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Date: 9 March 2012

Dear Member

**ENVIRONMENT, HIGHWAYS AND WASTE POLICY OVERVIEW AND SCRUTINY COMMITTEE
- WEDNESDAY, 14 MARCH 2012**

I am now able to enclose, for consideration at next Wednesday, 14 March 2012 meeting of the Environment, Highways and Waste Policy Overview and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
B1	<u>Financial Monitoring Report 2011/2012 (To follow) (Pages 1 - 22)</u>
B2	<u>KCC Quarterly Performance Report, Quarter 3, 2011/12 including mid year Business Plan monitoring (To follow) (Pages 23 - 42)</u>

Yours sincerely

Peter Sass
Head of Democratic Services

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TO: Environment, Highways and Waste Policy Overview and Scrutiny Committee – 14 March 2012

BY: Bryan Sweetland, Cabinet Member, Environment Highways & Waste
Mike Austerberry, Corporate Director, Enterprise & Environment

SUBJECT: Financial Monitoring 2011/12

Classification: Unrestricted

Summary:

Members of the POSC are asked to note the January full budget monitoring report for 2011/12, which will be reported to Cabinet on 19 March 2012.

FOR INFORMATION

1. Introduction

1.1 This is a regular report to this Committee on the forecast outturn against budget for the EHW portfolio.

2. Background

2.1 A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June/July. These reports outline the full financial position for each portfolio and are generally reported to POSCs after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report. The January full monitoring report which will be reported to Cabinet on 19 March 2012 is attached.

3. Revenue

3.1 The overall position for EHW which will be reported to Cabinet on 19 March 2012 is a forecast underspend of £4.891m.

3.2 The most significant contribution to the Directorate's forecast underspend is from the Waste Division and has arisen largely because waste tonnage is forecast to be 40,000 tonnes less than the affordable level. This

combined with new and improved income streams and improved contract prices are forecast to deliver an underspend of £3.698m on Waste Management and Disposal.

- 3.3 Within the Highways and Transportation Division, an underspend of £1.788m is forecast on Transport Services. This has arisen as a result of successful contract negotiations and lower than budgeted journey numbers in the Concessionary Fares and Freedom pass element of the budget.
- 3.4 The January full monitoring report is attached as Appendix 1. This provides details of the Directorate's revenue forecasts which will be reported to Cabinet on 19 March 2012.

4. Capital

- 4.1 Although a real forecast pressure of £2.222m is reported over the period of the capital programme. Funding streams to cover this have been identified and are detailed in Section 1.2 of Appendix 1.
- 4.2 The January full monitoring report is attached as Appendix 1. This provides details of the Directorate's capital forecasts which will be reported to Cabinet on 19 March 2012.

5 Recommendations

Members of the POSC are asked to **note** the budget variations for the EHW Portfolio for 2011/12 based on the January full monitoring report which is due to be presented to Cabinet on 19 March 2012.

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ENTERPRISE & ENVIRONMENT DIRECTORATE SUMMARY JANUARY 2011-12 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 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” ie 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.
- Cash limits have been adjusted since the last full monitoring report to reflect a virement of £0.199m from the debt charges underspending within the Finance & Business Support portfolio to reduce the budgeted contribution from Commercial Services within the Environment, Highways & Waste portfolio due to a reduction in the number of lease cars following the County Council decision to remove essential user status, as agreed by Cabinet on 9 January and a number of other technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

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

	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Environment, Highways & Waste portfolio							
E&E Strategic Management & Directorate Support Budgets	7,779	-388	7,391	334	-108	226	Directorate funded redundancies (Highways). Additional income from Gypsy site rentals.
<u>Environment:</u>							
- Environment Management	3,740	-2,390	1,350	43		43	
- Coastal Protection	686		686	-2		-2	
	4,426	-2,390	2,036	41	0	41	
<u>Highways Services:</u>							
- Adverse Weather	3,159		3,159	754		754	Response to snow emergency.
- Bridges & Other Structures	2,753	-294	2,459	-128	75	-53	Reduced consultant costs.
- General maintenance & emergency response	20,117	-6,890	13,227	377	-4	373	Includes SLAB costs and additional temporary staff.
- Highway drainage	3,431	-74	3,357	13	-9	4	
- Highway improvements	1,690	-100	1,590	163	49	212	Member's Highway Fund temporary staffing costs.
- Road Safety	2,827	-1,213	1,614	731	-992	-261	Increased participants on Speed Awareness Courses.
- Signs, Lines & Bollards	1,819	0	1,819	-650		-650	Expenditure included in other budget headings. Budget reallocated for 12/13.
- Streetlight energy	5,104		5,104	26		26	
- Streetlight maintenance	3,767	-168	3,599	95		95	
- Traffic management	5,506	-2,924	2,582	14	-473	-459	s74 fees and Permit Scheme.

	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Tree maintenance, grass cutting & weed control	3,352	-192	3,160	25	-35	-10	
	53,525	-11,855	41,670	1,420	-1,389	31	
<u>Integrated Transport Strategy & Planning:</u>							
- Planning & Transport Policy	774	-15	759	149	-52	97	High speed train service - Deal/Sandwich.
- Planning Applications	1,102	-500	602	-155	205	50	Staff vacancies, reduced activity and reduced internal planning applications.
	1,876	-515	1,361	-6	153	147	
<u>Transport Services:</u>							
- Concessionary Fares	16,332	-27	16,305	-1,279	-8	-1,287	Successful contract negotiations and reduction in journey numbers.
- Freedom Pass	13,625	-2,230	11,395	-275	-155	-430	Lower than budgeted passes / journeys.
- Subsidised Bus Routes	9,259	-1,637	7,622	4	-8	-4	
- Sustainable Transport	2,503	-1,448	1,055	118	-185	-67	Multi modal transport models.
	41,719	-5,342	36,377	-1,432	-356	-1,788	
<u>Waste Management</u>							
<u>Recycling & Diversion from Landfill:</u>							
- Household Waste Recycling Centres	8,416	-1,109	7,307	-7	-770	-777	Market prices above budgeted prices for sale of various recyclable materials.
- Partnership & Behaviour Change	805	-126	679	-179	-25	-204	Reduced activity following review.
- Payments to Waste Collection Authorities (DCs)	5,249	-102	5,147	-133		-133	Savings from waste tonnages partially offset by additional enabling payments made under Joint Waste Arrangements.
- Recycling Contracts & Composting	10,262	-609	9,653	-382	-72	-454	Reduced waste tonnage & improved contract prices when compared with working budget.
	24,732	-1,946	22,786	-701	-867	-1,568	
<u>Waste Disposal:</u>							
- Closed Landfill Sites & Abandoned Vehicles	779	-266	513	39	-5	34	
- Disposal Contracts	29,476	-430	29,046	-4,300	271	-4,029	Waste tonnage lower than budgeted and less waste processed via Allington and more to landfill.
- Landfill Tax	6,880		6,880	1,733		1,733	Waste diverted to landfill from Allington.
- Transfer Stations	8,583	-75	8,508	132		132	Reduced waste tonnage offset by additional costs of planned maintenance and contribution to capital.
	45,718	-771	44,947	-2,396	266	-2,130	

	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Commercial Services		-6,932	-6,932		150	150	Total Contribution Pay costs not absorbed.
Total E, H & W portfolio	179,775	-30,139	149,636	-2,740	-2,151	-4,891	
Regeneration & Enterprise portfolio							
Development Staff & Projects	1,311	-1,311	0			0	
Total E&E controllable	181,086	-31,450	149,636	-2,740	-2,151	-4,891	

1.1.3 Major Reasons for Variance: *[provides an explanation of the 'headings' in table 2]*

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

Environment, Highways & Waste portfolio:

1.1.3.1 **Strategic Management and Directorate Support: Gross +£334k, Income -£108k, Net +£226k**

A significant proportion (£229k) of the gross pressure relates to the requirement for the Directorate to fund part of the redundancy costs arising from restructuring, as some of the costs are not eligible for corporate funding from the Workforce Reduction Fund because this funding is only available where there is a reduction in the overall number of posts. Improved debt management and advice provided to residents has resulted in improved rent collection in the Gypsy and Traveller Unit and is reflected in the income forecast on this budget line (-£95k).

1.1.3.2 **Highways Services:**

a. **Adverse Weather: Gross +£754k, Income £0k, Net +£754k**

The cost of the snow/ice emergency in early February has been factored in to these forecasts and a pressure of £700k has been estimated, which includes costs of leasing equipment, engaging farmers in snow clearance and staff time. Savings on routine salting runs are estimated to be in the region of £131k due to the generally mild winter requiring fewer salting runs than budgeted, but these are offset by £217k of additional costs associated with managing adverse weather situations, predominantly salt bins and plough maintenance.

b. **Bridges and Other Structures: Gross -£128k, Income +£75k, Net -£53k**

A reduction in the cost of consultancy support of £93k is included in the forecast underspend on the gross budget.

c. **General Maintenance and Emergency Response: Gross +£377k, Income -£4k, Net +£373k**

This pressure includes the cost of signs lines and bollards (estimated at £302k) that cannot be easily separated from other expenditure (this is offset by a forecast underspend in 1.1.3.2.f below), plus an element of additional temporary staff (£90k) covering vacancies at a higher cost than budgeted.

Robust monitoring of the Highway's revenue budget has identified £1.205m of funds within the general maintenance and repairs budget that can be transferred to the capital budget in order to bring forward urgent road repairs and streetlight column replacement. This funding has been identified during a transitional year for the Directorate, which has seen a major restructure and a significant shift from Ringway to Enterprise for maintenance contracts. The Highways division is confident that a balanced revenue budget can still be delivered if these funds are transferred from revenue to capital, assuming that extraordinary conditions (such as a very severe winter) do not arise. Cabinet approved this transfer on 25 January 2012.

- d. Highway Improvements: Gross +£163k, Income +£49k, Net +£212k
The engagement of temporary staff to progress schemes for the Members Highway Fund has resulted in a forecast pressure of £135k. A major exercise to get the balance of funds in approved scheme status by 31 December 2011 has created a significant amount of work and this has required additional staff. Over 700 schemes have been approved. Part of the ongoing process is to absorb these costs in the Member Highway Fund, but as that exercise has not yet been completed, the Directorate has taken a prudent approach and reflected this as a pressure in this month's monitoring.
- e. Road Safety: Gross +£731k, Income -£992k, Net -£261k
The increasing volume of participants in speed awareness courses is the main contributing factor to the significant forecast variations in the gross (+£490k) and income (-£864k) budgets. The remaining gross and income variances are due to several items all below £100k.
- f. Signs, Lines and Bollards: Gross -£650k, Income £0k, Net -£650k
A significant proportion of the cost of signs, lines and bollards is now included in other budget lines with £302k estimated within General Maintenance alone and consequently reflected as an underspend in this line. A planned revenue contribution to capital of £100k which is no longer required and a general reduction in revenue works from this budget line (approximately £180k), also contribute to the overall forecast underspend.
- g. Traffic Management: Gross +£14k, Income -£473k, Net -£459k
The forecast underspend has resulted from a combination of Section 74 fees (-£253k) and income from the Permit Scheme (-£244k). Section 74 fees are recovered from works promoters (utility companies etc) who have taken an unreasonably prolonged occupation of the highway and the additional Permit Fee income reflects the recovery of the full costs incurred, including Directorate and Corporate overheads, which are not charged directly to this budget line.

1.1.3.3 Integrated Transport Strategy & Planning:

- a. Planning & Transport Policy: Gross +£149k, Income -£52k, Net +£97k
A pressure of £97k is included in this budget line and relates to the costs associated with the new High Speed Train service from Sandwich and Deal via Dover to support the East Kent economy following the Pfizer closure.
- b. Planning Applications: Gross -£155k, Income +£205k, Net +£50k
This forecast reflects the reduction in internal planning applications following the reduction in the schools devolved formula capital budgets. This has impacted on the gross forecast in terms of less staff and activity (-£155k) and income in terms of less fees from schools (+£205k).

1.1.3.4 Transport Services:

- a. Concessionary Fares: Gross -£1,279k, Income -£8k, Net -£1,287k
Two major bus operators had registered appeals against the 2011-12 payments proposed by KCC. This is the first year that the authority has assumed full responsibility for this service and the budget included an element to cover issues such as the cost of appeals. A prudent approach was taken in earlier months and the full value of these appeals was included in the forecast expenditure. The Directorate had previously reported that negotiations with the bus operators has resulted in a mutually agreed position that reduced the potential cost by £918k and this saving is reflected in the current forecast. In addition to this, our external consultants have advised that total journey numbers are likely to be lower in 2011/12 and this has led to the additional forecast underspend on gross expenditure of £361k. Clearly there is a risk in declaring this reduction, but it is supported by activity trends.

b. Freedom Pass: Gross -£275k, Income -£155k, Net -£430k

As with Concessionary Fares forecasting activity, expenditure and income for the Freedom Pass is an extremely complex area. Influencing factors will include the cost of the pass, length of journeys, the weather, capacity of vehicles and individual pupil choice amongst others. Consequently the Directorate employs the services of consultants to provide expert advice. The latest intelligence indicates that the gross budget is likely to be underspent by £275k. Whilst journey numbers exceeded the budget in the first two quarters, there is a noticeable reduction in passes in issue, probably as a result of the increased fee, which it is anticipated will translate into lower journey numbers in the final two quarters.

The increase in the cost to individual pupils has been reflected in the Directorate's budget as an annual saving requirement of £1m, however only a part year effect was built into the 2011-12 budget, as the price increase did not take effect until the start of the new academic year in September, with a £500k saving budgeted for the current year. Income is forecast to be £655k this year, giving a £155k surplus. Although the number of passes in circulation is below the budgeted level, in reality most passes are purchased at the start of the academic year in September with only a small proportion (less than 2%) purchased in the period April – August, i.e in the next financial year, so the part year effect of the saving in 2011-12 will be far greater than the 50% assumed in the budget, and is likely to be nearer 98%. However, the forecast income of £655k, is appreciably below 98% of £1m (£980k), because the reduction in the number of passes in circulation is greater than anticipated. If this trend continues and journey numbers do not reduce as anticipated, then there could be a potential impact on the achievability of the £1m saving in 2012-13 and beyond.

b. Sustainable Transport: Gross +£118k, Income -£185k, Net -£67k

The £118k pressure on the gross budget relates to the development of multi modal transport models that are developed to predict the transport impact of new developments. The income element mainly relates to contributions for the use of the Ashford Model (£148k). The reduction on both the gross and income budgets since last quarter's monitoring reflects work on the Thanet Model now planned for 2012-13.

1.1.3.5 **Waste Management:**

The budgeted waste tonnage for 2011-12 is 760,000 tonnes. Tonnage for the first nine months of this financial year combined with the experience of the last two financial years has allowed the Directorate to estimate that the final tonnage will be 40,000 tonnes less than the affordable level.

1.1.3.5.1 **Recycling & Diversion from Landfill**

a. Household Waste Recycling Centres: Gross -£7k, Income -£770k, Net -£777k

Additional income of £770k is predicted as a result of a new income stream of £120k from the sale of lead batteries which were previously collected at zero cost or for a small charge; and an additional £650k income from the sale of recyclables (eg scrap metal, textiles and paper/card) as markets remain buoyant and income above budgeted levels has been achieved.

b. Partnership & Behaviour Change: Gross -£179k, Income -£25k, Net -£204k

Following a review of activity in this area and a planned reduction in activity, an underspend of £179k is forecast for this financial year.

c. Payments to Waste Collection Authorities (DCs): Gross -£133k, Income Nil, Net -£133k

A gross underspend of £133k is forecast for this line due to a combination of reduced tonnage, approximately 8000 tonnes, for recycling credits paid to District Councils and additional enabling payments made to District Councils under Joint Waste arrangements. Reduced payments to the District Councils for Recycling Credits is anticipated to deliver an underspend of -£251k, whilst enabling payments add a pressure of +£118k to this budget line. This additional support payment enables the collection of weekly food waste and delivers gross disposal savings and improved performance.

d. Recycling Contracts & Composting: Gross -£382k, Income -£72k, Net -£454k

A combination of reduced waste tonnage, approximately 6,000 tonnes, for recycling and composting and improved contract prices are anticipated to deliver an underspend of £382k in this financial year. Approximately £120k is due to improved prices and £262k is due to reduced activity. In addition to this, £72k income is projected from the sale of recyclable material

1.1.3.5.2 Waste Disposal

a. Disposal Contracts: Gross -£4,300k, Income +£271k, Net -£4,029k

A gross underspend of £4,300k is forecast for this budget line due to reduced residual waste tonnage being processed at the Allington Waste to Energy Plant when compared to the budget profile. The final tonnage figure for processing waste via Allington is expected to be 57,000 tonnes less than budget, however it is forecast that an additional 31,000 tonnes of waste will be sent to landfill due to the planned routine maintenance at the plant being extended. This underspend is partially offset by £271k reduction in income compared to budget due to the cessation of trade recharge for the co-collection of trade waste with domestic household waste by the Waste Collection Authorities. The disposal cost for trade waste has not been incurred by KCC and this forms part of the gross underspend.

b. Landfill Tax: Gross +£1,733k, Income Nil, Net +£1,733k

A pressure of £1,733k is forecast due to extended planned routine maintenance at the Allington Waste to Energy Plant during this financial year, when it was necessary to divert a greater tonnage than anticipated to landfill; approximately a further 31,000 tonnes will be landfilled than planned. This overspend is more than offset by disposal savings in 1.1.3.5.2(a) above.

c. Transfer Stations: Gross +£132k, Income Nil, Net +£132k

A gross pressure of £132k is anticipated as a result of:

- a pressure on the capital project at the North Farm Transfer Station due to the removal of unforeseen contaminated land during the construction phase, this capital pressure of £526k is being funded from revenue.
- Additional maintenance at Church Marshes Transfer Station is anticipated to cost a further £230k.
- a £624k saving is due to reduced waste tonnage, managed through the Transfer Stations, when compared to the budget.

1.1.3.6 Commercial Services: Income -£150k, Net -£150k

A shortfall in contribution of £150k has arisen due to the inability to absorb the impact of Total Contribution Pay (TCP) in 2011-12.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER
(shading denotes that a pressure has an offsetting saving, which is directly related, or vice versa)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
EHW	Waste: Landfill Tax - diversion of waste to landfill due to extended planned routine maintenance at Allington Waste to Energy Plant.	+1,733	EHW	Waste: Disposal Contracts - reduction in total residual waste volumes managed (including domestic and co-collected trade waste) and lower than budgeted residual waste tonnage processed through Allington WtE due to extended planned routine maintenance at the plant.	-4,300
EHW	Highways: General Maintenance & Emergency Response - Revenue contribution to capital to bring forward urgent road repairs and streetlight column replacement.	+1,205	EHW	Highways: General Maintenance & Emergency Response - Robust monitoring during a transitional year which included a major staff restructure and a change in the contractor for maintenance contracts has identified an underspend that can be released for capital works.	-1,205
EHW	Highways: Adverse Weather - Estimated additional cost of response to February snow emergency.	+700	EHW	Transport: Concessionary Fares - Successful negotiations with major bus operators have resulted in an agreement to settle appeals at a lower level than the original claims.	-918
EHW	Waste: Transfer Stations - revenue contribution to capital for the overspend on the improvements to North Farm TS for unforeseen removal of contaminated land.	+526	EHW	Highways: Road Safety - Additional income arising from speed awareness courses.	-864
EHW	Highways: Road Safety - Additional costs arising from increased participation in speed awareness courses.	+490	EHW	Waste: Household Waste Recycling Centres - Additional income from the sale of various recyclable materials	-650
EHW	Highways: General Maintenance & Emergency Response - Includes an element of 'Signs, Lines and Bollards' expenditure.	+302	EHW	Waste: Transfer Stations - lower than budgeted waste tonnage.	-624
EHW	Waste: Disposal Contracts - Reduction in trade waste recharge (income) from Waste Collection Authorities as result of Districts ceasing the co-collection of trade waste with domestic household waste.	+271	EHW	Transport: Concessionary Fares - Journey numbers are forecast to be lower than budgeted.	-361
EHW	Waste: Transfer Stations - operational need for additional planned maintenance at Church Marshes TS	+230	EHW	Highways: Signs, Lines & Bollards - Significant proportion of expenditure now charged directly to other budget lines.	-302
EHW	Strategic Management & Directorate Support Budgets - Directorate funded redundancy payments arising from the Highways restructure.	+229	EHW	Transport: Freedom Pass - Anticipated reduction in journey numbers.	-275

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
EHW	Highways: Adverse Weather - additional costs associated with managing adverse weather situations including salt bins & plough maintenance	+217	EHW	Waste: Recycling Contracts & Composting - lower than budgeted waste tonnage.	-262
EHW	Planning Applications - Reduction in income from internal planning applications resulting from a reduction in schools devolved formula capital budgets.	+205	EHW	Highways: Traffic Management - Successful recovery of S74 fees from works promoters (utility companies).	-253
EHW	Commercial Services: reduced contribution as unable to absorb Total Contribution Pay.	+150	EHW	Waste: Payments to Waste Collection Authorities (DC's) - lower than budgeted waste tonnage for Recycling Credit payments to WCA's and reduced payments under Third Party Recycling Credit scheme.	-251
EHW	Highways - Highway Improvements - Temporary staffing costs to deal with Member Highway Fund initiatives.	+135	EHW	Highways: Traffic Management - Permit Scheme income.	-244
EHW	Waste: Payments to Waste Collection Authorities (DCs) - additional enabling payments made to Districts under Joint Waste Arrangements.	+118	EHW	Highways: Signs, Lines & Bollards - General reduction in revenue works.	-180
EHW	Sustainable Transport - Cost of multi modal transport models offset by underspend arising from income.	+118	EHW	Waste: Partnership & Behaviour Change - underspends achieved in this area following a review of budgeted activity.	-179
			EHW	Planning Applications - Staff vacancies and reduced activity cost commensurate with reduction in schools planning applications.	-155
			EHW	Transport: Freedom Pass - Additional income from fee increase.	-155
			EHW	Sustainable Transport - Income from Ashford multi modal transport models offsetting pressure.	-148
			EHW	Highways: Adverse Weather - fewer than budgeted salting runs.	-131
			EHW	Waste: Recycling Contracts & Composting - Improved contract prices.	-120
			EHW	Waste: Household Waste Recycling Centres - New income stream from sale of lead acid batteries.	-120
			EHW	Highways: Signs, Lines & Bollards - Planned revenue to capital transfer no longer required.	-100
		+6,629			-11,797

1.1.4 Actions required to achieve this position:

None

1.1.5 Implications for MTFP:

Waste have reviewed the trends of recent years in respect of waste tonnage and disposal costs and have incorporated savings commensurate with that data in the 2012-15 MTFP. However, there is no guarantee that tonnage will continue to reduce so any future variations will need to be considered as part of the ongoing monitoring process.

The successful negotiation with the major bus operators in respect of Concessionary Fares has also been reflected in the 2012-15 MTFP.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 Details of proposals for residual variance:

The most significant element of the Directorate's forecast underspend arises from Waste Management. This is directly related to tonnage and whilst the forecast reflects the previous year's experience and tonnage data to date, it must be treated with an element of caution. The Directorate has a direct influence over the disposal and recycling of waste, but limited control over the amount of waste that is put into the system. Any surge in waste tonnage above the current forecast outturn of 720,000 tonnes will impact the financial outturn of the Directorate and the forecast underspend reported in this report. It must be noted that previous years underspend on Waste Management was negated by additional costs arising in Highways as a result of hard winters and this could be repeated in 2011-12. At the time of writing the Division has successfully managed a snow/ice emergency and contained the costs within Highways and Transportation. If there were a serious deterioration in weather conditions, this would undoubtedly impact the bottom line.

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

The capital cash limits have been adjusted to reflect the position in the 2012-15 MTFP as agreed by County Council on 9 February 2012, any further adjustments are detailed in section 4.1.

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position excluding PFI projects.

	Prev Yrs Exp £m	2011-12 £m	2012-13 £m	2013-14 £m	Future Yrs £m	TOTAL £m
Enterprise & Environment Portfolio						
Budget	188.298	100.805	59.424	62.859	340.869	752.255
Adjustments:						
Highways Major Maintenance		0.005				0.005
Integrated Transport Schemes		0.214				0.214
Energy and Water Efficiency Investment Fund-Virement to BSP&HR		-0.113				-0.113
Energy Usage Reduction Programme-Virement to BSP&HR		-0.485				-0.485
Ashford Ring Road		0.100				0.100
Revised Budget	188.298	100.526	59.424	62.859	340.869	751.976
Variance		-2.033	3.116	0.091	1.048	2.222
split:						
- real variance		1.509	0.397	0.184	0.132	2.222
- re-phasing		-3.542	2.719	-0.093	0.916	
Real Variance		1.509	0.397	0.184	0.132	2.222
Re-phasing		-3.542	2.719	-0.093	0.916	

1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2011-12 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- Projects at preliminary stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the preliminary stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme £m	Approval to Spend £m	Approval to Plan £m	Preliminary Stage £m
Overspends/Projects ahead of schedule						
EHW	Highways Major Maintenance	real	1.239			
			1.239	0.000	0.000	0.000
Underspends/Projects behind schedule						
EHW	Land & compensation Part 1	phasing	-0.964			
EHW	East Kent Access Phase 2	phasing		-0.703		
EHW	HWRC - Ashford Transfer Station	phasing		-0.585		
EHW	Member Highway Fund	phasing	-0.369			
EHW	Sittingbourne Northern Relief Road	phasing		-0.285		
			-1.333	-1.573	0.000	0.000
			-0.094	-1.573	0.000	0.000

1.2.4 Projects re-phasing by over £1m:

None

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of +£2.222m (+£1.509m in 2011-12, +£0.397m in 2012-13, +£0.184m in 2013-14 and +£0.132m in future years)

Preliminary Design Fees: -£0.144m (in 2011-12): As reported to Cabinet on 9 January 2012 there has been limited preliminary design work carried out this year and an underspend of £0.120m was earmarked to fund the cost of repairs to Westwood Road and Victoria Way in Broadstairs following an unexpected collapse of the road surface. It is proposed that the remaining fund of £0.024m is used to fund an overspend on the A2 Slip Road Scheme which is the result of a marginal increase in landscaping costs.

Highway Maintenance: +£1.239m (in 2011-12): The net overspend is due to the following:

- On 25 January 2012, Cabinet agreed a revenue to capital transfer of £1.2m to fund urgent road repairs and street lighting column replacement. As a general rule we do not change cash limits for non budgeted revenue contributions.
- There is a £0.139m overspend to be met from a £0.120m underspend detailed above and a £0.019m underspend on Small Community Projects where funding was made available in 2010-11 to compensate for payments made from the mainstream Highways programme in previous years.
- A £0.100m revenue contribution had been intended for signing and lining. However a combination of lower than anticipated volumes of work and rechargeable work has meant the funding is no longer required.

Household Waste Recycling Centre/Transfer Station – North Farm: +£0.224m (in 2011-12): Expenditure has increased due to further unforeseen contaminated waste which must be removed. The increased cost will be met from a revenue contribution.

Sittingbourne Northern Relief Road: +£0.363m (+£0.104m in 2011-12, +£0.021m in 2012-13, +£0.137m in 2013-14 and +£0.101m in future years): The cost of this scheme has increase due to a higher tender price for landscaping works, some residual site supervision in future years and final contract cost being marginally higher on completion than estimated. The additional costs will be funded by S106 contributions.

Cyclopark: +£0.352m (+£0.150m in 2011-12 and +£0.202m in 2012-13): additional facilities including a workshop have been added to the project. The additional work is to be met from a £0.150m contribution from Sport England and the balance from other external contributions and a revenue contribution.

Energy and Water Efficiency Fund: +£0.252m (+£0.174m in 2012-13, +£0.047 in 2013-14 and +£0.031m in 2014-15): The increase reflects future years expenditure which will be funded from revenue repayments of investments agreed earlier in the scheme.

Overall this leaves a residual balance of -£0.064m on a number of more minor projects.

1.2.6 **General Overview of capital programme:**

(a) Risks

Most of the major projects completed construction and opened to traffic in Q3 with only East Kent Access Phase 2 in the final stages of construction leading to an anticipated completion in May 2012. The residual risks are therefore mainly commercial risks associated with the contract final accounts and remaining risks associated with CPO land acquisition and Land Compensation Act Part 1 (LCA) claims.

(b) Details of action being taken to alleviate risks

- Maintenance and regular review of costs risk registers
- Support from independent cost consultants to validate claims and minimise exposure
- Negotiation with partner agencies to secure reimbursement for KCC
- Negotiation with the Department for Transport regarding funding future risk from approved allocations
- Agreement with the Homes and Communities Agency and Ashford Borough Council to utilise surplus GAF funding

1.2.7 **Project Re-Phasing**

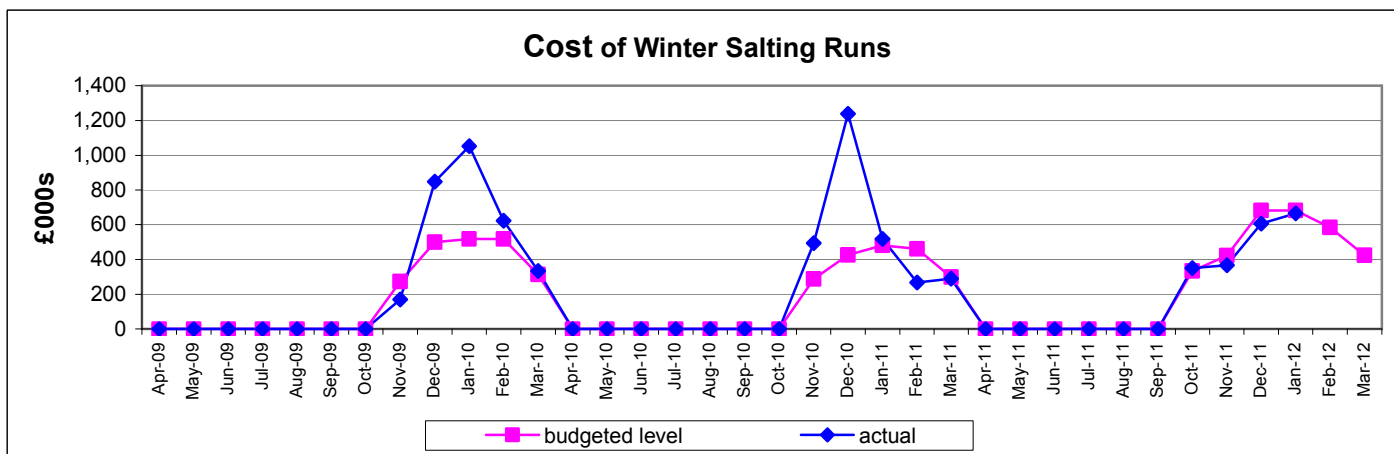
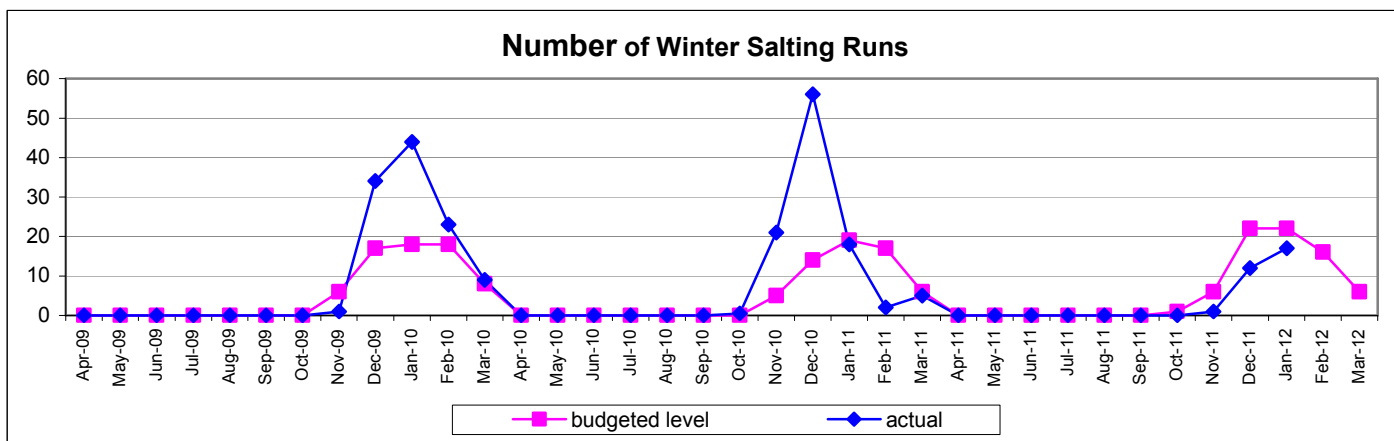
Cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m will be reported and the full extent of the re-phasing will be shown. The possible re-phasing is detailed in the table below.

	2011-12	2012-13	2013-14	Future Years	Total
	£m	£m	£m	£m	£m
Highways Major Maintenance					
Amended total cash limits	30.986	31.797	30.516	87.299	180.598
re-phasing	-0.211	0.211	0.000	0.000	0.000
Revised project phasing	30.775	32.008	30.516	87.299	180.598
Member Highway Fund					
Amended total cash limits	2.200	2.200	2.200	2.200	8.800
re-phasing	-0.369	0.369	0.000	0.000	0.000
Revised project phasing	1.831	2.569	2.200	2.200	8.800
Integrated Transport Scheme					
Amended total cash limits	4.068	4.616	2.824	9.174	20.682
re-phasing	-0.246	0.246	0.000	0.000	0.000
Revised project phasing	3.822	4.862	2.824	9.174	20.682
Non TSG Land, Compensation Claims					
Amended total cash limits	1.782	1.380	0.321	0.300	3.783
re-phasing	-0.964	1.135	-0.099	-0.072	0.000
Revised project phasing	0.818	2.515	0.222	0.228	3.783
HWRC - Ashford Transfer Station (Approval to Spend)					
Amended total cash limits	0.750	0.000	0.000	0.000	0.750
re-phasing	-0.585	0.585	0.000	0.000	0.000
Revised project phasing	0.165	0.585	0.000	0.000	0.750
HWRC - Ashford Transfer Station (Approval to Plan)					
Amended total cash limits	0.100	4.150	0.000	0.000	4.250
re-phasing	-0.100	0.100	0.000	0.000	0.000
Revised project phasing	0.000	4.250	0.000	0.000	4.250
Sittingbourne Northern Relief Road					
Amended total cash limits	7.032	0.216	1.211	1.210	9.669
re-phasing	-0.285	0.270	0.015		0.000
Revised project phasing	6.747	0.486	1.226	1.210	9.669
East Kent Access Phase 2					
Amended total cash limits	27.346	2.133	0.544	2.000	32.023
re-phasing	-0.703	-0.276	-0.009	0.988	0.000
Revised project phasing	26.643	1.857	0.535	2.988	32.023
Total re-phasing >£100k	-3.463	2.640	-0.093	0.916	0.000
Other re-phased Projects below £100k	-0.079	0.079	0.000	0.000	0.000
TOTAL RE-PHASING	-3.542	2.719	-0.093	0.916	0.000

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs:

	2009-10				2010-11				2011-12			
	Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs	
	Actual	Budgeted Level	Actual £000s	Budgeted Level £000s	Actual	Budgeted Level	Actual £000s	Budgeted Level £000s	Actual	Budgeted level	Actual £000s	Budgeted Level £000s
April	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	0.5	-	6	-	0	1	351	335
November	1	6	171	273	21	5	494	288	1	6	368	423
December	34	17	847	499	56	14	1,238	427	12	22	607	682
January	44	18	1,052	519	18	19	519	482	17	22	665	682
February	23	18	622	519	2	17	268	461		16		584
March	9	8	335	315	5	6	291	299		6		425
TOTAL	111	67	3,027	2,125	102.5	61	2,816	1,957	30	73	1,991	3,131

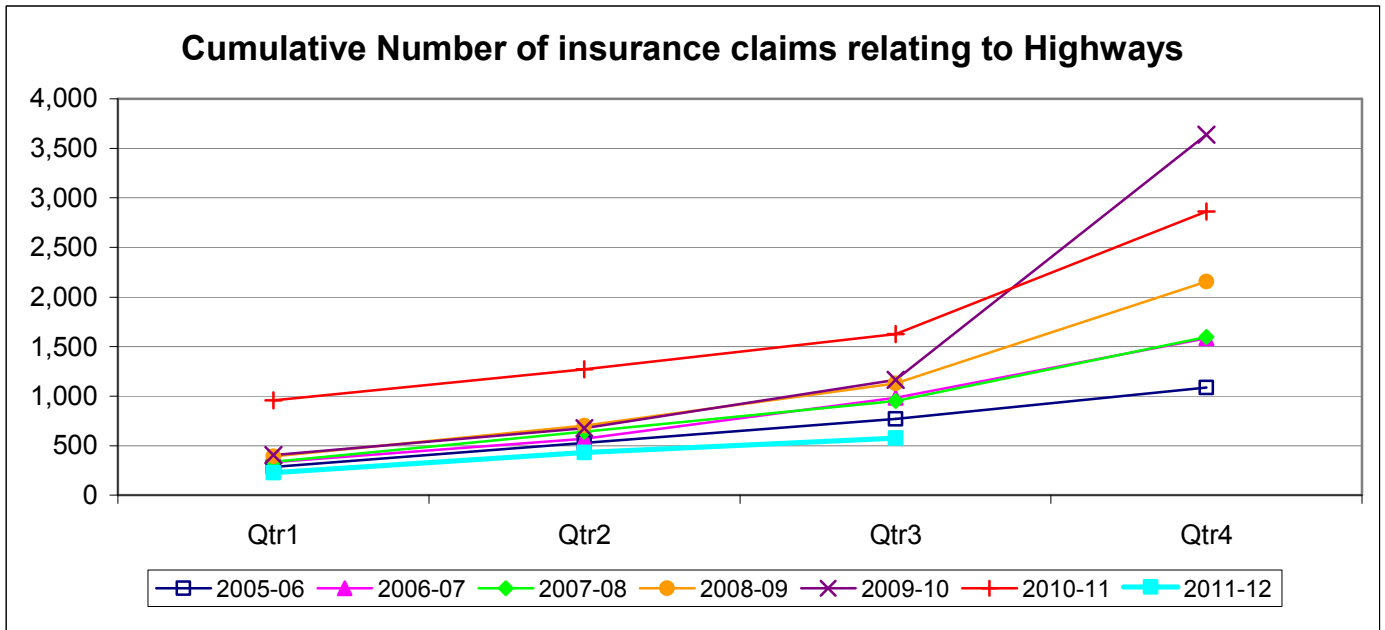


Comment:

- Under the Ringway contract, local and specific overheads and depot charges were dealt with separately and were consequently excluded, whereas the new Enterprise contract is for an all inclusive price so these costs are now included, hence the increase in the budgeted cost in 2011-12 compared to previous years.
- Due to the generally mild winter, salting runs are currently below the budgeted level and as a result a forecast underspend of £131k is reported in section 1.1.3.2a.

2.2 Number of insurance claims arising related to Highways:

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	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
April-June	286	335	337	393	405	956	229
July-Sept	530	570	640	704	677	1,269	431
Oct-Dec	771	982	950	1,128	1,165	1,625	578
Jan- Mar	1,087	1,581	1,595	2,155	3,639	2,863	

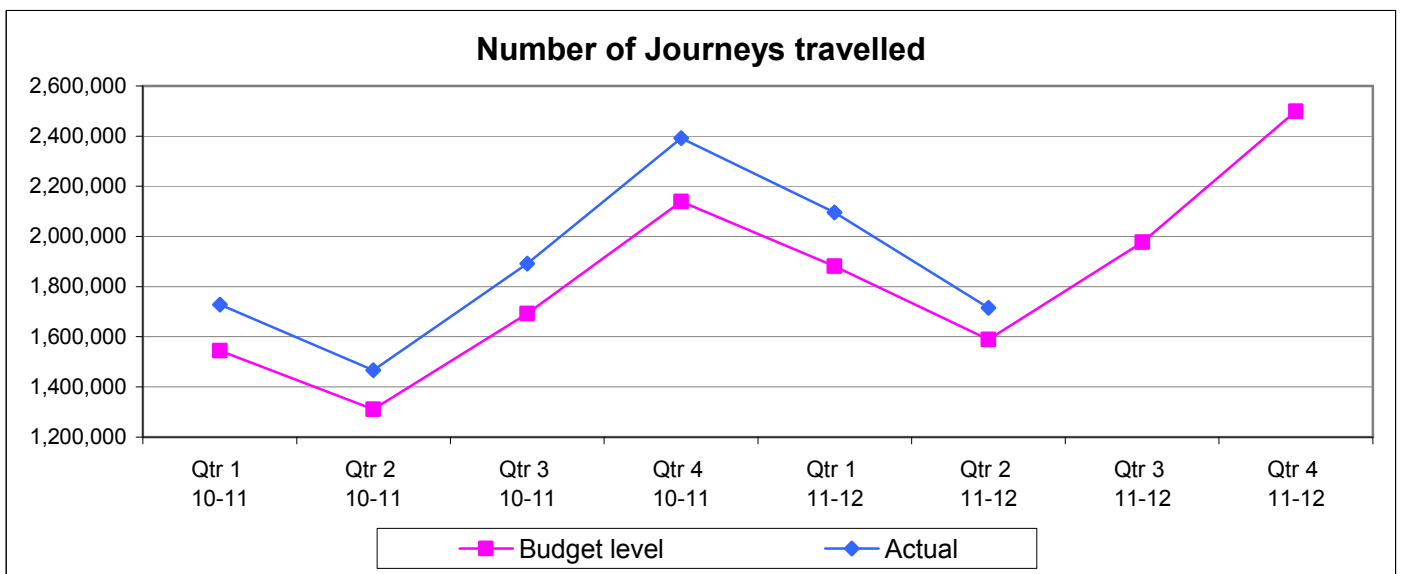
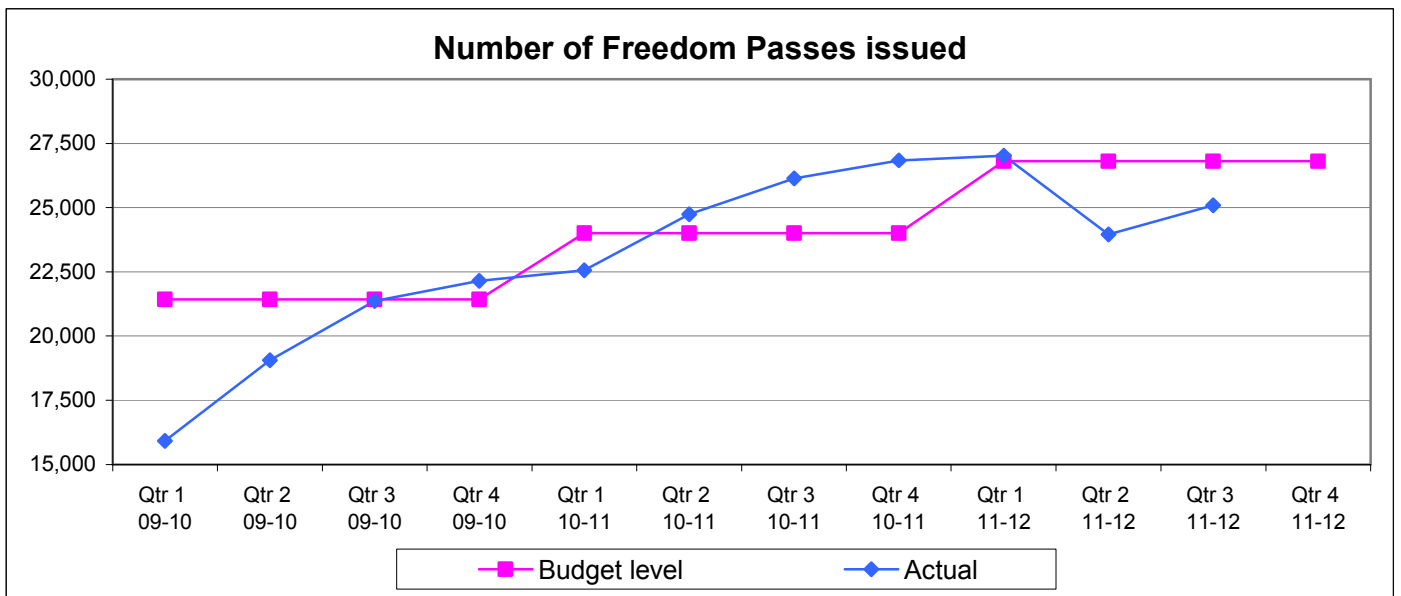


Comments:

- Numbers of claims will continually change as new claims are received relating to accidents occurring in previous quarters. Claimants have 3 years to pursue an injury claim and 6 years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 24 January 2012.
- Claims were high in each of the last three years largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. These claim numbers are likely to increase further as more claims are received for incidents which occurred during the period of the bad weather.
- The Insurance section continues to work closely with Highways to try to reduce the number of successful claims and currently the Authority is managing to achieve a rejection rate on 2011-12 claims where it is considered that we do not have any liability, of about 86%.
- Claims are lower in the current year than in recent years. This could be due to many factors including a milder winter, an improved state of the highway following the find and fix programmes of repair and an increased rejection rate on claims. Also, it is likely that these claim numbers will increase as new claims are received relating to accidents occurring in previous quarters as explained in the first bullet point above.

2.3 Freedom Pass - Number of Passes in circulation and Journeys travelled:

	2009-10				2010-11				2011-12			
	Passes		Journeys travelled		Passes		Journeys travelled		Passes		Journeys travelled	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Qtr 1 April - June	21,434	15,923			24,000	22,565	1,544,389	1,726,884	26,800	27,031	1,882,098	2,095,980
Qtr 2 July - Sept	21,434	19,060			24,000	24,736	1,310,776	1,465,666	26,800	23,952	1,588,616	1,714,315
Qtr 3 Oct - Dec	21,434	21,369			24,000	26,136	1,691,828	1,891,746	26,800	25,092	1,976,884	
Qtr 4 Jan - Mar	21,434	22,157			24,000	26,836	2,139,053	2,391,818	26,800		2,499,462	
							6,686,046	7,476,114			7,947,060	3,810,295



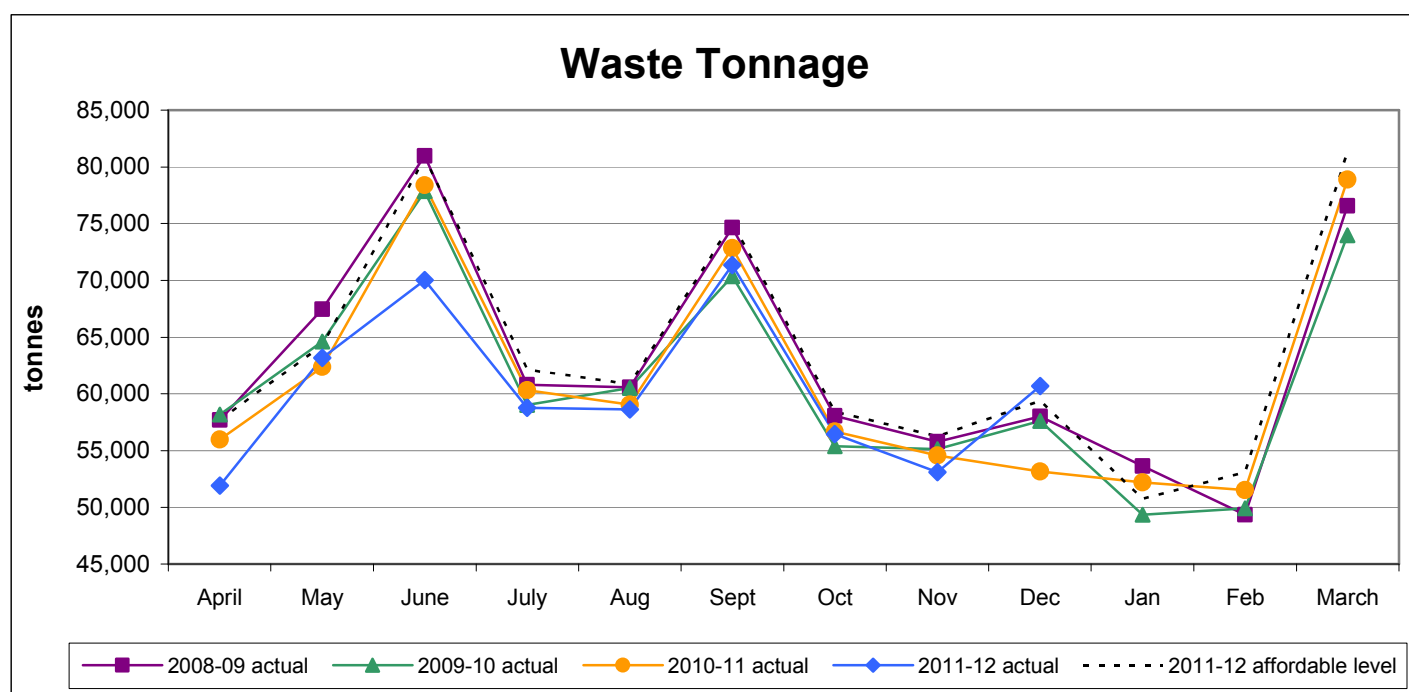
Comments:

- The figures above for journeys travelled represent the number of passenger journeys which directly or indirectly give rise to reimbursement to the bus operator under the Kent Freedom Pass scheme. It was anticipated that the increase in the cost of the pass from £50 to £100 this year will limit the increases in demand that have been experienced since the introduction of the pass and this is reflected in the number of passes in circulation at the end of quarter 2 and quarter 3. However, the number of journeys may not change in line with pass numbers as those students who are more likely not to take up a pass because of the increased cost, will be those travelling the least number of journeys, whilst those who do continue to take out the pass may increase journeys to gain maximum value from the pass. However, it is currently anticipated that the lower number of passes in circulation will translate into fewer journeys in the final two quarters of the year and as a result, an underspend is currently forecast against the Freedom Pass budget as reported in section 1.1.3.4b.
- The above figures do not include journeys travelled relating to home to school transport as these costs are met from the Education, Learning & Skills portfolio budget and not from the Kent Freedom Pass budget.
- The actual journey numbers travelled in quarter 3 is not yet available as the bus operators are paid on projected numbers and this is reconciled to actual journeys based on claims later on. This data is expected to be available for the outturn report.
- Comparable figures for 2009-10 journeys travelled are not available because the scheme was still being rolled out and was changing radically year on year and we do not have the data in order to split out the home to school transport journeys.

2.4 Waste Tonnage:

	2008-09	2009-10	2010-11	2011-12	
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Waste Tonnage *	Affordable Level
April	57,688	58,164	55,975	51,918	57,687
May	67,452	64,618	62,354	63,184	64,261
June	80,970	77,842	78,375	70,022	80,772
July	60,802	59,012	60,310	58,753	62,154
August	60,575	60,522	59,042	58,623	60,847
September	74,642	70,367	72,831	71,337	75,058
October	58,060	55,401	56,690	56,449	58,423
November	55,789	55,138	54,576	53,118	56,246
December	58,012	57,615	53,151	60,669	59,378
January	53,628	49,368	52,211		50,766
February	49,376	49,930	51,517		53,093
March	76,551	73,959	78,902		81,315
TOTAL	753,545	731,936	735,934	544,073	760,000

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



Comments:

- These waste tonnage figures include residual waste processed either through Allington Waste to Energy plant or landfill, recycled waste and composting.
- To date, the cumulative total amount of waste managed for the first three quarters is approximately 31,000 tonnes less than the affordable level stated above.
- The period April to December 2011 shows a 1.67% reduction in tonnage when compared to the corresponding period for the last financial year.
- The current year end forecast for 2011-12 in section 1.1.3.5 of this annex assumes waste volumes will be around 720,000 tonnes. This equates to a reduction of 2.17% when compared to the corresponding total for the last financial year. Any movement, up or down, will impact on the savings forecast in section 1.1.3.5.

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By : Bryan Sweetland, Cabinet Member for Environment, Highways and Waste
Mike Austerberry, Corporate Director for Enterprise & Environment

To: Environment, Highways and Waste Policy Overview and Scrutiny Committee – 14 March 2012

Subject: KCC Quarterly Performance Report, Quarter 3, 2011/12 including mid year Business Plan monitoring

Classification: Unrestricted

Summary

The purpose of the Quarterly Performance Report is to inform Members about key areas of performance for the authority.

Members are also asked to NOTE the report.

Introduction

1. The full KCC Quarterly Performance Report for Quarter 3, 2011/12 is to be presented to Cabinet on 19 March 2012.
2. There are 30 Key Performance Indicators (KPIs) included in the Performance Report and a range of other key management information including complaints, consultations, a financial summary and staffing data.
3. A summary of overall KCC performance for Quarter 3 with the detailed Environment, Highways and Waste elements is attached in Appendix 1.
4. This process contributes to the management of the overall performance of the authority and the reports are published on the external web site as part of KCC's transparency agenda.

Quarter 3 Performance Report

5. There are six KPIs included in the Quarterly Performance Report which are relevant to Environment, Highways and Waste and all of these there are rated as Green.

Recommendations

6. Members are asked to NOTE this report.

Contact officer:

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Performance Manager
Business Strategy
Tel 01622 221985
Email: richard.fitzgerald@kent.gov.uk

KCC Quarterly Performance Report Quarter 3, 2011/12

March 2012



Foreword

Welcome to Kent County Council's Quarterly Performance Report for Quarter three of financial year 2011/12.

Within this report you will find information on our Key Performance Indicators (KPIs) and a range of other essential management information. This report should be read in conjunction with our financial monitoring report which includes information on service demand levels and related key activity indicators.

The council is committed to delivering its strategic objectives as outlined in our medium term plan **Bold Steps for Kent** and the suite of underlying strategies underpinning our Framework for Regeneration, 'Unlocking Kent's Potential'.

At the heart of Bold Steps for Kent are our three ambitions:

- To Help the Economy Grow
- To Tackle Disadvantage
- To Put the Citizen In Control

We are working in very challenging times, with significantly less funding from central government and increased demand for services. The need for a new approach to public services has never been more urgent given the pressures on public finance and the changes in the way that people want their services to be delivered. KCC must radically rethink its approach to the design and delivery of services whilst ensuring Kent remains one of the most attractive places to live and work. Our Bold Steps priorities will help us achieve this.

We hope you find this report useful and we welcome any feedback on how we can improve it.

Key to RAG (Red/Amber/Green) ratings applied to KPIs

GREEN	Target has been achieved or exceeded
AMBER	Performance is behind target but within acceptable limits
RED	Performance is significantly behind target and is below an acceptable pre-defined minimum *
↑	Performance has improved relative to targets set
↓	Performance has worsened relative to targets set

* In future, when annual business plan targets are set, we will also publish the minimum acceptable level of performance for each indicator which will cause the KPI to be assessed as Red when performance falls below this threshold.

Performance Assurance Team (PAT)

PAT's role is to consider and challenge the action plans for improving performance, including addressing constraints and barriers and to provide additional reassurances to elected members that the action plans and the information included within this report are robust.

PAT meets monthly and is chaired by the Deputy Managing Director. Membership includes a nominated director from each directorate. It also includes two non-executive directors (NEDs) who are staff from the grass roots of the organisation. This ensures PAT has cross-organisation membership from all levels to provide a 'whole organisation' approach to improvement.

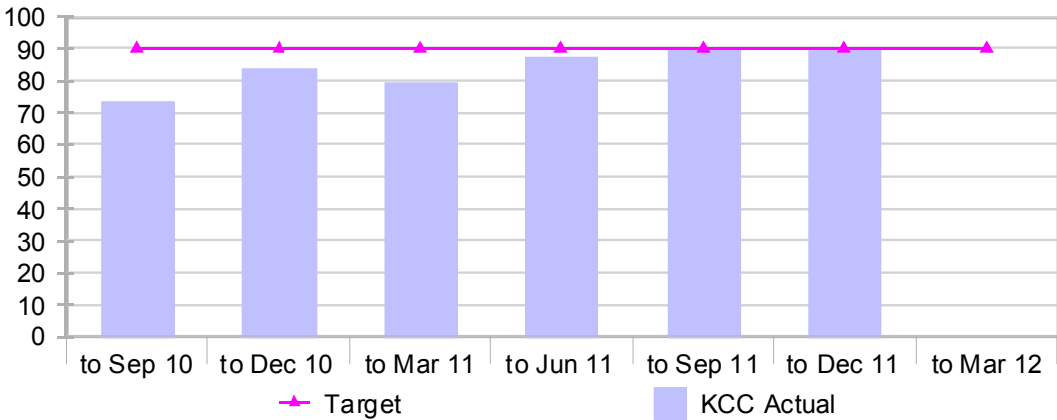
Data quality note

All data included in this report for current financial year are provisional unaudited data and are categorised as management information. All results may be subject to later change.

Summary of Performance for our KPIs

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel
Number of children's social care cases not allocated to a social worker for over 28 days	Children's Social Care	28	Green	Green	↓
Number of initial assessments in progress and out of timescale	Children's Social Care	29	Green	Green	↑
Number of children looked after per 10,000 children aged under 18	Children's Social Care	30	Red	Red	↓
Percentage of children leaving care who are adopted	Children's Social Care	32	Red	Red	↓
Number of children subject to a child protection plan per 10,000 children aged under 18	Children's Social Care	34	Amber	Red	↑
Percentage of establishment caseholding posts filled by qualified social workers	Children's Social Care	36	Amber	Amber	↑
Percentage of children subject to a child protection plan for two or more years	Children's Social Care	38	Red	Red	↑
Percentage of pupils achieving level 4 and above in both English and Maths at Key Stage 2	Education	40	Amber	Red	↑
Percentage of pupils achieving 5+ A*-C grades at Key Stage 4 including GCSE English and Maths	Education	42	Amber	Amber	↑
Attainment gap for children with Free School Meals at Key Stage 4 including GCSE English and Maths	Education	44	Red	Red	↑
Number of schools in category (special measures or with notice to improve)	Education	46	Red	Red	↑
Number of starts on Kent Success Apprenticeship scheme	Skills	48	Green	Green	↓
Number of starts in Kent on the National Apprenticeship Scheme	Skills	50	Green	Green	↑
Percentage of pupils permanently excluded from school	Young People	52	Amber	Amber	↔

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel
Percentage 16 to18 year-olds not in education, employment or training	Young People	54	Red	Amber	↓
Number of first time entrants to youth justice system	Young People	56	Green	Green	↑
Number of gross jobs created in Kent and Medway through inward investment	Economic Support	58	Green	Amber	↑
Percentage of adult social care clients who receive a personal budget and/or a direct payment	Adult Social Care	60	Green	Green	↑
Number of adult social care clients receiving a telecare service	Adult Social Care	62	Green	Green	↑
Number of adult social care clients provided with an enablement service	Adult Social Care	64	Amber	Amber	↑
Percentage of adult social care assessments completed within six weeks	Adult Social Care	66	Green	Green	↔
Percentage of clients satisfied that desired outcomes have been achieved at their first review	Adult Social Care	68	Green	Green	↑
Percentage of routine highway repairs completed within 28 days	Highways	70	Green	Green	↔
Average number of days to repair potholes	Highways	72	Green	Green	↑
Percentage of satisfied callers for Kent Highways 100 call back survey	Highways	74	Green	Green	↓
Percentage of municipal waste recycled or converted to energy and not taken to landfill	Waste Management	76	Green	Amber	↑
Kg of residual household waste collected per household	Waste Management	78	Green	Green	↑
Percentage of waste recycled and composted at Household Waste Recycling Centres	Waste Management	80	Green	Green	↑
Percentage of phone calls to KCC Contact Centre answered within 20 seconds	Customer Services	82	Amber	Red	↑
Number of visits to KCC web site	Customer Services	84	Amber	Amber	↑

Percentage of routine highway repairs completed within 28 days				Green ↔			
Bold Steps Priority/Core Service Area	Highways		Bold Steps Ambition	N/a			
Cabinet Member	Bryan Sweetland		Director	John Burr			
Portfolio	Environment, Highways and Waste		Division	Highways and Transportation			
				<p>Data Notes. Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC IT system (WAMS)</p> <p>Data is reported as percentage achieved for each individual quarter. No comparative data is currently available for this indicator. The indicator includes requests for repairs made by the public but not those identified by highway inspectors.</p>			
Trend Data – results by quarter		Previous Year			Current Year		
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	74%	84%	79%	87%	90%	90%	
Target	90%	90%	90%	90%	90%	90%	90%
Rag Rating	Red	Amber	Red	Amber	Green	Green	
Service requests	12,600	15,000	20,600	12,600	16,400	16,000	
Commentary							
<p>We have worked hard to achieve our target again this quarter and are continuing to make the most of the mild weather to clear the remaining backlog of enquiries extending beyond the 28 day target. It is interesting to compare performance to the end of the previous year (2010) when we had 524 enquiries over 60 days and 312 over 28 days old (those that should have been done in 28 days). We now have 31 enquiries over 60 days and 366 over 28 days. So, in summary, we have successfully focussed on the really old enquiries but an increase in demand around trees (in the heavy storms just before Christmas), drains and streetlights has kept the number slipping over 28 days at a similar level to last year (hence the "seasonal" element to the reactive work).</p>							

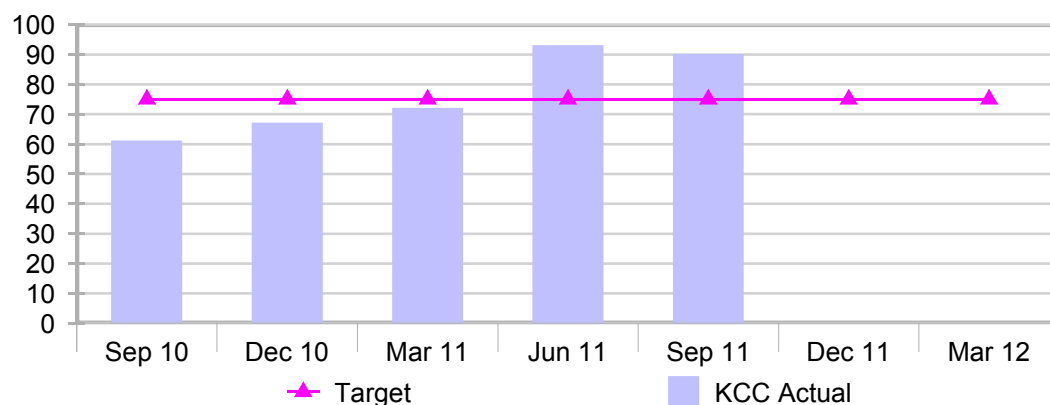
Percentage of routine highway repairs completed within 28 days	Green ↔
<p>The mild weather has continued into January and we have achieved a 90% result again.</p>	
<p>What actions are we taking to improve performance (and drivers of performance)</p>	
<p>We are continuing to share resources across traditional team boundaries to help clear the backlog in the busier Districts. We are also using the performance indicators within the new contract with Enterprise to hold them to account and drive learning and improvements.</p> <p>Staff are applying their contract training well, making sure works orders are timely and accurate.</p>	
<p>Risks and mitigating actions</p>	
<p>The level of risk posed by the change of contract and related works ordering procedures to the speed of completing routine repairs is reducing significantly as staff become more familiar with the new procedures through training, mentoring and practice.</p> <p>The key risk remains being able to cope with increasing demand, if we do have a prolonged cold spell like last year. As mentioned in the last quarterly report, we have planned mitigation measures and have trained additional resources that can be brought in from other teams to cope with peaks in demand.</p>	

Average number of days to repair potholes				Green ↑			
Bold Steps Priority/Core Service Area	Highways		Bold Steps Ambition	N/a			
Cabinet Member	Bryan Sweetland		Director	John Burr			
Portfolio	Environment, Highways and Waste		Division	Highways and Transportation			
				<p>Data Notes. Tolerance: Lower values are better Unit of measure: Days. Data Source: KCC IT systems (WAMS)</p> <p>Data is reported as percentage achieved for each individual quarter. No comparative data is currently available for this indicator. The indicator looks at both requests for pothole repairs made by the public and those identified by highway stewards and inspectors.</p>			
Trend Data – quarterly results	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	61.4	36.6	29.5	24.4	18.6	16.8	
Target	28	28	28	28	28	28	28
Rag Rating	Red	Red	Amber	Green	Green	Green	
Service requests	7,180	4,350	8,640	5,130	2,820	1,335	
Commentary							
<p>Performance has continued to improve and the level of demand has decreased to all time lows for this time of year. The reduced demand is a combined result of the increased investment in recent years through the Find & Fix and surface dressing programmes and the mild weather conditions. It is interesting to note the fall in demand when compared to the same period last year: October 2010 = 582 Contact Centre potholes calls. October 2011 = 349 Contact Centre potholes calls November 2010 = 630 Contact Centre potholes calls. November 2011 = 376 Contact Centre potholes calls December 2010 = 616 Contact Centre potholes calls. December 2011 = 421 Contact Centre potholes calls</p> <p>For January it's taken an average of 15 days to repair a pothole.</p>							

Average number of days to repair potholes	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>As previously mentioned, the new contract with Enterprise offers a more robust performance mechanism with financial penalties if the contractor does not meet agreed service standards. We are holding Enterprise to account through their performance measures and have emphasised that pothole repairs are a top service priority.</p> <p>Weekly depot meetings between KCC and Enterprise staff continue to be held and weekly performance is monitored to ensure continual improvement.</p> <p>Staff are applying their training well, making sure works orders are timely, accurate and completed first time to required standards.</p>	
Risks and mitigating actions	
<p>The key risk remains being able to cope with increasing demand, if we do have a prolonged cold spell like last year. As mentioned in the last quarterly report, we have planned mitigation measures and have trained additional resources that can be brought in from other teams to cope with peaks in demand.</p>	

Percentage of satisfied callers for Kent Highways 100 call back survey Green ↓

Bold Steps Priority/Core Service Area	Highways	Bold Steps Ambition	N/a
Cabinet Member	Bryan Sweetland	Director	John Burr
Portfolio	Environment, Highways and Waste	Division	Highways and Transportation



Data Notes.

Tolerance: High values are better
 Unit of measure: Percentage
 Data Source: Contact Centre telephone survey

Data is reported as the percentage achieved for each individual quarter.
 No comparative data is available for this indicator.
 100 customers are asked each month:
 'Overall were you satisfied with the response you received from Highways?'

Trend Data – quarterly results	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	61%	67%	72%	93%	90%	86%	
Target	75%	75%	75%	75%	75%	75%	75%
Rag Rating	Red	Red	Amber	Green	Green	Green	

Commentary

Every month, 100 customers who have previously logged a highway enquiry with KCC are called back and asked “Overall were you satisfied with the response you received from Highways”? Over the last three months feedback from the 100 call backs has continued to show positive results although there has been a slight dip in the last quarter as demand on services has increased and we handle more enquires, particularly with drainage and street lighting. We have changed to a planned scheduled cleaning approach for gullies and it has taken a little time to explain this to customers and some have been unhappy with this approach. For January, 95% of customers are satisfied with our performance.

Percentage of satisfied callers for Kent Highways 100 call back survey	Green ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>The new Highway Management Centre (HMC) at our Aylesford Depot is now the focal point for all day to day operational activity on the highway, including handling any highway incidents such as responses to emergency situations or the Police. If customer calls cannot be answered by the KCC Contact Centre, routine repair enquiries are handled by the HMC who either place a work order direct to Enterprise (if the fault is clear and enough information is available to safely deploy a repair crew) or assign the incident to a Steward (to assess the fault on site and raise the repair work order). By working closely with the Contact Centre we are seeking to improve end to end customer satisfaction with our service.</p> <p>We are improving information on the KCC website to ensure that expectations are better managed and customers are clear on the levels of service we can deliver within the available budgets. Over the coming month, this may lead to a dip in customer satisfaction with some services as these changes take place and we adapt to the available budgets for 2012/13. For example, the recent change to planned gully cleansing (with schedules published on the website) as opposed to reactive response cleansing has led to some customer concerns. By moving to schedules the crews are able to cleanse more gullies per day and unless the reported gully is causing flooding to property or creating a highway hazard, the planned cleansing date may be more than our usual 28 day standard.</p>	
Risks and mitigating actions	
<p>To date, apart from the odd few days of blustery or rainy weather, the winter weather has not been too severe. If the winter weather conditions worsen we will see an increase in customer enquiry demand and this will place extra pressure on our repair crews and staff. We are however able to track inbound enquires on a daily basis so can give an early warning to teams of the likely pressure and plan our resources accordingly.</p>	

Percentage of municipal waste recycled or converted to energy and not taken to landfill							Green ↑
Bold Steps Priority/Core Service Area	Waste Management			Bold Steps Ambition	N/a		
Cabinet Member	Bryan Sweetland			Director/Head of Service	Caroline Arnold		
Portfolio	Environment, Highways and Waste			Division	Waste Management		
				<p>Data Notes.</p> <p>Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month totals.</p> <p>Municipal waste is the total waste collected by the local authority and includes household waste, street cleansing and beach waste.</p>			
Trend Data – rolling 12 month totals		Previous Years			Current Year		
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	54.5%	69.8%	70.4%	70.8%	71.7%	74.9%	
Target			71.5%	71.4%	71.8%	72.0%	72.2%
South East	54.5%	62.1%	67.3%				
Rag Rating	Amber	Green	Amber	Amber	Amber	Green	
Total Tonnage Managed	760,000	735,000	739,000	727,000	726,000	727,000	
Commentary							
<p>The percentage of Kent's waste being diverted away from landfill continues to increase annually and is on track to deliver the current year target by March 2012, through improvements to how household waste is being managed via Kent's infrastructure.</p> <p>In the year to March 2011 the national figure was 56.6% and for the south east it was 67.3%. Kent had achieved national upper quartile for this indicator in the year to March 2011 and currently continues to maintain this position.</p>							

Percentage of municipal waste recycled or converted to energy and not taken to landfill	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Plans are in place to improve the capture of recyclables and organic waste from the residual waste stream through joint working with the district councils. This will be achieved by increasing the number of materials collected through new kerbside collection contracts e.g. weekly collection of food waste already introduced in Maidstone, Dover and Shepway areas.</p> <p>A review of the composition of the residual waste streams being managed through the network of household waste recycling centres is being undertaken towards the end of 2011/12 to identify opportunities for the diversion of additional materials. into either the recycling stream or to be used for energy recovery.</p> <p>A step change in performance will be delivered when residual waste from Canterbury City Council is diverted away from landfill and used to create energy at the Allington Waste to Energy Plant. This change will happen from January 2013 and will result in less than 15% of Kent's municipal waste being sent to landfill.</p>	
Risks and mitigating actions	
<p>New kerbside collection services may not deliver the improvement in recycling that is expected. This risk can be managed by engaging with the residents when introducing new services, and through contract management of the Waste Collection Contractor.</p> <p>Unforeseen operational circumstances at KCC's waste transfer stations and household waste recycling centres, along with the reprocessing plants operating at a lower than contracted capacity could reduce performance. Performance levels and operational activity are kept under regular review so that appropriate and swift action can be taken should such events occur.</p> <p>The service provided by the network of household waste recycling centres are currently under review, and any changes resulting from this review could impact on the overall performance of the network.</p>	

Kg of residual household waste per household							Green ↑
Bold Steps Priority/Core Service Area	Deliver the Environment Strategy		Bold Steps Ambition	N/a			
Cabinet Member	Bryan Sweetland		Director/Head of Service	Caroline Arnold			
Portfolio	Environment, Highways and Waste		Division	Waste Management			
				<p>Data Notes. Tolerance: Lower values are better Unit of measure: Kg per household Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month total.</p> <p>Residual waste is waste which is neither reused or recycled. e.g. waste which is taken to landfill or which is incinerated.</p>			
Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	699	673	666	648	641	633	
Target			669	658	658	658	658
South East	684	644	624				
Rag Rating	Amber	Amber	Green	Green	Green	Green	
Commentary							
<p>The amount of residual household waste per household being managed throughout Kent continues to fall due to improved recycling rates being delivered and because overall volumes of waste being produced by residents continues to reduce. Recycling improvements include the introduction of weekly food waste collections by district councils along with improvements in the amount of waste being captured through other kerbside recycling services.</p> <p>The national result was 601 kg for 2010/11 and for the South East region 624kg was achieved, compared to a Kent result of 666kg.</p>							

Kg of residual household waste per household	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>This indicator will continue to improve this year and over the next few years as new services enhancing the kerbside collection of recyclable materials (e.g. paper/card, and cans/glass/plastics) and organics for composting (including separately collected weekly food waste) are rolled out by district councils. Shepway and Dover District Councils have completed their roll out of new recycling services in 2011, and. Canterbury and Thanet plan to roll out new services from 2013/14 as part of the East Kent Joint Waste Collection and Processing Contract which commenced in January 2011.</p> <p>Plans for improving the capture of recyclables and organic waste from kerbside collections in the three Mid Kent districts (Ashford, Maidstone and Swale) are progressing through a procurement process.</p> <p>Other opportunities will be explored with the remaining district councils to improve the performance of collection services, along with improving recycling performance at KCC's network of household waste recycling centres.</p>	
Risks and mitigating actions	
<p>The planned level of diversion and capture from the residual waste stream into the recycling and organic waste streams does not materialise as planned, therefore reducing overall performance.</p> <p>District councils fail to procure new collection services and fail to roll out new services as planned, however this risk is being managed by Inter-Authority Agreements between KCC and the districts, where all parties seek to work jointly to deliver improved performance and implement the most cost effective collection and disposal solutions.</p>	

Percentage of waste recycled and composted at Household Waste Recycling Centres							Green ↑																								
Bold Steps Priority/Core Service Area	Waste Management			Bold Steps Ambition	N/a																										
Cabinet Member	Bryan Sweetland			Director/Head of Service	Caroline Arnold																										
Portfolio	Environment, Highways and Waste			Division	Waste Management																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Mar 09</td> <td>65.7</td> <td>-</td> </tr> <tr> <td>Mar 10</td> <td>68.9</td> <td>-</td> </tr> <tr> <td>Mar 11</td> <td>69.9</td> <td>70.0</td> </tr> <tr> <td>Jun 11</td> <td>70.3</td> <td>70.2</td> </tr> <tr> <td>Sep 11</td> <td>70.7</td> <td>70.4</td> </tr> <tr> <td>Dec 11</td> <td>71.3</td> <td>70.5</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>70.6</td> </tr> </tbody> </table>				Period	KCC Actual (%)	Target (%)	Mar 09	65.7	-	Mar 10	68.9	-	Mar 11	69.9	70.0	Jun 11	70.3	70.2	Sep 11	70.7	70.4	Dec 11	71.3	70.5	Mar 12	-	70.6	<p>Data Notes. Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month total.</p> <p>No comparator data for other local authorities is currently available for this indicator.</p>			
Period	KCC Actual (%)	Target (%)																													
Mar 09	65.7	-																													
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Target			69.7%	70.2%	70.4%	70.5%	70.6%																								
Rag Rating			Green	Green	Green	Green																									
Tonnage handled	127,000	131,000	135,000	134,000	133,000	137,000																									
Commentary																															
<p>For the first nine months of 2011/12 approximately 73% of the waste received by our household waste recycling centres was recycled or composted. However performance is highly seasonal so the 12 month totals are shown above and this shows a result of 71.3% for the 12 months ending December 2011. The year end forecast is for performance to achieve target.</p> <p>In May this year a new household waste recycling centre was opened at New Romney . Performance is over 75% for the new site.</p>																															

Percentage of waste recycled and composted at Household Waste Recycling Centres	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Further improvements are planned at household waste recycling centres (HWRCs) to make them easier for the public to use, and to ensure the quantity and quality of recycled material is maximised.</p> <p>To identify opportunities for the diversion of additional materials away from landfill or being processed via the waste to energy plant at reduced cost, a review of the composition of the residual waste streams being managed through the network of household waste recycling centres will be undertaken towards the end of 2011/12 to identify opportunities for the diversion of additional materials.</p>	
Risks and mitigating actions	
<p>The services provided by the network of household waste recycling centres are currently under review. Any changes resulting from this review could impact on the overall performance of the network. The impact of any service changes will be monitored.</p>	

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