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Corporate Directors

To: CABINET - 27 June 2016

Subject:

- (1) **REVENUE AND CAPITAL BUDGET OUTTURN FOR 2015-16**
- (2) **REVENUE BUDGET ROLL FORWARD**
- (3) **CAPITAL BUDGET ROLL FORWARD**
- (4) **FINAL KEY ACTIVITY MONITORING FOR 2015-16**
- (5) **FINAL FINANCIAL HEALTH INDICATORS 2015-16**
- (6) **FINAL MONITORING OF PRUDENTIAL INDICATORS FOR 2015-16**
- (7) **IMPACT OF 2015-16 REVENUE BUDGET OUTTURN ON RESERVES**

Classification: **Unrestricted**

1. SUMMARY

1.1 This report provides the provisional revenue and capital budget outturn position for 2015-16, including a final 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
- Appendix 1 provides details of proposed Revenue Budget roll forwards
- Appendix 2 provides details of Capital re-phasing
- Appendix 3 provides details of proposed capital programme cash limit changes
- Appendix 4 provides final monitoring of key activity indicators for 2015-16
- Appendix 5 provides final financial health indicators for 2015-16
- Appendix 6 provides final monitoring of prudential indicators for 2015-16

1.3 Other items likely to be of particular interest to Members are the impact of the provisional financial and activity monitoring position on our revenue reserves, as detailed in section 3.9, and the directorate staffing levels at the end of each quarter of 2015-16 compared to 31 March 2015, which are provided in section 5.

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2015-16 for both the revenue and capital budgets.
- ii) **Agree** that £798.7k of the 2015-16 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £3,142.1k of the 2015-16 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £85.1k of the 2015-16 revenue underspending is rolled forward to fund the bids detailed in section 4 of Appendix 1.
- v) **Agree** that £1,100k of the residual 2015-16 revenue underspending is provided for a Find & Fix programme of repair of pot holes.
- vi) **Agree** that the £2,483.8k remainder of the 2015-16 revenue underspending is set aside in the earmarked reserve to support future years' budgets.
- vii) **Agree** the contributions to and from reserves as reflected in section 3.9, which includes all appropriate and previously agreed transfers to/from reserves.
- viii) **Agree** that £26.529m of capital re-phasing from 2015-16 will be added into 2016-17 and later years capital budgets, as detailed in Appendix 2.
- ix) **Agree** the proposed capital cash limit changes outlined in Appendix 3.

3. SUMMARISED PROVISIONAL REVENUE BUDGET OUTTURN POSITION

- 3.1 For the 16th consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools). The provisional outturn against the combined directorate revenue budgets is an underspend of -£7,609.7k (excluding schools). This is a £4,997.7k increase in the underspend compared to the projected -£2,612k underspend after management action reported to Cabinet in April. There may be minor variations to the figures during the final stage of the year end process and the external audit.
- 3.2 Details of the proposals for the use of the -£7,609.7k revenue budget underspending are provided in Appendix 1. This identifies those projects where there is already a commitment or a request to spend in 2016-17, leaving an uncommitted balance of £3,583.8k. It is recommended that:
 - a) £1,100k is provided for a Find & Fix programme of repair of pot holes;
 - b) in consideration of the significant savings still required to balance the 2017-18 budget and risks around achieving all of the £81m additional income and savings included within the 2016-17 budget, the remaining underspend of £2,483.8k is set aside in the earmarked reserve to support future years' budgets.

3.3 The report also provides, in section 3.9, details of the impact of the provisional outturn on our reserves. In addition, the final monitoring of key activity indicators for 2015-16 is detailed in Appendix 4, and Appendix 5 provides the year-end financial health indicators including cash balances, our long term debt maturity, outstanding debt owed to KCC, the percentage of payments made within 20 days and the recent trend in inflation indices (RPI & CPI).

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

	Cash Limit	Provisional Outturn	Net Variance	Last Report	Movement
Directorate Totals	+931,014.9	+923,405.2	-7,609.7	-2,612	-4,997.7
Adjustments: - Legally committed roll fwd (see Appendix 1)		+798.7	+798.7	+386	+412.7
Underlying position (incl. legally committed roll fwd requirements only)	+931,014.9	+924,203.9	-6,811.0	-2,226	-4,585.0
- Roll fwd / re-phasing required to continue / complete existing initiatives (see Appendix 1)		+3,227.2	+3,227.2	+1,195	+2,032.2
Underlying position (incl. ALL roll fwd requirements)	+931,014.9	+927,431.1	-3,583.8	-1,031	-2,552.8

3.5 **Table 1** Directorate position - provisional net revenue position together with comparison to the last report

Directorate	Cash Limit	Provisional Outturn	Net Variance	Last Report	Movement
	£'000	£'000	£'000	£'000	£'000
Education & Young People's Services	54,967.3	+53,887.3	-1,080.0	-60	-1,020.0
Social Care, Health & Wellbeing - Specialist Children's Services	133,085.1	+130,640.6	-2,444.5	-1,188	-1,256.5
Social Care, Health & Wellbeing - Asylum	280.0	+1,654.6	+1,374.6	+1,972	-597.4
<i>Sub Total SCH&W - Specialist Children's Services</i>	<i>133,365.1</i>	<i>+132,295.2</i>	<i>-1,069.9</i>	<i>+784</i>	<i>-1,853.9</i>
Social Care, Health & Wellbeing - Adults	343,072.6	+347,867.4	+4,794.8	+5,450	-655.2
Social Care, Health & Wellbeing - Public Health	-	-	-	-	-
Growth, Environment & Transport	173,517.9	+170,790.0	-2,727.9	-1,635	-1,092.9
Strategic & Corporate Services	72,474.9	+69,195.3	-3,279.6	-2,397	-882.6
Financing Items	153,617.1	+149,370.0	-4,247.1	-4,754	+506.9
TOTAL (excl Schools)	931,014.9	+923,405.2	-7,609.7	-2,612	-4,997.7
<i>Schools (E&YP Directorate)</i>	<i>-</i>	<i>+6,967.4</i>	<i>+6,967.4</i>	<i>+14,113</i>	<i>-7,145.6</i>
TOTAL	931,014.9	+930,372.6	-642.3	+11,501	-12,143.3

3.6 Detailed below are the main reasons for the movement in the directorate forecasts since the last monitoring report to Cabinet on 25 April, as shown in table 1:

3.6.1 **Education & Young People:**

The EYP directorate delivered all of the savings it was required to, in line with the MTFP, and absorbed significant financial pressures in areas such as SEN Transport, which incurred an overspend of £2,057k because of rising demand, and in year cuts to government grants for both the Youth Offending Service and Community Learning & Skills. Over and above this, the directorate was still able to deliver a small underspend of £145.5k, after allowing for funding of £934.5k of planned roll forwards, to aid the overall position of the County Council. The savings were delivered through a combination of increased trading activity through Edukent, with the Education Psychology service trading with increased success, careful management of vacancies where appropriate, and tighter control over budgets and spending.

The overall position for the directorate has moved by -£1,020k since the 25 April report to Cabinet. The main movements are:

- a) -£136k Youth Service: due to an increase in income from the outdoor centres of -£114k and other minor movements of -£22k.
- b) -£170k Tackling Troubled Families - revised phasing of grant payments from the DCLG resulted in additional grant of -£114k being received late in the 15-16 financial year and other minor movements across all headings of -£56k.

- c) -£366k School Improvement: the non DSG movement on this A-Z line is due to an increase in income from higher than expected take up of courses for primary curriculum and moderation -£157k, reduction in spend on the 3 main phase (primary, secondary and special) teams -£106k and other minor movements of -£103k.
- d) -£126k Home to School/College Transport (SEN): a number of minor movements including a reduction in cash allowances of -£37k, an increase in income from other local authorities, in part due to the settlement of a disputed charge, -£52k and other smaller movements of -£37k.
- e) -£222k Other minor movements across all other A-Z service lines.
- f) There is a net increase in the transfer to the DSG reserve of £2,281k comprising of an increase in the schools unallocated DSG reserve of £1,744k and an increase in the central DSG reserve of £537k. The increase in the schools unallocated DSG reserve is due to a movement on Early Years Education of -£420k and a reduction in the pressure on High Needs budgets of -£1,324k. The increase in the central DSG reserve was due to an increase in the underspend on Contingency DSG funded budgets of -£228k; an increase in the underspend on redundancy of -£370k; a movement on excepted items of -£242k; a reduction in the underspend on stated support of +£155k and School Improvement Collaborations of +£171k, together with a number of small movements across other A-Z lines of -£23k.

3.6.2 Social Care, Health & Wellbeing - Specialist Children's Services:

The overall provisional outturn position on Specialist Children's Services including Asylum is an underspend of £1,070k.

The financial journey that Specialist Children's Services has been on over the last few years, has meant that all recent previous year outturn positions have shown a significant overspend. In 2015-16 however there is an underspend of £2,444k (excluding Asylum), which demonstrates that the service now have a good grip on their financial commitments. There have been a number of contributing factors to this position: the transformation programme has meant that some savings have actually been achieved in advance of the original anticipated profile in relation to staffing and fostering costs; the number of looked after children continued to reduce, especially in the first part of the year; expenditure on adoption being lower due to numbers of children requiring that type of permanency arrangement being lower, mainly due to the significant progress made in earlier years. There has still been some pressure areas: with agency staff continuing to be a significant issue, because of the differential cost; a consistent rise in the number of special guardianship orders across the year; and an increased trend in high cost residential placements in the latter part of the year.

The outturn position on Asylum is a £1,374k pressure. This pressure is far better than anticipated at the outset of the year due to a continuation in reduction of costs, as well as revised rates being negotiated and agreed by the Home Office in recognition of the crisis that Kent found itself in, with significant arrivals during the summer and autumn of 2015. This position assumes that a surplus on grant income for Under 18's can be retained to offset the shortfall that still remains for care leavers – this position still needs to be agreed by the Home Office. The main element of the £1,374k pressure relates to costs for those young people who are not deemed eligible by the Home Office, and for whom they will not fund us.

The overall position for Specialist Children's Services (excluding Asylum) has moved by -£1,256.5k since the 25 April report to Cabinet. The main movements are:

- a) -£474k Children's Social Care Staffing: this movement is mainly due to -£289k salaried and agency staffing movements across the main Children in Care and Children's Social Work Teams, due to lower than expected usage of agency staffing; additional income for the Out Of Hours service (-£100k) recognising work undertaken by the team relating to Asylum young people; and funding expected to be used for Deprivation of Liberty Safeguards (DOLS) for assessments (-£100k) has re-phased into 2016-17 and is included within the roll forward requirements in Appendix 1. There were also a number of other minor movements totalling +£15k.
- b) -£423k Family Support Services: this movement chiefly relates to a new contract to prevent harmful sexual behaviour (-£235.0k). The contract, which started in October, planned to replace individual arrangements, but take-up by year end was lower than anticipated. This was partly due to a continuation of individual arrangements that had not yet expired, but also due to slower than anticipated dissemination of information throughout the service, which has now been rectified. As a result, there was a contra movement on the In-House Fostering service line (explained in item h below). In addition, demand for Day Care services was lower than expected (-£92.0k). There were also a number of other minor movements totalling -£96k, including further reductions in contracts for commissioned services.
- c) -£217k Care Leavers: this movement is mainly due to lower than expected costs (predominately accommodation costs) for young people who are no longer looked after, most of whom are aged 18 or over.
- d) -£209k Adoption & other permanent care arrangements: this movement is mainly due to Adoption Support Fund Grant claims being greater than previously expected (-£154k). Spend had been forecast previously, but the amount of grant that could be attributed to this claim was underforecast. In addition, there were a number of other minor movements, such as reductions in spend for the County Adoption Team relating to reductions in contract costs and vacancy management, linked to lower overall usage of the service, partly offset by increases in Special Guardianship payments.
- e) -£176k Safeguarding: this movement is mainly due to reduced usage of agency staffing and staff vacancy savings, with current demand met from existing resources.
- f) -£132k Strategic Management & Directorate Support: this movement is mainly due to lower agency and recruitment spend, as well as a drawdown from a reserve set up in a previous year that was no longer required.
- g) +£109k Residential Children's Services - commissioned from independent sector: this movement is mainly due to an additional Disability placement for a child.
- h) +£78k Fostering - in house service: +£102.9k due to increased transport, use of specialists and other indirect costs, partly offset by other minor movements. This is offset by the movement in Family Support Services line, as part of this increase is for spend that was expected to go through contracts to prevent Harmful Sexual Behaviour (see item b above).
- i) +£188k: Other minor movements, each under £100k, including movements on Virtual School Kent and activity-related lines such as Commissioned Fostering and In-House Residential Care.

Asylum:

The overall position on the Asylum budget is a pressure of +£1,374.6k as shown in table 1 above, which is a movement of -£597.4k since the 25 April report to Cabinet. The main movements are:

- j) -£483k Under 18 Unaccompanied Asylum Seeking Children (UASC) who are eligible for grant funding: Previous forecasts of the shortfall were based on a forecast profile of the ages of individuals coming into care with corresponding forecasts of costs and grant incomes for each group, but with the unpredictability of the demand on this service, actual net costs proved to be lower than anticipated.
- k) -£284k Care Leavers who are ineligible for grant funding: On turning 18 a proportion are deemed ineligible on a case by case basis. However, with the large numbers of individuals turning 18 in the time period, this proportion was difficult to predict accurately. By working closely with the Home Office, it has been possible to resolve issues around potential ineligibility and determine eligibility status more rapidly than would otherwise be the case. In addition, the clients turning 18 were generally less expensive than previously forecast due to young people moving to lower cost provision.
- l) +£131k Under 18 Unaccompanied Asylum Seeking Children (UASC) who are ineligible for grant funding: Numbers identified as not being eligible under grant rules, and hence costs relating to those individuals, were higher than predicted. This was true across both the 16 and 17 years old age group and the under 16 years old age group.
- m) +£39k: Other minor movements including a correction to the actual amount payable to KCC in relation to 2014-15 and a slight reduction in costs which are in excess of the grant payable by the Home Office for eligible Care Leavers (aged 18 and over).

3.6.3 Social Care, Health & Wellbeing - Adults Social Care:

Adult Social Care has continued to achieve savings through both phases one and two of the transformation programme. Despite this, overall there is an overspend of £4,795k at outturn.

The significant area of overspend relates to Older People and Physical Disability services totalling £8,100k, which in the main is due to an increased trend over the year of numbers of people in receipt of domiciliary care, which started in the last quarter of 2014-15, as well as an increase in the costs of this type of care. Although overall numbers in residential and nursing care have continued to reduce, the costs relating to increasing complex needs and market availability has been a real challenge this year. Learning Disability and Mental Health services have a small overspend of £626k. Overall these service related overspends have been offset by underspends in areas such Operational Support Unit, Strategic Commissioning, Directorate Management and Support, as well as the ability to use surplus Phase 2 Care Act funding.

The overall position for Adult Social Care has moved by -£655.2k since the 25 April report to Cabinet. The main movements are:

- a) -£150k Strategic Management & Directorate Support budgets: this is mainly due to a reduction in office support services (including postage, printing & stationary).
- b) -£407k Direct payments: this is predominately due to the reduction in the activity across older people, physical disability and learning disability budgets.
- c) +£638.4k Domiciliary Care: this mainly reflects an increase in activity for older people commissioned domiciliary care services, along with an increase in staffing costs for the Kent Enablement at Home service (KEaH), partially resulting from a change in the terms and conditions of holiday pay for 2015-16 (this is offset by a corresponding underspend against Other Adult Services).

- d) +£1,431.4k Nursing and Residential care: reflecting an increase in activity across both older people nursing and residential placements, along with an increase in unit cost for learning disability, older people and physical disability residential care. In addition, the total client contributions towards residential and nursing care have reduced. These increases in the position are partially offset by a reduction in costs of in-house older people residential care services.
- e) -£174.3k Supported Living: this is predominately due to a reduction in activity for physical disability supported living services and a release of unrealised creditors relating to mental health services, partially offset by an overall increase in the spend on learning disability shared lives service.
- f) -£154.7k Adaptive and Assistive Technology: predominately reflecting the sale of warehouse stock to the new provider of the equipment
- g) -£424.1k Other Adult Services: the costs associated with the changes to the terms and conditions of holiday pay and the further agreed price increases have now been reflected on the relevant services lines, therefore resulting in an increased underspend on this budget line.
- h) -£410.5k Social Support Services, this is predominately due to an increase in client contributions for residential respite services, along with a reduction in the total amount of payments to voluntary organisations, which is partially offset by an overall increase in the commissioning of residential respite services.
- i) -£178.6k Support & Assistance Service (Social Fund): the total amount of awards paid were lower than previously forecast as not all individuals had taken up the value of award approved for a variety of reasons. In addition there was a minor underspend on the administration costs of the
- j) -£639.6k Adult Social Care Staffing: there was an overall reduction in spend across all adult social care staffing budgets.
- k) -£186.2k Other minor offsetting movements across the remaining A-Z lines.

3.6.4 Social Care, Health & Wellbeing - Public Health:

2015-16 was a challenging year in which the public health team faced a mid-year cut of £4.04m on the grant. Despite this, the performance of Public Health mandated commissioned services remains good in most areas. Access to sexual health services remains consistently high with 100% of clients accessing Genito Urinary Medicine (GUM) services within 48 hours. Successful completions in drug and alcohol treatment remains above the national average. There was a drop in those accessing health checks compared to 2014-15, but still a significant increase on 2013-14 and prior to the transfer to KCC. In October 2015 the commissioning of the health visiting service transferred into the Local Authority and Public Health division. An activity based contract has already been negotiated against the mandated checks, and an improvement in performance is beginning to be delivered as a result. An example of the impact is on the percentage of infants receiving their 1 year review at 12 months, which has increased from 35% in the months after transfer, to 56% at last measurement, whilst the percentage of children receiving their 2-2½ year review has increased from 71% to 91%. Public Health continue commissioning a range of services through the Directorates of KCC, and co-commissioning externally in partnership with other KCC directorates and the NHS. This is delivering good public health outcomes, particularly in children's early help services and delivering new partnership models in adult mental health services.

The overall position for the Public Health budgets has moved by -£764.4k since the 25 April report to Cabinet, all of which has been transferred into the Public Health reserve leaving a net nil movement as reflected in Table 1 above. The main movements are:

- a) -£400k reduction in Targeting Health Inequalities. This includes -£320k where the service was expecting to pay for prior years dental health costs but have since agreed with CCGs that these would not be paid; +£102k of additional dental health costs in 2015-16; -£43k reduction in Health Checks (both volume and price) and -£139k of other movements.
- b) -£122k reduction in Tobacco Control and Stop Smoking Services following a -£126k increase in unrealised prescribing creditors set up in the previous financial year and +£4k of other movements
- c) -£100k reduction in Sexual Health Services as a result of a number of minor movements.
- d) -£100k reduction in Public Health Staffing, Advice and Monitoring due to a number of small movements.
- e) -£42.4k of other minor movements across all other A-Z service lines.
- f) The provisional outturn position includes a transfer to the Public Health reserve of £1,988.4k which is £764.4k higher than forecast in the last report.

3.6.5 Growth, Environment & Transport:

The Growth, Environment and Transport (GET) directorate's outturn position for 2015-16 was an impressive underspend of -£2.73m, against a net budget of £173.5m. There are roll forward requests of £841k comprising both roll forward commitments, as well as grant funding rollovers, that partially offset this, but still leaves just under £2m to contribute towards the overall KCC underlying underspend.

This underspend was delivered through prudent financial management, maximising income opportunities and delivering some of the £12.7m 2016-17 savings early, either by holding vacancies in advance of service re-designs or contractual and procurement savings. The latter has become a feature of this directorate with Waste, for example, now costing less per tonne than it did 4 years ago. Additionally, risk has been transferred to the site operators and KCC has been able to reduce what it sends to landfill - a mere 2% - which is amongst the best in the country.

More remarkable is that despite the -£2.73m underspend, the directorate was also able to redirect a further £1.5m into an extension to the Find and Fix pothole campaign, as well as absorb the +£678k overspend on ENCTS (English National Concessionary Travel Scheme) where pass numbers are continuing to increase and journey numbers were in excess of the affordable budget.

This has been a challenging year but one that the GET directorate has tackled head on and will continue to look at all efficiency, income and transformation opportunities in the months and years ahead.

The overall position for the directorate has moved by -£1,092.9k since the 25 April report to Cabinet. The main movements are:

- a) -£291k increased underspend on the Public Protection budgets primarily in Trading Standards (-£143k), mainly due to -£61k of additional income and -£52k lower than expected legal fees, and Coroners (-£92k).
- b) -£201k increased underspend in Libraries, Registration and Archives resulting from -£70k of extra Registration income plus various other small movements.
- c) -£190k increased underspend against Planning and Transport Strategy due to -£80k of costs slipping to 2016-17 for which roll-forward is requested, and -£38k underspend relating to an externally funded project which is requested as a committed roll-forward. Both of these are included in Appendix 1.

- d) -£128k within Environmental Management as a number of projects have underspent. Within this is -£163k underspend against externally funded projects which is requested as a committed roll-forward in Appendix 1.
- e) -£109k increased underspend against Highways Management primarily -£226k increased income for Kent Permit scheme and Lane Rental Scheme offset by +£133k of increased Highways Improvements.
- f) +£203k increase in the Highways Maintenance overspend primarily resulting from +£361k of additional works within General Maintenance and Emergency Response plus +£128k of additional costs within Highway Drainage. These have in part been offset by -£93k increased underspend against Streetlight maintenance and electrical/structural testing due to resource issues with our external service provider, -£76k of additional income from highways consultancy and maintenance contractors where performance measures have not been met, and -£117k of other movements primarily reductions in vehicle and sundry costs.
- g) -£11k reduction in the pressure on the Waste Management budgets. Overall waste tonnage increased to 712,600 tonnes compared to the previous forecast of 709,900 tonnes, which led to an increase in the pressure of £321k. Within this is an increase of £1,180k in the Treatment and Disposal of Residual Waste following an increase in the amount of waste dealt with at the Allington Waste to Energy plant, offset by a -£790k reduction in Landfill Tax as fewer tonnes have been sent to landfill. This increased pressure resulting from higher waste tonnage has been more than offset by -£285k of trade waste income, -£119k reduction in the cost of Waste Facilities and various other smaller movements of +£72k.
- h) -£366k of other smaller movements, including -£97k in Regeneration and Economic Development, -£62k in Strategic Management and Directorate Support, -£54k in Gypsies and Travellers, -£47k Transport Planning, and -£47k in Sports Development.

3.6.6 Strategic & Corporate Services:

The core services within the Strategic & Corporate Services Directorate have delivered, through strong management action, an overall underspend of £3,279.6k. Of this, £1,421.5k is required to roll-forward, leaving a contribution of £1,858.1k to help with the Authority's overall position. This is a particularly strong performance given the overall level of demand and financial pressures and resources required to support the Back Office Procurement project. The resultant introduction of a third party contract to take over the Council's Contact Centre and Digital service provision enabled the reduction of pressures which the Directorate inherited in the previous financial year.

The overall position for Strategic & Corporate Services has moved by -£882.6k since the 25 April report to Cabinet. The main movements are:

- a) -£245.3k Local Member Grants: There was a slower take up/approval of schemes in February & March than anticipated, thus leaving a larger number not agreed by financial year end. This underspend is included in the roll forward requirements in Appendix 1 of this report.
- b) -£455.8k Business Services Centre: This is primarily resulting from an overestimation of telephone costs of -£306k. Additionally there is an increased underspend of -£136k relating to the capitalisation of the costs of the Electronic Data Management System, which is partially offset by a reduction in income of +£90k relating to this project and -£103.8k other minor movements.
- c) -£150.3k Finance & Procurement: an increase in the recharge to the asylum service of -£168.4k and +£18.1k other minor movements.
- d) -£31.2k other movements across the remaining A-Z service lines.

3.6.7 Financing Items:

The overall position for the Financing Items budgets has moved by +£506.9k since the 25 April report to Cabinet. The main movements are:

- a) -£1,332k Insurance Fund: an increase in the surplus on the Insurance Fund compared to the January forecast position, mainly as a result of lower than forecast claim settlements paid and claims reserves together with lower than forecast insurance premiums.
- b) +£1,332k transfer to the Insurance Reserve: in line with usual practice, the increased surplus on the Insurance Fund has been transferred to the Insurance reserve.
- c) -£1,857k against the Modernisation of the Council budget based on actual claims for workforce reduction costs.
- d) +£1,857k in line with usual practice, the underspend against the Modernisation of the Council budget has been transferred to the Workforce Reduction reserve.
- e) +£217k clawback of Business Rate Relief grant relating to 2014-15 following a reconciliation undertaken by Central Government.
- f) +£290k other smaller movements across several A-Z budget lines.

3.7 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.

3.8 DELEGATED SCHOOLS BUDGETS

The previously forecast drawdown from school reserves of £14.113m reflected in table 1 was made up of a drawdown of £1.309m as a result of 12 schools converting to academies, a reduction of £7.421m in reserves for the remaining Kent schools based on the schools nine month monitoring returns and £2.958m expected use of the schools unallocated reserve to fund in year schools' related pressures. In addition, the schools unallocated DSG reserve was also forecast to reduce by £2.425m to fund pressures on Early Years education of £0.047m and high needs education of £2.378m.

The actual movement in schools reserves for 2015-16 was a reduction of £7.648m, reflecting an overspend against the schools' budgets in year, which is a movement of -£6.465m from the previously forecast position. A breakdown of this movement is provided in the table below. It shows the most significant movement of -£5.8m was in relation to a reduction in the overspending of Kent's maintained schools. Please see section 3.9 (d) below for further details.

- 12 schools converting to academies
- remaining Kent schools
- use of schools unallocated reserves for schools related pressures
total per schools delegated line in table 1

Impact on schools unallocated DSG reserve of variances within the non delegated budget (*reflected as a net nil in the non delegated section of the Education & Young People line of table 1, as any variance is offset by a transfer to/from the schools unallocated DSG reserve*):

- transfer to schools unallocated DSG reserve of an underspend on Early Years Education
- drawdown of schools unallocated DSG reserve to fund an overspend on High Needs Education

TOTAL MOVEMENT IN SCHOOLS RESERVES

(*a -ve reflects an increase in reserves i.e an underspend transferred to reserves and a +ve reflects a reduction in reserves i.e an overspend met by a drawdown from reserves*)

Provisional Outturn £'000	Last Report £'000	Movement £'000
+1,309	+1,309	-
+1,621	+7,421	-5,800
+4,037	+2,958	+1,079
+6,967	+11,688	-4,721
-373	+47	-420
+1,054	+2,378	-1,324
+681	+2,425	-1,744
+7,648	+14,113	-6,465

3.9 REVENUE RESERVES

- a) The table below reflects the impact of the provisional outturn and activity for 2015-16 on our revenue reserves. These are provisional figures and are subject to change during the final stages of the closing of accounts process.

Account	Balance at 31/3/15 £m	Provisional Balance at 31/3/16 £m	Movement £m
General Fund balance	34.7	37.2	2.5
Earmarked Reserves	168.3	164.5	-3.8
Surplus on Trading Accounts	2.9	0.6	-2.3
Schools Reserves *	54.0	46.4	-7.6

* Both the table above and section 2.1 of annex 1 include delegated schools reserves and unallocated schools budget.

b) The increase of £2.5m in general reserves reflects the 2015-16 budgeted contribution, as approved by County Council in February 2015.

c) The provisional reduction of £3.8m in earmarked reserves since 31 March 2015 is due to:

	£m
▪ Budgeted drawdown of Economic Downturn reserve to support 2015-16 budget	-4.2
▪ Budgeted drawdown of earmarked reserve to support 2015-16 budget (residual 2013-14 underspend)	-4.0
▪ Budgeted use of directorate held reserves to support 2015-16 budget	-2.4
▪ Budgeted contribution to reserves for invest to save proposals	+4.5
▪ Budgeted contribution to reserves (incl. continuation of collaborative work with DCs to increase council tax yield)	+2.6
▪ Budgeted drawdown from Kingshill Smoothing reserve	-2.0
▪ Budgeted phased repayment of sums borrowed from long term reserves in 2011-12 (year 2 of 10)	+1.3
▪ Budgeted contribution to the elections reserve partially offset by by-election costs	+0.5
▪ Use of rolling budget reserve (2014-15 underspend) to fund approved roll forwards	-10.9
▪ Impact on rolling budget reserve of 2015-16 outturn position	+7.6
▪ Transfer to earmarked reserve to support future budgets of uncommitted 2014-15 rolled forward	+4.1
▪ Net drawdown of reserves for transformation costs	-7.0
▪ Net drawdown of Dedicated Schools Grant reserve	-1.8
▪ Drawdown of Kent Drug & Alcohol Service reserve	-3.7
▪ Drawdown of 2014-15 underspend from Public Health reserve	-2.1
▪ Transfer to Public Health reserve of 2015-16 underspend	+2.0
▪ Use of NHS Support for Social Care reserve	-0.7
▪ Transfer to Insurance reserve of 2015-16 underspend against the Insurance Fund	+2.5
▪ Transfer to workforce reduction reserve of 2015-16 underspend against the workforce reduction fund, in line with usual practice	+1.9
▪ Net increase in IT Asset Maintenance reserve	+2.2
▪ Net reduction in Dilapidations reserve	-0.5
▪ Net increase in PFI reserves	+1.8
▪ Net increase in repairs and renewals of vehicles, plant & equipment reserves	+1.4
▪ Increase in Kent Lane Rental Scheme earmarked reserve	+0.8
▪ Increase in Commercial Services earmarked reserves	+0.6
▪ Other movements in various earmarked reserves	+1.7
	-3.8

- d) The reduction of £7.6m in schools reserves is due to:
- 12 schools converting to academy status this financial year and taking their accumulated reserves with them
 - An overspend for the remaining Kent Schools
 - Use of schools unallocated reserves to fund pressures of £1.054m on High Needs Education partially offset by a small underspend of £0.373m on Early Years Education.
 - Use of schools unallocated reserves to fund in year schools related pressures, mainly school improvement collaborations, the net deficits of closing schools and ICT related spend.

£m
-1.3
-1.6
-0.7
-4.0
-7.6

This has reduced total school revenue reserves to £46.361m of which £6.851m relates to unallocated schools budget. Of the remaining £39.510m, the schools returns show that of this balance, £10.474m is committed for specific revenue projects and contributing towards larger capital projects.

- e) The reduction of -£2.3m in the Surplus on Trading Accounts relates entirely to Commercial Services.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2015-16 Capital Programme is £262.611m excluding schools and PFI. The outturn against this budget is £234.911m giving a variance of -£27.700m.

4.2 **Table 2** Directorate provisional capital outturn 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
Education & Young People's Services	145,060	124,854	-3,556	-1,019	-2,537
Social Care, Health & Wellbeing - Specialist Children's Services	626	827	101	-	101
Social Care, Health & Wellbeing - Adults	30,049	6,426	-3,384	-596	-2,788
Social Care, Health & Wellbeing - Public Health	-	180	-180	-	-180
Growth, Environment & Transport	102,134	108,756	-16,854	-91	-16,763
Strategic & Corporate Services	20,155	21,568	-3,827	535	-4,362
Financing Items	-	-	-	-	-
TOTAL	298,024	262,611	-27,700	-1,171	-26,529

4.3 The 2016-17 Capital Programme will now be revised to reflect the re-phasing and other variations of the 2015-16 Capital Programme that resulted in the -£27.700m variance shown in table 2 above. Details of the capital re-phasing are provided in Appendix 2 and will be adjusted in the first full monitoring report of 2016-17. In addition, further proposed cash limit changes are provided in Appendix 3 along with final details of the capital receipts position for 2015-16 in Appendix 4 and the final prudential indicators for 2015-16 in Appendix 6.

4.4 **SCHOOLS DEVOLVED CAPITAL**

Capital expenditure incurred directly by schools in 2015-16 was £14.210m. As at 31 March 2016 schools capital reserves are 0.061m. This has increased from the deficit of -£552k held by schools as at 31 March 2015.

4.5 **EDUCATION & YOUNG PEOPLE SERVICES DIRECTORATE**

4.5.1 The Education & Young People's Services Directorate has a variance against its working budget of -£3.556m. The main reasons for this variance are as follows:

- a) Basic Need: +£3.531m rephasing from future years due to several larger school projects that are on site achieving better programme results than anticipated as a result of a warmer winter. This resulted in greater spend against original forecast spend profile, particularly in Quarter 4.
- b) Sevenoaks Free School: +£2.234m rephasing from future years - works are ahead of schedule due to good weather and resequencing of works.
- c) Annual Planned Enhancement: -£2.521m rephasing due to programming issues, complexity of works and access arrangements. -£0.657m real variance due to spend being correctly treated as revenue.
- d) Special School Review Phase 2: -£2.589 rephasing due to planning and contract issues on a number of schemes, all of which have been previously reported.
- e) Modernisation Programme: -£0.817m rephasing due to a delay in the procurement of contractors and changes made to projects. There are no anticipated delays to completion dates.
- f) Special School Review Phase 1: -£0.703m rephasing requested to be rolled forward against potential future pressures on Special School Review Phase 2.
- g) BSF Wave 3: -£0.490m real underspend.
- h) Sevenoaks Grammar Annex: -£0.255m rephasing due to delay in signing the pre-construction project agreement.

4.6 **SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE - CHILDREN'S SERVICES**

4.6.1 The Social Care, Health & Wellbeing Directorate - Specialist Children's Services has a variance against its working budget of £0.101m. This is made up of the ConTROCC project progressing earlier than planned +£0.150m, and minor rephasing on Transforming Short Breaks of -£0.049m.

4.7 SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE - ADULTS SERVICES

4.7.1 The Social Care, Health & Wellbeing Directorate - Adult Services has a variance against its working budget of -£3.384m. The main reasons for this variance are as follows:

- a) Op Strategy - Lowfield Street: -£0.975m rephasing due to the project being on hold - this has previously been reported.
- b) Home Support Fund: -£0.608m rephasing to cover 2016-17 adaptations where works are postponed whilst decisions on start dates are agreed. This funding is a critical investment required to support the move from double handed care packages to single handed care packages.
- c) Wheelchair Accessible Housing: -£0.517m rephasing due to the budget being managed alongside other service priorities.
- d) LD Strategy Community Hubs: -£0.516m rephasing due to the requirement to review all KCC properties when looking for alternative accommodation.

4.8 SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE - PUBLIC HEALTH

4.8.1 The Social Care, Health & Wellbeing Directorate - Public Health has a variance against its working budget of -£0.180m due to rephasing on the Community Sexual Health Services project.

4.9 GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE

4.9.1 The Growth, Environment & Transport Directorate has a variance against its working budget of -£16.854m. The main reasons for this variance are as follows:

- a) Swale Transfer Station: -£1.747m rephasing to allow completion of scheme in 2016-17. There is an expected underspend, which will be required to cover an overspend on Richborough closed landfill site and a cash limit change will be enacted once the specification and costings on the Richborough project are finalised.
- b) Regional Growth Fund: -£1.573m rephasing. In line with the contract with BIS the funds have been committed by 31st March, but will not be defrayed until 2016-17.
- c) LED Conversion: -£1.226m rephasing due to delay in the procurement process and award of the contract. There is no expected impact on the completion date of the scheme.
- d) Highway Major Maintenance: -£1.158m. Rephasing -£1.340m, real additional funding +£0.182m. The majority of the rephasing relates to delays with procurement on Grosvenor Bridge works (-£0.800m) and delays to Clapham Hill due to works design and procurement issues.
- e) Innovation Investment Initiative (i3) or Medway Growth Hub: -£1.000m rephasing. Funds were received late in 2015-16 and will be rolled forward for business loan applications in 2016-17.
- f) East Kent Access Phase 2: -£0.838m rephasing to cover land compensation payments in future years.

- g) Drovers Bridge: -£0.754m rephasing to allow completion of scheme in 2016-17. Negotiations are ongoing with Highways England, who will deliver the scheme, and the funding has therefore been rephased to align with projected spend.
- h) Empty Property Initiative: -£0.745m rephasing due to spend being realigned to match expected loan repayments.
- i) Integrated Transport Schemes: -£0.704m. Rephasing -£1.200m, -£0.252m relates to the concept design of schemes funded by developer contributions that will progress in future years, -£0.525m is due to concentration of resources in other areas of the capital programme resulting in rephasing, and the remainder is on a number of smaller schemes reprofiled into 2016-17. There is a real variance of +£0.496m the majority of which relates to minibuses purchased from a revenue grant.
- j) Incubator Development: -£0.700m rephasing - SELEP have agreed to roll the funding forward to progress suitable applications in 2016-17.
- k) Major Schemes Preliminary Design Fees: -£0.680m rephasing required for anticipated new schemes coming forward in the capital programme.
- l) Sittingbourne Northern Relief Road: -£0.608m rephasing to cover land compensation payments in future years.
- m) Maidstone Gyrotory Bypass: -£0.592m rephasing following realignment of cost and associated funding due to the nature of SELEP schemes.
- n) Marsh Millions: -£0.516m rephasing due to the funding partners agreement to carry over funds to 2016-17 while exploring an agreed way forward. +£0.377m real variance to reflect match funding from partners.
- o) A28 Chart Road: -£0.511m rephasing following realignment of cost and associated funding due to the nature of SELEP schemes.
- p) Folkestone Heritage Quarter: -£0.432m rephasing to allow grants to be made available to new applicants from the reserve list or alternative activities within the project.
- q) Westwood Relief Strategy Poorhole Lane Improvements: -£0.395m rephasing to cover final landscaping works and future land compensation payments.
- r) Victoria Way: -£0.343m rephasing to cover land compensation payments in future years.
- s) North Farm Longfield Road: -£0.308m rephasing to cover final utility costs and land compensation payments in future years.

4.10 STRATEGIC & CORPORATE SERVICES DIRECTORATE

- 4.10.1 The Strategic & Corporate Services Directorate has a variance against its working budget of -£3.827m. The main reasons for this are as follows:
 - a) Customer Relationship Management Solution: +£0.858m funded by a revenue contribution.
 - b) Property Investment & Acquisition Fund: -£2.540m rephasing due to delays on the purchase of two properties.
 - c) New Ways of Working: Rephasing of -£1.279m due to the detailed tendering and design process of some East Kent buildings taking longer than anticipated. +£0.488m additional revenue funding.
 - d) Corporate Property Strategic Capital: -£0.596m underspend due to lower than anticipated eligible capital spend.
 - e) Disposal Costs: -£0.252m underspend due to the transfer of costs to revenue for properties that have exceeded the 4% cost of disposal limit.

5. STAFFING LEVELS

5.1 The following table provides a snapshot of the staffing levels by directorate as at 31 March 2016 compared to the numbers as at 31 March 2015, 30 June 2015, 30 September 2015 and 31 December 2015, based on active assignments. Between 31 March 2015 and 31 March 2016 there has been a reduction of 552.85 FTEs, of which 299.8 FTEs were in schools and 253.05 FTEs were in non schools settings. The reduction in schools based staff is mainly as a result of schools converting to an academies.

							Difference	
		31 Mar 15	30 Jun 15	30 Sep 15	31 Dec 15	31 Mar 16	Number	%
KCC	Assignment count	37,285	37,123	36,055	35,907	35,825	-1,460	-3.92%
	Headcount (inc. CRSS)	31,437	31,310	30,555	30,497	30,448	-989	-3.15%
	Headcount (excl. CRSS)	27,933	27,770	27,134	27,146	27,176	-757	-2.71%
	FTE	20,915.93	20,758.33	20,353.98	20,350.31	20,363.08	-552.85	-2.64%
KCC - Non Schools	Assignment count	11,667	11,471	11,401	11,236	11,086	-581	-4.98%
	Headcount (inc. CRSS)	10,785	10,587	10,541	10,415	10,311	-474	-4.39%
	Headcount (excl. CRSS)	9,296	9,134	9,111	9,026	8,967	-329	-3.54%
	FTE	7,972.64	7,832.07	7,830.26	7,771.46	7,719.59	-253.05	-3.17%
E&YP	Assignment count	2,903	2,843	2,755	2,760	2,649	-254	-8.75%
	Headcount (inc. CRSS)	2,678	2,598	2,536	2,556	2,467	-211	-7.88%
	Headcount (excl. CRSS)	1,903	1,849	1,841	1,881	1,812	-91	-4.78%
	FTE	1,573.20	1,536.07	1,547.05	1,582.28	1,537.02	-36.18	-2.30%
SCH&W	Assignment count	4,638	4,590	4,648	4,666	4,670	32	0.69%
	Headcount (inc. CRSS)	4,256	4,221	4,270	4,289	4,313	57	1.34%
	Headcount (excl. CRSS)	4,056	4,028	4,069	4,090	4,111	55	1.36%
	FTE	3,483.83	3,459.75	3,504.37	3,533.28	3,546.99	63.16	1.81%
GET	Assignment count	2,370	2,354	2,349	2,305	2,294	-76	-3.21%
	Headcount (inc. CRSS)	2,163	2,152	2,144	2,116	2,109	-54	-2.50%
	Headcount (excl. CRSS)	1,626	1,617	1,597	1,582	1,603	-23	-1.41%
	FTE	1,314.51	1,305.26	1,283.96	1,273.37	1,280.78	-33.73	-2.57%
S&CS	Assignment count	1,756	1,684	1,649	1,505	1,473	-283	-16.12%
	Headcount (inc. CRSS)	1,746	1,674	1,639	1,500	1,471	-275	-15.75%
	Headcount (excl. CRSS)	1,720	1,649	1,612	1,481	1,452	-268	-15.58%
	FTE	1,601.10	1,530.99	1,494.88	1,382.53	1,354.80	-246.30	-15.38%
Schools	Assignment count	25,618	25,652	24,654	24,671	24,739	-879	-3.43%
	Headcount (inc. CRSS)	20,718	20,785	20,065	20,131	20,185	-533	-2.57%
	Headcount (excl. CRSS)	18,667	18,665	18,047	18,143	18,233	-434	-2.32%
	FTE	12,943.29	12,926.26	12,523.72	12,578.85	12,643.49	-299.80	-2.32%

Note:
If a member of staff works in more than one directorate they will be counted in each. However, they will only be counted once in the Non Schools total and once in the KCC Total.

If a member of staff works for both Schools and Non Schools they will be counted in both of the total figures. However they will only be counted once in the KCC Total.

CRSS = Staff on Casual Relief, Sessional or Supply contracts.

6. CONCLUSIONS

- 6.1 For the 16th consecutive year the Council is able to demonstrate sound financial management by containing its revenue expenditure within the budgeted level (excluding schools). In the context of a savings requirement of around £83m in 2015-16 and on the back of delivering approximately £351m of savings across the previous four years, together with the continued high demand for services such as social care, SEN transport, English National Concessionary Travel Scheme and waste, an overall underspending position is a considerable achievement. However, with further savings of £81m required in 2016-17 and a budget gap still to close for 2017-18 with budget savings being more and more difficult to achieve as the easier options have already been taken, we must not be complacent, hence the recommendation to put the uncommitted underspend from 2015-16 into reserves pending future budget decisions.

7. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2015-16 for both the revenue and capital budgets.
- ii) **Agree** that £798.7k of the 2015-16 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £3,142.1k of the 2015-16 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £85.1k of the 2015-16 revenue underspending is rolled forward to fund the bids detailed in section 4 of Appendix 1.
- v) **Agree** that £1,100k of the 2015-16 revenue underspending is provided for a Find & Fix programme of repair of pot holes.
- vi) **Agree** that the £2,483.8k remainder of the 2015-16 revenue underspending is set aside in the earmarked reserve to support future years' budgets.
- vii) **Agree** the contributions to and from reserves as reflected in section 3.9, which includes all appropriate and previously agreed transfers to/from reserves.
- viii) **Agree** that £26.529m of capital re-phasing from 2015-16 will be added into 2016-17 and later years capital budgets, as detailed in Appendix 2.
- ix) **Agree** the proposed capital cash limit changes outlined in Appendix 3.

8. BACKGROUND DOCUMENTS

None

9. CONTACT DETAILS

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2015-16 REVENUE BUDGET ROLL FORWARD PROPOSALS

	£'000	£'000
1. 2015-16 provisional underspend		-7,609.7
2. Details of Committed/Rephasing projects where we have a legal obligation		
a) Education & Young People Directorate		
i) <i>Re-phasing of Kent Youth Employment programme</i> To fund existing placements that continue into 2016-17.	120.0	
b) Social Care, Health & Wellbeing Directorate		
i) <i>Re-phasing of Kent Safeguarding Children Board (KSCB) into 2016-17</i> This represents KCC's share of the underspend of the KSCB Board. Under the terms of the inter-agency agreement, KCC has an obligation to provide this funding to the Board. The underspending relating to partners contributions is held in a Fund.	162.6	
ii) <i>Re-phasing of Kent & Medway Safeguarding Vulnerable Adults Committee into 2016-17</i> 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.	62.0	
iii) <i>Various externally funded projects</i> This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	11.5	
c) Growth, Environment & Transport Directorate		
i) <i>Various externally funded projects</i> This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	347.4	
d) Strategic & Corporate Services Directorate		
i) <i>Setting up costs of the Property LATCo</i> The represents the re-phasing of costs into 2016-17 related to the setting up of the Property LATCo.	95.0	
ii) <i>Oakwood Site Users</i> This represents KCC's share of the underspend against the Oakwood Site. Under the terms of the inter-agency agreement, KCC has an obligation to provide this funding to the pooled budget. The underspending relating to the other agencies contributions is held in a Fund.	0.2	
	798.7	

	£'000	£'000
3. Details of re-phasing required to continue/complete an initiative where we are not yet legally committed.		
a) Education & Young People Directorate		
i) <i>Re-phasing of Kent Youth Employment programme</i>	58.7	
This programme was launched at the end of the 2011-12 financial year with the purpose of encouraging Kent businesses to recruit unemployed young people who have been unemployed for a significant period. The scheme involves the payment of grants to employers following completion of 6 months and 12 months in placements. This represents the balance of the funding, which is requested to roll forward to be used to fund future placements on the programme.		
ii) <i>Re-phasing of Troubled Families Programme into 2016-17</i>	755.8	
The underspend is due to projects supporting families spanning financial years. In addition, due to the payment by results element of the programme, the grant has increased during the year and the projects associated with this increase do not begin until the income is received. Roll forward is requested in order to continue supporting families as part of the Tackling Troubled Families government initiative.		
b) Social Care, Health & Wellbeing Directorate		
i) <i>Re-phasing of Deprivation of Liberty Safeguard assessments funded from one-off grant</i>	592.5	
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 and the need to review the process required, have led to a requirement to re-phase the one-off DOLS Grant received in 2015-16, for use in 2016-17. This roll forward is 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.		

	£'000	£'000
c) Growth, Environment & Transport Directorate		
i) <i>Re-phasing of Streetlight Maintenance</i>	273.8	
Works expected to be carried out by the end of 2015-16 were unfortunately delayed due to resource issues with our external service provider. This is essential work that is not covered by general maintenance and includes more complex repairs and replacements that are required to keep assets in light, and in a safe condition. The work was committed last financial year and is currently being completed, therefore without this roll forward, it would create a pressure on this year's budget allocation.		
ii) <i>Sustainable Urban Drainage Schemes (SuDS)</i>	55.0	
KCC took 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 in 2015-16 to build capacity and develop standing advice was not fully spent, and as this is an un-ringfenced grant and the grant is reducing in 2016-17, the balance is required to roll forward to support the new responsibilities in 2016-17 without the need to call on existing funding for flood risk management projects.		
iii) <i>Re-phasing of Strategic Planning Projects</i>		
The re-phasing of works on the following strategic priorities:		
• Local Growth Fund - development work was halted due to a delay in announcement of government funding. This announcement has now been made and this roll forward is required to enable feasibility and business case development which is essential to assist with leveraging in funds to deliver transport infrastructure. Also, a new business case is required for Thanet Parkway, for which there is insufficient capacity within the capital budget to cover this.	30.0	
• Local Transport Plan (LTP4) - this continues to be beset by delays and anticipated works in 2015-16 will now need to be completed in 2016-17, for which there is insufficient base budget in 2016-17, so roll forward is required to complete these works.	20.0	
• National Government Schemes - this funding will enable KCC, as a key stakeholder, to respond to consultations on such things as Lorry Park (Operation Stack solution) and Aviation policy e.g. second runway at Gatwick.	30.0	
c) Strategic & Corporate Services Directorate		
i) <i>Re-phasing of Local Member Grants</i>	1,326.3	
Each Member is provided with £25k to provide grants to schemes within their local area to enhance the community. This represents the balance of funding uncommitted in 2015-16, which is requested to roll forward for use in 2016-17.		

 3,142.1

	£'000	£'000
4. Bids for roll forward		
a) <i>Growth, Environment & Transport Directorate</i>		
i) <i>Public Rights of Way (PROW)</i> Systems development & first year maintenance costs for a system to ascertain whether a property is affected by a PROW or Common Land & Village Green. This is required following a change to local authority land searches being introduced by Law Society from July 16.	42.0	
ii) <i>Gypsies & Traveller Unit</i> KCCs share of converting the two Maidstone Borough Council sites to direct billing of electricity to customers from suppliers	25.0	
iii) <i>Sports Development</i> Funds released from a review of the balance sheet, requested to fund small community sports projects	18.1	
		85.1
5. Remaining uncommitted balance of underspending		-3,583.8

CAPITAL RE-PHASING

1. The 2016-17 and future years capital programme will be adjusted to reflect the total rephasing of -£26.529m as follows:

Education & Young People's Services	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
Annual Planned Enhancement Programme	-2,521	2,521			0
Pupil Referral Units	-191	191			0
Basic Need - Repton Manor	-123	123			0
Basic Need - Other	3,531	-3,531			0
Modernisation	-737	737			0
Special Schools Review Phase 1	-703	703			0
Special Schools Review Phase 2	-2,589	2,589			0
Sinners Academy	-151	151			0
Vocational Education Centre Programme	-148	148			0
Sevenoaks Grammar	-255	255			0
Sevenoaks Free School	2,234	-2,234			0
Universal Infant Free School Meals	-111	111			0
EYPS Single System	-216	-169	385		0
Total Rephasing >£100k	-1,980	1,595	385	0	0
Rephasing <£100k	-557	527	-470	500	0
TOTAL REPHASING	-2,537	2,122	-85	500	0

Social Care, Health & Wellbeing - Specialist Children's Services	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
ContrOCC	150	-150			0
Total rephasing >£100k	150	-150	0	0	0
Other rephased projects <£100k	-49	49			0
TOTAL REPHASING	101	-101	0	0	0

Social Care, Health & Wellbeing - Adults	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
OP Strategy - Lowfield Street	-975	975			0
Wheelchair Accessible Housing	-517	517			0
LD Strategy Community Hubs	-516	516			0
SWIFT	-104	104			0
Telecare and Equipment	-123	123			0
Home Support Fund	-608	608			0
Total rephasing >£100k	-2,843	2,843	0	0	0
Other rephased projects <£100k	55	-55			0
TOTAL REPHASING	-2,788	2,788	0	0	0

Social Care, Health & Wellbeing - Public Health	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
Community Sexual Health Services	-180	180			0
Total rephasing >£100k	-180	180	0	0	0
Other rephased projects <£100k					0
TOTAL REPHASING	-180	180	0	0	0

Growth, Environment & Transport	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
Major Scheme Preliminary Design Fees	-680	680			0
Highway Major Maintenance	-1,340	1,340			0
Integrated Transport Scheme	-1,200	1,200			0
Sittingbourne Northern Relief Road	-608	608			0
East Kent Access PH2	-838	838			0
Rushenden Link Road	-105	105			0
Victoria Way Ph1	-343	343			0
Ashford - Drovers Roundabout Junction	-142	142			0
Street Lighting Column Replacement Scheme	-142	142			0
Sturry Road Landfill Site - Emergency Works	-192	192			0
Swale Transfer Station	-1,747	1,747			0
Thanet Parkway	-233	233			0
Rathmore Road Link	-184	184			0
A28 Chart Road	-511	511			0
Westwood Relief Strategy - Poorhole Lane	-395	395			0
North Farm Longfield Road - Tunbridge Wells	-308	308			0
Maidstone Gyrotory Bypass - Junction Improvement	-592	592			0
LED Conversion	-1,226	1,226			0
M20 Junction 4 Eastern Overbridge	-216	216			0
A26 London Road/Speldhurst Road/Yew Tree	303	-303			0
Sturry Link Road, Canterbury	-244	244			0
Kent Sustainable Interventions Programme for Growth	-124	124			0
Empty Property Initiative	-745	745			0
Folkestone Heritage Quarter (HLF)	-432	432			0
Incubator Development	-700	700			0
Innovation Investment Initiative (i3) also known as Kent and Medway Growth Hub	-1,000	1,000			0
Marsh Millions	-516	516			0
No Use Empty - Rented Affordable Homes	-234	234			0
Regional Growth Fund	-1,573	1,573			0

Growth, Environment & Transport cont'd	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
Regional Growth Fund - JTI	325	-325			0
Public Rights of Way	-141	141			0
Village Halls & Community Centres	-180	180			0
Total rephasing >£100k	-16,263	16,263	0	0	0
Other rephased projects <£100k	-500	500			0
TOTAL REPHASING	-16,763	16,763	0	0	0
Strategic & Corporate Services	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	TOTAL £'000
Common Data Environment (formerly Building	-123	123			0
Modernisation of Assets	199	-199			0
New Ways of Working	-1767	1,767			0
Property Investment & Acquisition Fund	-2,540	2,540			0
Web Redevelopment	-118	118			0
Total rephasing >£100k	-4,349	4,349	0	0	0
Other rephased projects <£100k	-13	13			0
TOTAL REPHASING	-4,362	4,362	0	0	0

	2015-16	2016-17	2017-18	2018-19	Total
TOTAL ALL DIRECTORATES	-26,529	26,114	-85	500	0

SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

Directorate	Project	2016-17	2017-18	Future Years	Funding	Description
		£'000	£'000	£'000		
Cash limit change due to revised external/grant funding availability:						
EYPS	Basic Need			4,783	Grant	Additional Basic Need grant.
EYPS	Special Schools Review Phase 2		2,000		Grant	Additional funding agreed from the Basic Need contingency.
GET	Public Rights of Way	47			External Other	Additional external funding.
GET	Maidstone Integrated	1,745	2,835	7,270	Grant	New SELEP approved scheme.
GET	Permanent Pothole Fund	1,473			Grant	Additional one-off grant.
GET	Highways Incentive Fund	1,377			Grant	Additional grant.
Cash limit change to cover overspends elsewhere in the capital programme:						
EYPS	Youth - Modernisation of Assets	-7			Prudential	Underspend used to fund Deal Youth Hub in 2015-16.
Cash limit change due to project underspends:						
EYPS	BSF Wave 3	-173			Capital receipt	Project underspend.
Other cash limit changes:						
GET	A26 Yew Tree Lane	-1,000	1,000		Grant	Other rephasing in later years.
GET	A28 Sturry Road Integrated Transport	-472	472		£254k Grant, £218k Dev Conts	Other rephasing in later years.
GET	Folkestone Seafront Regeneration	-4,000	-1,100		Grant	Scheme being run by a 3rd party therefore will not go through KCC books.
GET	Dover Western Docks Revival	-5,000			Grant	Scheme being run by a 3rd party therefore will not go through KCC books.
GET	Middle (North) Deal	-750			Grant	Scheme being run by a 3rd party therefore will not go through KCC books.
GET	Ashford Spurs	-2,000	-2,520		Grant	Scheme being run by a 3rd party therefore will not go through KCC books.
GET	Sittingbourne Town Centre	-1,700			Grant	Scheme being run by a 3rd party therefore will not go through KCC books.

2015-16 FINAL MONITORING OF KEY ACTIVITY INDICATORS**1. EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE****1.1 Number of schools with deficit budgets compared with the total number of schools:**

	2012-13	2013-14	2014-15	2015-16	2016-17
	as at 31-3-13	as at 31-3-14	as at 31-3-15	as at 31-3-16	projection for 31-3-17
Total number of schools	463	449	412	395	379
Total value of school reserves	£48,124k	£45,730k	£54,009k	£46,361k	£44,241k
Number of deficit schools	8	18	8	14	30
Total value of deficits	£364k	£2,017k	£2,650k	£2,899k	£8,427k

Comments:

- The information on deficit schools for 2016-17 has been obtained from the schools 3 year plans completed in spring/early summer 2015-16 and shows 30 schools predicting a deficit at the end of year 2. 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 will be working with these schools to reduce the risk of a deficit in 2016-17 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. The next update on school deficits will be available for the quarter 1 report to Cabinet in September (from the schools 3 year plans completed in summer 2016).
- 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 has reduced by 17 overall in 2015-16. The movement is made up of 12 primary schools converting to academies, 4 schools closing and 2 schools amalgamating. The number of schools is projected to reduce by a further 16 in 2016-17 due to further assumed conversions to academies.
- The value of schools reserves has reduced £7,648k in 2015-16. This movement includes a reduction in the schools unallocated reserve to fund a net pressure on the high needs & early education budgets of £681k and other schools related items of £4,037k. There is a drawdown from school reserves which includes £1,309k relating to 12 schools converting to academy status and £1,621k reduction in the balances of the remaining Kent schools.

1.2 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	3,949	9,866	7,854

Comments:

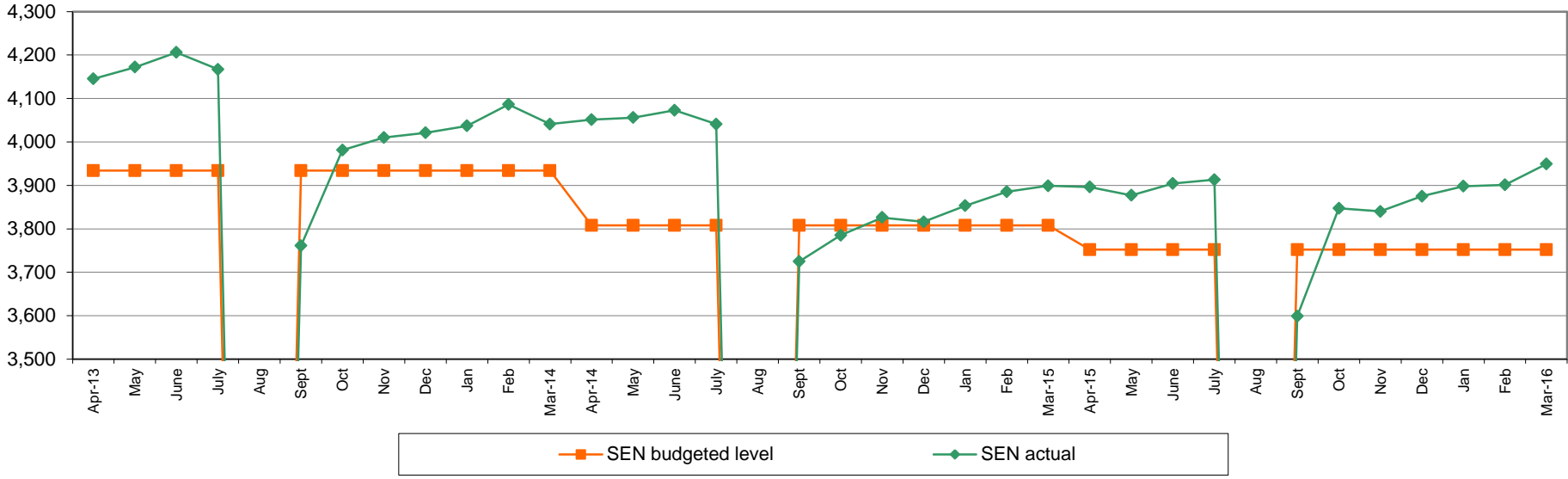
SEN HTST

- 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. There is therefore a pressure of +£1,786k together with lower than budgeted recoupment income from other local authorities of +£49k. This is offset by minor underspends totalling -£97k on independent travel training and personal transport budgets. There is also an additional pressure of +£318k on home to college transport for SEN students, giving an overall overspend on the SEN HTST budget of +£2,056k.
- 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.

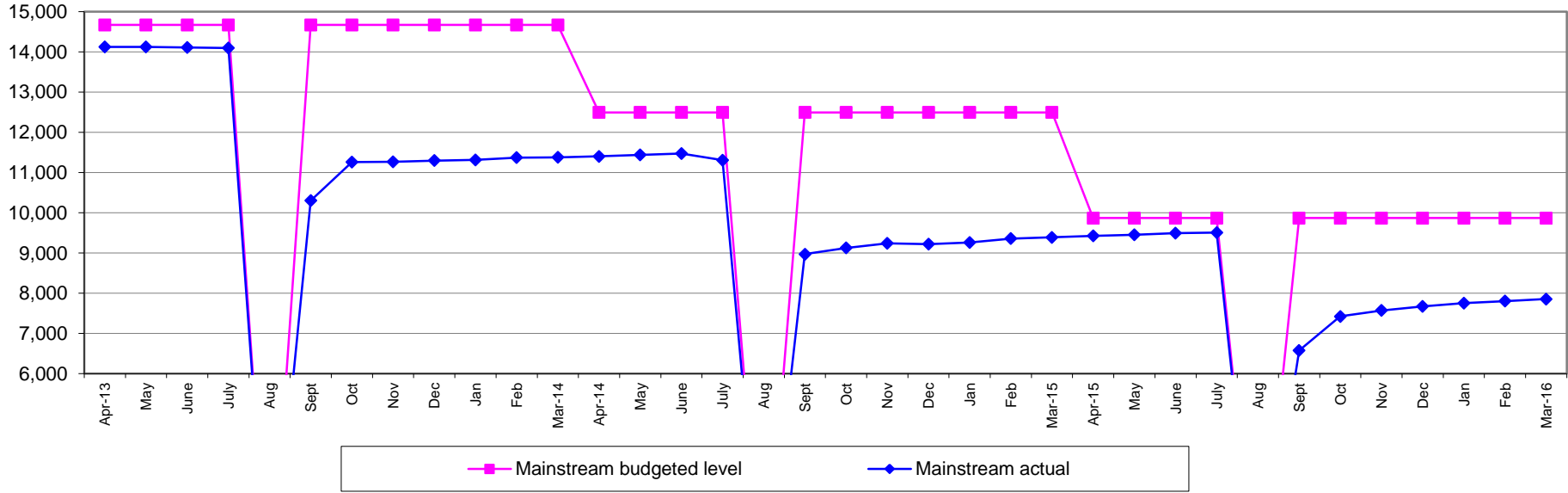
Mainstream HTST

- The number of children receiving transport is lower than the budgeted level resulting in an underspend of £862k. 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



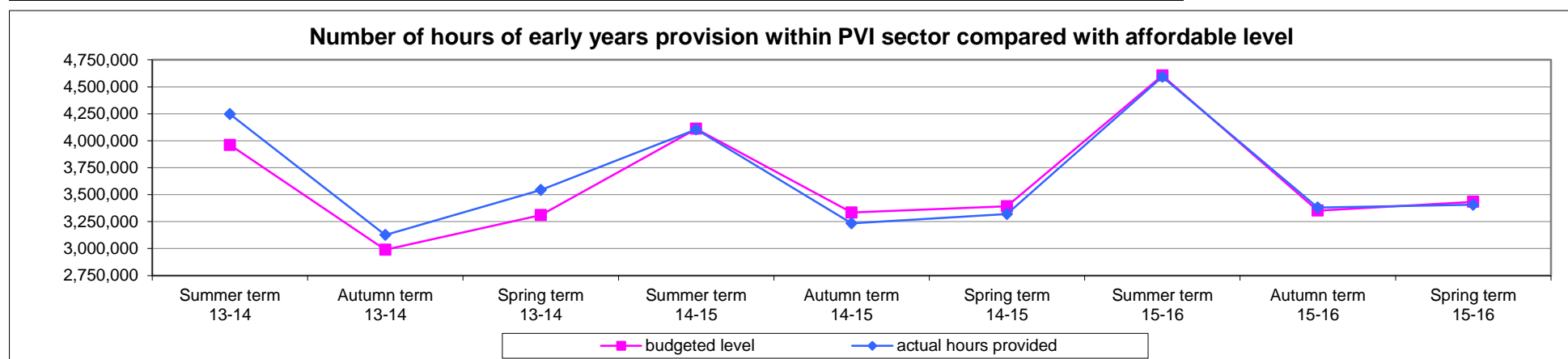
Number of children receiving assisted Mainstream transport to school



1.3 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	4,605,150	4,592,273
Autumn term	2,990,107	3,126,084	3,333,465	3,234,394	3,351,626	3,380,625
Spring term	3,310,417	3,543,567	3,392,138	3,320,479	3,433,441	3,406,460
TOTAL	10,261,679	10,917,112	10,836,179	10,659,449	11,390,217	11,379,358

* 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 actual number of hours of early years provision for 3 & 4 year olds in 2015-16 was 11,379,358 which was 10,859 hours less 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. The Dedicated Schools Grant has been uplifted at the end of the 2015-16 financial year to reflect January 2016 pupil numbers and as a result the affordable number of hours has been uplifted again. 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. Although actual hours were less than budgeted, the average hourly rate paid was slightly higher than the budgeted rate, resulting in a £23k pressure which has been transferred to the schools unallocated DSG reserve.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

2. SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE - SPECIALIST CHILDREN'S SERVICES

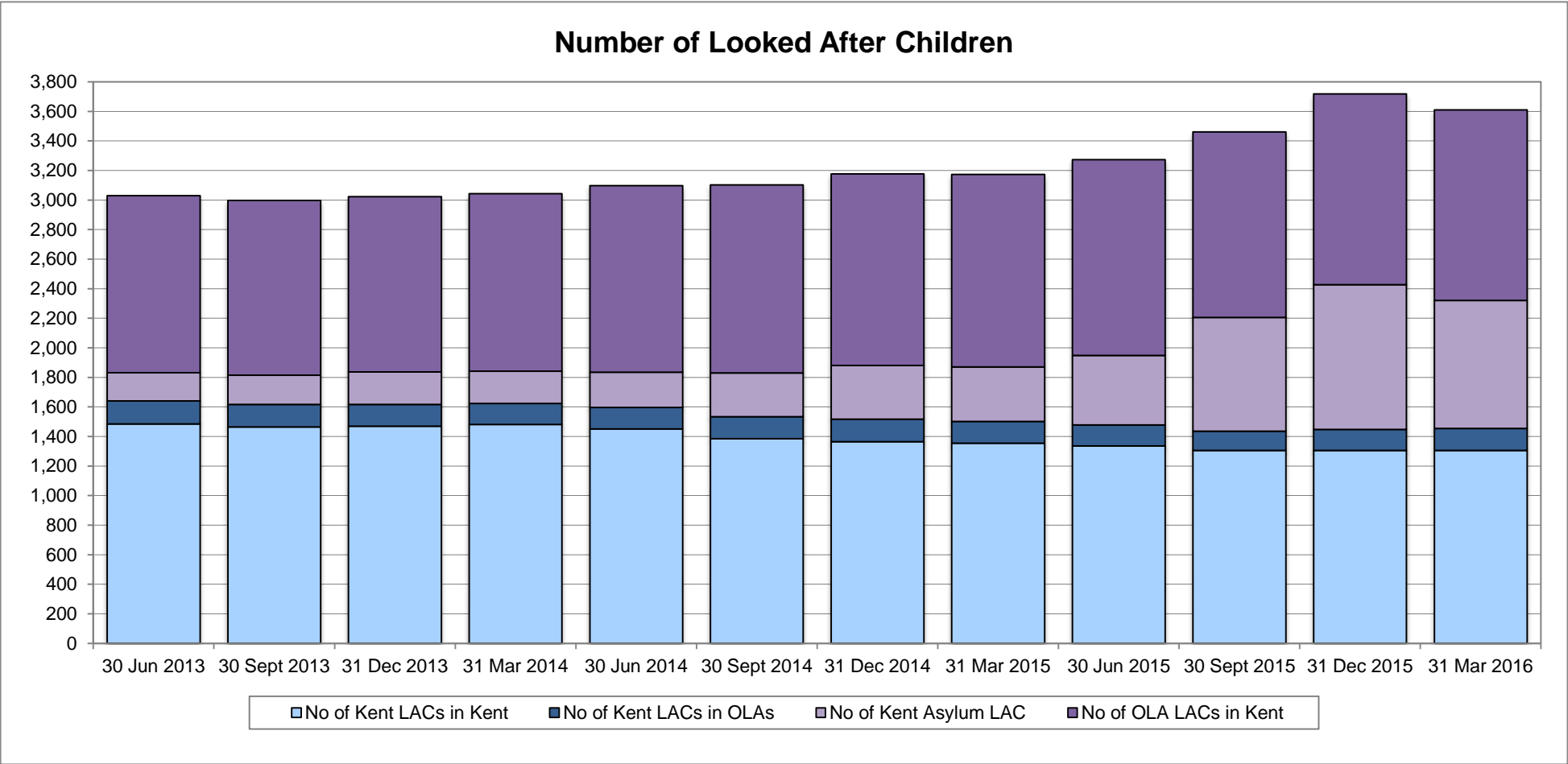
2.1 Number of Looked After Children (LAC) :

		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-Mar	1,305	149	1,454	866	2,320	1,289	3,609

Comments:

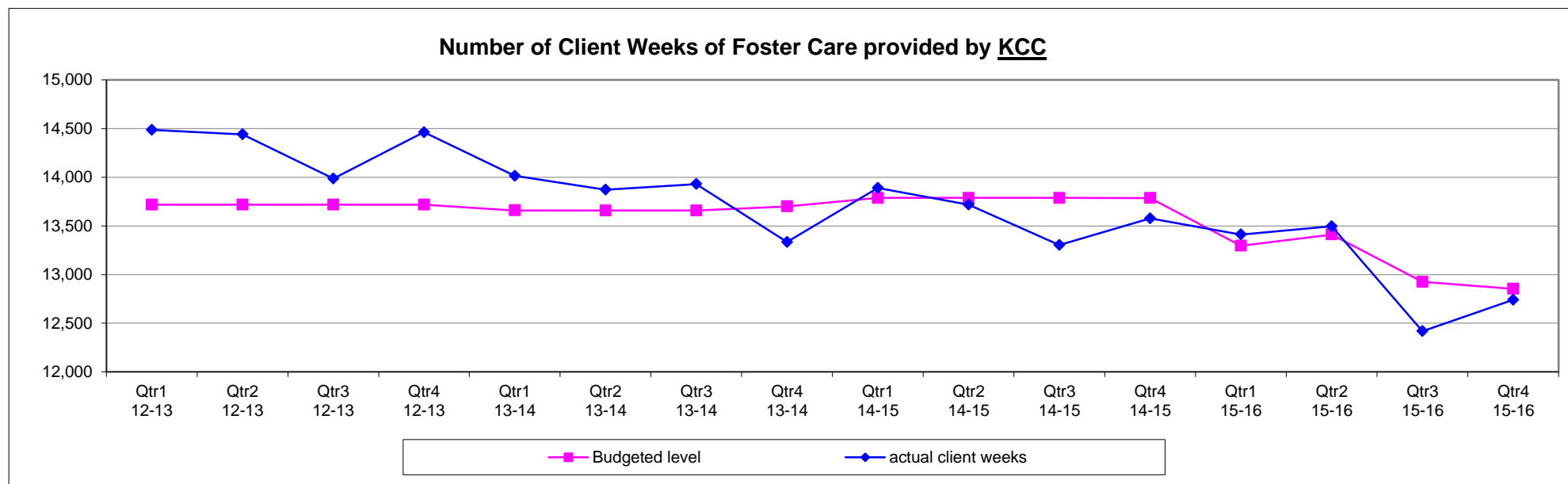
- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a 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 has increased by 7 since quarter 3, and decreased by 48 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, 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.
- The OLA LAC information has a confidence rating of **62%** 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.

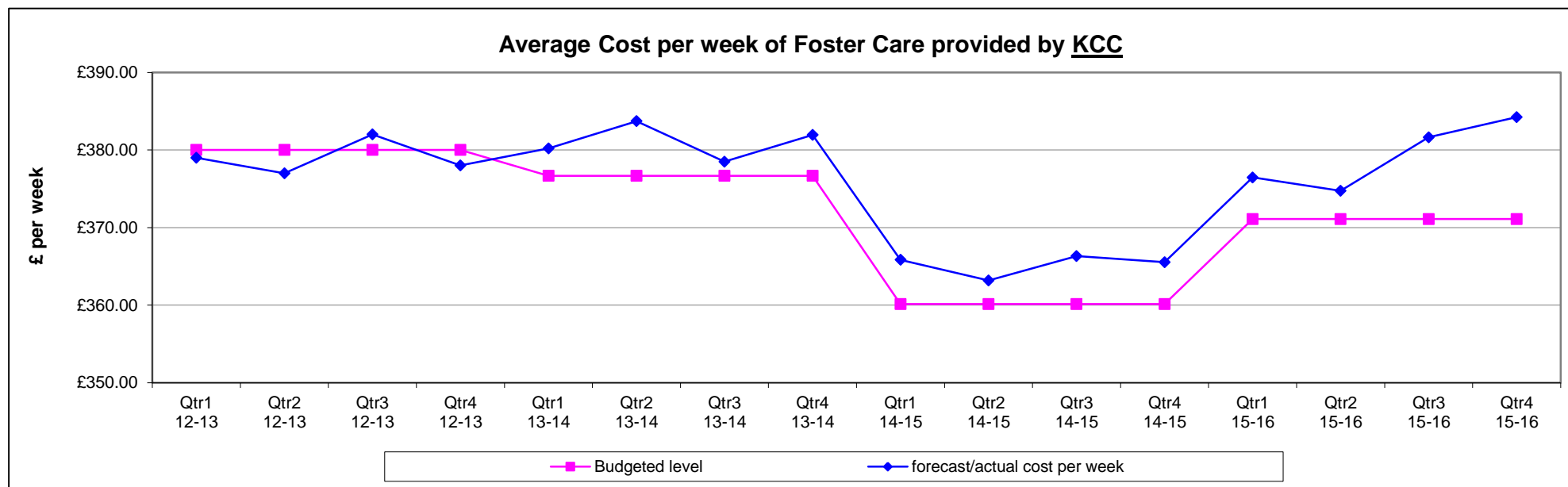
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.



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	12,740	£371.10	£384.24
	54,675	55,148	£376.67	£381.94	55,147	54,489	£360.14	£365.54	52,485	52,065	£371.10	£384.24



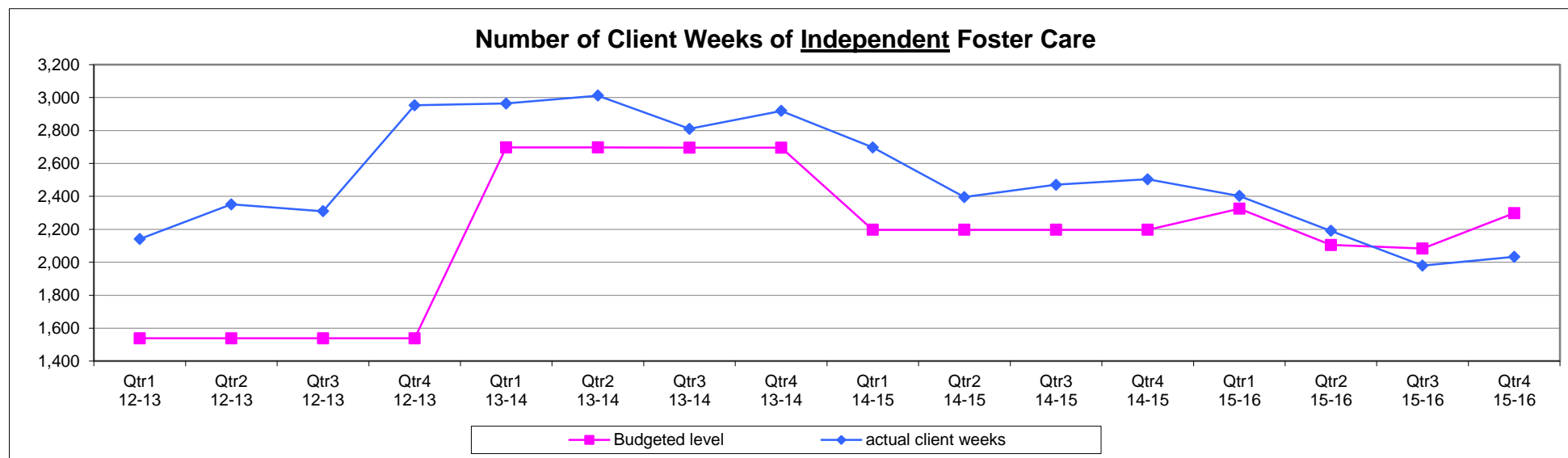


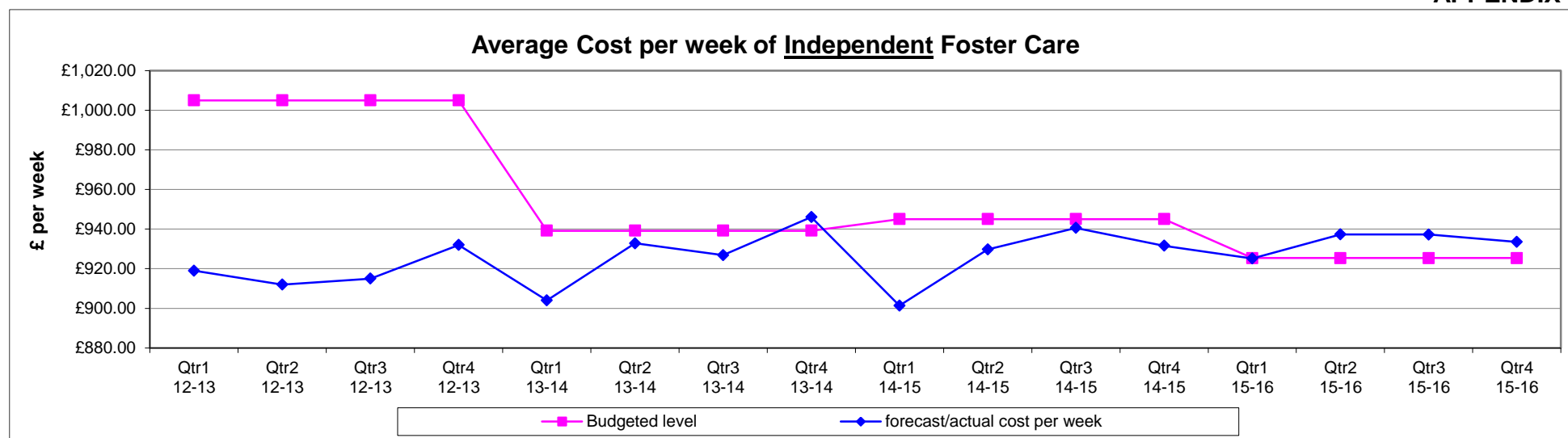
Comments:

- 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 outturn number of weeks (excluding asylum) is 52,065 weeks against an affordable level of 52,485, a difference of -420 weeks. At the actual unit cost of £384.24 per week, this lower level of activity reduces the outturn position by -£161k. The end of year activity is slightly higher than previously forecast, as the number of in-house placements increased in the final weeks of 2015-16. This had a limited impact on 2015-16, but will have a more significant impact on 2016-17.
- The outturn unit cost of +£384.24 is higher than the affordable level of +£371.10 and this difference of +£13.14 gives a pressure of +£690k when multiplied by the affordable weeks.
- Overall, therefore, the combined gross overspend on this service is +£529k (-£161k +£690k).
- 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	2,033	£925.36	£933.52
	10,786	11,705	£939.19	£946.08	8,788	10,068	£945.07	£931.60	8,812	8,607	£925.36	£933.52



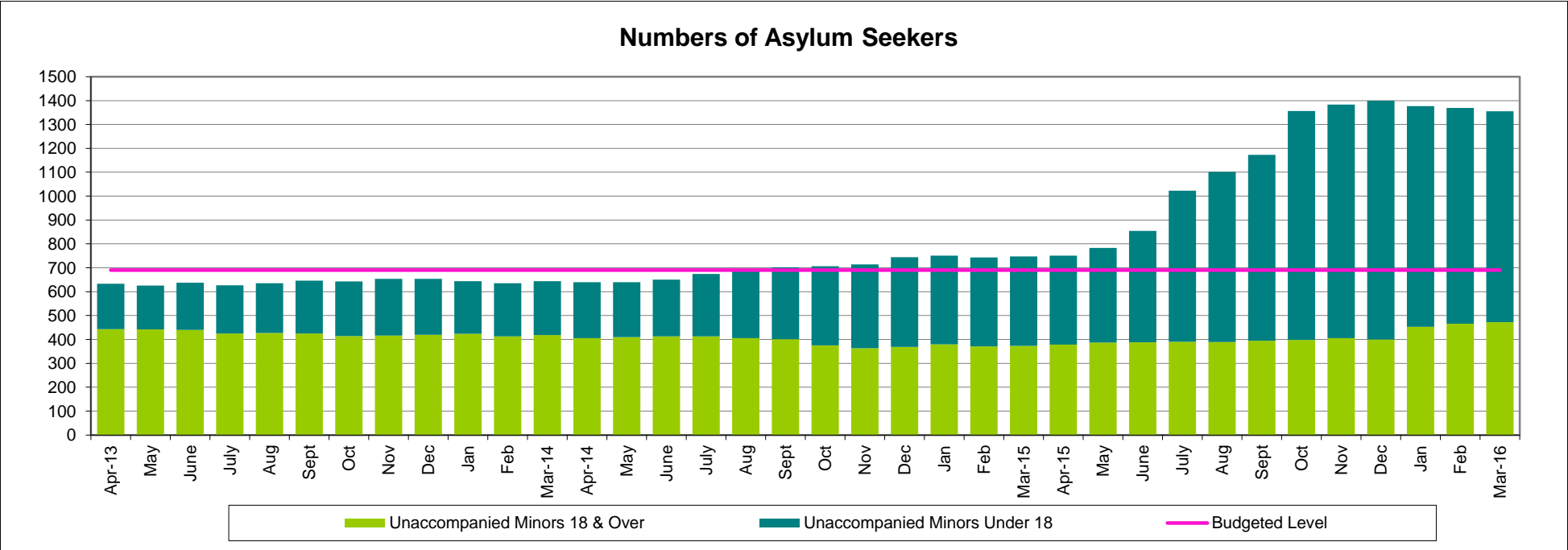


Comments:

- 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 outturn number of weeks (excluding asylum) is 8,607 weeks against an affordable level of 8,812, a difference of -205 weeks. At the outturn unit cost of £933.52 per week, this lower level of activity reduces the outturn position by -£191k. Despite better than expected progress at reducing the activity in this service across the year, the number of independent fostering placements increased in the final weeks of 2015-16, which had a limited impact in 2015-16, but will have a more significant impact in 2016-17.
- The outturn unit cost of +£933.52 is higher than the affordable level of +£925.36 and this difference of +£8.16 gives a pressure of +£72k when multiplied by the affordable weeks.
- Overall, therefore, the combined gross underspend on this service is -£119k (-£191k +£72k).
- The outturn average unit cost of £933.52 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	883	472	1,355



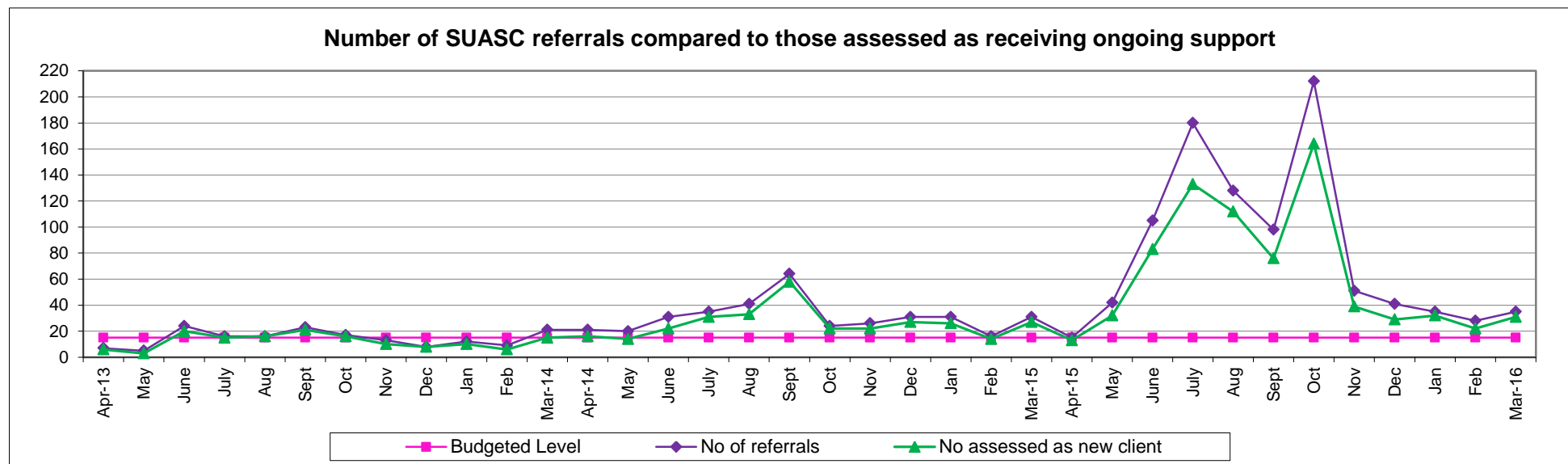
Comments:

- The overall number of children peaked 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 was 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 now stabilised, after a period where they were steadily decreasing following 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. At the end of March 2016 there were 57 ARE or Certified Refusal cases in Kent, compared to 57 in March 2015 and 85 in March 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 and 37 more in March, 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 March UASC numbers shown in the table above include approximately 214 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%	15	13	87%
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	133	74%
Aug	16	16	100%	41	33	80%	128	112	88%
Sep	23	21	91%	64	58	91%	98	76	78%
Oct	17	16	94%	24	22	92%	212	164	77%
Nov	13	10	77%	26	22	85%	51	39	76%
Dec	8	8	100%	31	27	87%	41	29	71%
Jan	12	10	83%	31	26	84%	35	32	91%
Feb	9	6	67%	16	14	88%	28	22	79%
Mar	21	15	71%	31	27	87%	35	31	89%
	171	146	85%	371	312	84%	970	766	79%

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:

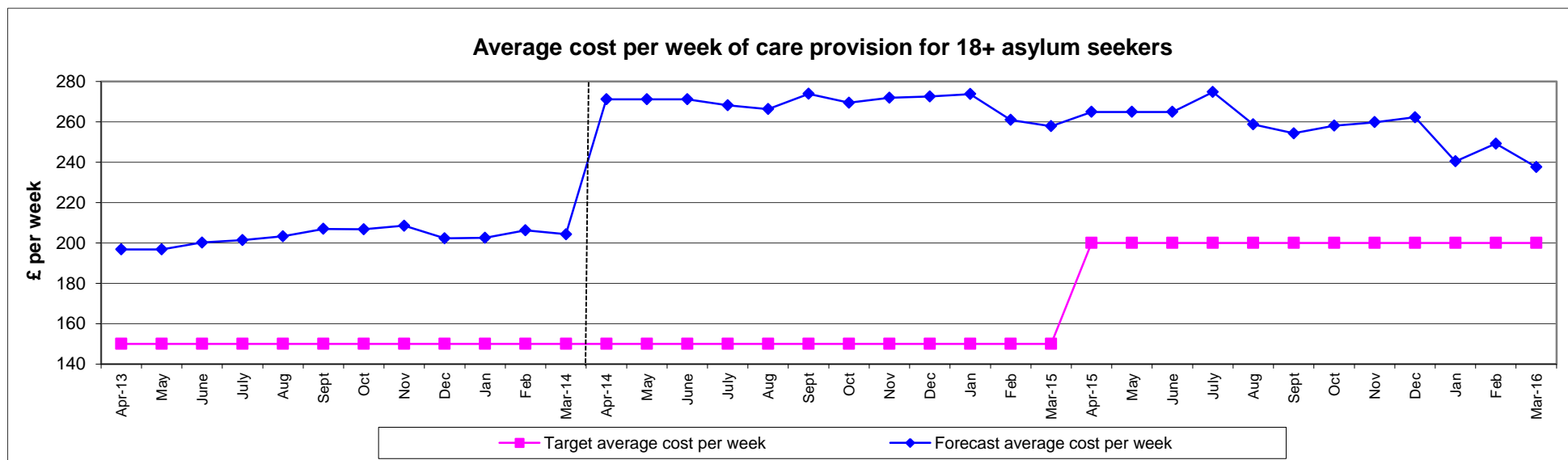
- Please note that UASC Referrals are assumed to be new clients until an assessment has been completed, which usually can take up to 6 weeks, however, as a result of the high number of referrals in 2015-16 it is currently taking longer to complete individual assessments. Therefore the number of UASC 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 was **81**, which is above the budgeted number of 15 referrals per month. However within this average, as can be seen in the graph above, the monthly figure varies significantly compared to this average 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 was **79%**.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month was **64** i.e. **611%** 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 high number of arrivals in 2015-16 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, 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	249.20
Mar	150	204.27	150	257.79	200	237.55

The outturn average weekly cost for 2015-16 is £237.55, +£37.55 above the £200 claimable under the grant rules. This adds +£1,714k to the outturn position, (+£798k for eligible clients and +£917k for ineligible/AREs), for which we have a cash limit of £280k, giving a variance of +£1,434k.

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.



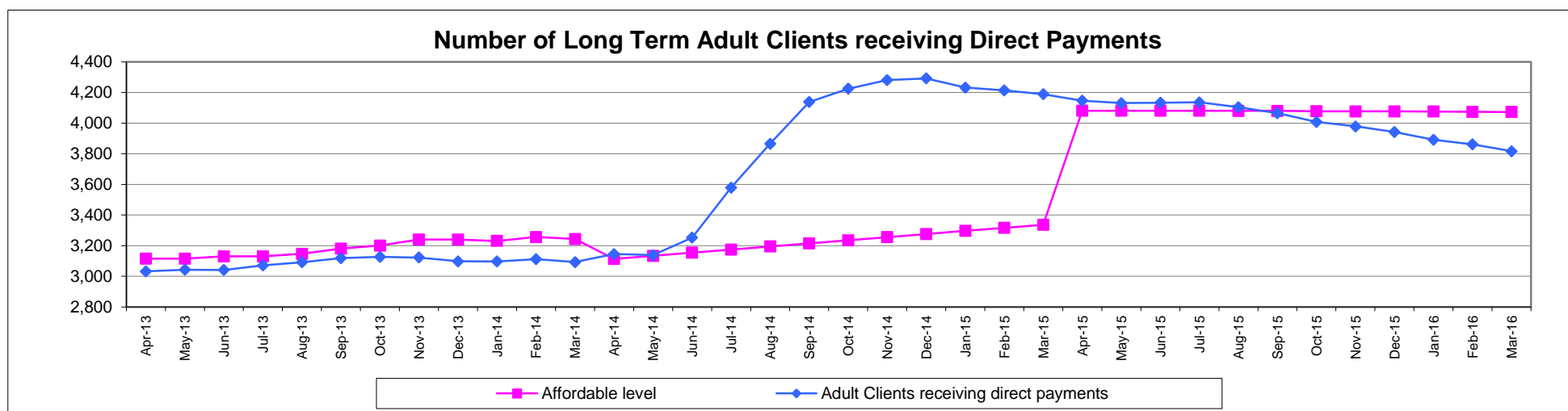
Comments:

- 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 (2014-15) 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.
- The increase in numbers over recent months has reduced the availability of lower cost properties. This increase in numbers has also led to an increase in efficiencies due to economies of scale, contributing to reductions in the unit cost.
- 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. SOCIAL CARE , HEALTH & WELLBEING DIRECTORATE - ADULT SERVICES

3.1 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	4,147	153
May	3,116	3,043	169	3,134	3,139	160	4,081	4,131	137
Jun	3,130	3,042	120	3,155	3,253	184	4,081	4,133	222
Jul	3,130	3,072	173	3,175	3,579	215	4,081	4,136	245
Aug	3,147	3,092	158	3,195	3,866	200	4,080	4,104	220
Sep	3,181	3,118	134	3,215	4,139	209	4,080	4,065	226
Oct	3,201	3,127	179	3,235	4,225	204	4,078	4,008	227
Nov	3,240	3,123	144	3,256	4,281	167	4,077	3,979	215
Dec	3,240	3,098	159	3,276	4,292	115	4,077	3,942	156
Jan	3,231	3,097	176	3,297	4,232	135	4,076	3,891	222
Feb	3,257	3,112	135	3,317	4,214	128	4,074	3,862	137
Mar	3,244	3,093	121	3,337	4,189	144	4,073	3,817	149
			1,832			2,077			2,309

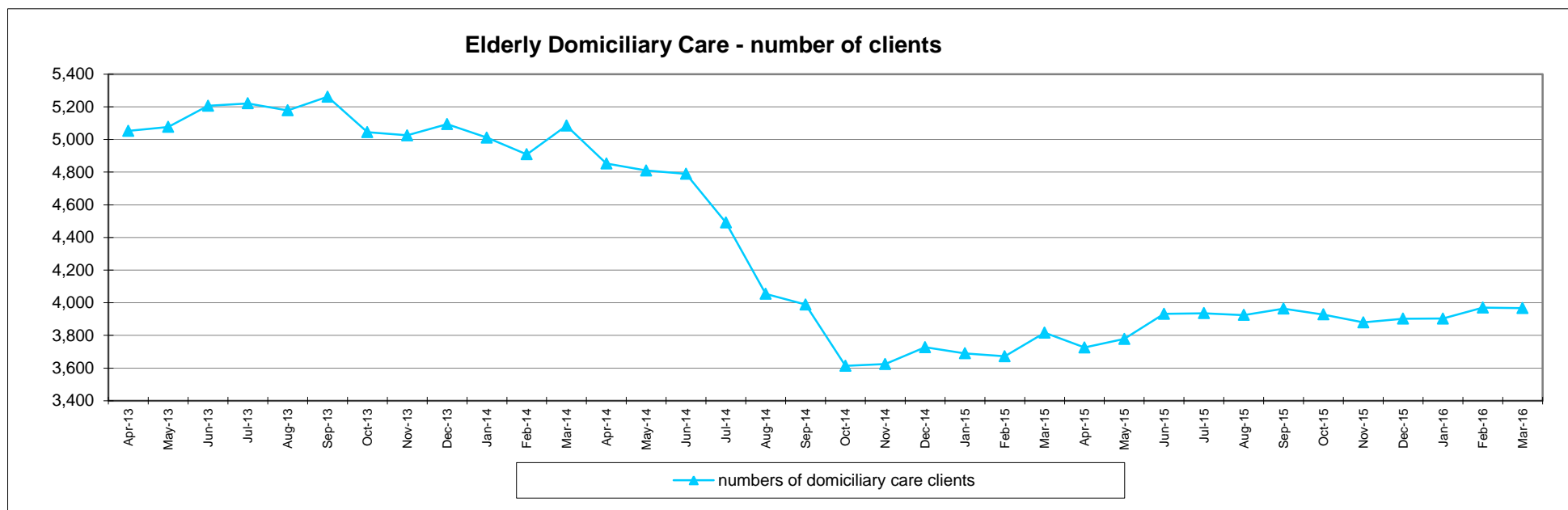


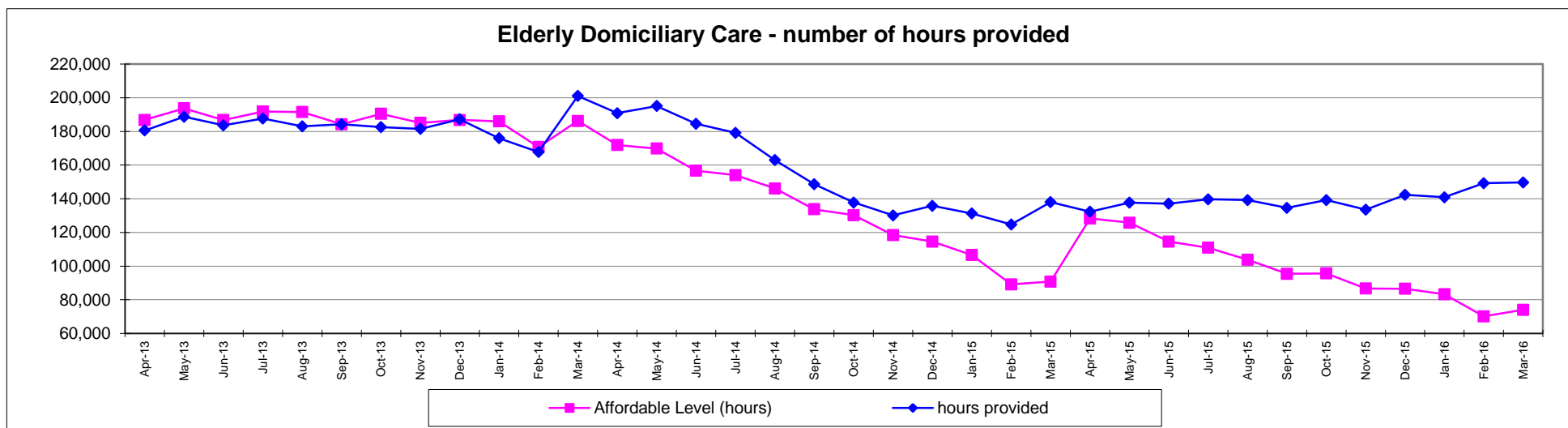
Comments:

- 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.
- The 2015-16 underspend of -£2,119k against the overall direct payments budget for all client groups reflects the lower than anticipated client numbers receiving long term direct payments and the recoveries of unspent funds from clients. This position is partially offset by higher than budgeted unit costs. The reduction in client numbers is linked to the re-let of the domiciliary care contract in 2014-15 where a significant number of clients, previously in receipt of a domiciliary care package, took a direct payment to enable them to remain with their existing provider, however, over time these clients are being replaced by new clients who are opting for a domiciliary care package, rather than a direct payment, resulting in a reduction in the number of clients receiving a direct payment. It is anticipated that this reducing trend will stabilise in the short to medium term and then start to gradually increase again as the impact of the domiciliary re-let works its way through.
- 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.

3.2 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	132,328	3,726
May	193,717	188,656	5,077	169,813	195,051	4,810	125,833	137,655	3,778
Jun	186,778	183,621	5,206	156,692	184,572	4,789	114,538	137,154	3,932
Jul	191,791	187,621	5,221	154,016	179,105	4,492	110,944	139,694	3,936
Aug	191,521	183,077	5,178	146,118	163,006	4,054	103,747	139,230	3,925
Sep	184,242	184,208	5,262	133,761	148,649	3,989	95,449	134,566	3,964
Oct	190,446	182,503	5,044	130,322	137,790	3,614	95,708	139,266	3,928
Nov	185,082	181,521	5,025	118,474	130,108	3,625	86,749	133,487	3,880
Dec	186,796	187,143	5,094	114,525	135,832	3,727	86,556	142,384	3,902
Jan	186,006	175,916	5,011	106,627	131,261	3,690	83,287	140,923	3,903
Feb	170,695	167,774	4,909	89,174	124,714	3,672	70,204	149,242	3,970
Mar	186,184	201,069	5,085	90,829	138,077	3,817	74,040	149,688	3,967
	2,240,067	2,203,694		1,582,330	1,858,968		1,175,404	1,675,617	





Comments:

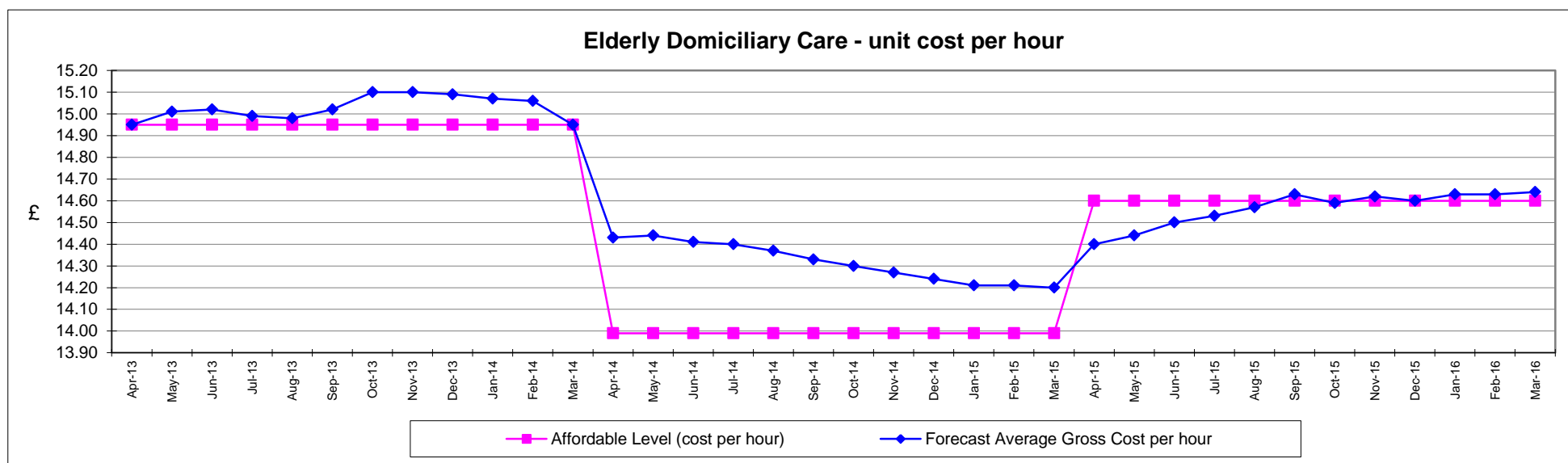
- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The number of hours provided for each month of 2015-16 has been updated in this report to reflect the backdating on the activity system and the outturn number of hours provided.
- The outturn position is 1,675,617 hours of care against an affordable level of 1,175,404, a difference of +500,213 hours. Using the outturn unit cost of £14.64 this additional activity increases the outturn by +£7,323k.
- 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 against older people domiciliary care. However, this was based on a best estimate at the time and actual savings delivered have varied from this by +£774k. This deviation from the design assumptions is reflected within the actual activity shown above but is counteracted by lower levels of residential care (see section 3.8) due to greater transformation savings than anticipated being achieved within that service with the knock on effect of an increase in domiciliary care.
- 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.
- 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 actual average hours per client per week is 8.2.
- 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.

3.3 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	14.63
Mar	14.95	14.95	13.99	14.20	14.60	14.64

Comments:

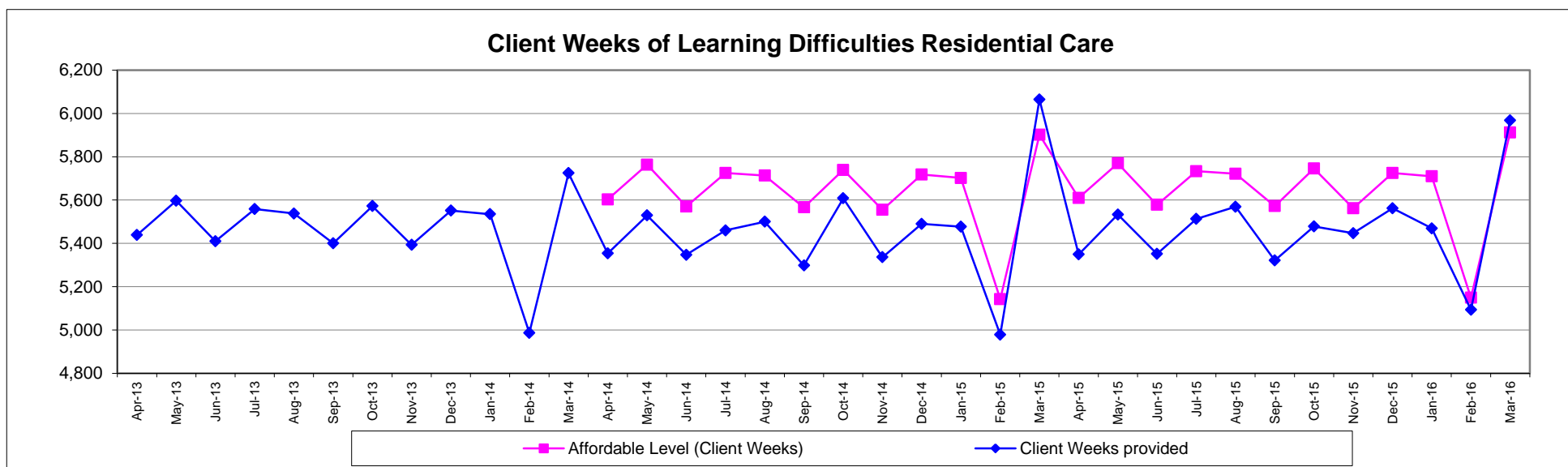
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The outturn unit cost of +£14.64 is higher than the affordable cost of +£14.60, and this difference of +£0.04 adds £47k to the position when multiplied by the affordable hours.
- The affordable unit 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.



3.4 Number of client weeks of learning disability 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	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	5,093
Mar	5,724	5,901	6,064	5,912	5,968
	65,703	67,697	65,441	67,787	65,655

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.



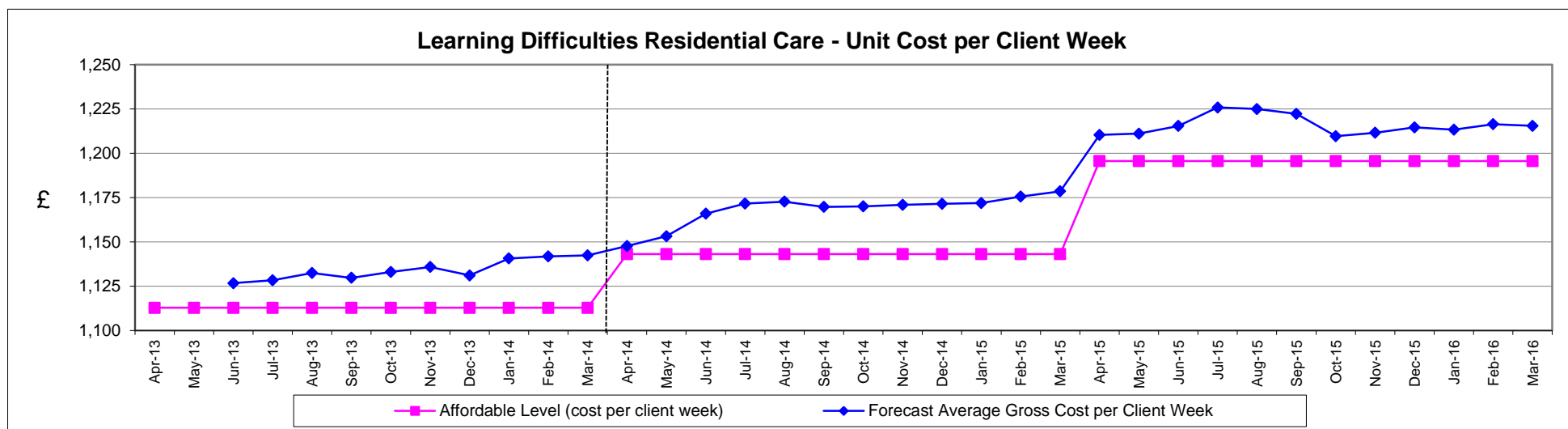
Comments:

- 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 March 2016 it was 1,241. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The outturn activity is 65,655 weeks of care against an affordable level of 67,787, a difference of -2,132 weeks. Using the outturn unit cost of £1,215.49, this lower level of activity reduces the outturn by -£2,591k.
- The 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.
- The activity for March 2016 shows a higher level of activity than previous months, but is in line with previous forecasts. This increase relates to a number of transitional and provisional clients with associated backdated activity. Activity for these clients, by necessity, needs to be backdated due to bespoke contracts that had to be agreed individually with providers.

3.5 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) £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	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	1,216.44
Mar	1,112.86	1,142.45	1,143.16	1,178.59	1,195.61	1,215.49

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.



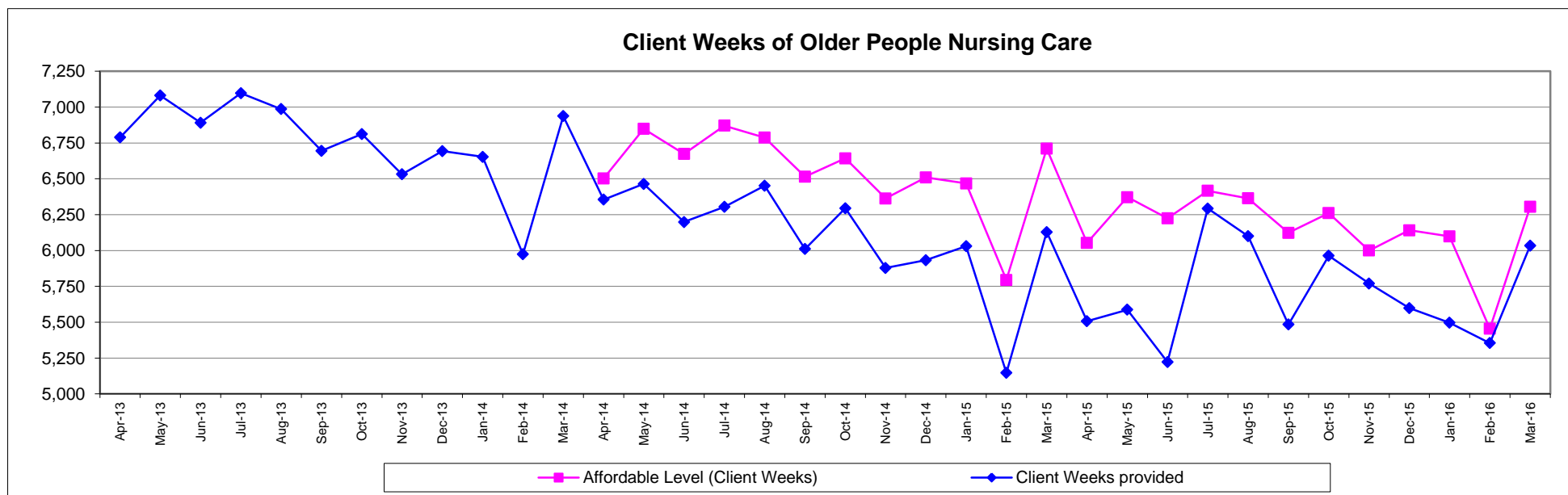
Comments:

- 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 outturn unit cost of +£1,215.49 is higher than the affordable cost of +£1,195.61 and this difference of +£19.88 adds +£1,348k to the outturn position when multiplied by the affordable weeks.
- The steep price increase in July was 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.

3.6 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	5,355
Mar	6,937	6,710	6,129	6,304	6,033
	81,141	78,686	73,195	73,811	68,410

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.



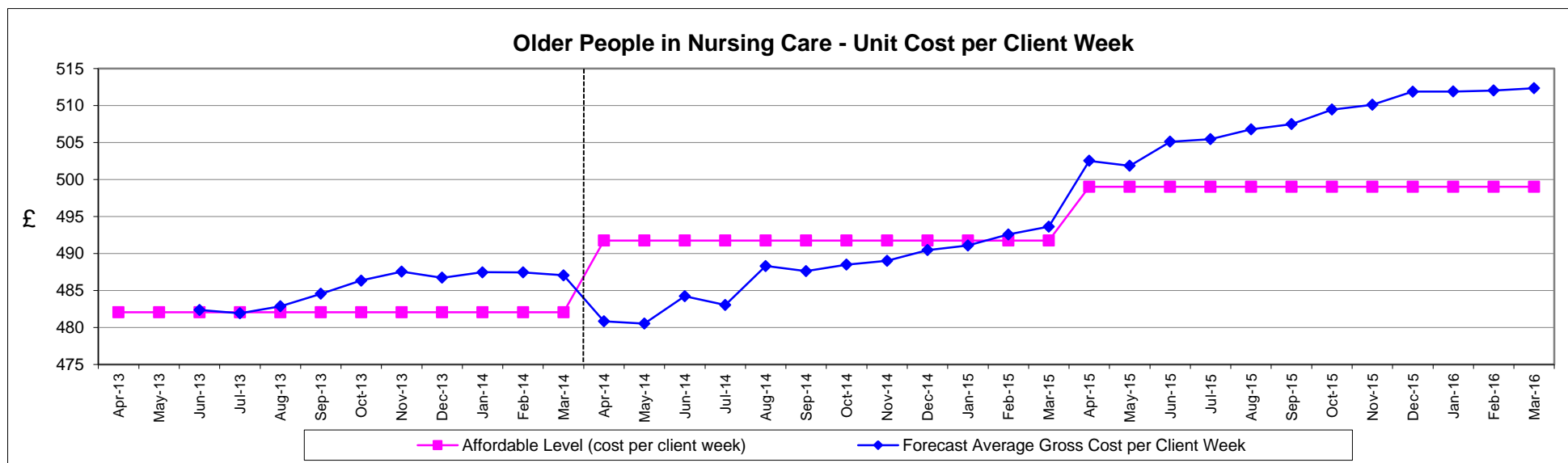
Comments:

- 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 March 2016 it was 1,227.
- The outturn activity is 68,410 weeks of care against an affordable level of 73,811, a difference of -5,401 weeks. Using the outturn unit cost of £512.35, this lower level of activity reduces the outturn by -£2,767k.
- Throughout 2015-16 it has been reported that the year to date activity has been understated due to delays in updating the activity database. The sharp increase in activity in July was due to the initial impact of the investigative 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 and February to March. The delays in updating the activity database has masked the overall reducing trend in the number of nursing placements throughout 2015-16, as reflected by the reduction in client numbers since the end of 2014-15.
- 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.

3.7 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	512.03
Mar	482.05	487.05	491.75	493.62	499.03	512.35

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.



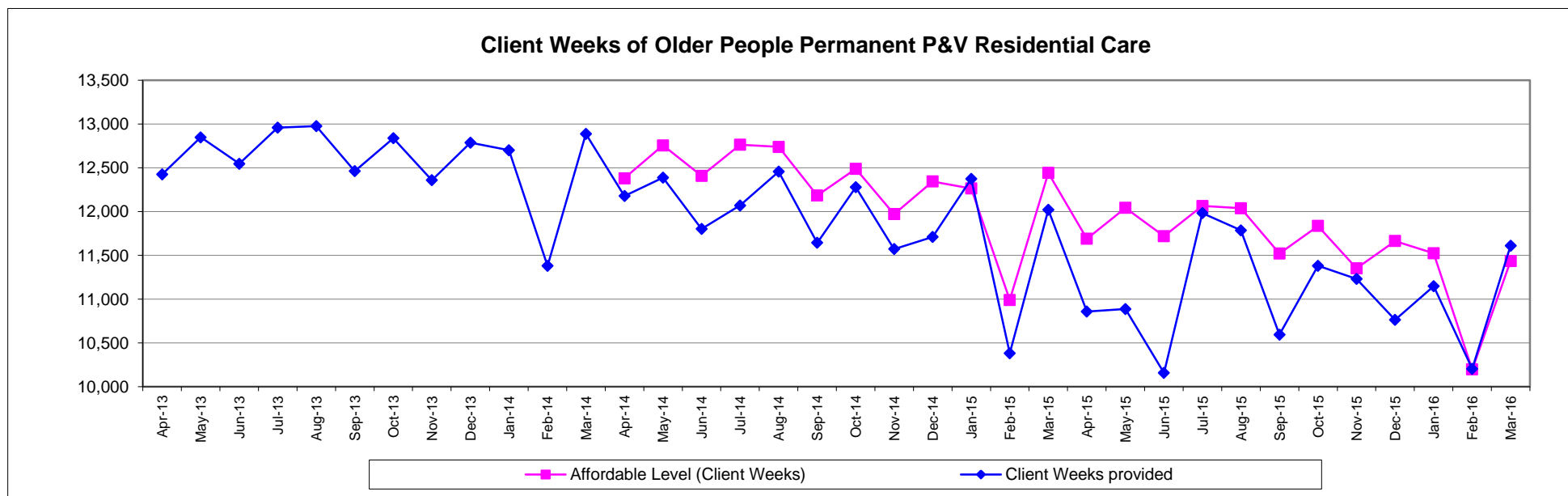
Comments:

- 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 outturn unit cost of +£512.35 is higher than the affordable cost of +£499.03 and this difference of +£13.32 increases the outturn position by +£983k when multiplied by the affordable weeks.
- 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.

3.8 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	10,205
Mar	12,887	12,443	12,022	11,436	11,611
	151,177	147,739	142,880	139,087	132,606

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.



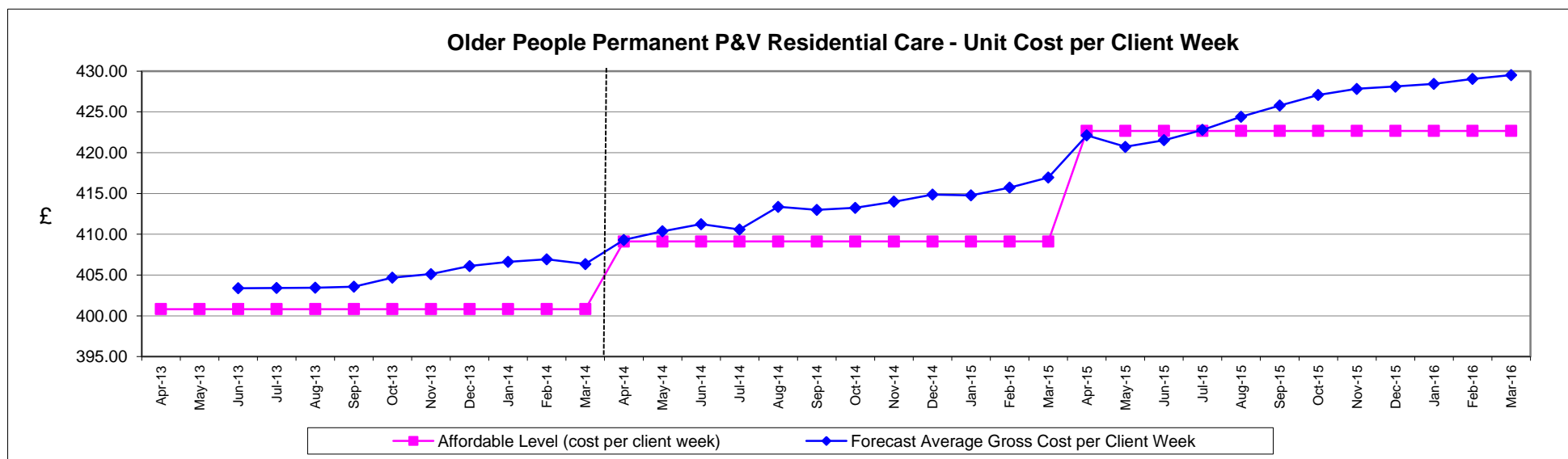
Comments:

- 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 March 2016 it was 2,413. 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 outturn activity is 132,606 weeks of care against an affordable level of 139,087, a difference of -6,481 weeks. Using the outturn unit cost of £429.52, this lower level of activity reduces the outturn by -£2,784k.
- Throughout 2015-16 it has been reported that the year to date activity has been understated due to delays in updating the activity database. The sharp increase in activity in July was due to the initial impact of the investigative 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 and February to March. The delays in updating the activity database has masked the overall reducing trend in the number of residential placements throughout 2015-16, as reflected by the reduction in client numbers since the end of 2014-15.
- 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.

3.9 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	429.04
Mar	400.83	406.35	409.12	416.97	422.68	429.52

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.

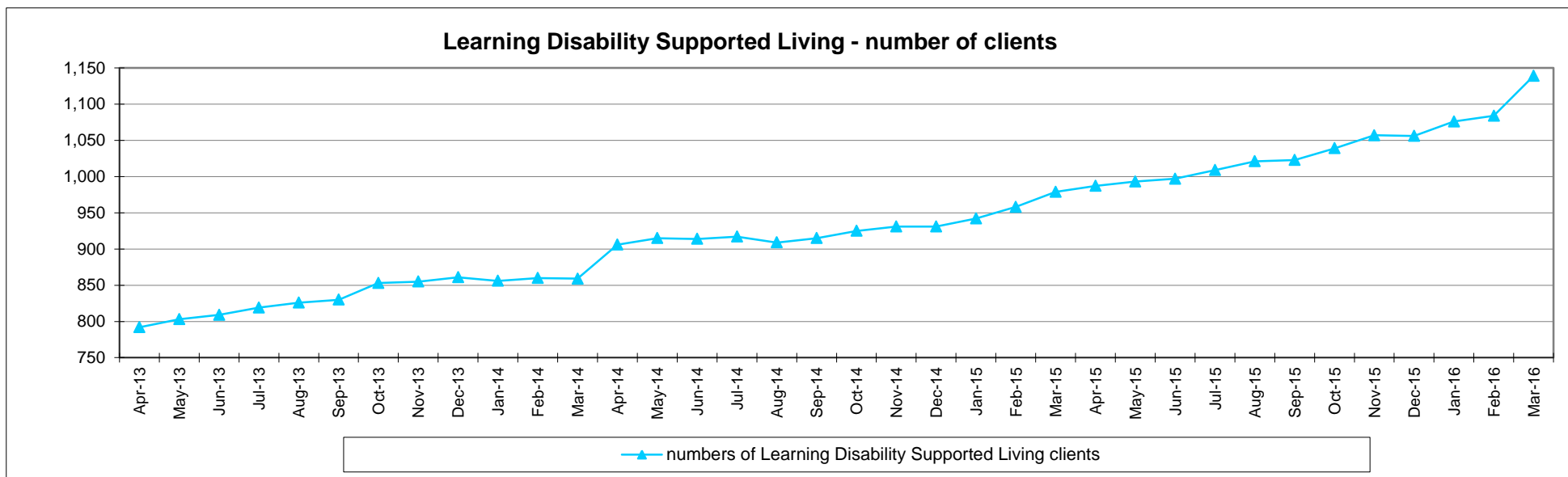


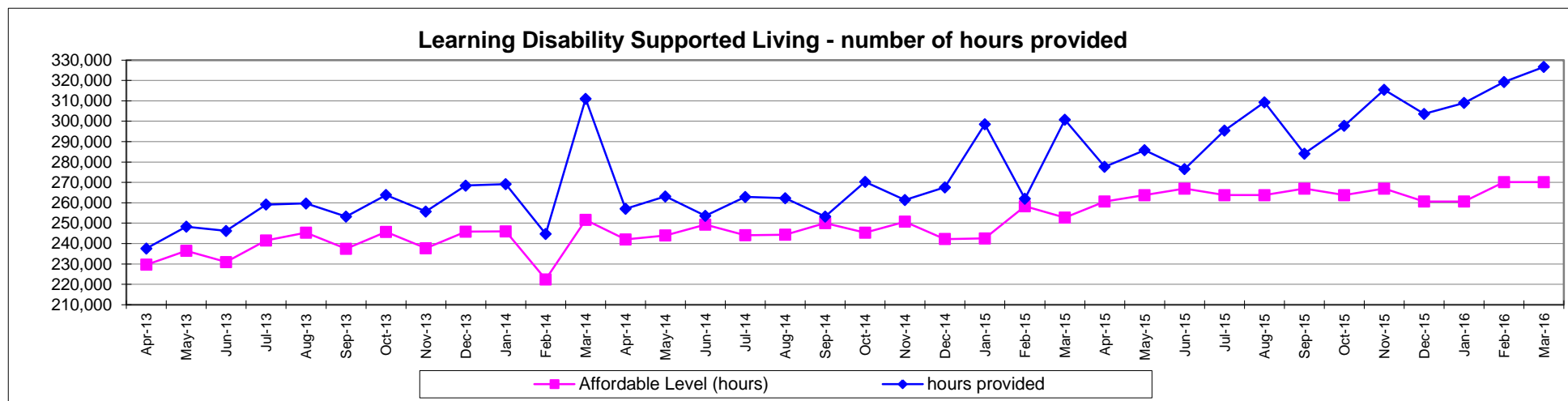
Comments:

- The outturn unit cost of +£429.52 is higher than the affordable cost of +£422.68 and this difference of +£6.84 adds +£951k to the outturn position when multiplied by the affordable weeks.
- 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.

3.10 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	319,228	1,084
Mar	251,616	310,965	859	252,712	300,749	979	270,127	326,609	1,139
	2,870,543	3,116,941		2,965,460	3,212,783		3,177,961	3,600,535	



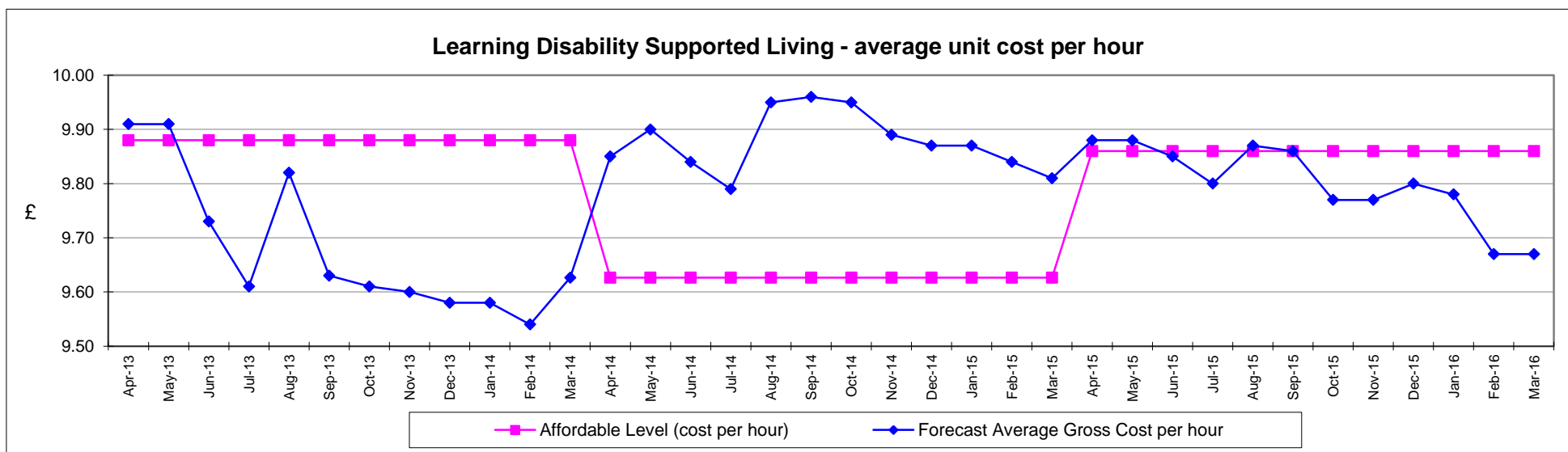


Comments:

- 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 outturn activity is 3,600,535 hours of care against an affordable level of 3,177,961, a difference of +422,574 hours. Using the outturn unit cost of £9.67, this higher level of activity increases the outturn by +£4,086k.
- 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).

3.11 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	9.67
Mar	9.88	9.63	9.63	9.81	9.86	9.67



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 outturn unit cost of +£9.67 is lower than the affordable cost of +£9.86 and this difference of -£0.19 reduces the outturn position by -£604k when multiplied by the affordable hours.
- The reductions in the forecast unit cost in October and February partially reflects the outcome of the prices review whereby the actual price uplift applied was less than anticipated in previous monitoring reports.

3.12 SOCIAL CARE DEBT MONITORING

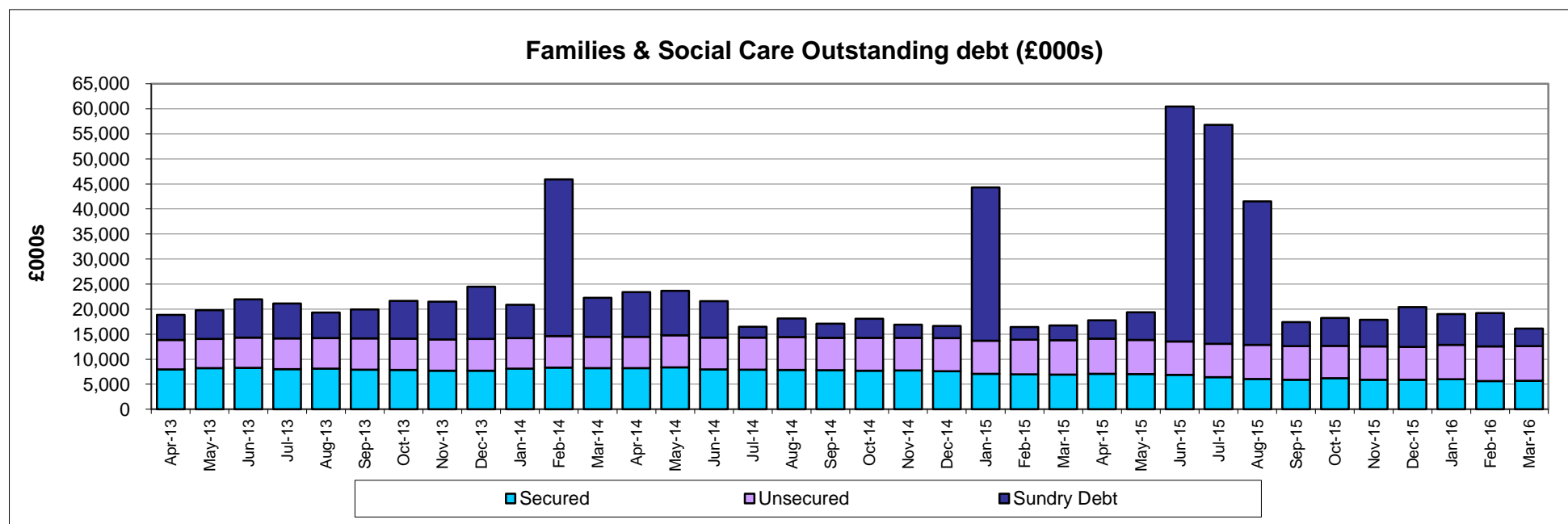
The outstanding debt as at the end of March was £16.096m compared with February's figure of £19.213m excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £3.498m of sundry debt compared to £6.668m in February. It is not unusual 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.

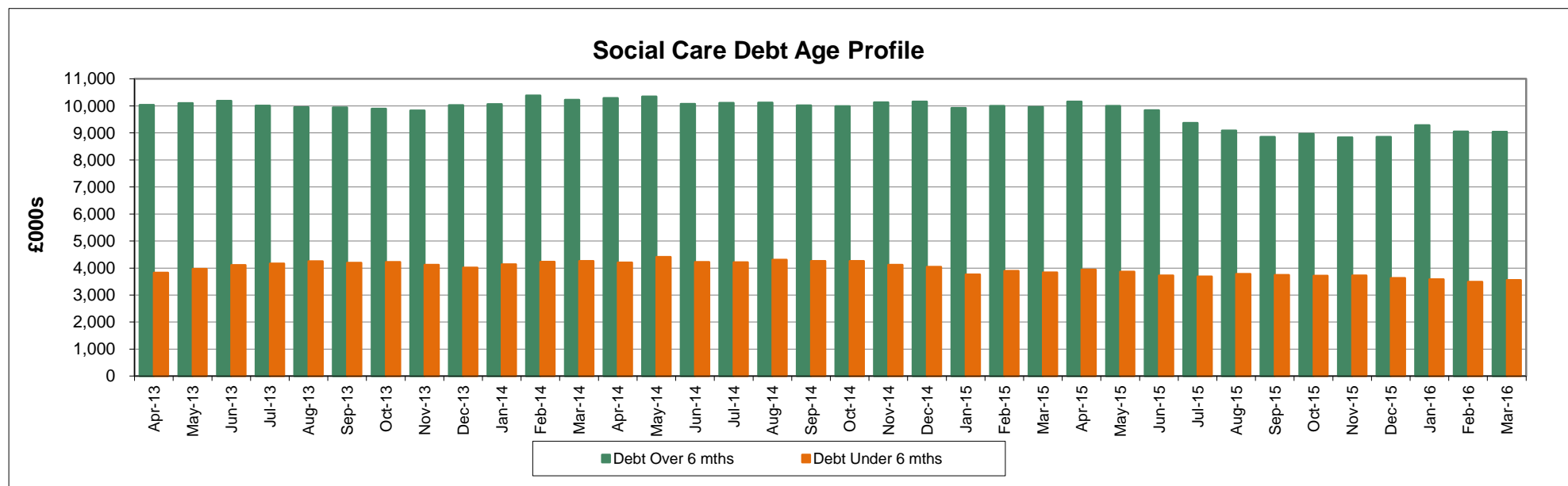
Also within the outstanding debt is £12.598m relating to Social Care (client) debt which is a small increase of £0.053m from the February position. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, 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	16,096	3,498	12,598	9,042	3,556	5,707	6,891

* 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	February £000s	March £000s	Movement £000s
Secured	5,631	5,707	76
Unsecured - Deceased/Terminated Service	2,092	2,061	-31
Unsecured - Ongoing	4,799	4,807	8
Caution/Restriction (Unsecured)	23	23	0
Health (Unsecured)	0	0	0
TOTAL	12,545	12,598	53

Unsecured debt by Client Group	February £000s	March £000s	Movement £000s
Older People/Physical Disability	6,369	6,328	-41
Learning Disability	392	410	18
Mental Health	153	153	0
TOTAL	6,914	6,891	-23

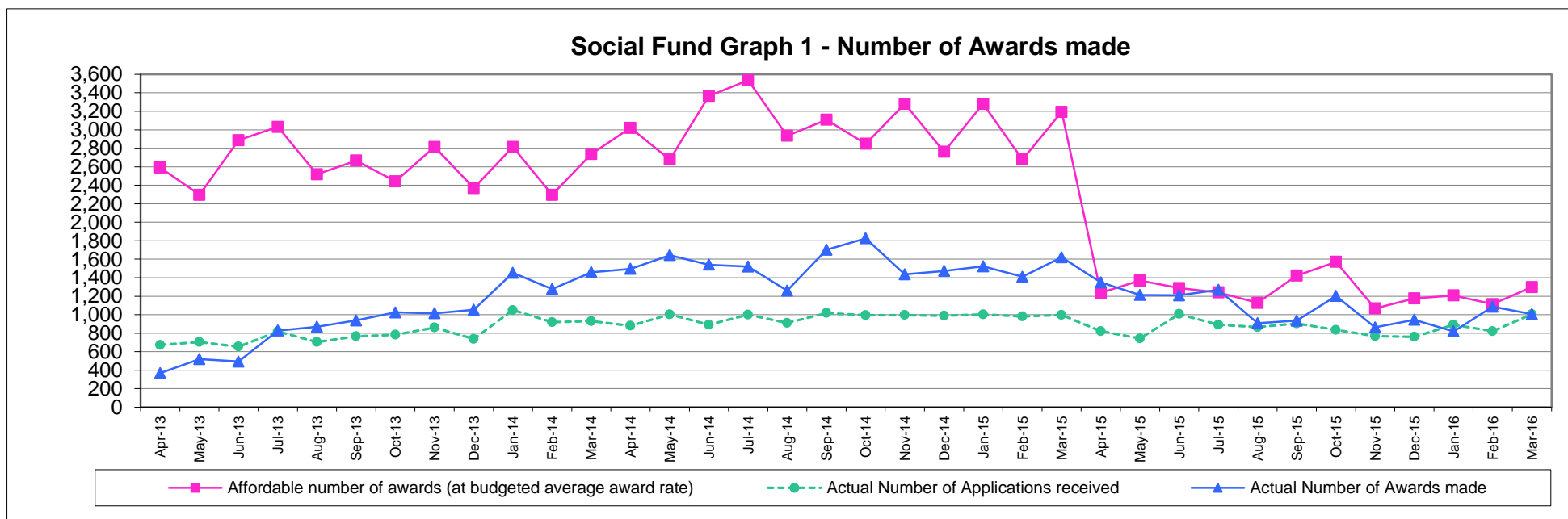
3.13 Number and Value of Social Fund awards made

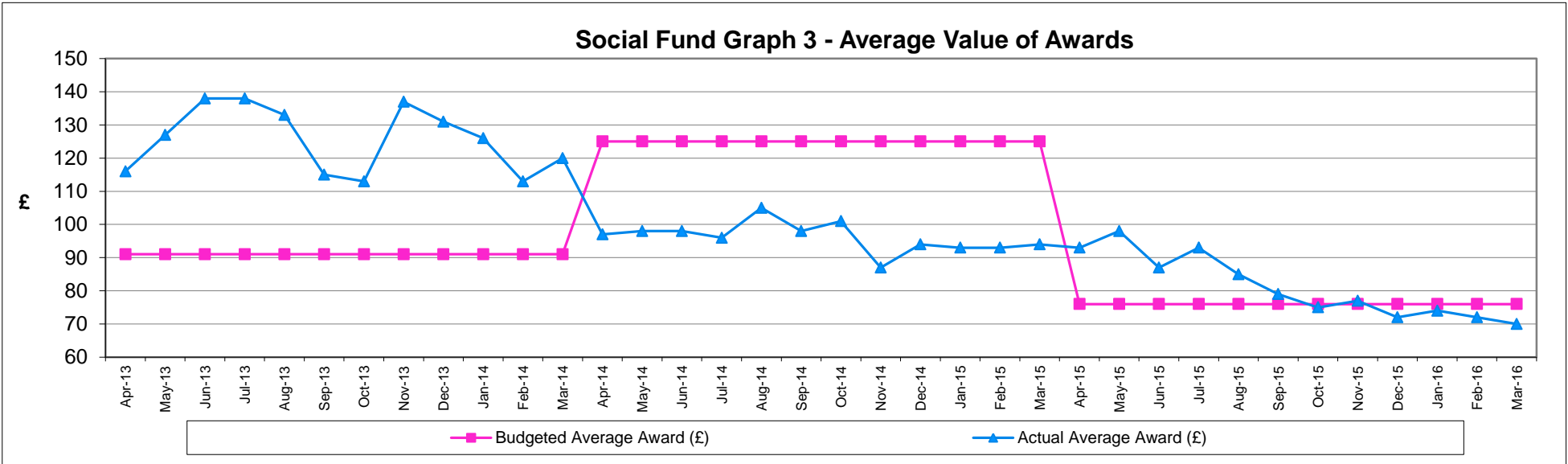
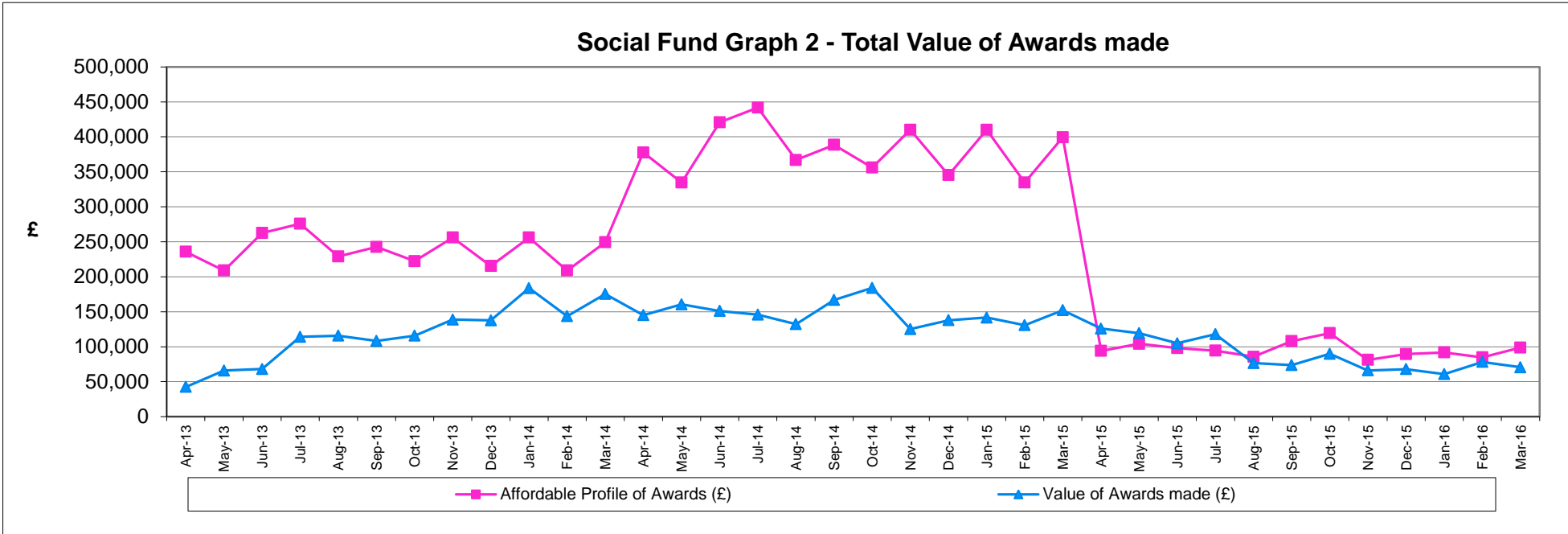
		(a) *	(b)	(c)	(d) *	(e)	(d) / (a)	(e) / (c)
		Affordable number of awards (at budgeted average award rate)	Actual number of applications received	Actual number of awards made	Affordable profile of awards (£)	Value of awards made (£)	Budgeted average award (£)	Actual average award (£)
2013-14	Apr	2,591	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	125
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	821	1,087	84,700	78,238	76	72
	Mar	1,299	1,005	1,005	98,700	70,651	76	70
		15,122	10,312	12,808	1,149,300	1,052,225	76	82





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 in 2015-16 was £1,481.5k, in line with the amount identified by Government as being included within our RSG for welfare provision. Within this, £332.2k was the cost of administering the scheme, including signposting applicants to alternative appropriate services, and £1,149.3k was 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 during the remainder of the year this trend 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 does not necessarily match the value of awards approved as shown in the table above. The table above shows awards of £1,052.2k (an underspend of £97.1k), but the value of awards actually taken up was £974.6k (an underspend of £174.7k)

- **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 was reduced to £1,149.3k. Accordingly, the affordable average award value reduced to £76 (from the previously reported figure of £96 included in the 2014-15 Outturn report presented to Cabinet in July 2015) to reflect recently agreed changes to the scheme aimed at reducing the overall value of individual awards.

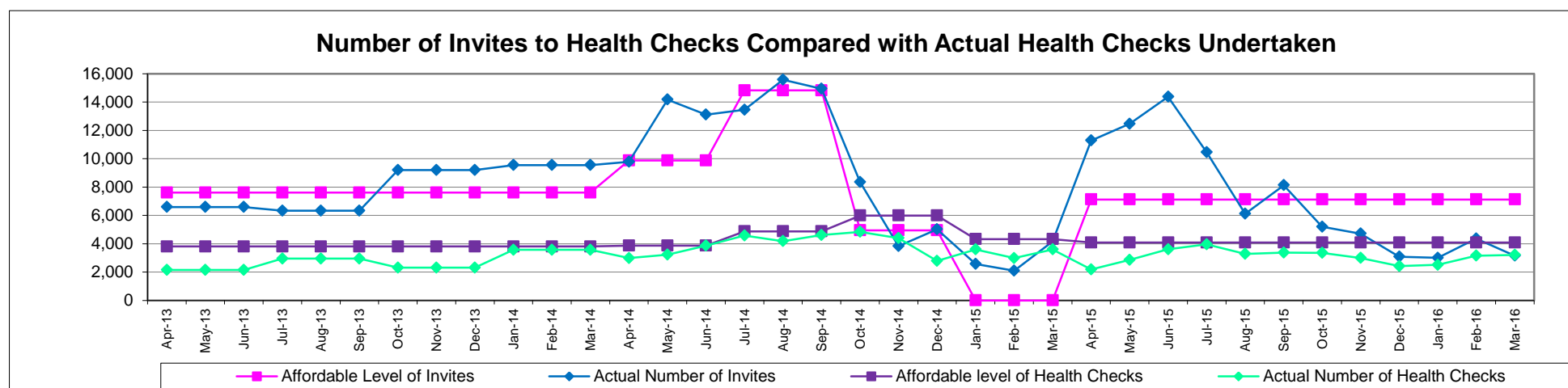
In 2015-16, 40% of the number of awards were for food & clothing representing 39% of the value of awards (the percentages were 36% and 32% respectively in 2014-15). Whilst, Furniture & equipment (incl white goods) accounted for 35% of the number of awards but 49% of the value of awards (the percentages 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 £70 in March 2016, resulting from the agreed changes to the scheme in 2015-16.

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 the Canterbury fire in July 2015.

4. SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE - PUBLIC HEALTH SERVICES

4.1 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	4,362	4,074	3,159
Mar					0	4,153	4,325	3,595	7,120	3,157	4,074	3,202
TOTAL	91,241	95,004	45,621	88,896	88,896	107,030	57,145	45,623	85,441	86,325	48,893	36,869

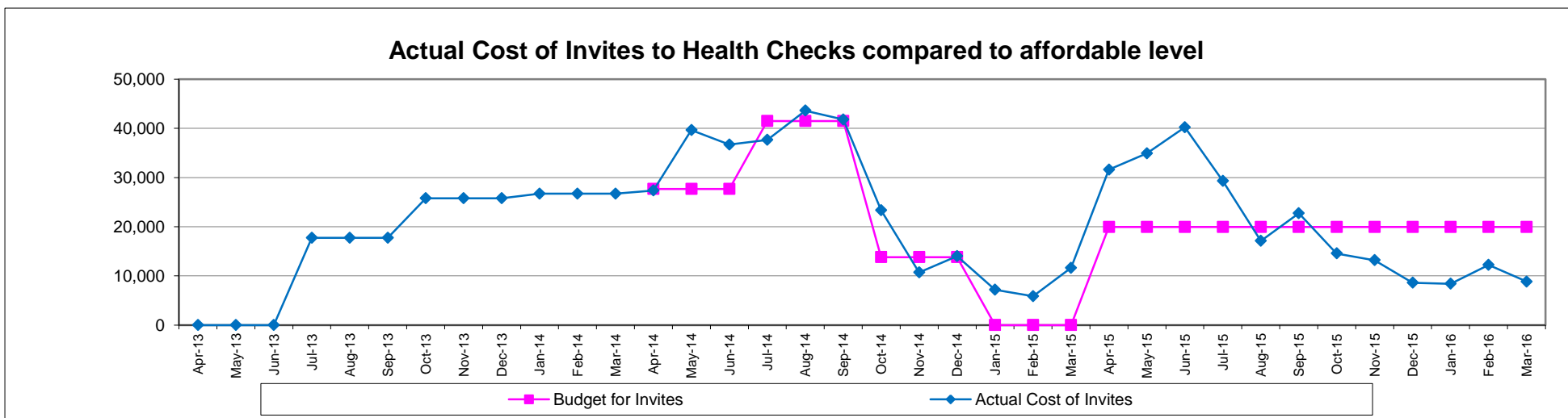


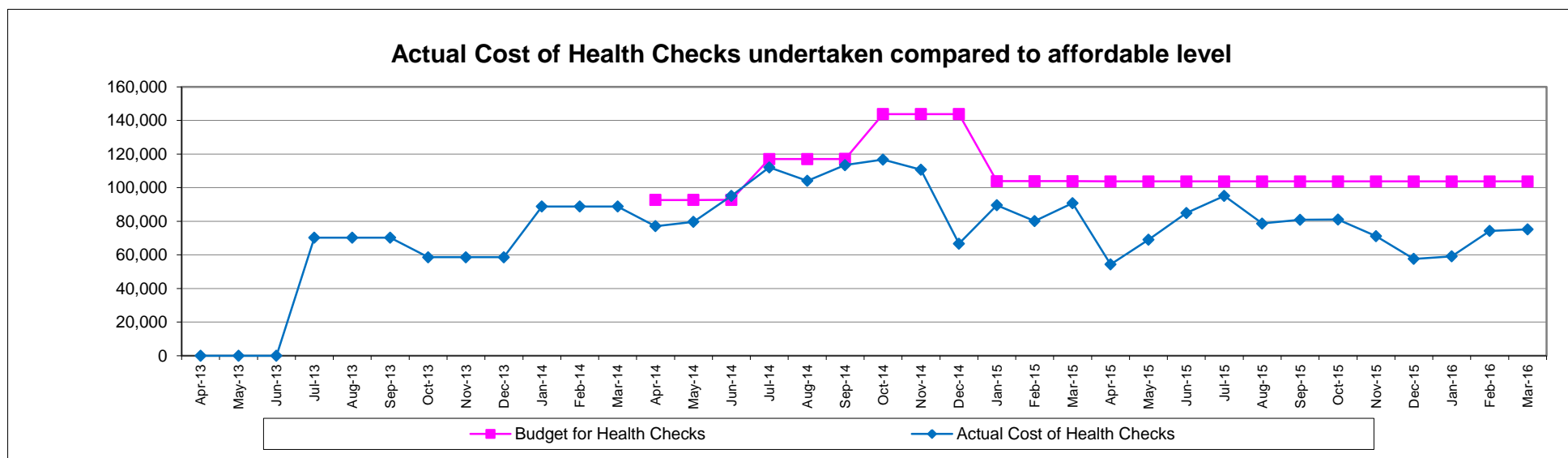
Comments:

- 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 was 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 has also enabled 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 increased from the figure of 45,000 in the budget book because some standard checks were 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.
- As expected the activity tailed off in the latter months of the year with the final number of invites being 884 above the budgeted level for the year as a whole. The small resultant overspend is more than offset by the actual number of health checks being well below the budgeted level by 12,024 checks. Overall, this is reflected in the financial outturn as an underspend of -£285k for checks & invites activity.

4.2 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	12,214	103,720	74,241
Mar			0	11,628	103,869	90,829	19,936	8,840	103,720	75,140
TOTAL	210,680	653,190	248,909	299,683	1,372,372	1,136,309	239,235	241,710	1,244,765	881,417





Comments:

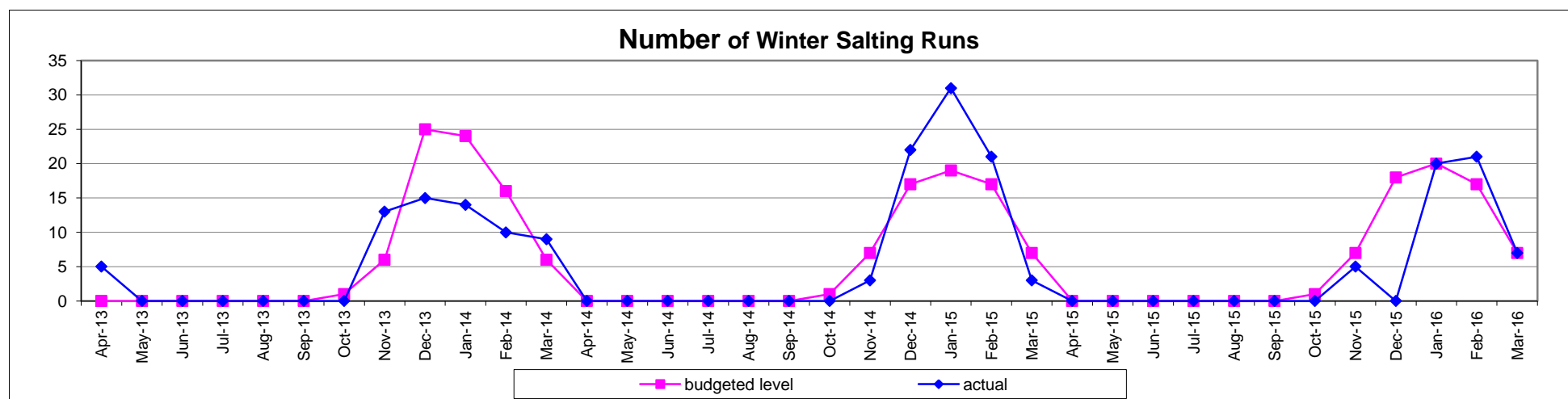
- * In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.
- The 2014-15 budget for Health Checks was 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 was 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 overall position is an underspend of -£361k by the end of the financial year on the combined invites and checks activity; this comprises -£285k resulting from reduced activity and also -£76k as the average cost per check is below the budgeted level.

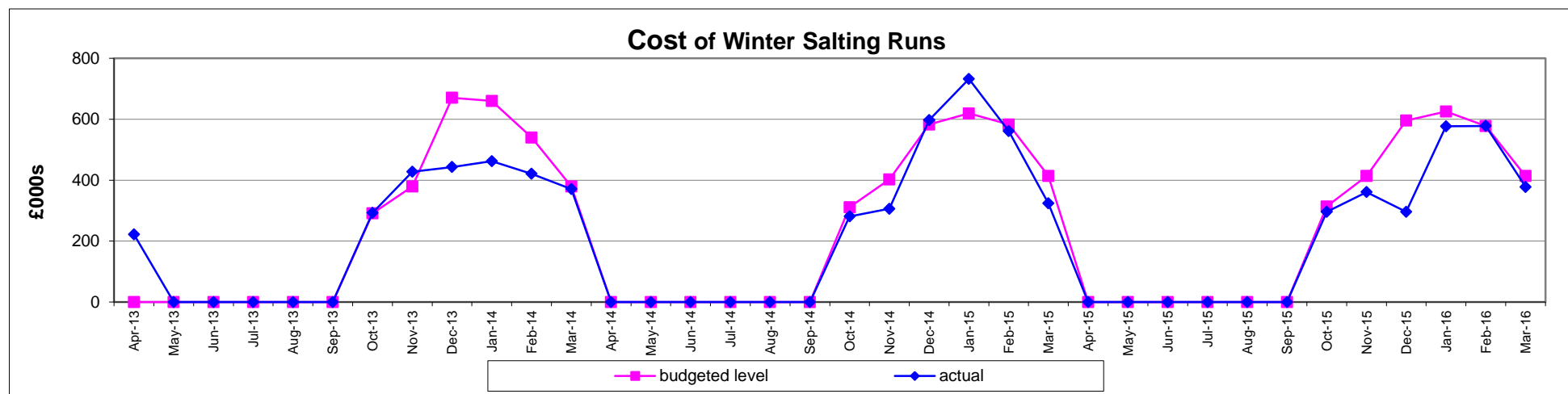
5. GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE

5.1 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	7	413	378
	78	66	2,919	2,640	68	80	2,911	2,801	70	53	2,938	2,486

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.



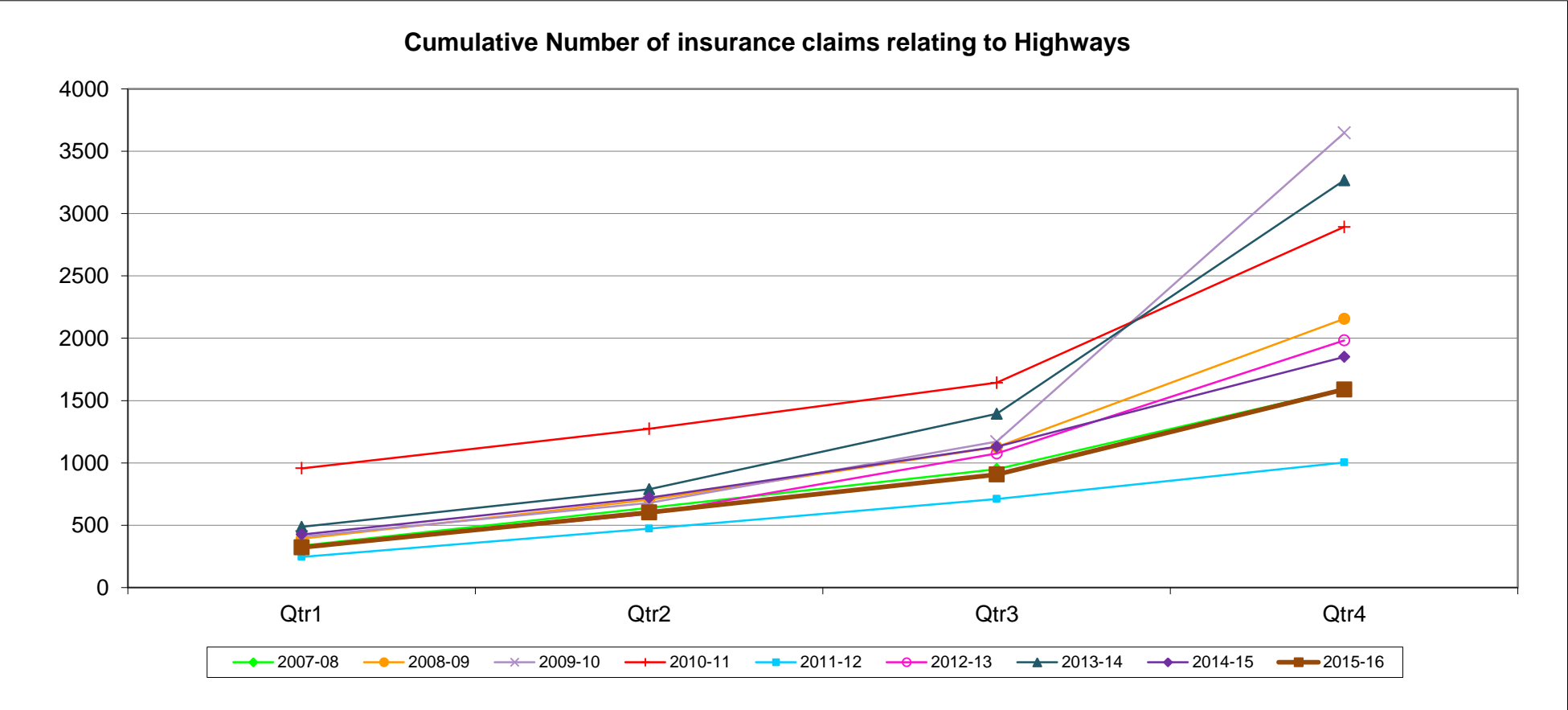


Comments:

- 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 the activity for 2015-16 is well below the budgeted level, with only 53 runs being required against a budget for 70 runs, none of which required a secondary run. This has resulted in an underspend of -£452k with a further underspend of -£101k against the adverse weather budget, not directly related to salting runs such as weather forecasting, ice prediction and supply and maintenance of salt bins.

5.2 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	426	322
Jul to Sep	640	704	680	1,273	473	591	788	720	603
Oct to Dec	950	1,128	1,170	1,643	710	1,075	1,393	1,130	906
Jan to Mar	1,595	2,155	3,647	2,893	1,003	1,983	3,266	1,850	1,589



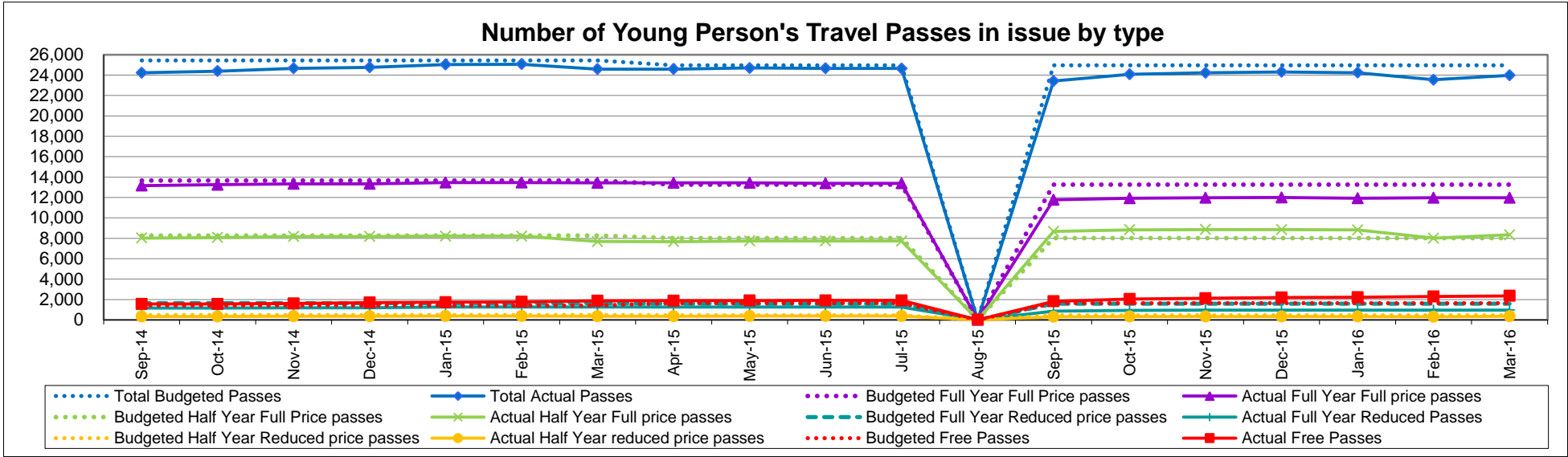
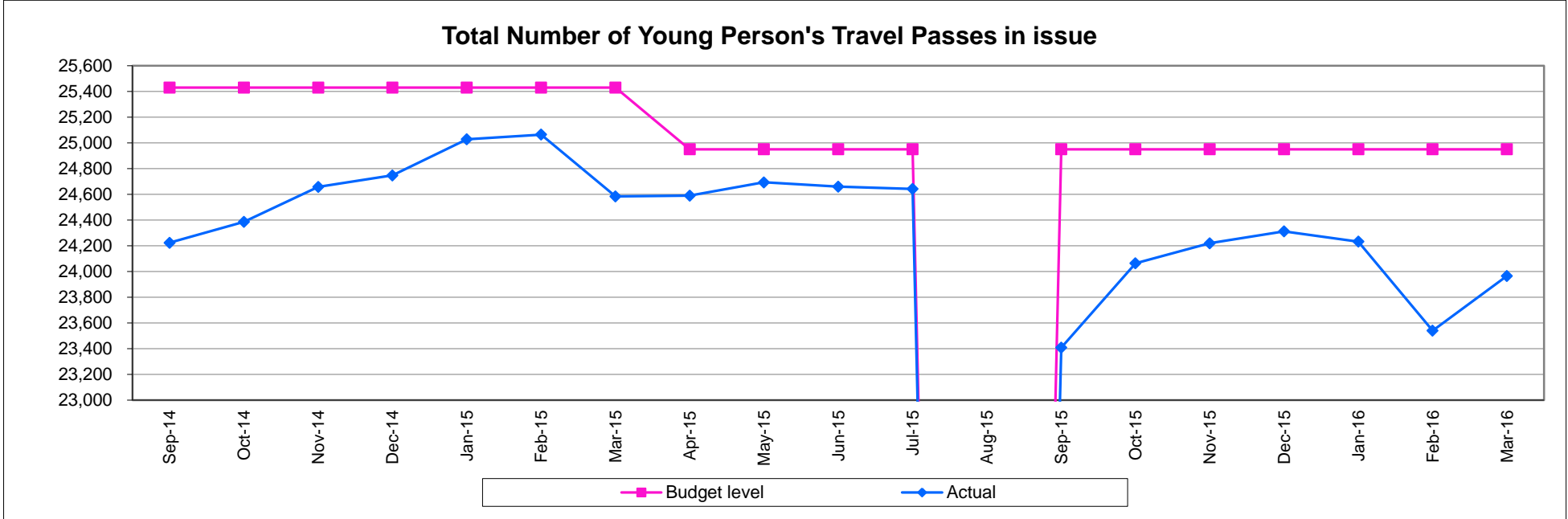
Comments:

- 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 March 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. Numbers have remained at a lower level through 2015-16 to date, although they have recently shown signs of increasing in the last quarter due to some prolonged periods of rainfall.
- 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 89%.

5.3 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	11,969	8,025	8,330	1,578	962	455	349	1,630	2,355	24,950	23,965	

- 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:** As with 2014-15, pass numbers remained below budgeted levels with only 23,965 passes in issue at the end of March 2016 compared with an affordable level of 24,950. 24,642 passes were in issue at the end of the last academic year (July). The general reduction in passes since then is likely to be in part due to the impact of the price increase from September 2015 from £200 to £250.



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 increased to a level more in line with actual demand and this is reflected in the table above. Gross and income cash limits were realigned to reflect this increased charge.

- The above figures show that the number of passes in issue remained below the budgeted number. However, section 5.4 below illustrates that journeys travelled over the course of the year were above the budgeted level. Overall there was a net underspend of -£454k for YPTP reflecting that the saving from the reduced number of passes in circulation more than offsets the pressure from higher than budgeted journey numbers.

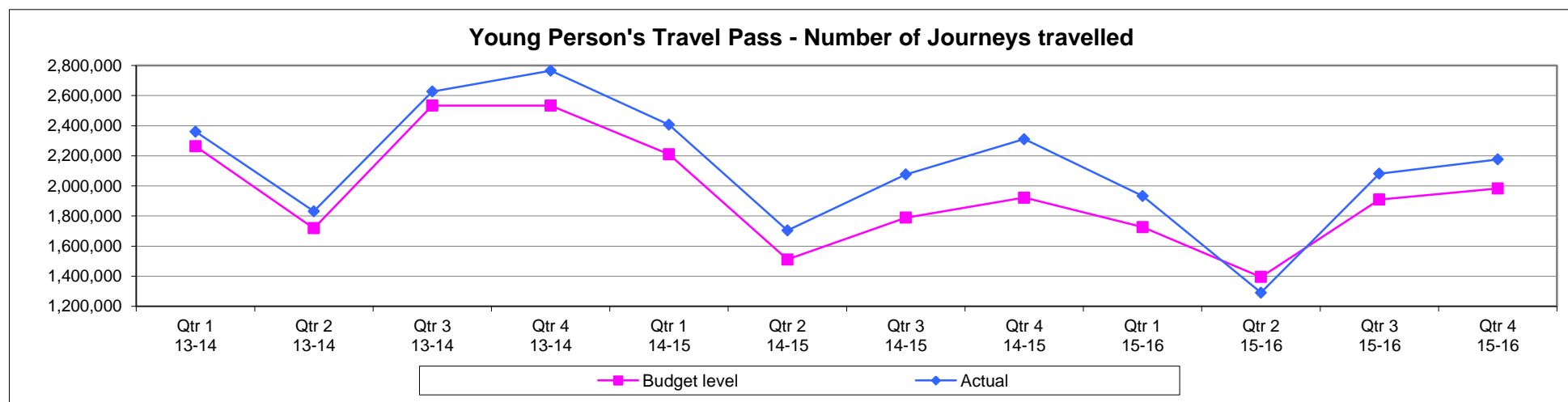
5.4 Young Person's Travel Pass (formerly Freedom Pass until September 2014) - Number of Journeys Travelled

	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	2,082
Qtr 4	2,534	2,765	1,922	2,311	1,983	2,176
	9,050	9,585	7,433	8,499	7,014	7,482

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 5.3 above resulted in the affordable number of journeys increasing from 6,569,000 to 7,014,000.
- Journey numbers in 2015-16 were in excess of the budgeted level but any variance was offset as the number of passes in issue was below the budgeted 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.

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

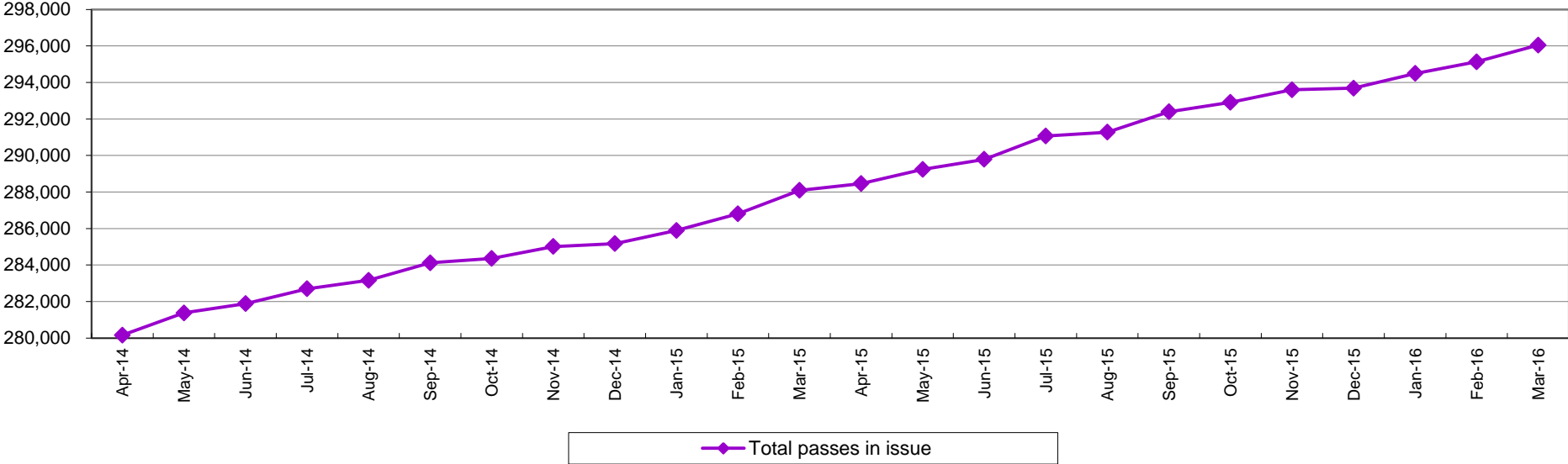
		Senior Citizen's bus passes	Disabled person's bus passes	Disabled Person Companion bus passes	TOTAL passes
		Actual	Actual	Actual	Actual
2014-15	April	258,342	17,961	3,849	280,152
	May	259,299	18,102	3,978	281,379
	June	259,623	18,212	4,055	281,890
	July	260,263	18,352	4,084	282,699
	Aug	260,558	18,438	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	268,380	20,730	5,385	294,495
	Feb	268,857	20,845	5,428	295,130
	Mar	269,538	20,977	5,534	296,049

- 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.

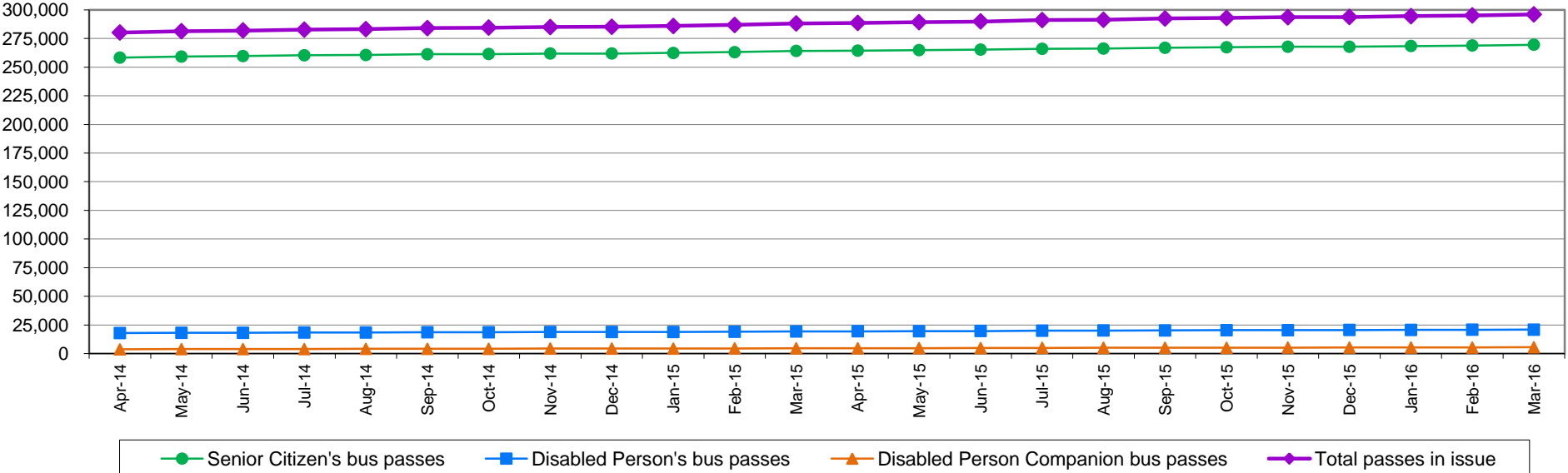
There are three types of passes available to Kent residents:

- 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.

Total Number of Concessionary Bus Passes in issue



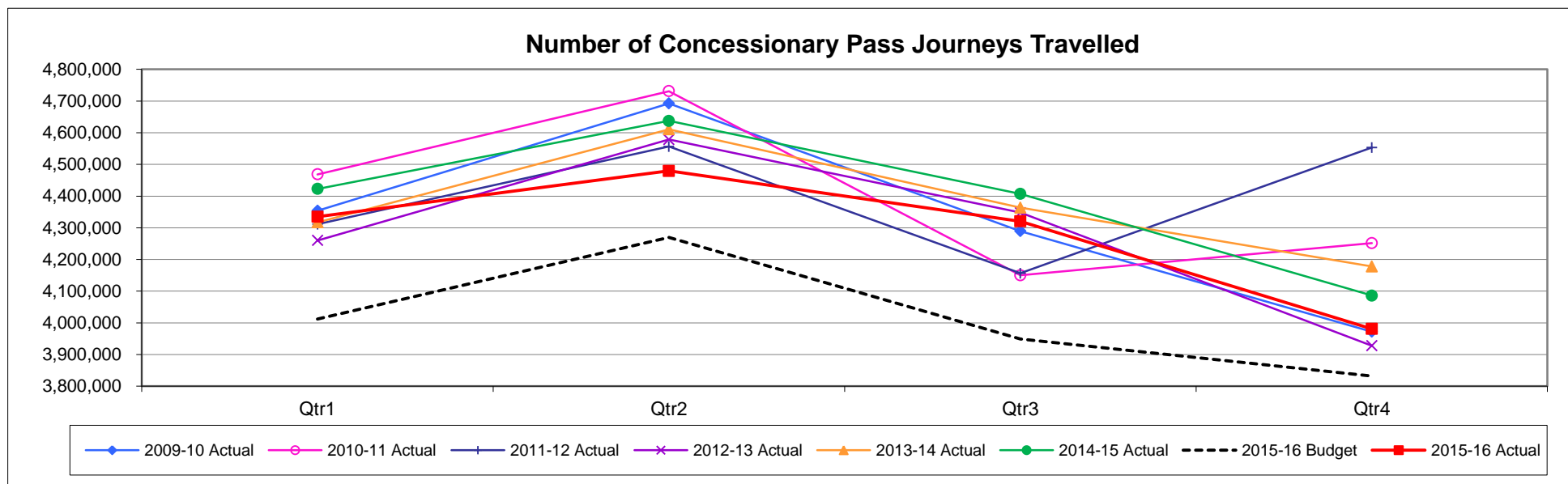
Number of Concessionary Bus Passes in issue by type



5.6 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	4,321
Qtr 4	3,972	4,251	4,553	3,928	4,178	4,086	3,833	3,981
	17,308	17,601	17,578	17,114	17,470	17,553	16,064	17,116

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 during 2015-16 were in excess of the budgeted level and as a result there was a financial overspend of +£678k.

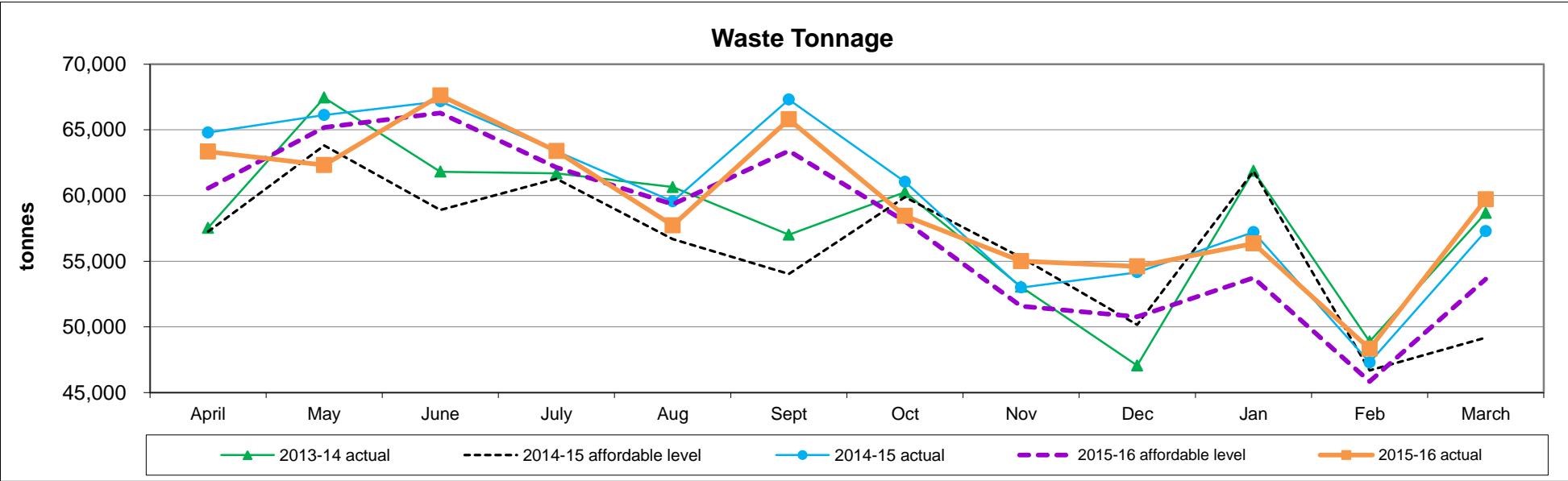
2.7 Waste Tonnage

	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	63,335
May	67,448	63,802	66,119	65,181	62,317
Jun	61,813	58,899	67,164	66,290	67,618
Jul	61,687	61,282	63,374	62,147	63,381
Aug	60,643	56,684	59,554	59,324	57,717
Sep	57,013	54,032	67,300	63,391	65,796
Oct	60,264	59,881	61,043	58,037	58,450
Nov	53,050	55,294	53,000	51,585	55,008
Dec	47,063	50,167	54,159	50,768	54,605
Jan	61,869	61,844	57,212	53,742	56,344
Feb	48,892	46,682	47,292	45,841	48,333
Mar	58,672	49,187	57,287	53,635	59,710
	695,952	675,000	718,296	690,500	712,614

* 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 2014. 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 for the first three quarters of 2013-14. These increased volumes also continued 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

- The actual waste tonnage in 2015-16 of 712,614 tonnes was 22,114 tonnes above the affordable level and equated to a pressure of £2.581m. The vast majority (c.£2.543m) 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. This pressure on waste volumes was largely offset by favourable price variances and other savings within the service, giving an overall pressure against the waste management budget of £0.221m.
- The overall volume of waste is 0.8% lower in 2015-16 than 2014-15.
- 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.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts

The total receipts received during 2015-16 is £6.125m. These will go towards funding the capital programme.

2.2 Capital Receipts Funding Capital Programme

	2015-16
	£'000
Banked capital receipts as at 31.03.15	21,974
Receipts achieved for 2015-16	6,125
Capital receipt funding required for capital programme in 2015-16	<u>14,706</u>
Potential Surplus / (Deficit) of Useable Capital Receipts	13,393

2.2.1 The total capital receipt funding required to fund projects in the capital programme for 2015-16 totals **£14.7m**.

2.2.2 Receipts achieved during 2015-16 for use against schemes in the capital programme total £6.125m, which leaves a surplus on capital receipt funding in the usable capital receipts reserve of £13.393m. The 2016-19 published capital programme is reliant on £71m of capital receipt funding, before accounting for any roll forwards, therefore all the receipts in the reserve will be needed to fund projects in the future years.

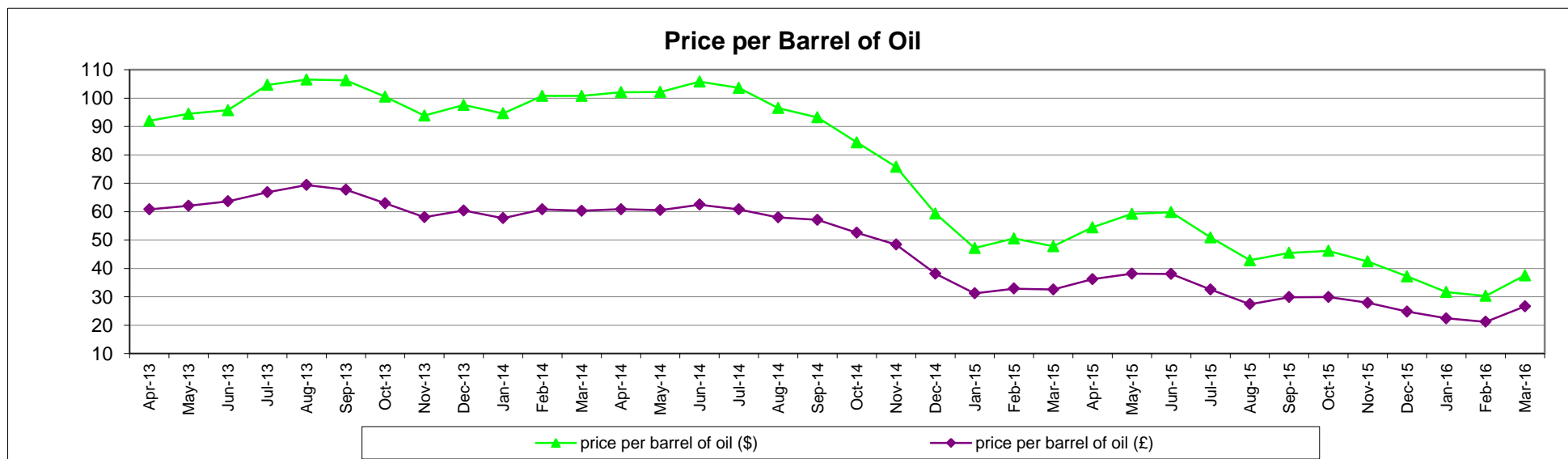
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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	37.55

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.



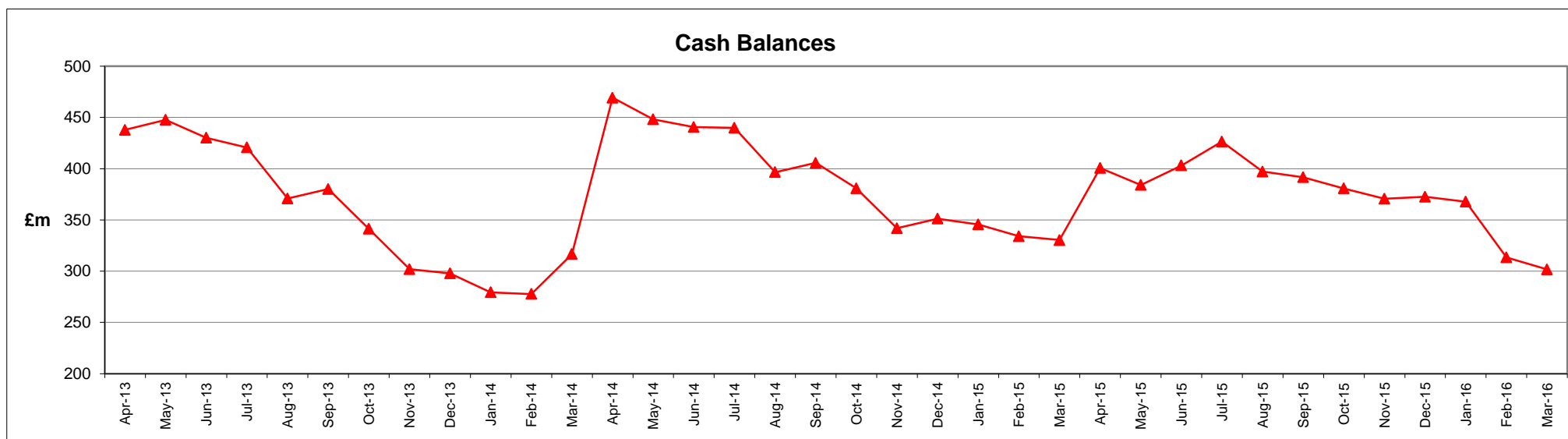
FINANCIAL HEALTH INDICATORS

1. CASH BALANCES

The following graph represents the total cash balances under internal management by KCC at the end of each month in £m. This includes principal amounts currently at risk in Icelandic bank deposits (£3.785m), balances of schools in the corporate scheme (£46.18m), other reserves, and funds held in trust. KCC will have to honour calls on all held balances such as these, on demand. The remaining deposit balance represents KCC working capital created by differences in income and expenditure profiles.

Central Government Departments (particularly DCLG) are following a similar pattern to the last two years of front loading revenue grants for 2015-16, though less so than last year, where receipts have been weighted towards the beginning of the year (33%) leading to an early peak in managed cash levels. These cash levels are forecast to decline over the course of the year as grant income reduces.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2013-14	437.8	447.6	430.1	420.7	371.0	380.1	341.3	301.9	297.9	279.3	277.7	316.7
2014-15	469.3	448.2	440.7	439.9	396.6	405.7	380.9	341.9	351.2	345.7	334.1	330.4
2015-16	400.8	384.1	403.2	426.5	397.2	391.7	380.8	370.7	372.6	367.8	313.5	301.6



2. LONG TERM MATURITY

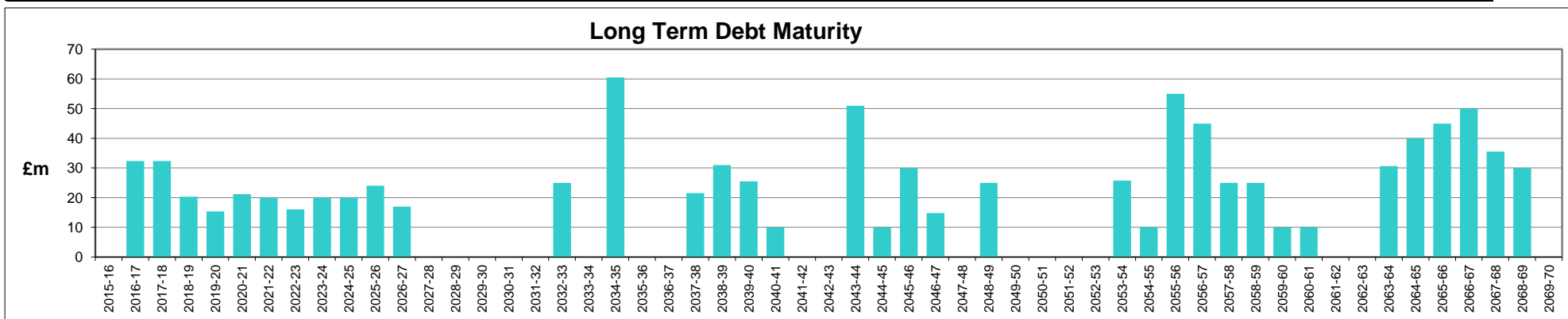
The following graph represents the total external debt managed by KCC, and the year in which this is due to mature. This includes £38.41m pre-Local Government Review debt managed on behalf of Medway Council. Also included is pre-1990 debt managed on behalf of the Further Education Funding council (£1.76m) and Magistrates Courts (£0.556m). These bodies make regular payments of principal and interest to KCC to service this debt.

The graph shows total principal repayments due in each financial year. Small maturities indicate repayment of principal for annuity or equal instalment of principal (EIP) loans, where principal repayments are made at regular intervals over the life of the loan. The majority of loans have been taken on a maturity basis so that principal repayments are only made at the end of the life of the loan. These principal repayments will need to be funded using available cash balances (i.e. internalising the debt), by taking new external loans or by a combination of the available options.

The total debt principal repaid in 2015-16 was £31.001m, relating to £29m of maturity loans, (£14m was repaid in August and £15m in February), and £2.001m of EIP loans (mainly relating to £1m which was repaid in September and £1m repaid in March).

A £25m PWLB maturity loan was borrowed at 3.16%, advanced on 29 April 2015, which matures on 10 August 2055. A new EIP loan of £1.5m was advanced from Salix Finance in March to be repaid over the period 2016-17 to 2020-21.

	£m	Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2015-16	0.000	2025-26	24.001	2035-36	0.000	2045-46	30.000	2055-56	55.000	2065-66	45.000
2016-17	32.335	2026-27	17.001	2036-37	0.000	2046-47	14.800	2056-57	45.000	2066-67	50.000
2017-18	32.335	2027-28	0.001	2037-38	21.500	2047-48	0.000	2057-58	25.000	2067-68	35.500
2018-19	20.335	2028-29	0.001	2038-39	31.000	2048-49	25.000	2058-59	25.000	2068-69	30.000
2019-20	15.335	2029-30	0.001	2039-40	25.500	2049-50	0.000	2059-60	10.000	2069-70	0.000
2020-21	21.168	2030-31	0.001	2040-41	10.000	2050-51	0.000	2060-61	10.000		
2021-22	20.001	2031-32	0.000	2041-42	0.000	2051-52	0.000	2061-62	0.000		
2022-23	16.001	2032-33	25.000	2042-43	0.000	2052-53	0.000	2062-63	0.000		
2023-24	20.001	2033-34	0.000	2043-44	51.000	2053-54	25.700	2063-64	30.600		
2024-25	20.001	2034-35	60.470	2044-45	10.000	2054-55	10.000	2064-65	40.000	TOTAL	979.583



3. OUTSTANDING DEBT OWED TO KCC

The following graph represents the level of outstanding debt due to the authority, which has exceeded its payment term of 30 days. The main element of this relates to Adult Social Services and this is also identified separately, together with a split of how much of the Social Care debt is secured (i.e. by a legal charge on the clients' property) and how much is unsecured. The significant increase in SCH&W Directorate sundry debt in June 2015 predominately relates to a number of invoices raised early in this financial year across the East Kent Clinical Commissioning Groups (CCGs) for the Better Care Fund (BCF) totalling £43m. **There is minimal risk around this £43m 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, so this debt has reduced each month. From September, the remaining BCF debt moved onto a payment plan and now only shows in the table below if a monthly instalment is not received on time.

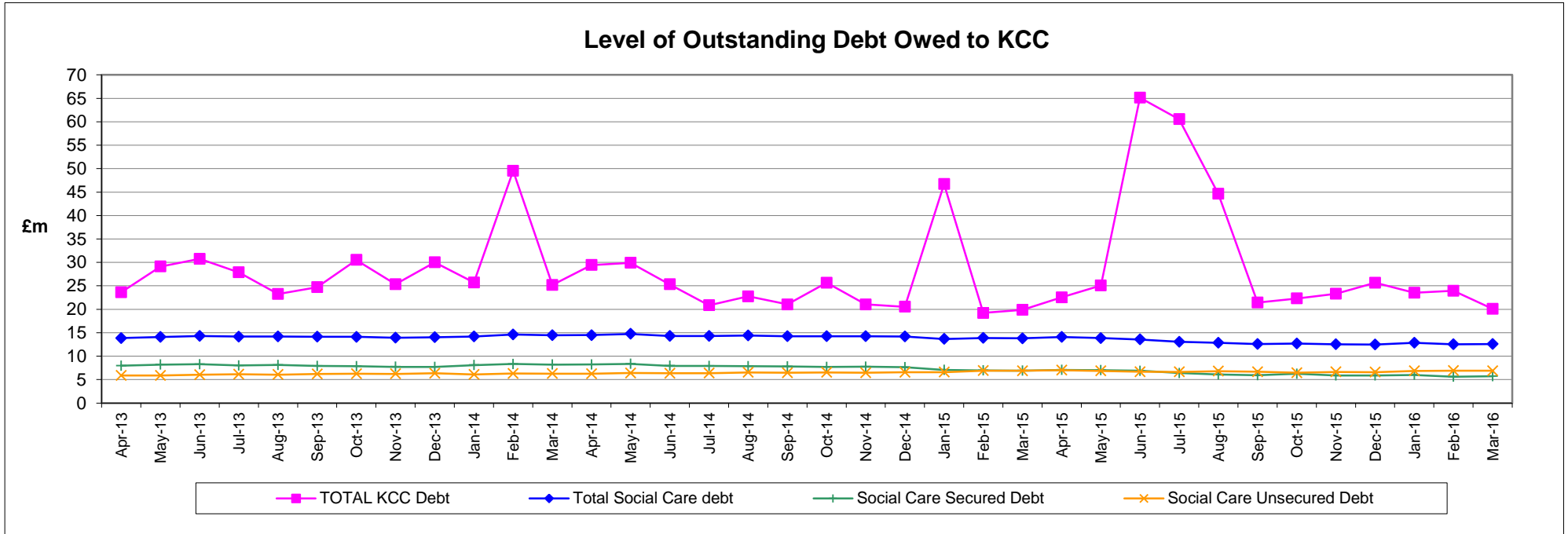
	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care Debt £m	SCH&W Sundry Debt £m	TOTAL SCH&W Debt £m	All other Directorates Debt £m	TOTAL KCC Debt £m
Apr 14	8.220	6.270	14.490	8.884	23.374	6.060	29.434
May 14	8.353	6.402	14.755	8.899	23.654	6.276	29.930
Jun 14	7.944	6.346	14.290	7.289	21.579	3.733	25.312
Jul 14	7.927	6.389	14.316	2.187	16.503	4.337	20.840
Aug 14	7.882	6.549	14.431	3.707	18.138	4.616	22.754
Sep 14	7.805	6.465	14.270	2.849	17.119	3.919	21.038
Oct 14	7.709	6.543	14.252	3.808	18.060	7.614	25.674
Nov 14	7.777	6.472	14.249	2.658	16.907	4.132	21.039
Dec 14	7.624	6.582	14.206	2.406	16.612	3.927	20.539
Jan 15	7.079	6.604	13.683	30.632	44.315	2.395	46.710
Feb 15	6.973	6.914	13.887	2.538	16.425	2.792	19.217
Mar 15	6.915	6.887	13.802	2.955	16.757	3.136	19.893
Apr 15	7.069	7.026	14.095	3.669	17.764	4.782	22.546
May 15	7.009	6.848	13.857	5.534	19.391	5.675	25.066
Jun 15	6.885	6.673	13.558	* 46.885	60.443	4.694	65.137
Jul 15	6.417	6.637	13.054	* 43.741	56.795	3.755	60.550
Aug 15	6.075	6.791	12.866	* 28.648	41.514	3.115	44.629
Sep 15	5.913	6.684	12.597	4.794	17.391	4.022	21.413
Oct 15	6.231	6.451	12.682	5.532	18.214	4.096	22.310
Nov 15	5.905	6.645	12.550	5.298	17.848	5.473	23.321
Dec 15	5.888	6.586	12.474	7.934	20.408	5.249	25.657
Jan 16	6.012	6.853	12.865	6.138	19.003	4.507	23.510
Feb 16	5.631	6.914	12.545	6.668	19.213	4.722	23.935
Mar 16	5.707	6.891	12.598	3.498	16.096	4.011	20.107

* incl. BCF debt of £42.867m

* incl. BCF debt of £39.295m

* incl. BCF debt of £25.006m

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.



4. PERCENTAGE OF PAYMENTS MADE WITHIN THE PAYMENT TERMS

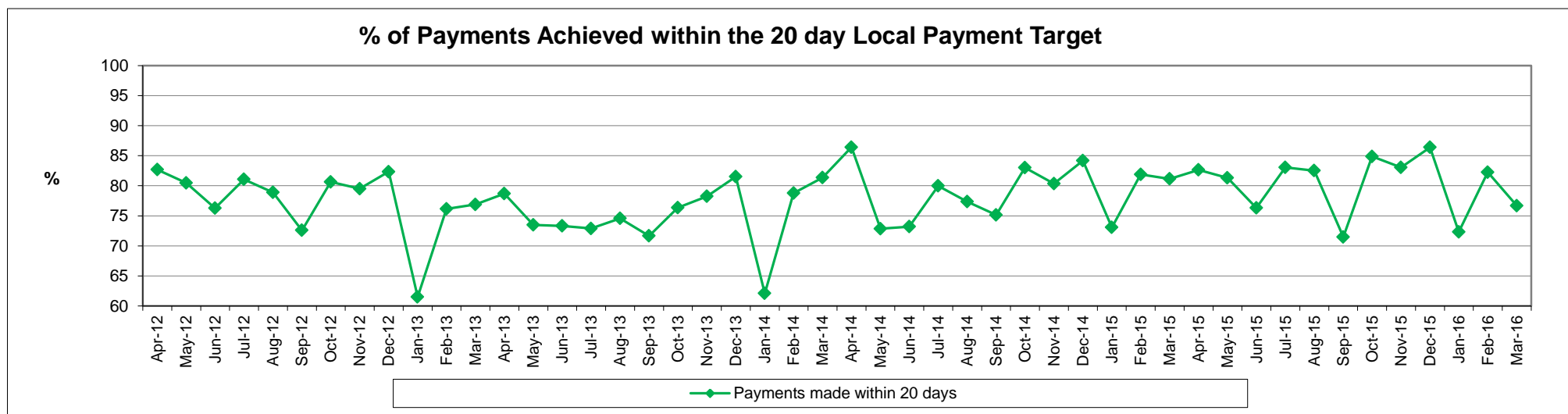
The following graph represents the percentage of payments made within the payments terms – the national target for this is 30 days, however from January 2009, we have set a local target of 20 days in order to help assist the cash flow of local businesses during the current tough economic conditions. We focus on paying local and small firms as a priority. The table below shows our performance against this 20 day payment target.

	2012-13	2013-14	2014-15	2015-16
	%	%	%	%
Apr	82.7	78.7	86.4	82.7
May	80.5	73.5	72.9 *	81.3
Jun	76.3	73.3	73.2 *	76.3
Jul	81.1	72.9	80.0	83.1
Aug	78.9	74.6	77.3	82.5
Sep	72.6	71.7	75.1	71.5
Oct	80.6	76.4	83.0	84.9
Nov	79.5	78.2	80.3	83.0
Dec	82.3	81.5	84.2	86.4
Jan	61.5	62.1	73.1	72.3
Feb	76.1	78.8	81.9	82.2
Mar	76.9	81.4	81.2	76.7

The percentages achieved for January each year are consistently lower than other months due to the Christmas/New Year break. This position was exacerbated in 2012-13 due to snow. The 2015-16 figure for invoices paid within 20 days is 80.2%. This compares to overall performance in previous years as follows:

	20 days %
2012-13	77.3
2013-14	75.3
2014-15	79.2
2015-16	80.2

* The lower percentages in May/June 2014 were due to invoices arriving late into the payments team, impacting on their ability to pay to terms.

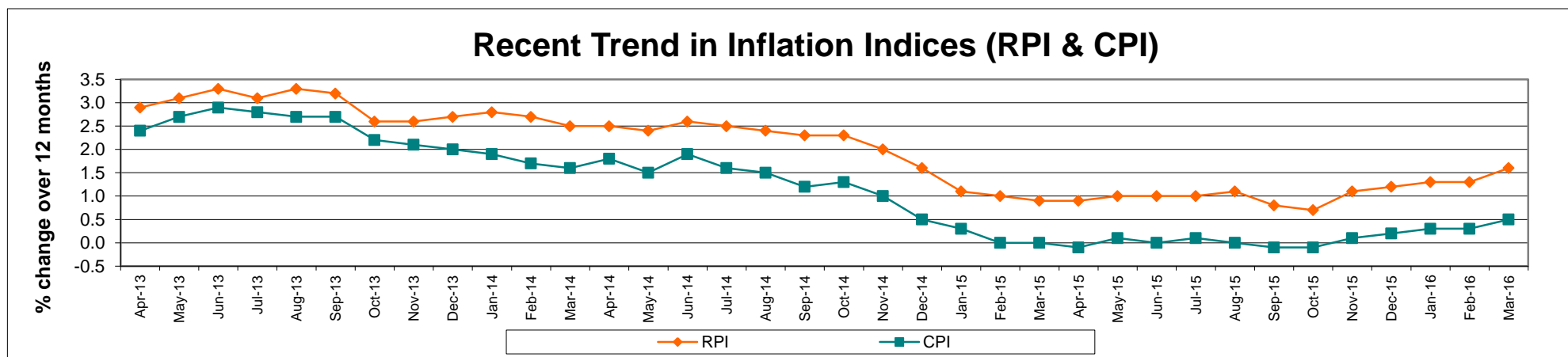


5. RECENT TREND IN INFLATION INDICIES (RPI & CPI)

In the UK, there are two main measures of inflation – the Consumer Prices Index (CPI) and the Retail Prices Index (RPI). The Government’s inflation target is based on the CPI. The RPI is the more familiar measure of inflation, which includes mortgage interest payments, but is now not deemed to be a formal measure. The CPI measures a wide range of prices. The indices represent the average change in prices across a wide range of consumer purchases. This is achieved by carefully recording the prices of a typical selection of products from month to month using a large sample of shops and other outlets throughout the UK. The recent trend in inflation indices is shown in the table and graph below.

Percentage Change over 12 months

	2013-14		2014-15		2015-16	
	RPI %	CPI %	RPI %	CPI %	RPI %	CPI %
Apr	2.9	2.4	2.5	1.8	0.9	-0.1
May	3.1	2.7	2.4	1.5	1.0	0.1
Jun	3.3	2.9	2.6	1.9	1.0	0.0
Jul	3.1	2.8	2.5	1.6	1.0	0.1
Aug	3.3	2.7	2.4	1.5	1.1	0.0
Sep	3.2	2.7	2.3	1.2	0.8	-0.1
Oct	2.6	2.2	2.3	1.3	0.7	-0.1
Nov	2.6	2.1	2.0	1.0	1.1	0.1
Dec	2.7	2.0	1.6	0.5	1.2	0.2
Jan	2.8	1.9	1.1	0.3	1.3	0.3
Feb	2.7	1.7	1.0	0.0	1.3	0.3
Mar	2.5	1.6	0.9	0.0	1.6	0.5



2015-16 FINAL MONITORING OF PRUDENTIAL INDICATORS

1. Estimate of Capital Expenditure (excluding PFI)

Actuals 2014-15	£205.979m
Original estimate 2015-16	£289.838m
Revised estimate 2015-16	£234.911m

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

	2014-15	2015-16	2015-16
	Actual	Original Estimate	Actual
	£m	£m	£m
Capital Financing requirement	1,382.856	1,382.620	1,348.259
Annual increase/reduction in underlying need to borrow	-52.407	-9.053	-34.597

In the light of current commitments and planned expenditure, forecast net borrowing by the Council will not exceed the Capital Financing Requirement.

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

Actuals 2014-15	14.19%
Original estimate 2015-16	13.17%
Revised estimate 2015-16	13.90%

4. Operational Boundary for External Debt

The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management. The operational boundary for debt will not be exceeded in 2015-16.

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

	Prudential Indicator	Position as at 31.03.16
	£m	£m
Borrowing	983	941
Other Long Term Liabilities	254	245
	<u>1,237</u>	<u>1,186</u>

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

	Prudential Indicator	Position as at 31.03.16
	£m	£m
Borrowing	1,024	980
Other Long Term Liabilities	254	245
	<u>1,278</u>	<u>1,225</u>

5. Authorised Limit for External Debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2015-16 are:

	Authorised limit for debt relating to KCC assets and activities	Position as at 31.03.16	Authorised limit for total debt managed by KCC	Position as at 31.03.16
	£m	£m	£m	£m
Borrowing	1,023	941	1,064	980
Other long term liabilities	254	245	254	245
	<u>1,277</u>	<u>1,186</u>	<u>1,318</u>	<u>1,225</u>

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

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

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

The Council has determined the following upper limits for 2015-16

Fixed interest rate exposure	100%
Variable rate exposure	40%

These limits have been complied with in 2015-16

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 31.03.16
	%	%	%
Upper 12 months	10	0	0.00
12 months and within 24 months	10	0	3.30
24 months and within 5 years	15	0	9.00
5 years and within 10 years	15	0	10.20
10 years and within 20 years	20	5	10.50
20 years and within 30 years	20	5	18.30
30 years and within 40 years	25	10	13.30
40 years and within 50 years	25	10	23.60
50 years and within 60 years	30	10	11.80

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

Indicator	£175m
Actual	£130m