jan to Mar | 1,595 | 2,155 | 3,647 | 2,893 | 1,003 | 1,983 | 3,266 | 1,846 | 1,309 |

as at 31 January



Comments:

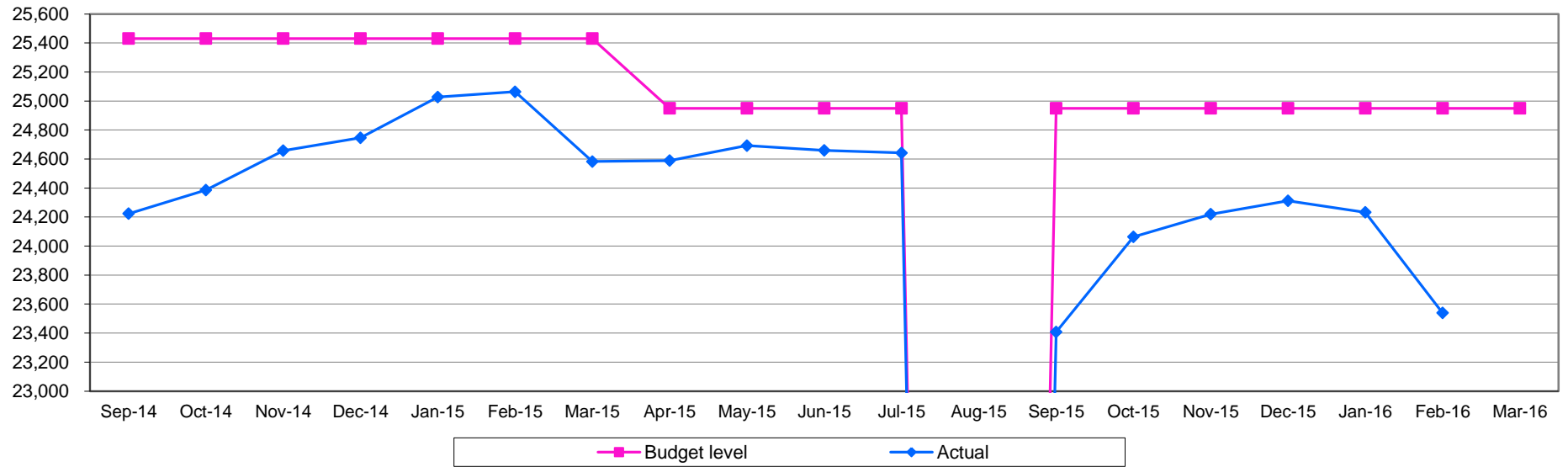
- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have three years to pursue an injury claim and six years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 31 January 2016.
- Claims were high in each of the years 2008-09 to 2010-11 largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. Claim numbers for 2009-10 and 2010-11 could still increase further if more claims are received for incidents which occurred during the period of the bad weather.
- Claims were lower in 2011-12 which could have been due to many factors including: an improved state of the highway following the find and fix programmes of repair, an increased rejection rate on claims, and a mild winter. However, claim numbers increased again in 2012-13, which was likely to be due to the prolonged hard winter and the consequent damage to the highway, but claim numbers did not increase to the levels experienced during 2008-09 to 2010-11, probably due to the continuation of the find and fix programmes of repair. Claim numbers were again high in 2013-14, probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. Additional funding was made available from the severe weather recovery funding to address this.
- Claims were lower again in 2014-15, probably due to the reasonably mild winter and a continuation of the find and fix programmes of repair and repairs to the highway funded from the severe weather recovery funding referred to above, although claims continue to be received relating to this period.
- The Insurance section continues to work closely with Highways to try to reduce the number of claims and currently the Authority is managing to achieve a rejection rate on claims received over the past 12 months where it is considered that we do not have any liability, of about 90%.

2.3 Young Person's Travel Pass - Number of Passes in Issue

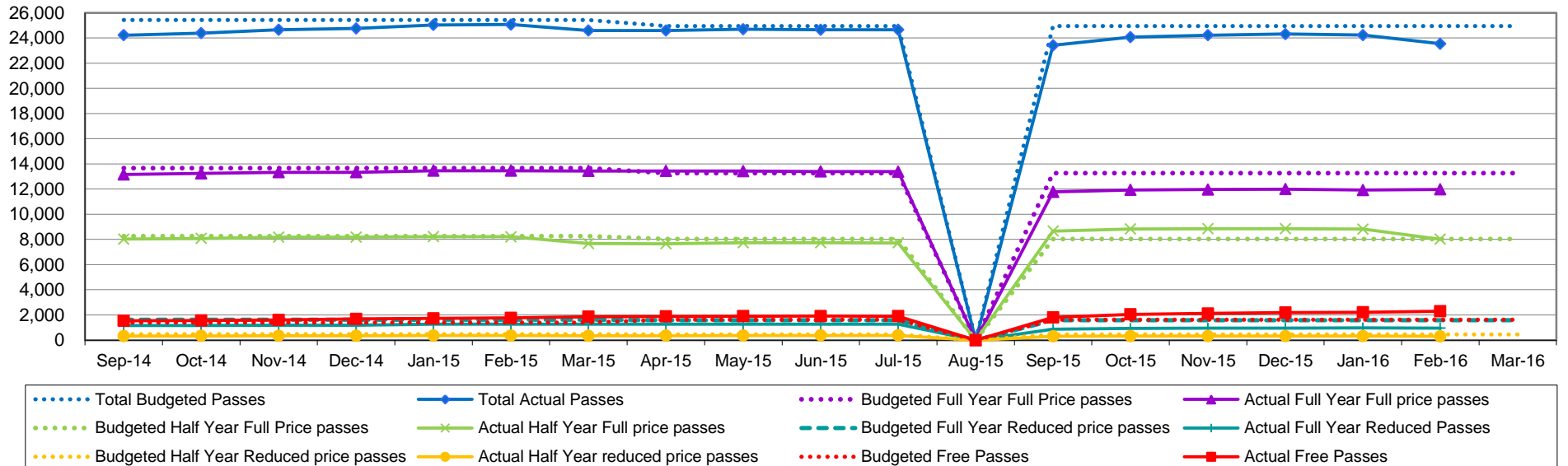
| | | Full Year, Full price passes | | Half Year, Full price passes | | Full Year, Reduced price passes | | Half Year, Reduced price passes | | Free passes | | TOTAL passes | |
|---------|--------|---------------------------------|--------|---------------------------------|--------|---------------------------------------|--------|---------------------------------------|--------|-------------|--------|--------------|--------|
| | | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual |
| 2014-15 | Sept | 13,662 | 13,159 | 8,268 | 8,023 | 1,630 | 1,159 | 470 | 333 | 1,400 | 1,549 | 25,430 | 24,223 |
| | Oct | 13,662 | 13,248 | 8,268 | 8,077 | 1,630 | 1,167 | 470 | 335 | 1,400 | 1,559 | 25,430 | 24,386 |
| | Nov | 13,662 | 13,336 | 8,268 | 8,175 | 1,630 | 1,194 | 470 | 352 | 1,400 | 1,601 | 25,430 | 24,658 |
| | Dec | 13,662 | 13,336 | 8,268 | 8,175 | 1,630 | 1,194 | 470 | 352 | 1,400 | 1,690 | 25,430 | 24,747 |
| | Jan | 13,662 | 13,454 | 8,268 | 8,214 | 1,630 | 1,263 | 470 | 368 | 1,400 | 1,728 | 25,430 | 25,027 |
| | Feb | 13,662 | 13,457 | 8,268 | 8,208 | 1,630 | 1,267 | 470 | 366 | 1,400 | 1,766 | 25,430 | 25,064 |
| | Mar | 13,662 | 13,438 | 8,268 | 7,675 | 1,630 | 1,263 | 470 | 346 | 1,400 | 1,861 | 25,430 | 24,583 |
| 2015-16 | Apr | 13,262 | 13,434 | 8,025 | 7,657 | 1,578 | 1,263 | 455 | 356 | 1,630 | 1,879 | 24,950 | 24,589 |
| | May | 13,262 | 13,430 | 8,025 | 7,737 | 1,578 | 1,263 | 455 | 366 | 1,630 | 1,897 | 24,950 | 24,693 |
| | Jun | 13,262 | 13,391 | 8,025 | 7,730 | 1,578 | 1,259 | 455 | 374 | 1,630 | 1,906 | 24,950 | 24,660 |
| | Jul | 13,262 | 13,382 | 8,025 | 7,725 | 1,578 | 1,257 | 455 | 374 | 1,630 | 1,904 | 24,950 | 24,642 |
| | Aug | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sept | 13,262 | 11,771 | 8,025 | 8,666 | 1,578 | 863 | 455 | 296 | 1,630 | 1,812 | 24,950 | 23,408 |
| | Oct | 13,262 | 11,930 | 8,025 | 8,831 | 1,578 | 942 | 455 | 318 | 1,630 | 2,043 | 24,950 | 24,064 |
| | Nov | 13,262 | 11,967 | 8,025 | 8,853 | 1,578 | 956 | 455 | 324 | 1,630 | 2,120 | 24,950 | 24,220 |
| Dec | 13,262 | 11,992 | 8,025 | 8,847 | 1,578 | 963 | 455 | 327 | 1,630 | 2,183 | 24,950 | 24,312 | |
| Jan | 13,262 | 11,914 | 8,025 | 8,817 | 1,578 | 965 | 455 | 327 | 1,630 | 2,209 | 24,950 | 24,232 | |
| Feb | 13,262 | 11,973 | 8,025 | 8,015 | 1,578 | 962 | 455 | 298 | 1,630 | 2,292 | 24,950 | 23,540 | |
| Mar | 13,262 | | 8,025 | | 1,578 | | 455 | | 1,630 | | 24,950 | | |

- Pass numbers are shown on a monthly basis from September 2014 when the new Young Person's Travel Pass (YPTP) scheme was introduced.
- As the academic year runs from September to July and passes are no longer valid during the school summer holidays, no passes are recorded for August.
- 2014-15:** YPTP pass numbers remained short of budgeted levels: 24,223 new passes were issued as at 30 September 2014 for the 2014-15 academic year; this increased to 24,747 as at 31 December 2014, but the figure as at 31 March 2015 reduced to 24,583. This reduction was as a result of a number of half year passes not being renewed for the second half of the academic year.
- 2015-16:** 23,540 passes were in issue at the end of February 2016, reflecting a reduction from the position in December as a result of a number of half year passes not yet being renewed for the second half of the academic year (applications were due by early January, although a number of requests for renewals continue to be received). This compares with an affordable level of 24,950 and 24,642 passes in issue at the end of the last academic year (July). The general reduction in passes from September is likely to be in part due to the impact of the price increase from £200 to £250.

Total Number of Young Person's Travel Passes in issue



Number of Young Person's Travel Passes in issue by type



Comments:

- Passes can either be purchased for the academic year (£250 September 2015 to July 2016) or half yearly (£125 for terms 1-3 or 4-6). Reduced price passes for young people in receipt of free school meals are available (£100 for the full year or £50 for terms 1-3 or 4-6). Passes are free for young carers, young people in care or care leavers. Additional passes are also free for households applying for more than two full cost passes.

- The cost per pass in calculating the 2014-15 affordable level was £537, the fee for a pass was £200, meaning that on average KCC was subsidising the cost of each pass by £337.
The 2015-16 budgeted number of passes of 22,900, as reported to Cabinet in July, was originally based on the number that could be afforded within the budget at the latest cost to KCC per pass of £581 (a subsidy per pass of £381). However, on 1 June 2015 Cabinet approved a reduction in subsidy of £50, raising the price of a standard pass to the user by £50, from £200 to £250, with effect from September 2015. As a result of this additional income, the affordable number of passes has increased to a level more in line with actual demand and this is reflected in the table above. Gross and income cash limits have been realigned within table 1 of section 1.2 of this report, to reflect this increased charge.

- The above figures show that the current number of passes in issue remains below the budgeted number. However, section 2.4 below illustrates that journeys travelled for the first nine months of the year are above the budgeted level, based on the quarter 3 reconciliation by our external provider MCL Transport Services of journeys travelled. Overall a net underspend of -£464k is currently forecast for YPTP, as shown in table 1 of section 1.2 of this annex based on this quarter 3 reconciliation together with early indications of quarter 4 activity levels, reflecting that the saving from the reduced number of passes in circulation more than offsets the pressure from higher than budgeted journey numbers.

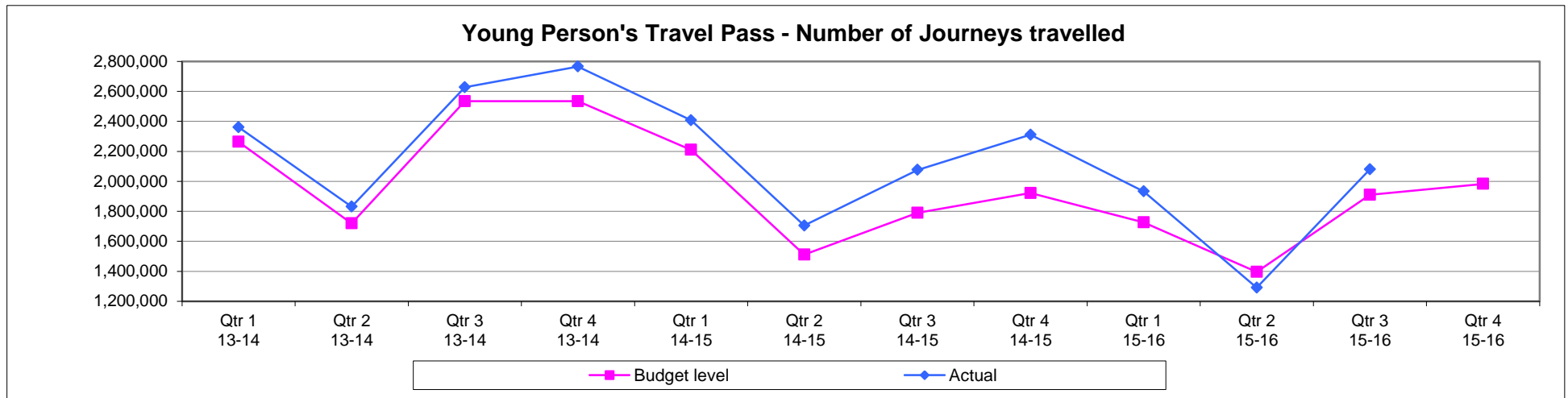
2.4 Young Person's Travel Pass (formerly Freedom Pass until September 2014) - Number of Journeys Travelled

| | 2013-14 | | 2014-15 | | 2015-16 | |
|-------|----------------------|----------------|----------------------|----------------|----------------------|----------------|
| | Budget level (000's) | Actual (000's) | Budget level (000's) | Actual (000's) | Budget level (000's) | Actual (000's) |
| Qtr 1 | 2,263 | 2,361 | 2,210 | 2,407 | 1,726 | 1,933 |
| Qtr 2 | 1,719 | 1,832 | 1,512 | 1,705 | 1,395 | 1,291 |
| Qtr 3 | 2,534 | 2,627 | 1,789 | 2,076 | 1,910 | 2,081 |
| Qtr 4 | 2,534 | 2,765 | 1,922 | 2,311 | 1,983 | |
| | 9,050 | 9,585 | 7,433 | 8,499 | 7,014 | 5,305 |

The data for this activity indicator is only provided on a quarterly basis by our external provider MCL Transport Services once they have reconciled data from the bus operators.

The figures for actual journeys travelled are reviewed quarterly and updated as further information is received from the bus companies, so may be subject to change.

Budgeted journey numbers are lower in quarter 2 of 2015-16 as, since September 2014, the pass is no longer valid during the school summer holidays.



Comments:

- The reduction in the budgeted number of journeys for 2014-15 was as a result of the introduction of the Young Persons Travel Pass, agreed by County Council in February 2014, restricting travel to between the hours of 6am and 7pm, Monday to Friday, between 1 September and 31 July, meaning the pass is no longer valid during the school summer holidays or at weekends.
- The additional funding resulting from the increase in income from September 2015 referred to in section 2.3 above resulted in the affordable number of journeys increasing from 6,569,000 to 7,014,000.
- Journey numbers as at the end of quarter 3 in 2015-16 are in excess of the budgeted level but any variance is offset as the number of passes in issue is currently below the budget level.
- This data does not include journeys travelled relating to free home to school transport as these costs are met from the Education & Young People Directorate budget and not from the Young Persons Travel Pass budget.

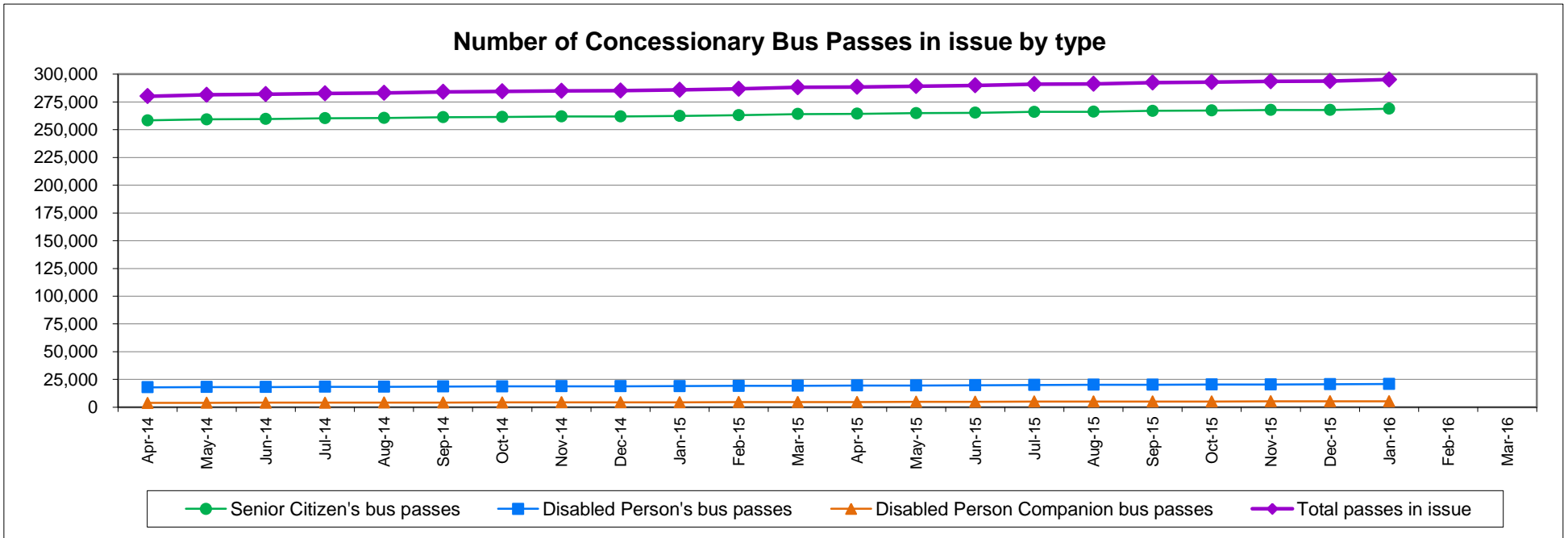
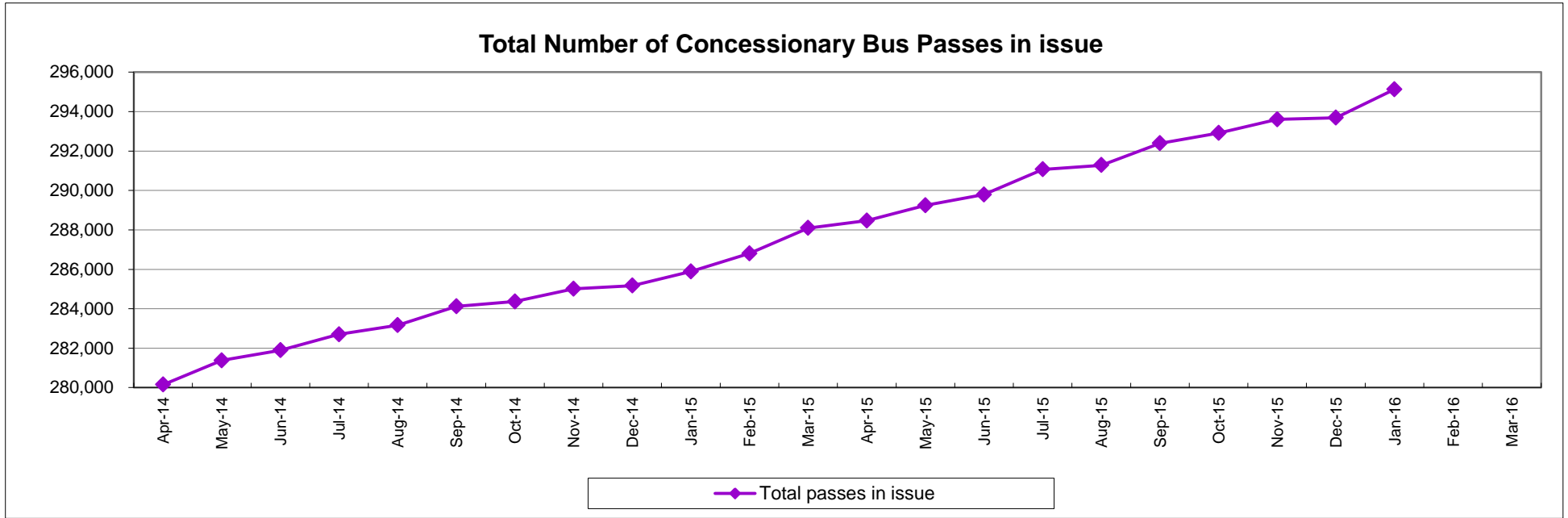
2.5 Concessionary Fares (English National Concessionary Travel Scheme - ENCTS) - Number of Passes in Issue

| | | Senior Citizen's bus passes | Disabled person's bus passes | Disabled Person Companion bus passes | TOTAL passes |
|---------|-------|-----------------------------|------------------------------|--------------------------------------|--------------|
| | | Actual | Actual | Actual | Actual |
| 2014-15 | April | 258,342 | 17,961 | 3,849 | 280,152 |
| | May | 259,299 | 18,102 | 3,978 | 281,379 |
| | June | 259,623 | 18,212 | 4,055 | 281,890 |
| | July | 260,263 | 18,352 | 4,084 | 282,699 |
| | Aug | 260,558 | 18,438 | 4,164 | 283,160 |
| | Sept | 261,284 | 18,586 | 4,248 | 284,118 |
| | Oct | 261,352 | 18,701 | 4,313 | 284,366 |
| | Nov | 261,826 | 18,800 | 4,387 | 285,013 |
| | Dec | 261,879 | 18,868 | 4,427 | 285,174 |
| | Jan | 262,434 | 18,964 | 4,490 | 285,888 |
| | Feb | 263,062 | 19,176 | 4,564 | 286,802 |
| | Mar | 264,108 | 19,341 | 4,645 | 288,094 |
| 2015-16 | April | 264,314 | 19,459 | 4,692 | 288,465 |
| | May | 264,856 | 19,594 | 4,792 | 289,242 |
| | June | 265,180 | 19,715 | 4,894 | 289,789 |
| | July | 266,023 | 20,020 | 5,028 | 291,071 |
| | Aug | 266,078 | 20,134 | 5,069 | 291,281 |
| | Sept | 266,949 | 20,312 | 5,133 | 292,394 |
| | Oct | 267,257 | 20,452 | 5,204 | 292,913 |
| | Nov | 267,794 | 20,538 | 5,273 | 293,605 |
| | Dec | 267,792 | 20,601 | 5,296 | 293,689 |
| | Jan | 268,857 | 20,845 | 5,428 | 295,130 |
| | Feb | | | | |
| | Mar | | | | |

- The number of affordable passes is not calculated because the primary driver of cost is the number of journeys people travel.
- Also a passholder in England and Wales can use the pass anywhere in those two countries. The Transport Co-ordinating Authority for that area picks up the cost of any ENCTS pass used for boarding a bus, within its area. Therefore KCC will not only be reimbursing passes for Kent residents but also any Medway holders boarding in Kent or in fact any ENCTS visitor to Kent using a bus.

There are three types of passes available to Kent residents:

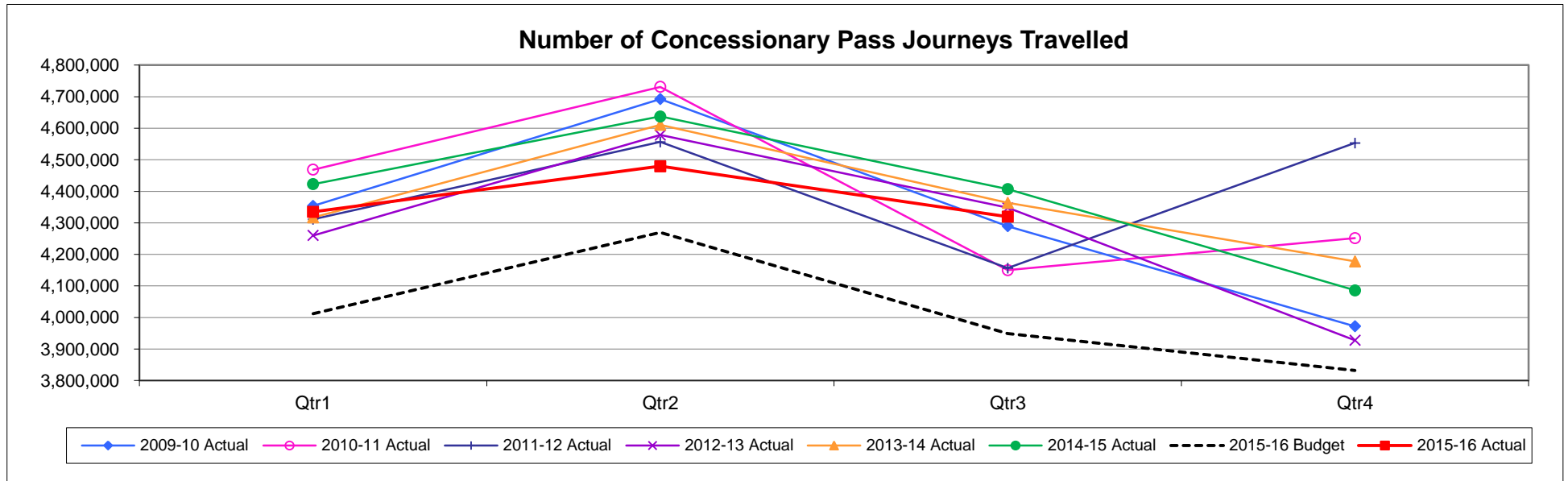
- A Senior Citizen's bus pass if you are of state pension age or older.
- A Disabled Person's bus pass for people with certain disabilities, for example for people who are blind or partially sighted, profoundly or severely deaf, or have a learning disability. There is no age restriction for the disabled person's bus pass.
- A Disabled Person Companion bus pass is available in cases where a Disabled Person bus pass user is unable to travel alone.



2.6 Concessionary Fares (English National Concessionary Travel Scheme - ENCTS) - Number of Journeys Travelled

| | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | |
|-------|----------------|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| | Actual (000's) | Actual (000's) | Actual (000's) | Actual (000's) | Actual (000's) | Actual (000's) | Budget level (000's) | Actual (000's) |
| Qtr 1 | 4,354 | 4,469 | 4,311 | 4,260 | 4,317 | 4,423 | 4,012 | 4,335 |
| Qtr 2 | 4,693 | 4,731 | 4,557 | 4,578 | 4,611 | 4,637 | 4,270 | 4,479 |
| Qtr 3 | 4,289 | 4,150 | 4,157 | 4,348 | 4,364 | 4,407 | 3,949 | 4,320 |
| Qtr 4 | 3,972 | 4,251 | 4,553 | 3,928 | 4,178 | 4,086 | 3,833 | |
| | 17,308 | 17,601 | 17,578 | 17,114 | 17,470 | 17,553 | 16,064 | 13,134 |

The data for this activity indicator is only provided on a quarterly basis by our external provider MCL Transport Services once they have reconciled data from the bus operators.



- As with the Young Persons Travel Pass the figures for actual concessionary journeys travelled are reviewed quarterly and updated as further information is received from the bus companies or our concessionary travel consultant, MCL Transport Services, so may be subject to change.
- Journey numbers as at the end of quarter 3, as reconciled by MCL Transport Services, together with early indications of activity for quarter 4 are in excess of the budgeted level and as a result a financial pressure of +£632k is being forecast, as reflected in Table 1 of section 1.2 above.

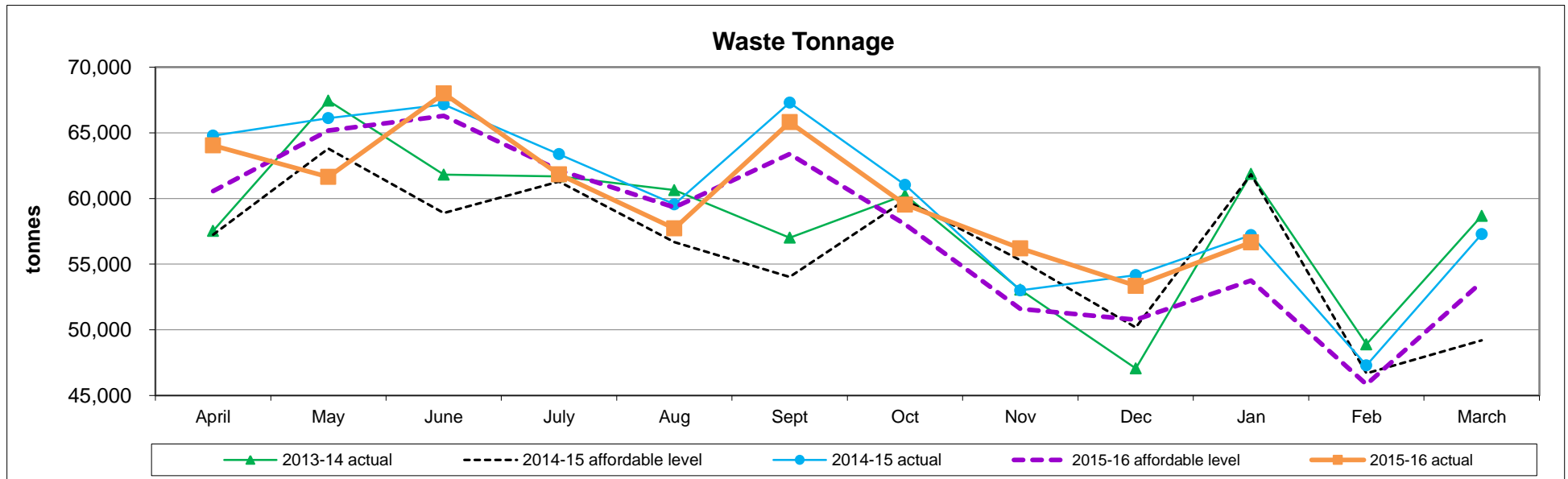
2.7 Waste Tonnage

| | 2013-14 | 2014-15 | | 2015-16 | |
|-----|----------------|------------------|----------------|------------------|-----------------|
| | Waste Tonnage | Affordable Level | Waste Tonnage | Affordable Level | * Waste Tonnage |
| Apr | 57,538 | 57,246 | 64,792 | 60,559 | 64,041 |
| May | 67,448 | 63,802 | 66,119 | 65,181 | 61,648 |
| Jun | 61,813 | 58,899 | 67,164 | 66,290 | 68,014 |
| Jul | 61,687 | 61,282 | 63,374 | 62,147 | 61,847 |
| Aug | 60,643 | 56,684 | 59,554 | 59,324 | 57,717 |
| Sep | 57,013 | 54,032 | 67,300 | 63,391 | 65,811 |
| Oct | 60,264 | 59,881 | 61,043 | 58,037 | 59,538 |
| Nov | 53,050 | 55,294 | 53,000 | 51,585 | 56,200 |
| Dec | 47,063 | 50,167 | 54,159 | 50,768 | 53,352 |
| Jan | 61,869 | 61,844 | 57,212 | 53,742 | 56,651 |
| Feb | 48,892 | 46,682 | 47,292 | 45,841 | |
| Mar | 58,672 | 49,187 | 57,287 | 53,635 | |
| | 695,952 | 675,000 | 718,296 | 690,500 | 604,819 |

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

These waste tonnage figures include recycled waste, composting and residual waste processed either through Allington Waste to Energy plant or landfill.

Waste tonnages were restated in the quarter 2 report to include Trade Waste activity, which was previously excluded in error.



Comments:

General

- From 2013-14 Waste tonnage data is based on waste outputs from transfer stations rather than waste inputs to our facilities. This is necessary due to the changes in how waste is being presented to KCC by the waste collection authorities, where several material streams are now being collected by one refuse collection vehicle utilising split body compaction. These vehicles are only weighed in once at our facilities, where they tip all of the various waste streams into the separate bays, and then the vehicle is weighed out when empty. The separate waste streams are stored separately at our transfer stations, where these materials are bulked up for onward transfer to various processing plants/facilities. The bulked loads are weighed out, providing data for haulage fees and then are weighed in at the relevant processing plant, providing data for processing fees. All the data presented in the table above has been restated on this output basis in order to enable comparison. The data has also been restated to include Trade Waste activity.

2013-14

- The overall volume of waste managed in 2013-14 was 695,952 tonnes, which was 19,048 tonnes below the affordable level and equated to a saving of £2.155m. However this saving on waste volumes was offset by other pressures within the service, giving an overall saving against the waste management budget of £0.778m.
- The actual tonnage in 2013-14 of 695,952 tonnes was far higher than the forecast figure of 676,900 tonnes based on actuals to January and reported to Cabinet in April. This unexpected increase in volume in the final quarter of 2013-14 continued into 2014-15, with actual tonnage for 2014-15 ending up at 43,296 tonnes more than the affordable level for the year, as the 2014-15 affordable level was based on the actual activity of the first three quarters of 2013-14. These increased volumes are also continuing into 2015-16.

2014-15

- The actual waste tonnage in 2014-15 of 718,296 tonnes was 43,296 tonnes above the affordable level and equated to a pressure of £2.972m. However with the advent of the new contracts, some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore an increase in waste tonnage may not always result in an increased pressure on the waste budget. The pressure on waste volumes was largely offset by other savings within the service giving an overall net pressure against the waste management budget for 2014-15 of +£0.543m. The service believes that the increase in waste tonnage experienced over much of 2014 can be mostly explained by two separate issues. Firstly, climatic: the extraordinarily mild and moist winter of 2013-14 and spring 2014, as well as a markedly high water table, which led to a very favourable and advanced growing season, resulting in high levels of organic waste. In addition, large volumes of broken fence panels etc were evident in the early part of the financial year as a result of repairs to winter storm damage. Secondly, the growth in the UK economy led to increased waste arising across the UK, but particularly in the south east, where economic activity is greatest, in particular in house purchases and renovations. The overall volume of waste was 3.2% higher in 2014-15 than 2013-14.

2015-16

- Based on the actual waste tonnage for April to December and forecasts for January to March, the overall volume of waste to be managed this financial year is expected to be approximately 709,900 tonnes, which is 19,400 tonnes above the affordable level and equates to a pressure of £2.260m. The vast majority (c.£2.213m) of this results from residual waste that cannot be recycled and ends up in landfill or burned to generate electricity at the Allington Waste to Energy plant. The pressure on waste volumes is largely offset by favourable price variances and other savings within the service, as detailed in table 1, giving an overall pressure against the waste management budget of £0.232m.
- The figures in Table 1 of section 1.2 are based on actual activity for April to December, with estimates for the remaining months; the division has recently received figures for January and early indications suggest a slightly higher forecast tonnage of 711,900 which may result in an increased financial pressure reported for outturn.
- Overall actual waste volumes are currently 1.4% lower for the first ten months when compared with the same period for last year, whereas the forecast of 709,900 tonnes is just 1.2% below last years activity levels, reflecting that higher waste volumes than last year are expected for March due to the Easter break.
- Waste volumes, both in Kent and nationally, are impacted upon by changes in the economy and the improving economic climate continues to result in higher levels of waste.

3. CAPITAL

3.1 The Growth, Environment and Transport Directorate has a working budget for 2015-16 of £108,444k. The forecast against the 2015-16 budget is £104,714k giving a variance of -£3,730k.

3.2 **Table 2** below details the Growth, Environment and Transport Directorate's Capital Position by Budget Book line.

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|-------------------------------|---|
| Rolling Programmes | | | | | | | | | |
| Country Parks Access and Development | 60 | 46 | 18 | 18 | Real: +£18k Revenue | Purchase of tractor funded from a revenue reserve. | Green | Rolling Programme | Cash limit increase requested in previous monitoring report |
| Library Modernisation Programme | 0 | 0 | 0 | 0 | | | Green | Rolling Programme | |
| Management and Modernisation of Assets - Vehicles | 110 | 0 | 0 | 0 | | | Green | | |
| Public Rights of Way | 915 | 1,238 | 12 | 12 | Real: +£12k developer contributions | | Green | | |
| Public Sports Facilities Improvement - Capital Grant | 100 | 110 | -2 | -2 | Real: -£2k prudential | | Green | | |
| Village Halls and Community Centres - Capital Grants | 300 | 446 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|-------------------------------|---------|
| Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening | 26,661 | 29,293 | -907 | -907 | Rephasing: -970k Real: + £24k External other, +£39k Revenue | Rephasing : -£770k rephasing of Grosvenor Bridge works due to delays with procurement, -£200k Clapham Hill works design & related procurement delays. Real overspend: +£24k external income received for Highways Operations. +£39k for weather stations funded from a revenue reserve. | Green | Rolling Programme | |
| Integrated Transport Schemes under £1 million | 3,968 | 4,093 | 465 | 465 | Real: +£465k Revenue | +£465k real variance to purchase additional buses and community transport minibuses funded from revenue. | Green | Rolling Programme | |
| Member Highway Fund | 0 | 169 | 0 | 0 | | | Green | | |
| Land compensation and Part 1 claims arising from completed projects | 0 | 265 | -70 | -70 | Rephasing | | Green | | |
| Major Schemes - Preliminary Design Fees | 100 | 779 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|---|---|
| Individual Projects | | | | | | | | | |
| Dartford Library Plus | 434 | 16 | 0 | 0 | | | Green | | |
| Libraries WiFi Project | 0 | 0 | 313 | 313 | Real: +£313k External | New funding from Arts Council to add/upgrade Wifi in 66 libraries | Green | Funding to be spent in 15-16. | Cash limit increase requested in previous monitoring report |
| Tunbridge Wells Library | 0 | 181 | 6 | 6 | Real: +£6k Capital receipt | | Red | Project completion has been delayed, final scheme costs have been agreed with the contractor and payment complete. Additional works remain to complete the project. | |
| New Community Facilities at Edenbridge | 0 | 31 | -6 | -6 | Real: -£6k Capital receipt | | Green | | |
| Southborough Hub | 250 | 275 | 0 | 0 | | | Green | | |
| Herne Bay Library Plus | 427 | 46 | -46 | -46 | Rephasing | | Amber | Amber until completion date agreed. | |
| Tunbridge Wells Cultural Hub | 0 | 0 | 0 | 0 | | | | Project to commence in later years but feasibility works currently being undertaken with revenue. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| Sustainable Access to Maidstone Employment Areas | 820 | 135 | 100 | 100 | Rephasing | Rephasing from 16/17 to 15/16 to utilise rephasing on other 15/16 SELEP schemes. | Green | | |
| Sustainable access to Education & employment | 200 | 187 | 0 | 0 | | | Green | | |
| Broadband Contract 1 | 9,763 | 12,149 | 0 | 0 | | | Green | | |
| Broadband Contract 2 (formerly Superfast Extension Programme) | 0 | 155 | 0 | 0 | | | | | |
| Cyclopark | 0 | 80 | -70 | -70 | Real: -12k prudential Rephasing: -58k | £12k underspend to fund Incubator Development. | Green | | |
| Empty Property Initiative | 2,500 | 3,047 | -347 | -347 | Rephasing | Spend has been re-aligned to match expected project loan repayments. | Green | This has no effect on the completion date of the project. This is a revolving loan scheme. | |
| Eurokent Road (East Kent) | 62 | 68 | -68 | -68 | Rephasing | | Green | | |
| Folkestone Heritage Quarter | 680 | 948 | 0 | 0 | | | Green | | |
| Incubator Development | 0 | 1,537 | 12 | 12 | Real: prudential | £12k to be funded from Cyclopark. | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|-------------------------------|---------|
| Innovation Investment Initiative (i3) (Kent & Medway Growth Hub) | 0 | 1,000 | 0 | 0 | | | Green | | |
| Marsh Million | 0 | 540 | 377 | 377 | Real: External other | Expected match funding from partners. | Green | | |
| No Use Empty - Rented Affordable Homes | 442 | 0 | 0 | 0 | | | Green | | |
| No Use Empty - Rented Affordable Homes - Extension | 673 | 409 | 0 | 0 | | | Green | | |
| Old Town Hall, Gravesend | 0 | 0 | 0 | 0 | | | Green | | |
| Regeneration Fund Projects | 0 | 0 | 0 | 0 | | | Green | | |
| Regional Growth Fund - Expansion East Kent | 2,141 | 15,756 | 0 | 0 | | | Green | | |
| Regional Growth Fund - Journey Time Improvement (JTI) | 3,577 | 3,554 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|-------------------------------------|---------|
| Rural Broadband Demonstration Project | 0 | 113 | 0 | 0 | | | Green | | |
| Swale Parklands | 0 | 0 | 0 | 0 | | | Green | | |
| TIGER | 2,522 | 1,699 | 0 | 0 | | | Green | | |
| Escalate | 311 | 527 | 0 | 0 | | | Green | | |
| Rendezvous Hotel | 0 | 0 | 0 | 0 | | | | Project to commence in later years. | |
| Energy and Water Efficiency Investment Fund - External | 185 | 449 | 0 | 0 | | | Green | | |
| Energy Reduction and Water Efficiency Investment - KCC | 138 | 270 | 22 | 22 | Real: +£22k revenue | | Green | | |
| Sandwich Sea Defences | 435 | 435 | 0 | 0 | | | Green | Project complete. | |
| Coldharbour Gypsy site | 0 | 0 | 0 | 0 | | | Green | Project complete. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs): | | | | | | | | | |
| Richborough Closed Landfill site - Emergency Works | 200 | 400 | 10 | 10 | Real +£10k prudential | | Amber | Project is expected to overspend due to additional costs for leaching worse than anticipated and works to ramps for Bailey Bridge. Majority of this will be in 16/17. | |
| Sturry Road Closed Landfill site- Emergency Works | 150 | 199 | -169 | -169 | Rephasing: | Redesign required to pump water direct to waste water treatment plant therefore some works delayed to 16/17. | Amber | Amber due to delays in project, awaiting revised completion date. | |
| TS/HWRC - Swale | 2,780 | 3,050 | -866 | -866 | Rephasing | | Green | Rephasing to allow completion of project in 16/17. Any underspend resulting from revisions to scheme expected to cover predicted overspend on Richborough. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|-------------------------------|---------|
| Kent Highway Services: | | | | | | | | | |
| East Kent Access Phase 2 - Major Road Scheme | 2,524 | 1,499 | -639 | -639 | Rephasing | Rephasing to cover land compensation payments in future years. | Green | Scheme is complete. | |
| Rathmore Road Link | 1,530 | 1,746 | 72 | 72 | Rephasing | | Green | | |
| Kent Thameside Strategic Transport Programme | 430 | 200 | 58 | 58 | Rephasing | | Green | | |
| Lorry Park | 1,990 | 0 | 0 | 0 | | This scheme is no longer progressing following the 2015 Spending Review announcement that the Government has allocated funds for a new permanent lorry park. However, KCC will continue to work with Highways England in regard to provision of an overnight solution in addition to the proposed lorry storage facility. | | | |
| North Farm Longfield Road, Tunbridge Wells | 1,021 | 3,232 | 0 | 0 | | | Green | | |
| Rushenden Link (Sheppey) - major road scheme | 609 | 158 | -90 | -90 | Rephasing | | Green | Scheme is complete. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| Sandwich Highways Depot | 0 | 0 | 0 | 0 | | | | Project to commence in later years. | |
| Sittingbourne Northern Relief Road - major road scheme | 1,418 | 834 | -399 | -399 | Rephasing | Rephasing to cover land compensation payments in future years. | Green | Scheme is complete. | |
| Street Lighting Column - Replacement Scheme | 1,250 | 1,779 | 0 | 0 | | | Green | | |
| Street Lighting Timing - Invest to Save | 0 | 0 | 0 | 0 | | | Green | Project complete. | |
| Thanet Parkway | 1,000 | 600 | -89 | -89 | Rephasing | | Green | Revised completion date of 30 September 2019 previously reported. | |
| Westwood Relief Strategy - Poorhole Lane Improvement | 435 | 1,327 | 0 | 0 | | | Green | Scheme completed 30/07/15 but awaiting final accounts. | |
| LED Conversion | 4,000 | 1,500 | 0 | 0 | | | Green | The conversion programme has commenced. | |
| Sittingbourne Town centre regeneration | 4,500 | 800 | -250 | -250 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--------------------------------|---------|
| Middle Deal transport improvements | 1,500 | 50 | -50 | -50 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| A28 Chart Road, Ashford | 1,340 | 1,396 | -574 | -574 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| Victoria Way | 0 | 385 | -319 | -319 | Rephasing | Rephasing to cover land compensation payments in future years. | Green | Scheme is complete. | |
| Drovers Roundabout junction | 0 | 154 | -97 | -97 | Rephasing | Rephasing to cover land compensation payments in future years. | Green | Scheme is complete. | |
| M20 Junction 4 Eastern Over bridge | 2,800 | 704 | 155 | 155 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| A26 London Rd/Staplehurst Rd/Yew Tree Junction | 1,200 | 292 | 305 | 305 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| A28 Sturry Rural Integrated Transport Package - Canterbury | 520 | 37 | -28 | -28 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--------------------------------|---------|
| Maidstone Gyratory Bypass | 500 | 1,296 | -256 | -256 | Rephasing | Rephasing variance: see below * | Green | | |
| Folkestone Seafront | 500 | 490 | 96 | 96 | Real: +£96k Developer contributions | Additional elements added to the scheme funded by developer contributions. | Green | | |
| Tonbridge Town Centre Regeneration | 2,220 | 1,850 | -40 | -40 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| Sturry Link Road-Canterbury | 250 | 318 | -185 | -185 | Rephasing | Rephasing variance: see below * | Green | | |
| West Kent Local Sustainable Transport- Tackling Congestion | 965 | 951 | 0 | 0 | | | Green | | |
| Kent Strategic Congestion Management | 800 | 787 | -30 | -30 | Rephasing | | Green | | |
| Kent Sustainable Intervention programme for growth | 500 | 284 | -154 | -154 | Rephasing | Rephasing variance: see below * | Green | Rephasing previously reported. | |
| Kent Thameside LSTF | 2,428 | 2,080 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---------------------|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| M20 Junction 10a | 5,000 | 0 | 0 | 0 | | | | Project removed from programme as there is no longer a direct role for KCC in promoting an interim scheme. | |
| Total | 102,134 | 108,444 | -3,730 | -3,730 | | | | | |

* Rephasing of schemes following realignment of cost and associated funding due to nature of SELEP schemes.

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

STRATEGIC & CORPORATE SERVICES DIRECTORATE
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| | | | | | | | | |
|-----|-------------------------------|----------------|--------------------------------|-------------|-----------------------------------|---------------|----------|--|
| 1.1 | | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
| | Total Directorate (£k) | +71,952 | -2,397 | - | -2,397 | - | - | -2,397 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | | Management Action/ Impact on MTFP/Budget Build |
|---|------------|----------|----------|----------|-------------|--|--|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Strategic & Corporate Services | | | | | | | |
| Strategic Management & Directorate Support Budgets | 2,996.9 | -5,168.2 | -2,171.3 | -54 | | | |
| <u>Community Services</u> | | | | | | | |
| - Contact Centre & Citizens Advice Help Line | 2,421.5 | -387.3 | 2,034.2 | +333 | +333 | This overspend relates to the period Apr-Nov 15 and the arrangements prior to the move to a new 3rd party contract. The position is being offset by underspends elsewhere within the EODD Division (<i>see Human Resources & Communications & Consultation below</i>). There is no further overspend post the start of the new contract in December. | |
| - Customer Relationship (including Gateways) | 1,315.0 | -35.0 | 1,280.0 | +172 | +313 | Delivery of the 2015-16 saving of £0.390m has been delayed pending the restructure of the Engagement, Organisation Design & Development division. | Management action has already reduced the overall pressure. The proposed restructure of the division together with further management action is expected to address the residual pressure, so there should be no impact on 2016-17 budget. |
| | | | | | -141 | Other minor variances, each below £100k in value | |
| | 3,736.5 | -422.3 | 3,314.2 | +505 | | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|-----------|----------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| <u>Local Democracy</u> | | | | | | |
| - Community Engagement | 328.0 | 0.0 | 328.0 | +30 | | |
| - County Council Elections | 570.0 | 0.0 | 570.0 | 0 | | |
| - Local Member Grants | 2,704.4 | 0.0 | 2,704.4 | -1,081 | -1,081 | Forecast underspend based upon the anticipated level of projects predicted to be approved before year end. £920k of this is required to roll forward |
| - Partnership arrangements with District Councils | 2,163.2 | 0.0 | 2,163.2 | -3 | | |
| | 5,765.6 | 0.0 | 5,765.6 | -1,054 | | |
| <u>Support to Frontline Services</u> | | | | | | |
| - Business Services Centre | 41,855.8 | -41,855.8 | 0.0 | -705 | -570 | Staffing vacancies held during the back office procurement process, together with the impact of a time lag in recruiting to these posts now the service is remaining in-house. |
| | | | | | -159 | Additional external income following increased demand for teacher recruitment |
| | | | | | +24 | Other minor variances |
| - Business Strategy | 3,279.1 | -82.0 | 3,197.1 | -137 | -137 | Other minor variances, each below £100k in value |
| - Communications & Consultation | 3,055.1 | -531.0 | 2,524.1 | -213 | -110 | Staffing vacancies held pending restructure of the Engagement, Organisation Design & Development division |
| | | | | | -103 | Other minor variances, each below £100k in value |
| - Democratic & Members | 3,793.1 | -142.0 | 3,651.1 | -71 | | |
| - Finance & Procurement | 18,525.7 | -8,192.6 | 10,333.1 | -219 | -219 | Minor variances, each below £100k in value |
| - Human Resources | 9,029.8 | -1,301.9 | 7,727.9 | -160 | -160 | Minor variances, each below £100k in value |
| - Information, Communications & Technology | 16,847.4 | -1,742.8 | 15,104.6 | +462 | +203 | One-off Managed Print Service project implementation costs |
| | | | | | +158 | Maintenance charge for increased data storage |
| | | | | | +101 | Other minor variances |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------------|------------------|-----------------|---------------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| - Legal Services & Information Governance | 8,688.5 | -10,872.2 | -2,183.7 | +5 | +441 | Increased use of agency staff due to a number of unexpected vacancies and to provide cover for legal staff working on Facing the Challenge, together with an increased demand for legal services. |
| | | | | | -520 | Anticipated increase in internal income based upon last year's income levels together with increased demand for legal services |
| | | | | | +84 | Other minor variances |
| - Property & Infrastructure Support | 33,469.3 | -8,779.8 | 24,689.5 | -756 | -174 | Rental saving generated from the purchase of Brook House |
| | | | | | -190 | Lower than anticipated cost of repairs to non operational buildings following completion of condition surveys |
| | | | | | -392 | Minor variances, mainly relating to Corporate Landlord, each below £100k in value, £55k of which will be the subject of a roll forward requirement to meet costs relating to the set-up of the Property LATCo, which have re-phased in to 2016-17. |
| - Transformation | 0.0 | 0.0 | 0.0 | 0 | | see Financing Items (Annex 7) for details |
| | 138,543.8 | -73,500.1 | 65,043.7 | -1,794 | | |
| Total S&CS | 151,042.8 | -79,090.6 | 71,952.2 | -2,397 | | |
| Assumed Management Action | | | | | | |
| Total S&CS Forecast <u>after</u> mgmt action | 151,042.8 | -79,090.6 | 71,952.2 | -2,397 | | |

3. CAPITAL

3.1 The Strategic and Corporate Services working budget for 2015-16 is £21,568k. The forecast against the 2015-16 budget is £20,889k giving a variance of -£679k.

3.2 **Table 2** below details the Strategic & Corporate Services Directorate Capital Position by Budget Book line.

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--------------------------------------|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|--|---------|
| Rolling Programmes | | | | | | | | | |
| Corporate Property Strategic Capital | 2,650 | 2,420 | 0 | 0 | | | Green | | |
| Disposal Costs | 250 | 650 | 0 | 0 | | | Green | | |
| Modernisation of Assets | 3,152 | 1,050 | 0 | 0 | | | Green | | |
| Individual Projects | | | | | | | | | |
| Building Information Modelling (BIM) | 65 | 123 | -123 | -123 | Rephasing | Ongoing discussions with ICT to determine whether the best solution for the proposed system should be on premise or externally hosted. At present a software solution is being explored which would negate the need for the previously reported procurement process. | Green | This has no effect on the June 2016 completion date. | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|---|---|-------------------------------|-------------------------|----------------------------|--|---|-----------------------------|---|---------|
| Connecting with Kent | 0 | 97 | 0 | 0 | | | Green | | |
| Customer Relationship Management Solution | 842 | 642 | 858 | 858 | Real: +£858k Revenue | Real: Payment for the Digital and Engage Platform partially funded by a revenue contribution towards this capital outlay. | Amber | Amber until completion date agreed. | |
| Electronic Document Management Solution (EDMS) (known as Electronic Document & Records Management (EDRM)) | 1,276 | 200 | 0 | 0 | | | Amber | Amber until a solution has been agreed. | |
| Enterprise Resource Programme | 0 | 62 | 0 | 0 | | | Green | | |
| HR System Development | 60 | 59 | -10 | -10 | Rephasing | | Green | Revised completion date 31st March 2017 has previously been reported. | |
| Innovative Schemes Fund | 0 | 120 | 0 | 0 | | | Green | | |
| LIVE Margate | 4,032 | 794 | 0 | 0 | | | Green | | |
| New Ways of Working | 4,200 | 8,627 | 0 | 0 | | | Green | | |

| Budget Book Heading | 2015-16 cash limit per budget book (£000) | 2015-16 Working Budget (£000) | 2015-16 Variance (£000) | Variance Break-down (£000) | Rephasing / Real Variance and Funding Stream | Explanation of In-Year Variance >£100k | Project Status ¹ | Explanation of Project Status | Actions |
|--|---|-------------------------------|-------------------------|----------------------------|--|--|-----------------------------|---|---------|
| Property Asset Management System | 0 | 127 | 0 | 0 | | | Red | The status reflects the need for additional funding which has had to be found from elsewhere within the S&CS capital programme and a new revised completion date by the end of this financial year. | |
| Property Investment & Acquisition Fund | 3,000 | 5,775 | -1,415 | -1,415 | Rephasing | Rephasing due to the removal/revaluation of some properties as a result of restrictions on title and use. The strategic acquisitions approved in November will complete this year. | Green | | |
| Sustaining Kent - Maintaining the Infrastructure | 0 | 0 | 11 | 11 | Real: +£11k External funding | | Amber | Amber status reflects the unforeseen additional costs. | |
| Swanley Gateway | 308 | 632 | 0 | 0 | | | Green | | |
| Web Redevelopment Programme | 320 | 190 | 0 | 0 | | | Green | | |
| S&CS Directorate | 20,155 | 21,568 | -679 | -679 | | | | | |

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

FINANCING ITEMS
JANUARY 2015-16 MONITORING REPORT

1. REVENUE

| 1.1 | Cash Limit | Variance Before Mgmt Action | Mgmt Action | Net Variance after Mgmt Action | Roll forwards | | Variance after Mgmt Action & Roll Fwd |
|-------------------|-----------------|--------------------------------|-------------|-----------------------------------|---------------|-------------|--|
| | | | | | committed | uncommitted | |
| Total (£k) | +129,843 | -4,754 | - | -4,754 | - | - | -4,754 |

1.2 **Table 1** below details the revenue position by A-Z budget:

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build | |
|--|------------|----------|----------|----------|-------------|---|---|
| | Gross | Income | Net | Net | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Financing Items | | | | | | | |
| Audit Fees | 314.0 | 0.0 | 314.0 | -157 | -157 | This reflects the agreed audit fees as notified by our external auditors | A saving has been reflected in the recently approved 2016-19 MTFP |
| Carbon Reduction Commitment Levy | 800.0 | 0.0 | 800.0 | 0 | | | |
| Commercial Services (net contribution) | 0.0 | -6,700.0 | -6,700.0 | 0 | | | |
| Contribution to IT Asset Maintenance Reserve | 2,352.0 | 0.0 | 2,352.0 | 0 | | | |
| Contribution to/from Reserves | 6,305.2 | 0.0 | 6,305.2 | +1,138 | +1,138 | Forecast transfer to Insurance reserve of surplus on Insurance Fund (see below) | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|------------|----------|-----------|----------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Insurance Fund | 4,999.0 | 0.0 | 4,999.0 | -1,138 | -1,138 | Forecast surplus on Insurance Fund as the overall claim reserves have reduced following finalisation of the tender of insurances for 2016 and a reduction in value for a couple of notable claims. This has been partially offset by an anticipated further levy payment & increase in the outstanding claims potential relating to the Municipal Mutual Scheme of Arrangements which is expected to generate a further clawback from the Council to meet outstanding liabilities for the insurer and the impact of an increase in insurance premiums from January 2016. |
| Modernisation of the Council | 2,929.4 | 0.0 | 2,929.4 | 0 | | |
| Net Debt Charges (incl Investment Income) | 128,481.0 | -8,178.0 | 120,303.0 | -970 | -970 | Increased interest on cash balances as a result of higher cash balances, investing for longer durations and increased dividends. |
| Other | 949.0 | -36.0 | 913.0 | 0 | | |
| Unallocated | 1,626.9 | 0.0 | 1,626.9 | -3,627 | -1,350 | Additional Business Rate compensation grant, above the budgeted level, relating to reimbursement for the impact of tax changes incurred under the business rates retention scheme that were introduced in the 2012, 2013 & 2014 Autumn Statements. |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|---|----------------|-----------------|--------------|--------------|--|--|
| | Gross £'000 | Income £'000 | Net £'000 | Net £'000 | | |
| | | | | | £'000 -1,477 Estimated retained levy as a result of being in a Business Rate pool with 10 of the Kent District Councils. We have only finalised the accounting treatment for this, via a sign off of the 2014-15 accounts, hence why this was not reflected in the 2015-16 budget build. The cash will not be received until 2016-17 but we need to accrue for the income this year. This is our best estimate, the final figure will not be known until year end. -800 Additional Education Services Grant as a result of the expected number of schools converting to academy status during the year being lower than assumed when the budget was set. +2,071 The Procurement & Commissioning saving previously held within Finance & Procurement in the S&CS Directorate has now been transferred to be held centrally within Financing Items. The report from our project partner (KPMG) has now been finalised. There are a number of proposals for delivering these savings in future years but for the current year, the recommendation is that this is to be delivered from tactical savings across the authority, the impact of which is also being reported against the Financing Items budget. -2,071 | A retained levy has been built into the recently approved 2016-19 MTFP |
| Underspend rolled forward from previous years | -4,000.0 | 0.0 | -4,000.0 | 0 | | |

| Budget Book Heading | Cash Limit | | | Variance | Explanation | Management Action/ Impact on MTFP/Budget Build |
|--|------------------|------------------|------------------|---------------|-------------|--|
| | Gross | Income | Net | Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Support to frontline services - Transformation | 0.0 | 0.0 | 0.0 | 0 | +4,545 | 0-25 Children's Services Transformation implementation |
| | | | | | -4,545 | Drawdown from reserves to meet the costs of 0-25 Children's Services Transformation implementation |
| | | | | | +404 | Adults Social Care Transformation Phase 2 design |
| | | | | | -404 | Drawdown from reserves to meet the costs of Adults Social Care Transformation Phase 2 design |
| | | | | | +4,020 | Adults Social Care Transformation Phase 2 implementation |
| | | | | | -4,020 | Drawdown from reserves to meet the costs of Adults Social Care Transformation Phase 2 implementation |
| | | | | | +911 | Facing the Challenge costs in excess of the budget of £2,264.8k, to be met by further drawdown from reserves |
| | | | | | -911 | Drawdown from reserves to meet the costs of Facing the Challenge in excess of the budgeted amount of £2,264.8k |
| Total Financing Items | 144,756.5 | -14,914.0 | 129,842.5 | -4,754 | | |
| Assumed Management Action | | | | 0 | | |
| Total Fin Items Forecast <u>after</u> mgmt action | 144,756.5 | -14,914.0 | 129,842.5 | -4,754 | | |

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil - average monthly price in dollars:

| | Price per Barrel of Oil | | |
|-----|-------------------------|---------|---------|
| | 2013-14 | 2014-15 | 2015-16 |
| | \$ | \$ | \$ |
| Apr | 92.02 | 102.07 | 54.45 |
| May | 94.51 | 102.18 | 59.26 |
| Jun | 95.77 | 105.79 | 59.82 |
| Jul | 104.67 | 103.59 | 50.90 |
| Aug | 106.57 | 96.54 | 42.87 |
| Sep | 106.29 | 93.21 | 45.48 |
| Oct | 100.54 | 84.40 | 46.22 |
| Nov | 93.86 | 75.79 | 42.44 |
| Dec | 97.63 | 59.29 | 37.19 |
| Jan | 94.62 | 47.22 | 31.68 |
| Feb | 100.82 | 50.58 | 30.32 |
| Mar | 100.80 | 47.82 | |

Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.
- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC UK trade info website.
- Fluctuations in oil prices affect many other costs such as heating, travel, and therefore transportation costs of all food, goods and services, and this will have an impact on all services provided by the Council.

