

Appendix A(iii) - Detailed 2019-20 Revenue Pressures

Heading	Description	Realignment of current activity	Unavoidable	Contingent Sum	Local decisions	Total	£000s
		£000s	£000s	£000s	£000s	£000s	£000s
Additional Spending Pressures							
Net Budget Realignment	<i>Necessary adjustments to reflect current and forecast activity levels from in-year monitoring reports</i>						
Adult Social Care Sustainability	Removal of one-off funding		-339.2			-339.2	6,697.0
Coroners	Realign post mortem, toxicology and pathology budgets, as well as new Body Removal contract (full cost recovery)	962.0				962.0	
Community Wardens	Removal of undelivered 2018-19 saving	115.0			75.0	190.0	
Library, Registration & Archives service	Loss of income following the end of the Nationality checking pilot	100.0				100.0	
Trading Standards	Realign for increased Crown Court prosecutions and whereby costs cannot be recovered by Proceeds of Crime Act (PoCA)	60.0				60.0	
Waste	Part year impact of anticipated increased costs of operating our household waste recycling centres, realignment for reduced recycling income, offset by current tonnage levels being lower than budgeted	276.0		722.0		998.0	
Foster Payments	Correction to prices uplift provided in the 2018-20 MTFP in line with DfE fostering related rates	-310.9				-310.9	
The Education People	Removal of temporary funding in The Education People Company	-979.2				-979.2	
Disabled Children's Services	To fund underlying pressures arising from 2017-18 outturn and 2018-19 monitoring relating to both placements and staffing	987.0				987.0	
Adults - Transformation	Removal of undelivered 2018-19 saving				250.0	250.0	
Asset Utilisation	Re-phasing of asset rationalisation plans	650.0				650.0	
Infrastructure	Realignment of budget for legal fees, disposal costs and empty properties transferring into the corporate estate	600.0				600.0	
Coroners - Medical Examiner Service	This service is not being hosted by KCC, resulting in the funding already included in the base budget no longer being required	-300.0				-300.0	
Subsidised Bus Routes	Removal of undelivered 2018-19 saving	243.0				243.0	
Kent Resilience Forum	KCC contribution to Brexit co-ordinator post & increase in core funding contribution for Kent Resilience Team	41.0				41.0	
Public Protection	Realign for shortfall in income due to the end of the Checkatrade contract	85.0				85.0	
Country Parks	Realignment of income levels	20.0				20.0	
Education Basic Need	Mobile classrooms required to fulfil Education Basic Need	783.0				783.0	
Home to School Transport	Realignment of budget to reflect current activity levels including	741.8				741.8	
Looked After Children	Realignment of budget to reflect current activity levels	815.5				815.5	

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Other Base Budget pressures	Provision for future budget realignment based on 2018-19 monitoring for the remainder of the year			1,100.0		1,100.0	
Replace use of one-offs	Impact of not being able to repeat one-off use of reserves and underspends in approved base budget for 2018-19		9,858.6		3,000.0	12,858.6	12,858.6
Reduction In Grant Income	Impact of Reduction in Public Health Grant		1,785.0			1,785.0	1,785.0
Pay and Prices							
<u>Pay</u>							
Pay and Reward	Additional contribution to performance reward pot and impact on base budget of uplifting pay grades in accordance with single pay reward scheme. This contribution together with the savings from staff turnover will equate to a pay pot of around 2.8%				4,146.2	4,146.2	4,695.0
Reform of pay grades	Revision of the lower Kent Scheme pay scales (KR2 and KR3) to meet the long standing commitment to match the Foundation Living Wage, which will be achieved by April 2019; ensuring at				448.8	448.8	
Annual Leave entitlement	Changes to annual leave entitlement for lower graded staff				100.0	100.0	
<u>Inflation</u>							
KCC Estate Energy	Anticipated price increases on energy contracts for the KCC estate as estimated by Commercial Services		338.7			338.7	20,393.6
Streetlight Energy	Provision for price inflation related to Streetlight energy as estimated by Commercial Services		260.5			260.5	
Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments. Contracted services already allow for separate uplifts for National Living Wage/National Minimum Wage and Consumer Prices elements through formulaic approach		11,279.2			11,279.2	
Children's Social Care	Provision for price negotiations with external providers and uplift to in-house foster carers in line with DFE guidance		1,714.8			1,714.8	
Home to School Transport	Provision for inflation on contracted services and season tickets for mainstream & SEN Home to School and College Transport and the 16+ travel card		1,138.7			1,138.7	
Young Person's Travel Pass	Provision for price inflation related to the Young Person's Travel Pass which is recovered through uplifting the charge for the pass		588.6			588.6	
Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices)		2,516.9			2,516.9	

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ICT contracts	Provision for price inflation on Third Party ICT related contracts		121.4			121.4	
Levies	Estimated increase in Environment Agency Levy			20.0		20.0	
The Education People (TEP) contract	Provision for price inflation on the statutory services provided by TEP		213.1			213.1	
Facilities Management	Price uplift for the two year extension to the Facilities Management contract		210.9			210.9	
Non specific price provision	Non specific provision for CPI inflation on other negotiated contracts without indexation clauses		370.8	1,620.0		1,990.8	
Demography		<i>Additional spending associated with increasing population and demographic make-up of the population</i>					
Older People & Physical Disability	Growth in client numbers and additional costs resulting from existing and new clients whose needs are becoming more complex, together with associated staff costs			5,314.6		5,314.6	19,157.5
Adults with a Learning Disability (age 18+)	Growth in client numbers and additional costs resulting from existing and new clients whose needs are becoming more complex, together with associated staff costs			5,297.7		5,297.7	
Mental Health	Growth in client numbers and additional costs resulting from existing and new clients whose needs are becoming more complex, together with associated staff costs			828.2		828.2	
Children's Social Care	Estimated impact of an increase in the population of children in Kent, leading to increased demand for children's social work and disabled children's services			2,419.0		2,419.0	
Home to School transport - SEN	Estimated impact of rising pupil population on SEN Home to School and College Transport	55.0		1,250.0		1,305.0	
Home to School transport - Mainstream	Estimated impact of rising pupil population on Mainstream Home to School transport			234.0		234.0	
Young Person's Travel Pass	Estimated impact of changes in activity across usage of Young Person's Travel Pass based on school roll data			200.0		200.0	
Waste tonnage	Estimated impact of changes in waste tonnage as a result of population and housing growth			790.2		790.2	
Education Psychology Service	Estimated impact from growth in Statutory Assessments requiring an Education Psychology Service			750.0		750.0	
SEN	Estimated impact from growth in Education, Health & Care Plan assessments			1,726.0		1,726.0	
Coroners Service	Estimated impact of increased coroner investigations and post mortems and associated body storage costs	197.0		65.0		262.0	
Public Rights of Way	Adoption of new routes			8.0		8.0	
Streetlight energy & maintenance	Adoption of new streetlights at new housing developments			22.8		22.8	

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Government & Legislative							
Adult Social Care Spring Budget 2017 Allocation	Planned reduction in specific adult social care allocation via the iBCF	-8,796.6				-8,796.6	-1,806.7
Coroners Service	New responsibilities and services as a result of legislative reform, including the net new burdens impact of the Medical Examiner Service & increased responsibilities in relation to Duty Officer Scheme		68.0	251.0		319.0	
Children's Social Care - New Burdens	Shortfall in government funding for new burdens to cover the extended duty for Care Leavers up to age of 25		1,203.0			1,203.0	
General Data Protection Regulation (GDPR)	Increase capacity to meet GDPR requirements			172.0		172.0	
Deprivation of Liberty Safeguards (DOLS)	Removal of one-off funding in 2018-19 for Additional DOLS assessments following the Cheshire Judgment 2014	-1,540.0				-1,540.0	
Public Rights of Way	Impact of introduction of the Deregulation Act 2015		40.0			40.0	
Trading Standards	Estimated impact of increased pressure on border controls following BREXIT decision	144.0				144.0	
Condition surveys & resultant works	Condition surveys and resultant works for the Corporate estate to meet the Hackett Review and statutory requirements			400.0		400.0	
Adult Social Care Winter pressures	Spending plans in line with the Adult Social Care Winter pressures funding announced in Chancellor's Autumn 2018 budget to help alleviate pressures on the NHS through the winter months, ensuring that people can leave hospital when they are ready, into a care setting that best meets their needs		6,164.4			6,164.4	
BREXIT	Additional operational costs associated with BREXIT which are to be funded by Government grant funding, to be held centrally pending claims from individual services			87.5		87.5	

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Service Strategies & Improvements							
Home to School transport - Mainstream	Impact of Grammar School Select Committee transport recommendations to provide a subsidy to low income families to help with the cost of school transport to selective schools				100.0	100.0	9,088.6
Capital Programme	Additional debt costs to fund the capital programme		3,955.6			3,955.6	
Adult Technology Enabled Change (TEC)	Reduction in temporary funding for training, maintenance and licence costs leading up to the implementation of the new Adults performance system (MOSAIC)		-397.8			-397.8	
Highway Maintenance	Removal of one-off funding provided in 2018-19 for potholes and drainage approved at County Council in February 2018.	-2,400.0				-2,400.0	
Pothole Fund	Removal of one-off funding provided in 2018-19 approved at County Council in May 2018 and included within the £958m published budget. The additional funding approved at County	-2,000.0				-2,000.0	
Waste	Part year effect of lease cost for the provision of a new household waste recycling centre at the Allington site				100.0	100.0	
Young Person's Travel Pass	Additional costs of administering a flexible payment scheme for the Young Person's Travel Pass				200.0	200.0	
Pothole Fund	To establish a base KCC funded contribution for annual Pothole Blitz campaign				3,000.0	3,000.0	
Non cashable element of workforce productivity	Additional staff capacity as a result of sickness management etc from the workforce productivity programme			500.0		500.0	
Disabled Children's Services	Increase in staffing required as a result of increasing caseloads				405.1	405.1	
Adult Social Care Sustainability Provision	Provision to enable the Corporate Director for Adult Social Care to comply with requirement under the Care Act 2014 to facilitate a diverse and sustainable market for high quality care and support. Transfers from this unallocated budget to the social care budget will need to be agreed by the Section 151 officer			5,223.0		5,223.0	
Other	Other minor service improvements	-40.0	17.0	54.0	371.7	402.7	
	Total Additional Spending Demands	-9,491.4	41,108.2	29,055.0	12,196.8	72,868.6	72,868.6
	less replace use of one-offs as shown separately in equation		-9,858.6		-3,000.0	-12,858.6	
	Per Equation	-9,491.4	31,249.6	29,055.0	9,196.8	60,010.0	

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Key:

Realignment of Current Activity	to include alternative options where there are management options other than finding more money						
Unavoidable	e.g. contractual prices, known (or rather reasonably well established estimates) demand for statutory services, known demand for other services where this cannot be managed through policy/practice changes, legislative, revenue impact of statutory capital schemes, etc.			It is expected that the unavoidable figure will increase as we progress through the MTFP process, e.g as estimates become more robust and the time available to take alternative action to manage these down reduces			
Contingent Sum	forecasts for as yet future uncertainties, including estimates of future demand			It is expected that the contingent sum will reduce as we progress through the MTFP process, e.g as estimates become more robust and move to unavoidable			
Local Decisions	e.g. pay award, non-contractual prices, known demand for non-statutory services (where this can be managed), development of new non statutory services, choices for service improvement, etc.						