



AGENDA

CABINET

Monday, 19th September, 2011, at 10.00 am
Darent Room, Sessions House, County Hall, Maidstone

Ask for: **Karen Mannering / Geoff Mills**
Telephone: **(01622) 694367/ 694289**

Tea/Coffee will be available 15 minutes before the meeting.

Webcasting Notice

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UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Introduction/Webcasting
2. Declaration of Interests by Members in Items on the Agenda for this meeting
3. Minutes of the Meeting held on 18 July 2011 (1 - 6)
4. Revenue & Capital Budgets, Key Activity and Risk Monitoring 2011-12 (7 - 136)
5. Quarterly Performance Report, Quarter 1, 2011/12 (137 - 218)
6. Charging Policy for Home Care and other Non-residential Services (Domiciliary Charging Policy) (219 - 286)
7. Review of the Kent Children's Trust Board (287 - 322)
8. Children's Services Improvement Plan - Quarterly Update (323 - 330)
9. Kent PCT Funding for Social Care, Improving Health Outcomes (331 - 342)
10. Children's Services Improvement Panel - Minutes of 22 June 2011 and 13 July 2011 (343 - 350)
11. Follow up Items and Decisions from Cabinet Scrutiny Committee - 25 July 2011 (351 - 354)
12. Other items which the Chairman decides are relevant or urgent

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Katherine Kerswell
Managing Director
Friday, 9 September 2011

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

KENT COUNTY COUNCIL

CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 18 July 2011.

PRESENT: Mr P B Carter (Chairman), Mr A J King, MBE, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mrs S V Hohler, Mr K G Lynes, Mr J D Simmonds, Mr B J Sweetland Mrs J Whittle

IN ATTENDANCE: Ms K Kerswell (Managing Director), Mr M Austerberry (Corporate Director, Environment, Highways and Waste), Mrs A Beer (Corporate Director of Human Resources), Mr D Cockburn (Corporate Director of Business and Support), Ms A Honey (Corporate Director, Customer and Communities), Mr M Newsam (Interim Corporate Director of Families and Social Care), Ms M Peachey (Kent Director Of Public Health), Mr A Roberts (Interim Corporate Director Education Learning and Skills), Mr G Wild (Director of Governance and Law) Mr A Wood (Acting Corporate Director of Finance and Procurement)

UNRESTRICTED ITEMS**The Open Golf Championship 2011 - Sandwich and the Kent County Show**

Before the commencement of business Mr Carter placed on record his thanks on behalf of the County Council to all those from KCC and its partners who had done so much to make the Open Golf Championship held in Sandwich such a success, which in turn had positively promoted the county of Kent on the national and international stage. Mr Carter also placed on record his thanks to those members of staff who had helped with the County Council's stand at the Kent County Show.

49. Minutes of the Meeting held on 20 June 2011

(Item 3)

Resolved that the Minutes of the meeting held on 20 June 2011 be agreed and signed by the Chairman as a true record.

50. Revenue & Capital Budget Monitoring Exception Report 2011-12

(Item 4– report by Mr John Simmonds– Cabinet Member for Finance and Business Support and Mr Andy Wood, Acting Corporate Director, Finance and Procurement)

(1) This was the first exception report for 2011-12 and the first report for the new KCC structure. The budget was currently being re-cast to reflect the new portfolio structure and this would be reported in the first full monitoring report to Cabinet in September. The overspend quoted in the report was not unusual, and similar if not larger overspends had appeared at this stage in previous years.

(2) Mr Simmonds said the report identified a number of significant pressures that would need to be managed during the year if the Council was to have a balanced

revenue position by year end. However the report made clear the commitment of Cabinet and Corporate Management Team to deliver a balanced budget by year end. Mr Simmonds also said that although there would be challenges to be addressed beyond this financial year, a firm focus had to be retained on delivering the 2011/12 budget.

(3) Mr Carter said the forecasts in the report showed the vast majority of the £95m savings were on track to be delivered and therefore it was pleasing to note that the first quarter outturn figures were showing such good progress. Mr Carter also said that the County Council had received from the Home Office some £500k towards its asylum costs and another £800k was the subject of further discussions. Mr Wood said that whilst the Adult Services budget was showing a reasonable balance, strong management action would be needed in order to contain the pressures on the budget for Children Services. There would be an update on Directorate management action plans to Cabinet at its meeting in September.

(4) Cabinet Resolved that:

(a) the initial forecast revenue and capital budget monitoring position for 2011-12 be noted;

(b) agreement be given to the uncommitted balance of £2.128m from the 2010-11 under spend being drawn down from the Economic Downturn reserve and allocated to the Families and Social Care Directorate; and,

(c) agreement be given to £0.534m of savings on the Children's Centres and Early Years Programme being used to meet the pressures of £0.484m on BSF Wave 3 Unit Costs and £0.050m on Transforming Short breaks for Families with Disabled Children.

51. 'Bold Steps for Kent' Delivery Framework

(Item 5– Report by Paul Carter, Leader of the Council and Katherine Kerswell, Managing Director)

(1) This report presented the final draft of the 'Bold Steps for Kent' delivery framework for consideration by Cabinet prior to its submission to the County Council for approval at its meeting on 21 July 2011.

(2) Cabinet resolved to:

(a) note the arrangements for developing the delivery framework for 'Bold Steps for Kent'. and

(b) recommend the final draft of the delivery framework for 'Bold Steps for Kent' to the County Council for approval at its meeting on 21 July 2011.

52. ICS Programme Update and Strategy

(Item 6– Report by Jenny Whittle, Cabinet Member for Specialist Children's Services, Roger Gough, Cabinet Member for Business Strategy, Performance & Health Reform and Peter Bole, Director of Information and Communication Technology)

(1) Mrs Whittle said that following assessment by OfSTED areas for improvement were identified related to the Integrated Children's System ("ICS") in use by the Council and partner organisations. The Council has therefore initiated a wide-ranging programme of activity to address the concerns raised in the OfSTED report and also now to take on board the recommendations in the Monroe Report. The procurement of this updated technology was therefore a top priority and demonstrated the County Council's ongoing commitment to the improvement of Children's Services.

(2) Cabinet resolved to endorse the overall ICS Programme and Strategy as detailed in the Cabinet report so that the programme could continue to deliver against the immediate needs of Children's Services. Also now having put in place a framework for the sustainable delivery of ongoing changes to the ICT system, practice and policies in use by Children's Service, Cabinet further resolved that a process should now be commenced for the procurement and implementation of a suitable long-term ICT solution.

53. Joint Commissioning of Integrated Community Child and Adolescence Mental Health Services

(Item 7)

(Mr B Sweetland made a personal declaration of interest in that he is a non executive Director of Kent Community Health NHS Trust).

(Report by Jenny Whittle, Cabinet Member for Specialist Children's Services and Malcolm Newsam, Interim Corporate Director, Families and Social Care)

(1) Mrs Whittle said this report sought the agreement of Cabinet to proceed with the joint commissioning of emotional wellbeing and CAMHS (Child and Adult Mental Health Services) services with the Kent and Medway Primary Care Trusts (PCTs) and Medway Council. The report also sought agreement to Kent's contribution to the Integrated Community CAMHS continuing at the full amount of the current CAMHS grant i.e. £2.4 million. The PCTs currently spend £14m and therefore the total amount available is some £16.4m. Mrs Whittle said the proposed partnership reflected best practice and in commending this report to Cabinet she placed on record her thanks to officers for their part in developing this initiative. Mr Gibbens spoke of the importance of getting the right support for these young people in their transition from children to adult services. Ms Peachey spoke of the importance of working with partners in order to achieve getting waiting times down below 18 weeks. Mr Carter spoke of the links between the Performance Management Framework and 'Bold Steps for Kent,' and the need for the ongoing monitoring of targets and relevant bench marking so that time lines are reduced both in the short and medium term.

(2) Cabinet resolved:

- (a) to note the contents of the report and agreed the

joint commissioning with the Kent and Medway Primary Care Trusts (PCTs) of an Integrated Community Child and Adolescence Mental Health Service (CAMHS);

(b) to approve in principle the alignment of the Kent County CAMHS funding and a Partnership Agreement with the PCT for the provision and delivery of CAMHS

(c) to confirm and agree the level of KCCs contribution to the integrated CAMHS should be at the level of the current CAMHS grant of £2.4 m.

(d) to agree as already notified in the Forward Plan to proceed to the procurement stage, in line with the proposed timetable detailed in the Cabinet report.

54. Kent Youth Service - Commissioning Model Public Consultation

(Item 8 - Report by Mike Hill, Cabinet Member for Customer and Communities and Amanda Honey, Managing Director, Customer and Communities (Angela Slaven Director of Service Improvement and Nigel Baker, Head of Integrated Youth Services were present for this item)

(1) Mr Hill said this report provided details of a consultation exercise to be undertaken on proposals for the transformation of the Kent Youth Service. He said the proposed changes were not budget driven but did present an opportunity to reform and revitalise the service in the light of current best practice. Mr Hill said although there would be more local delivery through partnership arrangements the Council would retain a robust in house delivery team which would be able to provide expertise and support as these changes progressed. The Council would also retain responsibility for the delivery for schemes such as the Duke of Edinburgh Award, outdoor centres and youth participation. Mr Hill said the consultation would be wide ranging and would naturally include young people, including those on the Youth County Council. Mr Hill said he was determined to see at the end of the process a better youth service for Kent which was matched to local needs.

(2) Mr Baker said the proposed model opened up opportunities for the local delivery of youth services based on the 'youth hub' model as described in the consultation document. The consultation would be wide ranging and starting from 1 August 2011 would last for 90 days. Following the consultation period there would need to be a Cabinet member decision on the way forward and it was envisaged any changes to the service would become operative from September 2012.

(3) During the course of discussion members of Cabinet raised a number of questions to which officers responded accordingly. Mrs Hohler spoke of the good work which was already going on between KCC with its District partners and others. Mr Lynes spoke of his support for the statement set out in paragraph 2(1) on page 57 of the consultation document and said some less affluent areas may need more support in helping them to provide a local service. He also spoke of the work already

under way in Tunbridge Wells to develop a youth hub and to employ a Community Youth Tutor. He also spoke of the development of a Tunbridge Wells Borough Detached Project. Members said they welcomed this consultation and the proposals for a commissioning model with local provision being matched to local needs.

(4) Cabinet resolved to endorse the commencement of a 90 day staff and public consultation on the proposals set out in the Cabinet report which contained the details for the transformation of Kent Youth Service from a directly delivered model to one combining commissioning and direct delivery. Following the consultation process, the Service Transformation Proposal would be reworked where required and would be followed by a Cabinet Member decision to proceed with the Service transformation and concurrent restructuring and tendering processes.

55. Preliminary Flood Risk Assessment for Kent

(Item 9– Report by Bryan Sweetland, Cabinet Member for Environment, Highways and Waste and Paul Crick, Director of Planning and Environment)(Mr Crick and Mr Max Tant, Flood Risk Manager; were present for this item.

(1) Mr Sweetland outlined the main points of this report and said up to seventy thousand homes in Kent could be at risk from some form of flooding. However the chance of flooding from a major storm was some 1:200 so although the risks were low this was nonetheless a matter which the County Council took very seriously. Mr Tant said the Preliminary Flood Risk Assessment for Kent summarised past flood events and future flooding potential from surface water groundwater and ordinary watercourses in Kent. This was different from the responsibilities of the Environment Agency which was for the assessment of fluvial (main river) and Coastal Flooding.

(2) Cabinet resolved:

(a) to approve the submission of the Preliminary Flood Risk Assessment for Kent; and ,

(b) to note the flood risk in Kent that the Council now had a strategic duty to oversee.

56. Follow up Items and Decisions from Cabinet Scrutiny Committee - 27 June 2011

(Item 10– report by Mr Alex King – Deputy Leader and Mr Peter Sass - Head of Democratic Services)

The Chairman declared consideration of Appendix 2 to this report to be urgent as it was not available at the time of the despatch of the main agenda because there was insufficient time following the last meeting of the Cabinet Scrutiny Committee for the Cabinet Member responses to be formulated and agreed.

Resolved that the comments and actions detailed in the report be noted.

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REPORT TO: CABINET – 19 SEPTEMBER 2011

SUBJECT: REVENUE AND CAPITAL BUDGETS, KEY ACTIVITY AND RISK MONITORING 2011-12

BY: JOHN SIMMONDS – CABINET MEMBER FOR FINANCE & BUSINESS SUPPORT
ANDY WOOD – ACTING CORPORATE DIRECTOR OF FINANCE & PROCUREMENT
CORPORATE DIRECTORS

SUMMARY:

Members are asked to:

- note the latest monitoring position on the revenue and capital budgets,
 - agree the changes to revenue cash limits within the ASC&PH & SCS portfolios to reflect realignment of budgets in line with 2010-11 outturn and changing trends of service provision.
 - agree the changes to revenue cash limits within the EHW portfolio to reflect the restructure of KHS, revisions to waste contracts and realignment of budgets in light of the 2010-11 outturn.
 - note that residual pressures are currently forecast within the SCS & CCS&I portfolios and management action is forecast to be delivered within the F&BS, BSP&HR and Deputy Leader's portfolios.
 - note and agree the changes to the capital programme,
 - agree that £5.246m of re-phasing on the capital programme is moved from 2011-12 capital cash limits to future years
 - agree the £0.300m transfer of funding from Preliminary Design Fees for the Improvement to Maidstone High Street
 - agree the £0.274m transfer of funding from Broadmeadow Extension to Older Persons Strategy – Dorothy Lucy Centre
 - agree the £0.080m and £0.045m transfer of funding from Tunbridge Wells Respite Centre and Bower Mount respectively to the LD Good Day programme
 - note the latest financial health indicators and prudential indicators
 - note the directorate staffing levels as at the end of June.
 - note that we have not yet resolved the final split of Early Years' budgets between "standards and quality assurance in early years settings" (ELS portfolio) and "provision of early years and childcare" (SCS portfolio). As a transitional arrangement the entire budget is currently lodged in the SCS portfolio.
 - agree a virement of £0.307m from the underspending on the debt charges budget within the Finance & Business Support portfolio to the Contact Centre and Consumer Direct budget within the Communities, Customer Services and Improvement portfolio to meet the increase in contact centre call volumes.
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1. INTRODUCTION

- 1.1 This is the first full monitoring report to Cabinet for 2011-12. The A-Z budgets reflected within this report have been realigned from what was approved at County Council in February in order to reflect the new portfolio and new directorate structures to give a new starting point for the year.
- 1.2 The cash limits also reflect:
- a) realignment of the ASC&PH & SCS portfolio budgets. This is an annual realignment mainly to reflect the difference between the projected 31 March 2011 activity levels and unit costs at the time the 2011-12 budget was set and the actual activity as at 31 March 2011. Further details are included in section 1.1 of annex 2.

- b) realignment of the EH&W portfolio budgets to reflect the restructure of Kent Highways Services, revisions to waste contracts and realignment of gross and income levels in light of the 2010-11 outturn. Further details are provided in section 1.1 of annex 3.

1.3 The format of this report is:

- This summary report highlights only the most significant issues
- There are 6 reports, each one an annex to this summary, one for each directorate and one for Financing Items. Each of these reports is in a standard format for consistency, and each one is a stand-alone report for the relevant directorate.

1.4 **Headlines:**

1.4.1 **Revenue:**

- The latest forecast revenue position (excl Schools) before the implementation of management action is a pressure of £2.399m, which is a reduction of £2.510m since the July Cabinet report. Management action is currently expected to reduce this to a pressure of £1.733m, with residual pressures currently forecast within the Specialist Children's Services and Communities, Customer Services & Improvement portfolios. Management action plans are currently being worked on within the CCS&I portfolio and will be reported to Cabinet once they are complete. Robust monitoring arrangements are in place on a monthly basis to ensure that forecasts and expenditure are closely monitored and where necessary challenged and every effort will be made to balance the budget and avoid any overspend at year end.
- The Kent PCTs were allocated £16.226m for 2011-12 as part of the national allocation of 'Social Care Monies for Health Outcomes' for joint working with Local Authorities, the deployment of these monies is currently being finalised in consultation with the PCT Cluster and a separate report will be submitted to Members in relation to this. Therefore this monitoring report excludes any effect of this allocation.
- Within Specialist Children's Services there are significant demand led pressures together with pressures on staffing, mainly agency social workers, in response to the Ofsted inspection, totalling £8m (excluding Asylum). Within this, the activity levels for Fostering are a particular cause for concern as they are very high compared to the affordable level despite additional funding being provided in the 2011-13 MTP. This will need to be addressed in the 2011-14 MTP.
- There is a £0.8m pressure on the Asylum budget which is primarily due to the costs incurred in continuing to support young people over 18 years who are not eligible for funding under the UKBA's grant rules, mainly because they are Appeal Rights Exhausted or are naturalised but not able to claim benefits. Under the Leaving Care Act, we continue to have a duty of care to support these young people until the point of removal.
- Within Adult Social Care, pressures on nursing and residential care and direct payments, primarily for clients with a disability, are offset by savings on domiciliary care and day care. These pressures are likely to be as a result of medical advances enabling people to live with more complex needs.
- The savings on Home to School transport experienced in 2010-11 are continuing in 2011-12, with a saving of £1.2m forecast.
- Schools reserves are forecast to reduce by £5.748m this year as a result of 50 more schools converting to new style academy status, which allows them to take their reserves with them.
- The savings on the waste budgets experienced last year, mainly due to lower than budgeted waste tonnage, look set to continue in 2011-12, with a £2.1m saving forecast.
- Within the CCS&I portfolio pressures exist due to a 20% increase in call volumes experienced by the Contact Centre and a shortfall against savings targets within both the Contact Centre and Communications, Media Relations & Public Engagement. Management actions to offset these pressures are currently being considered. To enable the service to meet Contact Centre demand levels it is proposed that a virement of £0.307m is made from the underspend in the Debt Charges budget.
- Savings are being made on the debt charges budget largely as a result of the re-phasing of the capital programme in 2010-11 and no new borrowing being taken in the first quarter of 2011-12.

- We have recovered a further £1.147m in April and £0.745m in July from our principal investments in the collapsed Icelandic Banks, bringing our total recovery so far to £11.087m, which all relates to the UK registered Heritable Bank.

1.4.2 Capital:

- The latest forecast capital position is a variance of +£2.191m, -£5.288m on schemes which we are re-phasing and +£7.479m on schemes with a real variance. Of the +£7.479m, the majority is being met by external funding and revenue contributions.

2. OVERALL MONITORING POSITION (excluding PFI & budgets delegated to schools)

2.1 Revenue

The net projected variance against the combined portfolio revenue budgets is a pressure of £1.733m after management action. Section 3 of this report provides the detail, which is summarised in Table 1a below.

Table 1a – Portfolio position – net revenue position before and after management action

Portfolio	Budget	Gross Variance	Proposed Management Action	Net Variance
	£k	£k	£k	£k
Education, Learning & Skills	+56,629	-334	0	-334
Specialist Children's Services	+110,833	+8,778	0	+8,778
Adult Social Care & Public Health	+318,383	-195	0	-195
Environment, Highways & Waste	+149,116	-2,186	0	-2,186
Communities, Customer Services & Improvement	+89,926	+800	0	+800
Regeneration & Enterprise	+4,140	0	0	0
Finance & Business Support	+138,035	-4,352	-496	-4,848
Business Strategy, Performance & Health Reform	+47,713	-175	-107	-282
Deputy Leader	+7,155	+63	-63	0
TOTAL (excl Schools)	+921,930	+2,399	-666	+1,733
<i>Schools (ELS portfolio)</i>	0	+5,748	0	+5,748
<i>Schools (SCS portfolio)</i>	0	0		0
Schools (TOTAL)	0	+5,748	0	+5,748
TOTAL	+921,930	+8,147	-666	+7,481

2.2 Capital

This report reflects the current monitoring position against the revised programme, where a pressure of £7.479m and re-phasing of -£5.288m of expenditure into future years is forecast, giving a total variance in 2011-12 of +£2.191m. Further details are provided in section 4 of this report.

3. REVENUE

3.1 Virements/changes to budgets

3.1.1 Directorate cash limits have been adjusted to include:

- the roll forward from 2010-11 of £11.349m, as approved by Cabinet on 20 June 2011 and use of the uncommitted balance of the roll forward as approved by Cabinet on 18 July 2011.
- the inclusion of a number of 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set or adjustments to the level of grant allocation assumed in the budget following confirmation from the awarding bodies. These are detailed in Appendix 1.

3.1.2 In addition, a detailed exercise to realign budgets within the FSC directorate which affects the Adult Social Care & Public Health and Specialist Children's Services portfolios has been undertaken. At the time the budget was set, best estimates were used to distribute the demography, growth, savings and grant money provided in the 2011-13 MTP and to determine

gross expenditure and income levels, but a more accurate distribution is now reflected based on the 2010-11 outturn and continuing trends, including the changing trends in services through the modernisation of services and the move to more self directed support. Further details are provided in annex 2. **Cabinet is asked to agree these changes.**

3.1.3 A similar exercise has been undertaken within the E&E directorate affecting the EH&W portfolio budgets, which as well as reflecting changes as a result of the 2010-11 outturn and allocations of previously unallocated budgets, also reflects changes required following a major restructure of Kent Highways Services and revisions to waste contracts. Further details are provided in annex 3. **Cabinet is asked to agree these changes.**

3.1.4 All other changes to cash limits reported this quarter are considered “technical adjustments” i.e. where there is no change in policy, including allocation of grants and previously unallocated budgets and savings targets where further information regarding allocations and spending plans has become available since the budget setting process, and where adjustments have been necessary to better reflect the split of services across the A-Z budget headings.

3.2 Forecast Revenue Position before Management Action

3.2.1 **Table 1b** – Portfolio/Directorate position – gross revenue position **before** management action

Portfolio	Budget	Variance	Directorate					
			ELS	FSC	E&E	C&C	BSS	FI
	£k	£k	£k	£k	£k	£k	£k	£k
Education, Learning & Skills	+56,629	-334	-334					
Specialist Children's Services	+110,833	+8,778		+8,778				
Adult Social Care & Public Health	+318,383	-195		-195			0	
Environment, Highways & Waste	+149,116	-2,186			-2,186			
Communities, Customer Services & Improvement	+89,926	+800				+800	0	
Regeneration & Enterprise	+4,140	0			0		0	
Finance & Business Support	+138,035	-4,352					+496	-4,848
Business Strategy, Performance & Health Reform	+47,713	-175					-175	0
Deputy Leader	+7,155	+63					+63	0
SUB TOTAL (excl Schools)	+921,930	+2,399	-334	+8,583	-2,186	+800	+384	-4,848
<i>Schools (ELS portfolio)</i>	0	+5,748	+5,748					
<i>Schools (SCS portfolio)</i>	0	0	0					
Schools (TOTAL)	0	+5,748	+5,748					
TOTAL	+921,930	+8,147	+5,414	+8,583	-2,186	+800	+384	-4,848

3.2.2 **Table 1c** – Gross, Income, Net (GIN) position – revenue (**before** management action)

Portfolio	CASH LIMIT			VARIANCE		
	Gross	Income	Net	Gross	Income	Net
	£k	£k	£k	£k	£k	£k
Education, Learning & Skills	+176,225	-119,596	+56,629	+211	-545	-334
Specialist Children's Services	+177,032	-66,199	+110,833	+9,073	-295	+8,778
Adult Social Care & Public Health	+452,075	-133,692	+318,383	-2,423	+2,228	-195
Environment, Highways & Waste	+173,921	-24,805	+149,116	-2,076	-110	-2,186
Communities, Customer Services & Improvement	+147,626	-57,700	+89,926	+335	+465	+800
Regeneration & Enterprise	+5,726	-1,586	+4,140	0	0	0
Finance & Business Support	+157,046	-19,011	+138,035	-5,273	+921	-4,352
Business Strategy, Performance & Health Reform	+86,746	-39,033	+47,713	+2,167	-2,342	-175
Deputy Leader	+8,169	-1,014	+7,155	+68	-5	+63
SUB TOTAL (excl Schools)	+1,384,566	-462,636	+921,930	+2,082	+317	+2,399
<i>Schools (ELS portfolio)</i>	+948,442	-948,442	0	+5,748	0	+5,748
<i>Schools (SCS portfolio)</i>	+41,553	-41,553	0	0	0	0
Schools (TOTAL)	+989,995	-989,995	0	+5,748	0	+5,748
TOTAL	+2,374,561	-1,452,631	+921,930	+7,830	+317	+8,147

A reconciliation of the above gross and income cash limits to the approved budget is detailed in **Appendix 1**.

3.3 Table 2 below details all projected revenue variances over £100k, in size order (shading denotes that a pressure/saving has an offsetting entry which is directly related). Supporting detail to each of these projected variances is provided in individual Directorate reports as follows:

Annex 1 Education, Learning & Skills

incl. Education, Learning & Skills and elements of Specialist Children's Services portfolios

Annex 2 Families & Social Care

incl. Specialist Children's Services and Adult Social Care & Public Health portfolios

Annex 3 Enterprise & Environment

incl. Environment, Highways & Waste portfolio and elements of Regeneration & Enterprise portfolios

Annex 4 Customer & Communities

incl. Communities, Customer Services & Improvement portfolio

Annex 5 Business Strategy & Support

incl. elements of Adult Social Care & Public Health, Communities, Customer Services & Improvement, Regeneration & Enterprise, Finance & Business Support, Business Strategy, Performance & Health Reform and Deputy Leader's portfolios

Annex 6 Financing Items

Incl. elements of the Finance & Business Support, Business Strategy, Performance & Health Reform and Deputy Leader's portfolios

Table 2 - All Revenue Budget Variances over £100k in size order

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ELS	Schools Budgets (gross): estimated drawdown of reserves following 50 schools converting to academies	+5,748	F&BS	savings on debt charges & MRP due to re-phasing of capital programme in 10-11, together with no new borrowing in 11-12	-3,354
SCS	Assessment of Vulnerable Children - Additional staffing in response to Ofsted report	+2,206	ASCPH	Residential - OP Gross - Forecast activity lower than affordable level	-2,257
ASCPH	Residential - LD Gross - Activity higher than affordable level	+2,109	EHW	Disposal Contracts - lower then budgeted residual waste tonnage processed through Allington WtE	-2,079
SCS	Fostering Service - Gross - Non related in house activity higher than affordable	+1,654	F&BS	unexpected un-ringfenced grant for Extended Rights to Free Travel to be used to offset pressures across Authority	-1,546
BSPHR	ICT: Information Systems costs of additional pay as you go activity	+1,500	BSPHR	ICT: Information Systems income from additional pay as you go activity	-1,500
ASCPH	Residential - LD Gross - Unit cost higher than affordable level	+1,471	F&BS	drawdown from Insurance Reserve to cover pressure on the Insurance Fund	-1,450
F&BS	Pressure on the Insurance Fund due to increase in liability claims forecast to be paid & increase in provision for period of time claims	+1,450	ASCPH	Domiciliary - OP Gross - Unit cost lower than affordable	-1,200
ASCPH	Residential - PD Gross - Activity higher than affordable level	+1,277	ASCPH	Domiciliary - LD Gross - Forecast activity lower than affordable level	-1,167
SCS	Asylum - Gross - Increased numbers of Young People, many of which do not qualify for funding	+1,193	ELS	Mainstream home to school transport (gross): fewer children than budgeted level and contract renegotiation	-898
ASCPH	Direct payments - PD Gross - Forecast activity higher than affordable level	+1,173	ELS	Special school & hospital recoupment (income): more OLA pupils placed at Kent schools than budgeted level	-822
SCS	Fostering Service - Gross - Legal costs	+1,155	BSPHR	Legal income resulting from additional work (partially offset by increased costs)	-742
EHW	Landfill Tax - diversion of waste to landfill due to operational issues at Allington Waste to energy plant	+905	SCS	Other preventative Services - Gross - Uncommitted funds to offset other pressures	-727
ASCPH	Domiciliary - OP Income - Unit income lower than budgeted	+899	ASCPH	Residential - LD Income - Increased income from increased activity	-690

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
SCS	Children's Residential - Gross - Activity higher than affordable level	+896	ASCPH	Assessment of Vulnerable Adults - Gross - Vacancy Management	-650
SCS	Fostering Service - Gross - Independent fostering activity higher than affordable	+705	ASCPH	Nursing - OP Gross - Forecast activity lower than affordable level	-623
SCS	Children's Residential - Gross - Disability related activity greater than affordable	+587	ASCPH	Domiciliary - OP Gross - Forecast activity lower than affordable level	-614
ASCPH	Supported Accommodation - PD Gross - unit cost higher than affordable level	+559	SCS	Early Years & Childcare Advisory - Gross - Renegotiation of SLA with National Childminding Association	-600
ASCPH	Supported Accommodation - MH Gross - activity forecast higher than affordable level	+527	ASCPH	Residential - LD Income - Income per week higher than budgeted	-591
CCSI	Strat Mgmt & Directorate Support: shortfall against Communications & Engagement savings target to be mitigated by management action.	+500	ASCPH	Supported Accommodation - LD Income - unit income greater than budgeted	-495
ASCPH	Residential - OP Income - under recovery of income due to fewer clients in in-house provision related to OP Modernisation	+500	ASCPH	Supported Accommodation - LD Gross - Forecast activity lower than affordable level	-492
F&BS	Contribution to economic downturn reserve of 2011-12 write down of discount saving from 2008-09 debt restructuring	+487	F&BS	2011-12 write down of discount saving from 2008-09 debt restructuring	-487
BSPHR	Legal services cost of additional work (offset by increased income)	+461	ASCPH	Domiciliary - OP Gross - In house clients lower in number than afforded	-479
CCSI	Contact Centre: Increase in staffing required to meet call volume pressure.	+460	ASCPH	Direct payments - PD Gross - Unit cost lower than affordable	-463
ELS	ELS Strategic Management & Directorate support budgets (gross): legal savings target unlikely to be achieved	+444	ELS	SEN home to school transport (gross): fewer than budgeted children travelling and contract renegotiations	-439
SCS	16+ Service - Gross - Increased demand for P&V residential care	+428	ASCPH	Supported Accommodation - LD Gross - Unit cost lower than affordable	-421
SCS	Other preventative services - Gross - Increase in Section 17 payments due to Southwark Judgement	+415	SCS	Asylum - Income - Increased numbers of Young People, who are eligible for grant funding	-396
ASCPH	Residential - OP Income - reduced income due to reduced activity	+408	EHW	Recycling & Composting - lower then budgeted waste tonnage	-384
ASCPH	Direct payments - LD Income - Unit income lower than budgeted	+378	EHW	Transfer Stations - lower then budgeted waste tonnage	-356
SCS	Fostering Service - Gross - New Legislation regarding reward payments - Kinship Non LAC	+360	ASCPH	Assessment of Vulnerable Adults - Gross - Holding uncommitted funding to offset other FSC pressures	-350
ASCPH	Domiciliary - LD Gross - Unit cost higher than affordable level	+354	ASCPH	Domiciliary - OP Gross - Uncommitted funds to offset the pressure created by the delayed implementation of charging strategy	-347
ASCPH	Domiciliary - OP Income - Delayed implementation of charging strategy	+347	ASCPH	Direct payments - OP Gross - activity lower than affordable level	-324
ASCPH	Residential - OP Gross - Forecast unit cost higher than affordable level	+346	SCS	Children's Residential - Gross - Secure accommodation activity lower than afforded	-319
ELS	Attendance & Behaviour (gross): staffing pressure due to delay in directorate restructure	+325	ASCPH	Domiciliary - OP Gross - Savings on commissioning	-305
ASCPH	Supported Accommodation - LD Income - reduced income due to reduced activity	+312	CCSI	Kent Supported Employment: Staff vacancies anticipated to be held for the remainder of the year.	-278
ASCPH	Strategic Management & Directorate Support - Gross - Increase in staffing since budget set	+287	ELS	Attendance & Behaviour (income): PRU income from schools and academies	-273

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ELS	Governor Services (income): reduction in expected levels of income	+273	CCSI	Libraries: Planned reduction in spend on other running costs to mitigate additional KHLC moving costs	-240
ELS	Attendance & Behaviour (gross): PRUs additional staffing costs	+273	ASCPH	Domiciliary - PD Gross - Activity lower than affordable	-236
F&BS	Fin & Proc: Creation of the ERP Oracle Project team, and delay to restructure savings which transferred in from 'old' Directorate Finance Team in lieu of main restructure of the whole of the Finance Function.	+268	ELS	Governor Services (gross): reduction in spend to reflect reduced income	-224
SCS	Fostering Service - Gross - New Legislation regarding reward payments - Related Fostering	+260	CCSI	Contact Centre: one-off solutions to offset shortfall against savings targets	-214
SCS	16+ Service - Gross - High demand for Independent Fostering Allowances	+260	ASCPH	Strategic Management & Directorate Support - Income - Additional Income from a variety of sources, including health to offset staffing pressure	-213
ELS	Connexions (gross): cessation of grant from YPLA from 1 April but contract fixed until 31 August	+255	ASCPH	Contributions to Vol Orgs - Review of contracts & changes to commissioning	-210
CCSI	Communication & Engagement: A shortfall against the income target set at the time of building the budget.	+249	SCS	Children's Residential - Gross - Disability related unit cost lower than budgeted	-194
CCSI	Contact Centre: Shortfall against Kent Contact & Assessment Service (KCAS) saving	+246	SCS	Fostering Service - Gross - Average cost of Independent Fostering lower than budgeted	-189
ASCPH	Domiciliary - OP Income - reduced income due to reduced activity	+245	SCS	Other Preventative Services - Gross - Underspend on Family Liaison Teams	-181
ASCPH	Nursing - OP Income - reduced income due to reduced activity	+232	CCSI	Libraries: reduced staff costs arising from Radio Frequency Identification (RFID) self service implementation.	-177
ELS	School Improvement (income): Reduction in income for Interim Head Teachers placed in schools	+231	ASCPH	Direct payments - OP Gross - Unit cost lower than affordable level	-164
F&BS	HR: Schools Personnel Service under delivery of increased income target/loss of internal income.	+228	CCSI	Trading Standards: Reduced staff costs achieved through vacancy management & advancement of 2012-13 savings.	-162
SCS	Children's Residential - Income - Reduction in clients eligible for funding from Health or Education	+226	SCS	Children's Residential - Income - Disability related activity greater than affordable resulting in additional income	-158
SCS	Adoption Service - Gross - Increase in Special Guardianship Orders	+210	ASCPH	Supported Accommodation - PD Gross - activity lower than affordable	-150
ELS	ELS Strategic Management & Directorate support budgets (gross): Staffing overspends	+200	CCSI	Communications & Engagement: reduced staff costs achieved through vacancy management, maternity cover and reduced TSSEL call volume activity.	-143
ASCPH	Residential - MH Income - Under recovery in income expected because of S117 classification	+187	CCSI	Gateways: reduced spend on Third Party Payments to other local authorities, due to delayed opening of Gateways.	-134
ASCPH	Other Adult Services - Income - Reduction in income commensurate with the reduction in meals provided.	+180	ASCPH	Day Care - Gross - Reduction in Staffing levels	-134
ASCPH	Other Adult Services - Gross - growth in provision of OT equipment	+176	ASCPH	Residential - PD income - increased income as a result of increased activity	-134
ASCPH	Residential - PD income - unit income lower than budgeted	+175	ASCPH	Direct payments - MH Gross - activity lower than affordable level	-130

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CCSI	Consumer Direct: Reduced income from Trading Standards S.E. Ltd; income predicated on price per call and call volumes are down.	+173	ASCPH	Domiciliary - MH Gross - Forecast activity lower than affordable level	-130
SCS	Fostering Service - Gross - Kinship Non LAC activity higher than affordable level	+173	EHW	Recycling Contracts & Composting - improved contract prices	-126
ASCPH	Assessment of Vulnerable Adults - Income - Vacancy Management meaning less recharges to health	+170	ASCPH	Direct payments - LD Gross - Forecast activity lower than affordable	-125
ELS	Schools Cleaning and Refuse (income): under-recovery of expected income	+162	ELS	Learners with Additional Needs (gross): reduced expenditure for Specialist Teaching Services and Kent Portage	-118
SCS	Adoption Service - Gross - Adoption Team staffing	+159	ASCPH	Direct payments - PD Income - Unit income higher than the budgeted level	-115
ASCPH	Residential - MH Gross - Activity higher than affordable level	+153	EHW	Household Waste Recycling Centres - income from sale of lead batteries	-100
ELS	School Improvement (gross): Extended Services projects	+146	BSPHR	Legal Services: increased income relating to Disbursements	-100
ASCPH	Residential - OP Gross - Forecast activity higher than affordable level for Preserved Rights Clients	+140			
ELS	Home to college transport (gross): increased demand for service	+135			
CCSI	Libraries: Additional moving costs associated with Kent History & Library Centre, mitigated by reduced spend on other running costs..	+130			
ASCPH	Strategic Management & Directorate Support - Gross - Increase cost of legal services	+130			
SCS	Safeguarding - Additional staffing in response to Ofsted inspection	+125			
ASCPH	Residential - MH Gross - Unit cost higher than affordable	+124			
ELS	School Improvement Services (gross): Staffing	+123			
CCSI	Contact Centre: Shortfall against Children & Families Information Service (CFIS) saving	+120			
ELS	Learners with Additional Needs (income): reduced income for Specialist Teaching Services and Kent Portage	+118			
CCSI	Gateways: increase spend for Multi-Channel project.	+117			
CCSI	Libraries: Increased staff costs for Kent Cultural Trading ; Capital transition Mgr and RFID Support Assistant	+116			
SCS	16+ Service - Gross - 16+ Team staffing	+112			
ASCPH	Strategic Management & Directorate Support - Income - under recovery of income on EH4A project	+109			
BSPHR	ICT: Delay in restructuring the CIS team following decision to replace ICS	+107			
BSPHR	Legal Services: increased costs of Disbursements	+100			
		+40,142			-32,319

3.4 Key issues and risks

3.4.1.1 **Education, Learning & Skills portfolio:** Forecast (excl. schools) **-£0.334m**

A continuation of the savings experienced in 2010-11 on home to school transport and increased income from special school and hospital recoupment, as a result of other local authorities placing pupils in Kent schools, are being offset by shortfalls against savings targets for staffing, due to a delay in the implementation of the directorate restructure, and legal costs. Alternative options are being considered to offset the pressure on legal costs. There is also a pressure on the Connexions contract due to the withdrawal of grant from the YPLA with effect from 1 April 2011, however the contract with Connexions was fixed until 31 August 2011 – re-negotiations are now taking place. Further details are provided in Annex 1.

3.4.1.2 **Education, Learning & Skills portfolio – Schools Delegated:** Forecast **+£5.748m**

The first monitoring returns from schools are not due until October. Therefore this forecast relates entirely to the reduction in schools reserves resulting from an anticipated 50 schools converting to academy status and taking their reserves with them.

3.4.2 **Specialist Children’s Services portfolio:** Forecast **+£8.778m**

There has been a continuation of the pressures experienced during 2010-11 mainly on Fostering, Children’s Residential Care and 16+ Services, as well as the Asylum Service. In addition, there is a pressure on staffing, mainly agency social workers, in order to deliver the Children’s Improvement Plan as a result of the Ofsted report. These pressures are partially offset by a saving resulting from successful re-negotiation of the National Childminding Association contract, lower demand for secure accommodation and holding back uncommitted funding. Further details are provided in Annex 2.

3.4.3 **Adult Social Care & Public Health portfolio:** Forecast **-£0.195m**

There are demographic, placement and price pressures, primarily within nursing and residential care services for people with learning or physical disabilities, together with increased demand for direct payments for people with a physical disability, but these pressures are offset by lower demand for domiciliary care across all client groups and residential and nursing care for older people. Savings are also being made through vacancy management and holding back uncommitted funding. Further details are provided in Annex 2.

3.4.4 **Environment, Highways & Waste portfolio:** Forecast **-£2.186m**

This underspend relates almost entirely to the waste budgets, reflecting savings as a result of lower than budgeted waste tonnage, improved contract prices and a new income stream from the sale of lead batteries. However savings as a result of lower waste tonnage processed through Allington Waste to Energy plant due to operational circumstances (routine scheduled maintenance), has led to more waste being sent to landfill. Further details are provided in Annex 3.

3.4.5 **Communities, Customer Services & Improvement portfolio:** Forecast **+£0.800m**

Pressures exist due to a 20% increase in call volumes experienced by the Contact Centre and a shortfall against savings targets within both the Contact Centre, relating to Kent Contact & Assessment Service and Children’s Information Service; services which transferred under the control of the contact centre this financial year, and Communications, Media Relations & Public Engagement. Management action has already been implemented in order to partially offset these pressures, by accelerating the review of Trading Standards service priorities which has enabled savings to be delivered a year earlier than planned and holding vacancies wherever possible without impacting on service delivery. However, a residual pressure remains and further management action is currently being considered with the aim of delivering a balanced budget by year end. Further details are detailed in Annex 4.

3.4.6 In the Business Strategy & Support directorate, the key issues by portfolio are:

3.4.6.1 **Finance & Business Support portfolio:** Forecast **+£0.496m**

This pressure is largely due the creation of the Enterprise Resource Planning (ERP) Oracle Project Team, a delay in restructure savings which transferred into the BSS directorate as part of the centralisation of support functions pending the main restructure of the whole Finance function and an under-delivery of income in the Schools Personnel Service. Management action is expected to offset these pressures and deliver a balanced budget by year end.

3.4.6.2 **Business Strategy, Performance & Health Reform portfolio: Forecast -£0.175m**

This underspend is due to increased income within Legal Services due to both increased internal and external demand, partially offset by a pressure on the ICT budget due to a delay in restructuring the Children's Information Service Team following a decision to replace the Integrated Children's System.

Further details are provided in Annex 5.

3.4.7 The key issues within the Financing Items budgets are:

3.4.7.1 **Finance & Business Support portfolio: Forecast -£4.848m.**

There are savings on the debt charges budget as a result of deferring borrowing in 2010-11 due to the re-phasing of the capital programme and no new borrowing has been taken in the first quarter of 2011-12. Also, due to the re-phasing of the capital programme in 2010-11, it is likely that fewer assets became operational than expected and therefore we are anticipating a saving on Minimum Revenue Provision (MRP). The current year write down of the discount saving from the debt restructuring undertaken in 2008-09 is being transferred to the Economic Downturn reserve as planned and a forecast pressure on the Insurance Fund will be met by a drawdown from the Insurance Reserve. In addition, we received an unexpected increase in un-ringfenced grant for Extended Rights to Free Travel, which we are holding corporately to offset the pressures reported elsewhere across the Authority. Further details are provided in Annex 6.

3.4.8 By the end of the financial year, management action will be delivered to achieve a balanced budget within the Finance & Business Support, Business Strategy, Performance & Health Reform and Deputy Leader's portfolios, but an overall pressure of £1.733m remains forecast at this stage.

3.4.9 Management action proposals are currently being considered within the Communities, Customer Services & Improvement portfolio, which will reduce this pressure further, and the aim remains to deliver a balanced budget by year end. However, in the context of a savings requirement of £95m, increasing demands for services and the need to deliver the Children's Services Improvement Plan there is a risk that this will not be achieved. The position will be closely monitored throughout the remainder of the financial year and every effort will be made to balance the budget and avoid any overspend at year end.

3.5 **Implications for future years/MTFP**

3.5.1 The key issues and risks identified above will need to be addressed in directorate medium term plans (MTFP) for 2012-15, specifically the pressure on Specialist Children's Services. Although most other pressures are either forecast to be largely offset by management action or management action plans are currently be worked on which are expected to offset these pressures this year, a lot of the management action is likely to be one-off or not sustainable for the longer term. The Directorates are currently trying to assess the medium term impact of these issues. There are other pressures which, although not hugely significant this year, will also need addressing in the MTFP. These are detailed in the Annex reports.

4. **CAPITAL**

4.1 **Changes to budgets**

4.1.1 The capital monitoring focuses on projects which are re-phasing by £1m or more and it distinguishes between real variances/re-phasing on projects which are:

- part of our year on year rolling programme or projects which already have approval to spend and are underway , and
- projects which are still only at the preliminary stage or are only at the approval to plan stage and their timing remains uncertain.

We separately identify projects which have yet to get underway, but despite the uncertainty surrounding their timing they were included in the budget because there is a firm commitment to the project. By identifying these projects separately, we can focus on the real re-phasing in the programme on projects which are up and running.

4.1.2 Since the last exception report presented to Cabinet on 18th July, the following adjustments have been made to the 2011-12 capital budget.

	£000s 2011-12	£000s 2012-13
1 Cash Limits as reported to Cabinet on 18th July	342,584	264,442
2 Roll forwards agreed at Cabinet on 22nd June		
Education, Learning & Skills (ELS)	1,422	-45
Education, Learning & Skills (ELS) - schools budget	7,254	
Specialist Children's Services (SCS)	197	
Adults Social Care & Public Health (ASC&PH)	871	-288
Environment, Highways and Waste (EHW)	568	-1
Customer & Communities (C&C)	702	
Regeneration	78	
Business Strategy & Support (BSS)	342	
Localism & Partnership (L&P)	6	
3 Transfer from Early Years/Children's Centres (SCS) to BSF Wave 3 - ELS portfolio	484	
4 Transfer of future years funding for BSF Wave 3 Unit costs to BSF Wave 5 Unit Costs - ELS portfolio	530	
5 Special Schools Review - additional external funding - ELS portfolio	21	
6 Modernisation of Assets - additional external funding - ELS	10	
7 Primary Capital Programme realignment of grant funding at outturn - ELS	86	
8 Basic Need realignment of funding at outturn - ELS	4	
9 Transfer from Early Years/Children's Centres to BSF Wave 3 (ELS) - SCS portfolio	-484	
10 Increase to schools budgets - additional grant and external - ELS portfolio	3,555	
11 Thanet MASH - additional external funding - SCS portfolio	61	3
12 Transfer of Asset Modernisation for SCS to Corporate Landlord - SCS portfolio	-84	
13 Folkestone ARRCC - additional external funding - ASC&PH portfolio	54	
14 Ashford Ring Road - reduction in grant funding - EHW portfolio	-65	
15 Sittingbourne Northern Relief Road - reduction in grant funding - EHW portfolio	-167	
16 Ashford Station Forecourt - grant funded - EHW portfolio	190	
17 Edenbridge Community Centre - realignment of funding at outturn - C&C portfolio	-267	
18 Transfer of Web Platform from BSS - C&C portfolio	504	
19 Transfer of Small Communities Projects from L&P - C&C portfolio	506	-500
20 Transfer of Asset Modernisation for SCS to Corporate Landlord - BSS portfolio	84	
21 Transfer of Web Platform to C&C - BSS portfolio	-504	
22 Transfer of Small Communities Projects to C&C - L&P portfolio	-506	500
	358,036	264,111
23 PFI	27,101	22,000
	385,137	286,111

4.2 **Table 3** – Portfolio/Directorate position – capital

Portfolio	Budget	Variance	Directorate				
			ELS	FSC	E&E	C&C	BSS
			£k	£k	£k	£k	£k
Education, Learning & Skills	+161,192	-34	-34				
Specialist Children's Services	+12,629	0		0			
Adults Social Care & Public Health	+16,229	-1,543		-1,543			
Environment, Highways & Waste	+95,717	+6,181			+6,181		
Customer & Communities	+21,091	-2,894				-2,894	
Regen & Ed	+14,257	+481					+481
Business Strategy & Support	+12,201	0					0
TOTAL (excl Schools)	+333,316	+2,191	-34	-1,543	+6,181	-2,894	+481
Schools	+24,720	0	0				
TOTAL	+358,036	+2,191	-34	-1,543	+6,181	-2,894	+481

Real Variance		+7,479	-23	-125	+8,782	-1,636	+481
Re-phasing (detailed below)		-5,288	-11	-1,418	-2,601	-1,258	
		2011-12	2012-13	2013-14	Future yrs		Total
Re-phasing		-5,288	-1,429	-3,590	+10,307		0

4.2.1 Table 3 shows that there is an overspend of £7.4794m on the capital programme for 2011-12 and -£5.288m of re-phasing of expenditure into later years. Of the current -£5.288m forecast re-phasing, -£4.127m relates to projects with variances of £1m or more which are identified in table 6 and section 4.6 below, and reported in detail in the annex reports; -£0.700m relates to projects with variances between £0.25m and £1m which are also identified in table 6, and the balance of -£0.461m is made up of projects with variances of under £0.25m which do not get reported in detail in this report.

4.3 Table 4 below, splits the forecast variance on the capital budget for 2011-12 as shown in table 3, 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 the timing remains uncertain, and
- projects at the preliminary stage.

Table 4 – Analysis of forecast capital variance by project status

Project Status	budget £'000s	Variance			total £'000s
		real variance £'000s	re-phasing £'000s	total £'000s	
Rolling Programme	87,482	4,538	-435	4,103	
Approval to Spend	168,575	2,664	-2,483	181	
Approval to Plan	77,259	277	-2,370	-2,093	
Preliminary Stage	0	0	0	0	
Total	333,316	7,479	-5,288	2,191	
	2010-11	2011-12	2012-13	future years	total
	£'000s	£'000s	£'000s	£'000s	£'000s
Re-phasing:					
Rolling Programme	-435	435	0	0	0
Approval to Spend	-2,483	582	1,968	-67	0
Approval to Plan	-2,370	-2,446	-5,558	10,374	0
Preliminary Stage	0	0	0	0	0
Total	-5,288	-1,429	-3,590	10,307	0

4.3.1 Table 4 shows that of the +£7.479m forecast capital variance (excluding devolved capital to schools), +£0.277m is due to projects which are still only at the approval to plan or preliminary stages and their timing remains uncertain. This leaves a variance of +£7.202m which relates to projects that are either underway or are part of our year on year rolling programme.

4.3.2 Table 5 below shows the effect of the capital variance on the different funding sources. The variance against borrowing (supported, prudential, prudential/revenue and PEF2 borrowing) is -£0.975m and this is a contributory factor in the treasury management underspend reported within the Finance portfolio.

Table 5: 2011-12 Capital Variance analysed by funding source (incl Devolved Capital to Schools)

	Capital Variance £m
Supported Borrowing	0.000
Prudential	-0.930
Prudential/Revenue (directorate funded)	0.000
PEF2	-0.045
Grant	-0.419
External Funding - Other	-1.593
External Funding - Developer contributions	+3.132
Revenue & Renewals	+4.430
Capital Receipts	-0.300
General Capital Receipts (generated by Property Enterprise Fund)	-2.084
Transfer of Land in payment	0.000
TOTAL	+2.191

4.4 Table 6 below details all projected capital variances over £250k, in size order. These 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 of the individual Directorate annex reports, and all real variances are explained in section 1.2.5 of the individual Directorate annex reports, together with the resourcing implications.

Table 6 - All Capital Budget Variances over £250k in size order

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
EHW	Highways Major Maintenance	real	+4,060			
EHW	A2 Cyclo Park	real		+2,800		
EHW	Victoria Way	real		+1,000		
EHW	Integrated Transport Scheme	real	+786			
EHW	Drovers Roundabout/Junction 9 M20	real		+650		
EHW	HWRC - Ashford Transfer Station	phasing			+350	
Regen	Margate Eastern Seafront	real		+349		
EHW	Commercial Services	real	+320			
C&C	Kent History & Library Centre	real		+280		
ASC&PH	Older Persons Strategy - Dorothy Lucy Centre	real			+274	
			+5,166	+5,079	+624	+0
		real	+5,166	+5,079	+274	+0
		phasing	+0	+0	+350	+0
portfolio	Project	real/ phasing	Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Underspends/Projects behind schedule						
C&C	New Community Facility at Edenbridge	real		-1,793		
ASC&PH	Community Care Centres - Thameside	phasing			-1,418	
C&C	Gateways	phasing		-1,395		
EHW	Kent Thameside Strategic Transport	phasing			-1,314	
EHW	HWRC - Herne Bay Site	phasing		-750		
EHW	Sittingbourne Northern Relief Road	real		-384		
EHW	Major Scheme - Design Fees	real	-300			
EHW	Integrated Transport Scheme	phasing	-300			
C&C	Library Modernisation Programme	real	-280			
ASC&PH	Broadmeadow Extension	real		-274		
			-880	-4,596	-2,732	0
		real	-580	-2,451	+0	+0
		phasing	-300	-2,145	-2,732	+0
			+4,286	+483	-2,108	+0
		real	+4,586	+2,628	+274	+0
		phasing	-300	-2,145	-2,382	+0

4.5 Reasons for Real Variance and how it is being dealt with

4.5.1 The real variance identifies the actual over and underspends on capital schemes and not re-phasing of projects. Table 3 shows that there is currently a +£7.479m real variance forecast. The main areas of under and overspending in 2011-12 are listed below together with their resourcing implications:-

- **Highway Maintenance: +£4.060m** (in 2011-12): Major patching and full surface dressing works are being undertaken on parts of the road networks that have been worst affected by winter damage. This approach is more cost effective and better value for money than simply dealing with individual pot holes and enhances the capital value of the County Council's assets. The bulk of the cost (£4m) will be covered by a Government revenue grant designed to address winter damage on the County's roads with a small contribution (£0.060m) being provided by third parties.
- **Integrated Transport Schemes: +£0.786m** (in 2011-12): There are two elements to this forecast overspend:
 - +£0.486m relates to schemes that are funded by S106 developer contributions which have already been received, but an adjustment to the cash limit to required.
 - +£0.300m relates to works in Maidstone High Street which are proposed to be funded by a cash limit transfer from the Preliminary Design Fees with a further £0.300m being made available by re-phasing capital receipts to 2012-13. **Cabinet are asked to approve the transfer of funds from Preliminary Design Fees.**
- **A2 Cyclopark: +£2.800m** (in 2011-12): This unique scheme was reported to Cabinet in November 2010 along with a list of potential external funding partners. Capital funding from the various contributors has now been secured and the scheme is now progressing. This secured funding has allowed the project to expand to undertake construction of the pavilion.
- **New Community Centre at Edenbridge: -£1.793m** (-£2.041m in 2011-12 and +£0.248m in 2012-13): The project budget of £2.540m included funding from the sale proceeds of the site, which were £1.906m. This money is now being held independently in an ESKROW account which will be drawn upon by the contractor as construction proceeds in line with the terms of the developer agreement. The forecast has been reduced accordingly and now includes only the balance of construction and other project costs. It now includes £0.150m for the Gateway component. The above represents a "netting down" of costs and income but the forecast also reflects other cost reductions amounting to £0.037m as a result of further refinement of the cost plan.
- **Victoria Way: +£1.000m** (in 2011-12): Difficulties with the utilities aspects because of uncharted services, phasing and utility companies' lack of performance in particular has fully utilised the contingency allocation. Utility works have continued to have a significant impact on the contract along with disturbance and prolongation costs together with residual risks have been on an upward trend over recent months.
As this scheme is fully externally funded, there is no capacity within the capital programme to meet the forecast overspend. Funding will be claimed from Growth Area Funding (GAF) which is held by Ashford Borough Council on behalf of the Ashford's Future Partnership Board (AFPB). The AFPB has agreed in principle that the major highway schemes in Ashford (ie Victoria Way and Drovers Roundabout / J9 and Footbridge) should have first call on the GAF pot of some £2.7m.
- **Drovers Roundabout, J9 and Footbridge: +£0.650m** (in 2011-12): The net overspend is due to the following:

Construction Costs +£1.697m: An overspend of £0.300m was reported in 2010-11, to be funded from GAF. A further overspend of £1.697m is expected in this financial year which has resulted in a total forecast construction overspend of approximately £2.000m. The main cause of the overspend has been issues related to the unique cable stayed footbridge over the M20. The contractor has made very significant claims relating to design aspects, disturbance and prolongation and the consultant working for Kent County Council has indicated that there is some limited legitimacy to these claims.
In common with Victoria Way, this scheme is fully externally funded, with KCC acting as delivery agent for the Ashford's Future Partnership Board and funding to cover the overspend will be claimed from GAF. As stated above, the AFPB has agreed in principle that any overspend on this scheme and Victoria Way should have the first call on the remaining GAF budget of approximately £2.7m.

Commutated Sum - £1.047m: The cash limit includes £1.047m for the commuted sum which has to be transferred to the revenue balance sheet until it is paid out to the Highways Agency for the future maintenance of the Footbridge and Junction 9.

Further details of smaller real variances are provided in the annex reports.

4.6 **Main projects re-phasing and why.**

4.6.1 The projects that are re-phasing by £1m or more are identified below: -

- **Community Care Centres – Thameside (Ebbsfleet and Eastern Quarry) re-phasing of - £1.418m (in 2011-12)**
Pending further detailed project plans, it is felt prudent to re-phase this project into 2012-13.
- **Gateways - re-phasing of -£1.395m**
The re-phasing of this programme reflects the complexity of the external collaborations with key strategic partners, and in particular the impact of time delays with 3 town centre regeneration projects. The roll-out of the Gateway programme in these areas has been re-phased accordingly.
- **Kent Thameside Strategic Transport Programme - re-phasing of -£10.374m (-£1.314m in 2011-12, -£3.502m in 2012-13, -£5.558m in 2013-14 and +£10.374m in future years)**
This programme is designed to deliver a package of Strategic Transport schemes in the Kent Thameside area, funded by Government Grants and Developer Contributions. The Homes and Communities Agency (HCA) agreed to fund £13m for phase 1 schemes with a further £10m for phase 2 schemes subject to review. The Department for Transport (DfT) indicated that their funding commitment (approx £23m) towards the programme would not be available in the current spending review period (2011-2014) and is unlikely to be available before 2017-18. Developer contributions will be required to balance the cost of the project. Negotiations are taking place to ensure that the programme will be implemented on a phased basis dependent on securing relevant funding. As limited funds are currently guaranteed, the programme has been re-phased with the bulk of the works planned post 2015.
- **Sittingbourne Northern Relief Road - re-phasing of -£1.321m in (2012-13)**
This scheme was started in autumn 2009 and is progressing well, with completion expected in December 2011. The spend profile for 2012-13 has been re-phased into 2013-14 to cover the liability under the Land Compensation Act where claims cannot be made until 1 year after the scheme is opened for use. Payments under the Act are for depreciation to the value of properties affected by physical factors such as traffic noise which cannot be properly assessed until the scheme has been operational for this period of time.

4.7 **Key issues and risks**

4.7.1 The impact on the quality of service delivery to clients as a consequence of re-phasing a capital project is always carefully considered, with adverse impact avoided wherever possible. The impact on service delivery of projects which are re-phasing by £1m or more, as identified in table 6 above, is highlighted in section 1.2.4 of the annex reports.

4.7.2 Kent County Council has made a commitment to Kent businesses, including maintaining our capital programme. None of the reported variances in this report affects that commitment.

4.8 **Implications for future years/MTP**

4.8.1 Directorates are continuously addressing issues around their capital programmes, in particular, careful consideration is given to the funding of these projects to ensure that as far as possible capital receipts and external funding, or agreement to utilising PEF2 is in place before the project is contractually committed. The 'warning' in paragraph 3.5.2 also applies to capital funding, where the reduction in funding could be even greater.

4.9 **Resourcing issues**

4.9.1 There will always be an element of risk relating to funding streams which support the capital programme until all of that funding is "in the bank". The current economic situation continues to intensify this risk, with the continuing downturn in the property market, the number of new housing developments reducing and developers pulling out of new developments, all of which have a significant impact on our Section 106 contributions. This has largely been addressed in the capital programme approved at County Council on 18 February 2010, but there remains an element of risk for the reduced level of funding still assumed from these sources. It is not always possible to have receipts 'in the bank' before starting any replacement project, due to the obvious need to

have the re-provision in place before the existing provision is closed. Management of the delivery of capital receipts and external funding is therefore rigorous and intensive. At this stage, there are no other significant risks to report.

4.10 Capital Project Re-phasing

We will continue with the practice adopted in 2009-10 of changing cash limits 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 rephasing will be shown. The proposed re-phasing is summarised in the table below, details of individual projects are listed within the directorate sections.

Table 7 – re-phasing of projects >£0.100m

Portfolio	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
Education, Learning & Skills					
Amended total cash limits	161,192	147,244	75,848	87,290	471,574
Re-phasing	0	0	0	0	0
Revised cash limits	161,192	147,244	75,848	87,290	471,574
Specialist Children's Services					
Amended total cash limits	12,629	5	0	0	12,634
Re-phasing	0	0	0	0	0
Revised cash limits	12,629	5	0	0	12,634
Adults Social Care & Public Health					
Amended total cash limits	16,229	5,768	2,699	3,146	27,842
Re-phasing	-1,418	1,418			0
Revised cash limits	14,811	7,186	2,699	3,146	27,842
Environment, Highways & Waste					
Amended total cash limits	95,717	77,222	70,134	242,783	485,856
Re-phasing	-2,601	-2,865	-4,841	10,307	0
Revised cash limits	93,116	74,357	65,293	253,090	485,856
Customer & Communities					
Amended total cash limits	21,091	5,553	4,023	4,929	35,596
Re-phasing	-1,227	-24	1,251	0	0
Revised cash limits	19,864	5,529	5,274	4,929	35,596
Regen & Ed					
Amended total cash limits	14,257	8,549	2,500	2,500	27,806
Re-phasing	0	0	0	0	0
Revised cash limits	14,257	8,549	2,500	2,500	27,806
Business Strategy & Support					
Amended total cash limits	12,201	5,859	3,390	2,923	24,373
Re-phasing					0
Revised cash limits	12,201	5,859	3,390	2,923	24,373
TOTAL RE-PHASING >£100k	-5,246	-1,471	-3,590	10,307	0
Other re-phased Projects below £100k	-42	+42	0	0	0
TOTAL RE-PHASING	-5,288	-1,429	-3,590	+10,307	0

5. FINANCIAL HEALTH

- 5.1 The latest Financial Health indicators, including cash balances, our long term debt maturity, outstanding debt owed to KCC, the percentage of payments made within 20 and 30 days and the recent trend in inflation indices (RPI & CPI) are detailed in **Appendix 2**.
- 5.2 The latest monitoring of Prudential Indicators is detailed in **Appendix 3**.

6. RISK MANAGEMENT

- 6.1 The Council's risk management framework is in the process of being updated, including the introduction of a Statement of Required Management Practice as part of the Kent Manager initiative. Internal reporting arrangements have been clarified, with the result that the newly formed Performance Assurance Team (PAT), a cross-directorate group from all levels of KCC providing a 'whole organisation' approach to improvement, will take the lead role in ensuring that the risk management framework is delivered. The requirements of Directorate and Divisional Management Teams have also been set out. An initial risk workshop was held with Pioneer group in July which sought to identify the key risks facing the Council. A similar workshop will be held at the next Cabinet / CMT away day in September; the results of both workshops will inform the development of the next Corporate Risk Register. This Register can be aligned to the strategic mapping exercise recently completed.
- 6.2 With the imminent departure of the Head of Audit and Risk, it has also been agreed to invest in external support to help re-energise risk management across the Council. This will involve a number of risk workshops with Directorate and Divisional Management Teams and the production of new risk registers in line with the revised risk management framework. These risk registers will then be available for scrutiny through Policy, Overview & Scrutiny Committees (POSCs) in the autumn.

7. REVENUE RESERVES

- 7.1 The table below reflects the projected impact of the current forecast spend and activity for 2011-12 on our revenue reserves:

Account	Actual Balance at 31/3/11 £m	Projected Balance at 31/3/12 £m	Movement £m
Earmarked Reserves	118.1	76.7	-41.4
General Fund balance	26.7	31.7	+5.0
Schools Reserves *	55.2	49.5	-5.7

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

- 7.2 The reduction of £41.4m in earmarked reserves includes the £14m temporary drawdown of our long term reserves approved as part of the 2011-12 budget, as well as other planned movements in reserves such as IT Asset Maintenance, Kingshill Smoothing, prudential equalisation, economic downturn reserve, revenue reserve to support projects previously classified as capital eg Member Highway Fund, Supporting People, Elections and PFI equalisation reserves, together with the anticipated movements in the Insurance Reserve, Regeneration Fund, rolling budget, DSG and Restructure reserves.
- 7.3 The £5m increase in general reserves reflects the budgeted contribution, as approved by County Council in February, in consideration of our increased risk profile.
- 7.4 The reduction of £5.7m in the schools reserves is due to an anticipated 50 schools converting to academy status and therefore taking their reserves with them. The value of school reserves is very difficult to predict at this early stage in the year and further updates will be provided in future monitoring reports once the first monitoring returns have been received from schools.

8. STAFFING LEVELS

8.1 The following table provides a snapshot of the staffing levels by directorate as at 30 June 2011 compared to the numbers as at 1 April 2011 for the new directorate structure, based on active assignments. However, due to the large movements of staff between directorates as a result of the council restructure, direct comparisons between old and new directorates are not possible, so staffing levels as at 31 March 2011 are only provided in total, together with a split of schools and non schools staff. The difference, in the right hand columns of the table, represents the movement in staffing numbers from 1 April to 30 June, which was a reduction of 714.55 FTEs, of which -557.80 were in schools and -156.75 were non-schools. However, there was also a reduction of 651.32 FTEs between 31 March 11 and 1 April 11, of which -573.55 were in schools and -77.77 were non-schools. So overall, between 31 March 11 and 30 June 11, there has been a reduction of 1,365.87 FTEs of which 1,131.35 were in schools and 234.52 were non-schools.

		31-Mar-11	New structure 01-Apr-11	Jun-11	Difference	
					Number	%
KCC	Assignment count	49,960	48,819	47,745	-1,074	-2.20%
	Headcount (inc. CRSS)	42,432	41,434	40,484	-950	-2.29%
	Headcount (exc. CRSS)	37,644	36,881	35,971	-910	-2.47%
	FTE	27,845.19	27,193.87	26,479.32	-714.55	-2.63%
KCC - Non Schools	Assignment count	15,330	15,191	14,916	-275	-1.81%
	Headcount (inc. CRSS)	13,850	13,740	13,501	-239	-1.74%
	Headcount (exc. CRSS)	11,944	11,854	11,662	-192	-1.62%
	FTE	10,060.87	9,983.10	9,826.35	-156.75	-1.57%
BSS	Assignment count		1,761	1,744	-17	-0.97%
	Headcount (inc. CRSS)		1,743	1,727	-16	-0.92%
	Headcount (exc. CRSS)		1,719	1,703	-16	-0.93%
	FTE		1,587.72	1,575.10	-12.62	-0.79%
ELS	Assignment count		1,770	1,741	-29	-1.64%
	Headcount (inc. CRSS)		1,701	1,678	-23	-1.35%
	Headcount (exc. CRSS)		1,396	1,370	-26	-1.86%
	FTE		1,067.90	1,044.36	-23.54	-2.20%
C&C	Assignment count		4,425	4,328	-97	-2.19%
	Headcount (inc. CRSS)		3,800	3,715	-85	-2.24%
	Headcount (exc. CRSS)		2,611	2,551	-60	-2.30%
	FTE		1,985.84	1,941.35	-44.49	-2.24%
E&E	Assignment count		1,293	1,270	-23	-1.78%
	Headcount (inc. CRSS)		1,279	1,256	-23	-1.80%
	Headcount (exc. CRSS)		1,187	1,167	-20	-1.68%
	FTE		1,129.44	1,108.97	-20.47	-1.81%
FSC	Assignment count		5,942	5,833	-109	-1.83%
	Headcount (inc. CRSS)		5,326	5,236	-90	-1.69%
	Headcount (exc. CRSS)		4,988	4,920	-68	-1.36%
	FTE		4,212.20	4,156.57	-55.63	-1.32%
Schools	Assignment count	34,630	33,628	32,829	-799	-2.38%
	Headcount (inc. CRSS)	28,816	27,915	27,206	-709	-2.54%
	Headcount (exc. CRSS)	25,799	25,123	24,407	-716	-2.85%
	FTE	17,784.32	17,210.77	16,652.97	-557.80	-3.24%

CRSS = Staff on Casual Relief, Sessional or Supply contracts

Notes:

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.

9. RECOMMENDATIONS

Cabinet is asked to:

- 9.1 **Note** the latest monitoring position on both the revenue and capital budgets.
- 9.2 **Agree** the realignment of revenue budgets within the ASC&PH & SCS portfolios as detailed in section 1.1.1 and 1.1.2 of annex 2.
- 9.3 **Agree** the realignment of revenue budgets within the EH&W portfolio as detailed in section 1.1.1 and 1.1.2 of annex 3.
- 9.4 **Note** that residual pressures are currently forecast within the SCS & CCS&I portfolios and that management action is expected to be delivered within the F&BS, BSP&HR and Deputy Leader's portfolios.
- 9.5 **Note** and **agree** the changes to the capital programme, as detailed in section 4.1.
- 9.6 **Agree** that £5.246m of re-phasing on the capital programme is moved from 2011-12 capital cash limits to future years. Further details are included in section 4.10 above.
- 9.7 **Agree** the £0.300m transfer of funding for the Improvement to Maidstone High Street.
- 9.8 **Agree** the £0.274m transfer of funding to Older Persons Strategy – Dorothy Lucy Centre.
- 9.9 **Agree** the £0.125m transfer of funding to the LD Good Day Programme.
- 9.10 **Note** the latest Financial Health Indicators and Prudential Indicators as reported in appendix 2 and appendix 3 respectively.
- 9.11 **Note** the directorate staffing levels as at the end of June 2011 as provided in section 8.
- 9.12 **Note** that we have not yet resolved the final split of Early Years' budgets between "standards and quality assurance in early years settings" (ELS portfolio) and "provision of early years and childcare" (SCS portfolio). As a transitional arrangement the entire budget is currently lodged in the SCS portfolio.
- 9.13 **Agree** a virement of £0.307m from the underspending on the debt charges budget within the Finance & Business Support portfolio to the Contact Centre and Consumer Direct budget within the Communities, Customer Services and Improvement portfolio to meet the increase in contact centre call volumes.

Reconciliation of Gross and Income Cash Limits in Table 1c to the Budget Book

Portfolio	CASH LIMIT			
	Gross	Income	Net	
	£k	£k	£k	
ELS	174,374	-117,038	57,336	
ELS Schools	942,054	-942,054	0	
SCS	167,952	-65,654	102,298	
SCS Schools	42,860	-42,860	0	
ASC&PH	443,892	-126,458	317,434	
EH&W	175,992	-27,021	148,971	
CCS&I	145,896	-60,427	85,469	
R&E	5,723	-1,586	4,137	
F&BS	158,834	-19,198	139,636	
BSP&HR	86,013	-38,661	47,352	
DL	7,435	-1,014	6,421	
Per revised A-Z	2,351,025	-1,441,971	909,054	
Subsequent changes:				
	11,349	0	11,349	Roll Forwards as agreed at 20 June Cabinet
EHW	0	260	260	tfr of Lead Local Flood Authority grant to LSSG from specific grant
CCS&I	-279	0	-279	reduction in Community Safety LSSG
F&BS	1,546	0	1,546	new LSSG allocation for Extended Rights to Free Travel
Changes to grant/income allocations:				
ELS	-101	101	0	YPLA: Decrease in funding for SEN
ELS	860	-860	0	Federation of Music Services
ELS	10,160	-10,160	0	Standards Fund 2010-11 Receipt in Advance (RIA)
ELS	-700	700	0	Milk Subsidy grant ceased
ELS	-1,865	1,865	0	Pupil Premium adjusted to reflect income level
ASC&PH	1,302	-1,302	0	Gross/Income uplift for Social Care Reform Grant (Receipt in Advance in 2010-11)
ASC&PH	1,065	-1,065	0	New Re-ablement Funding from PCT
ASC&PH	270	-270	0	New health funding for LD Domiciliary additional clients & staffing
CCS&I	219	-219	0	DfE Early Intervention Grant for Youth Crime Prevention
CCS&I	-24	24	0	Youth: Reduction in external funding for Foundation Learning project, from TGB Learning.
CCS&I	-127	127	0	Youth: Reduced funding from KDAAT for House on the move project - project ceases November 2011.
CCS&I	38	-38	0	Arts: Additional funding from the Arts Council & Euro Tunnel for Cultural Baton
CCS&I	53	-53	0	Arts: 2010-11 RIA for audience development from the Arts Council England.
CCS&I	209	-209	0	Youth: 2010-11 RIA for Youth Opportunities Fund
CCS&I	139	-139	0	Youth: 2010-11 RIA for ToGoGo project
CCS&I	21	-21	0	Youth: Extension of Cookham Wood project funded by the Prison Service.
CCS&I	-590	590	0	YOS: Reduction in Youth Justice Board grant.
CCS&I	-25	25	0	Loss of funding from Probation for YOS

Portfolio	CASH LIMIT			
	Gross	Income	Net	
	£k	£k	£k	
CCS&I	-59	59	0	Loss of funding from ELS for YOS
CCS&I	-195	195	0	Reduction in grant from the Skills Funding Agency for Community Learning Service (CLS)
CCS&I	-110	110	0	CLS: Loss of internal income from CFE for Poverty pilots project
CCS&I	-60	60	0	CLS: transfer of staff to Supporting Independence
CCS&I	109	-109	0	CLS: increased income from students & companies
CCS&I	208	-208	0	Gateways: Additional income from Improvement & Efficiency South -East Limited.
CCS&I	73	-73	0	Countryside Access: 2010-11 RIA for NHS Walking Project
CCS&I	162	-162	0	Additional funding from PCT's for KDAAT
CCS&I	1,075	-1,075	0	KDAAT Use of pooled income held on account (RIA) for new services in 2011-12.
				Technical Adjustments:
ELS	-17	17	0	remove MCAS Community Cohesion funding as this was for one year only
ELS	-39	39	0	MCAS Connexions funding ceased August 2010
ELS	-60	60	0	MCAS correction of expected income
ELS	-19	19	0	Specialist Teaching Service buy back ceased
SCS	237	-237	0	increased funding from Health for Specialist Childrens Services
ASC&PH	2,377	-2,377	0	Income Uplift & realignment re: LD transfer from Health which was not reflected in the budget
ASC&PH	1,922	-1,922	0	Correction to budget to reflect Gross & Income uplift for KCC hosted PFI for Integrated Care Centres
ASC&PH	50	-50	0	Good Practice Guidelines - Domi Reviews/Waivers
EHW	-3,346	3,346	0	KHS - correction of budgeting for capitalisation of staff costs
EHW	359	-359	0	KHS - realignment of budgets in light of 10-11 outturn and KHS restructure
EHW	744	-744	0	Waste Management - realignment of budgets in light of 10-11 outturn and revisions to waste contracts
EHW	417	-417	0	Public Transport - revision of income target as advised by consultants regarding Freedom pass and subsidised bus routes.
CCS&I	40	-40	0	Contact Centre: Income generation target to offset reduced staff saving.
CCS&I	-39	39	0	Youth: Correction to budget as sales income from Garage Projects (Miracles Youth Centre) not achievable as project terminated 2010-
CCS&I	-104	104	0	Youth: Re-alignment of Cash Limit to reflect revised income position from Outdoor Education for 2011-12.
CCS&I	-65	65	0	Correction to budget for unachievable income target within Youth centres.

Portfolio	CASH LIMIT			
	Gross £k	Income £k	Net £k	
CCS&I	-2,793	2,793	0	Supporting Independence: Re-alignment of Future Jobs Fund (FJF) cash limits (DWP funding) as original budget based on 2010-11 but some projects will cease in Sept 2011
CCS&I	355	-355	0	Supporting Independence: correction to budget as internal income from FSC, previously shown as credit to gross.
CCS&I	-60	60	0	Strategic Management & Directorate Support: removal of internal trading between support units
CCS&I	-16	16	0	Correction to budget: Unattainable fees income target within Trading Standards due to changes in legislation and increase in competition.
CCS&I	-60	60	0	Community Wardens: Correction to budget due to Support Wardens programme (funded via FJF) finishing in 10-11.
CCS&I	-18	18	0	Correction to budget: Unattainable income target within Community Safety from external contributions and internal income.
CCS&I	-48	48	0	Correction to gross and income cash limits to remove unachievable income target within KSS
CCS&I	-20	20	0	Removal of internal trading within YOS.
CCS&I	-387	387	0	Realignment of Cash Limit in Youth Service to reflect reduced funding from ELS as projects ceased in 2010-11.
CCS&I	-107	107	0	Strategic Management & Directorate Support: Reduced income from Regulatory Training Service due to a reduction in training activity.
CCS&I	-323	323		Strategic Management & Directorate Support: Correction to Centrally Managed gross & income budgets (removal of internal trading)
F&BS/EHW	-130	130	0	re-orientation from Debt charges to reflect reduced ability of Commercial Services to make their budgeted contribution due to requirement to fund new audit posts
F&BS/BSP&HR	150	-150	0	to reflect Corporate Legal Budget and increased income in Legal Services
F&BS	-78	78	0	Net Debt Charges (incl Investment Income) - gross and income realignment in light of 10-11 outturn
F&BS	-109	109	0	To amend an incorrectly budgeted income target for External Funding
Revised Budget	2,374,561	-1,452,631	921,930	

FINANCIAL HEALTH INDICATORS

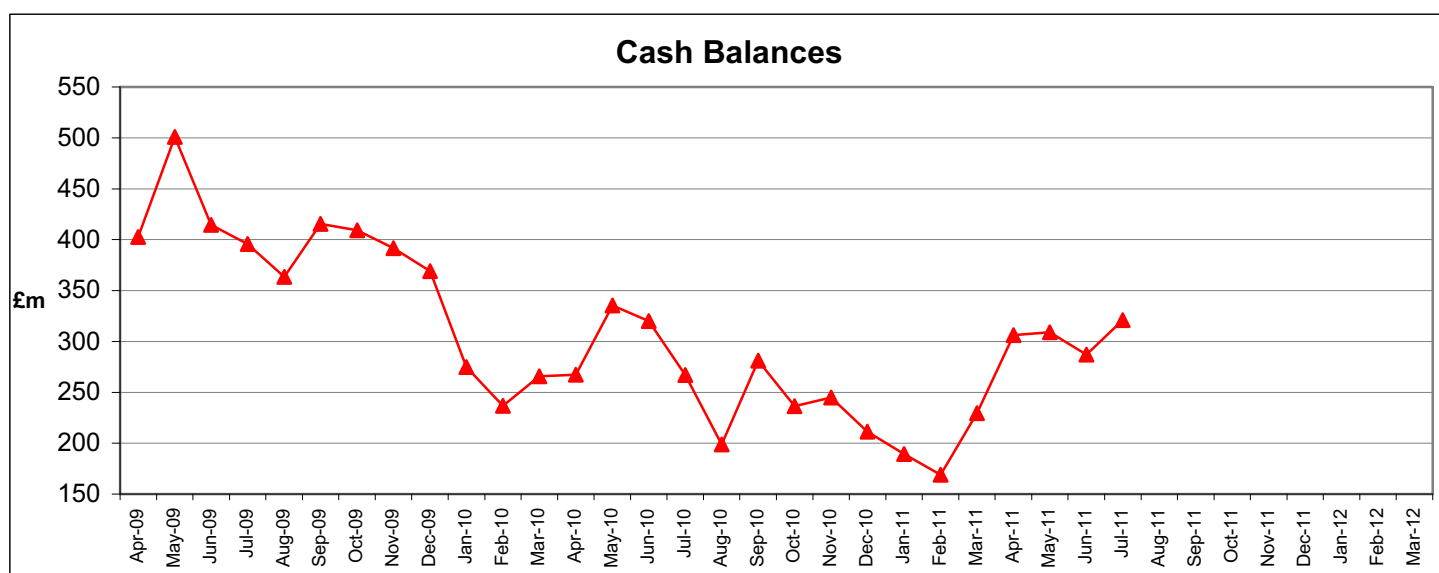
1. CASH BALANCES

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 (£39.3m), balances of schools in the corporate scheme (£52.1m), 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.

Pension Fund cash balances were removed from KCC Funds on 1 July 2010 and are now being handled separately.

The overall downward trend in the cash balance since September 2009 reflects the Council's policy of deferring borrowing and using available cash balances to fund new capital expenditure (i.e. internalising the debt).

	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2009-10	402.7	500.9	414.6	395.7	363.6	415.4	409.1	391.7	369.1	275.0	236.7	265.8
2010-11	267.4	335.2	319.8	267.2	198.7	281.3	236.4	244.9	211.5	189.5	169.1	229.5
2011-12	306.3	308.9	287.0	320.9								



2. LONG TERM DEBT MATURITY

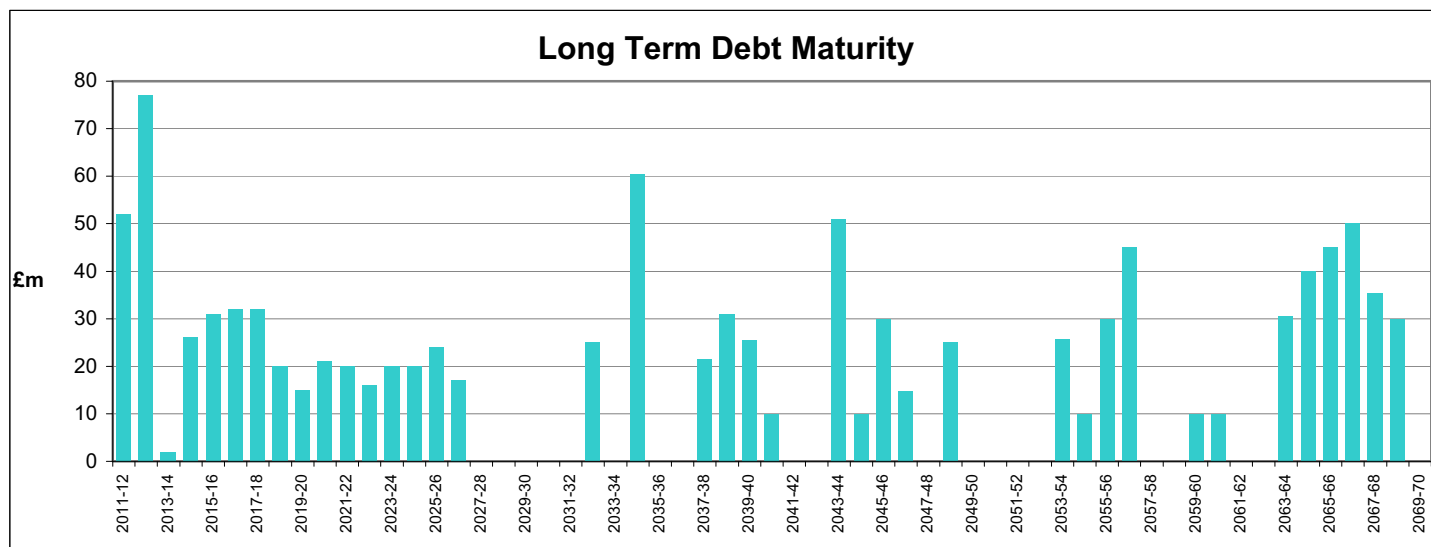
The following graph represents the total external debt managed by KCC, and the year in which this is due to mature. This includes £46.5m pre-Local Government Review debt managed on behalf of Medway Council. Also included is pre-1990 debt managed on behalf of the Further Education Funding council (£2.6m), Magistrates Courts (£1.4m) and the Probation Service (£0.24m). These bodies make regular payments of principal and interest to KCC to service this debt.

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

The total debt principal to be repaid in 2011-12 is £57.024m, £55m maturity loan and £2.024m relating to small annuity and equal instalment of principal loans.

£5m PWLB maturity loan was repaid in May, hence the figure in the table of £52.024m represents the remaining debt still to be repaid in this financial year.

Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2011-12	52.024	2024-25	20.001	2037-38	21.500	2050-51	0.000	2063-64	30.600
2012-13	77.021	2025-26	24.001	2038-39	31.000	2051-52	0.000	2064-65	40.000
2013-14	2.015	2026-27	17.001	2039-40	25.500	2052-53	0.000	2065-66	45.000
2014-15	26.193	2027-28	0.001	2040-41	10.000	2053-54	25.700	2066-67	50.000
2015-16	31.001	2028-29	0.001	2041-42	0.000	2054-55	10.000	2067-68	35.500
2016-17	32.001	2029-30	0.001	2042-43	0.000	2055-56	30.000	2068-69	30.000
2017-18	32.001	2030-31	0.001	2043-44	51.000	2056-57	45.000	2069-70	0.000
2018-19	20.001	2031-32	0.000	2044-45	10.000	2057-58	0.000		
2019-20	15.001	2032-33	25.000	2045-46	30.000	2058-59	0.000		
2020-21	21.001	2033-34	0.000	2046-47	14.800	2059-60	10.000		
2021-22	20.001	2034-35	60.470	2047-48	0.000	2060-61	10.000	TOTAL	1,091.333
2022-23	16.001	2035-36	0.000	2048-49	25.000	2061-62	0.000		
2023-24	20.001	2036-37	0.000	2049-50	0.000	2062-63	0.000		



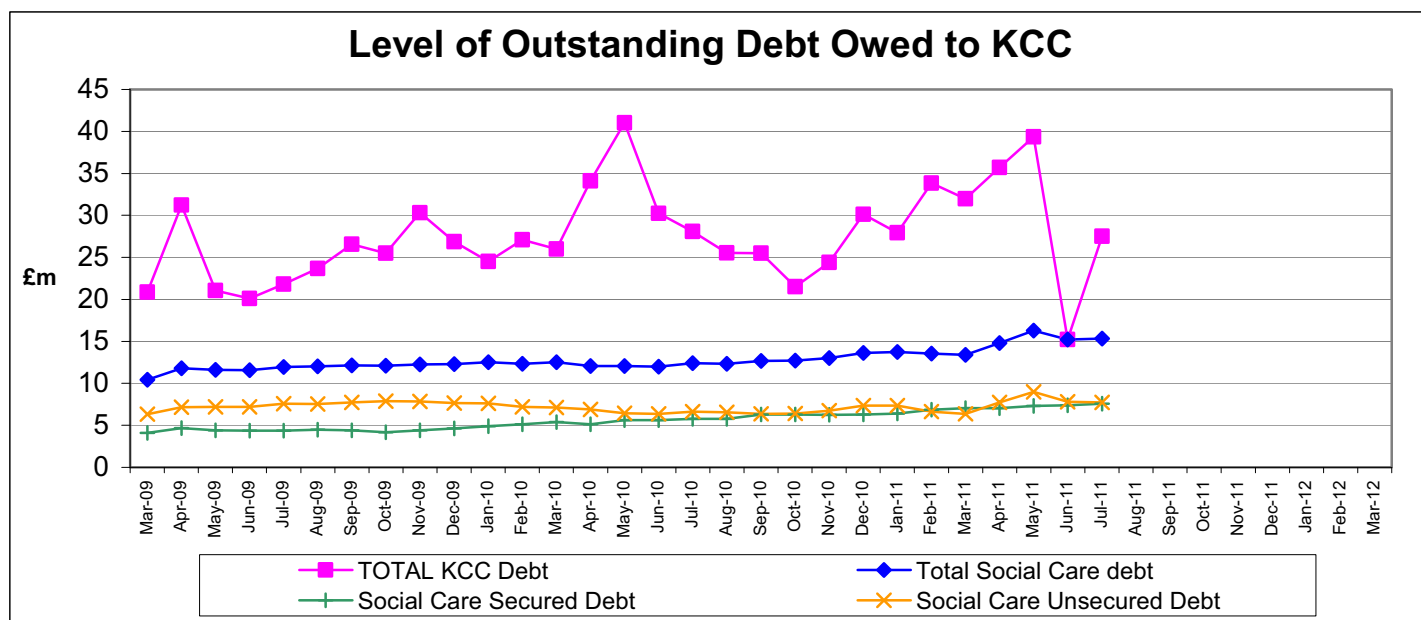
3. OUTSTANDING DEBT OWED TO KCC

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

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care debt £m	FSC Sundry debt £m	TOTAL FSC debt £m	All Other Directorates Debt £m	TOTAL KCC Debt £m
March 09	4.100	6.326	10.426	1.850	12.276	8.578	20.854
April 09	4.657	7.161	11.818	6.056	17.874	13.353	31.227
May 09	4.387	7.206	11.593	1.078	12.671	8.383	21.054
June 09	4.369	7.209	11.578	1.221	12.799	7.323	20.122
July 09	4.366	7.587	11.953	1.909	13.862	7.951	21.813
Aug 09	4.481	7.533	12.014	1.545	13.559	10.126	23.685
Sept 09	4.420	7.738	12.158	2.024	14.182	12.391	26.573
Oct 09	4.185	7.910	12.095	2.922	15.017	10.477	25.494
Nov 09	4.386	7.859	12.245	6.682	18.927	11.382	30.309
Dec 09	4.618	7.677	12.295	6.175	18.470	8.376	26.846
Jan 10	4.906	7.627	12.533	2.521	15.054	9.445	24.499
Feb 10	5.128	7.221	12.349	2.956	15.305	11.801	27.106
March 10	5.387	7.127	12.514	1.643	14.157	11.818	25.975
April 10	5.132	6.919	12.051	2.243	14.294	19.809	34.103
May 10	5.619	6.438	12.057	3.873	15.930	25.088	41.018

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care debt £m	FSC Sundry debt £m	TOTAL FSC debt £m	All Other Directorates Debt £m	TOTAL KCC Debt £m
June 10	5.611	6.368	11.979	3.621	15.600	14.648	30.248
July 10	5.752	6.652	12.404	4.285	16.689	11.388	28.077
Aug 10	5.785	6.549	12.334	5.400	17.734	7.815	25.549
Sept 10	6.289	6.389	12.678	4.450	17.128	8.388	25.516
Oct 10	6.290	6.421	12.711	3.489	16.200	5.307	21.507
Nov 10	6.273	6.742	13.015	4.813	17.828	6.569	24.397
Dec 10	6.285	7.346	13.631	6.063	19.694	10.432	30.126
Jan 11	6.410	7.343	13.753	6.560	20.313	7.624	27.937
Feb 11	6.879	6.658	13.537	7.179	20.716	13.124	33.840
March 11	7.045	6.357	13.402	11.011	24.413	7.586	31.999
April 11	7.045	7.755	14.800	10.776	25.576	10.131	35.707
May 11	7.309	8.974	16.283	11.737	28.020	11.338	39.358
June 11	7.399	7.817	15.216	*	15.216	*	15.216
July 11	7.584	7.745	15.329	4.860	20.189	7.315	27.504
Aug 11							
Sept 11							
Oct 11							
Nov 11							
Dec 11							
Jan 12							
Feb 12							
March 12							

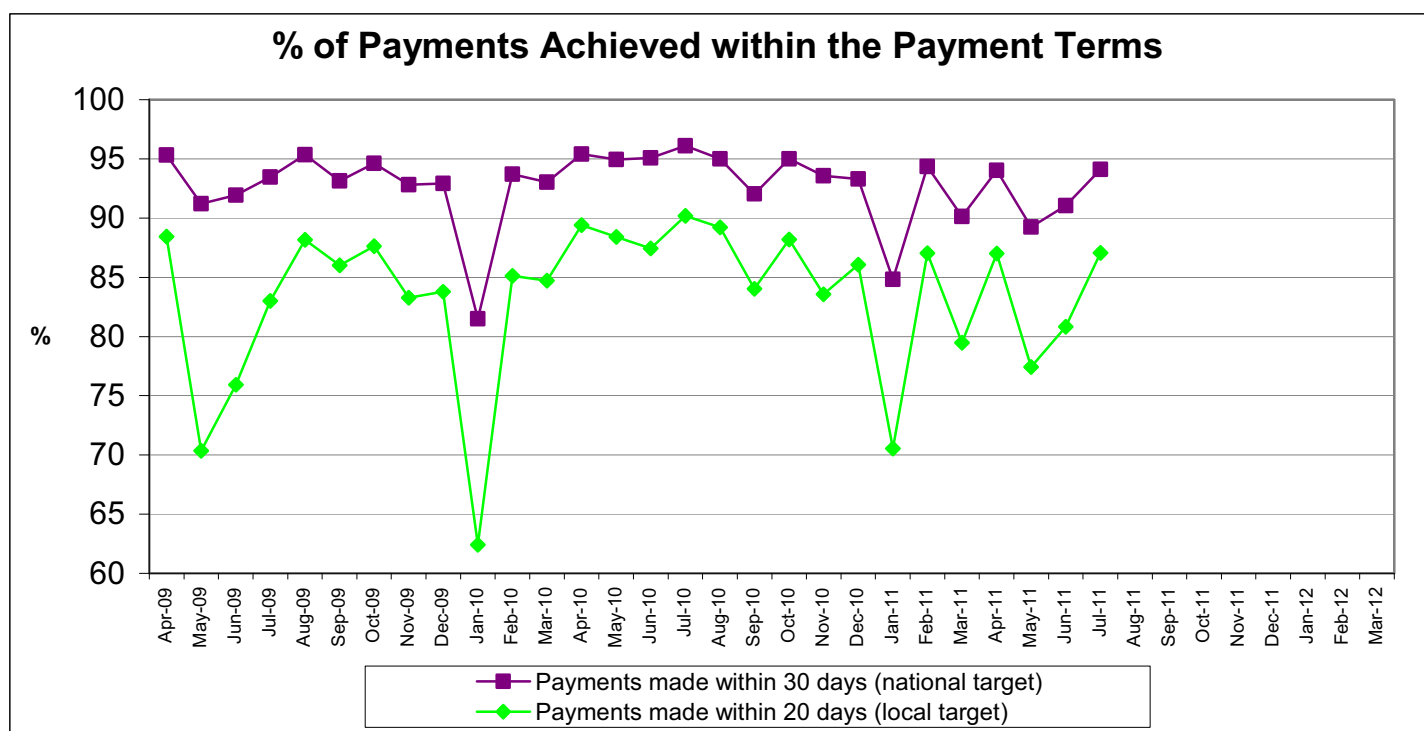
* The June sundry debt figures are not available due to a system failure, which meant that the debt reports could not be run and as these reports provide a snapshot position at the end of the month, they cannot be run retrospectively.



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.

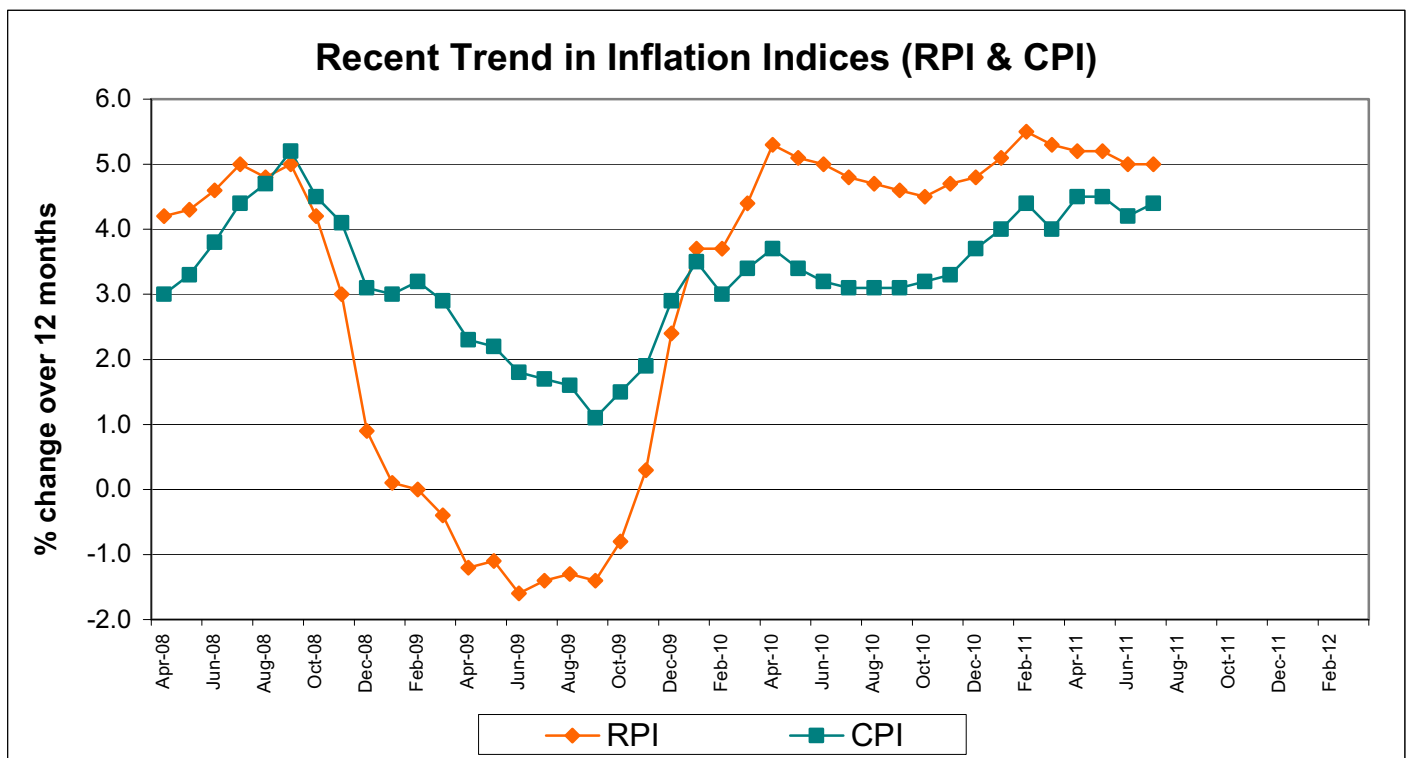
	2009-10		2010-11		2010-11	
	Paid within 30 days %	Paid within 30 days %	Paid within 30 days %	Paid within 20 days %	Paid within 30 days %	Paid within 20 days %
April	95.3	88.4	95.4	89.4	94.0	87.0
May	91.2	70.4	95.0	88.4	89.2	77.4
June	91.9	75.9	95.1	87.4	91.1	80.8
July	93.5	83.0	96.1	90.2	94.1	87.1
August	95.3	88.2	95.0	89.2		
September	93.1	86.0	92.0	84.0		
October	94.6	87.6	95.0	88.2		
November	92.8	83.3	93.6	83.6		
December	92.9	83.8	93.3	86.1		
January	81.5	62.4	84.8	70.6		
February	93.7	85.1	94.3	87.0		
March	93.0	84.7	90.1	79.5		



The percentages achieved for January were lower than other months due to the Christmas break. This is evident in both 2009-10 and 2010-11. This position was exacerbated in 2009-10 due to snow. The 2011-12 year to date figure for invoices paid within 20 days is 83.4%, and within 30 days is 92.3%. This compares to overall performance in 2009-10 of 81.9% and 92.6% respectively and 2010-11 of 85.4% and 93.4% respectively.

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. The CPI and RPI measure 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.

	2008-09		2009-10		2010-11		2011-12	
	Percentage Change over 12 months							
	RPI %	CPI %	RPI %	CPI %	RPI %	CPI %	RPI %	CPI %
April	4.2	3.0	-1.2	2.3	5.3	3.7	5.2	4.5
May	4.3	3.3	-1.1	2.2	5.1	3.4	5.2	4.5
June	4.6	3.8	-1.6	1.8	5.0	3.2	5.0	4.2
July	5.0	4.4	-1.4	1.7	4.8	3.1	5.0	4.4
August	4.8	4.7	-1.3	1.6	4.7	3.1		
September	5.0	5.2	-1.4	1.1	4.6	3.1		
October	4.2	4.5	-0.8	1.5	4.5	3.2		
November	3.0	4.1	0.3	1.9	4.7	3.3		
December	0.9	3.1	2.4	2.9	4.8	3.7		
January	0.1	3.0	3.7	3.5	5.1	4.0		
February	0.0	3.2	3.7	3.0	5.5	4.4		
March	-0.4	2.9	4.4	3.4	5.3	4.0		



2011-12 July Monitoring of Prudential Indicators

1. Estimate of capital expenditure (excluding PFI)

Actual 2010-11	£377.147m	
Original estimate 2011-12	£305.448m	
Revised estimate 2011-12	£360.352m	(this includes the rolled forward re-phasing from 2010-11)

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

	2010-11 Actual	2011-12 Original Estimate	2011-12 Forecast as at 31-07-11
	£m	£m	£m
Capital Financing Requirement	1,273.113	1,308.640	1,308,202
Annual increase in underlying need to borrow	36.902	35.527	35,089

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

Actual 2010-11	12.85%
Original estimate 2011-12	11.77%
Revised estimate 2011-12	14.14%

The actual 2010-11 and revised estimate 2011-12 includes PFI Finance Lease costs but these costs were not included in the original estimate calculation.

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 2011-12

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

	Prudential Indicator 2011-12 £m	Position as at 31.07.11 £m
Borrowing	1,158	1,040
Other Long Term Liabilities	0	0
	1,158	1,040

- (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
	2011-12	31.07.11
	£m	£m
Borrowing	1,204	1,092
Other Long Term Liabilities	0	0
	1,204	1,092

5. **Authorised Limit for external debt**

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the County Council. The revised limits for 2011-12 are:

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

	£m
Borrowing	1,198
Other long term liabilities	0
	1,198

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

	£m
Borrowing	1,204
Other long term liabilities	0
	1,204

The additional allowance over and above the operational boundary has not needed to be utilised and external debt, has and will be maintained well within the authorised limit.

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

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

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

The Council has determined the following upper limits for 2011-12

Fixed interest rate exposure	100%
Variable rate exposure	50%

These limits have been complied with in 2011-12.

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 31.07.11
	%	%	%
Under 12 months	25	0	5
12 months and within 24 months	40	0	7
24 months and within 5 years	60	0	8
5 years and within 10 years	80	0	10
10 years and within 20 years	25	10	10
20 years and within 30 years	25	5	16
30 years and within 40 years	25	5	12
40 years and within 50 years	25	10	11
50 years and within 60 years	30	10	21

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

Indicator	Actual
£50m	£10m

EDUCATION, LEARNING & SKILLS DIRECTORATE SUMMARY JULY 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 for the A-Z service analysis have been adjusted since the budget was set to reflect the transfers required to reflect the new directorate and portfolio structures, the addition of £0.135m of roll forward from 2010-11 as approved by Cabinet on 20 June 2011 and a number of other technical adjustments to budget.
- The inclusion of a number of 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in appendix 1 to the executive summary.
- This forecast assumes the Government will not make any changes in 2011-12 once the 'Consultation on the basis for the decision on the appropriate amount of academies funding transfer for 2011-12 and 2012-13' has ended.

1.1.2 **Table 1** below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Education, Learning & Skills portfolio							
Delegated Budget:							
Schools Delegated Budgets	948,442	-948,442	0	5,748	0	5,748	Estimated drawdown of reserves following 50 schools converting to academies
TOTAL DELEGATED	948,442	-948,442	0	5,748	0	5,748	
Non Delegated Budget:							
ELS Strategic Management & directorate support budgets	13,048	-8,411	4,637	640	-85	555	Legal and staffing
Services for Schools:							
- School Improvement Services	10,288	-4,866	5,422	269	207	476	Staffing and Extended Services projects. Reduced income for interim head teachers
- Governor Support	661	-676	-15	-187	201	14	Reduced service costs in line with reduced income from schools
- PFI Schools Schemes	16,859	-16,859	0	0	0	0	
- Schools' Buildings & Sites	853	-706	147	0	0	0	
- Schools' Cleaning & Refuse	3,521	-3,889	-368	27	162	189	Cleaning & Refuse Collection Contract under recovery of income
- Schools' Meals	1,645	-1,645	0	0	0	0	
- Schools' Non Delegated Staff Costs	3,260	-3,158	102	0	0	0	
- Schools' Other Services	1,063	-578	485	-60	0	-60	
- Schools' Redundancy Costs	1,232	-1,232	0	0	0	0	
- Special Schools' Meals	629	-629	0	0	0	0	
- Schools' Teachers Pension Costs	7,629	-2,684	4,945	0	0	0	
	47,640	-36,922	10,718	49	570	619	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<u>Support for Individual Children</u> <u>- Education & Personal</u>							
- 14 - 19 year olds	5,256	-3,384	1,872	0	0	0	
- Attendance & Behaviour	23,184	-22,040	1,144	598	-326	272	Additional expenditure & income in PRUs and staffing
- Connexions	9,787	-9,787	0	255	0	255	Connexions contract
- Education Psychology Service	3,328	-13	3,315	0	0	0	
- Free School Meals	3,864	-3,864	0	0	0	0	
- Learners with AEN Services	8,021	-7,319	702	-118	118	0	Additional expenditure & income in Specialist teaching service and Kent Portage
- Minority Communities Achievement Service	2,598	-2,598	0	0	0	0	
- Partnership with Parents	746	-3	743	-89	0	-89	
- Statemented Pupils	9,724	-9,724	0	0	0	0	
- Independent Special School Placements	12,549	-12,549	0	0	0	0	
- Special School & Hospital Recoupment	1,660	-1,660	0	0	-822	-822	Additional special recoupment income
	80,717	-72,941	7,776	646	-1,030	-384	
<u>Transport Services</u>							
- Home to College Transport	1,787	-367	1,420	135	0	135	High demand for Home to college transport
- Mainstream HTST	14,301	-384	13,917	-898	0	-898	Fall in the number of children requiring transport & contract renegotiation
- SEN HTST	17,039	0	17,039	-439	0	-439	Lower costs resulting from contract renegotiation, fewer children than budgeted level travelling
	33,127	-751	32,376	-1,202	0	-1,202	
<u>Intermediate Services</u>							
- Assessment of Vulnerable Children	1,693	-571	1,122	78	0	78	
TOTAL NON DELEGATED	176,225	-119,596	56,629	211	-545	-334	
Total ELS portfolio	1,124,667	-1,068,038	56,629	5,959	-545	5,414	
Specialist Children's Services portfolio							
Delegated Budget:							
Early Years Placements	41,553	-41,553	0	0	0	0	
Total SCS portfolio	41,553	-41,553	0	0	0	0	
Total ELS directorate controllable	1,166,220	-1,109,591	56,629	5,959	-545	5,414	+£5.748m relates to delegated schools budgets
Assumed Mgmt Action							
- ELS portfolio						0	
- SCS portfolio						0	
Total ELS after mgmt action	1,166,220	-1,109,591	56,629	5,959	-545	5,414	

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:

Education, Learning & Skills portfolio:

Delegated Budgets

1.1.3.1 **Schools Delegated Budgets**

The forecast £5.748m drawdown of schools reserves shown in tables 1 and 2 represents the estimated reduction in reserves resulting from 50 schools converting to academies including the 16 schools converting to academies up to August 2011 and 34 expected to convert before the end of March 2012.

Non Delegated Budgets

1.1.3.2 **ELS Strategic Management & Directorate Support Budgets (gross)**

The ELS Strategic Management & Directorate Support budget is reporting a gross overspend of +£640k due mainly to an overspend on Legal Services of +£444k. The legal budget was offered up as a saving through the 2011-13 MTFP process with the option to redirect costs to managers. This saving is proving difficult to achieve and whilst the Directorate is considering alternative options, at this stage it is prudent to reflect this as a pressure.

There is a forecast pressure of +£200k on staffing over several services, including +£78k in SEN & Resources due to a delay in the implementation of the planned restructure.

There are other minor variances -£4k.

1.1.3.3 **Services for Schools:**

a. **School Improvement Services (gross and income)**

As part of the 2011-12 budget setting process School Improvement Services were allocated a savings target of £4.249m. This included a savings target for staff of £2.9m. The original plan to achieve these savings, as agreed during budget setting for 2011-12 has subsequently been revised and timescales have slipped meaning that only £945k of staff savings will be achieved this financial year leaving a gap of £3.3m. This shortfall was reported in the last exception report. However, the unit is now reporting a much lower overspend. This is due to the unit having a significant number of vacancies from April up until the restructure implementation at the start of December and a deliberate reduction in non-staffing expenditure and payments to schools. The service is therefore now forecasting a gross pressure of +£269k, of which +£146k is due to ongoing commitments for Extended Services work. The balance of +£123k is due to a staffing overspend caused by the cessation of some specific grants and a delay in the restructure.

There is an income variance of +£207k which is mainly due to a reduction in expected income for interim head teachers placed in schools.

b. **Governor Support (gross and income)**

The Governor Support budget has a forecast gross underspend of -£187k and an income pressure of +£201k. This is mainly due to Governor Services reporting an income variance of +£273k due to a reduction in the expected levels of income from schools. The reduction in income has a corresponding effect on the levels of expenditure and therefore there is a gross underspend of -£224k, leaving an overall net pressure of +£49k.

There are other minor variances on the clerking agency of +£37k gross and -£72k income.

c. **Schools' Cleaning & Refuse (income)**

In a previous MTFP the Client Services unit was expected to implement full-cost recovery in relation to contract management of the cleaning and refuse collection contracts with schools. Whilst they have made significant strides to achieve this, the service is still struggling to achieve the necessary income to cover the costs of the contract team resulting in a forecast +£162k under-recovery of income.

The service are also reporting a +£27k gross variance.

1.1.3.4 **Support for Individual Children – Education & Personal:**

a. Attendance & Behaviour (gross and income)

The Attendance & Behaviour unit is forecasting a gross pressure of +£598k and an income variance of -£326k.

Alternative curriculum and behaviour PRUs are forecasting a gross pressure of +£273k and income variance -£273k due to additional staffing costs, offset by income from schools and academies. There is an overspend on staffing of +£325k due in part to a delay in implementing a restructure.

The unit is also projecting -£53k additional income from parents/carers for penalty notices for their child's non attendance at school.

b. Connexions (gross)

The Young Peoples Learning Agency (YPLA) announced on 29 March 2011 that the Education Business Partnership funding was being withdrawn on 31 March 2011. This funding is paid to Connexions via a contract and we could not renegotiate the contract until the end of August at the earliest. Renegotiations have commenced with Connexions, but until these negotiations have concluded a pressure of £255k is anticipated.

c. Learners with AEN Services (gross and income)

The service is reporting a -£118k gross and +£118k income variance. This is due to reduced income levels, partly because of less traded income from colleges for Specialist Teaching Services, with a corresponding decrease in expenditure and a minor reduction in internal income for the Portage service.

d. Special School & Hospital Recoupment (income)

The forecast additional income of -£822k reflects the fact that in 2010-11 and the previous year, the recoupment income exceeded the set budget due to demand for places from other Local Authorities. The position in 2011-12 is likely to be the same.

1.1.3.5 **Transport Services:**

a. Home to College Transport (gross)

There is a +£135k gross pressure due to increased demand, including increased costs for transport for SEN pupils over the age of 19 who have been awarded travel costs on appeal. This should be treated as a provisional forecast outturn variance and there are many factors that could alter this during the year, particularly in September e.g. pupil numbers, contract renegotiations.

b. Mainstream HTST (gross)

There is a -£898k gross underspend forecast for Mainstream HTST. This reflects the full year effect of 2010-11 outturn after fully covering 2011-12 savings, and continuing to support pupils eligible for extended rights to free transport. It should be noted that this provisional forecast outturn variance is based solely on last year's outturn and there are many factors that could alter this during the year, particularly in September e.g. pupil numbers, contract renegotiations.

c. SEN HTST (gross)

The -£439k gross variance reflects the full year effect of 2010-11 outturn after fully covering 2011-12 savings. Again, this should be treated as a provisional forecast outturn variance based on last year's outturn and there are many factors that could alter this during the year e.g. pupil numbers, contract negotiations. The unit are forecasting an under spend despite activity levels being higher than budgeted levels. This is because the number of pupils is just one variable contributing to total cost of transport with other factors such as distance travelled, type of travel etc impacting on the forecast.

Delegated Budgets

1.1.3.6 Early Years Placements

The latest forecast suggests an underspend of around -£1.25 million on payments to PVI providers for 3 and 4 year olds. The number of hours provided has increased by 15% over the same term last year as per Section 2.3 and the forecast assumes a slightly increased take up for the Autumn and Spring terms compared to the same terms last year. The extension of the free entitlement to 15 hours per week was rolled out across the County in September 2010 and the forecast shows the full year effect of the rollout. As this budget is funded entirely from DSG, this underspend is transferred into the DSG reserve at the end of the year in accordance with regulations.

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
ELS	Schools Budgets (gross): estimated drawdown of reserves following 50 schools converting to academies	+5,748	ELS	Mainstream home to school transport (gross): fewer children than budgeted level and contract renegotiation	-898
ELS	ELS Strategic Management & Directorate support budgets (gross): legal savings target unlikely to be achieved	+444	ELS	Special school & hospital recoupment (income): more OLA pupils placed at Kent schools than budgeted level	-822
ELS	Attendance & Behaviour (gross): staffing pressure due to delay in directorate restructure	+325	ELS	SEN home to school transport (gross): fewer than budgeted children travelling and contract renegotiations	-439
ELS	Governor Services (income): reduction in expected levels of income	+273	ELS	Attendance & Behaviour (income): PRU income from schools and academies	-273
ELS	Attendance & Behaviour (gross): PRUs additional staffing costs	+273	ELS	Governor Services (gross): reduction in spend to reflect reduced income	-224
ELS	Connexions (gross): cessation of grant from YPLA from 1 April but contract fixed until 31 August	+255	ELS	Learners with Additional Needs (gross): reduced expenditure for Specialist Teaching Services and Kent Portage	-118
ELS	School Improvement (income): Reduction in income for Interim Head Teachers placed in schools	+231			
ELS	ELS Strategic Management & Directorate support budgets (gross): Staffing overspends	+200			
ELS	Schools Cleaning and Refuse (income): under-recovery of expected income	+162			
ELS	School Improvement (gross): Extended Services projects	+146			
ELS	Home to college transport (gross): increased demand for service	+135			
ELS	School Improvement Services (gross): Staffing	+123			
ELS	Learners with Additional Needs (income): reduced income for Specialist Teaching Services and Kent Portage	+118			
		+8,433			-2,774

1.1.4 Actions required to achieve this position:

eg Management Action achieved to date including vacancy freeze, changes to assessment criteria etc. This section should provide details of the management action already achieved, reflected in the net position before assumed management action reported in table 1.

The directorate is holding vacancies where possible until the directorate restructure takes effect in December 2011 for Schools Standards & Improvement and April 2012 for the remainder of the directorate.

1.1.5 **Implications for MTFP:**

The pressure in Client Services relating to full cost recovery of contract management of the cleaning and refuse collection contracts with schools should be resolved following the school's delegation consultation outcome.

The legal pressure and the Home To School Transport savings will both be reflected in the MTFP.

1.1.6 **Details of re-phasing of revenue projects:**

N/A

1.1.7 **Details of proposals for residual variance:** *[eg roll forward proposals; mgmt action outstanding]*

This section should provide details of the management action outstanding, as reflected in the assumed management action figure reported in table 1 and details of alternative actions where savings targets are not being achieved.

The directorate is currently forecasting a pressure of £5.414m, +£5.748m against the schools delegated budgets and an underspend of £0.334m against the non-delegated budget.

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 since last reported to Cabinet on 18th July 2011, as detailed in section 4.1.

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

	Previous Years £'000s	2011-12 £'000s	2012-13 £'000s	2013-14 £'000s	Future Years £'000s	TOTAL £'000s
Education, Learning & Skills						
Budget	426,750	158,635	147,289	78,448	87,290	898,412
Adjustments:						0
- Re-phasing at Outturn	-1,377	1,422	-45			0
- Outturn changes	3,168					3,168
- BSF Wave 5 Unit Cost		530				530
- BSF Wave 3 Unit Cost				-2,600		-2,600
- BSF Wave 3		484				484
- Primary Capital Programme		86				86
- Special Schools Review		21				21
- Modernisation of Assets		10				10
- Basic Needs		4				4
Revised Budget	428,541	161,192	147,244	75,848	87,290	900,115
Variance		-34	+15	0	0	-19
split:						
- real variance		-23	+4	0	0	-19
- re-phasing		-11	+11	0	0	0
Devolved Capital to Schools						
Budget	45,935	13,911	13,911	3,911	3,911	81,579
Adjustments:						0
- Re-phasing at Outturn	-7,254	7,254				0
- Outturn changes		3,555				3,555
Revised Budget	38,681	24,720	13,911	3,911	3,911	85,134
Variance		0	0	0	0	0
split:						
- real variance		0	0	0	0	0
- re-phasing		0	0	0	0	0
Directorate Total						
Revised Budget	467,222	185,912	161,155	79,759	91,201	985,249
Variance	0	-34	15	0	0	-19
Real Variance	0	-23	4	0	0	-19
Re-phasing	0	-11	11	0	0	0

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	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
	None					
			+0	+0	+0	+0
Underspends/Projects behind schedule						
	None					
			0	-0	-0	-0
			-0	-0	-0	-0

1.2.4 Projects re-phasing by over £1m:

None

1.2.5 Projects with real variances, including resourcing implications:

The real variance over the lifetime of the Medium Term Plan indicates a minor underspend of £0.019m. The split of the real variance across the years of the MTP is -£0.023m in 2011-12 and +£0.004m in 2012-13.

At this time there aren't any projects where variances, either over or under spend, exceed £0.040m.

1.2.6 General Overview of capital programme:

(a) Risks

As our programme is now based on the allocations received following the CSR the scale of risks has dropped considerably but it only provides certainty for the 2011-12 year. Future years are dependent upon government announcements later this year which will, we believe, follow publication of the James Review.

There are several schemes where there are potential risks:

Harrietsham Primary School - assessments are currently taking place to determine the extent of the action that will be required correct defects to the roof, wall cladding, glazing and drainage. We are not including any additional costs in our current forecasts on the basis that it will all be recovered via a professional indemnity claim.

Contractor claims – there are several projects where contractors have lodged financial claims for extensions of time. We are not including any allowance for additional costs until claims are resolved. Projects where claims have been made are at: Milestone School and The Manor School.

(b) Details of action being taken to alleviate risks

We continue to stress to colleagues elsewhere within the authority the fixed nature of our budget and anything extra that they insist upon means another scheme loses. The programme is also monitored internally on a regular basis and any potential challenges noted and addressed wherever possible.

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
	£'000s	£'000s	£'000s	£'000s	£'000s
Total re-phasing >£100k	0	0	0	0	0
Other re-phased Projects below £100k	-11	+11			0
TOTAL RE-PHASING	-11	+11	0	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

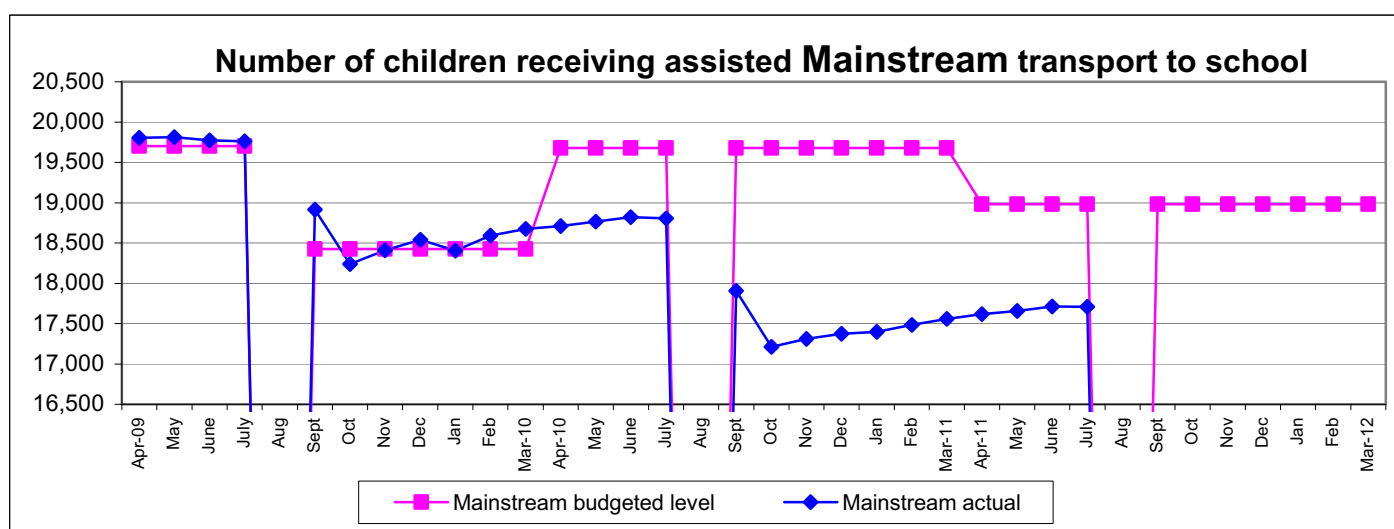
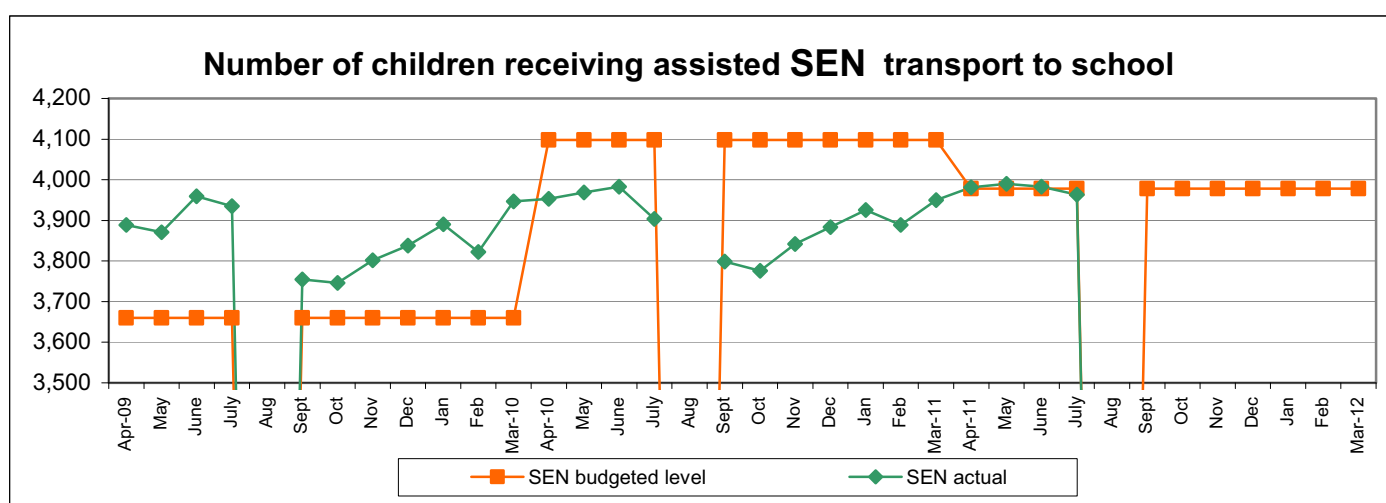
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	as at 31-3-06	as at 31-3-07	as at 31-3-08	as at 31-3-09	as at 31-3-10	as at 31-3-11	projection
Total number of schools	600	596	575	570	564	538	488
Total value of school reserves	£70,657k	£74,376k	£79,360k	£63,184k	£51,753k	£55,190k	£49,442k
Number of deficit schools	9	15	15	13	23	17	11
Total value of deficits	£947k	£1,426k	£1,068k	£1,775k	£2,409k	£2,002k	£767k

Comments:

- The information on deficit schools for 2011-12 has been obtained from the schools budget submissions. The LA 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.
- KCC now has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the LA. The ELS Statutory team are working with all schools currently reporting a deficit with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- The number of schools is based on the assumption that 50 schools (including 30 secondary schools, 19 primary schools and 1 special school) will convert to academies before the 31st March 2012 in line with the government’s decision to fast track outstanding schools to academy status.
- The estimated drawdown from schools reserves of £5,748k represents the estimated reduction in reserves resulting from 50 schools converting to academy status, however the value of school reserves and deficits are very difficult to predict at this early stage in the year and further updates will be provided in future monitoring reports once we have collated the first monitoring returns from schools.

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

	2009-10				2010-11				2011-12			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
April	3,660	3,889	19,700	19,805	4,098	3,953	19,679	18,711	3,978	3,981	18,982	17,620
May	3,660	3,871	19,700	19,813	4,098	3,969	19,679	18,763	3,978	3,990	18,982	17,658
June	3,660	3,959	19,700	19,773	4,098	3,983	19,679	18,821	3,978	3,983	18,982	17,715
July	3,660	3,935	19,700	19,761	4,098	3,904	19,679	18,804	3,978	3,963	18,982	17,708
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sept	3,660	3,755	18,425	18,914	4,098	3,799	19,679	17,906	3,978		18,982	
Oct	3,660	3,746	18,425	18,239	4,098	3,776	19,679	17,211	3,978		18,982	
Nov	3,660	3,802	18,425	18,410	4,098	3,842	19,679	17,309	3,978		18,982	
Dec	3,660	3,838	18,425	18,540	4,098	3,883	19,679	17,373	3,978		18,982	
Jan	3,660	3,890	18,425	18,407	4,098	3,926	19,679	17,396	3,978		18,982	
Feb	3,660	3,822	18,425	18,591	4,098	3,889	19,679	17,485	3,978		18,982	
Mar	3,660	3,947	18,425	18,674	4,098	3,950	19,679	17,559	3,978		18,982	

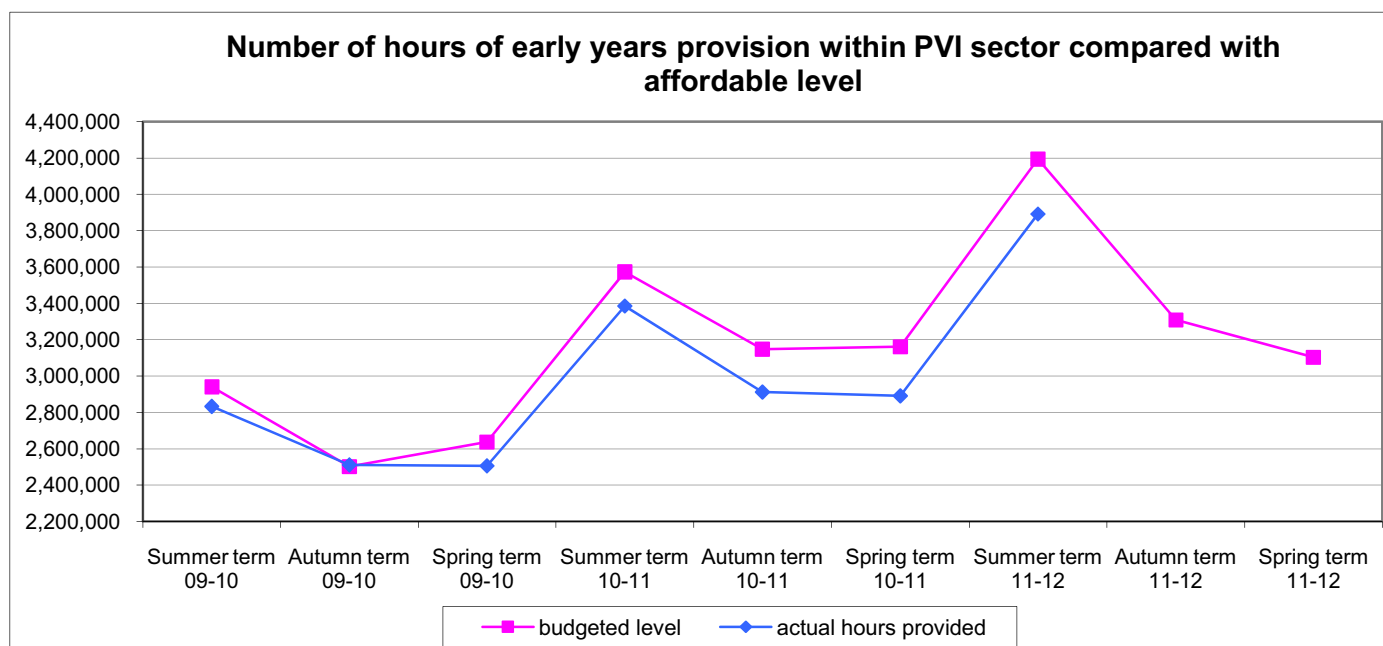


Comments:

- **SEN HTST** – The number of children is similar to the budgeted level, but there are a number of other factors which contribute to the underspend of -£439k reported in section 1.1.3.5 c, such as distance travelled and type of travel.
- **Mainstream HTST** - The number of children is lower than the budgeted level resulting in a corresponding underspend of -£898k (see section 1.1.3.5 b).

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

	2009-10		2010-11		2011-12	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided
Summer term	2,939,695	2,832,550	3,572,444	3,385,199	4,193,230	3,891,922
Autumn term	2,502,314	2,510,826	3,147,387	2,910,935	3,309,733	
Spring term	2,637,646	2,504,512	3,161,965	2,890,423	3,103,947	
	8,079,655	7,847,888	9,881,796	9,186,557	10,606,910	3,891,922



Comments:

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks.
- The phased roll-out of the increase in the number of free entitlement hours from 12.5hrs to 15 hrs per week began from September 2009 and was rolled out across the county in September 2010. The increase in the number of hours was factored into the budgeted number of hours for 2009-10 and 2010-11. For 2011-12 the increase in hours is funded by Dedicated Schools Grant in the same way as the 12.5 hours per week. In 2010-11 and previous years the increase in hours was funded by a specific DCSF Standards Fund grant.
- The current activity suggests an underspend of £1.25m on this budget which has been mentioned in section 1.1.3.6 of this annex. As this budget is funded entirely from DSG, any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere in the directorate budget, therefore this underspend will be transferred to the DSG reserve at year end.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

FAMILIES & SOCIAL CARE DIRECTORATE SUMMARY JULY 2011-12 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 The cash limits that the Directorate is working to, **and upon which the variances in this report are based**, include adjustments for both formal virement and technical adjustments, the latter being where there is no change in policy. The Directorate would like to request formal virement through this report to reflect adjustments to cash limits required for the following changes required in respect of the allocation of previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process. Some of this relates to how the Directorate allocated savings, demography/growth and how grant funding was allocated. Where necessary allocations have been adjusted in light of the 2010-11 outturn expenditure and activity, whereas before they would have been based on forecasts from several months earlier. As a result, demography/growth and savings have in some cases been allocated across different headings to those assumed within budget build. Cash limits also need to be adjusted to reflect the changing trends in services over the past few years through modernisation of services and the move towards more self directed support. Services are now more likely to be community based, for example in supported accommodation, or through a domiciliary care package, or via a direct payment, rather than residentially based (although there are exceptions where very complex needs remain, e.g. many Older People with Mental Health Needs and clients with severe Learning or Physical Disabilities). The value of these changes is an increase of £50k in gross and a £50k increase in income. These changes are expected to continue, but since the extent is currently unknown, will be reported as variances in future cabinet reports.

Cash Limits have also been amended to reflect the new management structure within FSC, there is no overall effect to either gross or income budgets, but this has involved virement between some A to Z lines.

Cash limits have also been adjusted to reflect a number of technical adjustments to budget, including realignment of gross and income to more accurately reflect current levels of services, including:

- a £1,302k gross and income uplift for an element of Social Care Reform Grant which was treated as a receipt in advance during closure of accounts for 2010-11;
- a gross and income uplift of £1,065k, in relation to PCT Re-ablement funding;
- a £2,377k gross and income realignment related to the transfer of S256 LD clients from Health which was not reflected in the approved budget;
- a gross and income uplift of £1,922k in relation to the PFI contract for the KCC hosted Integrated Care Centres.
- We have also uplifted gross and income for an overall increase in funding of £237k from health for specialist children's services.
- a gross and income uplift of £270k for additional income sourced from PCTs to fund additional clients, and staffing increases at the in house LD Independent Living Scheme (ILS).

The total of these gross and income realignments is +£7,173k gross and -£7,173k income (1,302+1,065+2,377+1,922+237+270)

In addition to this is the approved roll forwards from 20th June 2011 Cabinet which total £1,633k gross. There are also a number of other corporate adjustments which total £7,934k gross and -£556k income (£7,378k net), this includes the transfer of £3,491k for the Children's Social Care Improvement Plan from the Finance & Business Support portfolio and the use of the £2,128k uncommitted roll forward from 2010-11 to offset pressures within Specialist Children's Services as agreed by Cabinet in July. The balance is predominantly related to the restructure of KCC, where responsibilities between the new directorates are still being refined.

The overall movements are increases of £16,790k gross (50+7173+1633+7934) and £7,779k income (50+7173+556). This is detailed in table 1a.

Some of the adjustments have impacted upon affordable levels of activity reported in section 2 of this annex, which have been amended from the levels reported to Cabinet on 20 June within the outturn report.

As Members will know, the Kent PCTs were allocated £16,226k in 2011-12 as part of the national allocation of 'Social Care Monies for Health Outcomes' for joint working with Local Authorities, the deployment of these monies is currently being finalised in consultation with the PCT Cluster and a separate report will be submitted to Members in relation to this. Therefore this monitoring report excludes any effect of this allocation

Cabinet is asked to approve these revised cash limits.

1.1.2.1 **Table 1a** below details the change in cash limits by Service Unit:

Budget Book Heading	Published Cash Limit			Current Cash Limit			Movement		
	G	I	N	G	I	N	G	I	N
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Specialist Children's Services portfolio									
Strategic Management & Directorate Support Budgets	5,518	-3,132	2,386	4,715	-2,566	2,149	-803	566	-237
<u>Services for Schools</u>									
Early Years & Childcare Advisory Service	13,741	-13,741	0	13,467	-13,467	0	-274	274	0
<u>Social Services for Children:</u>									
16+ Service	8,988		8,988	8,988	0	8,988	0	0	0
Adoption Service	7,154	-49	7,105	7,147	-49	7,098	-7	0	-7
Asylum Seekers	14,525	-14,245	280	14,525	-14,245	280	0	0	0
Childrens Support Services	2,415	-1,043	1,372	3,414	-1,940	1,474	999	-897	102
Fostering Service	31,951	-425	31,526	31,904	-407	31,497	-47	18	-29
Other Preventative Services	16,352	-8,920	7,432	16,476	-8,541	7,935	124	379	503
Residential Children's Services	10,539	-2,278	8,261	10,932	-2,533	8,399	393	-255	138
Safeguarding	3,685	-357	3,328	4,142	-373	3,769	457	-16	441
	95,609	-27,317	68,292	97,528	-28,088	69,440	1,919	-771	1,148
<u>Support for Individual Children</u>									
- Children's Centres	18,476	-18,476	0	19,741	-18,854	887	1,265	-378	887
- Integrated Looked After Children's Service	1,554	-304	1,250	2,182	-704	1,478	628	-400	228
	20,030	-18,780	1,250	21,923	-19,558	2,365	1,893	-778	1,115
<u>Intermediate Services</u>									
- Assessment of Vulnerable Children	33,054	-2,684	30,370	39,399	-2,520	36,879	6,345	164	6,509
Total SCS portfolio	167,952	-65,654	102,298	177,032	-66,199	110,833	9,080	-545	8,535
Adult Social Care & Public Health portfolio									
Strategic Management & Directorate Support Budgets	9,009	-378	8,631	9,922	-755	9,167	913	-377	536
<u>Adults & Older People:</u>									
- Direct Payments									
- Learning Disability	10,076	-534	9,542	10,837	-736	10,101	761	-202	559
- Mental Health	732		732	732	0	732	0	0	0
- Older People	6,314	-665	5,649	6,359	-665	5,694	45	0	45
- Physical Disability	8,248	-353	7,895	8,248	-353	7,895	0	0	0
Total Direct Payments	25,370	-1,552	23,818	26,176	-1,754	24,422	806	-202	604
- Domiciliary Care									
- Learning Disability	7,383	-1,411	5,972	7,603	-1,454	6,149	220	-43	177
- Mental Health	882	-80	802	898	0	898	16	80	96
- Older People	46,793	-10,679	36,114	47,704	-11,925	35,779	911	-1,246	-335
- Physical Disability	7,743	-520	7,223	7,684	-539	7,145	-59	-19	-78
Total Domiciliary Care	62,801	-12,690	50,111	63,889	-13,918	49,971	1,088	-1,228	-140

Budget Book Heading	Published Cash Limit			Current Cash Limit			Movement		
	G	I	N	G	I	N	G	I	N
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
- Nursing & Residential Care									
- Learning Disability	73,078	-21,043	52,035	75,502	-23,389	52,113	2,424	-2,346	78
- Mental Health	6,756	-852	5,904	6,737	-846	5,891	-19	6	-13
- Older People - Nursing	45,547	-22,053	23,494	45,547	-22,070	23,477	0	-17	-17
- Older People - Residential	85,806	-34,094	51,712	88,679	-36,594	52,085	2,873	-2,500	373
- Physical Disability	12,513	-1,888	10,625	12,305	-1,786	10,519	-208	102	-106
Total Nursing & Residential Care	223,700	-79,930	143,770	228,770	-84,685	144,085	5,070	-4,755	315
- Supported Accommodation									
- Learning Disability	31,183	-18,989	12,194	31,227	-18,857	12,370	44	132	176
- Physical Disability/Mental Health	1,210	-255	955	1,313	-255	1,058	103	0	103
Total Supported Accommodation	32,393	-19,244	13,149	32,540	-19,112	13,428	147	132	279
- Other Services for Adults & Older People									
- Contributions to Vol Orgs	15,526	-902	14,624	14,912	-902	14,010	-614	0	-614
- Day Care									
- Learning Disability	12,824	-436	12,388	13,197	-284	12,913	373	152	525
- Older People	4,501	-210	4,291	4,086	-157	3,929	-415	53	-362
- Physical Disability/Mental Health	1,695	-38	1,657	1,302	-1	1,301	-393	37	-356
Total Day Care	19,020	-684	18,336	18,585	-442	18,143	-435	242	-193
- Other Adult Services	14,239	-8,157	6,082	14,139	-8,185	5,954	-100	-28	-128
Total Other Services for A&OP	48,785	-9,743	39,042	47,636	-9,529	38,107	-1,149	214	-935
- Intermediate Services									
- Assessment of Vulnerable Adults & Older People	41,282	-2,773	38,509	42,117	-3,791	38,326	835	-1,018	-183
Total ASC&PH portfolio	443,340	-126,310	317,030	451,050	-133,544	317,506	7,710	-7,234	476
Total Families & Social Care controllable	611,292	-191,964	419,328	628,082	-199,743	428,339	16,790	-7,779	9,011

1.1.2.2 **Table 1b** below details the revenue position by Service Unit against the revised cash limits shown in table 1a:

Budget Book Heading	New cash limit			Variance			Comments
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Specialist Children's Services portfolio							
Strategic Management & Directorate Support Budgets	4,715	-2,566	2,149	44	0	44	
<u>Services for Schools:</u>							
Early Years & Childcare Advisory Service	13,467	-13,467	0	-607	7	-600	Recommissioning of SLA with NCA
<u>Social Services for Children:</u>							
16+ Service	8,988	0	8,988	793	0	793	Increased residential weeks, cost of Independent fostering, staffing pressures
Adoption Service	7,147	-49	7,098	345	-11	334	Special Guardianship Orders & staffing pressures
Asylum Seekers	14,525	-14,245	280	1,193	-396	797	continuing support of 18+ Asylum seekers who are not eligible for grant funding
Childrens Support Services	3,414	-1,940	1,474	33	6	39	
Fostering Service	31,904	-407	31,497	4,255	3	4,258	Activity above affordable level, increased allowances as a result of new legislation, legal costs

Budget Book Heading	New cash limit			Variance			Comments
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Other Preventative Services	16,476	-8,541	7,935	-403	0	-403	Southwark Judgement pressures, offset by uncommitted funds
Residential Children's Services	10,932	-2,533	8,399	999	66	1,065	Activity above affordable level, offset by lower unit costs & underspend on secure accommodation
Safeguarding	4,142	-373	3,769	125	0	125	Staffing as a result of Ofsted inspection
	97,528	-28,088	69,440	7,340	-332	7,008	
Support for Individual Children							
- Children's Centres	19,741	-18,854	887	0	0	0	
- Integrated Looked After Children's Service	2,182	-704	1,478	90	0	90	
	21,923	-19,558	2,365	90	0	90	
Intermediate Services							
- Assessment of Vulnerable Children	39,399	-2,520	36,879	2,206	30	2,236	Staffing pressures
Total SCS portfolio	177,032	-66,199	110,833	9,073	-295	8,778	
Adult Social Care & Public Health portfolio							
Strategic Management & Directorate Support Budgets	9,922	-755	9,167	456	-103	353	Staffing pressure largely offset by additional income, increased legal services costs, BHAL pressure
Adults & Older People:							
- Direct Payments							
- Learning Disability	10,837	-736	10,101	-214	364	150	Activity below affordable & unit income lower than budgeted
- Mental Health	732	0	732	-72	0	-72	Activity below affordable
- Older People	6,359	-665	5,694	-488	44	-444	Activity below affordable
- Physical Disability	8,248	-353	7,895	711	-165	546	Activity above affordable
Total Direct Payments	26,176	-1,754	24,422	-63	243	180	
- Domiciliary Care							
- Learning Disability	7,603	-1,454	6,149	-847	34	-813	Activity below affordable
- Mental Health	898	0	898	-221	0	-221	Activity below affordable
- Older People	47,704	-11,925	35,779	-2,945	1,591	-1,354	Activity below affordable
- Physical Disability	7,684	-539	7,145	-237	23	-214	Activity below affordable
Total Domiciliary Care	63,889	-13,918	49,971	-4,250	1,648	-2,602	
- Nursing & Residential Care							
- Learning Disability	75,502	-23,389	52,113	3,757	-1,338	2,419	Activity above affordable
- Mental Health	6,737	-846	5,891	255	209	464	Activity above affordable
- Older People - Nursing	45,547	-22,070	23,477	-723	351	-372	Activity below affordable
- Older People - Residential	88,679	-36,594	52,085	-1,771	941	-830	Reduced P&V activity, reduced in house income
- Physical Disability	12,305	-1,786	10,519	1,272	42	1,314	Activity above affordable
Total Nursing & Residential Care	228,770	-84,685	144,085	2,790	205	2,995	
- Supported Accommodation							
- Learning Disability	31,227	-18,857	12,370	-903	-193	-1,096	Activity below affordable
- Physical Disability/Mental Health	1,313	-255	1,058	896	-101	795	PD Activity below affordable but higher unit cost MH Activity above affordable
Total Supported Accommodation	32,540	-19,112	13,428	-7	-294	-301	

Budget Book Heading	New cash limit			Variance			Comments
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Other Services for Adults & Older People							
- Contributions to Vol Orgs	14,912	-902	14,010	-210	71	-139	Move towards SDS and Innovative commissioning
- Day Care							
- Learning Disability	13,197	-284	12,913	-246	25	-221	Reduced staffing levels
- Older People	4,086	-157	3,929	-166	-12	-178	Innovative commissioning
- Physical Disability/Mental Health	1,302	-1	1,301	-30	1	-29	
Total Day Care	18,585	-442	18,143	-442	14	-428	
- Other Adult Services	14,139	-8,185	5,954	304	295	599	Growth in OT; Meals; Loss of income
Total Other Services for A&OP	47,636	-9,529	38,107	-348	380	32	
- Intermediate Services							
- Assessment of Vulnerable Adults & Older People	42,117	-3,791	38,326	-1,001	149	-852	Vacancy management; uncommitted funds
Total ASC&PH portfolio	451,050	-133,544	317,506	-2,423	2,228	-195	
Total Families & Social Care controllable	628,082	-199,743	428,339	6,650	1,933	8,583	
Assumed Management Action							
- SCS portfolio						0	
- ASC&PH portfolio						0	
Forecast after Mgmt Action				6,650	1,933	8,583	

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:

Specialist Children's Services portfolio:

Overall forecast net pressure of £8,778k, details of which are below.

1.1.3.1 Early Years & Childcare Service: -£600k (-£607k gross, +£7k income)

A £600k forecast under spend is reported, due to the successful re-negotiation of the National Childminding Association Contract, which reduced the original cost to £95k. This organisation carries out various strategic commissioning training sessions for Childminders on behalf of the Early Years Service. This contract is managed within the Children's Centres Central Team budget.

1.1.3.2 16+ Service- +£793k gross

An increase in spend of £428k in the Private & Voluntary sector is a major contributor to the pressure on the 16+ service. This is due to an expected variance of 143 weeks support in residential care above the affordable level (+39%), due to children remaining in their placements when turning 16, rather than moving into lower cost supported lodgings. The Authority has a legal obligation to maintain the existing placement if the child requests.

An increase of £248k in Independent Fostering Payments spend is also contributing to the forecast pressure on the 16+ service. This is due to a forecast variance of 257 weeks support above the affordable level (+36%) (£260k), which has been mitigated by a slight reduction in the unit cost of placements, down 1% (£12k).

£112k of the forecast pressure is as a result of the team now being fully staffed to meet the increased demand on these services as a result of the higher activity seen so far in 2011-12.

This increase in activity has also resulted in higher than anticipated payments to Relevant Children (£67k) & Section 24/Leaving Care payments (£25k). (Relevant Children are defined under the Leaving Care act as “children aged 16-17 who are no longer looked after by a local authority, but who were looked after for at least 13 weeks after the age of 14 and have been looked after at some time while they were aged 16 and 17). We are forecasting an underspend of £88k in Non-Related (in-house) Fostering within the 16+ service. This is due to forecast activity being 60 weeks less than the affordable level (£24k), and the unit cost being £9 less than budgeted (£64k).

1.1.3.3 Adoption Service: +£334k (+£345k gross, -£11k income)

The current forecast variance of £334k includes £159k as a result of an increase of staff in the Adoption Team. An increase in costs relating to Special Guardianship Orders (SGO) of £210k is offset by a small under spend of £24k on Adoption payments. There is an upward trend for SGO's in order to secure a permanent placement for a child where adoption is not suitable or required. In order to secure permanency, SGO legal orders through the courts are required.

1.1.3.4 Asylum Seekers: +£797k (+£1,193k gross, -£396k income)

This gross pressure relates to the costs incurred in continuing to support young people over 18 years old who are not eligible under UKBA's grant rules. We are assuming that we will have an average of 110 young people who do not qualify under the grant rules mainly because they are Appeal Rights Exhausted, or are naturalised but not able to claim benefits. Under the Leaving Care Act, we continue to have a duty of care to support these young people. In addition the grant rules exclude the first 25 eligible young people.

While the number of clients supported has reduced in 2011-12 this still remains higher than originally budgeted, resulting in an expected increase in grant income. In total we are forecasting 795 weeks above the budgeted level. These are spread between both over 18s (480 weeks, £72k) and under 18s (315 weeks, £255k). In addition the age distribution of the under 18 client group is skewed further towards under 16s that originally anticipated, as a result our forecast has increased by a further £69k. All these additional costs will be reimbursed under the current grant rules, as a result our income forecast has risen by £396k.

1.1.3.5 Fostering Service: +£4,258k (+£4,255k gross, +£3k income)

Non-Related Fostering (in-house) is forecasting a pressure of £1,679k, as a result of the forecast number of weeks of service being 9.9% higher than the affordable level of 41,800, this generates £1,654k of the current pressure. Additionally, the unit cost being slightly (£0.48) higher than previously estimated when setting the cash limit has added £22k to the pressure. There is a slight (£3k) pressure arising from income.

Independent Fostering is forecasting a pressure of £516k. Again this is as a result of a significant increase in weeks support, which is 16% higher than the affordable level of 3,990 and results in a pressure of £705k. However the average weekly cost is 4% lower than budgeted, and this reduces the net pressure by £189k.

Related Foster payments is forecasting a pressure of £354k, and Kinship Non LAC is forecasting a pressure of £533k, both are mainly due to a potential increase in allowances paid to related fosters. New legislation that came into effect on the 1st April 2011 requires Local Authorities to pay reward payments to related foster carers. Currently Kent's policy is that related carers only receive the maintenance element, whereas non-related carers receive both a maintenance and a fee element. The outcome of the recent Manchester City Council judgement regarding this legislation was ambiguous, so legal advice is currently sought. As a precaution, £620k has been included in the forecast for 2011-12 for this Related Foster payments £260k and Kinship Non LAC £360k.

The balance of pressure on Related Foster payments of £94k is largely due to unanticipated pre-adoption payments.

The balance of the pressure on Kinship Non LAC, (non LAC children placed with relatives), of £173k is primarily due to increased demand for this service with the forecast number of weeks being 1,800 higher than affordable. (*Kinship Non LAC is not included in the activity shown at Section 2.2.*)

Legal costs are currently forecast at the same level as in 2010-11 (£5m), this adds £1,155k to the forecast pressure

1.1.3.6 Other Preventative Services: -£403k gross

Within preventative services there is £727k of uncommitted monies. It has been agreed at this stage not to commit these monies to new contracts with the voluntary sector due to the significant financial pressures elsewhere in the specialist children's services.

We are also currently forecasting an underspend of £181k on the Family Liaison Teams.

These underspends are off-set by a forecast overspend of £415k on Section 17 payments as a result of increased payments arising from the Southwark Judgement. This challenged local authorities to consider the wider needs of vulnerable young people between the ages of 16 and 18 who present themselves as homeless and to deal with the issue in a corporate manner rather than through individual agencies. It concluded that the young persons were to be treated as children in need (as defined by Section 20 of the Children Act 1989), and that they should be taken into the care of the local authority. This will result in an increase of 16-18 year olds in the care system. Prior to the judgement these clients would have been accommodated by the district council housing departments. It is difficult to forecast with accuracy how many young people will return to our care, and what services they will require and be entitled to

1.1.3.7 Residential Children's Services: +£1,065k (+£999k gross, +£66k income)

Of the pressure within residential services, £1,103k (£877k gross, £226k income) relates to services purchased in the independent sector. This is due to the forecast number of client weeks (1,432) being 24% higher than the affordable level and results in a pressure of £896k. However, the gross unit cost is 1% below the planned level which reduces the pressure by £18k. However, due to fewer clients than anticipated attracting Health and/or Education funding, our income forecast is £226k lower than budgeted for.

Secure Accommodation is forecasting an underspend of £319k based on current activity.

Independent Sector residential care for children with a disability is also showing a pressure of £235k (£393k gross, £158k income). This is due to an increase in activity of 20% above the affordable level, which results in a pressure of £587k, but this is mitigated by a gross unit cost being 6% lower than affordable giving a saving of £194k and higher than budgeted income of £158k.

KCC Residential care shows an underspend of £12k. (Gross £10k, Income £2k)

In addition there has been 1 additional placement, for 13 weeks, made in Non-LAC residential care at an approximate cost of £3,500 per week, resulting in the majority of the £58k pressure on this service.

1.1.3.8 Safeguarding: +£125k gross

Additional safeguarding posts have been required following the Ofsted inspection, however this decision was made after the 2011-13 MTFP and budget process was complete. In recognition of this, £374k of the £2.128m uncommitted roll forward from 2010-11 that Cabinet agreed for CSS at its meeting in July has been transferred here, which reduces the potential pressure to the £125k reported here.

1.1.3.9 Intermediate Services - Assessment of Vulnerable Children: +£2,236k (+£2,206k gross, +£30k income)

Following the Ofsted inspection, teams have recruited additional staff, mainly agency social workers. This has caused the significant pressure that is now being forecast. In recognition of this, £1,754k of the £2.128m uncommitted roll forward from 2010-11 that Cabinet agreed for CSS at its meeting in July has been transferred here, leaving a gross staffing pressure of £2,206k.

Adult Social Care & Public Health portfolio:

Overall forecast net under spend of £195k, details of which are below.

1.1.3.10 Strategic Management & Directorate Support Budgets (including safeguarding) +£353k (+£456k gross, -£103k income)

There gross pressure of £456k is as a result of; a £130k pressure on legal services costs, work is ongoing to establish the cause of this. There is also a pressure of £287k on safeguarding and strategic commissioning, primarily caused by the existence of additional posts which are largely funded by additional income of £213k. The remaining £39k gross pressure comprises a number of smaller variances, all below £100k.

There is also a £109k pressure related to the Excellent Homes for All (EH4A) project, where income is forecast to be under recovered, further investigation is being carried out to identify ways of reducing this pressure.

1.1.3.11 **Direct Payments: +£180k (net)**

a. Learning Disability +£150k (-£214k gross, +£364k income)

This line is forecast to underspend by £214k on gross expenditure. The number of weeks is forecast to decrease by 540 generating a £125k forecast saving, there is also a reduction in the unit cost of £1.66, therefore further reducing this line by £77k. The remaining gross variance is due to one-offs, for example, for equipment.

The unit income is forecast to be £8.58 below affordable, resulting in a pressure of £378k and there is also a small variance in income due to the reduced level of activity.

b. Mental Health -£72k (gross)

The number of weeks are forecast to reduce by 2,072 generating a forecast under spend of £130k. The actual unit cost is £6.06 higher than affordable levels which generates a £58k forecast pressure. There is no income variance forecast.

c. Older People -£444k (-£488k gross, +£44k income)

The number of weeks is forecast to reduce by 2,482 generating a £324k forecast saving. The actual unit cost is also forecast to reduce by £3.61 which will increase this under spend by a further £164k. There is also a small variance on income.

d. Physical Disability +£546k (+£711k gross, -£165k income)

The number of weeks is forecast to increase by 6,259 generating a £1,173k pressure, offset by a reduction in unit cost of £9.20 generating a £463k saving. The additional weeks generate additional income of £50k, and the unit income is £2.51 higher than budgeted, which adds £115k to the forecast income.

1.1.3.12 **Domiciliary Care: -£2,602k (net)**

a. Learning Disability -£813k (-£847k gross, +£34k income)

The overall forecast is an under spend against gross of £847k, coupled with an under recovery of income of £34k. The number of hours is forecast to be 102,555 hours lower than the affordable hours, generating a £1,167k forecast under spend. The actual unit cost is £0.86 higher than the affordable levels, reducing that forecast under spend by £354k. There is a minor under recovery against income related to this. There are also minor variances, gross & income against other LD domiciliary services, including Independent Living Service (ILS)

b. Mental Health -£221k gross

There is a gross underspend forecast of £221k. Forecast hours are 9,146 below the affordable level, creating a saving of £130k, whilst the unit cost is forecast to be £1.60 lower than affordable, which adds £91k to the saving. There is no income variance forecast.

c. Older People -£1,354k (-£2,945k gross, +£1,591k income)

The overall forecast is an under spend against gross of £2,945k, coupled with an under recovery of income of £1,591k. The number of hours is forecast to be 40,927 lower than the affordable hours generating a £614k forecast under spend. The actual unit cost is £0.49 lower than the affordable level, increasing that initial forecast under spend by a further £1,200k. The reduction in hours is forecast to produce an under recovery of income of £245k, this is added to by the fact that the unit income is forecast to be £0.37 lower than affordable, adding £899k to the pressure. In house provision is also forecast to underspend, by £479k, which is due to the number of clients being below that afforded by the budget. The remaining £305k gross saving is forecast against all other older persons domiciliary services as a result of savings found when commissioning services. The remaining £100k of income under recovery is comprised of several small variances on several service lines.

e. Physical Disability -£214k (-£237k gross, +£23k income)

The overall forecast is an under spend against gross of £237k, offset by an under recovery of income of £23k. The number of hours provided is forecast to be 17,966 lower than the affordable level generating a £236k forecast under spend. The actual unit cost is £0.04 lower than the

affordable levels, adding to that initial forecast under spend by £21k. This is offset by minor variances across other domiciliary services.

1.1.3.13 **Nursing & Residential Care: +£2,995k (net)**

a. Learning Disability +£2,419k (+£3,757k gross, -£1,338k income)

The overall forecast for residential care is a pressure on gross of £3,757k, partially offset by an over recovery of income of -£1,338k, giving a net pressure of £2,419k. The number of client weeks reflects a forecast of 40,149, which is 1,664 higher than the affordable levels at a cost of £2,109k and includes those known young people who are in the 'transition' process and will be coming into the Families & Social Care Directorate before the end of the year. The actual unit cost is £1,267.40, which is £38.21 higher than the affordable level and adds a further £1,471k to the forecast.

The additional client weeks add £690k of income, and the actual income per week is higher than the expected level which generates an over-recovery in income of £591k.

There are also individual variances below £100k on the preserved rights lines, and a minor variance on in house provision, which all total to +£177k gross and -£57k income.

b. Mental Health +£464k (+£255k gross, +£209k income)

The forecast for residential care, including Preserved Rights clients, is a gross pressure of £255k and an under-recovery of income of £209k, leaving a net pressure of £464k. The forecast level of weeks is 318 higher than the affordable level at a cost of £153k. The actual unit cost is higher than the affordable level, which increases the pressure by a further £124k. The forecast also assumes a significant under-recovery in income of £187k due to the continual increasing proportion of clients falling under the Section 117 legislation, which means that they do not contribute to the cost of their care. There are also small variances on Preserved rights.

c. Older People- Nursing -£372k (-£723k gross, +£351k income)

There is an under spend of £723k on gross and an under recovery of income of £351k, leaving a net variance of -£372k. The forecast level of client weeks is 1,304 lower than the affordable level, at a forecast under spend of £623k. Whilst the year to date activity levels might suggest a forecast of activity closer to the affordable level, there is a forecast level of attrition and more use of non permanent care as opposed to permanent in the first quarter and therefore we expect numbers to reduce by year end. The unit cost is currently forecast to be slightly lower than budget at £477.82, instead of £478.80, which gives a forecast under spend of £76k. The decreased activity has resulted in a decrease in income of £232k. The actual income per week is £177.45, against an expected level of £178.80, which creates a further pressure of £97k. There are also minor variances against preserved rights.

d. Older People- Residential -£830k (-£1,771k gross, +£941k income)

This service is reporting a gross saving of £1,771k, along with an under recovery of income of £941k. The forecast level of client weeks is 5,787 lower than the affordable levels, which generates a forecast under spend of £2,257k. However the unit cost is £2.15 higher than the affordable levels causing a £346k pressure. On the income side, the reduction in activity coupled with the higher than budgeted income levels adds a further £408k pressure. However, we expect some volatility in the forecast on this line this year because of the impact of the Modernisation agenda. Preserved Rights lines are forecasting 332 weeks more than affordable, creating a pressure of £140k, in addition the increased unit cost of £12.04 greater than affordable creates a £70k pressure. There are also minor variances on income for preserved rights.

In house provision including Integrated Care centres (ICC) is forecasting a minor variance on gross. The In-house & ICCs are forecasting a £500k under recovery of income, mainly due to less permanent clients being placed in the homes because of the OP Modernisation programme.

e. Physical Disability + £1,314k (+£1,272k gross, +£42k income)

A gross pressure of £1,272k, along with an under recovery of income of £42k, generates the pressure reported here. The forecast level of client weeks of service is 1,300 higher than the affordable levels, giving a forecast pressure of £1,277k. The forecast unit cost is currently comparable to the affordable level. The additional activity is forecast to increase income by

£134k, however the forecast weekly income is £14 lower than budgeted, creating a pressure of £175k. There are also minor variances on preserved rights lines.

1.1.3.14 **Supported Accommodation: -£301k (net)**

a. Learning Disability -£1,096k (-£903k gross, -£193k income)

A gross under spend of £903k, coupled with an over recovery of income of £193k generates the above net forecast variance. The forecast level of client weeks is 493 lower than the affordable levels, generating a £492k forecast under spend. The gross unit cost is currently forecast to be £13.94 lower than the affordable level, which generates a £421k forecast under spend. The actual income per week is £632.78, against an expected level of £616.39, which creates a saving of £495k, but this is offset as a result of the reduction in activity which causes a £312k forecast shortfall in income.

There are minor variances on other lines including Group Homes & Link Placement.

b. Physical Disability / Mental Health +£795k (+£896k gross, -£101k income)

For the mental health client group the forecast level of client weeks is 1,408 higher than the affordable level, generating a forecast pressure of £527k, offset slightly by a lower than affordable unit cost which reduces the initial pressure by £41k. This increase in activity results in a forecast over recovery of income of £68k.

For the physical disability client group the forecast level of client weeks is 4,346 lower than the affordable level of weeks, creating a saving of £150k coupled with a higher than affordable unit cost level, which adds a pressure of £559k to the forecast. There is also a minor over recovery of income.

1.1.3.15 **Other Services for Adults & Older People**

a. Contributions to Voluntary Organisations -£139k (-£210k gross, +£71k income)

As part of the ongoing drive to deliver more self directed support through Direct Payments & Personal Budgets, various contracts with voluntary organisations are currently being reviewed/re-negotiated or re-commissioned. This will result in budgets being vired to other service lines to offset this change in commissioning future services. The current effect of this is a forecast saving on the gross budget of £210k. The income pressure is due to decreased funding from recharges to health.

b. Day Care -£428k (-£442k gross, +£14k income)

There is a reduction in staffing levels against Learning Disability Day Services resulting in a saving of £134k. The remainder of the variance relates to a number of recommissioning strategies for both the in-house and independently provided services.

c. Other Adult Services +£599k (+£304k gross, +£295k income)

The Gross Variance is +£304k, whilst income variance is +£295k. The forecast presented here assumes the same level of growth for Occupational Therapy equipment for both the Older People & Physical Disability as experienced in 2010-11 of £176k.

There is also a pressure related to the provision of meals, where the volume of meals continues to fall creating a gross underspend of £80k. If the trend continues the cost per meal increases, therefore creating an increased pressure regarding the under recovery of income.

There is also a pressure forecast on Mental Health Community Services of £75k, which is due to changes in the expected income from Supporting People.

There are also numerous other minor variances on gross and income, which are individually all below £100k.

1.1.3.16 **Intermediate Services - Assessment of Vulnerable Adults & Older People: -£852k (-£1,001k gross, +£149k income)**

The Mental Health assessment & related service contributes approximately £650k towards this forecast under spend as a result of vacancy management through continuing to hold posts vacant and delaying any recruitment process. The forecast reduction in income is as a result of

the departure of 3 previously health funded posts, which have not been recruited to. There are some minor income variances totalling -£20k on other lines.

The remaining £350k of the forecast under spend on gross is the Directorate's prudence in holding back unallocated funding in order to offset other pressures within the directorate.

1.1.3.17 **Social Care Charging**

There is a separate report on this agenda relating to social care charging which refers to a total pressure of £833k, which is due to a later implementation than assumed in the budget. The forecast in this report includes this pressure across a whole range of income variances. Those variances that are over £100k in size, and are not offset by compensating forecasts are reflected in table 2 below.

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
SCS	Assessment of Vulnerable Children - Additional staffing in response to Ofsted report	+2,206	ASCPH	Residential - OP Gross - Forecast activity lower than affordable level	-2,257
ASCPH	Residential - LD Gross - Activity higher than affordable level	+2,109	ASCPH	Domiciliary - OP Gross - Unit cost lower than affordable	-1,200
SCS	Fostering Service - Gross - Non related in house activity higher than affordable	+1,654	ASCPH	Domiciliary - LD Gross - Forecast activity lower than affordable level	-1,167
ASCPH	Residential - LD Gross - Unit cost higher than affordable level	+1,471	SCS	Other preventative Services - Gross - Uncommitted funds to offset other pressures	-727
ASCPH	Residential - PD Gross - Activity higher than affordable level	+1,277	ASCPH	Residential - LD Income - Increased income from increased activity	-690
SCS	Asylum - Gross - Increased numbers of Young People, many of which do not qualify for funding	+1,193	ASCPH	Assessment of Vulnerable Adults - Gross - Vacancy Management	-650
ASCPH	Direct payments - PD Gross - Forecast activity higher than affordable level	+1,173	ASCPH	Nursing - OP Gross - Forecast activity lower than affordable level	-623
SCS	Fostering Service - Gross - Legal costs	+1,155	ASCPH	Domiciliary - OP Gross - Forecast activity lower than affordable level	-614
ASCPH	Domiciliary - OP Income - Unit income lower than budgeted	+899	SCS	Early Years & Childcare Advisory - Gross - Renegotiation of SLA with National Childminding Association	-600
SCS	Children's Residential - Gross - Activity higher than affordable level	+896	ASCPH	Residential - LD Income - Income per week higher than budgeted	-591
SCS	Fostering Service - Gross - Independent fostering activity higher than affordable	+705	ASCPH	Supported Accommodation - LD Income - unit income greater than budgeted	-495
SCS	Children's Residential - Gross - Disability related activity greater than affordable	+587	ASCPH	Supported Accommodation - LD Gross - Forecast activity lower than affordable level	-492
ASCPH	Supported Accommodation - PD Gross - unit cost higher than affordable level	+559	ASCPH	Domiciliary - OP Gross - In house clients lower in number than afforded	-479
ASCPH	Supported Accommodation - MH Gross - activity forecast higher than affordable level	+527	ASCPH	Direct payments - PD Gross - Unit cost lower than affordable	-463
ASCPH	Residential - OP Income - under recovery of income due to fewer clients in in-house provision related to OP Modernisation	+500	ASCPH	Supported Accommodation - LD Gross - Unit cost lower than affordable	-421

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
SCS	16+ Service - Gross - Increased demand for P&V residential care	+428	SCS	Asylum - Income - Increased numbers of Young People, who are eligible for grant funding	-396
SCS	Other preventative services - Gross - Increase in Section 17 payments due to Southwark Judgement	+415	ASCPH	Assessment of Vulnerable Adults - Gross - Holding uncommitted funding to offset other FSC pressures	-350
ASCPH	Residential - OP Income - reduced income due to reduced activity	+408	ASCPH	Domiciliary - OP Gross - Uncommitted funds to offset the pressure created by the delayed implementation of charging strategy	-347
ASCPH	Direct payments - LD Income - Unit income lower than budgeted	+378	ASCPH	Direct payments - OP Gross - activity lower than affordable level	-324
SCS	Fostering Service - Gross - New Legislation regarding reward payments - Kinship Non LAC	+360	SCS	Children's Residential - Gross - Secure accomodation activity lower than afforded	-319
ASCPH	Domiciliary - LD Gross - Unit cost higher than affordable level	+354	ASCPH	Domiciliary - OP Gross - Savings on commissioning	-305
ASCPH	Domiciliary - OP Income - Delayed implementation of charging strategy	+347	ASCPH	Domiciliary - PD Gross - Activity lower than affordable	-236
ASCPH	Residential - OP Gross - Forecast unit cost higher than affordable level	+346	ASCPH	Strategic Managment & Directorate Support - Income - Additional Income from a variety of sources, including health to offset staffing pressure	-213
ASCPH	Supported Accomodation - LD Income - reduced income due to reduced activity	+312	ASCPH	Contributions to Vol Orgs - Review of contracts & changes to commissioning	-210
ASCPH	Strategic Managment & Directorate Support - Gross - Increase in staffing since budget set	+287	SCS	Children's Residential - Gross - Disability related unit cost lower than budgeted	-194
SCS	Fostering Service - Gross - New Legislation regarding reward payments - Related Fostering	+260	SCS	Fostering Service - Gross - Average cost of Independent Fostering lower than budgeted	-189
SCS	16+ Service - Gross - High demand for Independent Fosting Allowances	+260	SCS	Other preventative Services - Gross - Underspend on Family Liasion Teams	-181
ASCPH	Domiciliary - OP Income - reduced income due to reduced activity	+245	ASCPH	Direct payments - OP Gross - Unit cost lower than affordable level	-164
ASCPH	Nursing - OP Income - reduced income due to reduced activity	+232	SCS	Children's Residential - Income - Disability related activity greater than affordable resulting in additional income	-158
SCS	Children's Residential - Income - Reduction in clients eligible for funding from Health or Education	+226	ASCPH	Supported Accomodation - PD Gross - activity lower than affordable	-150
SCS	Adoption Service - Gross - Increase in Special Guardianship Orders	+210	ASCPH	Day Care - Gross - Reduction in Staffing levels	-134
ASCPH	Residential - MH Income - Under recovery in income expected because of S117 classification	+187	ASCPH	Residential - PD income - increased income as a result of increased activity	-134
ASCPH	Other Adult Services - Income - Reduction in income commensurate with the reduction in meals provided.	+180	ASCPH	Direct payments - MH Gross - activity lower than affordable level	-130
ASCPH	Other Adult Services - Gross - growth in provision of OT equipment	+176	ASCPH	Domiciliary - MH Gross - Forecast activity lower than affordable level	-130

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Residential - PD income - unit income lower than budgeted	+175	ASCPH	Direct payments - LD Gross - Forecast activity lower than affordable	-125
SCS	Fostering Service - Gross - Kinship Non LAC activity higher than affordable level	+173	ASCPH	Direct payments - PD Income - Unit income higher than the budgeted level	-115
ASCPH	Assessment of Vulnerable Adults - Income - Vacancy Management meaning less recharges to health	+170			
SCS	Adoption Service - Gross - Adoption Team staffing	+159			
ASCPH	Residential - MH Gross - Activity higher than affordable level	+153			
ASCPH	Residential - OP Gross - Forecast activity higher than affordable level for Preserved Rights Clients	+140			
ASCPH	Strategic Management & Directorate Support - Gross - Increase cost of legal services	+130			
SCS	Safeguarding - Additional staffing in response to Ofsted inspection	+125			
ASCPH	Residential - MH Gross - Unit cost higher than affordable	+124			
SCS	16+ Service - Gross - 16+ Team staffing	+112			
ASCPH	Strategic Management & Directorate Support - Income - under recovery of income on EH4A project	+109			
		+24,092			-15,973

1.1.4 Actions required to achieve this position

eg Management Action achieved to date including vacancy freeze, changes to assessment criteria etc. This section should provide details of the management action already achieved, reflected in the net position before assumed management action reported in table 1.

The forecast presented assumes the Good Practice Guidelines adopted within the directorate are being adhered to and it is felt that this has assisted Adult's Services to report a position within cash limit this year. However the improvements required to Children's Services following the OFSTED inspection, and the continuing increasing trend of looked after children means that it is unlikely that significant management action can be applied in the current year, which will significantly reduce the current pressure that is being forecast.

1.1.5 Implications for MTFP:

The current MTP for 2012-13 for both children's and adults assumes a balanced position for 2011-12.

It can be seen that within children's specialist services there are significant financial pressures which must be addressed during the MTP process. Work is underway to establish the amount of base funding that is required to support the current numbers of children being supported.

Work is ongoing to establish the demographic pressures now anticipated in the medium term for adult social care compared to those estimates in the current MTP for 2012-13 and beyond.

1.1.6 Details of re-phasing of revenue projects:

No revenue projects have been identified for re-phasing.

1.1.7 Details of proposals for residual variance: [eg roll forward proposals; mgmt action outstanding]

Significant improvement is being seen within Specialist Children's Services following the OFSTED inspection last year, which clearly will impact financially in the current year. It is highly unlikely therefore that the Specialist Children's Services will produce a balanced budget position by year end, unless recognition and additional funding is made available to support those children and families we are currently providing services.

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 since last reported to Cabinet on 18th July 2011, as 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	2011-12	2012-13	2013-14	Future Yrs	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Specialist Children's Services Portfolio						
Budget	63,724	12,939	2	0	0	76,665
Adjustments:						
- Re-phasing at Outturn	-197	197				0
- Outturn Changes	-19					-19
- Thanet MASH		61	3			64
- Early Years/Children's Centres		-484				-484
- Asset Modernisation		-84				-84
						0
Revised Budget	63,508	12,629	5	0	0	76,142
Variance		0	0	0	0	0
split:						
- real variance						0
- re-phasing						0
Adults Social Care & Public Health Portfolio						
Budget	8,194	15,304	6,056	2,699	3,146	35,399
Adjustments:						
- Re-phasing at Outturn	-583	871	-288			0
- Folkestone ARRCC		54				54
						0
Revised Budget	7,611	16,229	5,768	2,699	3,146	35,453
Variance		-1,418	1,418	0	0	0
split:						
- real variance		-125				-125
- re-phasing		-1,418	+1,418			0
Directorate Total						
Revised Budget	71,119	28,858	5,773	2,699	3,146	111,595
Variance	0	-1,418	1,418	0	0	0

Real Variance	0	-125	0	0	0	-125
Re-phasing	0	-1,418	+1,418	0	0	0

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 £'000s	Approval to Spend £'000s	Approval to Plan £'000s	Preliminary Stage £'000s
Overspends/Projects ahead of schedule						
ASC&PH	Older Persons Strategy - Dorothy Lucy Centre	real			274	
			+0	+0	+274	+0
Underspends/Projects behind schedule						
ASC&PH	Community Care Centres - Thameside	phasing			-1,418	
ASC&PH	Broadmeadow Extension	real		-274		
			0	-274	-1,418	-0
			0	-274	-1,144	-0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Community Care Centres – Thameside (Ebbsfleet and Eastern Quarry) re-phasing of £1.418m (in 2011-12)

Pending further detailed project plans, it is felt prudent to re-phase this project into 2012-13.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget		1,418				1,418
Forecast		0	1,418			1,418
Variance	0	-1,418	+1,418	0	0	0
FUNDING						
Budget:						
Dev Conts		1,365				1,365
Cap Rec		53				53
TOTAL	0	1,418	0	0	0	1,418
Forecast:						
Dev Conts			1,365			1,365
Cap Rec			53			53
TOTAL	0	0	1,418	0	0	1,418
Variance	0	-1,418	+1,418	0	0	0

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of -£0.125m in 2011-12.

Broadmeadow Extension: -£0.274m (in 2011-12): The Broadmeadow project is complete and the funding is requested to be transferred and used as part of the Older Persons Capital Strategy – Dorothy Lucy Centre, and Cabinet are asked to approve this transfer of funding.

The underspend on Broadmeadow was due to good project management, estimates coming in cheaper than expected for most parts of the fit out and liquidated damages being claimed from the main contractor for not adhering to the contract terms and conditions.

Older Persons Strategy – Dorothy Lucy Centre: +£0.274m (in 2011-12):

The report detailing this Programme was considered by PAG 16th March 2010. The intention has always been that any surplus funding from any other Older Persons related capital project be recycled into the overall programme. Cabinet are asked to agree to the 'recycling' of these funds, until final costs are verified as the Directorate works through its over-arching strategy.

Tunbridge Wells Respite Centre -£0.080m and Bower Mount -£0.045m: (in 2011-12):

Both of these projects are almost complete and a real saving has been achieved.

- The Tunbridge Wells Respite Centre project had an original fitting out provision of £250k which was established on advice from Property Services in 2002. This included provision for issues that subsequently did not arise. Taylor Wimpey have been obliging in absorbing some of the costs that may originally have been presumed to be required as part of the fit out.
- The Bower Mount project had uncertainties as to how the fit out was to be carried out (i.e. it was not clear the level of need that the fit out would be used for) and the true costs remained unclear until it had almost completed.

It is requested that the released funding from these projects is transferred to the Learning Disability Good Day programme to cover the timing issues in this programme whereby certain receipts will not be realised until the service had been provided elsewhere. In order to reduce the timing issues **Cabinet is asked to approve this transfer of funding.**

1.2.6 General Overview of capital programme:

(a) Risks

The risks linked to the Families and Social Care Directorate must be similar to those felt throughout the Authority in this current financially suppressed climate. As a Directorate that works alongside many partners such as District Councils, Private/Voluntary Organisations and Primary Care Trusts (PCT) in order to provide the most comprehensive service delivery to our users, the risks to FSC are potentially compounded.

(b) Details of action being taken to alleviate risks

The Directorate continues to closely monitor those risks associated with our partnership working arrangements on a regular basis through Divisional Management Teams which run alongside its over-arching capital strategy. However, the Directorate may not always be able to influence/control the final outcome.

1.2.7 PFI projects-

Excellent Homes for All (EHFA)

There is currently a Value for Money review being undertaken on Housing PFI projects which have not reached financial close. The EHFA PFI was given initial government approval at Outline Business Case stage in 2009. It currently has a PFI credit of £75.090m. The value for money review is being undertaken by the Homes and Communities Agency (HCA) and Department for Communities and Local Government (DCLG) and will review the credit allocation and the basis on which the project can continue. The final decision will be made by the Minister for Housing.

The Authority has been asked to propose a reduced credit allocation that our bidders can commit to working within. A reduction of 6.2% has been proposed leaving a PFI credit of £70.4m. We currently have two bidders who have committed to managing within this credit allocation.

This project represents investment by a third party. No payment will be made by KCC for the newly built assets until they are ready for use. Again this will be by way of an annual unitary charge to the revenue budget. The timetable for reaching financial close has slipped as a result of the Central Government review and the project is now scheduled to reach financial close in 2012.

	Previous years	2011-12	2012-13	2013-14	2014-15	TOTAL
	£000s	£000s	£000s	£000s	£000s	£000s
Budget	22,300	22,000				44,300
Forecast				35,210	35,210	70,420
Variance	-22,300	-22,000		35,210	35,210	26,120

(a) Progress and details of whether costings are still as planned (for the 3rd party)

Costs slipped due to delay to project.

(b) Implications for KCC of details reported in (a) i.e. could an increase in the cost result in a change to the unitary charge?

This contract has not been signed yet although the procurement is in the advanced stages of competitive dialogue. It is likely that the unitary charge will be fixed for the duration of the contract period. As with the previous PFI deductions will be made during the contract period if performance falls below the standards agreed or if the facilities are unavailable for use.

It is likely that if during the contract period if one of the partners proposes a change that either results in increased costs or a change in the balance of risk, this will need to be taken to the Project Board for agreement. Each partner will have a vote and any decision resulting in a change to the costs or risks would need unanimous approval.

1.2.8 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.

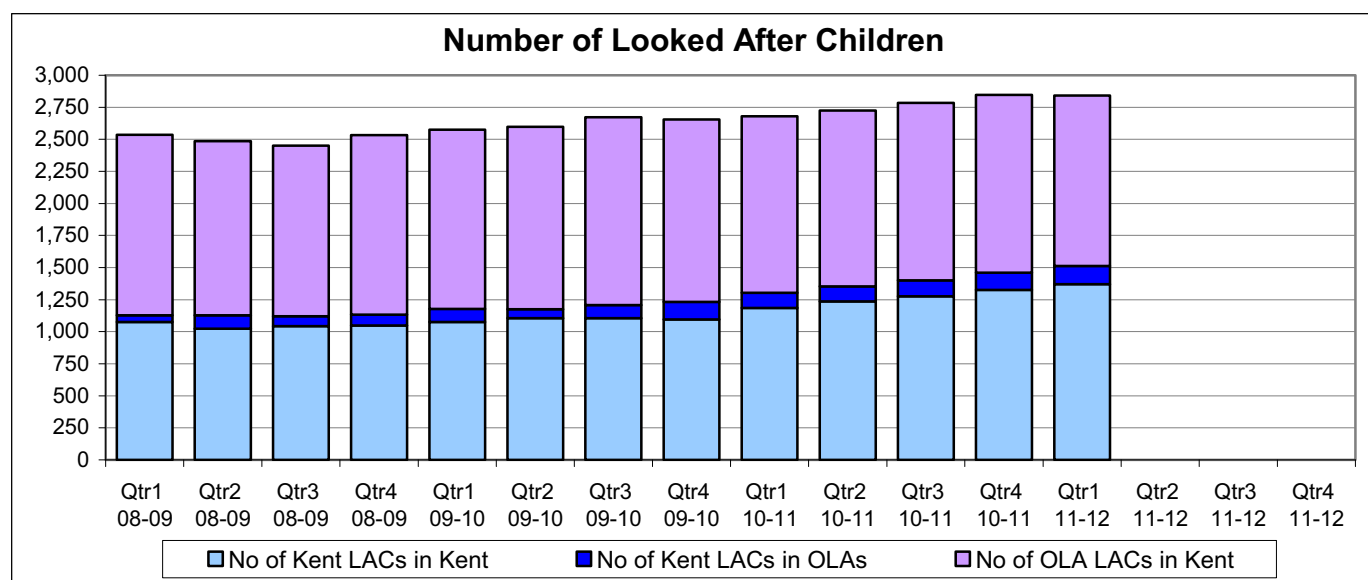
	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	
Community Care Centres - Thameside (Ebbsfleet & Eastern Quarry)					
Amended total cash limits	+1,418	0			+1,418
re-phasing	-1,418	+1,418			0
Revised project phasing	0	+1,418	0	0	+1,418
Total re-phasing >£100k	-1,418	+1,418	0	0	0
Other re-phased Projects below £100k					
TOTAL RE-PHASING	-1,418	+1,418	0	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

The affordable levels of activity for 2011-12 have been amended from those included in the 2010-11 outturn report following the review of the budget across service groups in light of the 2010-11 outturn and the allocation of previously unallocated budgets, as detailed in sections 1.1.1 and 1.1.2 of this annex.

2.1 Numbers of Looked After Children (LAC): (Excludes Asylum Seekers)

	No of Kent LAC placed in Kent	No of Kent LAC placed in OLAs	TOTAL NO OF KENT LAC	No of OLA LAC placed in Kent	TOTAL No of LAC in Kent
2008-09					
Apr – Jun	1,075	52	1,127	1,408	2,535
Jul – Sep	1,022	105	1,127	1,360	2,487
Oct – Dec	1,042	77	1,119	1,331	2,450
Jan – Mar	1,048	84	1,132	1,402	2,534
2009-10					
Apr – Jun	1,076	100	1,176	1,399	2,575
Jul – Sep	1,104	70	1,174	1,423	2,597
Oct – Dec	1,104	102	1,206	1,465	2,671
Jan – Mar	1,094	139	1,233	1,421	2,654
2010-11					
Apr – Jun	1,184	119	1,303	1,377	2,680
Jul – Sep	1,237	116	1,353	1,372	2,725
Oct – Dec	1,277	123	1,400	1,383	2,783
Jan – Mar	1,326	135	1,461	1,385	2,846
2011-12					
Apr – Jun	1,371	141	1,512	1,330	2,842
Jul – Sep					
Oct – Dec					
Jan – Mar					



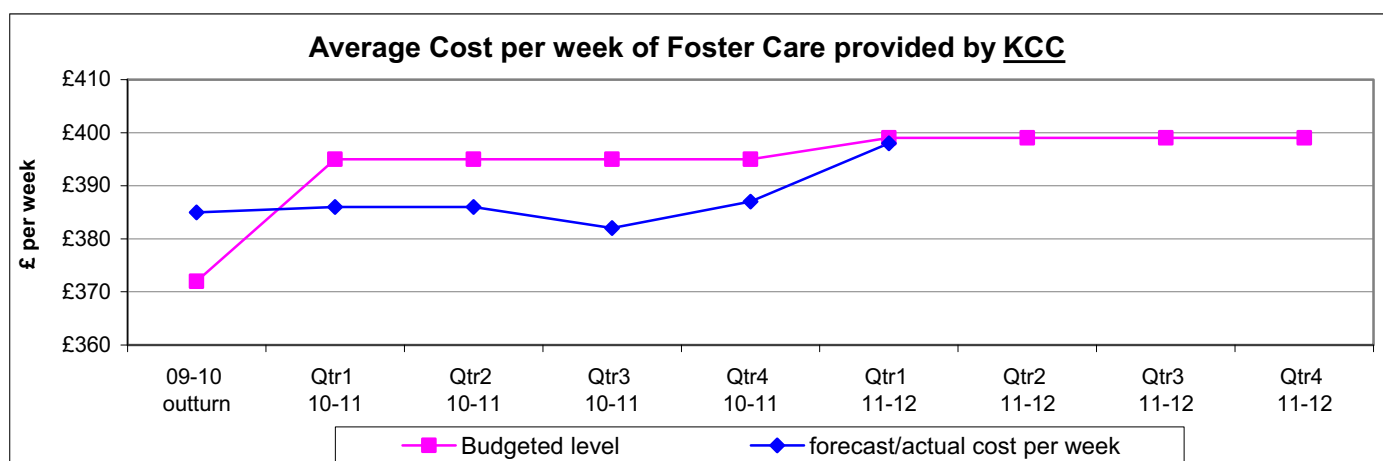
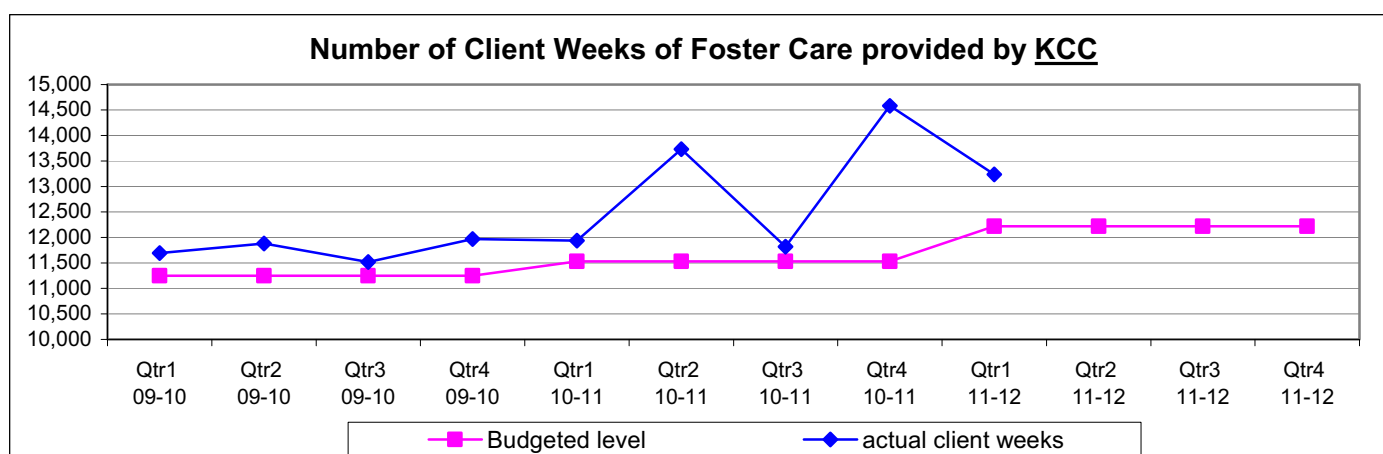
Comments:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken. The majority (over 99%) of Looked After Children placed out of the Authority are either in adoptive placements, placed with a relative, specialist residential provision not available in Kent or living with KCC foster carers based in Medway.

- The number of looked after children for each quarter represents a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore although the number of Kent looked after children appears to have increased by 51 this quarter, there are likely to have been more during the period.
- The increase in the number of looked after children has placed additional pressure on the services for Looked After Children, including Fostering services and 16+ services budgets.

2.2.1 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC (Non Related Fostering):

	2009-10				2010-11				2011-12			
	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	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	forecast
Apr - June	11,249	11,695			11,532	11,937	£395	£386	12,219	13,239	£399	£398
July - Sep	11,249	11,880			11,532	13,732	£395	£386	12,219		£399	
Oct - Dec	11,249	11,518			11,532	11,818	£395	£382	12,219		£399	
Jan - Mar	11,249	11,969			11,532	14,580	£395	£387	12,219		£399	
	44,997	47,062	£372	£385	46,128	52,067	£395	£387	48,876	13,239	£399	



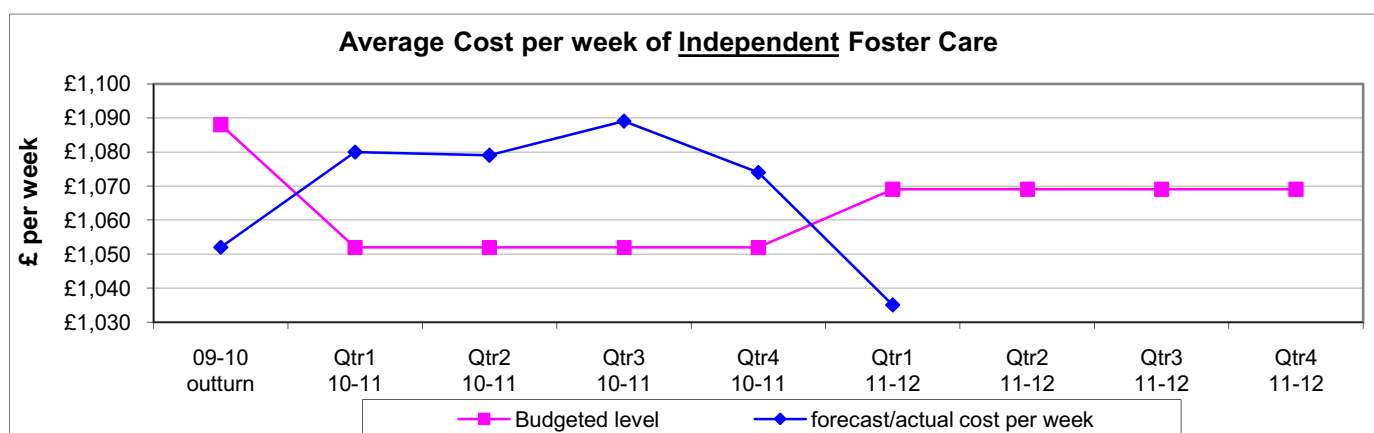
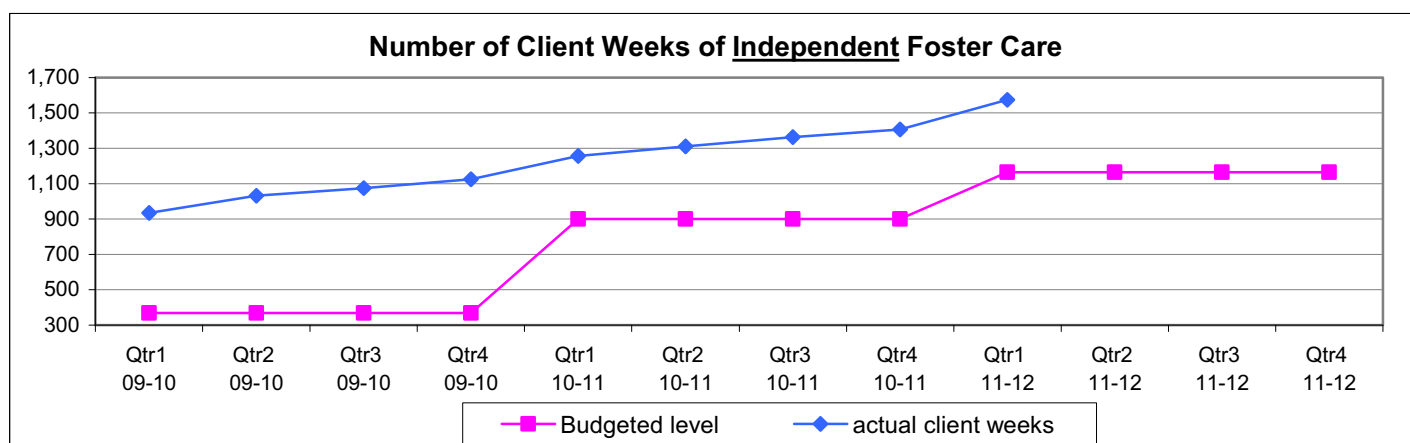
Comments:

- 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 average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- In addition, the 2011-12 budgeted level represents the level of demand as at the 3rd quarter's full monitoring report, which is the time at which the 2011-12 budget was set and approved. However, since that time, the service has experienced continued demand on this service.

- The current number of forecast weeks is 52,959 (including 16+, but excludes asylum), which is 4,083 weeks above the affordable level. At £398 per week, this increase in activity gives a pressure of £1,625k.
- The forecast unit cost of £398 is below the budgeted level by a matter of pence, which provides a saving of £34k.
- Overall therefore, the combined pressure on this service for both under 16's (and those with a disability) and the 16+ service is +£1,591k (+£1,625k - £34k), as reported in sections 1.1.3.2 and 1.1.3.5.
- The current average weekly cost of placements made in 2011-12 is 3% higher than the 2010/11 outturn, largely due to an increase in the in-house fostering allowances.

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

	2009-10				2010-11				2011-12			
	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	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	forecast
Apr - June	369	935			900	1,257	£1,052	£1,080	1,177	1,574	£1,069	£1,032
July - Sep	369	1,032			900	1,310	£1,052	£1,079	1,178		£1,069	
Oct - Dec	369	1,075			900	1,363	£1,052	£1,089	1,177		£1,069	
Jan - Mar	369	1,126			900	1,406	£1,052	£1,074	1,178		£1,069	
	1,476	4,168	£1,088	£1,052	3,600	5,336	£1,052	£1,074	4,710	1,574	£1,069	



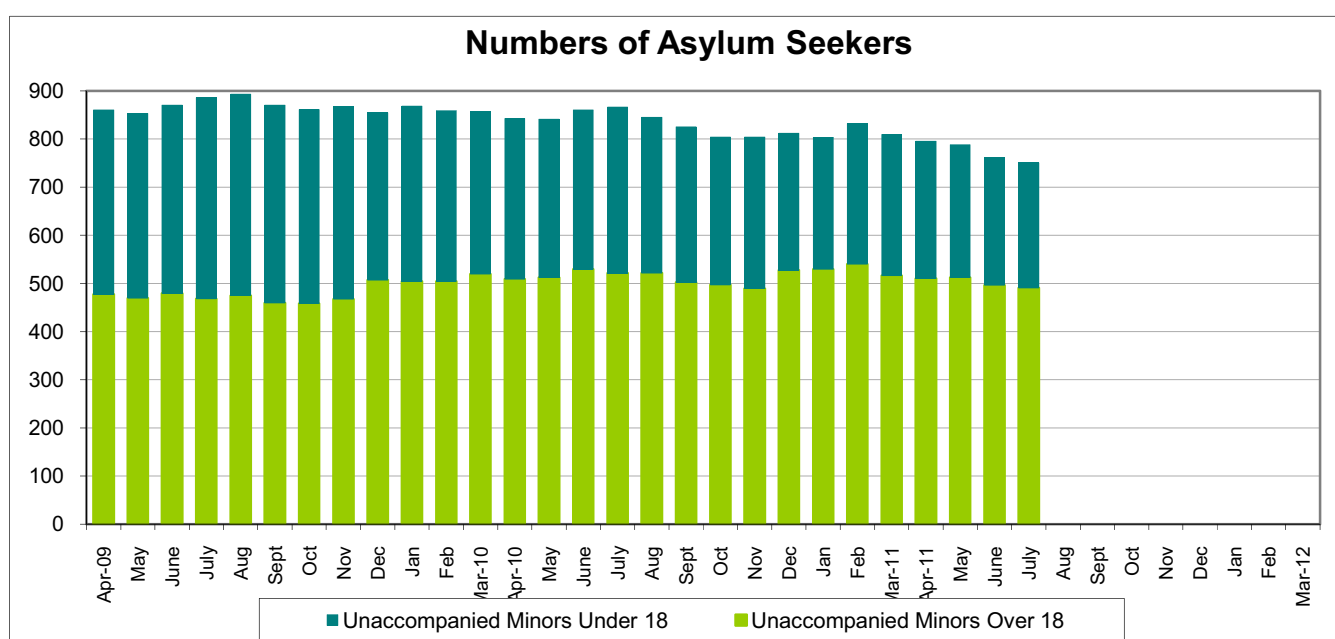
Comments:

- 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 average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.

- The budgeted levels for 2010-11 were below the 2009-10 activity because although significant funding was made available as part of the 2010-13 MTP, this was insufficient to cover the demands for this service.
- For the 2011-12 budget further significant funding has been made available based on the actual level of demand at the 3rd quarter's monitoring position for 2010-11, the time at which the 2011-12 budget was set and approved. However, since that date the service has experienced continued demand on this service.
- The current number of forecast weeks is 5,619 (including 16+, but excludes asylum), which is 909 weeks above the affordable level. At £1,032 per week, this increase in activity gives a pressure of £938k. Whilst the forecast seems low compared to the year to date activity, this is due to a large number of short term IFA placements which are not forecast to run until 31st March 2012.
- The forecast unit cost of £1,032 is £37 below the budgeted level, which provides a saving of £174k.
- Overall therefore, the combined pressure on this service for both under 16's (and those with a disability) and the 16+ service is +£764k (+£938k - £174k), as reported in sections 1.1.3.2 and 1.1.3.5
- Whilst the current policy has been to use in-house placements where ever possible, the service has currently increased its IFA placements due to the current lack of availability of suitable in-house placements.
- The cost of placements made in 2011-12 are at a significantly lower level than originally forecast, and lower than those placements that have ended in the same period. As a result the current forecast unit cost is 3.9% lower than 2010-11 outturn.

2.3 Numbers of Unaccompanied Asylum Seeking Children (UASC):

	2009-10			2010-11			2011-12		
	Under 18	Over 18	Total Clients	Under 18	Over 18	Total Clients	Under 18	Over 18	Total Clients
April	383	477	860	333	509	842	285	510	795
May	384	469	853	329	512	841	276	512	788
June	391	479	870	331	529	860	265	496	761
July	418	468	886	345	521	866	260	490	750
August	419	474	893	324	521	845			
September	411	459	870	323	502	825			
October	403	458	861	307	497	804			
November	400	467	867	315	489	804			
December	347	507	854	285	527	812			
January	364	504	868	274	529	803			
February	355	504	859	292	540	832			
March	338	519	857	293	516	809			

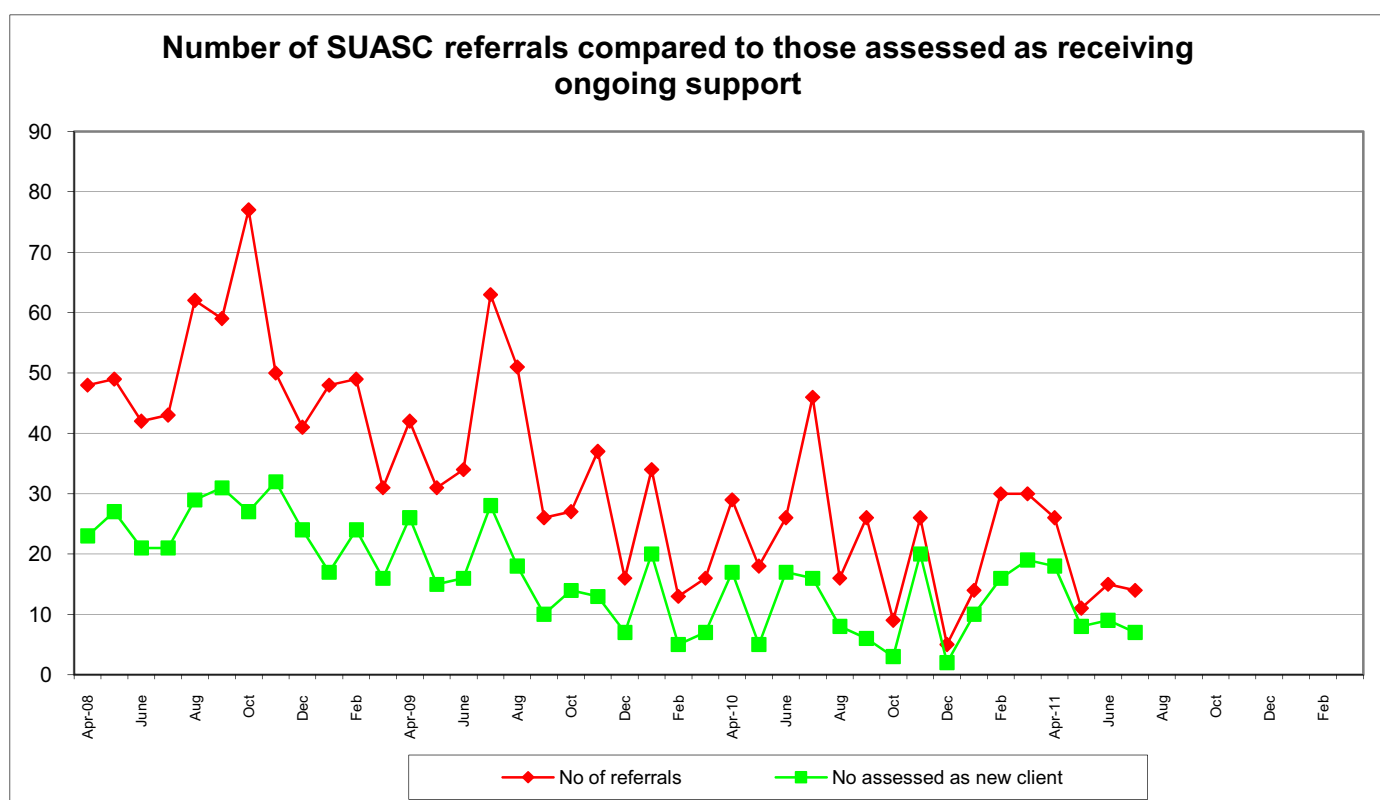


Comment:

- Client numbers have reduced as a result of lower referrals which are lower than the budgeted number. It is unclear at this time whether this trend will continue.
- The fall in the number of over 18's since March 2011 is largely the result of improved partnership working with the UKBA, which has seen a significant rise in the rate of All Rights of appeal Exhausted (ARE) removals.
- In general, the age profile suggests the number of over 18s is increasing and it is this service which is experiencing the shortfall of funding. In addition the age profile of the under 18 children has reduced, with significantly higher numbers being placed in foster care.
- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim but once their assessment has been completed, or when successfully appealed, their category may change.

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

	2008-09			2009-10			2010-11			2011-12		
	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%	No. of referrals	No. assessed as new client	%
April	48	23	48%	42	26	62%	29	17	59%	26	18	69%
May	49	27	55%	31	15	48%	18	5	28%	11	8	73%
June	42	21	50%	34	16	47%	26	17	65%	15	9	60%
July	43	21	49%	63	28	44%	46	16	35%	14	7	50%
August	62	29	47%	51	18	35%	16	8	50%			
Sept	59	31	53%	26	10	38%	26	6	23%			
Oct	77	27	35%	27	14	52%	9	3	33%			
Nov	50	32	64%	37	13	35%	26	20	77%			
Dec	41	24	59%	16	7	44%	5	2	40%			
Jan	48	17	35%	34	20	59%	14	10	71%			
Feb	49	24	49%	13	5	38%	30	16	53%			
March	31	16	52%	16	7	44%	30	19	63%			
	599	292	49%	390	179	46%	275	139	51%	66	42	64%

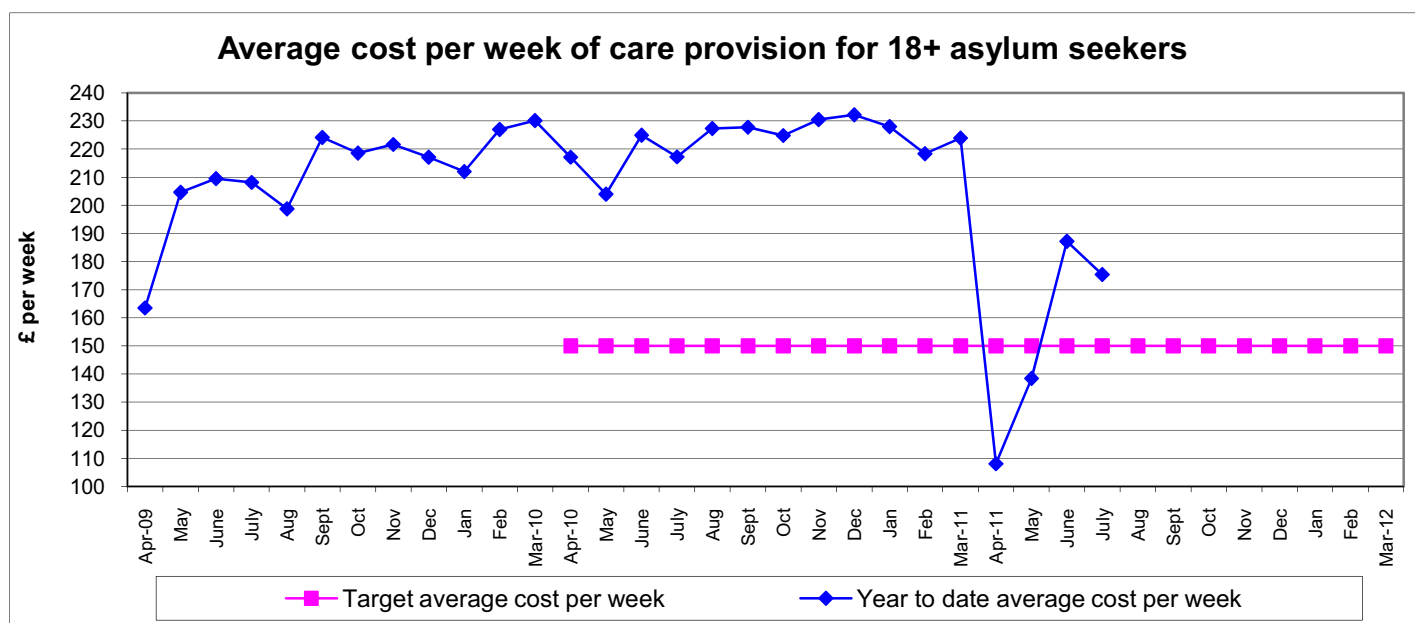


Comments:

- In general, referral rates have been lower since September 2009 which coincides with the French Government's action to clear asylum seeker camps around Calais. The average number of referrals per month is now 16.5, which is just over 50% of the budgeted number of referrals per month.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 50% of the referrals will be assessed as a new client. In 2011-12 the rate has been 64%. The average number assessed as new clients is now 10.5, which is 30% lower than the original forecast of 15 new clients per month.

2.5 Average monthly cost of Asylum Seekers Care Provision for 18+ Care Leavers:

	2009-10		2010-11		2011-12	
	Target average weekly cost £p	Year to date average weekly cost £p	Target average weekly cost £p	Year to date average weekly cost £p	Target average weekly cost £p	Year to date average weekly cost £p
April		163.50	150.00	217.14	150.00	108.10
May		204.63	150.00	203.90	150.00	138.42
June		209.50	150.00	224.86	150.00	187.17
July		208.17	150.00	217.22	150.00	175.33
August		198.69	150.00	227.24	150.00	
September		224.06	150.00	227.79	150.00	
October		218.53	150.00	224.83	150.00	
November		221.64	150.00	230.47	150.00	
December		217.10	150.00	232.17	150.00	
January		211.99	150.00	227.96	150.00	
February		226.96	150.00	218.30	150.00	
March		230.11	150.00	223.87	150.00	



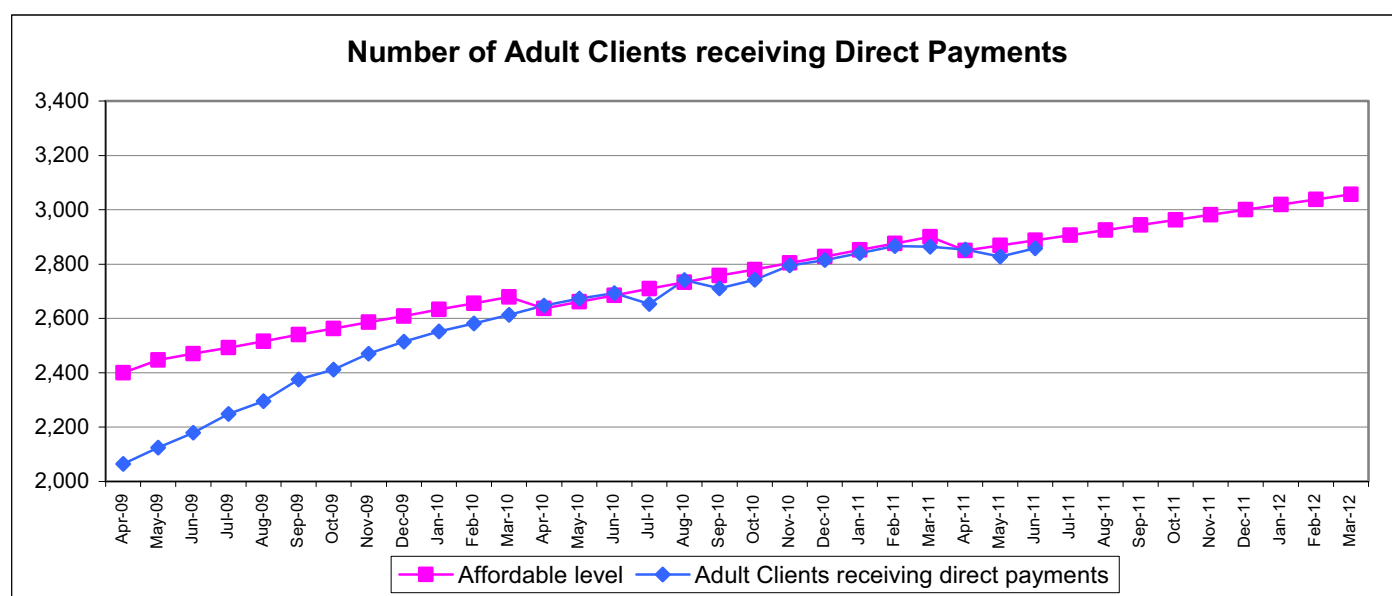
Comments:

- The funding levels for the Asylum Service agreed with the Government rely on us achieving an average cost per week of £150, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA have changed their grant rules and will 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. We are currently seeking legal advice regarding this change. The LA remains responsible for costs under the Leaving Care Act until the point of removal.
- As part of our partnership working with UKBA, all ARE UASC in Kent are now required to report to UKBA offices on a regular basis, in most cases weekly. The aim is to ensure that UKBA have regular contact and can work with the young people to encourage them to make use of the voluntary methods of return rather than forced removal or deportation. As part of this arrangement any young person who does not report as required may have their support discontinued. As yet this has not resulted in an increase in the number of AREs being removed. The number of AREs supported continues to increase. As a result our ability to achieve a balanced position on the Asylum Service becomes more difficult.
- Moving clients on to the pilot housing scheme was slower than originally anticipated, however all our young people, who it was appropriate to move to lower cost accommodation, were moved by the end of 2010-11. However there remain a number of issues:

- 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. Many of these placements, particularly those linked to education, will end in the 2nd quarter.
 - We are currently experiencing higher than anticipated level of voids, properties not being fully occupied. Following the incident in Folkestone in January, teams are exercising a greater caution when making new placements into existing properties. This is currently being addressed by the Accommodation Team.
 - We are still receiving damages claims relating to closed properties.
- The average weekly cost for the first quarter of 2011-12 financial year was £187, significantly higher than the target of £150. This calculation is based upon the actual spend going through the Oracle financial management system on a monthly basis. In addition to the issues outlined above, there were a number of timing issues relating to receipt and payment of rent invoices and support payments which have resulted in the erratic movements in the monthly unit costs in the first quarter. It is envisaged that these will be corrected in the 2nd quarter and the weekly unit cost will both be less volatile and reduce closer to the target.

2.6 Direct Payments – Number of Adult Social Care Clients receiving Direct Payments (DPs):

	2009-10		2010-11		2011-12	
	Affordable Level	Adult Clients receiving Direct Payments	Affordable Level	Adult Clients receiving Direct Payments	Affordable Level	Adult Clients receiving Direct Payments
April	2,400	2,065	2,637	2,647	2,850	2,854
May	2,447	2,124	2,661	2,673	2,869	2,828
June	2,470	2,179	2,685	2,693	2,888	2,858
July	2,493	2,248	2,709	2,653	2,906	
August	2,516	2,295	2,733	2,741	2,925	
September	2,540	2,375	2,757	2,710	2,944	
October	2,563	2,411	2,780	2,742	2,963	
November	2,586	2,470	2,804	2,795	2,982	
December	2,609	2,515	2,828	2,815	3,001	
January	2,633	2,552	2,852	2,841	3,019	
February	2,656	2,582	2,876	2,867	3,038	
March	2,679	2,613	2,900	2,864	3,057	

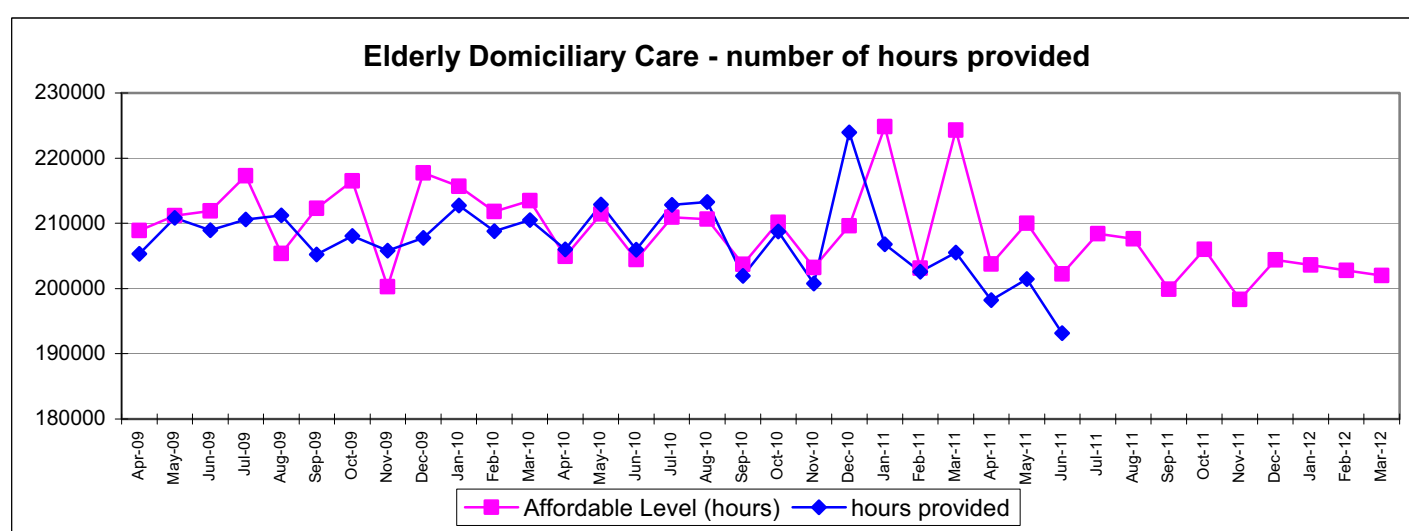
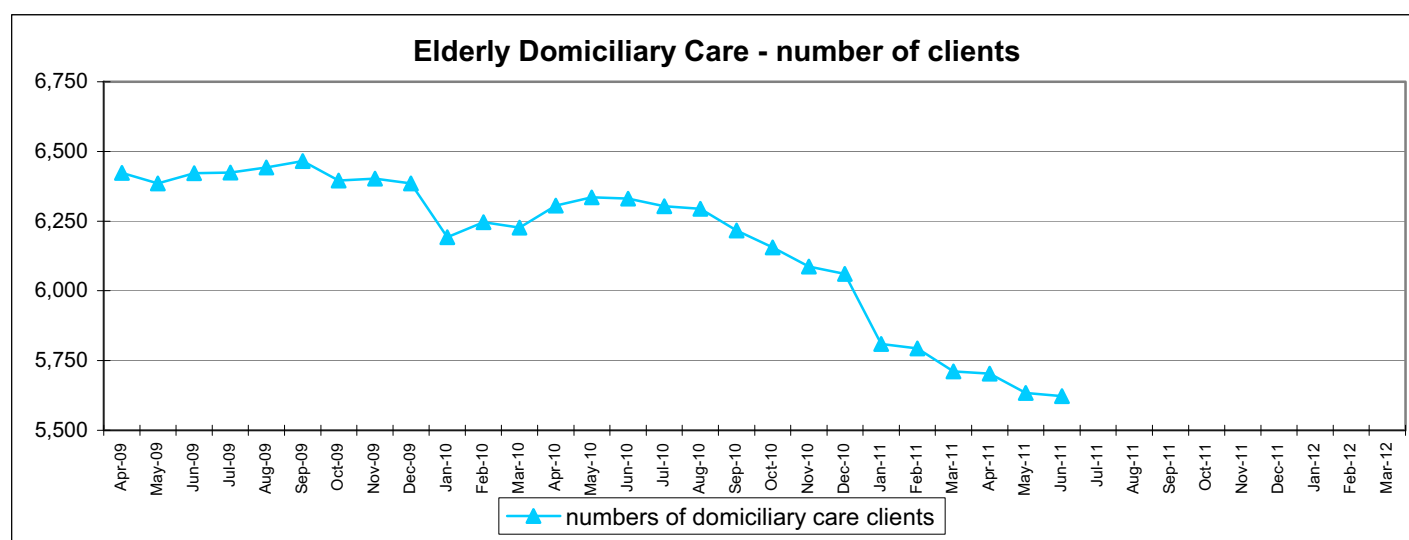


Comments:

- The activity being reported is the long term clients in receipt of direct payments in the year as at the end of the month plus any one off payments. The drive to implement personalisation and allocate personal budgets has seen continued increases in direct payments over the years. There will be other means by which people can use their personal budgets and this may impact on the take up of direct payments, we believe we may be seeing the beginning of this effect, since client numbers appear to be levelling out. Work will be ongoing to determine if this is the case, and will inform a future cabinet report.
- The figure for DP recipients in March 2011 has been amended since the previous report, to reflect more up-to-date information.

2.7.1 Elderly domiciliary care – numbers of clients and hours provided:

	2009-10			2010-11			2011-12		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
April	208,869	205,312	6,423	204,948	205,989	6,305	203,769	198,243	5,703
May	211,169	210,844	6,386	211,437	212,877	6,335	210,018	201,438	5,634
June	211,897	208,945	6,422	204,452	205,937	6,331	202,215	193,147	5,622
July	217,289	210,591	6,424	210,924	212,866	6,303	208,412		
August	205,354	211,214	6,443	210,668	213,294	6,294	207,610		
September	212,289	205,238	6,465	203,708	201,951	6,216	199,885		
October	216,491	208,051	6,396	210,155	208,735	6,156	206,005		
November	200,292	205,806	6,403	203,212	200,789	6,087	198,332		
December	217,749	207,771	6,385	209,643	223,961	6,061	204,399		
January	215,686	212,754	6,192	224,841	206,772	5,810	203,598		
February	211,799	208,805	6,246	203,103	202,568	5,794	202,755		
March	213,474	210,507	6,227	224,285	205,535	5,711	201,996		
TOTAL	2,542,358	2,505,838		2,521,376	2,501,274		2,448,994	592,828	



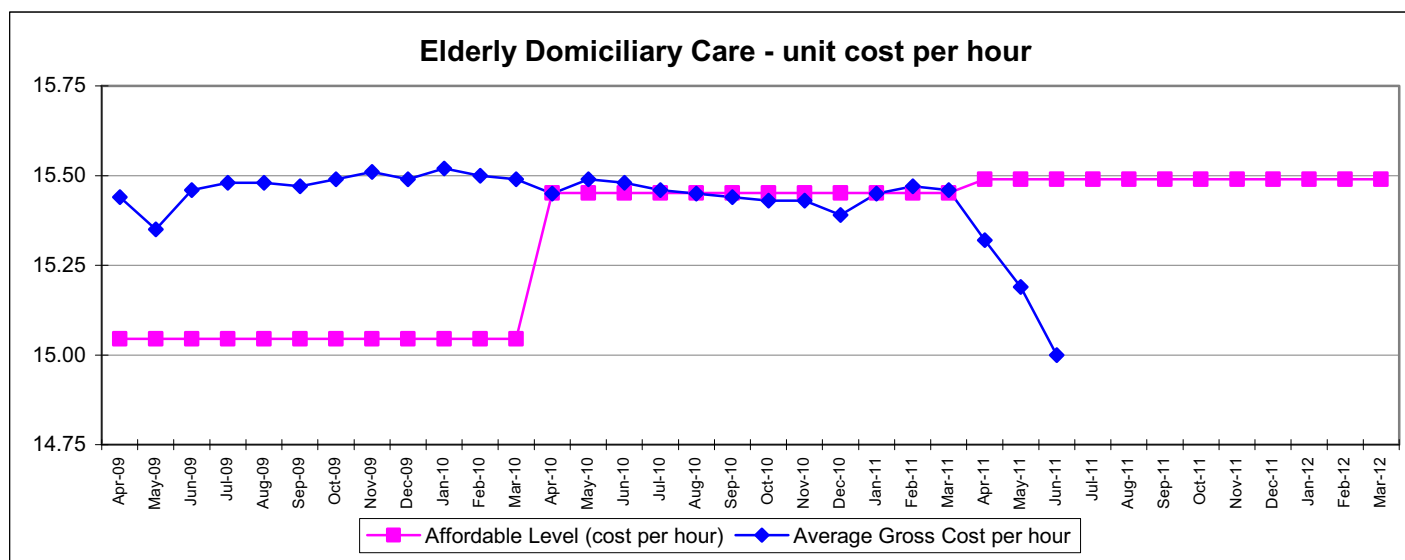
Comment:

- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The current forecast is 2,408,067 hours of care against an affordable level of 2,448,994, a difference of 40,927 hours. Using the forecast unit cost of £15.00 this reduction in activity reduces the forecast by £614k, as highlighted in section 1.1.3.12c

- To the end of June 592,828 hours of care have been delivered against an affordable level of 616,002 a difference of -23,174 hours.
- The year to date activity compared to the affordable level suggests a greater reduction in weeks than is currently forecast. Domiciliary for all client groups are volatile budgets, which is being compounded by a shift in trend in direct payments and personal budgets, many of which are of a domiciliary nature, whilst further investigation is carried out on this, we expect a rise in activity towards the second half of the year.
- The number of people receiving domiciliary care has been decreasing over the past few years as result of the implementation of Self Directed Support (SDS), especially the impact of enablement. Also the intensity of care appears to have increased such that clients are receiving more hours per week on average.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour	Affordable Level (Cost per Hour)	Average Gross Cost per Hour
April	15.045	15.44	15.452	15.45	15.49	15.32
May	15.045	15.35	15.452	15.49	15.49	15.19
June	15.045	15.46	15.452	15.48	15.49	15.00
July	15.045	15.48	15.452	15.46	15.49	
August	15.045	15.48	15.452	15.45	15.49	
September	15.045	15.47	15.452	15.44	15.49	
October	15.045	15.49	15.452	15.43	15.49	
November	15.045	15.51	15.452	15.43	15.49	
December	15.045	15.49	15.452	15.39	15.49	
January	15.045	15.52	15.452	15.45	15.49	
February	15.045	15.50	15.452	15.47	15.49	
March	15.045	15.49	15.452	15.46	15.49	



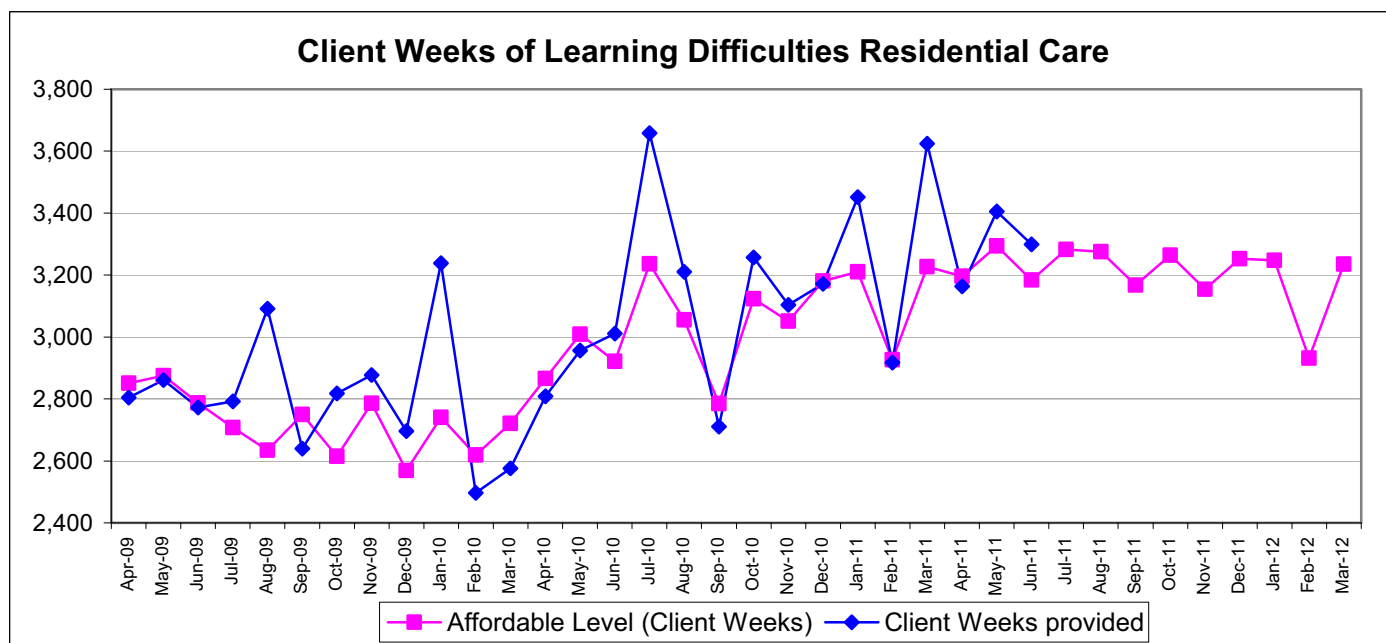
Comments:

- The forecast unit cost of £15.00 is lower than the affordable cost of £15.49 and this difference of -£0.49 reduces the forecast by £1,200k when multiplied by the affordable hours, as highlighted in section 1.1.3.12.c
- The unit cost is reducing because current work with providers to achieve savings requires them to provide a service at a lower cost – this is ongoing work with all homecare providers and will contribute to the domiciliary re-let. In addition, we are focussing on reducing the unit rate of care

packages which are provided in $\frac{1}{2}$ and $\frac{3}{4}$ hours which have traditionally been slightly more expensive.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided	Affordable Level (Client Weeks)	Client Weeks of LD residential care provided
April	2,851	2,804	2,866	2,808	3,196	3,163
May	2,875	2,861	3,009	2,957	3,294	3,405
June	2,787	2,772	2,922	3,011	3,184	3,299
July	2,708	2,792	3,236	3,658	3,282	
August	2,635	3,091	3,055	3,211	3,275	
September	2,750	2,640	2,785	2,711	3,167	
October	2,615	2,818	3,123	3,257	3,265	
November	2,786	2,877	3,051	3,104	3,154	
December	2,569	2,696	3,181	3,171	3,253	
January	2,740	3,238	3,211	3,451	3,248	
February	2,619	2,497	2,927	2,917	2,932	
March	2,721	2,576	3,227	3,624	3,235	
TOTAL	32,656	33,662	36,593	37,880	38,485	9,867

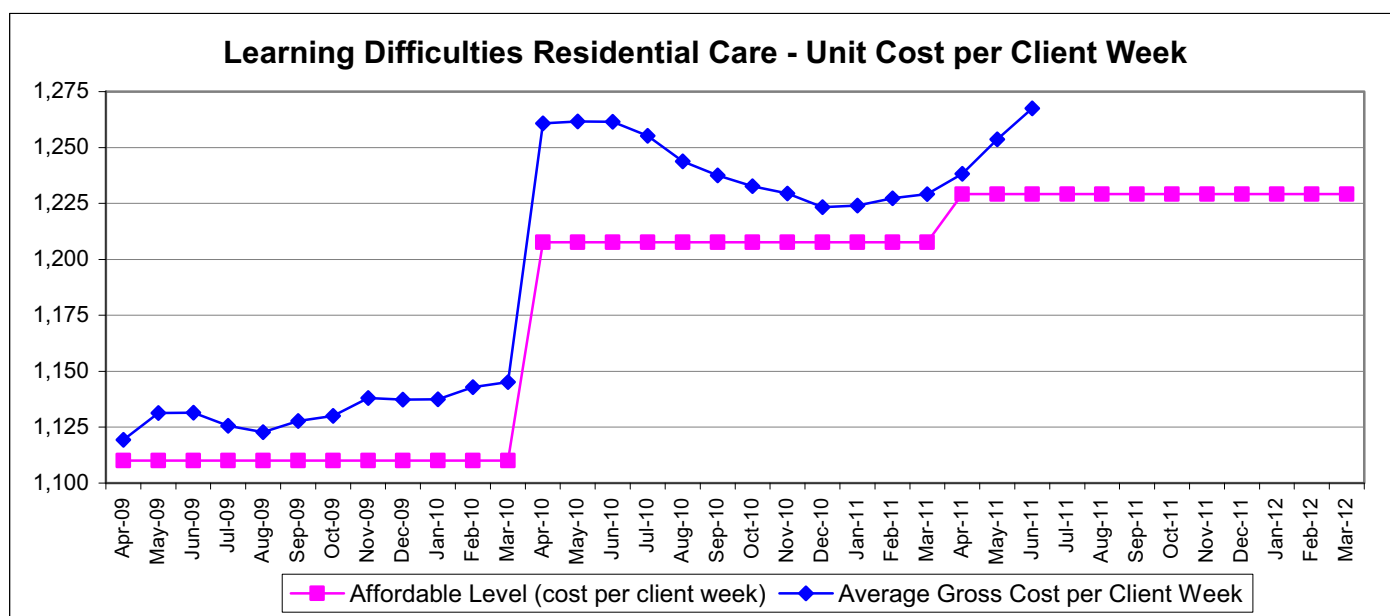


Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care at the end of 2009-10 was 632, at the end of 2010-11 it was 713 and at the end of June 2011 it was 749 including any ongoing transfers as part of the S256 agreement.
- The current forecast is 40,149 weeks of care against an affordable level of 38,485, a difference of +1,664 weeks. Using the forecast unit cost of £1,267.40 this additional activity adds £2,109k to the forecast, as highlighted in section 1.1.3.13a. This forecast includes those known young people who are in the 'transition' process and will be coming into the Families & Social Care Directorate before the end of the year.
- To the end of June 9,867 weeks of care have been delivered against an affordable level of 9,674, a difference of +193 weeks.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	1,110.15	1,119.42	1,207.58	1,260.82	1,229.18	1,238.24
May	1,110.15	1,131.28	1,207.58	1,261.67	1,229.18	1,253.68
June	1,110.15	1,131.43	1,207.58	1,261.46	1,229.19	1,267.40
July	1,110.15	1,125.65	1,207.58	1,255.21	1,229.19	
August	1,110.15	1,122.81	1,207.58	1,243.87	1,229.19	
September	1,110.15	1,127.79	1,207.58	1,237.49	1,229.19	
October	1,110.15	1,130.07	1,207.58	1,232.68	1,229.19	
November	1,110.15	1,137.95	1,207.58	1,229.44	1,229.19	
December	1,110.15	1,137.28	1,207.58	1,223.31	1,229.19	
January	1,110.15	1,137.41	1,207.58	1,224.03	1,229.19	
February	1,110.15	1,142.82	1,207.58	1,227.26	1,229.19	
March	1,110.15	1,145.12	1,207.58	1,229.19	1,229.19	

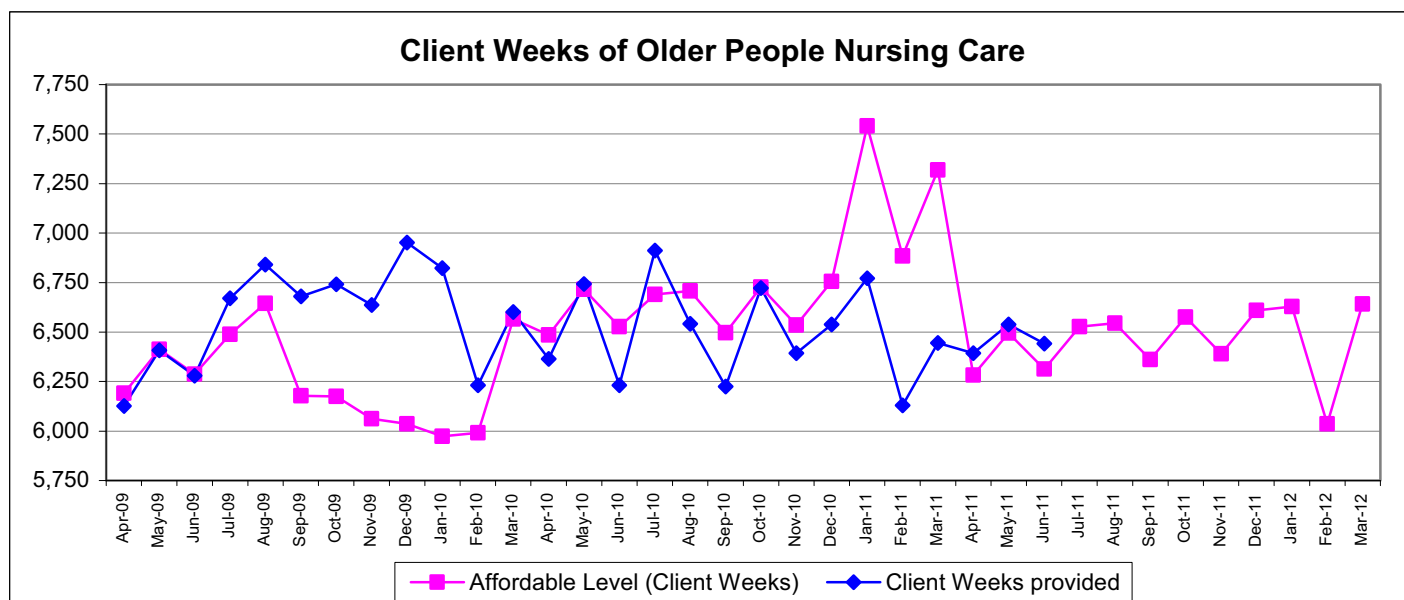


Comments:

- Clients being placed in residential care are those with very complex and individual needs which make it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,200 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high cost – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases
- The forecast unit cost of £1,267.40 is higher than the affordable cost of £1,229.19 and this difference of +£38.21 adds £1,471k to the position when multiplied by the affordable weeks, as highlighted in section 1.1.3.13a.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided	Affordable Level (Client Weeks)	Client Weeks of older people nursing care provided
April	6,191	6,127	6,485	6,365	6,283	6,393
May	6,413	6,408	6,715	6,743	6,495	6,538
June	6,288	6,279	6,527	6,231	6,313	6,442
July	6,489	6,671	6,689	6,911	6,527	
August	6,644	6,841	6,708	6,541	6,544	
September	6,178	6,680	6,497	6,225	6,361	
October	6,175	6,741	6,726	6,722	6,576	
November	6,062	6,637	6,535	6,393	6,391	
December	6,037	6,952	6,755	6,539	6,610	
January	5,973	6,824	7,541	6,772	6,628	
February	5,992	6,231	6,885	6,129	6,036	
March	6,566	6,601	7,319	6,445	6,641	
TOTAL	75,008	78,992	81,382	78,016	77,405	19,373

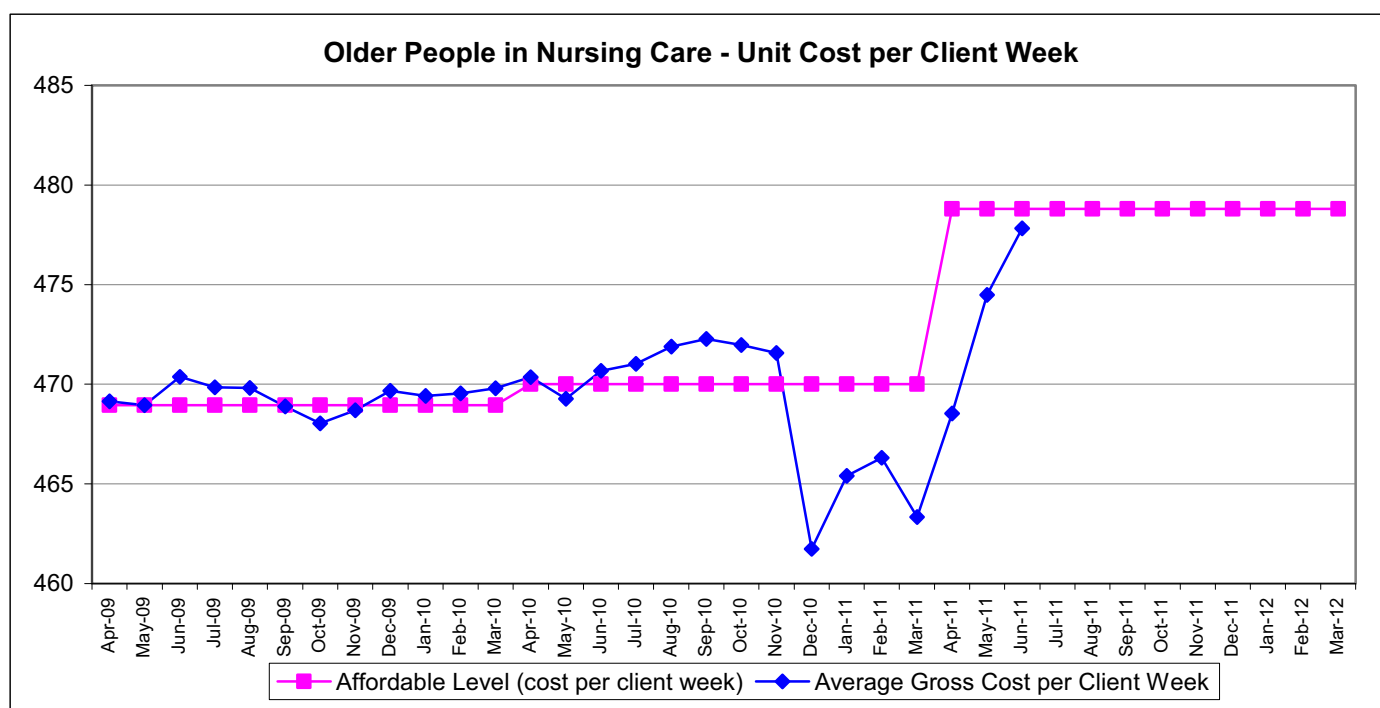


Comment:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2009-10 was 1,374, at the end of 2010-11 it was 1,379 and at the end of June 2011 it was 1,415. In nursing care, there is not the same distinction between clients with dementia, as with residential care. The difference in intensity of care for nursing care and nursing care with dementia is not as significant as it is for residential care.
- The current forecast is 76,101 weeks of care against an affordable level of 77,405, a difference of 1,304 weeks. Using the actual unit cost of £477.82, this reduced activity saves £623k to the forecast, as highlighted in section 1.1.3.13c
- To the end of June 19,373 weeks of care have been delivered against an affordable level of 19,091 a difference of +282 weeks.
- There are always pressures in permanent nursing care which may occur for many reasons. Increasingly, older people are entering nursing care only when other ways of support have been explored. This means that the most dependent are those that enter nursing care and consequently are more likely to have dementia. In addition, there will always be pressures which the directorate face, for example the knock on effect of minimising delayed transfers of care. Demographic changes – increasing numbers of older people with long term illnesses – also means that there is an underlying trend of growing numbers of people needing nursing care.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	468.95	469.15	470.01	470.36	478.80	468.54
May	468.95	468.95	470.01	469.27	478.80	474.48
June	468.95	470.37	470.01	470.67	478.80	477.82
July	468.95	469.84	470.01	471.03	478.80	
August	468.95	469.82	470.01	471.90	478.80	
September	468.95	468.88	470.01	472.28	478.80	
October	468.95	468.04	470.01	471.97	478.80	
November	468.95	468.69	470.01	471.58	478.80	
December	468.95	469.67	470.01	461.75	478.80	
January	468.95	469.42	470.01	465.40	478.80	
February	468.95	469.55	470.01	466.32	478.80	
March	468.95	469.80	470.01	463.34	478.80	

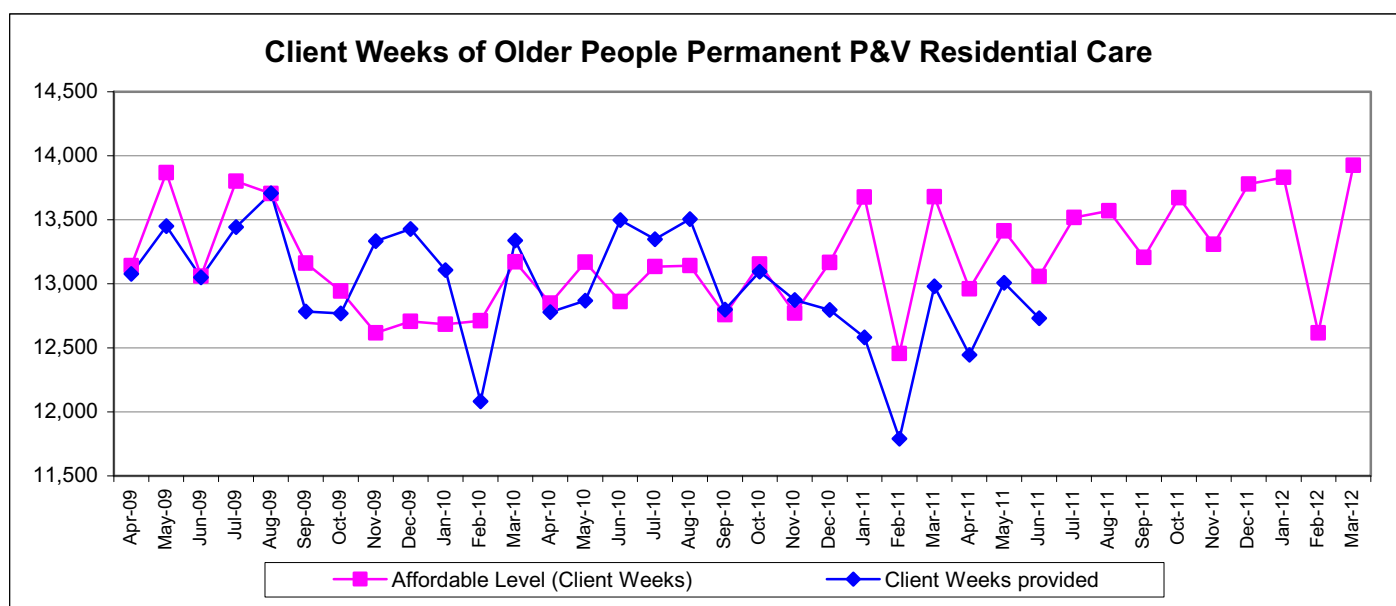


Comments:

- 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.
- The forecast -unit cost of £477.82 is slightly lower than the affordable cost of £478.80 and this difference of -£0.98 creates a saving of £76k when multiplied by the affordable weeks, as highlighted in section 1.1.3.13c

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

	2009-10		2010-11		2011-12	
	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided	Affordable Level (Client Weeks)	Client Weeks of older people permanent P&V residential care provided
April	13,142	13,076	12,848	12,778	12,959	12,446
May	13,867	13,451	13,168	12,867	13,412	13,009
June	13,059	13,050	12,860	13,497	13,058	12,731
July	13,802	13,443	13,135	13,349	13,517	
August	13,703	13,707	13,141	13,505	13,569	
September	13,162	12,784	12,758	12,799	13,207	
October	12,943	12,768	13,154	13,094	13,671	
November	12,618	13,333	12,771	12,873	13,309	
December	12,707	13,429	13,167	12,796	13,777	
January	12,685	13,107	13,677	12,581	13,830	
February	12,712	12,082	12,455	11,790	12,617	
March	13,172	13,338	13,678	12,980	13,926	
TOTAL	157,572	157,568	156,812	154,909	160,852	38,186

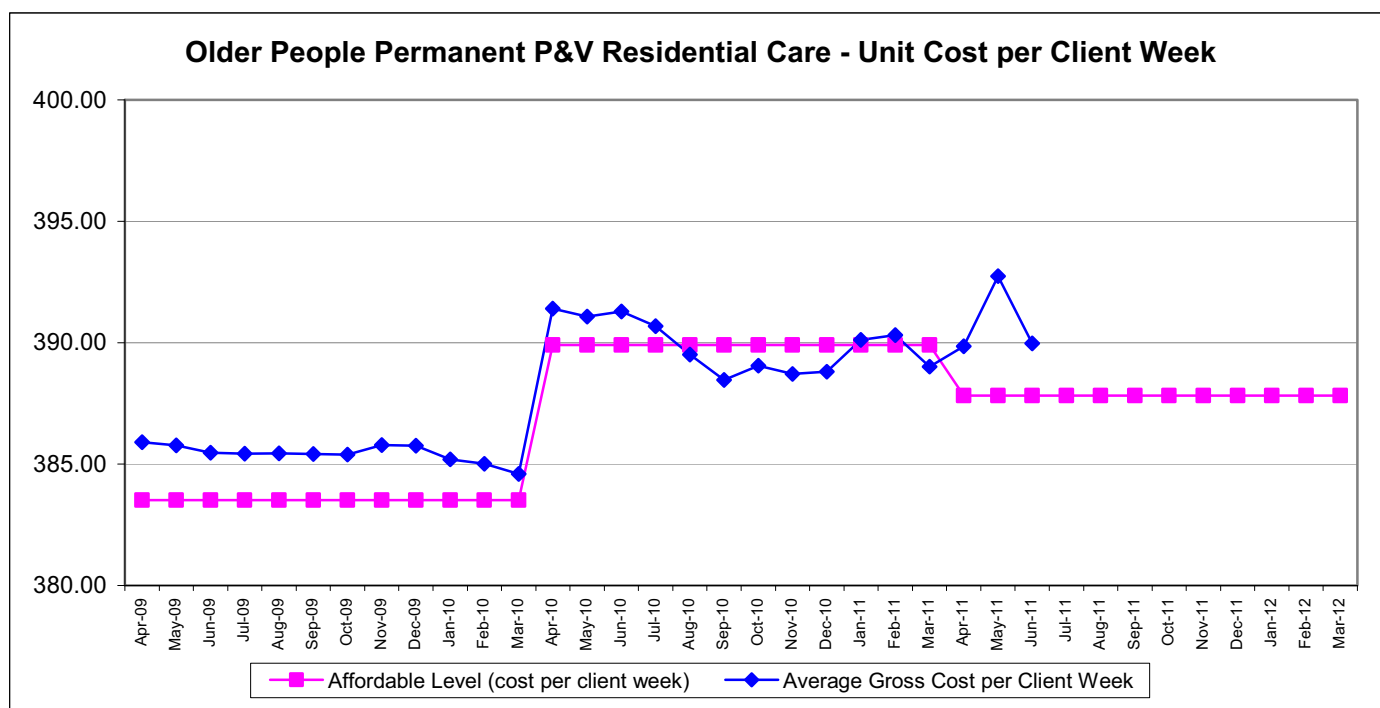


Comments:

- 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 2009-10 was 2,751, at the end of 2010-11 it was 2,787 and by the end of June 2011 it was 2,809. It is evident that there are ongoing pressures relating to clients with dementia. Since April 2010, the number of clients with dementia has increased from 1,217 to 1,268 whilst the other residential clients have decreased.
- The current forecast is 155,065 weeks of care against an affordable level of 160,852, a difference of 5,787 weeks. Using the forecast unit cost of £389.97 this reduced activity saves £2,257k within the forecast, as highlighted in section 1.1.3.13d.
- To the end of June 38,186 weeks of care have been delivered against an affordable level of 39,429 a difference of 1,243 weeks.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	383.52	385.90	389.91	391.40	387.82	389.85
May	383.52	385.78	389.91	391.07	387.82	392.74
June	383.52	385.47	389.91	391.29	387.82	389.97
July	383.52	385.43	389.91	390.68	387.82	
August	383.52	385.44	389.91	389.51	387.82	
September	383.52	385.42	389.91	388.46	387.82	
October	383.52	385.39	389.91	389.06	387.82	
November	383.52	385.79	389.91	388.72	387.82	
December	383.52	385.76	389.91	388.80	387.82	
January	383.52	385.20	389.91	390.12	387.82	
February	383.52	385.01	389.91	390.31	387.82	
March	383.52	384.59	389.91	389.02	387.82	

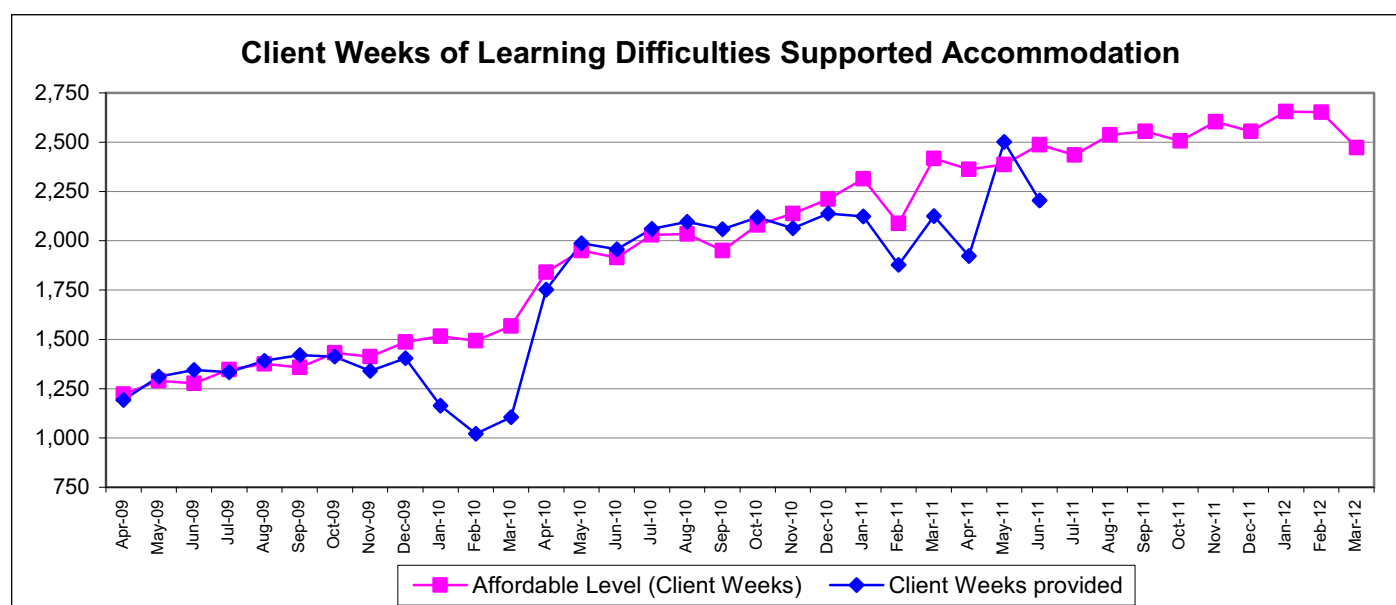


Comments:

- Average unit cost per week has increased more than inflation and is likely to reflect the increasing numbers of clients with dementia.
- The forecast unit cost of £389.97 is higher than the affordable cost of £387.82 and this difference of £2.15 adds £346k to the position when multiplied by the affordable weeks, as highlighted in section 1.1.3.13d.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided	Affordable Level (Client Weeks)	Client Weeks of LD supported accommodation provided
April	1,221	1,192	1,841	1,752	2,363	1,923
May	1,290	1,311	1,951	1,988	2,387	2,502
June	1,276	1,344	1,914	1,956	2,486	2,205
July	1,346	1,333	2,029	2,060	2,435	
August	1,375	1,391	2,034	2,096	2,536	
September	1,357	1,421	1,951	2,059	2,555	
October	1,431	1,412	2,080	2,119	2,506	
November	1,412	1,340	2,138	2,063	2,603	
December	1,487	1,405	2,210	2,137	2,554	
January	1,515	1,163	2,314	2,123	2,655	
February	1,493	1,021	2,088	1,878	2,652	
March	1,567	1,105	2,417	2,125	2,472	
TOTAL	16,770	15,438	24,967	24,356	30,204	6,630

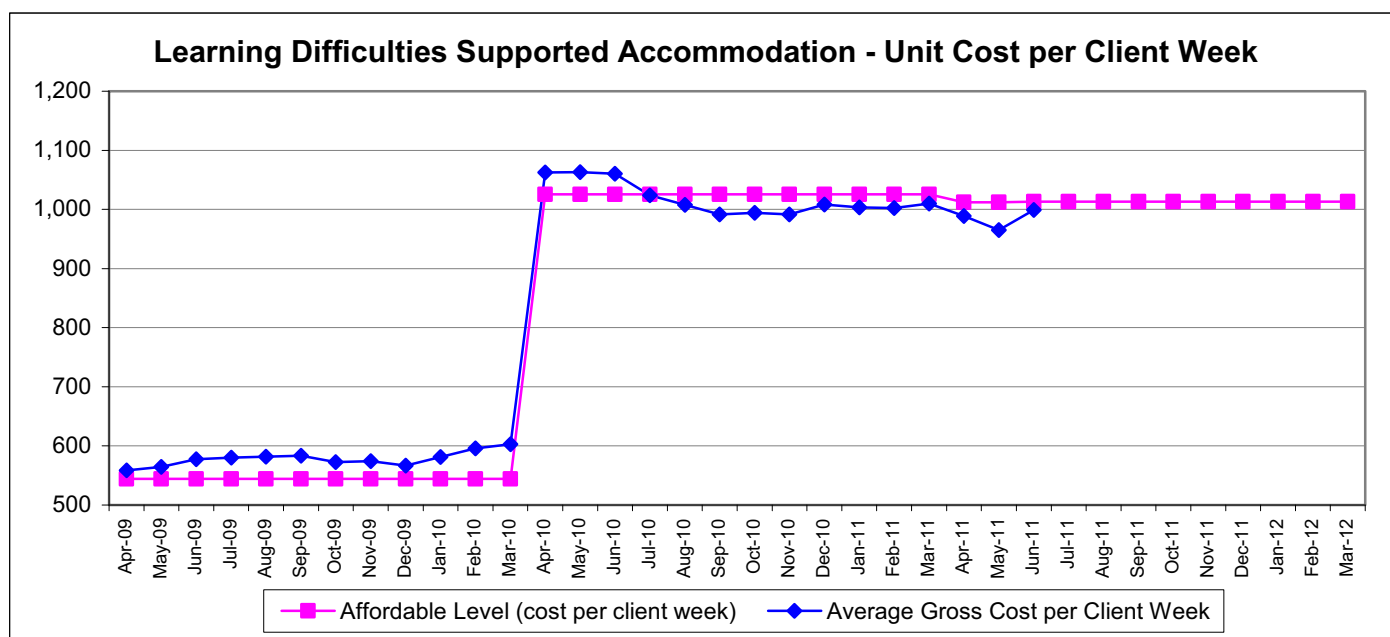


Comments:

- The above graph reflects the number of client weeks of service provided. The actual number of clients in LD supported accommodation at the end of 2009-10 was 309, at the end of 2010-11 it was 491, of which 131 were S256 clients, and at the end of June 2011 it was 536.
- The current forecast is 29,711 weeks of care, against an affordable level of 30,204, a difference of - 493 weeks and includes people that we expect to be supported through supported accommodation and adult placement. Some of this is as a result of the transfer of clients from NHS who were previously S256, following the closure of LD Campus. Using the forecast unit cost of £999.24 this reduction in activity provides a saving of £492k, as reflected in section 1.1.3.14.a
- To the end of June 6,630 weeks of care have been delivered against an affordable level of 7,236, a difference of 607 weeks.
- Like residential care for people with a learning disability, every case is unique and varies in cost, depending on the individual circumstances. Although the quality of life will be better for these people, it is not always significantly cheaper. The focus to enable as many people as possible to move from residential care into supported accommodation means that more and increasingly complex and unique cases will be successfully supported to live independently.

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

	2009-10		2010-11		2011-12	
	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Average Gross Cost per Client Week
April	544.31	558.65	1,025.67	1,062.38	1,011.73	988.73
May	544.31	564.49	1,025.67	1,063.22	1,011.73	964.95
June	544.31	577.33	1,025.67	1,060.59	1,013.18	999.24
July	544.31	580.27	1,025.67	1,023.90	1,013.18	
August	544.31	581.76	1,025.67	1,007.58	1,013.18	
September	544.31	583.26	1,025.67	991.20	1,013.18	
October	544.31	572.59	1,025.67	993.92	1,013.18	
November	544.31	574.24	1,025.67	991.56	1,013.18	
December	544.31	566.87	1,025.67	1,007.95	1,013.18	
January	544.31	581.53	1,025.67	1,003.21	1,013.18	
February	544.31	595.89	1,025.67	1,001.98	1,013.18	
March	544.31	603.08	1,025.67	1,009.82	1,013.18	



Comments:

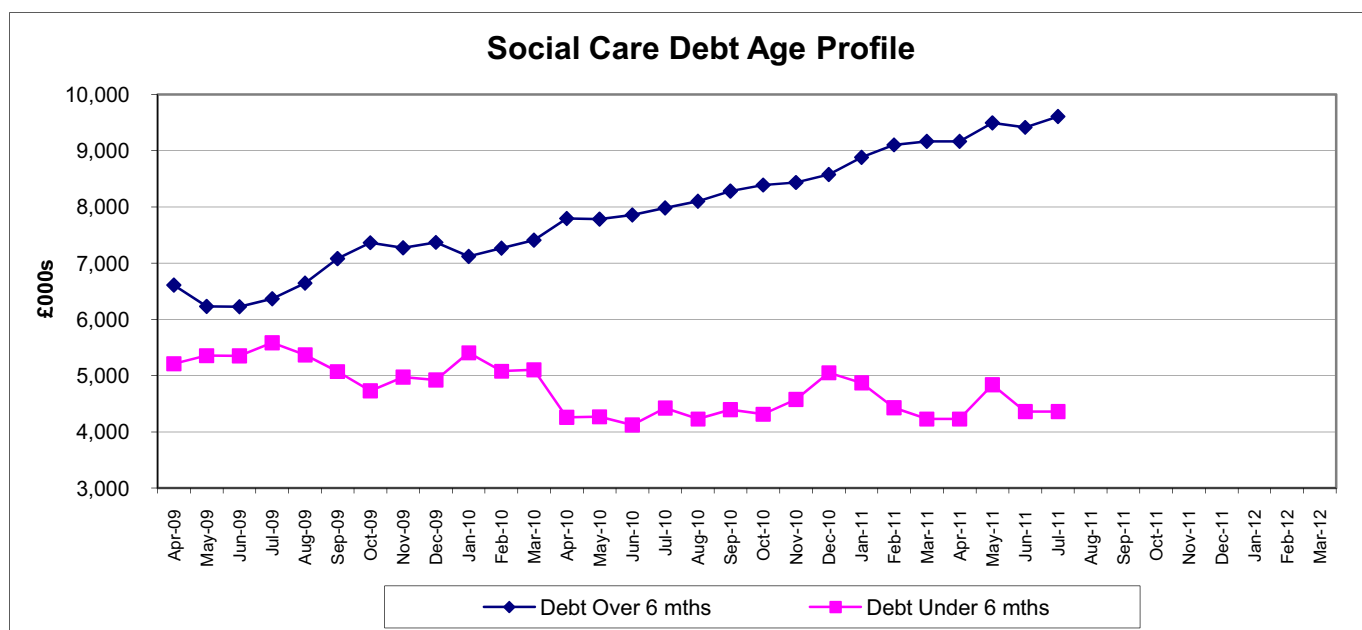
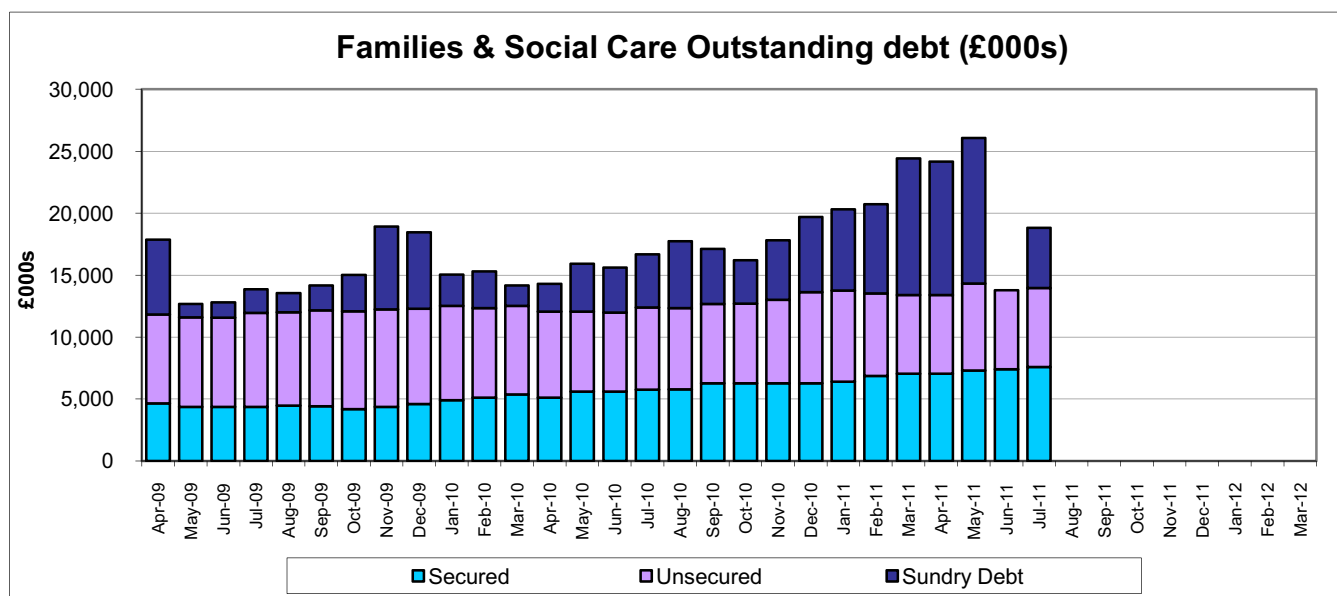
- The forecast unit cost of £999.24 is lower than the affordable cost of £1013.18 and this difference of £13.94 provides a saving of £421k when multiplied by the affordable weeks, as reflected in section 1.1.3.14a.
- There are three distinct groups of clients: Section 256 clients, Ordinary Residence clients and other clients. 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.

3. SOCIAL CARE DEBT MONITORING

The outstanding debt as at the end of July was £18.829m compared with March's figure of £24.413m (reported to Cabinet in June) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £4.860m of sundry debt compared to £11.011m in March. The amount of sundry can change significantly for large invoices to health, which has been the case in the movement from March. Also within the outstanding debt is £13.969m relating to Social Care (client) debt which is an increase of £0.567m from the last reported position to Cabinet in June. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. It should be noted that the Sundry debt reports were not successful in June, and hence no figure can be reported, the problem was rectified in time for the July report, but reports are unable to be run retrospectively.

:000s

Debt Month	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Social Care Debt				
			Total Social Care Due Debt £000s	Debt Over 6 mths £000s	Debt Under 6 mths £000s	Secured £000s	Unsecured £000s
Apr-09	17,874	6,056	11,818	6,609	5,209	4,657	7,161
May-09	12,671	1,078	11,593	6,232	5,361	4,387	7,206
Jun-09	12,799	1,221	11,578	6,226	5,352	4,369	7,209
Jul-09	13,862	1,909	11,953	6,367	5,586	4,366	7,587
Aug-09	13,559	1,545	12,014	6,643	5,371	4,481	7,533
Sep-09	14,182	2,024	12,158	7,080	5,078	4,420	7,738
Oct-09	15,017	2,922	12,095	7,367	4,728	4,185	7,910
Nov-09	18,927	6,682	12,245	7,273	4,972	4,386	7,859
Dec-09	18,470	6,175	12,295	7,373	4,922	4,618	7,677
Jan-10	15,054	2,521	12,533	7,121	5,412	4,906	7,627
Feb-10	15,305	2,956	12,349	7,266	5,083	5,128	7,221
Mar-10	14,157	1,643	12,514	7,411	5,103	5,387	7,127
Apr-10	14,294	2,243	12,051	7,794	4,257	5,132	6,919
May-10	15,930	3,873	12,057	7,784	4,273	5,619	6,438
Jun-10	15,600	3,621	11,979	7,858	4,121	5,611	6,368
Jul-10	16,689	4,285	12,404	7,982	4,422	5,752	6,652
Aug-10	17,734	5,400	12,334	8,101	4,233	5,785	6,549
Sep-10	17,128	4,450	12,678	8,284	4,394	6,289	6,389
Oct-10	16,200	3,489	12,711	8,392	4,319	6,290	6,421
Nov-10	17,828	4,813	13,015	8,438	4,577	6,273	6,742
Dec-10	19,694	6,063	13,631	8,577	5,054	6,285	7,346
Jan-11	20,313	6,560	13,753	8,883	4,870	6,410	7,343
Feb-11	20,716	7,179	13,537	9,107	4,430	6,879	6,658
Mar-11	24,413	11,011	13,402	9,168	4,234	7,045	6,357
Apr-11	24,178	10,776	13,402	9,168	4,234	7,045	6,357
May-11	26,069	11,737	14,332	9,496	4,836	7,309	7,023
Jun-11	13,780		13,780	9,418	4,362	7,399	6,381
Jul-11	18,829	4,860	13,969	9,609	4,361	7,584	6,385
Aug-11	0		0				
Sep-11	0		0				
Oct-11	0		0				
Nov-11	0		0				
Dec-11	0		0				
Jan-12	0		0				
Feb-12	0		0				



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

1. FINANCE

1.1 REVENUE

- 1.1.1 Cash limits for the A-Z service analysis have been adjusted since the budget was set to reflect the transfers required to reflect the new directorate and portfolio structures. In addition, the cash limits that the Directorate is working to, and **upon which the variances in this report are based**, include adjustments for both formal virement and technical adjustments, the latter being where there is no change in policy.

The Directorate would like to request formal virement through this report to reflect adjustments to cash limits for the following changes required in respect of the allocation of previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process. This primarily relates to how the directorate has allocated savings in relation to Total Contribution Pay and Superannuation changes. These savings were 'parked' within Strategic Management and Directorate Support when the budget was approved and have now been allocated to the individual service units based on detailed analysis by Finance. In addition, Kent Highways Services (KHS) has undergone a major restructure, which impacts upon both staffing and work budgets, and budgets have been adjusted to reflect the new structure. In addition KHS gross and income budgets have been realigned in the light of 2010-11 outturn. These adjustments have had an impact on the gross and income budgets which has increased them both by £0.359m. Furthermore, there is a significant transfer between gross and income of £3.346m which reflects a correction to the accounting treatment for capitalised staff costs, this had previously been treated as income but should have been a credit to gross expenditure.

A transfer has also been made between gross and income within Public Transport of £0.417m which predominantly reflects a revision of the income budget related to the Freedom pass. Changes to the gross and income budgets within Waste Management and Waste Disposal have also been reflected, as a result of revisions to contract prices affecting both spend and income levels and the use of new waste processing outlets for managing various recyclate waste streams, all of which were not known when the budget was set. These amount to an increase of £0.744m in the gross budget and a similar increase in the income budget.

There have also been a number of corporate adjustments to cash limit to reflect the allocation of roll forward, a virement of £0.130m from the underspending on the Finance & Business Support portfolio to offset the Commercial Services contribution because CSD are to fund two new audit posts and some outsourced work thereby reducing their ability to make the budgeted contribution, and where budgets have moved as a result of the restructure, but there has been no change to what the budget is being used for. These adjustments total +£0.145m (-£0.245m gross and +£0.390m income).

Therefore the overall movement in cash limits shown in table 1a below is a reduction in the gross expenditure budget of £2.071m (£0.359m - £3.346m + £0.417m + £0.744m - £0.245m from above) and a reduction in the income budget of £2.216m (-£0.359m + £3.346m - £0.417m - £0.744m + £0.390m from above).

Table 1a shows:

- the published budget,
- the proposed budget following adjustments for both formal virement and technical adjustments, together with roll forward from 2010-11 as approved by Cabinet in July,
- the total value of the adjustments applied to each service line.

Cabinet is asked to approve these revised cash limits

- 1.1.2.1 **Table 1a Movement in Cash Limits since published A-Z budget in the new portfolio format:**

Budget Book Heading	Cash Limit			Revised Cash Limit			Movement		
	G	I	N	G	I	N	G	I	N
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Environment, Highways & Waste portfolio									
E&E Strategic Management & Directorate Support Budgets	7,528	-1,014	6,514	7,373	-388	6,985	-155	626	471
<u>Environment:</u>									
- Environment Management	3,880	-2,647	1,233	4,180	-2,830	1,350	300	-183	117
- Coastal Protection	733		733	686	0	686	-47		-47
	4,613	-2,647	1,966	4,866	-2,830	2,036	253	-183	70
<u>Highways Services:</u>									
- Adverse Weather	2,655		2,655	3,159	0	3,159	504		504
- Bridges & Other Structures	3,077	-433	2,644	2,753	-294	2,459	-324	139	-185
- General maintenance & emergency response	13,236	-1,027	12,209	13,572	-345	13,227	336	682	1,018
- Highway drainage	3,845	-206	3,639	3,431	-74	3,357	-414	132	-282
- Highway improvements	4,272	-2,356	1,916	2,105	-515	1,590	-2,167	1,841	-326
- Road Safety	2,921	-1,280	1,641	2,827	-1,213	1,614	-94	67	-27
- Signs, Lines & Bollards	2,046	-74	1,972	1,819	0	1,819	-227	74	-153
- Streetlight energy	4,955		4,955	5,104	0	5,104	149		149
- Streetlight maintenance	4,085	-271	3,814	3,924	-325	3,599	-161	-54	-215
- Traffic management	5,569	-2,860	2,709	5,506	-2,924	2,582	-63	-64	-127
- Tree maintenance, grass cutting & weed control	3,822	-102	3,720	3,352	-192	3,160	-470	-90	-560
	50,483	-8,609	41,874	47,552	-5,882	41,670	-2,931	2,727	-204
<u>Integrated Transport Strategy & Planning:</u>									
- Planning & Transport Policy	861	-15	846	774	-15	759	-87		-87
- Planning Applications	1,118	-500	618	1,102	-500	602	-16		-16
	1,979	-515	1,464	1,876	-515	1,361	-103	0	-103
<u>Transport Services:</u>									
- Concessionary Fares	16,304		16,304	16,332	-27	16,305	28	-27	1
- Freedom Pass	12,544	-1,700	10,844	13,625	-2,230	11,395	1,081	-530	551
- Subsidised Bus Routes	9,951	-1,777	8,174	9,259	-1,637	7,622	-692	140	-552
- Sustainable Transport	2,684	-1,525	1,159	2,503	-1,448	1,055	-181	77	-104
	41,483	-5,002	36,481	41,719	-5,342	36,377	236	-340	-104
<u>Waste Management</u>									
<u>Recycling & Diversion from Landfill:</u>									
- Household Waste Recycling Centres	8,391	-719	7,672	8,416	-1,109	7,307	25	-390	-365
- Partnership & Behaviour Change	892	-126	766	805	-126	679	-87		-87
- Payments to Waste Collection Authorities (DCs)	5,500		5,500	5,334	-102	5,232	-166	-102	-268
- Recycling Contracts & Composting	9,674		9,674	10,262	-609	9,653	588	-609	-21
	24,457	-845	23,612	24,817	-1,946	22,871	360	-1,101	-741
<u>Waste Disposal:</u>									
- Closed Landfill Sites & Abandoned Vehicles	743	-276	467	779	-266	513	36	10	46
- Disposal Contracts	29,463	-768	28,695	29,476	-430	29,046	13	338	351
- Landfill Tax	7,040		7,040	6,880	0	6,880	-160		-160
- Transfer Stations	8,203	-84	8,119	8,583	-75	8,508	380	9	389
	45,449	-1,128	44,321	45,718	-771	44,947	269	357	626
Commercial Services		-7,261	-7,261	0	-7,131	-7,131		130	130
Total E, H & W portfolio	175,992	-27,021	148,971	173,921	-24,805	149,116	-2,071	2,216	145
Regeneration & Enterprise portfolio									
Development Staff & Projects	1,311	-1,311	0	1,311	-1,311	0			0
Total E&E controllable	177,303	-28,332	148,971	175,232	-26,116	149,116	-2,071	2,216	145

1.1.2.2 **Table 1b** below details the revenue position by Service Unit against adjusted cash limits as shown in table 1a:

Budget Book Heading	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	7,373	-388	6,985	-69		-69	Vacancy management (Waste)
<u>Environment:</u>	0	0					
- Environment Management	4,180	-2,830	1,350			0	
- Coastal Protection	686	0	686			0	
	4,866	-2,830	2,036	0	0	0	
<u>Highways Services:</u>							
- Adverse Weather	3,159	0	3,159			0	
- Bridges & Other Structures	2,753	-294	2,459			0	
- General maintenance & emergency response	13,572	-345	13,227			0	
- Highway drainage	3,431	-74	3,357			0	
- Highway improvements	2,105	-515	1,590			0	
- Road Safety	2,827	-1,213	1,614			0	
- Signs, Lines & Bollards	1,819	0	1,819			0	
- Streetlight energy	5,104	0	5,104			0	
- Streetlight maintenance	3,924	-325	3,599			0	
- Traffic management	5,506	-2,924	2,582		-83	-83	Additional s74 and fixed penalty notices income
- Tree maintenance, grass cutting & weed control	3,352	-192	3,160			0	
	47,552	-5,882	41,670	0	-83	-83	
<u>Integrated Transport Strategy & Planning:</u>							
- Planning & Transport Policy	774	-15	759			0	
- Planning Applications	1,102	-500	602			0	
	1,876	-515	1,361	0	0	0	
<u>Transport Services:</u>							
- Concessionary Fares	16,332	-27	16,305			0	
- Freedom Pass	13,625	-2,230	11,395			0	
- Subsidised Bus Routes	9,259	-1,637	7,622			0	
- Sustainable Transport	2,503	-1,448	1,055		69	69	Reduction in forecast grant income for Local Sustainable Transport Fund
	41,719	-5,342	36,377	0	69	69	
<u>Waste Management</u>							
<u>Recycling & Diversion from Landfill:</u>							
- Household Waste Recycling Centres	8,416	-1,109	7,307	73	-100	-27	Additional income received from sale of lead acid batteries
- Partnership & Behaviour Change	805	-126	679	-41		-41	Reduction in campaign activity
- Payments to Waste Collection Authorities (DCs)	5,334	-102	5,232			0	
- Recycling Contracts & Composting	10,262	-609	9,653	-510	7	-503	reduced waste tonnage & improved contract prices when compared with working budget
	24,817	-1,946	22,871	-478	-93	-571	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<u>Waste Disposal:</u>							
- Closed Landfill Sites & Abandoned Vehicles	779	-266	513	1	-3	-2	
- Disposal Contracts	29,476	-430	29,046	-2,079		-2,079	Reduced residual waste tonnage compared to budget, less waste processed via Allington, more waste to landfill
- Landfill Tax	6,880	0	6,880	905		905	waste diverted to landfill from Allington WtE due to operational issues
- Transfer Stations	8,583	-75	8,508	-356		-356	reduced waste tonnage
	45,718	-771	44,947	-1,529	-3	-1,532	
Commercial Services	0	-7,131	-7,131			0	
Total E, H & W portfolio	173,921	-24,805	149,116	-2,076	-110	-2,186	
Regeneration & Enterprise portfolio							
Development Staff & Projects	1,311	-1,311	0			0	
Total E&E controllable	175,232	-26,116	149,116	-2,076	-110	-2,186	
Assumed Management Action							
- EHW portfolio							
- R&E portfolio							
Forecast after Mgmt Action				-2,076	-110	-2,186	

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 **Waste Management:**

The waste tonnage for the first three months of 2011-12 indicate that the experience of the last two financial years is likely to be repeated and the final tonnage figure is forecast to be less than the affordable level. Based on actuals to date, an estimated level of 735,000 tonnes is predicted which is 25,000 tonnes below the affordable level. This is a prudent forecast to allow for any potential growth in future months. Details of activity are shown in section 2.4.

1.1.3.1.1 **Recycling & Diversion from Landfill**

a. Household Waste Recycling Centres

An underspend of £100k is predicted as a result of additional income generated from a new income stream – the sale of lead batteries which were previously collected at zero cost or for a small charge.

b. Recycling Contracts & Composting

A combination of reduced waste tonnage, approximately 14,000 tonnes, for recycling and composting and improved contract prices are anticipated to deliver an underspend of £510k in this financial year. Approximately £126k is due to improved prices and £384k is due to reduced activity.

1.1.3.1.2 Waste Disposal

a. Disposal Contracts

An underspend of £2,079k 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 27,000 tonnes less than budget, however it is forecast that an additional 16,000 tonnes of waste will be sent to landfill due to operational circumstances at Allington.

b. Landfill Tax

An overspend of £905k is forecast due to operational circumstances at the Allington waste to energy plant during the early part of the financial year when it was necessary to divert a greater tonnage than anticipated to landfill, approximately a further 16,000 tonnes will be landfilled than planned.

c. Transfer Stations

An underspend of £356k is anticipated as a result of a reduction in forecast waste tonnage.

Overall annual forecast tonnes is expected to reduce by 25,000, which is made up of 27,000 tonnes less via Allington and 14,000 tonnes less via recycling/composting, however due to operational changes at Allington a further 16,000 tonnes is forecast to be landfilled.

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	Landfill Tax - diversion of waste to landfill due to operational issues at Allington Waste to energy plant	+905	EHW	Disposal Contracts - lower then budgeted residual waste tonnage processed through Allington WtE	-2,079
			EHW	Recycling & Composting - lower then budgeted waste tonnage	-384
			EHW	Transfer Stations - lower then budgeted waste tonnage	-356
			EHW	Recycling Contracts & Composting - improved contract prices	-126
			EHW	Household Waste Recycling Centres - income from sale of lead batteries	-100
		+905			-3,045

1.1.4 Actions required to achieve this position:

None

1.1.5 Implications for MTFP:

Waste will be reviewing the trends of recent years in respect of waste tonnage and disposal costs when considering savings and pressure for the development of the 2012-15 MTFP. There is no guarantee that tonnage will continue to reduce so contingency arrangements will need to be incorporated to deal with any reversal in trends.

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 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.

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 since last reported to Cabinet on 18th July 2011, as 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 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	Future Yrs £000s	TOTAL £000s
Enterprise & Environment Portfolio						
Budget	239,529	95,191	77,223	70,334	242,583	724,860
Adjustments:						
- Re-phasing at Outturn	-567	568	-1	-200	200	
- Outturn changes	-320					-320
- Sittingbourne Northern Relief Rd		-167				-167
- Ashford Ring Road		-65				-65
- Ashford Station Forecourt		190				190
Revised Budget	238,642	95,717	77,222	70,134	242,783	724,498
Variance		6,181	-3,031	-4,841	10,307	8,616
split:						
- real variance		+8,782	-166			+8,616
- re-phasing		-2,601	-2,865	-4,841	+10,307	0

Real Variance		+8,782	-166	0	0	+8,616
Re-phasing		-2,601	-2,865	-4,841	+10,307	0

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	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
EHW	Highway major Maintenance	real	4,060			
EHW	A2 Cyclo Park	real		2,800		
EHW	Victoria Way	real		1,000		
EHW	Integrated Transport	real	786			
EHW	Ashford Drovers & J9 Foot Bridge	real		650		
EHW	HWRC-Ashford Transfer Station	phasing			350	
EHW	Commercial Services	real	320			
			+5,166	+4,450	+350	+0
Underspends/Projects behind schedule						
EHW	Kent Thameside Transport	phasing			-1,314	
EHW	HWRC-Herne Bay	phasing		-750		
EHW	Major Preliminary Design	real	-300			
EHW	Sittingbourne Northern Relief Rd	real		-384		
EHW	Integrated Transport	phasing	-300			
			-600	-1,134	-1,314	0
			+4,566	+3,316	-964	-0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Kent Thameside Strategic Transport Programme - re-phasing of -£10.374m (-£1.314m in 2011-12, -£3.502m in 2012-13, -£5.558m in 2013-14 and +£10.374m in future years)

This programme is designed to deliver a package of Strategic Transport schemes in the Kent Thameside area, funded by Government Grants and Developer Contributions.

Following the Government's Comprehensive Spending Review in October 2010, the public sector funding commitment for the programme was deferred and subject to further review. Subsequently, the Homes and Communities Agency (HCA) agreed to fund £13m for phase 1 schemes with a further £10m for phase 2 schemes subject to review. The Department for Transport (DfT) indicated that their funding commitment (approx £23m) towards the programme would not be available in the current spending review period (2011-2014) and is unlikely to be available before 2017-18. Developer contributions will be required to balance the cost of the project.

Negotiations are taking place to ensure that the programme will be implemented on a phased basis dependent on securing relevant funding.

As limited funds are currently guaranteed, the programme has been re-phased with the bulk of the works planned post 2015.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	263	2,688	8,313	14,852	119,195	145,311
Forecast	263	1,374	4,811	9,294	129,569	145,311
Variance	0	-1,314	-3,502	-5,558	+10,374	0
FUNDING						
Budget:						0
Revenue	231					231
Developer		519	3,040	7,278	88,292	99,129
grant	32	2,169	5,273	7,574	30,903	45,951
TOTAL	263	2,688	8,313	14,852	119,195	145,311
Forecast:						
Revenue	231					231
Developer				463	98,666	99,129
grant	32	1,374	4,811	8,831	30,903	45,951
TOTAL	263	1,374	4,811	9,294	129,569	145,311
Variance	0	-1,314	-3,502	-5,558	+10,374	0

1.2.4.2 Sittingbourne Northern Relief Road - re-phasing of -£1.321m in (2012-13)

This scheme was started in autumn 2009 and is progressing well, with completion expected in December 2011. The spend profile for 2012-13 has been re-phased into 2013-14 to cover the liability under the Land Compensation Act where claims cannot be made until 1 year after the scheme is opened for use. Payments under the Act are for depreciation to the value of properties affected by physical factors such as traffic noise which cannot be properly assessed until the scheme has been operational for this period of time.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	21,866	7,530	1,703	1,100		32,199
Forecast	21,866	7,146	216	2,421		31,649
Variance	0	-384	-1,487	+1,321	0	-550
FUNDING						
Budget:						
Ex Other		639				639
Revenue	153				0	153
Developer grant	67		1,703	1,100		2,870
	21,646	6,891				28,537
TOTAL	21,866	7,530	1,703	1,100	0	32,199
Forecast:						
Ex Other		839				839
Revenue	153					153
Developer grant	67		216	2,421		2,704
	21,646	6,307				27,953
TOTAL	21,866	7,146	216	2,421	0	31,649
Variance	0	-384	-1,487	+1,321	0	-550

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of +£8.617m (+£8.782m in 2011-12 and -£0.165m in 2012/13)

Preliminary Design Fees: -£0.300m (in 2011-12): Current intelligence indicates that the DfT will not accept any bids for major schemes in the short term and consequently an underspend is declared against this budget. It is proposed that this funding should be transferred to the Integrated Transport Schemes to support the Maidstone High Street development in 2011-12, allowing £0.300m from capital receipts to be re-phased to 2012-13 to fund the balance of the cost and **Cabinet are asked to approve this transfer of funds.**

Highway Maintenance: +£4.060m (in 2011-12): Major patching and full surface dressing works are being undertaken on parts of the road networks that have been worst affected by winter damage. This approach is more cost effective and better value for money than simply dealing with individual pot holes and enhances the capital value of the County Council's assets. The bulk of the cost (£4m) will be covered by a Government revenue grant designed to address winter damage on the County's roads with a small contribution (£0.060m) being provided by third parties.

Integrated Transport Schemes: +£0.786m (in 2011-12): There are two elements to this forecast overspend:

- +£0.486m relates to schemes that are funded by S106 developer contributions which have already been received, but an adjustment to the cash limit to reflect this is awaited.
- +£0.300m relates to works in Maidstone High Street which are proposed to be funded by a cash limit transfer from the Preliminary Design Fees cash limit with a further £0.300m being made available by slipping capital receipts to 2012/13.

Commercial Services Vehicle & Plant: +£0.320m (in 2011-12): this will be matched by an increased contribution from their Renewals Fund so there is no funding implication.

Energy Usage Reduction Programme: -£0.150m (in 2011-15): The programme was funded 50% grant from Carbon Trust and 50% by prudential borrowing. The forecast underspend is due to the repayment of the Carbon Trust grant. The overall funding for this programme will be reduced by the underspend.

Sittingbourne Northern Relief Road: -£0.550m (-£0.384m in 2011-12 and -£0.166m in 2012-13): A prudent approach has been taken throughout the construction phase regarding DfT funding

ensuring that a contingency is maintained to fund any unforeseen works. As the scheme approaches completion, a further review of cost and risk has been carried out which has enabled the forecast scheme cost to be reduced by £0.550m. An element of the savings amounting to £0.584m relates to grant funding and has been reported to DfT. The reduction in construction cost has also reduced the developer contribution liability by £0.166m. However, additional work has been carried out for Southern Water for which their contribution will be increased by £0.200m. The net result has been to reduce the scheme cost by £0.550m.

A2 Cyclopark: +£2.800m (in 2011-12): This unique scheme was reported to Cabinet in November 2010 along with a list of potential external funding partners. Capital funding from the various contributors has now been secured and the scheme is now progressing. This secured funding has allowed the project to expand to undertake construction of the pavilion.

Victoria Way: +£1.000m (in 2011-12): The scheme provides a new urban street with public realm and in particular to locate existing and future utility needs into the road corridor to provide clear development sites. Difficulties with the utilities aspects because of uncharted services, phasing and utility companies' lack of performance in particular has fully utilised the contingency allocation. Utility works have continued to have a significant impact on the contract and disturbance and prolongation costs together with residual risks have been on an upward trend over recent months that now lead to forecast overspend of £1.000m.

A robust approach to minimising and reducing the overspend is being taken with the contractor, the consultant and the utility companies. As this scheme is fully externally funded, there is no capacity within the capital programme to meet the forecast overspend funding which will be claimed from Growth Area Funding (GAF) which is held by Ashford Borough Council on behalf of the Ashford's Future Partnership Board. The AFPB has agreed in principle that the major highway schemes in Ashford (ie Victoria Way and Drovers Roundabout / J9 and Footbridge) should have first call on the GAF pot of some £2.7m (see also below). The £0.397m commuted sum for future maintenance has already been received and will be redirected to reduce the funding deficit.

Drovers Roundabout, J9 and Footbridge: +£0.650m (in 2011-12): The net overspend is due to the following:

- **Construction +£1.697m:** An overspend of £0.300m was reported in 2010-11, to be funded from GAF. A further overspend of £1.697m is expected in this financial year which has resulted in a total forecast construction overspend of approximately £2.000m. The main cause of the overspend has been issues related to the unique cable stayed footbridge over the M20. The contractor has made very significant claims relating to design aspects, disturbance and prolongation and the consultant working for Kent County Council has indicated that there is some limited legitimacy to these claims. In common with Victoria Way, this scheme is fully externally funded, with KCC acting as delivery agent for the Ashford's Future Partnership Board and funding to cover the overspend will be claimed from GAF. As stated above, the AFPB has agreed in principle that any overspend on this scheme and Victoria Way should have the first call on the remaining GAF budget of approximately £2.7m. This would cover the forecast overspend on Victoria Way and Drovers, but would mean that the proposed improvements to the Station Forecourt, Ashford which were discussed by PAG on 21 February 2011 would not be able to proceed from GAF funds.
- **Committed Sum - £1.047m:** The cash limit includes £1.047m for commuted sum which has to be transferred to the revenue balance sheet until it is paid out to the Highways Agency for the future maintenance of the Footbridge and Junction 9.

Taking these into account, there is an underlying nil variance.

1.2.6 General Overview of capital programme:

- (a) Risks

As Victoria Way, Drovers Roundabout, M20 Junction 9 and Footbridge and East Kent Access Phase 2 near completion the key risk is around delivering the schemes within the current forecast expenditure levels.

(b) Details of action being taken to alleviate risks

Victoria Way - Outside of the normal contract management procedures, a risk workshop has been held with the contractor and consultant to seek to give added certainty to the out-turn cost prediction. The final account negotiations with utility companies will continue to be actively pursued to ensure we only pay valid costs and that we also maximise our income where works have been carried for them. Similarly, claims from our contractor will continue to be robustly assessed to ensure that payments are only agreed where there is proven entitlement. Instructions to the contractor will continue to be limited to those only required to complete the works.

Drovers Roundabout, M20 Junction 9 and Footbridge - We are in effect in dispute with the contractor on the content and quantum of his claims. Final contract costs may only be decided if agreement cannot be reached, after contractual provisions for mediation and arbitration are followed. A strategy has been put in place with our consultant to assess the claims and that is being progressed. Independent cost consultant's have been appointed to provide KCC with audit advice and to identify what components of the claims may relate to the bridge design.

East Kent Access Phase 2 - Management of the contract is supported by independent cost consultants. As construction progresses closer to the anticipated completion date of March 2012, the risks related to construction inflation reduce. The contract is being robustly managed to ensure that claims by the contractor are only agreed where there is proven entitlement. Similar efforts are being made in respect of third party costs for the utility diversion works and Network Rail fees for the two major railway structures.

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.

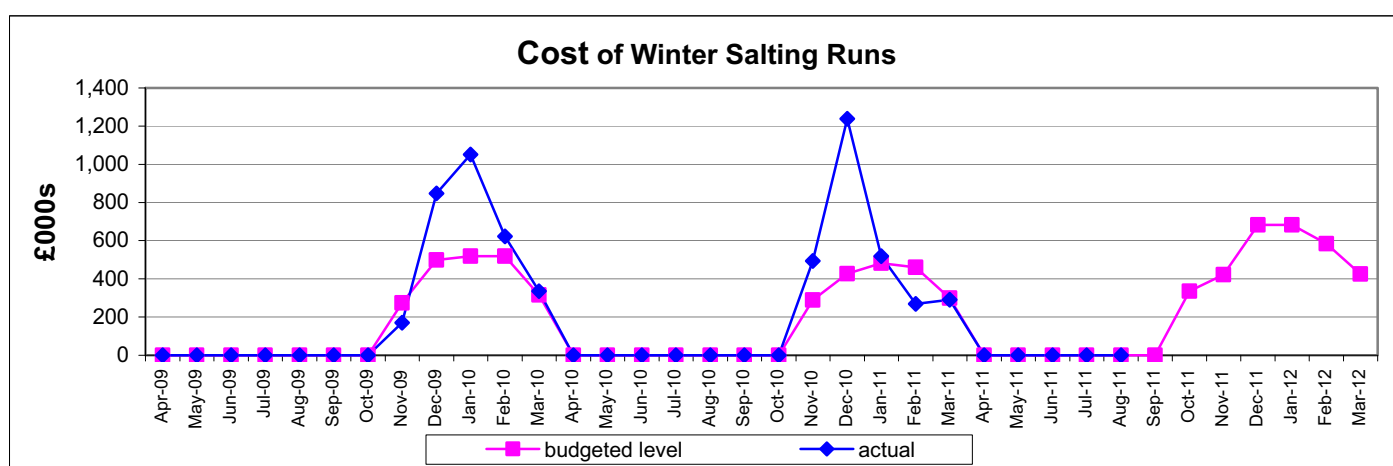
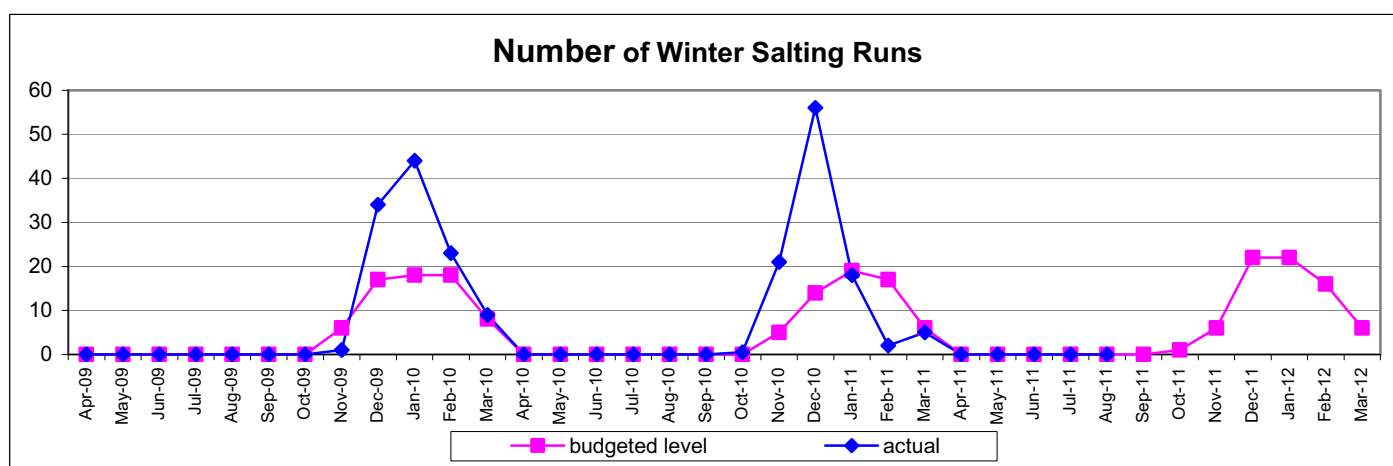
	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	
Integrated Transport Scheme					
Amended total cash limits	+3,291	+2,966	+3,824	+3,058	+13,139
re-phasing	-300	+300			0
Revised project phasing	+2,991	+3,266	+3,824	+3,058	+13,139
Non TSG Land Compensation Claims					
Amended total cash limits	+2,665	+706	+367	+249	+3,987
re-phasing	-100	+100			0
Revised project phasing	+2,565	+806	+367	+249	+3,987
Energy and Water Efficiency Investment					
Amended total cash limits	+238	+129	+125	+248	+740
re-phasing	-175	+79	+163	-67	0
Revised project phasing	+63	+208	+288	+181	+740

	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	
Energy Usage Reduction Programme					
Amended total cash limits	+150	+50	+94		+294
re-phasing	+113	-19	-94		0
Revised project phasing	+263	+31	0	0	+294
Sittingbourne Northern Relief Road					
Amended total cash limits	+7,530	+1,703	+1,100		+10,333
re-phasing		-1,321	+1,321		0
Revised project phasing	+7,530	+382	+2,421	0	+10,333
East Kent Access Phase 2					
Amended total cash limits	+27,894	+912	+3,217		+32,023
re-phasing	-222	+895	-673		0
Revised project phasing	+27,672	+1,807	+2,544	0	+32,023
A2 Cyclo Park					
Amended total cash limits	+2,003				+2,003
re-phasing	-203	+203			0
Revised project phasing	+1,800	+203	0	0	+2,003
Kent Thameside Strategic Transport Programme					
Amended total cash limits	+2,688	+8,313	+14,852	+119,195	+145,048
re-phasing	-1,314	-3,502	-5,558	+10,374	0
Revised project phasing	+1,374	+4,811	+9,294	+129,569	+145,048
HWRC - Herne Bay					
Amended total cash limits	+1,500				+1,500
re-phasing	-750	+750			0
Revised project phasing	+750	+750	0	0	+1,500
HWRC - Ashford Transfer Station					
Amended total cash limits	+400	+4,600			+5,000
re-phasing	+350	-350			0
Revised project phasing	+750	+4,250	0	0	+5,000
Total re-phasing >£100k	-2,601	-2,865	-4,841	+10,307	0
Other re-phased Projects below £100k					
TOTAL RE-PHASING	-2,601	-2,865	-4,841	+10,307	0

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	-	-	1	-	335
November	1	6	171	273	21	5	494	288	6	-	423	-
December	34	17	847	499	56	14	1,238	427	22	-	682	-
January	44	18	1,052	519	18	19	519	482	22	-	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	-	73	-	3,131

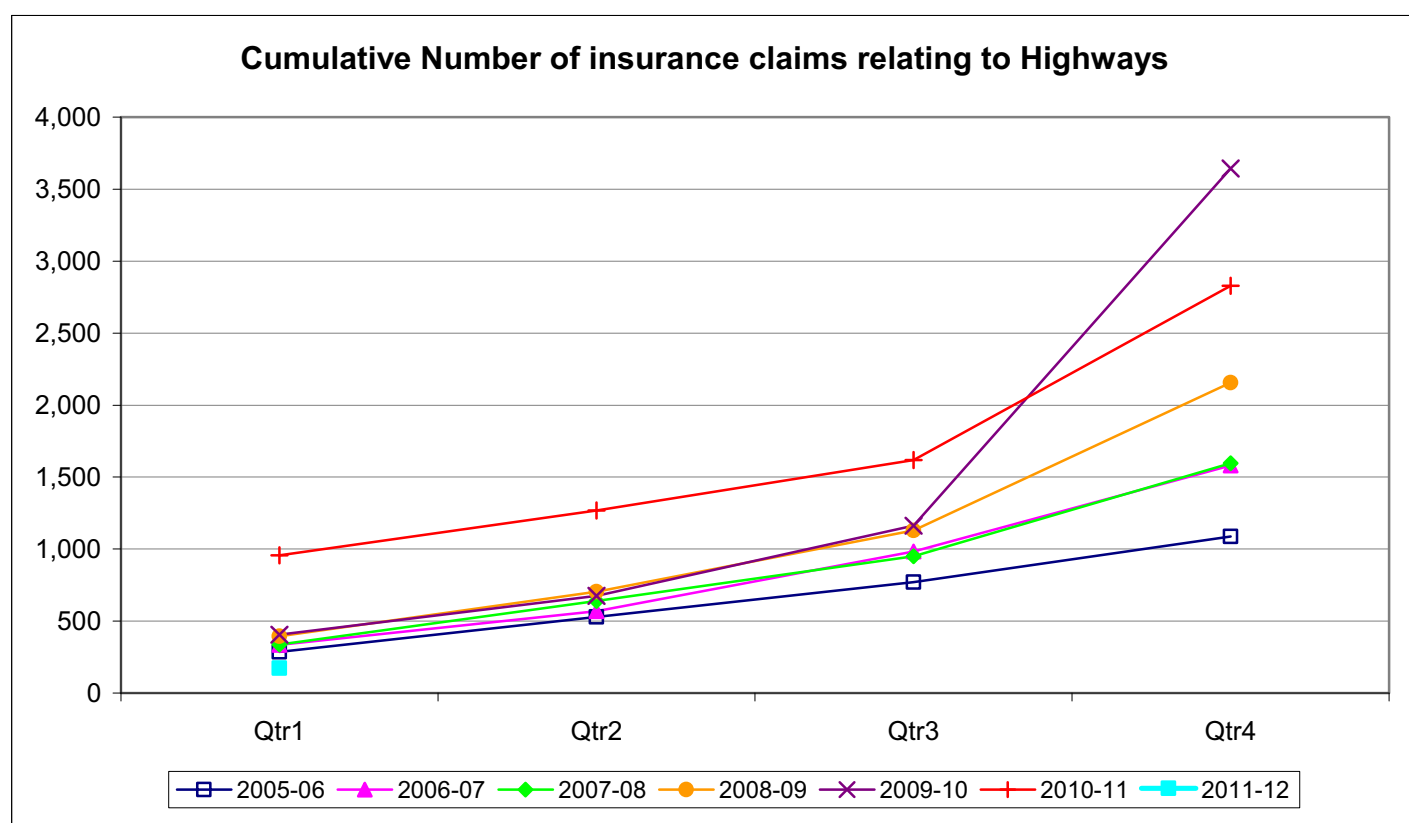


Comment:

- 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.

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	404	956	172
July-Sept	530	570	640	705	675	1,268	
Oct-Dec	771	982	950	1,130	1,162	1,618	
Jan- Mar	1,087	1,581	1,595	2,156	3,643	2,830	

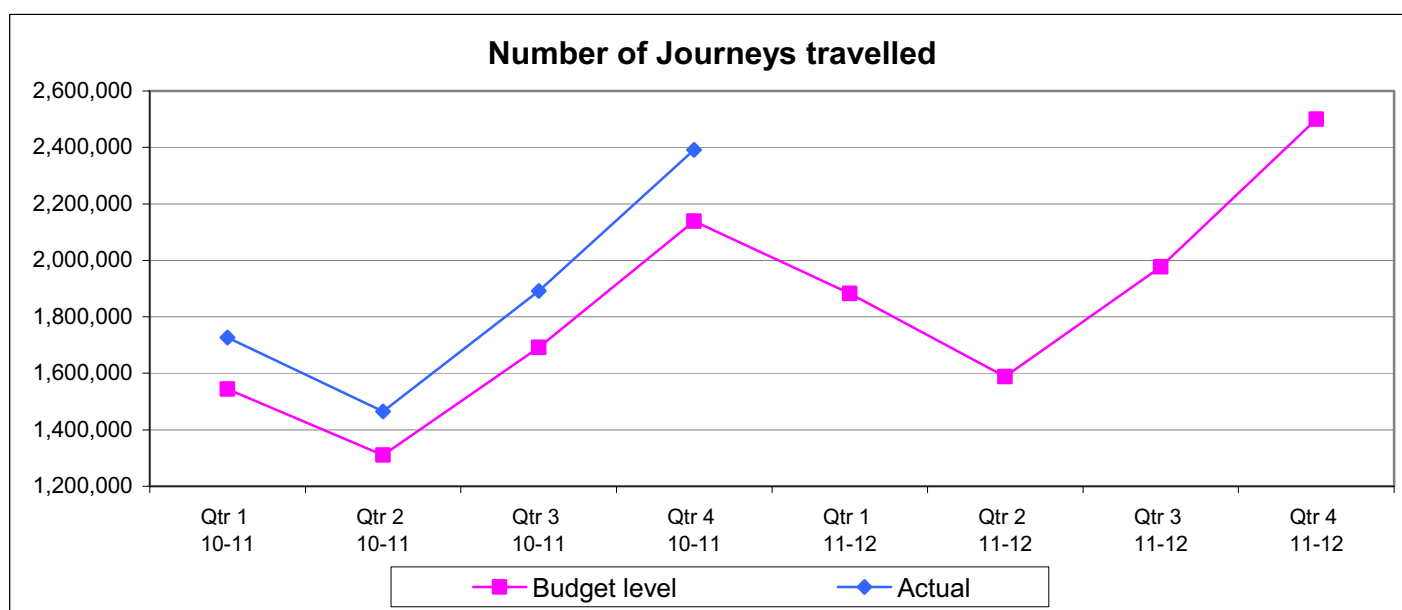
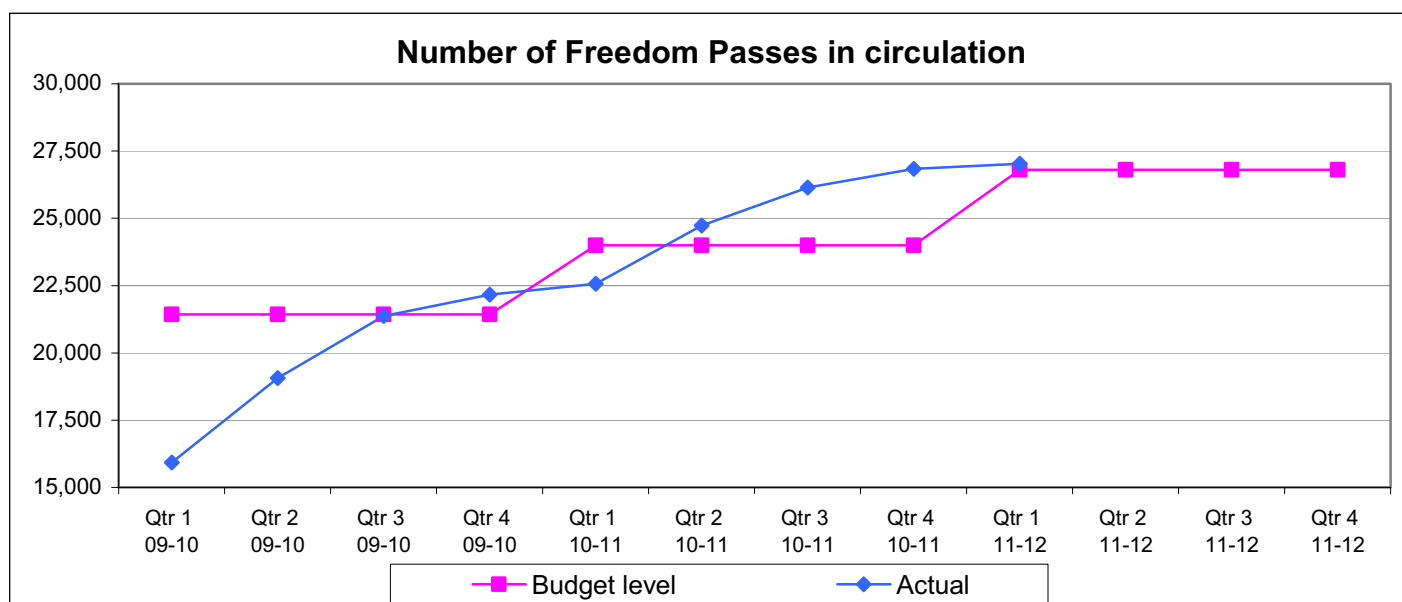


Comments:

- 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 26 July 2011.
- 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 71%.

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	
Qtr 2 July - Sept	21,434	19,060			24,000	24,736	1,310,776	1,465,666	26,800		1,588,616	
Qtr 3 Oct - Dec	21,434	21,369			24,000	26,136	1,691,828	1,891,746	26,800		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	



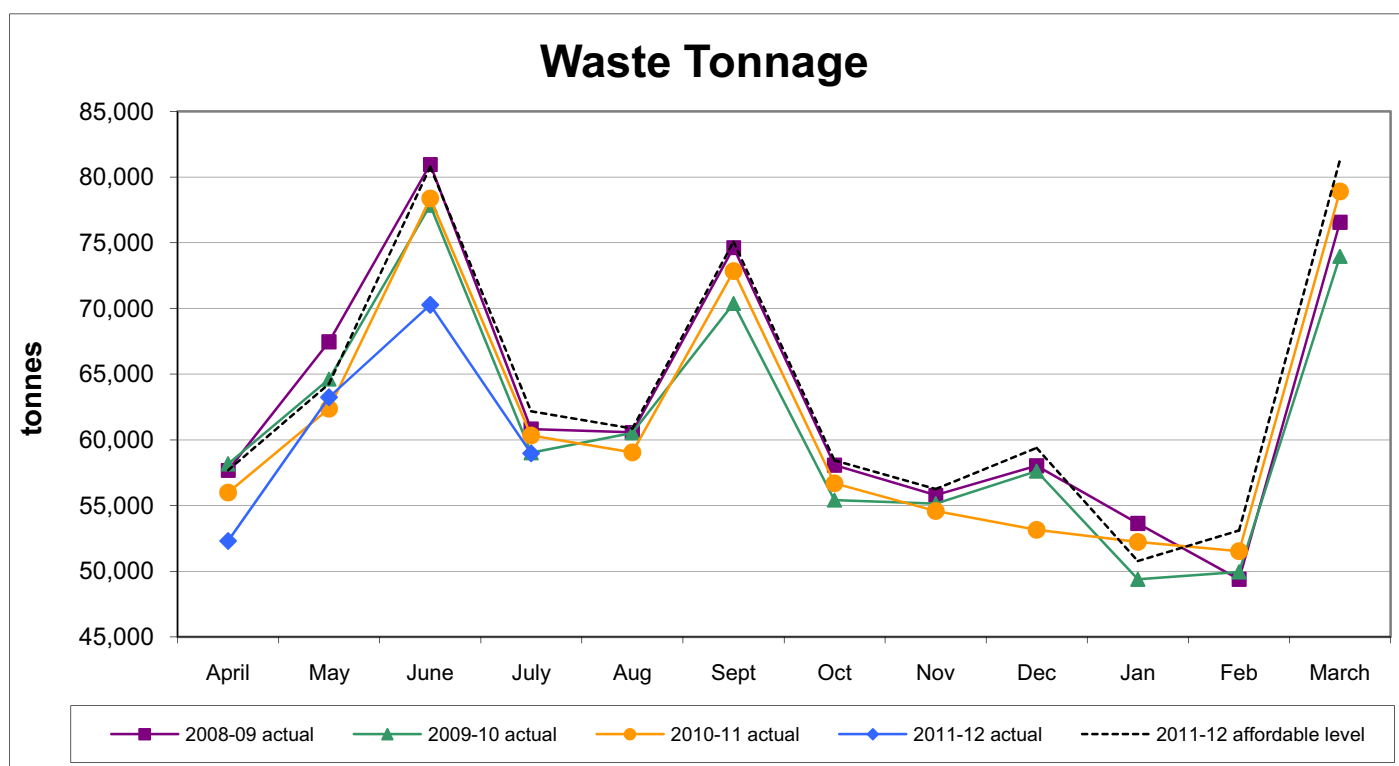
Comments:

- 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 is forecast 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. 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. It is too early to accurately predict the effect of the increase in cost of the pass, but this should become clearer once the September applications are processed.
- 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 1 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 quarter 2 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.
- There is an issue with the accounting for the increase charge for the pass from September and it may be the case that the resulting increase in income may need to be accrued to reflect the proportion that relates to April to August 2012 (the pass relates to the academic year as opposed to the financial year). This issue will be examined and the result may affect the affordable levels highlighted above.

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	52,288	57,687
May	67,452	64,618	62,354	63,230	64,261
June	80,970	77,842	78,375	70,255	80,772
July	60,802	59,012	60,310	58,967	62,154
August	60,575	60,522	59,042		60,847
September	74,642	70,367	72,831		75,058
October	58,060	55,401	56,690		58,423
November	55,789	55,138	54,576		56,246
December	58,012	57,615	53,151		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	244,740	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 quarter is approximately 16,000 tonnes less than the affordable level stated above.
- The current forecast as reflected in section 1.1.3.1 of this annex assumes waste volumes will be around 25,000 tonnes below budget by year end. This is a prudent forecast to allow for any potential growth in future months.
- Cumulative tonnage activity for the first quarter of 2011-12 shows a 5% reduction when compared with the corresponding quarter for the last financial year. If this trend continues, the savings forecast in section 1.1.3.1 of this annex will increase.

CUSTOMER & COMMUNITIES DIRECTORATE SUMMARY JULY 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" 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.
- Cash limits for the A-Z service analysis have been adjusted since the budget was set to reflect the transfers required to reflect the new directorate and portfolio structures, the addition of £0.621m of roll forward from 2010-11 as approved by Cabinet on 20 June 2011, and a number of other technical adjustments to budget.
- The inclusion of a number of 100% grants (i.e. 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 Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Communities, Customer Services & Improvement portfolio							
C&C Strategic Management & Directorate Support Budgets	5,234	-1,451	3,783	242	323	565	Shortfalls against savings target and income target in Communications and Media relations
<u>Other Services for Adults:</u>							
- Drug & Alcohol Services	17,571	-16,066	1,505	0	0	0	
- Supporting People	29,825		29,825	0	0	0	
	47,396	-16,066	31,330	0	0	0	
<u>Community Services:</u>							
- Archive Service (incl Museum Development)	1,345	-424	921	41	-29	12	Increased staff costs funded by European Regional Development Fund(ERDF); and Museums, Libraries & Archives Council (MLA), offset by modern records storage costs. Income from ERDF and MLA being offset by shortfall in fees income in the Archive Service (-£40k)
- Arts Development (incl Turner Contemporary)	2,394	-90	2,304	-21	-1	-22	Reduced staff costs from vacancy management.
- Community Learning Services	16,590	-16,790	-200	0	0	0	
- Community Safety	1,819	-225	1,594	68	-2	66	Additional staff costs due to backfilling for maternity leave & loss of funding for partnership officers posts - being mitigated by vacancy management in Wardens' Service.
- Community Wardens	2,810	-2	2,808	-67	1	-66	Reduced staff costs from vacancy management, offset by increased premises, transport and running costs.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Contact Centre & Consumer Direct	5,414	-2,657	2,757	566	78	644	Undeliverable CFIS & KCAS savings; increased level of demand over & above expected levels for current and new services requiring additional staff to respond to 80% of calls in 20 secs. Reduced income from Trading Standards S.E. Ltd, offset by additional income
- Gateways	2,593	-718	1,875	-76	59	-17	Reduced hosting costs due to delayed opening of gateways being offset by additional costs associated with the Multi-Channel project; reduced internal income.
- Library Services	16,503	-2,332	14,171	-1	-15	-16	Planned reduction in running costs to offset switch of costs from capital; reduced staff costs due to RFID project, partially offset by new posts. Invest to save funding and increased contributions from Kent Cultural Trading, being offset by reduced fees income
- Sports Development	2,730	-1,373	1,357	4	-4	0	
- Supporting Independence & Supported Employment	3,206	-1,954	1,252	-265	48	-217	Reduced staff costs arising from vacancies anticipated to be held for the remainder of the year. Reduced external and internal income.
- Big Society Fund	5,000		5,000	0	0	0	
	60,404	-26,565	33,839	249	135	384	
<u>Environment:</u>							
- Country Parks	1,777	-973	804	7	-7	0	
- Countryside Access (incl PROW)	3,241	-1,145	2,096	5	-6	-1	
	5,018	-2,118	2,900	12	-13	-1	
<u>Local Democracy:</u>							
- Local Boards	817	0	817	-43	0	-43	Reduced staff costs achieved through vacancy management.
- Member Grants	1,303	0	1,303	0	0	0	
	2,120	0	2,120	-43	0	-43	
<u>Regulatory Services:</u>							
- Coroners	2,860	-475	2,385	17	-17	0	
- Emergency Planning	830	-199	631	0	0	0	
- Registration	2,998	-3,166	-168	-86	68	-18	Vacancy management and release of CARA reserve, with no gross spend planned. Non deliverable income associated with collaborative working with other local authorities.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Trading Standards-(incl. KSS)	4,333	-865	3,468	-156	69	-87	TS - Advancement of 2012-13 savings to be achieved in 2011-12 & savings on gross spend in KSS, incl.savings due to maternity leave where not backfilling. KSS: Unachievable income target and income shortfall on fees.
	11,021	-4,705	6,316	-225	120	-105	
<u>Support for Individual Children:</u>							
- Youth Service	10,326	-4,257	6,069	95	-95	0	Increased staff costs, running costs & internal recharges. Increased external & internal income offset by reduced fees.
- Youth Offending Service	6,029	-2,538	3,491	5	-5	0	
	16,355	-6,795	9,560	100	-100	0	
Total controllable	147,548	-57,700	89,848	335	465	800	
Assumed Management Action						0	Not quantified at this stage.
Forecast after Mgmt Action				335	465	800	

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:

1.1.3.1 **Strategic Management & Directorate Support Budgets** Gross +£242k, Income +£323k Net +£565k

The gross variance relates primarily to gross pressures of +£357k in Communication, Media Relations and Public Engagement, as a result of (i) the savings target of £1.5m that is yet to be fully achieved - £500k remains a pressure – following a review of staff/activity spend and (ii) compensating underspend on staffing of £143k .

The staff restructure is expected to deliver £500k in-year (full year effect in the region of £1m), with a further £500k identified through reducing activity levels, leaving a residual pressure of £500k.

In first two quarters, prior to the new structure taking effect, it is expected that vacancy management and maternity cover will deliver £143k of savings to offset some of this pressure, leaving a residual gross variance of £357k.

In addition to the Communications, Media Relations and Public Engagement gross variance, there are other minor variances totalling -£115k in a number of budgets that make up the Strategic Management & Directorate Support Budgets, including a £91k forecast underspend on the strategic management budgets, which when combined with the £357k forecast pressure on Communications arrives back at the £242k adverse gross variance.

However, in addition to the gross variance, an income variance also exists and can be largely explained by a shortfall against an income target of £249k for the Communications, Media Relation and Public Engagement, together with reduced internal income in Centrally Managed Budgets of £63k.

1.1.3.2 **Community Services:**

a. Contact Centre & Consumer Direct: Gross +£566k, Income +£78k, Net +£644k

The gross variance is primarily due to a shortfall against savings targets of £406k and a call volume pressure of £460k meaning adverse variances of £866k.

The shortfall against savings targets relates to two services that transferred under the control of the Contact Centre as part of the council restructure, namely Kent Contact & Assessment Services (KCAS) and Children and Families Information Services (CFIS), of £246k and £120k respectively (£366k in total). A further target was identified in relation to Consumer Direct South East Limited of £40k (so £406k in total).

The funding of the CFIS service was significantly reduced as the grant, which forms part of the aggregated Early Intervention Grant (EIG), was subsequently top-sliced so not only is the saving in doubt – due to a lower funding base – but the service has had to restructure in order to mitigate this funding reduction. The proposals for savings have therefore been shown as a pressure until a solution can be found.

A number of one-off solutions totalling £214k have been identified to mitigate part of the above pressures but a base solution for these shortfalls in savings is being reviewed to ensure a balanced position is reported for future years.

In addition to these shortfalls against savings targets, the service has been inundated with calls and requests for information, with a 20% increase in call volumes being reported. This has led to performance indicators, including the need to respond to 80% of calls within 20 seconds, not being met and in order to achieve these indicators, more staff are required. The cost of this has been estimated at £460k, to cover salary costs and training. Management action is being devised in an attempt to mitigate this pressure, and reduce the burden of demand on the service.

A small saving of £8k has been generated through reducing administration and support, together with staff savings in the region of £78k (to mitigate income reductions below) delivered to arrive back at the £566k gross variance (£406K+£460k-£214k-£8k-£78k).

The income variance of £78k is primarily due to two movements, one being a reduced call activity, and therefore income, from Trading Standards South East Limited (TSSEL) – not the KCC Trading Standards service - with the Contact Centre forecasting £173k less income this year. This is being offset by an increase in internal income, mainly from a recharge to Gateways, for call handling of £85k.

Payments from TSSEL are calculated on a price per call basis and call volumes are down this year for the Consumer Direct service. A resulting reduction in staff costs, as mentioned above, has been enacted to counter the fall in expected income. The quality bonus usually received for this service is potentially in doubt, if the increase in call volumes – meaning calls not answered or answered late - is perceived as a fall in quality but this has not been reflected in the above forecast.

b. Gateways: Gross -£76k, Income +£59k, Net -£17k

The reduction in gross expenditure is due to lower hosting charges scheduled to be paid to other local authorities as the roll-out of the gateways programme has been delayed (see capital monitoring) which provides a saving of £134k, with compensating increased spending on Multi Channel projects of £117k. There are also minor underspends on staffing, transport and premises costs.

The income variance relates to a shortfall in internal income due to an income target which cannot now be met due to the delay in the roll-out of the gateway programme in 2011-12.

c. Library Services Gross -£1k & Income -£15k, Net -£16k

The service has made savings on gross expenditure, mainly through a planned reduction in running costs (-£240k) to mitigate against additional costs associated with Kent History and Library Centre (KHLC) where a switch from capital to revenue funding is required due to the nature of the moving costs (+£130k) and to allow for increased prudential borrowing costs (+£57k).

Increased staff costs of £116k relating to the delayed launch of Kent Cultural Trading, a time limited Capital Transition Manager for the Edenbridge project and a Radio Frequency Identification (RFID) support assistant is being offset by reduced staff costs of £177k from the RFID self service implementation project. Other minor variances mean that the gross forecast is effectively in line with budget.

Libraries are forecasting a reduction in their Audio Visual and Merchandising income of £60k, this is a continuation in the trend of reducing sales over the past number of years. An exit strategy is currently being devised and opportunities for replacing this with other forms of income investigated.

Income targets set for fines and recharges to Medway are no longer achievable in their entirety; with such income for fines (just shy of £100k) reducing as customers are taking advantage of new technologies such as websites and the contact centre to renew books and other items. As a result, income from fines is declining but has been offset by an increase of £85k in relation to external contributions (merchandising stock being returned to the supplier) and internal income of £50k, with other minor variances arriving back at the income variance of -£15k.

d. Supporting Independence & Supported Employment: Gross -£265k, Income +£48k, Net -£217k

Kent Supported Employment has made savings on gross expenditure, mainly through extended vacancy management of -£278k, which is being offset by minor overspends on other gross budgets. These savings have been made to compensate for a forecast shortfall in external income from the DWP. As the contract is in its early stages, a prudent approach has been adopted with more savings made than currently required to meet the funding shortfall, so this situation may change during the year.

1.1.3.3 **Regulatory Services:**

a. Registration: Gross -£86k, Income +£68k Net -£18k

The Registration Service has made savings on gross expenditure, mainly from reduced sessional staff costs and reduced running costs of £76k. The service also intends to draw down the remaining balance on reserves as the Ceremonies and Registrations Appointments booking system (CARA) cost less than originally anticipated.

The income variance of £68k is largely due to a savings target that was to be achieved through collaborative working with other authorities. However it is doubtful whether the agreement will commence in the current year and even if it does then a full year effect will not arise and the prudent approach has been taken in this monitoring report.

b. Trading Standards (Incl. Kent Scientific Services): Gross -£156k, Income +£69k Net -£87k

Trading Standards has achieved gross savings through an acceleration of the review of service priorities and is planning to deliver in the region of £139k of the 2012-13 savings a year early, as well as delivering one-off staff savings of £23k by holding vacancies and not backfilling maternity leave so as to maximise the underspends in an attempt to part mitigate the directorate's pressures elsewhere.

The income variance relates almost entirely to KSS and is due to a shortfall against the target for increasing income from other authorities, which was predicated on more and more laboratories closing resulting in new custom to KSS. Unfortunately this trend has not continued, and in addition, authorities are reducing the number of samples that are being placed at the laboratory until their own budget situation becomes clearer. It is expected that contracts will pick up during the year but at this stage the whole of the savings target of £50k is being shown as a pressure that is covered by accelerating the Trading Standards review of service priorities.

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
CCSI	Strat Mgmt & Directorate Support: shortfall against Communications & Engagement savings target to be mitigated by management action.	+500	CCSI	Kent Supported Employment: Staff vacancies anticipated to be held for the remainder of the year.	-278
CCSI	Contact Centre: Increase in staffing required to meet call volume pressure.	+460	CCSI	Libraries: Planned reduction in spend on other running costs to mitigate additional KHLC moving costs	-240
CCSI	Communication & Engagement: A shortfall against the income target set at the time of building the budget.	+249	CCSI	Contact Centre: one-off solutions to offset shortfall against savings targets	-214
CCSI	Contact Centre: Shortfall against Kent Contact & Assessment Service (KCAS) saving	+246	CCSI	Libraries: reduced staff costs arising from Radio Frequency Identification (RFID) self service implementation.	-177
CCSI	Consumer Direct: Reduced income from Trading Standards S.E. Ltd; income predicated on price per call and call volumes are down.	+173	CCSI	Trading Standards: Reduced staff costs achieved through vacancy management & advancement of 2012-13 savings.	-162
CCSI	Libraries: Additional moving costs associated with Kent History & Library Centre, mitigated by reduced spend on other running costs..	+130	CCSI	Communications & Engagement: reduced staff costs achieved through vacancy management, maternity cover and reduced TSSEL call volume activity.	-143
CCSI	Contact Centre: Shortfall against Children & Families Information Service (CFIS) saving	+120	CCSI	Gateways: reduced spend on Third Party Payments to other local authorities, due to delayed opening of Gateways.	-134
CCSI	Gateways: increase spend for Multi-Channel project.	+117			
CCSI	Libraries: Increased staff costs for Kent Cultural Trading ; Capital transition Mgr and RFID Support Assistant	+116			
		+2,111			-1,348

1.1.4 Actions required to achieve this position:

1.1.4.1 Contact Kent

The Contact Centre currently has a shortfall against their savings targets of £406k – as detailed in section 1.1.3.2.a above - following the integration of the Kent Contact & Assessment Service (KCAS) and Children & Families Information Services (CFIS).

Alternative ways of achieving savings through the integration of services into the Contact Centre are being devised, with the hope that management, support and logistical savings can still be generated, although potentially not to the level previously expected.

One-off solutions have been identified by the service already and hence why the reported overspend in relation to savings is not the full £406k, but merely £106k.

In relation to the £460k call volume pressure, avenues to achieve the funding to pay for the necessary staff are being explored, as well as options for reprioritising certain types of calls. This will mean that core services will adhere to the 80/20 (80% of calls answered within 20 seconds) indicators, whereas others will be achieved in 70/30 or even 60/40 until funding can be secured or until call volumes reduce to their previous levels.

An alternative management action would be for the indicators to be relaxed, in the short term, thereby alleviating the pressure on the staffing budget.

1.1.4.2 Corporate Communications & Media Relations

This service has a savings target of £1.5m in 2011-12 and a further £0.5m in 2012-13, giving a total savings target of £2m.

The overall position on this service in the current year is detailed below, and explained in the subsequent narrative:

	£m
Anticipated part year savings from restructure	-0.500
Activity savings	-0.500
Vacancy management savings	-0.143
Shortfall in income	+0.249
TOTAL	-0.894
2011-12 Savings Target	-1.500
Shortfall	0.606

a) Staff restructure

A restructure of the service has been explored and is currently being consulted upon, with a new structure anticipated to be in place by early September. The anticipated full-year effect of this restructure is – subject to consultation – a saving in the region of £1m but this could change depending on alternative proposals, on the level of redundancy payments required, notice periods to be worked and based on the mix of staff who remain in the new structure going forward.

The anticipated part-year effect in the current year is a saving of £0.5m.

b) Proposed reduction in activity levels and spend

The savings target of £2m cannot be met from staff reductions alone as the £1m anticipated restructure saving is set to reduce the establishment by in the region of 30 FTE, a significant reduction.

The balance of the savings of £1m will need to be delivered through a review of communications related activity expenditure and these budgets are not held within C&C directorate but remain across all directorates, so whilst this service will coordinate savings options, the actual savings will be delivered through reduced activity in the service units.

No area of related spend – including publicity, printing & photocopying, recruitment advertising, books/publications/newspapers, advertising, will escape scrutiny and options are being devised to contribute to this area. Half of the £1m activity reductions have been found, with a further £500k to be finalised and then delivered. Options to achieve a part-year effect, whether one-off or base, are currently being explored and it is hoped that the management actions will be available in time for the next exception report.

c) Vacancy Management Savings

In-year vacancy management and not backfilling staff on maternity has enabled the service to deliver £143k of staff savings and therefore this area has been fully exhausted so the only options surrounding staffing is the restructure that is currently mid consultation.

1.1.4.3 Moratorium on non essential expenditure

In order to deliver a balanced budget position, the directorate will continue to review all non critical expenditure, with the view of maximising opportunities to reduce expenditure without adversely affecting service delivery.

1.1.4.4 Vacancy Management

Where possible, the directorate will continue to maintain and extend vacancies as far as practicable. Currently vacancies are, in some cases, being held for up to 16 weeks and our ability

to maintain vacancy management at this level – without impacting on service delivery - is becoming a significant challenge.

1.1.4.5 To date, in contrast to the £644k net pressure on the Contact Centre and the £606k pressure on Communications, Media Relations and Engagement (totalling £1.25m), the service has already enacted management action to keep these pressures at those levels, as well as delivering underspend of £0.45m, mainly within Trading Standards and Kent Supported Employment, in order to get to the current +£0.8m reported position in an attempt to deliver a balanced budget.

The identification of management action will continue, with a balanced budget being the aspiration by the end of the year.

1.1.5 **Implications for MTFP:**

The directorate will continue to manage in-year pressures and deliver savings proposals to the best of its ability and where this is not possible will aim to over-deliver or deliver future savings early in order to present a balanced budget at the year-end.

The outcome of the review of Communications and Media Relations staffing restructure, as well as the reconfiguration of Contact Kent, will determine the extent of pressures and further savings options that will need to be considered as part of the Medium Term Financial Plan (MTFP) for the coming period.

Note will also have to be taken of in-year grant funding reductions, as well as prior year funding reductions that have implications on the ability of the directorate to deliver savings that had assumed no change to funding levels.

1.1.6 **Details of re-phasing of revenue projects:**

None, apart from the early delivery of certain savings options e.g. Trading Standards service priority review and over-delivery of the RFID libraries project.

1.1.7 **Details of proposals for residual variance:**

Management action for Communications & Media Relations and Contact Kent are currently being prepared. It is hoped that more detailed management action proposals will be available for the next exception report.

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 since last reported to Cabinet on 18th July 2011, as 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 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	Future Yrs £000s	TOTAL £000s
Customer & Communities Portfolio						
Budget	44,572	19,646	5,053	3,523	3,929	76,723
Adjustments:						
- Re-phasing at Outturn	-702	702				0
- Outturn changes	439					439
- New Community Centre Edenbridge		-267				-267
- Transfer of Small Community Projects	556	506	500	500	1,000	3,062
- Library Modernisation		-300				-300
- Gateways		300				300
- Transfer of Web Platform	635	504				1,139
Revised Budget	45,500	21,091	5,553	4,023	4,929	81,096
Variance	0	-2,894	+7	+1,251	0	-1,636
split:						
- real variance		-1,636	0	0	0	-1,636
- re-phasing		-1,258	7	1,251	0	0

Real Variance	0	-1,636	0	0	0	-1,636
Re-phasing	0	-1,258	7	1,251	0	0

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 £'000s	Approval to Spend £'000s	Approval to Plan £'000s	Preliminary Stage £'000s
Overspends/Projects ahead of schedule						
C&C	Kent History & Library Centre	real		280		
			+0	+280	+0	+0
Underspends/Projects behind schedule						
C&C	New Community Centre Edenbridge	real		-1,793		
C&C	Gateways	phasing		-1,395		
C&C	Library Modernisation	real	-280			
			-280	-3,188	-0	-0
			-280	-2,908		-0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Gateways - re-phasing of -£1.395m

The re-phasing of this programme reflects the complexity of the external collaborations with key strategic partners, and in particular the impact of time delays with 3 town centre regeneration projects. The roll-out of the Gateway programme in these areas has been re-phased accordingly.

Revised phasing of the scheme is now as follows:

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	3,417	2,493	930			6,840
Forecast	3,417	1,218	1,074	1,251		6,960
Variance	0	-1,275	+144	+1,251	0	+120
FUNDING						
Budget:						
External	55					55
prudential	1,559	2,296	930		0	4,785
General Capital Rec	1,803	197				2,000
						0
TOTAL	3,417	2,493	930	0	0	6,840
Forecast:						
External	55	270				325
prudential	1,559	751	1,074	1,251		4,635
General Capital Rec	1,803	197				2,000
						0
TOTAL	3,417	1,218	1,074	1,251	0	6,960
Variance	0	-1,275	+144	+1,251	0	+120

NB: The variance of £1.275m in 2011-12 reflects re-phasing of £1.395m plus a net real increase of £0.120m (see 1.2.5 below).

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of -£1.636m in 2011-12

New Community Centre at Edenbridge: -£1.793m (-£2.041m in 2011-12 and +£0.248m in 2012-13): The project budget of £2.540m included funding from the sale proceeds of the site, which were £1.906m. This money is now being held independently in an ESKROW account which will be drawn upon by the contractor as construction proceeds in line with the terms of the developer agreement. The forecast has been reduced accordingly and now includes only the balance of construction and other project costs. It now includes £0.150m for the Gateway component, but does not include £0.259m for the Families & Social Care (FSC) facilities, which remains held in their capital programme. The above represents a “netting down” of costs and income but the forecast also reflects other cost reductions amounting to £0.037m as a result of further refinement of the cost plan.

Library Modernisation -£0.280m and Kent History & Library Centre +£0.280m (in 2011-12): The public realm works at Kent History and Library Centre did not form part of the original construction budget and developer agreement but have now been reflected in this forecast. The works are to be funded from the Library Modernisation programme.

Gateways: +£0.120m (in 2011-12): The overspend consists of two elements:

- -£0.150m which has previously been reported separately in this programme as a contribution towards planned facilities in the Edenbridge Project. This is now reflected in the project forecast as detailed above.
- +£0.270m the agreed partner contribution from Swale Borough Council were included in the original project approval for Sheerness Gateway, to be drawn down in 2011-12 but the gross effect on costs and income had not been reflected. The Sheerness project costs do not reflect £0.092m for FSC facilities, which remains held their capital programme.

Modernisation of Assets -£0.047m and Tunbridge Wells Library +£0.031m (in 2011-12): This reflects the latest estimate for the revised plans for the Tunbridge Wells Library project, with costs increasing by £0.031m and a reduced contribution from Tunbridge Wells Borough Council (TWBC) of £0.016m. A total of £47k is needed and the intention is to divert funding from the Modernisation of Assets rolling programme.

The Beaney: +£0.040m (in 2011-12): Revenue savings of £0.040m in 2011-12 from running the temporary Canterbury library have been earmarked as part of the funding strategy approved in February to help fund the costs of essential additional works to the façade and roof.

Country Park Access & Development: +£0.013m (in 2011-12): This is due to additional European Union (EU) Interreg funding to fund Easy Access Trail works, so increased income leading to an increased cost base.

Taking these into account, there is an underlying nil variance.

1.2.6 General Overview of capital programme:

The risks set out in (a) below must be read in conjunction with section (b), which are the actions being taken to alleviate the potential risks.

(a) Risks

Library Modernisation Programme – consists of several large individual projects, which if delayed, could result in significant re-phasing of costs into 2012-13. As this programme is linked to the Modernisation of Assets (MOA) budget (an aim to conduct works simultaneously in order to minimise cost and disruption), delays in relation to Disability Discrimination Act (DDA) works and planned maintenance would also ensue.

Modernisation of Assets Programme – the programme of works is determined in conjunction with service requirements. If operational priorities or requirements override the timetable of works, then this will impact directly on delivering improvements to facilities and the inter-related schedule and cost of works.

The Beaney – Costs from contractor claims for an extension of time, design team claims for additional fees, change control requests and the higher museum fit out costs could lead to unavoidable further increases to the overall project cost.

Turner – included within the project funding is an external funding target of £2.9m, which has been underwritten by KCC. In the current climate, the full amount of this target may not be achieved, therefore causing a potential funding shortfall.

Gateways – if Sheerness opening is delayed beyond 28 October the landlord may impose financial penalties under the terms of the lease as a rent-free period was granted while works were ongoing. The target completion date is 23 October and this could provide insufficient time for services to relocate by the target opening date. The contingency could well be insufficient, giving rise to additional financial demand for the project

Kent History & Library Centre – the remainder of project funding could be affected by the state of the property market, by virtue of reduced capital receipts/land value, which are needed in order for construction costs to be met.

Ramsgate Library – the Administrator has now agreed that final snagging be undertaken and it is anticipated that this will be possible in line with the retention monies held, however there is small risk that the costs will exceed the funds available or that the surplus will have to be returned to the Administrator.

Tunbridge Wells Library – a risk that the associated costs to ensure full DDA and fire compliance, and the costs of the lift installation, cannot be met from the existing budget.

New Community Centre at Edenbridge – the project is partially dependent upon external partner funding and without this in place the KCC share of the project costs will rise.

Web Platform – there is a risk that the restructure of the Communications and Web function during autumn 2011 and subsequent proposed reduction in staff numbers could impact on the project governance which could in turn cause project delays and could impact on cost.

(b) Details of action being taken to alleviate risks

Library Modernisation Programme – the Library Modernisation Advisory Group, including support from the Property Group, is overseeing this programme and co-ordinating appropriate project management, design development, estates and financial advice and linking into the Modernisation of Assets programme as appropriate. Expenditure has been profiled over the coming year for each of the key locations, in line with latest information available.

Modernisation of Assets Programme – by working very closely with Heads of Service, careful planning is in place to ensure that, as far as possible, investment is co-ordinated with other funds available and targets service priorities in the most cost effective manner.

The Beaney – Following a full assessment of all risks by the project managers a schedule of associated costs is being continually reviewed and challenged. A further bid to Viridor Credits is in hand and will be submitted in the autumn. Further value engineering in relation to the museum fit out is taking place and the project managers are actively and robustly addressing the various claims by the contractor and design team to minimise/ eliminate any additional costs.

Turner – Turner Contemporary Art Trust has raised £1.65m towards the funding target of £2.9m. Alternative methods are being explored should the full amount of funds not be forthcoming in the coming year.

Gateways – The contract ensures that the contractor will provide partial completion to enable site set-up of IT and furniture installation and in order to meet the deadline for opening to the public. The intention is for the building to open in two phases - ground and then 1st floor so as to eliminate any unnecessary costs and with minimal disruption to the public.

Kent History & Library Centre – Alternative options are being developed and other sources of funding explored, should the fall in the residential property market impact on the disposal of land earmarked to fund the completion of the project.

Ramsgate Library – the outstanding defects liability has been costed by the Quantity Surveyor and formed part of the settlement negotiations. The programme of work is now being tendered and will be monitored against the funds available.

Tunbridge Wells Library – any additional works and therefore funding will have to be prioritised alongside other DDA priorities within the MOA programme, as well as exploring other funding opportunities.

New Community Centre at Edenbridge – All partner funding (including external contributions) is now in place, thereby eliminating this risk that has been logged from the outset.

Web Platform – a new team is being appointed and should be in place by the end of August and with active support from ISG, the programme should remain on target. By the end of August project governance will be reviewed to ensure the appropriate balances and checks are established.

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
	£k	£k	£k	£k	
Gateways					
Amended total cash limits	+2,492	+930			+3,422
re-phasing	-1,395	+144	+1,251		0
Revised project phasing	+1,097	+1,074	+1,251	0	+3,422
Tunbridge Wells Library					
Amended total cash limits	+129	+200			+329
re-phasing	+200	-200			0
Revised project phasing	+329	0	0	0	+329
Kent History & Library Centre					
Amended total cash limits	+4,269	+216			+4,485
re-phasing	+216	-216			0
Revised project phasing	+4,485	0	0	0	+4,485
New Community Facility at Edenbridge					
Amended total cash limits	+2,233				+2,233
re-phasing	-248	+248	0		0
Revised project phasing	+1,985	+248	0	0	+2,233
Total re-phasing >£100k	-1,227	-24	+1,251	0	0
Other re-phased Projects below £100k	-31	+31	0		0
TOTAL RE-PHASING	-1,258	+7	+1,251	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

N/A

BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY JULY 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 for the A-Z service analysis have been adjusted since the budget was set to reflect the transfers required to reflect the new directorate and portfolio structures, the addition of £1.095m of roll forward from 2010-11 as approved by Cabinet on 20 June 2011, 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 Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Adult Social Care & Public Health portfolio							
Public Health Management & Support	344		344	0	0	0	
Public Health - Health Promotion	241	-148	93	0	0	0	
Public Health - Local Involvement Network (LINK)	440		440	0	0	0	
Total ASC&PH portfolio	1,025	-148	877	0	0	0	
Communities, Customer Services & Improvement portfolio							
Public Health - Health Watch	78		78	0	0	0	
Total CCS&I portfolio	78	0	78	0	0	0	
Regeneration & Enterprise portfolio							
Directorate Management & Support	447		447	0	0	0	
Development Staff & Projects	3,968	-275	3,693	0	0	0	
Total R&E portfolio	4,415	-275	4,140	0	0	0	
Finance & Business Support portfolio							
Finance & Procurement	19,821	-4,648	15,173	268	0	268	Creation of ERP Oracle team, and delay of restructure plans
Business Strategy External Funding	0	0	0	0	0	0	
HR Business Operations	8,661	-5,486	3,175	0	228	228	Under-delivery of increased income target
Total F&BS portfolio	28,482	-10,134	18,348	268	228	496	
Business Strategy, Performance & Health Reform portfolio							
Strategic Management & Directorate Support budgets	2,775	-10,459	-7,684	0	0	0	
Governance & Law - Legal Services	8,293	-9,472	-1,179	560	-842	-282	£100k disbursements costs & income; addt costs & income from trading activities
Business Strategy	3,810	-99	3,711	0	0	0	
Property & Infrastructure	26,205	-4,908	21,297	0	0	0	
Human Resources	10,937	-1,692	9,245	0	0	0	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Information & Communication Technology (incl Schools ICT)	32,124	-12,403	19,721	1,607	-1,500	107	IT pay as you go activity funded by income, and delay in restructuring CIS team
Health Reform	250		250	0	0	0	
Total BSP&HR portfolio	84,394	-39,033	45,361	2,167	-2,342	-175	
Deputy Leader portfolio							
Finance - Audit & Risk	1,671	-742	929	0	0	0	
Business Strategy - International, Partnerships & Cabinet Office	990	-269	721	0	0	0	
Democratic & Member Services	3,836	-3	3,833	68	-5	63	Delay on delivery of savings on Members' Services
Local Democracy:							
- County Council Elections	505		505	0	0	0	
- District Grants	703		703	0	0	0	
Total DL portfolio	7,705	-1,014	6,691	68	-5	63	
TOTAL CORPORATE POSC	120,581	-50,181	70,400	2,503	-2,119	384	
Total BSS Controllable	126,099	-50,604	75,495	2,503	-2,119	384	
Assumed Management Action:							
- ASC&PH portfolio						0	
- CCS&I portfolio						0	
- F&BS portfolio				-268	-228	-496	Fin & Proc: hold vacancies wherever possible; limit non-staffing spend; & release some staff through VR/ER before implementation of restructure on 1 April 12. HR: Continue to seek further income generation activity
- BSP&HR portfolio				-107		-107	Currently investigating alternative savings to compensate for not restructuring CIS; and hold vacancies in ICT.
- Deputy Leader portfolio				-63		-63	Review of non critical spend
- R&E portfolio						0	
Forecast after Mgmt Action				2,065	-2,347	-282	

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:

Finance & Business Support portfolio:

1.1.3.1 Finance & Procurement

The £268k pressure on Finance & Procurement is due to the creation of the Enterprise Resource Planning (ERP) Oracle Project team, and a delay in the delivery of restructure savings, which transferred in to BSS directorate as part of the centralisation of support functions from one of the old Directorate Finance Teams, in lieu of the main restructure of the whole of the Finance Function.

1.1.3.2 Human Resources – Business Operations

The Schools Personnel Service was given an additional income target of £150k for 2011-12, which was felt to be achievable. However, this target was set without the knowledge that there would be a £300k loss of income from ELS as a result of responsibility for undertaking CRB checks and other support being delegated to schools. These two issues combined have resulted in the unit forecasting an under-delivery of income of £228k.

Business Strategy, Performance & Health Reform portfolio:

1.1.3.3 Governance & Law – Legal Services

Variances on gross spend (**£461k**) and income (**£742k**) reflect the additional work that the function has taken on over and above that budgeted for, responding to both internal and external demand. Variances of (**£100k**) are due to increased costs & their recovery for Disbursements.

1.1.3.4 Information & Communication Technology (including Schools ICT)

The main variances are (**£1,500k**) on gross spend and income (**£1,500k**) reflecting the increased demand for additional IT Pay-as-you-go projects. Project demand is difficult to predict during budget setting. The further variance (**£107k**) is as a result of a delay in restructuring the Children's Information Service team following the decision to replace the Integrated Children's System.

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
BSPHR	ICT: Information Systems costs of additional pay as you go activity	+1,500	BSPHR	ICT: Information Systems income from additional pay as you go activity	-1,500
BSPHR	Legal services cost of additional work (offset by increased income)	+461	BSPHR	Legal income resulting from additional work (partially offset by increased costs)	-742
F&BS	Fin & Proc: Creation of the ERP Oracle Project team, and delay to restructure savings which transferred in from 'old' Directorate Finance Team in lieu of main restructure of the whole of the Finance Function.	+268	BSPHR	Legal Services: increased income relating to Disbursements	-100
F&BS	HR: Schools Personnel Service under delivery of increased income target/loss of internal income.	+228			
BSPHR	ICT: Delay in restructuring the CIS team following decision to replace ICS	+107			
BSPHR	Legal Services: increased costs of Disbursements	+100			
		+2,664			-2,342

1.1.4 Actions required to achieve this position:

eg Management Action achieved to date including vacancy freeze, changes to assessment criteria etc. This section should provide details of the management action already achieved, reflected in the net position before assumed management action reported in table 1.

1.1.4.1 Vacancy management is already in place in Finance & Procurement, Human Resources – Business Operations, and ICT.

Finance & Business Support portfolio:

1.1.4.2 Human Resources – Business Operations

The following other management action has been undertaken within HR to address the under-delivery of the increased income target in Schools Personnel Service: reduction to the cost of administering CRB checks, generating income directly from schools for CRB checks, reduced cost of supplies & services, and seeking to generate additional income through more ad-hoc work.

1.1.5 **Implications for MTFP:**

The shortfall in Schools Personnel Service income is planned to be managed within the HR unit on an ongoing basis from other income generating activities.

Similarly, the ongoing costs of ERP are expected to be managed within the Finance & Procurement unit in conjunction with the savings arising from the restructure of the function. This will be monitored throughout the year and if the pressures continue to exist following management action, they will be flagged as part of the 2012-15 MTFP process.

1.1.6 **Details of re-phasing of revenue projects:**

N/A

1.1.7 **Details of proposals for residual variance:** *[eg roll forward proposals; mgmt action outstanding]*

This section should provide details of the management action outstanding, as reflected in the assumed management action figure reported in table 1 and details of alternative actions where savings targets are not being achieved.

1.1.7.1 **Finance & Business Support portfolio:**

i) Finance & Procurement

In order to offset the current £268k forecast pressure, the planned management action plan is threefold:

- a) Hold vacancies wherever possible.
- b) Limit non-staffing spend to only business-critical activities.
- c) Release some staff who have requested voluntary redundancy/early retirement before the implementation of the new structure on 1 April 2012.

ii) Human Resources – Business Operations

In order to offset the current forecast pressure of £228k, the HR function will continue to seek further income generating activities. It is also planned that economies and efficiencies will be achieved through the new HR Business Centre.

1.1.7.2 **Business Strategy, Performance & Health Reform portfolio:**

Information & Communication Technology (including Schools ICT)

The ICT function is currently investigating alternative savings to compensate for not restructuring CIS, which has resulted in the current forecast pressure of £107k. There is also a vacancy freeze in place across ICT to give capacity to deliver planned staffing savings without incurring redundancy costs.

1.1.7.3 **Deputy Leader's portfolio:**

The current forecast pressure of £0.063m is expected to be offset following a review of non-critical spend within Democratic Services.

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 since last reported to Cabinet on 18th July 2011, as 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 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	Future Yrs £000s	TOTAL £000s
Business Strategy & Support Portfolio						
Budget	15,185	12,279	5,859	3,390	2,923	39,636
Adjustments:						
- Re-phasing at Outturn	-342	342				0
- Outturn Changes	-47					-47
- Asset Modernisation		84				84
- Transfer of Web Platform	-635	-504				-1,139
						0
Revised Budget	14,161	12,201	5,859	3,390	2,923	38,534
Variance		0	0	0	0	0
split:						
- real variance						0
- re-phasing						0
Regeneration & Economic Development Portfolio						
Budget	20,965	14,179	8,549	2,500	2,500	48,693
Adjustments:						
- Re-phasing at Outturn	-78	78				0
- Outturn Changes	157					157
						0
Revised Budget	21,044	14,257	8,549	2,500	2,500	48,850
Variance		481	0	0	0	481
split:						
- real variance		+481	0	0	0	+481
- re-phasing		0	0	0	0	0
Directorate Total						
Revised Budget	35,205	26,458	14,408	5,890	5,423	87,384
Variance	0	481	0	0	0	481
Real Variance	0	+481	0	0	0	+481
Re-phasing	0	0	0	0	0	0

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.

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

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
Regen	Margate Eastern Seafront	real		349		
			+0	+349	+0	+0
Underspends/Projects behind schedule						
			0	-0	-0	-0
			0	+349	0	0

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 +£0.481m in 2011-12.

Margate Eastern Seafront: +£0.349m (in 2011-12): The pressure is due to the following: consolidation of project costs and funding between directorates which amounts to £0.193m and additional costs due to changes to the original scheme including the costs of sub-base not factored in the original submission amounting to £0.156m. Revenue funding allocated to this project has been re-assigned to meet the unplanned costs.

Rendezvous Site- Margate: +£0.085m (in 2011-12): This pressure relates to public realm works for Turner Harbour View. The funding is allocated in revenue, but actual work carried out falls within capital definition.

Dover Sea Change: +£0.023m (in 2011-12): The Ringway contract for works was over budget by £0.011m, which is 0.6% of the £1.74m contract there has been additional remedial work carried out in respect of railings. Revenue funding allocated to this project has been re-directed to meet the additional costs.

Swale Parklands: +£0.024m (in 2011-12): The increase cost is due additional features to the scheme to be funded from additional grant from SUSTAN.

Taking these into account, there is an underlying nil variance.

1.2.6 General Overview of capital programme:

(a) Risks

N/A

(b) Details of action being taken to alleviate risks

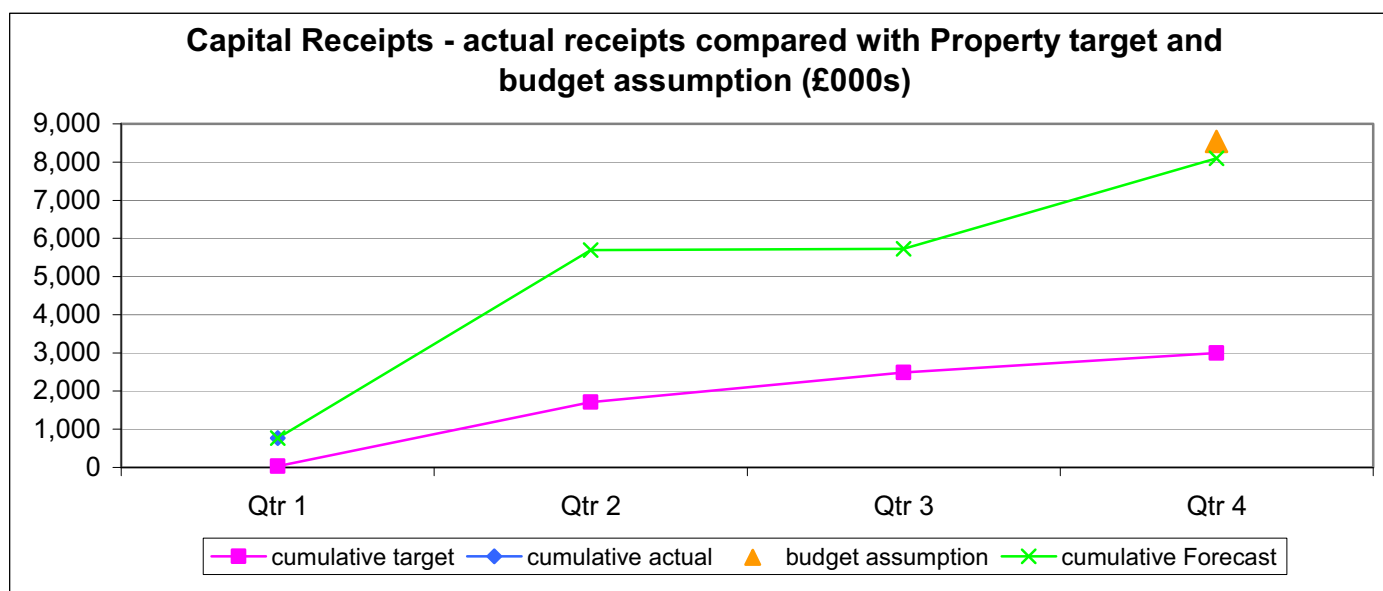
N/A

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts – actual receipts compared to budget profile:

	2011-12			
	Budget funding assumption £000s	Cumulative Target Profile £000s	Cumulative Actual Receipts £000s	Cumulative Forecast receipts £000s
April - June		30	769	769
July - September		1,710		5,693
October - December		2,490		5,728
January - March		3,000		8,097
TOTAL	8,538	3,000	0	8,097

The cumulative target profile shows the anticipated receipts at the start of the year totalled £3.0m. The difference between this and the budget funding assumption is mainly attributable to timing differences between when the receipts are anticipated to come in and when the spend in the capital programme will occur. There are banked receipts achieved in prior years which were not required to be used for funding until 2011-12.



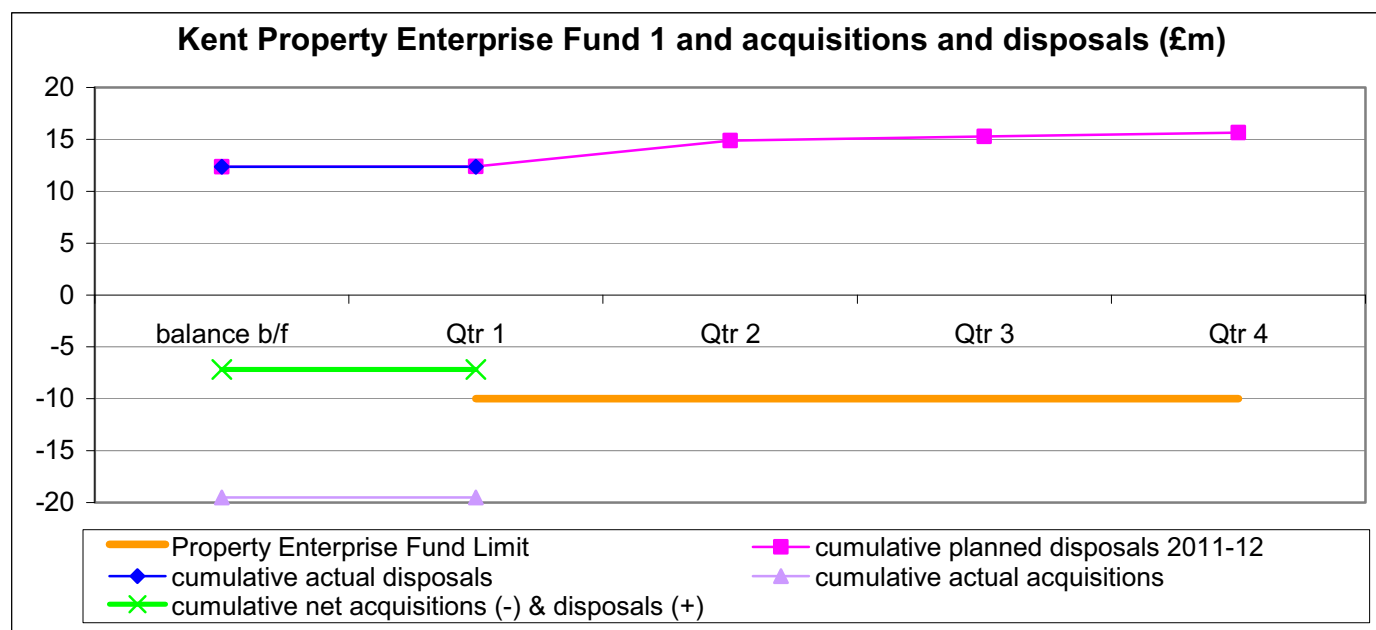
Comments:

- The table below compares the capital receipt funding required per the capital programme this year, with the expected receipts available to fund this.
- Property Group is actually forecasting a total of £8.067m to come in from capital receipts during the year. Taking into consideration the receipts banked in previous years and receipts from other sources there is a forecast surplus of £7.251m in 2011-12. This is due to receipts being forecast to be achieved during 2011-12 which are held to fund spend in future years of the programme.

	2011-12 £'000
Capital receipt funding per revised 2011-14 MTFP	8,538
Property Groups' actual (forecast for 11-12) receipts	8,067
Receipts banked in previous years for use	5,953
Capital receipts from other sources	1,769
Potential Surplus Receipts	7,251

2.2 Capital Receipts – Kent Property Enterprise Fund 1:

	2011-12				
	<i>Kent Property Enterprise Fund Limit</i> £m	Cumulative Planned Disposals (+) £m	Cumulative Actual Disposals (+) £m	Cumulative Actual Acquisitions (-) £m	Cumulative Net Acquisitions (-) & Disposals (+) £m
Balance b/f		12.342	12.342	-19.504	-7.162
April - June	-10	12.377	12.342	-19.504	-7.162
July - September	-10	14.862			0
October - December	-10	15.282			0
January - March	-10	15.638			0

Background:

- County Council approved the establishment of the Property Enterprise Fund 1 (PEF1), with a maximum permitted deficit of £10m, but self-financing over a period of 10 years. The cost of any temporary borrowing will be charged to the Fund to reflect the opportunity cost of the investment. The aim of this Fund is to maximise the value of the Council's land and property portfolio through:
 - the investment of capital receipts from the disposal of non operational property into assets with higher growth potential, and
 - the strategic acquisition of land and property to add value to the Council's portfolio, aid the achievement of economic and regeneration objectives and the generation of income to supplement the Council's resources.

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

Comments:

The balance brought forward from 2010-11 on PEF1 was **-£7.162m**.

A value of **£4.744m** has been identified for disposal in 2011-12. This is the risk adjusted figure to take on board the potential difficulties in disposing some of the properties.

As at the 31 July 2011 there have been no disposals.

The fund has been earmarked to provide **£0.197m** for Gateways in this financial year.

At present there are no committed acquisitions to report, however forecast outturn for costs of disposals (staff and fees) is currently estimated at **£0.173m**.

Forecast Outturn

Taking all the above into consideration, the Fund is expected to be in a deficit position of £4.417m at the end of 2011-12.

Opening Balance – 01-04-11	-£7.162m
Planned Receipts (Risk adjusted)	£4.744m
Costs	-£0.173m
Acquisitions	-
Other Funding: - Gateways	-£0.197m
Closing Balance – 31-03-12	-£2.788m

Revenue Implications

In 2011-12 the fund is currently forecasting £0.011m of low value revenue receipts but, with the need to fund both costs of borrowing (£0.486m) against the overdraft facility and the cost of managing properties held for disposal (net £0.037m), the PEF1 is forecasting a £2.115m deficit on revenue which will be rolled forward to be met from future income streams.

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

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

Overall forecast position on the fund

	2011-12 Forecast
	£m
Capital:	
Opening balance	-22.209
Properties to be agreed into PEF2	-22.120
Forecast sale of PEF2 properties	19.915
Disposal costs	-0.996
Closing balance	-25.410
Revenue:	
Opening balance	-3.417
Interest on borrowing	-0.952
Holding costs	-0.595
Closing balance	-4.964
Overall closing balance	-30.374

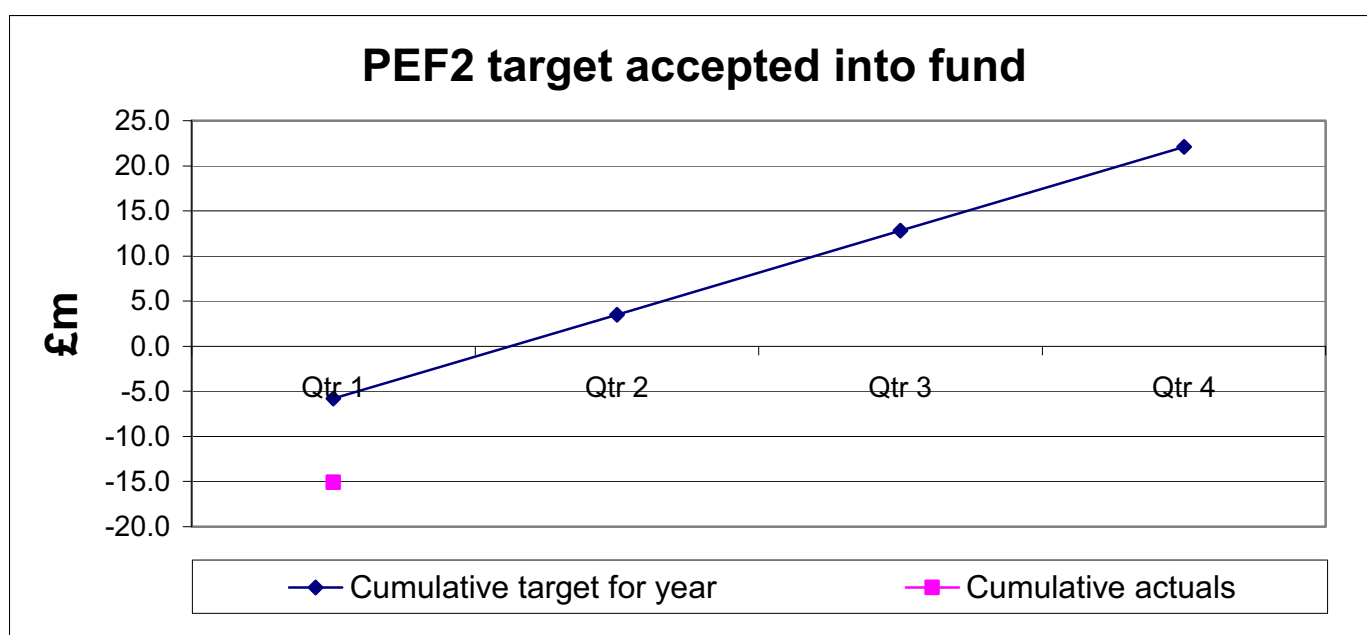
The forecast closing balance for PEF2 is -£30.374m, this is within the overdraft limit of £85m.

The target receipts to be accepted into PEF2 during 2011-12 equate to the PEF2 funding requirement in the 2011-14 budget book, and achievement against this is shown below:

	2011-12	
	Cumulative target for year	Cumulative actuals
	£m	£m
Balance b/fwd	-15.1	-15.1
Qtr 1	-5.8	-15.1
Qtr 2	3.5	
Qtr 3	12.8	
Qtr 4	22.1	

Comments:

- The above table shows a £15.1m deficit which is the net of a £17.6m deficit within ELS and £2.5m of PEF2 achieved in previous years by FSC and E&E that was not required until later years.
- To date no properties have been transferred into PEF2. Corporate Property and Directorates continue to work together to enable properties to be transferred into the fund.



PEF2 Disposals

To date seven PEF2 properties have been sold and five are in the process of completing. The cumulative profit on disposal to date is £1.261m. Large profits or losses are not anticipated over the lifetime of the fund.

Interest costs

At the start of the year interest costs on the borrowing of the fund for 2011-12 were expected to total £0.878m.

Latest forecasts show interest costs of £0.952m, an increase of £0.74m. This is because the latest forecast value of disposals has decreased.

Interest costs on the fund are calculated at a rate of 4%.

FINANCING ITEMS SUMMARY

JULY 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 budget was set to reflect the addition of £7.839m of roll forward from 2010-11, which includes a transfer to the Economic Downturn reserve, as approved by Cabinet on 20 June 2011, which has subsequently been draw down to offset the pressures within Specialist Children’s Services portfolio, a virement of £0.130m from the underspend on debt charges to offset the Commercial Services contribution within the EH&W portfolio because CSD are to fund two new audit posts and some outsourced work thereby reducing their ability to make the budgeted contribution 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 Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Finance & Business Support Portfolio							
Carbon Reduction Commitment Levy	1,368		1,368			0	
Contribution to/from Reserves	-11,245		-11,245	-963		-963	transfer of 11-12 write down of discount saving from 08-09 debt restructuring to reserves; drawdown of Insurance Reserve to cover pressure on Insurance fund
Insurance Fund	3,479		3,479	1,450		1,450	increase in liability claims forecast to be paid & increase in provision for period of time claims
Modernisation of the Council	4,038		4,038			0	
Net Debt Charges (incl Investment Income)	124,434	-8,877	115,557	-4,534	693	-3,841	2011-12 write down of discount saving from 2008-09 debt restructuring; re-phasing of capital programme in 10-11 has provided savings on debt charges & MRP
Other	6,490	0	6,490	-1,494	0	-1,494	£1.546m unexpected unringfenced grant increase held to offset pressures across Authority; +£0.052m costs of Transformation Programme Manager for Change
Total F&BS portfolio	128,564	-8,877	119,687	-5,541	693	-4,848	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Business Strategy, Performance & Health Reform portfolio							
Contribution to IT Asset Maintenance Reserve	2,352		2,352			0	
Deputy Leader portfolio							
Audit Fees	464		464			0	
Total Controllable	131,380	-8,877	122,503	-5,541	693	-4,848	

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:

1.1.3.1 Insurance Fund

A forecast pressure on the Insurance Fund, currently estimated at £1.450m, will need to be met by a drawdown from the Insurance Reserve (see 1.1.3.3 below). This is due to an increase in liability claims forecast to be paid in year and an increase in the provision for period of time claims. These are claims which span a number of years and are distinguishable from claims resulting from a single incident on a particular date. With period of time claims, a number of successive annual insurance policies held by an authority are triggered/become active and this raises difficulties where there are varying terms across the policies and the interests of more than one insurer to consider. One former liability insurer for the Authority has been consulting with their legal team, whilst the current liability insurer has returned with conflicting advice, hence, as a precaution and until a legal position is established, we have increased our provision for each of our registered period of time claims to reflect a worse case settlement position.

1.1.3.2 Net Debt Charges (including Investment Income):

- There is a saving of £3.354m as a result of:
 - deferring borrowing in 2010-11 due to the re-phasing of the capital programme and also no new borrowing was taken in the first quarter of 2011-12.
 - in addition, the re-phasing of the capital programme in 2010-11 is likely to provide a saving on Minimum Revenue Provision (MRP) as it is likely that fewer assets became operational than anticipated. As reported in 2010-11, we have adopted the asset life method of calculating MRP. This method provides authorities with the option of applying MRP over the life of the asset once it is in operation, so for assets that are not yet operational and still under construction we effectively have an "MRP holiday". However, once these assets do become operational we will incur MRP in the following year. MRP is based on capital expenditure incurred in the previous year and therefore cannot be calculated until the previous year's accounts have been finalised and audited. This very complex calculation is currently being undertaken and therefore further details and confirmation of the level of saving will be provided in future reports.
 - however, there is a reduced interest return on cash balances as a result of using cash to finance a higher proportion of capital expenditure in 2010-11 but this is more than offset by the savings achieved from deferring borrowing.
- There is a saving of £0.487m which relates to the write-down in 2011-12 of the £4.024m discount saving on debt restructuring undertaken at the end of 2008-09. (£3.378m was written down during the period 2008-11, therefore leaving a further £0.159m to be written in 2012-13).

1.1.3.3 Contributions to/from reserves:

- As planned, the £0.487m write down of the discount saving earned from the debt restructuring in 2008-09, will be transferred to the Economic Downturn reserve to offset the Icelandic investments impairment cost incurred in 2010-11.
- At year end there will be a draw down from the Insurance Reserve to cover the pressure on the Insurance Fund, currently estimated at £1.450m.

1.1.3.4 Other Financing Items:

- After the budget had been set we received notification of an unexpected un-ringfenced grant increase of £1.546m for Extended Rights to Free Travel. In light of the pressures faced by the Authority in the current year, we are holding this funding increase within the Finance & Business Support portfolio to offset pressures elsewhere across the Authority.
- There is a pressure of £0.052m relating to the Council restructure for the costs of the Transformation Programme Manager for Change. It was originally anticipated that this work would be completed by 31 March 2011 but it continued through the first quarter of 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
F&BS	Pressure on the Insurance Fund due to increase in liability claims forecast to be paid & increase in provision for period of time claims	+1,450	F&BS	savings on debt charges & MRP due to re-phasing of capital programme in 10-11, together with no new borrowing in 11-12	-3,354
F&BS	Contribution to economic downturn reserve of 2011-12 write down of discount saving from 2008-09 debt restructuring	+487	F&BS	unexpected un-ringfenced grant for Extended Rights to Free Travel to be used to offset pressures across Authority	-1,546
			F&BS	drawdown from Insurance Reserve to cover pressure on the Insurance Fund	-1,450
			F&BS	2011-12 write down of discount saving from 2008-09 debt	-487
		+1,937			-6,837

1.1.4 **Actions required to achieve this position:**

eg Management Action achieved to date including vacancy freeze, changes to assessment criteria

N/A

1.1.5 **Implications for MTFP:**

N/A

1.1.6 **Details of re-phasing of revenue projects:**

N/A

1.1.7 Details of proposals for residual variance: [eg roll forward proposals; mgmt action outstanding]

Currently the underspending on the Financing Items budgets is offsetting pressures elsewhere across the authority.

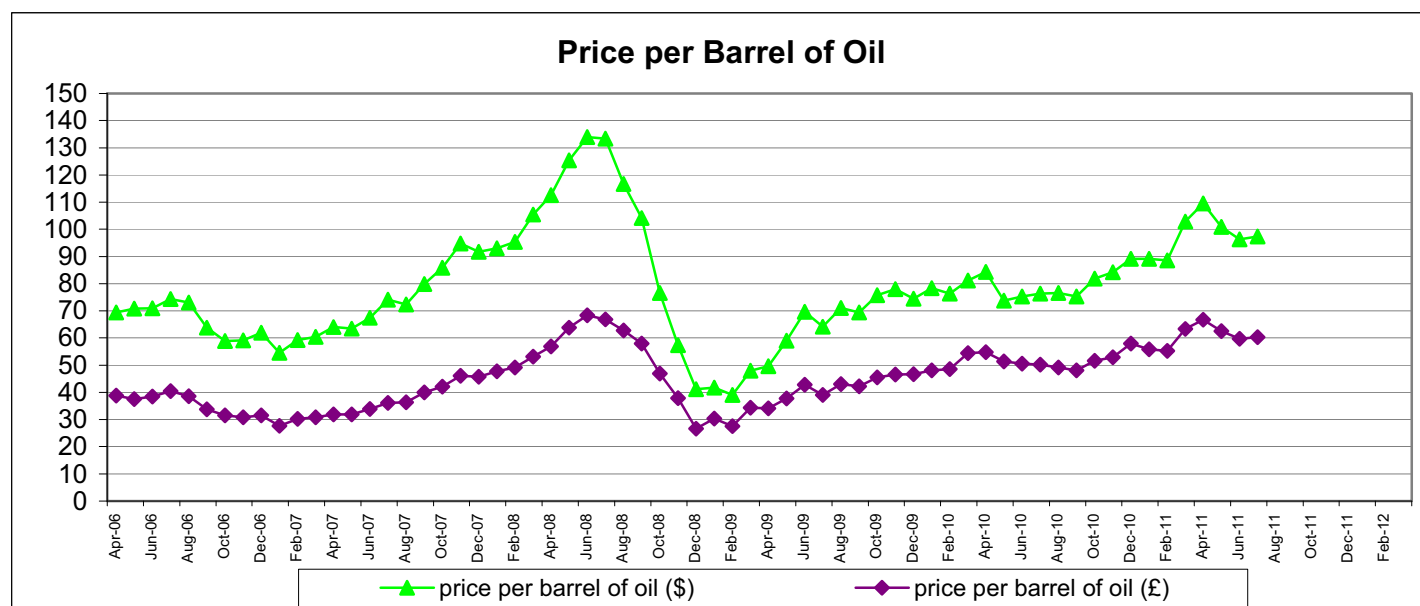
1.2 CAPITAL

N/A

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil – average monthly price in dollars since April 2006:

	Price per Barrel of Oil					
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	\$	\$	\$	\$	\$	\$
April	69.44	63.98	112.58	49.65	84.29	109.53
May	70.84	63.45	125.40	59.03	73.74	100.90
June	70.95	67.49	133.88	69.64	75.34	96.26
July	74.41	74.12	133.37	64.15	76.32	97.30
August	73.04	72.36	116.67	71.05	76.60	
September	63.80	79.91	104.11	69.41	75.24	
October	58.89	85.80	76.61	75.72	81.89	
November	59.08	94.77	57.31	77.99	84.25	
December	61.96	91.69	41.12	74.47	89.15	
January	54.51	92.97	41.71	78.33	89.17	
February	59.28	95.39	39.09	76.39	88.58	
March	60.44	105.45	47.94	81.20	102.86	



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 website.

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By: Roger Gough - Cabinet Member Business Strategy, Performance & Health Reform
Katherine Kerswell - Managing Director

To: Cabinet – 19 September 2011

Subject: Quarterly Performance Report, Quarter 1, 2011/12

Classification: Unrestricted

Summary

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

Members are also asked to NOTE the report.

Introduction

1. A draft of the first KCC Quarterly Performance Report for 2011/12 is attached at Appendix 1.
2. The Quarterly Performance Report replaces the previous Core Monitoring and at this stage is still in development.
3. The Quarterly Performance Report will be improved during the year and new information be added over time.
4. This process contributes to the management of the overall performance of the authority and the reports are to be published on the external web site as part of KCC's transparency agenda.

Quarter 1 Performance Report

5. An executive summary of performance for quarter 1 is provided on pages 6 to 7 of Appendix 1.
6. The key items to be noted for this quarter are :
 - Significant delivery of progress against the Children's Social Services Improvement Plan
 - Progress in closing the gap to national average in pupil attainment at Key Stage 2
 - Reduced response times in the quarter to June in the contact centre but with performance back on target by late August.

PAT and DAT Discussion

7. As part of the new officer arrangements for performance management two new teams have recently been created called the Performance Assurance Team (PAT) and the Delivery Assurance Team (DAT).
8. Both teams meet monthly and included within their Terms of Reference is the requirement to regularly review the information included in the Quarterly Performance Report.
9. The teams will provide a strengthened internal control mechanism to ensure that member priorities are being delivered and that appropriate standards are being delivered within core services.
10. The chairs of PAT and DAT provide regular briefings to members on the work of these groups and attached at Appendix 2 and Appendix 3 are reports from PAT and DAT following their initial two meetings.

Future Developments to the Quarterly Performance Report

11. The County Council approved the document **Delivering Bold Steps** in July 2011. This provided a focus on 16 key priorities in relation to the overall medium term plan **Bold Steps**, published in December 2010.
12. Future Performance Reports will begin to provide a stronger focus on these priorities and the intention is that updates on progress against key milestones will be included in regular Performance Reports to Cabinet.

Recommendations

13. Members are asked to NOTE this report.

Contact officer:
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Performance Manager,
Business Strategy,
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KCC Quarterly Performance Report Quarter 1, 2011/12

**Presented to KCC Cabinet
19 September**



Forward

Welcome to Kent County Council's Quarterly Performance Report for Quarter One of financial year 2011/12. This is a new report which replaces our previous quarterly Core Monitoring report.

Within this report you will find information on our Key Performance Indicators (KPIs) and a Performance Highlight report on the progress being made in delivering improvement in Children's Social Services. 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 deliver 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'. This report will continue to be developed over the coming year to provide more information on our progress against the key priorities within Bold Steps. The report will also continue to provide essential information on the delivery of Core Services for our local residents.

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 how the people of Kent 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 Step priorities will help us achieve this.

We will seek to improve this report each quarter and in future reports new information will be included with, for example, a stronger focus on what our customers and residents think about the services we provide. We hope you find this report useful and we would welcome any feedback on how we can improve it.

Paul Carter
Leader of the council
Kent County Council

Katherine Kerswell
Managing Director
Kent County Council

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Data quality note

All data included in this report for quarter 1 are provisional unaudited data and are categorised as management information. All results may be subject to later change.

Bold Steps for Kent

The Kent County Council medium term plan for 2011 to 2014, **Bold Steps for Kent** was published in December 2010. A follow on document, providing clearer focus on the top priorities and the measures of success and key milestones, **Delivering Bold Steps**, was published in July 2011. Our future performance reports will begin to provide information on our progress in delivering these top priorities.

Our key priorities within Bold Steps are as follows:

1. Improving how we procure and commission services
2. Supporting the transformation of health and social care in Kent
3. Ensuring all pupils meet their full potential
4. Shaping education and skills provision around the needs of the Kent economy
5. Delivering the Kent Environment Strategy
6. Promoting Kent and enhancing its cultural and sporting offer for residents
7. Building a strong relationship with key business sectors across Kent
8. Working with our partners to respond to the key regeneration challenges in Kent
9. Supporting new housing growth that is sustainable and with the appropriate infrastructure
10. Delivering 'Growth with Gridlock'
11. Improving access to public services and moving towards a single initial assessment process.
12. Empowering social services users through increased use of personal budgets
13. Establishing a Big Society Fund to support new social enterprise in Kent
14. Ensuring we provide the most robust and effective public protection arrangements (safeguarding vulnerable children and adults)
15. Improving services for the most vulnerable people in Kent
16. Supporting families with complex needs and increasing the use of community budgets.

Many of these priorities will be delivered in partnership with other public agencies in Kent and all of these priorities build on and support our Framework for Regeneration, Unlocking Kent's Potential.

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)

Against each KPI there is a section to provide information on any discussion by the 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 being reported 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.

PAT meetings include discussion with accountable managers of poor or declining performance on KPIs included in the Quarterly Performance Report. Any red or repeatedly amber indicators will be called in by PAT for further discussion. As well as looking at performance problems PAT will also examine areas of strong performance, the 'greens', and whether this could be as a result of good practice or learning that can be shared or any 'gold plating' that may need to be addressed.

Prior to each PAT meeting the Cabinet Member for Business Strategy, Performance and Health Reform receives a full set of papers and the Chair of PAT will brief him on the key issues. They meet again following PAT to discuss the outcomes and agreed actions which are also summarised in a formal report. The Cabinet Member for Business Strategy, Performance and Health Reform has the right to attend PAT during the year and the Chair of Governance and Audit Committee may also attend PAT on an exceptional basis.

Executive Summary

Our key performance highlight to report at this time is the excellent progress that has been made in the Improvement Plan for Children's Social Services. Following the OFSTED inspection last year we received a judgement of our services being considered inadequate. The whole council has prioritised its work over the last year to turn these services around and deliver significant improvement in line with the subsequent Improvement Notice issued to us by the Department for Education.

A summary of the recent improvements delivered in Children's Social Services is provided as a performance highlight on pages 10 and 11 of this report. We have cleared all assessment backlogs and delivered considerable improvement in our processes and quality of work. Our future challenges include our targets to reduce the number of children who require child protection plans or who become looked after by the council. These will not be easy tasks and this will take time to deliver, but our Bold Steps commitment is clear – we will improve the outcomes for vulnerable children and keep them safe and protected within their own family environment or through adoption.

Other performance highlights include:

Education:

- Pupils in Kent have done exceptionally well this year at Key Stage 2, with the county average closing the gap to the national average. We will report GCSE and other pupil attainment results in future reports as they become available.
- Pupil attainment for too many schools in Kent however performs below the national floor targets and as a consequence too many schools in Kent become subject to special measures. We are introducing the Kent Challenge this month which aims to significantly turn this situation around over the next few years.

Skills:

- Our KCC apprenticeship scheme continues to outperform the targets we have set and we are actively promoting apprenticeships across the whole Kent economy.

Young people:

- Too many young people find it hard to obtain work or become disengaged from schools and education and youth unemployment is too high. We continue to work hard to engage young people and help them achieve the skills they need to be ready for work.
- The numbers of disengaged young people in Kent who turn to crime continues to reduce.

Economic support:

- Kent County Council is committed to supporting local businesses to weather the economic downturn and to help stimulate employment grow. We will include more information on our support to businesses in future reports.
- Due to the global economic downturn the level of inward investment by businesses into Kent is currently below the targets we have set and we are renewing our efforts to make Kent a great place for businesses to establishment themselves.

Adult Social Care

- We continue to promote personalisation of services and putting the citizen in control. We have achieved our current target for allocating personal targets and providing clients with assistive technology (telecare) but future targets remain challenging.
- We have more to do in rolling out enablement services and improving the time taken for assessments.

Highway maintenance

- Our performance in delivering timely repairs to roads and pavements has now significantly improved, following a long period where we have constantly being playing catch up with extensive backlogs of work, due to the recent harsh winters.

Waste management

- We continue to maintain good performance in relation to waste management but have some way to go to achieve our goal of helping residents reduce their waste production and making waste a resource.

Customer Services

- Use of our website has recently been below our target levels and our contact centre has been overwhelmed with high call volumes, resulting in reduced performance in our call answering response rates. We are developing a new customer strategy and action plan to improve our on-line offer and have allocated additional resource in the short term to cope with the additional calls we are receiving in the contact centre. At the time of writing this report, service response times in our contact centre had returned to above target.

Overall Summary of KPIs

	RED	AMBER	GREEN	TOTAL
TOTAL	7	8	11	26
Percentage	27%	31%	42%	

Summary of Performance for our KPIs

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel in Performance
Number of children looked after (including unaccompanied asylum seeker children) – rate per 10,000 children	Children's Social Care	12	Red	Red	↓
Percentage of children leaving care who are adopted	Children's Social Care	14	Green	Red	↑
Number of children subject to a child protection plan – rate per 10,000 children	Children's Social Care	16	Red	Red	↓
Percentage of establishment caseholding posts filled by qualified social workers	Children's Social Care	18	Amber	Amber	↓
Percentage of children subject to a child protection plan for two or more years	Children's Social Care	20	Red	Red	↓
Percentage of pupils achieved level 4 and above in both English and Maths at Key Stage 2	Education	22	Amber	Red	↑
Number of schools in category (special measures or with notice to improve)	Education	24	Red	Red	↑
Number of starts on Kent Success Apprenticeship scheme	Skills	26	Green	Green	↑
Number of starts in Kent on the National Apprenticeship Scheme	Skills	28	Green	Green	↑
Percentage of pupils permanently excluded from schools	Young People	30	Amber	Green	↓
Percentage of young people aged 16 to 18 not in education, employment or training	Young People	32	Amber	Amber	↓
Number of first time entrants to youth justice system	Young People	34	Green	Green	↑
Number of gross jobs created in Kent and Medway through inward investment	Economic Support	36	Red	Amber	↓

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel in Performance
Number of adult social care clients receiving a telecare service	Adult Social Care	40	Green	Green	↓
Percentage of adult social care clients with community based services who receive a personal budget and/or a direct payment	Adult Social Care	42	Green	Green	↑
Number of adult social care clients provided with an enablement service	Adult Social Care	44	Amber	Amber	↑
Percentage of adult social care assessments started that were completed within six weeks	Adult Social Care	46	Amber	Amber	↓
Percentage of clients satisfied that desired outcomes have been achieved at their first review	Adult Social Care	48	Green	Amber	↑
Percentage of routine highway repairs completed within 28 days	Highways	50	Amber	Red	↑
Average number of days to repair potholes	Highways	52	Green	Amber	↑
Percentage of satisfied callers for Kent Highways 100 call back survey	Highways	54	Green	Amber	↑
Percentage of municipal waste recycled or converted to energy and not taken to landfill	Waste Management	56	Amber	Amber	↓
Kg of residual household waste collected per household	Waste Management	58	Green	Green	↑
Percentage of waste recycled and composted at Household Waste Recycling Centres	Waste Management	60	Green	Green	↑
Number of visits to KCC web site	Customer Services	62	Red	Amber	↓
Percentage of phone calls to KCC Contact Centre answered within 20 seconds	Customer Services	64	Red	Amber	↓

Performance Highlight : Children's social services improvement plan			
Bold Steps Priority	Ensure we provide the most robust and effective public protection arrangements	Ambition	To Tackle Disadvantage
Directorate	Families and Social Care	Programme Manager	Debra Exall
Division	Specialist Children's Services	Director	Alastair Pettigrew
Summary Statement of Programme purpose			
<p>The Improvement Programme was composed in response to the findings of the Ofsted inspections which took place in August and October 2010. The Programme Plan sets out actions to significantly improve services to children in Kent and to provide support for looked after children. It directly addresses the requirements set out in the Ofsted Report and subsequent Improvement Notice from government. More widely, it also seeks to enhance the quality of practice and improve the whole system in which children's needs are assessed and met through a fundamental re-shaping of Children's Services.</p>			
Actions to date			
<p>The Plan is delivering improvement across children's services. It is expected to lead to improved outcomes for children and young people within Kent, tackling those areas of greatest risk first and laying the foundations for more effective practice. Many actions have already been completed, and the full delivery of the Programme will improve services to Kent's young people. The main action completed to date has been to clear the caseload backlog in order to achieve the related Improvement Plan targets for August. A Phase 2 Improvement Plan is being drafted, focussing on the actions needed in the next six months.</p>			
Future actions and milestones			
<p>The published Plan "Putting Children First" sets out all the actions planned, and this is being rolled forward into Phase 2. The Improvement Team is working closely with Project Leads to ensure delivery of planned outcomes is achieved; a comprehensive set of risk management standards have been provided to Project Leads enforced through the introduction of a formalised internal governance structure, reporting procedures and milestones for the purpose of monitoring feedback. Quality levels are measured via the targets and measures identified in the Programme Plan. If delays in delivery are unavoidable, actions are categorised with revised delivery timescales/ targets and activities proposed and escalated to the Improvement Board for decision and information.</p>			

Performance Highlight : Children's social services improvement plan				
Key Improvement Notice targets to achieve early				
	Mar Data	Aug Data	Aug Target	Rag rating
Initial assessments in progress and out of timescale (count)	819	50	200	Green
Core assessment in progress and out of timescale (count)	1,266	78	100	Green
Cases unallocated over 28 days (count)	561	39	200	Green
All 3 August targets have been achieved with two achieved early. The August targets were specified in the Improvement Notice issued to KCC by the Department for Education following the OFSTED inspection.				
	Mar Data	Apr - Jun	Annual Target	Rag rating
Initial assessments completed within timescale (percentage)	54.7%	73%	69%	Green
Core assessments completed within timescale (percentage)	65.1%	51.2%	80.4%	Red
With the annual targets, completion of initial assessments is now on track but the completion of Core assessments is behind target because the clearing of the previous backlog of uncompleted assessments has impacted upon these figures. For new Core assessments the rate of completion within timescale was 78% for July so the target is close to achievement for new cases.				
Risk analysis				
<p>Risk: An unannounced inspection may still rate KCC's referral and assessment services as inadequate.</p> <p>Mitigation: The establishment of the County Duty Team and planned expansion, the DIAT Improvement Programme, quality audits and mock inspections all of which have been taking place across the county have mitigated this risk to a significant extent. The situation will continue to be monitored, and issues/risks escalated for decision.</p> <p>Risk: Numbers of Looked After Children (LAC) may continue to increase with impacts on staffing resources and outcomes for children.</p> <p>Mitigation: The roll out of the Looked After Children's Strategy and an increase in preventative services will lead to a better focus on permanency and decision making for LAC.</p> <p>Risk: There may continue to be an increase in the number of children subject to a Protection Plan (CPP) due to low thresholds, shortages in preventative services and inadequate multi-agency working</p> <p>Mitigation: The roll out of the Early Intervention and Prevention Strategy and an increase in preventative and potential procedural changes to reduce the time children are subject to a Plan should all also contribute to reducing numbers of CPPs.</p>				

Number of children looked after per 10,000 children - (including unaccompanied asylum seeker children)				Red ↓																									
Bold Steps Priority/ Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Ambition	To tackle disadvantage																										
Directorate	Families and Social Care	Director	Alastair Pettigrew																										
Division	Specialist children's services	Corporate Director	Malcolm Newsam																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Date</th> <th>KCC Actual</th> <th>Target</th> <th>Statistical neighbour</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>55</td> <td>47</td> <td>48.6</td> </tr> <tr> <td>Jun 11</td> <td>56</td> <td>47</td> <td>48.6</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>47</td> <td>48.6</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>47</td> <td>48.6</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>47</td> <td>48.6</td> </tr> </tbody> </table>				Date	KCC Actual	Target	Statistical neighbour	Mar 11	55	47	48.6	Jun 11	56	47	48.6	Sep 11	-	47	48.6	Dec 11	-	47	48.6	Mar 12	-	47	48.6	Data Notes Tolerance: Lower values are better Unit of measure: Number per 10,000 children Data Source: Management Information – June 11 Data is reported as the position at each quarter end. The statistical neighbour average for March 2010 was 48.6 per 10,000 children.	
Date	KCC Actual	Target	Statistical neighbour																										
Mar 11	55	47	48.6																										
Jun 11	56	47	48.6																										
Sep 11	-	47	48.6																										
Dec 11	-	47	48.6																										
Mar 12	-	47	48.6																										
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
Actual	55	56																											
Target	47	47	47	47	47																								
RAG Rating	Red	Red																											
Commentary																													
Actual numbers of children looked after were 1,699 in March 11 and 1,745 in June 11. The statistical neighbour average for March 2010 was 48.6 per 10,000 children. The numbers of looked after children (LAC) in Kent continue to increase, but work is underway to develop a projected downwards trajectory in the light of the actions listed overleaf. Much of the immediate focus of the Improvement Plan has been around tackling the backlog of cases (some of which will have resulted in children becoming looked after) and improving throughput and caseloads, which would not in itself reduce LAC numbers quickly.																													

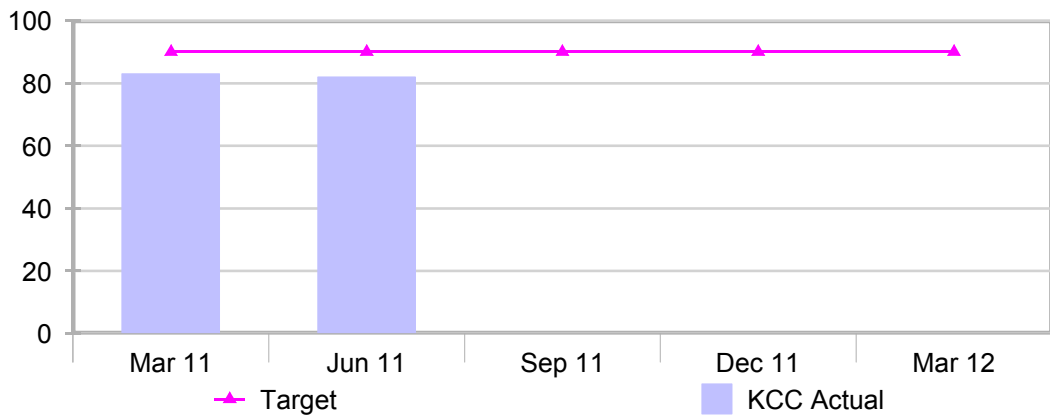
Number of children looked after per 10,000 children - (including unaccompanied asylum seeker children)	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<ul style="list-style-type: none"> • Improving the percentage of children who are adopted (see specific actions against the next indicator) • Identifying end dates for all LAC • Robust gatekeeping of decisions to take children into care. • Better District-level information and target-setting • Robust tracking of permanency planning <p>In the longer term, the following actions will impact on LAC numbers:</p> <ul style="list-style-type: none"> • Increased investment in a range of prevention and early intervention services, particularly in adolescent intervention services and in high-level family support • Scoping out work needed for speedier responses to vulnerable adolescents, including an “invest to save” proposal on adolescent services 	
Risks	
<p>Growing numbers of looked after children bring increased funding pressures, making it even more difficult to find the resources to invest in early intervention and preventative services. Despite the financial climate, ways are being found to invest in preventative services to reduce LAC numbers long-term, and this will be a key theme in the Phase 2 Improvement Plan.</p>	
Discussion and Actions Agreed by PAT	
<p>As the Improvement Plan is already subject to detailed scrutiny, PAT have decided not to review this indicator in detail despite the performance being rated as Red. The work currently underway to develop a projected downwards trajectory for the numbers of looked after children was welcomed.</p>	

Percentage of children leaving care who are adopted				Green ↑	
Bold Steps Priority/ Core Service area	Ensure we provide the most robust and effective public protection arrangements	Ambition	To tackle disadvantage		
Directorate	Families and Social Care	Accountable Officer	Liz Totman		
Division	Specialist children's services	Director	Alastair Pettigrew		
				Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: Management Information – June 11 Data is reported as financial year to date (i.e. Mar 11 is the result for 12 months to Mar 11, whereas Jun 11 is for the three months to Jun 11). The indicator is calculated as the number of children adopted as a percentage of the number of children who ceased to be looked after.	
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	9.6	15.1			
Target	11	11	11	11	11
RAG Rating	Red	Green			
Commentary					
<p>The statistical neighbour average for the year to March 2010 was 13%.</p> <p>Although current performance is very good and above target, analysis done to date suggests the 11% target is a very challenging one, despite the current green rating. The actions listed overleaf will be robustly implemented in order to deliver the target.</p>					

Percentage of children leaving care who are adopted	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Improving the percentage of children who are adopted by:</p> <ul style="list-style-type: none"> • Commissioning Martin Narey to review adoption systems and processes to identify how adoption can be speeded up • District managers and adoption leads jointly monitoring the progress of all children requiring adoption • Permanency policy and prompts have been agreed; workshops on permanency conducted; Permanency Plans now identified by the second looked after children review • Performance reporting monitors the percentage of children adopted • Tracking process established to follow children identified for adoption and ensure there is no drift in their planning. 	
Risks	
<ul style="list-style-type: none"> • Shortage of adopters • Delays in court processes • Recruitment delays • If we are to reduce the numbers of looked after children this will require a corresponding increase in numbers of adoptions to maintain a good percentage rate of adoptions, hence achieving 11% for the year will be challenging. 	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Number of children subject to a child protection plan, per 10,000 children				Red ↓	
Bold Steps Priority/ Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Ambition	To tackle disadvantage		
Directorate	Families and Social Care	Director	Alastair Pettigrew		
Division	Specialist children's services	Corporate Director	Malcolm Newsam		
				Data Notes Tolerance: Lower values are better Unit of measure: Number per 10,000 children Data Source: Management Information – June 11 Data is reported as the position at each quarter end. The statistical neighbour average for March 2010 was 30.1.	
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	52.1	53.8			
Target	39.9	39.9	39.9	39.9	39.9
RAG Rating	Red	Red			
Commentary					
<p>The numbers of children subject to a child protection plan continues to increase – 1,621 (March 11) and 1,676 (June 11). Much of the immediate focus of the Improvement Plan, however, has been around tackling the backlog of cases (some of which could result in children becoming subject to child protection procedures) and improving throughput and caseloads, which would not in itself impact positively on this indicator. Current actions will now start to impact on this indicator and we aim to get down to the target by March 12 target.</p>					

Number of children subject to a child protection plan, per 10,000 children	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<ul style="list-style-type: none"> • Review and undertake change promotion work on current cases where children have been subject to a child protection plan for over 18 months; • Strengthening child protection and conference processes, including core assessments, reports and multi-agency working; • Work to strengthen Kent Safeguarding Children’s Board functions, and the independent chairman’s quality assurance function to ensure that cases are robustly managed and to drive forward planning; • Training conference chairmen on outcome-based planning; • More rigorous gatekeeping of the child protection process; • Increasing options for step down services; • Strengthening of training, both internal and multi-agency, in respect of child protection conferences. 	
Risks	
<p>The main risk is that referrals of children and young people needing protection continue to rise in the short term until the actions underway to increase multi-agency support, intervention and thresholds agreements to prevent the need for child protection processes have significant impact.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of establishment caseholding posts filled by qualified social workers (excluding agency staff)			Amber ↓		
Bold Steps Priority/ Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Ambition	To tackle disadvantage		
Directorate	Families and Social Care	Accountable Officer	Karen Ray		
Division	Specialist children's services	Corporate Director	Amanda Beer		
			Data Notes		
			<p>Tolerance: Higher values are better Unit of measure: Percentage Data Source: Management Information – June 11</p> <p>Data is reported as the position at each quarter end.</p> <p>No statistical neighbour data is available for this indicator.</p>		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	83%	82%			
Target	90%	90%	90%	90%	90%
RAG Rating	Amber	Amber			
Commentary					
<p>This target is about recruiting permanent staff, not about managing vacancies. Indeed, when numbers of agency staff are taken into consideration, currently the division is over establishment (105%) – but the strategy is to reduce dependence on agency staff. Although the position worsened slightly between March and June, it is now improving and at the end of August stands at nearly 87%. The online recruitment campaign for experienced social workers resulted in 48 applications up to 19th August.</p>					

Percentage of establishment caseholding posts filled by qualified social workers (excluding agency staff)	Amber ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>The robust workforce strategy and compelling offer was agreed by the Improvement Board and Cabinet in May and is being implemented.</p> <p>A three month campaign for experienced social workers, principal social workers and team leaders is starting at the end of August, combined with a marketing campaign to attract external candidates into Kent, as well as the “recommend a friend” incentive.</p>	
Risks	
<p>The division still has too high a proportion of staff who are recently qualified. The workforce strategy is not only about exceeding the 90% target, but also improving the balance of experienced and newly qualified social workers, and actions to mitigate this are included in the strategy.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of children subject to a child protection plan for two or more years			Red ↓		
Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Ambition	To tackle disadvantage		
Directorate	Families and Social Care	Director	Alastair Pettigrew		
Division	Specialist children's services	Corporate Director	Malcolm Newsam		
			Data Notes Tolerance: Lower values are better Unit of measure: Percentage Data Source: Management Information – July 11 Data is reported as financial year to date (i.e. Mar 11 is the result for 12 months to Mar 11, whereas Jun 11 is for the three months to Jun 11). The statistical neighbour average for the year to March 2010 was 7.1%.		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	11.1%	11.2%			
Target	6.0%	6.0%	6.0%	6.0%	6.0%
RAG Rating	Red	Red			
Commentary					
<p>The indicator is calculated as the percentage of children ceasing to be subject to a child protection plan who had been subject to that plan for two or more years.</p> <p>The target of 6% is specified in the Improvement Notice and must be delivered for financial year 2012/13.</p>					

Percentage of children subject to a child protection plan for two or more years	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Actions taken to reduce numbers of children subject to a child protection plan will also impact positively on this indicator:</p> <ul style="list-style-type: none"> • Review and undertake change promotion work on current cases where children have been subject to a child protection plan for over 18 months; • Strengthening child protection and conference processes, including core assessments, reports and multi-agency working; • Work to strengthen KSCB functions, and the independent chair's quality assurance function to ensure that cases are robustly managed and to drive forward planning; • Training conference chairs on outcome-based planning; • More rigorous gatekeeping of the child protection process; • Increasing options for step down services; • Strengthening of training, both internal and multi-agency, in respect of child protection conferences. <p>In addition, we are tracking planned case conferences of children who have been on the register for 18 months to ensure they are taken off the system in good time.</p>	
Risks	
<p>Insufficient alternatives available to keeping children on child protection plans results in limited impact. This is being mitigated through robust monitoring of the situation.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of pupils achieved level 4 and above in both English and Maths at Key Stage 2			Amber ↑		
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	Ambition	Help the economy to grow		
Directorate	Education, Learning and Skills	Accountable Officer	Sue Rogers		
Division	School Standards and Planning	Corporate Director	Andy Roberts		
			Data Notes		
			Tolerance: Higher values are better Unit of measure: Percentage Data Source: Department for Education Academies: Included National average: Maintained schools only Data is reported as result for each year Target is to achieve improvement relative to the national average and to achieve national average in the medium term.		
Trend Data	2007	2008	2009	2010	2011
Actual	67%	69%	68%	70%	72%
Target = National Average	71%	73%	72%	73%	74%
RAG Rating	Red	Red	Red	Red	Amber
Commentary					
Provisional results for 2011 show an encouraging movement towards the national average for Kent pupils which is now apparent for the last two years. Kent's results have increased by two percentage points each year compared to a national rise of one percent each year. Final results for 2011 will be published in early December. Attainment for Kent pupils at Key Stage 2 has for many years been within the lower quartile for all local authority areas. The 2011 result places Kent pupils at the threshold of moving to a position above the lower quartile.					

Percentage of pupils achieved level 4 and above in both English and Maths at Key Stage 2	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<ol style="list-style-type: none"> 1. Formation of new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes – begins 1st September. 2. Development of bespoke leadership, teaching and learning strategies to focus on improvement in these areas. 3. Working in partnership with Department for Education (DfE) to determine the most effective sustainable improvement strategy for each school. <p>The Kent Challenge will work with schools through a Specific Partnership Approach. This will involve a more accurate audit of need, a faster brokering of resources to support identified priorities, effective chairing of regular schools improvement boards to monitor progress, the embedded use of performance data to track pupil progress, steer intervention and to secure high quality teaching and the sharing of School Improvement strategies. Specifically this will mean a two year partnership with schools requiring support, with KCC providing a Kent Challenge Adviser, a mentor and a tailored package of intensive support aimed at raising standards and building capacity for sustained improvement. At the end of the two year partnership, the local authority role will reduce and local network partnerships will have a stronger role to play in sustaining the improvement. Through the Kent Challenge we will have a clear appreciation of the significant challenges faced by some schools and there will be a determination to deliver a reduction in the socio-economic barriers to learning through the programme.</p>	
Risks	
<ol style="list-style-type: none"> 1. Insufficient numbers of primary schools improving above the Floor Standards in 2012. 2. Significant numbers of schools becoming academies and impacting on the available budget for our maintained schools. 3. Local Authority and DfE do not agree on the sustainable solution for some schools. 	
Discussion and Actions Agreed by PAT	
<p>PAT will look at this indicator at a future meeting to discuss what has been learnt from the recent improvement in results and to identify whether the improvement will be sustained.</p>	

Number of schools in category (special measures or with notice to improve)			Red ↑																				
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	Ambition	Help the economy to grow																				
Directorate	Education, Learning and Skills	Accountable Officer	Sue Rogers																				
Division	School Standards and Planning	Corporate Director	Andy Roberts																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Term</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Dec 10</td> <td>18</td> <td>10</td> </tr> <tr> <td>Apr 11</td> <td>18</td> <td>10</td> </tr> <tr> <td>Jul 11</td> <td>17</td> <td>10</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>10</td> </tr> <tr> <td>Apr 12</td> <td>-</td> <td>10</td> </tr> </tbody> </table>			Term	KCC Actual	Target	Dec 10	18	10	Apr 11	18	10	Jul 11	17	10	Dec 11	-	10	Apr 12	-	10	Data Notes Tolerance: Lower values are better Unit of measure: Number Data Source: Ofsted Data includes all maintained schools (nursery, primary, secondary, special schools and pupil referral units) but excludes academies and independent schools. Data is reported as position at each term end.		
Term	KCC Actual	Target																					
Dec 10	18	10																					
Apr 11	18	10																					
Jul 11	17	10																					
Dec 11	-	10																					
Apr 12	-	10																					
Trend Data	Dec 10	Apr 11	Jul 11	Dec 11	Apr 12																		
Actual	18	18	17																				
Target	10	10	10	10	10																		
RAG Rating	Red	Red	Red																				
Commentary																							
<p>There are 11 schools currently in special measures and 6 with notices to improve. Of the schools in special measures 9 are primary schools and 2 are secondary schools. It is anticipated that by the end of the autumn term only 8 of the schools currently in category will still remain in category.</p> <p>Latest available comparative data (which includes academies) shows that as a percentage of state funded schools (slightly different indicator from the one shown above) there were 3.2% of schools in category at the end of the Spring 2011 term in Kent, which compared to 2.3% for statistical neighbour local authorities.</p>																							

Number of schools in category (special measures or with notice to improve)	Red ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The Formation of the new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes began in September 2011 and will deliver a new approach to this issue. Working in partnership with the Department for Education we will determine the most effective sustainable improvement strategy for each school. Staff are currently analysing attainment results to see where the vulnerable schools are, and as part of the Kent Challenge they will be looked at on the basis of the 4 issues that the new OFSTED framework is based on.</p> <p>Actions relating to schools currently in special measures include:</p> <ul style="list-style-type: none"> • Bellwood and Oaktrees are a hard federation and are becoming a sponsored academy • Brenchley and Matfield has a new headteacher and is expected to be out of category by Christmas • Chantry is federating with Meopham Academy and will in all likelihood go to sponsored academy status during 2011 • Christ Church Junior is under a headship arrangement with St. Peters in Thanet and is due to be out of category in 2011 • Dartford Technical College has a new headteacher in place in September 2011 • Downsview has a new team in place and is making good progress • Morehall is linked to St. Mary's and this work is led by an experienced headteacher – good progress is expected • Pilgrims way will become a sponsored academy under St. Stephens Academy • Walmer Science College has an acting headteacher in place • Dover Road is newly in special measures and a statement of action is being put in place. 	
Risks	
<p>The introduction of the new Ofsted inspection framework in January 2012 may affect the number of schools going into category. Currently the potential impact of this is unknown.</p>	
Discussion and Actions Agreed by PAT	
<p>PAT has reviewed this indicator and the actions being taken to both assist schools out of category and to reduce the risk of schools entering category. PAT considered that the new approach through the Kent Challenge would lead to suitable actions on this issue.</p>	

Number of starts on Kent Success Apprenticeship scheme			Green ↑																				
Bold Steps Priority/ Core Service Area	Shape education and skills provision around the needs of the Kent economy	Ambition	Help the economy to grow																				
Directorate	Customer and Communities	Accountable Officer	Wayne Gough																				
Division	Service Improvement	Director	Angela Slaven																				
<p>The chart displays the number of apprentice starts within KCC. The Y-axis represents the number of starts, ranging from 0 to 150. The X-axis shows quarterly periods from Mar 11 to Mar 12. Blue bars represent KCC Actual starts, and a pink line with triangles represents the Target. Actual starts are 103 in Mar 11 and 119 in Jun 11. The target is consistently 88 starts per quarter.</p> <table border="1"> <thead> <tr> <th>Period</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>103</td> <td>88</td> </tr> <tr> <td>Jun 11</td> <td>119</td> <td>88</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>88</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>88</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>88</td> </tr> </tbody> </table>		Period	KCC Actual	Target	Mar 11	103	88	Jun 11	119	88	Sep 11	-	88	Dec 11	-	88	Mar 12	-	88	Data Notes Tolerance: Higher values are better Unit of measure: Number Data Source: Supporting Independence Programme Data is reported as rolling 12 month total. No comparative data from other local authorities is currently available for this indicator.			
Period	KCC Actual	Target																					
Mar 11	103	88																					
Jun 11	119	88																					
Sep 11	-	88																					
Dec 11	-	88																					
Mar 12	-	88																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
Actual	103	119																					
Target	88	88	88	88	88																		
RAG Rating	Green	Green																					
Commentary																							
The number of apprentice starts within KCC is increasing steadily and is expected to remain above target in the quarter to September 2011.																							

Number of starts on Kent Success Apprenticeship scheme	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The Kent Success Programme has been reviewed in the past month and processes and procedures streamlined to ensure that a fast and efficient service can be delivered to both managers within the council and to young people wishing to undertake an apprenticeship within the council.</p> <p>In order to widen the offer of apprenticeships available within the council we are now working with additional training providers and will be promoting the Kent Success Programme more widely to young people and managers to raise awareness of what is now available.</p> <p>As part of Kent's Apprenticeship Strategy 2011-2014, we have been working with the Kent youth services to develop a programme for them and they will be taking on 12 youth work apprentices in September to work in youth centres.</p>	
Risks	
<p>There is a risk that the number of opportunities for apprentices will reduce due to fewer suitable posts at the appropriate grade being created in restructures. In addition, due to uncertainties surrounding restructures there is a risk that managers may be reluctant to take on supernumerary apprentices.</p> <p>However, the actions mentioned above are helping to mitigate these risks, and at this point the risks above have not been realised and the number of apprenticeship starts is exceeding targets. This situation will be monitored closely in the coming months.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Number of starts in Kent on the National Apprenticeship Scheme			Green ↑														
Bold Steps Priority/ Core Service Area	Shape education and skills provision around the needs of the Kent economy	Ambition	Help the economy to grow														
Directorate	Customer and Communities	Accountable Officer	Wayne Gough														
Division	Service Improvement	Director	Angela Slaven														
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Jan 11</td> <td>4,210</td> <td>2,710</td> </tr> <tr> <td>Apr 11</td> <td>6,420</td> <td>3,870</td> </tr> <tr> <td>Jul 11</td> <td>-</td> <td>5,020</td> </tr> </tbody> </table>			Period	KCC Actual	Target	Jan 11	4,210	2,710	Apr 11	6,420	3,870	Jul 11	-	5,020	Data Notes Tolerance: Higher values are better Unit of measure: Number Data Source: Data Service, Skills Funding Agency Data is reported as academic year to date. Target = previous year performance.		
Period	KCC Actual	Target															
Jan 11	4,210	2,710															
Apr 11	6,420	3,870															
Jul 11	-	5,020															
Trend Data	Jan 11	Apr 11	Jul 11	Oct 11	Jan 12												
Actual	4,210	6,420															
KCC Target = previous year	2,710	3,870	5,020														
RAG Rating	Green	Green															
Commentary																	
<p>The National Apprenticeship Service figures are based on academic rather than financial year. The figure for August 2010 to April 2011 already exceeds the total for August 2009 to July 2010, which was 5,020.</p> <p>Although Kent is delivering a good increase in the level of apprenticeships, in past years Kent has had the lowest level of apprenticeships within its statistical neighbour group. In 2009/10 and for young people aged under 24 Kent achieved 23.5 starts per 1,000 population, compared to the statistical neighbour average of 33.8.</p>																	

Number of starts in Kent on the National Apprenticeship Scheme	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>In June 2011, the Kent Apprenticeship Strategy 2011-2014 was agreed by Cabinet and we are now putting in place structures to deliver the action plan – focusing on the further development of the Employer Support Service that ensures the process of taking on an apprentice is simple and straightforward for businesses. The Kent Apprenticeships partnership between KCC, the National Apprenticeship Service, the Kent Association of Training Organisations and the Kent Association of Further Education Colleges has been strengthened over the past 12 months and a robust and meaningful network has been developed.</p> <p>Kent Apprenticeships is delivering targeted campaigns to raise the profile of Apprenticeships with employers and is challenging them to take on apprentices. The 100 in 100 campaigns are currently running in Swale and West Kent and we ran a successful campaign in Canterbury earlier in the year. The campaign aims to get 100 apprentices in 100 new businesses. We are working closely with Jobcentre Plus, supporting them to increase their knowledge of apprenticeships and also working with them to ensure that those who are unemployed aged 18-24 and taking part in Get Britain Working initiatives are progressing into apprenticeships following their work experience.</p> <p>Through the activities outlined above, Kent Apprenticeships is raising the profile of apprenticeships and supporting employers to provide places, this has and will contribute to the rising numbers of apprenticeships being undertaken in Kent.</p>	
Risks	
<p>The current slow down in the economy means that employers are reluctant to take on new staff, however, apprenticeships offer a tailor made way for them to build their business and increase their productivity. Training contributions for employers looking to take on people aged over 19 years is also a disincentive although we are working with employers to ensure that they see the longer term benefits of their investment.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of pupils permanently excluded from maintained schools during the year				Amber ↓																									
Bold Steps Priority/Core Service Area	Young People		Ambition	To tackle disadvantage																									
Directorate	Education, Learning and Skills		Accountable Officer	Chris Berry																									
Division	School Standards and Planning		Corporate Director	Andy Roberts																									
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Date</th> <th>KCC Actual</th> <th>Target</th> <th>Statistical neighbour</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>0.10%</td> <td>0.10%</td> <td>0.09%</td> </tr> <tr> <td>Jun 11</td> <td>0.12%</td> <td>0.10%</td> <td>0.09%</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>0.10%</td> <td>0.09%</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>0.10%</td> <td>0.09%</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>0.10%</td> <td>0.09%</td> </tr> </tbody> </table>			Date	KCC Actual	Target	Statistical neighbour	Mar 11	0.10%	0.10%	0.09%	Jun 11	0.12%	0.10%	0.09%	Sep 11	-	0.10%	0.09%	Dec 11	-	0.10%	0.09%	Mar 12	-	0.10%	0.09%	Data Notes Tolerance: Lower values are better Unit of measure: Percentage Data Source: Impulse database Data includes pupils at all maintained schools including academies, but excludes pupils in independent schools. Data is reported as rolling 12 month total.		
Date	KCC Actual	Target	Statistical neighbour																										
Mar 11	0.10%	0.10%	0.09%																										
Jun 11	0.12%	0.10%	0.09%																										
Sep 11	-	0.10%	0.09%																										
Dec 11	-	0.10%	0.09%																										
Mar 12	-	0.10%	0.09%																										
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
Actual	0.10%	0.12%																											
Target	0.10%	0.10%	0.10%	0.10%	0.10%																								
RAG Rating	Green	Amber																											
Commentary																													
Rates of exclusions from schools are broadly in line with the target, though the latest figures show a slight increase. The recently published comparative data for academic year 2009/10 showed Kent with a rate of 0.08% compared to statistical neighbour authority average of 0.09%. However it should be noted that the source data from the Department for Education understates the real level of exclusions (by not counting exclusions in schools converting to academies) and for Kent the position is understated by up to 10%.																													

Percentage of pupils permanently excluded from maintained schools during the year	Amber ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>The ability to challenge maintained schools over both their attitude to, and use of, exclusion as a sanction for difficult challenging behaviour remains a significant reason why in this sector there has been a decrease in both permanent and fixed term exclusions. This is not replicated in either established or newly converted academies, and it is not surprising that the levels of exclusions have risen in this sector, in some cases by substantial amounts.</p> <p>The most frequently cited reason for exclusion is persistent disruptive behaviour. Local authority officers within the attendance and behaviour service, and those who advise schools on the quality and breadth of both the curriculum and teaching and learning, continue to help schools in which they have an influence to investigate creative and flexible alternatives to exclusion. It should be noted however that this is not made easy in the current climate which supports the progress of the majority by removing any disruptive minority, as understandable as that approach may be.</p> <p>A draft protocol has been developed for consultation with schools on ceasing the use of exclusion for looked after children, who have historically been over-represented proportionately.</p>	
Risks	
<p>The statutory obligation to ensure education provision for permanently excluded pupils from the 6th day of exclusion (1st day for looked after children) remains with the local authority. The availability of suitable alternative provision, and the arrangement of managed moves between mainstream schools, organised through appropriate In Year Fair Access procedures, are being put under pressure by rising numbers of exclusions. There is a serious risk that alternative provision in its current form will become a repository for permanently excluded pupils, with limited prospect of re-integration into mainstream education.</p>	
Discussion and Actions Agreed by PAT	
<p>PAT has agreed to look at this indicator in more detail at a future meeting due to the issue being a high priority and because performance has dropped.</p>	

Number of young people aged 16 to 18 not in education, employment or training (NEET)			Amber ↓		
Bold Steps Priority/Core Service Area	Young People	Ambition	To tackle disadvantage		
Directorate	Education, Learning and Skills	Accountable Officer	Sue Dunn		
Division	School Standards and Planning	Corporate Director	Andy Roberts		
			Data Notes Tolerance: Lower values are better Unit of measure: Percentage Data Source: Connexions Data is reported as average position for the three month ends included in the quarter.		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	4.9%	5.5%			
Target	4.6%	5.1%	5.1%	5.1%	5.1%
RAG Rating	Amber	Amber			
Commentary					
Figures for April-June are higher than for January-March. This follows the normal pattern of NEET levels rising through the academic year but the rate shown is higher than the same time last year. Results for Kent in December 2010 of 4.9% compared to the South East average of 5.4% and this placed Kent close to but not within the upper quartile range for all local authorities. Care is required when making comparisons on NEETs data as more than one series of data is published and all use different definitions, so results are not strictly comparable on a like for like basis.					

Number of young people aged 16 to 18 not in education, employment or training (NEET)	Amber ↓
What actions are we taking to improve performance (and drivers of performance)	
<ul style="list-style-type: none"> • Establish centres of excellence for technical and vocational programmes which share good practice through employers and specialist networks. • Develop provision which is learner focused and flexible, and which offers appropriate choices up to 18, which take into account the Wolf Review outcomes. • Ensure all learners have access to an appropriate apprenticeship programme. • Continue to develop the Kent Vocational programme including Skill Force and Young Apprenticeships. • Implement and review Careers Education, Information, Advice and Guidance (IAG) Curriculum Framework to develop career management skills. • Display Post 16 education and employment with training opportunities in Kent through the Area Prospectus, on line application process, and the IAG Portal to develop the career management skills of young people. • Plan and deliver the change from the present Connexions contract to the All Age Careers Service. 	
Risks	
<p>The economic downturn making less jobs available for young people. However this so far has to some degree been balanced by an increase in young people staying on at school.</p>	
Discussion and Actions Agreed by PAT	
<p>PAT has agreed to look at this indicator in more detail at a future meeting due to the issue being a high priority and because performance has dropped.</p>	

Number of first time entrants to youth justice system				Green ↑																			
Bold Steps Priority/ Core Service Area	Support families with complex needs	Ambition	To tackle disadvantage																				
Directorate	Customer and Communities	Accountable Officer	Andy Birkin																				
Division	Service Improvement	Director	Angela Slaven																				
<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 11</td> <td>1,428</td> <td>2,325</td> </tr> <tr> <td>Jun 11</td> <td>1,366</td> <td>1,500</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>1,500</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>1,500</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>1,500</td> </tr> </tbody> </table>				Period	KCC Actual	Target	Mar 11	1,428	2,325	Jun 11	1,366	1,500	Sep 11	-	1,500	Dec 11	-	1,500	Mar 12	-	1,500	Data Notes Tolerance: Lower values are better Unit of measure: Number Data Source: Careworks case management system Data is reported as rolling 12 month total.	
Period	KCC Actual	Target																					
Mar 11	1,428	2,325																					
Jun 11	1,366	1,500																					
Sep 11	-	1,500																					
Dec 11	-	1,500																					
Mar 12	-	1,500																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
Actual	1,428	1,366																					
Target	2,325	1,500	1,500	1,500	1,500																		
RAG Rating	Green	Green																					
Commentary																							
<p>During 2010/11 the number of first time entrants fell each quarter and this trend was sustained into the first quarter of 2011/12. Between 2009/10 and 2010/11 there was a reduction in the total number of first time entrants of 25%. The incidence of new young offenders is highest amongst districts in the east of the county where higher deprivation levels exist, with numbers being highest in Thanet followed by Dover. National data drawn from the Police National Computer for 2009/10 showed Kent having a rate of 14.2 first time young offenders per 1,000 young people, which compared to a national average of 11.7 and statistical neighbour average of 12.3.</p>																							

Number of first time entrants to youth justice system	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The actions being taken include:</p> <ul style="list-style-type: none"> • the integration of the Youth Inclusion Support Panel (YISP) staff into the three locality based teams of the Youth Offending Service (YOS) – this step will assist the targeting of siblings of known offenders whose risk of offending will be raised. • joint working with Kent Police and offering support via the YISPs for their Restorative Solutions initiative, which is designed to divert children and young people from the youth justice system through the use of restorative justice and enabling access to services where the child / young person is seen to be at risk. Restorative justice processes bring those harmed by crime or conflict, and those responsible for the harm, into communication, enabling everyone affected by a particular incident to play a part in repairing the harm and finding a positive way forward. 	
Risks	
<ul style="list-style-type: none"> • A key factor in reducing the number of young people entering the youth justice system is the level of police commitment to diversionary measures. Therefore any change in policing strategy could present a risk to achieving target. No change in strategy is currently expected. • Young people’s engagement in education, training and employment is a significant factor in reducing the risk of offending. The current economic climate and higher levels of youth unemployment in the county brings a risk that some of the 16-17 age group could become demoralised and more vulnerable to offending if other risk factors are also in place (e.g. poor family support). • The education system nationally and in Kent is changing. It is important that the YOS establishes new relationships with academies to emphasise the importance of education in reducing risk of young people offending. 	
Discussion and Actions Agreed by PAT	
This indicator has not been subject to discussion by PAT at this time.	

Number of gross jobs created in Kent and Medway through inward investment facilitated by Locate in Kent (LiK)				Red ↓																			
Bold Steps Priority/ Core Service Area	Respond to key regeneration challenges working with our partners	Ambition	Help the economy to grow																				
Directorate	Business Strategy and Support	Accountable Officer	Mike Bodkin																				
Division	Business Strategy	Director	David Cockburn																				
<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 11</td> <td>2,588</td> <td>3,100</td> </tr> <tr> <td>Jun 11</td> <td>418</td> <td>775</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>1,550</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>2,325</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>3,100</td> </tr> </tbody> </table>				Period	KCC Actual	Target	Mar 11	2,588	3,100	Jun 11	418	775	Sep 11	-	1,550	Dec 11	-	2,325	Mar 12	-	3,100	Data Notes Tolerance: Higher values are better Unit of measure: Number Data Source: Locate in Kent monthly monitoring Data is reported as count for financial year to date (April to March) at each quarter end. Gross jobs created includes jobs safeguarded and indirect jobs.	
Period	KCC Actual	Target																					
Mar 11	2,588	3,100																					
Jun 11	418	775																					
Sep 11	-	1,550																					
Dec 11	-	2,325																					
Mar 12	-	3,100																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
Actual	2,588	418																					
Target	3,100	775	1,550	2,325	3,100																		
RAG Rating	Amber	Red																					
Commentary																							
Performance is behind target due to the economic situation and the nature of investment projects coming forward. The economic situation means that projects are harder to convert and are taking longer to convert due to lack of confidence and the difficulty of accessing investment finance, but also, the number of jobs attached to each investment is reducing. These are both global inward investment trends and mean that more investments need to be facilitated by LiK each year in order to achieve the same, or fewer jobs for each successful project. No comparative data is currently available for this indicator.																							

Number of gross jobs created in Kent and Medway through inward investment facilitated by Locate in Kent (LiK)	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>A successful July means that 933 jobs have now been achieved, including one large (200 job) investment from overseas which will bring this indicator on track against target. However, the economic situation mentioned above continues to be the case, and it is therefore hard to predict what the end of year situation might be.</p> <p>Locate in Kent's (LiK) Business Plan is updated annually and throughout the year to maximise the number of leads and projects generated, of which a portion, with LiK assistance, become successful investments creating jobs.</p> <p>The pipeline, i.e. the number of projects that may become successful investments, is currently (end July), very healthy, at 324, compared with 310 at the same time last year. Despite the recession, this pipeline is kept strong by a range of activities such as website work, business intelligence, an overseas lead generation campaign, and working with partners. New programmes are underway to help fuel the pipeline of projects, including improving aftercare with Kent companies, development of a refreshed website, and continual review of all lead generation opportunities</p>	
Risks	
<p>The main risk is the continuing poor economic outlook, and steps to deal with this are outlined above.</p> <p>Another risk is the failure to attract other sources of funding to support the activities of Locate in Kent. As income has been reduced over the past two years by the principal public sector funding sources (KCC, SEEDA and the district councils), LiK has developed a series of sponsorship and funding opportunities for businesses in Kent. Currently LiK has nearly 30 'local' principal or corporate funding partners. Many of these partners work with Locate in Kent on specific projects to 'win' the investment for the county and help to expand the core team of 10 people by offering specialist advice and expertise e.g. banks, lawyers, accountants, recruitment specialists, etc. Not only does this give LiK access to a range of professional disciplines outside its core staffing, it provides opportunities for the private sector partners to win additional business of their own.</p>	
Discussion and Actions Agreed by PAT	
PAT has agreed to look at this indicator in more detail at a future meeting.	

Number of adult social care clients receiving a telecare service			Green ↓																				
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	Ambition	Put the Citizen in Control																				
Directorate	Families and Social Care	Accountable Officer	Anne Tidmarsh																				
Division	Older people and physical disability	Corporate Director	Malcolm Newsam																				
<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 11</td> <td>985</td> <td>980</td> </tr> <tr> <td>Jun 11</td> <td>966</td> <td>960</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>970</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>985</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>1,000</td> </tr> </tbody> </table>			Period	KCC Actual	Target	Mar 11	985	980	Jun 11	966	960	Sep 11	-	970	Dec 11	-	985	Mar 12	-	1,000	Data Notes Tolerance: Higher values are better. Unit of measure: Number Data Source: Adult Social Care Data is reported as the position at the end of the quarter. No comparative data from other local authorities is currently available for this indicator.		
Period	KCC Actual	Target																					
Mar 11	985	980																					
Jun 11	966	960																					
Sep 11	-	970																					
Dec 11	-	985																					
Mar 12	-	1,000																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
Actual	985	966																					
Target	980	960	970	985	1,000																		
RAG Rating	Green	Green																					
Commentary																							
It should be noted that the decrease in the actual and target numbers between March 2011 and June 2011 is primarily due to a review of all clients and a data quality update that was undertaken in preparation for mainstreaming the service within the operational teams. Some service users opted to finish their involvement when the Whole System Demonstrator finished in April. The data quality clean up was completed in June and the baseline starting point was re-set to 960.																							

Number of adult social care clients receiving a telecare service	Green ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Telecare has very recently been transferred to the operational teams as a mainstream service and is being promoted as a key mechanism for supporting people to live independently at home.</p> <p>The availability of new monitoring devices (for dementia for instance) is expected to increase the usage and benefits of Telecare, and a strategy and commissioning plan are being developed in relation to this.</p> <p>In addition, the provision of Telecare can now be included within Personal Budgets, where appropriate.</p> <p>The usage of Telecare is monitored on a monthly basis by the Directorate Management Team, and team targets are being set.</p>	
Risks	
<ol style="list-style-type: none"> 1. Operational teams' not understanding SWIFT (our client database) in relation to Telecare ; data-quality low. 2. Telecare equipment not meeting needs, client groups being missed out for use of Telecare. 3. Operational staff not identifying Telecare as a means of meeting assessed needs. <p>Action taken :</p> <ol style="list-style-type: none"> 1. Telecare SWIFT training in place for staff and ongoing refresher training offered including floor walking. 2. Equipment needs reviewed through Teletechnology Strategy group and strategy and commissioning plan being developed. 3. Telecare covered as an ongoing topic in individual supervision, Personal Action Planning, and managers meetings. Monthly performance monitoring by Divisional Management Teams. 	
Discussion and Actions Agreed by PAT	
PAT has not discussed this indicator at this time.	

Percentage of adult social care clients with community based services who receive a personal budget and/or a direct payment			Green ↑																				
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets	Ambition	Put the Citizen in Control																				
Directorate	Families and Social Care	Accountable Officer	Anne Tidmarsh																				
Division	Older people and physical disability	Corporate Director	Malcolm Newsam																				
<table border="1"> <caption>Graph Data</caption> <thead> <tr> <th>Quarter</th> <th>Target (%)</th> <th>KCC Actual (%)</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>30</td> <td>32</td> </tr> <tr> <td>Jun 11</td> <td>33</td> <td>34</td> </tr> <tr> <td>Sep 11</td> <td>37</td> <td></td> </tr> <tr> <td>Dec 11</td> <td>43</td> <td></td> </tr> <tr> <td>Mar 12</td> <td>50</td> <td></td> </tr> </tbody> </table>			Quarter	Target (%)	KCC Actual (%)	Mar 11	30	32	Jun 11	33	34	Sep 11	37		Dec 11	43		Mar 12	50		Data Notes		
			Quarter	Target (%)	KCC Actual (%)																		
Mar 11	30	32																					
Jun 11	33	34																					
Sep 11	37																						
Dec 11	43																						
Mar 12	50																						
			<p>Tolerance: Higher values are better. Unit of measure: Percentage Data Source: Adult Social Care</p> <p>Data is reported as the snapshot position of current clients at the quarter end. NB This is different from the national indicator which is measured for all clients with a service during the year, including carers.</p>																				
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
Actual	32	34																					
Target	30	33	37	43	50																		
RAG Rating	Green	Green																					
Commentary																							
<p>Performance continues to improve. This key indicator is monitored on a monthly basis by the Directorate Management Team and the indicator receives a high level attention nationally as well as locally.</p> <p>For the related national indicator Kent achieved 8.1% for 2009/10 compared to the national rate of 13% and a shire county rate of 12%. Kent achieved 20.5% for 2010/11 against the national indicator and provisional national data for 2010/11 is expected to be available at the end of September.</p>																							

Percentage of adult social care clients with community based services who receive a personal budget and/or a direct payment	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Personal budgets were initially only allocated to people who were newly referred to Adult Social Care. Personal budgets are now also being allocated to existing clients when their services are reviewed.</p> <p>Targets have been set across all the teams, and management information reports have been developed to allow the teams to manage and monitor their own performance. This is monitored and managed closely by the Divisional and Directorate Management Teams.</p> <p>Performance management plans for Divisional Management Teams, Locality Management Teams, and individual members of staff have been set. The Locality Coordination Management meeting set up a Task and Finish group to achieve underlying organisational changes in order to get permanent improvement, with one head of service as the owner, reporting to Divisional Management Team.</p>	
Risks	
<ol style="list-style-type: none"> 1. Performance timelines not being met, due to aligned work not being managed such as: number of reviews to increase as planned. 2. Organisational and cultural changes taking longer than planned. 3. Productivity targets new for Families and Social Care and may take longer than planned to develop. 	
Action taken	
<ol style="list-style-type: none"> 1. Tight system of performance monitoring in place; performance identified as key priority. 2. Individual responsibilities, team and managers' responsibilities clearly set out ; implementation monitored and addressed at supervision and action planning reviews. 3. Timelines clearly set out. Additional expertise and knowledge on implementing productivity monitoring being sought. 	
Discussion and Actions Agreed by PAT	
<p>PAT will discuss this indicator at a future meeting to test whether the actions being delivered are sufficient to achieve the challenging target.</p>	

Number of adult social care clients provided with an enablement service			Amber ↑																		
Bold Steps Priority/ Core Service Area	Empower social service users through increased use of personal budgets	Ambition	Put the Citizen in Control																		
Directorate	Families and Social Care	Accountable Officer	Anne Tidmarsh																		
Division	Older people and physical disability	Corporate Director	Malcolm Newsam																		
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Month</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>440</td> <td>600</td> </tr> <tr> <td>Jun 11</td> <td>450</td> <td>600</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>600</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>600</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>600</td> </tr> </tbody> </table>		Month	KCC Actual	Target	Mar 11	440	600	Jun 11	450	600	Sep 11	-	600	Dec 11	-	600	Mar 12	-	600	Data Notes Tolerance: Higher values are better Unit of measure: Number Data Source: Adult Social Care Data is reported as number of new clients in the month. No comparative data for other local authorities is currently available for this indicator.	
Month	KCC Actual	Target																			
Mar 11	440	600																			
Jun 11	450	600																			
Sep 11	-	600																			
Dec 11	-	600																			
Mar 12	-	600																			
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																
Actual	440	450																			
Target	600	600	600	600	600																
RAG Rating	Amber	Amber																			
Commentary																					
Enablement has been in place for over a year to support new client referrals to Adult Social Care. Past performance has shown the expected increase in enablement during its early development phase but current numbers of people in receipt of enablement is lower than the 600 per month set as the predicted level. All the assessment and enablement teams now have enablement services available for their locality.																					

Number of adult social care clients provided with an enablement service	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Numbers are expected to increase in the future since more people are accessing enablement services as part of their assessments and people who are already receiving packages are now being referred to enablement services with the aim of increasing their independence.</p> <p>In addition, if people are not offered enablement, then reasons for this are being examined carefully to ensure that as many eligible people access it as possible. Externally commissioned enablement services including the Active Care service are to be added. An enablement review is being carried out to examine why people are not being referred or accepted into enablement schemes. Dependent on the findings, action will be put into place to address any issues where improvements can be made.</p> <p>Volumes of enablement are monitored on a monthly basis at Divisional and Directorate Management Teams. All heads of service and team leaders are proactively ensuring that enablement should be the main care pathway for all appropriate referrals.</p>	
Risks	
<p>Enablement targets might not be met due to :</p> <ol style="list-style-type: none"> 1. Staff not referring. 2. Lack of enablement capacity or specialism (dementia). 3. Schemes not being counted (such as Active Care). 4. Unrealistic expectations in relation to target numbers set (charging consultation and/ or efficiency savings may reduce referrals). <p>Action taken</p> <ol style="list-style-type: none"> 1. Enablement review being carried out, staff and teams monitored against target set. 2. Review of crisis services in East Kent carried out and new services proposed to be commissioned. 3. Active Care to be added. 4. Review to identify changes in new cases and referral numbers and action to be taken from there. <p>Overall : Targets to be set for each assessment and enablement team and each coordination teams.</p>	
Discussion and Actions Agreed by PAT	
<p>PAT will discuss this indicator at a future meeting to test whether the actions being delivered are sufficient to achieve the challenging target.</p>	

Percentage of adult social care assessments started that were completed within six weeks			Amber ↓		
Bold Steps Priority/ Core Service Area	Empower social service users through increased use of personal budgets	Ambition	Put the Citizen in Control		
Directorate	Families and Social Care	Accountable Officer	Anne Tidmarsh		
Division	Older people and physical disability	Corporate Director	Malcolm Newsam		
<p>The chart displays the percentage of adult social care assessments completed within six weeks. The Y-axis ranges from 0 to 100. The X-axis shows quarters from Mar 11 to Mar 12. Two blue bars represent 'KCC Actual' performance: 79.8% in Mar 11 and 79.7% in Jun 11. A pink line with triangles represents the 'Target' at 85% for all subsequent quarters (Sep 11, Dec 11, Mar 12).</p>			Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: Adult Social Care Data is reported as percentage rate achieved for each quarter. No comparative data for other local authorities is currently available for this indicator.		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	79.8	79.7			
Target	85	85	85	85	85
RAG Rating	Amber	Amber			
Commentary					
Underperformance on this indicator is due to waiting lists for assessments, assessments not being carried out on allocation and long standing delays in Occupational Therapy assessments. There are also appropriate delays due to people going through enablement as this process takes up to six weeks and the assessment can not be completed until the enablement process is completed.					

Percentage of adult social care assessments started that were completed within six weeks	Amber ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>A review of unallocated cases is taking place through a Task and Finish Group of assessment and enablement managers and good practice in some localities is being shared and implemented.</p> <p>In addition to this, the support provided through enablement and the interaction with the staff providing the service, all contribute to the final assessment. The better the monitoring of the individual through this process, the more timely the assessment will be. Assessment completion dates are being reviewed and action proposed as directed by the outcome of the review.</p> <p>Comparison to other local authorities to be carried out in relation to enablement impacting on timelines for assessments.</p> <p>Future targets are to be defined based on enablement numbers, clinic work, AIG referrals, hospital team referrals and referrals not appropriate for enablement - these will be identified through the above Task and Finish Group.</p> <p>This key indicator is monitored on a monthly basis by Divisional and Directorate Management Teams.</p>	
Risks	
<ol style="list-style-type: none"> 1. Unallocated cases not addressed, delaying assessment completion. 2. Kent Contact and Assessment Services (KCAS) changes affecting AIG referrals completion. 3. Task and Finish Group review outcomes not being addressed through action planning. <p>Action taken :</p> <ol style="list-style-type: none"> 1. Task and Finish Group in place. 2. Director for Older People and Physical Disability on the KCAS Project Group and a Service Level Agreement is being proposed. 3. Divisional Management Team, heads of service, assessment and enablement managers, and individual staff responsibilities identified and progress monitored. 	
Discussion and Actions Agreed by PAT	
PAT has decided to discuss this indicator at a future meeting.	

Percentage of social care clients who are satisfied that desired outcomes have been achieved at their first review			Green ↑		
Bold Steps Priority/ Core Service Area	Empower social service users through increased use of personal budgets	Ambition	Put the Citizen in Control		
Directorate	Families and Social Care	Accountable Officer	Anne Tidmarsh		
Division	Older people and physical disability	Corporate Director	Malcolm Newsam		
			Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: Adult Social Care Data is reported as percentage for each quarter. No comparative data is currently available for this indicator.		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	66%	71%			
Target	70%	71%	72%	73.5%	75%
RAG Rating	Amber	Green			
Commentary					
The percentage of outcomes achieved has increased from 66% in March 2011 to 71% in June 2011. People's needs and outcomes are identified at assessment and then updated at review, in terms of achievement and satisfaction.					

Percentage of social care clients who are satisfied that desired outcomes have been achieved at their first review	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Many people who contact Adult Social Care need information, advice and guidance, or the provision of fast track equipment. This key indicator is a relatively new way of recording information and results are monitored on a monthly basis at Divisional and Directorate Management Teams.</p> <p>The information will increasingly be used to support the process for development and commissioning of services.</p> <p>An action plan has been set linked to the Personal Budgets and Reviews action plans. The assessment and enablement managers Task and Finish group is leading on the system with cultural change be delivered to ensure delivery of the target.</p> <p>This to include: Hospital Teams when carrying out first review recording outcomes on SWIFT (the client database); Enablement services, when carrying out first review, ensuring outcomes are recorded or reported to the assessment officer for recording on SWIFT; Assessment officers and case managers recording of outcomes.</p>	
Risks	
<ol style="list-style-type: none"> 1. Target linked to accurate recording of reviews on SWIFT, data-quality risks. 2. Interdependency on achieving Personal Budgets and Review action plans. 3. New target data-quality risks not fully known. <p>Action taken :</p> <ol style="list-style-type: none"> 1. Part of the Review action planning lead by coordination managers' Task and Finish group. 2. See 1. The dependency of these action plans identified with responsibilities clearly set out. 3. Close monitoring by Divisional Management Teams and active involvement of data quality staff. 	
Discussion and Actions Agreed by PAT	
This indicator has not been subject to discussion by PAT at this time.	

Percentage of routine highway repairs completed within 28 days			Amber ↑																				
Bold Steps Priority/Core Service Area	Highways	Ambition	Help the economy to grow																				
Directorate	Enterprise and Environment	Accountable Officer	Spencer Palmer																				
Division	Highways & Transportation	Director	John Burr																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>to Mar 11</td> <td>79</td> <td>90</td> </tr> <tr> <td>to Jun 11</td> <td>87</td> <td>90</td> </tr> <tr> <td>to Sep 11</td> <td>90</td> <td>90</td> </tr> <tr> <td>to Dec 11</td> <td>90</td> <td>90</td> </tr> <tr> <td>to Mar 12</td> <td>90</td> <td>90</td> </tr> </tbody> </table>			Period	KCC Actual (%)	Target (%)	to Mar 11	79	90	to Jun 11	87	90	to Sep 11	90	90	to Dec 11	90	90	to Mar 12	90	90	Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC IT system (WAMS) Data is reported as percentage achieved for each individual quarter. No comparative data is currently available for this indicator. The indicator only covers requests for repairs made by the public and not those identified by highway inspectors.		
Period	KCC Actual (%)	Target (%)																					
to Mar 11	79	90																					
to Jun 11	87	90																					
to Sep 11	90	90																					
to Dec 11	90	90																					
to Mar 12	90	90																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
KCC Result	79%	87%																					
Target	90%	90%	90%	90%	90%																		
Rag Rating	Red	Amber																					
Commentary																							
Performance has improved from a low of around 70% in February up to 90% by June. Lower customer demand in the summer months has enabled staff and crews to process and complete more repairs in the required timeframe. In the winter months we expect to have to receive over 2,500 enquiries a week and this reduces to less than 1,000 per week in the summer. We have significantly reduced the backlog of old enquiries that extended beyond our 28 day target from almost 800 in February to 100 in June.																							

Percentage of routine highway repairs completed within 28 days	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The remaining backlog mentioned above is a priority for staff to resolve as we strive to reduce this to zero.</p> <p>The current contract with Ringway is coming to an end and the new contractor (Enterprise) starts in September. Mobilisation is well under way to ensure that all operations are fully up and running on time.</p> <p>The new contract offers a more robust performance mechanism with financial penalties if Enterprise does not meet service standards. Staff are being trained to manage the very different and more robust form of contract. Instead of KCC ordering a specific number of crews each month and them working hard to complete the jobs given to them, the new contract requires the contractor to repair the job in the timeframe we specify, using their resources as they see best. This places the accountability and risk for delivery clearly with the contractor.</p> <p>Within the new contract, Operational Performance Measures (OPMs) will be in place to monitor performance. Processes have been jointly developed between KCC and Enterprise to ensure that OPMs are met. Weekly depot meetings will be held to constantly monitor performance and ensure improvement.</p>	
Risks	
<p>The start of the contract with Enterprise on 1st September may create some delays in repairs as staff TUPE across from Ringway and are inducted into the organisation. New staff need to learn the new ways of working and the risk is that this is not fully resolved by the winter peak demand.</p> <p>To mitigate this we are putting the contract performance measures in place from day one and will be holding Enterprise to account.</p>	
Discussion and Actions Agreed by PAT	
<p>This measure was reviewed by PAT in June. Detailed backlog information was reviewed and it was noted that significantly improvement had been delivered over the last year and that performance was set to remain good for the present time.</p>	

Average number of days to repair potholes			Green ↑																			
Bold Steps Priority/Core Service Area	Highways	Ambition	Help the economy to grow																			
Directorate	Enterprise and Environment	Accountable Officer	Spencer Palmer																			
Division	Highways & Transportation	Director	John Burr																			
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>to Mar 11</td> <td>29.5</td> <td>28</td> </tr> <tr> <td>to Jun 11</td> <td>24.4</td> <td>28</td> </tr> <tr> <td>to Sep 11</td> <td>-</td> <td>28</td> </tr> <tr> <td>to Dec 11</td> <td>-</td> <td>28</td> </tr> <tr> <td>to Mar 12</td> <td>-</td> <td>28</td> </tr> </tbody> </table>		Period	KCC Actual	Target	to Mar 11	29.5	28	to Jun 11	24.4	28	to Sep 11	-	28	to Dec 11	-	28	to Mar 12	-	28	Data Notes Tolerance: Lower values are better. Unit of measure: Days. Data Source: KCC IT systems (WAMS) 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		
Period	KCC Actual	Target																				
to Mar 11	29.5	28																				
to Jun 11	24.4	28																				
to Sep 11	-	28																				
to Dec 11	-	28																				
to Mar 12	-	28																				
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																	
KCC Result	29.5	24.4																				
Target	28	28	28	28	28																	
Rag Rating	Amber	Green																				
Commentary																						
There has been improved performance over recent months, helped by low seasonal demand on the amount of potholes needing repair and the large programme of pothole repairs delivered through the Find & Fix programmes during the previous summer and in early spring 2011. In winter months, the number of pothole job orders can be as high as 2,700 reducing to 1,100 in the summer months (a job order can vary from a single pothole to a number of repairs in the same road).																						

Average number of days to repair potholes	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>We have been looking closely at performance across all districts to ensure a consistency of service across the county. Weekly depot meetings between KCC and Ringway are held and weekly performance is monitored to ensure continual improvement. Works are audited by local teams to ensure compliance.</p> <p>Routine pothole repairs are included in the new contract that starts in September with Enterprise. Mobilisation is well under way to ensure that the new contractor is fully up and running on time.</p> <p>The new contract offers a more robust performance mechanism with financial penalties if Enterprise does not meet service standards. Staff are being trained to manage the very different and more robust form of contract. Instead of KCC ordering a specific number of crews each month and them working hard to complete the jobs given to them, the new contract requires the contractor to repair the job in the timeframe we specify, using their resources as they see best. This places the accountability and risk for delivery clearly with the contractor.</p>	
Risks	
<p>The start of the contract with Enterprise on 1st September may create some delays in repairs as staff TUPE across from Ringway and are inducted into the organisation. New staff need to learn the new ways of working and the risk is that this is not fully resolved by the winter peak demand.</p> <p>To mitigate this we are putting the contract performance measures in place from day one and will be holding Enterprise to account. We are also focussing Enterprise on pothole repairs as a top service priority.</p>	
Discussion and Actions Agreed by PAT	
<p>This measure was reviewed by PAT in June. Detailed backlog information was reviewed and it was noted that significant improvement had been delivered over the last year and that performance was set to remain good for the present time.</p>	

Percentage of satisfied callers for Kent Highways 100 call back survey				Green ↑																			
Bold Steps Priority/Core Service Area	Highways	Ambition	Help the economy to grow																				
Directorate	Enterprise and Environment	Accountable Officer	David Beaver																				
Division	Highways & Transportation	Director	John Burr																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>72%</td> <td>75%</td> </tr> <tr> <td>Jun 11</td> <td>93%</td> <td>75%</td> </tr> <tr> <td>Sep 11</td> <td>-</td> <td>75%</td> </tr> <tr> <td>Dec 11</td> <td>-</td> <td>75%</td> </tr> <tr> <td>Mar 12</td> <td>-</td> <td>75%</td> </tr> </tbody> </table>				Quarter	KCC Actual	Target	Mar 11	72%	75%	Jun 11	93%	75%	Sep 11	-	75%	Dec 11	-	75%	Mar 12	-	75%	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.	
Quarter	KCC Actual	Target																					
Mar 11	72%	75%																					
Jun 11	93%	75%																					
Sep 11	-	75%																					
Dec 11	-	75%																					
Mar 12	-	75%																					
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
KCC Result	72%	93%																					
Target	75%	75%	75%	75%	75%																		
Rag Rating	Amber	Green																					
Commentary																							
The good recent performance, with 9 out of 10 customers happy with the service, is linked to low levels of demand on the service. Currently we are receiving 2,000 enquiries each week and this can increase to over 4,000 in winter months. Current performance is good despite the on-going major re-organisation of the highways service.																							

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 structure came into effect in July and teams are now being fully resourced. The new contract with Enterprise (replacing Ringway) starts on 1st September and we are working hard to ensure the service hits the ground running. Staff are being trained to manage the different and more robust form of contract. Instead of KCC ordering a specific number of crews each month and them working hard to complete the jobs given to them, the new contract requires the contractor to repair the job in the time we specify, using their resources as they see best. This places the accountability for delivery clearly with the contractor. There are monthly financial penalties if Enterprise fails to meet the 31 performance standards.</p> <p>We are working closely with the KCC contact centre to ensure that we improve both the information about the highway service on the Kent website and increase the knowledge of contact centre agents, so they can provide customers with better information when they call us. This will help increase the percentage of calls that they can answer at first point of contact and reduce the need for an enquiry to be logged and passed on to highways staff. We are now looking ahead to services that generate high calls, such as streetlighting, drainage and winter service to publish up to date information about service schedules and delivery plans.</p>	
Risks	
<ol style="list-style-type: none"> 1. Delay to service provision as the new highway organisation fully embeds. To mitigate this we are reviewing old enquiries on a weekly basis to ensure that any found to be falling between the new teams are dealt with and the routing improved. 2. The start of the contract with Enterprise on 1st September could create delays in repairs as staff TUPE across from Ringway and are inducted into the organisation and learn the new ways of working. To mitigate this we are putting the contract performance measures in place from day one and holding Enterprise to account. 	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of municipal waste recycled or converted to energy and not taken to landfill			Amber ↓		
Bold Steps Priority/ Core Service Area	Waste Management	Ambition	Help the economy to grow		
Directorate	Enterprise and Environment	Accountable Officer	Caroline Arnold		
Division	Waste Management	Corporate Director	Mike Austerberry		
			Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC Waste Management Data is reported as rolling 12 month total.		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	71.0%	70.9%			
Target	71.5%	72.2%	72.2%	72.2%	72.2%
RAG Rating	Amber	Amber			
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 waste is being managed through Kent's infrastructure.</p> <p>In the year to December 2010 the national figure was 55.8% and for the south east it was 65.7%. Kent had achieved national upper quartile for this indicator in the year to March 2010 and currently continues to maintain this position.</p>					

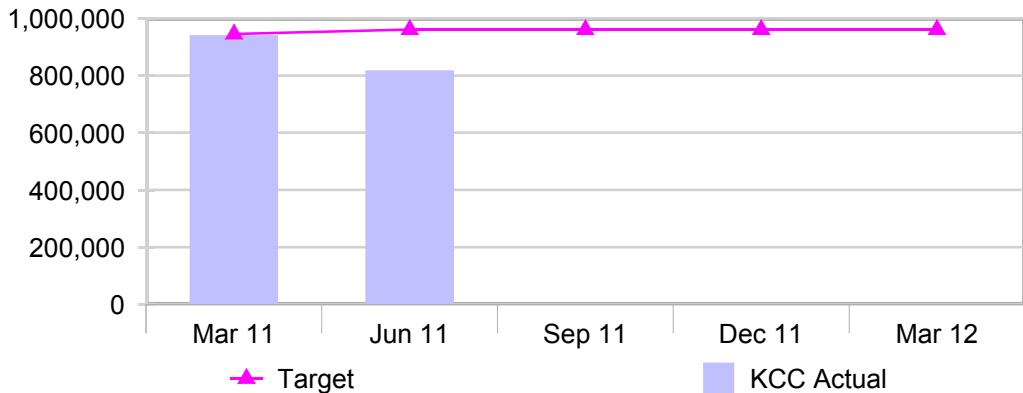
Percentage of municipal waste recycled or converted to energy and not taken to landfill	Amber ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Plans are in place to improve the capture of recyclables and organic waste from the residual waste stream through joint working with the district councils. This will be achieved by increasing the number of materials collected through new kerbside collection contracts and by reviewing the composition of the residual waste streams being managed through the network of household waste recycling centres, to identify opportunities for the diversion of additional materials.</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 in 2013 and will result in less than 15% of Kent's municipal waste being sent to landfill.</p>	
Risks	
<p>There is a risk that performance might fall short due to recycling performance being unsustainable and operational performance at the waste transfer stations, household waste recycling centres and reprocessing plants operating at a lower capacity.</p> <p>The impact of the Informal Member Group review of the operations at the household waste recycling centres takes account of performance at KCC facilities.</p>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Kg of residual household waste per household			Green ↑																										
Bold Steps Priority/ Core Service Area	Deliver the Environment Strategy	Ambition	Help the economy to grow																										
Directorate	Enterprise and Environment	Accountable Officer	Caroline Arnold																										
Division	Waste Management	Corporate Director	Mike Austerberry																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>Target</th> <th>South East</th> <th>KCC Actual</th> </tr> </thead> <tbody> <tr> <td>Mar 2011</td> <td>708</td> <td>644</td> <td>658</td> </tr> <tr> <td>Jun 2011</td> <td>657</td> <td>644</td> <td>644</td> </tr> <tr> <td>Sep 2011</td> <td>656</td> <td>644</td> <td>-</td> </tr> <tr> <td>Dec 2011</td> <td>657</td> <td>644</td> <td>-</td> </tr> <tr> <td>Mar 2012</td> <td>658</td> <td>644</td> <td>-</td> </tr> </tbody> </table>			Period	Target	South East	KCC Actual	Mar 2011	708	644	658	Jun 2011	657	644	644	Sep 2011	656	644	-	Dec 2011	657	644	-	Mar 2012	658	644	-	Data Notes Tolerance: Lower values are better Unit of measure: Kg per household Data Source: KCC Waste Management Data is reported as rolling 12 month total.		
Period	Target	South East	KCC Actual																										
Mar 2011	708	644	658																										
Jun 2011	657	644	644																										
Sep 2011	656	644	-																										
Dec 2011	657	644	-																										
Mar 2012	658	644	-																										
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
Actual	658	644																											
Target	669	657	656	657	658																								
RAG Rating	Green	Green																											
Commentary																													
<p>The amount of residual household waste per household being managed throughout Kent continues to fall annually due to improvements in the amount of waste being recycled and composted, as well as an overall reduction in the volumes of waste being collected. This trend is set to continue.</p> <p>The national result was 625 kg for 2009/10 and for the south east region 644 was achieved compared to a Kent result of 672. Comparative data for the year to March 11 will be available in the autumn.</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 and organics for composting (including separately collected food waste) are rolled out by district councils. Shepway will complete the roll out of their new services by the end of September 2011 and Dover will roll out their new services between October and November this year. 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>Future plans for improving the capture of recyclables and organic waste from kerbside collections are being reviewed for the three Mid Kent districts (Ashford, Maidstone and Swale).</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	
<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 will be 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>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Percentage of waste recycled and composted at Household Waste Recycling Centres				Green ↑	
Bold Steps Priority/ Core Service Area	Waste Management		Ambition	Help the economy to grow	
Directorate	Enterprise and Environment		Accountable Officer	Caroline Arnold	
Division	Waste Management		Corporate Director	Mike Austerberry	
<p>80 60 40 20 0</p> <p>Mar 11 Jun 11 Sep 11 Dec 11 Mar 12</p> <p>◆ Target ■ KCC Actual</p>			Data Notes		
			<p>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>		
Trend Data	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
Actual	69.9%	70.3%			
Target	69.7%	70.2%	70.4%	70.5%	70.6%
RAG Rating	Green	Green			
Commentary					
<p>For the quarter 73.5% of the waste was recycled and composted at our household waste recycling centres but performance is highly seasonal so 12 month totals are shown above and shows a result of 70.3%. The year end forecast is for performance to achieve target. In May this year a new household waste recycling centre was opened at New Romney replacing a weekend only mobile service. This is the first addition to the network since 1992, and offers a range of recycling facilities for the residents of that area, resulting in increased recycling performance and a reduction in service costs.</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. This minimises the amount of waste that needs to be disposed of via waste to energy or landfill.</p> <p>A modern new HWRC site to serve the Lydd and New Romney area was opened in spring 2011, and its current recycling performance is approaching 80%.</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 waste composition audit of the residual waste streams managed through the network of household waste recycling centres is being undertaken.</p>	
Risks	
<p>The services provided by the network of household waste recycling centres are currently under review by an Informal Member Group of the county council. 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>	
Discussion and Actions Agreed by PAT	
<p>This indicator has not been subject to discussion by PAT at this time.</p>	

Number of visits to KCC web site			Red ↓											
Bold Steps Priority/ Core Service Area	Improve access to public services	Ambition	Put the Citizen in Control											
Directorate	Customer and Communities	Accountable Officer	Tracey Gleeson											
Division	Communication and Engagement	Director	Des Crilley											
 <table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Mar 11</td> <td>939,202</td> <td>945,000</td> </tr> <tr> <td>Jun 11</td> <td>815,704</td> <td>945,000</td> </tr> </tbody> </table>			Quarter	KCC Actual	Target	Mar 11	939,202	945,000	Jun 11	815,704	945,000	Data Notes Tolerance: Higher values are better Unit of measure: Number Data Source: Google Analytics Data is reported as number of visits made in each quarter. No comparator data for other local authorities is currently available for this indicator.		
Quarter	KCC Actual	Target												
Mar 11	939,202	945,000												
Jun 11	815,704	945,000												
Results by quarter	Mar	Jun	Sep	Dec	Mar									
Actual	939,202	815,704												
Target	945,000	960,000	960,000	960,000	960,000									
RAG Rating	Amber	Red												
Commentary														
<p>Visits to the KCC web site in the quarter to June were low and some way behind target.</p> <p>Visits to the KCC web site will vary at different times of the year, with for example more visits during severe winter weather and at the beginning of school terms.</p> <p>The target for the year is in part based on past trend data which was inflated due to Kent Library computers having a homepage from the KCC web-site.</p>														

Number of visits to KCC web site	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>We are using social media to drive people to the website. Twitter is used proactively and responsively, directing people to relevant content, reporting and commenting functions on the website. There have been instances of people ‘tweeting’ that they can’t get through to the contact centre, so we have directed them to the online reporting and booking function.</p> <p>We have been using search engine optimisation techniques to make sure Kent.gov features in the top results of search engines – this work is ongoing.</p> <p>We are contacting the owners of applications and external websites branded as Kent.gov to make sure that they add Google Analytics code to their sites so a more accurate view of visits can be analysed and used to assess success rates and usefulness of applications and content.</p> <p>Google Analytics will be used to track user journeys to determine success rates of top tasks and applications.</p> <p>As part of the Customer Services Strategy, we are implementing a channel shift plan with campaigns to encourage people to use Kent.gov over other channels where the audience is likely to use websites. Under this plan, we will also be conducting user testing to make the website and its transactions easy and quick to use.</p>	
Risks	
<p>There are more than 90 websites with KCC involvement that sit outside www.kent.gov.uk and which direct traffic away from the website (e.g. Kent Choices 4 U, Kent-Teach).</p> <p>A decline in visits may be causing additional calls to the contact centre, which is generally more expensive to serve than a web visit.</p>	
Discussion and Actions Agreed by PAT	
<p>PAT has agreed to look at this issue in more detail at its next meeting.</p>	

Percentage of calls to Contact Kent answered within 20 seconds			Red ↓																				
Bold Steps Priority	Improve access to public services	Ambition	Put the Citizen in Control																				
Directorate	Customer and Communities	Accountable Officer	Derek Smith																				
Division	Customer Services	Director	Des Crilley																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>Target (%)</th> <th>KCC Actual (%)</th> </tr> </thead> <tbody> <tr> <td>to Mar 11</td> <td>80%</td> <td>75.9%</td> </tr> <tr> <td>to Jun 11</td> <td>80%</td> <td>37.4%</td> </tr> <tr> <td>to Sep 11</td> <td>80%</td> <td>-</td> </tr> <tr> <td>to Dec 11</td> <td>80%</td> <td>-</td> </tr> <tr> <td>to Mar 12</td> <td>80%</td> <td>-</td> </tr> </tbody> </table>			Period	Target (%)	KCC Actual (%)	to Mar 11	80%	75.9%	to Jun 11	80%	37.4%	to Sep 11	80%	-	to Dec 11	80%	-	to Mar 12	80%	-	Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: Siemens Hipath telephone system Data is reported as percentage achieved for each individual quarter. No comparator data for other local authorities is currently available for this indicator.		
Period	Target (%)	KCC Actual (%)																					
to Mar 11	80%	75.9%																					
to Jun 11	80%	37.4%																					
to Sep 11	80%	-																					
to Dec 11	80%	-																					
to Mar 12	80%	-																					
Trend Data	Mar 11	Jun 11	Sep 11 Forecast	Dec 11	Mar 12																		
Actual	75.9%	37.4%																					
Target	80%	80%	80%	80%	80%																		
Rag Rating	Amber	Red																					
Commentary																							
<p>Contact Kent (CK) performance has been affected in recent months by increased call volumes (up 20% on last year), budget pressures and a trend of increased call complexity, which has meant that calls are taking longer, with time taken increasing by 20 seconds, or an increase of 14% on last year.</p> <p>Due to the actions and reasons stated below, response times have improved and performance during August, albeit with a lower volume of calls, was 79%. The forecast for the full quarter to September is for performance to be at approximately 60%, which is a significant improvement on the quarter to June, albeit still behind target overall.</p>																							

Percentage of calls to Contact Kent answered within 20 seconds	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Remedial action: It was agreed that a further 8 temporary FTE could be hired immediately and these are now in place and operational.</p> <p>In addition measures have been put in place to suppress demand by re-directing certain calls away from CK and back to service delivery units and meetings have been held with external partners to address shortfalls in their contributions.</p> <p>These measures, coupled with a reduction in the number of calls during August, have led to an increase in performance, to 79%.</p>	
Risks	
<p>Call volumes, patterns and types are changing outside of previous forecasts and projections, so the extra 8 FTE may exceed or be under the staffing levels required to achieve service delivery targets.</p> <p>Savings targets are currently being scoped out in detail, which may impact on the Contact Kent delivering savings. There is a possibility that other plans will impact on Contact Kent i.e. The Children's Improvement Plan and will affect the targets set to deliver savings.</p>	
Discussion and Actions Agreed by PAT	
<ol style="list-style-type: none"> 1. Introduce a 3-level service delivery across KCC services, with standards for response times set at 20, 30 or 40 seconds depending on category. 2. Subject to Member approval, increase funding envelope in order to achieve the interim revised service levels. 3. Process re-engineer and LEAN review CK in order to change the funding model and look at technological improvements. 4. Review current service processes. 	

Number of complaints received by Kent County Council			
Bold Steps Priority/Core Service Area	Customer Services	Ambition	Put the Citizen in Control
Directorate	Customer and Communities	Accountable Officer	Janice Hill
Division	Customer Services	Director (Interim)	Jill Rawlins

Complaints by Service area	Apr to Jun 2010	Jul to Aug 2010	Sep to Dec 2010	Jan to Mar 2011	Apr to Jun 2011	12 month Totals
Highways and Transportation	534	532	646	247	261	1,686
Adult Social Services	139	126	123	135	126	510
Children's services *	131	104	125	128		489
-- Education services					14	
-- Children's social care					118	
Insurance claims	96	49	51	220	56	376
Environment *	103	102	44	71		310
-- Waste management					68	
-- Countryside access					25	
Adult Education	32	49	38	32	33	152
Commercial Services	13	27	18	17	59	121
Libraries & Archives	45	25	23	23	47	118
Gateways and Contact centre	0	48	10	3	10	71
Other services	41	62	80	57	44	243
Total	1,134	1,124	1,158	933	870	4,085

* Breakdown of last year's data for children's services and environment into new organisational structures is not available.

Commentary

The number of complaints for the quarter were down 7% compared to last quarter and 23% compared to the same time last year.

The majority of complaints received by KCC relate to highways and transportation. Complaints in this area are down 51% compared to the same time last year and much of this is down to the work undertaken to reduce the backlog of pothole repairs and other maintenance work which had resulted from previous harsh winter weather. Related to this has been a reduction in complaints relating to insurance claims by 42% compared to the same time last year.

KCC Staff data

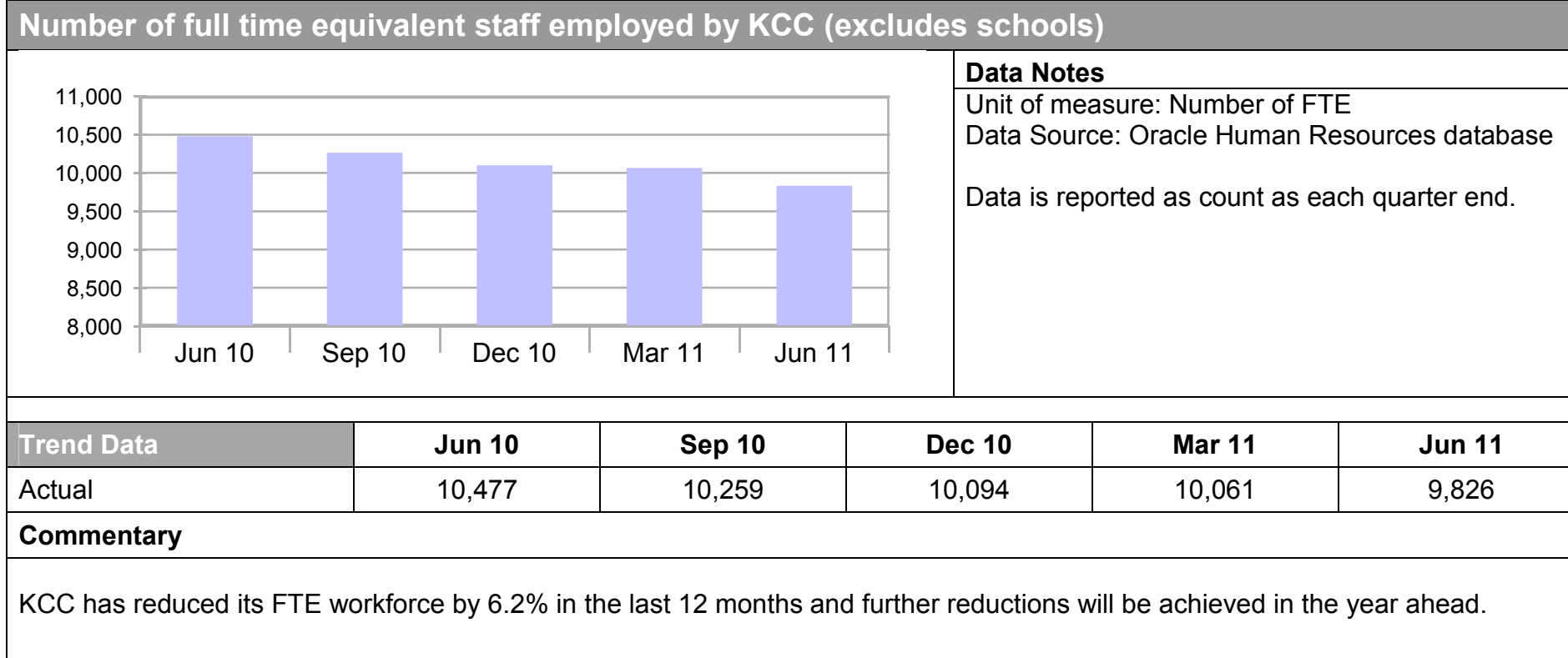
KCC Staffing levels (as at 30 June 2011)				
	Individual employment contracts	Headcount (inc CRSS)	Headcount (exc CRSS)	Full-time equivalent
Schools	32,829	27,206	24,407	16,653.0
Non Schools	14,916	13,501	11,662	9,826.4
KCC Total	47,745	40,484	35,971	26,479.3
Non Schools Workforce reductions compared with Mar 11	-414	-349	-282	-234.5
Directorates				
Business Strategy & Support	1,744	1,727	1,703	1,575.1
Education Learning & Skills	1,741	1,678	1,370	1,044.4
Families & Social Care	5,833	5,236	4,920	4,156.6
Customer & Communities	4,328	3,715	2,551	1,941.4
Enterprise & Environment*	1,270	1,256	1,167	1,109.0
Non-schools Total	14,916	13,501	11,662	9,826.4
* includes Commercial Services	668	661	652	621.1

Notes

CRSS = Staff on Casual Relief, Sessional or Supply contracts

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.



Other Data for Non Schools Staff	Year to Mar 11	Year to Jun 11	Year to Sep 11	Year to Dec 11	Year to Mar 12
Staff sickness levels (days lost per FTE)	7.8	7.7			
Staff Turnover rates (leavers as a percentage of headcount)	14.9%	15.2%			

KCC Risk Register

Risk Framework

The Council's risk management framework is in the process of being updated to take account of the organisational restructuring initiated by the Change to Keep Succeeding programme. The updated process will include:

- a revised risk management policy
- a new set of risk management procedures (which will be supported by topic specific guidance)
- a Risk Management Statement of Required Practice (SORP)
- the use of a Council-wide Risk Management System (Epiphany).

The above framework, which sets out the processes to be followed by all Kent staff, will be reviewed and approved during September. The SORP will also be approved in October and there will be a "soft launch" with staff in November.

The risk framework has been simplified to facilitate its use within new and evolving organisational structures, although it will remain consistent with the latest standard on risk management – ISO 31000. The framework will also support the Kent Manager concept and the responsibilities set out in the new internal control management framework.

Risk Function

Following the resignation of the Head of Audit and Risk, a soft market testing process was carried out. The outcome of this work was to confirm the Cabinet Member decision to split this senior role, and move the Risk Management function under the Director of Business Strategy. This provides for better alignment with the business planning function, policy setting and particularly performance management. It is expected that the risk management and performance management functions will eventually merge so that performance measurement can also take account of risk.

A new Head of Risk role will be recruited to, and in the short term the risk function will be strongly supported by an external supplier of risk management expertise. The external support will be utilised to kick start the agreed risk management framework and help with the embedding process. As well as a level of training support, the external work will ensure that Corporate, Directorate and Divisional Risk registers are in place, aligned to organisational objectives.

Risk Registers

Working on the assumption that the risk framework will be approved, work has commenced on developing a revised Corporate Risk Register, supported by Zurich Municipal. Members of the senior management teams were asked to assess certain risk themes

drawn from a recent Zurich report with research produced by Ipsos MORI. Cabinet and the Corporate Management Team have also conducted a similar exercise. The output from these two sessions will be used to create a Corporate Risk Register for further consultation with all elected members and managers.

Once the supplier for the external Risk Management support is selected, then work will commence with Directorate and Divisional Management Teams to develop their risk registers. This work will run in parallel to the development of business plans, with the substantive part of the work being completed before the end of the calendar year.

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To : Roger Gough
From : Katherine Kerswell and David Cockburn
Subject : Member briefing following PAT and DAT

Further to the agreement to develop our performance management framework at the Cabinet meeting of 20th June, 2011, the first meetings of the Performance Assurance Team and Delivery Assurance Team have been held. These two meetings form part of KCC's system of challenge and assurance and will focus monthly on examination of particular areas of performance, project delivery and risk.

Performance Assurance Team - Tuesday 28 June 2011

At its first meeting PAT called in two issues from Core Monitoring for detailed discussion.

Highway Repairs

The indicator for routine highway repairs completed within 28 days was called in due the Red RAG rating for the last quarter and because the target of 90% had not been achieved for any quarter in the last year.

A detailed paper was presented by John Burr and discussed by the group. The paper showed detail context data on backlogs and service demand levels.

The detailed data on backlog revealed a situation of continued improvement over the year. A year ago the repair backlog was twice the volume of the current monthly in-coming demand. The position as at June was a backlog less than 10% of the incoming monthly demand level.

The prognosis was that given the work to address the backlog, performance on the headline indicator would be improved for the quarter to June (actual performance for the quarter is 87% the highest rate achieved in over a year) and that performance would probably be rated Green ahead of target for the following quarter.

Discussion also focused on the current 28 day measure in comparison to a customer satisfaction measure. Cost of and validity of collection methodology is an important consideration and we will investigate options to develop more customer satisfaction measures going forward.

Risks : General deterioration in infrastructure against costs to replace would continue to be a pressure and this projects an increasing demand for repair year on year. An increase in demand over available resource from another harsh winter could potentially cause another increase in backlog and a consequent deterioration of performance. This risk is increased due to cuts to available funding. However to mitigate this, the new contract will allow more flexible use of resource which can be varied to levels of demand over the year. Resource level utilisation will need careful monitoring as we go into winter.

Contact Kent – calls answered within 20 seconds

This indicator was called due to a falling trend for three quarters in a row, leading to the indicator having fallen from a Green to an Amber RAG rating in the last quarter.

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Derek Smith presented a detailed paper which outlined demand and resource levels.

The report revealed that at the start of April, due to new services transferring into the contact centre and a reducing resource level, performance had been compromised and was running at below 50% (target 80%) and would therefore be rated Red for the quarter with little chance of this recovering until significant action and new resource input was made.

Following the meeting the issue was referred to CMT for a more detailed discussion who endorsed an immediate short-term increase in resource to assist with the situation and global communication to staff through K-net has also been put in place to highlight the problems being experiencing in the contact centre – demand exceeding available resource. A review of resourcing levels and processes is underway.

A detailed action plan for recovery has been prepared and is to be discussed at the next PAT meeting on 1 August. This includes a LEAN review of all business processes in the contact centre, a new three tier target level for different services (i.e. callers for non-critical services will have to accept longer waiting times), new funding mechanisms from service areas based on changing and actual demand levels and a review of base resource levels funding. A longer term contact centre strategy review has also been initiated with initial findings due in September/October.

Risks : There are significant reputation risks around this issue and significant risks going forward in terms of delivery of savings targets. Reducing demand on the contact centre in the future is dependent on the successful delivery of other strategies such as Channel shift.

Delivery Assurance Team - Tuesday 12 July 2011

At its inaugural meeting, DAT started to develop a programme dashboard and portfolio of projects for regular review, it called in two programmes for detailed discussion.

SORP Programme Overview

The SORP (Statements of Required Management Practice) Programme is a key programme in the Change to Keep Succeeding organisational transformation portfolio. DAT will assure effective delivery the programme and provide recommendations to CMT on each SORP prior to launch to managers and staff.

Liz Sanderson presented a detailed set of programme documents relating to 10 SORPs which are to be developed by April 2012 followed by active discussion of the mechanisms for communication, training and embedding.

Budget Savings 2011/12 Programme

Three red PIDs were called in by DAT for closer scrutiny:-

- PID 79 – Review of high cost cases
- PID 69b – Commissioning – reduction in Children’s Trust & Partnership development
- PID 91d – ELS Management Structures

Following robust discussion with accountable Directors, Andy Roberts and Alistair Pettigrew, DAT considered the original PID proposals to be longer deliverable as originally developed, replacement PIDs would be drawn up and presented to August DAT to deliver the savings in 2011/12.

Another paper, by Jeff Hawkins, proposed that there could be further middle office cost savings to be found. It was proposed that an external partner is appointed to assist KCC in drawing out additional savings. DAT advised that a business process change exercise that enables us to identify those efficiencies should be undertaken, rather than just another Resource Activity Analysis exercise. A presentation was subsequently provided to the Cabinet/CMT awayday on 19 July on FSC Middle Office Savings.

(Replacement PIDs have since been delivered to Governance & Audit Committee at the end of July) and the detail will be reviewed at the August meeting of DAT. Further PIDs will be selected in August for assurance at future DAT meetings.

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To : Roger Gough
From : Katherine Kerswell and David Cockburn
Subject: Member Briefing following PAT and DAT

Introduction

As part of the performance management framework agreed at Cabinet on 20 June 2011, a formal report is provided to the Cabinet Member for Business Strategy and Support and the Chairman of Governance and Audit Committee on the discussions that have taken place at each monthly meeting of the Performance Assurance Team (PAT) and Delivery Assurance Team (DAT). These two monthly meetings form part of KCC's internal system of control and the system of officer challenge and assurance and focus on examination of particular areas of performance, project delivery and risk.

This report covers the PAT meeting on 1 August and the DAT meeting on 9 August.

Performance Assurance Team – Monday 1 August 2011

PAT called in three issues from the latest quarterly Core Monitoring for detailed discussion.

Percentage of schools in special measures

The indicator was called in because the percentage has been increasing since June 2009 and the RAG rating changed from amber to red in the latest quarterly Core Monitoring. In June 2009 there were two schools in special measures. As at April 2011 there were 11, which is above the national rate.

A detailed paper was presented by Sue Rogers, Head of Standards and School Improvement, and discussed by PAT.

Part of the reason for the increase in the number of schools in special measures has been because of the Ofsted guidance changes.

As at 1 July there were 10 schools in special measures (and 6 with a notice to improve). KCC has been taking a different approach to how we support these schools and the expectation is that by December 2011 the number of schools in special measures will reduce to five.

Risks: The Ofsted framework is changing from January 2012. "Satisfactory" for the quality of teaching and learning will no longer be good enough. It will also focus on every single group of schools to enable every child to make progress. Demonstrating progress is critical.

Although much of the responsibility is down to the schools themselves, there are issues around the quality of premises, for example, which is the responsibility of the LEA. There is sometimes reluctance from schools to take children on who are

judged to be poor attenders or poor achievers (anything that could be detrimental to the school's ultimate performance).

In September 2011, the Kent Challenge will be launched which is a four year programme. The first two years will be high impact, followed by a two year sustainability programme with a heavy focus on the schools where there are concerns. Kent Challenge will help manage the risk of further schools going into special measures.

Officers are currently analysing KS2 and KS4 results to see where the vulnerable schools are, and as part of the Kent Challenge they will be looked at on the basis of the four issues that the new framework is based on. This will leave us with a list which we will review every 6 weeks, but there will be a particular risk to the Authority from January to July 2012.

PAT accepted this as suitable actions to bring the RED RAG rating back down.

Contact Kent – Calls answered within 20 seconds

Derek Smith attended to give a follow-up to discussions at the last PAT meeting on 28 June.

Since then a paper has gone to CMT on 12 July to look at how we can address these issues in the short-term. The target is answering 80% of calls in 20 seconds. The paper to CMT proposed that varying priorities are set dependent on the services and this has been used to see how we can focus on the services that require a quick response. As a result of the CMT decision, eight temporary FTE have been recruited and are currently being trained. Short term measures have also been put in place to suppress demand by redirecting certain calls away from Contact Kent and back to service delivery units. In addition, meetings have been held with external partners to address shortfalls in their financial contributions. There has been an improvement in this performance indicator since w/c 9 July.

Medium to longer term proposals have been formulated including re-engineering of the operations and a LEAN review. The terms of reference for the review are being finalised and will be discussed at the next PAT meeting on 31 August.

The four recommendations were discussed and supported by PAT to refer to CMT.

1. Introduce a 3 level service across KCC services (80/20, 70/30 and 60/40)
2. Invest a maximum of £460k pa in order to achieve the interim revised service levels;
3. Process re-engineer and LEAN review Contact Kent in order to change the funding model and look at technological improvements;
4. Review current service processes.

It was agreed that the £460k funding requirement should be discussed at CMT on 30 August in order to identify possible sources.

Risks: There are significant reputation risks around this issue and risks going forward in terms of delivery of savings targets for the MTFP. Reducing demand on

Contact Kent in the future is dependent on the successful delivery of other strategies such as the customer strategy and channel shift.

Energy efficiency and carbon reduction in the KCC estate

Carolyn McKenzie presented her paper which outlined the policy context and progress made towards decreasing carbon emissions and reducing energy costs in the KCC Estate, with a particular focus on buildings and street lighting. Eight recommendations as to future activity were given, and PAT was asked to approve the overall approach and provide advice on next steps.

PAT agreed that a proactive strategy needs to be developed. Carolyn was asked to further develop the PAT paper to go to CMT, including consultation on trade-offs for longer term investment, and recommending actions that would improve our key performance and behaviours. The paper will then go to Cabinet Members in September.

Risks: Energy prices are continuing to rise and over the last seven years the cost of KCC's energy has more than doubled to over £25m in 2010, with a forecast rise to around £47m in 2020, or £53m if use continues to increase.

Over the last year since the change in government, the policy environment in relation to carbon emissions in the public sector estate has changed significantly and is still in a considerable state of flux with increasing expectations for local government. The national carbon targets have been raised to a 50% reduction by 2025 which is very challenging, and carbon emissions in the local authority estate is one of the remaining indicators in the national Single Performance Indicator List.

Delivery Assurance Team - Tuesday 9 August 2011

DAT has started to develop a programme dashboard and portfolio of projects for regular review. At this meeting it called in two programmes for detailed stage reviews and discussion.

SORP 1 – Performance Management

The SORP (Statements of Required Management Practice) Programme is a key part of the Change to Keep Succeeding programme. DAT will assure effective delivery of the programme and approve each SORP prior to its launch to managers and staff.

Sue Garton attended the meeting to discuss SORP 1 - Performance Management which was for approval by DAT at this meeting. It has been consulted on widely, including three staff workshops and was also presented to the last meeting of DAT. As it stands, it is a very good final draft which sets out the context with 12 crucial standards of performance management. It also sets out roles and responsibilities. Following DAT approval it will be circulated via KNet (11 August). Over the next four months we will seek feedback on its practicality and publish a final version around Christmas. There will then follow an annual review.

There will be alignment work to do as more SORPs are finalised and a “how to” guidance will be developed.

DAT approved SORP 1 at the meeting.

Organisational Development Plan

Amanda Beer attended this meeting to present her two papers – OD Communications Plan; and Values and Behaviours. As part of the Change to Keep Succeeding programme, a number of strands of activity necessary to enable our staff to deliver Bold Steps for Kent and enhance KCC’s place as an employer of choice have been identified and action plans developed for each. These strands come together to form KCC’s Organisational Development (OD) Plan.

The OD plan is about more than the HR/people management, and involves internal communication; branding; the working environment, including accommodation and equipment; and business processes and standards.

DAT was asked to comment on the OD plan and agree the communications plan, which was done at this meeting. PAT and DAT (as appropriate) will challenge and review progress against the planned outcomes at future meetings.

DAT were also asked to note progress on agreeing values and behaviours for KCC. As part of the Change to Keep Succeeding programme, a set of leadership behavioural competencies for senior staff were agreed by the County Council in December 2010. These had been the subject of a broad consultation exercise. A new consultation exercise involving over 400 KCC staff has also taken place to design the Leadership Behaviours and competencies for the rest of KCC staff based around that original set.

DAT was invited to support these values so that they can be formally confirmed at CMT on 23 August for launch with the behaviours in September. DAT agreed with the concept of the values but asked Amanda Beer to review the descriptors in the light of DAT’s discussions.

Budget Savings 2011/12 Programme

Three red PIDs were called back in by DAT for closer scrutiny following discussions at the last meeting:-

- Replacement to PID 79 – Review of high cost cases
- Replacement to PID 69b – Commissioning – reduction in Children’s Trust & Partnership development
- Replacement PID 91d – ELS Management Structures

For PID 79, Alastair Pettigrew was off sick and DAT was asked to feed any comments on the paper back to Alastair. DAT agreed that the PID had to be completely re-written to make it deliverable. DAT asked that Malcolm Newsam bring the rewritten PID back to the next meeting.

Keith Abbott was unavailable to attend the meeting so PIDs 69b and 100 will come back to the next DAT meeting. DAT noted that the governance for the approval of any replacement PIDS is via the member IMG and Cabinet Member for Finance and Procurement and then Cabinet.

Balanced scorecard and business planning

Potential best practice approaches to business planning aligned to performance management were discussed in the framework of a balanced scorecard. There was strong support endorsing the development of a 'storyboard' to help communicate the Bold Steps for Kent priorities consistently across the organisation. This was to be raised at CMT prior to a key discussion with Cabinet it was hoped at the next awayday.

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By: Graham Gibbens, Cabinet Member, Adult Social Care & Public Health
 Malcolm Newsam, Interim Corporate Director, Families & Social Care

To: Cabinet – 19 September 2011

Subject: **CHARGING POLICY FOR HOME CARE AND OTHER NON-RESIDENTIAL SERVICES (DOMICILIARY CHARGING POLICY)**

Classification: Unrestricted

Summary: A decision to change the Council's Charging Policy for non-residential services was confirmed on 17 February 2011, when the County Council approved the budget for 2011-2012. Kent County Council's Non-residential Charging Policy has historically been more generous when compared to other local authorities. The changes agreed by the County Council will bring Kent into line with similar authorities and will continue to be compliant with the Government's Fairer Charging Guidance.

The Council is required to undertake a consultation with users on the impact of this decision and have regard to the findings of that consultation before coming to a final view. Consultation on the details of the policy was undertaken between 9 May 2011 and 31 July 2011 to assess the impact of the policy changes on service users prior to the implementation of the policy.

This report presents the results of that consultation, considers its implications for service users and any impact on inequalities.

FOR DECISION Cabinet is asked to agree that the Cabinet Member for Adult Social Care and Public Health should take the final decision to implement the revised charging policy, after taking into account the views expressed in this report and any further views put forward by Members of the Cabinet at its meeting on 19 September 2011 and the Adult Social Care and Public Health Policy Overview and Scrutiny Committee at its meeting on 20 September 2011.

Introduction

1. (1) A decision to change the Council's Charging Policy for non-residential services was confirmed on 17 February 2011, when the County Council approved the budget for 2011-2012. This included a provision to raise additional income of £2.954m through making changes to the Non-residential Charging Policy. The Council is required to undertake a consultation with users on the impact of this decision before coming to a final view. The purpose of this report is to provide Cabinet with the analysis of the response to the consultation on the impact of the changes to KCC's Charging Policy for Home Care and other non-residential services (Domiciliary Charging Policy). The consultation took

place between 9 May 2011 and 31 July 2011. The decision in relation to this policy was included in the Forward Plan on 18 March 2011, covering the period 1 April 2011 to 30 September 2011.

(2) The consultation exercise was carried out to do two things. First to inform people about the details of the proposed policy changes and, secondly, to invite the views of service users and carers so that the Council could better understand the direct impact of those changes on them, and take into account those views when reaching its final decision. The consultation programme included writing to existing and prospective service users, Kent County Council Members, Kent Members of Parliament, Voluntary Sector organisations, District/Borough Councils, NHS partners and Families and Social Care staff. It also included presentations to Members at a briefing meeting on 18 May 2011 and to the then Adult Social Services and Public Health Overview and Scrutiny Committee, on 7 July 2011. In addition a total of 16 public consultation meetings were held as part of the listening exercise.

(3) The revised Non-Residential Charging Policy is based on good practice and is in line with the Government's Fairer Charging Guidance. This policy is also in-step with that of many other local authorities in respect of their charging policy on non-residential services.

(4) Kent is one of the few local authorities nationally that has eligibility criteria set at the moderate level for determining who can have adult social care support.

Policy Context

2. (1) The Health and Social Services and Social Security Adjudications Act 1983, specifically section 17, grants councils a discretionary power to charge people in receipt of non-residential services. This provides the policy framework within which councils may recover some charges in respect of home care and other non-residential services. Kent, along with almost all Councils with Adult Social Services Responsibilities in England, has used this power to charge for services that fall within this policy framework.

(2) The relevant Department of Health (DH) guidance documents covering this policy are the 'Fairer Charging Policies for Home Care and other non-residential Social Services (2003)' and the 'Fairer Contributions Guidance (2010)' both of which were issued under section 7 of the Local Authority Social Services Act 1970. This means that councils are required to apply them unless they can demonstrate compelling reasons for departing from the guidance. The 2010 'Fairer Contributions Guidance' does not supersede the earlier 'Fairer Charging Guidance'. It simply supplements the earlier guidance by explaining how it should apply to the new concept of Personal Budgets, in particular how to work out the chargeable component of the Personal Budget.

(3) The 'Fairer Charging – Guidance for Councils with Adult Social Services Responsibilities (2003)', requires that charging policies should not reduce the net income of service recipients below the protected basic levels of Income Support or the Guarantee Pension Credit, plus a buffer of 25%. In Kent we call this the Protected Income Level.

(4) In addition to the Protected Income Level, the guidance also states that when disability-related benefits (such as Attendance Allowance and Disability Living Allowance) are taken into account in the charging assessment, councils must consider what Disability Related Expenditure (DRE) a person has. This must then be added to the

Protected Income Level. KCC provides a standard disability-related expenditure allowance for all service users, and not just for those receiving disability related benefits as required by the Government guidance. In addition, people have the right to have a detailed individual disability-related assessment. On top of the DRE the guidance states that housing costs (net of any benefit) are also deducted from a service user's income.

(5) After the above deductions have been made, councils have discretion to decide the percentage of available income which may be taken into account, when working out a person's contribution towards the services they receive. The current maximum percentage of available income for charging purposes set by Kent is 85%. It is noted that neighbouring authorities including Medway, East Sussex, West Sussex, Bexley, Croydon, Bromley, Brighton & Hove and Buckingham take 100% of the available income into account. Surrey, Essex and Hampshire have set theirs at 80%, 90% and 95% respectively.

Overview of the current Charging Policy

3. (1) Firstly, individuals are assessed to see how much capital (savings and other assets) they have (excluding the value of the home they currently live in). If they have more than £23,250 they will be expected to pay the full cost of their domiciliary care and will not be entitled to a Direct Payment from KCC.

(2) Individuals who have less than £23,250 will be assessed on their income. After certain amounts (the Protected Income Level, the DRE, housing costs and certain other deductions in individual cases) have been deducted from this income they will be left with an amount that is "available" for charging (also known as "disposable income").

(3) The actual charge is worked out by comparing 85% of the disposable income to the cost of their care/Personal Budget. The charge is whichever is the lower figure. If the service user is one of a couple then a couple's assessment is offered to see if this results in a lower charge.

(4) Information on the contribution profile of existing service users, as at 31 July 2011, indicates that 40% (approximately 4 in 10) of people who receive domiciliary support services are assessed as not required to pay any charge. This is because, after all the deductions referred to above, they have no income available for charging. A further 50% (approximately 5 in 10), are assessed as being able to make some contribution towards their services. Finally, 10% (approximately 1 in 10) are assessed as being able to pay the full cost of their services as a result of having savings above the threshold of £23,250 or the cost of the service is less than their assessed charge. The value of the home is not taken into account when calculating the charge.

(5) Advice on benefits and benefit maximisation is an important part of the service which the county council staff such as the Finance and Benefit Officers provide. These specialist officers play a key role in ensuring that people claim all the benefits they are entitled to.

(6) The current policy is known as the Domiciliary Charging Policy with the corresponding public information booklet known as Charging for Care Provided at Home. The DH guidance mentioned earlier, is titled 'Fairer Charging Policies for Home Care and other non-residential Social Services'. Charges can be recovered for services that are provided both in and outside of the home. For the avoidance of confusion, it is proposed

that the Domiciliary Charging Policy should be renamed Non-residential Charging Policy, and that, the Charging for Care Provided at Home public information booklet, should also be amended to reflect this change.

Consultation and Communication

4. (1) The duty to inform, consult and involve, introduced by the Local Government and Public Involvement in Health Act 2002, came into force as a statutory duty placed on all councils in April 2009. The Fairer Charging Guidance (2003) also requires councils to consult with service users and carers about charging policies including any increases or changes in charges. The guidance further states that 'where changes in charging policy would result in significant increases in charge for some users, this should be specifically explained and considered as part of the consultation'.

(2) The consultation undertaken by KCC, followed the 'Cabinet Office Code of Practice on Consultation' and the Fairer Charging Guidance. The consultation was undertaken over a 12 week period from 9 May 2011 to 31 July 2011. The full 'Consultation Analysis Report', which contains details of the outcome of the consultation, is attached to this report (Appendix A). In line with good practice and the commitment given during the consultation exercise, the response to the consultation will be published on the KCC website at www.kent.gov.uk/fsccharging. The report will also be made available to any interested persons or a representative group that requests it. There is also facility to provide the report in different formats on request.

(3) People have expressed mixed views to the consultation, which was principally about understanding the impact of the policy decision on service users. The summary of the response from the consultation to each of the eight questions is set out below.

Feedback on each of the proposals

Proposal 1 – Charge people who use mental health services in the same way as all other people in receipt of services

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
2496 37%	2593 38%	709 11%	769 11%	199 3%

Proposal 2 – Include day care and transport as part of the services that can be charged

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
2277 34%	3042 45%	677 10%	593 9%	177 2%

Proposal 3 – Increase the amount of available income that is taken into account when working out a person's charge from 85% to 100%

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
1397 21%	4011 59%	591 9%	577 8%	190 3%

Proposal 4 – Reduce the standard amount allowed for the Disability Related Expenditure Assessment from £21 per week to £17 per week for everyone

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
1365 20%	3957 59%	653 10%	620 9%	171 2%

Understanding how the proposed changes may affect people

Respondents who contribute at present

Pay nothing	Pay a charge	Pay full cost	Does not apply	Don't know	Missing data
2206	1801	481	1230	595	453

How respondents say the proposals will affect them

Doesn't affect them	Affects them a little	Affects them a lot	Don't know	Missing data
1597	1284	1437	2043	405

What impact people considered the changes will have on the number of people who receive care

More people can be helped	The same number will be helped	Fewer people will be helped	Not sure	Missing data
767	653	2749	2268	329

Financial Implications

5. (1) As mentioned earlier in paragraph 1.1 above, the County Council budget for 2011-12 assumed that additional income of £1.477m would be raised through charges to the Non-residential Charging Policy for Adult Social Services. This amount increases to £2.954m in a full year. The achievement of £1.477m in 2011/12 assumed implementation in October 2011.

(2) The breakdown of how this was anticipated to be achieved is as follows:

2011/12	Full	Year
	2012/13	

a) Charge for certain mental health services	£0.080m	£0.160m
b) Charge for day care and transport	<u>£0.350m</u>	<u>£0.700m</u>
c) Increasing the % of available income taken into account from 85% to 100%.	<u>£0.675m</u>	<u>£1.350m</u>
d) Reducing the standard disability – related expenditure allowance from £21 per week to £17 per week.	<u>£0.372m</u>	<u>£0.744m</u>
Total	<u>£1.477m</u>	<u>£2.954m</u>

(3)

(i) Should Cabinet approve the recommendation it is proposed to implement the changes with regard to increasing the % of available income and reducing the DREA with effect from 12 December 2011. This means that the actual income anticipated will be as follows:

a) Increase in % of available income taken into account	£415k
b) Reduction in standard DREA to £17 a week	£229k

This equates to a shortfall of £403k income against the £1,047k anticipated.

(ii) It was also decided prior to the consultation commencing that additional time would be required to fully assess those users affected by the introduction of charging for certain mental health services, day care and transport. Therefore the implementation of these changes will be delayed until April 2012 resulting in none of the anticipated savings of £430k being made in 2011-12.

(iii) If the implementation dates shown above are agreed, the total resulting overspend in the current year will be £833k. This is already reflected in the figures in the quarterly budget monitoring report elsewhere on this agenda.

Legal Implications

6. (1) The public sector equality duty created by section 1 of the Equality Act 2000 came into force on 5 April 2011. The section provides that:

"An authority to which this section applies [which includes county councils] must, when making decisions of a strategic nature about how to exercise its functions, have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage"

(2) Section 149 of the Act provides that:

A public authority must, in the exercise of its functions, have due regard to the need to

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(3) Cabinet's attention is drawn to the equality duties. The county council may have formed a provisional view, but it is essential that the possibility that the consultation process may affect that view is acknowledged. The decision, when it is taken, should pay due regard to the equality impact assessment, and must relate whatever decision is made to that assessment and, if it is not following it, or if it is choosing not to accept the views of those consulted, it must record the reasons for doing so. A proper assessment of alternative proposals or of actions that could be taken to mitigate the effect of the policy must be considered.

Equality Impact Assessments

7. (1) In line with the public sector equality duty and KCC's Equality Impact Assessment Policy, an assessment was carried out during the policy formulation stage. The impact assessment was later revised when the consultation closed and following the analysis of the consultation response to address issues that arose during the formal consultation process.

(2) There is a clear requirement on all public bodies to comply with the 'due regard' duties. Cabinet is advised of the need to take account of the impact of the decision to implement the policy and consider practical measures that might lessen the impact on existing service users who pay a charge and those who will come into the charging scheme for the first time. The disability equality duty is at its most important when decisions are taken which directly affect disabled people. The consideration of equality issues must inform the decisions reached by Cabinet. Furthermore, it will not be adequate that the decision-maker has considered an impact assessment by itself. The decision-maker must address their mind to the statutory duty. The impact assessment can assist in ensuring that the decision-maker comes to a decision with reference to 'due regard' and is able to do so in a considered and informed manner (Appendix B).

(3) The decision to make changes to the non-residential charging policy may have a cumulative effect on particular service users. This would affect some service users who currently make a contribution. It would also affect people who use services that would come into the charging scheme for the first time. It is estimated that changes to the percentage of available income taken into account and the reduction to the standard disability-related expenditure allowance will broadly affect about 3400 service users. Approximately 250 people who currently do not contribute towards their support package will pay up to £4 per week as a result. The introduction of charges for some mental health service users may affect about 560 service users. Bringing day care and transport into the charging scheme is estimated to affect about 1100 people.

(4) People in receipt of disability-related benefits have a right to receive an individual disability-related expenditure assessment, which may result in higher disability-related allowance provision than the standard amount. This would then reduce their charge and may counteract the effect of the proposed changes.

(5) It is considered that other specific groups with protected characteristics (based on gender, ethnicity, religion or belief and sexual orientation) will not be disadvantaged by the changes.

(6) A number of practical measures will be put in place to help address difficulties faced by people as a result of the policy changes. These include:

- Promote and make available individual disability related expenditure assessments;
- Drive up benefit maximisation and ensure that people claim the benefits they are entitled to through Finance and Benefits Officers;
- Continue to offer enablement services in the face of emerging evidence that people require less support at the end of the enablement period;
- Retain managers' discretion to apply exceptional disregards in individual circumstances.

(7) The operation of the policy will be carefully monitored for the first year. In particular teams will monitor the following:

- the number of people refusing or cutting down on services as a result of charging and take steps to work with them;
- the level of service user debt on domiciliary care from the point that the policy comes into effect;
- the level of service user complaints due to the implementation of the charging policy;
- the charging profile of service users (those who pay nothing, pay some contribution and pay the full cost).

Sustainability Implications

8. (1) The policy changes have been assessed against the five principles of sustainability and the evaluation has not identified any negative sustainability implications.

Alternatives and Options

9. (1) If these policy changes are not approved then there will be a requirement to find savings of approximately £3 million from some other source.

Risk and Business Continuity Management

10. (1) Reputational risks, if any, relate to the potential challenge that could be mounted against the decision. Detailed planning work puts the Council in a good position to manage all operational issues associated with the implementation of the policy, if a decision to that effect is taken. The Policy and the Public Information Booklet will be revised and will be put in place should approval to adopt the policy be given.

Conclusion

11. (1) This report, has presented the result of the consultation on changes to Kent's Domiciliary Charging Policy. The consultation followed the 'Cabinet Office Code of Practice on Consultation' and, the Fairer Charging Guidance over a 12 week period. The consultation responses have been analysed in a paper attached to this report.

(2) The outcome of the consultation has shown that there has been a mixed response from service users and carers. In addition, to the summary of the consultation response described above, analyses of the written comments and the views expressed at the public meetings have been grouped under key themes. The top three themes centre on general concern about paying for services, particular issues for some mental health service users and a recognition that charges may increase if current levels of services are to continue.

(3) Changes to the Non-residential Charging Policy are within the law and the Government's Fairer Charging Guidance. In many respects, it brings the Council's Non-residential Charging Policy more in line with that of neighbouring local authorities.

(4) The revenue budget for 2011 – 2012 factored in changes to the non-residential charging policy, to raise additional income of £2.954m (in a full year). Kent's eligibility criterion for adult social care has been kept at the 'moderate' level which means that as many people as possible can be supported.

(5) The obligation to comply with the 'due regard' duties placed on councils has been set out in section 6 of this report. Cabinet's attention is drawn to the need to take account of the impact of the decision to implement the policy. A number of practical measures are proposed to help address difficulties faced by people as a result of the policy changes.

(6) The current policy is known as the Domiciliary Charging Policy with the corresponding public information booklet known as Charging for Care Provided at Home. The DH guidance mentioned earlier, is titled 'Fairer Charging Policies for Home Care and other non-residential Social Services'. Charges can be recovered for services that are provided both in and outside of the home. For the avoidance of confusion, it is proposed that the Domiciliary Charging Policy should be renamed Non-residential Charging Policy, and that, the Charging for Care Provided at Home public information booklet, should also be amended to reflect this change.

(7) Cabinet is asked to consider the contents of this report prior to coming to a final decision on the implementation of the policy as set out in the main recommendation below.

Recommendations

12. (1) Cabinet is asked to:
- a) **AGREE** that the Cabinet Member for Adult Social Care and Public Health take the final decision to implement the revised charging policy after taking into account the views expressed in this report and any further views put forward by Members of the Cabinet at its meeting on 19 September 2011 and the Adult Social Care and Public Health Policy Overview and Scrutiny Committee at its meeting on 20 September 2011.
 - b) **AGREE** that the Cabinet Member for Adult Social Care and Public Health will take the decision to approve the proposed change of name of the policy.

Appendices:

Appendix A: Consultation Analysis Report

Appendix B: Equality Impact Assessment

Background Documents:

Consultation on Non – residential Charging Policy Presentation, Adult Social Services and Public Health Policy Overview and Scrutiny Committee, 7 July 2011.

Non – Residential Charging Policy Changes Report, Adult Social Services and Public Health Policy Overview and Scrutiny Committee, 7 April 2011.

Contact details

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Proposed changes to Kent County Council's charging policy for non-residential services



Consultation analysis report
12 September 2011

Policy:

Charging policy for non-residential services

Document Purpose:

Consultation analysis report

Ref:

BSS/FSC/012/09/11

Title:

Proposed Changes to Kent County Council's charging policy for non-residential services - consultation analysis report.

Authors:

Jeremy Blackman, Service Development and Projects Manager
Janice Grant, Senior Policy Manager - adults.

Publication date:

12 September 2011

Target Audience:

Kent County Council Members, service users, carers, user and carer groups, adult social services, Directorate Management Team, senior managers, team leads/managers, staff and general public.

Circulation List:

Sent out via e-mail, internal and external websites and by post

Description:

Fairer Charging Policy in line with the Local Authority Circular LAC (2001)32

Contact Details:

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1. Executive Summary

1.1 Introduction

Statutory guidance requires local authorities to undertake a consultation exercise when a change in policy would result in significant changes for some service users. Where this is the case the proposals should be fully explained and considered alongside the potential impact.

The consultation exercise on the proposed changes to the non-residential charging policy has therefore been designed to do the following;

- To inform people about the proposals
- To understand how the proposals may affect people
- To seek the views of users and carers prior to the implementation of changes.

This report provides an analysis of the responses to the consultation which took place between 9 May 2011 and 31 July 2011 as set out in the consultation letter and questionnaire dated 9 May 2011⁽¹⁾.

The report will be submitted to the Families and Social Care Directorate Management Team and KCC Members for their consideration in September 2011. The analysis of the consultation responses contained in this report, the views on the proposals and any alternatives suggested by respondents will be used to inform the final decision.

In the light of the increasing demand for services and the need to make savings as a result of the current financial climate, KCC has had to make decisions that both save money and protect front line services. In order to continue to provide the current levels of care and support the council must therefore raise additional income.

KCC Members want to continue to provide services for people at current levels. This should enable people to remain well and independent for longer, which is better for them and will ultimately be more cost effective.

Under KCC's current charging policy and based on the information available, of those who receive care in the community 40% are assessed as not having to pay a charge, 50% are assessed as able to make some contribution towards the cost of their care and 10% are assessed as having to pay the full cost of their service.

It is recognised that there will always be some people who will have financial difficulties and every effort will be made to help people to maximise their benefits. This will be done at the same time as undertaking their means tested financial assessment, to assess how much they should contribute to the cost of their care. Therefore it is important to state that a means tested financial assessment should be done for everyone before any changes to their charges are implemented.

1.2. The process

The consultation used four separate methods to gather the views of individuals and organisations - written, telephone, online, and public meetings. In total 24985 questionnaires were sent to services users, carers and voluntary sector organisations including user and carer groups. People assessed for services after the start of the consultation were also provided with copies of the consultation documentation and invited to comment.

KCC received 6766 submissions consisting of 6540 returned paper questionnaires and 226 completed online of which 1428 had also made written comments. The total response rate to the questionnaires sent out was 27%.

In addition, comments were recorded as part of the sixteen public meetings held around the county which were attended by 345 people and these have been summarised in Appendix 2.

1.3. Summary of responses to the questionnaire

Proposal 1 – Charge people who use mental health services in the same way as all other people in receipt of services.

Of the 6766 returns:

- 2496 (37%) of people agreed with this proposal
- 2593 (38%) disagreed
- 1677 (25%) neither agreed nor disagreed, did not know or did not answer the question ⁽³⁾.

Proposal 2 – Include day care and transport as part of the services that can be charged.

Of the 6766 returns:

- 2277 (34%) of people agreed with this proposal
- 3042 (45%) disagreed
- 1447 (21%) neither agreed nor disagreed, did not know or did not answer the question ⁽³⁾.

Proposal 3 – Increase the amount of available income that is taken into account when working out a person's charge from 85% to 100%.

Of the 6766 returns:

- 1397 (21%) of people agreed with this proposal
- 4011 (59%) disagreed
- 1358 (20%) neither agreed nor disagreed, did not know or did not answer the question ⁽³⁾.

Proposal 4 – Reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for every one.

Of the 6766 returns:

- 1365 (20%) of people agreed with this proposal
- 3957 (59%) disagreed
- 1444 (21%) neither agreed nor disagreed, did not know or did not answer the question ⁽³⁾.

1.4. Feedback

The questionnaire provided an opportunity for people to comment, or provide alternative proposals in a free text field. These comments have been analysed and broken down into 12 categories which are summarised in section 6 of this report. Feedback from each of the public meetings was also recorded and have been summarised in appendix 2⁽²⁾.

1. See Appendix 1 consultation letter and questionnaire
2. See Appendix 2 summary of comments from public meetings.
3. See section 5 for full breakdown

2. Equality Impact Assessment

The Public Sector Equality Duty in the Equality Act 2000 requires public authorities, in the exercise of their functions, to have due regard to the need to:

- A. Eliminate discrimination, harassment, victimisation and any other conduct which is prohibited by or under the Act;
- B. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- C. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

An Equality Impact Assessment was completed prior to commencing the consultation. The Equality Impact Assessment was then reviewed during and after the consultation to enable KCC to respond to any new issues that arose during the consultation and ensure no groups were disadvantaged.

The questionnaire asked specific questions about the impact the proposals may have and also offered individuals the opportunity to identify any group to which they belong to enable the council to understand if the proposed changes treated any groups unfairly.

It is important that the final decision is fully informed and considered in the light of the impact assessment.

3. Consultation Purpose

The Kent County Council Budget 2011/12 was presented to Cabinet Members on 2 February 2011 and was then approved at a full meeting of the county council on the 17 February 2011. This included increasing income by making changes to the way charges for non-residential services were calculated but did not include the details of how policy would be changed. These proposals provide the detail of the proposed changes in order to increase income in accordance with the decision made at full council. The current policy is based on a careful assessment of a person's circumstances and his or her ability to pay. Charges are then based on a comparison between a person's available income for charging purposes and the cost of their package which ever is the lower. It is important to note that this fundamental principal will not change.

The purpose of the consultation was to seek the views of service users, carers, service user representatives and user groups on the following proposals and understand the impact the proposed changes may have on individuals. These proposals are to;

- charge people who use mental health services in the same way as all other people in receipt of services
- include day care and transport as part of the services that can be charged
- increase the amount of available income that is taken into account when working out a person's charge from 85% to 100%
- reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for every one.

4. Methodology

A report on the proposals and consultation was debated at the Adult Social Services and Public Health Policy and Overview Committee meeting on 7 April 2011.

The consultation was undertaken over a 12-week period between 9 May 2011 and 31 July 2011 and consisted of four separate methods.

Written consultation – a letter explaining why we were consulting and a questionnaire giving details on each of the proposals was sent to all service users, those acting on behalf of someone receiving services and those representing a user or carer group.

In addition to this we also wrote to people known to adult social services who might need a service in the future or had received a service in the past.

People who were assessed and who received services during the consultation period were also provided with consultation documentation to enable them to respond.

Mr. Graham Gibbens, Cabinet Member for Adult Social Care and Public Health also wrote to Kent County Councillors and Kent Members of Parliament to inform them of the consultation exercise and the proposed changes to the policy to ensure they were able to provide constituents with informed advice and support.

Telephone Hotline – a dedicated Free-phone number (0800 298 6002) was set up to answer questions and to assist people in completing the questionnaire over the telephone.

Online consultation – a dedicated online consultation page was set up on the KCC website which provided information as well as the option to complete the questionnaire online.

Public meeting consultation – information regarding three initial public meetings was included with the letters and questionnaires, which went out in May 2011. Additional presentations and public meetings were arranged in response to public and organisational requests.

- Older Persons Development Forum Tunbridge Wells 13 May
- Learning Disability Partnership Board 19 May
- Ashford Enterprise Centre, Kennington, 2 June
- Dover Discovery Centre, Market Square, 7 June
- Directorate Involvement Group 9 June
- Lecture Theatre, County Hall, Maidstone 22 June

• Northdown House, Margate	23	June
• Camden Centre, Tunbridge Wells	30	June
• Dover District Disability Group	4	July
• Thanet Local Board	5	July
• Guru Nanak Day Centre, Gravesend	13	July
• Council Chambers, Gravesham Borough Council	13	July
• West Kent Area Involvement Group, Maidstone	12	July
• East Kent Area Involvement Group, Herne Bay	14	July
• K College, Ashford	27	July
• Willow Day Centre, Sittingbourne	29	July

Margaret Howard, Director of Learning Disability and Mental Health and Anne Tidmarsh, Director of Older People and Physical Disability chaired the meetings. Graham Gibbens, Cabinet Member for Adult Social Care and Public Health, and Peter Lake, Deputy Cabinet Member for Adult Social Care and Public Health were the key note speakers with Michael Thomas-Sam, Head of Policy and Service Standards (Adult Social Care).

An update on the consultation was provided to the Adult Social Services and Public Health Policy and Overview Committee meeting on the 7 July 2011.

5. Responses to the proposals

5.1. Overall response to the consultation

We received 6766 responses to the 24985 questionnaires sent out, which represented a response rate of 27%. The following analysis has been undertaken in respect of completed questionnaires. Where an individual question has not been answered then this has been recorded as missing data. During the consultation period presentations were made at 16 public meetings attended by 345 people; the contact centre also took 932 calls directly relating to the consultation.

Chart 1: **Geographic distribution**

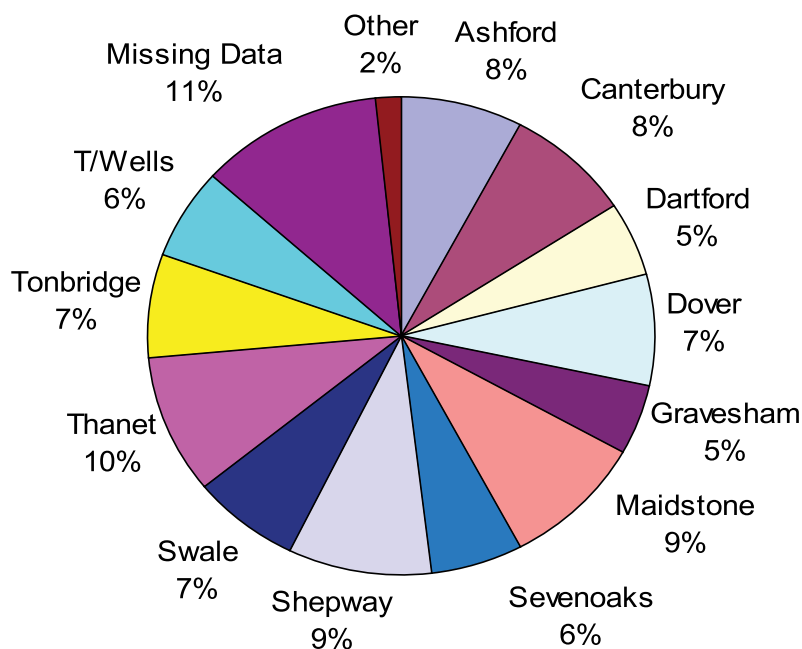
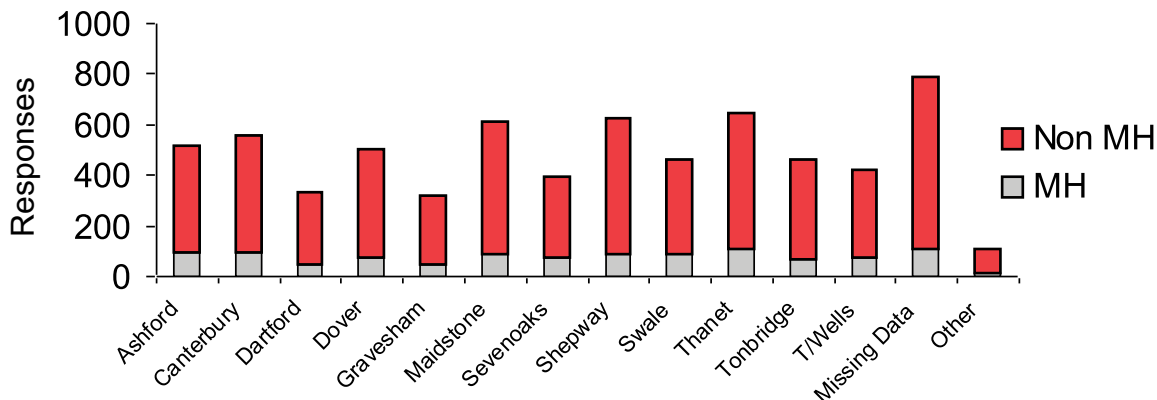


Chart 1 above shows the distribution of responses received from across the county which are relatively evenly spread.

5.2. Demographic data

Chart 2 : **Mental health responses as a proportion of the total responses**



Proposal 1 was to introduce charging for Mental Health services, it was therefore important to understand the number of responses from people who may be affected by this proposal. Chart 2 gives the same district data showing mental health as a proportion of the total.

The 'other' category indicates that the respondent has put down a non standard response, i.e. Kent or an out of county district as opposed to the district from which the service user resides.

Chart 3: **Total response rate by district** (ranked by size of district)

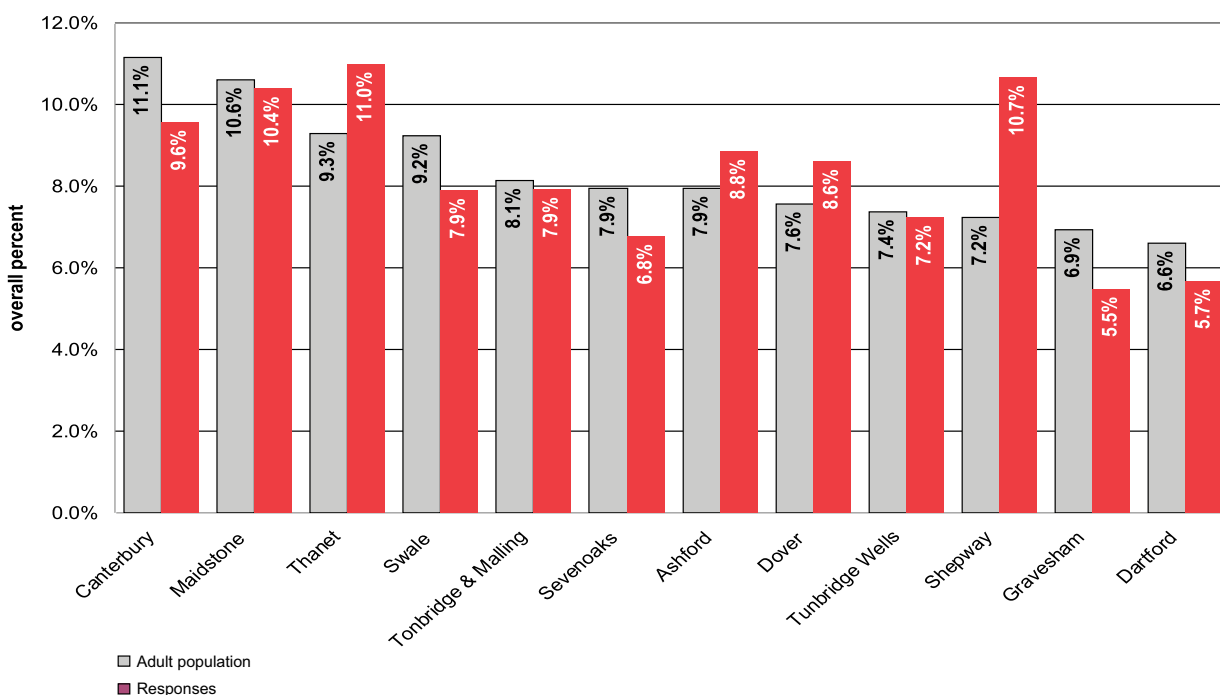


Chart 3 compares the proportion of responses received to the questionnaire by district alongside the proportion of the over 18 adult population of the county. Thanet, Ashford, Dover and Shepway show a higher response rate proportionate to their population i.e. Shepway represents 7.2% of the County's population but 10.7% of the responses, this is not unexpected as these districts contain a larger proportion of the county's service users. Conversely, while Maidstone and Tunbridge Wells show a response rate consistent with their population one would expect to see a lower figure of responses as they have a smaller proportion of service users.

Overall the distribution of responses indicates that it is proportionate to the general adult population of the county having taken into account the distribution of service users.

Chart 4: **Age band of respondents**

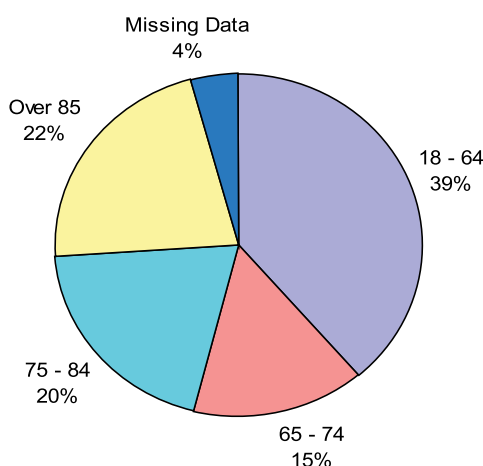
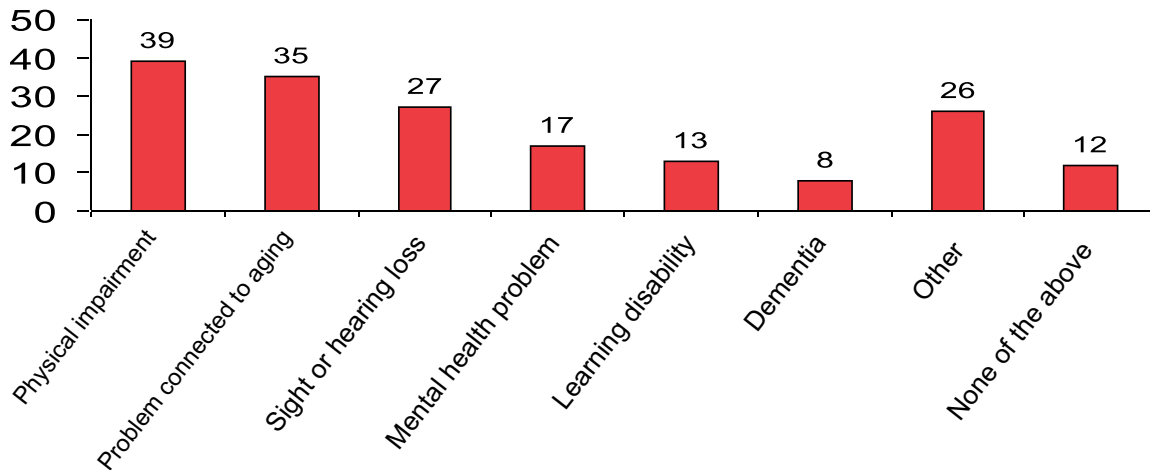


Chart 4 provides a breakdown of the respondents by age band and shows that there was a representative sample across each group.

Chart 5: **Percentage of respondents by client condition**



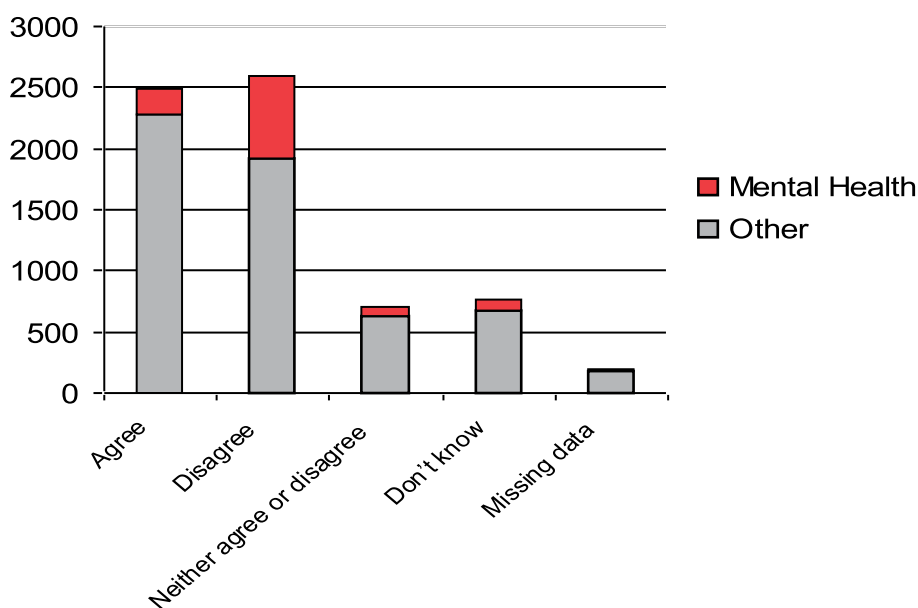
Of the 6766 responses received 6356 people identified which of the above conditions they thought applied to them. The chart above shows the percentage under each condition and will add up to more than 100 percent as people had the option of ticking more than one box and some have multiple conditions/ impairments.

5.3. Responses to the Proposals

The following data shows how people responded to each of the individual consultation proposals.

Proposal 1 – Charge people who use mental health services in the same way as all other people in receipt of services.

Responses to proposal 1



The above chart shows how people responded to proposal 1 with mental health service user responses shown as a subset of the total.

All respondents

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
2496 37%	2593 38%	709 11%	769 11%	199 3%

Respondents with a mental health problem or illness

Agree	Disagree	Neither agree or disagree	Don't know	Missing data
210 20%	668 62%	85 8%	95 9%	15 1%

Overall nearly equal numbers of respondents agree as disagree with the proposal to charge for mental health services.

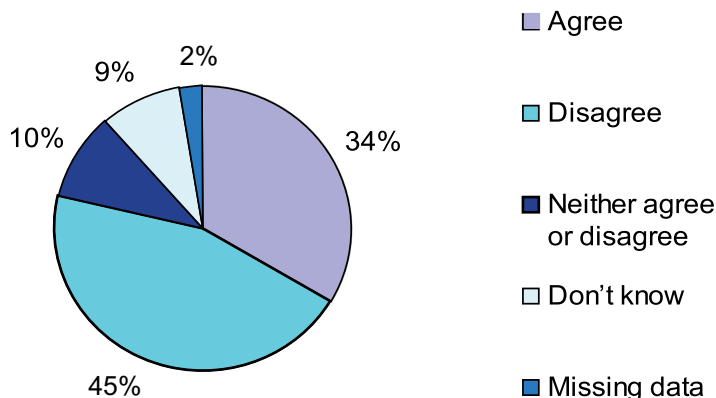
Of those with a mental health problem or illness 28% either agree, or neither agree or disagree with this proposal.

“The principle of treating those with mental ill health the same as others is sound, I think it is important to still feel part of wider society and making a financial contribution could be slightly beneficial to a person’s mental health.” **A mental health client from Dover**

“Reducing benefits and charging for services will increase the already difficult burden of caring for someone with mental health problems.” **A carer of a mental health service user from Canterbury**

Proposal 2 – Include day care and transport as part of the services that can be charged.

Responses to proposal 2



Agree	Disagree	Neither agree or disagree	Don't know	Missing data
2277	3042	677	593	177

45% of respondents disagreed with the proposal, representing less than 50% of the total responses.

An increasing number of people are deciding to manage their own care and support and use a direct payment to fund alternatives to day care.

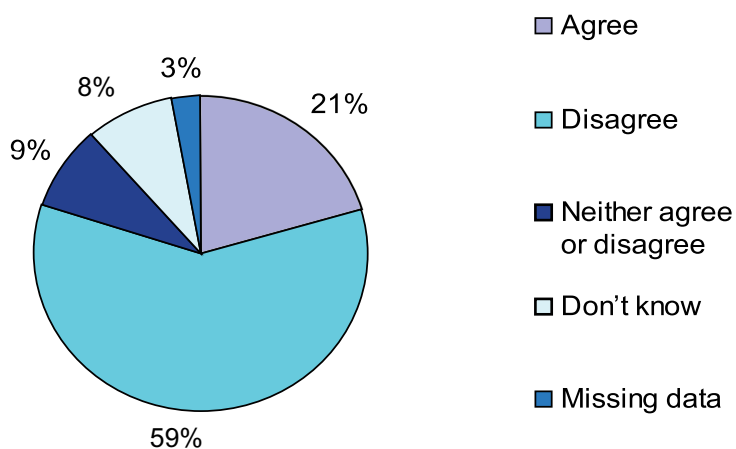
“I will not be able to afford to go to the day centre if I have to pay.”

A young service user with learning difficulties

“I feel my daughter hasn’t always been allowed to achieve her potential within the day care service. If she was paying a contribution I would be more proactive in ensuring it really met her needs.” **A mother with a disabled daughter from Maidstone**

Proposal 3 – Increase the amount of available income that is taken into account when working out a person’s charge from 85% to 100%.

Responses to proposal 3



Agree	Disagree	Neither agree or disagree	Don't know	Missing data
1397	4011	591	577	190

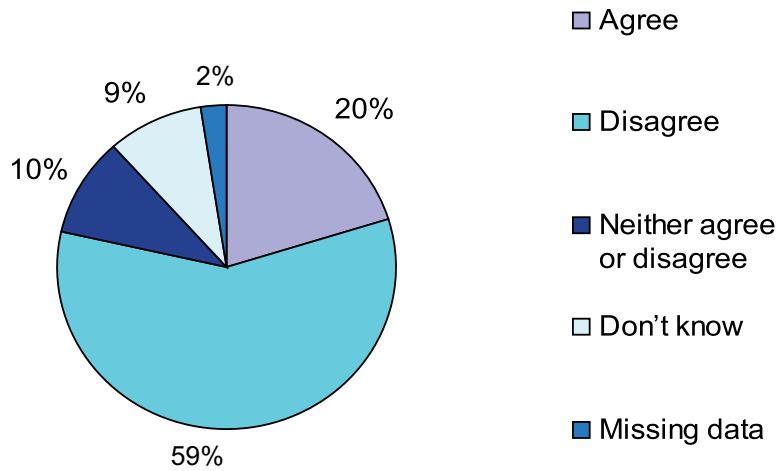
More people disagree with this proposal with 59% against it and 21% agreeing with the proposed change.

“The proposed charges will affect a lot of people, needing the extra money to pay for other things to make their lives more comfortable.” **A physical impairment service user from Canterbury**

“As long as a fair financial assessment is carried out those who contribute will be able to afford to.” **A younger disabled person from Thanet**

Proposal 4 – Reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for every one.

Responses to proposal 4



Agree	Disagree	Neither agree or disagree	Don't know	Missing data
1365	3957	653	620	171

With the exception of those exempt from paying a contribution, proposals 3 and 4 will affect every-one receiving a chargeable service. This was evident in the discussion and debate that went on both at the public meetings and from the written feedback.

There are however safeguards in place in respect to this specific proposal. Anyone considering that the costs they incur due to their disability are higher than the standard Disability Related Expenditure Assessment allowance is entitled to an individual Disability Related Expenditure Assessment.

“It seems as though the most vulnerable i.e. the elderly and disabled, the very people Government keep saying they want to provide better services for, are the very people who must always pay the highest price” **An over 85 year old from Dover**

5.4. Understanding how the proposed changes may affect people

Respondents who contribute at present.

Pay nothing	Pay a charge	Pay full cost	Does not apply	Don't know	Missing data
2206	1801	481	1230	595	453

The table above shows the breakdown of those who responded to the questionnaire on the basis of whether they currently make a contribution towards their care costs or not.

How respondents say the proposals will affect them.

Doesn't affect them	Affects them a little	Affects them a lot	Don't know	Missing data
1597	1284	1437	2043	405

43% of respondents answering this question consider that the proposals will affect them, 23% considered that they would be affected a lot.

What impact people considered the changes will have on the number of people who receive care.

More people can be helped	The same number will be helped	Fewer people will be helped	Not sure	Missing data
767	653	2749	2268	329

40% of respondents considered fewer people would be helped if these proposals were implemented.

6. Analysis of key topics

Of the 1428 individual written comments received 835 were related to the consultation and have been broken down under the following themes. The others included such comments as “daughter completed on behalf of mother” etc.

Key Themes	Number	Percentage
Increasing charges will make life harder for people, many of whom can not afford to pay any more and already have enough worries.	125	15.0
The increases will cause distress and worry to a lot of people particularly those with a mental illness and savings should be made in other areas	123	14.7
Accept that these are difficult times and that there have to be increases in charges if services are to continue. However they should not be excessive and people should be fairly assessed on a regular basis	105	12.6
Found the proposals too complex and difficult to understand and the questionnaire over complicated	105	12.6
Will deter people from taking up services leading to isolation and the deterioration of people’s health	93	11.1
Social care should be provided free of charge and charges should certainly not go up	84	10.1
The whole consultation process is a waste of time and money as the decision has already been made	59	7.1
The disabled and vulnerable are being hit by KCC and central government more than other groups despite reassurances that government want to protect them	57	6.8
People should not be penalised for having saved and paid into a pension all their life	33	4.0
It must be cheaper to keep people living at home therefore we are already saving the local authority money	22	2.6
Day care should be left alone	22	2.6
Any change should be phased in over a number of years	7	0.8
Total	835	100

7. Conclusion

The consultation overall has generated a good level of response. This is despite the survey being sent out to a wide audience which not only included those currently receiving a chargeable service but also those who were recorded as receiving one in the past or known to adult services as maybe requiring a service in the future.

Charging for non-residential services is a difficult issue for a lot of people particularly in the present financial climate. In order to continue to provide services to an increasing population while at the same time make financial savings was always going to be difficult.

We understand people are worried about the proposals to increase charges and recognise that the whole issue of financial assessment is complex and sometimes difficult to understand.

Before anyone is asked to make a contribution towards their services they will always be given a full financial assessment to ensure that they can afford to do so and as previously stated, 40% are likely to end up paying no contribution towards their services following such an assessment.

While the examples provided in the questionnaire were intended to help explain the impact these proposals would have on people, they were clearly still too complex for some. Others on the other hand felt that they needed more information in order to make a proper judgement.

This balance is always difficult and we will learn from people's feedback and use it to help us improve the way we undertake future consultations.

This report will now be placed before the County Council's Cabinet, and the Adult Social Services and Public Health Overview and Scrutiny Committee for discussion in mid September before the final decision is made by the Cabinet Member for Adult Social Care and Public Health.

"Please don't raise charges as it is difficult enough to pay the bills"
A disabled service user from Thanet

"I have no doubt that whatever you do it will be done with compassion. You will know, better than I that you are caring for people not objects and some flexibility must be allowed" **An over 85 year old from Tunbridge Wells.**

8. Appendix 1: Consultation Letter and Questionnaire

FSC Consultation
Kent Families and Social Care
Brenchley House
County Hall
123-135 Week Street
Maidstone
Kent
ME14 1BR

Our ref: FSC/Charging/11
Date: 9 May 2011

Dear Sir/Madam

Consultation on the impact of proposed changes to Kent County Council's charges for adult social care services (other than residential care)

You have received this letter because, either:

- you currently receive a service, or
- you act on behalf of someone who receives a service, or
- you represent a user or carer group, or
- you are known to adult social services and might need a service in the future or have received a service in the past.

As a result of the current financial climate, Kent County Council (KCC) has had to make decisions that both save money and help protect front line services.

In light of the increasing demand for services and the need to make savings, the county council has decided to make changes to its non-residential charging policy.

The questionnaire included with this letter gives details of the four proposals and asks for your views about them. KCC would also welcome any other comments and ideas.

In summary KCC proposes to:

charge people who use mental health services in the same way as all other people in receipt of services (from spring 2012)

include day care and transport as part of the services that can be charged (from spring 2012)

(this may not affect people who attend day centres provided by grant funded voluntary organisations which already charge their service users)

increase the amount of available income that is taken into account when working out a person's charge (from autumn 2011)

(this increase would be from 85% to 100%)

reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for everyone (from autumn 2011)

(this is the money allowed for the extra costs of living with a disability)

These are the ways to complete the questionnaire:

Paper questionnaire:	Included with pre-paid envelope in this pack
Online:	www.kent.gov.uk/fsccharging
Phone:	0800 298 6002 (Monday to Friday 9am to 5pm)
Textphone (minicom):	08458 247 905

During the consultation period (9 May to 31 July 2011) public meetings will take place, which you are welcome to attend. Further details about these are included in this pack.

If you have questions or if there is anything in this pack that you don't understand, please get in touch. You can also contact us with your views, comments or ideas on:

Phone:	0800 298 6002 (Monday to Friday 9am to 5pm)
Textphone (minicom):	08458 247 905
Email:	fsc.consultation@kent.gov.uk
Online:	www.kent.gov.uk/fsccharging

Yours faithfully



Malcolm Newsam
Corporate Director, Families and Social Care

This pack is available in alternative formats including easy read and can be provided in a range of languages. Please contact us on 0800 298 6002 (Monday to Friday 9am to 5pm).



Non Residential Charging Questionnaire

Consultation on the impact of proposed changes to Kent County Council's charges for adult social care services (other than residential care)

Introduction

This questionnaire has been sent to you because, either:

- you currently receive a service, or
- you act on behalf of someone who receives services, or
- you represent a user or carer group, or
- you are known to adult social services and might need a service in the future or have received a service in the past.

The letter that comes with this questionnaire tells you why Kent County Council (KCC) needs to make changes to the financial contribution people make towards their care and support. The letter also explains that for some people charges will increase.

There are four proposals outlined in the letter and more detail is given later in this questionnaire. We value your views and comments about the impact of these proposals and encourage you to respond. You can do this by:

- completing this questionnaire and posting it back to us in the pre-paid envelope provided in this pack
- completing online at www.kent.gov.uk/fsccharging
- completing the questionnaire by phone or textphone
- attending one of three scheduled public meetings.

The consultation will close on **31 July 2011**.

Online: www.kent.gov.uk/fsccharging
Tel: 0800 298 6002 (Monday to Friday 9am to 5pm)
Textphone/Minicom: 08458 247 905
Email: fsc.consultation@kent.gov.uk

This questionnaire is available in alternative formats including easy read and can be provided in a range of languages. Please contact us on 0800 298 6002 (Monday to Friday 9am to 5pm).

Explanation of main changes

Proposal 1

Charge people who use mental health services in the same way as all other people in receipt of services.

At the moment, Kent County Council (KCC) does not charge mental health service users for social care services except for residential care. Some people are exempt from being charged if they are entitled to a free after care service under Section 117 of the Mental Health Act 1983, therefore these proposed changes will not affect S117 service users.

Under this proposal, mental health service users who are not exempt would be financially assessed to see if they should be charged for non-residential services in the same way as all other people who receive a service.

Example: Mrs B receives a care package of £85.50 per week. As she is receiving a mental health service she does not currently have to pay towards it.

Under the proposed policy, mental health service users will be treated in the same way as everyone else. They will be financially assessed to calculate how much, if anything, they will need to contribute.

Note: Proposals 2 to 4 will also impact on people who use mental health services.

What are your views about charging people who use mental health services and who are not exempt, in the same way as all other people who receive services?

Q1. Please tick one of the following:

- Agree
- Disagree
- Neither agree nor disagree
- Don't know

Proposal 2

Include day care and transport as part of the services that can be charged.

At the moment Kent County Council (KCC) does not charge people who attend day care centres.

Some voluntary sector day centres do charge people for the service. In order to be fair and treat everyone the same, it is proposed to include day care and transport as part of the services that can be charged.

On the whole, this will not affect those people who are charged directly by their day centres.

Examples: The only service Mr W currently receives from KCC is a day care service costing KCC £35.00 per week. Under the current policy he is not charged for day care as it is free. Under the proposed policy he will be financially assessed and may need to pay towards the cost of his day care.

Mr S also goes to day care as well as having home care support and in his case the cost of the services will be added together and will not affect the amount he pays unless the total cost of his package is less than his available income.

What are your views about including day care and transport within the services that can be charged, in the same way as other services?

Q2. Please tick one of the following:

- Agree
- Disagree
- Neither agree nor disagree
- Don't know

Proposal 3

Increase the amount of available income that is taken into account when working out a person's charge.

Government policy says that the income of people who receive non-residential care services should not fall below a minimum weekly amount (known as the Protected Income Level) as a result of charging. This is to make sure that everyone has some income to meet their basic cost of living. The income left after the basic cost of living is worked out is called the available income.

Local authorities, such as Kent County Council (KCC), work out a person's available income and then base any charges on this amount. At the moment KCC work out a person's charge based on 85% of available income. KCC is proposing to base charges on 100% of available income which is similar to many other local authorities.

Example: Mrs S is an 85-year-old woman with a care package costing £85.50 per week. Her total income is £240.00 per week. Her available income after deducting certain amounts (see examples on pages 6-8) is £45 per week. Therefore under the proposed policy she would be expected to pay £45 per week towards the cost of her care package.

If Mrs S had no available income then she would not be expected to pay towards her care package under any of the above proposals.

The amount a person will be asked to contribute will be the lower of either the cost of the care package or their available income. What are your views about KCC increasing the percentage of available income taken into account from 85% to 100%?

Q3. Please tick one of the following:

- Agree
- Disagree
- Neither agree nor disagree
- Don't know

Proposal 4

Reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for everyone.

Disability Related Expenditure is the term used for some additional costs that people entitled to disability benefits have in their everyday lives because of their disability. Government policy says that these additional costs should be deducted before working out whether or not a person is able to pay something towards any service they receive.

At the moment Kent County Council (KCC) allows everyone £21 per week for these additional costs. This is so that people receiving a service do not have to keep and provide KCC with receipts or bills to show us what they have spent. It also means that you do not need an extra assessment (DREA) to work out what you should be allowed. We think it is simpler both for you and KCC, to allow everyone the same amount. The proposal is to reduce the amount allowed for additional costs to £17 per week. However, anyone who receives a disability related benefit can ask for an individual Disability Related Expenditure Assessment.

Example: Mr J is an 80 year-old man who uses a wheelchair and is entitled to disability benefits. He was just on the borderline of not having to pay a contribution towards his services. The reduction in DREA from £21 per week to £17 per week will mean that his available income is now assessed as £4 per week more. This will now be taken into account in assessing his contribution.

What are your views about KCC reducing the standard amount of DREA from £21 per week to £17 per week?

Q4. Please tick one of the following

- Agree
- Disagree
- Neither agree nor disagree
- Don't know

The following examples show how the proposals might affect three typical people.

Example 1

Mr A is an 85 year-old man who lives alone. He receives a State Retirement Pension topped up with Pension Credit and Attendance Allowance.

He has a care package that costs Kent County Council (KCC) £55 per week.

	Existing Policy	Proposed Policy	Note
Income	£241.95	£241.95	
Less Protected Income Level	£171.69	£171.69	This is the government recommended minimum amount for living costs for a person in these circumstances.
Less Standard DREA	£21.00	£17.00	This is an additional amount KCC allows to cover any extra living costs associated with having a disability.
Total Deductions Allowed	£192.69	£188.69	
Available Income	£49.26	£53.26	This is the maximum amount the individual can contribute towards their social care costs.
Charge	85% £41.87	100% £53.26	The actual amount the individual should contribute to the cost of their care.

NB: Mr A doesn't get any deduction for housing costs because he receives full Housing Benefit and Council Tax Benefit so has no rent or Council Tax to pay.

Example 2

Miss F is a 54 year-old woman who lives alone and has Multiple Sclerosis. Her income is made up of contribution based Employment Support Allowance, Disability Living Allowance and other private income. She also receives a Disability Living Allowance Mobility Component but this is disregarded from the calculation.

She has a care package that costs Kent County Council (KCC) £216 per week.

	Existing Policy	Proposed Policy	Note
Income	£210.00	£210.00	
Less Protected Income Level	£138.00	£138.00	This is the government recommended minimum amount for living costs for a person in these circumstances.
Less Housing/Council Tax	£15.00	£15.00	This is an additional allowance for people who have to pay certain housing costs (subject to certain rules).
Less Standard DREA	£21.00	£17.00	This is an additional amount KCC allows to cover any extra living costs associated with having a disability.
Total Deductions Allowed	£174.00	£170.00	
Available Income	£36.00	£40.00	This is the maximum amount the individual can contribute towards their social care costs.
Charge	85% £30.60	100% £40.00	The actual amount the individual should contribute to the cost of their care.

Example 3

Mrs P is a 50 year-old woman who lives with her husband. They are both disabled but only Mrs P receives services from Kent County Council (KCC). Mrs P receives Incapacity Benefit and Disability Living Allowance (DLA).

She has a care package which costs KCC £100 per week.

	Existing Policy	Proposed Policy	Note
Income	£157.35	£157.35	
Less			
Protected Income Level	£104.56	£104.56	This is the government recommended minimum amount for living costs for a person in these circumstances.
Less			
Housing/Council Tax	£12.00	£12.00	This is an additional allowance for people who have to pay certain housing costs (subject to certain rules).
Less			
Standard DREA	£21.00	£17.00	This is an additional amount KCC allows to cover any extra living costs associated with having a disability.
Total Deductions Allowed	£137.56	£133.56	
Available Income	£19.79	£23.79	This is the maximum amount the individual can contribute towards their social care costs.
Charge	85%	100%	The actual amount the individual should contribute to the cost of their care.
	£16.82	£23.79	

Note:

1. There will still be some people who will continue to pay the full cost of their care package and some people who have no available income and pay no contribution towards the cost of their care
2. Charges will continue to be limited to the person's available income or the cost of the care package, whichever is less.

Understanding how the proposed changes may affect you (or someone you act on behalf of)

Please tick one of the boxes in each section

Q5. Do you receive a bill for your care, or someone that you act on behalf of, from KCC?

Yes No

Q6. I (they) currently pay:

- Nothing
- Pay a charge
- Pay the full cost
- This does not apply to me
- I don't know

Q7. How would the proposed changes affect you (them)?

- Doesn't affect me
- Affects me a little
- Affects me a lot
- I don't know

Q8. Do you consider the proposed changes will make a difference to the number of people who receive care?

- More people can be helped
- The same number of people can be helped
- Fewer people will be helped
- Not sure

About You

I am a:

Please tick all that apply

- Service user
- Carer
- Other (Please specify) _____

Which age group do you fall into?

Please tick one box

- 18 - 64
- 65 - 74
- 75 - 84
- 85 or Over

Do you have any of the following?

Please tick all that apply

- Dementia
- A physical impairment or disability
- Sight or hearing loss
- A mental health problem or illness
- Problems connected to ageing
- A learning disability or difficulty
- Other
- None of the above

Which district/borough do you live in? _____
(i.e. who do you pay your Council Tax to?)

The above information will be treated with confidence and not attributed to any individual. If you choose to return this questionnaire by email your details will be kept confidential and not passed on to a third party.

Do you have any other comments or ideas?

Thank you for taking the time to complete this questionnaire.

Please make sure it is returned to us in the enclosed pre-paid envelope by **31 July 2011**.

What happens next?

We will write a report to let KCC Members know what you think of these proposals. It will help them to come to a decision about changes to KCC charges for adult social care services.

We will put the report on our website at **www.kent.gov.uk/fsccharging**

If you would like a paper copy of the report:

Phone: 0800 298 6002 (Monday to Friday 9am to 5pm) or

E-mail: fsc.consultation@kent.gov.uk

You are welcome to attend one of the public consultation meetings.

To book a place at a meeting please phone 0800 298 6002 or Textphone/ Minicom 08458 247 905 (Monday to Friday 9am to 5pm) stating the venue you wish to attend and if you require British Sign Language (BSL) Interpretation. Places will be allocated on a first come, first served basis because of health and safety restrictions on numbers at venues.

Ashford Enterprise Centre
Towers School
Faversham Road
Kennington
Ashford
TN24 9AL

2 June 2011
2:30pm to 3:30pm

Dover Discovery Centre
Market Square
Dover
CT16 1PB

7 June 2011
7pm to 8pm

Lecture Theatre
County Hall
County Road
Maidstone
ME14 1XQ

22 June 2011
7pm to 8pm

All venues are accessible and will have a hearing loop.

PJ14/4/11

9. Appendix 2: Summary of feedback from public meetings

The public meetings raised a number of key questions relating to the proposed changes to the policy and its implementation, many of the questions and points raised were very similar at each meeting. The points raised have all been included in the analysis of the consultation responses. The following provides a summary of some of the questions raised:

The Consultation Process

- Q. The decision has already been made and published in the budget; the consultation is a tick box exercise.
- R. The budget identified that savings would be made through changes to the non-residential charging policy, it did not provide detail about what those changes would be. The consultation provides the detail of how income will be generated, seeks the views of the public on how this will impact on the people of Kent and if there are alternative ways to increase income in social care.
- Q. The public consultations were not held in all localities across Kent and concerns about access were raised.
- R. Additional venues were added during the consultation. Interpreters attended meetings on request.
- Q. Why did the consultation questionnaire have 'agree' as the first option?
- Q. Why did the consultation ask questions about my disability and about mental capacity?
- R. The questionnaire was laid out in line with standards set out nationally for research; the questions about the individual were to enable us to look at whether any group was disadvantaged above other groups.

Charging

- Q. Where a person is in receipt of support for a range of needs which don't fit neatly into one service area, for example mental health services and learning disability services would they be assessed twice? Equally this could be asked about a person in receipt of a domiciliary service and day care.
- R. Services are combined to provide one cost, the person then receives one financial assessment which takes the cost of all services into account.
- Q. Could you look at the whole of a household's income when completing a financial assessment?
- R. The government sets out what can be taken into account when assessing a person's contribution to services so we must follow the rules as they have set them out.

- Q. What if a person refuses to pay or cannot afford to pay, will their services be stopped?
- R. Each person receives a financial assessment to determine their contribution to the cost of services. This is based on their income and a number of other factors such as the amount of money the government say a person in their circumstances needs to live on. If there are particular factors relating to the individual circumstances of a person which impact on their ability to pay then these are considered on a case by case basis.

Assessment

- Q. Will the changes to the policy mean that more front line social workers are taken away from assessing people for services in order to assess their charges?
- R. Financial assessments are undertaken by finance and benefits officers, these officers are able to ensure people are in receipt of all the benefits to which they are entitled at the same time as assessing any contribution a person may be asked to make towards the cost of their services.
People who have mental health needs and who have not previously been charged will be assessed by more experienced finance officers; with their social worker in attendance as part of a normal review meeting.

Disability Related Expenditure Assessment (DREA)

- Q. The reduction in Disability Related Expenditure Assessment allowance means some people will be disadvantaged as their expenditure may be much higher than this especially people with severe disabilities; this was also raised in relation to housing costs (home owners).
- R. The Disability Related Expenditure Assessment allowance is applied at a standard rate to reduce the number of assessments people have and the amount of information they are required to provide. People are able to request an individual Disability Related Expenditure Assessment if they feel the allowance does not cover the costs of their expenditure.

Carers

- Q. Carer's allowance is only £53 per week, if carers withdraw their care because of increases in charging this will cost the council a lot more
- Q. Carers who are also pensioners do not receive a carers allowance, how is this fair?
- R. The council recognises the value of carers in supporting people to stay at home. All carers are entitled to a carer's assessment and may also be eligible for some support or a one off payment. Rules on benefits are set nationally and the council does not have the authority to change these.

Mental health

- Q. You are cutting services to mental health services users at the same time as both Supporting People and the NHS are cutting services.
- R. Representatives from mental health services have been involved in the consultation steering group and the commissioners will ensure that appropriate services are in place.
- Q. These charges will cause distress to mental health users who have not had to contribute in the past and their health may deteriorate with them ending up back in hospital.
- R. Mental health social workers have been kept fully informed about these proposals and we have set up a help line to assist any one with any questions or concerns. Every one will be given an individual financial assessment and informed of the result before any charge is made.
- Q. Would it not be better to phase this in for new mental health clients and not charge existing mental health service users?
- R. This is of course one of the options but there would then be issues of inequality.

Transport

- Q. Will everyone who uses transport to attend day services have to pay for this now?
- R. A person's ability to pay for or to contribute to their transport costs will be based on their individual circumstances and will be looked at on a case by case basis.

This publication is available in other formats and languages please contact us for further information.

08458 247 100

KENT COUNTY COUNCIL

EQUALITY IMPACT ASSESSMENT Interim review

Directorate:

Families and Social Care (Adults)

Name of policy, procedure, project or service

Non - Residential Charging Policy

Type

What are you impact assessing, a policy procedure or service?

Policy

Responsible Owner/ Senior Officer

Janice Grant, Senior Policy Manager

Date of Initial Screening

Please provide the date of your initial screening

Initial screening 14/02/2011

Interim review 06/07/2011

Final Review 03/08/2011

The interim review is set out in the action plan section of this Equality Impact Assessment. Pages 2- 8 remain as set in the initial screening.

Screening Grid

Characteristic	Could this policy, procedure, project or service affect this group differently from others in Kent? YES/NO	Could this policy, procedure, project or service promote equal opportunities for this group? YES/NO	Assessment of potential impact HIGH/MEDIUM/LOW/ NONE/UNKNOWN		Provide details: a) Is internal action required? If yes, why? b) Is further assessment required? If yes, why? c) Explain how good practice can promote equal opportunities
			Positive	Negative	
Age	Yes	No Whilst the increases in charges will not be welcomed by service user. They are being levied fairly and equitably. The additional income at a time of reduced budgets will enable KCC to maintain preventative services	High	High	However the impact will deliver equality. The current policy for non – residential services provides that people who are under 65yrs and have a Mental Health need are not charged for any support. Those who are over 65yrs and have a MH need are charged for their support. The proposal will provide that all age groups are treated equitably, but in implementing this there will be a greater impact on people under 65yrs.
Disability	Yes	No Whilst the increases in charges will not be welcomed by service user. They are being levied fairly and equitably. The additional income at a time of reduced budgets will enable KCC to maintain preventative services		High	The introduction of charging for Day Centre provision will impact differently for older people who use day centres and people with an LD who use day centres. This is because of the way day centre provisions have been commissioned and are provided. In the main, KASS knows who is in receipt of day care from KASS where the person has a learning disability, but where the person is over 65yrs recording and commissioning practices vary. Some people over 65yrs will access day care directly and others will access it via KASS, some of those accessing directly will be community care eligible, this may result in unequal application of charging for people over 65yrs.

Gender	No	No			N/A
Gender identity	No	No			N/A
Race	No	No			Any changes to charging will be applied irrespective of the location of provision, so if a person chose to attend day care in a centre which is designed to meet a specific cultural need then the policy would be applied equally. Discretionary disregards will still apply.
Religion or belief	No	No			Any changes to charging will be applied irrespective of the location of provision, so if a person chose to attend day care in a centre which is designed to meet a specific cultural need then the policy would be applied equally. Discretionary disregards will still apply.
Sexual orientation	No	No			N/A
Pregnancy and maternity	No	No			N/A

Part 1: INITIAL SCREENING

Context

Explain how this policy, procedure, project or service relates to a wider strategy

Following an assessment to identify a person's eligibility for social care the person will write a support plan (with help from a Families and Social Care (FSC) worker if required). This will outline any social care support the person might use to help them.

FSC is able to charge for the social care support it provides and so the person will be further assessed to see what, if anything, they may be expected to pay towards their care. KASS is able to do this because of a discretionary power contained within section 17 of the Health and Social Services and Social Security Adjudication Act.

The way Kent works out the contribution a person makes to the cost of their care is described in the Non-residential Charging Policy. This policy complies with the guidance issued by the Department of Health in 2001, LAC (2001)32: Fairer Charging policies for home care and other non-residential services.

Aims and Objectives

Provide a summary of what the policy, procedure, project or service is trying to achieve and how it will be achieved

In order to continue to provide support to the widest number of people in Kent who are eligible for social care support and to enable FSC to continue to invest in preventative services, we must review all mechanisms open to us to maximise management of the budget.

The current financial situation constraints for local authorities are placed within the national context of savings required by public sector organisations. One of the areas in which FSC is able to influence the budget position is the way it charges for services.

FSC is exploring a range of options which could deliver financial savings, one of those options is to review the non-residential charging policy, and this could potentially increase income by £2.9m (full year effect).

This policy aims to achieve increases in charges in as fair and equitable way as is possible.

Beneficiaries

Set out who the intended beneficiaries?

The review of non –residential charging will enable KASS to continue to provide support to as many people as possible who are eligible for social care. Without making changes to the charging policy it will be necessary for FSC to

make savings in other ways which would include cuts to service provision for some people. It would also mean that FSC would have less money to invest in preventative services and it is through this early intervention that FSC is able to help people to help themselves rather than become more dependant upon more expensive forms of support.

Consultation and data

Please record any data/research and/or consultation you have carried out to inform your screening

An analysis of FSC's client data system SWIFT was undertaken to identify the numbers of people who would be directly affected. This information was supplemented with local intelligence regarding those groups attending KASS funded voluntary sector provision.

Potential Impact

Provide a summary of the results from your initial screening, highlighting where there is any potential positive or adverse impact. If there is no impact on any group or the impact is unknown please state that here.

Adverse Impact:

(1) Increase % of net disposable income taken into account: The charging process basically compares the cost of an individuals care to their net disposable income (ndi) and charges them the lower of the two figures. The ndi is derived from the financial assessment and is the amount of money each week that it is calculated an individual can afford to contribute to the cost of their care. Currently only 85% of the ndi is taken into account when charging. It is proposed that this should be increase to 100% which will deliver additional income in the region of £1.350m per annum. This will not impact on those people who are already paying the full cost of their service (900). However, it will impact on those people who are making a contribution to their service (3300), but will not affect those people who do not contribute to their care (3400)

(2) Reduce the standard allowance for the Disability Related Expenditure Assessment (DREA): Councils are required to offer a Disability Related Expenditure Assessment to anyone who is in receipt of disability related benefits. The intention is to ensure that the additional costs incurred as the result of an individuals disability or illness are allowed for when calculating their charges. FSC has introduced a standard allowance which currently stands at £21 per week, but if anyone feels that their costs exceed this figure they are entitled to an individual DREA. It is proposed that the standard allowance is reduced to £17 per week and it is anticipated that this will deliver additional income of approximately £0.744m per annum after making an allowance for the cost of additional DREA's. This will not impact on those people who are already paying the full cost of their service. However, it will impact on those people who are making a contribution to their service and it is estimated that it will affect approximately 250 people who are not currently contributing to their care and will face charges of up to £4 per week.

(3) Charging Mental Health Service Users: Currently 560 service users in this client group are in receipt of non residential services and whilst it is not permissible to charge people who are in receipt of Section 117 aftercare, it is proposed that the remainder should be charged. It is estimated that additional income in the region of £0.160m per annum could be gained.

(4) Charging for day care and transport to day care: Approximately 2900 people are in receipt of day care. However, 1800 of these are also receiving a domiciliary package and most of these people will already be making the maximum contribution to their care although some will be paying full cost and therefore could make an additional contribution to their day care. It is proposed that the cost of day care and the cost of transport to day care are included as part of the cost of service in the charging process and therefore become chargeable services. This will impact mainly on the 1100 people who only appear to be receiving day care services and it is estimated that additional income of approximately £0.700m per annum will be achieved. Day care is provided in a range of ways:

- KCC provided within residential care homes (older persons)
- KCC provided within integrated care centres (older persons)
- KCC provided within stand alone day centres (older persons)
- KCC provided with Learning Disability 'day centres'
- KCC commissioned private sector day care
- Voluntary sector day care
- Purchased using a Direct payment

FSC will be able to identify those people who have a learning disability and use day care provisions; for older people the position holds less clarity as some people have been sign posted to access the provision directly and are community care eligible; there are others who access day care directly who are not community care eligible and some who access day care via FSC. It may take a period of time to identify which people over 65years may be required to contribute to the cost of their day care, it will therefore be essential to ensure that any changes to the charging policy for day care are applied equitably for all service groups.

Positive Impact:

The increase in charges will not have a positive impact on the individuals concerned but will enable FSC to maintain preventative services.

Directorate Equality Lead

Signed: Keith Wyncoll

Date: 18th Feb 11

Name: Keith Wyncoll

Directorate Equality Lead

Review of EIA Non- Residential Charging 6th July 2011

Action Plan

The consultation on the of the 4 proposals to change the non residential charging policy commenced on 9th May 2011. The consultation was sent to more than 25000 people who are currently using social care services, have used services or who may be in need of services in the future.

The people sent the consultation were identified from the KCC social care client system and include carers.

The consultation was also sent to approximately 160 voluntary organisations both for their information and to invite their involvement and also so they could publicise this through their own networks.

Prior to commencing the consultation 3 of public meetings were organised to run during the consultation period. The numbers of venues was increased during the consultation in response to requests from the public.

A telephone helpline has also been available alongside on-line information throughout the consultation.

Monitoring and Review

The initial Equalities Impact Assessment was completed in February 2011 prior to commencing the consultation.

The decision was made by the steering group that the EIA should be reviewed during the consultation period to take account of the views of people raised in the public meetings. It will be reviewed again in August, at the close of the consultation period and will be submitted to Cabinet Members at their meeting on 19th September as part of the final report.

Protected Characteristics

Protected characteristics as set out in the Equality Act 2010 are: age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex and sexual orientation. The issues identified in the action plan were raised within public meetings and it is therefore not possible to attribute them to some of the characteristics listed.

Sign Off

Senior Officer

Signed: Janice Grant

Date: 07/07/2011

Name: Janice Grant

Job Title: Senior Policy Manager

Directorate Equality Lead

Signed: Keith Wyncoll

Date: 07/07/2011

Name: Keith Wyncoll

Directorate Equality Lead

Equality Impact Assessment Action Plan – initial review

The issues identified in this action plan are those raised by members of the public attending the consultation meetings

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
DISABILITY People with Mental Health needs	“Increased risk of debt due to the introduction of charges.”	Staff training plan. Experienced finance and benefits officers to undertake the assessments with an MH practitioner known to the person. Work with voluntary organisations.	Staff and voluntary organisations will be able to provide the right level of support for the person. The Finance and Benefits Officers will ensure the person is claiming benefits.	Michelle Goldsmith	6 months	
DISABILITY People with a disability	“The cost of having a disability has not reduced but KCC propose to increase charges”	Individual Disability Related Expenditure Assessments (DREA) will continue to be available. Managers retain the flexibility to apply exceptional disregards in some circumstances depending on individual needs	Individual needs will be taken into account where they are indicated in the assessment Enablement will be used to maximise independence of services.	Janice Grant (Chris Grosskopf)	No change in current policy.	
DISABILITY People for who English is not a first language including those with sensory disabilities	“The person may not be able to understand the information presented to them.”	Charging information is available in accessible formats. Interpreters should be used where this is indicated. Staff training	Staff will be aware of communication needs. People will have access to information in a format which is accessible to them.	Janice Grant (Glyn Pallister)	No change in current policy	

DISABILITY Carers	“There may be an increase in the numbers of people who refuse a service or support because they feel they cannot afford to pay, this would have an impact on their carers”	People will be assessed on their ability to pay. Individual DREA’s are available. Exceptional circumstances can be taken into account by the manager. Carers are entitled to an assessment in their own right to ensure their needs are taken into account – and can inform the above. KCC is developing a strategy for carers assessments to be undertaken by voluntary organisations.	Carers needs will be looked at to inform individual circumstances where it is indicated that charges are causing hardship. Enablement will be used to maximise independence of services.	Janice Grant (Naomi Hill)	6 months	
DISABILITY Disabled people who are home owners	“Increases in charging will reduce the ability to maintain homes”	Individual DREA can take maintenance costs into account.	Costs of living are taken into account where applicable	Janice Grant (Chris Grosskopf)	Current policy	
DISABILITY All groups consulted	“The consultation documents are inaccessible to some people”	Public meetings and a helpline are available. Alternative formats are also available. The complexity of the	Use comments to inform future work and improve accessibility	Janice Grant (Glyn Pallister)	Added to lessons learned	

		subject is acknowledged, the information is also available in easy read versions and there is also a help line and public meetings to enable as many people to have access to a range of different ways of receiving information as possible. Interpreters have attended public meetings. Add to 'lessons learned' to inform future consultations and surveys conducted by KCC				
DISABILITY All groups consulted living in Swale/ areas where no public meetings held	"The public meetings set up at the outset of the consultation were in only 3 localities."	During the consultation 13 additional public meetings were arranged to ensure they were accessible Kent wide. Staff also presented at the Learning Disability Partnership Board and Directorate Involvement Group as well as other forums.	The meetings would be accessible Kent wide	Jeremy Blackman	actioned	£600
DISABILITY Disability	"Disability organisations should have been consulted prior to	The consultation went live on 9 th May 2011, the press was briefed on the morning of the 9 th and letters sent to	Disability groups feel they would have been better prepared to support people had	Steering group	NFA	

organisations	going live.”	all groups as well as users on the same day.	they been informed beforehand, however the decision made by the steering group was that all information should be released on the same day.			
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Final review of EIA Non- Residential Charging 3rd August 2011

Action Plan

Statutory guidance requires local authorities to undertake a consultation exercise where a change in policy would, or may result in significant changes for some service users.

KCC considers that in undertaking a 12 week consultation on the proposed changes to the non- residential charging policy it has ensured that people who will be, or may be affected have had opportunity to read, interrogate and respond to the proposals using a variety of mechanisms.

The methodology for consultation involved written consultation documents, the option to complete a telephone response or on-line response, and or attendance at one of the public meetings held across the county.

The interim EIA demonstrated a need to make documents and public meetings more accessible. As the consultation had already started the documents could not be changed, easy read has been available throughout the consultation period. However, the council was able to add further public meetings. The scheduled 3 meetings was increased and in total 16 public meetings were held between 13th May and 29th July 2011

The process for calculating an individuals contribution to social care services is complex and detailed It requires the assessor to look at the individual's financial circumstances in detail and to measure their income against a number of specifications to determine what, if any income should be considered when making a charge for care services. The detail of the proposals is therefore complex and difficult to present, this complexity resulted in a number of respondents challenging the complexity of the consultation documents. KCC considers that the provision of a dedicated hot-line and the public meetings provided a mechanism for people to ask for more detail or explanation of how the changes might affect them or the wider population.

Respondents were also concerned that vulnerable groups are being targeted to make savings and that they may refuse care services due to fear about additional costs. KCC is committed to supporting those for whom it provides services and where people believe they have exceptional circumstances those will be considered during the financial assessment.

Monitoring and Review

The initial Equalities Impact Assessment was completed in February 2011 prior to commencing the consultation.

The decision was made by the steering group that the EIA should be reviewed during the consultation period to take account of the views of people raised in the public meetings and again at the close of the consultation period

This final review considers the responses received by telephone, letter and on-line and will be submitted to Cabinet Members at their meeting on 19th September as part of the final report.

The review does not replicate the interim review but takes the key topics identified in the analysis of the consultation.

Protected Characteristics

Protected characteristics as set out in the Equality Act 2010 are: age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex and sexual orientation. The issues identified in the action plan were raised within public meetings and it is therefore not possible to attribute them to some of the characteristics listed.

There were no issues raised which related to gender reassignment, race, religion or belief or sex and sexual orientation.

One attendee asked why the income of a spouse is not taken into consideration especially where the spouse may have a lot of savings or a very high income. This is not considered within the consultation as the spouses income disregard is based on Government guidance

Sign Off

Senior Officer

Signed: Janice Grant

Date: 03/08/2011

Job Title: Senior Policy Manager

Signed: Keith Wyncoll

Date: 09/08/2011

Name: Keith Wyncoll

Job Title: Directorate Equality Lead

Directorate Management Team approval: 10/08/2011

Corporate Management Team Approval: 23/08/2011

Equality Impact Assessment Action Plan – final review

The issues identified in this action plan are those raised by members of the public attending the consultation meetings

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
DISABILITY	Increasing charges will make it harder for people, many of whom can't afford to pay anymore.	People will be assessed on their ability to pay. Individual DREA's are available. Exceptional circumstances can be taken into account by the manager.	The policy will reflect managers discretionary role	Janice Grant (Chris Grosskopf)	In line with any agreed implementation of changes	
DISABILITY	The increases will cause distress and worry to a lot of people particularly those with a mental illness	Staff training plan. Experienced finance and benefits officers to undertake the assessments with an MH practitioner known to the person. Work with voluntary organisations.	Staff will provide the required support and advice to people if there are any changes in the contribution they make to the costs of their services.	Michelle Goldsmith	In line with any agreed implementation of changes	
	Complexity of the questionnaire	A telephone help line and public meetings were made available to provide second line support.	People would have access to further details of the proposals. This will also be recorded and considered in future consultation processes.	Steering group	complete	

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DISABILITY	People will be deterred from taking up services.	People will be assessed on their ability to pay. Individual DREA's are available. Exceptional circumstances can be taken into account by the manager.	The policy will reflect managers discretionary role Enablement will be used to maximise independence of services.	Janice Grant (Chris Grosskopf)	In line with any agreed implementation of changes	
AGE – DISABILITY	People should not be penalised for having saved and paid into a pension all their life	People are individually assessed on their ability to contribute to the cost of their care services in line with central government guidance.	KCC acts within the guidance as set out by government.	Janice Grant	NFA	
GENDER REASSIGNMENT RACE RELIGION or BELIEF SEX and SEXUAL ORIENTATION	No issues raised or identified through the consultation responses				NFA	
MARRIAGE or CIVIL PARTNERSHIP	The spouses/ partners income is not taken into account	No action to be taken as the spouses income is disregarded in line with government guidance	KCC acts within the guidance as set out by government.	Janice Grant	NFA	

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By: Jenny Whittle, Cabinet Member for Specialist Children's Services

Marisa White, Business Strategy and Support

To: Cabinet -19 September 2011

Subject: **Review of the Kent Children's Trust Board**

Classification: Unrestricted

Summary: This report sets out the methodology and outcomes of the strategic review of the current Kent Children's Trust Board arrangements. It makes recommendations for changed arrangements in order to meet statutory responsibilities and to put in place arrangements that focus on joint commissioning to improve outcomes for vulnerable children and young people.

Recommendations: Cabinet approval is sought for the following actions:

- to cease the Kent Children's Trust Board and replace it with a Children and Young people's Joint Commissioning Board.
- agree the membership and chairmanship arrangements as proposed in section 3.2 of the report.
- agree to the establishment of a stakeholder advisory group, taking account of the stakeholder engagement requirements of other key strategic Boards and groups.
- review the new arrangements in 12 months time.

1. Introduction

1.1 Changes to our partnership architecture in Kent, the need to take a more robust commissioning approach to services for children, young people and families and issues arising from the Ofsted inspection of Safeguarding and Looked After Children's services required a thorough review of the Kent Children's Trust (KCT) strategic partnership.

1.2 In conducting this review, the views of current KCT Board members were sought (Appendix 1), information on strategic partnership arrangements for oversight of the children, young people and families agenda in other local authorities was gathered (Appendix 2) and an analysis of other Kent strategic groups with an interest in priority areas for children and young people was undertaken. (Appendix 3)

1.3 Children's Trust arrangements were introduced through The Children Act 2004 which placed a statutory duty to cooperate on key agencies and a leadership role for upper tier authorities to lead effective partnership

arrangements. Through the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009, the previous government introduced additional requirements to make the Children's Trust Board a statutory body responsible for agreeing a Children and Young People's Plan (CYPP). The previous government also introduced highly prescriptive guidance on the development of the CYPP. These additional requirements have been repealed; however the original statutory duty to cooperate remains (Appendix 4), as does the requirement for a Director of Children's Services and a Lead Member with accountability for the partnership arrangements.

1.4 The government has been very clear that it expects local authorities to develop highly effective partnership arrangements to improve outcomes for children, young people and their families. Removing the requirements of the ACSL Act was intended to give more freedom to design local partnerships and deliver the "duty to co-operate" in ways that suit local arrangements and not to undermine the fundamental principle of working in partnership. This principle is underlined in Professor Munro's Review of Child Protection 2011 which highlights the importance of effective and co-ordinated multi-agency working through the Children's Trust to secure better outcomes for children and young people. This is further emphasized in the current consultation around proposals for revised inspection arrangements for Children's Services.

2. Key Findings

2.1 As a result of national changes 24 local authorities approached through our survey are reviewing or refreshing their Children's Trust partnerships. Across these authorities, there is a general move to streamline and ensure a tighter focus on prevention and early intervention for vulnerable children, although the approach to membership ranges from the very broad and all encompassing to a clear focus on commissioners and a commissioning agenda.

Where revised partnerships have taken action to reduce their membership, they have at the same time set out their intention to meet with a wider stakeholder group once or twice a year to involve them in joint planning and review. It should be noted, however, that no authority is planning to remove its strategic partnership arrangements for children, young people and families completely.

2.2 KCT Board and Executive Members were invited to share their views. There was recognition from the majority of interviewees that the current Board was too large to carry out its business effectively and that its role and remit had been too wide – making it difficult to ensure that it focused on the right things at the right time. Board members lacked clarity as to what should be the business of the Board and what should be the business of one agency or two agencies working in partnership. This led to very full agendas and insufficient time to focus and take the necessary decisions. The overall messages were that any revised arrangements need to have:

- Stronger leadership and links to Kent Forum and other key partnerships- the benefits of an independent chairperson were emphasised;
- Clearer accountability, rigorous performance management and scrutiny processes;
- Streamlined membership with a clear sense of purpose;
- More openness and transparency;
- Clearer processes to enable aligning of resources to deliver outcomes;
- Improved communications and connections between all stakeholders strategically and locally.

2.3 An analysis of Kent’s strategic partnerships that impact or have the capacity to impact on the delivery of improved outcomes for children, young people and families was carried out and is attached as Appendix 3. This was undertaken in order to identify whether another Board or multi-agency strategic partnership could take on the role and remit of the Kent Children’s Trust.

It is clear that although there is a mutual interest in improving outcomes for children and young people, the role and remit of these partnerships is very specific, focusing on particular priorities and outcomes. Expanding their remit to take on a broader agenda including the joint commissioning of early intervention and prevention services would pose a considerable risk.

Both the evolving Health and Wellbeing Board and the Ambition Boards of the Kent Forum are at a very early stage of development and would not have the capacity at this point in time to take on additional business without compromising their own focus.

The unique contribution of a revised strategic partnership would be to agree and ensure appropriate commissioning around the three or four top priority areas for our vulnerable children and young people in Kent, where the joint action and focus of three or more agencies is required to tackle the issues and improve outcomes in a sustained way.

3. Conclusions:

3.1 The Children’s Trust to cease and be replaced by a Children’s Joint Commissioning Board. It is recommended that the new Joint Commissioning Board would:

- Set the direction for joint action to improve outcomes for vulnerable children and young people in Kent, ensure implementation and scrutinize progress and outcomes;
- Focus on joint commissioning;
- Oversee integrated workforce development to support the delivery of the agreed priority areas;

- Ensure participation of vulnerable children, young people and their families in agreeing and shaping of priorities for joint action and in reviewing the effectiveness of jointly commissioned programmes;
- Set the planning, delivery and outcomes framework around joint commissioning, communicate this clearly to the Local Children's Trust Boards and ensure that LCTBs have what they require to fulfill their role and remit .¹
- Ensure active involvement of stakeholders, in particular those set out within the "duty to co-operate", in the shaping of priorities, the approach to delivery and evaluation of outcomes.

3.2 Working on the premise that the new partnership would be a joint strategic commissioning board, bringing together increasingly limited resources across the system to tackle shared priorities and supporting the DCS and Lead member in carrying out their statutory roles of securing better outcomes for children and young people in Kent, the recommendation is that the revised board should be streamlined, comprise of commissioners and have the ability and authority to carry out the business as set out above, with a membership as follows:

- Lead Member for children's services (Chair of the revised Board)
- The statutory Director for Children's Services (Corporate Director of Families and Social Care).
- Independent Chair of KSCB
- Director of Child Health Commissioning
- Chairman of the Board of the Kent Association of Schools
- Representative of Borough and District Council Chief Executives.
- Police.
- Representative Independent Chair from the Local Children's Trust Boards

As and when the agenda dictates the involvement of another key agency, or a particular individual they can be invited to contribute.

• ¹ *of enacting and oversight/scrutiny of strategic priorities and delivery at a local level; championing of children, young people and family issues and engagement within their locality; promoting integrated workforce approaches and capacity building; ensuring smooth running of access, assessment and referral processes for children, young people and their families; working with and supporting universal service providers and ensuring the locality voice in the interests of children, young people and families is represented at the strategic as well as at the local- level building on their current work.*

Members of the revised Board will be senior officers (or members) of their respective bodies. As such, they will have existing mechanisms for reporting back and securing formal approvals when necessary.

Statutory accountability for the Board will be through the Director of FSC (DCS) and Lead Member, reporting through to Cabinet. The Board will ensure productive relations with other key partnerships to secure improving outcomes for children and young people. A key relationship will be with the Kent Safeguarding Children Board and the current protocol will be strengthened to ensure effective links. The Board will also develop a working relationship with the Health and Wellbeing Board and with Ambition Board 2 as they develop.

Schools will also remain as key partners on the Local Children's Trust Boards. Involvement of Further and Higher Education will be through engaging with them as stakeholders through our current strategic partnership arrangements for 14-19 planning.

Board members will be expected to report back to the bodies or partners they represent e.g. Chairs of LCTBs, Kent's district, borough and city councils, Police Authority etc, and to represent back to the Trust the views of those bodies they represent.

3.3 The role of Chair would need to encompass: championing the interests of children and young people across all boundaries; leading the development of the strategic vision and agreement around priorities; promoting effective partnership working in the interests of improving outcomes for children and young people; ensuring mutual challenge and support across all partners.

Looking at the requirements of this role, it became clear that there was a considerable overlap with the statutory role of the Lead Member for Children's Services which is set out under the "Safeguarding Vulnerable Groups Act 2006" and in the supporting statutory guidance.

The Lead Member has a pivotal role in championing the interests of children across functional boundaries with a particular focus on early intervention and prevention, has clear top-line accountability with the DCS for children's wellbeing whilst remaining free from detailed day to day service delivery issues, has strategic responsibility for developing the local vision and driving improvements and has a parallel role to the DCS in promoting effective partnership working. It has therefore been agreed with the Lead member that she will take on the chairmanship of the new Children and Young People's Joint Commissioning Board.

3.4 It will be crucial to ensure that all key stakeholders are actively engaged and are able to influence decisions around strategic priorities, align their own work- where appropriate- to support key strategic agendas, provide intelligence and feedback from front line work with families, provide support and challenge and contribute to evaluation of outcomes. A list of stakeholders is attached as Appendix 4. This list is not exclusive and can be revised as the

pattern of organizations working with children, young people and families across Kent changes and develops.

The proposed Children and Young People's Joint Commissioning Board will consult on and set up a stakeholder advisory group.

4. Financial Implications

The recommendations will not have any direct impact on the capital or revenue budgets of the Authority. The indirect impact should be through improved joint commissioning and value for money services delivering better outcomes for Kent children and young people.

5. Bold Steps for Kent and Policy Framework

The proposals support the commitment within Bold Steps to transform how we procure and commission services to support new models of service delivery and Big Society and will support the development of a consistent single process for all contracting and procurement for children's services.

6. Legal Implications

All legal requirements, including ensuring the "duty to co-operate" have been referred to within the main body of this report. In order to ensure that all partners set out within the "duty to co-operate" are involved in working with the Authority to deliver improved outcomes for children and young people, including those not represented on the Children and Young people's Joint Commissioning Board, it is vital that the recommended stakeholder advisory group is set up to support the work of the new Joint Commissioning Board.

7. Equality Impact Assessments

An initial assessment has been undertaken. The intention of the recommended new arrangements is to ensure an improved focus on vulnerable groups and an improvement in the joint commissioning of appropriate services for those groups that are better targeted and delivering improved outcomes.

8. Risk and Business Continuity Management

8.1 Changing the size of the Board alone will not deliver a more effective partnership. The effectiveness of any new arrangements will rely on the commitment of all members, their ability to prioritize, the robustness of communication and engagement with key stakeholders, the ability to commit resources to joint commissioning and to set the direction of and connection with local action through the 12 Local Children's Trust Boards.

8.2 There is a risk that we could lose the “buy in” of key agencies that we need to work with to deliver improved outcomes for children and young people if we are unable to gain support for these proposals and do not communicate with sensitivity and set up stakeholder arrangements with some urgency.

9. Consultation and Communication

Consultation has taken place both at the start of the review and on the proposals set out within this report. Appendix 1 and Appendix 5 refer. Local Children’s Trust Boards (including local and KCC members) and their partners were also communicated with and invited to respond and the specification for the review and updates on the progress of the review were placed on the Children’s Trust website. Local Children’s Trust Boards are commencing their autumn round of meetings and a briefing has been prepared for them that can provide the basis for an agenda item if they so wish.

10. Sustainability and Rural Proofing Implications

The recommendations do not have any impact for sustainability or climate change. The local delivery through Local Children’s Trust Boards allows for local response to priorities, to include the ability to respond to rural issues.

11. Are there any Personnel or Health and Safety Issues which are relevant ?

There are no personnel or health and safety implications.

10. Alternatives and Options

Appendix 3 sets out an analysis of other strategic partnership groups and the assessment of their ability and/or capacity to take on the children and young people’s joint commissioning agenda.

11. Recommendations: Members are requested to agree/endorse the recommendation(s) as printed on page 1 of this report.

Background Documents

N/A

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KCT STRATEGIC REVIEW - INTERVIEWS WITH KCT MEMBERS

SUMMARY OF THE MAIN MESSAGES

1. Leadership needs to be strong, visionary, decisive, challenging yet supportive and outcome focused. The Chair needs to be an 'independent' champion for children who is able to encourage collaboration and partnership working. The County Board must set strategy, monitor progress, be prepared to challenge partners and support areas of under-performance within a 'no-blame' approach. The new arrangements must have support from senior leaders in order to be credible and have clear link to the new HW Board and to the Kent Forum i.e. a KCT representative who sits on the Kent Forum to champion the needs of children. Leadership must help partners work collaboratively and identify strategic opportunities for joint approaches - the agenda should be exclusively focused on issues where partnership action is required. The County Board needs to have strong links to the LCTBs - leadership from the KCTB is currently too remote. One suggestion was to rotate KCTB meetings around the Districts.

2. Partners role and responsibilities - more clarity is needed about partners' roles i.e. what each member can bring to the board, what they can influence, what they are responsible for, why they are there. All need to be clear about each others' roles. Members need to be 'movers and shakers' for children i.e. they need to be strong champions for children and in a position of sufficient seniority to challenge decision-making within their own agencies. Whilst members have enjoyed the networking opportunities afforded by the County Board meetings, some would like to see more open and transparent sharing of information, particularly around budgets and resources. Above all KCTB members need evidence of how the Board has made a difference i.e. what has the Board done - this should be evidenced using data to show improvement or not.

3. Governance and accountability - There needs to be better mechanisms for holding partners to account, with a clear set of reporting lines with a defined performance monitoring and management framework. The County Board should be constantly monitoring and challenging latest data on key areas of concern such as LAC, ChIN etc and should have specific collaborative targets (a few jointly agreed outcomes). Headlines should be reported at each meeting which an indication of where we are now. KCT Board members felt there should be a mutually accountable relationship between the KCTB and the KSCB through overlapping membership - which is publicized across the KCTB so that members know who to call to account. It was felt the KSCB needed a scrutiny role. The 12 LCTBs were highly valued but it was felt that funding needed to be devolved down to localities for them to be really effective.

Suggestions for effective partnership working included:

- Service Level Agreements- failure to deliver leading to the relevant organization being called to account.
- Strategic clarity - what is important, what are we doing about it, who is 'doing', what have we done, where are we now?
- Shared training, team building and co-location.
- Focus meetings - theme them and invite relevant partners to the right meetings (not all for everything).
- Communications strategy - vertically and horizontally.
- Short/sharp progress reports/briefings - less is more.
- Sub-groups from KCTB membership with specific areas relating to outcomes.
- Chairs of KCT and KSCB sit on each others' Boards.
- Team building events - low cost.

4. Strategy and Planning - the CYPP is valued as a visionary statement setting out the LCT priorities but needs a clear action plan with a lead partner identified for each action, a clear lead challenger and resources identified. Leads need to be asked to report progress at specific intervals. It was felt that "we never get past the planning stage - we should plan, do, review and celebrate". There should be strong two-way communication with the LCTBs - they should form part of the scrutiny process, with the County Board inviting feedback and ideas from Districts and delivery quick responses. The Board should work more closely with the Commissioning Unit.

5. Joint commissioning and resources - 'Resources' need to be defined and identified (whether people, skills, finance, capital etc). More joint planning is needed to determine what we need to improve in Kent, what resources we have, what needs to be realigned/used differently, what is County, what is local. More understanding is needed around cost effectiveness - i.e. how much do we need to invest to secure outcomes as well as a deeper understanding of the consequences of large scale cuts. It would be useful to have information about savings made from partnership working. In summary KCTB needs to apply resources to meet agreed priorities, against a clear action plan, with measurable outcomes backed by a risk register. At present the Board does not know how resources are spent or what effect spending has had.

6. Performance management - needs strengthening. This should provide scrutiny and challenge which looks at partners' contributions to improving outcomes in the CYPP. Effectiveness should be measured through more intelligent, rigorous use of data, but the KCTB needs to be clear about what it is monitoring, scrutinizing and challenging. Some work needs to be done to look at impact vs cost. The KCTB should prioritise a few big issues for improvement (from the CYPP), take action, then evaluate what difference has been made. Evaluation should be built in at the start using baselines, benchmarks and statistics with a regular reporting cycle to the KCTB.

Evaluation should include more user feedback particularly those users at the 'extreme' ends of the spectrum e.g. disabled or hard to reach groups.

7. Workforce development - The KCTB needs to identify relevant transferable skills that are the minimum requirement for all working within the children's workforce and these need to be widely promoted i.e. start implementing the workforce strategy that was agreed by the Board. There needs to be a shared understanding of early intervention and prevention and integrated processes such as CAF and TAC. These should form part of any induction process for the children's workforce as a whole. It was suggested that the KCTB analyse turnover across the workforce to give a picture of who we are training and retaining within Kent, regardless of agency. Greater use of technology would aid the promotion of workforce development; perhaps a Kent children's workforce website.

8. Communications and connectivity - this area is key and needs to be greatly strengthened with a strong communications strategy to all stakeholders to promote the purpose and work of the KCT, its action plan, results and successes. Clear work plans need to be shared, monitored and linked to other plans. A broader engagement strategy is needed - consultation should focus on the extremes, as well as core groups. More customer feedback should be given i.e. to tell children, young people and their families what we did as a result of what they said. KCTB needs to be aware and make more use of existing mechanisms e.g. youth fora, schools groups, parent groups, special needs groups - all need to be built in to the communications strategy, defining who will be contacted by whom, when, what are the key messages etc. A range of tools could be used including social media. The KCTB newsletter was well regarded as an outward communications tool but could be more 'inclusive'. Communications should not be limited to 'children's specialist services' - but should include the contributions made by non-specialists.

In summary this means:

- Stronger leadership and links to Kent Forum and other key Boards.
- Clearer accountability, rigorous performance management and scrutiny processes.
- Streamlined membership with a clear sense of purpose.
- More openness and transparency.
- Clear processes to enable sharing/pooling of resources to deliver outcomes.
- Improved communications and connections between all stakeholders (regular and targeted).

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Kent Children's Trust Strategic Review 2011

Summary of Children's Trust arrangements in local authorities

1. Purpose and scope of survey

The aim of this survey was to establish the status of Children's Trust arrangements across a range of local authorities' including Kent's statistical neighbours, to inform decision making about the development of Children's Trust arrangements in Kent.

The small scale survey has included 24 local authorities to date and has focussed on 4 key questions:

1.	Is the main Children's Trust Board continuing? If not describe what group would be taking forward the Children's Trust agenda?
2.	Are there any Local Children's Trust arrangements? And if so will they be continuing?
3.	Is the Children's Trust producing a new Children and Young People's Plan?
4.	Has the relationship with the Health and Well-Being Boards been established?

2. Context

In November 2010 the DfE announced proposed changes to the legislation and regulations regarding Children's Trusts and CYPPs.

<http://www.education.gov.uk/inthenews/inthenews/a0066362/more-freedom-and-flexibility-a-new-approach-for-childrens-trust-boards-children-and-young-peoples-plans-and-the-duty-to-cooperate>

The overall aim of these changes was to give more freedom to local authorities to design partnership arrangements that most suited the local context. The statutory duty to cooperate from The Children Act 2004 remains the basis for these local partnerships led by Directors of Children's Services and Lead Members.

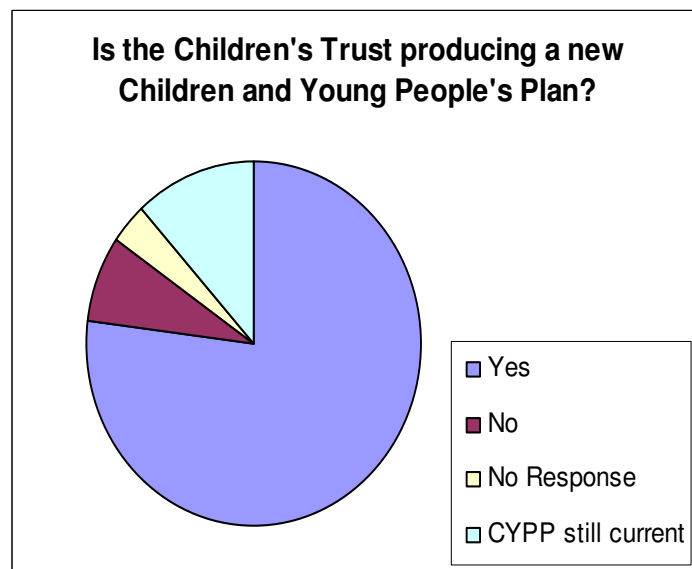
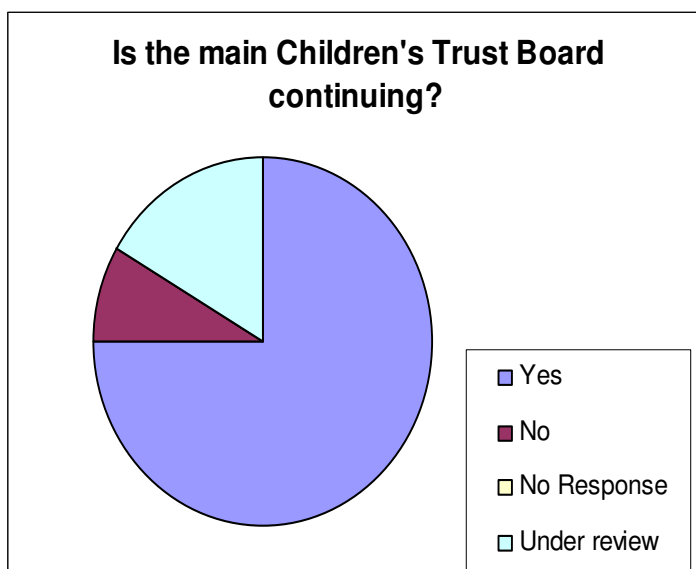
"Partnership working gets results. We have no plans to remove this sensible principle, enshrined in the 'duty to cooperate' (section 10 of The Children Act 2004) from legislation. Local authorities should continue to lead partnership arrangements that make sense for local people and services."

DfE Announcement 2010

3. Key findings

Most local authorities approached are taking the opportunity provided by the Government changes to review their Children's Trust arrangements. This survey has been undertaken whilst many local reviews are in progress and therefore new arrangements are still being developed. It is too early therefore to describe the range of 'new' Children's Trust arrangements emerging across the country. There are however some recurring themes reported through our survey;

- 3.1 All authorities approached planned to retain a distinctive strategic partnership focussed on children and young people.
- 3.2 There is a general shift towards smaller, streamlined partnership groups rather than large Boards at strategic levels.
- 3.3 The new partnership arrangements are being re-focused on children and young people in need and requiring early intervention.
- 3.4 The governance of the new arrangements is generally linked to the local strategic partnership which in most local authorities is also subject to review.
- 3.5 Not all authorities have operated more localised partnerships for example around schools or districts, however where they have these arrangements are being continued.
- 3.6 The links between the Children’s Trust Partnership and the new Health and Well-Being Boards has been acknowledged by all the local authorities approached, however firm relationships have not yet been established.
- 3.7 All local authorities are retaining a CYPP in some form setting out shared priorities for children’s services; however these are very localised with no common format.
- 3.8 There is a strong emphasis on joint working around a small number of shared priorities.



These findings are consistent with the EMIE research “Children’s Trust Boards; What has changed?” which was based on information collected between December 2010 and February 2011.

http://www.nfer.ac.uk/emie/detail.asp?id_content=55&id_category=6&id_ref=8296&detail=news


Appendix 1 details the individual responses from the local authorities who have responded to date.

*Joy Ackroyd
Kent Children’s Trust Partnership Manager
21st June 2011*

Survey of Children's Trust arrangements in Local Authorities

1. Survey of Kent's' Statistical neighbours

County	1. Is the main Children's Trust Board continuing? If not describe what group would be taking forward the Children's Trust agenda?	2. Are there any Local Children's Trust arrangements? And if so will they be continuing?	3. Is the Children's Trust producing a new Children and Young People's Plan?	4. Has the relationship with the Health and Well-Being Boards been established?
1. Kent (correct as at June 2011)	Currently under review however partners have expressed a strong commitment to continued joined working.	Yes, in September 2010 introduced 12 LCTs linked to the 12 Districts. The new LCTs take forward the work of the previous 23 Local Children's Services Partnerships and school clusters. 12 LCTs are lead by Independent Chairs.	Yes, a slimmer, streamlined plan to provide a strategic framework for decision making.	Yes, shadow Health & Wellbeing Board established and links to KCT are being considered.
2. East Sussex	Yes - chaired by Lead Member for Children's Services.	Yes - five co-terminus with District/Borough boundaries and called Children's Services Planning Groups. Under these five groups are sub-groups (22 in total) which are called Local Partnerships for Children clustered around secondary schools or groups of schools and often chaired by Headteachers. Each sub-group has a specific task and these arise out of guidance on the range of themes required. They each have a tiny budget but are not commissioning bodies.	Yes - the new CYP Plan for 2011-2014 is almost ready - with an appendix for the workforce strategy.	No response received.

3.	Essex	Yes, called 'Children's Joint Strategic Commissioning Group'	Yes we have five local children's delivery and commissioning boards (LCCDBs) – coterminous with our PCT current arrangement	Not a CYPF but have produced a commissioning strategy with priorities and each of the local boards have produced commissioning plans with commissioning intentions.	Yes the Children's joint Strategic Commissioning Group is a sub group of the Health and Wellbeing Board.  Z:\Global\SHQ\VED Policy\SPADS Unit\KEI
4.	Lancashire (Correct as at December 2010)	We are working toward our Children's Trust merging with the Health and Wellbeing Board.	Maintaining the existing 12 local groups linked with the 12 District boundaries.	Yes	See answer to question 1.
5.	Northamptonshire	Yes, in Northamptonshire the Children's Trust Board has agreed that it will continue and it is formally incorporated into the Partnership arrangements for the county.	The Trust have a Section 10 pooled budget arrangement and partners have committed to continue to contribute to the budget for 2011/12 and the formal agreement remains unchanged. In addition there is a piece of work currently being undertaken jointly with the LSCB and SOVA about pooling partnership resources to have a single integrated business management function for the Children's Trust and Safeguarding Boards.	Yes , we have agreed a 2011/12 Children's Plan which will be a one year plan to reflect a previously agreed ambition to meet certain aspirations by 2012.	Discussions are currently in progress about how the Trust will relate to the Health and Wellbeing Board once established. Initial views are that it should be a sub-function of the Health and Wellbeing Board with a specific focus on children, young people and families.

6.	Staffordshire	<p>Currently under review. On the 28.03.11 the Staffordshire Children's Trust Board made several recommendations, including that they would no longer meet, and the current Children's Trust Executive be reviewed and expanded with links into the Health and Wellbeing Board, for more information please log onto: http://www.staffordshirechildrenstrust.org.uk/districtandboroughtrustboards/ and look at the meeting's minutes</p>	<p>No, all 8 of the District Trust Boards have been 'dissolved' and subsumed into other new/existing local partnership arrangements, to find out more, please log onto: http://www.staffordshirechildrenstrust.org.uk/districtandboroughtrustboards/ to see how each one has changed</p>	<p>Yes, a Children & Young People's Strategic Action Plan has been produced for 2011-12 and can be found at: http://www.staffordshirechildrenstrust.org.uk/cypp/enstrust.org.uk/cypp/</p>	<p>This is still being developed.</p>
7.	Warwickshire	<p>Yes</p>	<p>Yes, we have 5 Area partnership groups</p>	<p>Yes, our CYP is being worked on currently with a view to updating as opposed to reproducing it.</p>	<p>In the process of being established.</p>
8.	Worcestershire	<p>Yes. All the partners on the CT Board were keen to continue and meetings are always well attended</p>	<p>Yes, we are in the process of setting up Local Children's Partnerships (LCP), in each of our 6 local areas (districts). These will act as local commissioners for local services for children and young people – the first of which will be the Youth Services Positive Activities funding, (subject to Cabinet approval in May 2011). They will also be involved in developing a Local 'Youth Offer'. This will be effective from April 2012 with the next 12 months being our transition period to ensure the LCPs are fit for purpose.</p>	<p>Yes and this will continue to be monitored by the Children's Trust and included in the Local Commissioning arrangements. The Child Poverty Strategy runs throughout our new Plan.</p>	<p>In the process of being established.</p>




2. Survey of other Local Authorities:

County	1. Is the main Children's Trust Board continuing? If not describe what group would be taking forward the Children's Trust agenda?	2. Are there any Local Children's Trust arrangements? And if so will they be continuing?	3. Is the Children's Trust producing a new Children and Young People's Plan?	4. Has the relationship with the Health and Well-Being Boards been established?
1. Birmingham	Yes	No local trusts in place	Yes, a simple and brief statement of partners priorities for children and young people	In hand - there is dialogue between both and recognition that both will revisit roles as the HWB remit becomes clearer
2. Coventry	Yes	Yes - the Children's Commissioning Board will continue to function in the same way. We are currently reviewing our outcome groups, and asking them to focus on fewer priorities.	Yes, we are looking to produce a smaller Children's Plan focused on fewer priorities	No - a shadow board has been established but we have not yet agreed how to link in with the children's agenda.
3. Dudley	Currently under review. Partners will be considering this over the next few months. However, they have already expressed a strong commitment to partnership working.	Yes, Township Groups in Central & North Dudley continue. Township groups in Stourbridge, Haleowen and Brierley Hill are on hold pending decisions relating to question 1.	Yes.	Under discussion.
4. Durham	Yes, but the County Durham Children's Trust is being reviewed	Yes 10 Local Children's Boards which will be working through integrated service hubs operational from September 2011	Yes currently developing shared priorities for improved outcomes.	Is being considered as part of a review of thematic partnerships in Durham.

5.	Hampshire	<p>Yes, Hampshire Children's Trust will continue to represent a wide range of partners and publish a strategic plan. The new Children's Trust model consists of:</p> <p>The Children's Trust Board: the key strategic group, with responsibility for developing the vision and direction for the Trust, including the Children and Young People Plan (CYPP);</p> <p>The Business Group: responsible for managing the day-to-day functions of the Children's Trust, in accordance with priorities set out in the CYPP. This includes planning, performance management and oversight of resources.</p>	<p>Yes, 18 Local Children's Partnerships (LCPs): the 'delivery arm' of Hampshire Children's Trust at a local level. Based upon direct involvement from all schools and partners in an area, they are key to improving a wide range of outcomes (both educational and social) for children and young people. LCPs support implementation of the priorities of the CYPP through local delivery plans.</p>	See answer 1	
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6.	Herefordshire	<p>Yes, The Board is continuing but under a new banner and with new governance arrangements. All this is in the context of our LSP moving to 9 locality partnerships. All our CT subgroups have finished (based around the 5 ECM outcomes). The new CT Board will have membership from all the "duty to co-operate" partners plus others to represent the other groups above - also schools, colleges, GPs, members of our yp shadow board etc</p>	<p>No didn't have any but would expect there to be some development with the 9 locality partnerships so they have a cyp input to them. (see answer to question 1)</p>	<p>Yes, it's slimmed right down and we're just finalising it. We have 4 priorities. We are asking partners to pledge support to these priorities and are coming up with a menu of pledges for them to sign up to. Our new CT Board will be responsible for overseeing delivery of the plan, holding partners to account, removing barriers etc</p>	<p>Relationship being monitored. The DCS and DPH sit on this and also sit on the CT Board so there are links but nothing formalised as yet.</p>
7.06	Hertfordshire	<p>No, the main Children's Trust Board (it is an Executive in Herts) is not continuing. We had our last Executive meeting in May and we will be taking forward the Children's Trust agenda through a Strategic Commissioning Group for Children's Services. This will include Health and Police, GP and Head teacher reps and will report to the Health and Wellbeing Board. We will have three children's commissioning groups reporting to the Strategic Commissioning Group. These are 'Early Intervention', 'Children with complex needs',</p>	<p>We have had local District Children's Trust Partnerships, which have reported to the Local Strategic Partnerships, not the Children's Trust. It will be a local decision whether these continue or not in the future.</p>	<p>Yes, we have produced a CYPP for 2011/12, and are now reviewing the new planning framework needed in future. The new framework will need to take a more resource driven approach across all partners.</p>	<p>Yes, the relationship with the Health and Wellbeing Board has been established, and the first meetings will take place in July. See answer to question 1.</p>

8.	London Borough of Barnet	<p>'Children living away from home'.</p>	<p>Yes, we have chosen to retain our Children's Trust Board. In the challenging financial climate it is more important than ever that partner agencies work closely together and plan jointly to reduce any duplication, maximise resources, and ensure that services are appropriately targeted.</p> <p>The Trust Board, which Cllr Andrew Harper chairs, contains as before, senior representatives from the police, health, schools and further education, together with my colleague, the Cabinet Member for Public Health and the independent chairman of Barnet Safeguarding Children Board.</p>	No Response.	<p>Yes, we have chosen to continue publishing a plan in order to support partnership working. The strategic priorities within the Children and Young People Plan were developed with input from a wide range of stakeholders including local health services, the police, the voluntary sector, schools, young people, as well as the Council, and were agreed by Cabinet for the three year period 2010/11 to 2012/13. The actions under these strategic objectives are being refreshed for 2011/12 with input from partner agencies.</p>	No Response.
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9.	London Borough of Tower Hamlets	<p>Yes, have recently reviewed our Trust arrangements, and agreed locally that we still need a partnership arrangement in place. However, we have streamlined our structure and are better able to respond to national and local change. We have also changed the name of the partnership to the Children and Families Partnership and are currently reviewing our terms of reference</p>   <p>Z:\Global\SHQ\LED Policy\SPDPS Unit\KEI\Policy\SPDPS Unit\KEI</p>	No	No response.	No response.
10.	Oxfordshire	<p>Yes</p>	<p>Yes, we have three Children's Trust regional boards (+an Executive Group) all continuing although attendance is reduced at the moment</p>	<p>We are on year 2 of our existing plan - see Oxfordshire workforce strategy.</p>  <p>Z:\Global\SHQ\LED Policy\SPDPS Unit\KEI</p>	<p>Early days with Health and Well-Being Boards - Oxfordshire is a pilot area.</p>
11.	Sandwell	<p>Yes, at present our CT Board is continuing, pending further work to determine the role, size and scope of the H&WB Board. We have always had a close relationship with the H&WB Board in its previous design.</p>	No.	<p>Yes, we have just agreed a new plan, on the basis that partners still wanted to express their joint ambition for Children and Families. I have attached the final draft for you.</p>	<p>Currently Members feel that the CTB gives a wider cohesive view of the needs of families and children, which they felt would be subsumed if part of a wider H&WB function</p>

12.	Shropshire	No County Board, but an Executive Group continues to operate.	No.	Yes.	Under discussion.
13.	Solihull	Unclear - DCS and V&CS wants to continue in some form but schools are looking for alternative approach. Sub groups all on hold and Board not meeting until end of June when it will reflect on partner consultations about next steps.	No.	No - pending discussion about future arrangements	Not yet, although discussion is underway. Concern that agenda will be adult focused.
14.	Stoke-on-Trent	Yes, the Trust Board is now a CYP Strategic Partnership Board. New governance arrangements for the partnership have been agreed	No response.	Yes, our plan runs until 2013, it will be refreshed annually	A link will be established
15.	Surrey	Yes, The Surrey Alliance (our version of Children's Trust) is continuing but slimmed down. It is impacted by the continuing uncertainty of our PCT arrangements in Surrey.	Yes, 4 area children's committees being established	It plans to do so but no CYP at present.	No. But we are keeping separate DCS and DAS with adults taking lead on health integration.

16.	West Sussex	<p>Yes, the CT is being reviewed. The CT has been a strong and enthusiastic strategic partnership and delivered positive outcomes through the Children and Young People's Plan (2010-15). An options paper is being presented to the CT Executive in July to propose options of disbanding it, continuing to operate as it is or to remodel into a Think Family Partnership. This will focus on early intervention and prevention and focus not only on children and young people but also their families.</p>	<p>Yes, there are children and young people's forums which are based on the district and borough boundaries. These are facilitated through the district and boroughs and their future is dependent on those operating at a local level. Health and Wellbeing Hubs at a local level are being set up and therefore, the CYPF need to assess their future role in light of this.</p>	<p>The CT produced a CYPP from 2010-15 which is still current and being performance monitored by the CT Executive. There will be no plans to develop a new strategy.</p>	<p>Not yet, this is under current discussion.</p>
17.	Wolverhampton	<p>Yes, 1. An independent LSCB will sharpen its focus on core Safeguarding business, challenge the CTB as before on safeguarding across the partnership with annual reporting to the HWBB as a minimum; 2. A CTB and/or Children's Executive Group is essential to drive forward the Children's agenda as is a robust, costed and monitored CYPP - we are currently developing the CYPP</p>	<p>No response.</p>	<p>Yes, we have six priorities for our new CYPP 2011-14 and it looks likely that progress will be driven by three sub-boards of the CTB - multi-agency of course like the H&WBB and LSCB - linking together complementary priorities. We will, of course, make good use of Task- & Finish groups to drive specific work areas.</p>	<p>The Shadow HWBB includes the Portfolio Holder for Children & Young People and</p> <ul style="list-style-type: none"> a. has oversight of the governance and partnership arrangements for both Adults and Children's safeguarding b. will receive progress reports on the CYPP and c. will review the future and role of the CTB as part of its Forward Plan - although its not clear for the moment when it will do that.

		<p>implementation plan whose progress will be monitored by the CTB. The City Council Cabinet will receive an annual report from the CTB; there are no current plans for this to go through the HWBB.</p>			
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For more information on this survey contact:

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Tuesday, 21 June 2011

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Other Key Partnerships

Partnership	Summary Main Purpose	Local Structures	Reports to / Governance	Nature of Chairmanship	Membership	Frequency of Meetings	Support	Contribution to Young People's Agenda	Strengths	Risks
Kent Association of Schools (KAS)	<ul style="list-style-type: none"> Voice of Kent schools/strategic voice/client voice Facilitation of school to school support Facilitate consultation/lobbying 	Yes	No direct reporting line. Will have a Board and an Executive	Independent and paid	<ul style="list-style-type: none"> Board – Independent chair, schools & ELS Corporate Director Executive – Independent chair plus school reps 	x 6 per annum (1 per term)	x 1 KR10-12 x 1 KR5 (paid for from school subscription)	<ul style="list-style-type: none"> As providers – Learning focus but will have a strong voice around prevention and early intervention from the perspective of a universal provider as well as commissioner of services Can provide front-line provider voice; voice of children and young people and can provide 'challenge' around impact and outcomes 	<ul style="list-style-type: none"> Front-line voice Deliver universal service for children and young people Key players in CAF and team around the child/family 	<ul style="list-style-type: none"> Association not set up to take forward or coordinate the action around the CYPP or Early Intervention and Prevention agenda. Focus will be the "gift" of the schools that form the Association. Broad focus around client voice and school to school support.
Health & Wellbeing Board	<ul style="list-style-type: none"> Lead on Joint Strategic Needs Assessment Promote integration and partnership Promote joined up commissioning plans across the NHS, Social Care and Public Health Support Joint commissioning and pooled/aligned budgets 	Intended	Reports to Kent Forum via Ambition Board 2	Kent County Council Leader or nominee	<ul style="list-style-type: none"> GP consortia representatives Cabinet Member Specialist Children's Services Director of Public Health (KCC) District Councils (x3 elected members nominated through Kent Forum) Cabinet Member Business Strategy Performance & Health Reform Cabinet Members Adult Social Care & Public Health Corporate (KCC) Director of Families & 	Quarterly	KCC	<ul style="list-style-type: none"> Children's needs assessed as part of the JSNA Will lead on JSNA JSNA to inform planning & commissioning of services, to include children and young peoples Health & Wellbeing. Potential to combine assessment to inform CYPP and JSNA in the future? 	<ul style="list-style-type: none"> Focus on health & wellbeing is quite wide and does cover key aspects of Early Intervention and prevention – in particular mental health and emotional wellbeing across the age range and important priorities around Early Years. 	<ul style="list-style-type: none"> Agenda covers Adult as well as children's issues Agenda will not cover all aspects of children and family issues e.g. provision of early years care Main focus should be JSNA Board is early in its development and capacity at this stage could be an issue.

Partnership	Summary Main Purpose	Local Structures	Reports to / Governance	Nature of Chairmanship	Membership	Frequency of Meetings	Support	Contribution to Children and Young People's Agenda	Strengths	Risks
Community Safety Partnership	<ul style="list-style-type: none"> Addressing community safety issues through joint working Preparing a Community Safety Agreement Coordinating the work of County-wide agencies to achieve priorities Attract resources 	Local Community Safety Partnerships	Kent Forum	KCC Cabinet Member for Communities	<ul style="list-style-type: none"> Social Care (DCS) Health Watch Kent Fire & Rescue Kent Police Kent Police Authority Probation Service NHS Districts/Borough/City Councils 	3 times per annum	Virtual Community Safety Team (KCC)	<ul style="list-style-type: none"> Community Safety issues where they are initiated by children and young people or impact on them, are covered here. 	<ul style="list-style-type: none"> Length of time that children's services have engaged in this area, both in policy and in practice is a strength. Strong linkages to local work and links into LCTBs 	<ul style="list-style-type: none"> Very focused on community safety. Not set up to take a broad and coordinating approach to tackling priority areas for children and young people across all areas.
Ambition Board 2	<ul style="list-style-type: none"> To agree and identify priorities to tackle deprivation across Kent To align and attract resources To coordinate and evaluate action 	Locality Boards (as they evolve)	Kent Forum	Elected from Membership (to be confirmed)	<ul style="list-style-type: none"> District Council Leaders x 4 District Council Chief Executives x 5 Chairman of Kent Fire & Rescue 2 KCC Cabinet Members including Lead member for Children's Services (KCC – DCS) 	Every 2 months	KCC	<ul style="list-style-type: none"> Tackling deprivation will cover family poverty agenda and will have an interest in education and learning as well as Early Intervention and Prevention. 	<ul style="list-style-type: none"> Broad remit that overlaps with that of previous KCT Able to take a strategic approach Is about aligning and attracting resources and coordinating and evaluating action 	<ul style="list-style-type: none"> Very early in development and would not have the capacity at this stage Membership does not cover Health, Youth Services, Police or Learning which are all key to the Children and Young People's agenda Very high level and unlikely to have the capacity to deliver in some of the areas that need to be covered in sufficient detail.
Kent Safeguarding Children Board	<ul style="list-style-type: none"> Determine how the different agencies and professional groups should cooperate to protect children from 	Local Child Protection coordinating communities x 3	Independent Has Board and Executive	Independent Chair	<ul style="list-style-type: none"> Independent Chair Probation Youth Justice NHS Public Health 	Quarterly	KCC	<ul style="list-style-type: none"> Safeguarding Corporate Parenting Elements of Prevention and 	<ul style="list-style-type: none"> Strong and broad membership High levels of engagement and commitment to 	<ul style="list-style-type: none"> Statutory focus and capacity to deal with range of work around broader priorities,

Partnership	Summary Main Purpose	Local Structures	Reports to / Governance	Nature of Chairmanship	Membership	Frequency of Meetings	Support	Contribution to Children and Young People's Agenda	Strengths	Risks
	abuse and neglect	(East, Mid, West)			<ul style="list-style-type: none"> Child Health Commissioning 1 District Council Chief Executive Police Schools Connexions Voluntary Sector 5 KCC Reps from Adult and Children's Services Lead Member for Children's Services 			Early Intervention	<ul style="list-style-type: none"> children's safeguarding Range of sub groups to carry out the business Children and Young People focused 	<ul style="list-style-type: none"> early intervention and prevention – limited Risk to KSCB if it was to be diverted from its core business.
Supporting People Commissioning Body	<ul style="list-style-type: none"> Oversees the Supporting people strategy (housing and related services for vulnerable people) Monitors the work of the Supporting people Core Strategy development group and the Administering Authority Ensures that effective scrutiny of decisions takes place Guides the work of the Supporting people team 	no	Kent Forum and KCC through Cabinet member	KCC Cabinet member for Customer and Communities	<ul style="list-style-type: none"> Elected members and senior officers from each of the 12 District and Borough Councils Kent Probation PCT KCC FSC, CC etc 	Quarterly	KCC (secretariat and supporting people team)	<ul style="list-style-type: none"> Work covers housing related issues for vulnerable young people. 	<ul style="list-style-type: none"> Engages well with children's services around the vulnerable young people's agenda 	<ul style="list-style-type: none"> Business of this group is focused on housing related services for vulnerable people and does not have a broader remit.
KDAAT Board	<ul style="list-style-type: none"> Undertaking needs assessments for substance misuse services in Kent Planning and commissioning services to meet those needs Monitoring performance and outcomes of drug and alcohol treatment services in Kent 	No – works through other local structures	Kent Forum Kent Community Safety Partnership	KCC Corporate Director of Customer and Communities	<ul style="list-style-type: none"> KCC (including Adult's and Children's Services) Probation Police PCT Supporting People 	Quarterly	KCC	<ul style="list-style-type: none"> Leads on implementation of the Kent Alcohol Strategy and Hidden Harm Strategy, including targeted early intervention work to reduce substance misuse by children and 	<ul style="list-style-type: none"> Strong contributor to prevention and early intervention agenda Takes a Think Family approach 	<ul style="list-style-type: none"> Needs to focus on implementation and scrutiny of its key strategies. Broadening out of remit would not be appropriate and would threaten capacity to deliver its agenda.

Partnership	Summary Main Purpose	Local Structures	Reports to / Governance	Nature of Chairmanship	Membership	Frequency of Meetings	Support	Contribution to Children and Young People's Agenda	Strengths	Risks
	<ul style="list-style-type: none"> Communicating plans, activities and performance to key stakeholders Working with partners to deliver shared national and local priorities and targets relating to drug and alcohol misuse 							young people		

Stakeholders not represented on the proposed Children and Young People's Joint Commissioning Board:-

Probation Services*
Job Centre Plus*
Connexions Services*
Youth Offending
Further and Higher Education
Schools and Academies
Fire and Rescue
Housing / Social Landlords
Diocesan Boards
Community Safety
Voluntary and Community Sector (both commissioned and non commissioned)
Youth Service
Early Years Providers
Children, Young People and Families
Adult Services
Other District / Borough Councils
Other Local Children's Trust Board Chairs
Other Kent County Council Services
Other Health Services

*Set out in statutory 'Duty to Cooperate'

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Summary of Feedback from the KCT Strategic Review Consultation

Date of Consultation - 18th July to the 8th August 2011 (inclusive)

Consultation Audience - Anyone currently or previously involved with Children's Trust arrangements in Kent at a senior or local level.

Owner of Consultation - Marisa White, Business Strategy Manager (Children's Services)

Governance for Consultation - Malcolm Newsam (Acting Kent DCS)

Responders:

- **Public Health** - Co-ordinated by Dr Jonathan Sexton (Assistant Director Public Health)
 - **Kent Children and Young People VCS Forum** - Co-ordinated by Richard Eason (Lifewhys)
 - **Swale District Advisory Board (Children's Centres)** - Co-ordinated by Sonny Butler (Chair of Swale DAB)
 - **Tonbridge and Malling LCT Board** - Sent from Independent Chair Jonathan Shaw
 - **Preventative Services** - Lee-Anne Farrach (Preventative Services Manager, Swale)
 - **Ashford Borough Council** - Co-ordinated by Christina Fuller (Director ABC & Vice Chair of Ashford LCTB)
 - **Kent Association of Further Education corporations (KAFEC)** - Co-ordinated by Jane Spurgin (KAFEC Director of Development)
 - **Shepway LCT Board** - Co-ordinated by Independent Chair David East
-

Key Themes from the consultation responses:

1) Delivery of the Agenda

- Support for the retention of a multi agency strategic group focussed on children and young people.
- Concern that 'narrowing the focus' of KCT by only looking at issues that involve 3 or more partners, is an over restrictive approach and leaves swathes of children's services issues downplayed in the County.
- Risk of KCT having a very "social care" view of the world only looking at specialist services and not universal need. It was felt that this was a significant risk to the preventative agenda.
- A discrete JSNA should be maintained to ensure a Universalist approach.
- Plans for a more streamlined approach and membership were generally welcomed in principle.
- The Board would need to meet regularly to have any impact on any of the agendas.
- Communication was a common theme highlighting the need to improve not remove communications across the entire children's and families sector (particularly to the front line staff).

- Need to revisit the arrangements in 18/24 months time to view success and development of other groups such as the Health and Well Being Board.

2) Governance & Leadership

- Strong support for a genuinely Independent Chair for the Board.
- Concern that the links between the County arrangements and the Local Boards were not robust enough in the proposals.
- Concern about whether there is a mechanism to ensure targets set by Ambition Boards are those delivered by KCT and whether KCT is able to set other/wider targets.
- Principle lines of accountability were clear but functional relationships were not i.e. links between Locality Boards and LCTBs, KSCB and KCTB.

3) Partnership

- Wanted clarify about how KFEC and the 14-19 Strategic Forum could feed into KCT strategic arrangements.
- Suggestion for a 'provider advisory group' that meets regularly and feeds into the revised Board. Meeting once a year does not allow for close partnership working.
- Strong support to have schools directly represented on the Board given the resources and influence they have on children, young people and families and that we should not be seen to set them 'further adrift'.
- LCTB Chair representations seen as a positive inclusion. The logistics of how this would work effectively were raised i.e. how it could be representative, should it be more than one rep etc.
- Statutory groups such as District Advisory Boards for Children's Centres were looking for clarity on Governance and reporting lines.

4) Membership

- It was widely felt that the membership was heavily weighted towards statutory agencies.
- Serious concerns from many about exclusion of the VCS in the membership and that this went against the approach adopted by many of the other senior groups such as KSCB.
- Exclusion of education reps most notably schools was questioned by many and identified as a 'high risk'.
- NHS provider services should have representation on the Board
- Strong feelings that there should be VCS representation on the Board given the Localism agenda and the Vision for Kent 'Put Citizens in Control'.
- Felt that VCS would enhance accountability and scrutiny.
- Positive feedback on the inclusion of an LCT Chair.
- KAFEC felt that having a principle on the Board would add post16 knowledge and influence to the membership.
- Equality and Diversity and participation champions should be nominated on the County Group to link with those in place at local levels to ensure that these areas are core to the work undertaken.

5) Localism and Local Children's Trusts

- Clarity needed about the inter relationships with Locality Boards, Health and Well Being Boards and Local Children's Trust Boards - where locally agreed targets 'sit' and whether they can 'feed up' into the process.
- More information and clarity on where responsibility will ultimately lie for streams of work and targets, and how and to whom issues and risks are escalated.

6) Support

- Need clarity about the support that KCTB and LCTBs will receive in the future.
- Retention of knowledge and resources of partnership team is essential for KCT arrangements to continue with meaningful effect.
- Concern about the removal of staffing resources attached to KCT how aspects like performance management will be supported and driven forward.
- Suggestion that the VCS could provide support to the arrangements to create better engagement.
- How will the vital communications elements of the Trust be maintained and strengthened without dedicated partnership resource.

7) Risks

- Concern that 'narrowing the focus' of KCT by only looking at issues that involve 3 or more partners, is an over restrictive approach and leaves swathes of children's services issues downplayed in the County.
- Combining the CYPP and the JSNA could not realistically be achieved with a reduced agenda for KCT. There is still a need for a holistic view of all children's services and issues across the county.
- Maintaining a strict commissioner/provider split is a danger as it means the group do not retain a balanced view of issues from those who are in direct contact with the delivery of specialist services for young people and families.
- Possible disengagement of the voluntary sector at a time where children's services most needs its support (Ofsted) and in contradiction to statements within Bold Steps for Kent, about building partnerships and understanding with the Voluntary sector.
- Strict 'dogma' of commissioner/provider split means there will not be a 'front line' view at the top table to inform and add insight and expertise.
- Success will be ability to commit resources to deliver shared work programme.

Author - James Harman

Title - Strategic Development Officer (KCT)

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By: Jenny Whittle, Cabinet Member for Specialist Children's Services

Malcolm Newsam, Interim Corporate Director of Families and Social Care

To: Cabinet - 19 September 2011

Subject: Children's Services Improvement Plan – Quarterly Update

Classification: Unrestricted

Summary:

Provides Cabinet with an update on progress on the Children's Services Improvement Plan and outlines the focus for the next six months.

Recommendations

Cabinet is asked to NOTE:

- (a) the achievement of the August Improvement Notice Targets
- (b) the very significant progress that has been made since the last quarterly report, and
- (c) the themes that will be the focus of the Phase 2 Improvement Plan

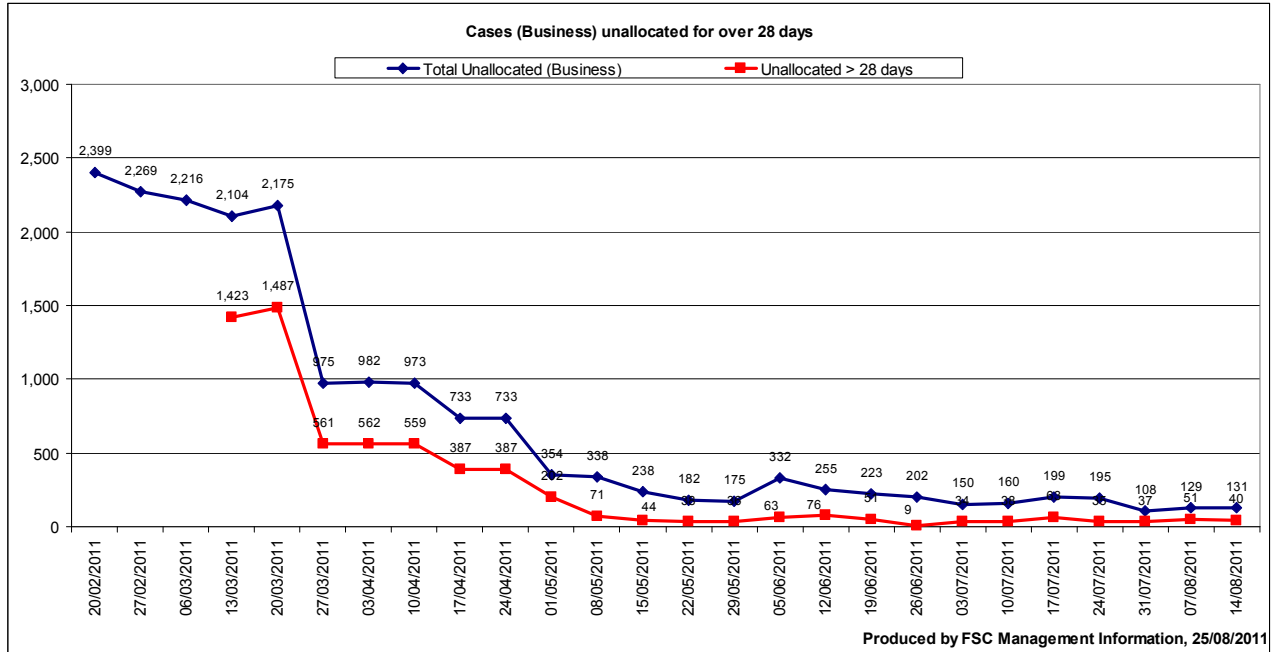
1. Introduction

- 1.1 This is the second regular report to Cabinet on progress made in implementing the Improvement Plan. The previous report, in May 2011, outlined the 10 Core Tasks which were the focus for the first six months of transformation, and summarised the actions taken to date.

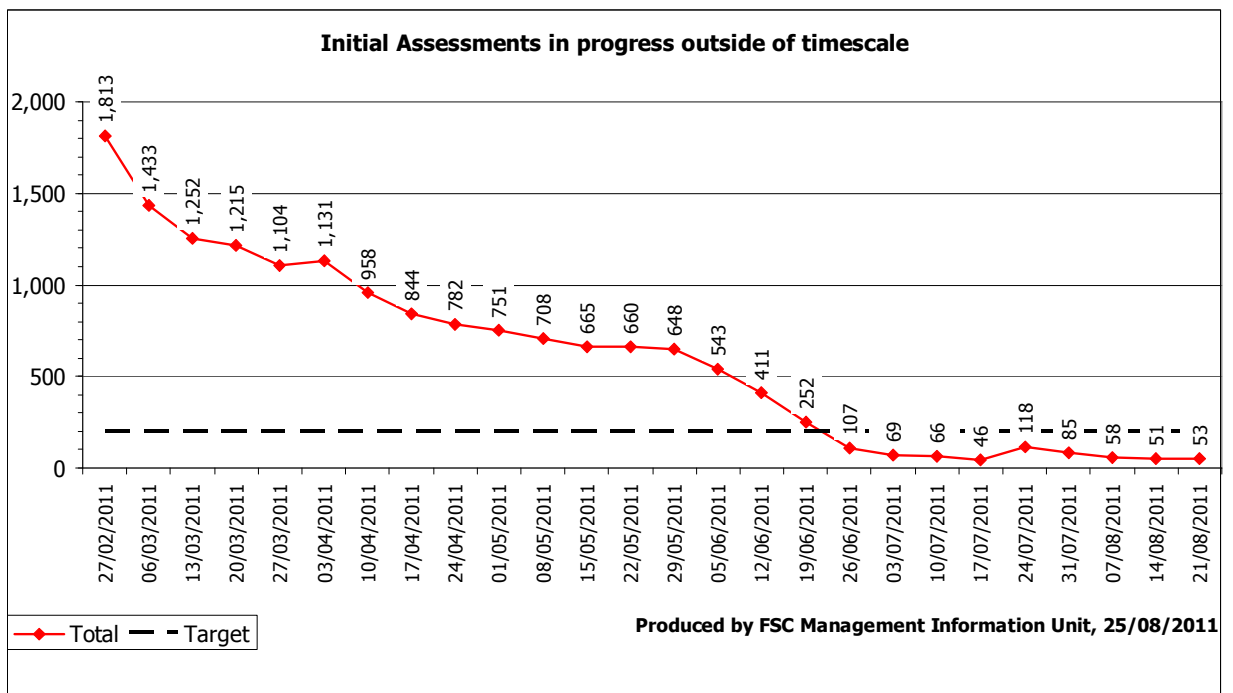
2. Achievement of the August Improvement Notice Targets

- 2.1 Three of the Improvement Notice targets had a deadline of August and all three have been met, which is a tremendous achievement. The enormous effort put into reducing the backlogs of cases - bringing in the peripatetic team, diverting the Parenting Capacity Team staff, relentless tracking progress through daily/weekly/monthly/quarterly monitoring reinforced at district meetings and through the Deep Dive exercises – has delivered the required results.

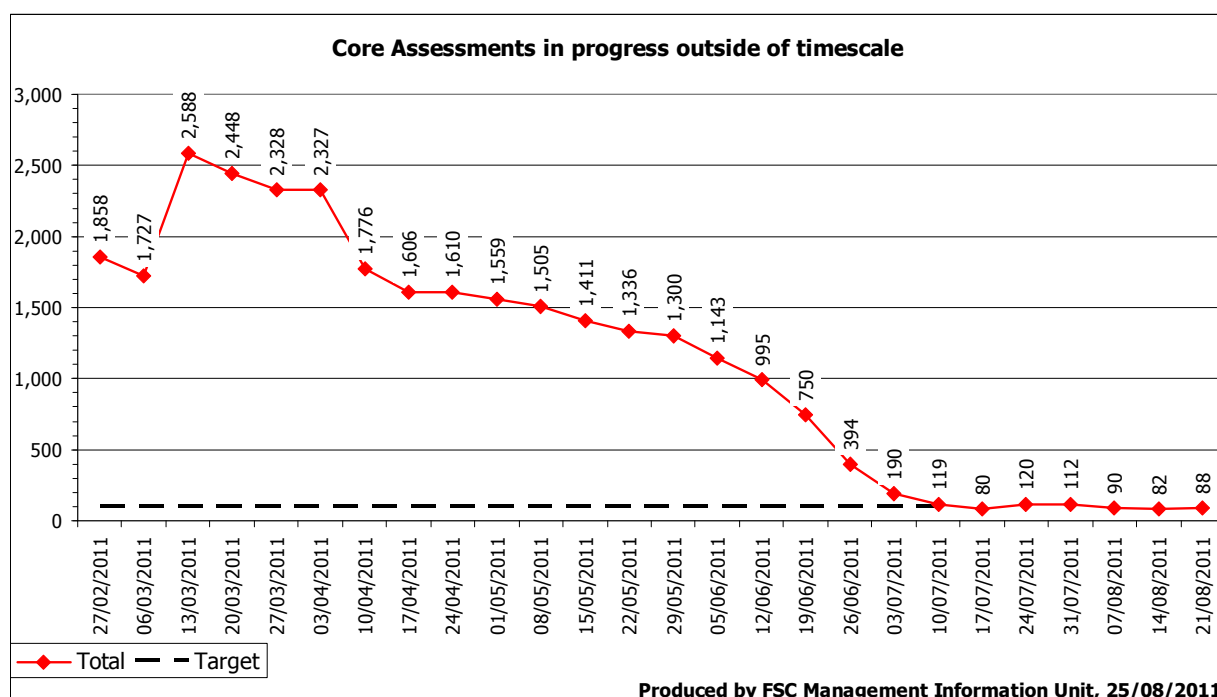
- (i) The first Improvement Notice target was to have no more than 100 unallocated cases over 28 days. Unallocated cases have been reduced from 2,633 to 131 (on 14 August), of which only 40 have been unallocated for more than 28 days, as the graph on the next page shows.



- (ii) Initial Assessments out of timescale have been reduced from 2,208 to 53 (on 21 August), easily overshooting the Improvement Notice target of 200.



(iii) Even the most challenging target - to have no more than 100 Core Assessments out of timescale – has been achieved as the graph below shows.



3. Other Progress

3.1 We are now also able to demonstrate a significant improvement in the timeliness of our Initial Assessments. Our current year performance (1 April 2011 to 31 July 2011) is 74% (5% above our Improvement Notice target of 69% for 2011/12).

3.2 The timeliness of core assessments is still masked by the closing of the large numbers that have been out of timescale. When we filter these out the underlying performance much stronger - 89% of assessments due were completed on time.

3.3 The focus on tackling the backlog has also brought dividends for throughput – caseloads are substantially reduced, and there is a more disciplined approach to case management including setting target end dates to avoid drift. Numbers of children in need are starting to reduce. A Throughput Improvement Programme has been established to ensure that throughput is maintained and backlogs do not build up again. The peripatetic (interim) team of social workers have worked through the backlogs of unallocated cases during their six month contract and we will ensure that backlogs do not build up again on their departure at the end of their contract in October. The Throughput Improvement Programme will help to avoid a similar situation arising again and enable social workers to have manageable caseloads.

3.4 The Performance Management Framework has been implemented, and processes around performance management have been strengthened. Heads of Service now receive daily information on cases out of timescale or unallocated, and weekly and monthly reports are scrutinised by managers and acted upon. The Duty Tracker is embedded in all Duty and Initial Assessment Teams (DIATs), which has greatly strengthened the management grip on new cases coming through the system. The Deep Dive meetings held in June resulted in a step change in performance and will be repeated in the autumn.

3.5 The Quality Assurance Framework has also been approved, and from August every social work manager from the Corporate Director down to Principal Social Worker will audit a case a month. The DIAT Improvement Programme comprises a combination of written guidance and protocols (“inspection-ready” packs issued to each DIAT, Duty Manual, Practice Standards, Transfer Protocol, Duty Tracker) with ‘hands on’ mentoring and guidance, and will be completed by November.

3.6 The new County Duty Team of temporary social workers went live on 12th May, dealing with inter-agency referrals and domestic violence notifications. It has already had an impact in terms of consistent, better quality decision-making and has reduced referrals substantially. It is shortly to be expanded to take on all children’s phone contacts, and will form part of the planned multi-agency referral unit being established in January.

3.7 To improve working conditions for staff, every site has been visited, issues identified and reviewed, and priorities agreed with local managers and Heads of Service. A planned programme of costed actions is being implemented, with a number of quick wins already making a difference. On the technology front, the tender for a new Integrated Children’s System is progressing well, and in the meantime improvements have been made to the network and to the memory capacity of individual laptops/PCs.

3.8 Considerable work has been undertaken to implement a new and strategic approach to commissioning. The Families and Social Care Directorate Management Team has approved an overall framework that will ensure local commissioners are operating within a clear strategic framework, on the basis of specific outcomes, as well as a thorough understanding of local need.

3.9 The senior management group within Specialist Children’s Services have now been through an assessment centre (based on the Kent competencies combined with a leadership survey that identified gaps and weakness). Following this, a programme is being developed to promote the demonstration of competencies, required behaviours and expectations of leaders. Guidance is also being drawn up around management responsibilities, accountabilities and competencies. Communications have also been improved with weekly bulletins, ‘Jenny’s Journal’ a regular communication from the Lead Member and the development of the Children’s Services Improvement Plan (CSIP) hub on KNet to give staff a clear sense of direction and purpose. The member-led Corporate Parenting Panel has also urged that social workers are properly

recognised and discussions are ongoing with a local newspaper group to establish a “Social Worker of the Year” award for Kent.

3.10 The compelling offer, which aims to bring trained and experienced social workers into Kent, retain our existing experienced staff, and recruit more staff from within Kent (returners and ‘grow your own’) was approved by the County Council, and is being implemented. A new 3 month campaign is being launched at the end of August aimed at recruiting experienced social workers, Principal Social Workers and Team Leaders.

3.11 Corporate parenting governance arrangements have been considerably strengthened since the Ofsted report. The all-party Children’s Service Improvement Panel meets on a monthly basis and the Corporate Parenting Panel meets quarterly. The Lead Member has visited 11 of the 12 District Children’s Social Services offices and discussed delivery of the Improvement Plan with managers and front line social workers. Members have also signed up to the Shadow a Social Worker scheme and are providing feedback to Council Committees and the Lead Members about their experiences. Members have also attended two corporate parenting training sessions in July and further dates have been set for the 7th, 21st, 25th and 26th of October.

4. Next Steps

4.1 Whilst it is right to celebrate the achievements of the last six months, Cabinet should be under no illusions about the challenges ahead. There is still a great deal of work to be done to meet the aspiration for Kent County Council to be excellent in terms of safeguarding children and providing services to looked after children. Now that the backlog has been addressed, throughput improved and caseloads reduced we can focus on quality and sustainability, ensuring that the Council has a positive impact on outcomes for children and young people.

4.2 A Phase 2 Improvement Plan is being drawn up that builds on but moves on from the original Improvement Plan. The key themes will be:

1. Maintain the timeliness of assessments and ensure all cases are allocated appropriately
2. Raise the quality of casework
3. Put in place a range of preventative services to avoid unnecessary family breakdown, with particular focus on high level family support, services for vulnerable adolescents, and more effective use of the Common Assessment Framework
4. Improve care planning and outcomes for looked after children
5. Reduce the numbers of looked after children, including increasing adoptions and implementing the recommendations of the independent review of the adoption service
6. Reduce the number of children subject to Child Protection Plans
7. Deliver services through a locality-based integrated structure which is fit for purpose, strongly managed, and staffed by experienced and competent social workers.

5. Financial Implications

5.1 £3.5m has been allocated to support the improvement programme this year, in addition to the costs of implementing the workforce strategy.

6. Bold Steps for Kent and Policy Framework

6.1 Improving Children's Services following the Ofsted Inspection last autumn has been identified as the Council's top priority.

7. Legal Implications

7.1 The Secretary of State has the power to issue a statutory intervention notice if he or she deems this is required to secure the necessary improvements within a failing service.

8. Equality Impact Assessments

8.1 There are no issues to report on this.

9. Risk and Business Continuity Management

9.1 A risk register has been established and maintained, and is reported regularly to the external Improvement Board.

Key strategic risks we need to mitigate are:

- Numbers of Looked After Children may continue to increase with impacts on staffing resources and outcomes for children
- There may continue to be an increase in the number of children subject to a Protection Plan due to low thresholds, shortages in preventative services and inadequate multi-agency working
- Recruiting and retaining experienced staff and managers
- Untoward safeguarding incidents

10. Consultation and Communication

The programme will continue to communicate with staff, managers, KCC Members, the Children's Trust and the External Improvement Board on improvement achievements and challenges.

Staff engagement has also been a major focus of programme communications, with weekly progress bulletins from the Interim Corporate Director issued to Specialist Children's Services employees and the development of an improvement intranet site providing staff with all relevant consultation and communication information relating to the improvements in a

'one stop shop'. The Cabinet Member for Specialist Children's Services also provides staff with a journal update on a monthly basis.

11. Sustainability and Rural Proofing Implications

11.1 There are no sustainability and rural proofing implications.

12. Conclusion

12.1 There has been very significant progress in key areas across the Improvement Plan as a whole and staff and colleagues are to be commended for achieving this rapid and successful transformation. However, there is still considerable work to do, with some complex challenges to address. The Phase 2 Improvement Plan will re-focus our efforts to ensure that this rapid improvement is maintained over the next six months and beyond.

13. Recommendations

Cabinet is asked to NOTE the:

- (a) achievement of the August Improvement Notice Targets
- (b) very significant progress that has been made since the last quarterly report, and
- (c) themes that will be the focus of the Phase 2 Improvement Plan

Malcolm Newsam

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Background documents:

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By: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
 Malcolm Newsam, Interim Corporate Director, Families and Social Care

To: Cabinet – 19 September 2011

Subject: **KENT PCT FUNDING FOR SOCIAL CARE, IMPROVING HEALTH OUTCOMES.**

Classification: Unrestricted

Summary: The purpose of this paper is to ask Cabinet for their approval to utilise the PCT funding for social care improving health outcomes across the seven broad areas in line with the DH guidance and to request delegated authority to officers to commission the services needed and agreed with the PCT to deliver these improved outcomes.

Introduction

1. (1) Following recent announcements about NHS support for social care, including those made at the Spending Review, this report sets out the expectations placed on Primary Care Trusts (PCT) and Local Authorities (LA) in spending these resources in line with the Operating Framework for the NHS in England 2011/12 and how the different funding streams are recommended to be utilised in Kent.

(2) In October 2010, the Government announced the details of the Spending Review covering the four years from 2011/12 to 2014/15. This reflected the Government's commitment to protect the NHS with the total health budget increasing by £10.6 billion over four years. This settlement needs to be considered in the context of reducing management costs and Quality, Innovation, Productivity and Prevention (QIPP) productivity gains which are expected to release up to £20 billion more funding into frontline services for patients over the four years.

(3) In 2011/12, the settlement includes an explicit provision from health resources of £800 million, which NHS commissioners will have available to spend on measures which support social care and benefit health in agreement with social care commissioners. For Kent this equates to £ 16,226,000 million; £8,412,000 million for Eastern and Coastal Kent PCT and £7,814,000 for West Kent PCT. It is the Department of Health's (DH) clear intention that this funding be used for social care purposes. Local authorities were informed of the expected transfer from PCTs as part of the 2011/12 and 2012/12 local government finance settlement. See appendix 1 for breakdown of new funding streams.

Bold Steps for Kent (Health) and Policy Context

2. (1) With regard to Bold Steps for Kent, these resources if deployed in the proposed manner will both put the citizen in control and tackle disadvantage by ensuring improved outcomes and pathways for clients, maintaining people at home and ensuring a greater range of choices.

(2) Bold Steps for Kent states that the health reforms proposed by the Government will give greater power to GPs to choose the best services for their patients, with local government having strategic responsibility to ensure the County's health needs are met. We must use this opportunity to improve the quality of the health service in Kent.

- We will help ensure that GP commissioning plans meet the health needs of all residents and communities in Kent. Working at County and District level we want Locality Boards to play a key role in this commissioning process, better connecting KCC and wider public services with health provision at the local level.
- We will work with GP consortia to encourage new healthcare providers to enter the market for health services in Kent. This will drive up standards, provide competition, increase choice and drive greater value for money for GPs and patients.
- We will work to join up and integrate health and social care service provision to reduce costs and demand that could be avoided - for example, by joining up our assessment processes.
- We will focus on a preventative approach to public health, supporting people to make better lifestyle choices and consider their own future health needs – so expensive health services aren't required as frequently as now.

(3) Cabinet will be familiar with the current policy context that underpins this additional funding, the two major policy drivers being:

- The NHS White Paper, Equity and Excellence: Liberating the NHS
- A Vision for Adult Social Care: Capable Communities and Active Citizens

Re-ablement monies

4. (1) The allocation of £16m from PCTs for social care to improve health outcomes is in addition to another funding stream for re-ablement services which is contained but not ring fenced in PCTs recurrent allocations and which is available from 2010-2013. Re-ablement funding has been accounted for as part of the emerging joint plans. The continued development of local re-ablement services will be in the context of the post discharge support plans submitted to SHAs in December 2010. This funding is intended specifically to develop current capacity in community services, including in the independent and voluntary sectors with the objective of ensuring rapid recovery from an acute episode and reducing people's dependency on social services following discharge. These resources can be transferred to local partners or pooled budgets established wherever this makes sense locally. Though the use of the new funding streams are additional to any existing pooled budget or lead commissioning arrangements that a PCT may have with a local authority.

(2) Attached at Appendix 3 is the high level detail of how the re-ablement monies is being deployed in Kent as agreed between KCC and the PCTs.

Department of Health Guidance regarding the funding streams to support Health and Social Care joint working 2010/11 – 2012/13

5. (1) The Department of Health (DH) guidance set out recommendation for what should be agreed between partners. The following explicit points may be seen to arise from this:

- a) Funding should be used to catalyse the move towards a sustainable and integrated health and social care system. There needs to be an integrated plan to ensure that whole systems benefits can be generated to support sustainability of enhanced levels of social care.
- b) PCTs are required to work together with LAs to agree jointly on appropriate areas for social care investment and the outcomes expected from this investment.
- c) The funding should be used to invest in enhancements in social care, over and above the existing service provision that will both improve the quality of outcomes for people and enable efficiencies within the NHS.
- d) The investment may be used to support and maintain existing services such as telecare, community directed prevention (including falls prevention), community equipment and adaptations and crisis response services.
- e) It is not intended to be used to merely fund deficits in existing traditional services where there are no wider system benefits. There needs to be a clear, measurable set of expected benefits and outcomes as a result of the additional funding.
- f) The funding should be in the context of a whole system plan and the current Joint Strategic Needs Assessment and/or any present revision of that process.
- g) There needs to be an agreed means by which LAs and PCTs will measure and review progress against the expected benefits; an explicit agreement as to how risks are shared and managed; and clear accountabilities for delivery.
- h) The funding should be integral to PCTs' Quality Innovation, Productivity and Prevention (QIPP) plans and used to secure the savings in areas such as length of stay and non-elective admissions.

Agreed investment areas for Kent

6. (1) As set out by the DH in October 2010 and the subsequent Gateway document circulated in January 2011, plans for use of new monies should be based on the recommendations of the Joint Strategic Needs Assessment (JSNA) and the partner agencies' Strategic Commissioning and Business Plans' key priorities. Use of new monies should achieve joined up delivery, reform and improve quality and efficiency in those key areas.

(2) The agreed areas for investment in Kent are;

- (a) Early Access, Assessment and Integrated Working
- (b) Reducing non elective activity inc reducing acute length of stay
- (c) Planning for additional Winter Pressures
- (d) Developing Locality Commissioning
- (e) Advanced Assistive Technology
- (f) Carers Strategy
- (g) Dementia Strategy

(3) Attached as appendix 2 is further explanation of the agreed priorities and the high-level spend allocated to each area.

Process of reaching agreement with Health

7. (1) KCC officers have worked in partnership with PCT colleagues to identify and agree areas for investment and to develop integrated plans for use of new monies.

(2) On Friday 26 August the Integrated Plan with high level Performance Indicators was submitted for agreement in principle, with the understanding that both agencies would then put the proposed plans through their governance and decision making channels: CMT and Cabinet for KCC and Eastern and Coastal and West Kent Commissioning Boards (these boards include GPs) for the PCTs. (at the time of writing this report August 31st we have not yet received formal agreement from the PCTs)

Procurement of Assessment Beds

8. (1) A key component of the integrated plan is the procurement of a range of assessments beds. These beds have a range of functions and can be used for both admission avoidance purposes and so that people are not forced to make decisions about their long term care needs in an acute setting and are provided with more time to recover from an acute episode where ever possible returning to their own home.

(2) Assessment Beds are essential to ensure that the 'whole system' is prepared for the additional pressure that winter places on the health and socail care economy. Specific delegated authority is sought for the procurement of these beds and the necessary support services to ensure that they are fully utilised. The benefits the beds will provide are to enhance social care provision to support avoidance of hospital admission and safe early discharge from hospital.

(4) Outcomes / Performance Targets for the beds are;

- Reduced admissions into long term social care placements
- Increased number of assessments for long term care taking place outside the acute hospitals
- To prevent avoidable admissions into hospital and long term care with step-up and step-down beds
- Reduce delayed transfers of care
- Reduce average length of stay in acute settings

SHA Assurance and Governance

9. (1) PCT Commissioners have provided broad details of how the funding allocated in 2010/11 would be spent. The SHA will continue to monitor this. Given that this funding is integral to the delivery of QIPP, this assurance will inevitably bear on the QIPP reporting process. It is recognised that the integrated nature of the planning means that outcomes and local governance will also need to relate to council's own resource challenges. Once agreed we will need to provide a joint final integrated plan to the SHA showing how the 2011/12 funding will be spent.

(2) There is no national prescription for the plan but suggested areas for local partners to cover include the following areas:

- What the funding will be spent on;
- The phasing of the investment;
- The expected benefits / outcomes;

- The expected phasing of those benefits and outcomes being realised;
- The means by which the spend and benefits realisation will be monitored; and
- Risks and mitigating actions.

(3) DH South East will be seeking assurance from LAs that the grant funding has been used appropriately and that agreements are in place according to the stated principles referred to in section 3 (a) to (f) above.

Financial Implications

10. (1) Appendix 1 outlines the allocation of money available in Kent for
- Re-ablement Funds - development of post-discharge support and re-ablement reducing unnecessary admissions £13,617k over 3 years
 - Winter Pressures - additional funding to PCTs £4,056k in 10 -11 only
 - Social Care Monies for Health Outcomes - to support social care services to improve health outcomes £31,882k over 2011-2013

(2) The Acting Interim Director of Finance and Procurement will confirm how the Social Care Monies for Health Outcomes (the £31,882k) will be managed in the Council's accounts.

Legal Implications

11. (1) Re-ablement funds in 2011/12 and 2012/13 will be contained within PCT baseline budgets. The funding is intended to develop re-ablement capacity in LAs, community health services, the independent and voluntary sector. The DH state it is a local decision how much money is spent on NHS services and how much on social care, resources can be transferred to local partners, or pooled budgets established.

(2) Social Care Monies for Health Outcomes funds have been allocated to PCTs who will need to transfer to LAs to invest in social care services to benefit health and to improve overall health gain. Transfer will need to be made via an arrangement under section 256 of the 2006 NHS Act.

Equality Impact Assessment

12. As this report does not create, update or propose removing a policy, procedure or service at this stage an Equality Impact Assessment has not yet been done. An Equality Impact Assessment will be completed where appropriate as part of each commissioning proposal.

Risks and business Continuity Management

13. (1) The DH identify that there is a risk that the funding streams will not deliver the expected benefits due to:

- a) the funding being used to meet shortfalls in existing areas of service provision;
- b) there being insufficient whole system rigor to ensure that an enhancement in social care results in improvement in quality and a reduction in NHS and whole systems costs;

- c) there being inadequate measures in place to allow scrutiny of the investment and the outcomes that it delivers;
- d) new agreed investment but in traditional areas that do not bring transformational or sustainable change;
- e) a deadlock between the NHS and LAs in agreeing how to spend the funding;
- f) local authorities potentially being reluctant to commit to longer-term recurrent expenditure since the funding streams are single yearly allocations that are not built into baselines.

(2) To address these risks, councils with their partners will need to ensure that robust governance and monitoring is established against milestones within their plans.

Consultation and Communication

14. (1) Families and Social Care officers have had extensive dialogue with colleagues in the PCTs to develop and agree these proposals. The Joint Strategic Needs Assessment for Adult Services has formed the basis for the plan together with the Needs Assessment for people with Dementia, Learning Disabilities and Mental Health. The proposals are supporting the QIPP plans developed with the PCT and the Clinical Commissioners.

Sustainability and Rural Proofing Implications

15. None envisaged

Are there any Personnel and Health and Safety Issues which are relevant?

16 The proposals include some additional posts most of which are time limited. There are no health and safety implications envisaged.

Alternatives and Options

17. The DH guidance gives a clear steer as to how these resources should be used and how LAs and PCTs are to reach agreement on their use. These proposals are in line with this steer.

Conclusions

18. This report explains the different funding streams that the Department of Health has made available to PCTS and LAs to support social care and benefit health and explains how it is proposed to utilise Kent's allocation.

Recommendations

9. (1) Cabinet is asked to:
- a) Note the content of this report
 - b) Note the deployment of the re-ablement monies
 - c) Approve the use of the PCT funding for social care improving health outcomes across the seven broad areas in line with the DH guidance
 - d) To delegate authority to officers to commission assessment beds and related support services

- e) To delegate authority to officers to commission all other the services needed and agreed with the PCT to deliver agreed improved outcomes

Background documents:

DH letter 13th January NHS Support for Social Care 2010/11-2012/13

Gateway reference 15434

The 2010 Spending Review Settlement” (Gateway number 14970) from Behan, 20 Oct 2010.

“2010/11 Funding for Re-ablement Linked to Hospital Discharge” (Gateway number 14936) from Flory, 28 Oct 2010.

£162m Additional Winter Pressures to Primary Care Trusts” (Gateway number 15386) from Nicholson and Kerlake, 4 Jan 2011.

“NHS Support for Social Care 2010/11 – 2012/13” (Gateway number 15386) from Flory and Behan, 13 Jan 2011.

Contact details:

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**NHS Support for Social Care
2010/11 – 2012/23**

Ref	Purpose	2010/11 (£m)	2011/12 (£m)	2012/13 (£m)	How the funding should be used
A + B	Development of post-discharge support and re-ablement reducing unnecessary admissions	£1,833k	£3,928k	£7,856k	To work with local authorities to develop local re-ablement capacity, according to local plans submitted to SHAs in December 2010. Funding may be transferred to local partners or pooled budgets. Each of the yearly allocations allows for local discretion to agree the proportion of spend on the NHS and social care in achieving improved integration.
C	Additional winter pressures funding to PCTs	£4,056k			For immediate investment in vital social care services which also benefit the NHS. New money to enable more rapid discharge
D	To support social care services		£16,226k	£15,656k	Funding must be transferred to local authorities, to spend on social care services which also benefit health. PCTs and local authorities should jointly agree how funding should be spent and the outcomes to be achieved.

References

- A. “The 2010 Spending Review Settlement” (Gateway number 14970) from Behan, 20 Oct 2010.
 B. “2010/11 Funding for Re-ablement Linked to Hospital Discharge” (Gateway number 14936) from Flory, 28 Oct 2010.
 C. “£162m Additional Winter Pressures to Primary Care Trusts” (Gateway number 15386) from Nicholson and Kerslake, 4 Jan 2011.
 D. “NHS Support for Social Care 2010/11 – 2012/13” (Gateway number 15386) from Flory and Behan, 13 Jan 2011.

**High Level Plan
Social Care Monies for Health Outcomes
2011 – 2013**

Item no	Item name	Item description	Owners	Total 11/12 (£m)	Total 12/13 (£m)
1	Early Access, Assessment and Integrated Working	Fund catalyst for change schemes across a range of adult services client groups, facilitate the integration of health and social care services, development of generic roles, including NHS staffs direct access to social care commissioned services. Commission and manage throughput of extensive range of additional short term care beds.	Anne Tidmarsh Penny Southern James Lampert	£3,307.5k	£4,915k
2	Reducing non elective activity inc reducing acute length of stay	Acute Hospital admission avoidance and reduction in length of stay improve recuperation/recovery support and therefore need for long tem care, ensure right services, right time and right place. This includes work undertaken by hospital case management teams and increased enablement/placement activity. In Yr1 consolidation of East Kent intermediate care provision, supporting development of Kent wide intermediate care strategy.	Anne Tidmarsh Paula Parker	£4990k	£4,496k
3	Planning for additional Winter Pressures	Fund a range of services commissioned and provided by KCC to ensure a flexible response to individuals varying needs. Support pressure points of people leaving hospital, as well as providing preventative and admission avoidance interventions in individuals own homes. Services provided to include enablement and short term placement provision.	Anne Tidmarsh Paula Parker	£3,950k	£3,800k

Item no	Item name	Item description	Owners	Total 11/12 (£m)	Total 12/13 (£m)
4	Developing Locality Commissioning	Yr1 significant funding to support development of Locality Commissioning initiatives that contribute to integration of health and social care and reduction of non elective activity.	Anne Tidmarsh Phillip Round HoAS	£1,160k	£220k
5	Advanced Assistive Technology	Commissioning to support delivery of Advanced Assistive Technology Strategy, in order to promote independence and reduce reliance on intensive care packages. Yr1 significant investment in new equipment and support services.	Anne Tidmarsh Hazel Price	£1,212.5k	£775k
6	Carers Strategy	Joint Commissioning to support delivery of Carers' Strategy, support carers to continue in caring role, better assessment and support planning including contingency and emergency planning.	Cathi Sacco Emma Hanson	£236k	0.0
7	Dementia Strategy	Commissioning to deliver expectations of Dementia Strategy, supporting changes in the dementia care pathway ensuring services are more proactive, support people to plan and reduce/better manage crisis situations. Ensure consistent range of service across East and West Kent, including community based support and crisis services. Supporting delivery of ongoing and increased demand for dementia specific services in KCC integrated care centres.	Cathi Sacco Emma Hanson	£1,370k	£1,450k
Total				£16,266	£15,656

**High Level Plan
Re-ablement Monies
2011 – 2012**

Item no	Item name	Item description	Owners	Total 11/12 (£m)
1	Urgent Care	Schemes to support the development of intermediate care strategy, including providing single point of access to identify available assessment and intermediate beds for patients who do not require acute care either for discharge or pre-admission. Improved management of urgent or crisis situations in the community including investment in therapy staff. Development of specialist urgent care services for people with dementia. Schemes to support the development of integrated care and investment in schemes that avoidance admissions. Improvements to fall pathway including falls prevention and urgent assessment and response.	Sue Gratton Paula Parker Emma Hanson WK & EK Urgent Care Boards and Clinical Commissioning Groups	£1115k
2	Acute Hospital Care Pathways	Improving pathways through Acute Hospitals including admission avoidance turn around in A&E and reduction of zero day length admission. Schemes to support reduction in A&E conversion rates from attendance to admission. Increased successful discharges home, ensure that discharge planning is robust and starts upon admission. Schemes that support the development of early supported discharge, reduction in length of stay and prevention of 30 day readmission. Improving discharge process including out of hours and weekends. Reduction of delayed transfers of care.	Sue Gratton Paula Parker Emma Hanson WK & EK Urgent Care Boards and Clinical Commissioning Groups	£1616k

**High Level Plan
Re-ablement Monies
2011 – 2012**

Item no	Item name	Item description	Owners	Total 11/12 (£m)
3	Improving Community Services	Improve community services to ensure proactive management of long term conditions in the community. The development of integrated case management and improved access to therapy and equipment to prevent admissions and support discharges, including handyman schemes to ensure minor adaptation in the home	Sue Gratton Paula Parker Emma Hanson WK & EK Urgent Care Boards and Clinical Commissioning Groups	£946k
4	Support for Care Homes	Improving range and quality of support offered to care homes including those with nursing. Improve urgent care pathways and ensure that care homes can access urgent care services to prevent unnecessary admissions	Sue Gratton Paula Parker Emma Hanson WK & EK Urgent Care Boards and Clinical Commissioning Groups	£327k
Total Value of schemes in PCT re-ablement plans				£4,004k
2011/12 re-ablement allocation is contained in PCT base budget – actual amount is unknown, however based 2010/11 suggested allocation				£3,928k

Minutes of the Children's Service Improvement Panel
Meeting Held: 22 June 2011 09:00 Medway Suite

Present:

Mrs Whittle (Chair)
 Mrs Allen
 Mrs Dean
 Miss Hohler
 Mr Lake
 Mr Smith
 Mrs Waters
 Mr Wells

Officers:

Malcolm Newsam
 Debra Exall
 Jennifer Maiden-Brooks
 Fiona Maycock (Clerk)
 Donna Shkalla

Apologies:

Mr Christie
 Mr Cubitt
 Mr Ferrin

1. Previous Minutes

1.1 Debra Exall advised that Corporate Parenting Member training sessions would be held on 13 and 20 July 2011. **Mrs Whittle asked for additional sessions to be booked for early autumn.**

1.2 The minutes of the previous Improvement Panel were agreed as a true representation of the meeting. Confirmation was given that the minutes will be reported to Cabinet and the Specialist Children's Services POSC to provide transparency and regular monitoring of progress against the Improvement Plan.

2. Corporate Director's Progress Report

2.1 Mr Newsam summarised the report. The number of referrals to Children's Services continues to be high, as does the number of Initial Assessments started. Timeliness of completion of Initial Assessments is improving.

2.2 An audit of the work of the County Duty Team shows a significant increase in quality. Mrs Allen asked whether it is possible to know where the referrals are coming from. Donna Shkalla confirmed that Children's Services already report on the source of contact but additional work is being done to analyse in detail the contact trail (who refers, what happens) using May data. **This will be provided at the next meeting.** Mr Newsam informed Members that eventually all contacts will be migrated into a County Duty Service; this will ensure one common centre for contacts and consistency of thresholds, less work in and reduced pressure on the 12 Duty and Initial Assessment Teams (DIAT).

2.3 Good progress was also being made on completing Core Assessments out of timescale. The peripatetic team (interim social workers) have had a big impact but Mr Newsam emphasised the danger of them simply transferring cases back to permanent social workers at the end of their contract. To avoid this, there is robust management of throughput, including setting anticipated end dates for all peripatetic team cases. Mr Wells asked when the Parenting Capacity Assessment Service (PCAS) teams would return to their normal work, and what the impact has been of them not undertaking their normal workload. Mr Newsam explained that staff are aware no decision has yet been made about future structure, however it does not appear that diverting PCAS has had any significant negative impact on the service. Mrs Whittle confirmed that there is little evidence that Courts regard PCAS teams as any more independent than the children and family social workers. **It was agreed that officers should consider whether, and for how long, PCAS would be needed to provide additional capacity when the peripatetic team's contract finishes and provide advice on this to Members.**

2.4 Miss Hohler asked whether we are likely to meet the Ofsted targets as the data shows we still have some way to go. Mr Newsam was confident that the targets on unallocated cases and timeliness of Initial Assessments would be achieved. On timeliness of Core Assessments, the target of 100 was incredibly difficult for a county the size of Kent, equating to just a handful of cases per district. However, he had spent a significant amount of time discussing each team's plans for achieving the target and he was confident that very significant improvement would be demonstrated over the next few weeks.

3. Core Strategy Updates

3.1 Debra Exall outlined the progress made against each of the core tasks. She informed Members that Donna Marriott and Donna Shkalla will be presenting the Performance Management Framework and Online Quality Assurance tool to the next Improvement Board; **this will then be brought to the next Improvement Panel meeting.**

3.2 Mrs Whittle reported on a recent discussion with Detective Superintendent Maria Shepherd from Kent Police regarding establishment of a multi-agency referral centre with Police, Health, and Children's Services. This should improve screening, reduce inappropriate referrals and promote feedback to other organisations.

3.3 On supervision, Mr Newsam emphasised that this was an area of vulnerability for the organisation. A supervision audit is taking place in June and July and it is anticipated that it will reveal that the quality and level of supervision is still not what it should be, for the reasons outlined in the core strategy update. **The results of the Supervision Audit will be brought to a future CSIP meeting.**

3.4 Mr Lake asked what progress has been made on providing tools for recording supervision following the Price Waterhouse Cooper Review. Donna Shkalla explained that ICS currently records supervision case notes and actions - it is planned to develop a performance management tool to assist with understanding progress for the child from one supervision to the next. This will be coupled with the worker supervision tracker currently being piloted in Dover. These cannot be combined as one is about the worker and the other about the child.

3.5 Mr Smith emphasised the need to focus on the children. Mrs Whittle agreed and accepted there is an enormous pressure on staff to deliver all the improvements simultaneously. Reducing social worker caseloads and a good IT recording system should enable them to spend more time with children and families. Mr Newsam reminded Members that the problems are long standing, including under-investment in the past, but increasing managerial discipline will deliver effective working and better outcomes for children.

3.8 Mrs Whittle informed Members that a way to celebrate the work of social workers is being proactively sought. Mr Newsam also cited the excellent work of Donna Marriott and the Safeguarding Unit, and Donna Shkalla and the Management Information Unit. Mr Smith asked for the Panel formally to recognise their achievements.

3.9 Debra Exall reported that a progress report will be going to the Improvement Board on the Integrated Children's System (ICS), **which will come to the next Improvement Panel**. Mrs Dean asked for an estimate of timescale for implementation of a new system. Mr Newsam gave a minimum timescale of 12 months after the agreement has been finalised. He explained that improvements to the current ICS system are being made - upgrades have been implemented to networks and increased memory capacity of individual PCs and laptops - but these are not long term solutions.

4. Data Reports

4.1 Donna Shkalla explained the reports to Members for clarity of interpretation; percentage of referrals going on to initial assessments gives the comparison between the number of referrals received and number of initial assessments started.

4.2 A permanence tracking tool is looking at mapping the number of adoptions month on month to provide a reflection of the true picture.

4.3 The results of the district deep dives will be given at the next meeting.

5. Information Reports

5.1 Mrs Allen asked for confirmation that Health partners have signed up to the Improvement Programme. Mrs Whittle reported that Lorraine Goodsell, Director, Commissioning Child Health NHS Kent and Medway, and Helen

Jones, Specialist Children's Services Head of Commissioning are driving forward a jointly commissioned CAMHS service and performance will be measured by the appropriate council committee.

5.2 Donna Shkalla will report to Donna Marriott and Penny Davies concerns over dissemination of information around preventative work with partner agencies.

Dates of future meetings

Agenda Setting*	Time	Meeting	Time	
12 April	4 pm	26 April 2011	12.30	Waterton Lee
3 May	11 am	17 May	4 pm	Swale 3
7 June	4 pm	22 June	9 am	Medway
6 July	3.30 pm	13 July	3 pm	Swale 3
27 July	10 am	25 August	11 am	Swale 3
31 August	2 pm	20 September	2 pm	Medway room

Minutes of the Children's Service Improvement Panel
Meeting Held: 13 July 2011 15:00 Swale 3

Present:

Mrs Whittle (Chair)
Mrs Allen
Mr Christie
Mr Cubitt
Mr Lake
Mrs Waters
Mr Wells

Officers:

Malcolm Newsam
Peter Bole
Debra Exall
Donna Marriott
Fiona Maycock (Clerk)
Michelle Pennellier
Donna Shkalla

Apologies:

Mrs Dean
Miss Hohler

1. Previous Minutes

1.1 Donna Shkalla confirmed that referral data requested at the previous meeting was included with the papers.

1.2 Mrs Whittle informed Members that reports on the joint procurement with Health of a Community Children's and Adolescent Mental Health Services (CAMHS) model and a new Integrated Children's System (ICS) would proceed to Cabinet on 18th July 2011.

1.3 The minutes were agreed as an accurate record of the last meeting.

2. Integrated Children's System Progress Report

2.1 Peter Bole gave a presentation on the progress against the two Improvement Plan targets relating to the Integrated Children's System (ICS). **These slides will be distributed after the meeting.**

2.2 The issues raised from the Price Waterhouse Cooper report were outlined. A new team with a mix of expertise is working together to focus on improving technical, infrastructure and delivery elements of the current ICS.

2.3 Peter Bole confirmed that an OJEU advert was placed on 1st July for a new ICS and the procurement process is likely to last until September.

2.4 Mr Christie raised concerns over the different needs of users across Kent. Mrs Whittle emphasised the importance of finding an ICS which requires all staff to adhere to one way of working. Peter Bole explained that there are two types of system; prescriptive systems force the user to complete the process in a set way and others allow authorities to design elements themselves. Continually making improvements to the current ICS contributed to the system's weaknesses. Mr Newsam emphasised the importance of

instilling procedural rigour into a consistent way of practice. Mrs Whittle stated Kent should not be innovators in this area but procure a system with a large client base which is known to work well and permit problems to be rectified more speedily.

2.5 Mr Christie asked what the likely cost will be. Peter Bole stated that the anticipated cost of full implementation, including licence fees (estimated at £400,000), installation, training and migration of information is between £1.2 million and £1.5 million. Mrs Whittle advised that Capita would wish to assist with the migration of data.

2.6 Mrs Allen asked whether there is evidence to show inputting times have reduced with the improvements to the ICS. Donna Marriott replied that there are statistics showing improvements in the speed of running the system. She stated that the average time is currently 1 hour to complete a referral which is a significant improvement. Mr Newsam added that compliance rates are increasing with the improvements being made.

2.7 Mr Wells asked whether information is available regarding the Ofsted rating of other authorities who use the Capita One ICS. **Officers agreed to investigate this.** The rating of ICS includes the delivery, management and use of the system. Peter Bole confirmed that when authorities are going out to tender for a new ICS, Capita are no longer bidding, which indicates they do not have a long-term future in this particular market.

2.8 Mr Newsam explained the importance of getting strong leadership to manage the implementation of the new ICS. Mrs Whittle added that gaining user feedback and allowing an admin support base for practitioners is critical to success. Mr Lake also highlighted the importance of senior people being able to zoom in to team level information.

2.9 Members thanked Peter Bole for his presentation and asked for further updates to come to the Panel in due course.

3. Corporate Director's Progress Report

3.1 Mr Newsam reported that fantastic progress continued to be made on the number of Initial and Core Assessments out of timescale since the report was written. For the new year to date, 72% of assessments have been completed within timescales, currently exceeding the target of 67%.

3.2 Mr Christie noted the encouraging progress but asked how confident can we be that staff are dealing with the current work and not allowing new backlogs to build up. Mr Newsam replied that following the District "Deep Dives" he was indeed confident that new work was being progressed in a timely fashion. The trackers have really helped improve management grip and keep staff on top of deadlines and staff feel a millstone has been lifted from them. When the peripatetic team and the PCAS workers are no longer working on the backlog, the existing staff will cope with the workload. The

other dimension is to ensure the establishment matches the demand, and we have the right number of social workers in the right locations. A report on this will be brought to the next Panel meeting.

3.4 Mr Wells warned that when the new ICS system was brought in and data was migrated, this would have a temporary impact on productivity.

4. Core Strategy Updates

4.1 Debra Exall reported that there was now audit evidence that the County Duty Team was bringing consistency to decision-making and was reducing referrals to Duty and Initial Inspection Teams and there were now plans for it to expand to take on all contacts relating to children's referrals in the near future.

4.2 A consultant has been contracted to support the development of the Early Intervention and Prevention Strategy so this report will be brought to the Panel in October.

4.3 On supervision, Mr Wells questioned the need to bring the level of supervisor down to Senior Practitioner level. Donna Marriott explained that a balance needed to be struck between experience and need; some Senior Practitioners had the capacity and experience to be supervisors, and this was a sensible solution to a situation where so many supervisors had too many people to supervise.

4.4 Following the tabling of a report from Rob Semens on Core Task 7, Mr Christie asked what the current turnover of staff is. **Rob Semens will contact Members with an answer to this.**

4.5 Mrs Whittle asked for a robust marketing campaign for experienced social workers and a **report on the impacts already felt to be brought to the next meeting.**

5. Performance and Quality Assurance Frameworks

5.1 Donna Marriott and Donna Shkalla presented the Performance and Quality Assurance Frameworks, including an explanation of the online audit tool. **The slides will be emailed to Members after the meeting.**

5.2 Mrs Whittle asked for Internal Audit to be included in the process of quality assurance. For example, they could have a role to audit the quality of the audits being done as this would not require social work knowledge.

5.3 Donna Marriott explained the complex sampling arrangements to ensure fair representation of cases. The pilot will run for a few months to ensure smooth operation, involving all managers and supervisors from the Corporate Director down, with the view to expanding to all social work staff and preventative services in the future.

5.4 Mrs Waters asked about the impact on morale if staff are regularly graded inadequate. Donna Shkalla confirmed that the ratings will highlight capability issues, but tools will be available to address this.

5.5 Mr Christie asked whether trade unions have been involved. Mr Newsam confirmed that they had been invited to contribute but had not yet responded to his letter.

5.6 Members thanked Donna Shkalla and Donna Marriott for their presentation and felt reassured that the service was responding positively to Ofsted's criticism around the lack of frameworks and embedding of a performance management culture.

6. Data Reports

6.1 Donna Shkalla drew Members attention to the referral data that was circulated with the performance reports.

7. Improvement Plan Highlight and Exception Reports

7.1 No actions to take.

8. For Information Reports

8.1 **Agreed that future meetings need to focus on one or two strategic issues.**

Dates of future meetings

Agenda Setting*	Time	Meeting	Time	
12 April	4 pm	26 April 2011	12.30	Waterton Lee
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By: Alex King – Deputy Leader
Peter Sass - Head of Democratic Services

To: Cabinet – 19 September 2011

Subject: Follow up Items and Decisions from Cabinet Scrutiny
Committee – 25 July 2011

Classification: Unrestricted

Summary: This report sets out the decisions from the Cabinet Scrutiny Committee and items which the Committee has raised previously for follow up.

Cabinet Scrutiny Committee

1. (1) Attached as Appendix 1 is a schedule that contains the decisions from the most recent meeting of the Cabinet Scrutiny Committee on 25 July 2011, together with the response of the relevant Cabinet Member. The schedule also describes any outstanding requests for information from the Cabinet Scrutiny Committee which have not to date been discharged by the Committee.

Policy Overview and Scrutiny Committees

2. (1) At its meeting on 15 July 2010, the Scrutiny Board agreed that any specific recommendations to Cabinet arising from Policy Overview and Scrutiny Committees (POSCs) should also be fed back to the Cabinet. All the POSCs make a valuable contribution in their specific areas through detailed debate and discussion of policies and services. At the time of writing, there were no specific recommendations arising from a POSC since the last meeting of Cabinet on 18 July 2011.

Recommendation:

3. That the Cabinet agree responses to these decisions, which will be reported back to the Cabinet Scrutiny Committee.

Contact: Peter Sass
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01622 694002

Background Information: *Nil*

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Kent Youth Service - Commissioning Model Public Consultation (25 July 2011)

Cabinet portfolio: Mr M Hill

Synopsis: The report to Cabinet contained a proposal for consultation outlining the vision for the transformation of Kent Youth Service and the innovative model of service delivery.

Reason for call-in: Members wished to examine in detail which alternative options of making savings to the Youth Service budget had been explored, whether other provider organisations would be willing and able to provide youth services under the proposed commissioning model, and the potential consequences of the proposals, including costs.

Recommendations and responses:

1. Thank Mr Hill, Ms Honey, Ms Slaven, Mr Baker, Mr Farrell, Ms Miah, Mr Frost, Mr Nicholls, Ms Hawkins and Mr Knight for attending the meeting and answering Members' questions.

2. Welcome the undertaking given by the Cabinet Member that the comments and suggestions made had been noted and would be incorporated, possibly as an appendix, into the main consultation document. Furthermore, welcome the assurance given by the Cabinet Member that a succinct and user-friendly summary would also accompany the main consultation proposals.

Cabinet Member's Response:

A Young People's Summary of the key Service Transformation proposals has been produced and circulated widely across the county. Comments received from members of Cabinet Scrutiny have been noted and will be addressed as part of the final report that will be produced for the Cabinet Member following the end of consultation and prior to any final decision being made.

Date of Response: 15 August 2011

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